# UPSC Daily Current Affairs | Prelim Bits 16-10-2020

## National Authority for Recycling of Ships

- Union government has established National Authority for Recycling of Ships under the section 3 of the Recycling of Ships Act, 2019.
- The Directorate General of Shipping will be now notified as National Authority for Recycling of Ships.
- It will be set up in Gandhinagar, Gujarat.
- The location of the office will benefit the Ship Recycling yard owners situated in Alang, Gujarat which is home of Asia's largest ship breaking and ship recycling industry in the world.
- It will be the apex body, which is authorised to administer, supervise and monitor all activities relating to ship recycling.
- DG Shipping will be the final authority for the various approvals required by the Ship-Recycling yard owners and State Governments.
- Under Ship Recycling Act, 2019, India has acceded to Hong Kong Convention for Ship Recycling under International Maritime Organization (IMO).
- DG Shipping is a representative of India in IMO and all the conventions of IMO are being enforced by DG Shipping.

## KAPILA

- Union Education Ministry has virtually launched the 'KAPILA' Kalam Program for Intellectual Property Literacy and Awareness campaign.
- It is released on the 89th birth anniversary of former President Dr. APJ Abdul Kalam.
- Under this campaign, students pursuing education in higher educational institutions will get information about the correct system of application process for patenting their invention and they will be aware of their rights.
- During the event it has also been decided to celebrate the week of October 15th to 23rd as 'Intellectual Property Literacy Week'.
- The Institution Innovation Council (IIC 2.0) annual report was also presented on the occasion and the launch of IIC 3.0 was announced.

### Institution Innovation Council (IIC 2.0)

- The Institution Innovation Council was established by the Ministry of Education in 2018.
- So far, IICs have been established in about 1700 higher educational institutions.
- IIC will be established in 5000 higher educational institutions under IIC 3.0.

## Ban on Import of Air Conditioner with Refrigerants

- Recently Union government has banned imports of air conditioners with refrigerants.
- This decision is taken in view to promote domestic manufacturing and cut imports of non-essential items.
- Air conditioners, have been singled out by PM as an example of a segment where self-reliance was required.
- In July, the government imposed restrictions on the imports of various colour TV sets as well.
- Non-essential electronic goods have been under the purview of the Ministry of Commerce and Industry since the government decided to push for self-reliance in various sectors this year.

## Options on GST Compensation

- Recently, the Centre has decided to borrow an estimated revenue shortfall of Rs. 1.1 lakh crore as loans to States to meet the Goods and Services Tax (GST) shortfall.
- In which Expenditure Department under the Finance Ministry allowed 20 States to raise ₹68,825 crore from the market.
- The two options are as follows

1. **Borrowing -** Letting the States to borrow ₹1.1 lakh crore of the ₹2.35 lakh crore estimated shortfall in GST cess collections in 2020-21 without having to worry about principal and interest repayments.

The amount can be repaid after five years (of GST implementation) ending 2022 from cess collection.

2. **Raising money -** States to raise ₹2.35 lakh crore while bearing the interest costs (However it found no takers)

- A special window is being created to facilitate GST-related borrowings.
- While the present nods for additional borrowing pertain to the additional borrowing flexibility of 0.5% of the Gross State Domestic Product (GSDP)

that had been offered to States who opted for the first option for GST compensation.
- Under the terms of Option-1, States are also entitled to get unconditional permission to borrow the final instalment of 0.50% of GSDP out of the 2% additional borrowings permitted by the Government of India, under Atmanirbhar Abhiyaan.
- The GST Compensation Act, 2017 guaranteed states that they would be compensated for any loss of revenue in the first five years of GST implementation, until 2022, using a cess levied on sin and luxury goods.

**Open Market Borrowing**

- An open market operation (OMO) is an activity by a central bank to give (or take) liquidity in its currency to (or from) a bank or a group of banks.
- The central bank can either buy or sell government bonds in the open market or, in what is now mostly the preferred solution, enter into a repo or secured lending transaction with a commercial bank.
- The central bank gives the money as a deposit for a defined period and synchronously takes an eligible asset as collateral.
- Monetary targets, such as inflation, interest rates, or exchange rates, are used to guide this implementation.
- Recently union government granted TN state permission to raise an additional ₹9,627 crore through open market borrowings (option 1 given by union government for GST compensation).
- This decision was taken in view to meet the shortfall in GST compensation cess collections this year.
- Outcomes of the move are as follows

1. The borrowing will not have any impact on the fiscal deficit of the Government of India as the Centre is acting as mediator only.
2. The Centre is borrowing the loan and passing that on to the states.
3. The amounts will be reflected as the capital receipts of the state governments and as part of financing of its respective fiscal deficits.

## Deen Dayal Antyodaya Rashtriya Aajeevika Mission

- Deen Dayal Antyodaya Yojana - National Livelihoods Mission (NRLM) was launched by the Ministry of Rural Development (MoRD) in 2011.
- The Mission aims at creating efficient and effective institutional platforms of the rural poor enabling them to increase household income through sustainable livelihood enhancements and improved access to financial services.

- In the program was renamed Deendayal Antayodaya Yojana (DAY-NRLM).
- Union government has approved changes in the criteria to extend benefits under the Deen Dayal Antyodaya Rashtriya Aajeevika Mission.
- Under new changes it aims to over 10.58 lakh women in Jammu & Kashmir and Ladakh.

## INS Sindhuvir

- India will be delivering a Kilo Class submarine INS Sindhuvir to Myanmar Navy as part of defence cooperation.
- Kilo class refers to diesel-electric attack submarines that were designed and built in the erstwhile Soviet Union.
- This will be the first submarine of Myanmar Navy.
- Myanmar is one of India's strategic neighbours and shares a 1,640-kilometer-long border with a number of north-eastern states including militancy-hit Nagaland and Manipur.

**Source:** The Hindu, AIR News, Indian Express

SHANKAR IAS PARLIAMENT
Information is Empowering