



CENTRE FOR AMBITION
(An Institute for Civil Services)

CURRENT AFFAIRS
OCTOBER-2017



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PRESIDENT VISIT TO ETHIOPIA AND DJIBOUTI

President Ram Nath Kovind made his first foreign trip as Head of State to Ethiopia and Djibouti in a region that has acquired major significance as a result of geopolitical developments.

India- Djibouti o India and Djibouti signed an agreement to establish regular Foreign Office-level consultations during President's visit.

- ❖ During the evacuation of Indian nationals from Yemen, Djibouti extended to India all facilities required to move thousands of people by air and sea.
- ❖ Djibouti is strategically located just off the Gulf of Aden.

While Djibouti opened its embassy in New Delhi in 2004, India does not have an embassy in Djibouti, unlike the US and China. India's relations are based on a handful of diaspora and limited trade links from ancient times.

If relations with Djibouti could be strengthened on the basis of providing skills, educational and medical facilities, which are perceived in the region as India's three areas of greatest strength, it will not be too late for India to look for an opportunity to get a strategic toehold there, perhaps to set up a base for anti-piracy monitoring. It should be possible to achieve this if the president's visit is well coordinated, help is taken from friends and allies, and most of all Djibouti is not underestimated in any way.

Bilateral partnership between India and Ethiopia rests on civilizational ties and cultural bonds. Historical linkages between both countries go back about 2,000 years of recorded history. India is amongst top trade, investment and development partner of Ethiopia.

India- Ethiopia

- India and Ethiopia signed agreements for cooperation in trade and communication sectors to boost bilateral ties.
- India's bilateral trade with Ethiopia in 2016 was nearly \$1 billion. India is among the top three foreign investors in Ethiopia with an approved investment of \$4 billion.
- Most of the Indian investments are in agriculture, engineering and textiles. India has also extended \$1 billion in concessional loans to Ethiopia.

IMPORTANCE

The four different states constituting the Horn — Somalia, Ethiopia, Eritrea and Djibouti — along with Yemen across the Red Sea have long been described as one of the world’s pivotal regions. Many regional powers are now trying to shape the strategic landscape of the Horn through military bases(eg-China in Djibouti) and armed interventions. The new reliance on the sea lines of communication for India’s economic growth saw the rejuvenation of India’s maritime sensibility stretching from the “Aden to Malacca”. Such visits will facilitate India to take larger responsibility for regional stability and restore the proposition that India is a “net security provider” in the Indian Ocean.

INDIA ITALY

India and Italy today inked six pacts to boost cooperation in key sectors, including energy and trade, after detailed talks between Prime Minister Narendra Modi and his Italian counterpart Paolo Gentiloni on ways to strengthen ties and countering terrorism.

They also called on all countries to work towards rooting out terrorist safe havens, their infrastructure and networks and halting cross-border movement of terrorists, a joint statement issued after the meeting said, in a veiled refer ..

Italy is India’s fifth largest trading partner in the EU with a bilateral trade of USD 8.79 billion in 2016-17, as per official figures.

India’s exports to Italy were at USD 4.90 billion, while its imports were at USD 3.89 billion, resulting in a trade imbalance of about USD 1 billion in favour of India. In the first four months of fiscal 2017-18, bilateral trade has reached USD 3.22 billion.

The two sides agreed to strengthen the consultation mechanism through regular exchange of assessments and information, training and capacity building programmes in the sphere of counter-terrorism.

The leaders also resolved to enhance cooperation to take “decisive and concerted actions” against the al-Qaeda and ISIS, the joint statement said.

The two sides also released a logo to commemorate the 70 years of relations between the two countries. India and Italy will complete 70 years of diplomatic ties in March next year.

SABARIMALA DEBATE

The Supreme Court of India has repeatedly struck down discriminatory religious practices, the latest of which is the triple talaq (Bench is in itself a radical judicial move. Preventing women’s entry to the Sabarimala temple with an irrational and obsolete notion of “purity” clearly offends the equality clauses in the Constitution. It denotes a patriarchal and partisan approach. The entry prohibition takes away the woman’s right against discrimination guaranteed under Article 15(1) of the Constitution. in *Shayara Bano v. Union of India*, 2017). Reference of the Sabarimala entry row to a five-member Constitution It curtails her religious freedom assured by Article 25(1).

Prohibition of women's entry to the shrine solely on the basis of womanhood and the biological features associated with womanhood is derogatory to women, which Article 51A(e) aims to renounce. The classification based on age is, in essence, an act of discrimination based on sex.

There is no unanimity on whether the Sabarimala temple bar is 'age-old.' The practice rests on a fragile rule and an equally fragile judgment of the Kerala High Court (*S. Mahendran v. The Secretary, Travancore Devaswom Board*, 1991). The very purpose of the Kerala Hindu Places of Public Worship (Authorisation of Entry) Act, 1965 is to ensure entry of all Hindus to temples without being discriminatory. Rule 3(b), which instigates obstruction to women's entry on the ground of menstruation, apparently runs counter to the very object of the parent enactment and is therefore untenable. The High Court, in its verdict, relied too much on the *Tantri's* (chief priest) opinion without a deeper analysis of the competing claims.

B.R. Ambedkar famously said that public temples, like public roads and schools, are places meant for public access and so the question of entry is, essentially, a question of equality. The managerial rights of religious authorities under Article 26(b) of the Constitution cannot override the individual woman's religious freedom guaranteed under Article 25(1). The former is intended to safeguard, not annihilate, the latter. Liberty is tested at the individual level, for individuals alone can constitute the public in a republic. The ethical autonomy of women and the intrinsic value of womanhood need to be asserted in the realm of spirituality. In *S.R. Bommai* (1994), the Supreme Court said that "secularism operates as a bridge" for the country to move on from "tradition to modernity."

