

DAILY PT POINTERS

17 January, 2025



The Hindu-GS2(Governance)Page1

PM approves constitution of Eighth Pay Commission

The Hindu Bureau
NEW DELHI

Days ahead of the Delhi Assembly election, the Union government approved the establishment of the Eighth Pay Commission here on Thursday, accepting a demand of the central trade unions and employees' organisations.

The commission's outcome will benefit about 50 lakh Union government employees and 65 lakh pensioners.

Union Minister Ashwini Vaishnaw said the Chairperson and two members of the commission would be appointed soon.

- the Union government approved the establishment of the Eighth Pay Commission, benefiting around 50 lakh employees and 65 lakh pensioners, including defence personnel.
- The decision, made by Prime Minister Narendra Modi, aims to boost economic growth and improve the quality of life for government workers.
- The Commission will be headed by a retired Supreme Court judge and will begin consultations before making recommendations

The Hindu-GS1(Culture)Page4

Six die in jallikattu and other bull-related sports in T.N.

The Hindu Bureau
TIRUCHI/MADURAI

Six persons were killed in jallikattu and other bull sport such as eruthattam and manjuvirattu in Tamil Nadu on Thursday.

Three spectators, including two elderly citizens, were killed in the jallikattu organised at Alanganallur in Madurai district, Rachandar Thirumalai in Karur district, and Mangadevanpatti in Pudukottai district. Two persons were killed at a manjuvirattu in Sivaganga district and one person in eruthattam in Salem district. Several people were also injured in jallikattu events held in villages in Madurai, Tiruchi and Pudukottai districts.

N. Kuzhandaivelu, 65, of Samuthiram in Srirangam taluk in Tiruchi district, was gored by a bull at the event in Rachandar Thiru-



Action-packed: Participants trying to tame a bull at the jallikattu in Rachandar Thirumalai on Thursday. SPECIAL ARRANGEMENT

malai. Police sources said he began to bleed from his nose and mouth, and was referred to the Mahatma Gandhi Memorial Government Hospital after administration of first aid. He died at the hospital.

At the Mangadevanpatti event, C. Perumal, 70, of Vilavayal in Kulathur taluk, was killed after being hit by a bull. He died at the Pudukottai Government Medical College Hospital.

Police sources said 734

bulls were released into the arena during the event at Rachandar Thirumalai, and 372 bull-tamers took the field in batches. A total of 62 persons were injured, of whom 55 were treated at the venue. Over 600 bulls were released into the arena at the Mangadevanpatti event, and 300 tamers took part in the event. Eleven persons were injured.

A total of 56 persons were injured in the Avaranadu jallikattu.

- Six persons were killed in jallikattu and other bull sport such as eruthattam and manjuvirattu in Tamil Nadu .
- Jallikattu is a traditional bull-taming sport organised in Tamil Nadu during Pongal. Also known as Eruthazhuvuthal or Manju virattu, the sport involves a natively reared stud that is set free inside an arena filled with young participants.
- The challenge lies in taming the bull with bare hands. Ideally, participants try to grab the bull by its horns or tail and wrestle it into submission. A few also tend to latch on to the bull by clinging to the hump at the back of its neck. The participants are usually young men in their 20s.

The Hindu-GS3(Economy)Page10

The impacts of rupee weakening

The sharp devaluation of the Indian rupee is driven by capital flows, higher import costs, and a policy shift by the RBI. Structural issues such as rising domestic prices and real exchange rate appreciation further complicate the recovery of net exports.

KEYNESIAN NOTES

By Bhargava

The Indian rupee recently experienced a sharp devaluation with respect to the dollar after remaining stable for over two years. This has the implications for the economy in addition to the monetary policy. The rupee's exchange rate policy could be a key structural issue in the future recovery in the world period.

Exchange rate regimes
The nominal exchange rate is the price of buying one unit of foreign currency in terms of domestic currency. The rate is fixed if the nominal exchange rate changes regardless of the demand and supply conditions of the foreign exchange market. The demand and supply conditions of the foreign exchange market depend on the terms of the domestic goods and services.

