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DAILY NEWS ANALYSIS

23 - AUG - 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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Factoring in the risk

Development of mountain areas over the years has upset the ecological balance

Monsoon rainfall over India is 8% more than what is usual for this time of the year. While this might bode well for agriculture in some regions, it also means floods and concentrated downpours with devastating consequences. At least 25 people were killed over the weekend as torrential rains triggered flash floods and landslips in Himachal Pradesh and Uttarakhand. Several arterial roads were blocked by debris, as currents washed away bridges and vehicles. The toll was higher in Himachal Pradesh with 21 killed and 12 injured. At least six are missing due to chaos following the downpour. Mandi, Kangra and Chamba were the worst-affected districts in the State. While death and damage to property are the surface manifestation of these rains, there are a range of secondary effects with long-term downstream impact. Schools and transport facilities, for instance, are immediately put out of action, leading to loss of productive hours. Cattle and saplings are left to perish, which in turn destroys livelihoods, debilitates family finances and strains the finances of the state exchequer. The monsoon compresses around 75% of India's annual rainfall into four months and unevenly waters the country's highly diverse terrain. It is, therefore, inevitable that some spots are far more vulnerable and bear a disproportionate impact of climate fury. A recent report released by Himachal Pradesh's Department of Environment, Science and Technology underlines that mountain areas are highly vulnerable to natural disasters, where development over the years has compounded the problem by upsetting the ecological balance of various physical processes.

While hill States such as Himachal Pradesh and Uttarakhand have certain unique challenges, the threats from the vagaries of climate are not unique to them. Monsoon rain patterns are being disrupted leading to a rise in cloudburst-like events as well as a rise in the frequency of high-energy cyclones and droughts. One strategy adopted by the government has been to improve the system of early warning forecasts. The India Meteorological Department now provides fortnightly, weekly and even three-hourly weather forecasts to districts. Within these are integrated warnings about flash floods and lightning. Not all of these are accurate and often, they are not provided early enough for authorities to prepare themselves. In recent years, improvements in early warnings for incoming cyclones have helped state agencies evacuate and rehabilitate the most vulnerable, but such success has not been observed for floods. While the inherent risks of infrastructure development in hills and unstable terrain is well understood, these are often elided by authorities in the name of balancing the demands of the people for better infrastructure and services. The increased risk and cost to such projects and infrastructure should be factored in when they are tendered out by the government, and scientific advice regarding development ought to be strictly adhered to.

The road to China's 20th Party Congress

The Party Congress is significant as it is being held at a time when China sees the period as one of 'great disorder'



M.K. NARAYANAN

The 20th Chinese Communist Party (CPC) Congress is scheduled to take place later this year. Unlike the kinds of situations that at times prevailed on the eve of some of the previous Party Congress events, no unforeseen events are anticipated. This is a reflection of President Xi Jinping's tight control over both the party and the state apparatus. As of now, it seems a foregone conclusion that Mr. Xi will continue as the Party General Secretary for an unprecedented third term.

Nevertheless, the 20th Party Congress is significant for the reason that it is being held at a time when China, for its part, sees the period as one of 'great disorder'. Also, after decades of spectacular economic growth, China is currently seeing a significant economic downturn, even if its economy is still doing better than most other world economies. Inexplicable as it may seem, the impression that China gives today is that it is being shackled by antagonistic forces.

China's world view

The main difference between 2012, when Mr. Xi became the Party General Secretary for the first time, and 2022, when he is almost certain to be anointed for a third term, is how China's world view has altered. In the external realm today, the Chinese leadership believes that the United Nations has become dysfunctional and is no longer able to maintain global peace. Global economic cooperation and stability, China avers, has broken down irreparably. The post-World War II consensus on almost all matters has ceased.

Internally also, there has been a shift, with greater importance being attached to ideological training to withstand 'inimical forces'. The

objective apparently is to ensure total loyalty to Mr. Xi. Party control over not only the armed forces, but all wings of the public security system and apparatus has been tightened. Defending "political security" is now the priority.

