

Index

EDITORIAL

1. Demonetisation: One Year After 1-3

ART, CULTURE, SOCIETY, SOCIAL & NATIONAL ISSUES

2. Sri Ranganathaswamy temple gets UNESCO award 4-5
3. India Youth Development Index and Report 2017 5-5
4. National Testing Agency (NTA) 6-6
5. Aadi Mahotsav 6-6
7. Namami Barak festival 7-7
8. SHe-Box Online Complaint Management System 7-8
9. Ek Bharat-Shreshtha Bharat Yojana 8-9
10. 19th November: World Toilet Day 2017 9-9
11. Ram Setu hearing: SC asks Centre to clarify its stand on the bridge 10-10
12. Hunar Haat inaugurated in IITF 2017 10-10
13. World Food India 2017 10-11
14. Qaumi Ekta Week 11-12
15. 'Safe city' plan for women to kick off in eight cities 12-12
16. Cabinet approves National Council for Teacher Education (Amendment) Bill, 2017 13-13
17. Manipur Sangai Festival 2017 13-14

POLITY & GOVERNANCE, SOCIAL JUSTICE & SOCIAL DEVELOPMENT

18. 12th meeting of Standing Committee of Inter-State Council convened 15-16
19. 26th November: Constitution Day 16-17
20. Transgender rights: Govt. rejects recommendations of a parliamentary committee 17-18
21. e-governance app Umang Launched 18-18

December-2017

22.	Government to reintroduce Bill to grant Constitutional Status to NCBC	19-19
23.	Cabinet approves Continuation of sub-schemes under Umbrella Scheme “Integrated Child Development Services (ICDS)”	19-20
24.	Pradhan Mantri Mahila Shakti Kendra	20-20
25.	SC Declares Money Laundering Bail Provision Unconstitutional	20-21
26.	Accessible India Campaign	21-21
27.	Cabinet approves continuation and Restructuring of National Rural Drinking Water Programme	22-22
28.	Deen Dayal SPARSH Yojana	23-23
29.	Cabinet approves setting up of 15th Finance Commission	23-24
30.	Gram panchayat certificate no proof of citizenship: SC	24-25

INTERNATIONAL RELATIONS, INDIAN & THE WORLD AND INTERNATIONAL AFFAIRS

31.	Cabinet approves MoU between India, Poland for civil aviation cooperation	26-26
32.	India, Russia sign comprehensive counter terror pact	26-27
33.	India urged to join Belt and Road Initiative	27-28
34.	India to help Mauritius on digital locker	28-29
35.	China, Djibouti to forge ‘strategic’ ties	29-30
36.	International Energy Agency (IEA) Meeting Held	30-30
37.	India to contribute USD 100 million to UN partnership fund	30-31
38.	Asia Pacific Computer Emergency Response Team (Apcert)	31-32
39.	Cabinet approves agreement on cooperation and mutual assistance between India and Armenia in custom matters ⁷	32-32
40.	International Solar Alliance	33-33
41.	10th South Asia Economic Summit held in Nepal	33-34

December-2017

42.	Cabinet approves India's Membership for European Bank for Reconstruction and Development	34-34
43.	Joint Interpretative Declaration between India and Colombia	35-35
44.	India climbs 3 steps to 51 on IMD World Talent rankings	35-36

INDIAN ECONOMY & ECONOMIC DEVELOPMENT

45.	National Anti-profiteering Authority	37-38
46.	Global Entrepreneurship Summit 2017 in Hyderabad	38-39
47.	Meeting of Asia and Pacific Decade for Persons with Disabilities	39-40
48.	India signs USD 100 million loan agreement with World Bank for Solar Parks Project	40-41
49.	Manipur To Host 1st North East Development Summit	41-41
50.	India's first mega coastal economic zone (CEZ)	41-42
51.	Moody's has upgraded India's rating	42-42
52.	RBI no to Islamic banking	43-43
53.	FEMA norms eased to spur investment from overseas	43-44
54.	National Power Portal(NPP) – a Centralized Platform for Collation and Dissemination of Indian Power Sector Information launched	44-44
55.	'Saubhagya' Web-Portal – a Platform for Monitoring Universal Household Electrification Launched	44-46
56.	New outsourcing norms for NBFCs	46-47
57.	Grahak Sadak Koyla Vitaran App	47-47
58.	Coastal Berth Scheme	47-48
59.	CCEA nod for extending Rs 15,722cr RKVY-RAFTAAR till 2019-20	48-48
60.	Avoidance of Double Taxation	48-49
61.	Ladakh Renewable Energy Initiative	49-49
62.	India's rank rises to 100 in World Bank's doing Business Report, 2018	50-51
63.	Nagaland, 3 Union Territories sign MOU to join UDAY scheme	51-52
64.	Logistics Sector granted Infrastructure Status	52-53

ENVIRONMENT AND ECOLOGY

65.	Nations prepare road-map for 'Talanoa Dialogue' at Bonn climate negotiations	54-54
66.	M-STRiPES: An app to get tiger numbers right	54-55
67.	Arunachal's Siang river turns black	55-56
68.	Multi State Mega Mock Tsunami Exercise 2017	56-57
69.	New species of gecko discovered in Andhra Pradesh	57-57
70.	BS -VI Norms	57-59
71.	SC for nationwide ban on furnace oil, pet coke	59-59
72.	Climate Change Performance Index	59-60
73.	Facebook brings in disaster response tools to India	60-61
74.	Blackbuck conservation reserve to come up in U.P.	61-61
75.	New ant species discovered in the Western Ghats	61-62
76.	Musa paramjitiana	62-62

SCIENCE & TECHNOLOGY, DEFENCE AND HEALTH

77.	India's Second Technology and Innovation Support Center (TISC)	63-63
78.	Indo-Bangladesh Exercise 'SAMPRITI 2017' concludes	63-64
79.	India successfully test-fires BrahMos from Sukhoi-30 fighter aircraft	64-64
80.	Global Conference on Cyber Space 2017	65-65
81.	WHO releases guidelines on responding to child sex abuse	65-66
82.	'NIRBHAY' Sub-Sonic Cruise Missile	66-66
83.	Banaganapalle mangoes get GI tag	66-67
84.	India's first mission to Sun 'Aditya-L1' scheduled for 2019	67-68
85.	China launches 2 navigation satellites	68-69
86.	PAN Indian Army Release of Integrated Quarter Master Package (IQMP) Software Application	69-69

December-2017

87.	21st World Congress of Mental Health	69-70
88.	Vasectomy Fortnight	70-70
89.	IMMSAREX-17	70-71
90.	North Korea tests most powerful ICBM 'Hwasong-15'	71-72
91.	Telecom regulator TRAI backs Net neutrality	72-72
92.	Approval for buying 111 Navy copters	73-73
93.	Moscow declaration	73-74
94.	Vidyarthi Vigyan Manthan (VVM)	74-75
95.	Global Clubfoot Conference	75-75
96.	NOAA's Joint Polar Satellite System-1 (JPSS-1)	75-76
97.	India-Myanmar Bilateral Army Exercise (IMBAX)	76-76
98.	Defence of Andaman and Nicobar Islands Exercise (DANX)	76-76

MISCELLANEOUS (STATE AND OTHER NEWS)

99.	Karnataka first state where women head police, bureaucracy	77-77
100.	Mirabai Chanu wins gold medal at World Weightlifting Championships	77-77
101.	India's Dalveer Bhandari wins ICJ election	77-77
102.	First Indian to win Asian Marathon Championship gold	78-78
103.	Indira Gandhi Prize for Peace, Disarmament and Development	78-78
104.	Miss Universe 2017: South Africa's Demi-Leigh Nel-Peters wins the crown	78-78
105.	Shaktikanta Das named as India's G20 Sherpa	78-78
106.	Mary Kom Strikes Gold at Asian Womens Boxing Championships	78-79
107.	Hindi writer Krishna Sobti chosen for Jnanpith Award	79-79
108.	Rasogolla hits sweet spot, gets GI tag	78-78
109.	Manushi Chhillar wins Miss World 2017 title	78-78
110.	Indian Navy's first woman pilot	79-79

December-2017

SUMMARY OF THE MONTHLY JOURNALS

111. Floods and Droughts in India: Causes and Solutions	80-83
112. Decoding India's Foreign Policy	83-86
113. Empowering India's MSME Sector	86-89
114. Role of MSME in New India	89-93

ELITE IAS



Editorial

Demonetisation: One Year After

ON NOVEMBER 8TH last year, Prime Minister Narendra Modi made an announcement. In one go, he outlawed notes of Rs 500 and Rs 1,000 that constituted 86 per cent of the country's currency in circulation. It was perhaps India's boldest policy experiment in over a quarter century.

A year later, a paradox of sorts has emerged: while intellectuals and analysts in India have slammed the step, Indians at large have reacted positively to it. The usual explanation is that the economics and politics of demonetisation bear no connection, with the idea finding favour with citizens by virtue of the populist appeal of its moral logic. Lost in the noise are the modernising features of a larger process that began with creating no-frill bank accounts for the underprivileged and has culminated—for the time being—in a major tax reform, the Goods and Services Tax (GST).

In the weeks and months after November 8th, 2016, Indians cutting across all lines—rich and poor, urban and rural—formed serpentine queues to deposit money and get hold of some precious but rationed cash for much-needed daily use. In a country whose economy was dominated by cash transactions, demonetisation was a drastic attempt to change the behaviour of Indians, moving them away from the use of currency notes towards electronic modes of transferring money. It was also an attempt to check black money by imposing what economists called a 'one-time shock' that would neutralize it.

Twelve months past, those queues are mostly a faded memory, the country has been remonetised adequately, and other policy measures such as the GST have been implemented by the Government. But a few voices against the move remain as loud as ever. Some criticisms have been pertinent, others merely petulant. The one with the strongest force was of the badly handled remonetisation of the economy. This argument could be made with a simple illustration. Suppose a country uses 70 per cent of its currency for transactions—buying and selling goods—and uses the rest as a store of value. Surely, it is important to smoothly replace old stock with new? Even if one assumes a further 20 percentage point reduction in the use of notes—say, people shift habits and start doing online transactions—that still leaves a 50 per cent requirement for new currency almost at the word go. This need took painfully long to be met.

THE TRANSITORY ECONOMIC consequences of it were felt in the slowing of growth in the two quarters right after demonetisation. In the last quarter of fiscal year 2016-17, the rate of GDP growth fell to 6.1 per cent, compared with a figure of 7.9 per cent in the same quarter of 2015-16. An even worse number awaited the country for the first quarter of fiscal 2017-18, when growth fell to 5.7 per cent compared to 7.1 per cent in the same quarter of the previous year.

Once those figures of decline were placed alongside a drop in the prices of agricultural commodities earlier this year, critics dashed off to declare demonetisation dead in the water. In Uttar Pradesh, potato prices fell to just over half of what prevailed in 2016. Something similar happened with farm-gate prices of tomatoes and onions. This led to farmer unrest across states such as Madhya Pradesh, Rajasthan and Maharashtra. Soon this turned into generalised agrarian distress over mounting debts, and the lines between what demonetisation had done and what was due to long-running factors got blurred. Finally, trouble had to be staved off by political handouts, with several states announcing farm-loan waiver packages, a remedy not quite in consistence with the alleged initial ailment. In any case, most of these troubles were over by September this year. Of all the criticisms levelled against the November 8th decision, those that focused on an economic slowdown and the poorly executed process of remonetisation had the greatest weight.

What has much less credence is the charge that demonetisation has failed to 'fix' the country's problem of black money. This is an exaggerated point that is not really as stark as it has been made out

to be. Originally, the hope indeed was that a substantial fraction of the unaccounted-for stock of money would be 'extinguished' as people would be hesitant to deposit their ill-gotten funds in bank accounts. The initial idea of withdrawing Rs 500 and Rs 1,000 notes was to prevent the use of these as a store of illicit wealth.

On February 1st this year, Union Finance Minister Arun Jaitley gave Parliament a set of figures for 'high value' deposits made within the period that banks were accepting old cash. The sums are staggering. Deposits exceeding Rs 80 lakh were made in 148,000 accounts with an average deposit size of just above Rs 3.3 crore. Similarly, smaller deposits, ranging from Rs 2 lakh to Rs 80 lakh were made in about 10.9 million accounts with an average deposit of just above Rs 5 lakh. These deposits as accounting for over Rs 10 lakh crore in all, about two-thirds of the currency stock demonetised. If any doubt were left about how much cash came to light, the Reserve Bank of India's Annual Report, released on August 30th, put an end to it. Of the Rs 15.4 lakh crore worth of high-value notes in circulation before the move, almost Rs 15.3 lakh crore had been returned to the RBI by June 30th, amounting to roughly 99 per cent of it.

The withdrawal of large-denomination notes was supposed to be a one-time strike on black money. That exercise is not yet over. A clear path to the goal would have been the instant extinguishing of cash that did not return to the banking system. But that path having closed does not mean there are no alternatives. As mentioned by the Finance Minister, the number of suspect deposits is very large. A combination of scrutiny by tax officials and the use of data-mining methods to spot irregularities is an option that is still open, one that the Government is unlikely to close. Of course, not only is it cumbersome, it also presents tough choices: hard-headed scrutiny is likely to result in complaints of harassment and victimisation at the hands of tax authorities. How the Government balances the twin objectives of unearthing black money and safeguarding innocents from mistreatment is something to watch out for.

This has been acknowledged even by friends turned critics of demonetisation. One prominent example is Kenneth Rogoff, professor of public policy at Harvard University. Initially, he along with some other economists overseas had welcomed the move. Later, on witnessing the scale of what was planned and the logistical problems of remonetisation, Rogoff's stance turned a little critical. More recently, in an afterword to the new edition of his book, *The Curse of Cash*, which appeared after demonetisation and just before the GST became operational, he writes: 'Will India's demonetisation yield long-term benefits? The answer, of course, depends on the implementation of other government policies to fight black money and corruption and how well it succeeds in accelerating progress towards financial inclusion. For example, India's new gross sales tax (Goods and Services Tax) may make tax enforcement somewhat easier, and the government has been engaging in financial information treaties with other countries to make offshore laundering more difficult.'

Somehow that larger picture eludes most critics. It is one thing to examine demonetisation and correctly point out problems in its wake, and something entirely different to look at the series of steps that began with the creation of Jan Dhan no-frill accounts all the way up till the GST. If one casts an extended gaze on this sequence, a coherent pattern comes into view. Two specific shifts are clearly visible. One lasting legacy of demonetisation is the great speeding up of digital transactions. Even if there has been some return to cash once the scarcity period was over, the changed landscape is broadly here to stay. Payments via Real Time Gross Settlement (RTGS) and National Electronic Funds Transfer (NEFT) mechanisms are up by 6 or 20 per cent (depending on whether they are measured by the number or value of transactions) compared to 2016-17. The use of Prepaid Instruments or PPIs has gone up even more sharply. Much of this was, to use the language of critics, 'enforced' by demonetisation. But the semantics of it—whether you call it 'enforced' or a 'nudge'—makes little difference. The point is that these transactions leave an electronic trail and are subject to scrutiny by the tax authorities if they so choose. Not only do transaction costs come down when payments are made online, they can be called up onto an official screen to be examined.

The early benefits of enhanced transparency were already at hand in August this year when the Government shuttered 163,000 companies across the country on the basis of data mined after demonetisation. Of these, nearly 38,000 were found to be shell companies—firms in existence not for business but financial deception.

Linked to all this is the second big problem that is now on its way to being solved. Since the advent of taxation in Independent India, vast numbers of self-employed individuals—businessmen, petty shopkeepers and traders among others—have managed to evade both direct and indirect taxes to a large

extent. A cash-based economy made the expansion of the taxpayer base hard, if not impossible, in the absence of coercive methods being adopted. Some tough approaches were tried for a while in the 1970s but ended up being counterproductive. The overall result has been a low tax-to-GDP ratio that left little money for the Government to invest after meeting its expenditures. Now a combination of online transactions and the GST network has helped expand the taxpayer base. After the GST was implemented, taxes collected under it in September alone amounted to around Rs 92,000 crore (while input credit was also claimed for a large sum). For anyone who has observed the trend of indirect tax collections in the country, this is a positive shock. Barely ten years ago, in 2007-08, the total indirect tax collections in the country stood at Rs 2.76 lakh crore. If implemented well—and with the ironing out of its glitches—the GST promises to deliver what India needs: sufficient money in the hands of the Government to deliver the basic services that the vast majority of citizens have been deprived of.

Perhaps surprisingly, India's demonetization, no matter how much criticized by economists, has been broadly popular in a country where people are deeply frustrated by endemic corruption, and appreciate the government's broad efforts to fight it... Certainly demonetization has greatly accelerated financial inclusion, with hundreds of millions of Indians now taking advantage of heavily subsidized basic debit accounts, a program that until now, had been developing relatively slowly. There is little doubt that multitudes of papers will be written on India's demonetization, but it could take years to untangle its full effects, which have as much to do with psychology as economics.'





Art, Culture, Society and Social & National Issues

Sri Ranganathaswamy temple gets UNESCO award

Why in news?

The renowned Sri Ranganathaswamy Temple in Srirangam, which is among the 108 divya desams, has been recognised with an Award of Merit, 2017, from Unesco's Asia Pacific award for cultural heritage conservation.

Key facts

- ◆ The temple got international recognition for the beautification and renovation work for Rs 20 crore taken up prior to a consecration ceremony in 2015, without affecting its centuries-old heritage.
- ◆ Of the 43 applications from 10 countries across the Asia Pacific region, the Unesco received, the Sri Ranganathaswamy temple is the only religious shrine in south India to bag this award.

Sri Ranganathaswamy temple: It's Cultural and Historical Significance

- ◆ The **Sri Ranganathaswamy Temple** or **Thiruvaramam** is a Hindu temple dedicated to Ranganatha, a reclining form of the Hindu deity Vishnu, located in Srirangam, Tiruchirapalli, Tamil Nadu, India.
- ◆ Constructed in the Tamil style of architecture, this temple is glorified in the Thiviya Pirabandham, the early medieval Tamil literature canon of the Alvar saints of Bhakti movement from the 6th to 9th centuries AD. The temple tops the list among the 108 Divya Desams dedicated to Vishnu.
- ◆ It is one of the most illustrious Vaishnava temples in South India rich in legend and history. The temple has played an important role in Vaishnavism history starting with the 11th-century career of Ramanuja and his predecessors Nathamuni and Yamunacharya in Srirangam.
- ◆ The temple was looted and destroyed by the Delhi Sultanate armies in a broad plunder raid on various cities of the Tamil Pandyan kingdom in early 14th century. The temple was rebuilt in late 14th century.
- ◆ The temple is enclosed by 7 concentric enclosures with courtyards (termed prakarams or mathil suvar). Each layer has walls and gopurams, which were built or fortified in and after the 16th century. These walls total 32,592 feet (9,934 m) or over six miles. The temple has 17 major gopurams (towers, 21 total), 39 pavilions, 50 shrines, 9 sacred water pools, Ayiram kaal mandapam (a hall of 1000 pillars) and several small water bodies inside.

Mandapams (Halls)

The Ranganathaswamy Temple has many mandapams:

- ◆ Thousand pillar mandapam is a theatre like structure made from granite. It was built during the Vijayanagara rule period. It has a central wide aisle with seven side aisles on each side with pillars set in a square pattern.

- ◆ Sesharaya mandapam is the intricately carved hall built during the Nayaka rule period. It is found on the east side of the fourth prakaram courtyard. The northern side of this community hall has 40 leaping animals with riders on their back, all carved out of monolithic pillars.
- ◆ Garuda Mandapam is named after the vahana (vehicle) of Vishnu, named Garuda. It is on the south side of the third prakaram courtyard. It too is dated to the Nayak rule era. Inside the community hall, on its pillars, are portrait sculptures. In the middle is a free-standing seated Garuda figure, identifiable by his eagle-head, wings and him facing the Vishnu shrine.
- ◆ Kili mandapam is found inside the innermost (first) prakaram courtyard. It is next to the Ranganatha sanctum. Here walking elephant balustrades line the steps that lead into the gathering hall. This is dated to the 17th century Hindu rulers. The hall and structural elements are carved with animals, and in its center is a raised square platform with four carved pillars.
- ◆ Ranga Vilasa mandapam is one of the larger community halls designed for large spaces between the pillars for the pilgrim groups and families to sit together and rest. It is covered with Hindu mythology murals and narratives from the Ramayana.

Source: Hindu, Wikipedia

India Youth Development Index and Report 2017

Why in news?

The Rajiv Gandhi National Institute of Youth Development (RGNIYD), Sriperumbudur, Tamil Nadu, an Institute of National Importance has come out with Youth Development Index and Report 2017. This is a pioneering attempt made by the Institute in 2010 which it followed up with the India Youth Development Index in 2017.

What is the significance of this index?

- ◆ The index tracks the trends in Youth Development across the States. The Index enables recognizing the high and low performing states, identifies the weak domains and informs the policy makers the priority areas of intervention for youth development in the states.
- ◆ The index also measures the achievements made besides serving as an advocacy tool for youth development and facilitates to identify priority areas for development of Policy and Interventions.
- ◆ As an effective decision – support tool, the YDI-2017 will enable the policy makers track the national and the regional progress as well as setbacks in youth development policies, planning, priority identification and implementation strategies. Besides providing insights to suggest alternatives and options, it also aids in judicious allocation of resources.
- ◆ This report is of immense value to enable comparisons across geographical areas and categories, as human development index has done in comparing the development situation across regions, nations and localities.

The YDI is a composite index of 18 indicators that collectively measure multi-dimensional progress on youth development in 183 countries, including 49 of the 53 Commonwealth countries. It has five domains measuring levels of education, health and well-being, employment and opportunity, political participation and civic participation for young people. The YDI is guided by the Commonwealth definition of youth as people between the ages of 15 and 29, while recognising that some countries and international institutions define youth differently.

India has been ranked 133rd out of 183 countries in the 2016 Global Youth Development Index (YDI).

Source: PIB

National Testing Agency (NTA)

Why in news?

The Union Cabinet has approved creation of **National Testing Agency (NTA)** as a Society registered under the Indian Societies Registration Act, 1860, and as an autonomous and self-sustained premier testing organization to conduct entrance examinations for higher educational institutions.

It's Composition

- ◆ NTA will be chaired by an eminent educationist appointed by MHRD.
- ◆ The CEO will be the Director General to be appointed by the Government.
- ◆ There will be a Board of Governors comprising members from user institutions.
- ◆ The Director General will be assisted by 9 verticals headed by academicians/ experts.

What are its functions?

- ◆ The NTA would initially conduct those entrance examinations which are currently being conducted by the CBSE. Other examinations will be taken up gradually after NTA is fully geared up.
- ◆ The entrance examinations will be conducted in online mode at least twice a year, thereby giving adequate opportunity to candidates to bring out their best.
- ◆ In order to serve the requirements of the rural students, it would locate the centres at sub-district/district level and as far as possible would undertake hands-on training to the students.

What is the significance of NTA?

- ◆ Establishment of NTA will benefit about 40 lakh students appearing in various entrance examinations.
- ◆ It will relieve CBSE, AICTE and other agencies from responsibility of conducting these entrance examinations.
- ◆ It will bring in high reliability, standardized difficulty level for assessing the aptitude, intelligence and problem solving abilities of the students.

Source: PIB

Aadi Mahotsav

Why in news?

Recently, a fortnight long Tribal Festival, called 'Aadi Mahotsav' was inaugurated in New Delhi.

Key facts

- ◆ The festival will feature exhibition-cum-sale of tribal handicrafts, art, paintings, fabric, jewellery and much more through about 200 stalls.
- ◆ Over 750 tribal artisans and artists from over 25 States participated in the festival.
- ◆ Tribal India cuisine, recreated and presented in delectable forms to suit urban tastes by special tribal chefs is special feature of the festival.
- ◆ The theme of the festival is '**A Celebration of the Spirit of Tribal Culture, Cuisine and Commerce**'.

Source: PIB

Namami Barak festival

Why in news?

The first ever Namami Barak festival was celebrated on November 18th at Barak Valley in Assam.

Key facts:

- ◆ Namami Barak is an attempt to pay tribute to the River Barak and to showcase of Barak's potential and possibilities to emerge as a hub of trade and commerce.
- ◆ The cultural heritage of the valley together with its cuisine, fauna and flora, socio-economic and civic splendor were showcased before the global audience during the festival.

About Barak river:

- ◆ The Barak River is one of the major rivers of South Assam
- ◆ It is a part of the Surma-Meghna River System.
- ◆ It rises in Manipur State, where it is the biggest and the most important of the hill country rivers.
- ◆ After Manipur it flows through Mizoram and into Assam, ending after 564 kilometres just after it enters Bangladesh where it forks into the Surma and Kushiya rivers.
- ◆ The sixth national waterway stretch is on this river.

Source: The Hindu

SHe-Box Online Complaint Management System

Why in news?

In order to ensure the effective implementation of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act (the SH Act), 2013, the government has launched a comprehensive SHe-Box complaint management system.

About the system

It is an online complaint Management System for women working in both public and private organizations to lodge complaints of sexual harassment at workplace.

Key facts

- ◆ The new SHe-Box portal offers the facility of making online complaints of sexual harassment at workplace to all women employees in the country including government and private employees.
- ◆ Those who have already filed a written complaint with the concerned Internal Complaint Committee (ICC) or Local Complaint Committee (LCC) constituted under the SH Act are also eligible to file their complaint through this portal.
- ◆ SHe-Box will also provide a platform to various empanelled institutes/organisations to share their capacity building activities with the Ministry which in turn will be able to monitor the activities of these institutes/organizations so empanelled from across the country.

How does it work?

- ◆ The new **SHe-Box** portal offers the facility of making online complaints of sexual harassment at workplace to all women employees in the country including government and private employees.
- ◆ Those who have already filed a written complaint with the concerned Internal Complaint Committee (ICC) or Local Complaint Committee (LCC) constituted under the SH Act are also eligible to file their complaint through this portal.

- ◆ Once a complaint is submitted to the portal, it will be directly sent to the ICC/LCC of the concerned employer. Through this portal, WCD as well as complainant can monitor the progress of inquiry conducted by the ICC/LCC.
- ◆ Users of SHE-Box also have the option of interacting with Ministry of WCD through this portal, with an assured time-bound response. The portal also provides information on 112 institutions empanelled by MWCD to conduct training/workshops on the issue of sexual harassment at the workplace.

This is a proactive step taken by MWCD in the wake of the worldwide social media campaign MeToo, where women have related their experience of facing sexual harassment and abuse.

Source:PIB

Ek Bharat-Shreshtha Bharat Yojana

Why in news?

Under 'Ek Bharat-Shreshtha Bharat' Yojana, Madhya Pradesh has been made partner of Manipur and Nagaland to strengthen cultural relations between them.

- ◆ Madhya Pradesh government has made its Higher Education Department as nodal department to execute the scheme.

Key facts:

- ◆ As part of this, Madhya Pradesh will participate in **Sangai Mahotsav being organized in Manipur** from November 21 to 30.
- ◆ Similarly, teams of Manipur and Nagaland will take part in Lok Rang and Bal Rang programmes to present their cultural programmes and to apprise people with their culture.
- ◆ Besides, translation work of Nagaland's books has also been started in Madhya Pradesh to introduce people of the state with their activities and cultural heritage. Other activities are also being conducted in this regard.

About Ek Bharat Shreshtha Bharat:

"Ek Bharat Shreshtha Bharat" was announced by Hon'ble Prime Minister on 31st October, 2015 on the occasion of the 140th birth anniversary of Sardar Vallabhbhai Patel. Subsequently, the Finance Minister announced the initiative in his Budget Speech for 2016-17.

- ◆ It was launched to celebrate the cultural vibrancy of India while establishing a concrete mechanism to inculcate nationalism and cultural awareness among the fellow citizens of our nation.
- ◆ All States and UTs will be covered under the programme. There will be pairing of States/UTs at national level and these pairings will be in effect for one year, or till the next round of pairings. The State/UT level pairings would be utilized for state level activities. District level pairings would be independent of the State level pairings.
- ◆ The activity will be very useful to link various States and Districts in annual programmes that will connect people through exchanges in areas of culture, tourism, language, education trade etc. and citizens will be able to experience the cultural diversity of a much larger number of States/UTs while realising that India is one.

Objectives of Ek Bharat Shreshtha Bharat:

The broad objectives of the initiative are as follows:

1. **To CELEBRATE** the Unity in Diversity of our Nation and to maintain and strengthen the fabric of traditionally existing emotional bonds between the people of our Country;

2. **To PROMOTE** the spirit of national integration through a deep and structured engagement between all Indian States and Union Territories through a year-long planned engagement between States;
3. **To SHOWCASE** the rich heritage and culture, customs and traditions of either State for enabling people to understand and appreciate the diversity that is India, thus fostering a sense of common identity;
4. **TO ESTABLISH** long-term engagements and
5. **TO CREATE** an environment this promotes learning between States by sharing best practices and experiences.

