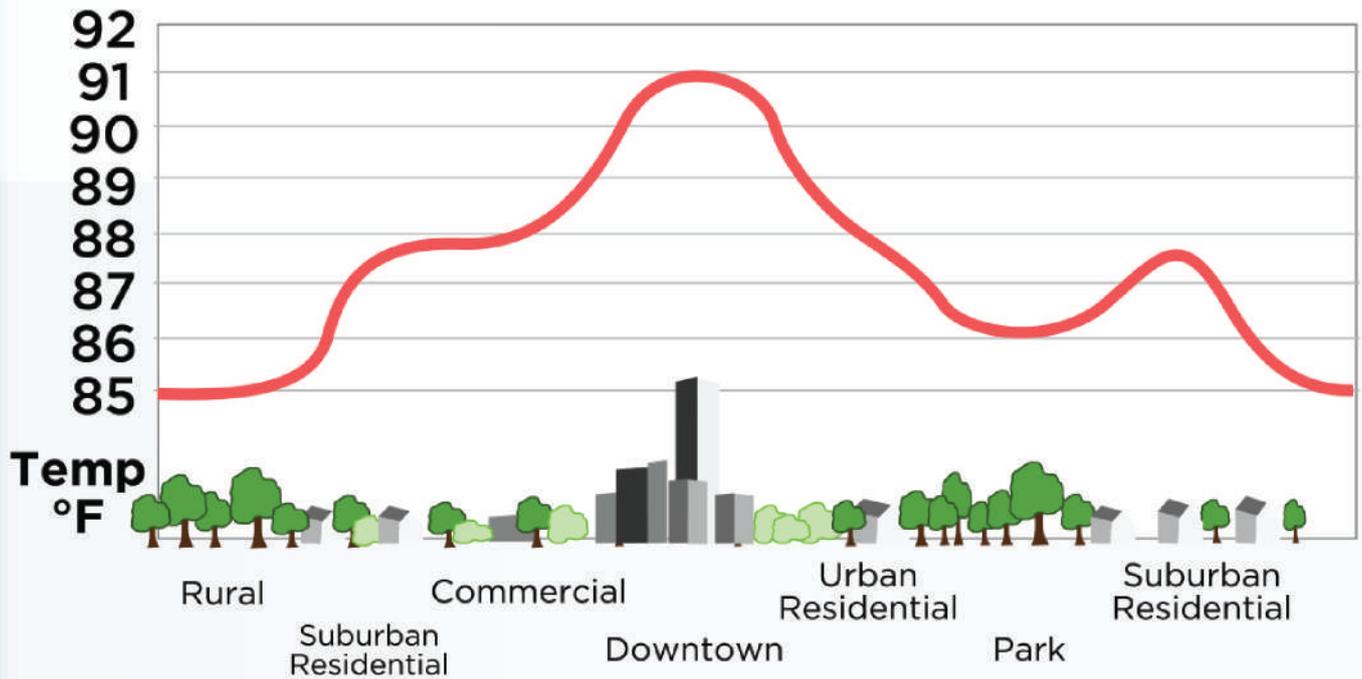


URBAN HEAT ISLAND PROFILE



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DAILY NEWS ANALYSIS

17 - JUNE - 2022

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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WTO said to extend e-com tariff freeze in provisional deal

Extension until next ministerial meeting, agreement shows

REUTERS

GENEVA

WTO members reached a provisional deal on Thursday to extend a moratorium on applying duties to electronic transmissions until the next ministerial meeting, likely to be in 2023, two trade sources involved in the discussions told Reuters.

The prospect of ending the moratorium, which has exempted data flows from cross-border tariffs since 1998, had raised major concerns among businesses. Backed by players like the U.S., the U.K. and the European Union, they argued that letting it expire would undermine a global recovery already threatened by spi-



ralling prices. "We agree to maintain the current practice of not imposing customs duties on electronic transmissions until MC13 which should ordinarily be held by 31 December 2023," the agreement showed, referring to the next ministerial conference. It said the mora-

torium would expire in March 2024, should the next conference be postponed.

Members' nod needed

The provisional deal was reached in a negotiating room of the WTO's Geneva headquarters among a group of major members and still needs to be backed by the body's 164 members.

India, Indonesia, Sri Lanka, Pakistan and South Africa had threatened to block an extension earlier in the five-day ministerial conference, where deals are also being sought on fishing, vaccines and food security. It was not immediately clear what might have made them change their minds.