It is erroneous to conceive of the issue only as one involving a fissure between individual freedom and gender justice on the one hand and religious practice on the other. More importantly, it also reflects a conflict among believers themselves. Therefore, it is essential to prevent monopolisation of religious rights by a few under the guise of management of religious institutions. Those at the helm of affairs can only manage the institutions in a lawful and fair manner and they cannot be permitted to manage others' freedom. Any other interpretation of Articles 25 and 26 would damage the very idea of individual liberty.

Article 25(2)(b) enables the state "(to provide) for social welfare and reform or the throwing open of Hindu religious institutions of a public character to all classes and sections of the Hindus." Viewed so, a legislation to put an end to the objectionable practice ought to have been attempted much earlier. However, as it has happened in independent India, religious reform has predominantly been a judicial task. There is reason for optimism for religious liberals aspiring for a fairer temple ambience.

IRAN NUCLEAR DEAL

The **Joint Comprehensive Plan of Action (JCPOA)**, known commonly as the **Iran deal** or **Iran nuclear deal**, is an international agreement on the nuclear program of Iran reached in Vienna on 14 July 2015 between Iran, the P5+1 (the five permanent members of the United Nations Security Council—China, France, Russia, United Kingdom, United States—plus Germany),^[a] and the European Union

Under the agreement, Iran agreed to eliminate its stockpile of medium-enriched uranium, cut its stockpile of low-enriched uranium by 98%, and reduce by about two-thirds the number of its gas centrifuges for 13 years. For the next 15 years, Iran will only enrich uranium up to 3.67%. Iran also agreed not to build any new heavy-water

facilities for the same period of time. Uranium-enrichment activities will be limited to a single facility using first-generation centrifuges for 10 years. Other facilities will be converted to avoid proliferation risks. To monitor and verify Iran's compliance with the agreement, the International Atomic Energy Agency (IAEA) will have regular access to all Iranian nuclear facilities. The agreement provides that in return for verifiably abiding by its commitments, Iran will receive relief from U.S., European Union, and United Nations Security Council nuclear-related economic sanctions.

On January 16, 2016, the International Atomic Energy Agency verified that Iran has completed the necessary steps under the Iran deal that will ensure Iran's nuclear program is and remains exclusively peaceful.

Before this agreement, Iran's breakout time — or the time it would have taken for Iran to gather enough fissile material to build a weapon — was only two to three months. Today, because of the Iran deal, it would take Iran 12 months or more. And with the unprecedented monitoring and access this deal puts in place, if Iran tries, we will know and sanctions will snap back into place.

Since October, Iran has:

- Shipped 25,000 pounds of enriched uranium out of the country
- Dismantled and removed two-thirds of its centrifuges
- Removed the calandria from its heavy water reactor and filled it with concrete
- Provided unprecedented access to its nuclear facilities and supply chain

Because Iran has completed these steps, the U.S. and international community can begin the next phase under the JCPOA, which means the U.S. will begin lifting its nuclear-related sanctions on Iran. However, a number of U.S. sanctions authorities and designations will continue to remain in place.

Why “decertify” the JCPOA now?

U.S. sanctions relief was more complicated because of a multiplicity of sanctions relating to nuclear and missile activities, human rights violations and terrorism. Sanctions also had extra-territorial application, implying that third country companies would be penalised if they engaged in activities from which U.S. companies were barred. The President's announcement was made in anticipation of an October 15 deadline under the Iran Nuclear Agreement Review Act of 2015 (“INARA”). The objective of the Act was to constrain presidential authority to waive sanctions on Iran. Under the INARA, every 90 days, the President is obliged to certify to the US Congress that Iran is in compliance with the terms of the JCPOA and

- The suspension of sanctions under the JCPOA is appropriate and proportionate to measures taken by Iran to
- terminate its illicit nuclear program It continues to be vital to the national security interests of the United States.

- INARA also obliged the President to provide a report on Iran's support to terrorism, human rights violations ballistic missile activities.

The President has made this certification twice and also continued to renew the periodic waivers of US sanctions since he was sworn into office in January 2017, although each time reluctantly. President would like Congress to make JCPOA permanent and also establish new benchmarks on missile activities and regional behaviour for continuing sanctions relief. However, President's announcement was made due to the deteriorated relations between President and Senator recently. Only two countries have applauded US decision — Saudi Arabia praised the U.S.'s firm strategy and Israeli Prime Minister conveyed his congratulations.

IMPLICATIONS:-

Other countries have promised to uphold it but their ability to do so will depend on how their companies can be firewalled from U.S. sanctions if they continue their engagement with Iran. The sanctions often referred to as "secondary sanctions", which primarily target non-US companies engaging in business in or with Iran entirely outside US jurisdiction. However, implications of the breakdown are not limited to U.S.-Iran relations. Iran can make things difficult for the U.S. in Afghanistan as also in Iraq and Syria

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IRAQI KURDISTAN INDEPENDENCE REFERENDUM

An **independence referendum for Iraqi Kurdistan** was held on 25 September 2017, with preliminary results showing approximately 93.25 percent of votes cast in favour of independence. Despite reporting that the independence referendum would be non-binding, the autonomous Kurdistan Regional Government (KRG) characterised it as binding, although they claimed that an affirmative result would trigger the start of state building and negotiations with Iraq rather than an immediate declaration of independence of Kurdistan. The referendum's legality was rejected by the federal government of Iraq.

