

News Analysis (30 May, 2020)

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Associate Members to Delimitation Commission

Why in News

Recently, the Lok Sabha Speaker has nominated 15 MPs **from Jammu and Kashmir**, **Assam, Manipur, Nagaland and Arunachal Pradesh** to assist the <u>Delimitation</u> <u>Commission</u> in redrawing the Lok Sabha and the Assembly constituencies of the northeastern States and the Union Territory of Ladakh.

The appointments are made **after the Delimitation Commission's request** to the **presiding officers of Lok Sabha and the Assemblies** to nominate associate members.

- Description:
 - The government has constituted a Delimitation Commission to redraw Lok Sabha and assembly constituencies of the <u>Union Territory Jammu and</u> <u>Kashmir</u> and the northeastern states of Assam, Arunachal Pradesh, Manipur and Nagaland.
 - It is headed by the **former Supreme Court judge** Ranjana Prakash Desai.

• Delimitation in Jammu and Kashmir:

 The Commission intends to delimit the constituencies of Jammu and Kashmir (J&K) in accordance with the provisions of the Jammu and Kashmir <u>Reorganisation Act (2019)</u>.

According to Jammu and Kashmir Reorganisation Act, 2019, the number of seats in the Legislative Assembly are to increase with due reservations for SC and STs. It also includes few seats reserved for Pakistan occupied Jammu and Kashmir.

• The J&K experienced the last delimitation exercise in 1995.

It has often been argued that the delimitation exercise was held back deliberately to ensure greater representation of Kashmir in the legislative assembly and Parliament rather than Jammu area.

• Delimitation in Northeastern States:

The delimitation in Assam, Arunachal Pradesh, Manipur and Nagaland will be carried out in accordance with the provisions of the **Delimitation Act, 2002.** The delimitation exercise in **Assam** will be **resumed after 12 years** which was **put on hold in 2008** after situation in the state was reported not to be conducive because of **serious threat to the peace and public order.**

Delimitation Commission

- Establishment:
 - The Delimitation Commission is **appointed** by the **President of India** and works in **collaboration with the Election Commission of India**.
 - Delimitation literally means the act or process of fixing limits or boundaries of territorial constituencies in a country to represent changes in population.
- Constitutional Basis:
 - Article 82 provides the Parliament enacts a Delimitation Act after every Census. The Census Act (1948) provides for the permanent scheme of conducting population Census. It is carried out in a ten years interval.
 - **Article 170** provides division of State into territorial constituencies as per Delimitation Act after every Census.
 - Once the Act enacted by the Parliament is in force, the Union government sets up a Delimitation Commission.
 - The **first delimitation exercise** was carried out by the President (with the help of the Election Commission) in 1950-51.

The Delimitation Commission Act was enacted in 1952.

• Composition:

It is usually composed of the retired Supreme Court judge, Chief Election Commissioner and Respective State Election Commissioners.

• Objectives:

- To provide **equal representation** to equal segments of a population.
- **Fair division of geographical areas** so that one political party doesn't have an advantage over others in an election.
- To follow the principle of "One Vote One Value".
- Functions:
 - It determines the **number and boundaries of constituencies** to make the population of all constituencies nearly equal.
 - It also identifies the seats reserved for Scheduled Castes and Scheduled Tribes, wherever their population is relatively large.
 - In case of difference of opinion among members of the Commission, the **opinion of the majority** prevails.
 - The Delimitation Commission in India is a **high power body** whose orders have the force of law and **cannot be called in question before any court.**

• Current Status:

- The **42nd Amendment Act of 1976 froze** the allocation of seats in the Lok Sabha to the states and the division of each State into territorial constituencies till the year 2000 at the 1971 level.
- Further, the **84th Amendment Act of 2001** extended this ban on readjustment for another **25 years (i.e., upto year 2026),** without affecting the total number of seats based on the 1971 census.
 - The 84th Amendment Act of 2001 also empowered the government to undertake readjustment and rationalisation of territorial constituencies in the states on the basis of the **population figures of 1991 census**.
 - Later, the 87th Amendment Act of 2003 provided for the delimitation of constituencies on the basis of the 2001 census and not 1991 census.

Way Forward

- The appointment of associated members from the respective States will help the delimitation commission **to resolve grievances of these States** as stated above.
- The involvement of associate members from Lok Sabha and Assemblies will also help to **maintain transparency and integrity of the delimitation commission** which strives for equal representation to equal segments of the population in the country.

