

## ● POLITY

## ● ECONOMICS

## ● TECHNOLOGY

## ● ECOLOGY

## POLITY AND GOVERNANCE

## CBI DOES NOT REQUIRE PERMISSION TO PROBE PRE-2014 CASES TOO: SC

**CONTEXT:** A Constitution Bench upheld the Supreme Court judgment of 2014 that invalidated a legal provision requiring the Central Bureau of Investigation (CBI) to take prior permission before investigating corruption cases against senior government officials has a retrospective effect.

Section 6A of the Delhi Special Police Establishment (DSPE) Act governs the CBI, was void from the very day of its insertion on September 11, 2003. The 106-page judgment held that Section 6A violated fundamental rights, and “once a law is declared to be unconstitutional, being violative of Part-III (fundamental rights) of the Constitution, then it would be held to be void ab initio, still born, unenforceable and non est”. This means that senior government officials involved in corruption cases even before the date of the Supreme Court judgment invalidating the need for prior sanction would no longer be able to avail the protection of prior approval.

Justice Nath also held that Article 20(1), which mandated that a person should only be convicted under a law which was in force at the time of the crime, had “no applicability or relevance to the validity or invalidity of Section 6A of the DSPE Act”. Section 6A of the DSPE Act, while it had existed, gave officers of the rank of joint secretary and above immunity from even facing a preliminary inquiry by the CBI. In 2014, a Constitution Bench had declared the legal provision a violation of the right to equality under Article 14 of the Constitution.

Corruption is an enemy of [the] nation and tracking down a corrupt public servant, however high he may be, and punishing such person is a necessary mandate under the PC [Prevention of Corruption] Act, 1988. The status or position of a public servant does not qualify the person from exemption from equal treatment. The decision-making power does not segregate corrupt officers into two classes as they are common crime-doers and have to be tracked down by the same process of inquiry and investigation.

## INTERNATIONAL RELATIONS

## INDIA-MIDDLE EAST-EUROPE ECONOMIC CORRIDOR IS LAUNCHED

**CONTEXT:** Indian Prime Minister on Saturday last week announced the launch of the **India-Middle East-Europe mega economic corridor**, an ambitious infrastructure project aimed to connect India to Europe via West Asia.

### Details of the Project

The project includes India, the UAE, Saudi Arabia, the European Union, France, Italy, Germany and the US.

This will include a rail link as well as a high-speed data cable and an electricity cable and a clean hydrogen pipeline to promote clean energy trade between Asia, Middle East and Europe.

The rail and shipping corridor is part of the Partnership for Global Infrastructure Investment (PGII) — a collaborative effort by G7 nations to fund infrastructure projects in developing nations. PGII is considered to be the bloc’s counter to China’s Belt and Road Initiative.

It will be the most direct connection to date between India, the Arabian Gulf and Europe with a rail link that will make trade between India and Europe 40 per cent faster.

Saudi Arabia announced participation with a contribution of \$20 billion.

### Three major reasons for developing the corridor

1. It would increase prosperity among the countries involved through an increased flow of energy and digital communications.
2. The project would help deal with the lack of infrastructure needed for growth in lower- and middle-income nations.
3. It could help tackle the “turbulence and insecurity” coming out of the Middle East.

### Significance of the Project

- This will be an effective mode of economic integration between India, West Asia, and Europe.
- This will provide a sustainable direction to connectivity and development in the entire world.
- In addition to India and the US, leaders of the European Union, France, Germany, Japan, Italy, Mauritius, and World Bank flagged the corridor widely seen as a strong counter to China’s Belt and Road initiative.



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“If you invest more in your education, then you are likely to get more interest in it.”  
—Benjamin Franklin

## SCIENCE AND TECHNOLOGY

## NOVEL APPROACH TO DETECT, KILL CANCER CELLS

**CONTEXT:** IISc scientists devised gold-copper nanoparticles to detect and destroy solid tumor cancer cells through heat and sound waves.

