

11 December 2019: PIB Summary & Analysis

Subramania Bharathi

Context:

PM remembers Subramania Bharathi on his birth anniversary.

Details:

- Subramania Bharathi was a Tamil poet and a symbol of patriotism, social reform and freedom.
- He was also an advocate of women's rights and wrote against the caste system.
- As a poet, his theme ranged from patriotism to nature, from romance to philosophy, from devotion to self-respect.
- He was arrested many times on account of his writings, which was anti-colonial rule.
- He is also known as 'Mahakavi Bharathiar'.
- For more on the life of Subramania Bharathi, click [here](#).

Partial Credit Guarantee Scheme

Context:

Cabinet approves "Partial Credit Guarantee Scheme" for purchase of high-rated pooled assets from financially sound NBFCs/HFCs by PSBs.

Details:

- "Partial Credit Guarantee Scheme" is to be offered by the Government of India (GoI) to Public Sector Banks (PSBs) for purchasing high-rated pooled assets from financially sound Non-Banking Financial Companies (NBFCs)/Housing Finance Companies (HFCs).
- This proposal will allow public sector banks (PSBs) to buy pooled assets from financially sound entities.
- The proposed Government Guarantee support and resultant pool buyouts will help address NBFCs/HFCs resolve their temporary liquidity or cash flow mismatch issues, and enable them to continue contributing to credit creation and providing last mile lending to borrowers, thereby spurring economic growth.
- The scheme was first launched in August 2019, in which the government said it will provide one time six months' partial credit guarantee to public sector banks for first loss up to 10 per cent.
- The credit guarantee scheme will continue till 30th June 2020.
- The Finance Minister can extend the scheme by another three months.
- The scheme will not cover the NBFCs that were in stress before the [IL&FS crisis](#).
- The guarantee scheme covers bonds of up to Rs.1 trillion.
- The scheme was announced to address temporary liquidity/cash flow mismatch issues of otherwise solvent NBFCs/HFCs without them having to resort to distress sale of their assets for meeting their commitments.
- The scheme would cover NBFCs/HFCs that may have slipped into SMA-0 category during the one year period prior to August 1, 2018, and asset pools rated "BBB+" or higher.
- SMA-0 accounts are the special mention accounts (SMA) against which the principal or interest or

any other amount wholly or partially is overdue between 1-30 days.

India-Japan Steel Dialogue

Context:

Cabinet approves pact between India and Japan in the steel sector.

Details:

- The Union Cabinet has given its approval for signing the Memorandum of Cooperation (MoC) between the Government of India and the Government of Japan to constitute the '**India-Japan Steel Dialogue**' to strengthen cooperation in the steel sector.
- The 'India-Japan Steel Dialogue' envisages enhancement of mutual understanding to secure sustainable growth in the steel sector.
- The Dialogue aims to examine all aspects of cooperation in the steel sector including promotion of investment in high grade steel making and finding new avenues of steel usage in India.
- The MoC will help in capacity building for high grade steel manufacturing in India.

Also read: [Make in India – Government Scheme for UPSC Polity](#)

Infrastructure Investment Trust

Context:

Cabinet authorises NHAI to set up Infrastructure Investment Trust and monetize National Highway projects.

Details:

- The Union Cabinet has given its approval to the proposal of the Ministry of Road Transport and Highways authorizing the **National Highways Authority of India (NHAI)** to set up an Infrastructure Investment Trust(s) (InvIT) as per InvIT Guidelines issued by [SEBI](#).
- This will enable the NHAI to monetize completed national highways that have a toll collection track record of at least one year and the NHAI reserves the right to levy toll on the identified highway.
- InvIT as an instrument provides greater flexibility to investors and is expected to create the following opportunities:
 - Generation of specialized O&M Concessionaires (Operation & Maintenance).
 - Attract patient capital (for say 20-30 years) to the Indian highway market, as these investors are averse to construction risk and are interested in investment in assets which provide long-term stable returns.
 - Retail domestic savings and corpus of special institutions (such as mutual funds, PFRDA, etc.) to be invested in infrastructure sector through InvIT.

About the NHAI:

- The National Highways Authority of India was set up by an act of Parliament, the **NHAI Act, 1988**.
- It develops, maintains and manages the national highways of India.
- National Highways are the arterial roads of the country for inter-state movement of passengers and

goods.

- They traverse the length and width of the country connecting the National and State capitals, major ports and rail junctions and link up with border roads and foreign highways.
- The total length of NH (including expressways) in the country at present is 1,32,499 km.
- While Highways/Expressways constitute only about 1.7% of the length of all roads, they carry about 40% of the road traffic.
- NHAI is mandated to implement the **National Highways Development Project (NHDP)** which is India's largest ever Highways Project in a phased manner.
- The NHAI also collects fees on national highways, regulates and controls the plying of vehicles on the highways for its proper management.
- It functions under the Ministry of Road Transport & Highways, Government of India.

