



News Analysis (16 Sep, 2019)

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Steps To Spur Economic Growth

The Finance Minister has announced a **number of measures to help reignite the slowing economy**.

The primary reasons for this slowdown include **weak consumption** (e.g. reduction in auto sales, housing sales etc.) and a **deteriorating global environment** (US-China trade war, Brexit etc.).

Measures To Boost Export Sector

Export promotion : Steps taken so far	
Export promotion measures taken in last few years	<ul style="list-style-type: none">• Interest Equalization Scheme (IES) on pre and post shipment rupee export credit introduced from 1.4.2015 providing interest equalisation at 3% to exporters on 416 lines and for all MSME exporters.• <i>The IES rate increased to 5% for MSME exporters with effect from 2.11.2018 and merchant exporters were covered under the scheme with effect from 2.1.2019.</i>• India's rank in World Bank 'Ease of doing business' ranking improved from 142 in 2014 to 77 in 2018, with the <i>sub-rank in 'Trading across borders' moving up from 122 to 80.</i>• "Trade Infrastructure for Export Scheme (TIES)" launched with effect from 1st April 2017 to address the export infrastructure gaps in the country.• Comprehensive "Agriculture Export Policy" launched on 6th December, 2018 with an aim to double farmers' income by 2022• "Transport and Marketing Assistance" (TMA) scheme launched in 05th March 2019 for mitigating disadvantage of higher cost of transportation for export of specified agriculture products.• Scheme for Rebate of State and Central Taxes and Levies (RoSCTL) covering export of garments and made-ups notified on 7.3.2019 providing refund of duties/taxes at higher rates.

- **Use of Information and Communications Technology (ICT):** Number of measures have been announced to leverage technology to promote exports.
 - **Fully electronic refund module** for a quick and automated refund of **Input Tax Credits (ITC)** will be implemented by end September 2019.

ITC means deducting the tax paid on inputs from the tax payable on the final output.
 - An **Online "Origin Management System"** for exporters to enable them to obtain **Certificates of Origin – CoO** will be launched.

Certificate of Origin is an instrument which establishes evidence on the origin of goods

imported into any country. These certificates are essential for exporters to prove where their goods come from and therefore stake their claim to whatever benefits goods of Indian origin may be eligible for in the country of exports.

- **Technology will be further leveraged** to further **reduce "Time to export"** - through seamless process digitization of all export clearances (port/airport/customs, etc) and elimination of offline/manual services.
- **Remission of Duties or Taxes on Export Product (RoDTEP):** It will replace the **Merchandise Exports from India Scheme (MEIS)**, which is not compliant with world trade rules.
 - The new scheme will be implemented from 1st January 2020 and will more than adequately incentivize exporters than existing schemes put together.
 - The **Merchandise Exports from India Scheme (MEIS)** was introduced in the Foreign Trade Policy (FTP) 2015-20 w.e.f. 1st April 2015 with the objective to offset infrastructural inefficiencies and associated costs involved in exporting goods/products which are produced /manufactured in India including products produced/manufactured by MSME Sector.
- **Export Financing:** To increase bank credit to exporters, the Export Credit Guarantee Corporation (ECGC) will expand the scope of its Export Credit Insurance Scheme (ECIS) to provide a **higher insurance cover to banks** that are lending working capital for exports.
 - Credit flow to exporters has come down by 35%.
 - At present banks are covered for 60% of what they lend to exporters for working capital. With the new move, it is expected to be increased to 90%.
 - It would also enable a reduction in the overall cost of export credit including interest rates, especially to MSMEs.

Effective monitoring of export financing will be done by the Department of Commerce.

 - Export finance refers to financial assistance extended by banks and other financial institutions to businesses for the shipping of products outside a country or region.

Priority Sector Lending (PSL) norms for export credit have been examined and enabling guidelines are under consideration of RBI.