**HIGHLIGHTS:** IISc scientists have devised a novel strategy to detect and combat solid tumor cancer cells. They engineered hybrid gold-copper nanoparticles capable of both heating and killing cancer cells while also enabling their detection via sound waves. This innovative approach holds promise for more effective cancer treatment.



## DEVELOPMENTS SO FAR:-

- IISc scientists developed hybrid gold-copper nanoparticles for cancer detection and treatment.
- These nanoparticles generate heat and toxic oxygen atoms when exposed to light, killing cancer cells.
- They also produce ultrasound waves for high-contrast cancer cell detection and improved image clarity.

- Integration with existing medical equipment, like endoscopes, is possible for diagnosis and treatment.
- The small size of these nanoparticles may allow them to travel within tissues and leave the body naturally, pending safety studies.

## Gold-Copper Nanoparticles

Gold-copper nanoparticles are tiny particles combining gold and copper sulphide, engineered for their unique properties, including cancer cell detection through sound waves and cancer cell destruction using heat.

- **Composition:** Gold-copper nanoparticles consist of a core-shell structure with gold at the core and copper sulphide as the shell.
- **Technical Aspects:** These nanoparticles harness photo thermal and photoacoustic properties when exposed to light, enabling cancer cell destruction and high-contrast imaging.
- **Basics:** They generate heat upon light exposure, killing cancer cells, while also producing singlet oxygen atoms that are toxic to cells.
- **Highlights:** Their small size, typically less than 8 nm, allows potential tissue penetration and natural elimination from the body, enhancing safety prospects.
- **Applications:** Gold-copper nanoparticles hold promise in cancer diagnosis and treatment, integrating with existing medical equipment and offering improved imaging and targeted therapy.

The development of hybrid gold-copper nanoparticles with photo thermal and photoacoustic properties offers promising prospects for early cancer detection, targeted therapy, and improved imaging, heralding a potential breakthrough in cancer diagnosis and treatment.

## ECONOMICS AND DEVELOPMENT

## KASHMIR VALLEY'S GROWERS ARE ANXIOUS AS IMPORT DUTY IS RELAXED ON AMERICAN APPLES

**CONTEXT:** The Union government's decision to relax 20% customs duty on apples imported from the U.S. at the recently concluded G-20 summit.

The announcement has come in the wake of a dip in apple prices this year. Farmers in Kashmir have always sought 100% duty on apple imports to ensure better returns for locals. We will keep demanding an increase in import duties. Apple farmers faced huge losses as their input cost increased and the crop was sold at cheap rates. Two-thirds of the crop, such as C-grade [fruit], is unworthy of the market and could be diverted for juices.

J&K produces over 73% of the total apples grown in the country. Official data show apple production in Kashmir crossed 20 lakh tonnes in 2022, and is likely to touch 22 lakh tonnes in 2023.

## ECONOMICS AND DEVELOPMENT

## INDIA TO EXPLORE DIRECT LISTING OF BUSINESSES ON LSE: HUNT

**CONTEXT:** Ms. Sitharaman the 12th India-U.K. Economic and Financial Dialogue signalled that India's first priority was to commence listing of firms at the International Financial Services Centre (IFSC), GIFT City.

India has offered to explore direct listing of its businesses on the London Stock Exchange (LSE), while the pension and insurance industry in Britain is keen to ramp investments into India.

The U.K. and India have agreed to deepen their partnership in developing GIFT City, with the joint statement noting that U.K.'s expertise will be tapped to help further its status as a reinsurance hub, and emphasising the scope to increase reinsurance trade between the two markets.

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## INTERNATIONAL RELATIONS

## BRAZIL WILL FOCUS ON INEQUALITY DURING G20 PRESIDENCY

**CONTEXT:** Brazilian President, Lula da Silva, set forth the country's priorities during its upcoming presidency of G20.

He said Brazil has three priorities under the G20 presidency. These include:

1. Social inclusion and the fight against hunger
2. Energy transition and sustainable development
3. Reform of global governance institutions

Besides, Lula also announced that these priorities are part of the Brazilian presidency motto which says 'Building a fair world and a sustainable planet'.

