

04 December 2019: PIB Summary & Analysis

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Inauguration of development projects in the Maldives

Context

Prime Minister Narendra Modi and President of Maldives jointly inaugurated several key development projects in the Maldives via video conference.

About the Conference

- The projects included the gifting of Made in India Coast Guard Ship Kaamiyaab to Maldives, the launch of RuPay card, lighting up of Male using LED lights, High Impact Community Development Projects, the launch of fish processing plants.
- India's Neighbourhood First Policy and Maldives' India first Policy has strengthened the bilateral cooperation in all sectors.
- The Fast Interceptor Craft Coast Guard Ship Kaamiyaab, would help in enhancing Maldives' maritime security, and promote the blue economy and tourism.
- Prime Minister also expressed happiness at partnering through High Impact Community Development Projects for supporting the livelihood of the island's community.

Read more about [India - Maldives Relations](#)

The Navy Day

Context

The Prime Minister Shri Narendra Modi has saluted the Indian Navy personnel on the occasion of Navy Day

About Navy Day

- The day is celebrated to commemorate the launch of Operation Trident by the Indian Navy against Pakistan on 4th December 1971.
 - During the 1971 India-Pakistan war, Indian Navy had played a significant role in the bombing of Karachi harbour, the stronghold of the Pakistani Navy.
 - In the attack, the Indian Navy sank four vessels and ravaged the Karachi harbour fuel fields.
 - In this operation, three missile boats of Indian Navy, INS Nirghat, INS Nipat and INS Veer had played a pivotal role in this mission.
- The day is observed to promote the marine border security of India and also to encourage good relations with other countries through joint exercises, relief missions and humanitarian missions.

MoU between ECI and Election Commission of Maldives

Context

- The Union Cabinet has approved the proposal of the Election Commission to enter into the Memorandum of Understanding (MoU) with the Election Commission of Maldives on cooperation in the field of electoral management and administration.

About MoU

- The MoU includes the exchange of knowledge and experience in the field of organizational and technical development of electoral process; support in exchanging information, institutional strengthening and capacity building, training of personnel, holding regular consultations; etc.
- The proposed MoU would promote bilateral cooperation, aimed at building technical assistance/capacity support for the Election Commission of Maldives, envisaging cooperation in the field of electoral management and administration.

Bharat Bond Exchange Traded Fund

Context

The Cabinet Committee on Economic Affairs has given its approval for creation and launch of Bharat Bond Exchange Traded Fund (ETF) to create an additional source of funding for government organisations.

Bharat Bond ETF

- Bharat Bond ETF would be the first corporate Bond ETF in the country.
- The government is coming up with a fresh tranche of Bharat 22 ETF for individual investors.
- It is a part of the government's divestment programme.
- The ETF, which will be managed by ICICI Prudential Asset Management Company, intends to raise up to 2,000 crores with an option to retain oversubscription.
- An open-ended ETF, the fund allows investors to invest in a basket of government-owned and private sector entities.
- Bharat 22 ETF invests in the 22 companies that comprise the S&P BSE Bharat 22 index.

Features of Bharat Bond ETF

ETF will be a basket of bonds issued by CPSE/CPSU/CPFI/any other Government organization Bonds (Initially, all [AAA-rated](#) bonds)

- Bharat Bond ETF will be a basket of bonds issued by central public sector enterprises/undertakings or any other government organization bonds. (Initially, all AAA-rated bonds.)
- It will invest in a portfolio of bonds of state-run companies and other government entities.
- Bharat Bond ETF will have a fixed maturity of three and ten years and will trade on the stock exchanges. As of now, Bharat Bond ETF will have two maturity series - 3 and 10 years. Each series will have a separate index of the same maturity series.
- Bharat ETF will track an underlying index on risk replication basis, matching credit quality and average maturity of the index. The index will be constructed by an independent index provider, National Stock Exchange.
- Bond ETFs will provide tax efficiency as compared to bonds, as coupons (interest) from the bonds are taxed depending on the investor's tax slab, the govt said. Bond ETFs are taxed with the benefit of indexation which significantly reduces the tax on capital gains for investor.

