



VAJIRAM & RAVI
Institute for IAS Examination

The Analyst

CURRENT AFFAIRS Handout

24th February 2025



Talent shortage – global challenge, India's opportunity

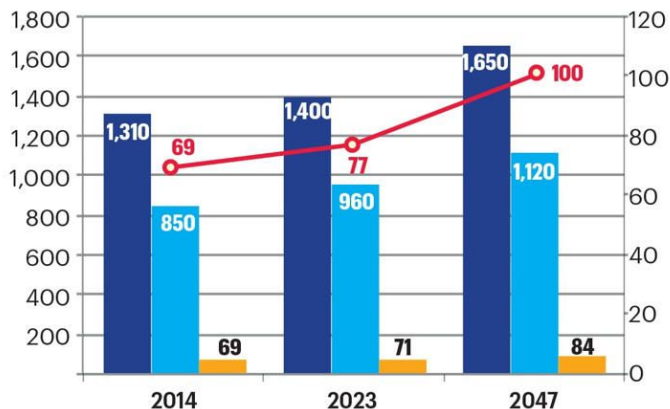
CONTEXT: A Recent FICCI-KPMG study, 'Global Mobility of Indian Workforce', has estimated that by 2030, the demand for skilled workers will exceed supply.

Background

- FICCI-KPMG study, 'Global Mobility of Indian Workforce', 2030- talent shortage of over 85.2 million people.
- Shortage - approx **\$8.45 trillion** in **unrealised** annual revenue by 2030.
- Equivalent- **GDPs of Germany and Japan,"**

TARGET FOR 2047

- India's working age population would be around 1.12 billion by 2047, the single-largest workforce of any country globally
- Targets include basic parameters such as universal literacy



● POPULATION IN MILLION (LHS) ● WORKING AGE POPULATION IN MILLION (LHS) ● LIFE EXPECTANCY IN YEARS (LHS)
— LITERACY RATE IN % (RHS)

SOURCE INDIA EMPLOYMENT REPORT 2024, MHFW 2020

THE DEADLY 'DONKEY ROUTE' TO US

Since November 2022, **97,000** Indians trying to enter illegally into the US have been arrested by American authorities

Since 2019, the number of Indians trying to illegally cross over into the US has gone up **five fold**

After being arrested, **45,000** Indians said they were trying to enter into the US illegally because they were "facing threats" in India

In January 2022, **a family of four** -- including **two children** -- from Gujarat died while crossing into the US from Canada

In May last year, American and Canadian officials rescued **six Indians** from drowning in the icy St Regis river

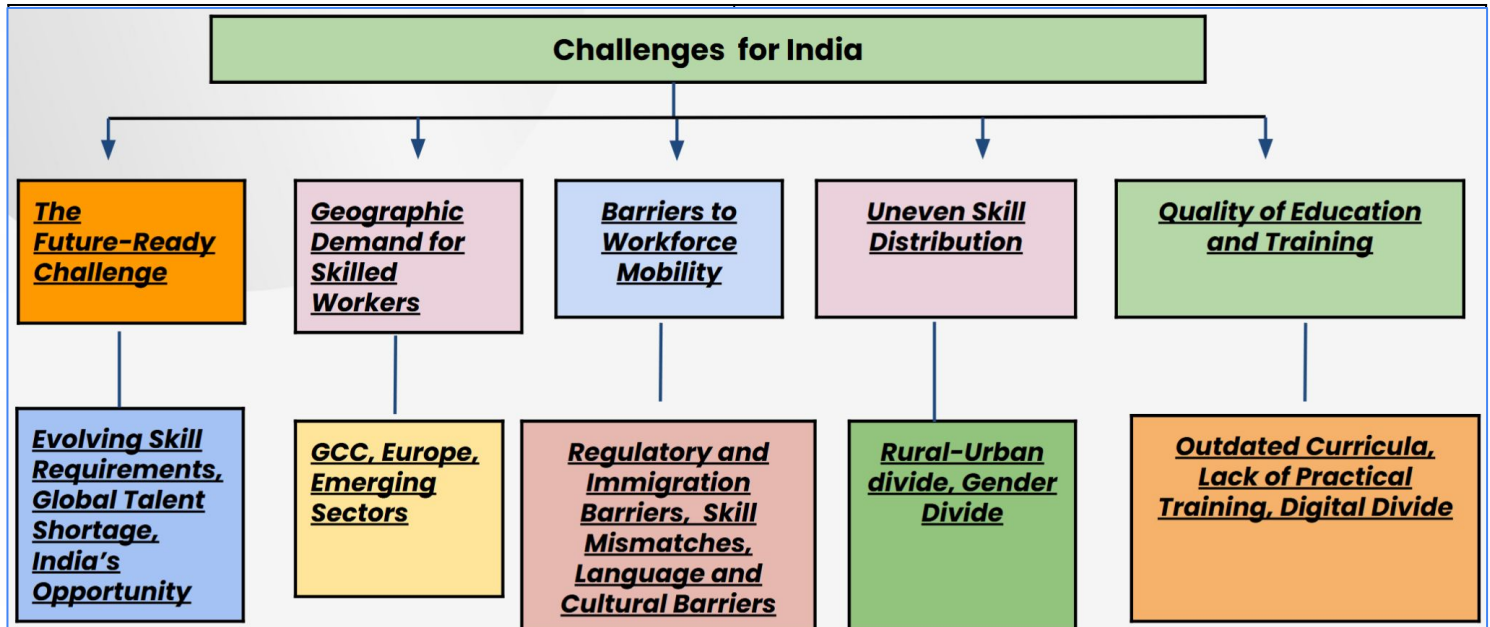
In April this year, a **32-year-old** from Haryana's Kaithal was found dead among a pile of rocks on the 'Donkey route' in Guatemala