At the closing session of the G20 Summit in New Delhi, Brazil announced two task forces will be created - the **Global Alliance against Hunger and Poverty** and the **Global Mobilisation against Climate Change**.

While Indonesia held the G20 presidency last year, Brazil will hold the presidency after India and hold the G20 Summit in its capital Rio de Janeiro. India took over the G20 presidency on December 1 last year at the G20 Summit in Indonesia's Bali and will continue to hold it till the end of November.



## INTERNATIONAL RELATIONS

## U.S., VIETNAM WARN AGAINST 'THREAT OR USE OF FORCE' IN SOUTH CHINA SEA

**CONTEXT:** The United States and Vietnam warned against the "threat or use of force" in the disputed South China Sea.

### More details of the news

U.S. President Joe Biden and Vietnam's Communist Party chief Nguyen Phu Trong underscored their unwavering support for the peaceful resolution of disputes in accordance with international law, without the threat or use of force.

They also called for "freedom of navigation and overflight and unimpeded lawful commerce in the South China Sea".

The statement came a day after Mr. Biden and Mr. Trong struck a deal to deepen cooperation, widely seen as a way to counter China's growing assertiveness in the region.

### The Issue

Beijing claims almost the entire South China sea, through which trillions of dollars in trade passes annually, and has ignored an international court ruling that its assertion has no legal basis.

China deploys hundreds of vessels to patrol the South China Sea and swarm reefs.

**USA Vs China:** Washington is at loggerheads with Beijing on a range of issues including trade, security, human rights and climate change and is looking to boost its network of allies to counter Chinese influence.

**Vietnam Vs China:** Vietnam, which fought a war with China between 1979 and 1988, is wary of its giant northern neighbour, and is one of a handful of countries with claims on the many islets and outcrops that dot the South China Sea.

*"Doing nothing is very hard to do. You never know when you're finished."—Leslie Nielsen*

## INTERNATIONAL RELATIONS

## INDIA'S MOMENT: ON THE G-20 SUMMIT OUTCOMES (EDITORIAL)

**CONTEXT:** The Leaders' Summit of India's presidency of the G-20 grouping, held over the weekend, resulted in major success with the unanimous adoption of the **New Delhi Declaration**.

### Why India's moment

- There was a breakthrough after the G-7 compromised on its insistence of language critical of Russia by having more neutral paragraphs.
- The Declaration statement achieved what is truly impossible in today's global polarization. In that, India's "middle path" policy has been its biggest strength, along with Prime Minister Narendra Modi's personal outreach to many G-20 leaders over the year.
- Another key initiative was enlisting the "Global South", including many G-20 members, who were reluctant to take sides in the tussle, and wanted instead to shift priorities to global development issues.
- The Declaration made progress on cryptocurrency regulation, and crystallized a figure of nearly \$10 trillion

needed for climate change adaptation and mitigation projects for the Global South, although it failed to agree on any fossil fuel "phase-out" deadlines.

- There were several other initiatives too:
  - The **admission of the 55-member African Union** has corrected an imbalance that so far only allowed the EU in as a regional grouping in the G-20.
  - The **Global Biofuel Alliance** was an important step towards more research and delivery of alternative energy sources for a world still dependent on fossil fuels.
  - Finally, an **India-Middle East-Europe Corridor** with the promise of U.S. investment has dazzling possibilities.

India's decision to hold a virtual "review" meeting in November, before India gives up its presidency, is a chance to ensure implementation and scrutiny of the decisions made during the G20 Summit, that has been dubbed "India's G-20 moment".

## INTERNATIONAL RELATIONS

## NEW DELHI DECLARATION REAFFIRMS G-20 IS BODY FOR ECONOMIC ISSUES, 'NOT GEOPOLITICS': CHINA

**CONTEXT:** China on September 11 in its first official reaction to the G-20 Summit said it welcomed the New Delhi Declaration which had "reaffirmed" that the G-20 was a forum for "economic cooperation" and "not a platform to resolve geopolitical and security issues."

