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VEDHIK

DAILY NEWS ANALYSIS

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FOREWORD

We, at Team Vedhik is happy to introduce a new initiative - "Daily Current Affairs_The Hindu" compilations to help you with UPSC Civil Services Examination preparation. We believe this initiative - "Daily Current Affairs_The Hindu" would help students, especially beginners save time and streamline their preparations with regard to Current Affairs. A content page and an Appendix has been added segregating and mapping the content to the syllabus.

It is an appreciable efforts by Vedhik IAS Academy helping aspirants of UPSC Civil Services Examinations. I would like to express my sincere gratitude to Dr. Babu Sebastian, former VC - MG University in extending all support to this endeavour. Finally I also extend my thanks to thank Ms. Shilpa Sasidharan and Mr. Shahul Hameed for their assistance in the preparing the compilations.

We welcome your valuable comments so that further improvement may be made in the forthcoming material. We look forward to feedback, comments and suggestions on how to improve and add value for students. Every care has been taken to avoid typing errors and if any reader comes across any such error, the authors shall feel obliged if they are informed at their Email ID.

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Restoration

Sri Lanka will be well served by a return to parliamentary democracy

The resignation of Sri Lanka's Finance Minister Basil Rajapaksa as Member of Parliament on Thursday did not come as a surprise, given the adverse public mood he and the rest of his family, including his brothers President Gotabaya Rajapaksa and former Prime Minister Mahinda Rajapaksa, have been facing. But what was surprising was that he took a month to quit after unprecedented violence in Sri Lanka. The violence was an outcome of the attack unleashed by supporters of the ruling Sri Lanka Podujana Peramuna (SLPP) on peaceful anti-government protesters, who have been running the campaign "Go home Gota [Gotabaya Rajapaksa]" over the country's worst economic crisis. It needs no reiteration that Basil Rajapaksa, regarded as the livewire of the SLPP, was perceived in certain quarters as one of those responsible for the attack on the protesters. His political departure comes at a time when efforts are on to get Cabinet clearance for the proposed 21st Constitutional Amendment, which is aimed at empowering Parliament over the executive President, apart from barring those holding dual citizenship from entering the legislature. Basil Rajapaksa, who holds American citizenship too, would have been affected and realisation may have dawned on him.

The development should provide a breather to Prime Minister Ranil Wickremesinghe, who has been battling for significant changes in the Constitution. Needless to say, he would like the complete restoration of the 19th Amendment, which was adopted by Parliament in April 2015 when he was the PM; Maithripala Sirisena was the President. Gotabaya Rajapaksa, who assured his country days after the violence that he would take steps to amend the Constitution to bring back the 19th Amendment, should honour his word. He should not be influenced by voices within the SLPP that the economic agenda should take precedence over the political agenda of constitutional amendments. The two agendas have become so intertwined that the government's performance in the context of the political agenda would create a conducive climate for the international community to consider investing in Sri Lanka in a big way. The President, who has said that he would like to complete his remaining term of two and a half years, should keep this in mind and facilitate the task of Mr. Wickremesinghe in reconstructing the beleaguered economy. One should not forget that the 19th Amendment, while in force, was no bar for then President Maithripala Sirisena to effect a constitutional coup. This is why the demand for the abolition of the office of executive President assumes significance. There may still be a long way to go for abolition but, in the event of the proposed 21st Amendment being passed, the experience gained should be used by all stakeholders constructively to pursue the goal of bringing back the parliamentary form of government, which was in existence in Sri Lanka for 30 years since Independence in 1948.

War takes toll on Surat diamond trade

Many workers left jobless as supply of raw material from Russia stops

A.M. JIGEESH
SURAT/RAJKOT

Mitosh Patel, 38, is a school dropout. He earns about ₹18,000 a month by spending three hours a day cutting and polishing diamonds in a small room beside his house in Rajkot district of Gujarat. But he has not earned anything for the past 100 days due to the ongoing war between Ukraine and Russia.

“I have not got the raw diamond of *patli* (small) size which I cut and polish, since the war began. Agents from big factories in Surat used to bring the raw material to my house. Some of my relatives and friends who are experts in cutting diamonds earn



Losing sheen: A worker at a diamond unit in Surat. ■ FILE PHOTO

more than ₹1 lakh a month. They also haven't got any work in the past 100 days,” Mr. Patel says.