Designed By : Arun Uniyal (ITCD DESIGN TEAM)



Talent shortage – global challenge, India's opportunity

CONTEXT: A Recent FICCI-KPMG study, 'Global Mobility of Indian Workforce', has estimated that by 2030, the demand for skilled workers will exceed supply.



Empowering Future Workforce with NSDC:

Building Skills for a Brighter Tomorrow

Through this partnership, we aim to:

- Equip students with industry-relevant skills.
- Create opportunities for employment.
- Bridge the skill gap.
- Foster a culture of lifelong learning.
- Empowering India's Youth Through Skills.
- Building a Future-Ready Workforce.
- Creating a Skilled Workforce



Pradhan Mantri Kaushal Vikas Yojana 4.0: Training Youth with Future-Ready Skills

- 1 OBJECTIVE**
It aims to train the youth of India with practical skills for better job opportunities and a brighter future.
- 2 LAUNCH**
PMKVY was initially launched in 2015. PMKVY 4.0 was announced in the 2023-24 Budget.
- 3 ELIGIBILITY**
The scheme is for unemployed youth and school or college dropouts aged 18 to 45 years
- 4 COMPONENTS**
Short-Term Training (STT), Recognition of Prior Learning (RPL), Special Projects, and Placement Assistance.
- 5 TRAINING DURATION**
Training sessions vary from 200 to 600 hours, depending on the specific job role.
- 6 MONETARY REWARD**
Participants who complete their training can receive an average of Rs. 8,000.
- 7 KAUSHAL MELA**
Community events are held to raise awareness about the scheme and assist with enrollments.
- 8 MANAGEMENT**
The Ministry of Skill Development and Entrepreneurship (MSDE) manages the program.



Talent shortage – global challenge, India's opportunity

CONTEXT: A Recent FICCI-KPMG study, 'Global Mobility of Indian Workforce', has estimated that by 2030, the demand for skilled workers will exceed supply.

What should be done?

Sector-Specific Skill Training, Curriculum Updation

Regulation of Recruitment Practices : Prevent Exploitation,

Recognition of Qualifications

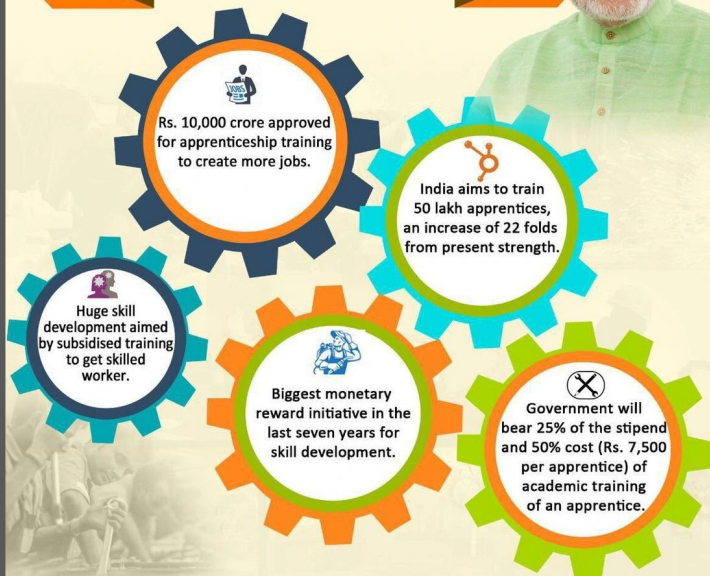
Global Collaboration, Public-Private Partnerships

Circular Migration Models : Temporary work visas and rotational workforce models



A giant leap towards skill development

National Apprenticeship Promotion Scheme approved to provide training to over 50 lakh youngsters.



Prelims PYQ 2017. 'Recognition of Prior Learning Scheme' is sometimes mentioned in the news with reference to

- (a) Certifying the skills acquired by construction workers through traditional channels.
- (b) Enrolling the persons in Universities for distance learning programmes.
- (c) Reserving some skilled jobs to rural and urban poor in some public sector undertakings.
- (d) Certifying the skills acquired by trainees under the National Skill Development Programme.



Talent shortage – global challenge, India's opportunity



CONTEXT: A Recent FICCI-KPMG study, 'Global Mobility of Indian Workforce', has estimated that by 2030, the demand for skilled workers will exceed supply.

Q. With reference to Pradhan Mantri Kaushal Vikas Yojana, consider the following statements:

1. It is the flagship scheme of the Ministry of Labour and Employment.
2. It, among other things, will also impart training in soft skills, entrepreneurship, financial and digital literacy.
3. It aims to align the competencies of the unregulated workforce of the country to the National Skill Qualification Framework.