Reaction:-

- The Iraqi Supreme Court has already asked the Kurdistan Regional Government to suspend the vote, till its legality is settled.
- Although a Yes in the referendum doesn't guarantee secession, it has been perceived as a message to the outside world reiterating that there is popular support for independence.
- Kurds are an important partner for Baghdad in the fight against the IS, with the U.S. also treating the Peshmerga forces as an ally.
- The move by the Iraqi Kurds is being viewed with alarm by the Turkish and Iranian regimes.
- Turkey has in the past treated Kurdish demands for minority rights such as recognition of their language, let alone autonomy, as secessionist.
- Iran is also fighting a minor insurgency by kurds in the mountains of its northern region and has recently closed its eastern borders in the light of the referendum .
- Bashar al-Assad regime in Syria remains tactically silent on the matter for now.
- So the referendum has geopolitical ramifications.

Current political status

- Iraqi Kurds were granted some autonomy after 1991 when a regional government was constituted at Erbil.
- In recent years, both Baghdad and Erbil cooperated in the fight against the Islamic State.
- Although independence remains the proclaimed goal of Iraqi Kurdis, Mr.Barzani - who heads the regional administration at Erbil, has often personally signalled a compromise.
- While Baghdad has chosen to ignore such gestures, the current developments makes restarting negotiations essential.

SAMPOORNA GRAM BIMA YOJANA

- The Minister for Communications Shri Manoj Sinha launched the SampoornaBima Gram (SBG) Yojana and an initiative for expansion of clientele base of Postal Life Insurance. Talking to media after launching the schemes here, the Minister said that the vision of the Prime Minister Shri Narendra Modi to provide banking services through the postal network needs to be taken forward to provide affordable life insurance services to people living in rural areas of the country. He said that all villages under the Saansad Adarsh Gram Yojana will be brought under its ambit.
- The Minister said, under SampoornaBima Gram (SBG) Yojana, at least one village (having a minimum of 100 households) will be identified in each of the revenue districts of the country, wherein endeavour will be

made to cover all households of that identified village with a minimum of one **RPLI** (Rural Postal Life Insurance) policy each. Coverage of all households in the identified SampoornaBima Gram village is the primary objective of this scheme.

- ShriSinha said, under the scheme expansion of clientele base of PLI, it has now been decided that benefits of **PLI** will no more be confined to Government and semi-Government employees, but will also be available to professionals such as Doctors, Engineers, Management Consultants, Chartered Accountants, Architects, Lawyers, Bankers etc. and to employees of listed companies of NSE (National Stock Exchange) and BSE (Bombay Stock Exchange). The decision has been taken to enlarge the cover of social security and bring maximum number of people under the protection of Postal Life Insurance (PLI). He said that the postal policies have low premium and high bonus, unlike the Private ones.
- The Minister added that the Government is committed to the cause of complete wellbeing of citizens of this country. Expansion of clientele base of Postal Life Insurance (PLI) and ensuring coverage of Rural Postal Life Insurance (RPLI) to all households of SampoornaBima Gram villages in each district of the country is a step in that direction. These two major initiatives being undertaken by Department of Posts will serve as an instrument of securing lives of people as well as enhancing financial inclusion.

STRONG MACRO-ECONOMIC FUNDAMENTALS AND REFORMS FOR SUSTAINED GROWTH

I. INDIA A HAVEN OF MACROECONOMIC STABILITY

Strong economic growth

- India grew at a very strong pace of 7.5% p.a. in the three years of 2014-17 with growth exceeding 8% in 2015-16. There was a temporary slippage in growth in the last two quarters thanks to transitional effect of Demonetisation and GST. That effect is now over, with all indicators – IIP, Core Sector, Index, automobile, consumer spending etc. pointing out a strong growth pick up, there is expectation of very good growth from second quarter of current year itself.

Inflation has been brought under control

- Headline inflation based on Consumer Price Index (Combined) averaged 4.9 per cent in 2015-16 as compared to 5.9 per cent in 2014-15. CPI inflation for 2016-17 averaged 4.5 per cent. The year-on-year inflation in April-September 2017 was 2.6 per cent as compared to 5.4 per cent in the corresponding period of the previous year.

External sector indicators have improved significantly despite global sluggishness

- Along with lower inflation, lower level of current account deficit has brought about much of macro-economic stability in the last 3-4 years.

India's Merchandise trade

- Exports declined in 2015-16 primarily on account of the sluggish global demand and imports declined due to steep decline in international crude oil prices as well as the decline in the prices of other commodities. During 2016-17, exports grew by 5.2 per cent while imports increased by 0.9 per cent, helping in narrowing the trade deficit. Merchandise exports and imports grew by 11.5 per cent and 25.1 per cent respectively in dollar terms during April-September 2017, resulting in widening of trade deficit from US\$ 43.4 billion in April-September 2016 to US\$ 73.1 billion in April-September 2017.

Robust foreign direct investment

- The gross FDI flows to India in 2016-17 amounted to US\$ 60.2 billion, as compared to US\$ 55.6 billion in 2015-16 and US\$ 45.1 billion in 2014-15, indicating the improved global confidence on the Indian economy. During April-August 2017, the gross FDI inflow in the economy was US\$ 30.4 billion, higher as compared to the inflow of US\$ 23.3 billion in the corresponding period of the previous year.