<u>Source: TH</u>

GDP Decreases to 11-year Low

Why in News

According to the provisional data released by the **<u>National Statistical Office (NSO)</u>**, economic growth slowed to an 11-year low of 4.2% in 2019-20.

Key Points

• Growth in Fiscal Year 2019-20:

- The provisional growth estimate for the year 2019-20 is at 4.2%.
 - The budget estimate for <u>Gross Domestic Product (GDP)</u> growth in 2019-2020 was stated at 8.5%, the NSO's previous estimates had pushed the projection down to 5%.
 - The Indian economy grew at 6.1% in 2018-19.
- Growth rate in terms of **Gross Value Added (GVA)**, slowed to 3.9% in 2019-20 from 6% growth in the previous year.
 - GVA is GDP minus net product taxes and reflects supply-side growth.
- The **nominal GDP growth rate**, which accounts for inflation, is estimated to have grown at 7.2% in 2019-20, sharply lower than 11% in the previous year.

• Growth in Final Quarter of 2019-20:

- In the final quarter of the year, that is, January 2020 March 2020, the growth rate of GDP fell to 3.1%.
- This is the lowest growth rate in the last 44 quarters.
- Agriculture and mining sectors grew in the fourth quarter at rates of 5.9% and 5.2% respectively.
- Public administration, defence and other services grew at 10.1%.
- The manufacturing sector contracted to a negative growth of 1.4%.
- The **three components of demand** have also fallen i.e. **consumption** demand has slowed, while **investments** and **exports** are both in negative territory.

- Analysis of the growth data:
 - **Nominal GDP growth:** There are two reasons why the sharp deceleration in the nominal GDP matters.
 - First, the nominal GDP growth rate is the base of all fiscal calculations (revenue and spending) in the country.
 - A sharp divergence in nominal GDP growth rate basically upsets all other calculations in the economy.
 - For instance, a sharp fall means the government does not get the revenues it had hoped for and, as such, it can't spend as much as it wanted to.
 - Second, this substantial deceleration reflects poorly on the government's fiscal marksmanship.
 - In other words, it shows that the government was not able to assess the magnitude of economic growth deceleration that was underway.
 - Poor fiscal marksmanship, in turn, leads to inaccurate policy making because a government could end up making policies for an economy that doesn't actually exist on the ground.
 - This sharp deceleration also shows the continued weakening of India's growth momentum even before it was hit by the <u>Covid-19</u> lockdown in the last week of March.
 - Negative Growth of Manufacturing:
 - It has been argued in the past, that for India to grow and create jobs for the millions that enter its workforce each year, manufacturing growth has to rise.
 - But 2019 paints a dismal picture in this regard. Manufacturing contracted for three of the four quarters.

Quarterly GDP growth rate (in %)	Qı	Q2	Q3	Q4
Agriculture	3	3-5	3.6	5.9
Manufacturing	3	-0.6	-0.8	-1.4
Construction	5.2	2.6	-0.04	-2.2

Indian manufacturing has lost its way

Key Terms

- Gross Domestic Product (GDP):
 - It is a **measure of economic activity in a country.** It is the total value of a country's annual output of goods and services. It gives the economic output from the consumers' side.
 - GDP = Private consumption + Gross investment + Government investment + Government spending + (exports-imports)
- Gross Value Added (GVA):
 - It is the sum of a country's GDP and net of subsidies and taxes in the economy. It provides the rupee value for the amount of goods and services produced in an economy after deducting the cost of inputs and raw materials that have gone into the production of those goods and services.
 - Gross Value Added = GDP + subsidies on products taxes on products
- Nominal GDP:
 - It is GDP evaluated at current market prices. It includes all of the changes in market prices that have occurred during the current year due to inflation or deflation.
 - It is **different from the Real GDP** which is calculated in a way such that **goods and services are evaluated at some constant set of prices.**

The National Statistical Office

- NSO is the central statistical agency of the Government mandated under the Statistical Services Act, 1980 under the Ministry of Statistics and Programme Implementation.
- It is responsible for the development of arrangements for **providing statistical information services** to meet the needs of the Government and other users for information on which to base policy, planning, monitoring and management decisions.
 - The services include collecting, compiling and disseminating official statistical information.
 - All business operations in NSO are done in compliance with **international standards**, **procedures and best practices**.