Which of the statements given above is/are correct?

- (a) 1 and 3 only
- (b) 2 only
- (c) 2 and 3 only
- (d) 1, 2 and 3

Mains Practise Question

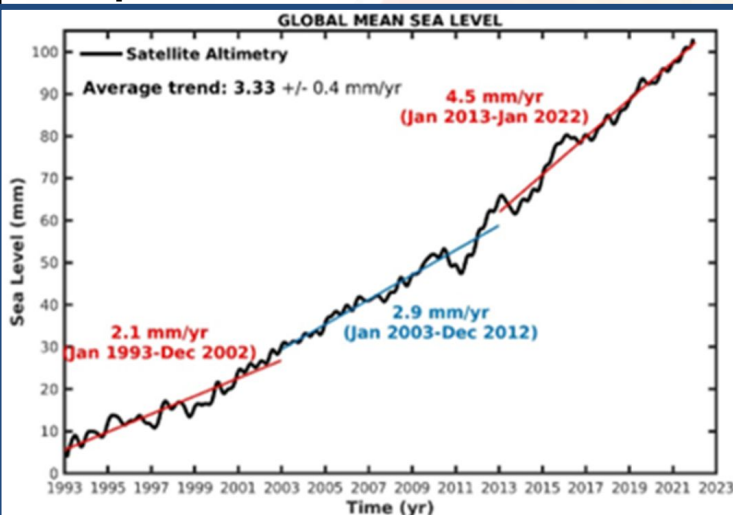
Question : "India stands at a critical juncture where the future of work presents both significant challenges and unprecedented opportunities". Discuss.
(10 Marks, 150 words)



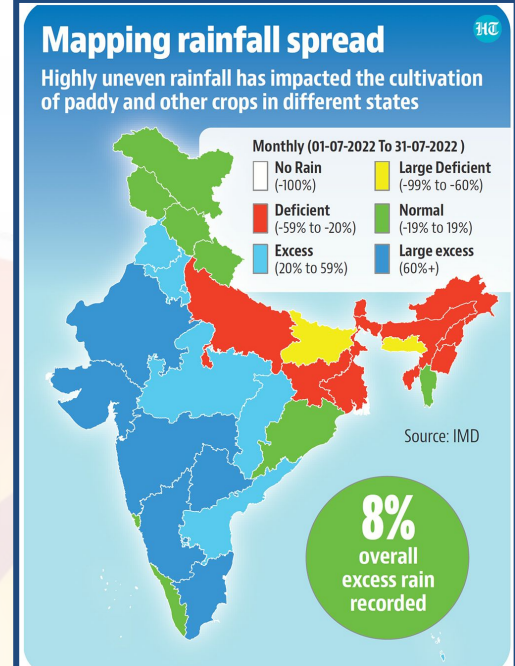
Melting Glaciers- Rising Sea Level-the Likely Impact

CONTEXT: A study says that almost 2 cm of sea level rise this century was due to melting glaciers.

- 'Community estimate of global glacier mass changes from 2000 to 2023', published, journal "Nature"
- Loss- 273 billion tonnes of ice each year
- Mumbai, -rise of 4.44 cm between 1987 and 2021, worst Indian.
- Every centimetre of sea level rise exposes another 2 million people to annual flooding somewhere on our planet."



Sea-level rise since 1993 based on satellite measurements (WMO State of the Global Climate Report).