Foreign exchange reserves

- Foreign exchange reserves stood at US\$ 370 billion at the end of March 2017 as compared to 360.2 billion as at end March, 2016. As on 13th October 2017 the foreign exchange reserves exceeded US\$ 400 billion. With increase in reserves in the last couple of years, most reserve-based external sector vulnerability indicators have improved.

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II. TRANSFORMATIONAL REFORMS

Landmark Reform in the form of GST

- Subsuming a large number of Central and state indirect taxes, the GST has been a landmark reform that has been implemented with effect from 1st July 2017.

Crusade against Black Money including demonetization

- The initiatives like: (a) Special Investigation Team on Black Money, constituted in May, 2014 for monitoring investigations and reviewing the framework for curbing black money; (b) Black Money (Undisclosed

Foreign Income and Assets) and Imposition of Tax Act, 2015, enacted w.e.f. 1st July 2015; (c) the Income Declaration Scheme, 2016; and (d) enactment of the comprehensive Benami Transactions (Prohibition) Amendment Act, 2016, w.e.f. 1st November, 2016 had made varying degrees of success in the fight against black money generation and holding. The follow-up to these measures in terms of demonetization of the high denomination notes w.e.f. the expiry of 8th November, 2016 effected a body blow on black money.

Insolvency and Bankruptcy Code

Insolvency and Bankruptcy Regime

- An effective and Internationally best practice based insolvency regime institutionalised in India
- Strong time bound process ensuring quicker resolution
- By June, 2050 Applications filed before NCTL
- 347 applications for corporate insolvency resolution process admitted as on 30th September, 2017
- 22 voluntary liquidation
- 1054 insolvency personnel registered
- Resolution have also commenced
- Liquidation process triggers on if resolution process does not succeed in given time frame
- Financial Resolution and Deposit Insurance Bill 2017 introduced to complete the circle

Housing Development

- Government has announced various measures in the Budget 2017-18 to promote growth of the economy which, inter alia, include push to infrastructure development by giving infrastructure status to affordable housing, higher allocation to highway construction, focus on coastal connectivity.

Institutional reforms

- Institutional reforms including expenditure rationalization and progressive elimination of leakages in public delivery through stress on targeting and direct benefit transfer; instituting a profoundly impactful financial inclusion programme; measures to improve policy transparency in governance and decision-making; Ujwal DISCOM Assurance Yojana (UDAY) programme for DISCOMs; liberalization of FDI norms in various sectors; and approval of National Intellectual Property Rights Policy for laying down the future roadmap for intellectual property in India.

Improved ease of doing business

- The complementarities built around the flagship Make-in-India programme, including comprehensive measures for improving the ease of doing business, encouragement to budding entrepreneurial talent under

the Start-up India and Stand-up India Initiatives and advertisement and global campaign, have evidently improved India's global ranking as a business destination. India has launched eBiz platform for creating a business and investor friendly ecosystem by making all business and investment related clearances and compliances available on a 24x7 single portal, with an integrated payment gateway.

Radical changes in FDI policy regime; most sectors on automatic route for FDI

- The Government radically liberalized the FDI regime on 20th June 2016, with the objective of providing major impetus to employment and job creation. This is the second major reform after the major changes announced in November 2015. Now most of the sectors would be under automatic approval route, except a small negative list. Changes introduced in the policy include increase in sectoral caps, bringing more activities under automatic route and easing of conditionalities for foreign investment. With these changes, India is now one of the most open economies in the world for FDI.

Ambitious Disinvestment Programme

- Progressively higher revenues have been raised from disinvestment in public sector undertakings in the last three years and the government has a very ambitious target of raising much higher revenues in the current financial year.

RECAPITALIZATION OF PUBLIC SECTOR BANKS

- Government Commits to Unprecedented Strengthening of Public Sector Banks
- Rs. 2,11,000 Crore Front-loaded Bank Recapitalisation to Clean Up Legacy of NPAs
- Credit Growth to Take-off through Recapitalised Banks
- Banks to Give Big Push to MSMEs for Jobs and Growth

Government has decided to take a massive step to capitalise PSBs in a front-loaded manner, with a view to support credit growth and job creation. This entails mobilization of capital, with maximum allocation in the current year, to the tune of about Rs. 2,11,000 crore over the next two years, through budgetary provisions of Rs. 18,139 crore, recapitalisation bonds to the tune of Rs. 1,35,000 crore, and the balance through raising of capital by banks from the market while diluting government equity (estimated potential Rs. 58,000 crore).

Government actions are not limited to addressing capitalisation of PSBs. Definite steps will be taken alongside capitalisation to enable them to play a major role in the financial system. PSBs having 70% market share in the banking space will be geared for greater growth and to contribute through enhanced credit off-take. The stage has been set with a 'MUDRA Protsahan' campaign across the country.

There will be a strong push on enabling growth of MSMEs through enhanced access to financing and markets, and a drive to finance MSMEs in 50 clusters. While Ministries concerned will spearhead and provide momentum, banks will undertake speedy processing of loan applications in a hassle-free manner. Fintech companies will be roped in to cut down the appraisal process and generate quality loan applications. MSMEs will be hand-held by extending support through:

- Compulsory TReDS (Trade Receivables electronic Discount System) registration by major PSUs within next 90 days, for shortening the cash cycle
- Sector-specific Mudra financial products, such as Mudra Leather, Mudra Textiles, etc.
- 100 bank-approved MSME project templates for speedier credit
- Revamped udyamimitra.in portal, so that banks compete for financing MSME projects
- Drive for registering MSMEs on the GeM (Government electronic Marketplace) portal and e-commerce platforms

It may be recalled that aggressive loaning to sectors with excess capacity and poor due diligence created large stressed assets, which grew to 11.9% by March 2014.

