



AIR Discussions (November 1st Week)

ALL INDIA RADIO SUMMARY (1-7 NOVEMBER, 2020)

SPOTLIGHT (03 NOVEMBER, 2020)

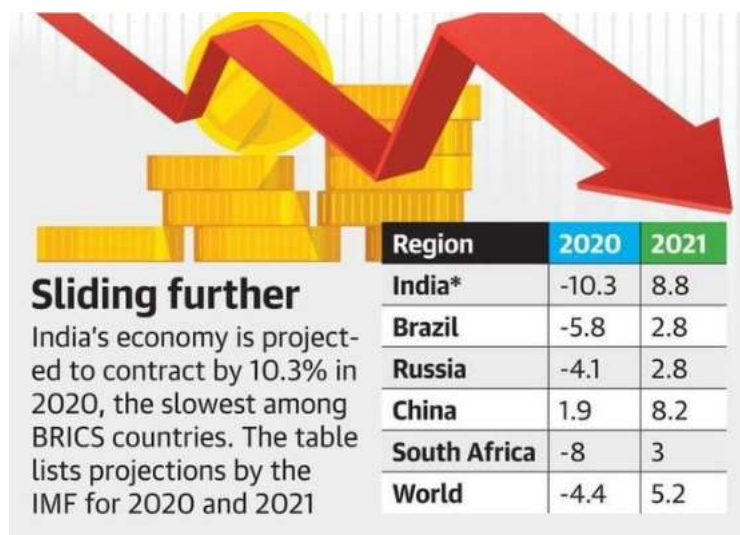
GS PAPER III-ECONOMY

PROSPECTS IN INDIAN ECONOMY AND GROWTH

Context: International Monetary Fund (IMF) World Economic Outlook October 2020 report titled, “A Long and Difficult Ascent” is released.

Key outcomes:

- With the country and world reeling under the impact of the coronavirus pandemic
 - Indian economy** is expected to grow at **-10.3 %** (i.e., a **contraction**) in 2020
 - Global growth** is projected to be **-4.4%** (i.e., a **contraction** in output of 4.4%) for this year.



*India's figures are for fiscal years. All figures in %

India's specific:

- 2020 projection for India is a **downgrade of -5.8 percentage points** from the IMF's June projection for the country.
- India is expected to **rebound in 2021 with 8.8 percent growth** – an upgrade of 2.8 percentage points relative to the June update.
- Revisions to the forecast are particularly large for India, where **GDP contracted much more severely than expected in the second quarter,**
- Consumer prices in India are expected to grow at 4.9% this year and 3.7% in 2021.
- The **current account balance** is projected to **grow by 0.3%** this year and -0.9% (i.e., a contraction) next year.



Global scenario:

- For the world as a whole, the 2020 growth projection has been revised upwards by 0.8 percentage points relative to June.
- The recovery in 2021 is projected to be at 5.2% - lower than the June 2020 projections.
- **Except for China**, where output this year is expected to exceed 2019 levels, advanced, developing and emerging market economies are expected to see lower output even next year.
- The **U.S. economy** is expected to grow by -4.3 % this year (i.e., contract) and grow by 3.1% next year.

Severe setbacks:

- The world will not catch up fully to its pre-pandemic 2020-25 projected growth trajectory, **reversing progress made since the 1990s in reducing poverty and increasing inequality** and causing a “severe setback” to projected improvements in living-standards across all groups of countries
- **Labour market** has become more **polarized**, with low-income workers, women and youth being hit harder.
- Close to 90 million people could fall below the \$ 1.90/day extreme poverty threshold (the World Bank projected that there could be up to 150 million additional extreme poor in 2020, 2021).
- With subdued growth for the medium term, the **stock of sovereign debt is expected to increase**.
- Post-COVID, India’s **debt is expected to rise from about 70 per cent of GDP** to about 85-90 per cent and deficits are likely to be in the double-digit range.