Race for relevance

The Fed's rate hike can accelerate the exit of foreign portfolio investments

The U.S. Federal Reserve on Wednesday implemented its steepest interest rate increase in more than 27 years as it fights to rein in runaway inflation. Barely six weeks after raising the policy rate by half a percentage point and underscoring the likelihood of “additional 50-basis-point increases” at the next couple of meetings, Chairman Jerome Powell stressed it had become “essential” to increase the rate instead by 75 basis points to bring inflation down. The overarching message, he asserted, was that the Fed recognised the ‘hardship high inflation was causing’ and had the resolve to restore price stability with singular focus. Acknowledging that inflation had ‘surprised to the upside’ since the Federal Open Market Committee (FOMC) had last met in May, he said the committee agreed that the larger increase was required to anchor inflation expectations. With U.S. Consumer Price Index based inflation quickening to a fresh four-decade high of 8.6% in May, spurred by housing, petrol and food prices, the Fed admitted that price pressures had spread to a broad range of goods and services. Even as it realises that it has very little control over supply side factors, including Russia’s invasion of Ukraine and COVID-related lockdowns in China, the U.S. central bank said it was determined to continue raising interest rates till it saw ‘compelling evidence’ that inflation was slowing towards its 2% goal. Mr. Powell emphasised that yet another ‘unusually large’ 75-basis-point or a 50-basis-point increase was ‘most likely’ in the meeting in July.

For Mr. Powell and fellow FOMC members, focusing unrelentingly on taming price gains through monetary action, including raising borrowing costs and gradually tightening liquidity, risks squeezing the economy into a recession. It is also a scenario mirrored earlier this month in forecasts by almost 70% of academic economists, polled by the *Financial Times* and the University of Chicago, who foresee the U.S. economy shrinking in 2023. The Fed recognises that the tighter financial conditions have tempered demand, even as it posits that real GDP growth has rebounded on strong consumption spending. Mr. Powell, who had in May underlined that the Fed would not hesitate to move policy to ‘restrictive’ levels if needed, on Wednesday flagged the reductions in the FOMC’s median projections for growth. Central bankers now see the U.S. economy expanding by 1.7% both in 2022 and 2023, slower than the March forecasts of 2.8% and 2.2%, respectively. For India, the Fed’s actions are likely to result in an acceleration in the recent exodus of foreign portfolio investments, spur more gains for the dollar against the rupee thus widening the trade deficit, and also fuel faster inflation as imported goods, including crude oil, become costlier.

Bulldozer injustice to ‘teach a lesson’

In today’s interpretation of the law in some States, the tempter’s provocation is overlooked and the tempted found guilty



MADAN B. LOKUR

Shakespeare, speaking through Angelo in *Measure for Measure*, asks a pertinent question that resonates even today: “The tempter or the tempted, who sins most?” In the law on sedition, the Supreme Court of India made it clear that the one inciting violence is the guilty person. Ergo, the tempter sins most. In today’s interpretation of the law, it does not matter whether there is incitement or not; a charge of sedition will be slapped anyway if the powers that be do not ‘like’ what somebody has said or tweeted.

Bulldozer justice

But the law gets more complicated when a fringe but influential national spokesperson incites violence by saying something offensive about the Prophet. The naya law seems to overlook the provocation of the tempter, but finds the tempted guilty. The guilty are then punished by a common judge, jury and executioner and also given double engine punishment: arrest, followed by arbitrary and retributive demolition of their residential accommodation, through what is now commonly referred to as bulldozer justice. I prefer to call it bulldozer injustice.

There are adequate provisions in the Indian Penal Code for the police to act against any violator, but the law seems to be inapplicable if the tempter is an influential fringe or well connected. So, a call for *goli maro* is ignored; senseless lynching invites garlands for the

accused; a call for genocide is a bit of a nuisance. Is it then surprising that something offensive said about the Prophet invites only a light rap on the knuckles? If that is deemed to be punishment enough, then the exercise of a fundamental right to protest by thousands of people across the country is understandable. Persons accused of far lesser offences have had charges of sedition foisted on them. The less fortunate have been subject to anti-terror laws such as the Unlawful Activities (Prevention) Act, while the unfortunate are imprisoned under the National Security Act (NSA) or the Public Safety Act.

When the state acts

Is there a constitutional right to resort to violence during a protest? Absolutely not. The Constitution of India permits only a peaceful assembly without arms. Stones or brickbats can be weaponised and are a no-no. Violence in protests cannot be justified under any circumstances, whatever the cause. A light rap on the knuckles to the tempter does not warrant the use of a knuckle duster by the tempted.

