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News Analysis (30 Nov, 2019)

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GDP Growth

Why in News

As per the data released by the National Statistical Office, **India's Gross Domestic Product (GDP)** growth slipped to a 26-quarter low of **4.5%** in the second quarter (Q2 i.e. July-September) of the financial year 2019-20.

- The growth is the **lowest in six years and three months** with the previous low recorded at 4.3% during the January - March 2013.
- In terms of quarterly growth, **India has lost the tag of the fastest growing economy to China** which posted a growth of 6% in the September quarter.
- **Reasons for fall in growth include** contraction in manufacturing, weak investment, and lower consumption demand.
- The **global economy is also facing a slowdown** and this has hurt demand for India's exports, which have slumped in recent months.



(in % / July-September)

As quarterly growth drops...		
	2019-20	2018-19
Agriculture	2.1	4.9
Industry	0.5	6.7
Services	6.8	7.3
GDP	4.5	7.0

Key Points

... will annual projections be realised?	
Agency	% growth rate
Fitch	5.5
Moody's	5.8
OECD	5.9
World Bank	6.0
RBI	6.1
IMF	6.1
S&P	6.3

- Growth in **Gross Value Added (GVA)** dipped to 4.3% in Q2 of 2019-20 from 6.9% in Q2 of 2018-2019.
- **Manufacturing Sector Growth contracted** 1% as against 6.9% growth last year during the same quarter.
- **Agriculture, forestry and fishing sector** recorded a growth rate of 2.1% as against 4.9% last year.
- The '**Financial, Real Estate & Professional Services**' category saw growth slow to 5.8% in Q2 of 2019-20, compared with 7% in Q2 of the previous year.
- **Private final consumption expenditure**, the closest proxy in the data to a measure of **consumption demand**, grew 5.06% in Q2 of 2019-20 as against the growth of 9.79% in Q2 of the previous year.
- **Gross fixed capital formation**, which is a measure of the **level of investment** in the country by both the government and the private sector, grew only 1.02% in Q2 of 2019-20 as against the growth of 11.8% in Q2 of last year.

Recent Signs of Economic Slowdown

- The **collapse of IL&FS** in September 2018.
- The **financial sector is on the brink** as indicated by huge number of **Non-Performing Assets (NPAs)**.

- Though the **Reserve Bank of India has cut the key policy rates (like Repo rate)**, the banks have not transferred the same to the final consumers. Thus, the two critical needs of the industry i.e. **cost of credit and availability of credit**, have not been met fully.
 - The cumulative cut of 135 basis points by the RBI over the last nine months has translated into a meager 29 basis points (just over a fifth), with banks still retaining a huge spread.
 - Cost of credit continues to remain high for most companies and the worst affected are small and medium enterprises.

Way Forward

- The government should give a high priority to implementing measures to bolster manufacturing output and kick-start an upturn in the investment cycle.
- Accelerated spending by the government is another way out but this action would be opposite to the government's **fiscal deficit target of 3.3% of GDP**.

Note

- **Gross Value Added (GVA)** provides for value of the amount of goods and services that have been produced in a country, minus the cost of all inputs and raw materials that are directly attributable to that production. It is used to measure the output or contribution of a particular sector.
- **Gross Domestic Product (GDP)** is the single standard indicator used across the globe to indicate the health of a nation's economy. It is the sum of private consumption, gross investment in the economy, government investment, government spending and net foreign trade (difference between exports and imports).

Source: TH

Seismometers Defunct in Earthquake-Prone Zones

Why in News

20 out of 35 **seismometers and accelerographs** in earthquake prone zones (Seismic zone III and IV) of **Maharashtra were found defuncting**.

- The **seismometer** is an instrument used to measure and record earthquakes, whereas **accelerographs** prints the **intensity of earthquakes**.
- The **seismic zone III and zone IV** fall under **moderate and strong** earthquake categories under Earthquake prone zones in India.