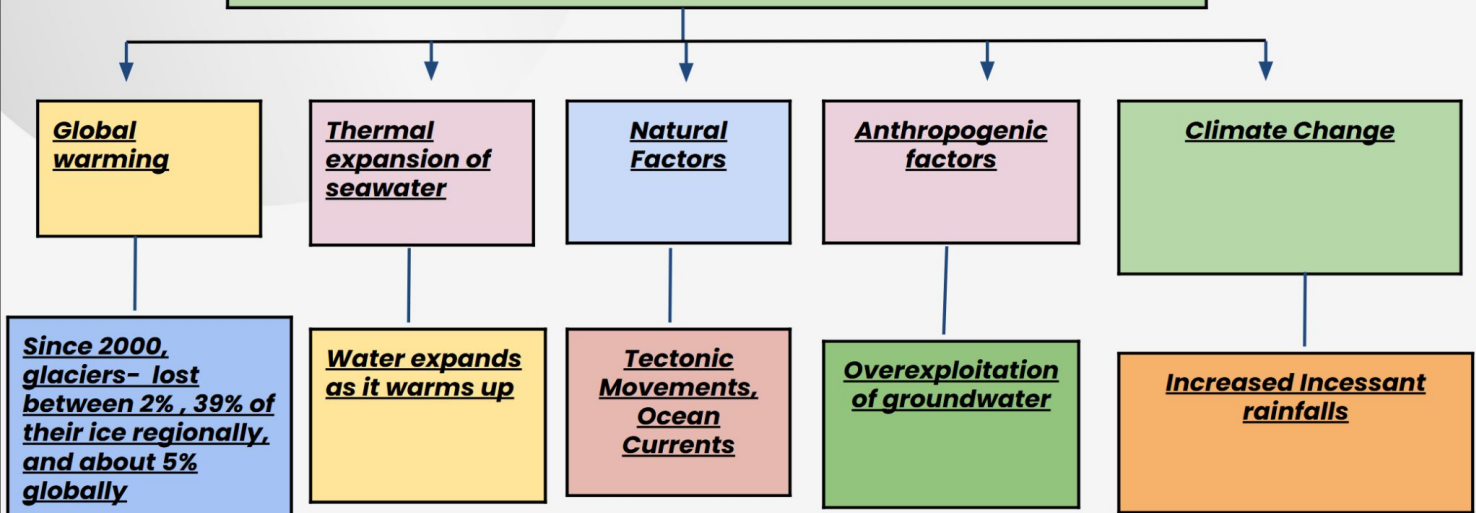


Rise in sea level in metres	By 2040		By 2050	
	A*	B**	A*	B**
Mumbai	0.12	0.11	0.17	0.14
Mangaluru	0.10	0.09	0.15	0.13
Kochi	0.15	0.15	0.22	0.19
Chennai	0.10	0.11	0.16	0.14
Vizag	0.10	0.10	0.14	0.13
Global	0.14	0.13	0.20	0.18

A* - Current scenario of global emission level in line with the collective nationally determined contributions (climate action plan) by 2030

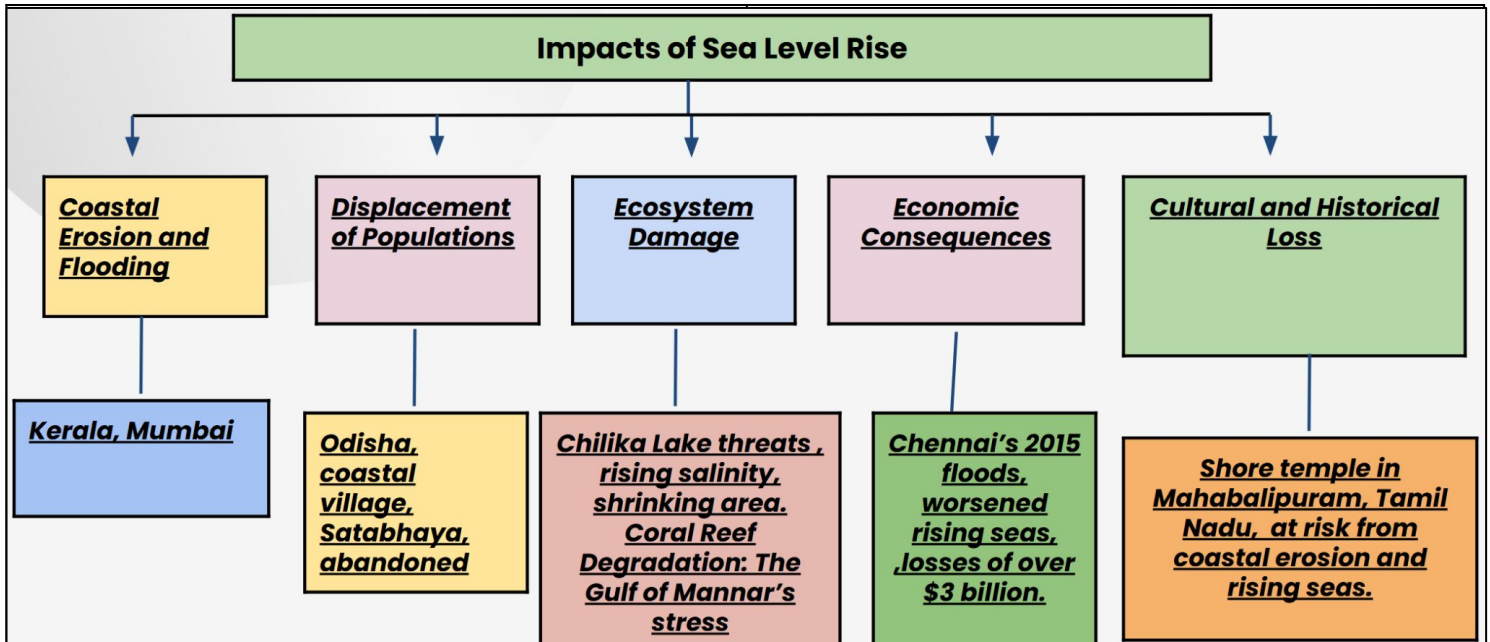
B** - Best-case scenario to keep global emission to 'net zero' around mid-century (Median projections of global and regional sea level rise or fall, relative to a 1995-2014 baseline)

Reasons for Sea Level Rise



Melting Glaciers- Rising Sea Level-the Likely Impact

CONTEXT: A study says that almost 2 cm of sea level rise this century was due to melting glaciers.



What Should be done?

- **Strengthening Coastal Infrastructure:** Build Resilient Structures, Construct seawalls, flood barriers, and elevated buildings.
- **Nature-Based Solutions :** Restore mangroves, coral reefs, and wetlands
- **Policy and Governance:** Integrated Coastal Zone Management (ICZM)
- **Strict Regulations:** Enforce building codes and restrict construction in vulnerable zones.
- **Climate Adaptation Measures:** Early Warning Systems
- **Community Preparedness :** Train coastal communities in disaster response and evacuation.,
Sustainable Livelihoods

- **Global and Regional Cooperation:** International Agreements, Strengthen commitments under the Paris Agreement and other frameworks.
- **Public Awareness and Education:** Community Engagement, Educate coastal populations about risks and adaptation strategies.

