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Door No 18, New Plot No 259 /109,
AL Block, 4th Avenue, Shanthi Colony,
Annanagar, Chennai - 600040.

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OCTOBER 2017

G.S PAPER II

1. POLITY

1.1 Demand for Separate Lingayat religion

Why in news?

The Karnataka government decided to recommend to the Centre to grant religious minority status to the Lingayat community.

What is the state government decision?

- Lingayats account for nearly 17 per cent of the state's population.
- The demand for separate religion tag and minority status is a long pending demand of the Lingayat community.
- The State Cabinet has decided to accept the recommendations of the state minority commission in this regard.
- The religious minority recognition will thus be granted under the Karnataka Minorities Act.
- The status will cover two factions of the community – Lingayats and Veerashaiva Lingayats.
- The State Cabinet also decided to forward the demand to the Centre for notifying under the Central Minority Commission Act.

How did it evolve?

- The community actually evolved from a 12th century movement led by social reformer and philosopher-saint Basavanna.
- It emerged as a reactionary force against Hinduism.
- In essence, Lingayats remain staunch worshippers of the Hindu God Shiva.
- But they strongly protest against Hindu social practices such as caste discrimination and wearing of the sacred thread.
- As, caste discrimination is central to the post-Manu Hinduism.
- Basavanna and his associates thus asked their followers to not observe it.
- The Basavanna movement helped downtrodden sections of Hindu society break the chains of caste and seek the truth themselves.
- A person undergoing initiation in Lingayatism will be given an ishtalinga.
- The person henceforth becomes superior and therefore, all Lingayats must be treated as equal.

Lingayats

- The Lingayats are strict monotheists.
- They instruct the worship of only one God, namely, Linga (Shiva).
- 'Linga' here does not mean Linga established in temples.
- They instruct the worship of only one God, namely, Linga (Shiva).
- 'Linga' here does not mean Linga established in temples.
- It is rather the universal consciousness qualified by the universal energy (Shakti).
- **Status** - Lingayats are currently classified as a Hindu sub-caste called "Veerashaiva Lingayats".
- There is a general misconception that Lingayatism is a subset of Shaivism, which is itself a sect of Hinduism.
- There is also a misconception that the Lingayats are Shudras.

Why is the demand for separate religion status?

- The argument for Lingayats being a separate religion has existed in the mainstream for over seven decades.
- **Complexity** - The status is complicated because the Lingayats still ascribe to some of the aspects of Hinduism.
- The demand was also weakened by its subsumption within the Veerashaiva nomenclature.
- This happened after large number of Hindu Veerashaivas embraced Lingayatism while continuing to follow Hindu practices.
- **Relevance** - Writings by Basavanna 800 years ago prove that Lingayats were a religious entity separate from Hindus.
- But the teachings of Basavanna are slowly losing their distinct place in society.
- **Concern** - The increasing subsumption within the Veerashaiva and Hindu nomenclature, and decreasing importance for Basavanna's preaching are concerns among the Lingayats.
- The identification as a separate religion is thus seen as a crucial need at this juncture, for Lingayatism to survive.
- **Dichotomy** - In the Hindu Marriage Act, 1955 and Hindu Succession Act, 1956, Lingayats, Buddhists, Jains and Sikhs are included among Hindus.
- But Buddhists, Sikhs and Jains were identified by state and central governments as minority religions in 1993, 1963 and 2014 respectively.
- Only Lingayats remain unrecognised under a separate religious status.
- **Demand** - Several massive rallies and meetings are organised, calling for the status of an independent religion.
- There is a demand that the community be identified only as "Lingayat", and not "Veerashaiva Lingayat" in caste certificates.
- Once recognised, Lingayats would be able to avail benefits under Articles 25, 28, 29 and 30 of the Constitution.
- The provisions under these deal with freedom of religion and rights of minorities.

1.2 Rejection of "special status" for Andhra Pradesh

Why in news?

The Centre has rejected the Andhra Pradesh (AP) government's demand for "special category status" for the state.

What is the special category status?

- **Rationale** - The Constitution does not have any provision for categorisation of any state as a Special Category Status (SCS) State.
- But the Centre has assisted some states with funds in the past, since 1969.
- This was as allocated by the former Planning body called the National Development Council (NDC).
- The assistance was in consideration of the historical disadvantages of certain states when compared to others.
- **Criteria** - The NDC granted this status based on some features such as:
 1. hilly and difficult terrain
 2. low population density and/or the presence of sizeable tribal population

3. strategic location along international borders
 4. economic and infrastructural backwardness
 5. non-viable nature of State finances
- **Advantages** - The SCS states would receive funding for Centrally Sponsored Schemes in the 90-10 ratio i.e 90% of the funds would come from the Centre as against 60% for normal category states.
 - The remaining would be funded by the state governments.
 - **States** - The NDC first accorded SCS in 1969 to Jammu and Kashmir, Assam and Nagaland.
 - Over the years, 8 more states were added to the list.
 - They are Arunachal Pradesh, Himachal Pradesh, Manipur, Meghalaya, Mizoram, Sikkim, Tripura and, in 2010, Uttarakhand.
 - These 11 states got the benefits of SCS until 2014-15 when the 14th Finance Commission proposed major changes.

What are the 14th Finance Commission's recommendations?

- 14th Finance Commission headed YV Reddy submitted its report in 2014.
- It redefined the financial relationship between the Centre and the states for the five-year period ending 2019-20.
- The Commission notably did away with the 'special category' status for states, except for the Northeastern States and 3 hill states (J&K, Himachal Pradesh and Uttarakhand).
- Instead, it suggested that the resource gap of each state be filled through 'tax devolution'.
- It thus urged the Centre to increase its share of tax revenues to the states from 32% to 42%.
- If devolution alone could not cover the revenue gap for certain states, the Centre could provide a revenue deficit grant.
- The Commission stated that Andhra Pradesh would end up as a revenue deficit state.
- It thus recommended that the Centre provide a revenue deficit grant for the period of the 14th Finance Commission.

What does the AP Reorganisation Act provide for?

- The state of Andhra Pradesh was bifurcated in 2014 under the Andhra Pradesh Reorganisation Act, 2014.
- The Act does not mention 'special category'.
- But it does mention that the Centre would help Andhra Pradesh bridge any resource gap.
- Under the 'Revenue Distribution' section, the Central Government may make appropriate grants.
- It may ensure that benefits and incentives in the form of special development package are given to the backward areas of that State.
- But notably, apart from the legislation, the former PM had in the Rajya Sabha assured that AP would be granted special category status.
- It was said that Special Category Status would be extended to the successor state of Andhra Pradesh for a period of 5 years.
- But the successor government (NDA) has been emphasizing that the 14th Finance Commission did not provide for such treatment.



What is the Centre's stance for AP?

- The Union government is of the view that SCS category did exist when the state was bifurcated in 2014.
- But after the 14th Finance Commission's award, such treatment was "constitutionally" restricted and so cannot be accorded.
- The Centre however stated that it was willing to provide the "monetary equivalent" of a special category state.
- As an additional measure, the Centre has agreed to fund all externally aided projects in Andhra Pradesh in the 90-10 ratio.

What is AP's stance?

- AP reiterates that Telugu sentiments and emotions had been hurt and only special category status could assuage them.
- It is also maintained that the CM had only been asking for what was provided for in the AP Reorganisation Act.

1.3 Supreme Court's Power to overrule itself

What is the issue?

- A 5-judge Supreme Court Bench led by the Chief Justice is now slated to hear the conflicting judgements of two previous three member SC benches.
- This new episode was triggered by cases regarding land acquisition, and has brought to highlight, a pressing constitutional issues.

How did the current issue come up?

- Three separate cases involving compensations to be paid for land acquired for various activities came up to the Supreme Court at various times.
- Firstly, in January 2014, a three-judge Bench unanimously held that "paid" would mean compensation offered or rendered, and deposited in court.
- In February 2018, another 3 judge bench held that once compensation had been unconditionally offered and refused, it would be considered "paid".
- In another subsequent case recently heard by a 3 judge bench - the bench was surprised to know that one 3 judge bench had overruled another previously.
- As this is against judicial convention, the case has now been referred to the Chief justice of India to constitute a larger bench to resolve this issue.

Special Status/Special Provisions for States

- It is to be noted that the Special Category Status (SCS) states are different from states with Special Status/Special Provisions.
- Special Category Status deals with economic, administrative and financial aspects.
- On the other hand, Special Status/Special Provisions empowers legislative and political rights and is offered by constitutional provisions under Part XXI.
- **Article 370** grants Special Status to the State of **Jammu and Kashmir**.
- **Art 371 to 371-J** contain Special Provisions for eleven states as given below.
- **Art 371** specifies the "Special responsibility" to Governor to establish "separate development boards".
- This is in respect of "Vidarbha, Marathwada, and the rest of **Maharashtra**", and Saurashtra and Kutch in **Gujarat**.
- The other special provision states are as follows:
 1. **Nagaland** - Art 371A by 13th Amendment Act, 1962
 2. **Assam** - Art 371B by 22nd Amendment Act, 1969
 3. **Manipur** - Art 371C by 27th Amendment Act, 1971
 4. **Andhra Pradesh & Telangana** - Art 371D by 32nd Amendment Act, 1973; substituted by the Andhra Pradesh Reorganisation Act, 2014
 5. **Sikkim** - Art 371F by 36th Amendment Act, 1975
 6. **Mizoram** - Art 371G by 53rd Amendment Act, 1986
 7. **Arunachal Pradesh** - Art 371H by 55th Amendment Act, 1986



- The matter is now slated to be heard by a 5 judge constitutional bench that would include the CJI.

Can the Supreme Court rule against its own decisions?

- The Supreme Court has the power to overrule its own decisions, but it has affirmed that this power will be used sparingly and only in compelling cases.
- But it has been fairly established that a Bench of the Supreme Court can't overrule a previous judgement delivered by a bench of equal or larger size.
- In such a situation, in case of an inability to agree, the only option available is to refer the matter to the CJI, requesting that a larger Bench to hear the same.
- Notably, this has to be a mere reference to the CJI and criticism or doubts about the correctness of the previous judgement (of a larger bench) can't be aired.
- Notably, this is merely a convention followed for ensuring certainty in law and there is no explicit constitutional provision for the same.
- It is to be noted that, since the Supreme Court has 11 to 13 Benches hearing cases concurrently in different contexts, conflicting opinions are only natural.

Why does the Supreme Court have benches of different sizes?

- It was proposed in the constituent assembly that India's Supreme Court should exercise its jurisdiction as a full court, and not as separate Benches.
- But this was not accepted as it might not help in the optimal use of judicial time, may lead to a slower judicial process and backlogs.
- Initially, the Supreme Court was envisaged as having a Chief Justice and seven other judges, with Parliament having the power to increase this number.
- **Evolution** - In the early years, all judges sat together, but as the work of the court increased, Parliament increased the number of judges.
- From 8 in 1950 to 11 in 1956, 14 in 1960, 18 in 1978, 26 in 1986 and 31 in 2008 (the current strength), the number of judges have gone up with time.
- To deal with more cases, judges started sitting in smaller Benches of two or three, and larger Benches of five or more were constituted only for some cases.
- Notably, a matter can be referred to a larger Bench only by a judicial order.
- **Special benches** – Any case involving a substantial question of law (like interpreting the Constitution) must be heard by a Bench of at least 5 judges.
- While it is a norm to constitute such a bench, there have however been constitutional cases that were decided by smaller benches.
- Chief Justice of India is the head of the judiciary, and is vested with the administrative responsibility to constitute the benches.
- While all judges including the CJI are equal in their judicial powers, it is a norm to use the experienced senior judges for Constitutional Benches.
- **Other Countries** – In the US, UK, Australia, Canada and South Africa, in most cases, all judges of the Supreme Court sit together in large Benches.
- Notably, Supreme Courts of the above mentioned countries usually have seven to nine judges only and their jurisdictions are also very selective.

- Considering the small number of judges, a judgement of a bench over 5 members would mostly imply the majority opinion of the entire court.

1.4 Roster Management in Judiciary

Why in news?

- The Supreme Court has recently made public its Judges Roster, by posting it on its official website.
- Moreover, the CJI will hear all PILs and cases related to elections, criminal cases, social justice and the appointment of constitutional functionaries.

What is the significance of the roster?

- Roster lists out the allocation of case categories to different judges.
- A fine-tuned roster will prevent two different benches from hearing the same kind of case.
- It thus prevents taking divergent views at the same time.
- Conflicting interpretations by different benches have earlier forced the SC to set up larger benches to resolve.
- Secondly, roster will allow for effective case management.
- Judges in India are not specialists in any specific areas of the law.
- But they will be in a better position to dispose of cases, the more they handle the same kind of cases.
- E.g. the SC has constituted a dedicated tax bench.

Why is the SC's move important?

- The ongoing crisis in the higher judiciary came to light with 4 senior-most judges of the SC.
- Their unprecedented press conference indicated their loss of faith in the Chief Justice of India (CJI).
- It related precisely to the manner of allocation of cases.
- In this backdrop, making public the Supreme Court's roster is a welcome step towards greater transparency.
- Four large high courts — those of Allahabad, Bombay, Delhi and Karnataka — also make their rosters available on their websites.
- It is unfortunate that not all high courts have followed this lead.
- The SC's move could help encourage the other high courts to do so.

What are the concerns?

- How far will making roster public address the ongoing crisis of credibility in the Supreme Court is highly doubtful.
- **Mechanism** - The roster existed even prior to the one made public and was largely being followed.
- But the issue here is the absence of any norms or transparency in the mechanism.
- The CJI exercising the discretionary power to go beyond the roster and allocating specific cases to specific benches is the concern.
- This continues to be a bone of contention, despite the roster being made public.
- **Roster management** - The SC's roster allocation is far less detailed when compared to those of the 4 high courts mentioned.

- E.g. In the Delhi High Court, cases are divided between benches on the basis of not just the subject matter but also by date.
- In the Allahabad High Court, writ petitions are divided among the benches based on which local law they are concerned with.
- The SC's roster, on the other hand, is just a list of case categories allocated to certain judges.
- No classification or division has been made between the benches.
- It is quite clear that roster management is a bit better in the high courts than in the SC.

What is the concern with PILs?

- The fact that the CJI's court will be the only one to hear Public Interest Litigations is also problematic.
- To be fair, PILs constitute a very small number of the total cases in the SC.
- No more than 1% of cases in the SC are PILs.
- This is even after including appeals from judgements of high courts in PIL cases and PILs filed in the SC itself.
- Nevertheless, PILs also, than most other case types, raise important issues.
- Given this and questions over CJI's integrity and independence, only the CJI hearing PILs is unlikely to inspire much confidence.