Source: PIB

19th November: World Toilet Day 2017

Why in news?

The World Toilet Day (WTD) is observed every year across the world on 19 November to raise awareness and inspire action to tackle the global sanitation crisis.

- ◆ The theme for year 2017 is: **Wastewater**.

About World Toilet Day (WTD):

- ◆ WTD was instituted by World Toilet Organisation in 2001.
- ◆ In 2013, United Nations General Assembly (UNGA) had officially designated November 19 as WTD in its 67th session under global campaign of **Sanitation for All resolution**.
- ◆ It is coordinated by United Nations-Water in collaboration with Governments of member countries and relevant stakeholders.
- ◆ World Toilet Day is about inspiring action to tackle the global sanitation crisis.

SDG goal related with sanitation:

- ◆ By 2030, the Sustainable Development Goals, specifically **SDG #6**, aim to reach everyone with sanitation, and halve the proportion of untreated wastewater and increase recycling and safe reuse.

The global sanitation crisis is reflected in the following facts:

- ◆ Around 60% of the global population – 4.5 billion people – either have no toilet at home or one that doesn't safely manage excreta.
- ◆ 862 million people worldwide still practise open defecation.
- ◆ 1.8 billion people use an unimproved source of drinking water with no protection against contamination from faeces.
- ◆ Globally, 80% of the wastewater generated by society flows back into the ecosystem without being treated or reused.
- ◆ Only 39% of the global population (2.9 billion people) use a safely-managed sanitation service, that is, excreta safely disposed of in situ or treated off-site.
- ◆ Combined with safe water and good hygiene, improved sanitation could prevent around 842,000 deaths each year.

Source: The Hindu, PIB

Ram Setu hearing: SC asks Centre to clarify its stand on the bridge

Why in news?

The Supreme Court has asked the Centre to clarify if it wants to remove the Ram Setu – the chain of limestone shoals connecting Tamil Nadu and Sri Lanka – or protect it. The court gave the government six weeks' time to file an affidavit on their stance.

What is Ram Setu?

- ◆ Also known as the Adam's Bridge Ram Setu is a 50-km stretch from Rameswaram Island in Tamil Nadu to Mannar Island in Sri Lanka.
- ◆ According to mythology, it was built by an army of monkeys for Hindu god Ram and his warriors to cross over to Lanka to rescue Sita.

What is the issue?

- ◆ The bridge between the coasts of Tamil Nadu and Sri Lanka has been at the centre of controversy since the Sethusamudram shipping canal project was planned, requiring dredging in the area.
- ◆ The matter reached Supreme Court with petitions challenging the government's decision to construct the Sethusamudram Canal by dredging a portion of the Ram Setu.
- ◆ The project is being commissioned under the marine technology training programme of ICHR dealing with under-water archeology and research scholars will be given training for this purpose.

Source: The Hindu, Economic Times

Hunar Haat inaugurated in IITF 2017

Why in news?

"Hunar Haat", a spectacular platform of Ministry of Minority Affairs where exquisite pieces of Handicraft & Handloom prepared by inmates of Tihar Jail and master artisans from across the country are displayed, was inaugurated at India International Trade Fair.

What is the significance?

- ◆ While on one hand "Hunar Haat" has provided a platform to master artisans and craftsmen to display their rich heritage and skill, on the other hand these exhibitions are providing domestic and international markets to these artisans and craftsmen.
- ◆ It envisages at boosting the skill of craftsmen, weavers and artisans who are already engaged in the traditional ancestral work.
- ◆ Ministry of Minority Affairs is organising "Hunar Haat" under "USTTAD" scheme at different parts of the country and "Hunar Haat" has become a successful mission to provide employment and employment opportunities and national as well international markets for thousands of master artisans, craftsmen and culinary experts.

This "Hunar Haat" is unique from earlier "Hunar Haat" as for the first time products made by inmates of Delhi's Tihar Jail are also available. These products include handmade furniture, handlooms, handicrafts, bakery items, organic oil, spices and grain.

Source: PIB

World Food India 2017

Why in news?

The Prime Minister, Shri Narendra Modi, inaugurated World Food India 2017 on 3rd November 2017 in New Delhi.

Key facts

- ◆ It is a three-day event, which is organized by the Food Processing Industries Ministry, and was attended by investors, manufacturers, producers, food processors, policy makers and organizations from all over the world.
- ◆ The event aims to facilitate participation between domestic and international businesses
- ◆ This is the first time that India is hosting such an event for the food processing sector.
- ◆ Over 800 kg khichdi was prepared live on November 4 at the World Food India event in a bid to create world record and popularize it as brand India food globally.

What is its objective?

World Food India aims to transform food economy and realize the vision of doubling of farmers' income by establishing India as a preferred investment destination and sourcing hub for the global food processing industry.

Initiatives taken by the Government for doubling farmer's Income by 2022

- ◆ Special focus on irrigation with sufficient budget, with the aim of "Per Drop More Crop".
- ◆ Provision of quality seeds and nutrients based on soil health of each field.
- ◆ Large investments in Warehousing and Cold Chains to prevent post-harvest crop losses.
- ◆ Promotion of value addition through food processing.
- ◆ Creation of a National Farm Market, removing distortions and e-platform across 585 Stations.
- ◆ Introduction of a New Crop Insurance Scheme to mitigate risks at an affordable cost.
- ◆ Promotion of ancillary activities like poultry, beekeeping, and fisheries.

Source: PIB

Qaumi Ekta Week**Why in news?**

The 'Qaumi Ekta Week' also known as National Integration Week was observed all over the country from the 19 to 25 November 2017.

Key facts:

- ◆ The weeklong event will be observed with an aim to foster and reinforce the spirit of communal harmony, national integration in the nation.

The whole week celebrations are titled as the:

- ◆ National Integration Day on 19th of November
- ◆ Welfare of Minorities Day on 20th of November
- ◆ Linguistic Harmony Day on 21st of November
- ◆ Weaker Sections Day on 22nd of November
- ◆ Cultural Unity Day on 23rd of November
- ◆ Women's Day on 24th of November
- ◆ Conservation Day on 25th of November

National Foundation for Communal Harmony (NFCH)

- ◆ The National Foundation for Communal Harmony (NFCH) is an **autonomous organisation with the Ministry of Home Affairs.**
- ◆ It organises Communal Harmony Campaign coinciding with the Qaumi Ekta Week and observes the Communal Harmony Flag Day on 25th November.
- ◆ The Foundation promotes Communal Harmony and strengthens National Integration.
- ◆ It also provides financial assistance for relief and rehabilitation of children rendered orphan or destitute in communal, caste, ethnic or terrorist violence.

What is the significance?

- ◆ The observation of the 'Qaumi Ekta Week' will help to highlight the inherent strength and resilience of our nation to withstand actual and potential threats to the eclectic and secular fabric of our country, and nurture a spirit of communal harmony in its widest sense.
- ◆ This occasion also provides an opportunity to reaffirm age old traditions and faith in the values of tolerance, co-existence and brotherhood in a multi-cultural and multi-religious society.

Source: PIB**'Safe city' plan for women to kick off in eight cities****Why in news?**

A comprehensive 'safe city' plan for women will soon be kicked off in eight cities.

About the plan?

- ◆ Under the comprehensive 'safe city' plan, a robust emergency response system and police-verified public transport will come into place.
- ◆ The plans which will be implemented in eight cities viz. Delhi, Mumbai, Kolkata, Chennai, Ahmedabad, Bengaluru, Lucknow and Hyderabad.

Areas may come up under the plan include:

- ◆ 33% reservation for women in police,
- ◆ Installation of CCTV cameras,
- ◆ Deployment of women in police stations,
- ◆ Prevention of cybercrime,
- ◆ Infrastructure issues,
- ◆ Mapping of dark spots and crime-prone areas and
- ◆ Involvement of educational institutions, etc.

Various women safety initiatives:

- ◆ The initiatives taken by above cities include 'Himmat' app, all women patrol van, 'shishtachar' programme of the Delhi police; 'Hawkeye' mobile app and 'Bharosa' programme of the Hyderabad police; 'Suraksha' app of the Bengaluru police and Power Angels of Uttar Pradesh police.

Source: The Hindu

Cabinet approves National Council for Teacher Education (Amendment) Bill, 2017

Why in news?

Cabinet gave its approval for introduction of a Bill in Parliament which will amend the National Council for Teacher Education (NCTE) Act, 1993, namely the National Council for Teacher Education (Amendment) Act, 2017.

What are its objectives?

- ◆ The amendment will ensure that students studying in these Institutions/Universities, or already passed out from here, find employment as teacher.
- ◆ The amendment will grant retrospective recognition to all such Central/State/Universities which were found to be conducting teacher education courses without NCTE permission.
- ◆ This retrospective recognition is being given only as a onetime measure so not to jeopardize the future of students who have either passed out or are enrolled in these institutions.

The way ahead

The NCTE Act enacted by Parliament aims to achieve planned and coordinated development of teacher education system, regulation and ensure proper maintenance of norms and standards in said system. It establishes NCTE to achieve these objectives. It has separate provisions for recognising teacher education courses and to lay down guidelines for compliance by recognized Institutions/Universities

Source: PIB

Manipur Sangai Festival 2017

Why in news?

Named after Manipur's state animal, the brow-antlered Sangai deer, the Sangai Festival 2017 got underway on November 21 with the President of India Ram Nath Kovind set to inaugurate the 10-day long tourism extravaganza. Dubbed as the grandest festival of Manipur, the Sangai Festival showcases the tourism potential of the state in the field of arts & culture, handloom, handicrafts, indigenous sports, cuisine, music and adventure sports etc.

About the festival:

- ◆ The festival is labelled as the grandest festival of the State today and helps promote Manipur as a world class tourism destination.
- ◆ Every edition of the festival showcases the tourism potential of the state in the field of Arts & Culture, Handloom, Handicrafts, Indigenous Sports, Cuisine, Music and Adventure sports of the state etc.
- ◆ The festival will reflect the State's proud cultural heritage and the love for art which is inherent amongst various tribes inhabiting the State of Manipur.

Celebrations at the Manipur Sangai Festival 2017:

- ◆ The State's classical dance form, '**Ras Leela**' is quite famous all over the world for its distinctiveness from any other dance forms in India. The Ras Leela is an important part of the dance performances at the Manipur Sangai Festival 2017.
- ◆ Besides the various other folk dance performances like the **Kabui Naga dance, Bamboo dance, Maibi dance, Lai Haraoba dance, Khamba Thoibi dance** which was showcased at the festival.
- ◆ Indigenous sports was also a major highlight of the State's biggest tourism festival this year.

- ◆ Manipur's famous martial arts- Thang Ta (a combination Spear & Sword skills), Yubi-Lakpi (a game played with greased coconut like rugby), Mukna Kangjei (a game that combines hockey and wrestling), and Sagol Kangjei- Modern Polo (believed to have evolved in Manipur) will all form part of the festival.
- ◆ The traditional boat race, **Hiyang-HirenTanaba** is a power packed event.
- ◆ Events outside Imphal includes trekking climbing to **highest peak of the state, Mount Iso.**

Source: Indian Express, PIB





Polity & Governance, Social Justice and Social Development

12th meeting of Standing Committee of Inter-State Council convened

Why in news?

- ◆ Union Home Minister Rajnath Singh chaired the 12th meeting of the Standing Committee of Inter-State Council (ISC).
- ◆ The purpose of the meeting was to discuss the recommendations of the Punchhi Commission on Centre-state relations.
- ◆ Finally, all the recommendations of the standing committee on Punchhi Commission's report will then be placed before the Inter-State Council, headed by the Prime Minister.

About Punchhi commission

- ◆ Punchhi commission was constituted by the Central government on April 27, 2007 under the chairmanship of former Chief Justice Madan Mohan Punchhi to look into the new issues of Centre-state relations keeping in view the changes that have taken place in the polity and economy.
- ◆ The Punchhi Commission had submitted its report in 2010.

What is the Inter-State Council?

- ◆ The Inter-State Council is a **constitutional body** to facilitate coordination between states and the centre.
- ◆ It is a recommendatory body to investigate and discuss subjects, in which some or all of the states or the union government have a common interest.
- ◆ It is set up on the basis of provisions in **Article 263 of the Constitution of India** by a Presidential Order, 1990 based **on the recommendation of Sarkaria Commission**.
- ◆ The Inter-state council is not a permanent constitutional body for coordination between the states and Central government.
- ◆ Rather, President can establish it at any time if it appears to him that the public interests would be served by the establishment of such a council.

Composition of the Inter-State Council:

- ◆ Prime Minister (Chairman)
- ◆ Chief Ministers of all states.
- ◆ Chief ministers of UTs with legislative assemblies.
- ◆ Administrators of union territories not having legislative assemblies.
- ◆ Six central cabinet ministers, including home minister, to be nominated by the Prime Minister.
- ◆ Governors of states under President's rule.

About standing committee of Inter-State Council:

- ◆ The standing committee of Interstate council is constituted under the chairmanship of Union Home Minister.
- ◆ Apart from Home minister the committee consists of 5 union cabinet ministers and 9 chief Ministers.

The meetings of the Standing Committee of the Inter-State Council are being periodically convened since July, 2016 after a gap of 10 years.

Functions of standing committee:

- ◆ The standing committee will have consultation and recommend matters for consideration of the council, process all matters pertaining to Centre-state relations before they are taken up for consideration in the council.
- ◆ It will also monitor the implementation of decisions taken on the recommendations of the council and consider any other matter referred to it by the council.
- ◆ The standing committee may, if necessary, invite experts and persons eminent in specific fields to have the benefit of their views while deliberating upon the related subjects.

Source: PIB

26th November: Constitution Day

Why in news?

November 26 is regarded as the second Constitution Day in the modern history of India.

- ◆ It is also celebrated as the National Law Day.
- ◆ This year, the National Law Day was celebrated jointly by the Law Commission of India and NITI Aayog.

Key facts:

- ◆ The Samvidhan Diwas or the Constitution Day of India is being observed on 26th November to spread awareness of Indian Constitution.
- ◆ In October 2015, Prime Minister Narendra Modi had declared 26 November as Constitution Day as part of year-long nationwide celebrations of 125th birth Anniversary of Dr. B R Ambedkar, Chairman of the Drafting Committee of Constituent Assembly.
- ◆ **On this day in 1949, constitution of India was adopted and came into force on January 26, 1950 marking the beginning of a new era in the history of free India.**
- ◆ The **Union Ministry of Social Justice and Empowerment (MSJE) is the nodal Ministry** for the celebration of Constitution Day.
- ◆ This year it is third edition of the Constitution Day.
- ◆ The day is celebrated to value and preserve the rich heritage of composite culture and to develop the scientific temper, humanism and the spirit of inquiry and reform.
- ◆ The day will also promote to protect and improve the natural environment including forests, lakes, rivers and wild life and to have compassion for living creatures.

Background:

- ◆ It was in 1979, when the first proposal was mooted to celebrate November 26 as an anniversary of the adoption of Constitution and assess the state of law in the country as envisaged by the framers of the legal document.

- ◆ Noted jurist and former parliamentarian LM Singhvi proposed to in the Supreme Court Bar Association that National Law Day should be celebrated to mark the adoption of Constitution on November 26. A resolution was passed by the Supreme Court Bar Association in 1979. The National Law Day was celebrated thereafter till 2015.

Key facts about Constitution of India:

- ◆ The Constitution was prepared over 2 years, 11 months and 17 days. The session of the Constituent Assembly was held on December 9, 1946.
- ◆ A total of 11 sessions of the Constituent Assembly was held including those by the drafting committee under the chairmanship of BR Ambedkar. The drafting committee was one of the 17 such bodied set up under the Constituent Assembly.
- ◆ Dr Rajendra Prasad, who went on to become the first President of India, was the chairman of the Constituent Assembly. The Constitution making committees held meetings on 165 days to hold deliberations and debate provisions to be incorporated.
- ◆ There were 299 members, including 15 women, of the Constituent Assembly. Of them 284 members finally signed the Constitution, when it was adopted in 1949.

Source: PIB, Wiki

Transgender rights: Govt. rejects recommendations of a parliamentary committee

Why In news?

The Union Ministry of Social Justice and Empowerment has decided to discard the recommendations of a parliamentary committee's 43rd report on the Transgender Persons (Protection of Rights) Bill, 2016.

Background:

- ◆ The Standing Committee on Social Justice and Empowerment, comprising 18 Lok Sabha members, tabled its report on the floor of the House in July 2017.
- ◆ The report recommended specific provisions in the ministry's version of the transgender Bill, to safeguard their rights, protect them against discrimination, and provide quotas in government colleges and jobs.
- ◆ The report was the first ever government document to recognise the rights of transgender persons to partnerships and marriage, so that they were no longer criminalised under IPC Section 377, apart from offering other rights.

Important recommendations made by the parliamentary committee:

- ◆ The parliamentary panel report had faulted the government's Bill for its failure to address several crucial issues.
- ◆ The report noted that "Transgender persons remain at risk of criminalisation under Section 377".
- ◆ It asked that the Bill must recognise their civil rights such as marriage, divorce, adoption, whether under personal or secular laws.
- ◆ It had also recommended to accord legal recognition and protection from Section 377 to, if not all sexual minorities, at least transgender persons whose welfare comes under the Social Justice Ministry.
- ◆ The panel had also asked for reservations, strong provisions against discrimination, penalties on government officials who subject transgender persons to any kind of violence, skill training to wean them off begging, and separate public toilets for them.

- ◆ Going beyond rights and welfare, the panel report also addressed the issue of sexual identity. It asked for provisions that provide “penal action against abortions of intersex fetuses and forced surgical assignment of sex of intersex infants.”
- ◆ Most importantly, it redefined several terms in the Bill. To recognise alternative family structures such as adoptions of transgender children by the the Hijra or Aravani communities, it defined family in the Bill as “a group of people related by blood, marriage or by adoption of a transgender person”.

Transgender community in India:

- ◆ Census 2011 records the population of ‘others (people who do not identify themselves either as male or female)’ at 4.87 lakh while a 2011 survey by NGO Salvation of Oppressed Eunuchs put their number at 19 lakh.

Challenges:

- ◆ Transgender community is among one of the most marginalized communities in the country because they don’t fit into the stereotypical categories of gender of ‘men’ or ‘women’.
- ◆ Consequently, they face problems ranging from social exclusion to discrimination, lack of education facilities, unemployment, lack of medical facilities and so on.

Way ahead:

- ◆ The ministry is set to re-introduce its original version of The Transgender Persons (Protection of Rights) Bill, in the next session of Parliament.

Source: The Hindu, Indian Express

e-governance app Umang Launched

Why in news?

The government has launched a new all-in-one application called Umang which offers 100+ center and state government services under a one-single platform.

Key facts:

- ◆ UMANG stands for ‘Unified Mobile Application for New-age Governance’ and is envisaged to make e-governance.
- ◆ Umang is an initiative to promote Digital India program.
- ◆ The app was developed by the Ministry of Electronics and Information Technology (MeitY) and National e-Governance Division (NeGD).

Features of UMANG App

- ◆ The UMANG App provides a unified approach where you can install one application to avail multiple government services.
- ◆ It contains 162 services of 33 departments or applications and 4 States.
- ◆ It is a single mobile app that has an access to 1200 services of various government offices from Centre, State and utility services.
- ◆ It provides all pan India e-Gov services like Aadhaar and Digilocker on one single platform.
- ◆ Whether one needs to pay utility bills, file income tax, book a gas cylinder, know about your Provident fund account or have Aadhaar related query, UMANG provides all these services.

Source: PIB

Government to reintroduce Bill to grant Constitutional Status to NCBC

Why in news?

The Union government will reintroduce the Constitution (123rd) Amendment Bill, 2017, in the winter session of Parliament, which seeks to accord constitutional status to the National Commission for Backward Classes (NCBC).

Why reintroduction?

- ◆ The proposed Constitutional amendment bill (the Constitution (One Hundred and Twenty-Third Amendment) Bill, 2017) was first introduced and passed in the Lok Sabha.
- ◆ The Rajya Sabha then passed the bill but with certain amendments. This resulted in two different versions of the bill being passed by the two houses.
- ◆ Therefore, the bill will now have to be reintroduced in the Lok Sabha.

Background:

- ◆ Responding to a long-felt demand from all categories of OBCs, the government had introduced the bill to grant constitutional status to the NCBC – at par with the National Commissions for Scheduled Castes and Scheduled Tribes – in the last parliament session.

Significance of the move:

- ◆ The NCBC currently plays a recommendatory role to the government on inclusion or exclusion of a community in the Central list of OBC. The proposed legislation will allow the NCBC to look at grievance redressal and safeguarding the interest of OBCs, powers that until now vested with the SC Commission.

Source: The Hindu, Indian Express

Cabinet approves Continuation of sub-schemes under Umbrella Scheme “Integrated Child Development Services (ICDS)”

Why in news?

Recently, the Cabinet Committee on Economic Affairs has approved the continuation of Anganwadi Services, Scheme for Adolescent Girls, Child Protection Services and National Crèche Scheme till 30.11.2018 with an outlay of over Rs.41,000 crore.

These are the sub-schemes under “Integrated Child Development Services (ICDS)”.

What are the objectives of these schemes?

- ◆ Anganwadi Services (ICDS) aims at holistic development of children under the age of six years and its beneficiaries are children of this age group and Pregnant Women & Lactating Mothers.
- ◆ The aim of the Scheme for Adolescent Girls is to facilitate, educate and empower Adolescent Girls and enable them to become self-reliant and aware citizens through improved nutrition and health status.
- ◆ The aim of Child Protection Services are to provide safe and secure environment for children in conflict with law and children in need of care and protection, reduce vulnerabilities through a wide range of social protection measures, prevent actions that lead to abuse, neglect, exploitation, abandonment and separation of children from families etc.
- ◆ National Crèche Scheme aims at providing a safe place for mothers to leave their children while they are at work, and thus, is a measure for empowering women as it enables them to take up employment.

Integrated Child Development Services (ICDS) Scheme:

ICDS was launched in 1975 in accordance to the National Policy for Children in India. The scheme aims at holistic development of under-six children and providing nutritional and health support to pregnant and lactating mothers.

Source: PIB**Pradhan Mantri Mahila Shakti Kendra****Why in news?**

The Cabinet Committee on Economic Affairs (CCEA) gave approval for setting up of the 'Pradhan Mantri Mahila Shakti Kendra' scheme (PMMSK).

Objective

- ◆ It aims at empowering rural women through community participation to create an environment in which they realise their full potential.

Background:

- ◆ The government plans to reach the 115 most backward districts in the country with 920 Mahila Shakti Kendra.

About Pradhan Mantri Mahila Shakti Kendra Scheme (PMMSK)

PMMSK scheme is part of Umbrella Scheme "Mission for Protection and Empowerment for Women" of the Union Ministry of Women and Child Development.

- ◆ The scheme is envisioned as one-stop convergence support service for empowering rural women with opportunities for skill development, digital literacy, health and nutrition and employment.
- ◆ It aims to improve declining child sex ratio (CSR), ensure survival and protection of the girl child, ensuring her education and empowering her to fulfil her potential.
- ◆ It will provide an interface for rural women to approach government for getting their entitlements and for empowering them through training and capacity building.
- ◆ At the national level, the Mahila Shakti Kendra will provide domain-based knowledge support.
- ◆ At the state level, it will cater to State Resource Centre for Women that will provide technical support on issues related to women at district and block level centres.
- ◆ It will provide support to the PMMSK and also give a foothold to Beti Bachao, Beti Padhao in 640 districts.

Significance of these Kendras:

- ◆ Setting up of institutions like Mahila Shakti Kendras will increase access of essential services for women.
- ◆ There is also an increase in employment opportunities for women with their participation increased from less than 48% to 55% in MGNREGA.

Source: PIB**SC Declares Money Laundering Bail Provision Unconstitutional****Why in news?**

The Supreme Court struck down as unconstitutional Section 45 (1) of the Prevention of Money Laundering Act (PMLA), 2002, which imposed stringent conditions on the grant of bail.

What is Section 45(1) of the Prevention of Money Laundering Act (PMLA), 2002?

Section 45(1) imposed two conditions for grant of bail in offences punishable with a jail term of more than three years under Part A of the Schedule to the Act.

It requires the following:

- ◆ The public prosecutor must be given an opportunity to oppose any application for release on bail and in cases where the public prosecutor opposes the bail plea,
- ◆ The court must be satisfied that there were reasonable grounds to believe that the accused was not guilty and was unlikely to commit an offence if granted bail.

Court's directions:

- ◆ The court said Section 45(1) to be unconstitutional as it violates Articles 14 and 21 of the Constitution of India.
- ◆ The court also ordered fresh trial in all cases in which bail was denied because of these conditions.

About PMLA 2002:

- ◆ Prevention of Money Laundering Act, 2002 is an Act of the Parliament of India enacted to prevent money-laundering and to provide for confiscation of property derived from money-laundering.
- ◆ PMLA and the Rules notified there under came into force with effect from July 1, 2005.
- ◆ The Act and Rules notified thereunder impose obligation on banking companies, financial institutions and intermediaries to verify identity of clients, maintain records and furnish information.

Source: The Hindu

Accessible India Campaign

Why in news?

On the occasion of Children's Day, the winners of 'Drawing and Painting Competition on Accessible India Campaign' were awarded at a felicitation event organised by Department of Empowerment of Persons with Disabilities.

About the campaign

- ◆ It is a nationwide flagship campaign of the **Department of Empowerment of Persons with Disabilities (DEPwD)**, Ministry of Social Justice and Empowerment.
- ◆ The aim of the Campaign is **to make a barrier free and conducive environment for Divyangjans all over the country.**
- ◆ The campaign has the vision to build an inclusive society in which equal opportunities are provided for the growth and development of Persons with Disabilities (PwDs) so that they can lead productive, safe and dignified lives.

Accessible India Campaign is in line with the Article 9 of UNCRPD (UN Convention on the Rights of Persons with Disabilities) to which India is a signatory since 2007. The scheme also comes under Persons with Disabilities Act, 1995 which provides for equal Opportunities and protection of rights and non-discrimination in Transport to Persons with Disabilities.

Source: PIB

Cabinet approves continuation and Restructuring of National Rural Drinking Water Programme

Why in news?

The Union Cabinet has accorded its approval for continuation and restructuring of National Rural Drinking Water Programme (NRDWP) to make it outcome-based, competitive and better monitored with increased focus on sustainability (functionality) of schemes to ensure good quality service delivery to the rural population.

Key facts:

- ◆ National Rural Drinking Water Programme (NRDWP) is to be continued co-terminus with the 14th Finance Commission cycle till March 2020.
- ◆ A sum of Rs. 23,050 crore has been approved for the programme for the Fourteenth Finance Commission (FFC) period 2017-18 to 2019-20. The programme will cover all the Rural Population across the country.
- ◆ With the restructuring of the NRDWP, there will be 2% earmarking of funds for Japanese Encephalitis (JE) /Acute Encephalitis Syndrome (AES) affected areas.
- ◆ A new Sub-programme under NRDWP viz. National Water Quality Sub-Mission (NWQSM) which has been started by the Ministry of Drinking Water and Sanitation in February 2017 will address the urgent need for providing clean drinking water in about 28000 Arsenic & Fluoride affected habitations (already identified). As per estimates, about Rs. 12,500 crore as Central share will be required over 4 years i.e. up to March, 2021. This is being funded from the allocation under NRDWP.
- ◆ Pre-financing for the agreed schemes, to the extent of half of the second instalment amount, will be made by the State Governments, which will be reimbursed later on from the central funding. If the State(s) fails to claim this amount before 30th November in the financial year, then, these funds will become a part of the common pool, which will be released to the high performing States, which have already pre-financed the requisite Government of India share on a first come first serve basis.
- ◆ Other half of second instalment of funds will be released to the States based on functionality status of completed piped water supply schemes, which will be evaluated through a third party.

The Significance of this move

The restructuring will make the programme flexible, result-oriented, competitive, and will enable the Ministry towards reaching the goal of increasing coverage of sustainable piped water supply.

National Rural Drinking Water Programme

- ◆ The NRDWP was started in 2009, with a major emphasis on ensuring sustainability (source) of water availability in terms of potability, adequacy, convenience, affordability and equity.
- ◆ NRDWP is a Centrally Sponsored Scheme with 50.50 fund sharing between the Centre and the States.
- ◆ Over the years, learning from the success achieved and the deficiencies felt during the implementation of NRDWP, certain modifications are needed in existing guidelines and procedure of release of funds to the States for making the programme more outcome-oriented and competitive.

Source: The Hindu, PIB

Deen Dayal SPARSH Yojana

Why in news?