Mains Practise Question

Question : Discuss the major reasons for sea level rise and evaluate its far-reaching impacts on ecosystems, economies, and human populations
(10 Marks, 150 words)

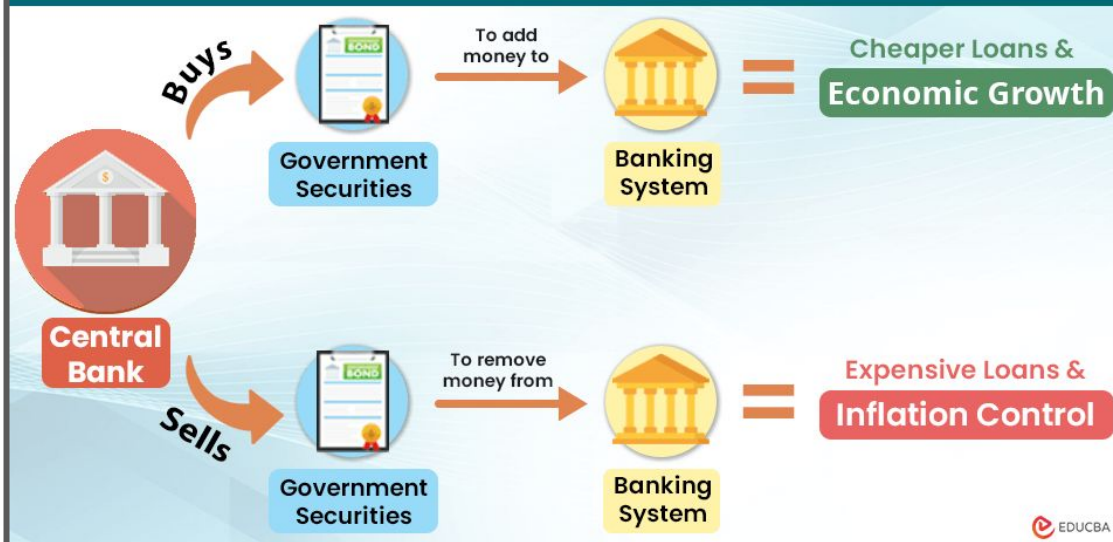


SYLLABUS: GS Paper 3: Growth & Development

Newspaper: The Hindu

Page Number: 06

How Open Market Operations Work?



Open market operations (OMO) refer to the buying and selling of government securities by the central bank in the open market. In India, RBI conducts OMOs to influence the reserves of commercial banks, control their credit creation power, and affect the market rates of interest.

The Reserve Bank of India's (RBI) recent decision to inject an additional \$10 billion into the financial system through a dollar/rupee swap auction is a timely measure aimed at addressing long-term liquidity concerns among domestic lenders. These concerns stem from a flight of foreign capital from Indian stock markets, as investors seek better returns in the United States amid President Donald Trump's proposed corporate tax cuts and ongoing tariff wars, which have strengthened the U.S. dollar against global currencies. This marks the second such rupee infusion in less than a month. However, unlike the first tranche of \$5 billion on January 31, which had a six-month tenor, the latest swap auction has a three-year duration. The combined effect of these two auctions will inject approximately ₹1.3 trillion into the banking system, as lenders deposit their dollar reserves with the RBI in exchange for rupees at a pre-determined buy-back premium. Currency swaps are among the tools central banks deploy during periods of high volatility in the global financial system. These measures have the primary aim of stabilising the local currency, mitigating liquidity constraints in the domestic financial system, and curbing inflationary pressures. Economists estimate that an additional \$5 billion infusion may be necessary to neutralise the ₹1.7 trillion liquidity deficit in India's banking system as of February 20, 2025.

This is the second time that the RBI has conducted a long-duration currency swap. The first was in 2019, in response to global financial volatility during Mr. Trump's first term, amid trade tariff tensions and tax cuts. However, unlike 2019, when India's foreign exchange reserves were rising, ensuring dollar availability while rupee liquidity remained constrained, today's situation is more challenging. Between October 2024 and February 21, 2025, the rupee has depreciated approximately 3.3% against the dollar, breaching the 85 per dollar mark on December 19, 2024. Foreign portfolio investors and foreign institutional investors have also withdrawn roughly \$31 billion from Indian equity markets. Since December 2024, the RBI has sold an estimated \$111.2 billion (about 18% of its foreign exchange reserves) to stabilise the rupee. Given these conditions, the latest long-term currency swap appears to be a necessity rather than a proactive measure. Indian banks must capitalise on this liquidity infusion by continuing to extend credit, ensuring that the cycle of capital investment, employment generation, wage growth, and consumer demand remains intact. This, in turn, could help propel India's real GDP growth beyond the current 6.4%, despite prevailing global economic headwinds.



SYLLABUS: GS Paper 2: Education, Government Policies and Interventions

Newspaper: The Hindu

Page Number: 8

A. M. Jigeeesh

The story so far:

The University Grants Commission (UGC) decided to discontinue the UGC Consortium for Academic and Research Ethics (UGC-CARE) list, which is a list of quality academic journals, first introduced in 2018. The UGC-CARE list will now be replaced by a set of suggestive parameters for choosing journals based on eight criteria. Stakeholders can submit suggestions by February 25.