1.5 Supreme Court's Verdict on SC/ST PoA Act

Why in news?

Supreme Court has pointed out that the SC/ST Prevention of Atrocities Act is being rampantly misused.

What is SC/ST prevention of atrocities act?

- The Scheduled Castes and the Scheduled Tribes (Prevention of Atrocities) PoA Amendment Act, 1989, was introduced to protect the vulnerable sections of the society.
- The Act was amended in 2015 to cover newer forms of discrimination and crimes against Dalits and tribals.
- The act provides the following provisions
 1. Establishment of Exclusive Special Courts and specification of Exclusive Special Public Prosecutors to enable speedy and expeditious disposal of cases.
 2. Completion of trial of the case filed under POA within two months, from the date of filing of the charge sheet.
 3. Defining clearly the term wilful negligence of public servants at all levels, starting from the registration of complaint, and covering aspects of dereliction of duty under this Act.
 4. Addition of presumption to the offences if the accused was acquainted with the victim, the court will presume that the accused was aware of the caste or tribal identity of the victim unless proved otherwise.

What is the recent verdict of SC on the PoA?

- SC has ruled that Section 18, which bars grant of anticipatory bail to anyone accused of violating its provisions, is not an absolute bar on giving advance bail to those against whom, prima facie, there is no case.
- In addition, the Bench has prohibited the arrest of anyone merely because of a complaint that they had committed an atrocity against a Dalit or a tribal person.

- In respect of public servants, no arrest should be made without the written permission of the official's appointing authority.
- And for private citizens, the Senior Superintendent of Police in the district should approve the arrest.

What are the highlights of the SC's verdict?

- Supreme Court in its judgement had made it clear that the SC/ST Atrocities Act should not perpetuate casteism.
- The court said 15-16% of the total number of complaints filed in 2015 under the Act were false and many cases were filed to settle personal scores and harass adversaries.
- SC made this statements in the view that any harassment of an innocent citizen, irrespective of caste or religion, is against the guarantee of the Constitution.
- Supreme Court has sought to strike a balance between protecting individual liberty and preserving the spirit of a law in favour of oppressed sections.

What is the response for this verdict?

- In an ideal system, as long as every charge is judicially scrutinised and every investigation or prosecution is fair and honest, one need not worry about misuse and its adverse effects.
- However, social realities are far from being ideal which ought to concern the civil society including courts.
- The conviction rates under the Act remain low which proves the lackadaisical approach of investigators and prosecutors to bring home charges against perpetrators of such crimes.
- Even if courts are right in taking note of the tendency to misuse this law, society and lawmakers are justifiably worried about the sort of messaging contained in their rulings and observations.
- The strong demands from political parties are that words of caution and rules against misuse may be needed to grant relief to the innocent, but nothing should be done to de-fang the law itself.

1.6 SC Verdict on Honour Killing

Why in news?

Supreme Court in its recent verdict has upheld the choice of consenting adults to love and marry as a part of their fundamental rights.

What is the verdict?

- The judgment came on a petition filed by NGO Shakti Vahini to curb honour crimes.
- The court held that the consent of the family, community or clan is not necessary for marriage.
- This is to safeguard young couples under threat for marrying outside their caste or religion.
- The Court also issued a set of guidelines for the authorities, to stop interference by khap panchayats.
- The guidelines issued by the Court will be in place till the government comes up with a law.

Why are khap panchayats a concern?

- Khap panchayats are the self-appointed village courts.
- Khap panchayats wield enormous influence in villages of several states if India.
- **Honour Killings** - They are often seen responsible for the growing number of honour killings in the country.
- They group against young couples to force their presence and dictate punishments.



- **Sense of honour** - These “feudalistic” entities have no reluctance in committing crimes.
- The "sense of honour" perpetuates the idea of not to marry outside one's caste, clan or religion.
- Masculine dominance becomes the sole governing factor of perceptive honour.
- The police turn a blind eye and the administration hardly questions them.
- **Women** - Women are treated by the khaps as servile persons who have no desire for autonomy.
- Their families are either silent spectators or active participants in their torture.
- To highlight the terror inflicted on women, the Supreme Court gave a list of actions which trigger honour-based crimes.
- They include
 - i. loss of virginity outside marriage
 - ii. unapproved relationships
 - iii. refusing an arranged marriage
 - iv. asking for divorce
 - v. demanding custody of children after divorce
 - vi. causing scandal or gossip in the community
 - vii. even “falling victim to rape”

What are the Court's observations on this?

- The apex court ridiculed the “elevated sense of honour” of elders, the collective and khap panchayats.
- It observed honour killing that guillotines individual liberty, freedom of choice and one’s own perception of choice.
- The human rights of a person are not mortgaged to the so-called honour of the family or clan or the collective.
- Khap panchayats were condemned for their belief that their duty is sanctified and their action of punishing the hapless victims is inviolable.
- It termed the elders, presiding over murder in broad daylight, as “patriarchal monarchs”.
- The verdict thus comes down heavily on crimes committed in the name of honour.

What are the guidelines?

- **States** - The state governments should identify districts, sub-divisions and/or villages concerned.
- These are areas where instances of honour killing or assembly of Khap Panchayats have been reported in the last 5 years.
- **Police** - Officer In-charge of the police stations of the identified areas needs to be cautious.
- Any instance of inter-caste or inter-religious marriage within their jurisdiction coming to their notice should be taken care of.
- They should inform to the immediate superior officer.
- Also the jurisdictional Deputy Superintendent of Police (DSP) and Superintendent of Police should be intimated.



- **Prevention** - Once done, the DSP or a senior police officer should immediately interact with the members of the Khap Panchayat.
- It should be made clear that convening of such meeting/gathering is not permissible in law, and should ultimately be prevented.
- **Meeting** - Despite these, if the meeting is conducted, the DSP should personally remain present during the meeting.
- S/he should ensure that no decision is taken to cause any harm to the couple or the family members of the couple.
- If this fails, each one participating in the meeting besides the organisers would be personally liable for criminal prosecution.
- **Video** - Discussion and participation of the members of the assembly meet should be video recorded.
- The DSP should ensure this, as this is the basis on which the law -enforcing machinery can resort to suitable action, later, if needed.
- **Proposal** - The DSP shall submit a proposal to the District Magistrate/Sub-Divisional Magistrate of the District/ Competent Authority of the concerned area.
- This is when the gathering cannot be prevented and/or is likely to cause harm to the couple or members of their family.
- **Orders** - The authority can issue orders to take preventive steps under the CrPC.
- Prohibitory orders under Section 144 CrPC can also be invoked.
- Arrest of the participants in the assembly under Section 151 CrPC can also be approved.
- **Crime** - The jurisdictional police official can file an FIR under the appropriate provisions of the Indian Penal Code.
- This is when, despite all preventive measures, if Khap Panchayat has taken place and passed any diktat against a couple/family.
- Upon registration of FIR, the Superintendent/Deputy Superintendent of Police should be intimated.
- S/he, in turn, should ensure that effective investigation of the crime is done.
- **Security** - Immediate steps should be taken to provide security to the couple/family.
- If necessary, steps to move them to a safe house within the same district or elsewhere should be taken.
- The District Magistrate/Superintendent of Police must deal with utmost sensitivity, the complaint regarding threat administered.
- **Safe house** - After the marriage, if the couple so desire, they can be provided accommodation on payment of nominal charges in the safe house.
- This would be for a period of 1 month to be extended on monthly basis but not exceeding one year in aggregate.
- The decision would be taken depending on their threat assessment on case-to-case basis.
- **Inquiry** - The initial inquiry regarding the complaint should be entrusted by the District Magistrate/Superintendent of Police to an officer of the rank of Additional Superintendent of Police.
- S/he shall conduct a preliminary inquiry and ascertain the authenticity, nature and gravity of threat perception.



- On being satisfied as to the authenticity of such threats, a report should be submitted to the Superintendent of Police in one week.
- The District Superintendent of Police, on such report, should direct the Deputy Superintendent of Police in-charge of the concerned sub-division.
- This is to cause to register an FIR against the persons threatening the couples and, if necessary, invoke Section 151 of CrPC.
- Additionally, the DSP should personally supervise the progress of investigation and ensure that the same is completed.
- **Case** - The designated Court/Fast Track Court earmarked for the purpose will try criminal cases pertaining to honour killing or violence to the couple(s).
- The trial must proceed on day-to-day basis.
- It must preferably be concluded within 6 months from the date of taking cognizance of the offence.
- **Negligence** - Police or district officer/officials failing to comply with the directions will be considered as an act of deliberate negligence and/or misconduct.
- This is if such official(s) do not prevent the incident or take appropriate actions thereafter, despite prior knowledge of it.
- Departmental action would be taken under the service rules.
- The action shall be initiated and taken to its logical end, preferably not exceeding 6 months.
- The states are directed to take disciplinary action against the concerned officials.
- **Special Cells** - The State Governments should create special cells in every District.
- This is to receive petitions/complaints of harassment of and threat to couples of inter-caste marriage.
- The special cell will comprise of the
 - i. Superintendent of Police
 - ii. District Social Welfare Officer
 - iii. District Adi-Draavidar Welfare Officer
- These special cells should create a 24-hour helpline to receive and register such complaints.
- They are also to provide necessary assistance/advice and protection to the couple.
- **Sensitisation** - The different state governments and the centre should work on sensitisation of the law enforcement agencies.
- There should be an institutional machinery with the necessary coordination of all the stakeholders.
- The Home department must take this initiative and work in coordination with the state governments.
- This is to mandate social initiatives and awareness, to curb such violence, and meet the goal of social justice and rule of law.

1.7 SC's Verdict on Passive Euthanasia and Living Will

Why in news?

A Constitution Bench has made passive euthanasia and living will permissible.



A dignified death should follow a meaningful existence

What is SC's rationale?

- **Right to Die** - The Supreme Court has upheld that the fundamental right to life and dignity includes right to refuse treatment and die with dignity.
- It observed that the fundamental right to a "meaningful existence" includes a person's choice to die without suffering.
- But it is held that active euthanasia was unlawful.
- **Dignified death** - Lack of legal backing sometimes lead to suffering and undignified death of the patient.
- As, societal pressure and fear of criminal liability by relatives and medical doctors hamper them from making the needed decision.
- Religion, morality, philosophy, law and society have differing opinions on whether right to life included right to death or not.
- However, they all unanimously share the idea that a person should die with dignity.
- **Individual Liberty** - The issue of death and when to die transcended the boundaries of law.
- But the court had intervened because the sanctity of life included the dignity and autonomy of the individual.
- The search for a meaningful existence, the pursuit of happiness included the exercise of free will which includes the right of a person to refuse medical treatment.
- A person need not give any reasons nor is answerable to any authority on why he/she should write an advanced directive.

What are SC's guidelines on living will?

- A Living Will is a healthcare directive, in which people can state their wishes in advance for their end-of-life care, in case they are not in a position to make a decision then.
- **Who** - An adult with a sound and healthy mind can make a Living Will.
- It should be voluntarily executed and based on informed consent.
- It should be expressed in specific terms in a language "absolutely clear and unambiguous".
- **Content** - The Living Will should contain the circumstances in which medical treatment should be withheld or withdrawn.
- It should give the name of the "guardian or close relative" who will give the go-ahead for starting the procedure of passive euthanasia.
- It should specify that the Will can be revoked any time.
- An individual has the right to withdraw or alter the Living Will, but only in writing.
- So, if there are more than one Living Will, the latest one will be valid.
- **Validity** - The Will shall be attested by two independent witnesses.

Aruna Shanbaug case

- Aruna Shanbaug is an Indian nurse who spent around 40 years in a vegetative state as a result of a sexual assault.
- In 2011, the Supreme Court, in a landmark judgement, issued a set of broad guidelines legalizing passive euthanasia in India.
- However, the present judgement observed that the previous judgement had complex procedure to get approval for passive euthanasia.
- This consequently made the dignity of a dying person dependent on the whims and will of third parties.
- The present judgement, allowing individual Living Will and framing the appropriate guidelines, has addressed the earlier shortfalls with taking forward passive euthanasia.

- It should preferably be counter-signed by the Judicial Magistrate First Class (JMFC) who is assigned the jurisdiction by the District Court.
- **JFMC** - The JMFC shall preserve one hard copy, along with one in the digital format, in his/her office.
- JMFC shall forward a copy of the Will to the Registry of the District Court.
- JMFC shall inform the immediate family of the executor, if not informed.
- A copy will be handed over to an official in the local government or Municipal Corporation or Municipality or Panchayat concerned.
- This authority shall nominate a custodian for the Living Will.
- Besides the guidelines, it was observed that modern medical science should balance its quest to prolong patient's life.
- **Exception** - The court held that a Living Will shall not be applicable to the 'treatment in question'.
- This is when there are reasonable grounds for believing that circumstances exist which the person did not anticipate at the time of making the advance directive.
- And necessarily which would have affected his/her decision had he/she anticipated such circumstances.

1.8 Guillotining Bills in the Parliament

What is the issue?

- The practice of Guillotining bills in legislatures is fairly common particularly in transacting financial businesses.
- The move circumvents reasoned debates and hence has needs to be used judiciously as a last resort.

What is Guillotine?

- **Classical** - Guillotine is an instrument for murder which has a large, weighted blade that can be raised and released to fall and behead a condemned person.
- It was widely used in medieval Europe and also King Louis XVI and Queen Marie Antoinette were guillotined during the French Revolution.
- Guillotine was an official execution method in France till the country abolished capital punishment altogether in 1981.
- **Legislative Use** – In lawmaking arenas, to “guillotine” means to bunch together and fast-track the passage of financial business, without debate.
- It is a fairly common procedural exercise in Lok Sabha during the Budget Session, in order to speedily wind up proceedings.

What is the process for getting legislative approval for the Budget?

- The budget is prepared by the Finance Ministry and the parliament then goes into recess for about three weeks.
- This time is provided for the “House Standing Committees” to examine Demands for Grants for various Ministries, and prepare reports.
- After Parliament reassembles, the Business Advisory Committee (BAC) draws up a schedule for discussions on the Demands for Grants.
- Due to limited time, based on a consensus decision, the BAC identifies some important Ministries alone for discussions and debate.

- Usually, the Demands for Grants of the Ministries of Home, Defence, External Affairs, Agriculture, Rural Development and Human Resource are taken up.
- Using this opportunity, members discuss the policies and working of Ministries and brainstorm for changes if required.
- After the debates are done, the Speaker applies the “guillotine”, and all outstanding demands for grants are put to vote at once.
- This usually happens on the last day earmarked for the discussion on the Budget in order to ensure the timely passage of the Finance Bills (Budget).

What happened this year?