Mr. Patel is among the roughly five lakh people in rural Gujarat, who are engaged in cutting and polishing of diamonds for nearly two generations. The non-availability of raw material, mostly from Russia, has left them jobless.

“We have seen the 2008 recession which led to a huge decrease in demand. The industry was closed for about 35 days and lakhs of people lost jobs. Now, the situation is different. We import 100% of our raw materials from Russia, Australia and African countries such as South Africa, Zimbabwe and Congo. Seventy-five per cent of the consumption of

end products is by the U.S. directly or indirectly. Due to the problems between Russia and Ukraine, the U.S. has put a ban on Russian companies. Nearly 27% to 30% of raw materials are from Russia. In *patli* size, almost 70% is imported from Russia,” says Dinesh Navadia, Regional Chairman of Gems and Jewellery Export Promotion Council.

The entire work of small diamond cutting and polishing is done in rural Gujarat. Workers do farm work in the morning and polish and cut the raw diamond in the evening. “Diamond gets its real value after our work,” Mr. Patel says, seeking help from the government.

The solitaire stones, which are slightly costly and big, are handled by the processing units in Surat city.

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Ukraine war hits Surat's diamond industry hard

Nearly 12 lakh people work in this sector apart from about five lakh in rural Gujarat. Nearly 70% of these workers are from Gujarat followed by workers from Rajasthan, U.P., Bihar and Kerala.

The workforce was mostly from the Patel community earlier. The funding for their work was done by traders belonging to the Jain community. Now, both communities have a stronghold over the trade of diamonds.

The new generation is looking for office jobs and other vocations. But Bhavnagar, Amreli, Junagarh, Rajkot and Surat districts have a huge number of workers. "We have urged the Centre to intervene. U.S. has banned even Indian products. As U.S. is the main market, we have to abide by their decisions," Mr. Navadia, who is also the national treasurer of the Vishwa Hindu Parishad, says.

A small processing unit owner who wished not to be named, says he had to close down his unit due to the non-availability of raw material. "I had 70 workers under me. None of them have jobs now," he adds.

One interesting factor is

that compared with other sectors, demand has increased for diamonds due to the changing trend of investment among youngsters in the United States.

"During the COVID-19 pandemic, we were fearing loss of at least 25%. But our exports boomed during the lockdown. The investment pattern of youngsters in U.S. seems to have changed. They are buying diamond ornaments using their investment. The demand has increased. It is a historically golden period for diamond sector," Mr. Navadia says.

According to the Gems and Jewellery Export Promotion Council, total exports of gems and jewels was about \$37 billion in 2021-22 compared with \$27 billion in the previous year.

"We have unprecedented demand. The Prime Minister himself is taking initiative and he has promised that there will be a proper policy on value addition in this sector so that 100% benefit comes to India. The trade war between China and the West is benefiting us. The work has increased. 400 new factories are now making jewellery," Mr. Navadia says.

Won't rule out war over Taiwan: China

Chinese Defence Minister meets U.S. counterpart, says Beijing will destroy 'Taiwan independence' plot

AGENCE FRANCE-PRESSE
SINGAPORE

Beijing will “not hesitate to start a war” if Taiwan declares independence, China’s Defence Minister warned his U.S. counterpart on Friday, the latest salvo between the superpowers over the island.

The warning from Wei Fenghe came as he held his first face-to-face meeting with U.S. Defence Secretary Lloyd Austin on the sidelines of the Shangri-La Dialogue security summit in Singapore.

Beijing views self-ruled Taiwan as its territory and has vowed to one day seize the island, by force if necessary, and U.S.-China tensions over the issue have soared in recent months.

Mr. Wei warned Mr. Austin that “if anyone dares to split



Tough talks: Wei Fenghe, centre, heading for a bilateral meeting with Lloyd Austin in Singapore on Friday. ■ REUTERS

Taiwan from China, the Chinese Army will definitely not hesitate to start a war no matter the cost”, Defence Ministry spokesman Wu Qian quoted the Minister as saying during the meeting.

The Chinese Minister vowed that Beijing would “smash to smithereens any

‘Taiwan independence’ plot and resolutely uphold the unification of the motherland”, according to the Chinese Defence Ministry.

He “stressed that Taiwan is China’s Taiwan... Using Taiwan to contain China will never prevail”, the Ministry said.

