

NEWS TODAY

GOVERNMENT ANNOUNCES ECONOMIC STIMULUS TO BOOST DEMAND BY ₹ 73,000 CRORE

- This is the **second fiscal stimulus package after Rs 20 lakh crore 'Aatmanirbhar Bharat' stimulus** unveiled in May to tackle the economic fallout of COVID-19 pandemic.
 - Fiscal stimulus refers to policy measures undertaken by a government that typically reduce taxes or regulations—or increase government spending—in order to boost economic activity.
- **Current status of Indian economy which necessitated second fiscal stimulus:**
 - **Rise in inflation: Sharp rise in food prices** at a time when employment and wages are under a squeeze means that households will find it difficult to spend on non-food items.
 - **Bleak Employment scenario:** Even as economic activity has been resuming with the removal of lockdown restrictions, employment generation and wage growth have not been commensurate.
 - **No recovery in Index of Industrial Production (IIP) yet:** Factory output contracted in August by 8% compared to a year ago.

A look at measures

TO LIFT CONSUMER DEMAND

LTC CASH VOUCHER SCHEME

- Cash equivalent to leave encashment plus three times the ticket fare, for which three slabs will be offered
- Money to be spent on items with GST levy of 12% or more

ESTIMATED DEMAND GAIN:

₹19,000 cr if only central/ central PSE staff get it, **₹9,000 cr** if states offer scheme too

SPECIAL FESTIVAL SALARY ADVANCE

- ₹10,000 to be offered as salary advance, to be deducted in 10 installments without interest
- Advance available till march 31 in Rupay cards, cannot be withdrawn as cash

ESTIMATED DEMAND GAIN:

₹4,000 cr; ₹8,000 cr if state government offer it too

Who benefits: Central government employees. State governments and private companies can match these moves but are not under obligation to do so



TO SPUR CAPITAL EXPENDITURE

₹12,000 crore in special interest-free 50-year loans to states to help Capex spending

₹25,000

crore in addition to Budget outlay to be made available for infra projects

POLICY REFORMS HAVE HELPED MANUFACTURING SECTOR BECOME ENERGY-EFFICIENT IN LAST TWO DECADES

- According to a research by IIT-Madras, in last two decades, India's manufacturing sector has **gained 39% in energy efficiency because of various policy reforms by the Centre.**
 - In 1980, for an output of ₹100, manufacturing sector spent ₹30.56 on energy. In 2018, this cost declined to ₹23.84.
- **Key reasons for this:**
 - Government steps including, allowing existing capacity to be used more fully; **creation of additional capacity** on economic scale;
 - **Removal of constraints in raw material** availability and access to better technologies through imports.
 - **Policies related to clean development mechanism** (commitment under the Kyoto Protocol to implement an emission-reduction project in developing countries),
 - **Technology transfer**, innovation and R&D etc.
- **Some energy efficiency related initiatives**
 - **National Mission for Enhanced Energy Efficiency** to strengthen the market for energy efficiency by creating conducive regulatory and policy regime.
 - **Perform Achieve and Trade Scheme** allowing trading in energy savings certificates.
 - **Initiatives by Bureau of Energy Efficiency.**
- Also, under Paris climate agreement, **India aims to reduce the emissions intensity of GDP (GHG emissions per unit GDP) by 33-35% over 2005 levels by 2030.**

LARGEST EVER ARCTIC SCIENCE EXPEDITION MOSAIC ENDS

- **MOSAIC (Multidisciplinary drifting Observatory for the Study of Arctic Climate) expedition** aimed understanding the Arctic climate system and in its representation in global climate models.
 - Under MOSAIC, **German ship RV Polarstern spent over a year in Arctic region.**
 - It was organized by the Alfred Wegener Institute in Germany with **participants from 19 other countries. It included Indian researcher.**
- **Research on Arctic climate system is crucial as:**
 - Dramatic changes in the Arctic climate system and the fast retreat of Arctic sea ice **strongly affect global climate and modifying habitat.**
 - Because of thawing ice **new shipping routes are opening up.**
 - **Raw materials**, like natural gas, which were previously buried under the ice, **are becoming exposed, and new fishing grounds will become accessible.**
- **India at Arctic**
 - **India is an observer at Arctic Council**, a forum of countries that decides on managing the region's resources and popular livelihood.
 - In 2015, **India set up an underground observatory, called IndARC**, at Kongsfjorden fjord, half way between Norway and the North Pole.
 - **HIMADRI is India's first research station** located at International Arctic Research base, NyÅlesund, Svalbard, Norway.

GST COUNCIL MEET: CENTRE TO HELP 21 STATES BORROW RS 1.1 LAKH CRORE

- **Last week, GST Council failed to reach an agreement on the issue of borrowings** to meet shortfalls in cess collections used to recompense the States for revenue losses from GST implementation.
 - GST Act extends a **guarantee to states that any loss in revenues in first five years** of GST implementation (2017-2022).
- However, GST **Compensation payments to states started getting delayed** since October 2019 as GST revenues started to slow down. Later, it was further delayed due to COVID-19 pandemic.
- To address this, centre has suggested two options for states. (see infographic)
- Now, as many as 21 states that have agreed to borrow under a special Option 1 window.
 - States need centre's support to borrow because, as per **Article 293**, **State may not raise any loan without the consent of the Government of India** if there is still outstanding loan which has been made to the State by the Government of India or by its predecessor Government, or loan which is guaranteed by the Government of India or by its predecessor Government.

