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News Analysis (23 Jan, 2019)

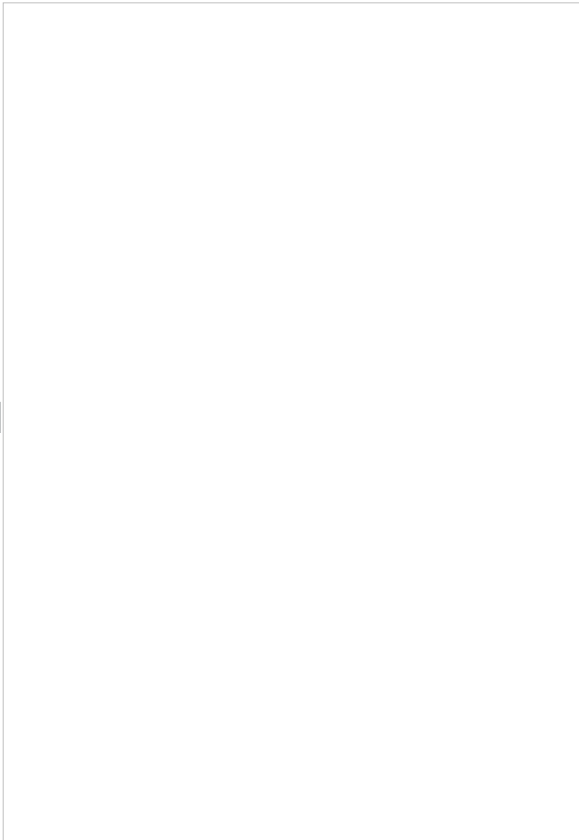
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Lothal : India's Oldest Port City

(This news analysis is based on the article "In one of India's oldest port cities" by art historian Rana Safvi which appeared in The Hindu on 20th January 2019.)

The word **Lothal**, like Mohenjo-daro, means the mound of the dead. Lothal is located between the **Bhogavo and Sabarmati rivers** near the Gulf of Khambhat in **Gujarat**.

Town Planning of Lothal



- The 4,500-year-old city was **mathematically planned**. It had a grid pattern with proper **streets crossing at right angles** and **drainage systems**.
- The **emphasis on cleanliness** can be judged from the **discovery of toilets and lota-**

like jars which shows our fixation with washing up goes back all the way to the Harappan Civilisation.

- The city was divided into two parts: the upper town and the lower town. The remains of the brick walls there suggest wide streets, drains and bathing platforms.

Lothal : City of Trade

- **Rectangular basin** has been found at Lothal that was said to be the **dockyard**. It is 218 m long and 37 m wide and is bound on all sides by **baked bricks**.
- As the Indus script is yet to be deciphered, it is not known if this was really India's first port as is claimed by some and questioned by some historians.
- However, the discovery of Lothal seals in other ancient cities points to its importance in trade that was conducted with other ancient civilisations. The **dockyard proves the maritime activity of the Harappans**.
- Lothal was in the thick of Harappan maritime trade, and beads made from semi-precious stones, terracotta, gold, etc. were popular in areas as far as **Sumer (modern-day Iraq)**, Bahrain and Iran.
- The Lothal bead-makers were highly skilled as hundreds of carnelian beads in various stages of production and tools and raw materials were recovered.

Indus Valley Civilisation (IVC)

- The Indus Valley Civilisation, which is now more popularly referred to as the Harappan civilisation after Harappa, the first of its sites to be excavated in the 1920s by British archaeologist **Sir Mortimer Wheeler**.
- Harappan civilisation emerged on the **banks of the river Indus in the second half of the third millennium BCE** and spread across large parts of western India.
- A marked feature of this ancient civilization was the vivid imagination and artistic sensibilities exuded by the numerous sculptures, seals, potteries, jewellery found at the excavation sites.
- **Harappa and Mohenjo-daro – the two major sites of this civilization** – are among the earliest and finest examples of urban civic planning. The planned network of roads, houses and drainage systems indicate the planning and engineering skills that developed during those times.
- The Harappan Civilisation was widespread as it covered parts of **India, Pakistan and Afghanistan**.
- Thus territorial expansion of such civilization is a logical outcome so as to create different production centres and also promote intra-civilizational exchange.
- Harappan civilisation was unmatched in its spread. Discovery of more than a thousand known sites till date bear testimony to its great expanse.
- Harappan civilisation was a **trade based civilization** which had overseas trade links with Mesopotamia attested by the discovery of Harappan seals there and

Mesopotamian carnelian beads here.