- The current budget session saw multiple issues like the “PNB fraud, Cauvery Management Board constitution, Special Category Status for Andhra Pradesh” being raised by various concerned members.
- This ensured a virtual stalemate for days and washed out any scope for reasonable debate on the budget in the Parliament thus far.
- Subsequently, all Demands for Grants worth Rs 89.25 lakh crores were directly “guillotined” – i.e. introduced, voted on, and passed by voice vote.
- This was unusual as there were still 3 weeks left in the Budget Session, which could’ve seen a mellow down by the opposition and ensured a proper debate.
- The government was technically within its rights to guillotine bills, but as this has ignored conventions, it is a bad precedent and stifles democratic voices.

1.9 No-confidence Motion - Speaker's Role

What is the issue?

- The Lok Sabha Speaker adjourned the House without taking up the motion of no-confidence for the fourth day in succession.
- This and other decisions in the recent days have led to questioning the non-partisan role of the Speaker.

What is a no-confidence motion?

- **Motion** - As per the Rules of Procedure and Conduct of Business in Lok Sabha, any member of the house can move a no-confidence motion.
- The member need not give a reason for moving a no-confidence motion.
- Once the Speaker is of the opinion that the motion is proper, then s/he reads out the motion to the house.
- A minimum of 50 members have to accept the motion.
- If not, then the motion fails and the member who moved the motion is informed about it.
- **Discuss** - If the motion is accepted, then the Speaker will announce a day when the motion is to be discussed.
- The day cannot be more than 10 days from the day the motion is accepted.
- **Vote** - The motion is then put to vote; it can be conducted through “Voice Vote”, “Division of Votes” or other means.
- The government of the day has to resign if the government loses a ‘confidence’ motion or if the ‘no-confidence’ motion is accepted by the majority.
- There is no time-limit that must be adhered to between two no-confidence motions.

What is the present concern in this regard?

- **No-confidence motion** was recently moved by the Telugu Desam Party and the YSR Congress that was supported by major Opposition parties.
- The motion was moved by the required number of Members of Parliament (MPs).
- The Speaker is delaying the no-confidence motion on grounds of disruption in the House.
- Not taking it up for passage has led to concerns in the Opposition benches.
- As, delaying the no-confidence motion will benefit the government.
- **Procedure** - A no-confidence motion must be taken up immediately, and all other House business must make way for it.
- This is fundamental to parliamentary functioning and to executive accountability.
- In any case, the Speaker's argument is debatable as the onus of maintaining order in the House is squarely on the Speaker.

What are the other recent concerns?

- **Finance Bill** - Recently, guillotine provision was used for passing the Finance Bill without debate.
- This was also the first time in years that the Lok Sabha did not discuss and vote on even one demand for grants.
- Many important decisions were thus taken without any legislative scrutiny.
- **Money Bills** - The present Speaker's approval of Bills that are clearly not Money Bills is another concern.
- These are hence being dealt with by the Lok Sabha as such, depriving the Rajya Sabha of its right to legislate.

What does it call for?

- The Speaker represents the entire House and not just the Treasury benches.
- It is extremely essential for democracy that the Speaker remain non-partisan.
- Decisions of the Speakers in matters as discussed above are a prime means by which impartiality is demonstrated.
- The Speaker should carry out the assigned duty to ensure detailed deliberation and legislative scrutiny of important legislation.

1.10 INX Media Case

What is the issue?

CBI has arrested a former Finance Minister's son in a case involving INX Media for violation of FIPB conditions in 2007.

What is the case?

- The Foreign Investment Promotion Board (FIPB) had cleared the inflow of Rs. 4.62 crores to INX Media in 2007.
- However, the company made a downstream investment in another company, INX News, which received Rs. 300 crores through premium shares.
- As such downstream investment required separate clearance from the FIPB, there seems to be a clear case of violation.

- As an FIPB inquiry against INX Media was expected to commence, the company is said to have sought Mr. Karti Chidambaram's help.
- Mr. Karti is alleged to have taken a \$1 million to influence the probe against the media house by using his connections in the finance ministry.

How did the case get exposed?

- Indirani Mukerjea was the former director of the INX Media.
- She is currently facing CBI prosecution along with her husband Peter Mukerjea for the murder of her daughter Sheena Bora.
- In one of her statements to the CBI, she is said to have claimed that the company had bribed Mr. Karti, to quash the possible FIPB probe.
- Ms. Indirani's statement also got recorded before a magistrate, which hence becomes admissible as evidence to prosecute Mr. Karti.
- An FIR was then registered in May 2017 against Mr. Karti, his previous company "Chess Management Services" and another alleged collaborator firm.
- Consequently, Mr. Karti was recently arrested by the CBI in Chennai and was produced in front of a metropolitan magistrate in Delhi.
- While the agency is thought to be seeking extension of custody, Mr. Karti has stated that the charges against him are politically motivated.

How does the future course look?

- While the allegations are serious and deserves a thorough probe, whether securing Mr. Karti's custody is needed is debatable.
- Notably, there also seems to be no apprehension of Mr. Karti fleeing abroad to escape prosecution.
- Additionally, considering the case outlay, the evidence seems to be largely documentary in nature – making evidence tampering a remote possibility.
- The case against Mr. Karti will add up to something only if CBI is able to furnish specific details to establish his involvement in the conspiracy.
- Failure to do so will hence give greater credibility to those who dismiss the case against Mr. Karti as political vendetta.

2. GOVERNMENT BILLS, POLICIES NAD INTERVENTIONS

2.1 Fugitive Economic Offenders Bill, 2018

Why in news?

The Union Cabinet has recently approved the proposal of the Ministry of Finance to introduce the Fugitive Economic Offenders Bill, 2018.

What is the need for this legislation?

- There have been several instances of economic offenders fleeing the jurisdiction of Indian courts.
- E.g. Vijay Mallya fled the country to avoid being arrested for economic fraud, recent Nirav Modi–PNB fraud.
- The absence of such offenders from Indian courts has several adverse consequences such as -
 - i. hampering investigation in criminal cases
 - ii. wasting time of courts of law

- iii. undermining the rule of law in India
 - iv. non-repayment of bank loans
 - v. worsening financial health of the banking sector
- The existing civil and criminal provisions in law are not entirely adequate to deal with the severity of the problem.
 - In this context, Budget 2017-18 hinted at the introduction of legislation to confiscate the assets of such absconders.
 - The Bill comes as an effective, expeditious and constitutionally permissible deterrent to fugitive (escaping) economic offenders.
 - This would also help banks and other financial institutions to achieve higher recovery from financial defaults.

What are the key provisions?

- **Declaration** - The Bill makes provisions for a Court, 'Special Court' under the Prevention of Money-laundering Act, 2002.
- A Director, appointed by the central government, will have to file an application to a Special Court.
- This is to declare a person as a Fugitive Economic Offender.
- **Fugitive Economic Offender** is a person against whom an arrest warrant has been issued in respect of a scheduled offence.
- And also who has left India to avoid criminal prosecution, or being abroad and refuses to return to India to face criminal prosecution.
- A scheduled offence refers to a list of economic offences contained in the Schedule to this Bill.
- **Features** - Confiscation of the property of the fugitive economic offender resulting from the proceeds of crime.
- Confiscation of other property belonging to such offender in India and abroad, including benami property.
- The Act disqualifies those declared as offenders from either filing or defending a civil claim in court.
- It is ensured that Courts are not over-burdened with such cases.
- Thus, only those cases in which total value involved is 100 crore rupees or more are within the purview of this Bill.
- **Mechanisms** - A special forum would be created for expeditious confiscation of the proceeds of crime, in India or abroad.
- The Special court will appoint an 'administrator' to oversee the confiscated property.
- The Administrator will manage and dispose of the confiscated property under the Act.
- **Remedies** - The alleged Fugitive Economic Offender may return to India and submit to the appropriate jurisdictional Court.
- In this case, the proceedings under the proposed Act would cease by law.
- This is, provided that the offender returns in the course of the proceeding prior to the declaration.
- Besides, the Court will issue a notice to the person named a 'fugitive economic offender'.

- Within 6 weeks from the date of notice, the person will have to present him/herself, failing which he/she will be declared a 'fugitive economic offender'.
- And their properties as listed in the Director's application will be confiscated.
- There is a 180-day window during which the property will remain attached, with a provision for appeal against confiscation order.
- **Constitutional safeguards** - The necessary constitutional safeguards provided for in the Bill include:
 - i. providing hearing to the person through counsel
 - ii. allowing him/her time to file a reply
 - iii. serving notice of summons, whether in India or abroad
 - iv. appealing to the High Court
- **Principle** - The Bill adopts the principle of non-conviction-based asset confiscation for corruption-related cases.
- Notably, it is enabled under the United Nations Convention against Corruption which India has ratified in 2011.
- The convention envisages domestic laws for confiscation of property without a criminal conviction.
- This applies to cases in which the offenders cannot be prosecuted for reasons of death, flight or absence.

What are the concerns?

- **Existing provisions** - Legal provisions to confiscate the assets of offenders already exist; however inadequate.
- These include the provision in the Code of Criminal Procedure for attachment of the property of 'proclaimed offenders'.
- It also includes the Acts targeting smugglers, foreign exchange offenders and traffickers in narcotics.
- **Concerns** - Proceedings for forfeiture of property under these have been marked by shortcomings and procedural delays.
- Disposal of confiscated assets had not been easy, especially at a price sufficient to recoup losses or pay off all creditors.
- Also, how far will the threat of confiscation of property be a serious deterrent to the offender is highly uncertain.
- **Challenges** - Under the present, Bill confiscation is not limited to the proceeds of crime.
- It further extends to any asset owned by an offender, including benami property.
- Such clauses are liable for legal challenge, especially if there are third party interests and doubts about real ownership.

2.2 Major Port Authorities Bill, 2016

Why in news?

- The Standing Committee on Transport, Tourism and Culture has submitted its report on the Major Port Authorities Bill, 2016.
- The Bill repeals the Major Port Trusts Act, 1963 and seeks to provide greater autonomy and flexibility to major ports.



What are the major recommendations?

- **Port governance structure** - The Bill provides for the creation of a Board of Major Port Authority for each major port.
- Under the 1963 Act, all major ports are managed by the respective Board of Trustees.
- It noted that the Bill provides the government more flexibility and power to allow private players in the port sector.
- It recommended that the Ministry should address stakeholder concerns regarding the possible full **privatisation** of ports in future.
- It advised the Ministry to ensure that the administrative, managerial and financial control of the port remains with the Board of Major Port Authority.
- **Board Composition** - Other than the Chairperson and deputy Chairperson, the committee recommended having other members in the Board of Port Authority.
- These include members from the respective state governments, the Defence Ministry, the Customs Department, few independent members who are experts in port activities.
- It emphasized the need for a better representation of employees of the port on the Board.
- It thus recommended appointing a minimum of two labour representatives, one of whom should be a serving employee.
- **Voting Powers** - The bill provides that all questions will be decided by a majority of votes of the members present and voting.
- The Chairperson or the person presiding will have a second or casting vote in case of equal votes.
- The Committee recommended deleting this provision because it would impact the functional and strategic independence of the Board.
- **Land Contracts** - The 1963 Act prescribes certain maximum value and a maximum period of 30 years for contracts dealing with port land.
- It deals with acquisition, sale or lease of immovable property.
- Any contract extending that value needs prior approval of the government.
- However, the recent Bill allows the Board to use its property, assets and funds as deemed fit for the development of the major port.
- Also under this, the contracts on sale or lease of immovable property can be for a maximum term of 40 years exceeding which would require a prior approval of the government.
- The Committee noted that this provision does not provide clarity on the extent of land ownership of the Port Authorities.
- It thus recommended retaining the provisions of the earlier Act itself.
- **Raising loans** - The Bill provides for the ports to raise loans even from institutions outside India that is compliant with all the laws.
- However, the Committee has noted that raising loans from private or foreign financial entities may give such entities control over the port management.
- It recommended that the provision should be amended to ensure that the administrative control of the Port Authority always remains with the government.

- It also recommended that any loans obtained from entities other than the government must be approved by the central government and RBI, and be notified.
- **Others** - The committee recommended that while handing over port related activities to private operators, national security and safety should not be compromised.
- This is particularly in reference with ports handling defence cargo.
- It recommended that no new ports must be established in the 100 km vicinity of an existing major port, without the authority's permission.
- This is because new ports that come up in the vicinity of major ports affect their business and profitability.

2.3 Prohibition of Unlawful Assembly (Interference with the Freedom of Matrimonial Alliances) Bill

Why in news?

- The draft Prohibition of Unlawful Assembly (Interference with the Freedom of Matrimonial Alliances) Bill, 2011 was proposed by the Law Commission.
- It has long been pending, and the Supreme Court is now expected to frame guidelines on this.

What are the objectives?

- Community opposition to inter-caste, inter-community and inter-religious marriages have long been a social concern.
- The current penal law lacks direct application to the illegal acts of such caste assemblies.
- The Bill is thus meant to penalise honour killings in the name of upholding community honour or family honour.
- The legislation primarily aims at preventing the unlawful interference from caste panchayats.
- It is intended to uphold the right of consenting adults to marry persons of their own choice.

What are the key provisions in the Bill?

- **Definitions** - "Unlawful assembly" refers to a group of persons who condemn a marriage.
- This is particularly for alleged reasons that the marriage had dishonoured the caste or community tradition.
- "Marriage", under the draft legislation, includes "proposed or intended marriage."
- **Punishments** - The punishments are meted out in a phased manner.
- All offences under the proposed Act will be cognisable, non-bailable and non-compoundable.
- The offences include:
 - i. participating in any unlawful assembly
 - ii. making exhortations (persuasion, advice) that endanger the liberty of a couple
 - iii. criminal intimidation of the couple or their relatives or supporters
- The punishments for the offences range from 6 months to 7 years.
- The fine ranges from Rs. 10,000 to Rs. 30,000.
- The maximum punishment of 7 years of imprisonment is in the case of actual harm or injury caused.
- The provisions under the proposed law do not negate the offences under IPC but only adds to them.

- **Special Courts** - The cases will be tried in Special Courts presided over by a sessions judge or additional sessions judge.
- The special courts will be set up by states in consultation with the High Courts.
- It will have the power of a Sessions Court.
- It can take cognisance of any offence upon receiving a complaint of facts, or upon a police report of such facts.
- It can also take suo motu cognisance of the cases.
- The court can take cases without the accused being committed to it for trial.
- **Authority** - The Collector or the District Magistrate is entrusted with the responsibility for the safety of the persons targeted.
- This is in case any illegal decision is taken by the khap panchayat.
- He/she shall take necessary steps to prohibit the convening of such illegal gatherings.

What are the Law Commissions' observations?