The government has launched a Pan India scholarship program for school children called Deen Dayal SPARSH Yojana to increase the reach of Philately.

About the scheme:

- ◆ To avail this scholarship, a child must be a student of a recognized school within India and the concerned school should have a Philately Club and the candidate should be a member of the Club.
- ◆ In case the school Philately Club hasn't been established a student having his own Philately Deposit Account will also be considered. Every prospective school, which participates in the competition, would be assigned a Philately mentor to be chosen from amongst the renowned Philatelists.
- ◆ The Philately mentor would help in formation of the School level Philately Club, providing guidance to young and aspiring Philatelists on how to pursue the hobby and also helping the aspiring Philatelists on their Philately Projects etc.
- ◆ Selections under the scheme would be made based on the evaluation of project work on Philately & performance in Philately Quiz conducted by the Circles.

Under the scheme of SPARSH (Scholarship for Promotion of Aptitude & Research in Stamps as a Hobby), it is proposed to award annual scholarships to children of Standard VI to IX having good academic record and also pursuing Philately as a hobby through a competitive selection process in all postal circles.

Source: PIB

Cabinet approves setting up of 15th Finance Commission

Why in news?

The Union Cabinet approved the setting up of the 15th Finance Commission.

All about Finance Commission:

Article 280 of the Constitution of India provides for FC as a quasi-judicial body.

Constitution:

- ◆ It is constituted by the President of India every fifth year.
- ◆ The Constitution authorizes Parliament to make provisions related to qualifications, conditions of service of members or powers of Finance Commission.
- ◆ So, Parliament enacted Finance Commission Act in 1951 to determine provisions related to qualifications or disqualifications, conditions of service or miscellaneous powers to perform functions provided under constitution.

Composition:

- ◆ It consists of a chairman and four other members to be appointed by the president.
- ◆ The chairman or members are eligible for reappointment.

Qualifications:

The chairman shall have vast experience in public affairs and other four members shall be selected among persons who

1. Have qualifications as par with a judge of HC,
2. Has special knowledge of Finance and Accounts of govt,

3. Have vast experience in financial matters and
4. Have special knowledge of economics.

Recommendations:

The recommendations made by FC are only advisory in nature and hence, are not binding on the government.

It makes recommendations about the following to the President of India:

- ◆ Distribution of net proceeds of taxes between centre and states and allocation between states of respective shares of such proceeds.
- ◆ Principles that should govern grants in aid to states by centre.
- ◆ Measures needed to augment consolidated fund of states to supplement resources of local governments in states on basis of recommendations made by State Finance Commissions.
- ◆ Any other method referred to it by President in interests of sound finance.

About the 15th Finance Commission

- ◆ Former Planning Commission member N.K. Singh has been appointed chairman of the 15th Finance Commission, which, among other things, has been asked to look into the impact of the goods and services tax (GST) on finances of both the centre and states.
- ◆ The other members of the commission, which is required to submit its report by October 2019, are former economic affairs secretary Shaktikanta Das and former chief economic adviser Ashok Lahiri, Niti Aayog member Ramesh Chand and Georgetown University professor Anoop Singh.
- ◆ The commission will review the current status of the finance, deficit, debt levels, cash balances and fiscal discipline efforts of the union and the states.
- ◆ It will also recommend a fiscal consolidation road map for sound fiscal management. As per Article 280 of the Constitution, the commission is required to make recommendations on the distribution of the net proceeds of taxes between the centre and the states. The commission also suggests the principles which should govern the grants in aid of the revenues of the states out of the consolidated fund of India.
- ◆ Further, the commission will examine progress made in promoting ease of doing business by effecting related policy and regulatory changes and promoting labour intensive growth.

Source: PIB, LIVE MINT

Gram panchayat certificate no proof of citizenship: SC

Why in news?

The Supreme Court recently directed that a certificate of residency issued by a gram panchayat is not a document of citizenship.

- ◆ It also added that such certificate is “meaningless” unless supported by some other valid record to make a claim for inclusion in the National Register of Citizenship (NRC).

What’s the issue?

- ◆ The apex court was hearing a batch of pleas challenging the Gauhati High Court order holding that a certificate of residency issued by gram panchayat (village council) secretary was not a legal and valid document for claim to citizenship.
- ◆ About 48 lakh claims have been made using certificates issued by gram panchayat secretaries, out of a total of 3.29 crore claims made so far for inclusion in the NRC which is being prepared in Assam to identify illegal migrants.

What is National Register of Citizens (NRC)?

The National Register of Citizens (NRC) is the register containing details of all Indian citizens.

- ◆ After conducting the Census of 1951, the National Register of Citizens (NRC) was prepared by recording particulars of all the persons enumerated **during the 1951 Census**.
- ◆ NRC was prepared **under a directive from the Ministry of Home affairs (MHA)**.
- ◆ It was prepared by recording particulars of all the persons enumerated during that Census and was further kept in the offices of Deputy Commissioners and Sub Divisional Officers according to instructions issued by the Government of India in 1951. Later these registers were transferred to the Police in the early 1960s.

What is NRC Updation?

- ◆ National Register of Citizens (NRC) updation basically means the process of enlisting the names of all citizens residing in Assam at the time of NRC updation.
- ◆ The NRC Updation is currently going on (2014-2016) across the state and shall include the names of those persons (or their descendants) who appear in the NRC 1951, or in any of the Electoral Rolls up to the midnight of 24 March 1971 or in any one of the other admissible documents issued up to the midnight of 24 March 1971, which would prove their presence in Assam on or before 24 March 1971.
- ◆ The NRC (1951) and the Electoral Rolls up to the midnight of 24 March 1971 together are collectively called **Legacy Data**.

Source: The Hindu, Economic Times



International Relations, India & The World and International Affairs

Cabinet approves MoU between India, Poland for civil aviation cooperation

Why in news?

The Union Cabinet has given its approval for signing the Memorandum of Understanding (MoU) between India and Poland for the Promotion of Civil Aviation Cooperation.

The MoU would be for a term of five years.

Objective of the MoU:

- ◆ The objective of the MoU is to recognize the mutual benefit of Cooperation in the field of Civil Aviation having particular significance in establishing and improving Regional Air Connectivity in India.
- ◆ Apart from this both sides will recognize the mutual benefits of environmental testing or approvals, flight simulators monitoring and approvals, aircraft maintenance facilities approvals, maintenance personnel approvals and aircrew member's approvals.

Main areas of MoU:

- ◆ Support in civil aviation market by reviewing any legal and procedural issues which may adversely affect cooperation between both countries.
- ◆ Exchange of information and expertise between respective ministries and authorities related to aviation regulations, regional air operations, safety standards to enhance safety and security of air transport.
- ◆ Collaboration on aviation safety on topics such as safety oversight, airworthiness, flight operations, licensing, legislation and enforcement.

Source: PIB

India, Russia sign comprehensive counter terror pact

Why in news?

India and Russia have signed comprehensive anti-terror pact agreement for enhancing bilateral cooperation in tackling all forms of terrorism and countering threat posed by narcotics.

Key facts:

- ◆ The agreement provides a comprehensive approach for cooperation in security related issues, including Information Technology (IT) Crimes, Counterfeiting currency, Illicit Trafficking in Human Beings, Trafficking in Narcotic Drugs and Psychotropic Substances, Economic Crimes, Crimes related to Intellectual Property (IPs), Cultural Property amongst others.
- ◆ The **agreement will replace earlier agreement signed in October 1993** in order to consolidate benefits accrued in the field of security and jointly fight new and evolving risks and threats.

Joint Action Plan for countering threat posed by narcotics:

- ◆ It aims at countering threat posed by narcotics and agreement will provide legal framework for bilateral cooperation in this field.
- ◆ It will be for the period of 2018-20.

India and Narcotic Drugs regulations:

- ◆ The National Policy on Narcotic Drugs and Psychotropic Substances is based on the **Directive Principles, contained in Article 47 of the Indian Constitution**, which direct the State to endeavour to bring about prohibition of the consumption, except for medicinal purposes, of intoxicating drugs injurious to health.
- ◆ The government's policy on the subject which flows from this constitutional provision is also guided by the international conventions on the subject.
- ◆ India is a signatory to the single Convention on Narcotic Drugs 1961, as amended by the 1972 Protocol, the Conventions on Psychotropic Substances, 1971 and the United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, 1988.

About Narcotics Control Bureau:

The Narcotics Control Bureau is the apex coordinating agency.

- ◆ The Narcotic Drugs and Psychotropic Substances Act, 1985 which came into effect from the 14th November, 1985 made an express provision for constituting a Central Authority for the purpose of exercising the powers and functions of the Central Government under the Act.
- ◆ In presence of this provision, the Government of India constituted the Narcotics Control Bureau on the 17th of March, 1986.
- ◆ The Director General of NCB is an officer of the Indian Police Service (IPS) or the Indian Revenue Service (IRS).
- ◆ The Narcotics Control Bureau is **also represented on the Economic Intelligence Council**.
- ◆ NCB is **affiliated to Home Ministry**, which was made responsible for administering The Narcotic Drugs and Psychotropic Substances Act, 1985.

Source: The Hindu

India urged to join Belt and Road Initiative**Why in news?**

China has counseled India to shed its objections to the China Pakistan Economic Corridor (CPEC) and take advantage of the Belt and Road Initiative (BRI), which had already drawn wide international support.

What is the issue?

India was among a handful of countries that had skipped attendance in Beijing of the Belt and Road Forum in May, objecting to the China Pakistan Economic Corridor (CPEC), which passed through Kashmir.

About BRI:

The initiative is the centerpiece of China's foreign policy and domestic economic strategy. It aims to rejuvenate ancient trade routes—Silk Routes—which will open up markets within and beyond the region. Through this initiative, China's plan is to construct roads, railways, ports, and other infrastructure across Asia and beyond to bind its economy more tightly to the rest of the world.

Why is India staying away?**India's objections are three fold:**

The corridor includes projects in land belonging to India; the projects could push smaller countries on the road into a crushing debt cycle, destroy the ecology and disrupt local communities; and China's agenda was unclear, with the implied accusation that this was more about enhancing its political influence, not just its physical networks.

What is the main objection?

India's main objection is on the principle that the B&RI includes projects in the China-Pakistan Economic Corridor (CPEC) that are located in the Pakistan-occupied Kashmir's Gilgit Baltistan, including the Diamer Bhasha Dam, 180-MW hydel power projects, and more expressways and economic zones along the Karakoram Highway built in the 1970s.

The way ahead

Indian opposition has now galvanized those who remain suspicious of Chinese motives behind OBOR in Pakistan as well as in the rest of the world. The West is now more vocal in its concerns and voices in Pakistan are demanding a reappraisal of the project. But India needs to do more than just articulate its opposition. It needs to provide a new template for the world on global connectivity projects. New Delhi has moved in that direction recently with an articulation of the Asia Africa Growth Corridor (AAGC). The AAGC, structured to connect East Asia, South-East Asia and South Asia with Africa and Oceania, provides a normative alternative to OBOR with its promise of being more consultative and inclusive. With the AAGC, India and Japan have underscored the "importance of all countries ensuring the development and use of connectivity infrastructure in an open, transparent and non-exclusive manner based on international standards and responsible debt financing practices, while ensuring respect for sovereignty and territorial integrity, the rule of law, and the environment."

Source: The Hindu

India to help Mauritius on digital locker**Why in news?**

With Mauritius showing keen interest in India's DigiLocker service, the Government of India will assist Mauritius to develop and set up digital locker services.

About the DigiLocker:

Digital Locker (DigiLocker) is one of the key initiatives under the Digital India Programme.

- ◆ It was launched by the Department of Electronics and Information Technology (DeitY), under the Ministry of Communications & IT.

Its Objectives:

- ◆ Digital Locker is aimed at minimizing the usage of physical documents and enable sharing of e-documents across agencies.

Main technology components of the DigiLocker system are:

- ◆ **Repository:** Collection of e-documents that is exposed via standard APIs for secure, real-time access.
- ◆ **Access Gateway:** Secure online mechanism for requesters to access e-documents from various repositories in real-time using URI (Uniform Resource Indicator).
- ◆ **DigiLocker Portal:** Dedicated cloud based personal storage space, linked to each resident's Aadhaar for storing e-documents, or URIs of e-documents.

Benefits of DigiLocker:

- ◆ Citizens can access their digital documents anytime, anywhere and share it online. This is convenient and time saving.
- ◆ It reduces the administrative overhead of Government departments by minimizing the use of paper.
- ◆ Digital Locker makes it easier to validate the authenticity of documents as they are issued directly by the registered issuers.
- ◆ Self-uploaded documents can be digitally signed using the eSign facility (which is similar to the process of self-attestation).

Source: The Hindu**China, Djibouti to forge 'strategic' ties****Why in news?**

Djibouti, where China has opened its first overseas military base, agreed to establish strategic partnership to strengthen all-round cooperation with Beijing.

Background:

- ◆ China operationalised its naval logistic base at Djibouti in the Horn of Africa on August 1. It is the first Chinese base abroad.
- ◆ Chinese base is just a few miles from Camp Lemonnier, one of the Pentagon's largest and most important foreign installations. With PLA Djibouti base, United States and China will become neighbours in this sun-scorched patch of East African desert.
- ◆ The establishment of the PLA Djibouti base was a decision made by the two countries after friendly negotiations, and accords with the common interest of the people from both sides.

Why is US worried over Chinese base?

- ◆ Established after the terrorist attacks of Sept. 11, 2001, Camp Lemonnier is home to 4,000 personnel. Some are involved in highly secretive missions.
- ◆ U.S. strategists worry that a naval port so close to Camp Lemonnier could provide a front-row seat to the staging ground for U.S. counterterrorism operations in the Arabian Peninsula and North Africa.
- ◆ The base, which is run by the Navy and abuts Djibouti's international airport, is the only permanent U.S. military installation in Africa.

For China, how significant is this PLA Djibouti base?

- ◆ Chinese officials play down the significance of the base, saying it will largely support anti-piracy operations that have helped quell the threat to international shipping once posed by marauding Somalis.
- ◆ The support facility will be mainly used to provide rest and rehabilitation for the Chinese troops taking part in escort missions in the Gulf of Aden and waters off Somalia, UN peacekeeping and humanitarian rescue.
- ◆ The base is aimed at ensuring China's performance of missions, such as escorting, peace-keeping and humanitarian aid in Africa and West Asia.
- ◆ The base will also conduct overseas tasks, including military cooperation, joint exercises, evacuating and protecting overseas Chinese and emergency rescue, as well as jointly maintaining security of international strategic seaways.

Where is Djibouti located?

- ◆ Djibouti, officially the Republic of Djibouti, is a country **located in the Horn of Africa**.
- ◆ It is bordered by **Eritrea** in the north, **Ethiopia** in the west and south, and **Somalia** in the southeast.
- ◆ The remainder of the border is formed by the **Red Sea** and the **Gulf of Aden** at the east.

Source: The Hindu

International Energy Agency (IEA) Meeting Held**Why in news?**

The 2017 IEA Ministerial Meeting was recently held in Paris. The focus of the meeting was on global energy challenges and how they can be met.

About International Energy Agency (IEA)

- ◆ Founded in 1974, the IEA was initially designed to help countries co-ordinate a collective response to major disruptions in the supply of oil, such as the crisis of 1973/4. While this remains a key aspect of its work, the IEA has evolved and expanded significantly.
- ◆ The history of the IEA began with the 1973-1974 Middle East War crisis and its immediate aftermath. While oil producing countries appeared relatively well organized to utilize their new oil based economic and political power, many OECD countries found themselves inadequately equipped with the information and organization necessary to meet the corresponding challenges.
- ◆ The original founding members of the IEA in 1974 were Austria, Belgium, Canada, Denmark, Germany, Ireland, Italy, Japan, Luxembourg, The Netherlands, Norway (under a special Agreement), Spain, Sweden, Switzerland, Turkey, United Kingdom, and the United States. Joining in the following years were Greece (1976), New Zealand (1977), Australia (1979), Portugal (1981), Finland (1992), France (1992), Hungary (1997), Czech Republic (2001), Republic of Korea (2002), Slovak Republic (2007), Poland (2008), and most recently Estonia (2014).

Its Functions:

- ◆ It examines the full spectrum of energy issues including oil, gas and coal supply and demand, renewable energy technologies, electricity markets, energy efficiency, access to energy, demand side management and much more.
- ◆ Through its work, the IEA advocates policies that will enhance the reliability, affordability and sustainability of energy in its member countries and beyond.

Major areas of concern

- ◆ Promoting diversity, efficiency, flexibility and reliability for all fuels and energy sources;
- ◆ Supporting free markets to foster economic growth and eliminate energy poverty;
- ◆ Analysing policy options to offset the impact of energy production and use on the environment, especially for tackling climate change and air pollution; and
- ◆ Working closely with partner countries, especially major emerging economies, to find solutions to shared energy and environmental concerns.

Source: The Hindu, PIB

India to contribute USD 100 million to UN partnership fund**Why in news?**

Recently, India has pledged an additional USD 100 million towards the UN partnership fund, significantly scaling up its support to sustainable development projects across the developing world.

What is India-UN Development Partnership Fund?

- ◆ The India-UN Development Partnership Fund is a dedicated facility within the United Nations Fund for South-South Cooperation established in 2017.
- ◆ It is supported and led by the Government of India, managed by the United Nations Office for South-South Cooperation(UNOSSC), and implemented in collaboration with the United Nations system.
- ◆ The India-UN Development Partnership Fund supports Southern-owned and led, demand-driven, and transformational sustainable development projects across the developing world, with a focus on least developed countries and small island developing states.
- ◆ United Nations agencies implement the Funds projects in close collaboration with partnering governments.

What is the aim of establishing this fund?

- ◆ The establishment of the fund is aimed at reducing poverty and hunger, improving health, education and equality, and expanding access to clean water, energy and livelihoods.
- ◆ The fund would focus on transformational sustainable development projects across the developing world especially on Least Developed Countries (LDCs) and Small Island Developing States (SIDS).

What is UNOSSC?

The United Nations Office for South-South Cooperation (UNOSSC) was established to promote, coordinate and support South-South and triangular cooperation globally and within the United Nations system. UNOSSC, hosted by UNDP since 1974, was established by the UN General Assembly with a mandate to advocate for and coordinate South-South and triangular cooperation on a global and UN system-wide basis.

It's Functions:

UNOSSC receives policy directives and guidance from the General Assembly and through its subsidiary body, the High-level Committee on South-South Cooperation. UNOSSC submits its strategic planning frameworks to the UNDP, UNFPA and UNOPS Executive Board for approval and funding.

Source: The Hindu

Asia Pacific Computer Emergency Response Team (Apcert)

Why in news?

The Indian Computer Emergency Response Team (CERT-In) under the aegis of Ministry of Electronics & Information Technology organized the Asia Pacific Computer Emergency Response Team (APCERT) Conference from November 12-15, 2017 in New Delhi.

Key facts:

- ◆ The Theme of the conference is “Building Trust in the Digital Economy”.
- ◆ This is the 15th Conference of APCERT and first ever conference in India and South Asia and will be attended by 21 economies.
- ◆ This conference discussed contemporary topics around strategies of CERTs, Technology and Instruments for building trust in digitally evolving economies and best practices for handling cyber security in mobile and social media.

What is APCERT (Asia Pacific Computer Emergency Response Team) ?

- ◆ **APCERT (Asia Pacific Computer Emergency Response Team)** is a coalition of the forum of CSIRTs (**Computer Security Incident Response Teams**). The organization was established to encourage and support the activity of CSIRTs in the **Asia Pacific** region.
- ◆ Any CSIRT from Asia Pacific Region, who is interested to furthering the objectives of APCERT, will be allowed to join as APCERT members after meeting all member accreditation requirements.

About CERT-In:

- ◆ CERT-In (the Indian Computer Emergency Response Team) is a government-mandated information technology (IT) security organization. CERT-In was created by the Indian Department of Information Technology in 2004 and operates under the auspices of that department.
- ◆ The purpose of CERT-In is to respond to computer security incidents, report on vulnerabilities and promote effective IT security practices throughout the country. According to the provisions of the Information Technology Amendment Act 2008, CERT-In is responsible for overseeing administration of the Act.

Source: The Indian Express

Cabinet approves agreement on cooperation and mutual assistance between India and Armenia in custom matters

Why in news?

The Union Cabinet chaired by the Prime Minister has given its approval for signing and ratifying an Agreement between India and Armenia on cooperation and mutual assistance in customs matters.

Key Facts

- ◆ This agreement shall enter into force on the first day of the second month after both parties notify each other through diplomatic channels, that the necessary national legal requirements for entry into force of this agreement have been fulfilled.
- ◆ The draft text of the Agreement has been finalized with the concurrence of the two Customs Administrations.
- ◆ The draft Agreement takes care of Indian Customs' concerns and requirements, particularly in the area of exchange of information on the correctness of the Customs value declared and authenticity of certificates of origin of the goods traded between the two countries.

What is the significance of this agreement?

- ◆ The Agreement would provide a legal framework for sharing of information and intelligence between the Customs authorities of the two countries and help in the proper application of Customs laws, prevention and investigation of Customs offences and the facilitation of legitimate trade.
- ◆ The agreement will further help in the availability of relevant information for the prevention and investigation of customs offences.
- ◆ It is also expected to facilitate trade and ensure efficient clearance of goods traded between both the countries.

Source: PIB

International Solar Alliance

Why in news?

A Curtain Raiser Event for the Founding Ceremony of the International Solar Alliance (ISA) was recently held at Bonn, Germany.

About ISA

- ◆ The ISA was jointly launched on 30 November 2015 by Prime Minister of India, Shri Narendra Modi, and then-President of France, H.E. François Hollande, on the side lines of the UNFCCC Conference of Parties 21 (CoP21) at Paris, France.
- ◆ The ISA is a treaty-based alliance of 121 prospective solar-rich Member Nations situated fully or partially between the Tropics, and aims at accelerating development and deployment of solar energy globally.
- ◆ The ISA now has become a treaty based inter-governmental international organisation and it will be recognized by UN legally to become fully functional.
- ◆ Guinea became the 15th country to ratify this agreement.
- ◆ Other prominent intergovernmental organisations in the energy sector include the Vienna-based Organisation of the Petroleum Exporting Countries (Opec) and Paris-based International Energy Agency (IEA).

The World Bank last year signed an agreement with the ISA to mobilize \$1 trillion in investments by 2030. In addition, the ISA is also working on a plan to create a \$300 billion risk mitigation fund as part of the strategy to create a sustainable financing architecture for solar projects globally. The fund will be used to insure solar power projects against risks such as default in payment from electricity procurers, foreign exchange fluctuation and regime change.

What is its importance?

- ◆ More than 120 countries are geographically located between the Tropic of Cancer and the Tropic of Capricorn, either fully or partially. These places get ample sunlight throughout the year, making solar energy an easily available resource of energy.
- ◆ In these nations maximum growth in energy demand is expected in the coming years, considering that these are areas where current production is woefully short of requirement.
- ◆ The ISA is an effort to ensure that as these countries rapidly ramp up their electricity production, they should utilize solar energy and avoid fossil fuels.

Source: The Hindu, Live Mint

10th South Asia Economic Summit held in Nepal

Why in news?

Recently, Xth South Asia Economic Summit (SAES) was held at Kathmandu, Nepal.

- ◆ More than 200 participants including ministers, members of parliaments, ambassadors, government officials, eminent experts and thinkers attended the summit.
- ◆ **The theme of the summit** was “Deepening Economic Integration for Inclusive and Sustainable Development in South Asia”.

South Asia Economic Summit (SAES)

SAES was launched in 2008 with the objective of bringing together leading academics, practitioners of public policy, and members of business community, parliament, media and other

stakeholders to discuss regional approach to issues of mutual concern and also to learn from home grown solutions to common predicaments that can be replicated elsewhere in South Asia. Over the years this event has become the 'South Asian Davos' following the example of World Economic Forum.

Its Objectives

It brings together stakeholders from the government, private sector, research, academics and civil society to generate innovative and actionable ideas for consideration by the region's policymakers and SAARC.

Source: The Hindu

Cabinet approves India's Membership for European Bank for Reconstruction and Development

Why in news?

The Union Cabinet has approved India's membership for European Bank for Reconstruction & Development (EBRD).

How this membership is significant for India?

- ◆ The membership of EBRD will enhance India's international profile and promote its economic interests.
- ◆ It will give India access to EBRD's Countries of Operation and sector knowledge.
- ◆ It will boost India's investment opportunities and also improve investment climate in country.
- ◆ The membership of EBRD will help to increase scope of cooperation between India and EBRD through co-financing opportunities in manufacturing, services, energy and Information Technology.
- ◆ It will also help India leverage technical assistance and sectorial knowledge of EBRD for benefit of development of private sector.
- ◆ The membership of EBRD will also enhance competitive strength of Indian firms and provide enhanced access to international markets in terms of business opportunities, procurement activities, consultancy assignments etc.
- ◆ It will open up new vistas for Indian professionals on one hand and give fillip to Indian exports on other.
- ◆ It will also have positive impact on employment generating potential due to increased economic activities.
- ◆ It will also enable Indian nationals to get employment opportunity in EBRD.

About EBRD:

The European Bank for Reconstruction and Development (EBRD) is an international financial institution that supports projects in over 30 countries, from eastern Europe to central Asia and the southern and eastern Mediterranean.

- ◆ Investing primarily in private sector clients whose needs cannot be fully met by the market, the EBRD promotes entrepreneurship and fosters transition towards open and democratic market economies.
- ◆ The EBRD is owned by 65 countries and two intergovernmental institutions: the European Union and the European Investment Bank (EIB).

Source: PIB

Joint Interpretative Declaration between India and Colombia

Why in news?

Recently, the Union Cabinet has given its approval for signing the Joint Interpretative Declaration (JID) between India and Colombia regarding the existing Agreement for the Promotion and Protection of Investments between India and Colombia.

What is the significance of this move?

- ◆ Joint Interpretative Declarations/Statements in general play an important supplementary role in strengthening the investment treaty regime.
- ◆ The JID would impart clarity to the interpretation of the existing Agreement as it includes interpretative notes to be jointly adopted for many clauses, including, the definition of investor, definition of investment, Fair and Equitable Treatment (FET), National Treatment (NT) and Most Favoured Nation (MFN) treatment, expropriation, Investor – State Dispute Settlement provision and Denial of Benefits.

With increasing Bilateral Investment Treaty (BIT) disputes, issuance of such statements is likely to have strong persuasive value before arbitration tribunals. Such pro-active approach by partners can foster a more predictable and coherent reading of treaty terms by arbitration tribunals.

Source: PIB

India climbs 3 steps to 51 on IMD World Talent rankings

Why in news?

The IMD global business school has released its annual IMD World Talent Ranking.

- ◆ India ranked 51st among 63 countries on the IMD Talent Rankings in terms of ability to attract, develop and retain talent. In previous rankings, India was ranked 54th.

About the rankings:

- ◆ The annual IMD World Talent Ranking covers 63 countries and assessed methods countries adopted to attract and retain talent.
- ◆ The rankings of countries are based on their performance in three main categories — investment and development, appeal, and readiness.

Highlights of IMD Talent Rankings

- ◆ Switzerland topped list followed by Denmark, Belgium, Austria, Finland, Netherlands, Norway, Germany, Sweden and Luxembourg in top 10. Globally, Europe continues to dominate rankings being most competitive countries.
- ◆ Leading Asian economies in rankings are Singapore, Hong Kong and Taiwan. They have cemented their global status as hubs of attracting and retaining highly-skilled workers though they trail Europe in this regard.
- ◆ Among BRICS bloc, China was in lead with ranking of 40, followed by Russia (43) and South Africa (48). Brazil was ranked 52nd just after India.

Indian Context:

- ◆ India was ranked 62nd (on investment and development), 43rd (appeal) and 29th (readiness) in three main categories.

- ◆ As per the IMD rankings, India has not been successful in terms of investment in education as a percentage of GDP. It ranked among the bottom five countries in the world in this aspect.
- ◆ Therefore, India needs to emphasize the education system as a key to prosperity.
- ◆ It also needs to prevent brain drain by providing better opportunities to local talent.
- ◆ India has potential to thrive in age of digital economy. Its labor growth provides necessary domestic talent pool.

Source: The Hindu, Indian Express





Indian Economy and Economic Development

National Anti-profiteering Authority

Why in news?

The Government has approved the constitution of a National Anti-Profiteering Authority (NAA) – the institutional mechanism under the GST law to check the unfair profit-making activities by the trading community. Union Cabinet chaired by the PM decided for the appointment of a Chairman and Technical Members of the Authority. Senior bureaucrat Badri Narain Sharma has been appointed as the chairman of the national anti-profiteering authority under the GST regime.

