

Abhimanu

Weekly current affairs Series

Week: I, November 2017

Abhimanu's IAS Study Group

Chandigarh

NATIONAL ECONOMIC AFFAIRS

Assam Agribusiness and Rural Transformation Project

- The Government of India and the World Bank has signed a \$200 million Loan Agreement for the Assam Agribusiness and Rural Transformation Project.

About Project:

- The Project will support the Government of Assam to facilitate agri-business investments, increase agriculture productivity and market access, and enable small farm holders produce crops that are resilient to recurrent floods or droughts in the state.
- The Project will be implemented in over 16 Districts of Assam. Over 500,000 farming households will directly benefit from the Project.
- At least 30 percent women are expected to participate in project activities. Specific focus will be given to women-led enterprises and their participation in the decision-making process of farmer producer organizations.
- The focus on geographic clustering of the production base for certain commodities will help agri-enterprises take advantage of existing and future market opportunities that they may not necessarily achieve alone. The cluster approach will allow for combining efforts, making use of synergies, and pooling resources to increase the competitive advantage of these products, while at the same time share the risks involved in introducing improved products or entering previously untapped markets. Successful clusters will also continuously innovate and adapt 'best practices' across agricultural value chains.
- Another key component of the project will be to promote market-led production that can deal with the vagaries of climate change. Assam's agriculture sector is highly vulnerable to climate variability and the state experiences recurrent floods and droughts. Currently, more than 50 percent of the paddy growing areas are prone to flooding, submergence and drought. A market-led production system will take advantage of the rapidly changing market, introduce crops that are resilient to climate change, increase production and manage risks for farmers.
- The \$200 million loan from the International Bank for Reconstruction and Development (IBRD), has a 7-year grace period, and a maturity of 16.5 years.

MSME Delayed Payment Portal – MSME Samadhaan

- Delayed Payment Portal – MSME Samadhaan was launched for empowering micro and small entrepreneurs across the country to directly register their cases relating to delayed payments by Central Ministries/Departments/CPSEs/State Governments.
- The Portal will give information about the pending payment of MSEs with individual CPSEs / Central Ministries, State Governments, etc.
- The CEO of PSEs and the Secretary of the Ministries concerned will also be able to monitor the cases of delayed payment under their jurisdiction and issue necessary instructions to resolve the issues.
- The portal will greatly facilitate the monitoring of the delayed payment in a more effective manner. The information on the portal will be available in public domain, thus exerting moral pressure on the defaulting organisations.

- The MSEs will also be empowered to access the portal and monitor their cases.
- The Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 contains provisions to deal with cases of delayed payment to Micro and Small Enterprises (MSEs).

About MSMED Act, 2006:

- The earlier concept of 'Industries' has been changed to 'Enterprises'. Enterprises have been classified broadly into: (1) Enterprises engaged in the manufacture/production of goods pertaining to any industry; and (2) Enterprises engaged in providing/rendering of services.
- Manufacturing Enterprises have been defined in terms of investment in plant and machinery (excluding land & buildings) and further classified into: (a) Micro Enterprises – investment up to Rs.25 lakh; (b) Small Enterprises – investment above Rs.25 lakh & up to Rs. 5 crore; (c) Medium Enterprises – investment above Rs.5 crore & up to Rs. 10 crore.
- The Service enterprises have been defined in terms of their investment in equipment (excluding land & buildings) and further classified into: (a) Micro Enterprises – investment up to Rs. 10 lakh; (b) Small Enterprises – investment above Rs. 10 lakh & up to Rs. 2 crore; (c) Medium Enterprises – investment above Rs.2 crore & up to Rs. 5 crore. It defines 'Medium Enterprises' to facilitate achievement of economies of scale.
- It provides statutory basis to Purchase Preference Policy for goods and services provided by micro and small enterprises. It also strengthens the legal provisions to check delayed payments to micro & small enterprises.
- The Act provides statutory basis to the National Board for Micro, Small & Medium Enterprises.
- The cumbersome two-stage registration process of SSI has been substituted with an optional filing of memorandum by Micro, Small & Medium Enterprises.
- The Act aims at facilitating the promotion and development of small and medium enterprises in a competitive way.
- It seeks to empower the Central Government to notify programmes, guidelines or instructions for facilitating the promotion and growth of small and medium enterprises.
- One of its primary objectives is to make provisions for ensuring timely and smooth flow of credit to small and medium enterprises.

Financial Action Task Force

- The Financial Action Task Force (FATF), the global anti- money laundering watchdog has put Pakistan on notice for terror financing.
- FATF has sought from Pakistan, notwithstanding opposition from China, a compliance report by February 2018 on action taken against terror groups such as LeT and JuD.
- FATF has asked Pakistan to do more to freeze assets of terror outfits such as Lashkar-e-Taiba and Jamaat-ud-Dawa.
- The decision was taken at the recently held Buenos Aires plenary of the FATF, where India raised the issue of Pakistan's support for terror group at the International Cooperation Review Group (ICRG) meet. Terror financing was a key theme at the FATF meet in the Argentine capital.