Agreement on Social Security between India and Brazil

Context:

The Union Cabinet has given its approval for signing the Agreement on Social Security between the Republic of India and the Federative Republic of Brazil.

Details:

- India has been entering into **bilateral Social Security Agreements (SSAs)** with other countries in order **to protect the interests of Indian professionals/skilled workers working abroad** for short durations and enhance the competitiveness of Indian companies.
- **Benefits of SSAs:**
 - Avoiding making of double social security contributions by the workers (detachment);
 - Easy remittance of benefits (Exportability);
 - Aggregating the contribution periods (in two countries) to prevent loss of benefits (Totalization). The agreement will also provide for disability insurance benefits to the Indian nationals working abroad.
- As on date, India has signed SSAs with 18 countries.
- At present, about 1,000 Brazilians are living in India, while about 4,700 Indians are living in Brazil.

Insolvency and Bankruptcy Code (Second Amendment) Bill, 2019

Context:

The Union Cabinet approved the proposal to make amendments in the **Insolvency and Bankruptcy Code, 2016** (code), through the Insolvency and Bankruptcy Code (Second Amendment) Bill, 2019.

Details:

- The amendments aim to remove certain difficulties being faced during the insolvency resolution process to realise the objects of the code and to further ease doing of business.
- The amendments are intended to remove bottlenecks, streamline the Corporate Insolvency Resolution Process (CIRP) and protect last mile funding which will boost investment in financially distressed sectors.
- Additional thresholds will be introduced for Financial Creditors represented by an authorized

representative due to large numbers in order to prevent frivolous triggering of CIRP.

- The amendments are expected to ensure that the substratum of the business of corporate debtor is not lost, and it can continue as a going concern by clarifying that the licenses, permits, concessions, clearances, etc. cannot be terminated or suspended or not renewed during the moratorium period.
- They will also ring-fence corporate debtors resolved under the IBC in favour of a successful resolution applicant from criminal proceedings against offences committed by previous management/promoters.

Read more on the [Insolvency and Bankruptcy Code](#) at the linked article.

RISAT-2BR1

Context:

India's **Polar Satellite Launch Vehicle**, in its **fiftieth flight** (PSLV-C48), successfully launched RISAT-2BR1 along with nine commercial satellites from the Satish Dhawan Space Centre (SDSC) SHAR, Sriharikota.

Details:

- PSLV-C48 lifted-off at 1525 hrs (IST) from the First Launch Pad.
- After 16 minutes and 23 seconds, RISAT-2BR1 was successfully injected into an orbit of 576 km.
- Subsequently, nine commercial satellites were injected into their intended orbits.
- After separation, the two solar arrays of RISAT-2BR1 were deployed automatically and the ISRO Telemetry Tracking and Command Network at Bengaluru assumed control of the satellite.
- In the coming days, the satellite will be brought to its final operational configuration.
- This is PSLV's 50th successful mission. The occasion was also the 75th launch vehicle mission from SDSC SHAR, Sriharikota.
- **RISAT-2BR1:**
 - It is a radar imaging earth observation satellite weighing about 628 kg.
 - The satellite will provide services in the field of agriculture, forestry and disaster management.
 - Its mission life is 5 years.
- The nine customer satellites of Israel, Italy, Japan and the USA were precisely injected into their designated orbits. These satellites were launched under a commercial arrangement with New Space India Limited (NSIL). The NSIL is a commercial subsidiary of the [ISRO](#).

Hill Area Development Programme (HADP)

Context:

The HADP was launched for a period of two years (2018-19 and 2019-20).

About the HADP:

- Hill Area Development Programme (HADP) is a pilot project launched for the hill district of Tamenglong (later on divided into two districts of Tamenglong and Noney) in Manipur with an outlay of Rs.90 crore for a period of two years (2018-19 and 2019-20).

- As per NER District Infrastructure Index, prepared by the Ministry of Development of North-Eastern Region (DoNER) in 2009, districts of Tamenglong, Chandel & Churachandpur in Manipur are ranked among the lowest in NER (North-Eastern Region).
- The pilot programme is aimed at bringing them on par with the rest of the districts in the region.

About the District Infrastructure Index (DII):

- The Ministry of DoNER has prepared the DII in order to reduce intra-regional disparity and have better targeting of schemes and projects in the North Eastern States.
- The DII is based on **seven broad indicators** — transport facilities in terms of road density and road quality, energy, water supply, education, health facilities, communication infrastructure and banking facilities.
- The Ministry has used the composite NER DII to give ranking from 1 to 80 to all the 80 districts. (In all there are 86 districts in eight NE States. However, six new districts, four in Assam and two in Arunachal Pradesh have been clubbed with the old districts from which those were carved out, for the purpose of DII).
- It has also prepared a State-wise composite infrastructure index and district ranking on 14 indicators covering the seven broad indicators.
- Imphal West district in Manipur ranks first while Kiphire in Nagaland ranks the lowest rank 80.