But, as they say, violence begets violence. And so, the state comes down on the violent protesters with a heavy hand and the apocryphal iron fist made popular a couple of years ago by a learned Supreme Court judge. The state then uses its machinery, literally, in the form of bulldozers to demolish the residential premises of those believed to be indulging in violent protests. The long arm of the law is employed to identify the protesters and a list is prepared of those who need to be ‘taught a lesson’. Remember, a similar stratagem was used in 1984 following the assassination of Mrs. Indira Gandhi.



Back then, we called it genocide, while today we call it ‘teaching a lesson’.

Fundamental rights

Some of the violent protesters own a house or a shop or a stall but many do not. Activist Javed Mohammad of Prayagraj, Uttar Pradesh, was unlucky enough that his wife owned a house. So, as a chapter in the lesson to be taught, he was first jailed and then her house demolished through a constitutional violation. Ironically, two judgments of the Supreme Court from Uttar Pradesh consider shelter as a fundamental right. In *U.P. Avas Evam Vikas Parishad vs Friends Coop. Housing Society Ltd* (1996) it was held that “The right to shelter is a fundamental right, which springs from the right to residence assured in Article 19(1)(e) and the right to life under Article 21 (of the Constitution)”. In *Chameli Singh vs State of Uttar Pradesh* (1996) it was held that “The right to shelter when used as an essential requisite to the right to live should be deemed to have been guaranteed as a fundamental right”. Those lucky enough not to have relatives owning a house will probably get brutally thrashed like the hapless victims of a lathi charge in a police station in Saharanpur, Uttar Pradesh, whose video has gone viral.

How does the state justify the constitutional transgression? It

says, as reported, that Mr. Javed’s house was illegal and a notice to demolish it was served on him (or pasted on the wall) and he did not avail the opportunity of a hearing granted as per law. It is difficult to believe the state for a variety of reasons.

An illegality

First, the state collected taxes from Mr. Javed for the so-called illegal construction. Was the illegality of construction condoned? If not, was not the state complicit in perpetuating the illegality and also earning out of it? Has any action been taken by the state against its complicit officials?

Second, the well-settled principle requiring state action to be just, fair and reasonable mandates, in the absence of any terrible urgency, another opportunity to Mr. Javed to appear for the hearing. Maybe he was sick or out of town. Why was this routine ‘another opportunity’ denied to him?

Third, Mr. Javed’s house was demolished on a Sunday which is a government holiday. Even in NSA cases, the Supreme Court excludes Sundays for dealing with a representation against preventive detention. It is good if the government works on holidays as well, but could not the benefit of a government holiday be passed on to Mr. Javed by an “efficient” government? Let us be realistic.

Fourth, the demolition order was pasted on the wall of Mr. Javed’s house on Saturday night and the demolition took place on Sunday morning, giving no time to him or his wife to challenge the correctness of the demolition order in a court of law or file an appeal. Is this just, fair and reasonable?

Fifth, the Delhi High Court de-

cidated a case in which the Uttar Pradesh police unlawfully whisked away two residents of Delhi and managed to have them sent to judicial custody for almost two months on no charges at all. The Additional Advocate General of U.P. admitted that the police officers concerned made false statements before the court, created false documents in the investigation and even before the Special Investigation Team constituted to investigate the issues flagged by the High Court (*Teenu vs Govt. of NCT of Delhi*) (2022). Clearly, the U.P. police have a rather unenviable track record. Facts and documents in Mr. Javed’s case may equally be manufactured. Sorry, but the demolition saga smacks of vendetta, legal and factual malafides.

Need for accountability

What is the solution? First, the state should adequately compensate Mr. Javed to enable him to rebuild his house. Second, it should give him an equal amount of compensation for the mental distress caused to him and his family. Third, the officers concerned at all levels must be held accountable and punished enough to ‘teach them a lesson’. Accountability jurisprudence must take root in India and the culture of impunity banished. Fourth, disband the Uttar Pradesh State Human Rights Commission, a body that apparently sees no evil, hears no evil and does no good.

Conclusion: The tempter has achieved her purpose and the tempted can only feel sorry for themselves and say goodbye to the rule of law.

Justice Madan B. Lokur, a former judge of the Supreme Court of India, is presently a judge of the Supreme Court of Fiji

Demolitions should not be retaliatory, SC tells U.P. govt.

Any action should be in accordance with law: Bench

KRISHNADAS RAJAGOPAL
NEW DELHI

The Supreme Court on Thursday told the Uttar Pradesh government that demolitions could happen only in accordance with the provisions of law and could not be retaliatory. The court said this after hearing petitions which alleged that State authorities had taken the “appalling” step to wreak



The house of an accused in the Prayagraj violence case being razed on June 12. ■ AFP

“vengeance” on the homes of people allegedly linked to violence in the aftermath of the Prophet remarks’ row.