Coinciding with this is an upsurge in nationalism. This is based on China's purported concern that the 'threat of containment' of China has increased, and unity within is crucial. Furthermore, this is critical for China to escalate its aggressive manoeuvres, especially in the Indo-Pacific region. Much of this is already evident to an extent, with China flaunting its 'escalation domination matrix' in terms of nuclear weapons and new forms of hybrid warfare at one level and highlighting its advanced manufacturing techniques at another. China's \$15 trillion economy and strong military, and the rapidly closing gap relating to state-of-the-art weaponry, can be expected to fuel the determination of the Party Congress to withstand any kind of challenge, specifically to China's supremacy in the region in which it is situated.

Possible outcomes

What appears almost certain is that the Party Congress will put its seal on Mr. Xi's current assertive foreign policy initiatives. The imbroglio over the recent visits to Taiwan of the Speaker of the U.S. House of Representatives, Nancy Pelosi, and a U.S. delegation subsequently is expected to intensify China's hawkish posture on the issue of Taiwan. In all likelihood, this will receive the approval of the Party Congress. The Party Congress is also expected to give Mr. Xi a fresh mandate to defeat all future attempts to detach Taiwan from mainland China, if need be, through the use of military force.

Simultaneously, the Party Congress can be expected to give Mr. Xi the authority and a fresh mandate to defeat all current U.S.-led manoeuvres in the Asia Pacific, which are seen as aimed at weakening China. Growing distrust of the West, approximating to a near



breakdown in relations, as also the portrayal of the U.S. and its allies as existential or near existential enemies are also likely outcomes emanating from the Congress.

Of equal, if not greater, significance is that the 20th Party Congress is likely to bury for all time Deng Xiaoping's approach of keeping a low profile until the opportune moment. Based on a belief that, given the relative decline of the West in several spheres, including the economic and military spheres, this is the opportune moment, the Party Congress may give Mr. Xi the authority to go to extreme lengths to achieve its goal of paramountcy in global affairs.

Simultaneously, the Party Congress might also find this an opportune time to shore up the CPC's domestic legitimacy, by claiming that China under Mr. Xi has been able to overcome a variety of problems, including the COVID-19 pandemic and all attempts by the West to undermine China's power and potential. In all likelihood, the People's Liberation Army will get a further boost, with the Party Congress endorsing its centrality in regard to many of the developments taking place.

Also apparent on the eve of the Party Congress is the extent of opaqueness seen in China's intentions today. Little clarity is available as to its long-term or even medium-term objectives. Two recent initiatives by China – the Global Development Initiative (GDI) and the Global Security Initiative (GSI) – reflect this. The GDI, coming almost nine years after the highly touted Belt and Road Initiative (BRI), merely contains a broad range of aspirations. Unlike the BRI, which witnessed a spate of in-

frastructure building across the globe, the GDI is, for the present, being touted as a 'manifestation of China's wisdom'. The objective behind GSI appears even more ambiguous, even as Mr. Xi continues to proclaim that security remains a precondition for development. No elaboration of what this means is forthcoming.

The Congress could also see a series of initiatives in other directions. One clue regarding this is Mr. Xi's recent call for 'self-reliance'. This is a possible hint that China proposes to gradually distance itself from certain countries with which it had maintained close economic relations till now, viz., the U.S., Europe and Japan, emphasising in its place 'self-reliance' and trumpeting its 'singularity' as regards strategic and advanced technologies. As it is, China has made very significant advances in emerging domains such as cyber, space, and artificial intelligence which are expected to help it dominate the emerging globalised era. In certain areas such as solar, China already claims to have a stranglehold over both the technology and the raw material to sustain any such move. An endorsement by the Party Congress to do this would enable China to steer clear of countries such as the U.S. positing the excuse that it would free China from the vagaries of so-called 'free world'.

Some concerns

The Party Congress could, however, witness a discussion on certain ideological issues, which continue to be debated in certain quarters but are yet to find a resolution. The presumption 'growing rich is not evil' has undergone a change under Mr. Xi, who is a firm believer in Communist orthodoxy, and it would be interesting to see how the Party Congress reacts to this. A string of harsh measures taken to curtail the activities of China's leading technology leaders, followed by a downturn in the economy, is already heating up the debate on ideological principles and policy in China today. It hinges on

the exact stage of Marxist development in China, so crucial to Communist theology per se. None of this is, however, likely to rock the boat at the Party Congress.