Important Sites of IVC

- **Harappa in present Pakistan** – granaries with big platform, stone symbol of lingam and yoni, mother goddess figure, wheat and barley in wooden mortar, dice, copper scale and mirror.
- **Mohenjo-daro in present Pakistan** - bronze dancing girl, the sculpture of bearded priest, the great bath, the great granary.
- **Dholavira in Gujarat** – giant water reservoir, unique water harnessing system, stadium, dams and embankments, inscription comprising 10 large sized signs like an advertisement board.
- **Lothal (Manchester of Indus Valley Civilisation) in Gujarat** – dockyard, double burial, risk husk, fire altars, painted jar, modern day chess, terracotta figure of ship, instruments for measuring 45, 90 and 180-degree angles.
- **Ropar in Punjab** – dog buried with human oval pit burials.
- **Balathal and Kalibangan in Rajasthan** – bangle factory, toy carts, bones of camel, decorated bricks, citadel and lower town.
- **Banawali in Haryana** – toy plough, barley grains, oval-shaped settlement, the only city with radial streets.
- **Alamgirpur in Uttar Pradesh** – impression of a cloth on a trough.

Proposal to Hike Monthly Pensions

The Ministry of Rural Development has proposed that the **monthly pensions** of the elderly poor, disabled and widows should be **increased** from the current **₹200 to ₹800 under the National Social Assistance Programme (NSAP)**.

- For those **above the age of 80**, the proposal is to increase the **pension from ₹500 to ₹1,200 per month**.
- This will have an additional annual cost implication of ₹18,000 crore on the Government.
- A study has also been launched to **consider doubling the number of people** covered by the scheme.
- In order to increase the coverage, discussions are also being held with the State governments on a proposal to **merge** the Central and State pension schemes.
- Currently, **Below Poverty Line (BPL) criteria** is used to determine the number of **people covered under NSAP**. However, several States, including Rajasthan, Telangana, Bihar and Uttar Pradesh, have **already shifted to Socio Economic and Caste Census 2011 (SECC-2011) data** for their own pension schemes.

Background

In October, 2018 a **panel of National Human Rights Commission (NHRC)** on disability and elderly persons has recommended few measures for the welfare of senior citizens:

- Centre should **increase its contribution** to the pension scheme for elderly persons from **Rs 200 to Rs 2,000 per month.**
- India should adopt the **“time bank”** scheme to take care of senior citizens who are living alone without any support from their family.
- A **nodal police officer** to deal with issues of senior citizens living alone should be appointed at **district level.**
- **Corporate Social Responsibility (CSR)** funds should be utilised for constructing **old age homes.**

Time Bank Scheme

- Under the ‘time bank’ scheme, people **save time and volunteer** to take care of the elderly who need help.
- The **number of hours** they spend time with or take care of senior citizens are deposited into their **personal account of social security system.**
- When volunteers themselves get old and needs someone for help, he/she could use the ‘time bank’ and a volunteer is assigned to take care of him/her.
- **Switzerland** and the **UK** are following the ‘time bank’ scheme while Singapore is considering implementing it.

- In its **December, 2018 order the SC** had urged the Government of India to **relook at these pension schemes** and overhaul them to bring about **convergence and avoid multiplicity.**
- It ordered the Government of India and the State Governments to make the grant of pension to the elderly more realistic, depending upon the availability of finances and the economic capacity of the Governments.