Beijing said it also "welcomed" the ambitious new India-Middle East-Europe Economic Corridor (IMEC) plan but said it should not become a "geopolitical tool".

## INTERNATIONAL RELATIONS

## 'MADE IN CHINA' SMARTPHONE

**CONTEXT:** Huawei's Mate 60 Pro showcases China's prowess with Kirin 9000 processor and 7nm chip manufacturing.

**BACKGROUND:** China's achievement in manufacturing advanced chips with the Kirin 9000 processor despite U.S. sanctions raises questions about the effectiveness of those sanctions. However, self-sufficiency still faces significant challenges.

**HIGHLIGHTS:** Huawei-SMIC's Kirin 9000 processor fabrication technique is highly inefficient, with a wafer yield below 50%, making it up to 10 times more costly than competitors like TSMC. China's reliance on Deep Ultraviolet (DUV) lithography tools due to U.S. sanctions results in messy and inefficient processes compared to Extreme Ultraviolet (EUV) lithography.

### The U.S. and China systems, a comparison

- China's chip ecosystem struggles due to inefficiencies and isolation compared to the U.S.-led tech ecosystem.
- The U.S. benefits from functional specialization across its tech ecosystem, while China aims for self-sufficiency in every segment.
- Achieving specialization in chip manufacturing is capital-intensive; China faces resource constraints.
- Costs in the U.S.-led ecosystem are distributed among higher-income countries, giving them a resource advantage.
- China's limited tolerance for failure and authoritarian system hinder innovation.
- A free environment fosters innovation, but China's constraints pose challenges.
- The U.S. can source talent globally, while China's talent pool is constrained by geopolitical rivalry.
- China faces significant challenges in achieving self-sufficiency across all tech domains.

## INTERNATIONAL RELATIONS

## RIDDING INDIA OF FOOD INSECURITY

**CONTEXT:** Food prices increased sharply in 2019, and has climbed in most years thereafter. In July this year, rise in food prices exceeded 11 %, the highest in a decade. High food prices deprive poor people of consuming food of adequate nutritional value. The 'State of Food Security and Nutrition in the World' of the Food and Agriculture Organization (FAO) estimates the proportion of the population across countries unable to afford a healthy diet (reported in this newspaper on August 31, 2023, under a datapoint). The figure for India in 2021 is devastating to note — an estimated 74 % of the population cannot afford a healthy diet. Given a population of 140 Cr., this makes for approximately one billion Indians.

A study on the trend in the price of food in Mumbai city over 2018-2023 found that while the cost of preparing a thaali at home has risen by 65 %, the average wage of a manual worker rose by 38 % and that of a salaried worker by 28 % during the corresponding period. The latest National Family Health Survey undertaken over 2019-21 estimates over 50 % of adult women to be anaemic.

The rampant use of chemical fertilizer, fuelled by subsidy during the Green Revolution and subsequent periods degraded the soil. There was also the reliance on procurement prices exclusively focused on cereals rather than pulses, the main source of protein for most Indians rather than productivity increase to ensure farm incomes, which fuelled inflation.

The first Green Revolution had a specific agenda — of making India self-sufficient in food. To contain the rising price of food, yield increasing interventions on the farm are needed to at least contain the cost of production. Agricultural yield is lower in India than in East Asia, pointing to the potential for an increase. Attention is needed to extend irrigation to 100% of the net sown area, an end to restrictions on leasing of land, a quickening of agricultural research and the re-institution of extension.

Expanding on each of these proposals would be in order. It has been pointed out for some time that increased public expenditure on irrigation is not reflected in an increase in irrigated area — whether due to waste or the diversion of funds has not been established. The ongoing fragmentation of already small land holdings lowers the capacity for productivity-enhancing capital investment, for which leasing is a solution. India's network of public agricultural research institutes needs to be energised to resume the sterling role they had played in the 1960s. Finally, extension has now more or less vanished from where once the gram sevak was a familiar figure in the village, playing a crucial role in the dissemination of best practices. It must be revived. These initiatives should be dovetailed into a programme for the manifold increase of protein production, which India is severely deficient in.