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Depending on how the central bank responds to the demand and supply conditions of the foreign exchange market, there can be flexible exchange rate and fixed exchange rate regimes. Flexible exchange rate regimes allow the exchange rate to fluctuate based on market conditions. Fixed exchange rate regimes peg the exchange rate to a specific value.

In the floating exchange rate regime, the central bank responds to the demand and supply conditions of the foreign exchange market by adjusting the domestic money supply. In the fixed exchange rate regime, the central bank maintains the exchange rate at a predetermined level.

In the managed floating exchange rate regime, the central bank intervenes to keep the exchange rate within a certain range. This is done by buying and selling foreign currency in the market.

When a country devalues its currency, it makes its exports cheaper and its imports more expensive. This can lead to a trade surplus, which can help to reduce the current account deficit.

exchange reserves while largely retaining the position of the central exchange rate to avoid appreciation of the real exchange rate or the weakening of export competitiveness. By implication, while exporters of an export market have increased and importers have decreased, the central exchange rate, the price of net exports, has not changed. This is a key feature of the exchange rate in the real world. The central exchange rate can be used to measure the real exchange rate through the price mechanism as indicated in Figure 1.

In the post-1990 period, as stability between the late half of 2002 and the late half of 2003, the RBI more actively shifted its policy stance to a regime that closely resembles the fixed exchange rate regime. This is evident from the fact that the nominal exchange rate is fixed in Figure 1 during the relevant period. The RBI's policy of a fixed exchange rate is a key structural issue in the future recovery in the world period.

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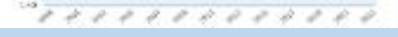
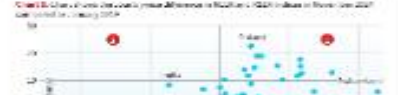
In the floating exchange rate regime, the central bank responds to the demand and supply conditions of the foreign exchange market by adjusting the domestic money supply. In the fixed exchange rate regime, the central bank maintains the exchange rate at a predetermined level.

In the managed floating exchange rate regime, the central bank intervenes to keep the exchange rate within a certain range. This is done by buying and selling foreign currency in the market.

When a country devalues its currency, it makes its exports cheaper and its imports more expensive. This can lead to a trade surplus, which can help to reduce the current account deficit.

The falling rupee

The rupee's devaluation is driven by capital flows, higher import costs, and a policy shift by the RBI. Structural issues such as rising domestic prices and real exchange rate appreciation further complicate the recovery of net exports.



other countries. Figure 1 shows this by depicting the exchange rate movements of 12 countries using data from the bank of International Settlements (BIS). The devaluation of the rupee is driven by capital flows, higher import costs, and a policy shift by the RBI. Structural issues such as rising domestic prices and real exchange rate appreciation further complicate the recovery of net exports.

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When a country devalues its currency, it makes its exports cheaper and its imports more expensive. This can lead to a trade surplus, which can help to reduce the current account deficit.

The policy implications of the rupee's devaluation are significant. It can boost net exports by making domestic goods cheaper. It raises domestic prices due to higher costs of imported materials, contributing to inflation.

The Indian rupee recently devalued sharply against the dollar after being stable for over two years.

Exchange Rate Frameworks:

- Nominal Exchange Rate: Price of foreign currency in terms of domestic currency.
- Real Exchange Rate: Relative cost of domestic goods compared to foreign goods.
- Exchange rates are influenced by demand-supply conditions in the market and central bank policies.

Types of Exchange Rate Policies:

- Fixed Exchange Rate: Central bank adjusts reserves to maintain a fixed rate.
- Floating Exchange Rate: Central bank allows the currency to fluctuate based on market conditions.
- Managed-Floating Exchange Rate: Central bank intervenes occasionally by both devaluing the currency and selling reserves. India has mainly followed a managed-float regime.