What do the new parameters say?

There are about 36 suggestive parameters under eight criteria in the draft notification titled "Suggestive Parameters for Peer-Reviewed Journals." Under the journal preliminary criteria, the UGC has asked teachers to note the journal title,

the international standard serial number, periodicity and continuity and transparency review policy etc before sending an article for publication. Under the editorial board criteria, the UGC wants authors to ensure that the journal's editorial board details and editorial board composition are made available. Similarly other criteria under suggestive parameters include journal editorial policy, journal standards, journal visibility and research ethics.

Why did the UGC withdraw it?

The aim of the UGC-CARE listing was to ensure that only "reputable" journals are recognised for faculty selections, promotions, and research funding applications. According to UGC Chairman M Jagadesh Kumar, the UGC-CARE list faced several criticisms, including over-centralisation in deciding what

constitutes high-quality research and journals, and unnecessary delays in including or excluding journals from the list. Academics had also raised concerns that in certain fields, such as Tamil, the availability of research journals were limited as per the UGC CARE list. Mr. Kumar said there was lack of transparency in the decision-making process and highly respected journals published in Indian languages were excluded from the list.

Furthermore, the UGC claims that the new approach will help in combating predatory journals and decentralise the mechanism of choosing academic journals. Higher education institutions will "now be responsible for establishing credible mechanisms to evaluate journals and ensure they meet high ethical and scholarly standards." They can develop their own institutional mechanisms for

evaluating the quality of publications and journals. "These mechanisms should align with established academic norms and indicative parameters suggested by the UGC. This decentralised approach allows HEIs to tailor their evaluation processes to suit their specific needs," Mr. Kumar said in a statement. Institutions can now create evaluation models that consider the unique characteristics of different disciplines, and accommodate newer, evolving fields.

What has been the response?

Students and academics have voiced their concerns on the latest move. Their main worry is that the decision will result in the mushrooming of low-quality journals. The Central Executive Committee of the Students' Federation of India (SFI) condemned the UGC's move, which they said was taken without adequate consultation with student and research communities. The SFI termed the decision as a serious setback to academic integrity and quality research in India. The SFI added that the UGC's decision is part of a broader pattern of deregulation in higher education under the National Education Policy (NEP) 2020. "While decentralisation is essential for academic freedom, the lack of a central oversight mechanism could lead to arbitrary and inconsistent journal evaluation processes across institutions," it said.

Prelims Booster

- **Establishment:** Formed on December 28, 1953, as UGC.
- **Statutory Status:** Became a statutory body through 1956 Act.
- **Primary Role:** Coordinates and maintains university education standards.
- **Regulation:** Monitors fake universities, autonomous colleges, and deemed universities.
- **Distance Education:** Regulates distance education institutions in India.
- **Head Office:** UGC's head office is located in New Delhi.



24th February, 2025

India- UK FTA

SYLLABUS: GS Paper 3: Effect of Policies & Politics of Countries on India's Interests, International Treaties & Agreements: Newspaper: The Indian Express
Page Number: 10

AFTER A gap of eight months, India and the UK will resume negotiations on a free trade agreement (FTA) on Monday under the shadow of Trump tariffs that have plunged the world into uncertainty.

Prior to the opening of the 15th round of negotiations, UK Secretary of State for Business and Trade Jonathan Reynolds will hold a bilateral meeting with Commerce and Industry Minister Piyush Goyal. Reynolds' visit to India comes amid the personal storm he faces at home over allegedly falsifying his legal career.

The FTA negotiations were paused in May 2024 because of the general elections in both India and the UK. "The Trump tariffs can impart some urgency to the negotiations though it will have to be seen," trade expert Abhijit Das said. The subject of tariffs that the US is talking of imposing on the countries with which it has a trade deficit could be a part of discussions in the bilateral meeting between Goyal and Reynolds, he added.



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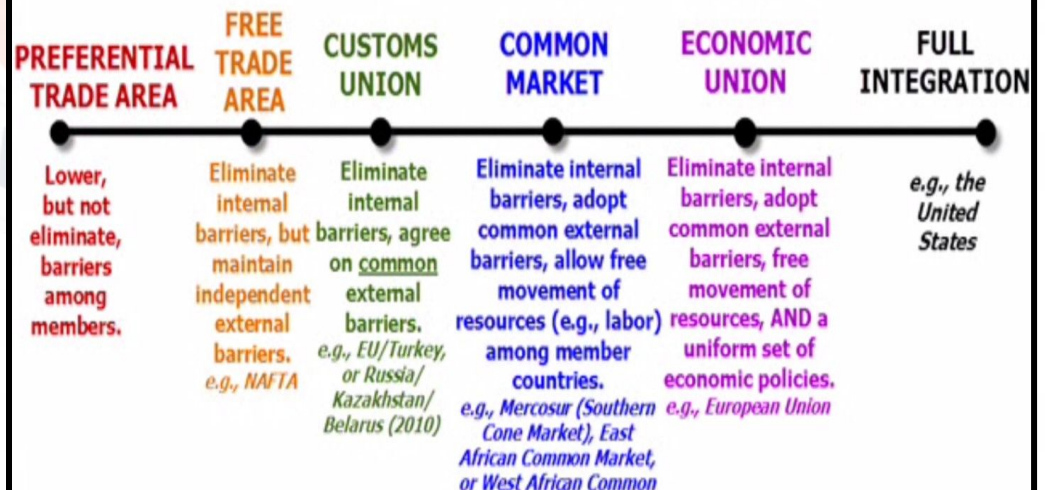
Since the last round of talks, India has on its own brought down import duties on cars, motorcycles and even select bourbon whiskey, which is produced in the US. A proposal has also been moved in Parliament to increase the foreign direct investment (FDI) limit in insurance to 100 per cent. Lower duties on cars and insurance liberalisation address some of the key demands of the UK, but India may still not offer to write down the latest import duties or