What is Financial Action Task Force (FATF) ?

- A major economic evil related to financial sector is the practice of money laundering. Money laundering involves keeping financial assets from illegal activity in a disguised manner. This money is kept without detection of the illegal activity for future use.
- Through money laundering, the launderer transforms the monetary proceeds derived from criminal activity into funds with an apparently legal source.
- Now many illegal economic activities and the resultant financial transactions involve different countries. Hence, to make effective counter policies against money laundering, globally coordinated measures are needed.
- The Financial Action Task Force (FATF) is such global standard setting body for anti-money laundering and combating the financing of terrorism (AML/CFT).

- The FATF was formed at the efforts of the OECD, which is a group of the developed countries. At present, the FATF has 34 member countries and 2 regional organisations, representing most major financial centres in all parts of the globe.
- The FATF Secretariat supports the Task Force and President. The Secretariat service is provided by the OECD, and the Secretariat is located at the OECD Headquarters in Paris.

Formation

- The Financial Action Task Force (FATF) is an inter-governmental body established in 1989 by the Ministers of its Member jurisdictions. The objectives of the FATF are to set standards and promote effective implementation of legal, regulatory and operational measures for combating money laundering, terrorist financing and other related threats to the integrity of the international financial system. The FATF is therefore a “policy-making body” which works to generate the necessary political will to bring about national legislative and regulatory reforms in these areas.

The mandate of the FATF

- The mandate of the FATF is to counter money laundering and the related crimes. Effective action against money laundering and terrorist financing, including both preventive and law enforcement measures, is essential for securing a more transparent and stable international financial system. Likewise, new threats, such as the financing of proliferation of weapons of mass destruction, can emerge and result in the clandestine use of the international financial system.
- FATF members have revised its mandate in 2012
- The Financial Action Task Force (FATF) exists for the purpose of protecting the international financial system from misuse and to mobilise action to go after criminals and their assets.
- Objectives of the FATF in developing policy and promoting effective implementation of legal, regulatory and operational measures for combating money laundering, terrorist financing and new and emerging threats to the integrity of the international financial system.
- The FATF members have adopted revised standards in February 2012. Now these changes are well reflected in the new international standard.
- The FATF has developed a series of Recommendations that are recognised as the international standard for combating of money laundering and the financing of terrorism and proliferation of weapons of mass destruction. They form the basis for a co-ordinated response to these threats to the integrity of the financial system and help ensure a level playing field. First issued in 1990, the FATF Recommendations were revised in 1996, 2001, 2003 and most recently in 2012 to ensure that they remain up to date and relevant, and they are intended to be of universal application.
- The FATF monitors the progress of its members in implementing necessary measures, reviews money laundering and terrorist financing techniques and counter-measures, and promotes the adoption and implementation of appropriate measures globally.
- In collaboration with other international stakeholders, the FATF works to identify national-level vulnerabilities with the aim of protecting the international financial system from misuse. The FATF's decision making body, the FATF Plenary, meets three times per year.

Crypto currencies now come under SEBI lens

- There is increase in popularity of crypto currencies and number of entities looking at raising funds through Initial Coin Offerings (ICO).
- Now, The Securities and Exchange Board of India (SEBI) is mulling whether an ICO can be regulated under the existing legal framework or certain amendments would be required.
- The RBI is of the view that these instruments are securities and so SEBI should be the regulating body.
- Bitcoins are neither ‘commodities derivatives’ nor ‘securities’ under Securities Contracts (Regulation) Act, 1956.

About Initial Coin Offerings (ICO)

- An ICO, like an equity initial public offer (IPO), is an issuance of digital tokens that can be converted into crypto currencies and are mostly used to raise funds by start-up firms dealing in block chain technology and virtual currencies like bitcoins and ethereum.
- Unlike an IPO, which is governed by SEBI regulations, there is no regulatory body for ICOs in India.

About Cryptocurrency:

- Cryptocurrency is a form of digital money that is designed to be secure and, in many cases, anonymous.
- It is a currency associated with the internet that uses cryptography, the process of converting legible information into an almost uncrackable code, to track purchases and transfers.
- Cryptography was born out of the need for secure communication in the Second World War. It has evolved in the digital era with elements of mathematical theory and computer science to become a way to secure communications, information and money online.
- The first cryptocurrency was bitcoin, which was created in 2009 and is still the best known. There has been a proliferation of cryptocurrencies in the past decade and there are now more than 900 available on the internet.
- Cryptocurrencies use decentralised technology to let users make secure payments and store money without the need to use their name or go through a bank. They run on a distributed public ledger called blockchain, which is a record of all transactions updated and held by currency holders.
- Units of cryptocurrency are created through a process called mining, which involves using computer power to solve complicated maths problems that generate coins. Users can also buy the currencies from brokers, then store and spend them using cryptographic wallets.
- Cryptocurrencies and applications of blockchain technology are still nascent in financial terms and more uses should be expected. Transactions including bonds, stocks and other financial assets could eventually be traded using the technology.