“Ultimately, the rule of law should prevail... any ac-

tion by you should be in accordance with the law,” Justice A.S. Bopanna, leading a Vacation Bench also comprising Justice Vikram Nath, addressed the Uttar Pradesh government.

Issuing notice to the State and listing the case for hearing next week, the Bench said the question was whether the State had followed due process of law before demolishing the properties in places such as Prayagraj and Kanpur.

CONTINUED ON ► PAGE 12

Demolitions should not be retaliatory, says SC

The court said that nothing “untoward” should be seen to happen during the weekend.

“There should be some restraint... Everything should be fair. They should not be harmed. The question here is of following due process,” Justice Bopanna observed orally.

The court did not give credence to the State’s argument that certain “misconceived” third parties such as the Jamiat Ulama-i-Hind had approached the court solely based on media reports about the nature and intent

of the demolitions.

“Ultimately, the rule of law should prevail. This is not about who came to the court. This matter requires legal consideration,” Justice Bopanna responded.

The court agreed to the State government’s suggestion to file an affidavit with details to buttress its claim that the demolitions were done after prior notice was issued to affected persons and the buildings razed down were illegal.

The Bench did not pass any interim order staying the demolitions.

Warm, sleepless nights in a concrete jungle

As urban heat islands grow in Capital, experts see escape in green infrastructure

RITUPARNA PALIT
NEW DELHI

As Delhiites await some respite from the intense heat-wave, when the mercury surpassed 35 degrees Celsius even at night, discussions on the growing number of urban heat islands in the Capital have once again come to the fore.

“The combination of high day and night-time temperatures is dangerous as it seriously impacts the blood circulation and other bodily functions of people, especially the elderly,” said Dileep Mavalankar, Director, Indian Institute of Public Health, Gandhinagar.

“As the house becomes hot and is unable to cool down by midnight, it starts acting as a heat trap. In such a situation, the body gets heated and the heart starts pumping more blood to fight dehydration if adequate water intake is not maintained. If one’s heart is already weak, it may fail and the person may die due to cardiac failure induced due to heatwaves,” he added.

Heat-related deaths

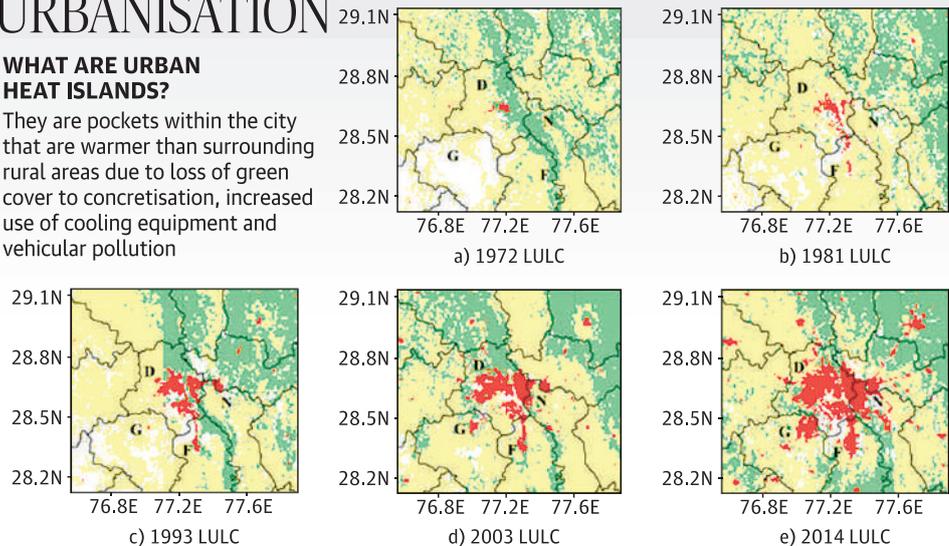
Data on ‘Accidental Deaths & Suicides in India’ released by the National Crime Records Bureau show that over the years, heatstrokes have become the second leading cause of death from a natural force in India, with 11,555 people being killed from 2011 to 2020 due to the condition.

In 2020, Ahmedabad and Hyderabad, which have heat-

COST OF URBANISATION | Unplanned urbanisation and changing land use land cover (LULC) have increased urban heat islands in the Capital over time

WHAT ARE URBAN HEAT ISLANDS?