FDI limits in the FTA and commit to it unless it gets anything in return.

The UK is the 16th-biggest trading partner of India.

"The changes have been done autonomously and can be reversed but if they become part of FTAs then companies in the UK will continue to enjoy the concession," founder of Global Trade Research Initiative Ajay Srivastava said.

Both Das and Srivastava were of the view that India should seek clarity on how the carbon tax that the UK will collect from January

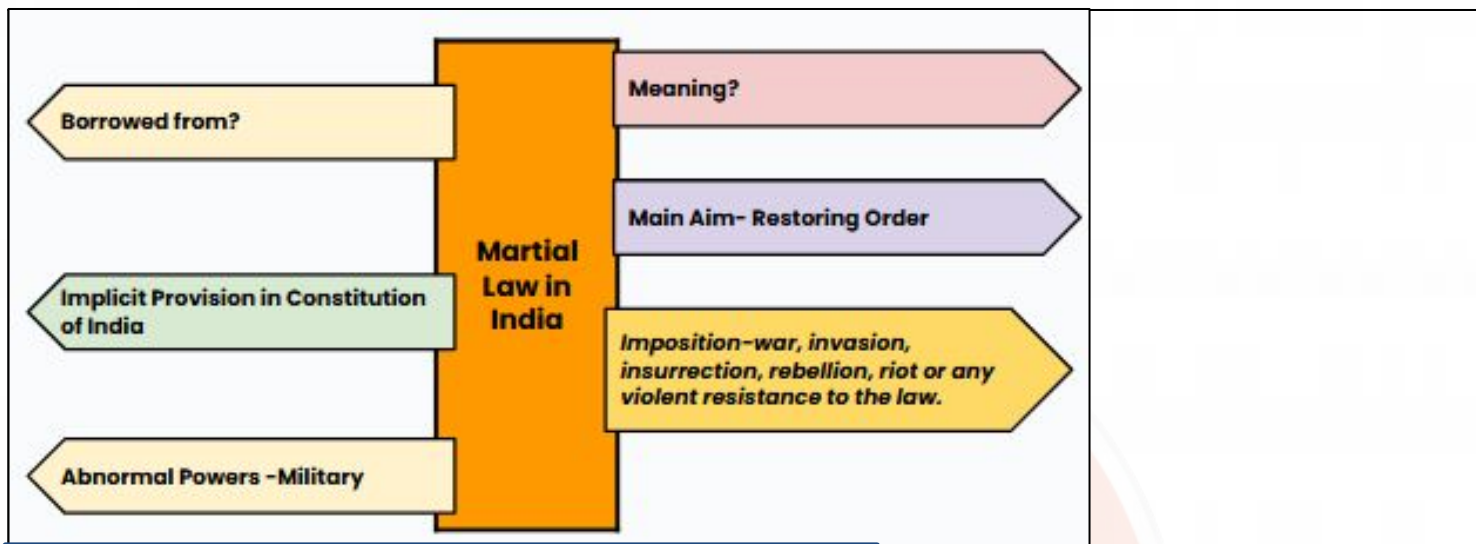


What is Martial Law?

SYLLABUS: GS Paper 2: Fundamental Rights

Newspaper: The Hindu

Page Number: 11



Press Trust of India
SRINAGAR

PDP chief Mehbooba Mufti on Sunday said the Speaker of an Assembly should safeguard the rights of the members of the House and not act as a censor.

Her remarks came after

J&K Speaker Abdul Rahim Rather took serious note of the publicity of the House business notices ahead of the Budget session.

He asked the members to desist from committing a breach of Privilege.

Ms. Mufti accused him of imposing a form of

"martial law" while occupying a constitutional position. "While Rathar Sahab may be concerned with preserving the sanctity of legislative proceedings, as Speaker, his primary role is to safeguard the rights of members, not to act as a censor," she said.

Prelims PYQ 2022. Which of the following is/are the exclusive power(s) of Lok Sabha?