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NATIONAL POLITY

President appoints commission to examine OBC quota benefits

- President has appointed a five-member Commission headed by Delhi High Court's former Chief Justice G Rohini to examine sub categorization of Other Backward Classes (OBCs) under Article 340 of the Constitution.

- This decision has been taken to ensure that the more backward among the OBC communities avail the benefits of reservation.

The composition of the Commission is as follows:

- Chairperson -Justice (Retd.) G. Rohini,
- Member -Dr. J.K. Bajaj
- Member(Ex-officio)-Director, Anthropological Survey of India,
- Member (Ex-officio)-Registrar General and Census Commissioner
- Secretary of the Commission-Joint Secretary, Department of SJ&E, Ministry of Social Justice and Empowerment.

Term of Reference:

- To examine the extent of inequitable distribution of benefits of reservation among the castes or communities included in the broad category of Other Backward Classes with reference to such classes included in the Central List;..
- To work out the mechanism, criteria, norms and parameters in a scientific approach for sub-categorisation within such Other Backward Classes; and...
- To take up the exercise of identifying the respective castes or communities or sub-castes or synonyms in the Central List of Other Backward Classes and classifying them into their respective sub-categories..

The Commission is required to present their Report to the President within a period of twelve weeks of assumption of charge by the Chairperson of the Commission. On receipt of the Report of the Commission, the Central Government will consider ways and means for equitable distribution of the benefits of the reservation in Central Government jobs and admission in Central Government Institutions amongst all strata of the Other Backward Classes.

Committee on Management of water resources in North Eastern Region

- The Government has constituted a high-level committee for proper management of the water resources in the North Eastern Region (NER) under the Chairmanship of Vice-Chairman, Niti Aayog.
- The Committee would facilitate optimising benefits of appropriate water management in the form of hydro-electric power, agriculture, bio-diversity conservation, reduced flood damage erosion, inland water transport, forestry, fishery and eco-tourism.
- Ministry of Development of North Eastern Region (DoNER) will serve as the coordinating point. The Committee will submit its report, including Plan of Action, by June, 2018.
- The Brahmaputra and Barak river systems which account for one-third of India's run off, are highly prone to floods.
- Brahmaputra is one of the largest river systems in the world and causes considerable distress and costs on the region through frequent flooding and erosion.

The terms of reference of the Committee include:

- Appraisal of existing mechanism/institutional arrangements for management of water resources of the North Eastern Region.
- Identification of gaps in the existing mechanism/institutional arrangements for optimal management of water resources of the NER.
- Suggest policy interventions required for optimally harnessing the water resources for accelerating development in the NER
- Spelling out of actionable measures required for optimizing the management of water resources in the North-East.
- Chalking out a Plan of Action for dovetailing of the schemes/programmes of concerned Union Ministries, their attached offices and autonomous bodies as well as the schemes of the respective North-Eastern State Governments.

India in UN peacekeeping missions

- India has sought enhanced role for troops contributing countries in the decision-making process of UN peacekeeping missions.
- India has asked the UN Security Council to revisit the way mandates are designed. It is because, according to India, the current system of excluding the troop and police-contributing countries (T/PCCs) from the process of framing the mandates is not sustainable.
- United Nations Peacekeeping was created in 1948. Its first mission involved the establishment of the UN Truce Supervision Organization (UNTSO), which served to observe and maintain ceasefire during the 1948 Arab-Israeli War.
- UN Peacekeeping maintains three basic principles: Consent of the parties, impartiality and non-use of Force except in self-defence and defence of the mandate.
- The UN Peacekeepers are led by the Department of Peacekeeping Operations (DKPO).

Analysis:

- India is one of the largest contributors of troops and police to UN peacekeeping missions. India is the largest cumulative troop contributor, having provided almost 200,000 troops in nearly 50 of the 71 UN peacekeeping missions over the past six decades, including 13 of the current 16 missions.
- India has been actively contributing to the UN peacekeeping missions since independence in different forms beginning with a medical mission in Korea. Ever since military personnel began to be deployed for peacekeeping, India has been a key contributor beginning with 1956 Arab – Israeli war. Later, India's contribution towards ensuring peace in Congo proved vital to the country's stability after decolonization. At present, there are 8680 Indian personnel in 9 of the 14 peace-keeping operations. India's contribution is not only reflective of the objectives set out in the UN charter, but also has generated goodwill in different parts of the world especially in the developing world. Furthermore, it has served India's national security interests in her near and extended neighbourhood.
- The nature of conflicts and the reactions to these conflicts have also dramatically changed over the past decades.
- There have been 50 cases of alleged sexual exploitation and abuse against UN peacekeepers since January 1 last year but there was not a single allegation against Indian soldiers.
- India had set an example in February last year, when it deployed the first ever female foreign police unit for peacekeeping mission in Liberia.
- UN peacekeeping budget is less than a half of one per cent of global military spending and is shared between all 193 UN members' states.