 - This will release an additional Rs. 36,000 - 68,000 crores as export credit under the priority sector.
- **Effective Use of FTAs: Free Trade Agreement (FTA) Utilisation Mission**, headed by a Senior officer in the Department of Commerce, will be set up, to work exclusively with export houses to utilise concessional tariffs in each FTA.
- **Mega Shopping Festivals:** To boost exports, **Dubai- like annual mega shopping festivals** in India will be organized in 4 places across March 2020. These will focus on four themes: Gems & Jewellery, Handicrafts/Yoga/Tourism, Textiles and Leather.

Measures To Boost Housing Sector

- **Increasing Bank Credit for Homebuyers:**
 - The **External Commercial Borrowing (ECB)** guidelines will be relaxed to facilitate financing for home buyers who are eligible under the **Pradhan Mantri Awas Yojana**.
 - The interest rate on house building advances will be lowered and linked with the 10 Year Government Security yields.
- **A Special Window Fund**, to provide last mile funding to non-NPA (**Non-Performing Assets**) and non- NCLT (**National Company Law Tribunal**) projects in the affordable and middle-income category.

The government will contribute up to Rs 10,000 crores alongside other investors including LIC and private banks.

Steps taken so far

- **Affordable Housing - Additional deduction** up to Rs. 1.5 lakhs for interest paid on loans borrowed up to 31st March, 2020 for purchase of house valued up to Rs. 45 lakh.
- **Banks to launch Repo rate /external benchmark linked loan products**
 - Reduced EMI for housing loans by directly linking Repo rate to interest rates
- **Support to NBFCs/HFCs**
 - More credit support for purchase of houses, vehicles, consumption goods.
 - Additional liquidity support to HFCs Rs. 20,000 Cr by NHB thereby increasing it to Rs. 30,000 Cr.
 - Partial Credit Guarantee scheme for purchase of pooled assets of NBFCs/ HFCs upto Rs 1 lakh Cr - to be monitored at highest level in each bank
- Establish an organisation to provide Credit Enhancement for infrastructure and housing projects
- Requirement for creation of a Debenture Redemption Reserve (DRR) of outstanding debentures in respect of listed companies, NBFCs and for HFCs removed.
- **Pradhan Mantri Awas Yojana – Gramin (PMAY-G)** aims to achieve "Housing for All" by 2022:Eligible beneficiaries to be provided 1.95 crore houses with amenities like toilets, electricity and LPG connections during its second phase (2019-20 to 2021-22).

Source: PIB

Vulture Culture

India is home to nine species of vultures, but most of them face the danger of extinction.

The nine species of vultures & their International Union for Conservation of Nature (IUCN) status are:

Sr. No.	Name of the Vulture Species	IUCN status	Pictorial Representation
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1. Oriental White-backed Vulture
(Gyps Bengalensis)

**Critically
Endangered**



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2. Slender-billed Vulture (Gyps Tenuirostris)

**Critically
Endangered**



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3. Long-billed Vulture (Gyps Indicus)

**Critically
Endangered**



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4. Egyptian Vulture (Neophron Percnopterus) **Endangered**



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5. Red-Headed Vulture (Sarcogyps Calvus) **Critically Endangered**



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6. Indian Griffon Vulture (Gyps Fulvus) **Least Concerned**



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7. Himalayan Griffon
(Gyps Himalayensis) **Near
Threatened**



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8. Cinereous Vulture
(Aegypius
Monachus) **Near
Threatened**



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9. Bearded Vulture or **Near**
 Lammergeier **Threatened**
 (Gypaetus Barbatus)



Conservation Efforts

- To **study the cause of deaths** of vultures in India, a Vulture Care Centre (VCC) was set up at **Pinjore, Haryana** in 2001.
- Later **in 2004**, the VCC was upgraded to being the **first** Vulture Conservation and Breeding Centres (VCBC) in India.
At present, there are **nine** Vulture Conservation and Breeding Centres (VCBC) in India, of which three are directly administered by the Bombay Natural History Society (BNHS).
- The **main objective** of the VCBCs was to look after the vultures and **breed them** in captivity and also release them into the wild.
- India's conservation efforts are focussed on the three species of vultures which are **Critically Endangered** according to the **International Union for Conservation of Nature (IUCN)** namely,
 - *White-backed Vulture*,
 - *Slender-billed Vulture*, and
 - *Long-billed Vulture*.