Conclusion

Economists have highlighted that GDP is headed for a contraction in 2020-21 due to the impact of Covid-19. Therefore, government expenditure will be the growth engine in the year 2020-21. Weak commodity prices and import demand will also provide some support to growth.

<u>Source: TH</u>

Why in News

Recently, the Haryana government's decision **to enforce use of Hindi** in all **courts and tribunals** across the state has been challenged in the <u>Supreme Court</u>.

- A petition has been filed to challenge the **new Section 3A** incorporated into the Haryana Official Language (Amendment) Act, 2020.
- Petitioners argue that the amendment was made with the assumption that everyone practising law in Haryana not only knows Hindi but is also fluent in it.

Key Points

- The Haryana Official Language (Amendment) Act, 2020:
 - The amendment has been made to the Haryana Official Languages Act, 1969, by introducing a new section 3A, designating Hindi as the sole official language to be used for conducting work in all Civil Courts and Criminal Courts in Haryana subordinate to the High Court of Punjab and Haryana, all revenue Courts and rent tribunals or any other court or tribunal constituted by the State Government.
 - The amendment also states that the state government shall provide the requisite infrastructure, translators and training of staff within six months of the commencement of the amended Act.

• Arguments against the Amendment:

- Unconstitutional and Arbitrary:
 - Imposition of Hindi as the sole official language to be used in lower courts across the State would create an unreasonable classification between Hindi and non-Hindi speaking advocates.
 - The amendment is a violation of the **fundamental right** to equality (Article 14) freedom to practice a profession of choice,(Article 19), dignity and livelihood and personal liberty (Article 21) as guaranteed under the Constitution.

• Use of English in the Courts:

- English is widely used by advocates in the subordinate judiciary and the lower courts.
- Imposing Hindi will create problems for practising lawyers since the level of fluency and expertise needed to argue and represent a matter in Hindi is much more than a simple understanding of the language.

• The State as an Industrial Hub:

There are a significant number of lawyers who would not be able to argue their cases to the fullest in Hindi as most cases are related to industry sectors.

• Government's Stand:

- The government pointed out that Haryana was separated from the erstwhile state of Punjab in 1966 on linguistic basis as Hindi is the predominantly spoken language in the area.
 - In 1969, Hindi was declared the official language of Haryana.
 - Also, Punjab had then introduced Punjabi in all civil courts and criminal courts.
- Different regional languages are rapidly replacing English as a medium of instructions and of official work in the states. It is but natural that the predominant languages should secure their rightful place.

Hindi being the predominantly spoken language in the state of Haryana, use of the same for the purposes of working in courts and tribunals subordinate to the High Court of Punjab and Haryana has thus become a matter of practical necessity.

- The State has argued that many times the witnesses don't know what has been recorded in his or her statement in the court if the same is recorded in English. Hence, Hindi is practically necessary.
 - In a democracy, every citizen should get justice quickly in his own language and should not remain speechless during the proceedings.
 - Earlier, many MLAs of Haryana, Advocate General and hundreds of advocates, had supported Hindi language use in the courts so that the citizens of Haryana can understand the entire justice process in their own language and can easily put their views before the Courts.

Hindi as an Official Language

- Hindi language is the single largest spoken language (43.63% of people in India).
- The Constituent Assembly of India adopted Hindi written in Devnagari Script along with English as the official language of the country on 14th September, 1949, under the Article 343 (1).

Background

- Imposition of Hindi was contested in many non-Hindi states, especially in the southern state of Tamil Nadu. Violent protests broke out in southern India leading the then Prime Minister Jawaharlal Nehru, to **introduce the 'Official Languages Act' in 1963**, which assured the **continuation of English along with Hindi** as the official language of the Union of India.
- Anti-Hindi protests of 1965 marked an important turn in India's official language policy.
- The 'Official Languages Act' was amended in 1967 guaranteeing the "virtual indefinite policy of bilingualism" for all official purposes of the Union.

• Given the linguistic diversity of India, **there is no national language** as all the states are free to decide their own official languages.

Constitutional Provisions

- Part XVII of the Indian Constitution deals with the official languages in Articles 343 to 351.
 - **Article 343 (1)** states that the Official Language of the Union government shall be Hindi in Devanagari script.
 - **Article 351** gives power to the Union Government to issue a directive for the development of the Hindi language.
 - According to **Article 348**, language to be used in the Supreme Court and in high courts and for bills, acts etc will be in the English language until Parliament by law provides otherwise.
- The Hindi language is one of the 22 languages of the **Eighth Schedule** of the Constitution of India.