Fund: More action required

- Global fiscal support totaling some **\$12 trillion** and measures such as rate cuts, asset purchases and liquidity injections by central banks protected lives and livelihoods and “prevented a financial catastrophe”.
- To ensure a “**sustained recovery**,” there is a need for **greater international collaboration on tests, treatments and vaccines**, which could mean an increase in global cumulative income by \$ 9 trillion by the end of 2025.
- Policies should “**aggressively**” **seek to limit persistent economic damage**.
- Governments **should support incomes**, by well targeted cash transfers, wage subsidies and unemployment insurance.
- For firms that are viable but vulnerable, support such as tax deferrals, debt servicing moratoria, equity-like injections should be given.
- Policies should aid **workers’ transition to growing sectors** (e.g. e-commerce) and away from sectors like travel, which are likely to shrink.
- Other measures include **support to governments via institutional grants, concession financing and debt relief** “in some cases” so these governments can **prioritize critical spending for health and transfers to the poor**.
- Along with the necessary easing of monetary policy across the world, measures to **prevent the buildup of financial risks over the medium should be pursued** and “**central bank independence should be safeguarded at all costs**.”
- Policy measures and the **use of digital technology** to get assistance to citizens are ways to make a comeback.
- More public spending, tax cuts to boost private consumption and private investment, and/or financial sector reform to boost private investment.



Conclusion:

- To boost growth presently, there should ideally be some **additional capital expenditure by the government**, which goes beyond what has been provided in the budget.
- This seems to be the logical solution as the first quarter GDP numbers show a decline in both consumption and investment.
- By increasing capital expenditure, the government can begin a **virtuous cycle of creating assets as well as providing employment,**
- India's big, unexploited opportunities are in unskilled labour exports. China and India are stark outliers but in the opposite direction. China is vastly over-exporting. India is vastly under-exporting relative to its labour force

Reference: <https://indianexpress.com/article/explained/india-economy-coronavirus-lockdown-explained-ideas-6582451/>

<https://indianexpress.com/article/opinion/columns/india-trade-domestic-market-exports-covid-19-6725538/>

OTHER NEWS:

IISc, IOCL sign MoU for hydrogen-generation technology

Context: Bengaluru based Indian Institute of Science and R&D Centre of Indian Oil Corporation have signed an MOU to develop and demonstrate **biomass gasification based hydrogen generation technology** for producing fuel cell-grade hydrogen at an affordable price.

- The technology is crucial for the **fuel cell operated buses** being conceived by Indian Oil towards ushering in the country's hydrogen economy.
- Indian Oil Corporation had recently launched trials of 50 buses in Delhi using **hydrogen-CNG as a fuel**, based on Indian oil patented single step reforming technology.
- It is now working with IISc to use hydrogen production technology based on biomass gasification.
- IISc has worked on biomass gasification and developed an innovative process for the **production of hydrogen rich syngas**.
- The use of this technology will not only provide a **cleaner energy option for India** but also be a step towards addressing the **challenge of biomass waste**.

<http://newsonair.com/News?title=IISc%2c-IOCL-sign-MoU-for-hydrogen-generation-technology&id=403466>



'Mission Sagar-II'

Context: Indian Naval Ship Airavat reaches Port **Sudan** as part of 'Mission Sagar-II'

- Indian government is providing assistance to Friendly Foreign Countries to overcome natural calamities and COVID-19 pandemic.
- Mission Sagar-II, follows the first 'Mission Sagar' undertaken in May-June 2020, wherein India provided **food and medicines to Maldives, Mauritius, Seychelles, Madagascar and Comoros.**
- As part of Mission Sagar-II, INS Airavat will deliver food aid to **Sudan, South Sudan, Djibouti and Eritrea.**
- Mission Sagar-II, is in line with the Prime Minister's vision of **Security and Growth for All in the Region 'SAGAR'.**
- It highlights the importance accorded by India to relations with her maritime neighbours and further strengthens the existing bond.

<http://newsonair.com/Main-News-Details.aspx?id=403575>

United Nations Industrial Development Organisations (UNIDO)

Context: UNIDO has been closely working with India to implement UN's activities in harmony with national policy priorities and development strategies.

- The UNIDO Regional Office in New Delhi acts as a focal point **to promote UNIDO's mandate of inclusive and sustainable industrial development in India.**
- Regional Cluster concept of economic development is playing an important role in Indian success story.

About UNIDO:

- It is a **specialized agency of the United Nations** that assists countries in **economic and industrial development.**
- It is headquartered at the UN Office in Vienna, Austria, with a permanent presence in over 60 countries.
- It was established in 1966 by the UN General Assembly **to promote and accelerate the industrialization of developing countries,** which were emerging from decolonization in record numbers and with little to no industrial base.
- UNIDO is a member of the United Nations Development Group, a coalition of UN entities aimed at fulfilling the Sustainable Development Goals.
- UNIDO's strategic priorities include **creating shared prosperity; advancing economic competitiveness; safeguarding the environment; and strengthening knowledge and institutions.**

<http://newsonair.com/News?title=Regional-Cluster-concept-of-economic-development-playing-important-role-in-Indian-success-story%3a-UNIDO-Representative&id=403734>

Integrated Government Online training 'iGOT platform

Context: Through iGOT, more than 15 lakh online trainees issued certificates

- Uniquely designed Integrated Government Online training 'iGOT' platform provides **self contained training material** for COVID-19 warriors comprising 56 modules, 196 videos and 133 training documents.



