The Hindu News Analysis – 24th August 2019 – Shankar IAS Academy

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<th>S. No</th>
<th>News Articles</th>
<th>Page Number*</th>
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<td>Indian Wolf sighted for first time in A.P.</td>
<td>10 - - 6</td>
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<td>2</td>
<td>Shallow draughts (Editorial)</td>
<td>12 12 10 8</td>
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<td>18 18 16 14</td>
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<td>FM steps in to accelerate auto demand</td>
<td>17 17 15 13</td>
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<td>7</td>
<td>FATF group ‘blacklists’ Pakistan</td>
<td>15 15 13 11</td>
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<td>8</td>
<td>Practice cum Revision - MCQs</td>
<td>@end of the video</td>
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*C – Chennai; B – Bengaluru; D – Delhi ; T – Thiruvananthapuram
Indian Wolf sighted for first time in A.P. 

Their presence was recorded at Papikonda park in the Eastern Ghats

At the global level, Grey Wolf - Canis lupus
- India home to two sub-species
  1. Indian Grey Wolf (Canis lupus pallipes)
  2. Tibetan Wolf (Canis lupus chanco)

- Tibetan Wolf distributed Himalayan landscape
  - 3000m - 4000m elevation


News Article: The Indian wolf sighted for the first time in Papikonda National Park, A.P.
- also home for Leopard cats
- declared as National Park in 2008

- Unique feature: River Godavari meandering through densely forested hills with deep gorges and valleys
- State animal of A.P. → Black Buck

- Indian Grey Wolf
  - Schedule I of WPA, 1972
  - Appendix I of CITES
  - Least concern (IUCN)
Shallow draughts
India needs to remind President Trump of the
toll it paid for his words.

In the run-up to the meeting between Prime Minister Narendra Modi and U.S. President Donald Trump, expected on the sidelines of the G-7 summit, India's top diplomat would have hoped that the U.S. President would not make any of his characteristically provocative statements. The two leaders have a full bilateral agenda to discuss, including defence and strategic cooperation, and will need to resolve outstanding trade issues, as well. India has already congratulated the U.S. for speaking out against the Indian government's decision to rescind the special status of Kashmir. India needs to ensure that its message reaches the U.S. President and his team in the run-up to the G-7 summit.

India's PM & US President - meeting on the sidelines of ongoing G7 summit, France

India's decision on Article 370 - Trump's repeated statements - mediation

- dangerous assertion - Kashmir a religious problem
- ignoring the nature of conflict and ground situation

Since 1947

- India - partition - not on the basis of religion, but ideology
- India - people who believed - coexistence of different religions - Secular and pluralistic
- India's claim over J&K - state with Hindus, Muslims and Buddhists - in this context

More Muslims - decided to stay in India

India should counter - Trump's dangerous assertions - in favour of Pakistani narrative

Upcoming US-India meeting - bilateral agenda to discuss

- Talks on defence and strategic cooperation
- Resolve outstanding trade issues
- Future of Iran sanctions
- India's concern over US-Taliban peace deal
- Possible US sanctions for India purchasing Russian S-400 system
News

- List of Measures announced by the Finance Minister to boost economic growth
  - Likely to boost private sector investments

Foreign Portfolio Investments (FPIs)

- Withdrawal of surcharge on FPIs to boost the sentiments of the private sector

Portfolio Investments:
- Investments made through stock exchange (secondary market)
  - Shares
  - Debentures

FPI:

Investments made by the foreign institutions (mutual funds, insurance companies) in India's stock exchange (capital market)

Table 3: Balance of Payments (US$ million)