Constitution of the NAA

- ◆ The NAA will be headed by a senior officer of the level of Secretary to the Government of India. There will be four Technical Members from the Centre and/or the States.
- ◆ The GST Act itself contains provision for anti-profiteering measures. The Act recommend for the setting up of an institutional mechanism to ensure that the full benefits of price reductant factors (i) the input tax credits and (ii) reduced GST rates on supply of goods or services, made from time to time will be passed on to the consumers.
- ◆ Besides the NAA, the GST law also proposes for other institutional arrangements: a Standing Committee, Screening Committees in every State and the Directorate General of Safeguards in the Central Board of Excise & Customs (CBEC). All these bodies will work together on the anti-profiteering front.
- ◆ When the NAA certify that there is ant profiteering in a specific case, it can order the supplier/ business concerned to reduce its prices or return the undue benefit availed by it along with interest to the recipient of the goods or services. If the undue benefit cannot be passed on to the consumer, it can be ordered to be deposited in the Consumer Welfare Fund. In extreme cases, the NAA can impose a penalty on the defaulting business entity and even order the cancellation of its registration under GST.

What is profiteering?

- ◆ Profiteering means unfair profit realized by traders by manipulating prices, tax rate adjustment etc. In the context of the newly launched GST, profiteering means that traders are not reducing the prices of the commodities when the GST Council reduces the tax rates of commodities and services.
- ◆ Conventionally, several traders will have a strong tendency to quickly increase the price of a commodity whose tax rate has been increased. But on the opposite side, they may delay the price reduction of a commodity whose tax rate has been cut by the government.
- ◆ A delayed or postponed price reduction helps business firms to make higher profit. The losers here are the consumers.

Functions of the Authority

- ◆ The Authority's core function is to ensure that the benefits of the reduction in GST rates on goods or services made by the GST Council is passed on to the ultimate consumers by way of a reduction in prices by traders.

- ◆ The Authority's main function is to ensure that traders are not realizing unfair profit by charging high price from the consumers in the name of GST. Traders may charge high price from the consumers by naming the GST factor. Similarly, they may not make quick and corresponding price reduction when the GST Council makes tax cut. All these constitute profiteering. The responsibility of the NAA is to examine and check such profiteering activities and recommend punitive actions including cancellation of licenses.

The mechanism

- ◆ Affected consumers who feel the benefit of commensurate reduction in prices is not being passed on when they purchase any goods or services may apply for relief to the Screening Committee in the particular State.
- ◆ However, in case the incident of profiteering relates to an item of mass impact with 'All India' ramification, the application may be directly made to the Standing Committee.
- ◆ After forming a prima facie view that there is an element of profiteering, the Standing Committee shall refer the matter for detailed investigation to the Director General of Safeguards, CBEC, which shall report its findings to the NAA.
- ◆ In the event the NAA confirms there is a necessity to apply anti-profiteering measures, it has the authority to order the supplier / business concerned to reduce its prices or return the undue benefit availed by it along with interest to the recipient of the goods or services.
- ◆ If the undue benefit cannot be passed on to the recipient, it can be ordered to be deposited in the Consumer Welfare Fund.
- ◆ In extreme cases, the NAA can impose a penalty on the defaulting business entity and even order the cancellation of its registration under GST.

The Way Ahead

The constitution of the NAA shall bolster confidence of consumers as they reap the benefits of the recent reduction in GST rates, in particular, and of GST, in general.

Source: PIB, Business Standard

Global Entrepreneurship Summit 2017 in Hyderabad

Why in news?

The 8th edition of the Global Entrepreneurship summit (GES) was recently held in Hyderabad.

Key facts

- ◆ It was jointly inaugurated by Prime Minister Narendra Modi and US President Donald Trump's advisor and daughter Ivanka Trump.
- ◆ It was hosted by NITI Aayog in partnership with US government.
- ◆ The summit was attended by 1,500 entrepreneurs from 170 countries.
- ◆ **The theme for 2017 GES is "Women First, Prosperity for All".**

About the Global Entrepreneurship summit (GES):

- ◆ Organised annually since 2010, GES is preminent annual entrepreneurship gathering that convenes over one thousand emerging entrepreneurs, investors, and supporters from around the world.
- ◆ This is the **first time GES is being held in South Asia.**
- ◆ The event underscores the broad and enduring partnership with India.

- ◆ The four primary focus areas of GES 2017 are Digital Economy and Financial Technology, Health Care and Life Sciences, Energy and Infrastructure, and Media and Entertainment.

Source: The Hindu

Meeting of Asia and Pacific Decade for Persons with Disabilities

Why in news?

The High Level Inter-Governmental Mid-Point review meeting of Asia and Pacific Decade for Persons with Disabilities, 2013-2022 was held in Beijing, China.

- ◆ The meeting was organised by United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) in cooperation with China Disabled Persons' Federation (CDPF).

Objectives of the meeting:

- ◆ The main objective of the meeting is to review the progress made by the member States during the Decade at the mid-point in 2017 with regard to Incheon Strategy 'to make the right real' for persons with disabilities in Asia and Pacific.

What is Incheon strategy?

The Incheon Strategy provides Asian and Pacific region and world with first set of regionally agreed disability-inclusive development goals.

- ◆ It has been developed over more than two years of consultations with governments and civil society stakeholders.
- ◆ The Incheon Strategy builds on UN Convention on Rights of Persons with Disabilities (CRPD) and Biwako Millennium Framework for Action (BMF) and Biwako Plus Five towards an Inclusive, Barrier-free and Rights-based Society for Persons with Disabilities in Asia and Pacific.
- ◆ The Incheon Strategy enables Asian and Pacific region to track progress towards improving quality of life, and fulfilment of rights of region's 650 million persons with disabilities, most of whom live in poverty.
- ◆ The UNESCAP secretariat is mandated to report progress in implementation of Incheon Strategy every three years until end of Decade in 2022.

Goals:

- ◆ It comprises 10 goals, 27 targets and 62 indicators. To ensure that the 10 goals are successfully met, the Strategy identifies 27 targets as well as 62 related indicators for monitoring and evaluating the implementation of the 10 goals.
- ◆ The Incheon Strategy goals cover a range of development areas from poverty reduction and employment to political participation, accessibility, social protection, education, gender equality, disaster risk reduction, data collection, CRPD ratification and international cooperation.

About UNESCAP:

- ◆ The United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP or ESCAP) is the regional development arm of the United Nations for the Asia-Pacific region.
- ◆ It is one of the five regional commissions of the United Nations Economic and Social Council, under the administrative direction of the United Nations headquarters.
- ◆ It is **located in Bangkok, Thailand**.
- ◆ It was established in 1947 (then as the UN Economic Commission for Asia and the Far East, ECAFE) to encourage economic cooperation among its member states. The name was changed to the current in 1974.

- ◆ ESCAP has **53 member States and nine Associate members**. As well as countries in Asia and the Pacific, it includes France, the Netherlands, the United Kingdom and the United States.
- ◆ ESCAP's regional focus is managing globalization through programs in environmentally sustainable development, trade, and human rights.

Source: PIB

India signs USD 100 million loan agreement with World Bank for Solar Parks Project

Why in news?

The Union government and the World Bank signed a guarantee agreement for USD 98 million and grant agreement for USD 2 million for the "Shared Infrastructure for Solar Parks Project."

The project consists of two components-

- ◆ Shared Infrastructure for Solar Parks (estimated total project cost of USD 100 million, including USD 75 million in International Bank for Reconstruction and Development (IBRD) loan and USD 23 million in Clean Technology Fund (CTF) Loan) and
- ◆ Technical assistance (USD 2 million in CTF Grant).

Objective of the project:

- ◆ The objective of the project is to increase solar generation capacity through establishment of large-scale parks in the country.

Benefits of this project:

- ◆ The project will help establish large-scale solar parks and support the government's plan to install 100 Gigawatts (GW) of solar power out of a total renewable-energy target of 175 GW by 2022.

What is a Solar park?

The Solar Park is a concentrated zone of development of solar power generation projects.

- ◆ As part of Solar park development, land required for development of Solar Power Projects with cumulative capacity generally 500 MW and above will be identified and acquired and various infrastructure like transmission system, water, road connectivity and communication network etc. will be developed.
- ◆ The parks will be characterized by well-developed proper infrastructure where the risk & gestation period of the projects will be minimized.
- ◆ At the state level, the solar park will enable the states to bring in significant investment from project developers in Solar Power sector, to meet its Solar Purchase Obligation (SPO) mandates and provide employment opportunities to local population.
- ◆ The state will also be able to reduce its carbon footprint by avoiding emissions equivalent to the solar park's generated capacity.

Government scheme:

- ◆ **Ministry of New and renewable Energy (MNRE)** has drawn a scheme to set up number of solar parks across various states in the country, **each with a capacity of Solar Projects generally above 500 MW.**
- ◆ The Scheme proposes to provide **financial support by Government of India** to establish solar parks with an aim to facilitate creation of infrastructure necessary for setting up new solar power projects in terms of allocation of land, transmission and evacuation lines, access roads, availability of water and others, in a focused manner.

- ◆ **Solar Energy Corporation of India (SECI), a central public sector enterprises under MNRE,** has been implementing various schemes to develop solar sector in the country.
- ◆ As per the policy, these solar parks will be developed in collaboration with the State Governments.
- ◆ **The implementation agency would be Solar Energy Corporation of India (SECI) on behalf of Government of India (GOI).**
- ◆ SECI will handle funds to be made available under the scheme on behalf of GOI. The states shall designate a nodal agency for implementation of the solar park.

Source:PIB

Manipur To Host 1st North East Development Summit

Why in news?

Manipur is hosting the first ever North East Development Summit (NEDS) 2017 in Imphal from November 21.

Aim:

- ◆ NEDS is aimed at “building confidence” and altering the “perception” among visiting delegates and investors.

Key facts:

- ◆ India Foundation, a Delhi-based think tank, is organising the summit in collaboration with the Centre and Manipur government.
- ◆ The summit seeks to boost trade and investment in the underdeveloped region. Various international finance agencies will lay down their plan for development in the region.
- ◆ Key focus areas include (i) Trade& Investment, (ii) Connectivity& Infrastructure Development, (iii) Tourism Development in North-East India, (iv) Skill Development, Capacity Building and Entrepreneurship.

Why this summit is important?

- ◆ North Eastern states have lot of potential which is still unexplored. There is a need to explore this unexplored potential for the development of the region and the development of the country as a whole.
- ◆ The summit will contribute to the making of ‘New India’ and help explore the unexplored potential of the region.

Source: PIB

India’s first mega coastal economic zone (CEZ)

Why in news?

The government has given the approval for setting up India’s first mega coastal economic zone (CEZ) at the Jawaharlal Nehru Port in Maharashtra as part of a plan to develop 14 such industrial clusters to spur manufacturing and generate jobs.

What is coastal economic zone?

- ◆ CEZs are spatial economic regions comprising a group of coastal districts or districts with a strong linkage to ports in that region to tap into synergies with the planned industrial corridor projects.
- ◆ These zones are expected to provide business-friendly ecosystem including ease of doing business, ease of exporting and importing, swift decisions on applications for environmental clearances, and speedy water and electricity connections.

About this first mega coastal economic zone: Significance

- ◆ The plan envisages a total investment of Rs 15,000 crore in the first phase and creation of more than 1.5 lakh jobs.
- ◆ The aim is to attract large firms interested in serving the export markets as they would bring with them technology, capital, good management and links to the world markets.
- ◆ This in turn would help create an ecosystem around them in which productive small and medium firms would emerge and flourish.

Source: Economic Times

Moody's has upgraded India's rating**Why in news?**

- ◆ For the first time in 14 years, Moody's has upgraded India's rating to Baa2, a term that means that they consider the economy stable.
- ◆ Standard & Poor's and Fitch too have a 'stable' rating for the country — BBB+ and BBB-, respectively.

What are the reasons for upgradation?

- ◆ The decision to upgrade the ratings is underpinned by Moody's expectation that continued progress on economic and institutional reforms will, over time, enhance India's high growth potential and its large and stable financing base for government debt
- ◆ It will likely contribute to a gradual decline in the general government debt burden over the medium term, the rating agency said in a statement.
- ◆ Also, while India's high debt burden remains a constraint on the country's credit profile, Moody's believes that the reforms put in place have reduced the risk of a sharp increase in debt, even in potential downside scenarios.
- ◆ Reforms such as Goods and Services Tax (GST), demonetisation, measures to fight bad loans, Aadhaar and labor market reforms etc pushed Moody's to upgrade India rating.

What is a credit rating?

- ◆ A credit rating is an assessment of the creditworthiness of a borrower. Individuals, corporations and governments are assigned credit ratings — whoever wants to borrow money.
- ◆ Individuals are given 'credit scores', while corporations and governments receive 'credit ratings'.

Why do countries get credit ratings?

- ◆ National governments, not countries, are assigned credit ratings by agencies like Standard & Poor's, Moody's and Fitch.
- ◆ Governments require ratings to borrow money.
- ◆ They are also given ratings on their worth as investment destinations.
- ◆ A country requests a credit rating agency to evaluate its economic and political environment and arrive at a rating. This is done to position itself as a destination for foreign direct investment.

What factors decide these ratings?

There are several criteria behind rating a government's creditworthiness.

- ◆ Among them are political risk, taxation, currency value and labour laws.
- ◆ Another is sovereign risk where a country's central bank can change its foreign exchange regulations. These risks are taken into account and ratings assigned accordingly.

Source: The Hindu, Live Mint

RBI no to Islamic banking

Why in news?

In a major move, the Reserve Bank of India has decided not to pursue a proposal to introduce Islamic banking in the country. The central bank said the decision was taken after considering “the wider and equal opportunities” available to all citizens to access banking and financial services.

What is ‘Islamic Banking’

Islamic banking is a banking system that is based on the principles of Islamic law, also referred to as Shariah law, and guided by Islamic economics. Two basic principles behind Islamic banking are the sharing of profit and loss and, significantly, the prohibition of the collection and payment of interest by lenders and investors. Collecting interest or “riba” is not permitted under Islamic law.

How Do Islamic Banks Earn Money Without Using Interest?

In order to earn money without charging interest, Islamic banks use equity-participation systems. This means that if bank loans money to a business, the business pays back the loan without interest, but it gives the bank a share in its profits. If the business defaults on the loan or does not earn any profits, the bank does not receive any profit either.

For example, in 1963, Egyptians formed an Islamic bank in Mit Ghmar. When the bank loaned money to businesses, it did so on a profit-sharing model. To reduce risk, the bank only approved about 40% of its business loan applications, but the default ratio was zero.

What Is the Difference Between Islamic Banks and Islamic Windows?

While an Islamic bank is a bank totally based on and run with Islamic principles in mind, an Islamic window refers to services provided by conventional banks but based on Islamic principles. For example, in Oman, there are two full-fledged Islamic banks, Bank Nizwa and Al Izz Islamic Bank, but six of the seven commercial banks in the country also offer Islamic banking services through dedicated windows.

Background

Introduction of Islamic Banking was mooted by Raghuram Rajan in his report on the Financial Sector in the year 2008 where he recommended that interest-free banking techniques should be operated on a larger scale so as to give access to those who are unable to access banking services, including those belong to economically disadvantaged section of the society.

Source: The Hindu, Investopedia

FEMA norms eased to spur investment from overseas

Why in news?

Recently, the Reserve Bank of India (RBI) has simplified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, by putting all the 93 amendments under one notification.

The new notification

- ◆ The new notification combines two regulations on foreign investments — one which is popularly called investment in an Indian company or a partnership, or in a limited liability partnership, or FEMA 20, and the other — FEMA 24, which is investment in a partnership firm.
- ◆ Another significant change is the introduction of a late submission fee that could allow an investor to regularize any contravention due to non-reporting, by paying the fee.

About FEMA

- ◆ The **Foreign Exchange Management Act, 1999** (FEMA) is an Act of the Parliament of India “to consolidate and amend the law relating to foreign exchange with the objective of facilitating

external trade and payments and for promoting the orderly development and maintenance of foreign exchange market in India”.

- ◆ It was passed in the winter session of Parliament in 1999, replacing the Foreign Exchange Regulation Act (FERA). This act makes offences related to foreign exchange civil offenses.
- ◆ It extends to the whole of India replacing FERA, which had become incompatible with the pro-liberalisation policies of the Government of India.
- ◆ This act seeks to make offenses related to foreign exchange civil offenses. It enables a new foreign exchange management regime consistent with the emerging framework of the World Trade Organisation (WTO)
- ◆ It also paved the way for the introduction of the Prevention of Money Laundering Act, 2002, which came into effect from 1 July 2005.

Source: The Hindu, Wiki

National Power Portal(NPP) – a Centralized Platform for Collation and Dissemination of Indian Power Sector Information launched

Why in news?

Recently National Power Portal(NPP)- a Centralized Platform for Collation and Dissemination of Indian Power Sector Information, has been launched by the government.

Key facts

- ◆ The NPP Dashboard has been designed and developed to disseminate analyzed information about the sector through GIS enabled navigation and visualization chart windows on capacity, generation, transmission, distribution at national, state, DISCOM, town, feeder level and scheme based funding to states.
- ◆ The system also facilitates various types of statutory reports required to be published regularly.
- ◆ The Dashboard would also act as the single point interface for all Power Sector Apps launched previously by the Ministry, like TARANG, UJALA, VIDYUT PRAVAH, GARV, URJA, MERIT.
- ◆ NPP is integrated with associated systems of Central Electricity Authority (CEA), Power Finance Corporation (PFC), Rural Electrification Corporation (REC) and other major utilities and would serve as single authentic source of power sector information to apex bodies, utilities for the purpose of analysis, planning, monitoring as well as for public users.
- ◆ The Nodal Agency for implementation of NPP and its operational control is CEA. The system has been conceptualized, designed and developed by National Informatics Centre (NIC).

NPP is a centralised system for Indian Power Sector which facilitates online data capture/ input (daily, monthly, annually) from generation, transmission and distribution utilities in the country and disseminate Power Sector Information (operational, capacity, demand, supply, consumption etc.) through various analysed reports, graphs, statistics for generation, transmission and distribution at all India, region, state level for central, state and private sector.

Source: PIB

‘Saubhagya’ Web-Portal – a Platform for Monitoring Universal Household Electrification Launched

Why in news?

Recently, the government has launched the Pradhan Mantri Sahaj Bijli Har Ghar Yojana – ‘Saubhagya Web Portal.

About the portal

It is a platform for monitoring household electrification progress, which would disseminate information on Household Electrification Status (State, District, village-wise), Household Progress on live basis, State-wise Target vs Achievement, Monthly Electrification Progress, etc.

Key facts:

- ◆ Through this online platform every State would feed in the current status of progress of electrification works, hence enabling the creation of a system of accountability for the State utility/DISCOM and help in increasing their viability.
- ◆ Further, Seven States including Uttar Pradesh, Bihar, Gujarat, Mizoram, Nagaland, Chhattisgarh and Assam have given their requirements to the Power Ministry for funds under the Saubhagya Scheme, which would be released soon for aiding the respective electrification works.
- ◆ The Saubhagya web-portal has a feature on village electrification camps and in line with that, DISCOMs will organize camps in villages/cluster of villages for facilitating on-the-spot filling up of application forms and to complete requisite documentation to expedite release of electricity connections to households.
- ◆ Further, all States have been asked to announce the schedules of the village camps to be held and hence create awareness among the people about the one-stop facility for getting electricity connections.
- ◆ DISCOMs/ State Power Department will also adopt the innovative mechanism through dedicated web-portal/Mobile App for collection/consolidation of data in electronic form including collection of application form for obtaining electricity connections. The details of consumers viz., Name and Mobile number/Bank account/Driving License/Voter ID etc., as available, would be collected by the DISCOMs.

What is the significance of this portal?

- ◆ Achieving electrification of 4 crore households is a big challenge, nevertheless the Government is committed to achieve this target by December 2018, with the cooperation of all the States.
- ◆ This would, in turn, bring about a huge improvement in the Quality of Life of the Citizens of India. The Government is bringing a change in the Power ecosystem in the country by pushing towards mandatory metering of all new electrical connections through pre-paid or smart meters.
- ◆ This would make paying of electricity bills viable for the poor, reduce power losses and increase compliance in paying electricity bills.

SAUBHAGYA SCHEME

- ◆ 'Saubhagya' scheme was launched by Prime Minister of India, Shri Narendra Modi on 25th September, 2017 with an outlay of Rs. 16,320 Crores including Budgetary Support of Rs. 12,320 Crores. Under Saubhagya scheme, all willing households in rural areas and poor families in urban areas are given free electricity connections.
- ◆ There are around 4 Crore un-electrified households in the country and they are targeted for providing electricity connections by December 2018.
- ◆ Till recently, the focus of electrification has been on village electrification through creation of village electricity infrastructure for all households and providing free electricity connections to poor household families in rural areas.
- ◆ Now, Saubhagya has come into existence for providing free electricity connections to all households (both APL and poor families) in rural areas and poor families in urban areas.

Rural Electrification Corporation Limited (REC) is the Nodal Agency for the operationalization of the scheme throughout the country. Union Ministry of Power with the support of the States is taking all concerted efforts to fulfill the dream of seeing Electrified, Bright and Vibrant India with all households having access to electricity connections.

Source: PIB, Economic Times

New outsourcing norms for NBFCs

Why in news?

Recently, the Reserve Bank of India has issued fresh directions on managing risks and code of conduct in outsourcing of financial services by NBFCs. Which are as follows:

- ◆ Non-banking financial companies (NBFCs) cannot outsource core management functions like internal audit, strategic and compliance functions for know your customer (KYC) norms, sanction of loans and management of investment portfolio.
- ◆ Access to customer information by staff of the service provider shall be on 'need to know' basis i.e., limited to those areas where the information is required in order to perform the outsourced function.
- ◆ NBFCs also have been asked to constitute grievance redressal machinery with the name and contact details of the redressal officer displayed prominently at their branches. It shall be clearly indicated that NBFCs' grievance redressal machinery will also deal with the issue relating to services provided by the outsourced agency.
- ◆ NBFCs would also be responsible for making currency transaction reports and suspicious transactions reports to the financial intelligence unit for activities carried out by the service providers.

What are NBFCs?

A Non-Banking Financial Company (NBFC) is a company registered under the Companies Act, 1956 engaged in the business of loans and advances, acquisition of shares/stocks/bonds/debentures/securities issued by Government or local authority or other marketable securities of a like nature, leasing, hire-purchase, insurance business, chit business but does not include any institution whose principal business is that of agriculture activity, industrial activity, purchase or sale of any goods (other than securities) or providing any services and sale/purchase/construction of immovable property.

A non-banking institution which is a company and has principal business of receiving deposits under any scheme or arrangement in one lump sum or in installments by way of contributions or in any other manner, is also a non-banking financial company (Residuary non-banking company).

What is difference between banks & NBFCs?

NBFCs lend and make investments and hence their activities are akin to that of banks; however there are a few differences as given below:

- ◆ NBFC cannot accept demand deposits;
- ◆ NBFCs do not form part of the payment and settlement system and cannot issue cheques drawn on itself;
- ◆ Deposit insurance facility of Deposit Insurance and Credit Guarantee Corporation is not available to depositors of NBFCs, unlike in case of banks.

Is it necessary that every NBFC should be registered with RBI?

- ◆ In terms of Section 45-IA of the RBI Act, 1934, no Non-banking Financial company can commence or carry on business of a non-banking financial institution without (a) obtaining a certificate of registration from the Bank and without having a Net Owned Funds of RS 25 lakhs (Rs Two crore since April 1999). However, in terms of the powers given to the Bank, to obviate

dual regulation, certain categories of NBFCs which are regulated by other regulators are exempted from the requirement of registration with RBI viz. Venture Capital Fund/Merchant Banking companies/Stock broking companies registered with SEBI, Insurance Company holding a valid Certificate of Registration issued by IRDA, Nidhi companies as notified under Section 620A of the Companies Act, 1956, Chit companies as defined in clause (b) of Section 2 of the Chit Funds Act, 1982, Housing Finance Companies regulated by National Housing Bank, Stock Exchange or a Mutual Benefit company.

Source: The Hindu, wiki

Grahak Sadak Koyla Vitaran App

Why in news?

The government has recently launched '**Grahak Sadak Koyla Vitaran App**' benefitting customers of Coal India Limited (CIL) lifting coal through road mode.

Significance of this APP

- ◆ It provides date-wise, truck-wise quantity of coal delivered against the Sale Orders and information related to Scheme-wise, Colliery-wise, Grade-wise, customer-wise details of Sale Orders issued during a period.
- ◆ In terms of loading it provides allotment verses lifting status in details from different sources truck by truck and summary of the dispatch.
- ◆ It helps achieve transparency in dispatch operations, as a tool to monitor, whether the dispatches are made on the fair principle of 'First in First Out' and keeps track of all the activities from issuance of Sale Order to physical delivery of coal by road.

The main benefits of the App for the customers, against the Sale Orders issued, include easy accessibility of the information at the click of the button, apart from transparency in the system of loading programme and despatch. The app also helps in logistics planning for lifting of coal in tune with the loading programmes. It further helps in improved planning of procurement, production and stock management by the customers.

Source: PIB

Coastal Berth Scheme

Why in news?

The Ministry of Shipping has extended the period of the Coastal Berth scheme of the flagship Sagarmala Program for three years, upto 31st March, 2020 and expanded its scope to cover capital dredging at Major Ports and preparation of DPR for coastal berth project, in Oct 2017.

About the scheme

- ◆ The projects under Coastal Berth Scheme of the flagship Sagarmala Programme are distributed over eight states with the highest number of projects in Maharashtra (12 projects), Andhra Pradesh & Goa (10 projects), Karnataka (6 projects), Kerala and Tamil Nadu (3 projects), Gujarat (2 projects) and West Bengal (1 project).
- ◆ Out of the 47 projects, 23 projects worth Rs 1075.61 crore have been sanctioned for total financial assistance of Rs 390.42 crore and Rs 230.01 crore has been released to Major Ports, State Maritime Boards and State Governments. The remaining 24 projects are under various stages of development and process of approval.
- ◆ The most recent beneficiaries of the scheme were Jawahar Lal Nehru Port Trust (JNPT) and Karnataka Government respectively for developing coastal infrastructure at Jawahar Lal Nehru Port, Karwar Port and Old Mangalore Port. Rs 25 crore were sanctioned for construction of coastal berth (270m x 30m) at JNPT .

- ◆ Rs 114.4 crore were sanctioned for Karnataka Government for extension of the existing Southern breakwater by 145 metres, construction of a new North breakwater of 1160 metres, construction of coastal berths at Karwar port and construction of coastal berth and capital dredging at Old Mangalore port

What is the significance of this project?

Once completed, the projects will help to promote coastal shipping and increase its share in domestic cargo movement in India. Better infrastructure for coastal shipping will decongest rail and road network besides ensuring cost competitive and effective multi-modal transportation solution. The country has high potential to use coastal shipping for its internal cargo movement given its 7500 kms long coastline.

About Sagarmala Project

The Sagarmala project seeks to develop a string of ports around India's coast. The objective of this initiative is to promote "Port-led development" along India's 7500 km long coastline. It aims to develop access to new development regions with intermodal solutions and promotion of the optimum modal split, enhanced connectivity with main economic centers and beyond through expansion of rail, inland water, coastal and road services. **The Union Ministry of Shipping has been appointed as the nodal ministry** for this initiative.

Source: PIB

CCEA nod for extending Rs 15,722cr RKVY-RAFTAAR till 2019-20

Why in news?

The Cabinet Committee on Economic Affairs (CCEA) cleared the continuation of Rashtriya Krishi Vikas Yojana (RKVY) as Rashtriya Krishi Vikas Yojana – Remunerative Approaches for Agriculture and Allied sector Rejuvenation (RKVY-RAFTAAR) for three years till 2019-20.

What are its objectives?

- ◆ It is aimed at making farming a remunerative economic activity through strengthening the farmer's effort, risk mitigation and promoting agri-business entrepreneurship
- ◆ The scheme will incentivise states in enhancing more allocation to agriculture and allied sectors.
- ◆ This will also strengthen farmer's efforts through creation of agriculture infrastructure that help in supply of quality inputs and market facilities.
- ◆ This will further promote agri-entrepreneurship and support business models that maximise returns to farmers.

About Rashtriya Krishi Vikas Yojana:

RKVY was launched during 2007-08 to achieve 4% annual growth in agricultural sector by ensuring holistic development. The scheme was under implementation from XI Five Year Plan. It has provided considerable flexibility and autonomy to states in planning and executing programmes for incentivizing investment in agriculture and allied sectors. It also has enabled adoption of national priorities without affecting autonomy and flexibility of states availability of appropriate technology and natural resources. DAPs and SAPs ensured accommodation of local needs, cropping pattern, priorities etc.

Source: PIB

Avoidance of Double Taxation

Why in news?

Recently, the Union Cabinet has given its approval for entering into an Agreement between India and the Hong Kong Special Administrative Region (HKSAR) of China for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to taxes on income.