Way Forward

- There is a need for wide consultation and formation of committees, regarding the use of languages in the states especially in relation to the judiciary. So that the justice system does not get delayed due to the medium and use of languages.
- The provision of use of Hindi can be supplemented with the use of English as well. The provision of optional use of Hindi in proceedings has already been made in the High Courts of **Rajasthan**, **Uttar Pradesh**, **Madhya Pradesh and Bihar**.

<u>Source: TH</u>

WHO Foundation

Why in News

The **World Health Organization (WHO)** has created a foundation that will enable it to tap new sources of funding, including the general public.

- **Status:** Legally independent from the WHO. This will facilitate contributions from the general public (philanthropic contributions).
- Headquarter: Geneva, Switzerland (WHO is also headquartered in Geneva).

• **Objective:** Support global public health needs, from prevention, mental health, and non-communicable diseases to emergency preparedness, outbreak response and health system strengthening.

In view of the **Covid-19 pandemic**, the WHO Foundation will initially focus on **emergencies and pandemic response.**

• **Goal:** Broaden WHO's donor base and work towards more sustainable and predictable funding.

It will provide funds to WHO and trusted implementing partners in order to achieve WHO's **"triple billion"** goals. These goals aim to:

- **Protect:** Protect 1 billion people from health emergencies.
- Universal Health Coverage: Extend universal health coverage to 1 billion people.
- Health and Wellbeing: Assure healthy lives and wellbeing to 1 billion people by 2023.
- **Promising Initiative:** The success of <u>Covid-19 Solidarity Response Fund</u>, which has been able to raise around \$214 million from more than 4,00,000 individuals and companies in just two and a half months highlights the **potential this "foundation"** can have in tapping potential resources.

Background

• WHO has little discretion over the way it spends its funds. A **robust and more reliable funding mechanism** was needed.

Less than 20% of WHO's budget comes in the form of flexible assessed contributions from Member States, while more than 80% is voluntary contributions, from Member States and other donors, which are **usually tightly earmarked for specific programmes.** In effect, that means WHO has little discretion over the way it spends its funds.

- **WHO's Funding:** There are four kinds of contributions that make up funding for the WHO.
 - **Assessed Contributions:** These are the dues countries pay in order to be a member of the Organization. The amount each Member State must pay is calculated relative to the country's wealth and population.
 - **Specified Voluntary Contributions:** They come from Member States (in addition to their assessed contribution) or from other partners.
 - **Core Voluntary Contributions:** They allow less well-funded activities to benefit from a better flow of resources and ease implementation bottlenecks that arise when immediate financing is lacking.
 - Pandemic Influenza Preparedness (PIP) Contributions: They were started in 2011 to improve and strengthen the sharing of influenza viruses with human pandemic potential, and to increase the access of developing countries to vaccines and other pandemic related supplies.

• It can be noted that recently the <u>United States stopped its contributions to WHO</u>, pending a review of its response to the initial Covid-19 outbreak.

Way Forward

- Over the past few decades, the WHO has been the global leader in numerous pandemics and outbreaks, including HIV/AIDS, Zika and Ebola. Historical experiences and a strong understanding of cultural contexts puts WHO in a prime position of a global leader to tackle coronavirus pandemic.
- **Additional funding** can help the agency invest in some of its least funded areas such as diet, air quality, water and sanitation, investment in clean energy and promotion of healthy, sustainable food systems.
- In this context, the establishment of this new funding mechanism offers a promise of building a better world after this pandemic. A world with focus on not just diseases but that on **promoting good health.**

Source: Livemint

One Sun One World One Grid

Why in News

Recently, the Government of India has called for bids to roll-out the **'One Sun One World One Grid'** (OSOWOG) plan.

The plan focuses on a framework for **facilitating global cooperation**, building a **global ecosystem of interconnected renewable energy resources** (mainly <u>solar</u> <u>energy</u>) that can be seamlessly shared.

- The **vision** behind the OSOWOG is **'The Sun Never Sets'** and is a constant at some geographical location, globally, at any given point of time.
- This is by far **one of the most ambitious schemes undertaken by any country** and is of global significance in terms of sharing economic benefits.
- It has been taken up under the **technical assistance program of the World Bank**.
- OSOWOG plan may also **leverage the** <u>International Solar Alliance</u> (ISA), co-founded by India that has 67 countries as members.