The one imponderable that many experts advert to, especially those in the West, is the impact of the uncertain state of the Chinese economy. Most people agree that continuity of the CPC leadership in recent decades owed much to the consistent performance and progression of the Chinese economy. The Chinese economy today is performing well below what it had achieved in the recent past. While the 2020s have provided a set of challenges for almost all countries across the globe, in China the political fallout of a slowing down of the economy has the potential to create upheavals in the higher echelons of the Chinese leadership. Also, recovery could become more difficult in the climate of repression that exists in China today.

Whether concerns about the present situation and of China possibly falling behind in the next stage of global development with serious consequences for its future will adversely affect Mr. Xi and the present line-up of CPC leaders can be debated. But it appears highly unlikely that it would seriously undermine Mr. Xi's leadership at this time. Most certainly, Mr. Xi is unlikely to face the kind of travails that Zhao Ziyang, who was General Secretary of the CPC during 1987 to 1989, had to contend with. Zhao was purged politically and was under house arrest as he lost favour with the paramount leader Deng.

Notwithstanding what has been stated here, there are still many imponderables present. The shape the 20th Party Congress may take cannot, hence, be safely predicted. While Mr. Xi's place in history is assured, whether he will eclipse Mao Zedong as the 'Great Helmsman' is uncertain.

M.K. Narayanan is a former Director, Intelligence Bureau, a former National Security Adviser and a former Governor of West Bengal

India, Australia to boost ties on education

SPECIAL CORRESPONDENT

NEW DELHI

India and Australia will explore ways to promote two-way mobility of universities between the two countries and will set up a working group on transnational education to understand regulatory settings, according to discussions during Union Education Minister Dharmendra Pradhan's visit to Australia.

Mr. Pradhan met his Australian counterpart, Jason Clare, on Monday for a bilateral meeting and co-chaired the sixth meeting of the Australia India Education Council, which is a forum to advance ties and boost engagements in education, skill development and research priorities.

He called for research collaborations between the two countries.

India, Iran sign pact to aid movement of seafarers

Centre highlights role of Chabahar port as a trade multiplier

SPECIAL CORRESPONDENT
NEW DELHI

In a bid to aid the movement of seafarers between the two countries, India and Iran on Monday signed a memorandum of understanding on recognition of Certificates of Competency in Unlimited Voyages to help seafarers from both countries as per the provisions of the International Convention on Standards of Training, Certification and Watch Keeping for Seafarers, 1978.

The MoU was signed during a bilateral meeting between the Union Minister for Ports, Shipping and Waterways and Ayush, Sarbananda Sonowal and Iranian Minister of Roads and Urban Development Rostam Ghasemi. Mr. Sonowal is on a three-day visit to Iran.

“The Union Minister reiterated the importance of the bilateral relationship between the two countries. The role of Chabahar as a trade multiplier for the region was highlighted by the Union Mi-



Sarbananda Sonowal with Vice-President of Iran Mohammad Mokhber.

nister at the meeting as the potential of the port to act as a swift, economical trade conduit between Central Asia and South Asia, even South East Asia, remains to be tapped fully,” the Minister said in a statement.

The Minister also called on Iranian Vice-President Mohammad Mokhber. Mr. Mokhber, who is Iran’s special envoy for relations with India, said the development of the Chabahar port would lead to an increase in trade

and shipment volume, the statement said.

The statement said that since India Ports Global Private Ltd. (IPGPL) assumed the operations of Shahid Beheshti Port, it has handled over 4.8 million tonnes of bulk cargo. With close cooperation between India’s IPGPL and Iranian stakeholders including Iran’s Port and Maritime Organisation, Iranian Customs Administration and the Chabahar Free Zone Authority, the Shahid Beheshti Port Authority & other stakeholders, the port is likely to act as a catalyst to unlock the huge trade potential in the region.

In 2020, India supplied 75,000 tonnes of wheat to Afghanistan as part of a humanitarian assistance programme as well as provided for 40,000 litres of Malathion and 96% ULV pesticides to Iran via the Chabahar port in an effort to mitigate locust threat to agriculture and enhance food security in the region, it added.