Mr. Austin “reaffirmed the importance of peace and stability across the (Taiwan) Strait, opposition to unilateral changes to the status quo, and called on (China) to refrain from further destabilising actions toward Taiwan”, according to the U.S. Department of Defense.

Tensions over Taiwan have escalated in particular due to increasing Chinese aircraft incursions into the island’s air defence identification zone (ADIZ).

U.S. President Joe Biden, during a visit to Japan last month, appeared to break decades of U.S. policy when, in response to a question, he said Washington would defend Taiwan militarily if it is attacked by China.

The White House has since insisted its policy of “strategic ambiguity” over

whether or not it would intervene has not changed.

Japanese warning

With concerns mounting over China-Taiwan tensions, Japanese Prime Minister Fumio Kishida issued a stark warning at the summit: “Ukraine today, may be East Asia tomorrow”.

The world must be “prepared for the emergence of an entity that tramples on the peace and security of other countries by force or threat without honouring the rules,” he said.

He did not mention China, but repeatedly called for the “rules-based international order” to be upheld.

Mr. Austin is the latest senior U.S. official to visit Asia as Washington seeks to shift its focus back to the region from the Ukraine war.

No tax on compensation for land taken for rail project: HC

NHSRCL had acquired land at Bhiwandi in Thane for bullet train project

SPECIAL CORRESPONDENT
MUMBAI

The Bombay High Court held that no income tax should be deducted on the compensation given for acquiring land in the Mumbai-Ahmedabad Hi-Speed Rail Project by the National Hi-Speed Rail Corporation Limited (NHSRCL) and steps should be taken to refund the amount.

A Division Bench of Justices S.V. Gangapurwala and M.G. Sewlikar, which passed the order on Thursday, was hearing a petition filed by Seema Patil. She is the owner of certain plots of land situated at Bhiwandi in Thane district and the NHSRCL acquired the land from her under an agreement and deducted income tax at the source from the compensa-



tion paid to her on October 23, 2019.

On or around May 8, 2020, a supplementary deed was entered between Ms. Patil and the NHSRCL under which some additional amount was paid to her and TDS amount was deducted. On or around December 4, 2020, Ms. Patil requested the company to reverse the TDS on the ground that no tax

was deductible. After 20 days, the NHSRCL got back to her and said exemption from income tax is not applicable if land is acquired from Ms. Patil and it was duly deposited with the Income Tax Department.

The advocate appearing for Ms. Patil contended that the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act specifically exempts payment of income tax on an amount of compensation paid under the award and/or agreement. He said the NHSRCL ought not to have deducted the tax at source because it is applicable only where the amount is taxable in the hands of the recipient.

The counsel appearing for the NHSRCL argued that the

amount received by Ms. Patil pursuant to an agreement is taxable as the acquisition is by an agreement between the parties. Hence, the income tax at source is deductible.

On June 9, the court held, “As the exemption under the Act would squarely apply, no income tax can be levied in the present matter for the amount of compensation, inter alia NHSRCL could not have deducted amount of tax deducted at source (TDS) from the amount of compensation paid to the petitioner. The company has already deducted the TDS which it ought not to have deducted.”

The court thus directed steps to be taken to refund the amount in accordance with the provisions of Income Tax Act and Rules.

Former CAG pushes for more accountability in government

The data available is not properly auditable, says Mehrishi

DAMINI NATH
NEW DELHI

Retired Comptroller and Auditor General of India (CAG) Rajiv Mehrishi on Friday said that the CAG, the supreme audit institution of the country, did not even meet the standards of chartered accountants of private companies when it came to assurances.

Mr. Mehrishi said the CAG officials see only the accounts that government departments want them to see. He was addressing a conference on the digitisation of public expenditure organised by the George Washington University and Bill and Melinda Gates Foundation here.

“If you see the audit reports of CAG, we do not come up even to the insufficient standards of chartered



Rajiv Mehrishi

accountants of private companies in the matter of assurance. We don't use the word assurance in our reports,” Mr. Mehrishi said.

He said the CAG officials were faced with a strange situation where they were under pressure of time and the officers concerned said the “file is lost”.

“That entire process is not auditable, so you get what the department wants

to give... The way the accounts are, they are not properly auditable,” he said.