They are pockets within the city that are warmer than surrounding rural areas due to loss of green cover to concretisation, increased use of cooling equipment and vehicular pollution



The map shows changes in LULC from 1972-2014 where red marks indicate built-up area

SOURCE: CENTRE FOR ATMOSPHERIC SCIENCES, IIT DELHI

wave action plans that track every heat-related death, reported heatstroke to be the reason for the maximum - 50% - deaths due to natural forces. Delhi reported no such death, according to the data. The Delhi government did not provide a comment on whether it tracks heat-related deaths.

Taking insights from India’s first heat action plan that came up in Ahmedabad in 2013, the Centre is currently working with 23 heatwave-prone States and over 130 cities, including Delhi, to implement a similar action plan.

“There was a draft heat action plan, which was prepared three-four years ago, but it never went beyond

that,” a Delhi government official said.

Growing heat islands

An image captured by NASA on May 5 showed how night-time temperatures in Delhi and adjoining villages were above 35 degrees Celsius, peaking at about 39 degrees Celsius, while the rural fields nearby had cooled to around 15 degrees Celsius.

“One way of looking at the cause of urban heat islands is global warming but the other is that these heat islands are linked to micro-climatic changes, which occur when we start disrupting our landscapes,” said Abinash Mohanty, Programme Lead, Risks and Adaptation, Council on

Energy, Environment and Water.

“Over 60% of Delhi’s landscapes are disrupted, signalling alteration or encroachment of tree cover, forest cover, wetlands and natural ecosystems,” he added.

One way to counter the growing impact of urban heat islands is ‘green infrastructure’ that includes cool roofs or painting house roofs in a light colour to reflect heat and using sustainable cooling mechanisms. Promoting urban forestry and green transport can also help curb heat emissions, experts say. Industries, which also act as heat traps, need to minimize heat emission through thermal innovations, Mr. Mohanty said.

NTAGI recommends reducing booster dose gap to 6 months

Panel says not enough data for decision to begin vaccination of those below 12

PRESS TRUST OF INDIA
NEW DELHI

The Standing Technical Sub-Committee (STSC) of the National Technical Advisory Group on Immunisation (NTAGI) on Thursday recommended reducing the gap between the second and precaution doses of COVID-19 vaccines from the current nine months to six, official sources said.

The committee said the Health Ministry would take the final call on the recommendation soon.

The government advisory panel, which met on Thursday, reviewed the findings of a study by the Christian Medical College (CMC) in Vellore on the feasibility of allowing as precaution dose a COVID vaccine different from the one used for primary vaccination.

The panel members found a lack of uniformity in results upon mixing of jabs



Preventive measures: A file photo of a beneficiary getting a booster dose of COVID-19 vaccine in New Delhi. ■ R.V. MOORTHY

for booster shots, and stated that no recommendation for it can be made as of now. The CMC study was on Covishield and Covaxin.

The threat of monkeypox and the requirement of vaccination were also discussed in the meeting of the panel of the NTAGI, the sources said.

“However, the members were of the view that a strong surveillance is what is required as of now. No case

of monkeypox has been detected in the country till now,” one of the sources said.

The panel also reviewed data on Covaxin and Corbevax vaccines for the six-12 age group.

“The members opined that data of COVID burden and mortality among children is not robust enough to take any decision to begin vaccination of those below 12 years,” the source said.

India’s drug regulator in April this year had granted emergency use authorisation for Biological E’s COVID-19 vaccine Corbevax for those aged five to 12 and Bharat Biotech’s Covaxin for children in the age group of six to 12.

The STSC members were learnt to have also agreed on the administration of an additional third dose for renal transplant patients before the precaution dose.

“In the meeting today, members also agreed on reducing the gap between the second and the precaution doses of COVID-19 vaccines from the current nine months to six months on the basis of scientific evidence and data,” the source said.

Currently, all those above the age of 18 who have completed nine months after the administration of the second dose are eligible for the precaution dose.

EXPLAINER

The move to link credit cards with UPI

What are the primary motivations behind this move? Will the proposed linking increase the scope of the Unified Payments Interface?

LALATENDU MISHRA

The story so far: The Reserve Bank of India (RBI) has proposed to allow linking of credit cards with the Unified Payments Interface (UPI) platform. The move is part of the central bank's efforts to enhance the scope of UPI. While announcing the move, RBI Governor Shaktikanta Das stated that RuPay credit cards issued by the RBI-promoted National Payments Corporation of India (NPCI) will be enabled first, and will become available after system developments. The UPI, also managed by the NPCI, was first introduced in 2016.

What explains the effort to link credit cards with UPI?