Cabinet approves the Extradition Treaty between India and Lithuania

- The Union Cabinet has given its approval for the signing and ratification of the Extradition Treaty between India and Lithuania.
- The Treaty would provide a legal framework for seeking extradition of terrorists, economic offenders and other criminals from and to Lithuania.
- The Treaty would help in extradition of fugitive criminals including terrorists for criminal prosecutions from Lithuania who may have committed crimes against India.
- It will bring the criminals to justice, with a view to ensure peace and tranquility to public at large.
- Extradition is the surrender of a criminal to one country by another. It also helps in maintaining the territoriality of the penal code which says that a country should not apply its criminal law to a person who committed an offence outside its territories except when the crime is related to the country's national interest. The process is regulated by treaties between the two countries.

Analysis:

- Lithuania established diplomatic relations with India in 1992 after regaining independence from the former Soviet Union in 1991.
- The Lithuanian political leadership, while attempting to promote relations with India, endorsed that Indians and Lithuanians have similarities in culture, language, customs and ancestry.
- According to Lithuanian statistics, bilateral trade was USD 117.9 million during 2009 and USD 184 mn in 2010. In 2011, bilateral trade reached USD 203 mn. In the first quarter of 2013, bilateral trade reached Euro 23 mn. An Indian Baltic Chamber of Commerce (IBCC) was formed in Vilnius in 2009 while an India-Lithuania Forum was inaugurated in September 2010.
- Major items of import from India include pharmaceuticals, cosmetics, textiles and consumer goods. Major items of export to India include machinery and mechanical appliances, high tech optical instruments, base metals and articles of base metal, chemicals, sulphur, lime and cement.
- Over the last few years, some Indian IT experts have been coming to Lithuania to work on IT projects for varying periods. Several Indians work in the Klaipeda-based USD 200 million PET plant of the OP Lohia Group.

Uday Kotak Committee on Corporate Governance

- A corporate governance committee headed by Uday Kotak has submitted its report on corporate governance.

Main highlights of the committee:

Minimum number of board of directors:

- The Committee has proposed that now board of directors shall comprise not less than six directors.
- Also board of directors shall have an optimum combination of executive and non-executive directors with at least one woman as an independent director and not less than 50% of the board of directors shall comprise of non-executive directors.

Minimum number of board meetings

- These board shall meet at least 4-5 times a year, with a maximum time gap of one hundred and twenty days between any two meetings and at least once a year.
- Under this meeting, the board shall specifically discuss strategy, budgets, board evaluation, risk management, ESG (environment, sustainability and governance) and succession planning.
- Listed entity shall, at least once every year, undertake a formal interaction between the non-executive directors and the senior management
- With effect from April 1, 2018, if a director does not attend at least half of the total number of board meetings held over the Relevant Period, his/her continuance on the board shall be subject to ratification by the shareholders at the next annual general meeting.
- While from April 01, 2020, listed entities which have public shareholding 40% or more shall ensure that the Chairperson of the board shall be a non executive director, on and from that financial year.
- No listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of 75 years unless a special resolution is passed to that effect.

Minimum compensation and remuneration

- Top 500 listed entities by market capitalisation shall pay compensation to each independent director as Rs 5 lakh per annum, whether through sitting fees or profit linked commissions.
- Provided that, this provision will not apply in case of inadequacy of profits in accordance with Section 197 of Companies Act, 2013 - minimum sitting fees for every board meeting of Rs 50,000 for top 100 entities by market capitalisation and Rs 25,000 for next 400 entities.
- Sebi stated that annual remuneration payable to such executive director if exceeds Rs 5 crore or 2.5% of the net profits of the listed entity, whichever is higher, the approval of the shareholders under this provision shall be valid only till expiry of term of such director.
- Approval of shareholders shall be obtained every year in which the annual remuneration payable to a single non-executive director exceeds 50% of the total annual remuneration payable to all non-executive directors, giving details of the remuneration thereof.

Deen Dayal SPARSH Yojana

- 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:

- 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.
- Under the scheme, it is proposed to award 920 scholarships to students pursuing Philately as a hobby.
- Every Postal Circle will select a maximum of 40 scholarships representing 10 students each from Standard VI, VII, VIII & IX. The amount of Scholarship will be Rs. 6000/- per annum @ Rs. 500/- per month.
- 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 Deen Dayal SPARSH scheme would be made based on the evaluation of Project work on Philately & performance in Philately Quiz conducted by the Circles.

About Philately:

- Philately is the hobby of collection and study of Postage stamps. It also entails the collection, appreciation and research activities on stamps and other related philatelic products.
- The hobby of collecting Stamps includes seeking, locating, acquiring, organizing, cataloguing, displaying, storing, and maintaining the stamps or related products on thematic areas.
- Philately is called the king of hobbies because Stamp collection as a hobby has lot of educational benefits - it teaches a lot about the socio economic political reality of the period in which the stamp is issued or the theme on which it is issued.

Coastal Berth Scheme

- The Ministry of Shipping has launched Coastal Berth Scheme of the flagship Sagarmala Programme.

Main highlights of 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 Coastal Berth Scheme aims to provide financial support to ports or state governments for creation of infrastructure for movement of cargo and passenger by sea or national waterways.