- With India in the middle, the solar spectrum can easily be divided into two broad zones, which are:
 - **Far East** including countries like Myanmar, Vietnam, Thailand, Lao, Cambodia etc.
 - **Far West** covering the Middle East and the Africa Region.
- Three Phases of the Plan:
 - **First Phase:** It deals with the **Middle East, South Asia and South-East Asia** (MESASEA) interconnection.
 - Fostering cross-border energy trade is an important part of India's <u>Neighbourhood-first policy</u>.
 - India has been supplying power to Bangladesh and Nepal and has been championing a <u>South Asian Association for Regional Cooperation</u> (SAARC) electricity grid minus Pakistan to meet electricity demand in the region.
 - The initial plans also involve setting up an under-sea link to connect with <u>Oman</u> in the West.
 - Second Phase: It deals with the MESASEA grid getting interconnected with the African power pools.
 - Third Phase: It is about global interconnection.
- Significance:
 - The proposed integration would lead to reduced project costs, higher efficiencies and increased asset utilization for all the participating entities.
 - This plan will **require only incremental investment** because it will not require a parallel grid infrastructure due to working with existing grids.
 - It will help all the participating entities in **attracting investments** in renewable energy sources as well as utilizing skills, technology and finances.
 - Resulting economic benefits would **positively impact** poverty alleviation and support in mitigating water, sanitation, food and other socio-economic challenges.
 - It will allow **national renewable energy management centres in India to grow** as regional and global management centres.
 - This move, during the time of the **Covid-19** pandemic, gives **India** the opportunity to be seen as **taking a lead in evolving global strategies.**

• Backdrops:

- India is already expediting ISA's plan to set up the **World Solar Bank** (WSB) with a capital of USD 10 billion.
 - WSB aims to compete with other newly created funding institutions like the <u>Asian Infrastructure Investment Bank</u> (AIIB) and the <u>New</u> <u>Development Bank</u> (NDB).
- The **USA's withdrawal** from the **Paris climate deal**.
 - OSOWOG will help to **mitigate its ill effects on climate** by providing clean and renewable energy sources, enabling member countries to fulfill their <u>Nationally Determined Contributions</u> (NDCs) towards reducing global warming.
- China's attempts to co-opt countries into its <u>One Belt One Road</u> (OBOR) initiative, a programme to invest billions of dollars in infrastructure projects, including railways, ports and power grids, across Asia, Africa and Europe.
 OSOWOG will provide a strategic rebalance in favour of India and will control the increasing Chinese dominance in Asian subcontinent, providing a better alternative to developing countries.

Way Forward

- The move is the **key to future renewable-based energy systems globally** because regional and international interconnected green grids can enable sharing and balancing of renewable energy across international borders.
- It allows grabbing opportunities to learn quickly from global developments and share renewable energy resources to reduce the global carbon footprint and insulate the societies from pandemics.

Source: Livemint

Dredging in Kakinada

Why in News

Recently, the Andhra Pradesh Government has directed the GMR Energy Limited to stop environmental hazardous activities like dredging in the **Kakinada** coast.

Key Points

• These activities are leading to destruction of the prime habitat of birds i.e. **Great knots (Calidris tenuirostris),** and **Indian skimmers (Rynchops albicollis).**

- It is also impacting the **soil topography and salinity** on the site being levelled with the dredged material.
- Due to such activities, India has lost its major part of <u>wetlands</u> and mudflats severely affecting the migratory species, **E.g.** the <u>Coringa Wildlife Sanctuary</u>.
- **Dredging** is the **removal of sediments and debris from the bottom of lakes**, rivers, harbors, and other water bodies.
 - It is also carried out to reduce the exposure of fish, wildlife, and people to contaminants and to prevent the spread of contaminants to other areas of the water body.
 - Dredging of streams also lowers the surrounding water table and dries up adjacent wetlands.
- Mudflat:
 - Mudflats refer to land near a water body that is regularly flooded by tides and is usually barren (without any vegetation).
 - It is also known as **tidal flats** and formed upon the deposition of mud by tides or rivers.
 - **Mudflats and mangroves** together constitute an important ecosystem.
 - Mudflats serve to protect coastal lands from the eroding forces of nature and also provide an important habitat for shore birds.



Great Knots (Calidris tenuirostris)

- These are the migratory birds and have breeding habitat in tundra in northeast Siberia.
- It is listed as **Endangered** in the <u>International Union for Conservation of Nature</u> (IUCN) Red List of Threatened Species.
- They nest on the ground and generally have large flocks when migrating.
- This species has short dark legs and a medium-length thin dark bill.
- The great knot can be identified by its larger size, longer bill, deeper chest, and the more streaked upperparts.
- In India, It is found along the coastal regions of Gujarat and Andhra Pradesh.