- So far, more than 19.2 lakh have completed the courses and certificates have been issued to more than 15 lakh online trainees.

EMPOWERING FRONTLINE CORONA WARRIORS

Govt launched 'Integrated Government Online training' (iGOT) portal on DIKSHA* platform

Uniquely designed for **doctors, nurses, police, ANM & other healthcare workers**

The platform contains **self learning guide** with latest preventive techniques

[View Courses](#)

Covid Warriors

Proactive & Polite, Professional & Progressive, Imaginative & Innovative, Energetic & Enabling, Creative & Constructive, Transparent & Tech-enabled

<http://newsonair.com/News?title=iGOT%3a-More-than-15-lakh-online-trainees-issued-certificates&id=403589>

51 education TV channels

Context: India's public broadcaster Prasar Bharati entered into a Memorandum of Understanding, MoU with Bhaskaracharya National Institute for Space Applications and Geo-Informatics, Ministry of Electronics and Information Technology.

- Under the MoU, 51 DTH education TV channels will be available as DD co-branded channels to all DD FreeDish viewers.
- **Aims** to bring quality educational programmes to every household, including those in rural and remote areas.
- The services will be available free of cost for all the viewers 24x7, in line with Government's commitment towards skill development and providing quality education to the last person in the country.
- This initiative will go a long way in achieving Government's goal of **providing education to all**.

<http://newsonair.com/News?title=Prasar-Bharati-signs-MoU-to-launch-51-education-TV-channels&id=403655>



Habeas corpus plea

Context: Bombay High Court heard Habeas Corpus plea of senior journalist Arnab Goswami, who was arrested yesterday in a connection with abetment to suicide case by Raigad Police.

About Habeas Corpus:

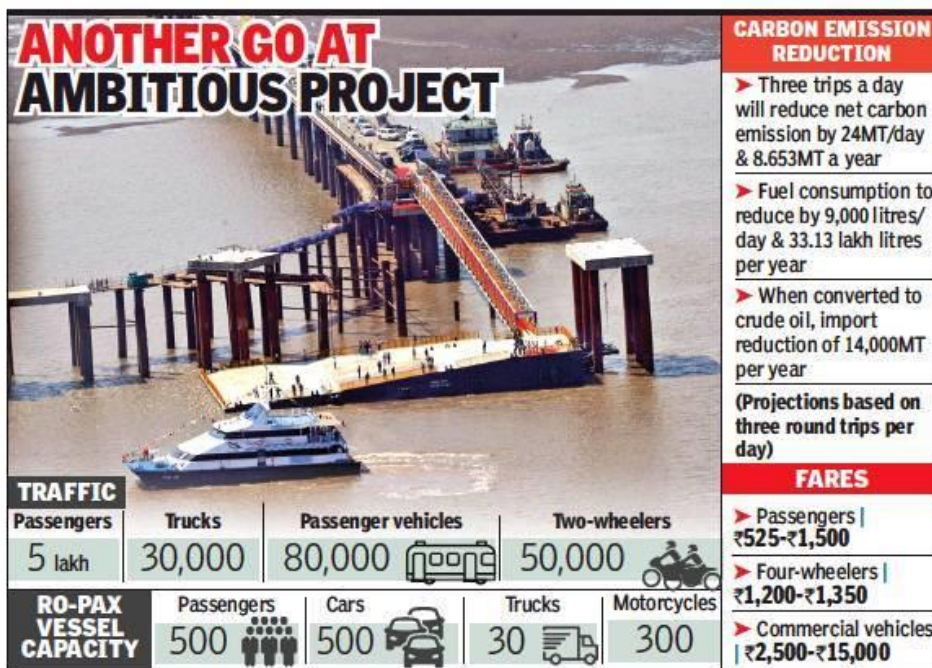
- Habeas corpus is a writ, issued by a court or judge directing one who holds another in custody to produce the person before the court for some specified purpose.
- It is used **to correct violations of personal liberty** by directing judicial inquiry into the legality of a detention.