Benefits of Bharat Bond ETF to investors:

- Bond ETF will provide safety (underlying bonds are issued by CPSEs and other Government-owned entities), liquidity (ability to trade on exchange) and predictable tax-efficient returns (target maturity structure).
- It will also provide access to retail investors to invest in bonds with a smaller amount (as low as Rs. 1,000) thereby providing easy and low-cost access to bond markets.
- This will increase the participation of retail investors who are currently not participating in bond markets due to liquidity and accessibility constraints.
- Tax efficiency compared to Bonds as coupons from the Bonds are taxed at marginal rates. Bond ETFs are taxed with the benefit of indexation which significantly reduces the tax on capital gains for investor.

Benefits for CPSEs:

- Bond ETF would offer CPSEs, CPSUs, CPFIs and other Government organizations an additional source of meeting their borrowing requirements apart from bank financing.
- It will expand their investor base through retail and HNI participation which can increase demand for their bonds. With an increase in demand for their bonds, these issuers may be able to borrow at reduced cost thereby reducing their cost of borrowing over a period of time.
- Further, Bond ETF trading on the exchange will help in better price discovery of the underlying bonds.
- Since a broad debt calendar to assess the borrowing needs of the CPSEs would be prepared and approved each year, it would inculcate borrowing discipline in the CPSEs at least to the extent of this investment.

Developing Standardized Terminologies in three AYUSH systems

Context

WHO Working Group Meeting on developing Standardized Terminologies in Ayurveda, Unani and Siddha, the draft documents on Terminologies of Ayurveda, Unani & Siddha has laid a firm foundation for the globalisation efforts of these three AYUSH systems.

Standard International Terminologies Documents

- The Standard International Terminologies Documents reviewed here were developed by WHO as part of its global strategy to strengthen the quality, safety and effectiveness of Traditional and Complementary Medicine (T&CM).
- The documents are expected to provide the list of terms in the respective systems, definitions (short or explanatory descriptions as required) including contextual meanings of the terms, classical usages and references, suggested English terms, synonyms and exclusions if any.
- The documents cover terms related to basic principles, fundamental theories, human structure and function, diagnosis, pathologies, patterns and body constitutions, pharmacognosy, pharmacology, preparation of food and medicines, therapeutics, preventive and promotive health interventions and miscellaneous terms of the respective medical systems.

Impact of the Move

- The standardized terminologies will facilitate better communication between practitioners of modern and traditional medicine, and support integration of traditional medicine into the national health system.
- These documents will be of immense utility to other health professionals, medical students and relevant researchers also.
- Traditional Medicines are an important integral part of the Universal Health Coverage Program especially under Sustainable Developmental Goal-3 (SDG-3) of the United Nations.

Study by Chandrayaan

Context

Infrared measurements are done during bright sunlit conditions while X-ray measurements are carried out during phases of solar activity.

About the study

- Imaging Infrared Spectrometer (IIRS) aims to identify and map the location of minerals using absorption features in the reflected sunlight from the Moon's surface.
- The extended operational band of IIRS also enables clear identification and mapping of water-ice on the sunlit lunar surface.
- The extended band of 3-5 microns in infrared enables the improved capability to subtract the thermal background which otherwise causes uncertainties in estimating the water signature.

Read about [Chandrayaan 2 Mission](#)

e-Marketplace

Context

GeM SPV has been established as the National Public Procurement Portal to facilitate procurement of goods and services required by Central and State Government organizations.

Government e-Marketplace (GeM):

- To address the challenges in public procurements, Government e-Marketplace (GeM) was launched.
- GeM provides an online marketplace for public procurement for both goods and services, eliminating physical meeting of Government Buyers and brought transparency.

Features

- Marketplace based end to end procurement platform for products and services.
- Online validations.
- Inclusive & open.
- Transparent.
- Direct Purchase, e-Bidding, Reverse Auction modes of procurement enabled.
- No registration fee/listing fee

Revenue received through Anti-Dumping Duty

Context

This information about the revenue received through Anti-Dumping Duty was given by the Minister of Commerce and Industry, in a written reply in the Lok Sabha.