Indian Skimmers (Rynchops albicollis)

- It is also called Indian scissors-bill.
- It is listed as **Vulnerable** in the International Union for Conservation of Nature (IUCN) Red List of Threatened Species.
- They are mainly found in Central India along the rivers or estuaries.
- The bird has a black cap and orange bill that contrasts with the white body.
- It is rapidly declining as a result of widespread degradation and disturbance of lowland rivers and lakes.

Way Forward

- There is an immediate need to document the destruction of the Kumbabhisekham mudflat due to the dredging, and sought the intervention of the State and the Ministry of Environment and Forests and Climate Change in the matter.
- It is a **Development vs Conservation issue.** Hence, a proper analysis based on scientific study followed by consensus among various stakeholders by addressing respective concerns is required urgently.

Source: TH

TRAI Recommends New Numbering Plan

Why in News

Recently, the **Telecom Regulatory Authority of India (TRAI)** has given few recommendations for the development of the **new National Numbering Plan for the fixed as well as mobile telecommunication services** in the country to ensure availability of the **uniquely identifiable numbers to every subscriber in India**.

Background

• Current Scenario:

- Currently, the Department of Telecommunications (DoT) administers the numbers for **fixed and the mobile networks** on the basis of the **National Numbering Plan (NNP), 2003.**
 - NNP (2003) provides a set of rules and guidelines for the use and assignment of numbers to telephone services delivered over the public networks.
 - It also describes the assignment of numbers to international services, trunk service, emergency services and special services such as voicemail and Intelligent Network (IN) services.
- Thus, the **management of numbering resources** is governed by the NNP.
- NNP is based on the **International Telecommunication Union's (ITU)** standardization sector recommendations.
- Challenges:

The availability of numbering resources is threatened due to an **increase in the range of services** and **massive growth** in the **number of connections**, especially in the mobile segment.

- The total number of telephone subscribers in India stands at 1,177.02
 million with a tele-density of 87.45% at the end of January 2020.
- Telephone density or teledensity is the number of telephone connections for every hundred individuals living within an area.

• Recommendations:

- **Switching to a 11-digit mobile number** instead of existing 10-digit mobile number.
- **Reallocation** of mobile numbering resources **surrendered by operators** who have closed the telecommunication business.
- **Prefixing zero** for all mobile calls made from a fixed line to create **sufficient numbering space.**

The numbering space includes numbers that cannot be preceded by a prefix.

• All the SIM-based M2M (Machine to Machine) connections using 10-digit mobile numbering series to be **shifted to the 13-digit numbering series** allocated by DoT.

Machine-to-Machine SIM (or M2M SIM) refers to technologies that enable devices and sensors to communicate with one other, along with other Internet-enabled devices and systems. It is used for receiving and sending data.

- Enlistment of all newly allocated numbering resources for fixed line as well as mobile services every year.
- **Automated allocation of numbering resources** using number management system software to speed up the process of allocation in an efficient and transparent manner.
- Possible Future Challenges:
 - The migration to 11 digits mobile numbers would require **modifications in the configuration of switches** involving cost.
 - It would also cause **inconvenience to the customers** in the form of dialing extra digits and updating phone memory.
 - It may lead to **more dialing errors, infructuous traffic,** and subsequently **loss of revenue** to the Telecom Service Providers (TSP).
 - Further, the telephone numbers are also associated with the **digital identity of** individuals, and, hence, changes will be required in the databases of all services requiring telephone numbers for identity like financial banking services, ecommerce, and government welfare schemes.

Way Forward

- The mobile users in the country has increased massively due to **increasing digitisation.** This increasing digitisation would pave the way towards the **dream of digital India and mobile economy.**
- Thus, it has become necessary **to review the utilisation of the numbering resources** in the country. Considering the above scenario the implementation of the TRAI's recommendation with solutions to possible issues would help for **sustainable growth of the telecommunication services.**

Savings Bonds Scrapped

Why in News

Recently, the Government of India has **discontinued 7.75% savings (taxable) bonds, 2018** for a subscription.

The move comes in line with the **cut in repo rate** by the **<u>Reserve Bank of India</u>** (RBI) and subsequent <u>**cut in deposit rates by banks and small savings rate**</u> by the government.

