Prelim Bits 23-04-2018

International Monetary and finance Committee (IMFC)

\n\n

\n
- Governor of Reserve Bank of India attended the recent 37th meeting of IMFC.
\n
- The IMFC advises and reports to the IMF Board of Governors on the supervision and management of the international monetary and financial system.
\n
- It meets twice a year, during the spring and annual Meetings.
\n
- The Committee discusses matters of common concern affecting the global economy and also advises the IMF on the direction its work.
\n
- At the end of the Meetings, the Committee issues a joint communiqué summarizing its views.
\n
- These communiqués provide guidance for the IMF's work program during the six months leading up to the next spring or annual Meetings.
\n

\n\n

\n\n

\n
- There is no formal voting at the IMFC, which operates by consensus.
\n
- The IMFC has 24 members who are central bank governors, ministers, or others of comparable rank and who are usually drawn from the governors of the Fund’s 189 member countries.
\n

\n\n

Swell Waves

\n\n

\n
- National Disaster Management Agency (NDMA) issued a high energy swell wave alert along the Indian Coastline.
\n
- High energy swell waves, with heights between 2 m and 3 m and periods between 17-22 seconds are likely to be experienced in the seas around India.
\n
- Swell waves are massive ripples that form on the sea due to winds.
\n
- In a way it is the collections of waves produced by storm winds raging hundreds of miles out to sea, rather than the product of local winds along beaches.
\n
- The low-lying coasts of Kerala and West Bengal are particularly vulnerable.
\n

\n\n

Exploding Ants

\n\n

\n
- Colobopsis explodens were found by a team of researchers in the tiny state of Brunei.
\n
- When threatened by other insects, worker ants can rupture the wall of their body, which leads to their death.
\n
- In the process it releases yellow toxin from their glands that either kills or holds off enemies.
\n
- They sacrifice themselves in such a fashion to keep their colony safe.
\n
- The ant “explodes” by contracting its body until enough pressure is built up to tear the body wall, then the secretion exits with a small squirt or pop.
\n
- Such a phenomenon is very rare in nature and only a handful of “social” insects – such as ants and bees – were known to sacrifice themselves in such a manner.
\n

\n\n

Vulnerable reefs of Japan

\n\n

\n
- Reefs that lie off the coast of western Japan are devastated by unusually cold water.
\n
- They are some of the world’s most northerly coral reefs.
\n
- Survey of the reefs shows that there is a widespread bleaching, with between 90 to 100 per cent of spots affected.
\n
- The devastation is thought to be the result of unusually cold water temperatures in the area this year, partly produced by the meandering of the Kuroshio Current.
\n
- The Kuroshio is a warm current in the northwestern Pacific Ocean.
\n
- The currents unusual movement away from the area brought up cold water from the depths.
\n
- The phenomenon results in lower water temperatures, changes the locations of fishing grounds and even affects ship navigation.
\n
- Corals make up less than one percent of Earth’s marine environment, but are home to more than 25 per cent of marine life
\n

\n\n

Conflict of interest

\n\n

\n
- Recently ICICI Bank and its CEO were at the centre of a conflict of interest controversy about a loan given out by the bank to a corporate group which had dealings with her relatives.
\n
- Conflict of interest is a situation in which one is torn between one’s professional duties and one’s personal interests, in making a business decision.
\n
- Conflicts of interest are at the heart of most corporate governance controversies at India Inc.
\n
- Governance mechanisms such as independent directors on the Board, or a nomination and remuneration committee are put in place mainly to check such conflicts of interest.

\n
- The realistic way to tackle it to insist on adequate disclosures.
\n

\n\n

Grandfathering clause

\n\n

\n
- In the latest budget, a grandfathering clause attached to the new section on long-term capital gains.
\n
- A grandfathering clause in any new tax law allows people who made their decisions under the old law to continue to enjoy a concession, until the original timeframe for it runs out.
\n
- Frequent changes to tax laws, can weaken public faith in the Government's promises.
\n
- Grandfathering provisions allow the Government to introduce changes to tax rules for the future, without reneging on its past promises.
\n

\n\n

Map of the Day

\n\n

India States

\n\n

Assam

\n\n

\n\n

\n
- Assam, also known as a "Land of Red River and Blue Hills".
\n
- A significant geographical aspect of Assam is that it contains three of six physiographic divisions of India—the Northern Himalayas (eastern Hills) the Northern Plains (Brahmaputra Plain), and Deccan Plateau (Karbi Anglong).
\n

- Karbi Hills are a part of the Meghalaya plateau.
  \n
- Assam, the “Gateway of the North-East” has emerged as a popular tourist destination.
  \n

\n\n

Source: PIB, The Hindu, Business Standard

\n