What is the significance of this agreement?

- ◆ The Agreement will stimulate flow of investment, technology and personnel from India to HKSAR & vice versa, prevent double taxation and provide for exchange of information between the two Contracting Parties.
- ◆ It will improve transparency in tax matters and will help curb tax evasion and tax avoidance.

What is Double Tax Avoidance Agreement?

- ◆ A DTAA is a tax treaty signed between two or more countries. Its key objective is that tax-payers in these countries can avoid being taxed twice for the same income.
- ◆ It applies in cases where a tax-payer resides in one country and earns income in another.
- ◆ India has DTAAs with more than eighty countries, of which comprehensive agreements include those with Australia, Canada, Germany, Mauritius, Singapore, UAE, the UK and US.

Provisions in India

The Central Government is authorized under Section 90 of the Income Tax Act, 1961 to enter into an Agreement with a foreign country or specified territory for avoidance of double taxation of income, for exchange of information for the prevention of evasion or avoidance of income-tax chargeable under the Income-tax Act, 1961.

Source: PIB

Ladakh Renewable Energy Initiative

Why in news?

1.5 MW Small Hydro Power Plant in Biaras Drass, Kargil (J&K) has become the first project to be commissioned under Prime Minister's Ladakh Renewable Energy Initiative.

Key facts:

- ◆ The plant will power the Drass town in Kargil, which is one of the coldest places in India.
- ◆ Power from Biaras SHP would be sufficient to meet normal power requirement of about 1000 families, which would make them comfortable in the extreme winter season.
- ◆ The project has been developed by Kargil Renewable Energy Development Agency (KREDA) under Ladakh Autonomous Hill Development Council.

About Prime Minister's Ladakh Renewable Energy Initiative:

The Ministry of New and Renewable Energy is implementing the project. It aims to minimize dependence on diesel in the Ladakh region and meet power requirement through local renewable sources.

Implementation:

The approach is to meet power requirements through small/micro hydel and solar photovoltaic power projects /systems and use solar thermal systems for water heating/space heating/cooking requirements. The project also envisages setting up of 10 solar photovoltaic power plants in defence establishments.

Benefits:

Such projects would be able to replace the use of diesel to a great extent, at least for about 8 months in a year and reduce greenhouse emissions in the region.

Source: PIB

India's rank rises to 100 in World Bank's doing Business Report, 2018

Why in news?

The World Bank has released the Doing Business (DB) Report, 2018. The Department of Industrial Policy and Promotion (DIPP) is pleased to announce that India ranks 100 among 190 countries assessed by the Doing Business Team. India has leapt 30 ranks over its rank of 130 in the Doing Business Report 2017.

About the report

- ◆ The Report is an assessment of 190 economies and covers 10 indicators which span the lifecycle of a business.
- ◆ India has improved its rank in 6 out of 10 indicators and has moved closer to international best practices.
- ◆ This edition of the report acknowledges India as a top improver, with an improvement of 30 ranks compared to last year's report, the highest jump in rank of any country in the DB Report, 2018.

Major achievements of India in the Doing Business Report

The important highlights of India's performance are:

1. Resolving Insolvency -
 - a. Rank improved from 136 to 103
 - b. Distance to Frontier (DTF) score improved from 32.75 to 40.75
 - c. Strength of insolvency framework index increased from 6 to 8.5
 - d. Insolvency & Bankruptcy Code created for efficient handling of restructuring & insolvency proceedings
 - e. Professional institutes set up for handling restructuring & insolvency proceedings
2. Paying Taxes -
 - a. Rank improved from 172 to 119
 - b. DTF score improved from 46.58 to 66.06
 - c. Payments reduced from 25 to 13 in a year
 - d. Time reduced from 241 to 214 hours
 - e. Total tax rate reduced from 60.6% to 55.3% (% of profit)
 - f. Post filing index improved from 4.3 to 49.31
 - g. Enabled electronic registration, return & payment of ESI & EPF contributions
3. Getting Credit -
 - a. Rank improved from 44 to 29
 - b. DTF score improved from 65 to 75
 - c. Strength of legal rights index improved from 6 to 8
 - d. Credit bureau coverage increased from 21.4% to 43.5% (% of adults)
 - e. Increased coverage of security interest registration under SARFAESI Act
 - f. Secured creditors prioritized over Government dues for purposes of recovery

4. Enforcing Contracts -
 - a. Rank improved from 172 to 164
 - b. DTF score improved from 35.19 to 40.76
 - c. Cost reduced from 39.6% to 31% (% of claim)
 - d. Quality of judicial process index improved from 9 to 10.3
 - e. Dedicated commercial courts established
 - f. National Judicial Data Grid (NJDG) to monitor and manage court cases
5. Protecting Minority Investors -
 - a. Rank improved from 13 to 4
 - b. DTF score improved from 73.33 to 80
 - c. Strength of minority investor protection index increased from 7.3 to 8
 - d. Extent of conflict of interest regulation index increased from 6.7 to 7.3
 - e. Extent of shareholder governance index increased from 8 to 8.7
 - f. Greater transparency requirements for interested parties transactions
 - g. Greater shareholder protection through action against directors & claims for damages
6. Construction Permits -
 - a. Rank improved from 185 to 181
 - b. DTF score improved from 32.83 to 38.80
 - c. Procedures to obtain construction permits reduced from 35.1 to 30.1
 - d. Time reduced from 190.0 to 143.9 days
 - e. Cost reduced from 25.9 per cent to 23.2 per cent of warehouse value

Reason for improvement:

- ◆ The credit for this significant improvement is credited to the mantra of “Reform, Perform, Transform”
- ◆ A strong leadership has provided the political will to carry out comprehensive and complex reforms, supported by a bureaucracy committed to perform.
- ◆ An extensive exercise is also undertaken to increase awareness among users about reforms to ensure extensive use of newly created systems.
- ◆ Historic jump in ‘Ease of Doing Business’ rankings is the outcome of the all-round & multi-sectoral reform push of Team India

Source: PIB, Economic Times

Nagaland, 3 Union Territories sign MOU to join UDAY scheme

Why in news?

Nagaland, Andaman and Nicobar Islands, Dadra and Nagar Haveli, and Daman and Diu have signed a Memorandum of Understanding (MoU) with Government of India, under Ujwal Discom Assurance Yojana (UDAY) scheme.

Significance of the MoUs

- ◆ These MoUs will pave way for improving operational efficiency of Electricity Departments or DISCOM of these State/UTs.

- ◆ These State/UTs will get the benefit by way of cheaper funds for capital expenditure, reduction in Transmission losses, interventions in energy efficiency, etc. during the period of turnaround.
- ◆ Reduced levels of AT&C losses would mean lesser cost per unit of electricity to consumers. Further, an operationally healthy DISCOM/Electricity Department would be in a position to supply more power.
- ◆ An overall net benefit of approximately Rs. 551 crores, Rs. 18 crores, Rs. 13 crores and Rs. 10 crores respectively would accrue to the State of Nagaland and UTs of Andaman and Nicobar, Dadra and Nagar Haveli, and Daman and Diu.

However, these State/UTs have joined only for operational improvement and shall not undergo financial restructuring/issue of bonds under the scheme.

About UDAY scheme:

The Power Ministry had launched **UDAY (Ujwal DISCOM Assurance Yojana)** on November 20, 2015.

- ◆ The scheme is expected to help discoms save around Rs 1.8 lakh crore in the next three years. The cumulative debt of discoms is Rs 4.37 lakh crore.
- ◆ The UDAY scheme is aimed at bringing ailing power distribution companies (discoms) to a state of operational efficiency, with state governments taking over up to 75% of their respective discoms' debt and issuing sovereign bonds to pay back the lenders.
- ◆ UDAY is an effort to make these DISCOMs financially and operationally healthy, to be able to supply adequate power at affordable rates, and enable the Governments to make efforts towards 100% Village electrification and 24X7 Power For All.
- ◆ It envisages to reduce interest burden, cost of power and AT&C losses. Consequently, DISCOM would become sustainable to supply adequate and reliable power enabling 24×7 power supply.
- ◆ UDAY has inbuilt incentives encouraging State Governments to voluntarily restructure their debts.
- ◆ UDAY also provides for measures that will reduce the cost of power generation, which would ultimately benefit consumers.

Source: PIB

Logistics Sector granted Infrastructure Status

Why in news?

The Union government has granted infrastructure status to the logistics sector, enabling the industry to access cheaper finances.

Need for Infrastructure status:

- ◆ The need for integrated Logistics sector development has been felt for quite some time in view of the fact that the logistics cost in India is very high compared to developed countries. High logistics cost reduces the competitiveness of Indian goods both in domestic as well as export market.
- ◆ Development of logistics would give a boost to both domestic and external demand thereby encouraging manufacturing and 'job creation'. This will in turn be instrumental in improving country's GDP.

What is 'logistics infrastructure'?

The government has defined "logistics infrastructure" to include

- ◆ **A multimodal logistics Park comprising an Inland Container Depot (ICD)** with a minimum investment of Rs50 crore and minimum area of 10 acre,

- ◆ **A cold chain facility** with a minimum investment of Rs15 crore and minimum area of 20,000 sq. ft and
- ◆ **A warehousing facility** with a minimum investment of Rs25 crore and a minimum area of 100,000 sq ft.

By getting infrastructure status, what advantages the logistics sector will get?

- ◆ Infrastructure status will enable the Logistics Sector to avail infrastructure lending at easier terms with enhanced limits, access to larger amounts of funds as External Commercial Borrowings (ECB), access to longer tenor funds from insurance companies and pension funds and be eligible to borrow from India Infrastructure Financing Company Limited (IIFCL).
- ◆ Infrastructure status for cold chains and warehousing facilities will provide a big boost to attracting private investment in this sector.

Background:

- ◆ The inclusion of “Logistics Sector” in the Harmonized Master List of Infrastructure Sub-sectors was considered in the 14th Institutional Mechanism (IM) Meeting held in recent past.
- ◆ In 2017, India’s logistics performance improved from 54 to 35 under World Bank Logistics Performance Index (LPI).
- ◆ The government expects the Indian logistics sector to grow to \$360 billion by 2032 from the current \$115 billion.

Source: Live Mint



Ecology and Environment

Nations prepare road-map for 'Talanoa Dialogue' at Bonn climate negotiations

Why In news?

The UN climate conference (COP23), commenced in Bonn, Germany, concluded with countries putting in place a road-map for 'Talanoa Dialogue'.

What is 'Talanoa Dialogue'?

- ◆ 'Talanoa Dialogue' is a year-long process to assess countries' progress on climate actions.
- ◆ Talanoa is a traditional approach used in Fiji and other Pacific islands to engage in an inclusive, participatory and transparent dialogue to resolve differences without putting any blame on any one.
- ◆ As per COP23 decision, it has been structured around three questions to arrive at answers with consensus: 'Where are we? Where do we want to go? How do we get there?'
- ◆ The dialogue will be conducted in a manner that promotes enhanced ambition.
- ◆ It will help parties to UNFCCC review their actions and discuss way forward in terms of raising ambitions before 2020.
- ◆ It will consider efforts of Parties on mitigation action and financial and technical support, as appropriate, as one of its elements, in the pre-2020 period under 1997 Kyoto Protocol.

The Conference also made progress on framing rules for implementing 2015 Paris Agreement on climate change and brought rich nations on board on their pre-2020 commitments as demanded by developing nations.

Source: The Hindu

M-STRiPES: An app to get tiger numbers right

Why in news?

In the forthcoming All-India Tiger Estimation, to be taken up in December-January, the authorities plan to eliminate the process of manual recording of signs of the carnivore and other habitat details.

Key facts:

- ◆ Now, an app named **M-STRiPES (Monitoring System For Tigers-Intensive Protection and Ecological Status)** will be used for the first time.
- ◆ M-STRiPES was developed by the Wildlife Institute of India, Dehradun.
- ◆ Though the app has already been in place in some national parks, its usage and application has been made mandatory only now, for the fourth All-India Tiger Estimation.

Key features of M-STRiPES:

- ◆ It is a free app that will be made available to staff participating in the tiger census exercise, and they will feed in their observation during the carnivore sign survey and transect marking.

- ◆ Details such as pellet density, vegetation status and human disturbance, if any, will also be recorded.

Benefits of this app:

- ◆ All these years, data pertaining to carnivore signs, pellets and status of habitat was manually recorded in the prescribed format on a paper by the field staff, but this exercise was prone to errors.
- ◆ With the availability of M-STRiPES, human error will be eliminated
- ◆ The use of the app would ensure a more robust estimate.

Previous apps:

- ◆ Before the introduction of M-STRiPES, **Bandipur Tiger Reserve, Karnataka** had **Hejje or Pugmark, an Android-based app**, while BRT started with **Huli**. The GIS-based app will give real-time data on forest habitats besides providing live update of monitoring and patrolling activities.

But the nationwide introduction of M-STRiPES paves the way for greater standardisation and elimination of inconsistencies in data interpretation.

All-India Tiger Estimation:

- ◆ The national tiger estimates are conducted once in four years, with the first conducted in 2006.
- ◆ That exercise pegged the tiger count at 1,411, with the statistical lower limit pegged at 1,165 and the upper limit, 1,657. In 2010, the count changed to 1,706, with 1,520 being the lower limit and 1,909 the upper limit.
- ◆ The Western Ghat landscape, comprising Karnataka, Kerala, Tamil Nadu and Goa, accounted for 776 tigers in 2014, with the Bandipur-Nagarahole-Mudumalai-Wayanad complex harbouring 570 tigers — reckoned to be the world's single largest tiger population in a landscape.
- ◆ The last nationwide assessment, held in 2014, pegged the tiger figures across the country at 2,226. Karnataka alone was home to 400 tigers, a bulk of them in Bandipur and Nagarahole.

Source: The Hindu

Arunachal's Siang river turns black

Why in news?

The waters of the Siang river, considered the lifeline of northern Arunachal Pradesh for centuries, has suddenly turned dark black triggering panic in the frontier state.

The water from the river is no longer considered fit for consumption.

What is the cause?

- ◆ China is being blamed for these changes. China has been planning to dig the world's longest tunnel to change the course of Yarlung Tsangpo from Tibet towards Taklimakan desert in Xinjiang but has been denying the same at public platforms.

About Siang river:

- ◆ Siang **originates in China** and then **enters India through Arunachal Pradesh**.
- ◆ It is then **joined by two other rivers—Dibang and Lohit**—as it enters Assam where it is called the Brahmaputra.
- ◆ The Siang is an important river of the Brahmaputra system and flows for 1,600 km through southern Tibet as the Yarlung Tsangpo or Yarlung Zangbo before it enters India.

- ◆ Siang is also **known as Dihang in India**, which joins the Lohit after flowing for 230 km. The Dibang joins at about 35 km downstream of Pasighat in East Siang district to form the Brahmaputra.
- ◆ **The Suspension Bridge on Siang River is made of cane and bamboo** and this interesting feature invites a lot of visitors to inspect and wonder in amaze about this raw natural beauty.

Source: The Hindu

Multi State Mega Mock Tsunami Exercise 2017

Why in news?

A first-of-its-kind multi-state mega mock exercise on tsunami preparedness, covering the **entire eastern coastline** of the country, was carried out recently by the Union Home Ministry.

- ◆ The exercise was carried out by the Ministry of Home Affairs through National Disaster Management Authority (NDMA) and the **Indian National Centre for Ocean Information Services (INCOIS)**.
- ◆ The exercise was one of various activities conducted as part of observation of 2nd World Tsunami Awareness Day (observed on November 5).

Key facts:

- ◆ The exercise was simultaneously conducted in 35 coastal districts across four States — West Bengal, Odisha, Andhra Pradesh and Tamil Nadu and Puducherry (UT) along entire East Coast to assess and improve the early warning and response mechanism to mitigate the impact of a high-intensity tsunami.
- ◆ It aimed to assess and help improve preparedness, response mechanism and coordination among concerned agencies.
- ◆ This was the first time the entire eastern coast was covered by the mock drill. The eastern coast is vulnerable to not just tsunamis but also floods.
- ◆ Around 11 Pacific island nations observed the entire tsunami exercise in order to better prepare themselves for responding to such an eventuality.
- ◆ Since tsunamis require a very rapid response, reaction time is limited. A time of two hours was given during the mock tsunami exercise during which the entire participating state machinery is expected to respond efficiently and quickly.
- ◆ Government authorities from many different agencies took part in the mega mock tsunami drill. The army, navy, air force, health departments, National Disaster Response Force or NDRF, Civil Defence, police, transport, electricity and public relations also participated.

What is Tsunami?

- ◆ Tsunamis are giant waves caused by earthquakes or volcanic eruptions under the sea.
- ◆ About thirteen years ago, a magnitude 9.1 earthquake struck beneath the Indian Ocean near Indonesia, generating a massive tsunami that claimed more than 230,000 lives in fourteen different countries, one of the deadliest natural disasters ever recorded.

Tsunami in India :

- ◆ India's eastern coast is susceptible to both floods and tsunamis. The eastern coast of India had faced the devastating tsunami in December 2004 that claimed around 230000 lives.
- ◆ The devastating tsunami in Indian Ocean was formed due to high-intensity earthquake with its epicenter off the west coast of Sumatra, Indonesia. It had affected lives and the natural environment in six countries in the region including India, Maldives, Sri Lanka, Somalia and Thailand.

About Indian National Centre for Ocean Information Services (INCOIS)

- ◆ INCOIS is an autonomous organization of the Union Government, under the Ministry of Earth Sciences is a unit of the Earth System Science Organization (ESSO).
- ◆ It was established in 1999 and is headquartered in Pragathi Nagar, Hyderabad.
- ◆ Its mandated is to provide the best possible ocean information and advisory services to government agencies, society, industry and the scientific community through sustained ocean observations and constant improvements through systematic and focussed research.

Source: The Hindu

New species of gecko discovered in Andhra Pradesh

Why in news?

Scientists have discovered new species of gecko in the Eastern Ghats in northern Andhra Pradesh.

- ◆ It was identified from few areas in northern Mahendragiri range and scattered coastal hills in northern Andhra Pradesh.

Key facts:

- ◆ The new species has been named Hemidactylus sushilduttai or Dutta's Mahendragiri gecko, after eminent herpetologist Sushil Kumar Dutta from Odisha.
- ◆ Dutta's Mahendragiri gecko is the 32nd species of house geckos (Hemidactylus) from India, and among the largest in its genus. The genus has around 90 species across the world.
- ◆ This is the second gecko endemic to this hilly range and the third vertebrate as other endemics in the region are — Jeypore Indian gecko (Cyrtodactylus jeyporensis) and Gegeneophis orientalis — caecilian amphibian.
- ◆ Dutta's Mahendragiri gecko grows up to 225mm in length with its tail half its size. It is nocturnal and lives on rocks, large trees and coffee plantations at altitudes between 250-1,100 m above sea level.

Source: The Hindu

BS -VI Norms

Why in news?

Recently, the government in consultation with Public Oil Marketing Companies has decided for pronouncement of BS-VI grade auto fuels in NCT of Delhi with effect from 01.04.2018 instead of 01.04.2020.

What are BS Norms? Why are they implemented?

The BS — Bharat Stage — emission standards are norms instituted by the government to regulate the output of air pollutants from internal combustion engine equipment, including motor vehicles. India has been following European (Euro) emission norms, although with a time lag of five years.

Background

- ◆ India introduced emission norms first in 1991, and tightened them in 1996, when most vehicle manufacturers had to incorporate technology upgrades like catalytic converters to cut exhaust emissions.
- ◆ Fuel specifications based on environmental considerations were notified first in April 1996 — to be implemented by 2000, and incorporated in BIS 2000 standards.
- ◆ Following the landmark Supreme Court order of April 1999, the Centre notified Bharat Stage-I (BIS 2000) and Bharat Stage-II norms, broadly equivalent to Euro I and Euro II respectively. BS-II was for the National Capital Region and other metros; BS-I for the rest of India.

- ◆ From April 2005, in line with the Auto Fuel Policy of 2003, BS-III and BS-II fuel quality norms came into existence for 13 major cities, and for the rest of the country respectively.
- ◆ From April 2010, BS-IV and BS-III norms were put in place in 13 major cities and the rest of India respectively.

What is the issue now?

- ◆ As per the Policy roadmap, BS-V and BS-VI norms were to be implemented from April 1, 2022, and April 1, 2024, respectively. But in November 2015, the Road Transport Ministry issued a draft notification advancing the implementation of BS-V norms for new four-wheel vehicle models to April 1, 2019, and for existing models to April 1, 2020. The corresponding dates for BS-VI norms were brought forward to April 1, 2021, and April 1, 2022, respectively.
- ◆ Soon afterward, however, Road Transport Ministry announced that the government had decided to leapfrog to BS-VI from April 1, 2020, skipping BS-V all together.

Now, the November 15 decision by the union Petroleum Ministry to advance the introduction of BS-VI grade petrol and diesel in Delhi by two years to April 2018 appears to be a logical step in fighting air pollution. But, this decision is drawing criticism from various stakeholders.

- ◆ First, it took as many as seven years for the entire country to shift to BS-IV. The attempt this time is to leapfrog one stage — BS-V — altogether, and that makes the switch to BS-VI that much more difficult for both the oil companies and automobile makers.
- ◆ Second, the introduction of higher grade fuel will be beneficial only if it is done in tandem with the rollout of BS-VI compliant vehicles. Using BS-VI fuel in the current BS-IV engines or, conversely, running BS-VI engines on the current-grade fuel, may be ineffective in curbing vehicular pollution, and may damage the engine in the long run.
- ◆ Third, even if automakers were to bring forward their manufacturing schedules, it doesn't make practical sense for them to build BS-VI compliant vehicles for just one city.

What is the hurdle being faced by the automakers?

- ◆ For automakers, the big hurdle in jumping directly from BS-IV to BS-VI norms lies in equipping cars with two key fitments, and road-testing them within the time schedule. Implementation of the intermediate BS-V standard was originally scheduled for 2019. While this stage has been bypassed, the BS-VI standard, originally set to come in by 2024, was advanced by four years, in line with India's promises at the 2015 Paris Climate Change Conference, and the broad public sentiment against the air pollution in major Indian cities.
- ◆ Automakers insist that BS-VI norms may not bring perceptible change in air quality but may increase the prices of vehicles by Rs 20,000-Rs 2 lakh, and that it will be a challenge to upgrade technologies to meet the higher norms in the time available.
- ◆ The full transition to BS-IV took from 2010 to April 2017, because refiners were unable to produce the superior fuel in required quantities. Broadly, BS-IV petrol and diesel have 50 ppm of sulphur, as compared to 150 ppm for petrol and 350 ppm for diesel under BS-III standards. Oil companies are learnt to have put in Rs 30,000 crore between 2005 and 2010 to upgrade; the auto industry claims to have made a similar investment. Oil firms will have to invest another about Rs 40,000 crore to upgrade to BS-VI; additional investments by automakers will inevitably raise the prices of vehicles.
- ◆ Industry estimates of required investment to upgrade from BS-IV to BS-V were to the tune of Rs 50,000 crore. DPFs (diesel particulate filters) have specific problems in the Indian context, and would have to be optimised for these conditions. Low driving speeds would make it difficult to achieve temperatures of 600 degrees Celsius required to burn the soot in DPF, and equipment manufacturers would have to work with temperatures of 400 degrees.

- ◆ Usually, diesel is injected to increase temperatures, but excess fuel in the compartment can cause a fire. The integrity of the vehicle too has to be considered — this would require validation tests over 6-7 lakh km, which may take up to four years.
- ◆ BS-VI vehicles, too, require DPFs; in addition, they have to be equipped with an SCR (selective catalytic reduction) module — the optimisation and fitment of which, too, could take an estimated three-four years.

The way ahead

At every stage, the technology is increasingly more complex. To attain the specified super low emissions, all reactions have to be precise, and controlled by microprocessors. Since BS-V is to be skipped entirely, both DPF and SCR would need to be fitted together for testing, which, auto firms say, would make it extremely difficult to detect which of the technologies is at fault in case of errors in the system. Ideally, the technologies must be introduced in series, and then synergized. It's no surprise that auto firms are not too enthusiastic about the shift.

Source: Indian Express

SC for nationwide ban on furnace oil, pet coke

Why in news?

The Supreme Court has asked all states and Union territories to consider prohibiting the use of pet coke and furnace oil by industries.

Key Facts

- ◆ The apex court has already banned the use of pet coke and furnace oil from November 1 in Uttar Pradesh, Haryana and Rajasthan.
- ◆ This ban specifically came after an Environment Pollution Control Authority Report recommended the ban on sale, distribution and use of furnace oil and pet coke in the National Capital Region (NCR).
- ◆ **Pet coke and furnace oil has been already banned in Delhi since 1996** as they have been **blamed for releasing deadly sulphur dioxide (SO₂) and nitrogen oxide (NO) fumes into air and polluting air.**

Why should the furnace oil and pet coke be banned?

- ◆ Automobile fuel — petrol and diesel — has 50 parts per million (PPM) of the highly dangerous sulphur. Comparatively, furnace oil has 15,000- 23,000 ppm sulphur and petcoke 69,000-74,000 ppm sulphur.
- ◆ They emit sulphur oxide and nitrogen oxide, which form particulate matter, tiny particles that can penetrate deep into the lungs.
- ◆ Although the DPCC had declared them as “unacceptable fuel” way back in 1996, but they are not banned outside Delhi borders and are being increasingly used by industries in the NCR, aggravating the pollution problem.
- ◆ Furnace oil being the last grade produced by refineries is extremely polluting and pet coke is even more polluting.

Source: The Hindu

Climate Change Performance Index

Why in news?

Recently, Climate Change Performance Index (CCPI) 2018 has been released by environmental organisation Germanwatch.

The report was made public on the sidelines of the UN Climate Change negotiations (COP23) in Bonn.

About the index:

- ◆ It is an instrument covering 58 countries and supposed to enhance transparency in international climate politics.
- ◆ Its aim is to encourage political and social pressure on those countries which have, up to now, failed to take ambitious actions on climate protection as well as to highlight countries with best-practice climate policies.
- ◆ On the basis of standardised criteria, the index evaluates and compares the climate protection performance of 58 countries that are, together, responsible for more than 90% of global energy-related CO₂ emissions.
- ◆ 80% of the evaluation is based on objective indicators of emissions trend and emissions level. 20% of the index results are built upon national and international climate policy assessments by more than 200 experts from the respective countries.

Major findings of the report are as follows:

- ◆ 56 countries and the EU are together responsible for about 90% of global greenhouse gas emissions.
- ◆ The global energy transition is taking up speed but no country is doing enough. For this, the countries have to strengthen targets and implementation.
- ◆ It reveals encouraging growth in renewable energy, ever cheaper prices for solar and wind energy and successes in saving energy in many countries. This was responsible for stabilizing global energy CO₂ emissions in the last three years.
- ◆ But progress is achieved much too slow for a fully renewable energy based world economy in a few decades, because growing oil and gas consumption is higher than the welcomed reduction in coal use.
- ◆ India is ranked 14th, an improvement from its 20th position last year. China, with its high emissions and growing energy use during the past five years, still ranks 41st.

Source: Economic Times

Facebook brings in disaster response tools to India

Why in news?

Recently, Facebook has partnered with the National Disaster Management Authority (NDMA) and a non-profit body, SEEDS in India, to offer tools to these agencies to help them respond more effectively to natural disasters.

How it will help in disaster management?

- ◆ The United States-based firm will offer 'disaster maps data' that illustrate aspects like people's movement and concentration of Facebook users in the given area before and after a calamity.
- ◆ The programme will be piloted in two disaster-prone States — Assam and Uttarakhand.

What is Disaster mapping?

Disaster mapping is the **mapping** of areas that have been disturbed through extreme natural or human caused disruptions to the normal environment such that there is a loss of life or value to the area. It is normally possible to delineate the area affected by the disruption.

Rationale behind this move

- ◆ The intention of introducing these initiatives is to help improve response efforts to natural disasters in India. It is because during and after these crises, response organisations need accurate information to help communities response, recover and rebuild.
- ◆ Traditional communication channels are often offline and it can take significant time and resources to understand where help is desperately needed.
- ◆ In case there is an area which has a high concentration of Facebook users that suddenly goes offline, even that data insight can be used to rush services to the area.

Source: The Hindu

Blackbuck conservation reserve to come up in U.P.**Why in news?**

- ◆ A wildlife conservation reserve dedicated exclusively to the blackbuck is coming up over 126 hectares in the trans-Yamuna region of Allahabad in Uttar Pradesh.