OPTION 1 ₹2.35 LAKH CRORE

Full GST compensation shortfall for FY21	Borrowing from mkt; Centre, RBI to facilitate
Shortfall due to pandemic as well as GST implementation	Relaxation of 0.5% in states' borrowing limit under FRBM Act

OPTION 2 ₹97,000 CRORE

Shortfall amount owing to GST implementation	Borrowing via RBI special window
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FM SPEAKS....

FY21 an extraordinary situation due to 'Act of God'
Contraction in economy expected
In both options, states not to be burdened
Option to be relooked at in FY 2021-22

SC SEEKS CENTRE'S REPLY ON PLEA FOR EQUAL PROTECTION TO TRANSGENDERS IN SEXUAL OFFENCES

- A plea filed before Supreme Court highlighted that there is **no provision or section in the IPC which may protect the third gender** from sexual assault by males/females and from other transgender.
 - > Plea stated that **several clauses of Section 354A (outraging the modesty of a woman) of IPC exclude victims of sexual harassment** who are transgender persons which is violative of:
 - ⇒ **Article 14** (Right to equality),
 - ⇒ **Article 15** (Prohibition of discrimination on the grounds of religion, race, caste, sex or place of birth, or of any of them) and
 - ⇒ **Article 21** (Right to life and liberty)
- Plea urged the court "to issue an appropriate order. directing the centre **to pass an Anti-Discrimination Bill that penalises discrimination and harassment** on the basis of gender".
- Earlier, Parliament passed the **Transgender Persons (Protection of Rights) Act, 2019, that made sexual offences against transgender persons punishable** with a minimum term of six months, extendable up to two years.
 - > It is also **seen as discriminatory** because IPC provisions for violence committed against women is punishable up to seven years.

ALSO IN NEWS

<p>Kamdhenu Deepawali Abhiyan</p>	<ul style="list-style-type: none"> • This campaign is started by Rashtriya Kamdhenu Aayog (RKA) to promote extensive use of cow-dung and products during this Diwali Festival. • Objectives <ul style="list-style-type: none"> > generating business opportunities to thousands of cow-based entrepreneurs. > providing an environment friendly alternative to Chinese made Diyas. • RKA was constituted to organize animal husbandry on modern and scientific lines and to take steps for preserving and improving breeds, and prohibiting the slaughter, of cows and calves and other milch and draught cattle.
<p>Gujarat Prohibition of Transfer of Immovable Property and Provisions of Tenants from Eviction from Premises in Disturbed Areas Act</p>	<ul style="list-style-type: none"> • President has given his assent to the Bill amending the Act, passed by the Gujarat Assembly in 2019. • Under the Act, commonly known as Disturbed Areas Act, the transfer of any immovable property in disturbed areas cannot be done without permission of the district collector concerned. • It provides to declare any area of the state as a disturbed area, wherein the tranquillity and public order has been disturbed due to riots or mob violence.
<p>Financial Action Task Force (FATF)</p>	<ul style="list-style-type: none"> • FATF's regional group for Asia-Pacific has retained Pakistan in its 'Enhanced Follow Up' list due to the country's poor compliance on terror financing and money laundering. • Earlier, Pakistan was put under 'Greylist' (formally called 'other monitored jurisdictions') of FATF and was given action plan to curb terror financing and money laundering. • FATF is an inter-governmental body established in 1989 to combat money laundering, terrorist financing and other related threats to the integrity of the international financial system. <ul style="list-style-type: none"> > India is a member of FATF.
<p>India Energy Modelling Forum (IEMF)</p>	<ul style="list-style-type: none"> • NITI Aayog announced governing structure of India Energy Modelling Forum. • IEMF was jointly launched by NITI Aayog and United States Agency for International Development (USAID) under the US-India Strategic Energy Partnership. • IEMF aims to engage Indian researchers, knowledge partners, think tanks and national and international government agencies and departments for modelling and long-term energy planning.
<p>National Butterfly status</p>	<ul style="list-style-type: none"> • A citizen poll has identified Krishna Peacock (Papilio krishna), Indian Jezebel (Delias eucharis), and Orange Oakleaf (Kallima inachus) as contender for National Butterfly. • Krishna Peacock is generally found in large numbers in the Himalayas. • Indian Jezebel is known to deter its predators with its flashy wing colours. It can be spotted in gardens and other lightly wooded areas. • Orange Oakleaf is known as 'dead leaf' for its ability to camouflage as a dry autumn leaf. It is found in the moist forests of northern Western Ghats, central, northern and north-eastern parts.
<p>Ram Manohar Lohia</p>	<ul style="list-style-type: none"> • He was a Socialist leader who played a major role in Independence struggle. • Lohia set up underground radio stations called, Congress Radio, at Bombay and Calcutta during Quit India Movement. • He was one of the founders of 'Congress Socialist Party' in 1934 and edited its periodical called 'Congress Socialist'. • He opposed India's involvement in World War-II. • He suggested compulsory intercaste marriages for government servants and community festivals for eradication of caste system.
<p>National Institute of Naturopathy (NIN)</p>	<ul style="list-style-type: none"> • NIN, under the Ministry of AYUSH, is located at Pune, Maharashtra. • Aims and objectives of NIN is to propagate and promote Naturopathy and Yoga, to provide treatment facilities for all kinds of diseases through Naturopathy and Yoga, to conduct research and training etc. • Naturopathy is a cost effective drugless, non-invasive therapy involving the use of natural materials for health care and healthy living.
<p>Moushik</p>	<ul style="list-style-type: none"> • It is indigenous microprocessor, developed by IIT Madras. • It aims to reduce dependence on other countries and as it is open source the design can be picked up by start-ups and customised to their needs. • It can cater to the rapidly-growing Internet of things (IoT) devices, an integral part of Smart Cities of a Digital India.

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