Asset Quality Review (AQR) carried out in 2015 for clean and fully provisioned bank balance-sheets revealed high incidence of NPAs. Expected losses on stressed loans, not provided for earlier under flexibility given to restructured loans, were reclassified as NPAs and provided for. PSBs initiated cleaning up by recognising NPAs and provided for expected losses.

Indradhanush Plan for recapitalising and revamping PSBs was announced by the Government on 14.8.2015. Government envisaged capital need of Rs. 1,80,000 crore till 2018-19. **Government also undertook several legislative changes** to facilitate recovery and resolution of stressed assets. The Insolvency and Bankruptcy Code, 2016 was enacted as a unified framework for resolving insolvency and bankruptcy matters. The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act) and the Recovery of Debts Due to Banks and Financial Institutions Act, 1993 (which governs Debt Recovery Tribunals) were amended in 2016 to facilitate faster recovery. Further, the Banking Regulation Act, 1949 was amended this year to enable Government to authorize RBI to direct banks to initiate the insolvency resolution process under the Insolvency and Bankruptcy Code.

GOVERNMENT'S INFRASTRUCTURE PUSH

Government has consistently increased Public Expenditure on Infrastructure in order to boost employment and provide renewed impetus to economic growth. Government of India's total expenditure this year has crossed Rs

11.47 lakhs crores (upto Sept '17), out of the budgeted expenditure Rs 21.46 lakhs cr. Special thrust of this drive is on key development sectors including Rural Roads, Housing, Railways, Power, Highways and Digital Infrastructure.

Railways

- A target of Rs.1,31,000crore has been made for Capital Expenditure for the Railways. Against the target, an expenditure of Rs.50,762crore has been achieved. The main thrust is on upgrading the infrastructure to improve safety, laying of new lines and providing passenger amenities.

Saubhagya (PradhanMantri SahajBijliHarGharYojana)

- Under this program, Universal Electrification is being taken up to provide last mile connectivity and electricity connections to all remaining un-electrified households in the country by Mar '19. This is an addition to the ongoing Scheme of Rural Electrification (DeenDayalUpadhay Gram JyotiYojana).

Rural roads – PM Gram SadakYojana (PMGSY)

- In order to complete Phase-I and II of PMGSY, Government of India, along with States, proposes to spend Rs. 88,185 crores over 3 years starting 2017-18. This will result in construction of 1,09,302 km of rural roads covering 36,434 habitations.
- In addition, roads worth Rs 11,725 crores, involving 5411 km of upgradation of existing roads and construction of new roads in 44 LWE districts, will be completed by 2019-20.

PM AwasYojana (PMAY) – Urban & Gramin

- Universal Affordable Housing for All is being implemented and accelerated to give a big boost to the construction sector. Under PMAY (Urban), 1.2 crore units will be built with an outlay of 1,85,069crores over next 3 years. Under PMAY (Gramin), 1.02 crore units will be built (51 lakhs units this year) with an outlay of Rs. 126,795 crores by Centre and States by March '19.

BharatmalaPariyojana

- Taking forward it's commitment to providing more efficient transportation, Government has debottlenecked the Roads sector and significantly stepped up the Highway development and road building program. In order to further optimise the efficiency of movement of goods and people across the country, Government

is launching a new Umbrella program. This Road Building Program, for 83,677 km of roads involving capex of Rs.6.92 lakhs crores over next 5 years.

- Out of this, BharatmalaPariyojana to be implemented with an outlay of Rs.5,35,000crores will generate 14.2 croresmandays of jobs.
- The following categories of roads (34,800 km) have been proposed under BMP
- Economic Corridors (9000 km)
- Inter Corridor and Feeder Route (6000 km)
- National Corridors Efficiency Improvement (5000 km)
- Border Roads and International Connectivity (2000 km)
- Coastal Roads and Port Connectivity (2000 km)
- Green field Expressways (800 km)
- Balance NHDP works (10,000 km)
- Bharatmala works have been proposed for completion in 5 years by 2021-22 through NHAI, NHIDCL, MoRTH and State PWDs.

EASE OF DOING BUSINESS

India jumped up 30 notches into the top 100 rankings on the World Bank's 'ease of doing business' index, thanks to major improvements in indicators such as resolving insolvency, paying taxes, protecting minority investors and getting credit.

The Doing Business Report 2018 credited the Modi government for taking several measures to boost its ranking. One such step was recapitalizing the public sector banks with an infusion of \$32 billion. This includes 1.35 trillion rupees through recapitalization bonds and 760 billion rupees via budgetary support. The easy credit will spur investment in critical infrastructural and power projects. The government had also introduced 37 reforms in areas such as insolvency resolution, protecting the interest of minority shareholders, and simplifying the process of taxes. These measures, as the World Bank report states, led to India's boosted ranking. Reforms to ensure the faster resolution of commercial disputes could further improve India's ranking in future surveys.

Another major step taken by the government was the introduction of the Bankruptcy and Insolvency Act, 2017. Once implemented, the act will make it easier to exit or attempt a revival of a business, thereby improving the nonperforming assets (NPAs) dilemma for the financial services sector. This will make it easier for financial institutions

and banks to deal with NPAs arising from failed corporate ventures; it also helps firms by making the revival process and/or liquidation easier. As the GST and the Banking and Insolvency Act were introduced after the coverage period for this year's Doing Business Report, their impact will be felt in the 2019 report.