- **IPC** - The Commission has rejected the government's proposal to amend Section 300 of the Indian Penal Code.
- The proposal was to include 'honour killings' within the definition of murder in IPC.
- However, Law Commission observed that the definition of murder in Section 300 of the Indian Penal Code would suffice.
- As, this would be adequate to take care of the situations leading to overt acts of killing or causing bodily harm to the targeted person.
- **Khap Panchayats** - Nevertheless, the Law Commission proposed the fresh legislation.
- It seeks to declare khap panchayats unlawful.
- As, khap panchayats have long been handing down punishment to couples who go for 'sagotra' or inter-caste marriage.
- In this regard, the Commission also observes that the Hindu Marriage Act did not prohibit 'sagotra' or inter-caste marriages.

How has the bill progressed?

- So far, 23 States have responded to the Bill with suggestions.
- The other six states have not responded yet.
- The Supreme Court has now stepped in to fill this legislative vacuum.
- The SC is expected to frame guidelines on this, in a judgment to protect adult couples from the fury of the mob.

2.4 Criminal Laws (Rajasthan Amendment) Bill, 2018

Why in news?

Rajasthan recently passed a Bill providing for death penalty to those convicted of raping girls of 12 years and below.

What is the Bill about?

- The Bill seeks to amend the Indian Penal Code with the insertion of new provision.

- The Bill had inserted **two new sections**, 376-AA and 376-DD, in the IPC.
- **Section 376-AA** provides for capital punishment or rigorous imprisonment ranging between 14 years and lifelong incarceration.
- **Section 376-DD** makes a similar provision for gang-rape of a girl child.
- It lays down death penalty or imprisonment from 20 years to lifelong incarceration for those convicted of the offence.
- Each of the persons constituting the gang will be deemed to be guilty of the offence.
- The Bill will become a law after it gets the Presidential assent.
- Rajasthan became the second State, after Madhya Pradesh, to pass such a Bill.

What is the need?

- Offences relating to child rape and child gang-rape are taking place every now and then.
- National Crime Records Bureau's 2016 report highlights a steady increase of cases of crimes against children in Rajasthan.
- The State recorded around 4,000 such cases in 2016, which was 3.8% of the crimes against children registered across the country.
- The legislation is said to aim at protecting the girl child by laying down a deterrent punishment, including death sentence, to the offenders.

What are the drawbacks?

- How far will institutionalising capital punishment really act as a deterrent remains a long-pending debate.
- The demand for the death penalty in a rape case puts forth the idea of ultimately equating rape with death.
- Progressive groups and individuals condemn sexual violence but opposes death penalty.
- They argue that patriarchal notions of 'honour' lead society to believe that rape is the worst thing that can happen to a woman.
- Rape is a tool of patriarchy, an act of violence, and has nothing to do with morality, character or behaviour of the woman.
- There is thus a need to strongly challenge this stereotype of the 'destroyed' woman who loses her honour and who has no place in society after she's been sexually assaulted.
- In this line, the Justice Verma Committee ruled against recommending death penalty even in the rarest of the rare rape cases.
- Justice Verma Committee was formed in 2013 to look into crimes against women after the infamous Delhi gang rape case.
- The committee also rejected the suggestion of chemical castration, saying it would violate human rights.
- As, mutilation of the body is not permitted under the constitution.
- It would be unconstitutional and inconsistent with basic human rights treaties to expose any citizen without the consent to potentially dangerous medical side effects.

What is the way forward?

- The mandatory minimum sentences for sexual offences have already been increased by the POCSO Act and the Criminal Law Amendment Act, 2013.

- So the need of the day is successful prosecutions, an increase in number of convictions and social awareness.
- It is the lack of fear of being caught which drives most criminals and rapists.
- Thus, a robust criminal justice system would act as a more effective deterrent against rape or sexual violence.

2.5 Trafficking of Persons (Prevention, Protection and Rehabilitation) Bill, 2018

Why in news?

The Union Cabinet has recently approved the Trafficking of Persons (Prevention, Protection and Rehabilitation) Bill, 2018 for introduction.

What are the key provisions?

- **Coverage** - The Bill covers a wide range of forms of trafficking which includes:
 - i. trafficking for the purpose of forced labour, begging
 - ii. trafficking by administering chemical substance or hormones on a person for the purpose of early sexual maturity
 - iii. trafficking of a woman or child for the purpose of marriage or under the pretext of marriage or after marriage, etc
- In particular, the Bill comprehensively addresses the transnational nature of the crime.
- **Punishment** - It specifies punishment for promoting or facilitating trafficking of person.
- The activities may include
 - i. producing, printing, issuing or distributing unissued, tampered or fake certificates
 - ii. registration or stickers as proof of compliance with Government requirements
 - iii. procuring or facilitating the acquisition of clearances and necessary documents from Government agencies fraudulently
- Punishment ranges from rigorous imprisonment for minimum of 10 years to life, and fine of not less than Rs. 1 lakh.
- Besides, the Bill provides for the attachment and forfeiture of property and also the proceeds of crime.
- This is to break the organized nexus, both at the national and international level.
- **Relief** - The Bill provides for immediate protection of rescued victims and their rehabilitation.
- The Victims are entitled to interim relief immediately within 30 days to address their physical, mental trauma etc.
- Further appropriate relief within 60 days from the date of filing of charge sheet is also provided for.
- **Rehabilitation** - Rehabilitation is irrespective of criminal proceedings initiated against the accused or the outcome thereof.
- A specific Rehabilitation Fund for this purpose is created for the first time.
- This will be used for the physical, psychological and social well-being of the victim.
- It also for education, skill development, health care/psychological support, legal aid, safe accommodation, etc.
- **Confidentiality** - The confidentiality of victims/witnesses and complainants must be ensured by not disclosing their identity.



- Further the confidentiality of the victims is maintained by recording their statement through video conferencing.
- This also helps in trans-border and inter-State crimes.
- Time bound trial and repatriation of the victims, within a period of one year from taking into cognizance, is mandated.
- **Mechanism** - The Bill provides for designated courts in each district for the speedy trial of the cases.
- It creates dedicated institutional mechanisms at District, State and Central level.
- These will be responsible for prevention, protection, investigation and rehabilitation work related to trafficking.
- National Investigation Agency (NIA) will perform the tasks of Anti-Trafficking Bureau at the national level present under the MHA.
- The National Anti-Trafficking Bureau will -
 - i. perform the functions of international coordination with authorities in foreign countries and international organizations
 - ii. take up international assistance in investigation
 - iii. facilitate inter-State and trans-border transfer of evidence and materials, witnesses and others for expediting prosecution
 - iv. facilitate inter-state and international video conferencing in judicial proceedings, etc

What is the significance?

- Trafficking in human beings is the third largest organized crime violating basic human rights.
- It is a global concern, also affecting a number of South Asian nations.
- But notably there is no specific law so far to deal with this crime.
- The Bill thus addresses a pervasive yet invisible crime affecting the vulnerable persons especially women and children.
- The new law will make India a pioneer in formulating a comprehensive legislation to combat trafficking.

2.6 CBSE Question Papers Leak

What is the issue?

- The CBSE recently announced of re-conducting two of the Board exam papers due to question paper leak.
- It calls for changes to exam methodology and immediate measures by CBSE to restore its credibility.

What happened?

- The Class 12 Economics and Class 10 Maths examinations question papers were found to be leaked.
- Police received two separate complaints in Delhi.
- Following complaints, the CBSE announced to re-conduct the exams.
- The Delhi Police registered two separate FIRs under IPC Section 420 [cheating] and 406 [criminal breach of trust].
- The case has been transferred to the Crime Branch for further investigation.

What is the concern?

- The question papers are usually sealed and stored in secret places.
- They are released to authorised officials with a window of only a few hours.
- In addition, the board has dedicated secrecy officers for each region.
- But clearly, the standard operating procedure was easily breached in the present case.
- The questions were circulated on instant messaging platforms.
- It is evident that the Ministry of Human Resource Development failed to assign top priority to secrecy and integrity of the process.

What is the way forward?

- **Inquiry** - The HRD Ministry should conduct a thorough inquiry to get at the truth and initiate remedial steps without delay.
- **Authority** - The National Testing Agency was cleared by the Union Cabinet last year.
- The Centre assured that this would soon be operationalised to prevent a repeat of question papers leaks in public examinations.
- NTA was although was originally supposed to take charge of entrance examinations in the first phase.
- **Testing Methodology** - The testing pattern lays too much emphasis on quantitative indicators.
- Also, social pressure associated with education makes it more vulnerable to corruption pressures, undermining the very purpose.
- There is thus a need for a credible testing method to assess a student's aptitude and learning.
- Multiple assessments, instead of the current one all-important definitive board examination, could be considered.
- This can go a long way in reducing the exam stress for the students.
- But for now, the CBSE has to restore faith in its processes.

3. SOCIAL ISSUES

3.1 Dropping Sex Ratio at Birth

Why in news?

NITI Aayog's report has claimed Sex ratio at birth (SRB) has dropped in India.

What is report on SRB is about?

- The SRB is the number of girls born for every 1,000 boys, in natural circumstances, the SRB hovers around 952 girls for every 1,000 boys.
- According to NITI Aayog's report sex ratio at birth (SRB) nationwide had dropped from 906 in 2012-2014 to 900 in 2013-2015.
- In all, 17 of 21 large Indian States saw a drop in the SRB, with Gujarat performing the worst, declining 53 points.

What the brief account on dropping sex ratio?

- In 2016, a report from the Asian Centre for Human Rights noted that between 1994 and 2014, 2,266 cases of infanticide were registered in India.

- Against 2,021 cases of abortion under the PC-PNDT, even though abortions outnumber infanticides today.
- While this is a highly disturbing trend, it isn't new for India, which has seen a consistent lowering of the SRB since the 1970s.
- In the Seventies, sex selection technologies like amniocentesis came about, in which doctors can test the amniotic fluid around a developing foetus for genetic abnormalities.
- But people soon realised this method could be used to determine the child's sex and to abort it, if female.
- Other technologies, including the cheaper and less invasive ultrasound, followed, allowing more people to use them.

What are the concerns with low SRB's?

- In India SRB is far lower than 952 because of the preference for the male child, this means India is killing girl children in the womb.
- As on today, around 63 million girls are estimated to be 'missing' in India because of such actions.
- Low SRBs starting from the Seventies have led to large numbers of "surplus men" today in countries like India and China.
- There are concerns that skewed sex ratios lead to more violence against both men and women, as well as human-trafficking.
- In India, some villages in Haryana and Punjab have such poor sex ratios that men "import" brides from other States.
- This is often accompanied by the exploitation of these brides.

What were the measures taken in this regard?

- In 1994, the government took notice and introduced the Prenatal Diagnostics Techniques Act which punishes healthcare professionals for telling expectant parents the sex of a child with imprisonment and hefty fines.
- In 2003, when technologies that allowed gender-selection even before conception became available, the act was amended to become the Prenatal Conception and Prenatal Determination Act (PC-PNDT), but this Act has been a failure.
- But due to major gaps in the training of personnel implementing PC-PNDT, this act failed.

What reforms needs to be taken?

- India must implement the PC-PNDT more stringently, but must also dedicate more resources to fighting the preference for boys.
- The Drugs Technical Advisory Board has recently decided that ultrasound machines should be included in the Drugs and Cosmetics Act, so that their import can be regulated.

3.2 Land Ownership is Key to Dalit Up-liftment

What is the issue?

- Socio-economic subjugation of dalits has inherent connections to their historic deprivation of rights to own land.
- This issue has come to the fore again as demands for land ownership by dalits of Gujarat has been causing social tensions lately.

What is the historical perspective?

- **History** - Under the diktats of the Manusmriti, the “Shudra” had no right to property, which had historically condemned them to economic subjugation.
- But Dalits did have some form of land ownership pre-independence in the form of “community land”, which they owned collectively.
- This was granted to them by the kings (or other villagers), in lieu of the hereditary services they offered to the state and the other communities.
- Interestingly, Ambedkar had opposed this conditional ownership module as he felt that it was condemning Dalits to perpetual subordination under others.
- **Recent Events** - In Dudkha village of Patan district in Gujarat, Dalits had been maintaining a tract of community land for generations.
- But the Gujarat government had refused to grant them full ownership rights despite the well established national policy recognizing traditional claimants.
- While multiple protests to press for the demand had failed, a frustrated a dalit activist “Bhanubhai” had recently immolated himself.
- Notably, Jignesh Mehwani’s “Jan Adhikar Andolan” that followed the Una incident was also centred on the issue of land ownership rights.

How much progress has been made in land reforms?

- Under the British Raj, land reforms were carried out to enhance state revenue collections and different models were adopted at different provinces.
- **Rise of Patidars** - Patidars of the erstwhile Saurashtra state were historically “Shudras”, but the British land reforms had unintended benefits for them.
- They bagged 3.75 million acres of land, which laid the foundation for their emergence as a socially, economically and politically dominant class.
- Notably, economic progress also culturally transformed the community, and they resorted to Brahminical rituals and vegetarianism over time.
- **Post-Independence** - Land reforms were the sole state programme to ensure economic equality, as land ownership remained only with the few.
- Limits for ownership were introduced and the excess were to be distributed to the landless peasants among who dalits and tribals were to be given primacy.
- Various legislations ensured primacy for the tillers, and communists in Kerala and West Bengal ensured that these initiatives were pushed vigorously.
- But despite successes in some states, most states remained regressive due to their apathy to the cause and the resistance of the politically powerful groups.
- **Gujarat’s case** - Gujarat had a patchy record in land reforms and deprivation was particularly striking for the dalits, who gained less than 1/3rd of the total land allocated through the reforms.
- Gujarati society is still highly feudal and in many cases, despite dalits being the official owners of land, the upper castes continue to control and operate them.
- Navsarjan Trust had discovered that in 251 villages of Surendranagar district (Gujarat), Dalits couldn’t gain actual possession for over 6,000 acres of land, despite having been granted legal ownership.
- Notably, Golana massacre of 1986, was because Dalits who had the legal possession of the land tried to take actual possession.



- While many lawsuits have been filed to remedy this, justice looks elusive even 4 decades after land reforms were unleashed.
- Currently, the tension over land is fast snowballing into a dalit versus others issue in Gujarat, and even dalit burial grounds have come under attack.

How is Gujarat's pro-business land policy affecting social equations?

- Till a few years ago, land was an instrument of social and economic status and people preferred to marry into homes that owned agricultural land.
- There were legal safeguards for buying and selling of agricultural land through governmental checks in order to ensure that land remained with the tiller.
- There were also mechanism for preventing big farmers nudging out small and marginal ones by buying out their possessions.
- But the BJP government eased many of these provisions and also relaxed norms for denotifying agricultural land to enable its diversion for other uses.
- These changes had in effect seen massive land parcels being diverted for establishing industries (often coercively).
- Also, coastal Gujarat has been seeing massive and industrialisation in the past decade, which has degraded vast swathes of adjacent cultivable land.
- In fact, the resultant deprivation from land caused by these policies is what had triggered the Patidar agitations of 2015.