Implications of Devaluation:

It can boost net exports by making domestic goods cheaper. It raises domestic prices due to higher costs of imported materials, contributing to inflation.

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RBI announces steps to boost cross-border transactions in rupee

Press Trust of India
MUMBAI

The Reserve Bank of India (RBI) on Thursday announced liberalised norms to encourage the use of Indian rupee and local/ national currencies to settle cross-border transactions.

The decision when the currency is sliding, touching an all-time low of 86.70/\$ on Monday.

The RBI has already signed a memorandum of



encourage cross-border transactions in local currencies, including the Indian rupee.

arrangement in the form of Special Rupee Vostro Account (SRVA) was introduced. Several foreign banks have since opened SRVAs with banks in India.

“Overseas branches of authorised dealer banks will be able to open INR accounts for a person resident outside India for settlement of all permissible current account and capital account transactions with a person resident in India,” the RBI on Thurs-

day said. Persons resident outside India will be able to settle bona fide transactions with other non-residents using the balances in their repatriable INR accounts such as Special Non-resident Rupee account and SRVA.

Persons resident outside India will be able to use balances held in repatriable INR accounts for foreign investment, including FDI, in non-debt instruments.

Also, Indian exporters

- The Reserve Bank of India (RBI) announced liberalised norms to encourage the use of Indian rupee and local/ national currencies to settle cross-border transactions.
- The decision when the currency is sliding, touching an all-time low of 86.70/\$ on Monday.
- The RBI has already signed a memorandum of understanding (MoU) with the central banks of the United Arab Emirates, Indonesia and Maldives to encourage cross-border transactions in local currencies, including the Indian rupee.
- To encourage greater use of Indian rupee (INR) for trade transactions, in July 2022, an additional arrangement in the form of Special Rupee Vostro Account (SRVA) was introduced. Several foreign banks have since opened SRVAs with banks in India.

HEADLINES OF THE DAY

Indian Express –GS2(Governance)

HOW FTI-TTP WILL ENSURE FASTER, SMOOTHER IMMIGRATION CLEARANCE



Union Home Minister Amit Shah launches FTI-TTP at the Sardar Vallabhbhai Patel International Airport in Ahmedabad on Thursday. MHA

MAHENDER SINGH MANRAL
NEW DELHI, JANUARY 16

UNION HOME MINISTER Amit Shah on Thursday inaugurated the Fast Track Immigration-Trusted Traveller Programme (FTI-TTP) at the Sardar Vallabhbhai Patel International Airport in Ahmedabad.

FTI-TTP was first introduced at the Indira Gandhi International Airport in Delhi last June. It has since been implemented at the airports in Mumbai, Chennai, Kolkata, Bengaluru, Hyderabad, and Kochi.

What is FTI-TTP?

The program seeks to simplify international travel by accelerating the immigration pathway by using automated gates. It will eventually be implemented in 21 airports across India.

At the moment, the first phase of FTI-TTP seeks to facilitate secure but faster and smoother immigration clearance for

and fed for implementation through e-gates at the airport.

Biometrics of these travellers will be captured either at Foreigners Regional Registration Office (FRRO) or at the airport, at the time of the registered traveller's first passage. The registration will be valid till the validity of the passport, or for a period of five years, whichever is earlier.

Registered travellers will simply have to scan their boarding pass and passport at the airport's e-gate, and authenticate their biometrics.

"On such authentication, the e-gate will open automatically and immigration clearance will be deemed to have been granted," Bandi Sanjay Kumar, Minister of State for Home Affairs had said in a written reply to a question raised in Lok Sabha last July.

What are the documents required for FTI-TTP registration?