The larger issue was that of the fundamental principle of Parliamentary democracy, that every rupee earned or spent had to be accounted for by the legislature. “Now, with the kind of data we have, Parliament can draw no assurances that every rupee is earned or spent is consistent with what they have approved,” Mr. Mehrishi said.

The solution to the problem was not just digitisation, but “business process re-engineering”. For example, he said, about 25% of the expenditure of several State governments was labelled as “other” expenditure. The data available was “obscure” and “error-ridden”, he added.

India is not the fastest growing big economy

A closer look at recent data on GDP shows that the numbers are flawed and recovery is incomplete



ARUN KUMAR

The Provisional Estimates of Annual National Income in 2021-22 just released show that GDP grew 8.7% in real terms and 19.5% in nominal terms (including inflation). It makes India the fastest growing major economy in the world. Further, the real economy is 1.51% larger than it was in 2019-20, just before the novel coronavirus pandemic hit the world. In nominal terms it is higher by 17.9%. These numbers imply that the rate of inflation was 10.8% in 2021-22 and 16.4% between the two years, 2019-20 and 2021-22.

Quarterly growth rates

This picture implies almost no growth and high inflation since the pre-pandemic year. So, the tag of the fastest growing economy means little. If an economy drops sharply and then rises equally fast to reach its earlier level, that cannot be taken as an indication of a rapidly growing economy.

The quarter to quarter growth currently may give some indication of the present rate of growth. In 2020-21, the quarterly rate of growth increased through the year. In 2021-22, the rate of growth has been slowing down. Of course in 2020-21, the COVID-19 lockdown had a severe impact in Q1 (-23.8%); after that the rate of growth picked up. In 2021-22, the rate of growth in Q1 had to sharply rise (20.3%). Ignoring the outliers in Q1, growth rates in 2021-22 have sequentially petered out in subsequent quarters: 8.4%, 5.4% and

4.1%. True, the last quarter (January-March 2022) data was impacted by the Omicron-related lockdowns in January and February. It was further impacted in March by the supply disruptions following the war in Ukraine and the severe COVID-19 lockdown in China. Going forward, while the lockdown in China is over, the war-related impact is likely to persist since there is no end in sight. Thus, price rise and impact on production are likely to persist. The rapid rise in prices will impact demand from the vast majority of citizens who are losing out. That will reduce growth further.

Data as the problem

More worryingly, the issue is about correctness of data. The annual estimates given now are provisional since complete data are not available for 2021-22. They may be better than the second advance estimates released three months ago as more data become available. There is a greater problem with quarterly estimates since very limited data are available for estimating it. So, the data for the fourth quarter of 2021-22 released now is even more problematic

The first issue is that during 2020-21, due to the pandemic, full data could not be collected for Q1. Further, for agriculture, quarterly data assumes that the targets are achieved. But in Q1, a lot of fruits, vegetables, flowers, milk and poultry products could not come to the market, and rotted and wasted. This is more than 50% of the agriculture output. Thus, the growth rate of agriculture was certainly less than the official figure of 3%.

Agriculture is a part of the unorganised sector. Very little data are available for it but for agriculture – neither for the quarter nor for the



GETTY IMAGES/STOCKPHOTO

year. It is simply assumed that the limited data available for the organised sector can be used to act as a proxy. In other words the non-agriculture unorganised sector is represented by the organised sector. The data for the full organised sector are also not available so 'high frequency' data (listed in the press note) are used. For instance, Goods and Services Tax (GST) collection data are used. But, it is well known that GST is collected almost entirely from the organised sector. In brief: very little data are available for quarterly estimates; and even less is available for the unorganised sector. Since the same method is used to estimate the annual growth rate the errors get repeated.

Errors in total, components

If better data became available after the shock of the lockdown, and it got used, there should be substantial revision in the previous year's quarterly data. But if one compares the Q1 2020-21 data in the latest release with the data released in May 2021, the change is 0.3%. Does this imply that the high frequency data used is very well able to predict quarterly GDP? This is unlikely to be the case when a shock is administered to the economy which changes the parameters of the economy. The

data remaining largely unchanged implies that the same error is being carried forward.

The quarterly data is added up to yield the annual total. If a better method was used to estimate the annual data, it should not equal the sum of the quarterly data which as argued above is estimated on the basis of a limited data set. The implication is that the errors in the quarterly data are repeated in the annual data.