The admissible financial assistance from Central Government is 50% of the total cost of the project subject to:

- A maximum of Rs 25 crore for projects relating to construction/up-gradation of coastal berths by Major/Non-Major Ports;
- A maximum of Rs 10 crore for construction of platforms/jetties for hovercrafts & seaplanes by Ports/State Governments & passenger jetties in National Waterways and islands by State Governments;

- A maximum of Rs 15 crore for mechanization of berths by Major/Non-Major Ports;
- A maximum of Rs 50 crore for capital dredging of Major Ports/operational Non-Major Ports ; and a maximum of Rs 50 crore for construction of breakwater for existing and Greenfield Ports.
- The financial assistance will also be provided for the preparation of DPRs for the projects to be considered under this scheme. The construction of passenger jetties also includes construction of terminal building and allied infrastructure. The balance expenditure has to be incurred by the respective Ports/ concerned State Governments (including State Maritime Boards) from their own resources.

UNESCO award for Srirangam temple

- The Sri Ranganathaswamy temple at Srirangam has bagged an award of merit from UNESCO for protecting and conserving cultural heritage, thus becoming the first temple from Tamil Nadu to grab the prestigious honour from the UN body.
- The old grandeur of the temple has been restored. About 60,000 tonnes of construction waste/debris was removed during the renovation.
- The hundred-pillar and thousand-pillar mandapams and various other mandapams, some of which were out of the public view for long, have been restored, as were several sculptures in the numerous sub-shrines.
- The project has revealed the original fabric of the shrines, water bodies and landscape within the temple's four inner enclosures, which were once obscured under layers of inappropriate modern additions and tons of debris.
- Employing traditional construction materials and techniques, the restoration work was carried out in an authentic manner by local craftspeople in accordance with ancient building principles and rites.
- The temple today attracts great attention among its devotees and supporters, whose renewed sense of pride and custodianship will ensure its long-term sustainability.

About temple:

- 'Sri Ranganathaswamy Temple', also known as 'Thiruvaramam' is situated in Srirangam, Tiruchirapalli district of Tamilnadu.
- This famous temple is dedicated to Lord Vishnu and also most important one among the 108 Divya Desam Temples. Srirangam is an island located in the middle of the Rivers 'Kaveri' and 'Kollidam' and also a part of the city Tiruchirapalli.
- Thiruvaramam Sri Ranganathaswamy Temple is also known as 'Thiruvarama Tirupati', 'Periyakoil', 'Bhoologa Vaikundam', and 'Bhogamandabam'.
- As per the literature, it is said that the temple belongs to the Chola, Pandya, Hoysala and the Vijayanagar rulers who ruled the Tiruchirapalli district.
- Sri Ranganathaswamy Temple constitutes Seven Prakarams (passageway surrounding with big walls) around the temple which covers next to next each other and the seven great walls are referred as the Seven Worlds.

Cauvery Tribunal Gets Six Months Extension

- Union Ministry of Water Resources, River Development and Ganga Rejuvenation has extended the term of Cauvery Water Disputes Tribunal by six months upto May 02, 2018.

The Cauvery dispute

- The core of the Cauvery dispute relates to the re-sharing of waters that are already being fully utilized. Here the two parties to the dispute are Karnataka (old Mysore) and Tamil Nadu (the old Madras Presidency).
- The Cauvery Water Dispute tribunal was constituted on June 2, 1990 under the ISWD Act, 1956. The Tribunal reached the decision that Karnataka must release 205 TMC of water from the Cauvery reservoirs to Tamil Nadu on a monthly basis.
- Karnataka rejected the ruling of the Tribunal stating that the Tribunal issued a decision that was not implementable. The Cauvery Water Disputes Tribunal announced its final verdict on 5 February 2007. Tamil

Nadu appears to have been accepting the verdict while the government of Karnataka, unhappy with the decision, filed a revision petition before the tribunal seeking a review.

- On the direction of Supreme Court, union government issued final award which makes an annual allocation of 419 tmcft to Tamil Nadu in the entire Cauvery basin, 270 tmcft to Karnataka, 30 tmcft to Kerala and 7 tmcft to Puducherry. This dispute refused to die between Tamil Nadu and Karnataka.

Inter-State Water Dispute Act, 1956

- The act enables setting up of tribunals to settle disputes on Inter-State water or river when the Central government is of the view that the matter cannot be solved by negotiations.
- According to the act, decisions given by the tribunals so constituted will be final and binding and no appeal can lie in Supreme Court. Thus the jurisdiction of the Supreme Court and other courts is clearly barred in such matters. However, the tribunal is only vested with decision making role, the implementation of such decision is not its outlook.
- Furthermore, tribunal's responsibility is not limited only to adjudicate the matters but also investigation of matters which are of public importance like water pollution, flood control, sustainability of river basin productivity, climate change effects and others.
- Under the act, though Union government had set up many water tribunals like the Krishna Tribunal, the Narmada Tribunal, The Godavari Tribunal, the Cauvery Tribunal, The Ravi, Beas Tribunal etc.