The UPI has, over time, become a popular mode of payment in India with more than 26 crore unique users and five crore merchants on the platform. In May 2022, about 594 crore transactions amounting to ₹10.4 lakh crore were processed through the interface.

At present, the UPI facilitates transactions by linking savings/current accounts through users' debit cards. It is now proposed to allow linking of credit cards on the UPI platform. This is

intended to provide additional convenience to users and enhance the scope of digital payments.

When will the facility be made available?

This facility would be available after the required system development is complete. The RBI will issue necessary instructions to NPCI separately to facilitate the change. To begin with, the indigenous RuPay credit cards would be linked to the UPI platform. It is likely to be followed by other card networks such as Visa and MasterCard that would bring

in more users.

What is the benefit of this provision?

The arrangement is expected to provide an additional avenue for payment to customers and hence enhance convenience. The linking of credit cards to UPI has been proposed to further deepen the reach and usage of credit cards.

Why do authorities expect this move to spur the use of credit cards?

It is expected to bolster transactions and acceptance at more merchant sites.

People who generally prefer to pay by credit card so as to avail of a longer pay-back period or loans on credit-card outstanding, or who do not wish to touch their savings at the moment of purchase, can pay using credit cards via UPI.

Currently, many merchants do not have credit card point-of-sale (PoS) terminals especially in semi-urban and rural areas but a significant number do have the QR code-based UPI acceptance facility. Now, they too will be able to accept credit payments via UPI without needing a PoS device.

Linking of credit cards with UPI is likely to increase the use of such cards in small-ticket-size payments, as it would provide users with more options to pay from. The move will provide a significant boost to overall spending via credit cards – currently, spending through the use of credit cards is more than double the average spend via debit cards. More spending is generally a force multiplier for the economy.

Besides accelerating digital transactions this measure is also expected to affect the average ticket size of financial transactions. Currently the average ticket size per transaction is ₹1,600 while it is ₹4,000 in credit cards.

So, with the new development the UPI transaction ticket size is likely to go up to somewhere around ₹3,000 to ₹4,000, analysts claim. Many people use credit cards for rewards and benefits and UPI for its convenience & security. The new provision of linking credit cards to UPI brings both these advantages together.

Kirana stores where credit cards are not accepted would likely find it convenient to accept credit card payments through UPI.

Will a merchant discount rate be applicable for these payments?

There is no word yet on the merchant discount rate (MDR) applicable on transactions using credit card numbers via UPI, other than for RuPay, which attracts no such charge. Today, since foreign card issuers such as Visa and MasterCard have a lion's share of the credit card network business, part of the fees goes to them. However, the Indian government has shown its intent to promote the indigenous RuPay card system. It remains to be seen if it indeed does turn out more economical for merchants to accept payments from users with credit cards from foreign issuers.

THE GIST

■ The Reserve Bank of India has proposed to allow linking of credit cards with the Unified Payments Interface platform.

■ The UPI has become a popular mode of payment in India with more than 26 crore unique users and five crore merchants on the platform.

■ Linking of credit cards with UPI is likely to increase the use of such cards in small-ticket-size payments, as it would provide users with more options to pay from. The move will provide a significant boost to overall spending via credit cards.

India better placed to avoid risk of stagflation: RBI officials

Domestic economic activity is gaining strength, write authors of Bulletin article

SPECIAL CORRESPONDENT
MUMBAI

India's economy is better placed than many other countries to avoid the risk of potential stagflation, Reserve Bank of India officials headed by Deputy Governor Michael D. Patra wrote in an article in the June edition of the RBI Bulletin.

"Global economic conditions continued to deteriorate as ratcheting up of commodity prices and financial market volatility have led to heightened uncertainty," the officials wrote in 'State of the Economy'. "Forecasts of global growth and inflation by various agencies paint a grim picture and it is increasingly



Less at risk: War against inflation in advanced economies complicates the growth-inflation outlook, say officials. ■AFP

becoming clear that in advanced economies, the war against inflation would entail significant monetary tightening, complicating the growth-inflation outlook," they added.

"Emerging market economies grapple with the global trade slowdown, capital outflows and imported inflation. Some abatement of supply chain pressures and relaxation in lockdown mea-

asures by key industrial hubs have emerged as silver linings amidst the dark clouds looming over the global economy," they observed.

India's economy, however, was better placed to skirt a potential stagflation given that most constituents of GDP had surpassed pre-pandemic levels, domestic economic activity was gaining strength, and the CPI inflation print for May had recorded a decline after seven months of continuous rise.