At UNSC meet, India calls on countries to respect each other's sovereignty

SRIRAM LAKSHMAN

India has called for countries to respect each other's sovereignty and territorial integrity and respect international agreements. Speaking at a United Nations Security Council (UNSC) meeting, 'Promote Common Security Through Dialogue and Cooperation', on Monday, India's Permanent Representative to the UN, Ruchira Kamboj, in a possible veiled reference to China and/or Russia, said that the international order depended on a respect for the principle of sovereignty and changing the status quo by force harmed common security.

She also warned that the UN was in "real danger" by being superseded by more democratic groupings, if the Security Council was not reformed. The meeting was organised under the aegis of China's presidency of the Council for the month of August.

"Common security" was based on "upholding the rules-based international order, underpinned by international law, premised upon respect for the sovereignty and territorial integrity of all Member States, resolution of international disputes through peaceful negotiations and free and open access for all to the global commons," Ms. Kamboj said.

Significantly, "free and open" is also frequently used to describe an objective for the Indo-Pacific region, held by India and some countries it partners with, such as through the Quad grouping, as a counter to Beijing's assertive stance in the region.

'Double standards'

"Any coercive or unilateral action that seeks to change the status quo by force is an affront to common security," Ms. Kamboj said, adding that common security was only possible when countries stand together on terrorism and do not practice "double standards" on the issue and when they do not take unilateral measures to back out of agreements.

"Common security is also possible only if countries respect agreements signed with others, bilateral or multilateral, and do not take unilateral measures to nullify those very arrangements to those they were party to," she said.

A Centre-State skew further widened

The share of the States in divisible pool is shrinking despite their carrying a higher burden of expenditure

JASMIN NIHALANI

Nearly two weeks ago, Chief Ministers expressed their concern about dwindling State revenues in a NITI Aayog meeting chaired by the Prime Minister. They sought a higher share in the divisible pool of taxes and an extension of GST compensation, both of which have long remained a bone of contention between the Union government and the States.

States' financial health had taken a turn for the worse with the implementation of the Ujwal DISCOM Assurance Yojana, farm loan waivers, as also the slowdown in growth in 2019-20. But, heightened expenses during the pandemic and a revenue shortfall further strained their finances.

It is in this context that it becomes important to understand who raises the revenue and who carries the bulk of expenditure. The Constitution grants the Union government more revenue-raising powers while the States are tasked to undertake most of the development and welfare-related responsibilities. According to the 15th Finance Commission's report, in FY19, the Union government raised 62.7% of the total resources raised by the Union government and States, while States had borne 62.4% of the aggregate expenditure. Chart 1 shows the Union government's and States' share in total resources raised and total expenditure borne in FY19.

This allocation of taxation powers and expenditure responsibilities results in an imbalance, and hence the Constitution provides for sharing of the Union government's revenue with the States. Successive Finance Commissions (FC) have attempted to reduce the imbalance by increasing the States' share in Central taxes. Although the 14th and 15th FC raised the share of States in gross taxes to over 40%, the actual share never reached this mandated level. After reaching a peak of 36.6% in FY19, States' share fell and has since stagnated at around 29%. At the same time, the gap between the share recommended by the FC and the actual devolution has widened to more than 11 percentage points, the highest in at least two decades. Chart 2 shows the

States' share in the divisible pool of taxes mandated by the FC and the actual share devolved to the States.

So, even though FC raised the States' share in Central taxes, it didn't translate into an increase in the actual share devolved as the divisible pool shrank. This can be explained by illustrating the revenue sharing during the pandemic. As the gross tax revenues took a hit during the pandemic, the States' share of the Union government's taxes recorded a steep fall of 15% and 9% in FY20 and FY21, respectively. But, the Union government's share continued to rise. This is because the Centre beefed up its revenue by levying cesses and surcharges which are not shareable with the States. Chart 3 shows the States' and Union government's share of gross tax revenue.

In the past few years, the share of cesses and surcharges in gross tax revenue has risen significantly. From 10.4% in FY12, their share climbed up to 20% by FY21, suggesting the Union government's excessive reliance on these instruments to raise revenue. While the surge in cess/surcharge revenue, largely through duties on fuel has swelled the Union government's coffers, this has also shrunk the divisible pool of resources. Chart 4 shows the share of cesses and surcharges in gross tax revenue.