Commercial courts

- Indian government has proposed to establish commercial courts in districts to further improve the ease of doing business parameters.
- India has ranked at 100th position in recently released World Bank's 'Ease of doing business' list. Legal remedy to commercial disputes and enforcement of business contracts are parameters of the World Bank ranking. In terms of ease of enforcing contracts, India jumped from 172 to 164. Though the jump in the ranking sounds small, it is substantial given the diversities of laws in our country and the complex demography.
- Parliament has passed the Commercial Courts, Commercial Division and Commercial Appellate Division of High Courts Act, 2015 which provides for the creation of commercial courts at the district level and a commercial division at state level in the high courts for providing a dispute redressal mechanism to ensure speedy disposal of high value 'commercial disputes' above 1 crore worth.

About Commercial Courts, Commercial Division and Commercial Appellate Division of High Courts Bill, 2015 Act:

- The Commercial Courts, Commercial Division and Commercial Appellate Division of High Courts Bill, 2015 Act is enacted to provide for the constitution of Commercial Courts, Commercial Division and Commercial Appellate Division in the High Courts for adjudicating commercial disputes of specified value and matters connected therewith or incidental thereto. Commercial Courts are a courts equivalent to District Courts and will adjudicate commercial disputes.
- Appellate Division in High Courts would hear the appeals from orders and judgments from the Commercial courts. Suits of a value of Rs one Crore or more that are pending in the high court/ District courts will now be transferred to the commercial division/would be transferred to the commercial court.
- Commercial divisions may be set up in those high courts which exercise ordinary original civil jurisdiction, that is, the High Courts of Delhi, Bombay, Calcutta and Madras.
- The Act also says that appeals to High Court from the orders passed by tribunals like Competition Appellate Tribunal, Intellectual Property Appellate Board, Company Law Board or the National Company Law Tribunal, Securities Appellate Tribunal and Telecom Dispute Settlement and Appellate tribunal may be heard by the commercial appellate division of the high court if it relates to a commercial dispute.

World Bank's doing Business Report, 2018

- The World Bank today released the Doing Business (DB) Report, 2018. India ranked 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.
- The DB 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.

Fact Sheet about India:

- **Starting a business:** India made starting a business faster by merging the applications for the Permanent Account Number (PAN) and the Tax Account Number (TAN) and by improving the online application system. Mumbai also made starting a business faster by merging the applications for value added tax and the Profession Tax (PT).
- **Dealing with construction permits:** India reduced the number of procedures and time required to obtain a building permit by implementing an online system that has streamlined the process at the Municipality of New Delhi and Municipality of Greater Mumbai.
- **Getting credit:** India strengthened access to credit by amending the rules on priority of secured creditors outside reorganization proceedings and by adopting a new law on insolvency that provides a time limit and clear grounds for relief to the automatic stay for secured creditors during reorganization procedures. This reform impacts the data for both Mumbai and Delhi.
- **Protecting minority investors:** Protections for minority investors were strengthened by increasing the remedies available in cases of prejudicial transactions between interested parties. This reform applies to both Delhi and Mumbai.
- **Paying taxes:** In both Delhi and Mumbai, paying taxes was made easier by requiring payments to the Employees Provident Fund to be made electronically, and introducing administrative measures that make it easier to comply with corporate income tax regulations.
- **Trading across borders:** In Mumbai, reducing the time taken to comply with import regulations at Nhava Sheva port made it much quicker to trade across borders. In Delhi and Mumbai, the elimination of merchant overtime fees and the increased use of electronic and mobile platforms reduced the time taken to comply with both export and import regulations.
- **Enforcing contracts:** In both Delhi and Mumbai, the introduction of the National Judicial Data Grid made it possible to generate case management reports on local courts, thereby making it easier to enforce contracts.
- **Resolving insolvency:** India made resolving insolvency easier by adopting a new insolvency and bankruptcy code that introduced a reorganization procedure for corporate debtors and facilitated continuation of the debtor's business during insolvency proceedings. This reform applies to both Delhi and Mumbai.

Global Clubfoot Conference

- 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.

About Clubfoot:

- Clubfoot is a congenital deformity that severely twists the foot both downward and inward, making walking difficult or impossible.
- 2 out of every 1000 children are born with clubfoot in every country of the world regardless of race or geographic region.
- Over 2,20,000 children, in the developing world are born each year with clubfoot. In India more than 50,000 children are born with Clubfoot every year if not treated all these children will become differently abled.

- There are approximately 8,000,000 adults worldwide who are physically disabled with clubfoot who could have been cured if treated at an early stage.
- CURE International India began its services from April 2009 with a goal to eradicate disability caused by clubfoot in India.
- At present over 38,000 children are enrolled in this program nationwide. With over 150 children being born with clubfoot in India every day, the role of CURE International India in establishing free clubfoot clinics is very relevant and significant.
- Through this initiative, CURE International India aims to enlighten the public that clubfoot can be treated and if neglected, leads to permanent disability. Every month an average of 1000 new children are enrolled from 254 designated weekly clubfoot clinics across all the 29 states in India.

Banaganapalle mangoes get GI tag

- The famous Banaganapalle mangoes of Andhra have been granted Geographical Indication (GI) status by the Indian patent office.