Key facts

- ◆ The State cabinet has approved a Blackbuck Conservation Reserve in the Meja forest division that is known for its rocky, undulating and arid terrain.
- ◆ The area has more than 200 species of birds and herbivores like blackbucks and bluebull, and carnivores like jackals and striped hyena.
- ◆ There are a few national parks and sanctuaries inhabited by blackbuck in the country, like the Velavadar Wildlife Sanctuary in Gujarat and the Ranibennur Blackbuck Sanctuary in Karnataka. However, there are not many conservation reserves exclusively dedicated to the antelope.

What is the significance of this move?

- ◆ The conservation of blackbuck can be done in an effective way.
- ◆ It will also create awareness about biodiversity conservation and provide opportunities for people's participation.
- ◆ Eco-tourism will be encouraged and locals will get opportunities for employment.

About Blackbuck:

- ◆ Blackbucks, known for their majestic spiral horns and coat colour contrasts, are found in grasslands and open forests.
- ◆ They once ruled the open savannahs of north and central India, but are now restricted to just a few patches and habitats, primarily due to human population growth, ecosystem degradation and hunting.
- ◆ The U.P. government evoked Section 36 A (1) and (2) of the Wildlife Protection Act, 1972, to declare the conservation reserve.

Source: The Hindu

New ant species discovered in the Western Ghats**Why in news?**

Researchers have discovered a new species of ant in the Western Ghats, recognised as one of the world's 'hottest hotspots' of biological diversity.

Key facts:

- ◆ **The new species is named *Tyrannomyrmex alii* (or *T. alii*).** The ant is named after eminent myrmecologist Musthak Ali, who is regarded as the country's 'ant man'.
- ◆ The new species was found in the Periyar Tiger Reserve. It belongs to *Tyrannomyrmex*, a rare tropical genus of ants.
- ◆ *Tyrannomyrmex* is a rare myrmicine (subfamily of ants) ant genus that is distributed in the Indomalayan bio-region that extends from southern India and Sri Lanka to southeast Asia.
- ◆ It is the fourth species of the rare genus and the second one from India.

Source: The Hindu

***Musa paramjitiana*:**

Why in news?

It is a species of wild banana discovered recently in the Andaman and Nicobar Islands.

Key facts:

- ◆ The plant grows to a height of nine meters and bears an edible, sweet-and-sour tasting fruit that is boat-shaped and has numerous bulb-shaped seeds.
- ◆ Its conservation status has been declared as '**Critically Endangered**' as it has so far been spotted in only two locations on the islands, each with 6 to 18 plants in a clump.
- ◆ The fruits and seeds have ethno-medicinal importance. Pseudo-stem and leaves of these species are also used during religious and cultural ceremonies.

Source: The Hindu



Science and Technology, Defence and Health

India's Second Technology and Innovation Support Center (TISC)

Why in news?

The Department of Industrial Policy and Promotion (DIPP), Ministry of Commerce & Industry, Government of India, has signed an Institutional agreement with Anna University to establish **India's second Technology and Innovation Support Center (TISC)** at the Centre for Intellectual Property Rights (CIPR), Anna University, Chennai, under **the World Intellectual Property Organization's (WIPO) TISC program**.

Key facts:

- ◆ These centres will be set up under WIPO's Technology and Innovation Support Centers (TISC) program.
- ◆ The programme provides innovators in developing countries with access to locally based, high quality technology information and related services, helping them to exploit their innovative potential and to create, protect, and manage their intellectual property (IP) rights.
- ◆ The Cell for IPR Promotion and Management (CIPAM) is designated as the National Focal point for the TISC national network.
- ◆ As the national focal point, CIPAM will identify potential host institutions, assess their capacities and support them in joining the TISC project.
- ◆ CIPAM will also act as the main intermediary between WIPO and TISC host institutions and coordinate all the activities of the national TISC network.

What is the objective of this move?

The objective is to stimulate a dynamic, vibrant and balanced Intellectual Property Rights (IPRs) system in India to foster creativity and innovation, thereby promoting entrepreneurship and enhancing social, economic and cultural development by establishing a network of TISCs in India.

Source: PIB

Indo-Bangladesh Exercise 'SAMPRITI 2017' concludes

Why in news?

SAMPRITI is a Joint Indo-Bangladesh Training Exercise. The 2017 edition was recently held in Mizoram. It is the seventh such exercise in the SAMPRITI series.

About the exercise:

- ◆ Exercise SAMPRITI is an important bilateral defence cooperation endeavour between India and Bangladesh.
- ◆ The exercise is aimed at strengthening and broadening the aspects of interoperability and cooperation between the Indian and Bangladesh Armies while working together in a counter-insurgency and counter-terrorism environment under the UN mandate.

- ◆ Exercise was conducted under the aegis of the Red Horns Division of Gajraj Corps and had two distinct components which included Command Post Exercise (CPX) and Field Training Exercise (FTX).

What is the significance of this exercise?

- ◆ Joint Exercises between Armies across the world are increasingly becoming an important aspect of the bilateral relations.
- ◆ Exercise SAMPRITI between the armies of India & Bangladesh was not only symbolic of their maturing relationship but will also built trust and confidence between both Armies.
- ◆ The troops have not only learnt about each other's organisation, but have also identified best practices.
- ◆ The exercise was a great success and has taught valuable lessons to the troops of both the countries.

Source: PIB, Times of India

India successfully test-fires BrahMos from Sukhoi-30 fighter aircraft

Why in news?

In a major milestone, the Brahmos supersonic cruise missile has been successfully test **fired for the first time from the Indian Air Force's frontline Sukhoi-30 MKI combat jet** against sea-based target.

Key Facts

- ◆ BrahMos Missile is the first supersonic cruise missile system known to be in service, developed as part of a joint venture between India and Russia.
- ◆ The missile derives its name from the names of two rivers, namely the Brahmaputra of India and the Moskva of Russia.
- ◆ The missile is capable of carrying a conventional as well as nuclear warhead of 300 kilograms.
- ◆ The BrahMos is a multi-stage missile having a solid propellant in the first stage and the ramjet liquid propellant in the second stage.
- ◆ It can be launched from land, sea, sub-seas and air.
- ◆ It operates on 'Fire and Forget Principle' by adopting varieties of flights on its way to the target.
- ◆ It approaches the enemy target with a top speed of Mach 2.8, which is about three times faster than the US subsonic Tomahawk Cruise Missile System.
- ◆ The missile has been developed by the BrahMos Aerospace Private Limited.
- ◆ It is a joint venture between the Russian Federation's NPO Mashinostroyeniya and India's Defence Research and Development Organisation (DRDO).
- ◆ While the navy and army versions of the missile were inducted in 2005 and 2007 respectively, the air version is still in the testing stage.

Significance of the test:

- ◆ This test **makes IAF first air force in world to have successfully fire air-launched 2.8 Mach surface attack missile of this category.**
- ◆ This test effectively gives Indian armed forces especially IAF ability to fire Brahmos Air Launched Cruise Missile (ALCM).
- ◆ With this, India also created world record and completed Supersonic Cruise Missile Triad by successfully test firing of Brahmos from IAF Sukhoi-30MKI fighter aircraft.

Source: The Hindu

Global Conference on Cyber Space 2017

Why in news?

India, for the first time ever, hosted the Global Conference on Cyber Space (GCCS), one of the world's largest conferences in the field of Cyber Space and related issues.

Key facts

- ◆ The theme of the GCCS 2017 is 'Cyber4All: An Inclusive, Sustainable, Developmental, Safe and Secure Cyberspace'.
- ◆ This is the fifth edition of GCCS wherein international leaders, policymakers, industry experts, think tanks and cyber experts will gather to deliberate on issues and challenges for optimally using cyber space.
- ◆ The major objectives of GCCS 2017 are to promote the importance of inclusiveness and human rights in global cyber policy, to defend the status quo of an open, interoperable and unregimented cyberspace and to create political commitment for capacity building initiatives to address the digital divide and assist countries.

Global Conference on Cyber Space (GCCS)

- ◆ **Global Conference on Cyber Space (GCCS)** is a prestigious global event where international leaders, policymakers, industry experts, think tanks, cyber wizards etc gather to deliberate on issues and challenges for optimally using cyber space.
- ◆ **GCCS was launched with a view to establish internationally agreed 'rules of the road' for behavior in cyberspace**, and create a more focused and inclusive dialogue between all those with a stake in the internet (governments, civil society and industry) on how to implement them.
- ◆ The first edition of GCCS was held in London in 2011.

Source: PIB, The Hindu

WHO releases guidelines on responding to child sex abuse

Why in news?

Recently, World Health Organisation (WHO) has formulated clinical guidelines on responding to children and adolescents who have been sexually abused.

About WHO guidelines:

WHO's first of kind gender sensitive guidelines provide first line support to child or adolescent in response to the disclosure of sexual abuse.

- ◆ It offers HIV post-exposure prophylaxis and adherence support to those who have been raped and who present within 72 hours.
- ◆ It offers emergency contraception to girl child who has been raped and who present within 120 hours (5 days).
- ◆ It takes into consideration STI (sexually transmitted infections) presumptive treatment or prophylaxis in settings where laboratory testing is not feasible.
- ◆ It also takes in considerations cognitive behavioral therapy (CBT) with trauma focus for those have PTSD symptoms and diagnosis. It also offers Hepatitis B and HPV vaccination.
- ◆ It also calls upon health care providers about informing obligation on victims and their non-offending caregivers to report abuse and limits of confidentiality before interviewing them.

Key recommendations

The new guidelines recommend that health care providers:

1. Provide first line support that is child or adolescent-centred and gender sensitive in response to disclosure of sexual abuse.
2. Minimize additional trauma and distress while taking medical history, conducting the examination and documenting the findings.
3. Offer post-rape care that includes HIV post-exposure prophylaxis and adherence support, emergency contraception, STI presumptive treatment where testing is not feasible and Hepatitis B and HPV vaccinations as per national guidance.
4. Consider cognitive behavioral therapy (CBT) with a trauma focus to those who have PTSD symptoms and diagnosis, and where safe and appropriate to do so, involve at least one non-offending caregiver.
5. Where required to report child sexual abuse to designated authorities, health care providers should inform the child or adolescent and their non-offending caregivers about the obligation to report the abuse and the limits of confidentiality before interviewing them.

Significance of the guidelines:

- ◆ The guidelines put best interests of children first by ensuring confidentiality and privacy, respecting their autonomy and wishes and addressing needs with vulnerabilities such as LGBT adolescents.
- ◆ They will assist WHO member states to ensure health and well-being of children and adolescents.
- ◆ It will also strengthen implementation of Global Plan of Action on strengthening health systems in response to violence against women and girls and against children that was endorsed by World Health Assembly in 2016.

Source: The Hindu

‘NIRBHAY’ Sub-Sonic Cruise Missile

Why in news?

The successful test flight of ‘NIRBHAY’ missile was recently conducted by the DRDO. It was successfully test fired from the Integrated Test Range (ITR), Chandipur, Odisha.

Key facts:

- ◆ It is an all-weather low-cost long-range cruise missile with stealth and high accuracy. The missile has a range of more than 1000 km.
- ◆ The missile has the ability to loiter and cruise at 0.7 Mach, at altitudes as low as 100 m.
- ◆ Its relatively slow flight speed enables it to navigate its way precisely to the target.
- ◆ The Nirbhay cruise missile is an Indian version of the American Tomahawk.
- ◆ The missile is capable of being launched from multiple platforms on land, sea and air.

Source: PIB

Banaganapalle mangoes get GI tag

Why in news?

Recently, the famous Banaganapalle mangoes of Andhra Pradesh and Tulaipanji rice of West Bengal are among the seven commodities that have been granted Geographical Indication (GI) by the Indian patent office.

The other five products which have received the GI tag this year include Pochampally Ikat of Telangana; Gobindobhog rice of West Bengal; Durgi stone carvings and Etikoppaka toys of Andhra Pradesh; and Chakshesang shawl of Nagaland.

What is Geographical Indication Tag?

- ◆ A geographical indication (GI) is a sign used on products that have a specific geographical origin and possess qualities or a reputation that are due to that origin.
- ◆ In order to function as a GI, a sign must identify a product as originating in a given place. In addition, the qualities, characteristics or reputation of the product should be essentially due to the place of origin.
- ◆ Since the qualities depend on the geographical place of production, there is a clear link between the product and its original place of production.
- ◆ It is primarily an agricultural, natural or a manufactured product (handicrafts and industrial goods) originating from a definite geographical territory.

What is the significance of geographical indication tag?

A geographical indication right enables those who have the right to use the indication to prevent its use by a third party whose product does not conform to the applicable standards. For example, in the jurisdictions in which the Darjeeling geographical indication is protected, producers of Darjeeling tea can exclude the use of the term “Darjeeling” for tea not grown in their tea gardens or not produced according to the standards set out in the code of practice for the geographical indication.

GI tags – a requirement of TRIPS agreement

- ◆ India, as a member of the World Trade Organization (WTO), enacted the Geographical Indications of Goods (Registration & Protection) Act, 1999 has come into force with effect from 15th September 2003.
- ◆ Darjeeling Tea was the first Indian product to get the geographical indication tag. In 2004, the famous beverage got the recognition.
- ◆ India has 236 GI products registered so far and over 270 more products have applied for the label.

Source: The Hindu, WIPO

India's first mission to Sun 'Aditya-L1' scheduled for 2019

Why in news?

The India Indian Space Research Organisation (ISRO) is planning to launch Aditya-L1, India's maiden mission to the Sun, in 2019.

It will be India's first dedicated scientific mission to study sun.

Aim of Aditya- L1 mission:

- ◆ The mission aims to put 1,500-kg heavy class Aditya-L1 satellite into **halo orbit around Lagrangian point L1, a point between Sun and Earth**. This point is at a distance of about 1.5 million km from earth.

Objectives of mission

- ◆ Study dynamic nature of sun's outer most layers, the corona and the chromosphere, and collect data about Coronal Mass Ejections (CME).
- ◆ Study on origin of solar storms and their path through the interplanetary space from the Sun to the Earth.

- ◆ The studies will also focus on collection of information for space weather prediction.

Position of the satellite:

- ◆ In order to get the best science from the sun, continuous viewing of the sun is preferred without any occultation/ eclipses and hence, Aditya- L1 satellite will be placed in the halo orbit around the Lagrangian point 1 (L1) of the sun-earth system.

Payloads:

The Aditya-L1 mission will carry following seven payloads

- ◆ Visible Emission Line Coronagraph (VELC)
- ◆ Solar Low Energy X-ray Spectrometer (SoLEXS)
- ◆ High Energy L1 Orbiting X-ray Spectrometer (HEL1OS)
- ◆ Solar Ultraviolet Image Telescope (SUIT)
- ◆ Plasma Analyser Package for Aditya (PAPA)
- ◆ Aditya Solar Wind Particle Experiment (ASPEX)
- ◆ Magnetometer

Importance of the mission:

- ◆ The data from Aditya mission will be immensely helpful in discriminating between different models for the origin of solar storms and also for constraining how the storms evolve and what path they take through the interplanetary space from the Sun to the Earth.

What are Lagrangian points and halo orbit?

- ◆ Lagrangian points are the locations in space where the combined gravitational pull of two large masses roughly balance each other.
- ◆ Any small mass placed at that location will remain at constant distances relative to the large masses. There are five such points in Sun-Earth system and they are denoted as L1, L2, L3, L4 and L5.
- ◆ A halo orbit is a periodic three-dimensional orbit near the L1, L2 or L3.
- ◆ These points are named after Joseph-Louis Lagrange, an 18th-century mathematician.

Source: The Hindu

China launches 2 navigation satellites

Why in news?

China, which is building its own navigation system to rival United States GPS, has recently launched two BeiDou-3 satellites into space through a single carrier rocket.

Key facts:

- ◆ The satellites were launched aboard a Long March-3B carrier rocket.
- ◆ Named after the Chinese term for the plough or the Big Dipper constellation, the project was started in 1994. It began to serve China in 2000 and the Asia-Pacific region at the end of 2012.
- ◆ If everything goes according to the plan, China will become the third country in the world after the US and Russia to operate its own navigation system.
- ◆ It consists of 10 satellites and covers a swath of the Asia-Pacific region from Australia in the south to Russia in the north.

- ◆ The system is accurate to within 82 feet (25 meters) and now serves China and surrounding areas on a pilot basis.

Its importance

The launch of Beidou should make China less dependent on the GPS system, which is operated by the United States military and is currently the world's dominant satellite navigation system.

Source: The Hindu

PAN Indian Army Release of Integrated Quarter Master Package (IQMP) Software Application

Why in news?

Recently, Integrated Quarter Master Package (IQMP) software application was formally released to the Indian Army by the Vice Chief of Army Staff Lt Gen Sarath Chand.

Key Facts:

- ◆ IQMP is web based software developed by Army Software Development Centre in association with M/s TCS Ltd.
- ◆ The application automates various logistics related functions of an Army Unit. The application will replace numerous legacy applications such as 'Vastra' and 'Quarter Master Package'.
- ◆ The application can be dynamically configured to meet the specific requirements of various types of Army units and is capable of sharing information and data with other software applications in the domain of logistics management.

What is the significance of this application?

- ◆ The software has been developed with the aim of bringing speed, accuracy and transparency in handling logistics aspects in the unit.
- ◆ It will also play an important role in achieving automation of Indian Army and prove to be a significant milestone towards 'Digital Army' in consonance with the 'Digital India initiative' of the government.

Source: PIB

21st World Congress of Mental Health

Why in news?

The President of India, Shri Ram Nath Kovind, inaugurated the 21st World Congress of Mental Health being organised by the World Federation for Mental Health in partnership with Caring Foundation and other institutions in New Delhi.

National Mental Health Survey

- ◆ Our National Mental Health Survey found that close to 14 per cent of India's population required active mental health interventions. About two per cent suffered from severe mental disorders.
- ◆ Biggest obstacle that mental health patients have to encounter is stigma and denial. This leads to the issue being ignored or simply not discussed.
- ◆ A second biggest obstacle is that of human resources. There are only about five thousand psychiatrists and less than two thousand clinical psychologists in our country.

What are the remedies?

- ◆ We need to talk about mental health issues and treat ailments such as depression and stress as diseases that can be cured.

- ◆ India's National Mental Health Programme is building 22 centres of excellence in the field of mental health. In parallel, the District Mental Health Programme has already covered 517 of the approximately 650 districts in India. It is taking the conversation about mental health to the grassroots of our society.
- ◆ To spread awareness, it is important to build partnerships between the public and private sectors and between the government and civil society organisations.
- ◆ It would also be valuable to stitch together community support networks.

The way ahead

- ◆ The World Congress will also have sessions on yoga, meditation and traditional approaches to mental health. It will tap into our wealth of traditional knowledge and link it's learning to modern research on mental health. This will promote a holistic approach to mental health-care and can combine the best of different fields of practice.
- ◆ Information Technology and telemedicine are also coming of aid. Such technologies are linking doctors and counselors in cities to mental health patients in rural areas. As Internet penetration expands in our country, this holds much potential.

Source: PIB

Vasectomy Fortnight

Why in news?

The Union Ministry of Health and Family Welfare observed Vasectomy Fortnight between November 21 and December 4 to raise awareness about male sterilization and to promote the participation of men in family planning.

What is Vasectomy?

- ◆ Vasectomy is form of birth control for men where health care provider closes or blocks tubes that carry sperm.
- ◆ It is a procedure that makes a man permanently unable to get a woman pregnant.
- ◆ Vasectomy may be the safest, most effective kind of birth control. Only about 1 or 2 out of 1,000 couples get pregnant the first year after a vasectomy.

About Vasectomy Fortnight:

- ◆ All states/UTs across India will observe a dedicated 'Vasectomy Fortnight' from 21st November to 4th December 2017.
- ◆ The Vasectomy Fortnight will be observed up to block level with focus on family planning service delivery along with information, education, communication and advocacy.
- ◆ The theme for this was "**Zimmedar Purush ki yehi hai Pehchan, Parivar Niyojan mein jo de Yogdaan**".
- ◆ The Vasectomy Fortnight is observed up to the block level in two phases — Mobilization phase and Service Delivery phase.

Source: PIB

IMMSAREX-17

Why in news?

The 2017 edition of International Multilateral Maritime Search and Rescue Exercise (IMMSAREX) was recently held in Bangladesh under the aegis of Indian Ocean Naval Symposium (IONS).

Key facts

- ◆ This is the first ever operational exercise held under the aegis of Indian Ocean Naval Symposium (IONS) in Bangladesh.
- ◆ The ships and aircraft of the members and observers of the IONS including China, India and Pakistan will participate in the exercise.
- ◆ The Exercise comprised drills related to fire-fighting, sea accidents and rescue, as well as deep sea searches for missing ships, searches for missing aircraft, and other emergency rescue operations.

About Indian Ocean Naval Symposium (IONS):

The IONS is a regional forum of Indian Ocean littoral states launched by India in February 2008.

Members:

- ◆ Members to IONS include 35 littoral states in the Indian Ocean Region (IOR) – navies of the IONS which have been geographically grouped into the following four sub-regions:

South Asian Littorals: India, Bangladesh, Maldives, Pakistan, Seychelles and Sri Lanka

West Asian Littorals: Bahrain, Iran, Iraq, Kuwait, Oman, Qatar, Saudi Arabia, UAE and Yemen

East African Littorals: Comoros, Djibouti, Egypt, Eritrea, France, Kenya, Madagascar, Mauritius, Mozambique, Somalia, South Africa, Sudan and Tanzania

South East Asian and Australian Littorals: Australia, Indonesia, Malaysia, Myanmar, Singapore, Thailand and Timor Leste.

Observer Countries: China, Japan etc.

Key facts about IONS:

- ◆ IONS seeks to provide a regional forum through which the Chiefs-of-Navy (or equivalent maritime agency) of all the littoral states of the IOR periodically meet to constructively engage each other through the creation and promotion of regionally relevant mechanisms, events, and activities.
- ◆ IONS Chairmanship is rotated sequentially through each of the four sub-regions. This is to ensure that challenges of each region receive due emphasis.
- ◆ The IONS Chair was held by India from 2008 to 2010, UAE from 2010 to 2012 and South Africa from 2012 to 2014.
- ◆ Under the IONS charter of business adopted in 2014, the forum has working groups on Humanitarian Assistance and Disaster Relief (HADR), Information Security and Interoperability (IS&I) and maritime security (anti-piracy).

Source: The Hindu

North Korea tests most powerful ICBM 'Hwasong-15'**Why in news?**

North Korea successfully launched Hwasong-15, a new type of nuclear-capable intercontinental ballistic missile (ICBM).

About Hwasong-15:

- ◆ Hwasong-15 ICBM is North Korea's most powerful ICBM that can reach entire eastern US seaboard and Washington.
- ◆ Hwasong-15 ICBM is 'significantly more' powerful than previous missiles. It is upgraded version of Hwasong-14 ICBM.

- ◆ It is North Korea's 'greatest ICBM' that could be armed with 'super-large heavy nuclear warhead'.
- ◆ It is the first ballistic missile developed by North Korea that is theoretically capable of reaching United States mainland (including Washington DC).
- ◆ Based on its trajectory and distance during the test, the missile has range of more than 13,000 km which covers all of Earth's continents, except South America and Antarctica.

Source: The Hindu

Telecom regulator TRAI backs Net neutrality

Why in news?

Recently, India's telecom regulator, Telecom Regulatory Authority of India (TRAI), came out in strong support of Net neutrality in a series of recommendations following a long process of consultations on the issue.

Background:

- ◆ The recommendations assume international significance in the heated globe-spanning debate, with the United States' Federal Communications Commission expected to remove existing guidelines ensuring net neutrality come December.

What is Net Neutrality?

Net Neutrality is the internet's guiding principle: It preserves our right to communicate freely online.

- ◆ Net Neutrality means an internet that enables and protects free speech.
- ◆ It means that ISPs should provide us with open networks — and shouldn't block or discriminate against any applications or content that ride over those networks.
- ◆ Just as your phone company shouldn't decide who you call and what you say on that call, your ISP shouldn't interfere with the content you view or post online.
- ◆ Without Net Neutrality, cable and phone companies could carve the internet into fast and slow lanes.
- ◆ An ISP could slow down its competitors' content or block political opinions it disagreed with. ISPs could charge extra fees to the few content companies that could afford to pay for preferential treatment — relegating everyone else to a slower tier of service. This would destroy the open internet.

TRAI Recommendations:

- ◆ TRAI upholds basic principle of net neutrality by keeping Internet open and prohibits any Internet service providers (ISPs) from discrimination on basis of content by either blocking, throttling or fast-laning any websites, apps or web services.
- ◆ The internet use should be facilitated in such manner that it advances free speech rights of citizens, by ensuring plurality and diversity of views, opinions and ideas.
- ◆ It also restrains ISPs from entering into pacts with any person which discriminates on content, protocol or user equipment.
- ◆ It excludes specialised services and content delivery networks (CDNs) from scope of any rules on net neutrality.
- ◆ It does not define specialised services and leaves it to DoT to identify these services.
- ◆ It also calls for keeping Internet of Things (IoT) within purview of non-discriminatory restriction with the exception of critical services.

- ◆ It exempt CDNs from the scope of net neutrality rules arguing that CDNs add efficiency to network by reducing latency, mitigating congestion and freeing up network capacity for other purposes. CDNs are layer in Internet networks which are outside public Internet and are used by content generators to store their data at suitable geographical locations.
- ◆ Telecom and ISPs should deploy “reasonable” traffic management practices from time to time. It calls for setting up multi-stakeholder body to monitor and investigate whether ISPs are adhering to rules.
- ◆ The body will be led by industry and comprise members representing different telecom and ISPs, large and small content providers, representatives from research, academia, civil society organisations and consumer bodies.

Source: The Hindu, Live Mint

Approval for buying 111 Navy copters

Why in news?

Recently, the Defence Ministry approved procurement of 111 utility helicopters for the Navy at a cost of Rs 21,738 crore.

Key Facts

- ◆ The long-pending proposal was cleared at a meeting of the Defence Acquisition Council (DAC), chaired by the Defence Minister.
- ◆ They said 16 helicopters would be procured at a fly away condition while 95 would be manufactured in India.
- ◆ The procurement of the helicopters would be the first major acquisition made under the strategic partnership model.

Defence Acquisition Council (DAC)

- ◆ To counter corruption and speed up decision- making in military procurement, the government of India in 2001 decided to set up an integrated DAC.

It is headed by the Defence Minister.

- ◆ The DAC is responsible for providing policy guidelines to acquisitions, based on long-term procurement plans.
- ◆ It also clears all acquisitions, which include both imported and those produced indigenously or under a foreign license.
- ◆ Its objective is to ensure expeditious procurement of the approved requirements of the Armed Forces, in terms of capabilities sought, and time frame prescribed, by optimally utilizing the allocated budgetary resources.

Source: The Hindu

Moscow declaration

Why in news?

On the sidelines of the first WHO Global Ministerial Conference on Ending Tuberculosis in the Sustainable Development Era, Health ministers, NGOs, and private sector representatives from 120 countries have adopted Moscow Declaration.

India is among the signatories to the declaration.

About Moscow Declaration:

The Moscow Declaration to End TB is a promise to increase multi-sectoral action as well as track progress, and build accountability.

- ◆ It will also inform the first UN General Assembly High-Level Meeting on TB in 2018, which will seek further commitments from heads of state.
- ◆ The Moscow declaration emphasised the need for fixing multisectoral responsibility towards ending TB by 2035, the global target.
- ◆ It also said that multi-drug resistant TB would be tackled as a national public health crisis.

The declaration ramps up action on four fronts:

- ◆ Move rapidly to achieve universal health coverage by strengthening health systems and improving access to people-centered TB prevention and care, ensuring no one is left behind.
- ◆ Mobilize sufficient and sustainable financing through increased domestic and international investments to close gaps in implementation and research.
- ◆ Advance research and development of new tools to diagnose, treat, and prevent TB.
- ◆ Build accountability through a framework to track and review progress on ending TB, including multisectoral approaches.

Concerns:

Global efforts to combat TB have saved an estimated 53 million lives since 2000 and reduced the TB mortality rate by 37%.

- ◆ However, progress in many countries has stalled, global targets are off-track, and persistent gaps remain in TB care and prevention.
- ◆ As a result, TB still kills more people than any other infectious disease.
- ◆ There are major problems associated with antimicrobial resistance, and it is the leading killer of people with HIV.
- ◆ One of the main problems has been a lack of political will and inadequate investment in fighting TB.

Source: PIB

Vidyarthi Vigyan Manthan (VVM)**Why in news?**

In a unique initiative to give a boost to the learning of science, technology and mathematics among the youth-especially the school students, Vidyarthi Vigyan Manthan (VVM) – a nationwide science talent search examination was held recently.

Key Facts

This programme has been organized by eminent scientists and academicians associated with Vigyan Prasar (VP) – an autonomous organisation under Department of Science and Technology and National Council of Education Research and Training (NCERT) of Ministry of Human Resources and Development

Significance:

- ◆ The Vidyarthi Vigyan Manthan will provide a platform to the India's generation next to imbibe the values of science and technology for a better future.
- ◆ A record number of over 91,000 students from 2078 centres across the country are expected to take the test on the same day.