4. HEALTH

4.1 Findings on Urban Development by ASICS

Why in news?

5th edition of Annual Survey of Indian City Systems (ASICS) has been released.

What is the survey about?

- ASICS is a health diagnostic of Indian cities, the better a city scores, the better it stands to provide its citizens high quality of life in the medium to long term.
- It evaluates India's city-systems - The complex, mostly-invisible factors (such as laws, policies, institutions, institutional processes) that underpin urban governance and strongly influence the quality of life in India's cities.
- ASICS aims to provide a common frame of reference for political and administrative leaders, business and academia, media and civil society, in different cities to converge on their agenda for transformative reforms.
- Janaagraha Centre for Citizenship and Democracy a non-profit organisation conducts ASICS and releases its results.

What are the findings of the survey?

- The ASICS score (on a scale of 0 to 10) gives a measure of the health of a city's governance and ability to deliver on quality of life.
- The scores for Indian cities come in the 3.0 to 5.1 range, whereas both London and New York score 8.8, and Johannesburg 7.6.
- Pune, Kolkata and Thiruvananthapuram, which appear in that order, occupied the top three positions in 2016.



- Pune has undertaken some AMRUT reforms and has improved the share of its own revenue in total expenditure and raised the average per capita capital expenditure for the last three years.
- Mumbai has gone down the pecking order, to 9th position in 2017 from its 2nd position in 2015.
- Chandigarh occupies the second lowest rank of 22 and Bengaluru is at the bottom of the list it has declined from rank 12 in 2015 to 23 in 2017, where Chennai has gone from rank eight to 19.

What are the challenges faced by urban cities?

- **Pune** - Even though Pune has secured 1st position it lacks a sanitation and mobility plan and the other administrative reforms.
- **Mumbai** - The city's average per capita capital expenditure for the last three years has gone down despite its robust revenue stream, being the only city whose own revenue exceeds its total expenditure.
- Despite carrying a gargantuan commuter load, it has no comprehensive mobility plan and it has not carried out many of the urban reforms envisaged in AMRUT.
- **Chennai** - It lacks resilience and sanitation plans and a land titling law.
- Proper titles for property owners create an incentive to pay property taxes, raising revenue.
- Expectedly, the share of its own revenue in its total expenditure has gone down.
- **Chandigarh** - The city has hardly any urban local government worth the name and the share of its own revenue in its total expenditure is next to zero.
- **Bengaluru** - The city is rapidly running out of water and has some of the worst traffic jams imaginable.

What are the concerns with the survey results?

- The survey notes that a large part of the missing policy initiative to set things right must come from State governments.
- Due to the result of in-migration by the day urban landscapes get bigger, in the last three years (2015-17) 20-odd leading Indian cities have progressed at a snail's pace in improving their level of governance.
- Thus urban local government has to be empowered, professionally run and have a mechanism whereby an involved citizenry can claim ownership and demand answers.

4.2 Neglected Tropical Diseases in South Asian Region

What is the issue?

- South Asian region has recorded a notable progress in eliminating and containing various diseases.
- However, the status of neglected tropical diseases (NTDs) in the South Asian region calls for a last-mile push.

What are the health achievements in South Asia?

- **Over all** - Polio has been vanquished.
- Maternal and neonatal tetanus has been eliminated.
- HIV, TB and malaria epidemics have been halted and reversed after decades of struggle.
- These will hopefully be ended altogether in the coming years.
- **Regional** - India is now yaws-free.
- Maldives, Sri Lanka and Thailand have eliminated *lymphatic filariasis* as a public health problem.

- Nepal is in the process of validating the elimination of *trachoma* as a public health problem.
- Nepal also maintained the elimination target for *kala-azar* for more than 3 consecutive years.
- By the end of 2017, 100% of sub-districts in Bangladesh and 90% of blocks in India had done the same.
- As a whole, the region remains responsible for the world's largest *preventive chemotherapy campaign*.

What are the shortfalls?

- NTDs include diseases like leprosy, trachoma, lymphatic filariasis and kala-azar.
- As the name suggests, NTDs take their most severe toll on the poor and marginalised communities.
- The political influence of these sections is limited and their health needs are often overlooked.
- Evidently, South Asian region has eliminated leprosy as a public health problem.
- But the disease continues to circulate among vulnerable communities.
- They accounts for more than 60% of leprosy-caused grade two disabilities worldwide.
- Similarly, several member countries have eliminated *lymphatic filariasis*.
- However, its burden continues to haunt communities in remote and hard-to-reach areas elsewhere.
- Region-wide, 53% of all people require mass drug administration to stay free of this disfiguring disease.

5. GOVERNANCE

5.1 Replacing the Accounting Regulator

What is the issue?

- Multiple corporate scandals, seems to be reflecting the failure of the auditors, which calls for reforming the regulatory structure for the auditing profession.
- Notably, there are already plans for annulling the self regulatory role that is currently played by the “Institute of Chartered Accountants in India” (ICAI).

What is the envisioned replacement for ICAI?

- Several corporate scandals have surfaced in the past, where Chartered Accountants had failed in their audit duties.
- This was again reiterated in the “Punjab National Bank fraud”, and calls for better regulating the auditing profession has grown stronger.
- Notably, replacing the self-regulatory role of “Institute of Chartered Accountants of India” (ICAI) with an external regulator is already under consideration.
- **NFRA** - The setting up of an external regulator namely “National Financial Reporting Authority” (NFRA) has been envisaged in the Companies Act 2013.
- While NFRA hasn't been notified yet, it is being touted as a powerful body that will lay down accounting and auditing standards to be followed in India.
- It is also envisioned to monitor and enforce adoption of the stated auditing standards, and oversee the quality of the auditing profession.
- Importantly, it will also have the powers to investigate the misconduct by chartered accountants, either on its own or based on a reference made to it.



- Consequently, NFRA is intended to become the regulatory body that will comprehensively replace ICAI's self regulatory role.
- Resultantly, ICAI will become merely an examining and certifying body.

What has been the record of ICAI?

- **Overall Record** - ICAI has for long been serving the individual self interests of its top brass rather than the collective image of the auditing profession.
- It has long been ignoring the blows dealt to its reputation by fellow member's lapses and even downplayed them in the face of public anger.
- Notably, of the 1,972 disciplinary cases considered by the ICAI till now, only the auditors of Satyam have been permanently disqualified from membership.
- In a majority of cases where members have been found guilty, they've been merely reprimanded.
- **Specific Cases** - Stock market regulator SEBI has alleged that ICAI hasn't cared to investigate the role of auditors in suspected stock price manipulation.
- Notably, SEBI had referred multiple cases to ICAI as early as 2015, for which action hasn't been taken.
- Also, Serious Fraud Investigation Office (SFIO) had referred 34 chartered accountants for suspected involvement in money laundering.
- In this reference too, there has been minimal action, with investigations commencing only against 5 auditors.
- The PNB fraud was indeed the pinnacle of failure as it got through multiple parallel audits like - the branch audit and statutory audit.
- **Structural Flaw** - Self Regulation is a concept where the regulated elect the regulator that governs the entire setup.
- This model works well only if there is a sense a collective accountability in sector, which clearly seems missing here.
- Hence, the current state of affairs was completely crafted by ICAI's own making, which hence justifies calls for an external regulator.

5.2 I&B Ministry Vs Prasar Bharati

Why in news?

Information and Broadcasting (I&B) Ministry has blocked funds meant for the salaries of the public broadcaster's employees.

What is the rift about?

- PrasarBharati runs Doordarshan and All India Radio and has a staff strength of about 5,000.
- I&B ministry has not released funds for employees' salaries for two months now January and February 2018.
- The amount of salaries totals about Rs400 crore.
- The amount has been paid out of internal and extra budgetary resources of the public broadcaster.

What is the reason for the rift?

- **From Government's side** -PrasarBharati has refused to pay a fee of Rs 2.92 crore to a private firm, to which the National Film Development Corporation had outsourced live coverage of an event.

- PrasarBharati had blocked proposals for appointments and brushed aside a communication from the ministry calling for retrenchments.
- The sticking point was a ministry proposal to appoint a serving IAS officer as a full-time Board member through the Appointments Committee of the Cabinet.
- **From PrasarBharati's side** -Earlier, PrasarBharati had refused to terminate contractual employees of the broadcaster on I&B ministry's demand, calling it a "direct attack on the autonomy of the organisation".
- PrasarBharati was repeatedly asked to let go of the contractual employees, which is the prerogative of the organisation not the ministry.
- I&B ministry also threatens the organization that funds will be blocked if the instructions are not followed.

What is the government's stand on the recent rift?

- I&B ministry claims that PrasarBharati is as much bound by general financial rules of the government of India as any other ministry or organization receiving grants-in-aid from the government.
- As per the provision of general financial rules, any autonomous organization receiving grants-in-aid must sign a memorandum of understanding (MoU) with the ministry.
- It clearly brings out the physical and financial targets with timelines for activities to be done by utilising the said grant during that financial year.
- Government also states that irrespective of repeated reminders from the ministry, no MoU has been signed by PrasarBharati.

6. BILATERAL RELATIONS

6.1 India in the New World Order

What is the issue?

- India and France co-hosted the first International Solar Alliance (ISA) summit in New Delhi recently.
- This is a significant event in defining India's place in the new global order.

What is the International Solar Alliance?

- The ISA was unveiled at the U.N. Climate Change Conference in Paris in 2015 by the Indian PM Modi and then French President Francois Hollande.
- The idea is to form a coalition of solar resource-rich countries.
- The aim is to collaborate on addressing the identified gaps in their energy requirements through a common approach.
- Towards this, the ISA has set a target of 1 terawatt (TW) of solar energy by 2030.
- The ISA is open to 121 prospective member countries, most of them located between the Tropics of Cancer and Capricorn.
- This is the region worldwide with a surplus of bright sunlight for most of the year.
- So far, however, only 56 countries have signed the ISA Framework Agreement.

What is India's role?

- India is a founding-member of the alliance.
- Besides, it plays a significant role in terms of being a host as well as a major contributor to the achievement of the target.

- The ISA is the first international body that will have a secretariat in India.
- India, with a target to produce 100 GW of solar energy by 2022, would account for a tenth of ISA's goal.
- India will also provide 500 training slots for ISA member-countries and start a solar tech mission to lead R&D.

Why is India's proposal unique?

- The basis for ISA is global equitable sustainable development.
- It suggests a 'third' way to the inequality and environmental damage characterising the current U.S. and China-led models.
- This vision follows from India's call for 'climate justice'.
- Notably, India's approach to climate justice reframes climate change as a social and not a physical problem.
- The shift fills the gap in the thrust of the 'Chinese dream' and 'America first' both of which ignore sustainable development.
- India is thus considered as a balancing factor in this regard, especially by countries in the South-east Asian region.
- This is also why China and the U.S. are seeking to work with India.

6.2 French President Visits India

What is the issue?

- French President Emmanuel Macron is currently on bilateral visit to India.
- Agreements on deepening mutual cooperation across sectors like - Defence, Solar and Nuclear Power were sealed.

What are the major outcomes?

- The pioneering agreement for "India-France strategic partnership" was signed in 1998, and relationships have been in good shape since.
- Currently, a "Joint Vision Statement" on the Indian Ocean Region was issued, which clearly aimed at countering China's growing presence in the region.
- A "reciprocal logistics support" agreement (Defence) was also signed, which is an indication of the diversifying strategic partnerships for both countries.
- While multiple previous deadlines have slipped, a recommitment for starting the "Jaitapur nuclear power plant" has now been made.
- Commitments towards the "International Solar Alliance" (ISA) and joint ventures on climate change cooperation were reiterated.

How prospective is the "International Solar Alliance" (ISA)?

- ISA was proposed jointly by India and France in the backdrop the "Paris Climate Talks" or CoP 21.
- With 61 countries already onboard the ISA, India and France are clearly promising an alternative leadership model for the less developed world.
- This is significant in the face of U.S. pullout from the Paris Climate Accord and the greater vulnerability of poorer countries to climate change.
- ISA is oriented towards sunshine countries (between the tropics), and it focuses on Project financing and technical assistance.



- While it has been estimated that \$1 trillion is needed to meet the ISA targets, India and France have thus far committed \$1.4 billion and \$1.3 billion, respectively.
- **Challenges** - India's solar power tariff is around Rs. 2.40 a unit, which makes Solar a costly option domestically.
- While India has targeted a solar capacity addition of over 100 GWs by 2022, this seems unviable unless various solar components become cheaper.
- Also, addition of new thermal power plants (as they produce more stable output) is a hindrance to solar deployment.

How does the future of ties look?

- While there is scope for bilateral naval and intelligence cooperation in the Indian Ocean Region, it is majorly symbolic than substantive.
- As two pluralistic democracies with a firm belief in a multi-polar world order, India and France have numerous strategic convergences.
- Multiple practical considerations do hinder greater Indo-French ties in the international arena, but the sentiments are positive and needs to be sustained.

6.3 Enhancing Indo - Japan Business Ties

What is the issue?

- Despite strong strategic government to government ties, India-Japan economic relationship remains far below the expected levels.
- While there are ample avenues to expand cooperation, cultural perceptions and are related incompatibilities have hindered progress.

What are the condition that are ideal for enhancing Indo - Japan ties?

- India is a fast-growing economy and has a big young population, while Japan is economically rich and has an aging demography and declining population.
- India needs technical expertise and investments to develop its infrastructure, while Japan has capital to spare and know-how to share.
- They have a common strategic objective in countering Chinese hegemony in Asia, a goal that can be best met in collaboration.
- Also, both countries share cultural and religious ties, and are also sufficiently close for trade but far enough to avoid broader and other neighbourhood issues.
- Technically, these factors provide for the establishment of strong and robust economic ties, but this hasn't happened.

What is the current status of economic ties?

- PM Narendra Modi and his Japanese counterpart Shinzo Abe have worked hard to upgrade ties, through high-profile visits and sealing multiple deals.
- Notably, Japanese has emerged as a prolific investor in India's infrastructure sector - Japanese investments totalled \$4.7 billion in 2016-17.
- Japan currently ranks as the third largest investor in India and there are 1,369 Japanese companies and over 4,800 Japanese corporate offices active in India.
- Yet, the India-Japan economic relationship remains underwhelming both in relation to its potential, and to the ties that each nation shares with China.