<table>
<thead>
<tr>
<th>S.No</th>
<th>Item</th>
<th>2015-16</th>
<th>2016-17</th>
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<tbody>
<tr>
<td>1</td>
<td>Current Account</td>
<td>1,128</td>
<td>1,968</td>
</tr>
<tr>
<td>2</td>
<td>Capital Account</td>
<td>6,949</td>
<td>12,839</td>
</tr>
<tr>
<td>2.1</td>
<td>Capital Account Balance</td>
<td>6,707</td>
<td>8,926</td>
</tr>
<tr>
<td>2.1.1</td>
<td>External Assistance (net)</td>
<td>3,812</td>
<td>3,715</td>
</tr>
<tr>
<td>2.1.2</td>
<td>Commercial Borrowings (net)</td>
<td>1,177</td>
<td>1,270</td>
</tr>
<tr>
<td>2.1.3</td>
<td>Short-term credit</td>
<td>-2,044</td>
<td>-311</td>
</tr>
<tr>
<td>2.1.4</td>
<td>Others</td>
<td>21,449</td>
<td>11,510</td>
</tr>
<tr>
<td>2.2</td>
<td>Net Foreign Direct Investment (net)</td>
<td>-8,963</td>
<td>14,057</td>
</tr>
<tr>
<td>2.3</td>
<td>Net Portfolio Investment (net)</td>
<td>-24,380</td>
<td>74,495</td>
</tr>
<tr>
<td>2.3.1</td>
<td>FDI (net)</td>
<td>21,564</td>
<td>31,351</td>
</tr>
<tr>
<td>2.3.2</td>
<td>Portfolio (net)</td>
<td>4,812</td>
<td>42,203</td>
</tr>
<tr>
<td>2.3.3</td>
<td>Other flows (net)</td>
<td>-10,813</td>
<td>31,028</td>
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</table>
**Surcharge**

Additional payment by the investors for the long term and short term capital gains

**News:**

- Introduction of Surcharge → Shares sold → Rs. 24,500 Crore
- Removal of Surcharge → Increase in investor's confidence → Outflows will be reversed

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**Govt. responds to downturn with steps to boost growth**

Companies can now utilise the funds in an effective way without any fear, says BSE MD and CEO

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**Move to decriminalise CSR violations welcomed**

Companies can now utilise the funds in an effective way without any fear, says BSE MD and CEO

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**Part A—Preliminary Examination**

**Paper I - (200 marks)**

- Current events of national and international importance.
- Economic and Social Development-Sustainable Development, Poverty, Inclusion, Demographics, Social Sector Initiatives, etc.

**Part B—Main Examination**

PAPER-IV


- Indian Economy and issues relating to planning, mobilization of resources, growth, development and employment.
<table>
<thead>
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<tbody>
<tr>
<td>* Corporate Social Responsibility violations will not be treated as criminal offences</td>
</tr>
<tr>
<td>* The Companies (Amendment) Act, 2019 amended certain provisions of The Companies Act, 2013</td>
</tr>
<tr>
<td>* Also amended Section 135</td>
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<td>* Section 135 - Corporate Social Responsibility</td>
</tr>
<tr>
<td>- Any company, in a FY, having, networth of 500 crore or more, turnover of 1000 crore or more, net profit of 5 crore or more</td>
</tr>
<tr>
<td>- Corporate Social Responsibility Committee of the Board</td>
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<td>- Every company has to spend at least 2% of the average net profits during the 3 immediately preceding financial years or immediate preceding financial years (if a company has not completed 3 financial years)</td>
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<td>- If the company fails to spend, Board shall specify the reasons</td>
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<tr>
<td>- To manage the unspent money</td>
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<tr>
<td>- Company shall open a special account in any scheduled bank, called as unspent Corporate Social Responsibility account</td>
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<tr>
<td>- The amount shall be spent by the company for CSR activities within a period of three financial years from the date of transfer</td>
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<tr>
<td>- If the company fails to spend in Schedule VII of Companies Act, 2013</td>
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<tr>
<td>- Again, if the company fails to spend CSR money</td>
</tr>
<tr>
<td>- Criminal offence</td>
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<tr>
<td>- Company → Fine (₹ 50000 - ₹ 25 lakh)</td>
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<tr>
<td>- Office → 3 years imprisonment (or) both</td>
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<tr>
<td>- Fine of ₹ 50000 - ₹ 5 lakh</td>
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<tr>
<td>* CSR violations → Civil Liabilities</td>
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</table>
Govt. responds to downturn with steps to boost growth

When push comes to shove

Higher depreciation and interest rate reduction will help turnaround of sector

Other Measures

* Capital Infusion of 70,000 crores into public sector banks

* Increases the private sector investment

* Will benefit the corporates, retail borrowers, MSMEs, small traders

* Automobile Industry

  ▶ Ban on purchase of new vehicles for officials

Part A—Preliminary Examination

Paper I - (200 marks)

- Current events of national and international importance
- Economic and Social Development—Sustainable Development, Poverty, Inclusion, Demographics, Social Sector Initiatives, etc.

Part B—Main Examination

PAPER-IV

General Studies-III: Technology, Economic Development, Biodiversity, Environment, Security and Disaster Management

- Indian Economy and issues relating to planning, mobilization, of resources, growth, development and employment.