National Social Assistance Programme

- The **National Social Assistance Programme (NSAP)** is a welfare programme being administered by the **Ministry of Rural Development.**
- This programme is being implemented in **rural as well as urban areas.**

Constitutional Provisions

The National Social Assistance Programme (NSAP) represents a significant step towards the fulfilment of the **Directive Principles in Article 42 and in particular article 41 of the Constitution.**

- **Article 41** of the Constitution of India directs the State to provide public assistance to its citizens in case of unemployment, old age, sickness and disablement and in other cases of undeserved want within the limit of its economic capacity and development.
- **Article 42** provides that the State shall make provision for securing just and humane conditions of work and for maternity relief
- The programme was first launched on **15th August 1995 as a Centrally Sponsored Scheme**. It was brought within the umbrella of '**Core of Core**' schemes of the Centrally Sponsored Schemes (CSS) in 2016.
- Currently in 2019, it has **five components namely**:
 - Indira Gandhi National Old Age Pension Scheme (**IGNOAPS**)- since inception of NSAP in **1995**
 - National Family Benefit Scheme (**NFBS**)- **1995**
 - **Annapurna Scheme**- launched in **2000**
 - Indira Gandhi National Widow Pension Scheme (**IGNWPS**)- launched in **2009**
 - **Indira Gandhi National Disability Pension Scheme**- launched in **2009**
- The National Maternity Benefit Scheme (NMBS) was part of NSAP and was subsequently **transferred** from the Ministry of Rural development **to the Ministry of Health and Family Welfare**.

Central Schemes

- The central schemes are divided into **Central Sector Schemes** and **Centrally Sponsored Schemes (CSS)**.
- Central sector schemes:
 - These schemes are **100% funded by the Central government**.
 - Implemented by the **Central Government machinery**.
 - Formulated on **subjects mainly from the Union List**.
 - E.g.: **Bharatnet, Namami Gange-National Ganga Plan, etc.**
- Centrally Sponsored Schemes are the schemes by the centre where there is financial participation by both the centre and states.
 - Centrally Sponsored Schemes (CSS) are again divided into **Core of the Core Schemes, Core Schemes and Optional schemes**.
 - Currently, there are **6 core of the core schemes** while **22 core schemes**.
 - Most of these schemes **prescribes specific financial participation by states**. For example, in the case of MGNREGA, state governments have to incur 25% material expenditure.
 - The **6 core of the core CSS** are:
 - National Social Assistance Programme
 - Mahatma Gandhi National Rural Employment Guarantee Program
 - Umbrella Scheme for Development of Scheduled Castes

- Umbrella Programme for Development of Scheduled Tribes
 - Umbrella Programme for Development of Minorities
 - Umbrella Programme for Development of Other Vulnerable Groups
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Status Paper on Government Debt

Recently, the Ministry of Finance has released the Status Paper on government debt 2017-18.

Findings of Report

- Central government's total debt as a percentage of GDP fell to 46.5% in 2017-18 from 47.5% as of March 2014. But the debt of state government rose to 24% in 2017-18 and is estimated to be 24.3% in 2018-19.

The data show that the central government is moving in the right direction in terms of meeting the **N.K. Singh Committee recommendations** on public debt but the States are not keeping up with committee recommendations.

- External debt constituted 2.9% of GDP at end-March 2018, implying low currency risk to the Government of India's debt portfolio and its impact on the balance of payments remains insignificant.
- The general government liabilities, which include state government liabilities, rose to 68.2% of GDP in 2017-18 from 67.5% of GDP in 2016-17.

Reason for debt

- **Bank Recapitalisation:** Infusing capital in state-run banks using recapitalization bonds in 2017-18 increased the total central government debt in both absolute terms and as a percentage of GDP that fiscal.

In 2017-18, Rs 80,000 crore of recapitalization bonds were used to fund state-run banks.

- **UDAY bonds:** The liabilities of states have increased during 2015-16 and 2016-17, following the issuance of **Ujwal Discom Assurance Yojna (UDAY) bonds**. UDAY was launched in November 2015 to help loss-making state power distribution utilities turn around financially, with support from their respective State governments.

N.K. Singh Committee

A panel under former Revenue Secretary, N.K. Singh was constituted by the government in May 2016 for reviewing the **Fiscal Responsibility and Budget Management (FRBM) Act, 2003**.

Recommendations

- The Committee suggested using debt as the primary target for fiscal policy.
- **Debt to GDP ratio of 60% should be targeted with a 40% limit for the center and 20% limit for the states. The targeted debt to GDP ratio should be achieved by 2023.**
- **It said that the 60% consolidated Central and State debt limit was consistent with international best practices, and was an essential parameter to attract a better rating from the credit rating agencies.**
- To achieve the targeted debt to GDP ratio, it proposed yearly targets to progressively reduce the fiscal and revenue deficits till 2023.
- The Committee suggested that grounds on which the government can deviate from the targets should be clearly specified, and the government should not be allowed to notify other circumstances.
- Further, the government may be allowed to deviate from the specified targets upon the advice of the Fiscal Council in the following circumstances:
 - considerations of national security, war, national calamities and collapse of agriculture affecting output and incomes,
 - structural reforms in the economy resulting in fiscal implications, or
 - a decline in real output growth of at least 3% below the average of the previous four quarters.