There is one major caveat: the WB report based its report by talking to stakeholders only in two cities: Mumbai and Delhi. If one were to also factor into the difficulties in starting a business in India's most populous state, Uttar Pradesh, or other states like Bihar, Madhya Pradesh, and Rajasthan, India's ranking would take a big hit. To plug the lacunae in the WB report, the Department of Industrial Policy and Promotion (DIPP) is undertaking its own much wider evaluation across the country to find out where is real work is to be done.

Despite India's phenomenal progress, its ranking comes below most of its fellow BRICS countries. Russia topped the BRICS with a ranking of 35 in 2018, followed by China (78) and South Africa (82). Of the BRICS, only Brazil (125) was ranked lower than India. However, India has shown more improvement over the past four years than the other BRICS members.

Meanwhile, India was outranked by a host of Northeast and Southeast Asian economies. South Korea (4), Hong Kong (5), Taiwan (15), Thailand (26), and Japan (34) all figure in the top 50 spots. Other Asian countries like Mongolia (62), Vietnam (68), and Indonesia (72) also outranked India.

If India wants to achieve Prime Minister Narendra Modi's goal of a top 50 ranking by 2022, the government has to introduce big ticket reforms to land ownership, labor law, and the judicial process.

INDIA 100TH ON GLOBAL HUNGER INDEX

India has a "serious" hunger problem and ranks 100th out of 119 countries on the global hunger index — behind North Korea, Bangladesh and Iraq but ahead of Pakistan, according to a report.

The country's serious hunger level is driven by high child malnutrition and underlines need for stronger commitment to the social sector, the International Food Policy Research Institute (IFPRI) said in its report.

ANALYSIS

- India is the world's second largest food producer; but is also home to the second highest population of under-nourished in the world.
- India has taken some successful measures in addressing lack of access to food.
- E.g. The Food Security Act, mid-day meals, ICDS, etc.
- Also, India has witnessed a decline in stunting and a sharp fall in under-5 mortality in the last 25 years.
- India is thus not "hungry" in terms of calorific intake.

- However, the **calorific intake is poorly reflected in the physiological outcomes** such as height and weight.
- More than one-fifth of Indian children under five are ‘wasted’ and over a third are ‘stunted’.
- Therefore, despite the relative progress over the years, the numbers remain still high for child wasting and stunting.

Cause

- Household’s poor access to **sanitation**, one of the factors that GHI also points out, is said to be the prime cause for child wasting and stunting.
- Poor sanitation causes poor absorption of nutrients.
- Also, the ill-effects of **open defecation** and **water contamination** are hampering the possible positive results of nutrients intake.
- Notably, water-borne diseases like diarrhoea have been responsible for most of the under-5 deaths.

WAYAHEAD

- It is essential for India to take measures on improving sanitation and fighting related infections.
- The children and their caregivers should be trained to follow hygienic practices and take healthy foods.
- Inequality in all its forms must be addressed to meet Sustainable Development Goal 2 of Zero Hunger for everyone by 2030.
- This can not only improve India’s ranking but also render meaningful its efforts on food security.

NOBEL PRIZE 2017

The **2017 Nobel Prize** were announced recently in **6 different fields viz. Physiology or Medicine, Physics, Chemistry, Literature, Peace, and Economic Sciences.**

1. Physiology or Medicine

Jeffrey C. Hall (USA), Michael Rosbash (USA) and Michael W. Young (USA) - for the discoveries of molecular mechanisms controlling the circadian rhythm

2. Physics

Rainer Weiss (Germany), Barry C. Barish (USA) and Kip S. Thorne (USA) - for decisive contributions to the LIGO detector and the observation of gravitational waves

3. Chemistry

Jacques Dubochet (Switzerland), Joachim Frank (Germany) and Richard Henderson (Scotland) - for developing cryo-electron microscopy for the high-resolution structure determination of biomolecules in solution.

4. Literature

Kazuo Ishiguro (Japan) - in novels of great emotional force, has uncovered the abyss beneath our illusory sense of connection with the world

5. Peace

International Campaign to Abolish Nuclear Weapons (ICAN) (founded in Australia) - for its work to draw attention to the catastrophic humanitarian consequences of any use of nuclear weapons and for its groundbreaking efforts to achieve a treaty-based prohibition of such weapons

6. Economic Sciences

Richard H. Thaler (USA) - for contributions to behavioural economics

VALUE ENGINEERING PROGRAMME

Ministry of Road Transport & Highways to implement Value Engineering Programme to promote use of new technologies, materials and equipment in highways projects.

The Ministry of Road Transport and Highways, has decided to implement a **"Value Engineering Program"** to promote the use of new technologies, materials, and equipment in highways projects executed either under PPP mode or public funding mode. The objective of the programme is to use innovative technology, materials and equipment to reduce the cost of projects and make them more environment friendly, while simultaneously ensuring that the roads or bridges and other assets get constructed much faster, are structurally stronger and more durable. The Value Engineering Programme is expected to

- increase speed of construction,
- reduce construction cost,
- increase asset durability and
- improve aesthetics and safety.

BUREAU OF INDIAN STANDARDS ACT 2016

A new **Bureau of Indian standards (BIS) Act 2016** which was notified on 22nd March, 2016, has been brought into force with effect from 12th October, 2017. The Act establishes the Bureau of Indian Standards (BIS) as the National Standards Body of India.

The Act has enabling provisions for the Government to bring under compulsory certification regime any goods or article of any scheduled industry, process, system or service which it considers necessary in the public interest or for the protection of human, animal or plant health, safety of the environment, or prevention of unfair trade practices, or national security. Enabling provisions have also been made for making hallmarking of the precious metal articles mandatory.