The method using the organised sector to proxy the unorganised non-agriculture sector may have been acceptable before demonetisation (2016) but is not correct since then. The reason is that the unorganised non-agriculture sector suffered far more than the organised sector and more so during the waves of the pandemic. Large parts of the unorganised non-agriculture sector have experienced a shift in demand to the organised sector since they produce similar things. This introduces large errors in GDP estimates since official agencies do not estimate this shift. All that is known is that the Micro, Small and Medium Enterprises (MSME) sector has faced closures and failures.

If GDP data are incorrect, data on its components – private consumption and investment – must also be incorrect. Most often, ratios are applied to the GDP to estimate them. But, if the GDP is in error, then the ratios will yield erroneous results. The other main components – government and external trade – may be assumed to be reasonably accurate even though this data is revised over several years.

Further, the ratios themselves would have been impacted by the shock of the lockdown and the decline of the unorganised sectors. Additionally, private consumption

data is suspect since according to the data given by the Reserve Bank of India which largely captures the organised sector, consumer confidence throughout 2021-22 was way below (not marginally lower) its pre-pandemic level of 104 achieved in January 2020. So, consumption could not have come close to its pre-pandemic level.

In brief, neither the total nor the ratios are correct. Clearly, consumption and investment figures are over-estimates and very likely because the decline in the unorganised sectors has not been captured.

Possible correction

In the best possible scenario, let us assume that the organised sector (55% of GDP) and agriculture (14% of GDP) are growing at the official rate of growth of 8.2% and 3%, respectively. Then, they would contribute 4.93% to GDP growth. The non-agriculture unorganised component is declining for two reasons: first, the closure of units and the second the shift in demand to the organised sector. Even if 5% of the units have closed down this year and 5% of the demand has shifted to the organised sector, the unorganised sector would have declined by about 10%; the contribution of this component to GDP growth would be -3.1%.

Based on the above assumptions, the GDP for 2021-22 would have grown by only 1.8%, and not 8.7%, and it would be less than the pre-pandemic GDP of 2019-20 by 4.92%. Clearly, recovery is incomplete and India is not the fastest growing big economy of the world.

Arun Kumar is a retired Professor of Economics at the Jawaharlal Nehru University. He is also the author of 'Indian Economy's Greatest Crisis: Impact of the Coronavirus and the Road Ahead', 2020

Fitch upgrades India's outlook to stable citing 'rapid' recovery

Credit rating firm pares FY23 growth forecast to 7.8%, sees inflation at 6.9%

VIKAS DHOOT
NEW DELHI

Fitch Ratings raised India's rating outlook to 'stable' from 'negative' on Friday, citing fading downside risks to medium-term growth thanks to a rapid economic recovery and easing of weaknesses in the financial sector.

The credit rating firm has, however, lowered its GDP growth forecast for 2022-23 from 8.5% projected in March to 7.8% due to the impact of inflation on the growth momentum.

Despite near-term headwinds from the global commodity price shock, Fitch expects robust growth for India relative to similarly rat-



Slowed by prices: Fitch cites impact of inflation on growth momentum while paring its FY23 GDP forecast. ■ AFP

ed peers, but the country's public finances remain a credit weakness with the debt ratio broadly stabilising, based on its expectations of 'persistent large deficits'.

The firm affirmed India's

long-term foreign currency issuer rating at 'BBB-' while revising the outlook, noting that this 'balances India's external resilience from solid foreign-exchange reserve buffers against some lagging

structural indicators'. A BBB rating reflects low expectations of default risk with adequate capacity for payment of financial commitments, although adverse business or economic conditions are more likely to impair this capacity.

While high nominal GDP growth has facilitated a near-term reduction in India's debt-to-GDP ratio, Fitch sees the higher subsidies this year and the excise duty cuts on fuel to offset the surge in consumer prices would cost about 0.8% of GDP. This would push the fiscal deficit to 6.8% from the Budget target of 6.4%, despite robust revenues, it reckoned.

Indian crude oil basket touches 10-year high

Indian basket hit \$121.28 on June 9

PRESS TRUST OF INDIA

NEW DELHI

The basket of crude oil that India buys has hit a decade high of \$121 per barrel, but retail selling prices of petrol and diesel continue to remain frozen. The Indian basket touched \$121.28 on June 9, matching levels seen in February/March 2012, according to data available from the Oil Ministry's Petroleum Planning and Analysis Cell (PPAC).