Government Debt

- Government liabilities are classified as debt contracted against the Consolidated Fund of India (defined as Public Debt) and liabilities in the Public Account, called Other Liabilities.
- Public debt is further classified into internal and external debt.
- Internal debt consists of marketable debt and non-marketable debt. Government dated securities and treasury bills, issued through auctions, together comprise marketable debt.
- Treasury Bills issued to state governments and select central banks, special securities issued to National Small Savings Fund (NSSF), securities issued to international financial institutions, etc. are part of the non-marketable internal debt.
- External Debt refers to money borrowed from a source outside the country. External debt has to be paid back in the currency in which it is borrowed.
- Other Liabilities include liabilities on account of Provident Funds, Reserve Funds and Deposits, Other Accounts, etc.

Important Facts for Prelims (23rd January 2019)

Exercise Sea Vigil

- The Indian Navy has coordinated the **largest coastal defence exercise** off the Indian coast on 22-23 Jan 19, **Exercise SEA VIGIL**.
- The exercise, a first of its kind, is being undertaken along the **entire 7516.6 km coastline** and **Exclusive Economic Zone** of India and involves all the 13 coastal States and Union Territories along with all maritime stakeholders, including the fishing and coastal communities.
- The exercise is a part of the major **theatre level tri-service exercise TROPEX [Theatre-level Readiness Operational Exercise]** which Indian Navy conducts **every two years**.
 - 'Tropex' is the country's **biggest inter-service exercise** held **along the western coast**.
 - It provides opportunity to test combat capability of the **Indian Navy, Indian Army, Indian Air Force (IAF) and Indian Coast Guard (ICG)**.
- The conduct of the exercise SEA VIGIL has been facilitated by the Ministries of Defence, Home Affairs, Shipping, Petroleum and Natural Gas, Fisheries, Customs, State Governments and other agencies of Centre/ State.
- **Post '26/11', operational responsibilities** for coastal security were **entrusted to the Indian Navy and Indian Coast Guard**. In the discharge of these very responsibilities that Exercise 'SEA VIGIL' has been planned by the Indian Navy.
- Exercise SEA VIGIL aims to comprehensively and holistically validate the efficacy of the measures taken since '26/11'. The exercise will entail both seaward and shore-based monitoring.
- The exercise will in addition to **covering the entire coastline, will also go deeper into the hinterland**.
- Exercise SEA VIGIL will provide a realistic assessment of the country's strengths and weakness and this will certainly help further strengthening of maritime security and in turn national security.

Pravasi Bharatiya Divas

- The **15th Pravasi Bharatiya Divas (PBD)** was held in **Varanasi (Uttar Pradesh)** from January 21 to January 23, 2019.
- Its theme was **“Role of Indian Diaspora in building a New India”**.
- It was organized by the **Ministry of External Affairs (MEA) in association with the government of Uttar Pradesh**.
- PBD is celebrated on **9th January**. But this time dates were shifted to allow the guests attending the event to get an opportunity to **participate in the 'Kumbh Mela' at Prayagraj** and to attend the **Republic Day parade**.

Pravasi Bharatiya Divas

- Pravasi Bharatiya Divas (PBD) is celebrated once in **every two years** to strengthen the engagement of the overseas Indian community with the Government of India and reconnect them with their roots.
 - It is celebrated on **9 January** to mark the contribution of the Overseas Indian community in the development of India.
 - January 9 was chosen as the day to celebrate this occasion since it was on this **day in 1915 that Mahatma Gandhi returned to India** from South Africa.
 - PBD conventions are being held every year **since 2003**.
 - These conventions enable networking among the overseas Indian community and to share their experiences in various fields.
 - During the event, individuals of exceptional merit are honored with the prestigious **Pravasi Bharatiya Samman Award** to appreciate their role in India's growth.
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