International Seminar on Climate Smart Farming Systems

Context:

3 day “International Seminar on Climate Smart Farming Systems” for BIMSTEC countries begins in New Delhi.

Details:

- The seminar is organized by the Department of Agricultural Research & Education, Ministry of Agriculture & Farmer’s Welfare and the Indian Council of Agricultural Research.
- Participants from all the Seven [BIMSTEC](#) Countries viz. Bhutan, Bangladesh, India, Myanmar, Nepal, Sri Lanka, Thailand and BIMSTEC Secretariat are attending the seminar.
- The seminar was announced by the PM at the 4th BIMSTEC Summit at Kathmandu, which was held in August 2019.
- The objective of this international seminar is to have experience sharing to enable the improvement of tropical smallholder farming systems for greater productivity and resilience to climate change through ecological approaches.

National Logistics Policy

About the National Logistics Policy:

- The policy has been prepared by the Department of Logistics, Ministry of Commerce and Industry in consultation with the Ministries of Railways, Road Transport and Highways, Shipping and Civil Aviation.
- A major aim of the policy is to reduce the logistics cost from the present 14% of GDP to 9 – 10% of GDP by 2022.

- **Policy Vision:**

- To drive economic growth and business competitiveness of the country through an integrated, seamless, efficient, reliable, green, sustainable and cost-effective logistics network leveraging best in class technology, processes and skilled manpower.

- **Objectives of the Policy:**

- Creating a single point of reference for all logistics and trade facilitation matters in the country which will also function as a knowledge and information sharing platform.
- Driving down the logistics cost in line with best-in-class global standards and incentivize the sector to become more efficient by promoting the integrated development of logistics.
- Creating a **National Logistics e-marketplace** as a one-stop marketplace which will involve simplification of documentation for exports/imports and drive transparency through digitization of processes involving Customs, Participating Government Agencies (PGAs), etc. in regulatory, certification and compliance services.
- Creating a data and analytics centre to drive transparency and continuous monitoring of key logistics metrics.
- Encouraging the industry, academia and government to come together to create a logistics Centre of Excellence, and drive innovation in the logistics sector.
- Doubling employment in the logistics sector.
- Improving India's ranking in the **Logistics Performance Index** to between 25 and 30.
- Boosting the warehousing sector in India by improving the quality of storage infrastructure including specialized warehouses across the country.
- Reducing losses due to agri-wastage to less than 5% through effective agri-logistics.
- Providing impetus to the MSME sector in the country through a cost-effective logistics network.
- Promoting cross-regional trade on e-commerce platforms by enabling a seamless flow of goods.
- Encouraging the adoption of **green logistics** in the country.

Context:

The Union Minister of Commerce and Industry gave information about the above in the Lok Sabha.

Fund of Funds for Startups (FFS)

About the Fund of Funds for Startups (FFS):

- The Fund of Funds for Startups (FFS) was approved by the Cabinet and established by the Department for Promotion of Industry and Internal Trade (DPIIT) in June 2016 with a corpus of Rs 10,000 crore.
- This was done to provide a much-needed boost to the Indian startup ecosystem and enable access to domestic capital.
- The objectives of the FFS include accelerating innovation-driven entrepreneurship and business creation, mobilizing larger equity-like resources for startups.
- The Fund of Funds does not directly invest in startups but provides capital to SEBI-registered Alternate Investment Funds (AIFs), known as daughter funds, who in turn invest money in growing Indian startups through equity and equity-linked instruments.
- Small Industries Development Bank of India (SIDBI) has been given the mandate of managing this Fund through selection of suitable daughter funds and overseeing the disbursement of committed capital.

Context:

The above information was given by the Union Minister of Commerce and Industry in the Lok Sabha.