As per the PPAC, the Indian basket of crude oil averaged \$111.86 per barrel between February 25 and March 29 – the period after Russia's invasion of Ukraine when oil prices soared.

It averaged \$103.44 a barrel between March 30 and April 27.



International oil prices held near a 13-week high on Thursday, underpinned by robust demand. They, however, pared some gains on Friday, with Brent crude futures for August losing 81 cents to trade at \$122.26.

India is 85% dependent on imports to meet its crude oil needs and so local pump rates are benchmarked against international prices.

Industrial output growth rose to 8-month high of 7.1% in April

Low base helped, mining output lower than expected: ICRA

PRESS TRUST OF INDIA
NEW DELHI

Industrial output expanded 7.1% in April, the fastest pace in eight months, on the back of improved performance by the power and mining sectors, as per government data released on Friday.

The manufacturing sector recorded growth of 6.3% in the first month of the current financial year, data on Index of Industrial Production (IIP) released by the National Statistical Office (NSO) showed. The earlier high for IIP growth was 13% recorded in August 2021.

However, the NSO added that growth rates over the corresponding period of the previous year were to be in-



terpreted considering the unusual circumstances on account of the COVID-19 pandemic since March 2020.

“The low base of the second wave of COVID-19 bumped up the IIP growth to an 8-month high of 7.1% in April 2022, although it trailed our expectation (9.2%), led by a weaker-than-

anticipated performance of mining,” said Aditi Nayar, chief economist, ICRA

The power and mining sectors grew 11.8% and 7.8%, respectively, in April.

As per use-based classification, the capital goods segment recorded a growth of 14.7%, while consumer durables output expanded 8.5%.

Still, the weak showing of capital goods output relative to the pre-COVID level confirmed the view that the uptick in capacity utilisation in the fourth quarter of FY22 would not trigger a rapid private sector capacity expansion in light of the uncertainties generated by geopolitical developments, Ms. Nayar added.

Rupee sinks to record low of 77.93 as oil, FPI outflows weigh

‘Crude price rise fuels fears of global economic slowdown’

SPECIAL CORRESPONDENT
MUMBAI

The rupee slid to a record low against the dollar on Friday amid demand for the U.S. currency from Foreign Portfolio Investors (FPIs) exiting the markets and oil firms needing to pay for costlier crude oil imports. The benchmark S&P BSE Sensex also fell 1,016.84 points, or 1.84%, to 54,303.44.

The rupee ended at 77.93, weakening 19 paise from Thursday’s 77.74, which was the previous all-time low.

‘China curbs rattle’

“The rupee has slumped to a new record low after a prolonged phase of consolidation as risk sentiments have



soared amid concerns about acute price pressures and the reimposition of some lockdown restrictions in China,” said Sugandha Sachdeva, vice president – Commodity and Currency Research, Religare Broking.

She said the rise in crude prices towards three-month highs owing to supply tightness was further accentuat-

ing inflation concerns and inflicting damage on the global economy.

On the equity side, stocks that lost the most on the BSE included Kotak Bank (3.96%), Bajaj Finance (3.9%), HDFC (3.8%), Reliance (3.02%), Wipro (2.99%) and Tech Mahindra (2.51%). The NSE Nifty 50 too slid 1.7% to 16,201.80.

“Rising inflation fears gripped the domestic market leading to heavy sell-off ahead of the release of U.S. inflation data and the Fed policy meet next week,” said Vinod Nair, head of research at Geojit Financial Services. “Inflation data will be crucial to sense the quantum of a rate hike,” he added.

Russia delivers more efficient nuclear fuel for Kudankulam

After the next refuelling, the reactor will start operations in an 18-month fuel cycle, according to Rosatom State Corporation

DINAKAR PERI
SUDHAKAR P.
NEW DELHI/TIRUNELVELI

Rosatom State Corporation of Russia has supplied the first batches of more reliable and cost-efficient nuclear fuel over the existing one, the TVS-2M nuclear fuel, to India for the Units 1 and 2 of Kudankulam Nuclear Power Plant (KNPP), the company said in a statement on Friday.

Once the new TVS-2M fuel is used in the next refuelling, the reactor will start operations with an 18-month fuel cycle. It means the reactor, which has to be stopped for every 12 months for remov-

ing the spent fuel and inserting the fresh fuel bundles and allied maintenance, will have to be stopped for every 18 months.