Seismic Waves

- Vibrations from an earthquake are categorised as P or S waves. They travel through the Earth in **different ways and at different speeds**. They can be **detected and analysed**.
 - **P-waves (P stands for primary)**
 - These are the first waves detected by **seismograph**.
 - These are **longitudinal waves** i.e. they vibrate along the same direction as it travels.
 - Other examples of longitudinal waves include sound waves and waves in a stretched spring.
 - **S-waves (S stands for secondary)**
 - These waves arrive at the detector **after primary waves**.
 - These are **transverse waves** i.e. they vibrate at a right angle to the direction in which they travel.
 - Other examples of transverse waves include light waves and water waves.
- **Both types of seismic waves** can be detected near the earthquake centre but only P-waves can be detected on the other side of the Earth.

P-waves can travel through solids and liquids (since they are longitudinal waves) whereas S-waves can only travel through solids (as they are transverse waves). This means the liquid part of the core blocks the passage of S-waves
- The earthquake events are **scaled either according to the magnitude or intensity** of the shock.
 - The **magnitude scale** is known as the **Richter scale**. The magnitude relates to the energy released during the earthquake which is expressed in absolute numbers, 0-10.
 - The **intensity scale or Mercalli scale** takes into account the **visible damage** caused by the event. The range of intensity scale is from **1-12**.

Earthquake Prone Zones in India

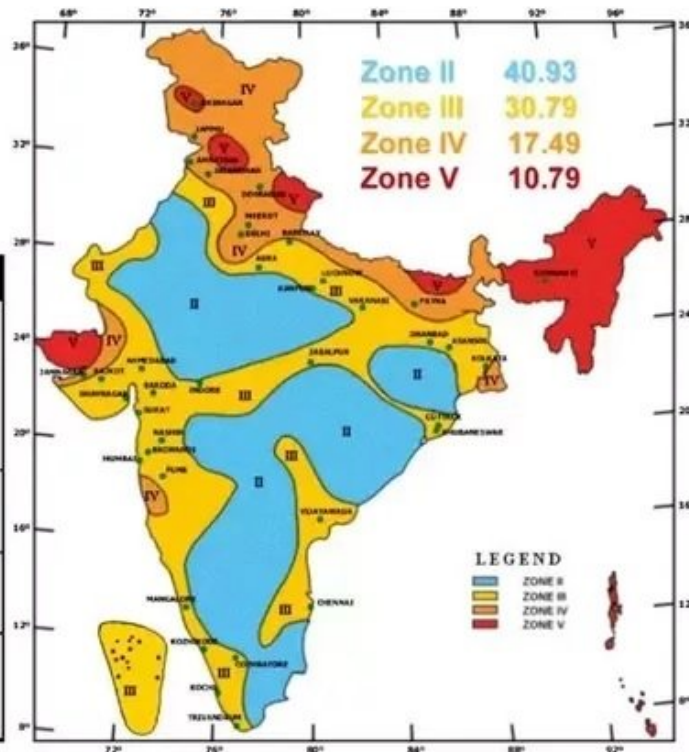
- **Earthquake** is the violent shaking of the ground due to the release of accumulated stress of the moving lithospheric or crustal plates.
- Over **59 % of India's land area** is under threat of **moderate to severe** earthquakes.