Civilspedia Team - Shankar IAS Academy
Housing Finance Companies

* 20000 crores of liquidity will be given to the housing finance companies

Union Budget 2019-20

All Housing Finance Companies would be regulated by RBI instead of National Housing Bank

Direct Liquidity Support from RBI

* More loans likely to be disbursed to the prospective homeowners

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FATF group ‘blacklists’ Pakistan

Task force’s regional panel says it too safeguards exist against terror financing

In a matter which has been brewing on the lower rung, the “black list” of the Financial Action Task Force (FATF), an international body that combats money laundering, terrorism, and other similar financial crimes, has been criticized.

The FATF, which is a regional body, has recommended that Pakistan make necessary improvements to its anti-money laundering and counter-terrorism financing (AML/CFT) framework to avoid being placed on the FATF’s “black list.”

The task force’s regional panel has acknowledged the improvements made by Pakistan in recent years, but has also highlighted the need for further action to prevent money laundering and the financing of terrorism.

Pakistan has been given six months to implement the recommendations of the task force.

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Part A—Preliminary Examination

Paper I—(200 marks)

- Current events of national and international importance.

Part B—Main Examination

PAPER III

General Studies—II: Governance, Constitution, Polity, Social Justice and International relations.

- India and its neighborhood- relations.

- Bilateral, regional and global groupings and agreements involving India and/or affecting India’s interests.

- Important International institutions, agencies and fora- their structure, mandate.
⇒ APG meeting in Canberra - Mutual Evaluation Report (MER) for Pakistan

⇒ FATF - APG place Pakistan in the enhanced expedited follow up list
* Why?
  → Non-compliance + Non enforcement
  → Safeguards against terror financing and money laundering

⇒ Other countries under review:
  China, Chinese Taipei, Pakistan, Hong Kong, Philippines and Solomon Islands

⇒ Present: Pakistan in the 'grey list'

  Fatf

  Grey List: Sri Lanka, Pak, Yemen, Syria, etc

  Black List: Iran, North Korea

⇒ Paris plenary of FATF, October 2019
* decide on Pakistan’s future

⇒ Pakistan: using the term ‘black list’ incorrect and baseless
* APG did not review last year’s work

**Implications on Pakistan if blacklisted**

a) Decreased chance of getting loans - International credit agencies

b) Harder for foreign investors and businesses
  → increases ongoing economic crisis in Pakistan
practice questions discussion

Practice Question – Prelims
Q1. Consider the following statements.
   1. Both Tibetan Grey Wolf and Indian Grey wolf are found in Peninsular India.
   2. Indian grey wolf is protected under Schedule II of Wildlife Protection Act of 1972.

Which among the above statements is/are correct?
   a) 1 only
   b) 2 only
   c) Both 1 and 2
   d) Neither 1 nor 2

Practice Question – Prelims
Q2. Consider the following statements with respect to G7 grouping.
   1. The grouping includes seven leading industrial countries.
   2. In 1998, Russia was formally admitted to the group making it the G8.
   3. India is not a member of this grouping.

Which among the above statements is/are correct?
   a) 1 and 2 only
   b) 1 and 3 only
   c) 2 and 3 only
   d) 1, 2 and 3
**Practice Question – Prelims**

**Q3.** Which of the following comes under ‘Capital Account’ of India’s ‘Balance of Payments’.

1. Imports
2. Exports
3. Foreign Direct Investments
4. Foreign Portfolio Investments

Choose the correct answer from the options given below.

a) 1 and 2 only
b) 3 and 4 only
c) 1 and 3 only
d) 4 only

**Practice Question – Prelims**

**Q4.** Consider the following statements about Companies Act, 2013.

1. This Act contains provisions regarding the corporate social responsibility of the companies registered under the act
2. The latest amendment to this act has declared the violations of corporate social responsibility as a criminal offence.

Which of the above statements is/are correct?

a) 1 only
b) 2 only
c) Both 1 and 2
d) Neither 1 nor 2

**Practice Question – Prelims**

**Q5.** Consider the following statements,

1. FATF is an intergovernmental organization formed under the initiative of UN.
2. Its objective is to combat money laundering and terrorism financing.
3. India and Pakistan are members of FATF.

Select the correct statements from the following codes.

a) 1 and 2
b) 2 only
c) 2 and 3
d) 3 only

**Practice Question – Prelims**

1. Option - d - Neither 1 nor 2
2. Option - d - 1, 2 and 3
3. Option - b - 3 and 4 only
4. Option - c - Both 1 and 2
5. Option - b – 2 only