IT Patent

Details:

- As per information available with Controller General of Patents, Designs and Trade Marks (CGPDTM), almost 6000 requests seeking permission for filing applications outside India were received during 2018-19.
- Out of this, more than 3000 requests were from the Information Technology (IT) sector.
- Further, more than 950 international applications under the Patent Cooperation Treaty (PCT) were filed during 2018-19 by Indian applicants at the Indian Patent Office with a request to forward the same to the **World Intellectual Property Organization (WIPO)**.
 - WIPO is a UN specialised agency created in 1967 to promote intellectual property (IP) protection and encourage creative activity all over the world. WIPO is basically a global forum for IP policy, services, information and cooperation.
- Besides, a little more than 1000 international applications under PCT were filed by Indian applicants directly to WIPO.
- **India's ranking in PCT Filing was 13th during the year 2018 as per WIPO Report.**
- As a measure to encourage patent filing by individuals and organizations, awareness programmes and workshops on creation, protection, management and enforcement of IPRs are regularly organised by the Cell for Intellectual Property Rights Promotion and Management (CIPAM), Rajiv Gandhi National Institute of Intellectual Property Management (RGNIIPM) and the office of CGPDTM in collaboration with the Ministry of MSME, industry associations, universities, colleges, schools, Law Enforcement Authorities and Judiciary for the benefit of various types of stakeholders.

Context:

The above information was given by the Union Minister of Commerce and Industry in the Lok Sabha.

BASIC Ministerial Joint Statement at UNFCCC COP25

Context:

The Ministers of the **Brazil, South Africa, India and China group (BASIC)** met during the 25th Conference of Parties to the [United Nations Framework Convention on Climate Change](#) (COP25) in Madrid, Spain.

Details:

- The BASIC meeting was chaired by the Chinese Vice Minister of Ecology and Environment.
- The Ministers pledged their full support to the Chilean COP Presidency and expressed their gratitude to the Kingdom of Spain for hosting the meeting.
- They noted that the central mandate of COP25 is to prepare the way for the full implementation of the **Paris Agreement** in the post-2020 period building upon the climate action efforts under the Convention and its Protocol.

- The Ministers underlined that COP25 should achieve the following outcomes:
 - To conclude the negotiations related to article 6 of the Paris Agreement;
 - To mandate a 2-year Work Programme under SBI to assess the pre-2020 progress and gaps, with a view to making the necessary arrangements to fill those gaps;
 - To urge developed country parties to fulfil their commitments on providing finance, technology development and transfer and capacity-building support to developing countries;
 - To interpret and implement the provisions of the Paris Agreement in a holistic and faithful manner.
- The Ministers highlighted that BASIC countries are implementing ambitious climate actions based on their national circumstances and have achieved great progress, contributing significantly to global efforts in combating climate change. This is notwithstanding the insufficient and uneven progress of their domestic development and the multiple challenges all BASIC countries face, including in poverty eradication and achieving socio-economic development and environment protection.
 - In 2018, China reduced carbon dioxide emissions per unit of GDP by 45.8% from 2005 levels, as well as increased the share of non-fossil fuels in primary energy consumption to 14.3%.
 - South Africa has recently implemented a carbon tax and announced a massive renewable energy program in its latest electricity plan.
 - India has already achieved a 21% reduction in emission intensity of GDP in 2014 compared to 2005 levels, thereby achieving its pre-2020 voluntary target.
 - In 2015, Brazil had already achieved a 58% emission reduction relative to the business as usual scenario set for its NAMAs, thereby overachieving its target of 36%-39% reductions set for 2020.

Green Window for Green Energy Finance

Context:

The Indian Renewable Energy Development Agency (IREDA) is planning to set up a dedicated “Green Window to serve the unserved segments of renewable energy.”

Details:

- The IREDA Green Window would provide a significant boost to the renewable energy market.
- This is a new financing approach to boost investment in clean energy.
- The Indian Renewable Energy Development Agency (IREDA), the country’s premier public finance institution, is considering an allocation of \$20 million in seed funding to set up its pioneering “Green Window” aimed toward catalysing private investment and expanding the Indian clean energy market.
- A green window is a financing approach designed to leverage limited government funds to attract private capital to achieve climate and clean energy goals. The IREDA Green Window builds on the globally successful green bank model.
- **About Green Windows:**
 - Green windows, like green banks, are public entities created to work with the private sector to increase investment in green energy and bring clean energy financing into the mainstream.
 - They are innovative and new tools that have been successful in the United Kingdom, Australia, Japan, Malaysia and the United States.
- India is one of the top three nations leading global renewable energy growth.
- As of October 2019, India’s installed renewable capacity has already met about half of its 2022 target of 175 GW.
- Achieving the 175 GW goal would increase green energy access for millions of Indians and,

additionally, could create up to 1 million job opportunities for over 300,000 workers in the country by 2022.

About the IREDA:

- IREDA is India's leading financial institution dedicated to clean energy expansion.
- Since its founding under the Ministry of New and Renewable Energy in 1987, IREDA has financed the largest share of renewable energy projects in India.
- It is a Mini-Ratna (Category 1) enterprise.
- It was established as a non-banking financial institution engaged in promoting, developing and extending financial assistance for setting up projects relating to new and renewable sources of energy and energy efficiency/conservation.
- Its motto is: "Energy for Ever".