The new Act also allows multiple type of simplified conformity assessment schemes including self-declaration of conformity against a standard which will give simplified options to manufacturers to adhere to the standards and get certificate of conformity. The Act enables the Central Government to appoint any authority/agency, in addition to the BIS, to verify the conformity of products and services to a standard and issue certificate of conformity. Further, there is provision for repair or recall, including product liability of the products bearing Standard Mark but not conforming to the relevant Indian Standard.

Provisions:

- Under this Act, any item or subject, any process, arrangement or service of which the Government considers necessary in the public interest or protection of human, animal or tree interest and security, protection of the environment or protection of unfair business practices and national security
- It enables the government to make provision for the mandatory certification under the governance.
- This provision of competence is also made for the mandatory mandatory hallmarking of precious metal items.
- This new act gives approval to various simplified compliance evaluation schemes.
- This act is meant for the Central Government to issue standards and compliance certificates of products and services.
- This new act will facilitate business in the country and will encourage the Make in India campaign and ensure the availability of quality products and services for the customers.

WOMEN IN AGRICULTURE

Union Agriculture and Farmers Welfare Minister, ShriRadha Mohan Singh said that through its mandate, goals and objectives, the Ministry is trying to ensure that women become part of the mainstream agriculture, reap the benefit of every penny spent on agriculture and contribute to agricultural productivity and production and in doubling the income of their families. Shri Singh said it today at the “Securing Rights of Women Farmers: Developing a Roadmap for Action” event, organized at the Constitution Club, New Delhi, by the National Women Commission in association with UN Women and MahilaKisanAdhikaarManch (MAKAAM).

According to NSSO (National Sample Survey Office) survey, a decline in both male and female labour force in agriculture has been observed in the last three decades. The number of men in agriculture has decreased from 81

percent to 63 percent, and women from 88 percent to 79 percent. This is because deterioration in the number of women is significantly lower than the men and this can be easily called the feminization of agriculture.

Agriculture Minister said that the female labourers are facing several inequalities. For instance, the work much longer hours than men and are paid lesser than their counterpart. Also, their ignorance about their rights, opportunities and facilities make their participation in agriculture all the more tougher. Having said that, women play multi-dimensional roles in agriculture - from sowing, harvesting, applying fertilisers, irrigation, plant protection to weeding, storing etc – they do it all while shouldering household chores like cooking, storing water, collecting fuel wood, maintaining the house, etc. Shri Singh said that apart from this, women are active in other agriculture related activities like cattle management, fodder collection and allied activities related to dairy and agriculture such as beekeeping, mushroom farming, pig farming, goat rearing, poultry etc.

The Ministry's initiatives to bring women into mainstream agriculture.

The following measures have been taken to bring women in the mainstream agricultural sector:

1. Earmarking at least 30% of the budget allocation for women beneficiaries in all ongoing schemes/programmes and development activities.
2. Initiating women centric activities to ensure benefits of various beneficiary-oriented programs/schemes reach them.
3. Focusing on women self-help group (SHG) to connect them to micro-credit through capacity building activities and to provide information and ensuring their representation in different decision-making bodies.
4. Last year, the Ministry of Agriculture and Farmers Welfare decided to celebrate 15th October of every year as Women Farmer's Day. This marks a significant step forward in women empowerment.

MOIL and Make in India

MOIL must inevitably make significant contributions to Make in India by developing the technology to meet the manganese requirements of the batteries used in electric vehicles etc.

MOIL Limited (formerly Manganese Ore India Limited) is a minor state-owned manganese-ore mining company headquartered in Nagpur, India. With a market share of 50%, it was the largest producer of manganese ore in India in the fiscal year 2008.

MOIL should strategically plan for forward integration to leverage its leadership position of Manganese Ore production in India.

The company can think of acquiring or taking majority stake in ferro-alloy production facilities, in addition to expansion efforts. There is huge potential for e-rickshaws, e-tempos and e-cars in India, which MOIL must be prepared for harnessing. In fact, the company should innovate to find new uses of Manganese Ore, apart from steel making, dry cell batteries and paints.

R&D efforts should aim for development of new technologies rather than updating or buying technologies from others. The company need to work on utilizing every grade of ore gainfully including the lowest quality ore. Steel Ministry will support every R&D initiative aimed at self-sufficiency and indigenisation. Mineral exploration activities need to be speeded up for strengthening the resource base in India.

MOIL can also examine the feasibility of using alternate modes of ore transportation, which could be environment friendly and cost effective. For closure of mines, sand requirement can be met by innovative means like collaboration with local farmers. MOIL should aim to become the industry leader in innovation and technology development to such a level that other companies from abroad look upto MOIL for technology support.

INDIAN FOOD RECOVERY ALLIANCE (IFRA)

ShriAshwini Kumar Choubey releases FSSAI report on Food Fortification

ShriAshwini Kumar Choubey, Minister of State for Health and Family Welfare released a comprehensive report on “Large Scale Food Fortification in India – The Journey So Far and Road Ahead” at the national ‘Conclave on Nutrition Security: Partnership & Convergence’ organized by the Food Safety and Standards Authority of India (FSSAI) on the occasion of World Food Day, here today. ShriChoubey also launched the food fortification website at the function.

Delivering the keynote address, ShriChoubey stated that it is not enough that the food is available but the food should be nutritious as well. He emphasized on the need to raise awareness about nutrition rich food and cautioned people against food adulteration.