- **Bureau of Indian Standards**, based on the past seismic history, divided the country into **four seismic zones**, viz. **Zone II, III, IV and V**.
 - The regions away from the Himalayas and other inter-plate boundaries were considered to be relatively safe from damaging earthquakes.
 - However, occurrence of the **Killari earthquake in Maharashtra (1993)** resulted in **revison** of the seismic zoning map in which the low hazard zone or Seismic Zone I was merged with Seismic Zone II. Thus **Zone I does not appear** in mapping.
 - **Zone V** is the **most seismically active** region, while **zone II** is the **least** active region.
- The **zones** are divided on the basis of **Modified Mercalli (MM) intensity**, which measures the **impact of earthquakes**.
- The area covered under different seismic zones include,
 - **Zone V :**
 - It falls under **very severe intensity zone**.
 - It covers **10.79% area** of the country.
 - It comprises the entire northeastern India, parts of Jammu and Kashmir, Himachal Pradesh, Uttaranchal, Rann of Kutch in Gujarat, part of North Bihar and Andaman & Nicobar Islands.
 - **Zone IV :**
 - It falls under **severe intensity zone**.
 - It covers **17.49% area** of the country.
 - It comprises remaining parts of Jammu and Kashmir and Himachal Pradesh, National Capital Territory (NCT) of Delhi, Sikkim, Northern Parts of Uttar Pradesh, Bihar and West Bengal, parts of Gujarat and small portions of Maharashtra near the west coast and Rajasthan.
 - **Zone III :**
 - It falls under **moderate intensity zone**.
 - It covers **30.79% area** of the country.
 - It comprises Kerala, Goa, Lakshadweep islands, remaining parts of Uttar Pradesh, Gujarat and West Bengal, Parts of Punjab, Rajasthan, Madhya Pradesh, Bihar, Jharkhand, Chhattisgarh, Maharashtra, Orissa, Andhra Pradesh, Tamil Nadu and Karnataka.
 - **Zone II:**
 - It falls under **low intensity zone**.
 - It covers **40.93% area** of the country.
 - It comprises major parts of peninsular region. Karnataka Plateau and remaining parts of the country.

Seismic Zone Map of India: -2002

About 59 percent of the land area of India is liable to seismic hazard damage

Zone	Intensity
Zone V	Very High Risk Zone Area liable to shaking Intensity IX (and above)
Zone IV	High Risk Zone Intensity VIII
Zone III	Moderate Risk Zone Intensity VII
Zone II	Low Risk Zone VI (and lower)



Source:TH

Private Member's Bill to be Scheduled on Wednesdays

Why in News

Recently, the members of parliament has demanded for consideration of private members' Bills on Wednesdays instead of Fridays.

- They have also demanded that time allotted for **private member's bill** consideration should not be cut short unless there is an issue of national significance to be discussed in the House.
- It has been observed that most of the members of the parliament as well as Prime Minister are found absent on Fridays which reduces significance and impact of presentation of private member's bill in the house.

Private Member's Bill

- Any Member of Parliament (MP) who is not a minister is referred to as a **private member**.

- The purpose of private member's bill is to draw the government's attention to what individual MPs see as issues and gaps in the existing legal framework, which require legislative intervention.

Thus it reflects the stand of the **opposition party on public matters**.

- Its drafting is the responsibility of the member concerned.
- Its introduction in the House requires **one month's notice**.
- The government bills can be introduced and discussed on any day, private member's bills can be introduced and discussed **only on Fridays**.
- Its rejection by the House has no implication **on the parliamentary confidence** in the government or its resignation.
- Upon conclusion of the discussion, the member piloting the bill can either withdraw it on the request of the minister concerned, or he may choose to press ahead with its passage.
- The last time a private member's bill was passed by both Houses was in **1970**.
It was the **Supreme Court (Enlargement of Criminal Appellate Jurisdiction) Bill, 1968**.
- **14** private member's bills — five of which were introduced in Rajya Sabha — have **become law** so far. Some other private member bills that have become laws include-
 - Proceedings of Legislature (Protection of Publication) Bill, 1956, in the Lok Sabha;
 - The Salaries and Allowances of Members of Parliament (Amendment) Bill, 1964, introduced by in the Lok Sabha and
 - The Indian Penal Code (Amendment) Bill, 1967 introduced in the Rajya Sabha.

Source:TH

State Party Status by Election Commission of India

Recently, the **Jannayak Janta Party of Haryana** has been granted the status of a **recognised State party** and has been allotted the **symbol of "key"** by **Election Commission of India**.

