

### EXPECTING 7.5% ECONOMIC GROWTH RATE THIS YEAR: PM AT BRICS BUSINESS FORUM MEET

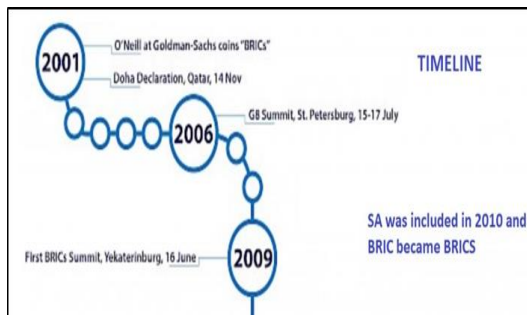
#### In News:

- Prior to the BRICS Summit, PM Modi participated, by way of a recorded keynote speech, in the Opening Ceremony of the BRICS Business Forum.

#### BRICS

- BRICS brings together 5 major emerging economies - Brazil, Russia, India, China and South Africa.
- BRICS as a platform comprises 41% of the world population, has 24% of the world GDP and over 16% share in the world trade.

#### Timeline



#### New Development Bank (NDB)

### ALL YOU WANTED TO KNOW ABOUT THE BRICS BANK

**What is it?**  
It is a bank set up by the world's leading emerging economies aimed at funding infrastructure projects in developing nations


**What is the contingent reserve arrangement (CRA)?**  
The five countries will set up a \$100-bn pool of currency reserves to help countries forestall short-term liquidity pressures

**How will the CRA be funded?**  
China, the region's largest economy, will contribute \$41 bn to the CRA. Russia, India and Brazil will contribute \$18 bn each, while South Africa will contribute \$5 bn

**Where will the bank be based?**  
The New Development Bank will be based in Shanghai, China

**How will it be governed?**  
India will preside over its operations for the first five years, followed by Brazil and then Russia. It is scheduled to start lending in 2016

**How will it be funded?**  
The bank will begin with \$50 bn divided equally between its five founder members. Another \$50 bn will come from new members



**\$100bn**  
Currency reserves to help countries

**\$41bn**  
China

**\$18bn**  
India, Brazil, Russia each

**\$5bn**  
South Africa

**CRA funding**

- NDB, also known as BRICS bank, was launched in 2015.
- NDB has initiated its membership expansion and started formal negotiations with prospective members in late 2020.
- In September 2021, NDB admitted the UAE, Uruguay and Bangladesh as the

first batch of new members.

## Role of BRICS: An Analysis

- New Development Bank and the Contingency Reserve Arrangement are actually the flagship outcome of BRICS.
- BRICS which started off primarily with an economic pillar, has now diversified considerably to include security, health, science and technology, culture and civil society.
- Role of BRICS has also been very important in the context of being a pressure group on the question of reform of multilateralism and also on the question of reform of global governance institutions.
- BRICS sees itself as a bridge between developing countries and developed world and takes up issues which are very relevant to the developing countries.

## Remark of Indian PM

- **Proposals made**
  - PM Modi proposed that the BRICS Business Forum may develop a platform for regular exchanges between start-ups in BRICS countries.
  - He also called for a dialogue on **innovation-led economic recovery**.
- **India as fastest growing major economy**
  - PM Modi said that this year, India is expecting 7.5% growth, which makes it the fastest growing major economy.
  - Transformative changes are taking place in every sector in the emerging New India.
  - Key pillar of India's current economic recovery is technology-led growth.
- **India is supporting innovation in every sector**
  - India has made innovation-friendly policies in many areas like space, blue economy, green hydrogen, clean energy, drones, geo-spatial data.
  - India has one of the best eco-systems in the world for innovation, which is reflected in the growing number of Indian start-ups.
  - There are more than 100 unicorns in over 70,000 start-ups in India, and their number continues to grow
- **Indian digital economy is growing in size**

- The value of the Indian digital economy will reach 1 trillion dollars by 2025.
  - The growth of the digital sector also encouraged the participation of women in the workforce.
    - There are approximately 36 % women out of 4.4 million professionals working in our IT sector.
    - The maximum benefit from Technology-based financial inclusion has also been gone to the women in India's rural areas.
  - He invited BRICS Women Business Alliance to undertake study in this transformative change in India.
  - **Efforts to improve the ease of doing business**
    - PM Modi highlighted the fact that even during the pandemic, India continued to make many efforts to improve the ease of doing business.
    - Thousands of rules have been changed to reduce the compliance burden on the business.
    - The work is going on at a massive scale to bring in more transparency and consistency in government policies and procedures.
  - **Improved infrastructure in India**
    - He said infrastructure in India is also being improved on a large scale, and its expansion is also taking place.
    - For the same, India has prepared a National Master Plan.
    - There are investment opportunities of \$1.5 trillion under our National Infrastructure Pipeline.
- 

## RIGHT TO REPAIR

The U.S. state of New York recently passed the Fair Repair Act, which requires manufacturers to supply repair information, tools, and parts to independent repair shops and not just their own stores or partners.