The following documents have to be uploaded on the program's online portal:


- Union Home Minister Amit Shah will inaugurate the Fast Track Immigration – Trusted Traveller Programme (FTI-TTP) at seven airports on January 16, 2025, following its initial launch at IGI Airport, New Delhi, in June 2024. Objective: FTI-TTP aims to facilitate smoother, faster, and more secure international travel by offering world-class immigration facilities through an accelerated immigration pathway. Implementation: The programme will use automated gates to screen international travelers, starting with Indian nationals and Overseas Citizens of India (OCI) passengers.
- Travelers must register on the online portal (<https://ftittp.mha.gov.in>) by submitting personal details and required documents. A list of 'Trusted Travellers' will be created after verification. Biometric Authentication: Travelers will scan their boarding pass and passport at e-gates, where their biometric data will be authenticated before immigration clearance.

HEADLINES OF THE DAY



PIB –GS2(Governance)

Prime Minister's Office



PM to distribute over 65 lakh property cards to property owners under SVAMITVA Scheme on 18th January

Drone survey already completed in 92% of targeted villages

Nearly 2.25 crore property cards prepared

Posted On: 16 JAN 2025 7:22PM by PIB Delhi

PM to distribute over 65 lakh property cards to property owners under SVAMITVA Scheme on 18th January

- Launched by the Hon'ble Prime Minister on **National Panchayati Raj Day, April 24, 2020**, the **SVAMITVA Scheme** aims to drive the economic transformation of rural India by providing property owners in village Abadi areas with a **“Record of Rights.”**
- Utilizing advanced drone and GIS technology for land demarcation, the scheme fosters property monetization, facilitates access to bank loans, minimizes property disputes, and promotes comprehensive village-level planning.
- As a step towards achieving true Gram Swaraj, the initiative is instrumental in empowering rural India and making it Atmanirbhar!

HEADLINES OF THE DAY

Air-GS2(Governance)

QS World Future Skills Index Ranks India 2nd For Digital Skills, Ahead Of Canada And Germany



- The QS World Future Skills Index has ranked India 2nd for Digital Skills, ahead of Canada and Germany. In a social media post, Prime Minister Narendra Modi expressed happiness over this achievement. He said, over the last decade, the government has worked on strengthening the country's youth by equipping them with skills that enable them to become self-reliant and create wealth. The Prime Minister stated that the insights from the QS World Future Skills Index are valuable as the country moves further on the journey towards prosperity and youth empowerment.
- Union Finance Minister Nirmala Sitharaman said, skilling India is a mission taken up by the Central government on the path towards Viksit Bharat. She said this new QS World Future Skills Index identifies India for its Digital Skills, AI and Green Skills.

HEADLINES OF THE DAY

Air-Economy(GSIII)

India's Electronics Exports Surge 35% To Record High In Dec 2024



- India's electronics exports surged by 35.11 per cent to a two-year high of 3.58 billion dollars in December 2024 from 2.65 billion dollars in the same month of the previous year. Commerce Ministry said this reflects the increase in foreign demand for high-value Indian goods and rising domestic production capacities. The country's electronic exports jumped by 28.6 per cent to 26.11 billion dollars in the April-December period of the current fiscal year, from 20.3 billion dollars during the same period in 2023-24.
- Electronics goods have emerged as the fastest-growing segment in India's export basket as new manufacturing capacities have come up in the country driven by the success of the Centre's production-linked incentive (PLI) scheme. Within the electronics sector smartphone exports have recorded a 45 percent increase in exports as leading players such as Apple and Samsung expand production in the country. The PLI scheme and quick clearances by the government are proving to be a major success.

HEADLINES OF THE DAY

Air-Economy(GSIII)

OPEC Predicts Robust Oil Demand Growth In 2026



- The Organization of Petroleum Exporting Countries (OPEC) has forecast the global oil demand will grow by 1.43 million barrels per day (bpd) in 2026.
- The organization maintained its forecast for global oil demand growth of 1.45 million bpd this year. In a report, OPEC said the prediction for next year is based on continued solid economic activity in Asia and other non-Organization for Economic Co-operation and Development (OECD) countries. OPEC also predicted the world economy to grow by 3.1 per cent this year and 3.2 per cent next year, supported by relatively steady growth levels in major economies.