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## INTERNATIONAL RELATIONS

## WHY SIMULTANEOUS ELECTIONS WOULD MILITATE AGAINST FEDERALISM

**CONTEXT:** The Union government has constituted a committee headed by former President Ramnath Kovind to explore the possibility of conducting simultaneous elections to the Lok Sabha, the Legislative Assemblies, municipalities, and panchayats.

The next Lok Sabha election is due to be held before June 16, 2024. If the simultaneous elections idea bears fruit and is ratified and implemented, this would curtail the terms of all Legislative Assemblies barring those of four States — Andhra Pradesh, Arunachal Pradesh, Odisha, and Sikkim. The election cycles for these four States have coalesced with elections to the Lok Sabha

over time. If simultaneous elections are held in 2029, it would require a similar exercise of curtailment or extension of Assembly terms.

Table 1 shows when the term for the Assemblies of each State ends, and the number of months that would be curtailed if simultaneous elections are held in these States in June 2024. As the table shows, 17 States would see their Assembly terms being truncated by close to a year and a half, with the terms of the Assemblies of Karnataka, Meghalaya, Nagaland, Tripura, Himachal Pradesh, and Gujarat being truncated by close to three and a half years or more.

**Table 1** | The table shows when the term for each State Assembly ends and the number of months that would be curtailed if elections are held in June 2024

State	Term ends	No. of months
Karnataka	May 2028	-47
Meghalaya	March 2028	-45
Nagaland	March 2028	-45
Tripura	March 2028	-45
Himachal	Jan. 2028	-43
Gujarat	Dec. 2027	-42
U.P.	May 2027	-35
Goa	March 2027	-33
Manipur	March 2027	-33
Punjab	March 2027	-33
Uttarakhand	March 2027	-33
Puducherry	June 2026	-24
Assam	May 2026	-23
Kerala	May 2026	-23
Tamil Nadu	May 2026	-23
West Bengal	May 2026	-23
Bihar	Nov. 2025	-17
Delhi	Feb. 2025	-8
Jharkhand	Jan. 2025	-7
Haryana	Nov. 2024	-5
Maharashtra	Nov. 2024	-5
Andhra	June 2024	0
Arunachal	June 2024	0
Odisha	June 2024	0
Sikkim	June 2024	0
Chhattisgarh	Jan. 2024	5
M.P.	Jan. 2024	5
Rajasthan	Jan. 2024	5
Telangana	Jan. 2024	5
Mizoram	Dec. 2023	6

**Table 2** | The table shows the number of Lok Sabha seats, Assembly representatives, urban local wards, and the elected panchayat representatives for each State

State	Lok Sabha seats	Assembly seats	Urban local wards	Elected panchayat representatives
U.P.	80	403	10,440	9,13,417
West Bengal	42	294	2,938	59,229
Maharashtra	48	288	7,489	2,40,635
Bihar	40	243	3,322	1,36,573
Tamil Nadu	39	234	12,448	1,06,450
M.P.	29	230	7,626	3,92,981
Karnataka	28	224	7,125	1,01,954
Rajasthan	25	200	8,160	1,26,271
Gujarat	26	182	1,374	1,44,080
Andhra	25	175	3,903	1,56,050
Odisha	21	147	2,092	1,07,487
Kerala	20	140	3,529	18,372
Assam	14	126	910	26,754
Telangana	17	119	3,587	1,03,468
Punjab	13	117	3,163	1,00,312
Chhattisgarh	11	90	3,234	1,70,465
Haryana	10	90	1,649	70,035
Jharkhand	14	81	1,120	59,638
Delhi	7	70	280	-
Uttarakhand	5	70	1,134	62,796
Himachal	4	68	560	28,723
Arunachal	2	60	59	9,383
Manipur	2	60	306	1,736
Meghalaya	2	60	164	-
Nagaland	1	60	371	-
Tripura	2	60	324	6,646
Goa	2	40	226	1,555
Mizoram	1	40	242	-
Sikkim	1	32	51	1,153
Puducherry	1	30	116	-