### About:

- This provides consumers with the right to repair and refurbish their purchased goods. With access to relevant tools and repair manuals, independent repair shops will

finally be able to compete with manufacturers.

- The rationale behind the “right to repair” is that the individual who purchases a product must own it completely. This implies that apart from being able to use the product, consumers must be able to repair and modify the product the way they want to.

## Indian scenario

- Monopoly on repair processes infringes the customer’s “right to choose” recognised by the Consumer Protection Act, 2019. Consumer disputes jurisprudence in the country has also partially acknowledged the right to repair.
- In *Shamsher Kataria v Honda Siel Cars India Ltd* (2017), for instance, the Competition Commission of India ruled that restricting the access of independent automobile repair units to spare parts by way of an end-user license agreement was anti-competitive.

---

## FORTIFIED RICE

Union Food and Public Distribution Secretary said that the Centre had started the second phase of distribution of fortified rice from April 1, 2022. A total of 90 districts have been covered, and the Centre is targeting 291 districts.



### About:

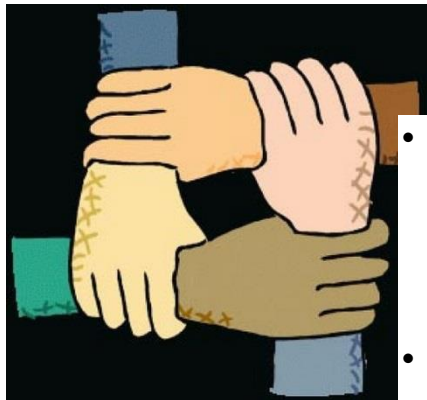
- The pet scheme of Prime Minister Narendra Modi, started in October 2021, aims to supply fortified rice to beneficiaries of the Integrated Child Development Services (ICDS) and the Pradhan Mantri Poshan Shakti Nirman, or PM-POSHAN, scheme.
- fortification means “deliberately increasing the content of essential micronutrients in a food so as to improve the nutritional quality of food and to provide public health benefit with minimal risk to health”.
- Various technologies are available to add micronutrients to regular rice, such as coating, dusting, and ‘extrusion’. ‘Extrusion’ involves the production of fortified rice kernels (FRKs) from a

mixture using an ‘extruder’ machine. The fortified rice kernels are blended with regular rice to produce fortified rice.

- Fortification of food is considered to be one of the most suitable methods to combat malnutrition.

## INTER-STATE COUNCIL

In June 2022, Tamil Nadu Chief Minister M K Stalin wrote to Prime Minister Narendra Modi, asking that at least three meetings of the Inter-State Council should be held every year to “strengthen the spirit of cooperative federalism”.



### About:

- Inter-State Council is a mechanism that was constituted “to support Centre-State and Inter-State coordination and cooperation in India”. The Council is basically meant to serve as a forum for discussions among various governments.
- The Inter-State Council was established under Article 263 of the Constitution, which states that the President may constitute such a body if a need is felt for it.
- In 1988, the Sarkaria Commission suggested the Council should exist as a permanent body, and in 1990 it came into existence through a Presidential Order.
- The main functions of the Council are inquiring into and advising on disputes between states, investigating and discussing subjects in which two states or states and the Union have a common interest, and making recommendations for the better coordination of policy and action.
- The Prime Minister is the chairman of the Council, whose members include the Chief Ministers of all states and UTs with legislative assemblies, and Administrators of other UTs.
- Six Ministers of Cabinet rank in the Centre’s Council of Ministers, nominated by the Prime Minister, are also its members.
- Since its constitution in 1990, the body has met only 11 times, although its procedure states it should meet at least three times every year. That there has been no meeting since July 2016.



# CROSS & CLIMB ROHTAK



## Reconstitution

- The Council was reconstituted in May 2022. The body will now have 10 Union Ministers as permanent invitees, and the standing committee of the Council has been reconstituted with Home Minister Amit Shah as Chairman.