About Banaganapalle mangoes:

- Banaganapalle mangoes, also known as Beneshan, Baneshan, Benishan, Chappatai, Safeda, Banaganapalli, Banginapalli, are popular and extensively used as table fruit across the country. The agro climatic and geographical conditions prevailing in Banaganapalle and adjoining areas given the unique characteristics, the application said.
- Though primarily raised Kurnool district comprising Banaganapalle, Paanyam and Nandyal mandal in Andhra Pradesh, the fruit is also raised in parts of Rayalaseema region, coastal Andhra region and Telangana.
- An estimated 24.35 lakh metric tonnes of mangoes were grown every year in Andhra Pradesh and out of this 5,500 tonnes were exported to countries including the US, the UK, Japan and the Gulf nations. As on 2011, the annual turnover of Banaganapalle mangoes touched Rs 1,461 crore and exported mangoes worth Rs 20.68 crore.

About Geographical indicators:

- GI (Geographical Indications) are signs used on goods that have a specific geographical origin and possess qualities or a reputation that are due to that place of origin.
- Agricultural products typically have qualities that derive from their place of production and are influenced by specific local factors, such as climate and soil. They may also highlight specific qualities of a product, which are due to human factors that can be found in the place of origin of the products, such as specific manufacturing skills and traditions.
- A geographical indication points to a specific place or region of production that determines the characteristic qualities of the product that originates therein. It is important that the product derives its qualities and reputation from that place.
- Place of origin may be a village or town, a region or a country. It is an exclusive right given to a particular community hence the benefits of its registration is shared by the all members of the community.
- Keeping in view the large diversity of traditional products spread all over the country, the registration under GI will be very important in future growth of the tribes / communities / skilled artisans associated in developing such products.

UNESCO launches Strategic Framework for Education in Emergencies in the Arab Region

- UNESCO Strategic Framework for Education in Emergencies in the Arab Region for the 2018-2021 period aims to support Member States in meeting their educational needs in times of crisis, while striving to make headway on the targets and commitments in Sustainable Development Goal 4, focusing on inclusion of the most vulnerable.

Important points of the framework:

- UNESCO aims to reduce the negative effects of crisis on education in the affected Arab countries by prioritizing its areas of comparative advantage, such as promoting sector-wide lifelong learning, system strengthening and improving the quality of education, and ensuring that post-basic education for youth is not overlooked.
- The Strategic Framework therefore aims to increase access to quality learning opportunities for children and youth, to empower them with values, knowledge and skills for life and work, to support teachers and enhance the resilience of education systems.
- It provides strategic direction and a programmatic framework for UNESCO's work in emergencies in the Arab Region for the 2018-2021 period in full alignment with the Refugee and Resilience Plans (3RP) (link is external), humanitarian response and national response plans.
- It consists of the four strategic goals anchored in the three pillars of education: Access, Quality and System Strengthening.
- Based on this strategic framework, UNESCO field offices in the Arab Region have developed costed country plans to guide their programming for the next two years (2018-2019). Progress will be measured at both national and regional level through strengthening monitoring and evaluation procedures.
- Education is a human right, vital for recovery, reconciliation and peace. Investing in education at all levels in emergency settings, as well as post-crisis situations, is a development and security imperative for stability and lasting peace in the region, one that UNESCO is determined to take forward.

World Congress of Mental Health

- The World Federation for Mental Health, the largest global alliance of mental health professionals, national health associations, NGOs, policy experts, and other institutions, organised the 21st WFMH World Congress at New Delhi.

Analysis

- National Mental Health Survey 2016 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.
- According to a study conducted by Economist Intelligence Unit Suicide rates in the country are 21.1 with 2,443 disability adjusted life years per lakh.
- Around nine percent of the population of our country suffers from mental illnesses and this is supposed to reach 20 percent by 2020.
- Rising rates of suicide and mental health cases indicate that we need to stop ignoring mental illnesses and demand a system which provides a proper system of its diagnosis and treatment.
- We neither have functioning mental health promotion and prevention programme nor a suicide prevention strategy. Integrated services and resources should be directed to provide community mental health facilities.
- As per the World Health Organization's (WHO's) mental health atlas, India did not have an officially approved mental health policy until 2014.
- According to WHO statistics on mental health, India has only 0.6 mental health workers in the country and since the last five years, doctors in primary health centers have not received in-service training on mental health.
- There are only around 43 mental hospitals in the country for such a large population. Apart from lack of awareness, inadequate number of mental hospitals, less mental health workforce and undefined treatment facilities, we do not have funds allocation for care of mental disorders in the country.

UN Summit on Conservation of Migratory Species

- The United Nations Environment Programme (UNEP) has announced that India will host next Convention on the Conservation of Migratory Species of Wild Animals (CMS) Conference of Parties 13 (CMS COP13) in year 2020.
- An announcement in this regard was made on the last day of the week-long 12th session of the Conference of the Parties to the Convention on the Conservation of Migratory Species of Wild Animals or CMS COP12, the only international treaty devoted exclusively to migratory animal species held in Philippines.