Other two recognised state parties of Haryana are **Haryana Janhit Congress** and **Indian National Lok Dal**.

Key Points

- Political parties are registered by the election commission for the purpose of elections and granted recognition as national or state parties **on the basis of their poll performance**.

The other parties are simply declared as **registered-unrecognised parties**.

- The recognition determines their **right to certain privileges** like allocation of the party **symbols**, provision of time for **political broadcasts** on television and radio stations and access to electoral rolls.
- Every national party and every state party is allotted a symbol exclusively reserved for its use throughout the country and the states respectively. In other words, the Commission specifies certain symbols as '**reserved symbols**' which are meant for the candidates set up by the recognised parties.

Conditions for Recognition as a State Party

A party is recognised as a state party in a state if any of the following conditions is fulfilled:

- If it **secures 6% of the valid votes polled** in the state at a general election to the legislative assembly of the state concerned and in **addition, it wins 2 seats** in the assembly of the state concerned or
- If it secures 6% of the valid votes polled in the state at a general election to the Lok Sabha from the state concerned and in addition, it wins 1 seat in the Lok Sabha from the state concerned or
- If it wins 3% of seats in the legislative assembly at a general election to the legislative assembly of the state concerned or 3 seats in the assembly, whichever is more or
- If it wins 1 seat in the Lok Sabha for every 25 seats or any fraction thereof allotted to the state at a general election to the Lok Sabha from the state concerned or
- If it secures 8% of the total valid votes polled in the state at a General Election to the Lok Sabha from the state or to the legislative assembly of the state. This condition was added in 2011.

Conditions for Recognition as a National Party

A party is recognised as a national party if any of the following conditions is fulfilled:

- If it **secures 6% of valid votes polled** in any **four or more states** at a general election to the Lok Sabha or to the legislative assembly and in addition, it wins four seats in the Lok Sabha from any state or states, or
- If it **wins 2% of seats in the Lok Sabha** at a general election and these candidates are elected from three states, or
- If it is recognised as a **state party in four states**.

Source: TH

Global Sulphur Cap

Why in News

Recently, the Parliament was informed about Government efforts to clear the uncertainty of the Shipping industry on **reducing sulphur oxide emission levels**.

From 1 January 2020, usage of **sulphur in fuel oil** used on board ships will be **capped and reduced to 0.50% m/m (mass by mass)**.

Key Points

- The main type of **bunker oil (heavy fuel oil for ship)** is derived as a residue from crude oil distillation and it contains sulphur. On combustion in the engine, it **emits oxides of sulphur**.
- Sulphur oxides are harmful to **human health**, causing **respiratory symptoms** and **lung disease**. In the **atmosphere**, they lead to **acid rain** harming crops, forests and aquatic species and contributing to the **acidification of the oceans**.
- **International Maritime Organisation (IMO)** regulations to reduce sulphur oxides emissions from ships first came into force in **2005**, under Annex VI of the **International Convention for the Prevention of Pollution from Ships (MARPOL Convention, 1973)**.
India is a signatory to this International Convention and all its Annexes.
- Limiting sulphur oxides emissions from ships will **improve air quality and protect the environment**. It will have major health benefits particularly for populations living close to ports and coasts.

Source: PIB

SURYA KIRAN - XIV

Why in News

The joint military exercise '**SURYA KIRAN - XIV**' between **India and Nepal** will be

conducted in Nepal from 3rd- 16th December 2019.



- The exercise will comprise of 300 soldiers from both Indian and Nepal Army who would be sharing their experience in conduct of various counter insurgency and counter terrorism operations as also various humanitarian assistance missions by both the Armies.
- The exercise is an **annual event** which is conducted **alternatively in Nepal and India**.
- The **13th (previous) edition** of the exercise was conducted in **Uttarakhand, India**.

Source: PIB