"The recovery remained broadly on track. This demonstrates the resilience of the economy... and the innate strength of macro fundamentals," they wrote.

Unemployment rate dips in first quarter of 2022: survey

Rate for urban areas decreased to 8.2% in the first quarter

SPECIAL CORRESPONDENT
NEW DELHI

The Periodic Labour Force Survey (PLFS) has reported that the unemployment rate for urban areas has decreased to 8.2% in January-March 2022 from 8.7% in the previous quarter (October-December 2021) and 9.3% in the same quarter in 2021. The survey report, released here on Thursday, defines unemployment rate as the percentage of unemployed persons among the labour force.

On Tuesday, the National Statistics Organisation (NSO) released the survey results for 2020-21, which saw a decrease of 0.6 percentage points in unemployment rate that reached 4.2%, compared to 4.8% in 2019-20.

The quarterly survey results for January-March of this year said the unemployment rate among girls and women aged 15 and above in urban areas declined to



Bleak future: A file photo of a group of people sitting in a street in Delhi waiting for work. ■ GETTY IMAGES

10.1% from 11.8% a year ago. It was 10.5% in the previous quarter. The opening up of workplaces after the lockdowns seems to have had an impact on the unemployment rate. The unemployment rate among men fell to 7.7% compared with 8% in the corresponding quarter of the previous year and 8.3% in the previous quarter.

The labour force participation rate in Current Weekly Status (CWS) in urban areas declined to 47.3% in the January-March quarter of 2022. It was 47.5% during

January-March 2021 and 47.3% during October-December 2021. Labour force is defined as the part of the population which supplies or offers to supply labour for pursuing economic activities for the production of goods and services and, therefore, includes both employed and unemployed persons.

The worker population ratio in CWS in urban areas was 43.4% in January-March 2022, which showed an increase from 43.1% in January-March 2021 and 43.2% in October-December 2021.

New LPG connections turn dearer

Security deposit for cylinder increased; customers need to set aside ₹850 more

N. RAVIKUMAR
HYDERABAD

New domestic liquefied petroleum gas (LPG) connections now cost an additional ₹850 with Indian Oil, Bharat Petroleum and Hindustan Petroleum increasing the one-time security deposit that households need to pay towards the cylinder and pressure regulator effective June 16.

The deposit has been increased from ₹1,450 to ₹2,200 for a 14.2-kg single cylinder connection, while for the pressure regulator, the increase is from ₹150 to ₹250. For customers in northeastern States, the rate has been revised to ₹2,000 (₹1,150) for the cylinder and ₹200 (₹100) for the pressure regulator.

Households opting for



On the rise | With LPG prices already high, new consumers have been burdened with an increase in deposits for connections

SECURITY DEPOSIT RATES (₹/ UNIT)

	Old		New	
	N. E. States	Rest of India	N. E. States	Rest of India
14.2 kg cylinder	1,150	1,450	2,000	2,200
5 kg cylinder	800	800	1,150	1,150
Pressure regulator	100	150	200	250

double cylinder connections will have to pay an additional security deposit, of the same amount, towards the second cylinder. There is no change

in the security deposit (borne by the oil companies) for Prime Minister's Ujjwala Yojana customers. However, if those customers opt for

two cylinder, they need to pay the revised charges, according to an official communication on the new rates to LPG distributors.

The oil companies have also increased the security deposit for customers registering for 5-kg cylinder connection. Consequently, penal charges that households need to pay in the event of losing the equipment and the tariff applicable for damage have also been raised.

The increase in the security deposit, which was revised last in October 2012 and undertaken now in the wake of higher steel prices, is bound to raise hackles as it comes on the backdrop of a series of upward revision in the LPG price since December.

EXPLAINER

The reasons behind the crashing crypto market

Why do governments and central banks view cryptocurrencies negatively? Do these virtual currencies have intrinsic value?

THE GIST

- Bitcoin has lost more than two-thirds of its value while Ethereum has lost almost 80% from its peak. As a result, the overall market capitalisation of cryptocurrencies has dropped under \$1 trillion for the first time since January 2021.

- Most analysts believe that the fall in the price of cryptocurrencies is in line with the fall in prices of stocks as central banks such as the U.S. Federal Reserve tighten monetary policy to fight inflation.

- Cryptocurrency enthusiasts argue that cryptocurrencies have always been subject to extreme price swings and that the current crash is a good time to buy these virtual currencies at a tremendous bargain. Sceptics, however, believe that the current crash could very well be the end of the road for cryptocurrencies.

