

NEWSPAPER HIGHLIGHT

Prime Minister Narendra Modi kicked off 'PM Gati Shakti', a national master plan for synchronising connectivity infrastructure projects across modes of transport, and said it will help India realise its dream of becoming the "business capital" of the world. Citing the example of Dadri, where an integrated industrial township was coming up, the Prime Minister said India needed similar "plug and play" infrastructure so that investors could just come and begin working seamlessly. Like in Greater Noida's Dadri, such an integrated township could be connected to the eastern and western dedicated freight corridor. For that, multimodal logistics hubs would be built alongside, which would have a state of the art railway terminus, inter and intraState bus terminus, mass rapid transport system and other conveniences.

India's trade with China is set to cross the \$100 billion mark for the first time in 2021, with shipments hitting \$90 billion after three quarters, an almost 30% jump from prepandemic levels. Data from China's General Administration of Customs (GAC) showed twoway trade jumped 49% in the first nine months to \$90.37 billion. India's imports from China surged 51.7% to \$68.4 billion, while India's exports rose 42.5% to \$21.9 billion.

Amid continuing tensions between them in Ladakh, India and China exchanged sharp statements on VicePresident Venkaiah Naidu's visit to Arunachal Pradesh. New Delhi said it "rejected" a Chinese statement "firmly opposing" the visit. the Chinese Foreign Ministry issued a statement in response to a Chinese state media question on the visit, asking India to "stop taking actions that would complicate and expand the boundary issue". Mr. Naidu, on a tour of the northeast, was in Arunachal over the weekend.

The Union Home Ministry has enhanced the powers of the Border Security Force (BSF) to "arrest, search and seize" within 50 km from the international boundary in Assam, West Bengal and Punjab. Such operational powers to the BSF, a Central Armed Police Force under the Union, will also be applicable to the newly created Union Territories of Jammu and Kashmir and Ladakh, according to a notification published in the Gazette of India on October 11.

EASE OF DOING BUSINESS RANKINGS-A CONTROVERSY

1. IMF MD Kristalina Georgieva is under scrutiny for her role in alleged rigging of the World Bank's Ease of Doing Business rankings when she was chief executive there.

2. **What is the controversy around Georgieva?** Georgieva is a Bulgarian economist who held several high-profile positions in European politics. In January 2017, she was appointed the chief executive of the World Bank group. In January 2019, she took over as the interim president of the WB group after Jim Yong Kim resigned. In October 2019, she took over as Managing Director of the IMF. In January 2018, Paul Romer, then the chief economist of the World Bank told that the World Bank's EoDB rankings were tweaked for political reasons and he resigned. In August 2020, the World Bank suspended its EoDB rankings after finding some data irregularities in the 2018 and 2020 reports. It was alleged that the EoDB rankings were tweaked to inflate the ranks for China (in EoDB 2018) and Saudi Arabia, UAE and Azerbaijan (EoDB 2020). China is the third-largest shareholder in the World Bank after the US and Japan.

3. Wilmerhale's investigations found that the World Bank staff compromised the data to help China's ranking under pressure from Georgieva. The report states that Georgieva punished the World Bank's country director for mismanaging the Bank's relationship with China.

4. **Why do EoDB rankings matter?** The EoDB rankings indicate how easy or difficult it is for anyone to do business in a country. It maps whether and by how much a country improves on a number of parameters, such as the time taken to start a business, how costly it is to get a construction permit, etc. EoDB is used by international investors to assess risk and opportunity across the globe. It is used by political leaders to either claim success or criticise the existing government.

5. **How can the ranking methodology be improved?** A substantial methodological shift towards data collection from representative samples of actual business owners and operators is needed. Government functions that provide essential public goods to the private sector should not be ignored. Countries should not be ranked on their tax rates. The indicators "protecting minority shareholders" and "resolving insolvency" shall be eliminated. "Employing Workers" indicator shall be restored and improved countries should not be ranked based on this information. The transparency and oversight of Doing Business needs improvement.

INDIAN SPACE ASSOCIATION

1. Indian PM recently launched the Indian Space Association (ISpA) - the premier industry association of space and satellite companies. ISpA aspires to be the collective voice of the Indian Space industry. It will be a forum of the space industry in the Indian private sector and partner the Government of India and other key stakeholders in the formulation of an enabling policy framework for the space sector. ISpA also plans to work in close coordination with IN-SPACe. ISpA is represented by leading home grown and global corporations with advanced capabilities in the space and satellite technologies.

2. Its founding members include Bharti Airtel, Larson & Toubro, Nelco (Tata Group), OneWeb, Mapmyindia, Walchandnagar Industries and Alpha Design Technologies. Other core members include Godrej, Hughes India, Ananth Technology Limited, Azista-BST Aerospace Private Limited, BEL, Centum Electronics, Maxar India.

3. **Objectives**-Contribute to the accelerated development of India's space industry Aids the vision of making India Atmanirbhar and a global leader in the space arena. Building global linkages, to bring in critical technology and investments to create more high skill jobs.

4. The current size of the global space economy stands at about USD 360 billion. India accounts for only about 2% of the space economy with a potential to capture 9% of the global market share by 2030.

Illegal production of drugs in Afghanistan has impacted Iran severely for several decades, the Embassy of Iran said on Wednesday. The statement came after Indian and Iranian officials held a virtual meeting on Wednesday following the largest seizure of heroin at the Mundra port in Gujarat on September 15.

Amid reports of the ongoing coal shortage in the country, Union Finance Minister Nirmala Sitharaman stressed that there is no shortage and termed these “absolutely baseless”, saying India is a power surplus country.