Directorate General of Trade Remedies (DGTR)

- Directorate General of Trade Remedies (DGTR) conducts anti-dumping investigations, under the Customs Tariff Act, 1975 and the rules made thereunder, on the basis of a duly substantiated application filed by the domestic industry alleging dumping of goods into the country causing injury to the domestic industry.
- DGTR conducts safeguard investigations under the Customs Tariff Act, 1975 and the rules made thereunder, on the basis of a duly substantiated application filed by the domestic industry.
- The criteria adopted by DGTR in conducting the safeguard investigation includes evidence of increased imports, serious injury or threat of serious injury to the domestic industry and a causal link between imports and the alleged serious injury or threat of serious injury.

Read more about the topic: [Click Here](#)

Anti-Dumping Duty

- The basic intent of anti-dumping measures is to eliminate injury caused to the domestic industry by the unfair trade practice of dumping and to create a level playing field for the domestic industry.

Development of SEZ

Background

The Special Economic Zones (SEZs) policy was launched in April 2000. The Special Economic Zones Act was passed in 2005.

Read about [SEZ here](#)

Salient features of the SEZ scheme are:

- A designated duty-free enclave to be treated as a territory outside the customs territory of India for the purpose of authorised operations in the SEZ;
- No licence required for import;
- Manufacturing or service activities allowed;
- The Unit shall achieve Positive Net Foreign Exchange to be calculated cumulatively for a period of five years from the commencement of production;

- Domestic sales subject to full customs duty and import policy in force;
- SEZ units will have freedom for subcontracting;
- No routine examination by customs authorities of export/import cargo;
- SEZ Developers /Co-Developers and Units enjoy Direct Tax and Indirect Tax benefits as prescribed in the SEZs Act, 2005.

Status of the Leather Industry

Measures taken by the Government for the promotion of the leather industry

- Central sector scheme 'Indian Footwear, Leather & Accessories Development Programme' is under implementation.
- The scheme aims at the development of infrastructure for the leather sector, address environment concerns specific to the leather sector, facilitate additional investments, employment generation and increase in production.
- Merchandise Exports from India Scheme (MEIS)
- MEIS was introduced in the FTP from 01.04.2015, providing rewards for exporters of specified goods.
- The objective of the MEIS is to offset infrastructural inefficiencies and associated costs involved in exporting goods/products which are produced/manufactured in India.
- The scheme incentivizes exporters in terms of Duty Credit Scrips at the rate of 2, 3, 4, 5, 7 % of FOB Value of exports realized.
- Goods and Service Tax (GST) Rates for selected leather industry items have been reduced.
- Duty-Free Import of Inputs: Enhancement of duty-free limit (Basic Customs duty exemption) for import of critical import by manufacturer exporters of footwear and other leather products.
- Interest equalization rate was enhanced from 3% to 5% for Micro Small and Medium Enterprises units
- Removal of Animal Quarantine clearance for most of the categories of finished and crust leathers imported into India
- In order to promote Green Tanning, the Union Budget 2017-18 announced the reduction of Basic Customs Duty on Vegetable Tanning Extracts.

Indian Footwear, Leather & Accessories Development Programme

- Human Resource Development (HRD) sub-scheme: HRD sub-scheme provides assistance for Placement Linked Skill Development training to unemployed persons and skill up-gradation training to employed workers.
- Integrated Development of Leather Sector (IDLS) sub-scheme: IDLS sub-scheme incentivizes investment and manufacturing including job creation by providing backend investment grant/subsidy at 30% of the cost of new Plant and Machinery to Micro, Small & Medium Enterprises (MSMEs).
- Establishment of Institutional Facilities sub-scheme: The sub-scheme provides assistance to Footwear Design & Development Institute (FDDI) for up-gradation of some of the existing campuses of FDDI into "Centres of Excellence" and establishing 3 new fully equipped skill centres alongside the upcoming Mega Leather Cluster.
- Mega Leather, Footwear and Accessories Cluster (MLFAC) sub-scheme: The MLFAC sub-scheme provides infrastructure support to the Leather, Footwear and Accessories Sector by the establishment of Mega Leather, Footwear and Accessories Cluster.
- Leather Technology, Innovation and Environmental Issues sub-scheme: Under this sub-scheme, assistance is provided for upgradation/installation of Common Effluent Treatment Plants (CETPs) at 70% of the project cost.