“Thus, TVEL has fulfilled the agreement with Nuclear Power Corporation of India Limited (NPCIL) on implementation of a comprehensive engineering project, including introduction of TVS-2M nuclear fuel and elongation of the fuel cycle from 12 to 18 months for both VVER-1000 reactors,” it stated.

Compared to the current fuel model, the TVS-2M fuel assemblies have a number of



The economic efficiency of Kudankulam nuclear project is set to increase due to the longer fuel cycles. ■ A. SHAIKMOHIDEEN

advantages making them more reliable and cost-efficient, according to Rosatom. Firstly, it is the rigidity of a bundle. Because of the welded frame, the fuel assemblies

in the reactor core retain their geometry. The spacer grids protect the fuel rod cladding from fretting wear and the additional spacer grid makes the fuel assem-

blies more vibration-resistant.

Secondly, the new fuel has increased uranium capacity – one TVS-2M assembly contains 7.6% more fuel material as compared to the earlier fuel bundles. In addition, the special feature of the Kudankulam fuel in particular is the new generation anti-debris filter protecting bundles from debris damage, which may be caused by small-sized objects in the reactor core, the statement explained.

Operation in longer fuel cycles also enhances the economic efficiency of a plant:

As reactors have to undergo stoppage and refueling less frequently, the power units can produce more electricity. Besides, the plant needs to buy less fuel, and as the result, has to deal with smaller amounts of spent fuel.

Russia is building the KNPP under an Inter-Governmental Agreement (IGA) of 1988 and follow on agreements in 1998 and 2008. The first stage, consisting of power units No. 1 and No. 2, was commissioned in 2013 and 2017, respectively. Power units No. 3, 4 and No. 5, 6 are currently under construction.

Army chief visits areas of LAC in H.P., Uttarakhand

SPECIAL CORRESPONDENT

NEW DELHI

Army chief Gen. Manoj Pande is on a three day-visit to forward areas of the Line of Actual Control (LAC) in Himachal Pradesh and Uttarakhand to review the operational preparedness and infrastructure development in the central sector. This is his maiden visit to the sector since taking over as Army chief.

While interacting with the commanders during his visit, the Army chief emphasised the need for vigil and alertness along the borders, the statement said. “He expressed his satisfaction on the rapid improvement of defensive posture and operational readiness of formations.

Gen. Pande also interact-



Gen. Manoj Pande interacting with personnel deployed in the forward areas of the LAC on Friday. ■

@ADGPI - INDIAN ARMY

ed with troops deployed in the forward posts and also complimented the excellent synergy between the Army, the Central Armed Police Forces, civil administration and the police towards operational effectiveness and sustainable development in the border areas.

General Studies Paper I

A	History of Indian culture will cover the salient aspects of art forms, literature and architecture from ancient to modern times;
B	Modern Indian history from about the middle of the eighteenth century until the present-significant events, personalities, issues;
C	Freedom struggle-its various stages and important contributors / contributions from different parts of the country;
D	Post-independence consolidation and reorganization within the country;
E	History of the world will include events from 18 th century such as industrial revolution, world wars, re-drawing of national boundaries, colonization, decolonization,
F	Political philosophies like communism, capitalism, socialism etc.-their forms and effect on the society
G	Salient features of Indian Society, Diversity of India;
H	Effects of globalization on Indian society;
I	Role of women and women's organization;
J	Social empowerment, communalism, regionalism & secularism
K	Salient features of world's physical geography;
L	Geographical features and their location- changes in critical geographical features (including water bodies and ice-caps) and in flora and fauna and the effects of such changes;
M	Important Geophysical phenomena such as earthquakes, Tsunami, Volcanic activity, cyclone etc.
N	Distribution of key natural resources across the world (including South Asia and the Indian subcontinent);
O	Factors responsible for the location of primary, secondary, and tertiary sector industries in various parts of the world (including India);
P	Population and associated issues;
Q	Urbanization, their problems and their remedies