Various cesses and charges are imposed by the government to raise resources. They are transferred to Reserve Funds to ensure that they are being used for the intended purpose. Worryingly, in FY20, about 40% of the cesses levied – worth ₹78,000 crore – were not transferred to the Reserve Funds. Between FY10 and FY20, ₹1.28 lakh crore was collected as a cess on crude oil. However, not a single penny was transferred to the Oil Industry Development Board (OIDB). Table 5 lists the issues flagged by the Comptroller and Auditor General with respect to cesses and levies.

The shrinking of the divisible pool despite a higher burden on expenditure on States suggests that the Chief Ministers' grouse appears to be valid and requires redressal.

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Shrinking States' share in Central taxes

Despite larger expenditure responsibility, States do not have resource raising powers. Moreover, their share in Central taxes has stagnated and is far below the mandated level by the Finance Commission. At the same time, the Centre has beefed up its revenues through cesses that are not shareable with the States, thus shrinking the divisible pool of taxes

Chart 1 | The chart shows the Union government's (—) and States' share in total resources raised and total expenditure borne in FY19 (—)

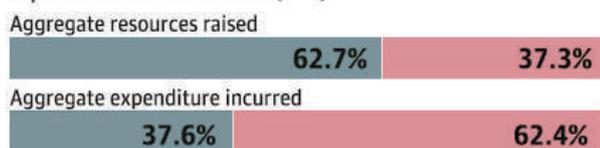


Chart 2

The chart shows the States' share in the divisible pool of taxes mandated by the Finance Commission and the actual share devolved to the States (figures in %)

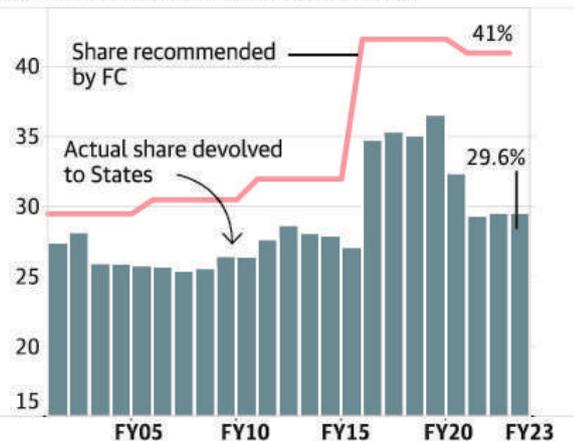


Table 5

The table lists the issues flagged by the Comptroller and Auditor General with respect to cesses and levies

Year of audit	Issue
FY20	In FY20, cesses worth ₹78,376 crore – about 40% of the cesses – were not transferred to the reserve funds for which they were levied
FY20	During FY10 and FY20, nearly ₹1.28 lakh crore was collected through cess on crude oil but no funds were transferred to Oil Industry Development Board. The funds were retained in the Consolidated Fund of India and there is no assurance if they were used for the intended purpose
FY19	In FY19, cesses worth ₹1.1 lakh crore or 40% of the cesses were not transferred to the Reserve Funds and were retained by the CFI
FY19	₹8,871.19 crore were collected from Social Welfare Surcharge on customs. However, no dedicated fund was created to ensure that amount was spent for the intended purpose
FY19	₹414.51 crore were collected from abolished cesses (cesses subsumed under the Goods and Services Tax) and deposited in the Consolidated Fund of India

SOURCE: FINANCE COMMISSION REPORTS, UNION BUDGET, CAG

Chart 3

The chart shows the States' and Union government's share of gross tax revenue in ₹ lakh crore. States' share of Centre's taxes recorded a steep fall in FY20 and FY21. But, the Union government's share continued to rise