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Table 2. The number of Lok Sabha seats, Assembly representatives, urban local wards, and the elected panchayat representatives for each State

India elects 543 Lok Sabha representatives, more than 4,100 Assembly legislators, representatives to 89,194 urban wards, and nearly 31.89 lakh elected panchayat representatives spread across three tiers of the Panchayat system — village panchayats, panchayat unions, and district panchayats. Each of these tiers has its own roles and responsibilities. The sheer number of representatives across the three tiers points to the importance of each tier and the need for contestation to cater to the specific needs of the voters. For example, if a voter is bothered about garbage management in her locality, she would use her power to elect a candidate who is best suited to solve the issue in the local ward. On the other hand, MPs and MLAs are representatives of larger constituencies and are elected to enact laws on matters relating to the Union government and the State, respectively.

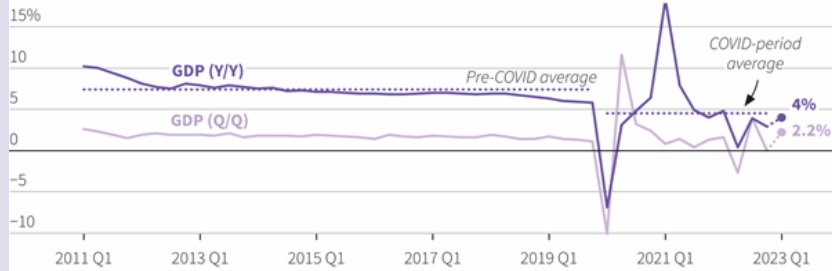
INTERNATIONAL RELATIONS

# ON CHINA'S ECONOMIC SLOWDOWN

**CONTEXT:** China announced a series of measures to revive its slowing economy. The People's Bank of China has been cutting repo rates to ramp up the domestic consumption.

## China's slow recovery

Analysts polled by Reuters expect China's GDP growth to quicken to 4% in the first quarter of 2023 from 2.9% in the previous quarter. Full-year growth is expected to pick up to 5.4%, versus the official target of around 5%.

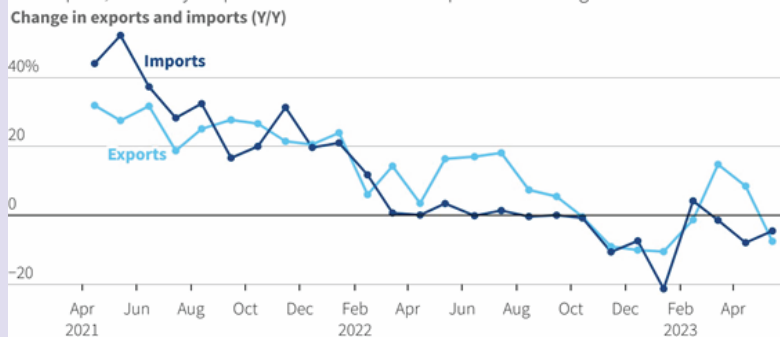


Note: Pre-COVID average is from Q1 2011 to Q4 2019, COVID-period average is from Q1 2020 to Q4 2022  
Source: Refinitiv Datastream, Reuters poll | Reuters, April 14, 2023 | By Kripa Jayaram

GDP grew just 0.8% in the second quarter as against the first three months of this year, and the projected annual growth now seems to be closer to 3%, among the weakest in the last three decades. As China lifted of strict pandemic curbs in late 2022, economists expected a rebound to pre-pandemic growth levels and a ripple effect on the global economy. The Chinese economy did show initial signs of recovery in the first few months of this year with pent up demand manifesting in local tourism, retail and export growth.