- Promotion of Indian Brands in Leather, Footwear and Accessories Sector sub-scheme: Under this sub-scheme, the eligible units approved for Brand Promotion are assisted.
- Additional Employment Incentive for Leather, Footwear and Accessories Sector sub-scheme: Under this sub-scheme, employers' contribution of 3.67% to Employees' Provident Fund for all new employees in Leather, Footwear and Accessories sector, are provided for enrolling in EPFO for first 3 years of their employment.

Startup India Global Venture Capital Summit 2019

Context

The Department for Promotion of Industry and Internal Trade (DPIIT), in partnership with Government of Goa, is organizing the 2nd edition of the Startup India Global Venture Capital Summit.

Objectives of the Summit

- The key objectives of the Summit are to showcase India's opportunity in the sectors of E-Mobility, FinTech, MedTech, Enterprise Software, EdTech, Genomics and Lifesciences.
- It will also look at the increase of capital flow for Indian Startups by showcasing high-quality tech and non-tech startups to the global investor community and foster Ease of Doing Business by identifying and discussing issues faced by the investor community.
- Through this event Startup India is providing the Indian startups with an opportunity to meet Top Global Investors at the event to get business guidance and to discuss investment opportunities.
- This year the Summit aims to reach new heights in both reach and scope. The focus of the Summit is to mobilize global capital for innovation in India.
- The Summit will bring together a series of engagements involving over 350 representatives of leading Global Venture Capital Firms, Limited Partners, Family Offices, High-Network Individuals, Government of India officials, top Corporates, and select innovative Startups.
- It will showcase the India Advantage, diversity and scale of Indian market opportunity, and the cutting-edge innovations originating in India.
- The Summit also aims to understand the best practices for the venture capital industry, identify issues faced by them for investments in India, and evaluate ways to address them.

Pacific Air Chiefs' Symposium 2019

Context

Air Chief Marshal Rakesh Kumar, Chief of the Air Staff is participating in the Pacific Air Chiefs' Symposium 2019 (PACS 2019) at Joint Base Pearl Harbor-Hickam, Hawaii.

About symposium

- The theme for this year's symposium is 'A Collaborative Approach to Regional Security'.
- The conference will bring together Air Chiefs from across the Indo-Pacific region who will provide perspectives on common challenges faced and on shared mutual interests while focusing on relevant topics like 'Regional Security', 'Domain Awareness', 'Multi-Domain Awareness', 'Interoperability' and 'HADR'.
- The symposium will also entail discourse and discussions on the combined effort required to maintain peace and security within the region.

- The conference is intended to further strengthen the existing cooperation between the Air Forces of the participating countries and also to pave the way for enhanced interaction in the future. In addition to the host country USA, Air Chiefs from 20 countries are present at the Symposium.

North East Rural Livelihood Project

About the project

- The North East Rural Livelihood Project (NERLP), a World Bank aided project launched in 2012, was implemented by the Ministry of Development of North Eastern Region (MDoNER).
- The main aim is to improve rural livelihoods especially that of women, unemployed youth and the most disadvantaged people by building community-based organizations and developing a partnership with Government and other institutions for knowledge, skill, credit, insurance, extension and market.

Major achievements of the project are

- More than 10,000 boys and girls were trained in various job skills.
- Many households were covered through formation of Self Help Groups (SHGs) and a number of village Federations, as well as formation of Community Development Groups (CDG). As a result, women have become more enterprising resulting increase in family incomes.

Founding Day celebrations of the DRI

Context

- Minister of State for Finance & Corporate Affairs, said that sharing information, using data analytics and usage of non-intrusive technologies should be harnessed to effectively battle the modus operandi of new-age smuggling networks.

About Directorate of Revenue Intelligence (DRI)

- For more than six decades, DRI with its presence across India and abroad has been carrying out its mandate of countering organised crime groups engaged in smuggling of contraband goods such as arms, ammunition & explosives, narcotic drugs & psychotropic substances, gold & diamonds, counterfeit currency notes, wildlife items, hazardous & environmentally sensitive materials and antiques.
- DRI also has expertise in unearthing commercial frauds, plugging leakage of Government's tax revenue and countering trade-based money laundering and black money.
- DRI has also been at the forefront in international Customs collaboration and has Customs Mutual Assistance Agreements with over 60 other countries, where the thrust is on information exchange and learning from the best practices of other Customs administrations.