- ◆ One of the unique features of this examination is that the test will be conducted online.
- ◆ Students will attend the exam through the various digital devices like, mobile, tablet, laptop or desktop in line with the vision of Digital India Campaign.

Vijnana Bharati (VIBHA)

- ◆ It is one of the largest science movement in the country led by eminent scientists
- ◆ It is to inculcate and generate scientific temper, foster excellence in students and nurture and mentor them for their careers in pure sciences.
- ◆ Through VVM programme, India's generation next will be made aware about the India's Rich Contribution to Science from ancient period to modern times.

Source: PIB

Global Clubfoot Conference

Why in news?

The President of India inaugurated the Global Clubfoot Conference being organised by the CURE India in partnership with the Ministry of Health and Family Welfare.

What is clubfoot?

Clubfoot (also called talipes equinovarus) is a general term used to describe a range of unusual positions of the foot. Each of the following characteristics may be present, and each may vary from mild to severe:

- ◆ The foot (especially the heel) is usually smaller than normal.
- ◆ The foot may point downward.
- ◆ The front of the foot may be rotated toward the other foot.
- ◆ The foot may turn in, and in extreme cases, the bottom of the foot can point up.

Most types of clubfoot are present at birth (congenital clubfoot). Clubfoot can happen in one foot or in both feet. In almost half of affected infants, both feet are involved.

Although clubfoot is painless in a baby, treatment should begin immediately. Clubfoot can cause significant problems as the child grows. But with early treatment most children born with clubfoot are able to lead a normal life.

Source: PIB

NOAA's Joint Polar Satellite System-1 (JPSS-1)

Why in news?

NASA successfully launched a **highly advanced polar-orbiting satellite** called the Joint Polar Satellite System-1 (JPSS-1) to improve weather forecasts for the US' National Oceanic and Atmospheric Administration (NOAA).

- ◆ JPSS-1 is first multi-day weather forecasts satellite in NOAA's series of four, next-generation operational environmental satellites.

What it will do?

- ◆ Circling the Earth from pole to pole 14 times a day, JPSS-1 carries a suite of five instruments intended to make global observations. The advanced technology will help improve weather forecasts up to seven days in advance.
- ◆ The satellite also will contribute to near-term weather forecasts, climate and ocean dynamics research, among many other uses.

Key facts:

- ◆ The satellite will be renamed NOAA-20 when it reaches its final orbit.
- ◆ It will become operation after a three-month checkout and validation of its five advanced instruments.

Significance:

- ◆ JPSS-1 is expected to improve weather forecasting such as predicting a hurricane's track and will help agencies involved with post-storm recovery by visualizing storm damage and the geographic extent of power outages.
- ◆ It will also improve recognition of climate patterns that influence the weather such as El Nino and La Nina.

Source: The Hindu

India-Myanmar Bilateral Army Exercise (IMBAX)

Why in news?

A six-day India-Myanmar Bilateral Army Exercise (IMBAX) began at the Joint Warfare Centre at Umroi Cantonment, about 25 km from Shillong, capital of Meghalaya.

Key facts:

- ◆ The week-long army warfare exercise is the **first-ever one to be held in India**.
- ◆ It is aimed at building and promoting closer relations with armies of the neighbouring countries.
- ◆ The exercise has been specially designed by the Indian Peace Keeping Centre, known as the Centre for UN Peace Keeping, New Delhi.

What is the Significance of this exercise?

- ◆ The exercise will aim to enable the participants of Myanmar Army with requisite knowledge and skills to meet the evolving challenges of peacekeeping operations in accordance with principles, policies and guidelines of the United Nations.

Source: PIB

Defence of Andaman and Nicobar Islands Exercise (DANX)

Why in news?

Defence of Andaman and Nicobar Islands Exercise (DANX) was conducted under the aegis of Andaman & Nicobar Command.

Key facts:

- ◆ The purpose of the exercise was for adopting planning and precise execution of Command plans by forces in synergistic manner.
- ◆ It also aimed for being fully prepared for any eventuality in future.
- ◆ The five-day exercise started on 20 Nov 2017 and culminated on 24 Nov 2017.

Main objective of the exercise :

- ◆ To practice & validate procedures and drills of all the Command forces aimed at defending Andaman & Nicobar Islands.

Source: PIB



Miscellaneous

Karnataka first state where women head police, bureaucracy

- ◆ Karnataka has become the first state in the country where administration, both civil and police, is headed by women.
- ◆ With IAS officer K Ratna Prabha being appointed the chief secretary and the recent appointment of 1983-batch IPS officer Neelamani N Raju as the director general and inspector general of police (DG&IGP), Karnataka has scored high on the bureaucratic front.

Mirabai Chanu wins gold medal at World Weightlifting Championships

- ◆ India's Saikhom Mirabai Chanu won gold medal at World Weightlifting Championships held in Anaheim, United States.
- ◆ **With this victory, Mirabai Chanu became first Indian in over two decades to win the medal at the Championships.**
- ◆ She is only second Indian weightlifter after Karnam Malleswari to achieve this feat. Olympic bronze medallist Karnam Malleshwari had won the top prize in worlds twice in 1994 and 1995.

India's Dalveer Bhandari wins ICJ election

- ◆ Bhandari received 183-193 votes in the General Assembly and secured all the 15 votes in the Security Council.
- ◆ The election was being held to fill up the last seat at the international court.
- ◆ Bhandari and Britain's Christopher Greenwood were locked in a neck-to-neck fight for re-election to the ICJ. However, in a dramatic turn of events Britain withdrew its candidate from the race, thus paving the way for Bhandari's re-election to the prestigious court.
- ◆ This is the first time since the ICJ was established in 1945 that there will be no British judge in the ICJ.

About International Court of Justice:

The International Court of Justice (ICJ) is the principal judicial organ of the United Nations (UN).

- ◆ It was established in June 1945 by the Charter of the United Nations and began work in April 1946.
- ◆ The seat of the Court is at the Peace Palace in The Hague (Netherlands).
- ◆ Of the six principal organs of the United Nations, it is the only one not located in New York (United States of America).
- ◆ Its official languages are English and French.

Role of the court:

- ◆ The Court's role is to settle, in accordance with international law, legal disputes submitted to it by States and to give advisory opinions on legal questions referred to it by authorized United Nations organs and specialized agencies.

First Indian to win Asian Marathon Championship gold

- ◆ Gopi Thonakal became the first Indian man to win Asian Marathon Championship after he achieved the feat in the 16th edition of the prestigious event in Dongguan, China.
- ◆ Gopi became the first Indian man to win the title after the formation of separate Asian Marathon championships.
- ◆ Earlier Asha Agarwal won the women's title when it was part of the biennial Asian Track & Field Championships.

Asian Marathon Championships

- ◆ It is a biennial international competition in marathon road running for Asian athletes.
- ◆ It is organised by the Asian Athletics Association.
- ◆ It was established in 1988 after 42.195-kilometre race was dropped from programme of events at Asian Athletics Championships.

Indira Gandhi Prize for Peace, Disarmament and Development

- ◆ Former Prime Minister Manmohan Singh will be the recipient of this year's Indira Gandhi Prize for Peace, Disarmament and Development.

About the award:

- ◆ The award is given annually to individuals and organisations in recognition of creative efforts toward promoting international peace, development and a new international economic order, ensuring that scientific discoveries are used for the larger good of humanity, and enlarging the scope of freedom. The award, comprising a cash prize of Rs25 lakh and a citation, was instituted by the Indira Gandhi Memorial trust in 1986.

Miss Universe 2017: South Africa's Demi-Leigh Nel-Peters wins the crown

- ◆ South Africa's Demi-Leigh Nel-Peters was crowned Miss Universe at the pageant held in Las Vegas recently, with Miss Colombia and Miss Jamaica making it to the final three.
- ◆ Demi-Leigh Nel-Peters, 22, who helps train women in self-defense, unleashed a big smile when she won.
- ◆ She hails from Western Cape Province and recently earned a business management degree from North-West University.

Shaktikanta Das named as India's G20 Sherpa

- ◆ The Ministry of Finance appointed former economic affairs secretary Shaktikanta Das as India's G20 Sherpa for the Development Track of the grouping.
- ◆ There are two tracks in G-20 — Finance Track and Development Track. Finance Track is managed by the secretary (economic affairs) as India's Deputy to G-20 and the Development Track is coordinated by the Sherpa.

Mary Kom Strikes Gold at Asian Womens Boxing Championships

- ◆ M.C. Mary Kom (48kg) notched up her fifth gold medal at the Asian Women's Boxing Championships in Vietnam.
- ◆ She has defeated North Korea's Kim Hyang Mi.
- ◆ This is Mary Kom's first international gold medal since the 2014 Asian Games.

- ◆ Mary Kom's last medal came in the 2014 Asian Games in Incheon, where she became the first Indian woman boxer to win gold in the Women's Flyweight (51 kg) category.

Hindi writer Krishna Sobti chosen for Jnanpith Award

- ◆ Noted writer of Hindi literature Krishna Sobti will be conferred with the country's highest literary honour, Jnanpith Award this year in 2017.
- ◆ Sobti will be awarded with a cash prize of Rs 11 lakh, a certificate and a memento as part of the 53rd Jnanpith Award ceremony.

About Jnanpith awards:

- ◆ The Jnanpith Award is one of the prestigious literary honours in the country. The award was instituted in 1961.
- ◆ **Eligibility:** Any Indian citizen who writes in any of the official languages of India is eligible for the honour.

Rasogolla hits sweet spot, gets GI tag

- ◆ The Geographical Indication (GI) Registry and Intellectual Property India has presented the Geographical Indication Tag status to Banglar Rasogolla of West Bengal and Mamallapuram stone sculptures of Tamil Nadu.
- ◆ According to one of the documents submitted by West Bengal citing historical evidence, Rasogollas invented in the Nadia district of West Bengal are 60 years old (lower end time frame).

Manushi Chhillar wins Miss World 2017 title

- ◆ India's Manushi Chhillar has won the Miss World beauty pageant for the year 2017.
- ◆ The win comes 17 years after Priyanka Chopra brought home the coveted title in the year 2000.
- ◆ Chhillar is the **sixth Indian to become Miss World.**
- ◆ Manushi Chhillar's Miss World win **brings India level with Venezuela as the countries with most victories in the history of the pageant.**
- ◆ Chhillar was handed the crown by last year's winner, Stephanie del Valle of Puerto Rico, at the ceremony in the **Chinese coastal city of Sanya.**

Indian Navy's first woman pilot

- ◆ Shubhangi Swaroop becomes first woman to be inducted as Pilot in Indian Navy.
- ◆ Swaroop was among four women officers who had passed out of the Ezhimala Naval Academy in Kerala. The other three women officers are Aastha Segal, Roopa A and Sakthi Maya S.
- ◆ These three women cadets were inducted at the Naval Armament Inspectorate (NAI), where no female officer has ever worked.



Summary of the Monthly Journals

Floods and Droughts in India: Causes and Solutions

On an average, every year India gets 4,000 billion cubic meters of water mostly through rainfall and some snowfall. However, this is the average, over a large number of years. In any given year, the rainfall, and hence the river flow, may vary from this average, on the lower side, or on the higher side. Such rainfall instances, very low or very high, are called hydrologic extremes. Floods and droughts, both are a result of hydrologic extremes.

Floods:

The term 'flood' is commonly used to describe any inundation by water. But there are two distinct mechanisms that can cause inundation. A rainfall takes place somewhere in the upstream catchment, and consequent high flow in the river may spill out in to the habitation areas some where downstream. This is called flood. The other mechanisms is, a high rainfall may take place locally, and the rainwater may fail to drain out fast enough, and accumulate in the city/village. This is called drainage congestion. The inundation that takes place in many parts of Uttar Pradesh, Bihar, and Assam every year, is flood. the inundation that took place in Mumbai in July 2005, or September 2017, was drainage congestion.

Causes of Floods:

- ◆ A very heavy Rainfall in the upstream catchment causes a very large river flow. The width of the river through the city downstream is not adequate to carry that flow, and the water spills over, beyond the usual river banks.
- ◆ Natural Lake Burst. A landslide takes place in the river acts like a dam. Water accumulates behind it, creating a lake. As the water storage builds up the landslide-dam blocking the path of water bursts, and the accumulated water flows out in a short time, causing a flood
- ◆ Breach of Embankments. Embankments are constructed along both banks of the river to protect human habitation. If the embankment breaches, the river flow enters the habitation.
- ◆ Dam Break. This is very rare, but a man made dam may burst releasing a large quantity of water and causing a flood.

Whatever may be the cause, a flood causes a huge damage to property and also life - human and farm animals, destroys standing crops, deposits sand in the farms and renders them unsuitable for cultivation, destroys buildings and also destroys roads/ railway lines/ bridges/ communication links. A flood also destroys drinking water sources and is often flowed by an outbreak of water borne diseases.

Managing Floods:

Floods can't be entirely prevented. The approach to flood management is a combination of protection from floods of less severity, reducing the damage by flood forecasting and disaster relief in case of floods of larger severity. Flood management options are typically divided in two types, structural i.e. comprising some construction of embankments, and flood control reservoirs; and non-structural, comprising flood forecasting, flood plain zoning, and disaster relief.

Embankments are low bunds constructed along the river bank, to "contain" the river flow and prevent it from spilling in to the areas of human activity. Embankments are the fastest way of providing protection from a flood of specified severity, and can be constructed within one year. However, embankments need careful maintenance else these can breach. Also, Embankments can increase the flood problem upstream and downstream.

A flood control reservoir stores the incoming flood water, and releases it slowly after the flood is over. Flood control reservoirs are the most reliable and long lasting protection from floods. Many such reservoirs have been constructed in India and have very successfully provided long term flood protection. Most famous examples being Hirakud dam on Mahanadi, and a series of dams in Damodar valley.

Flood forecasting doesn't prevent flood, but can prevent loss of life, and to some extent the loss of property. Flood plain zoning refers to restricting various activities in flood planes, depending on the risk assessment. Viz. an office may be built close to the river, where the flood risk is high, but hospital or school must be built farther away, where the risk is less.

Finally, if a flood does occur, relief operations are needed to rescue marooned people and provide them with shelter, food and water, and medical help.

Drainage Congestion:

Inundation in cities is usually due to the inability to drain out the rain water fast enough. Construction of buildings impedes the flow of water over the land; solid waste may choke the storm water drains, which are in any case not adequate, and in coastal cities, the problem is compounded if a heavy rainfall coincides with high tide. Mumbai was inundated on 29th August 2017. And at the same time, the city of Houston in USA was also inundated, far worse than Mumbai, due to the same mechanism. It may sound harsh, but short duration inundation due to drainage congestion, is a problem the cities may have to live with.

What is Not A Solution:

We live in an era of self-proclaimed experts, and there is lot of misinformation doing the rounds, about what causes floods and how to manage them. Three of these needs to be addressed.

- ◆ Dams do not cause floods, Dams moderate floods. The extent of moderation depends on how full the reservoir was when the flood started. But the flood released over the dam spillway is invariably less than the flood that would have been had there been no dam.
- ◆ Forests are not the solution to floods. Foliage of trees intercepts some rainfall; tree roots promote percolation; and trees act as impediment to water flow. But the impact of all this is perceptible only for small floods. For large devastating floods, the impact is insignificant.
- ◆ There is no such thing as 'our ancestors had learnt to live with the floods'. When the population was less, and the pressure on land resources was less, it was possible to simply live away from the river. Many villages are now located close to the river out of compulsion.

Droughts:

Like floods, droughts are also a hydrologic extreme. But drought neither have a clearly defined beginning, nor a clearly defined end. At times, it may not be even possible to say with certainty that a drought has set in. Drought is a phenomenon that extends over a long duration. Droughts are divided in three types.

- ◆ Meteorological drought is when the rainfall is deficient.
- ◆ Hydrological drought is when there is inadequate water in the rivers and/or aquifers.
- ◆ Agricultural drought is when there is inadequate water supply to crops, and the crops start wilting.

About 153 mha area of the country is drought prone. Till about 1900, drought meant famine and widespread deaths. As many as 11 famines were recorded between 1769 and 1901 with an estimated 20 million deaths. However, now it is possible to transport large quantities of food grains to drought affected area, and to some extent also transport water, and the famine deaths are avoided. Nevertheless, drought brings severe distress to rural people even in this age.

When the rainfall is severely deficient, a normal crop can not be achieved. The objective should be to enable survival of the people and farm animals, till the next monsoons. Ground water can provide the minimum quantity of water required for such survival, provided it is wisely used when there is no drought. Unfortunately, that does not happen.

Ground water can be viewed as comprising two components. One, the annual recharge, two, the water that has come to be stored in deeper aquifers, over a very large number of years. The ground water strategy should be to use every year only that water which is recharged every year, and keep the water in deeper aquifers as a reserve, for supplying minimum requirement during a drought year. This strategy will not completely avoid a drought, but will considerably reduce its impact. Unfortunately, there is no control on extraction of ground water, and not only the annual recharge but even the deeper aquifers are being pumped dry.

Inter basin Water Transfer (IBWT):

The geographical area from which the rainfall accumulates and drains out through a river, is called its river basin. By an ingenious design of canals, and at times by pumping, it is possible to take water from a surplus basin to a deficit basin. Such water transfer is called inter basin transfer of water. The earliest plan to construct canals to link certain rivers, was in the year 1858 by Sir Arthur Cotton, a British engineer. However, the purpose of his plan was inland water transport, and not water distribution. Around the same time, railway as a means of transport became feasible, and his plan of interconnecting the rivers was set aside.

Around 1972, Dr. K. L. Rao, a former Minister for Irrigation, and also an accomplished river engineer, proposed a plan to transfer water from Ganga near Patna to Cauvery through a series of canals and pipelines. His plan was based on good engineering, but the cost was very high as compared to its benefits, and therefore, it was not taken up for construction.

In mid 1970s, Capt. Dinshaw J Dastur proposed another scheme comprising two very large canals, a 4200 km long canal in Himalayan area, and a 9300 km long canal in peninsular India, and two pipelines connecting these two canals, to connect some major rivers. Dastur's plan was well intentioned, its engineering concepts was unsound. The 4200 and 9300 km long canals he envisaged were impossible to construct, so the question of cost or benefit did not arise.

In 1982, the Government of India set up National Water Development Agency (NWDA) to carry out the water surplus/ deficit studies for major river basins, and prepare a plan for inter basin water transfer. After about 18 years of work, around the year 2000, the NWDA made public the "National Perspective Plan for Inter Basin Water Transfer", (NPP) popularly known as river linking plan.

NWDA discarded the earlier ideas of one huge canal to link all the rivers, identified water surplus areas and water deficit areas, and proposed 30 different links to transfer water from surplus areas and water deficit areas, and proposed 30 different links to transfer water from surplus areas to deficit areas. This is the plan that the nation is now pursuing. For more details of this plan, the reader may visit the website of NWDA, www.nwda.gov.in.

Following are the benefits of NPP

- ◆ Irrigation to an additional area of 35 mHa;
- ◆ Generate 34,000 MW of hydro power;
- ◆ Provide drinking water to a large number of villages and towns;
- ◆ Drought mitigation in Andhra Pradesh, Karnataka, Tamil Nadu, M.P., W.B., Bihar, U.P., Haryana, Rajasthan, Jharkhand, and Gujarat;
- ◆ Flood control in Ganga, Brahmaputra, Mahandi and Godavari basins;
- ◆ Facilitate inland navigation;
- ◆ Development of fisheries;
- ◆ Infrastructure Development;
- ◆ Employment Generation;
- ◆ Improve aquatic environment by improving EFR, during lean season.

The main objective of the IBWT is to reduce regional imbalance in water availability. A stage has come where some areas have water but no land to irrigate, and some areas have land but no water. IBWT is not something new, or out-of-this-world idea. Many such schemes are already existing. The most notable are, Beas - Sutlej link, IGNP Canal which brings Sutlej water to Rajasthan, Sardar Sarovar main canal that takes Narmada Water to Saurashtra, Periyar Vaigai link, etc.

Unfortunately, in India, any infrastructure project is opposed in the name of environment and rights. And the NPP for IBWT is also being opposed. In February 2012, the Hon'ble Supreme Court gave detailed directions for implementation of NPP. Some activists filed a review petition, but this was rejected by the Court. However, the environmental laws and procedures in India are very strict, and land acquisition is also a problem. Ken-Betwa is likely to be the first link to be taken up, and one hopes that more will follow soon.

Source: Kurukshetra

Decoding India's Foreign Policy

Alterations in a nation's foreign policy are infrequent unless there is radical transformation in the domestic and/or international arena. India had occasion to revamp its foreign policy thrice in a span of over seventy years following end of alien administration. In the initial years of independence India had recalibrated its relations with neighbours and the super powers. Guided by anti colonial perspective it supported decolonization movements in Asia and outside .But with its best endeavour, it failed to ensure third world solidarity. Though India's foreign policy makers designed it to be independent of cold war alignments, it could not be realised for the problems inherent in territorial division and related ethnic issues. The options for India were limited because of its demography, weak economy and multiple socio economic problems coupled with tensions arising from the geographical division of the country. The end of cold war thawed a new world order where India had no choice but to change its priorities and firm up relationship with the US. In fact, these changes were in process much before but were given a final shape after collapse of USSR to expedite economic reforms. Even with limited options during the transitional period India benefitted from engagements in a globalised economy. With enhanced capabilities its foreign policy embodied dynamism .Due to diligent management of diplomatic, economic and military resources India has gained respectable status in the international sphere. Even so major determinants of its foreign policy remain unchanged amid continued tension in the neighbourhood though strategic relationship with some big powers has been fast forwarded and hard as well as soft power diplomacy is by and large successful.

What are the major determinants?

Geography has been crucial to India's foreign policy decision making .Himalayas in the north and the Ocean surrounding its three sides are major geographical determinants of its foreign policy. Developments across the Himalayas have impacted its relation with China .It influenced adversely India's moral values and ideals based on peaceful international relationship. "Negotiations through strength" approach failed to yield expected result thereby stalemating the problem and culminating in wars .Innumerable problems have cascaded out of the geographical delimitations and the territorial issues.

India's location in South Asia is a major determinant in shaping its foreign policy. Its neighbourhood lies between the sea routes of the Indian Ocean and the land routes of Central Asia connecting Eastern Europe. For a market oriented economy the area is important for natural resources. Regional alliances were formed before India embraced market economy but yielded dismal result due to misperceptions of India's aspirations for leadership and dominance. Pakistan has attempted to circum scribe India's capabilities while extra regional powers like US, Russia and China have influenced foreign policy of the region. China - Pakistan axis is the most challenging for India's strategic prominence. Other countries like Bangladesh, Myanmar, Nepal and Sri Lanka maintained balanced relation with India and China though tilting towards China is evident for their economic and infrastructure development. The oceanic geography is no less important for the historic connections with the littorals and the growing volumecounter which it is building up diplomatic pressure on its friends and allies. Prime Minister Abe' visit to India is significant for ensuring India's support for economic sanctions against North Korea. It had supported India on the Doklam standoff between India and China. Along with US and India it had conducted military exercises signaling that there is no power vacuum for any one nation to assert in

Asia. Following finalization of civilian nuclear deal in July 2017 Japan has agreed to construct six nuclear power stations in India. Since the last several years it has assisted India in constructing the Delhi metro, Delhi-Mumbai Economic Corridor, Asia Africa Growth Corridor and invested in telecom, automobile and many other sectors, In April 2017 Japan's International Cooperation Agency has signed an agreement for road connectivity network in the North East states of India. "The synergies between India and Japan under the rubric of the Special Strategic and Global Partnership are being strengthened day by day". Now there is a broad based solidarity between both the countries combining economic and military sectors projecting a viable counterweight to China's growing influence and power in the region. The Asia Africa Growth Corridor involving multiple infrastructure projects will be an alternative to China's behemoth, Belt Road Initiative. It will ensure involvement of local people in designing and managing the projects which is different from China's approach of dumping its own human resource. However, bilateral trade is disappointing for import from Japan has increased in the last couple of years. It is mounting diplomatic pressure for economic sanctions against North Korea but India has good relation with North Korea though the volume of trade is very small. To take call on this issue India has to watch bellicosity of North Korea and response of US and China. At the same time it can channel diplomatic resources to diffuse tension.

Japan is jittery for security threats from China and North Korea which is reflected in the joint statement signed between India and Japan during the visit of Japanese premier to India in September 2017. It is emphatic on a rule based world order in the Indo Pacific through maritime security cooperation, more defence exchanges and by improving connectivity. China is on the wrong side of the international law and global opinion on South China Sea but unlike the earlier statements it is off the record. The peaceful resolution of Doklam standoff between China and India might be the reason to drop it though Indo-Pacific of a multi polar Asia and the "range of special strategic and global partnership is not just limited to the bilateral and regional sphere" ...but close cooperation on global issues as well".

An important foreign policy setback for India is Russia's growing friendship with Pakistan. The change is perceptible after India purchased military equipment from US. So far Russia was the principal market of India's defence requirements. The deal with US was immediately responded by Russia to sell defence equipment to Pakistan, it also held military exercises with Pakistan and acknowledged political legitimacy of the Taliban. India was excluded from the dialogue with Afghanistan as Russia preferred increasing engagement with China and Pakistan on Afghanistan. However, bilateral tri service exercise (Indra) with Russia is the first with any foreign partners at three locations in Vladivostok in Eastern Russia close to Russia's borders with China. The first trilateral exercise "reflects confidence in partnership evolved over 5 decades". This policy is intended to balance India's relation with US and Russia as well as send a message to China. Russia wants India's presence in its Far East where China has been pushing up demographic change.

India's relation with US and Russia has rarely been designed without reference to China and Pakistan. Its strategic relation with former USSR was conceived after India-China war in 1962 when Sino- Soviet rift intensified and US refused to assist India in enhancing its military capabilities. US approach to befriend China with the good offices of Pakistan in 1970 was the immediate reason for signing the Treaty of Peace, Friendship and Cooperation with the Soviet Union in 1971. Until its collapse India and USSR had converged on most of the international issues.

But the scenario changed after Russia emerged as the successor of Soviet Union for several reasons like Russia's policy of wait and watch, divided opinion in Russia's foreign policy establishment and importance to Pakistan to deal with Islamic fundamentalism. This was evident when Russia supported Pakistan sponsored resolution in the UN calling for nuclear-free zone in South Asia. Its support to Pakistan was to release its prisoners of war from the Pakistani supported mujahedeen factions. The rupee versus ruble was a major irritant in the repayment of debts by India while transfer of cryogenic rocket technology was held up under US pressure. Though Russia had an anti India stance in the early years of its transition from the old regime, US supremacy combined with its gradual penetration to the countries which were earlier in the Soviet Union and pressure on India on the nuclear issue drew it closer to India specifically in building nuclear reactors in India defying the ban by the Nuclear Suppliers Group. Support to India during the Kargil war was Russia's pressure on Pakistan to destroy its terrorism infrastructure. The menace of international terrorism has further strengthened the bond though India's defence ties with US has irked Russia. There is no perceptible change in the attitude of big powers towards India who adhere to transactional relationship, look for advantageous commercial engagement and design their strategy to suit their interests.

India's policy towards China was determined by the geographical issues which in due course involved competition for resources, connectivity, military modernization and commerce. Notwithstanding the bonhomie between the leaders of both countries in the fifties wrangle over territory culminated in war in 1962. Since then bilateral relation is mired in mistrust. Till 1958 India informed China that its territory included the area between the Kunlun and the Karakoram ranges including Aksai Chin in the western sector. Therefore, China had violated India's territorial integrity by constructing the Aksai Chin road. This is corroborated by the "archival evidence that even under the Qing dynasty during which China did not claim territory south of the Kunlun range...there was no Chinese presence in these areas at all until the early 1950s. The Ladakh - Tibet boundary had been well established and acknowledged by the Qing administration. It was in the 1962 operations that Chinese forces created an alignment further west which is broadly the current LAC". India's stand has not been well received, China's claims have not been examined critically".

The year 2016 was most disappointing period in India-China relationship. China obstructed India in the international sphere equating it with Pakistan while demonstrating its primacy in Asia. India prime ministers' meetings with the Chinese president in regional organizations did not resolve differences over important issues affecting India's security due to escalated terrorism. China's reaction to Agni-V test was negative implying that India violated UN regulations and jeopardized strategic stability in South Asia. Notwithstanding China's posture, India allowed the karmapa and the US ambassador in Delhi to visit Tawang. Dalai Lama also visited Arunachal Pradesh. Both the countries have been negotiating without success to resolve the border dispute covering about 3488 km Line of Actual Control. China claims parts of Arunachal Pradesh as Southern Tibet while India contends that it also covers Aksai Chin which China occupied during the 1962 war. Its posture remains unchanged on India - Japan strategic partnership. China's official newspaper dubbed Japan as having a "narrow minded" outlook to "encircle China" and that "India-Japan relationship is just a contrivance. Growing relation between India, Japan and US after the Doklam standoff between India and China is just to showcase India's strategic potential to China. China is confident that its security cannot be challenged as the core of its policy is economic cooperation in Asia and Geopolitics is unlikely to go against the Geo-economic situation."

