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Growth rate of 9% must by 2022 to generate jobs: NITI Aayog

Context

- A growth rate of 9% is essential to generate enough jobs and achieve universal prosperity, according to a vision document released by NITI Aayog.

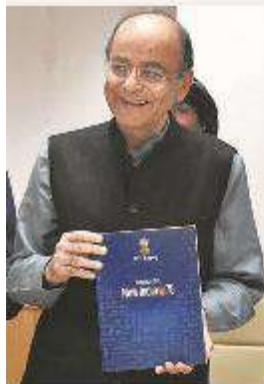
Details of the document

- The ‘Strategy for New India @75’ document recommends a number of steps, including increasing the investment rate, reforming agriculture, and codifying labour laws.
- The target should be 8% growth over the period 2018-23. This will raise the economy’s size in real terms from \$2.7 trillion in 2017-18 to nearly \$4 trillion by 2022-23.
- Besides having rapid growth... it is also necessary to ensure that growth is inclusive, sustained, clean and formalised.
- On boosting economic growth, the document identified two key steps for increasing the country’s investment rate and the tax-GDP ratio.

- India's tax-GDP ratio of around 17% is half the average of OECD countries (35%) and is low even when compared to other emerging economies like Brazil (34%), South Africa (27%) and China (22%).
- To enhance public investment, India should aim to increase its tax-GDP ratio to at least 22% of GDP by 2022-23.
- While demonetisation and GST have and will continue to contribute positively, the document said efforts need to be made to rationalise direct taxes for both corporate tax and personal income tax.

Mission 2022-23

The government think tank NITI Aayog unveiled a strategy document on Wednesday. Excerpts from the document:



- Target is to raise the investment rate from about 29% in 2017-18 to about 36% of GDP by 2022-23

- The tax-GDP ratio to be raised from 17% to 22%

- The share of

- waterways in freight transport to be doubled

- All villages to be digitally connected

- The size of the economy to be increased to \$4 trillion

Achievements of NITI Aayog

- The NITI Aayog was formed to bring fresh ideas to the government. Its first mandate is to act as a think tank.
- It can be visualised as a funnel through which new and innovative ideas come from all possible sources — industry, academia, civil society or foreign specialists — and flow into the government system for implementation.
- Initiatives like Ayushman Bharat, our approach towards artificial intelligence and water conservation measures, and the draft bill to establish the National Medical Commission to replace the Medical Council of India have all been

conceptualised in NITI Aayog, and are being taken forward by the respective Ministries.

- NITI Aayog acted as an action tank rather than just a think tank. By collecting fresh ideas and sharing them with the Central and State governments, it pushes frontiers and ensures that there is no inertia, which is quite natural in any organisation or institution.
- NITI Aayog also work to cut across the silos within the government. For example, India still has the largest number of malnourished children in the world.
- NITI Aayog is best placed to achieve this convergence and push the agenda forward in the form of POSHAAN ABHIYAAN.
- NITI Aayog is also bringing about a greater level of accountability in the system.
- NITI Aayog has established a Development Monitoring and Evaluation Office which collects data on the performance of various Ministries on a real-time basis. The data are then used at the highest policymaking levels to establish accountability and improve performance.
- This performance- and outcome-based real-time monitoring and evaluation of government work can have a significant impact on improving the efficiency of governance.
- Using such data, we also come up with performance-based rankings of States across various verticals to foster a spirit of competitive federalism.
- NITI Aayog play an important role of being the States' representative in Delhi, and facilitate direct interactions with the line ministries, which can address issues in a relatively shorter time.

- Improving innovation: The Atal Innovation Mission, which is also established under NITI Aayog, has already done commendable work in improving the innovation ecosystem in India.
- It has established more than 1,500 Atal Tinkering Labs in schools across the country and this number is expected to go up to 5,000 by March 2019.
- It has also set up 20 Atal Incubation Centres for encouraging young innovators and start-ups.

Railway Ministry || E-Drishti Software

- An 'e-Drishti' interface has been unveiled for the Union Railway Minister, Minister of State and Board Members. This software includes an interface which provides summary information on punctuality of trains for the previous day.
- There is also an interface which provides information on current train running on the Indian Railway network.
- There are interfaces providing details of freight earning, freight loading and passenger earnings for the previous day & month and cumulative for the year, in comparison to the corresponding period of the previous year.

GSAT-7A

Context: Indian Space Research Organization's (ISRO) Geosynchronous Satellite Launch Vehicle (GSLV-F11) successfully launched the communication satellite GSAT-7A from the Satish Dhawan Space Centre (SDSC) in Sriharikota.