- To ratify the declaration of Emergency
- To pass a motion of no-confidence against the Council of Ministers
- To impeach the President of India

Select the correct answer using the code given below:

- (a) 1 and 2
(b) 2 only
(c) 1 and 3
(d) 3 only

Feature	National Emergency	Martial Law
Concept Origin	German Constitution	English Common Law
Scope of Impact	Fundamental Rights, Centre-State relations, legislative powers, Parliament tenure	Fundamental Rights
Government & Courts	Continue	Suspended
Grounds for Imposition	War, external aggression, armed rebellion	Breakdown of law and order
Geographical Scope	Entire country or part of it	Specific area
Constitutional Provision	Explicit (Article 352)	Implicit (not directly mentioned)



FPIs Continued withdrawal from India

SYLLABUS: GS Paper 3: Liberalization, Growth & Development

Newspaper: The Indian Express

Page Number: 10

Feature	Foreign Direct Investment (FDI)	Foreign Portfolio Investment (FPI)	Q. With reference to Foreign Direct Investment in India, which one of the following is considered its major characteristic? (a) It is the investment through capital instruments essentially in a listed company. (b) It is a largely non-debt creating capital flow. (c) It is the investment which involves debt-servicing. (d) It is the investment made by foreign institutional investors in Government securities.
Investment Type	Direct ownership of a business or assets	Purchase of financial assets	
Control	Investor seeks significant control over the company or asset	Investor has little or no control over the company or asset	
Time Horizon	Typically long-term (years to decades)	Typically shorter-term (months to years)	
Risk	Generally considered higher risk due to involvement in the local economy	Generally considered lower risk as investments are spread across companies and countries	
Impact on Host Country	Can create jobs, transfer technology, and boost economic growth	Can provide capital for companies and contribute to market liquidity	
Regulation	Often subject to government approval and restrictions	Generally less regulated than FDI	
Examples	Building a factory in another country, acquiring a foreign company	Buying stocks or bonds of foreign companies, investing in mutual funds or ETFs that hold foreign assets	

New Delhi: Foreign investors have pulled out over Rs 23,710 crore from the Indian equity markets so far this month, pushing total outflows past Rs 1 lakh crore in 2025 amid rising global trade tensions.

Going forward, V K Vijayakumar, chief investment strategist, Geojit Financial Services, believes that revival of FPI investment in India will happen when economic growth and corporate earnings revive. Indications of that are likely to happen in two to three months.

According to the data with the depositories, foreign portfolio investors (FPIs) offloaded shares worth Rs 23,710 crore from Indian equities so far this month (till February 21). This came following a net outflow of Rs 78,027 crore in January. With these, the total outflow by FPIs has reached Rs 1,01,737 crore in 2025 so far, data with the depositories showed. This massive selling has resulted in the Nifty yielding negative returns of 4 per cent year-to-date.



File

Market concerns heightened following reports that US President Donald Trump was considering imposing new tariffs on steel and aluminum imports, along with reciprocal tariffs on several countries, Himanshu Srivastava, associate director-manager research, Morningstar Investment Research India, said.

These developments reignited fears of a potential global trade war, prompting FPIs to re-evaluate their exposure to emerging markets, including India, he added.

On the domestic front, **laxdus-**

ter corporate earnings and persistent depreciation of the Indian rupee, which breached multi-year lows, further diminished the appeal of Indian assets, Srivastava said. After Trump's victory in US presidential elections, the US market has been attracting huge capital inflows from the rest of the world. But recently, China has emerged as a major destination of portfolio flows, Geojit Financial Services' Vijayakumar said.

The Chinese president's new initiatives with their leading businessmen have kindled hopes of a growth recovery in China. **PTI**



Q1. Consider the following statements:

1. Pradhan Mantri Kaushal Vikas Yojana (PMKVY) 4.0 aims to provide skill training aligned with Industry 4.0 demands.
2. The scheme is implemented by the Ministry of Education.
3. It includes on-the-job training and linkage with MSMEs

Which of the statements given above is/are correct?

- (a) 1 and 3 only
- (b) 2 only
- (c) 1, 2, and 3
- (d) None

Answer: a

Q2. Consider the following statements:

1. Melting of Antarctic ice sheets has a lesser impact on sea-level rise than Greenland ice sheets.
2. Increased freshwater influx from melting glaciers can disrupt oceanic circulation patterns.

Which of the statements given above is/are NOT correct?

- a) 1 Only
- b) 2 Only
- c) Both 1 and 2
- d) Neither 1 nor 2

Answer: a

Q3. Consider the following statements regarding Open Market Operations:

1. OMO involves the buying and selling of government securities by the RBI to regulate liquidity.
2. OMO directly affects the repo rate in the monetary policy framework.
3. OMO can be used to both inject and absorb liquidity from the banking system.

How many of the statements given above is/are correct?

- a) Only One
- b) Only Two
- c) All Three
- d) None

Answer: b

Q4. Consider the following statements regarding the levels of economic integration:

1. A Customs Union allows free movement of goods and services but maintains independent external tariffs for member countries.
2. A Common Market includes factor mobility along with a unified trade policy.
3. An Economic Union is the first stage of economic integration.

How many of the statements given above is/are correct?

- a) Only One
- b) Only Two
- c) All Three
- d) None

Answer: a

Q5. With reference to the Martial Law, consider the following statements:

1. Fundamental rights maybe suspended temporarily.
2. Martial Law has no specific constitutional provision.

Which of the statements given above is/are correct?

- (a) 1 only
- (b) 2 only
- (c) Both 1 & 2
- (d) None of the above

Answer: a





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