- Notably, China received about five times more Japanese investment between 1996-2015 (\$116 billion) than India (\$24 billion).
- Japan-India two-way trade was merely \$13.48 billion in 2016-17, which is dwarfed in comparison to China-Japan trade (\$350 billion) or even India-China trade (\$84.44 billion).
- Additionally, the share of India-Japan trade in Japan's total trade basket is barely 1% and it is a little over 2% of India's trade with the rest of the world.
- Beyond the common issues like - poor infrastructure, and complex tax structures, there are other issues that plague Indo-japan business ventures.

What are the main reasons for this?

- The major problem is that it takes Japanese companies longer time to learn to localise their products for the Indian market.
- **Pricing** - Japanese tend to think that the most important element is the quality, so that there is minimal requirement for repairs and replacements.
- They fail to recognize that repairs aren't really a major concern for the Indian consumer as it is cheap due to abundant availability of technicians.
- Hence, cost at purchase is the critical factor than durability, which calls for companies to reduce manufacturing costs even if quality is lowered.
- **Cultural bias** - Japanese also tend to have a strong cultural bias against India and Japanese employees perceive an Indian posting as a de-promotion.
- While larger corporations have realised India's potential, small and medium enterprises continue to carry a biased attitude, which impedes business.
- Also, punctuality is akin to religion in Japan, whereas in India, time is more lax and this has immense implications for business.
- **Risk** - Japanese corporations are strongly risk averse which makes it difficult for them to cope in the freewheeling, jugglery environment of India.
- Flexibility and impromptu decision making are necessary skills to operate in India and Japanese businesses need to co-opt these to sustain in India.

6.4 Waning India - Russia ties

What is the issue?

- Russia has been a long time ally of India since early in the cold war days.
- But recently, Russia has been gravitating towards "China and Pakistan", which calls for policy introspection and correction on India's part.

How has the relationship evolved over the years?

- **Historically** - For the past 70 years since Independence, Russia have been a time-tested ally and major defence supplier for India.
- During the cold war, the relationship was very strong and even gave rise to U.S. suspicions that India was an unofficial part of the Soviet camp.
- Notably, this was despite New Delhi's affirmations that it was a leading member of the "Non-Aligned Movement" (NAM).
- **India's Shift** - India has traditionally sought to maintain a balance between superpowers and refrained from joining groups for preserving its sovereignty.



- But in recent years this position appears to have shifted in favour of finding new allies, with changing power structures and security concerns.
- This change was amply in displayed when India actively pursued the Quadrilateral Security Dialogue (involving US, India, Japan, and Australia).
- Notably, this has been conceptualised as security alliance with a vision of ensuring freedom of navigation in the Indo-Pacific region (targeted at China).
- **Russia's Shift** - In parallel to these creeping changes, Russia's interest towards Pakistan and China has increased and warmth with India decreased.
- Russia-Pakistan relationship is on an upward trajectory, with Russia signalling support for Pakistan's candidature to the Nuclear Suppliers Group (NSG).
- Joint military exercises between Russia and Pakistan held in 2017, is another major concern as Russia is a long-time trusted military partner for India.

What is the way ahead?

- Russia is clearly drifting away from India, and a historically close bilateral relationship with Moscow is become a relatively low priority for New Delhi.
- There are multiple risks due to this, but the immediate concern is the possible emergence of a Russia-China-Pakistan trilateral, which isn't in India's interest.
- China and Pakistan would be eager to support such an alliance as it could arrest India's strategic momentum in the region and globally.
- While bilateral ties are currently at an all time low, there are opportunities to broaden cooperation, which needs to be capitalised on.

6.5 Mosul Hostages are Dead

What is the issue?

- It recently emerged that the 39 Indian workers who were captured by the ISIS in Mosul in 2014 were all killed.
- Considering the long and agonising wait that the concerned families endured, the government could've shown more empathy in communicating the news.

How did the events unfold?

- A cohort of 40 Indian construction were captured by the ISIS, when they Mosul in 2014 shortly before declaring their caliphate.
- While 1 Indian captive had escaped and sneaked out along with Bangladeshi workers and has returned home safe, the status of the rest was ambiguous.
- Intermittent statements from the government that assured that they were alive and stashed in underground bunkers gave families lingering hopes.
- Additionally, other incidences of captives being rescued by Indian government interventions in Yemen and Afghanistan furthered optimism.
- But while Mosul was liberated from the ISIS by the Iraqi government forces a few months ago, there was no word on the missing workers.
- Recently, dashing all hopes, external affairs Minister Ms. Sushma Swaraj had declared in the parliament that all the 39 workers have been killed in captivity.

What are the problems in the government handled the crisis?

- Indian government appears to have tried its very best to secure the rescue of its citizens, but did a pathetic job in communicating with the bereaved families.
- Unsubstantiated statements that conveyed hope were being flung liberally, with Ms. Swaraj herself confirming 6 times that they were very much alive.
- While it would be morally reprehensible to declare someone's death without ascertaining, confirming that they were alive without proof wasn't right.
- Rather, stating that they were missing and that the government was doing its best to rescue them would've been more appropriate and sensitive.
- More shockingly the families seemed to have heard the news of their loss through television channels rather than by an official communication.
- This is against the protocol and also disregards humanitarian concerns, which portrays arrogance on the part of the government.

7. INDIA AND ITS NEIGHBOURHOOD

7.1 China's Expansion into the Arctic

Why in news?

In a recently released white paper, China announced that it would develop a Polar Silk Road (PSR).

What is the development in the Arctic region?

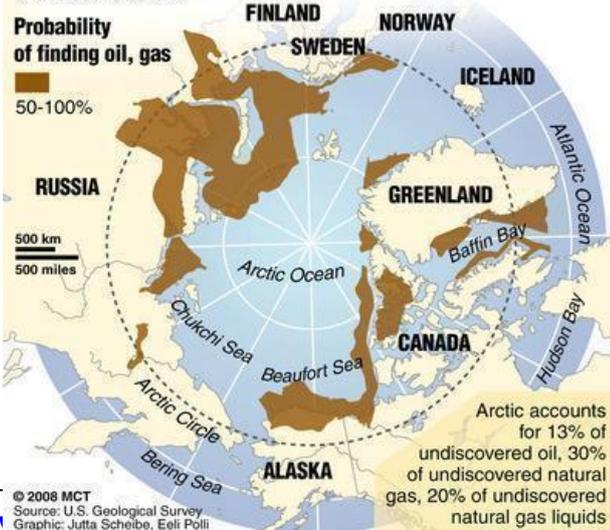
- **Climate Change** - The unintended consequences of climate change are contributing to the transition of the arctic region.
- Rising temperatures are melting some of the thick sheets of ice of the Arctic Ocean.
- This is exposing and making usable, some of the hitherto blocked up potential.
- **Navigation** - That, in turn, is opening channels through which ice-breaking ships can pass.
- Once it becomes navigable, commercial ships will be able to move through the Arctic, opening shorter shipping routes.
- The 'northeast passage' of the region will open up towards Europe.
- The 'northwest passage' will head towards the U.S. and Canada.
- **Resources** - It is estimated that beneath the layers of ice, highly prized reservoirs of minerals exist.
- The Arctic is said to possess 30% of the world's undiscovered natural gas and 13% of its undiscovered oil reserves.

What is China looking for?

- **Exploration** - China's 360-degree hunt for resources and new trade routes is taking new turns.
- The new development in the Arctic is reinforcing China's interests in the region.
- China's obsession with becoming a leading, and advanced, industrial heavyweight is increasingly driving Beijing towards the Arctic.

Oil and gas in the Arctic

Area north of the Arctic Circle has an estimated 90 billion barrels of undiscovered oil.



- It has become unrelenting and undeterred by obstacles posed by geography, politics or technology.
- **Projects** - The **Polar Silk Road** (PSR) and Belt and Road Initiative (BRI) initiatives aim at industrialising Eurasia.
- This is aimed through massive infrastructural development and network of trans-continental connectivity.
- China is also focusing on **cyber-connectivity**.
- This is displayed by its embrace of the **digital economy**, demonstrated by the rise of the global e-commerce giant Alibaba, or Wechat.
- Talks are on in Chinese government to build a 10,500 km **fibre-optic undersea link** across the Arctic Circle.
- The enterprise, called the **Northeast Passage Cable Project**, will provide China a new high-speed digital traffic link.
- The proposal also involves Finland, Japan, Russia and Norway as partners in this undertaking.
- China will get increasingly connected with European financial and data hubs.
- **Long term Planning** - Beijing's forays in the Arctic are a result of its long-term planning for deeper engagement with the Arctic.
- China has invested in Iceland following the 2008 financial crisis.
- Eight years later, Chinese company Shenghe Resources purchased 12.5% of Greenland Minerals and Energy.
- China has also signalled its interest in two Iceland ports, as well as Norway's Arctic Kirkenes port.

What is Russia's role in this regard?

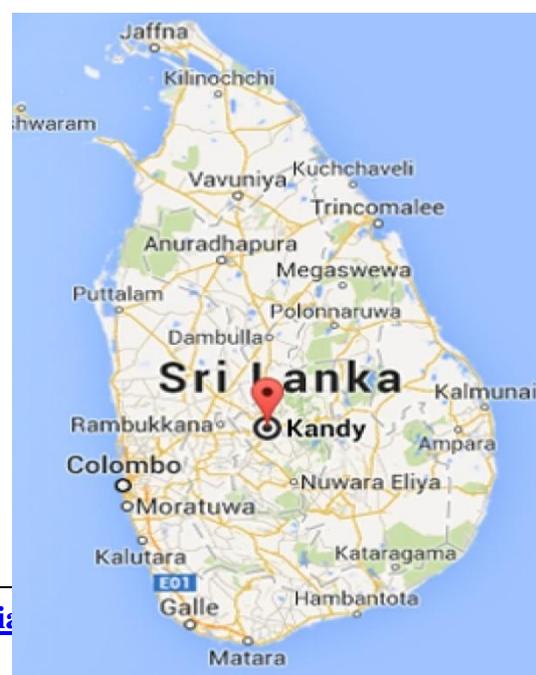
- Among its littoral countries, Russia claims the largest slice of the Arctic Ocean.
- Coupled with its massive mineral reserves in Siberia, Russia is fast becoming China's chief natural-resource ally.
- Russia is thus seen as a key to China's success in the Arctic.
- The state-owned China Development Bank is set to invest in the Russian energy company Novatek.
- Novatek is heading the Arctic LNG II project.
- The deal would provide China access to the Arctic's liquefied natural gas.
- Significantly, the agreement would open up areas within Russia's Exclusive Economic Zone in the Arctic where the Chinese can carry out explorations.

7.2 Emergency in Sri Lanka

Why in news?

- Sri Lanka declared an island-wide state of emergency.
- This was to curb growing anti-Muslim violence in the country's Central Province.

What is the situation in Sri Lanka?



- The violence, according to police sources, was triggered by the death of a 41-year-old man.
- He succumbed to injuries inflicted by a group of Muslim men, following a road rage incident.
- The suspects were arrested immediately after the incident and remanded.
- However, the incident triggered a series of anti-Muslim attacks.
- The violence is provoked reportedly by Sinhala-Buddhist extremist group.
- A series of arson attacks targeted dozens of mosques and Muslim-owned shops and homes in Kandy, located in the Central Province.
- Two mosques and shops were vandalised in Ampara.
- Ampara is a district with a near equal population of Muslims and Sinhala-Buddhists.

Why was Emergency declared?

- There were concerns of mishandling of the whole situation.
- The police and the Special Task Force were accused of a delayed and inadequate response.
- The Sri Lankan government was criticised for “pandering to extremist forces” in the Sinhala majority community.
- The move to declare emergency is seen as a “confidence-building measure”.
- The emergency allows the government to deploy the army in case of any violent clashes.
- Procedurally, the emergency will lapse in two weeks unless the parliament votes to extend it.

What is the significance?

- This is the first time that emergency had been reimposed after it was in force for 40 years from 1971 during the civil war.
- The latest unrest underlines the new political and ethnic dynamics in Sri Lanka.

7.3 FATF Grey Lists Pakistan

What is the issue?

- Financial Action Task Force (FATF) has grey listed Pakistan for its alleged laxity in curtailing finances of terrorist groups within its soil.
- This will now place Pakistan under international scrutiny to prove its compliance with FATF norms.

What is the Financial Action Task Force?

- The Financial Action Task Force (FATF) was set up in 1989 by the western G7 countries, with headquarters in Paris.
- FATF has 37 members that include all 5 permanent members of the Security Council, and other countries with economic influence.
- Two regional organisations, the Gulf Cooperation Council (GCC) and the European Commission (EC) are also its members.
- Saudi Arabia and Israel are “observer countries” (partial membership).
- India became a full member in 2010.

What is the objective?



- FATF acts as an ‘international watchdog’ on issues of money-laundering and financing of terrorism.
- It works on a peer reviewing model.
- It is empowered to curtail financing of UN-designated terrorist groups.
- It can publicly censor countries that are not abiding by its norms.
- Such censors would make it difficult for the concerned countries to source financial flows internationally and thereby constrain them economically.

What is the issue with Pakistan?

- Pakistan is particularly vulnerable to pressures from FATF.
- This is because multiple internationally designated terrorist groups operate from its soil.
- Notable among them are the Afghan Taliban, Haqqani Network, Lashkar-e-Taiba (LeT) and Jaish-e-Mohammed (JeM).
- Pakistan argues that it is doing its best to prevent terrorism emanating from its soil.
- But it does not recognize India focused JeM and LeT as terrorists.
- These groups were publicly making calls for promoting unrest in India.
- Moreover there are ample evidence for their role in the Pathankot attack and the 26/11 Mumbai attack.
- Despite these, Pakistan has been claiming absence of conclusive proof.

What are the America's Concerns?

- U.S. backed regime in Kabul is seeing increasing threats from the Taliban, which seems to be operating with Pakistani support.
- To save the regime, the U.S. recently augmented its troops in Afghanistan and is working to strengthen the Afghan armed forces.
- Additionally, the U.S. has cut defence and economic assistance to Pakistan for going soft on terrorists groups that operate from within Pakistani soil.
- In line with these developments, the US initiated moves at FATF to place Pakistan on the “grey list” (which will come into effect by June).
- Notably, the U.S. and its NATO allies are more focused on the groups invested in Afghanistan than the ones directed at India.

7.4 Diplomatic Standoff between India and Pakistan

What is the issue?

- Recent events of harassing each-other’s diplomats have further fuelled the bickering tensions between India and Pakistan.
- This is even more troublesome as it comes in the backdrop increasing ceasefire violations across the Line-of-control (LoC) and cross border terror attacks.

What has precipitated the diplomatic crisis?

- Pakistani state agents are said to have harassed construction workers headed for the Indian mission’s new building site in Islamabad.