About:

- The GSLV-F11 lifted off GSAT-7A weighing 2250kg and injected into a Geosynchronous Transfer Orbit (GTO).
- GSAT-7A is the heaviest satellite being launched by GSLV with an indigenously developed cryogenic stage.
- GSAT-7A is an advanced communication satellite with a Gregorian Antenna and many other new technologies.
- GSLV is ISRO's fourth generation launch vehicle with three stages. The four liquid strap-ons and a solid rocket motor at the core form the first stage. The second stage is equipped with a high thrust engine using liquid fuel. The cryogenic upper stage forms the third and final stage of the vehicle.



Bill banning commercial surrogacy passed in LS

Context

- The Lok Sabha on Wednesday passed a Bill banning commercial surrogacy with penal provisions of jail term of up to 10 years and fine of up to ₹10 lakh.
- The Bill, which will become law once the Rajya Sabha approves it, allows only close Indian relatives to be surrogate mothers and purely for “altruistic” reasons. It states an Indian infertile couple, married for five years or more, can go in for ‘altruistic surrogacy’ where the surrogate mother will not be paid any compensation except medical expenses and insurance.

Salient features of the bill

- Surrogacy is a practice where a woman gives birth to a child for an eligible couple and agrees to hand over the child after the birth to them.
- The Bill allows altruistic surrogacy which involves a surrogacy arrangement where the monetary reward only involves medical expenses and insurance coverage for the surrogate mother.
- Commercial surrogacy is prohibited under the Bill. This type of surrogacy includes a monetary benefit or reward (in cash or kind) that exceeds basic medical expenses and insurance for the surrogate mother.
- The Bill states that any child born out of a surrogacy procedure shall be the biological child of the intending couple and will be entitled to all rights and privileges that are available to a natural child.

Eligibility criteria for couples intending to commission surrogacy

- In order to be eligible, the couple intending to commission a surrogacy arrangement must be a close relative of the surrogate mother
- They are Indian citizens who have been married for at least five years
- They are in the age group of 23-50 years (female partner) and 26-55 years (male partner)
- A medical certificate stating that either or both partners are infertile

- They do not have any surviving child (whether biological, adopted or surrogate), except if the surviving child is mentally or physically challenged or suffers from a fatal illness

Eligibility to be a surrogate mother

- The surrogate mother is a close relative of the couple intending the surrogacy
- She was or is married and has a child of her own
- She is 25 to 35 years old
- She has not been a surrogate mother before
- She possesses a medical certificate of her fitness for surrogacy

Four banks may come out of PCA

Context

- Four public sector banks — Bank of Maharashtra, Corporation Bank, Allahabad Bank and Bank of India — that are under the prompt corrective action framework of RBI, may come out of the restrictions following improved performance, banking industry sources said.
- This follows a review of the performance of all 11 banks that are under the PCA framework, as decided during the November board meeting of the Reserve Bank of India. The board of financial supervision of the RBI has reviewed the banks' half yearly performance.

Prompt Corrective Action (PCA) framework

- PCA is a process or mechanism to ensure that banks don't go bust.
- Under it, RBI has put in place some trigger points to assess, monitor, control and take corrective actions on banks which are weak and troubled.
- It was first introduced after global economy incurred huge losses due to failure of financial institutions during 1980s-90s.

- According to latest PCA framework, banks to be placed under it are assessed on three parameters viz. Capital ratios, Asset Quality and Profitability.
- Indicators to be tracked for these three parameters are CRAR (Capital to Risk weighted Assets Ratio)/Common Equity Tier I ratio, Net NPA (non-performing assets) ratio and Return on Assets (RoA) respectively.
- If banks breach of any risk threshold mentioned above, it results in invocation of PCA against them.
- RBI enforces these guidelines to ensure banks do not go bust and follow prompt measures to put their house in order.
- It had tightened its PCA framework in April 2017 to turn around lenders with weak operational and financial metrics,
- Depending on the risk thresholds set in PCA rules, banks placed under it are restricted from expanding number of branches, staff recruitment and increasing size of their loan book.
- Other restrictions include higher provisions for bad loans and disbursal only to those companies whose borrowing is above investment grades.

Syria conflict: US officials withdraw troops after IS 'defeat'



The Trump administration says US troops are being withdrawn from Syria, after the president said the Islamic State (IS) group had been "defeated".

The Pentagon said it was transitioning to the "next phase of the campaign" but did not give details.

Some 2,000 troops have helped rid much of north-eastern Syria of IS, but pockets of fighters remain.

It had been thought defence officials wanted to maintain a US presence to ensure IS did not rebuild.

There are also fears a US withdrawal will cede influence in Syria and the wider region to Russia and Iran.