Since investors were looking for **safer investment rather than high returns**, this led to the **high demand for these bonds** which led the government to **discontinue** this option.

- **Applicable:** The government's withdrawal of these bonds means that it is **only ceasing fresh issuance** and not redeeming those already invested.
- 7.75% RBI Bonds 2018:
 - These were issued with effect from 10th January 2018 and were available for subscription to resident citizens/Hindu Undivided Family (HUF) to invest in a taxable bond.
 - These bonds were first introduced in 2003 as 8% GOI Savings (Taxable) Bonds.
 - The 8% interest rate was **brought down to 7.75%** in **January 2018**.
 - While **one bond was of Rs 1,000 each**, the bonds had **no maximum limit** for investment.
 - The bonds had a **7-year lock-in period** from the date of issue but it **permitted premature encashment** to individuals who were **60 years and above.**
 - Interest on these bonds is **taxable** under the **Income-tax Act, 1961**.
- Reasons for High Demand:
 - The bonds are mostly used by the **High Net-worth Individuals** (HNIs) to invest as the bonds offer both **regular and cumulative income options.**
 - These bonds were a good choice for savers, pensioners and investors who are not falling under tax liability or who have an exemption under the Income-tax Act as these are safe and generate adequate returns.
 - Their demand went up significantly over the last couple of months as **investors turned risk-averse** and invested in them purely for reasons of safety of their capital.

• Reasons for Cut in Rate:

- The **interest rates are declining** after the global growth rate projections have been brought down following the spread of **Covid-19**.
- The RBI first announced a <u>75 basis point cut in repo rate to 4.4%</u> on 27th
 March 2020 and then again announced a <u>cut in repo rate by 40 basis points to</u>
 <u>4%</u> on 22nd May 2020.

A cut in repo rates not only **reduces the rate at which commercial banks borrow from RBI** but also leads to a **cut in deposit and lending rates** for banks.

- The RBI's move to cut in repo rate has been **to push credit growth and demand** in the economy for its growth.
- Impact:
 - The move comes as a setback to savers and pensioners at a time when their **returns from bank deposits have fallen steeply** following the cut in deposit rates and reduction in the small savings rate.
 - The saving bonds were **guaranteed for repayment by the RBI** but now savers and pensioners are now at the mercy of banks.
 - The scrapping will **deprive investors** of a saving instrument that yielded relatively higher post-tax returns.

Investors and savers are **already worried** due to stock markets falling, the Sensex down by around 10,000 points this year and mutual funds giving negative returns.

- Comparison to Other Options:
 - After the cut in the small savings rate in April 2020, Public Provident Funds (PPF) interest rates were cut to 7.1% (7.9% earlier) and <u>Sukanya Samriddhi</u> <u>Yojana</u> interest rates were cut to 7.6% (8.4% earlier).
 - **State Bank of India** (SBI) currently offers an interest rate of 5.3% for a term deposit of **3-5 years** and **5.4%** on term deposits of **5-10 years**.

<u>Source: IE</u>

National Career Service Project

Why in News

The **Ministry of Labour and Employment** has started offering **free online career skills training** through its **National Career Service (NCS) project** for **job-seekers registered with it.**

- The training will assist the learners in enhancing personality development with modules on corporate etiquette, improving interpersonal skills, making impactful presentations including other necessary **soft skills** demanded by the industry today.
- The training module is **available in Hindi and English** on the NCS portal.
- The course has been launched in partnership with TCS iON (a unit of Tata Consultancy Services).

Key Points

- Launch:
 - It is a Five Year Mission Mode Project launched by the Prime Minister on 20th July, 2015.
 - It is within the umbrella of the **<u>e-governance plan</u>**.
 - It is a **one-stop solution** that provides a wide array of employment and career related services to the citizens of India.
- Implemented By: Directorate General of Employment, Ministry of Labour & Employment.
- **Three Pillars:** The NCS project reaches out to the people of this country through its three essential pillars i.e.
 - a well designed ICT based portal which is NCS portal,
 - Country wide set up of Model Career Centers and
 - Interlinkage with all the states through employment exchanges.
- Services Provided:
 - The digital centralized portal provides a wide range of career related services including job search, job matching, rich career content, career counselling, information on Job Fairs, services of local service providers like drivers, plumbers, etc. for households and various other services.
 - This portal also facilitates registration of Job Seekers, Employers, Skill Providers, Career Counsellors, Local Service Providers (LSP's), Career Centers, Placement Organisations, Households (for availing the services of the LSP's) and Government Department.
- Registration on the Portal:
 - NCS does not charge any fees for registration on the portal and its services.
 - About 1 crore job seekers and 54,000 employers are registered on the portal.