- While Pakistan claims that security clearance wasn't sought, India saw it as an attempt to stop the work, and also added that power and water connections to the consulate were tampered with.
- Subsequently, Pakistan High Commission in Delhi claimed that Indian security personnel warned repairmen against working in its premises.
- Both missions said personnel were being targeted on the road, with cars stopped and drivers and family members intimidated (or stalked).
- Other instances on both sides include obscene phone calls, stoppage of milk and newspaper delivery to diplomats, and even 3 a.m. doorbell rings.
- While Pakistan's insensitivity in handling the issue is pathetic, it also doesn't behold India to have retaliated by resorting to similar actions.
- Interestingly, only weeks ago, a detente (compromise) was reached when an agreement to swap prisoners on humanitarian groups.
- The situation is now rapidly morphing into the early 2000s scenario, which saw the peaking of Indo-Pak diplomatic tensions.

How has diplomatic relations spanned over the years?

- In early 2000s, tensions were triggered by a terror attack on the India Parliament, which was thought to have been carried out with support from within Pakistan.
- After multiple expulsions, the two sides effectively had only a very small diplomatic presence on the other side until 2004.
- A subsequent Vajpayee-Musharraf meeting in Islamabad had paved the way for normalising ties and things were looking good till the 2008.
- The Mumbai terror attack, which was carried out by Pakistani infiltrators, had initiated a downwards spiral that hasn't been stemmed yet.
- The Line of Control (LoC) is now seeing intense shelling and firing from both sides, and the 2003 ceasefire agreement is effectively void.
- Uri and Pathankot attacks further worsened the scenario, which saw India waging a literal diplomatic war on Pakistan in multiple international forums.
- Presently, the High Commissioner of Pakistan has returned to Islamabad for "consultations" and is unlikely to return before a resolution is reached.
- Pakistan will also not attend a WTO meeting that is scheduled shortly in New Delhi, and the risk of a full blown diplomatic standoff is very much alive.

7.5 Fatalities of Shimla Agreement Faced by India

What is the issue?

- Shimla agreement signed was signed between India-Pakistan to maintaining peace.
- The Shimla Agreement did not fully achieve any of India's objectives.

What is Shimla agreement about?

- The Shimla Agreement signed by Prime Minister Indira Gandhi and President Zulfikar Ali Bhutto of Pakistan on 2nd July 1972.
- It seek to reverse the consequences of the 1971 war i.e. to bring about withdrawals of troops and an exchange of PoWs (Prisoner of Wars).



- It was a comprehensive blue print for good neighbourly relations between India and Pakistan.
- Under the Shimla Agreement both countries undertook to abjure conflict and confrontation which had marred relations in the past, and to work towards the establishment of durable peace, friendship and cooperation.

What were the guiding principles of the agreement?

- The Shimla Agreement contains a set of guiding principles, mutually agreed to by India and Pakistan, which both sides would adhere to while managing relations with each other.
- Few important provisions of the guiding principles are as follows
 1. A mutual commitment to the peaceful resolution of all issues through direct bilateral approaches.
 2. To build the foundations of a cooperative relationship with special focus on people to people contacts.
 3. To uphold the inviolability of the Line of Control in Jammu and Kashmir, was created as a key to durable peace.

What is India's response on the agreement?

- India has faithfully observed the Shimla Agreement in the conduct of its relations with Pakistan.
- India wanted to have a lasting solution to the Kashmir issue or, failing that, an agreement that would constrain Pakistan from involving third parties in discussions about the future of Kashmir.
- India hoped that the Shimla Agreement would allow for a new beginning in relations with Pakistan based upon Pakistan's acceptance of the new balance of power.
- India also left open the possibility of achieving both these objectives without pushing Pakistan to the wall and creating a revanchist anti-India regime.

What was Pakistan's response to the Shimla agreement?

- A humiliated Pakistan inevitably turned to the will to reverse territorial losses incurred by the partition and successive wars.
- India did not force Pakistan to convert the ceasefire line in Kashmir into the international boundary when Pakistani President Zulfikar Ali Bhutto ruled out this option.
- Pakistan accepted the term Line of Control (LoC) instead, thus delinking it from UN resolutions and highlighting that Kashmir was a purely bilateral affair.

What are the fatalities faced by India in this regard?

- After the agreement India was inclined to return the POWs but was constrained from doing so.
- This is because they had surrendered to the joint India-Bangladesh command and could not be returned without the latter's concurrence.
- Dhaka made it clear that it would not return the POWs until Islamabad recognised Bangladesh, thus delaying the POWs' return until 1974.
- In 1977 Pakistan army took over the political administration, despite its soft line on Kashmir and the POWs, India was unable to prevent the military from taking power.
- Pakistan's acquisition of nuclear capability created a situation of deterrence negating India's superiority in conventional power and instated de facto military parity between the two countries.
- Deterrence also provided the shield for the Pakistani military to take Kargil war into Indian Kashmir through its proxies, the terrorist groups created and supported by the ISI.

8. INTERNATIONAL ISSUES



8.1 British PM speaks on Brexit Deal

What is the issue?

- Prime Minister Theresa May has recently spelt out some crucial details on Britain's position on the Brexit deal.
- But time is running out and the path ahead remains uncertain and thorny.

What is the current situation?

- Negotiations haven't preceded much and positions still seem to be far apart even after 20 months form since the referendum.
- **Irish Question** - If no other agreement is reached between the EU and UK, Brussels has proposed to retain Northern Ireland within the customs union.
- This would in effect create a border within the U.K. between the mainland and Northern Ireland (a UK territory), which hasn't been accepted by Britain.
- But the Republic of Ireland (Sothern Ireland), which is an EU member, has supported the proposal as it would help in retaining a soft border with the Northern Ireland.
- **Internal Contradictions** - Soft Brexit supporters have argued for entire UK remaining within the European Customs Union to address Ireland issue.
- But there has been an overall lack of coherence among the British lawmakers and right wing hardliners are vouching for a clear breakaway from the EU.
- **Other issues** - Brexit is speculated to hurt the poorer sections more, for which neither the Parliament nor the government is prepared for.
- Considering the increasingly protectionist attitude of Mr. Trump, a trade deal with the U.S. post Brexit also doesn't seem likely now.
- Notably, U.K. is betting big on post Brexit non-EU trade deals (India, Australia, US and other) to offset its market loss and sustain its economy.

What are the details that the British PM has spelt out?

- Till recently, Britain had been merely stating its vision for "Brexit" rather the substantive aspects, which the EU leaders and industry were awaiting for.
- In her latest speech, the British PM spelt out the details of the expected deal which clearly seemed to contradict the rosy picture that was portrayed till now.
- She also noted that there will inherently be lesser market access for both the EU and UK and that the negotiation will definitely involve compromises.
- While the EU has been calling UK's approach as cherry picking of deals, PM May has asked the EU officials to display more flexibility.
- **The Specifics** - Britain may choose to commit some areas of regulations like state aid and competition to remaining in step with the EU.
- There was also a guaranteed that Britain would continue largely adhere to EU standards on worker's rights and the environment.
- It has been stressed that, the U.K. law would not necessarily be identical to EU law but would attempt to "achieve the same outcomes".



- She said that ways are being explored to retain U.K. within EU agencies such as those critical for chemicals, medicines and aerospace.
- The PM also sought specific solutions on the Irish question - like an agreement to waive entry and exit declarations for goods moving across UK - EU borders.
- A “trusted traders” scheme to reduce delays at borders has also been mooted.

8.2 Making peace with Taliban

What is the issue?

- The Afghan President Ashraf Ghani has been trying to initiate a peace process with sections of the Taliban.
- This initiative runs the inherent risk of intensifying divisions in the country’s ruling coalition.

Why is the timing for offering peace important?

- One of the most difficult moments in any war is identifying the perfect timing for making a bid for peace.
- If bid from a weak position, it would imply a tacit defeat.
- Also, if bid from a strong position, it would mean settling for a compromise when a comprehensive victory was very much in the offering.
- It hence needs to be appropriately timed in order to help in accelerating a positive shift in the structure of the conflict.
- While Afghan President Ashraf Ghani has made a peace offer to the Taliban, there is no clarity on where this might lead to.

What is the present ground situation?

- **Rising Taliban** - Taliban’s clout has steadily expanded in recent years and it is now said to be prominent in nearly 50% of the Afghanistan’s territory.
- The Taliban, with its sanctuaries in Pakistan, has been able to mount spectacular terror attacks in Kabul and elsewhere at ease.
- Mr. Ghani had vowed to exterminate Taliban only a few months ago, in the aftermath of a string of massive attacks within high security zones.
- Hence, the current offer for unconditional talks was a surprise and many observers are also sceptical as they believe it is a tactical acceptance of defeat.
- Notably, Taliban persists in its refusal to engage the government in Kabul, which it considers illegitimate and prefers to negotiate directly with the U.S.
- **U.S. Position** - U.S. is a major player in the war against Taliban and has been steadfast in preventing a military victory of Taliban over the Afghan regime.
- It has also been mounting pressure on Pakistan to crack down on elements within Pakistan that are contributing to destabilising Afghanistan.
- Taliban wants a complete U.S. withdrawal, as U.S. presence is its biggest impediment to recapture power, but the U.S. only recently increased its troops.
- **Afghani government** - Mr. Ghani’s own position within Kabul’s ruling coalition at the national and provincial governments is steadily waning.



- Many also worry that any significant concessions to the Taliban will further intensify the divisions within the ruling coalition and usher in instability.

What are the contours of the peace offer made?

- Mr. Ghani unveiled a peace in Kabul last week, which without a speck of doubt is the most comprehensive and generous offer made since war began in 2001.
- **Provisions** - It includes a ceasefire, release of prisoners, recognising the Taliban as a legitimate political force, and a review of the constitution.
- By offering unconditional talks, Kabul seems to be suggesting that it is willing to negotiate a transition to a new political order to replace the current one.
- The offer is a clear recognition of Taliban's renewed relevance for the political future of Afghanistan, which wasn't accorded thus far.
- **Considerations** - The war in Afghanistan, now in its 17th year, doesn't seem winnable by either side despite large military interventions.
- As the U.S. would have to eventually pull out, it is only prudent for Kabul to start negotiating with the Taliban to end the stalemate and ensure stability.
- Notably, the Pakistani government too has welcomed Ghani's peace offer and has promised "wholehearted support" to the peace process.

8.3 US's Tariff Increase on Imports

Why in news?

The US President Trump has imposed heavy tariffs on steel and aluminium imported from all countries except Canada and Mexico.

What is the new tariff plan?

- Trump has recently signed two proclamations on levying increased import duties.
- They impose a 25% tariff on steel and a 10% tariff on aluminium imported from all countries except Canada and Mexico.
- The tariffs will take effect in 15 days.

Why is US tariff decision questionable?

- The US has used the national security clause of the Trade Expansion Act to increase duty.
- The US is both an exporter and importer of these items.
- Notably, it meets 70% of its requirements from the domestic sources.
- So there is no obvious threat to national security from imports as claimed by the US.

How is tariff decision and US's WTO commitments related?

- **Bound Duty** - The WTO makes member countries notify the bound duty (the ceiling duty) for each product.
- A country cannot increase its import duty for a product above this level.
- In fact, the actual import for a product takes place at the applied duty, which is generally lower than the bound duty.
- The **difference between the bound and applied duty** is called 'water' in trade language.
- **US's commitments** - For the US, the 'water' is less than 1% on most items.



- So, if the applied duty on a product in the US is 3%, the country can increase it up to 4% and not higher than that.
- This low 'water' is the suo moto commitment taken by the US at the WTO.
- This was taken with the conviction that low import duties are a must for national development.
- Since the US cannot increase duties under this, it has used the WTO security exception for the present duty increase.
- Clearly, the decision of choosing a low water policy by the earlier US governments has restricted Trump's policy options.
- He had earlier expressed his dissatisfaction with the trade deals and reasoned it for US's trade deficit.
- **Other Countries** - The EU, Japan, and most other developed countries have also chosen for less than 2% water.
- However, most of the developing countries did not agree with the US on this then.
- They chose to retain high water for most products, so as to raise the applied duty up to the level of bound duty when needed.
- As a result, if India raises duty on steel from 10% to, say, 20%, it does not violate the WTO law, as the bound duty on steel is 40% for India.

What are the implications?

- **Cost** - Trump's decision has domestic and trade costs. A 25% duty on steel will increase the domestic steel price by 5%.
- This could lead to an increase in the input cost for some industries, further leading to high cost of their products for consumers.
- This may create inflationary pressure, leading to high-interest rates and dollar appreciation.
- This may have negative impact on both the economy and exports.
- **Industries** - Many steel and aluminium user industries may not compete at higher costs.
- They may have to shut down, leading to job losses.
- **China** - The largest supplier of steel and steel products to the US is China and not Canada or Mexico as widely reported.
- China could retaliate by making import restrictions from the US, which may become disadvantageous for the US firms.
- It has already started investigations into the billion dollar imports of the grain sorghum from the US.
- China could also dump some of the \$4 trillion US Treasury bonds it holds, creating disruption in the US market.
- **Other Countries** - The affected countries are already talking about taking retaliatory measures.
- Countries may also take the US to dispute settlement at the WTO.
- The duty decision is potential of further weakening the multilateral trade architecture.
- **Steel Sector** - The US duty on steel and aluminium also mean that the global surplus would have to be dumped in some other countries at a lower price.
- The steel sector already plagued with excess capacity would face more turmoil.

What are the implications for India?

- The protectionist measure by the US and potential counter-measures by other countries might hurt the steel industry globally.
- This might put downward pressure on steel and aluminium prices.
- This is a cause of worry for Indian metal companies as manufacturers have to look for newer markets.
- Indian metal producers with exposure to Europe and the United States already warned of increased costs and lower sales.
- This might affect the recent recovery in the volume growth and profitability of metal producers.
- A downward pressure on the stock price of metal companies would also make it tough to raise fresh equity capital for debt-repayment or capacity expansion.

US-Russia Diplomatic Tussle

Why in news?

United States had expelled Russian officials and ordered to shut Russian consulate in Seattle.

What is happening in U.S?

- The diplomatic ties between the nuclear powers U.S and Russia continue to deteriorate.
- U.S. expelled 60 Russian officials and ordered the closure of the consulate in Seattle.
- The consulate in Seattle alone was ordered for a closure is due to its proximity to one of US's submarine bases and Boeing Aircraft Company.
- U.S. administration has given seven days for the officials and their families to leave the country.

What is the reason behind this move?

- Recently an ex-Russian spy in UK was poisoned with military grade chemical nerve agent.
- The UK side claimed that this substance was related to the Novichok-class nerve agents developed in the Soviet Union.
- UK administration accused Russia of orchestrating the attack and expelled 23 Russian diplomats as a punitive measure.
- Following these actions US administration ordered the expulsion of Russian intelligence officers from the United States and the closure of the Russian consulate in Seattle.