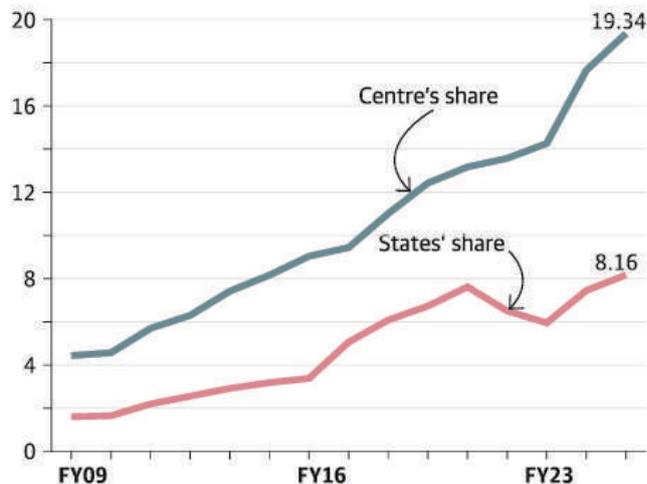
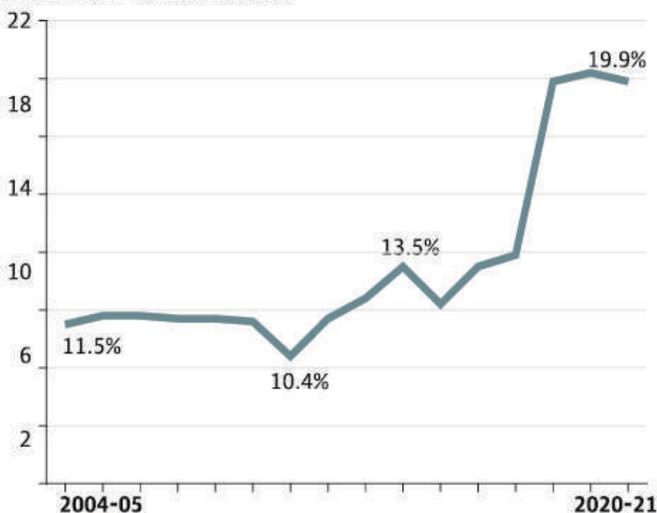


Chart 4

The chart shows the share of cesses and surcharges in gross tax revenue. From 10.4% in FY12, their share climbed up to 20% by FY21, suggesting an excessive reliance by the Centre on these instruments to raise revenue



Panel begins talks on MSP, natural farming

SKM did not send its nominees

SPECIAL CORRESPONDENT

NEW DELHI

The first meeting of the committee on minimum support price (MSP), headed by former Union Agriculture Secretary Sanjay Agrawal, saw discussions on natural farming, changing cropping pattern in the country and ensuring MSP to farmers by making the system more effective and transparent.

The Union Agriculture Ministry said deliberations are under way in the panel for “strategy and way forward” on such issues.

The panel also deliberated strategies for making Krishi Vigyan Kendra and other research and development institutions knowledge centres. It also discussed introducing a natural farming system cur-

riculum and skill development courses in the universities and other institutions. “Strategies suggested under crop diversification policy to change the cropping pattern according to the changing needs of the country,” the Ministry said on Twitter.

The suggestions include mapping of existing cropping patterns of agro-ecological zones of producer and consumer states. The committee is also learnt to have formed four sub-groups on the three topics, MSP, natural farming and crop diversification.

The Samyukt Kisan Morcha (SKM) had decided not to send its representatives to the committee. “It is not a committee to legalise the MSP. It is a committee to thwart the MSP,” said its leader Rakesh Tikait.

Most J&K parties oppose voting right for ‘outsiders’

Multi-party meeting keeps legal recourse as an option

PEERZADA ASHIQ
SRINAGAR

Most political parties in Jammu & Kashmir, except the BJP, on Monday opposed the move to implement the Representation of the People Act, 1951 in the Union Territory and to allow outsiders to register as voters for the Assembly election.

“The fallout of granting voting rights to non-J&K residents will be that the next Assembly will be in the hands of outsiders. We do not accept this. We have differences but all parties present here have come together realising that tomorrow, we could be left out of our Assembly,” former Chief Minister and National Conference president Farooq Abdullah, who convened the multi-party meeting in Srinagar, said.



Joint effort: Farooq Abdullah, Mehbooba Mufti and other J&K leaders at a meeting in Srinagar on Monday. ■ NISSAR AHMAD

Dr. Abdullah said the leaders who had participated in the meeting had “unanimously decided to oppose the recent announcement of the Election Commission of India about granting voting rights to non-J&K residents”. “We can even approach the court to oppose the move,” he said.