<u>Source:PIB</u>

Missile Park 'Agneeprastha'

Why in News

Recently, the foundation stone for a **missile park "Agneeprastha"** was laid at INS Kalinga.

- A **2 MegaWatts (MW) solar photovoltaic plant** was also commissioned at INS Kalinga.
 - This is in tune with the initiative of the Union government to **promote solar power** and the **objective to achieve 100 GW** of solar power by 2022 as part of the **National Solar Mission**.
 - Launched in **2010**, the National Solar Mission is **one of the eight key components of the National Action Plan on Climate Change (NAPCC)**.
- INS Kalinga is a premier Naval Establishment located on the Visakhapatnam-Bheemunipatnam beach road under the **Eastern Naval Command.**

Key Points

- The Missile Park 'Agneeprastha' **aims to capture glimpses of missile history** of INS Kalinga from its establishment in 1981 till date.
- It will be dedicated to all the officers, sailors and support staff of INS Kalinga.
- It will also commemorate **the award of the prestigious Unit Citation to INS Kalinga** for the year 2018-19.
- It has been set up with a **replica of missiles** and **Ground Support Equipment (GSE)** that showcase the evolution of missiles handled by the unit.
- **P-70 'Ametist', an underwater launched anti-ship missile** from the arsenal of the old 'Chakra' (Charlie-1 submarine) which was in service with Indian Navy during 1988-91 is the main attraction point in the Park.
- Agneeprastha will provide a one-stop arena for motivation and stimulation of curious minds regarding the missiles and related technologies, from school children to Naval personnel and their families.

<u>Source: PIB</u>

Rozgar Setu Scheme: Madhya Pradesh

Why in News

The **Madhya Pradesh Government** has announced the launch of the **'Rozgar Setu' scheme**, to help secure employment for skilled workers who have returned back to their homes and were employed at industries elsewhere.

Key Points

• Madhya Pradesh is the first state to devise such a work plan for the workers.

- The State government will act as a setu (bridge) between workers and employers so that both are benefited.
- This would fulfil the manpower requirement of industries as well as provide employment to workers during the **Covid-19** pandemic.
- The Chief Minister **also hailed the Centre's <u>'SWAMITVA Yojana'</u>** under which rural areas would be surveyed to help prepare land records.

SVAMITVA (Survey of Villages and Mapping with Improvised Technology in Village Areas) scheme is a collaborative effort of the Ministry of Panchayati Raj, State Panchayati Raj Departments, State Revenue Departments and <u>Survey of India</u>.

<u>Source:TH</u>

UN Award to Indian Army Officer

Why in News

Major Suman Gawani, an Indian Army officer who served as a **peacekeeper with the United Nations Mission in South Sudan (UNMISS)** in 2019, has won the prestigious "United Nations Military Gender Advocate of the year Award".

She **received the award** during an online ceremony being organised at the <u>United</u> <u>Nations (UN)</u> Headquarters, New York (USA) on the occasion of the **International Day of United Nations Peacekeepers.**

Key Points

• United Nations Military Gender Advocate of the year Award: It recognises the dedication and effort of an individual peacekeeper in promoting the principles within the United Nations Security Council Resolution 1325.

This resolution affirms the important role of women in the prevention and resolution of conflicts, peace negotiations, peace-building, peacekeeping, humanitarian response and in post-conflict reconstruction.

- **United Nations Mission in South Sudan:** It was established by the Security Council in 2011.
 - UNMISS objective is to consolidate peace and security, and help establish conditions for development in the Republic of South Sudan, with a view to strengthening the capacity of the Government of South Sudan to govern effectively and democratically and establish good relations with its neighbours.
 - South Sudan gained independence from Sudan on 9th July, 2011 as the outcome of a 2005 agreement that ended Africa's longest-running civil war.

- International Day of United Nations Peacekeepers is observed on 29th May every year to pay tribute to all the men and women who have served and continue to serve in United Nations peacekeeping operations.
 - 2020 Theme Women in Peacekeeping: A key to Peace
 - UN peacekeepers provide security and the political and peacebuilding support to help countries make the difficult, early transition from conflict to peace.

Source: PIB