General Studies Paper II

A	India and its neighbourhood- relations;
B	Important International institutions, agencies and fora- their structure, mandate;
C	Effect of policies and politics of developed and developing countries on India's interests;
D	Bilateral, regional and global groupings and agreements involving India and/or affecting India's interests.
E	Indian Constitution, historical underpinnings, evolution, features, amendments, significant provisions and basic structure;
F	Comparison of the Indian Constitutional scheme with other countries;
G	Functions and responsibilities of the Union and the States, issues and challenges pertaining to the federal structure, devolution of powers and finances up to local levels and challenges therein; Inclusive growth and issues arising from it;
H	Parliament and State Legislatures - structure, functioning, conduct of business, powers & privileges and issues arising out of these;
I	Structure, organization and functioning of the executive and the judiciary, Ministries and Departments;

J	Separation of powers between various organs dispute redressal mechanisms and institutions;
K	Appointment to various Constitutional posts, powers, functions and responsibilities of various Constitutional bodies;
L	Statutory, regulatory and various quasi-judicial bodies;
M	Mechanisms, laws, institutions and bodies constituted for the protection and betterment of these vulnerable sections;
N	Salient features of the Representation of People's Act;
O	Important aspects of governance, transparency and accountability, e-governance- applications, models, successes, limitations, and potential;
P	Citizens charters, transparency & accountability and institutional and other measures;
Q	Issues relating to poverty and hunger,
R	Welfare schemes for vulnerable sections of the population by the Centre and States, Performance of these schemes;
S	Issues relating to development and management of social sector / services relating to education and human resources;
T	Issues relating to development and management of social sector / services relating to health
General Studies Paper III	
A	Indian Economy and issues relating to planning, mobilization of resources, growth, development and employment;
B	Effects of liberalization on the economy, changes in industrial policy and their effects on industrial growth;
C	Inclusive growth and issues arising from it;
D	Infrastructure Energy, Ports, Roads, Airports, Railways etc. Government budgeting;
E	Land reforms in India
F	Major crops, cropping patterns in various parts of the country, different types of irrigation and irrigation systems;
G	Storage, transport and marketing of agricultural produce and issues and related constraints;
H	e-technology in the aid of farmers; Technology Missions; Economics of Animal-Rearing.
I	Issues of buffer stocks and food security, Public Distribution System- objectives, functioning, limitations, revamping;
J	Food processing and related industries in India – scope and significance, location, upstream and downstream requirements, supply chain management;
K	Issues related to direct and indirect farm subsidies and minimum support prices
L	Awareness in the fields of IT, Space, Computers, robotics, nano-technology, bio-technology;
M	Indigenization of technology and developing new technology;
N	Developments and their applications and effects in everyday life;
O	Issues relating to intellectual property rights
P	Conservation, environmental pollution and degradation, environmental impact assessment
Q	Disaster and disaster management
R	Challenges to internal security through communication networks, role of media and social networking sites in internal security challenges, basics of cyber security;
S	Money-laundering and its prevention;

T	Various forces and their mandate;
U	Security challenges and their management in border areas;
V	Linkages of organized crime with terrorism;
W	Role of external state and non-state actors in creating challenges to internal security;
X	Linkages between development and spread of extremism.
General Studies Paper IV	
A	Ethics and Human Interface: Essence, determinants and consequences of Ethics in human actions;
B	Dimensions of ethics;
C	Ethics in private and public relationships. Human Values - lessons from the lives and teachings of great leaders, reformers and administrators;
D	Role of family, society and educational institutions in inculcating values.
E	Attitude: Content, structure, function; its influence and relation with thought and behaviour;
F	Moral and political attitudes;
G	Social influence and persuasion.
H	Aptitude and foundational values for Civil Service , integrity, impartiality and non-partisanship, objectivity, dedication to public service, empathy, tolerance and compassion towards the weaker sections.
I	Emotional intelligence-concepts, and their utilities and application in administration and governance.
J	Contributions of moral thinkers and philosophers from India and world.
K	Public/Civil service values and Ethics in Public administration: Status and problems;
L	Ethical concerns and dilemmas in government and private institutions;
M	Laws, rules, regulations and conscience as
N	sources of ethical guidance;
O	Accountability and ethical governance; strengthening of ethical and moral values in governance; ethical issues in international relations and funding;
P	Corporate governance.
Q	Probity in Governance: Concept of public service;
R	Philosophical basis of governance and probity;
S	Information sharing and transparency in government, Right to Information, Codes of Ethics, Codes of Conduct, Citizen's Charters, Work culture, Quality of service delivery, Utilization of public funds, challenges of corruption.
T	Case Studies on above issues.