PRASHANTH PERUMAL

The story so far: Bitcoin and many other cryptocurrencies have been crashing since they hit an all-time high late last year. Bitcoin has lost more than two-thirds of its value since it hit a peak of around \$69,000 in November last year and is currently trading at around the \$22,000 mark. Ethereum, another cryptocurrency popular among investors, has lost almost 80% from its peak. As a result, the overall market capitalisation of cryptocurrencies has dropped under \$1 trillion for the first time since January 2021. The crash, which shows no signs of reversal yet, seems to have led to a drop in investor enthusiasm with trading volumes in Indian cryptocurrency exchanges dropping by 90% from their peak.

Why are cryptocurrencies crashing?

It may not be possible to pinpoint the exact reasons why investors are fleeing cryptocurrencies at the moment. Most analysts believe that the fall in the price of cryptocurrencies is in line with the fall in prices of stocks and other assets as central banks such as the U.S. Federal Reserve tighten monetary policy to fight price rise. As central banks withdraw liquidity from the market, there's less money chasing assets, which in turn causes the prices of assets to drop. Others believe that the crash could also mark the popping of the bubble that has driven the prices of cryptocurrencies to stratospheric levels.

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Sceptics have long argued that the price of cryptocurrencies seems driven more by speculative fervour fuelled by easy monetary policy than by any fundamental factors. For instance, the extreme volatility in the price of cryptocurrencies was seen by many as a feature that ruled out the use of cryptocurrencies as money. Such extreme volatility simply seemed to reflect investor behaviour that bordered on gambling. These sceptics also pointed to the fact that even though cryptocurrency prices were rising

aggressively, the use of cryptocurrencies for real-life transactions was low. So, in essence, there was very little reason to believe that the rally in cryptocurrencies was driven by their wider acceptability as an alternative to fiat currencies.

How do governments view cryptocurrencies?

Some sceptics have also argued that even though private cryptocurrencies can rise to the status of alternatives to fiat currencies over time, governments and central banks may not allow this to happen. Many countries have taken several steps to discourage the widespread use of cryptocurrencies. While countries such as China and Russia have opted to impose outright bans on cryptocurrencies, others such as India have tried to tax and regulate them heavily. In India, while the government has not imposed an outright ban on cryptocurrencies, the Reserve Bank of India has been quite vocal about the need to ban them completely. It is no surprise that central banks are wary of private cryptocurrencies since they challenge the monopoly that central banks currently enjoy over the money supply of an economy. If cryptocurrencies became widely acceptable, it would affect the control that central banks possess over the economy's money supply. It would also affect the ability of governments to fund their spending by creating fresh money as citizens could then opt to switch to alternative currencies.

Will cryptocurrencies rise again?

Cryptocurrency enthusiasts argue that cryptocurrencies such as Bitcoin have always been subject to extreme price swings and that the current crash is a good time to buy these virtual currencies at a tremendous bargain. To be fair, many crypto-enthusiasts have been handsomely rewarded in the past when they bought cryptocurrencies during times of panic selling. They argue that cryptocurrencies, just like gold, protect investors against the risk of price inflation. It should be noted that, unlike fiat currencies issued by central banks, the supply of various cryptocurrencies is limited by design. By holding their wealth in cryptocurrencies that either maintain their value or even appreciate in value over time, investors can protect themselves against the



debasement of their wealth by central banks.

Sceptics, however, believe that the current crash could very well be the end of the road for cryptocurrencies. Even if cryptocurrencies manage to recover from the current crash, they may still not manage to hold on to their gains, because cryptocurrencies possess no fundamental value as money. In fact, some have argued that the real value of cryptocurrencies is somewhere close to zero. They point out that even the most popular cryptocurrencies such as Bitcoin are still not used very much in the daily purchase and sale of goods and services in the real economy. It should be noted that investors generally believe that the price of an asset gravitates towards its intrinsic or fundamental value in the long-run even though it may diverge from its fundamental value in the short-term.

Crypto-enthusiasts, however, argue that while cryptocurrencies may not be widely

accepted as a currency, they still represent an independent asset class like gold that can help investors protect their wealth from central banks. This argument is still prone to the criticism that cryptocurrencies do not possess any independent value of their own to be compared to gold and silver, and thus cannot offer any wealth protection over the long-run.

Precious metals such as gold and silver are far more acceptable than cryptocurrencies, which is what gives them their intrinsic value. In fact, precious metals served as currencies for centuries and have been widely used for industrial and other purposes.

No cryptocurrency has such a record. The fact that precious metals are limited in supply definitely helped boost their value. But limited supply alone cannot make cryptocurrencies like Bitcoin a valuable asset like gold and silver.

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.