The meeting was attended by top leaders of the parties affiliated to the Peoples Alliance for the Gupkar Declaration, headed by Dr. Abdullah, and those outside the grouping such as the Congress, Akali Dal, Janata Dal(U) and the Shiv Sena.

CONTINUED ON ► PAGE 10

Most J&K parties oppose voting right for 'outsiders'

The Altaf Bukhari-led J&K Apni Party and the Peoples Conference of Sajad Lone were absent.

"We will wait and watch. If there is an attempt to change the demography of J&K, we will go on a hunger strike. The law [Representation of the People Act, 1951] is not a threat to us, but the intentions of the government are a threat to us," Mr. Lone said at a separate press conference in Srinagar.

Dr. Abdullah said leaders of the national parties would be invited to J&K in September. "We will keep our issues before them," he said.

"At present, the number of non-J&K residents who have been given voting rights is 25 lakh. Tomorrow, the number may go up to 50 lakh or one crore. J&K's identity is facing a direct assault as Dogras, Kashmiris, Sikhs and other communities are losing their identity," Dr. Abdullah said. He said he had even approached J&K Lieutenant-Governor Manoj Sinha and requested him "to convene an all-party meeting like the one held on the issue of Amarnath Yatra". "There

was no outcome," he said.

J&K Shiv Sena chief Manish Sahni said: "After the abrogation of Article 370 from J&K, there is a continuous conspiracy to erase the culture and identity of Dogras, Kashmiris, Paharis and Gujjar-Bakarwals under a well-thought-out strategy."

He said if non-local people got the right to vote, it would be very difficult to drive out "illegally settled Bangladeshis, Rohingyas, and people with criminal backgrounds". "This would lead to an increase in anti-national and anti-social activities in this highly sensitive border territory," Mr. Sahni said.

Reacting to Mr. Lone's statement, BJP leaders Seh Prabhari and Ashish Sood said, "The government is implementing the [Indian] Constitution in the Valley. In J&K, there is no demographic intervention. The government is just trying to give people their right to vote. These people are living in the State [Union Territory] and contributing to its development. People like Mr. Lone should understand this."

Loan defaulters, entities under probe need NOC to invest overseas

‘New norms to ease doing business’

SPECIAL CORRESPONDENT
NEW DELHI

The government notified new norms for overseas investments by Indians on Monday that are aimed at making it easier for domestic corporates to invest abroad, while making it tougher for loan defaulters and others being probed by investigative agencies and regulators to shift funds out of the country.

The Overseas Investment Rules and Regulations, notified under the Foreign Exchange Management Act, will be administered by the Reserve Bank of India (RBI), and shall subsume all existing norms pertaining to overseas investments as well as acquisition and transfer of immovable property outside India.

‘No-go sectors’

No Indian resident shall be allowed to make investments into foreign entities that are engaged in real estate activity, gambling in any form; and, dealing with financial products linked to the Indian rupee would require the central bank’s specific approval.

To make it difficult for bank defaulters and fraudsters to acquire assets abroad, often as a precursor to leaving the country, the new rules mandate they secure a No Objection Certificate (NOC) from their lender, or concerned regulators and investigative agencies before making any ‘financial commitment’.

This NOC shall be mandatory for any person who has a bank account classified as a non-performing asset, or is labelled a wilful defaulter by any bank, or is under the investigation by a financial



service regulator, the Enforcement Directorate (ED) or the Central Board of Investigation (CBI).

‘60-day timeline’

The rules, framed in consultation with the central bank, provide that if lender banks or the concerned regulatory body or investigative agency fail to furnish the NOC within 60 days of receiving an application, it may be presumed that they have no objection to the proposed transaction.

“In view of the evolving needs of businesses in India in an increasingly integrated global market, there is need of Indian corporates to be part of global value chain. The revised regulatory framework for overseas investment provides for simplification of the existing framework for overseas investment and has been aligned with the current business and economic dynamics,” the Finance Ministry said.

“Clarity on Overseas Direct Investment and Overseas Portfolio Investment has been brought in and various overseas investment related transactions that were earlier under approval route are now under automatic route, significantly enhancing Ease of Doing Business,” the Ministry added.

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.