A positive indication in Sino-Indian relationship is China did not support Pakistan prime ministers' proposal for appointment of a special envoy for Kashmir at the UN General Assembly meeting. Pakistan also raised the issue in the Organisation of Islamic Unity meeting held on the sidelines of UN General Assembly meeting held in September 2017. China has reiterated that the issue is to be resolved through bilateral negotiations as per the Shimla Agreement. This is in consonance with the objectives of Shanghai Cooperation Organisation of which India as well as Pakistan are members. In the first foreign ministers meeting after India became a member the foreign ministers agreed to ratify the Anti-extremism Convention of the Shanghai Cooperation Organisation. Besides there is indication of better relationship between China and Japan.

India's relation with Pakistan worsened in 2016. Despite personalized relationship of Indian prime minister with the former Prime Minister Nawaz Sharif, attacks on Indian Military bases in Pathankot, Uri and Nagrota combined with virulent anti India campaign which intensified after the death of Burhan Wani. Relationship between the two countries worsened so much so that India did not attend SAARC summit in Pakistan forcing its cancellation and isolation of Pakistan in the region. Pakistan's provocations were responded with issue like Balochistan the Indus Water Treaty and surgical strikes across the LOC.

Pakistan's foreign and defence policy centred round the apprehension about dominance by India to counter which it established linkages with the Islamic world, China and United States. Kashmir Became the core concern and the issue of self determination combined with violation of human rights drew international attention focusing on which it created tension across the disputed border. India had to draw more diplomatic and military resources to counter it thereby diluting its non alignment worldview and pushing forward to the USSR orbit. Military intervention of USSR in Afghanistan again polarized the region. India focused on enhancing technological capabilities and acquired nuclear power followed by Pakistan. Nuclear deterrence reduced the scare of war between both the countries. In 1999, the Kargil conflict put to test India's principle of no first use. The restraint that India exhibited was proof of its policy for peaceful uses of nuclear power.

India strengthened its relation with the Gulf countries and Iran most important being the agreement with Iran for construction of the Chabahar port. Relation with central Asian countries namely Tajikistan

and Kyrgyzstan also improved. Of special importance was visit of Turkish president to India. Pro active policies were the major determinants to respond to counter problems in the neighbourhood arising from geographical, ethnic and terrorism issues. Relations with Nepal skidded off the friendly route but is almost back to normal under the present dispensation. However, China successfully conducted military exercises with Nepal.

India is interested in three transport projects for achieving its connectivity goals. These are the North South Transport Corridor, the Chabahar Agreement and the Ashgabat Agreement. The Chabahar Agreement between Iran, India and Afghanistan allows Indian goods to reach Kabul through Tehran, The Ashgabat Agreement is a transport corridor linking Oman, Iran, Turkmenistan, Uzbekistan, Kazakhstan and Pakistan. This will synchronise with the North South Corridor to provide a link from India to Europe. India is also working on a new sea route from Chennai to Vladivostok connecting India with north-east Asia and western Pacific region which will enable cargo transfer between the two cities within 24 days which currently is 40 days. This is a major connectivity initiative in view of China's maritime silk route initiative which will connect entire South East Asia. Russia is jittery over China's presence particularly for transfer of people to this sparsely populated region thereby altering its demography. India's engagements could balance China's growing presence in the region. India can also harness natural resources in far eastern Russia.

India's foreign policy has embedded dynamism with defined objectives. Gradually it has passive responses from Russia and aggressive posture of China. But none of them could ignore the economic potentialities of India. It is the most lucrative market for defence equipment for US as well as Russia. India-US. Logistics and interoperability agreements have enhanced strategic partnership between both the countries. India has to continue its strategic partnership with US and brace for the fall out of such a policy to encounter China's response. This has to be combined with substantial economic development and strong military capabilities. Enhanced US assertiveness in the Asia-Pacific will antagonize both and its impact will be more challenging for US and its allies. For India it will be more problematic as China will provoke Pakistan to intensify its adversarial posture against India and increase terrorist activities. So far India's manageable good relation with China had contained Pakistan but now it may not be possible as China threat will not be independent from Pakistan threat. China is trying to access the vacuum that will be created by US withdrawal, espouses diametrically opposite approaches that the US has taken and will target US allies in its diplomatic and strategic policy rather than US. In this perspective China is a "potent and long range threat to India". India has to strengthen its relation with Russia to have a strategic counterweight to encounter China and Pakistan. India has strategic partnership agreements with Russia which can be fine tuned to keep Russia's friendship intact. But at the same time India has to overcome the problems in the country as the opposition parties might scuttle the decisions unless efforts are made to raise a national consensus on major foreign policy related issues. India's aspirations to emerge as an influential member in the global sphere will be smooth by recalibrating its foreign policy taking into consideration the domestic as well as international issues.

Source: World Focus

Empowering India's MSME Sector

The Micro, Small or Medium Enterprise sector, or the MSME sector as it is called, has been recognized globally as a major contributor to Gross Domestic Product (GDP) and stimulator for Economic Growth. The Sector plays a crucial role in providing employment opportunities to masses, fosters entrepreneurship and growth led by innovation. The sector also complements large businesses as ancillary units in fulfilling their business requirements and needs, thereby contributing to the socio-economic development and inclusive growth of the country.

Indian Perspective

From the Indian economic perspective, the sector occupies a position of strategic importance, Nearly, 90 per cent of the industrial units belong to this sector, employing 40 per cent of India's workforce. The sector produces more than 8000 products ranging from traditional to high-tech precision items. With Indian economy on the fulcrum of the ever-rising growth curve, which is likely to become a \$4 trillion economy by 2025, the development of the sector has become all the more critical. Thus, devising innovative policies, programmes, and schemes that can strengthen the entire MSME ecosystem has become a priority for the Government. The same is apparent with an upsurge in the budgetary allocation

of Rs. 6482 crore to Ministry of Micro, Small and Medium Enterprises, an alltime high as compared with previous year allocation of Rs. 3465 crore.

Strengthening MSMEs

In spite of the sector's inherent potential to grow, there exist many challenges as well. For instance, timely access to credit, infrastructural gaps, technological obsolescence, sub optimal access to market and skilled manpower are some of the challenges which the sector faces. Moreover, with increasing competition from neighboring countries like China, Indonesia, Philippines, and Thailand, it has become imperative for the sector to adopt robust strategies to become globally competitive. The Government does realize these constraints and acknowledges the urgency to rejuvenate the sector for enhanced level of economic activity. And so, a host of initiatives like 'Make in India', 'Digital India', 'Start-Up India's and 'Skill India' have been taken up for the holistic growth of the sector. Measures are also underway to enhance the overall contribution of the manufacturing sector in India's GDP to 25 per cent vis-a vis current 16-17 per cent and to create 100 million more jobs by 2022.

Financing SMEs

It is necessary to keep in mind that the MSME sector is not homogeneous and hence, there exist different priorities for different enterprises. And so are the challenges. For example, timely access to adequate credit is a priority for micro and small enterprises and remains a challenge. Typically, the problem is not so accentuated for medium and large enterprises. In order to address this concern, coverage under Credit Guarantee Fund Scheme has been augmented by the Government. The units falling under Micro and Small Enterprises can now avail collateral free loans upto Rs. 2.00 crore from the earlier limit of Rs. 1.00 crore through select financial institutions. Besides, new innovative models are also coming up in the market to address burgeoning financial complexities and credit related gaps in the sector. Various start ups in the working capital space are trying to make it convenient for SMEs to access credit easily. With the advent of these financing and lending players in the ecosystem, the SMEs are more likely to become financially secure.

Prime Minister's Employment Generation Programme (PMEGP)

Prime Minister's Employment Generation Programme (PMEGP) is a flagship scheme of the Ministry, whereby Micro Enterprises are set up every year creating employment opportunities across the country. The major objective is to generate employment opportunities in rural as well as urban areas of the country through setting up of new self employment ventures/projects/micro enterprises. The programme has tremendous potential for job creation.

Khadi and Village Industries

Khadi and Village Industries are two important National Heritage sectors of India. The Khadi and Village Industries sector plays a very vital role in providing employment opportunities in rural areas at low per capita investment especially to people belonging to weaker sections of the society. Ministry of Micro, Small and Medium Enterprises has a host of schemes for the Khadi and Village industry sector to provide gainful employment at the door steps of the rural unemployed, especially youth and women.

Focus on Technology

Today, global value chains are competing at the global level. In order to become a preferred supplier, an enterprise needs to adopt best practices and follow international standards to go forward not just in terms of offering innovative solutions, but offer greater value to their partners. It is in this context that technological sophistication has become immensely important. The Ministry is focussing on high end skilling and technical support through 18 Tool Rooms and Technology Development Centres across the country. In addition the Ministry of Micro, Small and Medium Enterprises has allocated Rs. 2200 crore with funding support from the World Bank to upgrade some of the existing centres and establish 15 new Technology Centers (TCs) under Technology Center Systems Project (TCSP) to improve the overall productivity of MSMEs. The TCs will support MSMEs by providing access to state-of-the-art manufacturing technologies, skilled manpower and business advisory support to entrepreneurs. Additionally, a Credit Linked Capital Subsidy Scheme (CLCSS) is also operational for upgradation of technology for Micro and Small Enterprises. The Scheme facilitates modernization of plant and machinery by providing an up-front subsidy of 15 per cent subject to a maximum of Rs. 15.00 lakhs. As on June 2017, a total amount of Rs. 78.68 crore has been released, benefitting 1293 MSEs.

The government has recently launched the Scheme for Financial Support to MSMEs in Zero Defect Zero Effect (ZED) Certification. This scheme is an extensive drive to create awareness amongst MSMEs about ZED manufacturing and motivate them for assessment of their enterprise for ZED and support them.

Strengthening Infrastructure

Availability of infrastructure such as access to utilities, market, skilled manpower, and latest technology etc. is must for any enterprise to run its operations successfully in the market. In this context, the Government has adopted a cluster-based approach for the development of MSMEs. As a whole, the approach encourages co-operative behavior, yet infuses a sense of competition amongst the firms present at the cluster level for doing business.

Due to lack of capital, the Micro and Small Enterprises are generally not in a position to get access to latest tools and techniques, thereby compromising on the quality of their end product. Therefore, the Cluster Development Programme aims at the creation of tangible assets like Common Facility Centers (CFC), getting access to latest tools, technology, designs, testing facilities etc. for such enterprises. Several clusters across the country have benefited through these and various other cluster development initiatives taken by the Government. The Ministry of Micro, Small and Medium Enterprises (M/o MSME) has prepared comprehensive guidelines for Schemes such as Micro Small Enterprises - Cluster Development Programme (MSE -CDP) and Scheme for Upgradation of Rural and Traditional Clusters (SFURTI) to undertake more and more clusters for further interventions.

Access to New Markets

To enlarge the existing market size of MSMEs and to build enduring interdependent relationships, an overall goal has been set up by the Government. It was proposed that Ministries and Departments of Central Government and Central Public Sector Enterprises, shall procure 20 per cent of goods and services from Micro and Small Enterprises (MSEs), as a part of Public Procurement Policy, MSE order 2012. This policy not only focuses on MSEs, but also encourages MSEs owned by Scheduled Caste (SC) and Scheduled Tribe (ST) entrepreneurs to participate in the Public Procurement Market. Furthermore, analysis of the MSME sector in terms of social group reveals that the enterprises owned by SC-ST entrepreneurs have their own set of constraints. To achieve this target and to promote entrepreneurship culture for SC-STs, a National SC-ST Hub (NSSH) has been launched by the Hon'ble Prime Minister on October 18, 2016 with an outlay of Rs. 490 crore (2016 - 2020). The objective of NSSH is to provide professional support to SC - ST enterprises. The Hub is currently operational from National Small Industries Corporation (NSIC), a Central Public Sector Enterprise (CPSE) under M/o MSME, GoI. A Special Credit Linked Capital Subsidy Scheme (SCLCSS) has also been formed under the hub to facilitate the purchase of Plant and Machinery by existing as well new SC - ST enterprises. The scheme envisages the upfront capital subsidy amount of 25 per cent.

Human Capital

Attracting and retaining new talent has become an important factor for the growth of MSMEs. Even with a population of more than 1.25 billion individuals, skilled manpower is still cited as scarce. MSME sector holds the key for skilling our workforce, especially at a time when 65 per cent of our population is below the age of 35. Keeping in view the growing number of individuals joining the job market every year, focus on skill based training and Entrepreneurship Development Programmes (EDPs) has become a necessity to make the workforce job ready. Several EDPs and Vocational Training Programmes have been conducted by Ministry of Micro, Small and Medium enterprises through the office of Development Commissioner (MSME) in various sectors and trades.

The way ahead

Working in tandem with the larger goal of pushing the economic growth and comprehending the significance of the sector, the Government is firming up the existing policies/ programmes and taking numerous other initiatives as well. For instance, as part of 'Ease of Doing Business' and to formalize the sector, Udyog Aadhaar Memorandum (UAM) has also been notified in September 2015. The system offers one - page single point registration, thereby avoiding delays and replacing heterogeneity in the existing system of Entrepreneurship Memorandum (EM) Part I and II. This is a path-breaking initiative taken to offer ease to Indian MSMEs in terms of registering their businesses. More than 35 lakh units have been registered under Udyog Aadhaar Memorandum (UAM) since its inception. Furthermore, with 'One Nation One Tax' approach under GST, MSMEs are likely to unleash its true potential.

To sum it all, with progressive changes in the Indian MSME sector, several policy interventions along with innovation and entrepreneurship will continue to play a dynamic role in creating a business - friendly ecosystem. The possibilities and potential for job creation and wealth formation are immense in the MSME sector. All the Stake holders including the State Governments, the Industry associations, the incubators, the technology providers, the Financial institutions and various Ministries of Government of India would have to join hands to attain the common goal and shared vision of high growth and employment. MSME sector with its vast spectrum of enterprises, let's remember, holds the key to achieving the demographic Dividend.

Source: Yojana

Role of MSME in New India

Worldwide, the Micro and Small Enterprises (MSEs) have been accepted as the engine of economic growth and for promoting equitable development. The MSEs constitute over 90 per cent of total enterprises in most of the economies and are credited with generating the highest rates of employment growth and account for a major share of industrial production and exports. As far as the Micro, Small and Medium Enterprises (MSME) and India's growth opportunity is concerned, MSME can be the backbone for the existing and future high growth businesses with both domestic and foreign companies investing in the 'Make in India' initiative and make significant impact in the area of indigenisation. 'Make in India with zero defect and zero effect', is a significant opportunity. The new wave MSME should enable the development of a business Eco System that enables and continuously supports business that are gearing to deliver the right product, the right quality, the right solution and the right service at a competitive price, both in domestic and international markets. The 'Digital India' revolution also provides a great opportunity to promote MSME participation in the Information, Communication and Telecommunication (ICT) sector, in line with the government vision. It is equally important that the MSME segment develops in all areas of agriculture, manufacturing and services sectors because each of these sectors will continue to be very relevant to the overall GDP growth as well as employment generation. The MSME sector will act as a catalyst to bring about this socioeconomic transformation. India's GDP is expected to touch 8.5 per cent, with the country likely to be a USD 5 trillion economy by 2025. The MSME segment has the potential to emerge as a backbone for this economy and act as an engine for growth, given the right set of support and enabling framework.

The Indian MSME sector is the backbone of the national economic structure and has unremittingly acted as the bulwark for the Indian economy, providing resilience to ward off global economic shocks and adversities. With around 36.1 million units throughout the geographical expanse of the country, MSMEs contribute around 6.11 per cent of the manufacturing GDP and 24.63 per cent of the GDP from service activities as well as 33.4 per cent of India's manufacturing output. They have been able to provide employment to around 120 million persons and contribute around 45 per cent of the overall exports from India. The sector has consistently maintained a growth rate of over 10 per cent. About 20 per cent of the MSMEs are based out of rural areas, which indicate the deployment of significant rural workforce in the MSME sector and is an exhibit to the importance of these enterprises in promoting sustainable and inclusive development as well as generating large scale employment, especially in the rural areas.

Role of MSMEs

The role of Micro, Small and Medium Enterprises (MSMEs) in the economic and social development of the country is well established. As per the Report of the Working Group on Micro, Small and Medium Enterprises (MSMEs) Growth for 12th Five Year Plan (2012-2017), the sector accounts for 45 per cent of the manufacturing output and 40 per cent of total exports of the country. The sector provides employment to about 69 million persons through 26 million enterprises throughout the country. Over 6,000 products ranging from traditional to high-tech items are being manufactured by the MSMEs in the country. The labour to capital ratio in MSMEs and the overall growth in the sector is much higher than that in the large industries. The geographic distribution of the MSMEs is also more even. Thus, MSMEs are important for meeting the national objectives of growth with equity and inclusion.

Diversified Characteristics

Over the years, the Small Scale sector in India has progressed from the production of simple consumer goods to the manufacture of many sophisticated and precision products like electronics control systems, microwave components, electromedical equipments, etc. The process of economic liberalization

and market reforms has further exposed these enterprises to increasing levels of domestic and global competition. The MSME sector in India is highly heterogeneous in terms of the size of the enterprises, variety of products and services produced, and the levels of technology employed. While one end of the MSME spectrum contains highly innovative and high growth enterprises, more than 94 per cent of MSMEs are unregistered, with a large number established in the informal or unorganized sector. The sector has a high growth potential and performs a critical role in the manufacturing and value chains. Micro, Small and Medium Enterprises (MSME) sector is characterized by low investment requirement, operational flexibility and location-wise mobility. As per the quick estimates of 4th All-India Census of MSMEs, the number of enterprises is estimated to be about 26 million and these provide employment to an estimated 69 million persons. Of the 26 million MSMEs, only 1.5 million are in the registered segment while the remaining 24.5 million (94 per cent) are in the unregistered segment. The State-wise distribution of MSMEs show that more than 55 per cent of these enterprises are in 6 States, namely, Uttar Pradesh, Maharashtra, Tamil Nadu, West Bengal, Andhra Pradesh and Karnataka. Further, about 7 per cent of MSMEs are owned by women and more than 94 per cent of the MSMEs are proprietorships or partnerships. MSMEs in the country manufacture over 6,000 products. Some of the major sub-sectors in terms of manufacturing output are food products (18.97 per cent), textiles and readymade garments (14.05 per cent), basic metal (8.81 per cent), chemical and chemical products (7.55 per cent), metal product (7.52 per cent), machinery and equipments (6.35 per cent), transport equipments (4.5 per cent), rubber and plastic products (3.9 per cent), furniture (2.62 per cent), paper and paper products (2.62 per cent) and leather and leather products (1.98 per cent).

Major Initiatives by the Government

The importance and contribution of the SME sector to the economic growth and prosperity is well established. Towards this, government's policy initiatives like enactment of the Micro Small and Medium enterprises Development (MSMED) Act, 2006; pruning of reserved Small Scale Industries (SSI) list; advising Financial Institutions to increase their flow of credit to the SME sector; etc. are all initiatives towards boosting entrepreneurship, investment and growth. Reservation of items for exclusive manufacture in MSME sector statutorily provided for the Industries (Development and Regulation) Act, 1951, has been one of the important policy measures for promoting this sector. The President, under Notification dated May 9, 2007, has amended the Government of India (Allocation of Business) Rules, 1961. Pursuant to this amendment, Ministry of Agro and Rural Industries (Krishi Evam Gramin Udyog Mantralaya) and Ministry of Small Scale Industries (Laghu Udhdyog Mantralaya) were merged into a single Ministry, namely, "Ministry of Micro, Small and Medium Enterprises (Sukshma, Laghu, aur Madhyam Udyam Mantralaya):".

Major New Schemes of the Government

1. Scheme of Fund for Regeneration of Traditional Industries (SFURTI)

The objectives of the scheme is to organize the traditional industries and artisans into clusters to make them competitive and provide support for their long term sustainability, sustained employment, to enhance marketability of products of such clusters, to equip traditional artisans of the associated clusters with the improved skills, to make provision for common facilities and improved tools and equipments for artisans, to strengthen the cluster governance systems with the active participation of the stakeholders, and to build up innovated and traditional skills, improved technologies, advanced processes, market intelligence and new models of public-private partnerships, so as to gradually replicate similar models of cluster based regenerated traditional industries. Major achievements so far include:

- ◆ The Revamped SFURTI scheme was started on August 1, 2014 with an outlay of Rs. 149.44 crore for developing 71 clusters (including coir) with coverage of about 44500 artisans in the first phase. The guidelines were further revised on June 30, 2015 to streamline the approval process, fund flow and to remove the bottlenecks.
- ◆ The nodal agencies include KVIC, Coir Board, IIE Guwahati, NIMSME Hyderabad, NIESBUD Noida, all MSME DIs and all DICs of State Government.
- ◆ 71 clusters have been given in principle approval by Scheme Streering Committee (SSC) and 32 DPRs have been given Final approval with assistance of Rs. 65.87 crore out of which Rs. 30.30 crore has been released. As of now, 30438 artisans have been benefitted.
- ◆ Future target for setting up of 800 clusters of Khadi, Village Industries and Coir with an outlay of Rs. 850.00 crore to cover around 4 lakh artisans. Assistance from Multilateral Development Bank like ADB is being explored to carry out the mandate.

2. Stand-Up India scheme

Stand-Up India scheme has been launched by the Prime Minister on April 05, 2016. The objective of the Stand-Up India Scheme is to facilitate bank loans between Rs. 10 lakh to Rs. 100 lakh to at least one Scheduled Caste (SC) or Scheduled Tribe (ST) borrower and at least one Woman borrower per bank branch of all scheduled commercial banks for setting up a greenfield enterprise. This enterprise may be in manufacturing, services or the trading sector. In case of non-individual enterprises at least 51 per cent of the shareholding and controlling stake should be held by either an SC/ST or Woman entrepreneur. The Stand-Up India scheme is based on recognition of the challenges faced by SC, ST and women entrepreneurs in setting up enterprises, obtaining loan and other support needed from time to time for succeeding in business.

3. Scheme for the Development and Promotion of Women Entrepreneurs

Trade Related Entrepreneurship Assistance and Development Scheme-TREAD.

With a view to encourage women in setting up their own ventures, government implements a scheme, namely, "Trade Related Entrepreneurship Assistance and Development (TREAD) during the 11th Plan. The scheme envisages economic empowerment of women through the development of their entrepreneurial skills in non-farm activities. There are three major components of the scheme; (i) Government Organisations (NGOs) for promoting entrepreneurship among women. The remaining 70 per cent of the project cost is financed by the lending agency as loan for undertaking activities as envisaged in the project. (ii) Government of India grant upto Rs. 1 lakh per programme to training institutions/NGOs for imparting training to the women entrepreneurs, subject to these institutions/NGOs bring their share to the extent of minimum 25 per cent of Government of India grants upto Rs. 5 lakh to National Entrepreneurship Development. Institutions and other institutions of repute for undertaking field surveys, research studies, evaluation studies, designing of training modules etc.

The TREAD Scheme envisages economic empowerment of women through trade related training, information and counselling extension activities related to trades, products and services. Under the scheme financial loans are provided by nationalized banks and grants by government of India at the rate of 30 percent of the loan subject to maximum limit of Rs. 30 lakh through NGOs for capacity building and for undertaking self-employment ventures by women in non-farm activities. Under Mahila Coir Yojana, financial assistance is provided for motorized ratts for spinning coir yarn to women artisans after giving training. The Government provides motorized ratts/motorized traditional ratts at 75 percent cost subsidy subject to a maximum ceiling of Rs. 7,500 for motorized ratts and Rs. 3,200 for motorized traditional ratts. The remaining 25 percent is raised by the beneficiaries. Fund allocated for these schemes during the current year is Rs. 6.70 crore.

MSMEs in Budget 2017-18

With the use of analytics, the Finance Minister made an interesting observation that the effective tax rate of MSME is much higher than that of larger companies. This, in spite of the fact that these companies contribute immensely towards economic growth and employment generation. To give a big boost to the MSMEs to thrive in a competitive environment, the Finance Minister has proposed to reduce the tax rate of MSMEs reporting turnover of less than Rs. 50 crore to 25 per cent from the existing 30 per cent. He also made an assertion that this benefit covers 96 per cent of the total companies in India that are filing tax returns. Also, in a drive to promote digital way of doing business, a lower rate of 6 per cent from the existing 8 per cent has been proposed to small companies having turnover less than Rs. 50 crore to 25 per cent from the existing 30 per cent. He also made an assertion that this benefit covers 96 per cent of the total companies in India that are filing tax returns. Also, in a drive to promote digital way of doing business, a lower rate of 6 per cent from the existing 8 per cent has been proposed to small companies having turnover less than Rs. 2 crore to the extent their sale proceeds are realised through banking channels. Similarly, the threshold for mandatory tax audit compliance has been raised to Rs. 2 crore, which would ease the compliance burden. All of these measures suggest that with Budget 2017-18, the government has sought to reward those honest and compliant tax payers - whether the common man or MSMEs - to ensure inclusive growth and development.

Future Prospects

A holistic approach has laid the key foundations for strong MSME backbone for the Indian economy. For future growth in India economy and GDP increase, the share of MSME contribution would increase

from current 8 per cent to 15 per cent by the year 2020. This would be realized by the growth of the new wave MSME led by entrepreneurship focused on innovation and technologies, creating opportunities for women entrepreneurs, and developing skilled resources across the following opportunity areas:

“Come Make in India”

Promote an ecosystem for ‘Make in India’ for foreign companies to invest in manufacturing, service and agricultural and agri processing related segments for meeting the domestic as well as global demand.

Digital India

Promote MSMEs’ manufacturing and service capabilities in the ICT sector in line with the government vision.

Export Contribution

Promote Export contribution by supporting and developing MSME segment to be globally competitive and adopt research and development, innovation and global technologies. Provide MSME with global technologies. Provide MSME with global market access by entering into bilateral trade agreements and set off arrangements.

Public Procurement Policy

Promote an ecosystem for supplies to defence and public sector enterprises so as to achieve at least 25 per cent portion of total procurement by defence and public sector enterprises from MSME.

Procurement by Large Indian and Foreign Corporate across Industry Sectors from MSMEs Promote an ecosystem, provide incentives for investments and support efforts by large corporate in vendor development for MSME segment particularly adapting to research and development, innovation and global technologies.

Indigenisation

Incentivise any investments and outputs by large players and their MSME vendors to indigenise and/or enable import substitution particularly adapting to research and development, innovation and global technologies.

Traditional and Heritage Industries

Incentivise and support any stakeholder that invests in development, growth and opening global markets for India’s traditional and heritage industries for goods, services and agricultural and natural medicines and therapy related products and services.

Infrastructure

National, regional and sector specific clusters and business centers for MSME in PPP model for state of the art infrastructure comprising physical infra, knowledge infra, e-platforms, B2B access technology and innovation support for MSME.

Regulatory

One “all India all-purpose” enactment as MSME regulation to be adopted by all stakeholders in MSME system with one window and one annual return compliance filing coupled with significant direct tax incentives and indirect tax exemptions.

Funding

Open environment and incentives for investments by High Net Worth Individual (HNWI) and funds into MSME business as well incentivize debt funding in MSME segment. Develop MSME equity exchange and “two chance” approach for entrepreneurs, and fast close winding up where necessary.

Performance Incentives

Direct incentives in form of direct taxes rebates and set offs, weighted deductions and reliefs in indirect taxes combined with low cost funding and credit access for stakeholders in MSME eco system who make investments in desired areas and achievement of desired growth results in developing MSME

funding and infrastructure skills, technology, innovation, global market access, indigenization, public procurement and vendor development, traditional and heritage industry developments.

Skill India

Rewarding MSME for initiatives towards skill development and employment generation, particularly for women and special classes, by way of direct incentives, weighted deductions and reliefs in indirect taxes combined with low cost funding and credit access for stakeholders.

Thus, as mentioned above, the MSME opportunity for India is mainly to develop entrepreneurship and support growth led by innovation over the next decade by-

- ◆ Significantly increasing the share of MSME contribution to GDP from the current 8 per cent to 15 per cent by 2020;
- ◆ Generate employment levels to the extent of 50 per cent of the overall employment, more than doubling the current MSME workforce of 106 million across agricultural, manufacturing and services sectors; and
- ◆ Increasing the share of MSME contribution across key public and private industry sectors fulfilling increasing domestic demand, growth in exports, indigenisation and import substitution.

Source: Yojana