<http://newsonair.com/News?title=Bombay-HC-hears-Arnab-Goswami%26%2339%3bs-habeas-corpus-plea&id=403740>

Ro-Pax service between Hazira-Ghogha in Gujarat

Context: Prime Minister inaugurated the Ro-Pax terminal at Hazira and flag off Ro-Pax service between Hazira and Ghogha in Gujarat.

- It marks a big step towards the Prime Minister's vision of harnessing waterways and integrating them with the economic development of the country.
- Hazira-Ghogha Ro-Pax ferry service will work as a Gateway to South Gujarat and Saurashtra region.



- It will reduce the distance between Ghogha and Hazira from 370 Kilometres to 90 Kilometres.
- The reduced cargo travel time will result in huge savings of fuel approximately 9000 litres per day and will lead to reduction in CO2 emission by approximately 24 million tonnes per day.
- It will give an impetus to the tourism industry with ease of access to Saurashtra region and lead to creation of new job opportunities.



- With the onset of Ferry services, the port sector, furniture and fertilizer industries in Saurashtra and Kutch region will get a big boost.
- Eco-tourism and religious-tourism in Gujarat, especially in Porbandar, Somnath, Dwarka and Palitana will grow exponentially.
- The benefits of enhanced connectivity through this ferry service will also result in increased inflow of tourists in the famous Asiatic lion wildlife sanctuary at Gir.

<http://newsonair.com/News?title=PM-Modi-to-flag-off-Ro-Pax-service-between-Hazira-Ghogha-in-Gujarat-on-Sunday&id=403797>

FASTags

Context: FASTags to be mandatory for all four wheelers from 1st January, 2021

- This will apply to old vehicles as well as M and N category of motor vehicles sold before 1st December, 2017.
- As per **Central Motor Vehicles Rules, 1989**, the FASTag had been made mandatory for all registration of new four wheeled Vehicles since 1st December 2017 and is being supplied by the Vehicle Manufacturer or their dealers.
- It had further been mandated that the renewal of fitness certificate will be done only after the fitment of FASTag for the Transport Vehicles.
- For National Permit Vehicles the fitment of FASTag has been mandated since 1st of October, 2019.
- A valid FASTag is also mandatory while getting a new third Party Insurance through an amendment in certificate of Insurance, wherein the details of FASTag ID will be captured.
- This notification would be a major step for ensuring that the payment of fees be 100 per cent at Toll Plazas through the Electronic Means only and that the vehicles pass seamlessly through the Fee Plazas.
- The steps for ensuring the availability of FASTag at multiple channels are being made through physical locations and also through online mechanism so that the citizens are able to have them affixed at their vehicles within the next two months at their convenience.



How to get a **FASTag**

Buying a new car? From December 1, it'll be mandatory for all new four-wheelers to have FASTag devices fixed on front windscreens



Availability

If you are buying a car you may already have a FASTag on its windscreen, but if there isn't one or if you want to buy one for your old vehicle, you can purchase it from authorised banks which include HDFC Bank, ICICI Bank, Syndicate Bank, Axis Bank, IDFC Bank and State Bank of India. They are also available at toll plazas and on Paytm



Documents Required

1. Registration Certificate of the vehicle
2. Passport size photograph of the vehicle owner
3. Identity card, i.e., any of these – Driving license, PAN Card, Passport, Voter ID Card or Aadhaar



Recharge

FASTags can be recharged online through Credit Card/Debit Card/NEFT/RTGS or Net Banking. The minimum and maximum amount allowed for recharge is Rs 100 and Rs 1 lakh respectively



Advantages

1. No need to carry cash for the toll transactions
2. Time-saving
3. Near non-stop movement of vehicles leading to lower fuel cost
4. Lesser waiting time reduces the load on environment

Source: NHAI

What is FASTag?

- It is a sticker or a tag usually pasted on the windscreen of the car.
- The device uses **Radio Frequency Identification (RFID) technology** to communicate with scanner installed at toll plazas.
- Once the car crosses the toll plaza the requisite toll amount is automatically deducted from a bank account or a prepaid wallet linked to the FASTag.
- The **National Highways Authority of India (NHAI)** through its subsidiary Indian Highway Management Company Limited (IHMCL) **sells and operates FASTag.**

<http://newsonair.com/News?title=FASTags-to-be-mandatory-for-all-four-wheelers-from-1st-January%2c-2021&id=403853>