Reasons for Death of Vultures

- The major reason behind the vulture population getting nearly wiped out was the **drug Diclofenac**. It was found in the carcass of cattle on which the vultures feed.
 - The drug was commonly administered to cattle **to treat inflammation**.
 - Its veterinary use was **banned in 2008** by the Government of India.
 - **Bioaccumulation** (the gradual accumulation of substances, such as pesticides, or other chemicals in an organism) of Diclofenac caused **kidney failure** in Vultures, leading to death.
 - Diclofenac is dangerously fatal for Vultures. Even 1% of it in carcass would kill the Vulture in a short time after it feeds such carcass.
- The **poisoned carcasses** were dumped to kill some local stray animals. But when vultures fed on them, it became one of the vital reasons leading to their death.
It is imperative to manage our carcass dumps and make sure that poisoned carcasses are not dumped for the vultures to feed on.
- The forest department **cremates the animal carcasses instead of burying** them, to keep the poachers away. But this practice is denying food to vultures leading to their death out of **starvation**.

Way Forward

- The forest department needs to give emphasis on **creating awareness** and on **creating safe zones for vultures** in places where there is an existing vulture population.
So far **nine states** have undertaken programmes to create safe habitats for vultures.
- Vultures are **slow-breeding birds**, there is a need for immediate intervention to save them from extinction.

Source: TH

Hindi Divas 2019

Rashtriya Hindi Divas is observed across India **every year** on **14th September**.

- The Hindi language is the **single largest spoken language (43.63% of people in India)** among the 22 scheduled languages in the **eighth schedule** of the Indian constitution.
- It is also the **fourth most spoken language** in the world, after Mandarin, Spanish and English.

Background

- The Constituent Assembly of India adopted **Hindi written in Devnagari Script** along with **English** as the **official language of the country** on **September 14, 1949**, under **Article 343(1)**.
Initially, English was granted the official language status for **only 15 years** since the adoption of the constitution. During these 15 years, Hindi's reach was to be promoted for official purposes as well as in the education sector so that English would fade out, giving ground to Hindi.
- 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

- **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.
- The Hindi language is one of the 22 languages of the **Eighth Schedule of the Constitution of India**.

Worldwide Promotion for the Hindi Language

- **In 2018**, the Indian Prime Minister became the **first head of government to address the World**

Economic Forum in a national language other than English.

- The Government of India in collaboration with the Government of Mauritius has set up the **World Hindi Secretariat** in **Port Louis, Mauritius** for promotion and propagation of Hindi globally.
- Indian Government's effort led to the creation of **Hindi Twitter account of the UN in 2018**.
- The **first world World Hindi Conference** was organized in Nagpur on **January 10, 1975**. To commemorate the occasion, the government of India **since 2006** is celebrating **10th January as World Hindi Day**.
- The then Minister of External Affairs Atal Bihari Vajpayee was **first** to give a **speech in Hindi at the United Nations in 1977**.

Source: PIB

Jaldoot

Jaldoot is a unique initiative that is designed to take the message of water conservation to masses.

- **Regional Outreach Bureau** (ROB under the **Ministry of Information and Broadcasting**), Pune in association with **MSRTC** (Maharashtra State Road Transport Corporation) is going to launch the Jaldoot campaign.
- The ROB has designed **a bus** to create the **Jaldoot: A Travelling Exhibition on Jalshakti Abhiyan**.
 - The exhibition consists of various information **display panels and audio-visual** components.
 - The **Song & Drama Division** cultural troupes and artists will travel along the bus to create awareness about the Government's initiative.
 - The bus will visit 8 districts of Maharashtra in the next 2 months.
 - The field units at those locations will conduct different activities like competitions, rallies, cultural programmes, on the sidelines of the visit of the bus, in order to **create awareness on water conservation efforts**.
- To tackle the water crisis looming throughout the country, the Government of India launched the **Jal Shakti Abhiyan** in 2019.

It is a water conservation campaign focusing on 1592 stressed blocks in 256 districts across the country.

Source: PIB