After years of countering cheaper teas imported from Kenya and Sri Lanka, the beverage industry in India has a new worry — duplicate Darjeeling tea brought in from Nepal. The Tea Association of India (TAI) has raised the red flag on Nepal-origin teas reportedly sold in the domestic market as the premium Darjeeling teas, thereby “diluting the brand image of Darjeeling tea and adversely impacting prices”.

The new Taliban government in Afghanistan has warned the U.S. and European envoys that continued attempts to pressure them through sanctions will undermine security and could trigger a wave of economic refugees. Acting Foreign Minister Amir Khan Muttaqi told Western diplomats at talks in Doha that “weakening the Afghan government is not in the interest of anyone because its negative effects will directly affect the world in (the) security sector and economic migration from the country”.

Sri Lanka’s northern fishermen want the authorities in India and Sri Lanka to urgently step up action to resolve the long persisting conflict in the Palk Strait, fearing tensions with Indian fishermen could escalate.

China’s recent increase in military exercises and warplane missions near Taiwan — which have raised concerns around the region — were necessary to defend the nation’s sovereignty and territory, a Chinese official said. China’s military flew 56 planes off the southwest coast of Taiwan on a single day earlier this month, a single day record that capped four days of a sustained pressure campaign involving 149 flights.

Iran is ready to sign a strategic partnership with Russia, mirroring one concluded early this year with China, the Foreign Ministry said on Monday. “The initial arrangements of this document, entitled the Global Agreement for Cooperation between

ANIMAL HUSBANDRY NEEDS ATTENTION

1. The pattern of global consumption is evolving towards higher share of animal products in diets focussing on the need for a proper and reliable dairy and poultry ecosystem.

2. What is the status of dairy and poultry sector? India is the world’s largest producer of milk and third largest producer of egg. By 2022-23, milk production will expand to 235 million tonnes (from 198 mt in 2019-20) and egg production to 136 billion (from 114 billion in 2019-20). The protein meal demand is set to rise by 3 per cent per annum next 10 years. And by 2030, poultry meat will represent 41 per cent of all protein from meat sources. Consumers are attracted to poultry meat for lower price, product consistency and higher protein/lower fat content. In 2020, total milch cattle population was up by 10.5 per cent to 74.6 million in 2019.

3. What are the challenges in this sector? Disease outbreaks, sanitary restrictions and trade policies are the major challenges in the world meat market. Challenges in sourcing raw material for feed such as land constraint, water shortage, climate change, low crop yields, lack of tech infusion, policy constraint, etc adds to the issue. Maize and protein meal (oilseed extractions) will constitute 60 per cent of total feed use by 2030, according to OECD-FAO and the feed demand for maize is set to grow by 1.4 per cent per annum. Unreliability of feed supply, feed price volatility, demand fluctuation, policy environment, etc. are some of the issues. The biggest challenge to animal protein will come from the emerging plant protein segment. Livestock sector contributes around 54.6 % of total agricultural emissions in India adding to global warming.

4. How to address these challenges? Feed intensification at the rate of 2.4 per cent is needed to meet the feed demand growth of the next 10 years. Animal feed market will have to be part of ‘Sustainable Animal Agriculture Ecosystem’. Contract farming can be promoted for assured availability and access to raw materials for feed market. Price stability can be provided by establishing backward linkages especially with FPOs (Farmer Producer Organizations). Hedging in commodity exchanges through the derivatives route and delivery based forward contracts can be explored for price risk management. Hedging against investment risk means strategically using financial instruments or market strategies to offset the risk of any adverse price movements.

5. Research is a priority to study the market and demand projection strategies can ensure higher yields per milch animal, promote animal health and nutrition, etc. Upgrading skills, setting up of adequate processing capacity and investment can attract foreign direct investment.

NATIONAL FINANCING REPORTING AUTHORITY(NFRA)

1. Coming out strongly against certain recommendations made by NFRA, chartered accountants’ apex body ICAI has said the watchdog does not have jurisdiction over micro, small and medium companies. Background: This observation comes less than two weeks after the National Financial Reporting Authority (NFRA) came out with a consultation paper on statutory audit and auditing standards for micro, small and medium companies (MSMCs).

2. About NFRA: National Financial Reporting Authority (NFRA) was constituted on 1st October, 2018 under section 132 (1) of the Companies Act, 2013. Why was it needed? In the wake of accounting scams, a need was felt to establish an independent regulator for enforcement of auditing standards and ensuring the quality of audits so as to enhance investor and public confidence in financial disclosures of companies.

3. Composition: The Companies Act requires the NFRA to have a chairperson who will be appointed by the Central Government and a maximum of 15 members. Functions and Duties: Recommend accounting and auditing policies and standards to be adopted by companies for approval by the Central Government; Monitor and enforce compliance with accounting standards and auditing standards; Oversee the quality of service of the professions associated with ensuring compliance with such standards and suggest measures for improvement in the quality of service; Perform such other functions and duties as may be necessary or incidental to the aforesaid functions and duties.

4. Powers: It can probe listed companies and those unlisted public companies having paid-up capital of no less than Rs 500 crore or annual turnover of no less than Rs 1,000 crore. It can

Iran and Russia.

Hong Kong's largest prodemocracy party will not contest the upcoming "patriot only" legislature elections after none of its members met the party's own application deadline on Monday. The decision means the December polls have been effectively boycotted by the city's prodemocracy Opposition with even the movement's most moderate wing deciding it is not worth taking part.

investigate professional misconduct committed by members of the Institute of Chartered Accountants of India (ICAI) for prescribed class of body corporate or persons.