At the function, the Food Safety and Standards Authority of India introduced its new initiative ‘Indian Food Recovery Alliance (IFRA)’ – A coalition of food recovery partners in country to fight the issue of hunger and also prevent food loss and food wastage in India.

The food recovery partners showcased their existing models of food recovery and showcased an integrated web-based platform that is being developed. This web based platform, released on a pilot level, allows interested donors, individuals and volunteers to register themselves to be a part of this initiative. The donors will be able to track all the data, information and the status of the food they donate through their personal logins. This platform will also provide guidance to citizens, food businesses and various food recovery agencies on prevention of food loss and food waste, and safe recovery of surplus food.

RURAL DEVELOPMENT DEPARTMENT

Context:

Rural Development Department is making continuous efforts to improve the availability of work in the rural areas.

What are the initiatives taken by the department?

- ❖ In addition to daily wages under MNREGA, the department is promoting skilled, semi- skilled day laborers in PNAY-Rural and PNGSY under the construction of roads in the road construction sector.
- ❖ The budget of the Rural Development Department has more than doubled since 2012- 13.
- ❖ Department DeenDayalAntyodh is focusing on the bank loan contact for women self- help groups under the National Rural Livelihood Mission (DAY-NRLN) in order to promote the enterprise.
- ❖ There is now more than Rs 47,000 crore rupees, which is being used in the promotion of custom hiring centers, rural transport, agriculture and related work such as animal husbandry, horticulture, handloom and handicrafts, retail business etc.

Mahatma Gandhi National Rural Employment Guarantee Act:

- “Mahatma Gandhi National Rural Employment Guarantee Act”, MGNREGA), is an Indian labour law and social security measure that aims to guarantee the ‘right to work’.

Objectives:

- ❖ The MGNREGA aims to enhance livelihood security in rural areas by providing at least 100 days of guaranteed wage employment in a financial year, to every household whose adult members volunteer to do unskilled manual work.
- ❖ Another aim of MGNREGA is to create durable assets (such as roads, canals, ponds, wells).
- ❖ Employment is to be provided within 5 km of an applicant’s residence, and minimum wages are to be paid.
- ❖ If work is not provided within 15 days of applying, applicants are entitled to an unemployment allowance.
- ❖ Thus, employment under MGNREGA is a legal entitlement.

INDIA AFGHAN TIES

His Excellency Mr Ashraf Ghani, the President of the Islamic Republic of Afghanistan, called on the President of India, Shri Ram Nath Kovind, at Rashtrapati Bhavan.

The President said that for India, Afghanistan is not just a strategic partner, but a nation that evokes endearing affection. He added that civilisational links and people-to-people contacts provide a strong foundation to our ever-growing friendship.

The President expressed happiness at the opening of the air freight corridor between Kandahar and Kabul and Delhi.

The President said that in recent times, the two countries have deepened their strategic partnership. The India-Afghanistan Trade and Investment Show in New Delhi brought our businessmen together and generated business worth over US \$ 200 million.

The India-Afghanistan air corridor has been hit by a shortage of cargo planes.

What is the importance of Air corridor?

- Afghanistan is a land-locked country & trade connectivity through road has to pass through an unwelcoming Pakistan.
- The air corridor project was proposed during the 'Heart of Asia' summit in Amritsar in December 2016.
- It was inaugurated few months ago & the political commitment shown by both sides was remarkable.
- The Afghan government also heavily subsidises the transit for its traders.

What is the recent problem?

- Currently, it is fruits season in Afghanistan.
- There is also a high demand for cargo (to other countries).
- The lack of a secured provider for chartered flights in Afghanistan had caused recent disruptions.
- On the Indian side, traders worry about clearing the perishable goods quickly through Indian customs as the process is yet to be streamlined.
- Due to this, tonnes of perishable produce are not being able to make it to their destined markets in time.
- Officials insist though, that it will be resolved soon.

What are the other projects that enhances connectivity to the west?

- ❖ India has committed \$2 billion in development aid to Afghanistan.
- ❖ Zaranj-Delaram highway (which connects to Iran), the Herat dam (Friendship Dam), the Doshi-Charikar power project, and the construction of Afghanistan's parliament complex are completed.
- ❖ India's plans for the Chabahar port in Iran and the trilateral agreement to develop transit trade is being worked on.
- ❖ It is yet to be ratified in Iran.
- ❖ Tenders by India Ports Global Limited to develop berths as well as the railway line connecting Chabahar to the Afghan border at Zahedan (first planned in 2011) continue to be delayed.
- ❖ Similarly, there has not been sufficient follow-through on the Turkmenistan-Afghanistan-Pakistan-India gas pipeline after its inauguration in 2015.

What should be done?

- ❖ India's dealings with both Afghanistan and Iran are not just about circumventing Pakistan.
- ❖ They should open up important new connectivity and commerce avenues, as well as develop markets in Central Asia and through them to Russia and Europe.

- ❖ A focused commitment with appropriate follow up should take precedence that the grandeur of announcements & ribbon-cutting.

The President said that securing sustained peace and security remain the key fundamentals in leading Afghanistan on the pathway of economic recovery and growth. Unfortunately, mindless and senseless violence is being imposed on the people of Afghanistan. President Kovind strongly condemned recent terror attacks in Afghanistan, including in the provinces of Kabul, Kandahar, Ghazni and Paktia, that have resulted in over 200 innocent people being killed.

The President said that India itself has been victim of state-sponsored, cross-border terrorism for decades. We can fully empathise with the ongoing quest of the Afghan people to secure peace. India believes that whatever initiatives are taken for bringing peace in Afghanistan should be Afghan-led and Afghan-controlled.