## China's exports shrink sharply in May

China's exports fell much faster than expected in May year-on-year, while imports contracted at a slower pace, as factory output continues to slow amid persistent weak global demand.



Source: Refinitiv Datastream | Reuters, June 7, 2023 | By Kripa Jayaram and Riddhima Talwani

China's exports declined from a record high of \$340 billion in December 2021 to \$284 billion in May 2023. The export during July, 2023 plunged by 14.5% compared to the year-ago period. Imports too tumbled 12.4% from a year earlier to \$201.2 billion in a sign of weak domestic demand, widening from the previous month's 6.8% contraction. The country's global trade surplus narrowed by 20.4% from a record high a year ago to \$80.6 billion.

China slipped into deflation as consumer prices contracted in July for the first time in more than two years with the CPI falling 0.3% after flatlining in June. And while cheaper goods may appear beneficial for purchasing power, a lack of demand forces companies to reduce production, freeze hiring or lay off workers, and agree to new discounts to sell off their stocks.

Another sign of the slowdown was evident when youth

unemployment hit a record high of almost 21% in June, which is four times the national urban rate. Meanwhile, national debt and that at the local government level is piling up.

## China's Economy in Q1 2023-CPI Index



Source: National Bureau of Statistics (NBS) of China

Graphic© Asia Briefing Ltd.

Analysts say that while the harsh curbs under the zero-COVID policy may have been the force behind the deceleration of the economy, the unravelling of China's 40-year-old economic model driven by debt-fuelled investments and exports was a long time coming.

During the 1970s, when the country was facing acute underinvestment across multiple sectors, Deng Xiaoping's reforms opened up the economy. This encouraged the formation of rural enterprises and private businesses, and liberalised foreign trade and investment. Post-1978 China saw average real growth of more than 9% and in several peak years, the economy grew more than 13%, in what was referred to as Beijing's growth miracle.

Many economies have followed an investment-driven development model, China's reliance on it was extreme. Investment was nearly 50% of its GDP, while household consumption in 2010 was just 34%. Globally, the average for household consumption in GDP is about 60%, being around 70% in the U.S. World Bank data shows that investment as a share of China's GDP is almost 20 percentage points above the global average, while household consumption is almost 20 points below.

Analysts say the government will have to pivot towards a consumption-led model in order to manoeuvre out of the slowdown, which means putting more money in the hands of consumers instead of mobilising it for investments.

The inflated growth through mobilisation of resources and debt has in turn led to more debt. While this debt was not alarming, since the investments were productive, it began to accumulate when investments became unproductive, ballooning to 300% of the GDP. Besides, the trade war between the U.S. and China and policies such as 'de-risking' and 'China +1' accelerated the slowdown.

Statistical estimates from America's National Bureau of Economic Research indicate that real estate, including allied activities, contributes as much as 29 % to China's GDP and has been a key driver of its sustained economic growth. Around 70 % of household wealth in China is stored in property. Property developers in China over the decades, used the method of

buying land, getting loans on it to start construction, and then secured money from home buyers in pre-sales of unfinished homes, allowing those funds to fund other projects.

However, companies had borrowed alarming amounts by 2020, raising fears of repayment and their ability to deliver unfinished houses to consumers who had been paying mortgages. The government that year cracked down on overleveraged developers through its “three red lines” regulation, which categorised developers based on how much debt they hold.

China has rolled out piecemeal measures to encourage house sales and provide stimulus to the sector, full scale bailouts for

embattled developers have not been announced so far. While the government has reiterated its stance that “house are for living in, not for speculation”, analysts expect drastic policy measures to contain the downward spiral in the property sector.

China has generated 41% of the world’s growth in the past decade, nearly twice the 22% contribution from the U.S., and way more than the 9% contribution from the euro area. China has generated 1.1 percentage points of the 2.6% real growth rate of the world economy. It made up this big chunk of the global growth because its economy was growing at about 8-9% a year. Now that its growth rate is half of that — its contribution would also be halved to about 0.5 points.



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