About Convention on the Conservation of Migratory Species of Wild Animals (CMS)

The Convention on the Conservation of Migratory Species of Wild Animals (CMS) aims to conserve terrestrial, marine and avian migratory species across their range. CMS provides a framework within which Parties may act to conserve migratory species and their habitats by:

- providing strict protection for the endangered migratory species listed in Appendix I of the Convention
- concluding multilateral Agreements (see below for examples) for the conservation and management of migratory species listed in Appendix II; and,
- Undertaking co-operative research activities.

A Secretariat, under the auspices of UNEP, provides administrative support to the Convention. The decision-making organ of the Convention is the Conference of the Parties (COP), which held its 6th Meeting in Cape Town in November 1999. A Standing Committee provides policy and administrative guidance between the regular meetings of the COP. A Scientific Council, consisting of experts appointed by individual member States and by the COP, gives advice on technical and scientific matters.

Etikoppaka toys

- Geographical Indication Registry has given the Geographical Indication (GI) tag to the traditional toys made by the artisans in the Etikoppaka village.
- The Etikoppaka toys are not only popular in Andhra Pradesh but also gained their popularity all over the country and abroad over the years.

About Etikoppaka Toys

- The toys are unique not only in shape and form but also the material used. They are made of wood and painted with natural dyes. There is no heavy metal or toxic content and that is why it is unique.
- The natural dyes are prepared from seeds, lacquer, bark, roots and leaves.
- The wood used is from 'Ankudi Karra' (Wrightia tinctoria) tree that is soft in nature and the art is also known as turned wood Lacquer craft.
- The Etikoppaka toys now join the elite products from Andhra Pradesh such as Kondapalli toys, Bobbili Veena, Tirupati laddu, Srikalahasthi Kalamkari, Uppada Jamdani sarees and Shadow puppets.

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- Keeping in view the large diversity of traditional products spread all over the country, the registration under GI will be very important in future growth of the tribes / communities / skilled artisans associated in developing such products

Increase in domestic budget for fight against tuberculosis

- According to a report from the World Health Organisation (WHO), India's domestic budget for fighting tuberculosis showed a dramatic jump from about ₹700 crore in 2015 to ₹2,500 crore last year.
- Domestic resources accounted for 74% of the \$525 million that was spent in India last year.
- Typically most of India's budget to combat the bacterial infection used to be dominated by international funding. But, for the first time this has flipped.

Analysis:

- Tuberculosis (TB) has managed to remain a major global health problem, despite 100 years of research and more than 50 years of treatment being available. It still claims up to 1.5 million lives each year.
- Although there have been ongoing efforts that provide some hope in the fight against the disease, the TB drug pipeline remains thin and vaccine development slow as resistance grows.
- More than 9.6 million new TB cases were recorded in 2014. This prompted the Stop TB Partnership and the World Health Assembly to set a target of reducing TB-related deaths by 95% and cases by 90% by 2035. But new therapeutic and diagnostic interventions - including an effective vaccine - are urgently needed if these goals are to be achieved.
- There are several challenges that affect TB eradication. First, the TB burden has been aggravated by HIV co-infection. HIV compromises the immune response required to protect a person against TB. This increases vulnerability to the disease. The World Health Organisation's most recent global TB report shows that of the TB-related deaths in 2014, just fewer than 27% of patients were HIV-positive. This is a slight increase from 2012.
- A second challenge is drug resistance. First-line drug regimens have saved millions of lives but have been marred by non-compliance and inconsistent use. TB patients who fail to adhere to their drug regimens often develop drug resistant TB. This means they have to go onto second-line drugs which are more expensive and may take even longer to complete.
- Further resistance to second-line drugs leads to extensively drug-resistant TB (XDR-TB). This is more difficult to treat.
- Drug resistance has led to a number of patients not responding to current treatment protocols, which is why there is a dire need for more treatment options.
- The third challenge is that there is no adequate vaccine for adults. The only approved TB vaccine, Bacille Calmette-Guérin, introduced 95 years ago, reduces the risk of TB in children. But it does not help adults with lung TB. An efficacious vaccine that provides a reliable protection against pulmonary TB is essential to eradicate TB.
- In the past ten years, there has been some progress in developing a vaccine. A new candidate, MVA85A, reached a phase 2b clinical trial.
- Although MVA85A failed the clinical end point trial due to limited efficacy, several lessons were gained from the study. These will be highly beneficial in guiding future vaccine development efforts.
- Currently over a dozen preventive vaccine candidates are progressing through the development pipeline, providing some hope in achieving the 2035 targets.

- United Nations Day is observed on : **24 October**
- According to Bloomberg Billionaires Index, World's richest person is: **Jeff Bezos**
- First country to leave International Criminal Court: **Burundi**
- First International Conference on Consumer Protection held in : **New Delhi**
- New MD and CEO of IPPB: **Suresh Sethi**
- FIFA World Player Of The Year Award: **Cristiano Ronaldo**
- National Kalidas Award 2017 is given to : **Ram Gopal Bajaj**