What is US's stand on its decision?

- The U.S. takes this action in conjunction with its NATO allies and partners around the world in response to Russia's use of a military-grade chemical weapon on the soil of the United Kingdom.
- US claims its actions will make the United States safer by reducing Russia's ability to spy on Americans and to conduct covert operations that threaten America's national security.
- It is believed that with these steps, the U.S. and its allies pose clear to Russia that its actions have consequences.
- United States also stated that its ready to build a better relationship with Russia, but this can only happen with a change in the Russian government's behaviour.

What is the response of Russia on this regard?

- The Russian side has strongly rejected the accusations and offered assistance in the investigation.



- Russian Defence Ministry made it clear that all chemical weapons stockpiles in Russia had been completely destroyed in late 2017.
- Which had been even confirmed by the Organisation for the Prohibition of Chemical Weapons (OPCW).
- However, Moscow's request for samples of the chemical substance used to poison the ex-spy was denied by UK.
- Moscow also expelled UK diplomats and ordered the British Council to stop its activities in Russia in response to the UK move and plans to take the same move with US.

8.4 Russia's Murderous Covert Operations

What is the issue?

- Recently, a former Russia agent Mr. Sergei Skripal (now living in exile in U.K.) was attacked by unknown persons with a poisonous nerve agent.
- The attack is suspected to have a high-profile Russian government involvement and has hence resulted in tensions.

Who is Sergei Skripal?

- Mr. Skripal is a former Army Colonel who was part of the Russian army's intelligence wing and then worked in the Russian Foreign Ministry in Moscow.
- Skripal was a double agent, who betrayed fellow army veterans, and provided information to Britain that considerably damaged Russian intelligence.
- He was arrested in Moscow in December 2004 for spying for Britain, and sentenced to 13 years in prison in August 2006.
- In July 2010, a spy swap was facilitated, which freed Mr. Skripal and exiled him to UK, where he has been living quietly since.
- He and his daughter were recently attacked with a poisonous nerve agent, and the act is suspected to be a Russian state sponsored one.
- This violates the "Cold War era espionage etiquette" of not disturbing pardoned spies and could also potentially escalate Russia - U.K. tensions.

What gives credence to the suspicion?

- The nerve agent used belongs to a family of deadly substances called Novichok, which is believed to have been developed by the Soviets in the 1970s.
- Additionally, number of high-profile deaths linked to Russia has taken place in Britain and also Russia has had a history of murdering betrayers.
- Several other high-profile defectors currently live in the UK and there have already been instances of similar high profile attacks on them.
- **1978** - Bulgarian dissident Georgi Markov (erstwhile USSR) was poisoned and killed in London with a pellet containing ricin.
- **2006** - Alexander Litvinenko was a former officer of Russia's Federal Security Service and fierce critic of President Vladimir Putin.
- He died due to radioactive polonium poisoning of his tea, but identified his killer as Russian MP Andrei Lugovoi (former KGB officer).
- **2012** - Alexander Perepilichny was a Russian businessman and whistleblower who died while jogging near London under suspicious circumstances.



- An enquiry into his death is under way.
- **2013** - Boris Berezovsky is an exiled Russian billionaire was found hanging in his apartment in Berkshire in southeast England.

How have the countries reacted thus far?

- **UK** - Reactions to most previous attacks was muted for the fear of escalating tensions with Russia and thereby losing out on massive Russian investments.
- But the current episode has stirred a hornet's nest as there has been a clear and targeted string of attacks that has been going on unabated.
- British PM Teresa May gave out a strongly worded statement and has called for stringent actions if the Russians don't cooperate in the case.
- **Russia** - The Kremlin spokesman denied that his country had any role in the Skripal incident or the other previous murders.
- Russia has maintained that the crime had taken place in British territory and that they have knowledge of the act to support an investigation.
- Further, the spokesperson condemned the British PM's speech as irresponsible and unnecessarily provocative.

8.5 Cambridge Analytica's Facebook Scandal

Why in news?

A global data analytics company is in spotlight for involving in a data scandal during US election.

What was the scandal about?

- The UK based company has involved in a data breach of more than 55 million Facebook users during the US president's election.
- This had created a shock across the globe as the scandal revealed how democracy is struggling to come to terms with complex technological developments.
- As of now there are no clear details about the exact nature of this scandal, what laws were violated, who is responsible.
- It is also not entirely clear whether such similar violations have not happened in the past.

How such breaches are being a threat to the democracy?

- In recent times many tech companies uses their ability to attract clients depending on their ability to socially engineer electoral outcomes.
- In computer science parlance, it is a kind of confidence trick that gets you to divulge information.
- It is that the voters think they are getting what they want, but all the time it is the clients who are getting out of the voters what they want.
- The democracy increasingly becoming such a confidence trick, merely with an effect of social engineering that a good combination of surveillance and data extraction.
- This lead to the concern than Voters are manufactured instead of exercising their sovereignty.
- By which both state surveillance and private power are a challenge for democracy.

What are the implication for India?



- In India like other developing nations the technology players are given free pass and there is a debate about their credibility in recent times.
- India's information architecture has a handful of large private players who can exercise near monopoly power, with very little accountability.
- Indian citizens are much concerned about the government's data collection initiatives like Aadhaar but not cautious about the privacy of the data which are being compromised with the private players ranging from Selfies to CCTV footages.

What measures needs to be taken?

- Various safeguards against contracting of data needs to be brought in by tech companies.
- Both the public and private sector need to be transparent and accountable about their data collection protection, and its monetisation mechanism
- Regulatory architectures must ensure that the collection of data, the use and profiting from data, do not subvert the ideals of citizenship.

G.S PAPER III

9. ECONOMY

9.1 Government's Plan on Borrowing

Why in news?

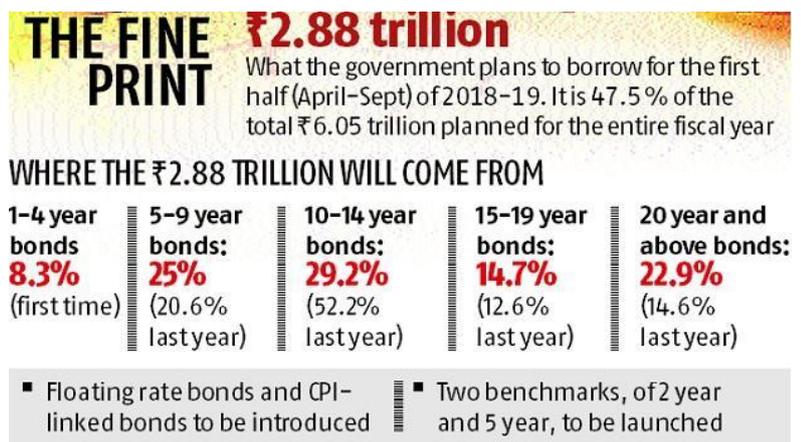
Union government plans to borrow Rs 2.88 trillion in FY 2018-19.

What is union government's plan on borrowing?

- Union government has planned to borrow Rs 2.88, against market expectation of Rs 3.3-3.6 trillion.
- To meet its fiscal demands government usually borrows from the bond market and by using other instruments.
- The normal practice of borrowing from the bond market will be around 60-65 per cent.
- For now first half of borrowing government has planned 47.5% of budgeted amount for 2018-19.
- The weekly borrowing size would also be Rs 120 billion, against the usual Rs 150-180 billion.
- The Union will also reduce its planned buyback of government securities (G-Secs) by Rs 250 billion.

How this borrowing has been planned?

- The government plans to draw an additional Rs 250 billion from the National Small Savings Fund (NSSF) to finance the fiscal deficit for 2018-19.
- For this RBI, on behalf of the government, will be issuing bonds in 1-4 year maturity, raising Rs 240 billion through the papers.
- Inflation-indexed bonds linked to the consumer price index (CPI), and floating rate bonds will be used to raise 10 per cent of the first-half borrowing.



- The borrowing will also be done through instruments that have been in demand in the market, instead of a maturity profile in the shape of 10-14 years.
- The government also said it would introduce new benchmarks in the 2-year and 5-year categories.

What are the benefits of this move?

- Government's move had been welcomed by bond market player as it will ease pressure on the market considerably by reducing the first-half borrowing.
- The borrowing plan will allow the government to meet all its expenditure requirements without getting into an overdraft situation.
- CPI-linked bonds will have much better chance of success compared to WPI linkers.
- The borrowing profile will help banks and other investors invest in bonds again.
- This will also ease the redemption pressure on the government at the cost of duration risk on the bank credits.
- Introduction of benchmarks allows government to raise money through bonds and liquidity and allows to create many other derivatives.

9.2 National Financial Reporting Authority

Why in news?

Union Cabinet has approved the creation of a National Financial Reporting Authority (NFRA).

What are the existing audit regulators in India?

- At present Institute of Chartered Accountants of India (ICAI) is the auditing regulator.
- ICAI plays the advisory role with respect to accounting and auditing standards and policies.
- Listed public and private companies, Larger and Smaller unlisted companies are audited by the ICAI.
- Quality Review Board (QRB) conduct quality audits for private limited companies, and public unlisted companies below the prescribed.

What is NFRA?

- National Financial Reporting Authority (NFRA) is to be an independent regulator overseeing the auditing profession.
- The regulator will have a chairman, three full-time members, and one secretary. (The qualifications of these persons are yet to be decided).
- NFRA can recommend formulation of accounting and auditing standards and polices which to be adopted by companies and auditors.
- It can monitor and enforce such standards and policies to oversee quality of services of the professions.
- NFRA would cover all listed companies and large unlisted companies, the benchmark size for which would be set down in the rules.

What are the significant powers of NFRA?

- It will have the power to debar erring auditors or audit firm for up to 10 years and impose significant fines on them.
- NFRA will also have powers to impose a fine of less than ₹1 lakh, but the amount can extend up to five times of the fees received in case of individuals.

- NFRA would also have the power to refer cases to the QRB as and when it decided to do so.

What is the account of creation of NFRA?

- In India the audit profession had become very complacent in the idea that there would be no oversight.
- The idea for an NFRA came following the Satyam scam in 2009, following which the Standing Committee on Finance recommended the creation of an audit regulator.
- Following that many provisions of the Companies Act, 2013 came into force in 2014 but the setting up of the NFRA a key recommendation, was delayed.
- The decision appears to have been prompted by recent Punjab National Bank fraud that went undetected by auditors.
- The government is quite clear that the need for such a body is all the more important after several financial accounting scams.

9.3 80:20 Scheme and Bank Frauds

What is the issue?

- The recent PNB fraud caught the public attention towards the credibility of banks.
- In this backdrop, it is alleged that the 80:20 (gold import) Scheme was designed to help jewellers such as Nirav Modi.
- A 2016 CAG report has also observed that the scheme had resulted in a loss of over Rs 1 lakh crore to the exchequer.

What was the 80:20 scheme?

- The scheme was introduced in August 2013.
- Under the scheme, 80% of gold imports under the scheme could be sold in the country.
- And at least 20% of imports had to be exported before importers could bring in new consignments.
- The permission to import the next lot was to be given upon the fulfilment of the export obligation.

What was the need?

- India is one of the biggest importers of gold globally.
- In 2013, the country's macroeconomic indicators, especially the current account deficit, were weak.
- The rising gold import and its impact on the current account deficit was further a cause of concern.
- It posed a risk of capital outflows and further weakening of the rupee.
- Coupled with this, the high crude oil prices forced the authorities to implement preventive measures.
- The 80:20 scheme thus aimed to discourage gold imports to rein in the widening current account deficit.
- Subsequently, the rupee recovered after the RBI announced a slew of measures to boost inflows and stabilise the currency.

Why were the rules eased?

- Jewellers, bullion dealers, authorised dealer banks and trade bodies approached the Finance Ministry.
- They requested for a relaxation of the policy.
- Crude oil prices also dropped to a four-year low in 2014.

- The 80:20 scheme was thus relaxed in May 2014 by the RBI at the behest of the Finance Ministry.
- The rules were apparently eased to facilitate gem and jewellery export, which had declined following the curb on gold import.

What was the outcome?

- Initially, only state-owned banks and firms were permitted to import gold.
- These banks and their nominated agencies were allowed to provide gold loans for domestic use to jewellers and bullion traders.
- However, the easing of rules allowed more agencies to import gold.
- In its May, 2014 review, the central bank allowed star and premier export houses to import gold subject to some restrictions.
- 6 to 7 private sector trading firms were also permitted to import gold under the scheme.
- These private firms accounted for 40% of the total gold imports in April-September that year.

What is the concern?

- The relaxation of the rules is now questioned based on the CAG's 2016 report.
- The report indicated that the scheme was misused by jewellers including Nirav Modi.
- Particularly, it was used for round tripping of black money and money laundering.

What happened thereafter?

- In November, 2014 months after the change of government in the Centre, the scheme was scrapped.
- It has been decided by the Government to withdraw the scheme and restrictions placed on the import of gold.
- The legal import of gold declined in the following months.
- In all, sources claimed that the 80:20 Scheme was encouraging smuggling and was also misused by many traders.
- A sub-committee of the PAC recently asked the Revenue Department to share details of the scheme and its alleged link with the Punjab National Bank fraud case.

9.4 Global Concerns with Privatization

What is the issue?

- In India a massive fraud in a public sector bank has ignited a call to privatise all Indian banks.
- But various scenarios across the globe proves private enterprise are no panacea for scams.

What is the account of privatisation in India?

- Privatization is not new for India in various instances of financial stress and public distress privatization is given as the best solution.
- In recent times union government is taking various steps to bring in structural changes in the sectors of public interest for which privatization is used as a tool.
- In India Air travel, road transport, major ports, electricity discoms etc. are moving towards complete privatization or private funded.



- In this account government as announced more private autonomy in Metro rail, toll plazas and in healthcare institutions, there are also considerations of privatization of Indian railways.

What are the concerns with privatization in India?

- Many scams in private hospitals and medical colleges in the country should challenge the presumption that private owners would do the right things in the public interest.
- In this scenario it is unlikely that the conversion of publicly owned enterprises into privately owned ones will, by itself, reduce the rot and create enterprises that serve the public good.
- In India, the counterparts in the banking frauds are corrupt private sector business organisations.
- Thus there is a fundamental problem is in the design of the enterprise, regardless of who the owner is.

What is the scenario of privatization across the globe?

- According to a global survey Trust in business leaders (in both, the public and private sectors) has been declining.
- It is now globally acknowledged that the singular pursuit of profits by the private institutions compromises public interest.
- Huge frauds in the financial sectors of other countries, which caused grave public harm, were in institutions of the private sector.
- The most financially valuable enterprises in the world today are technology stars Amazon, Facebook, and Apple.
- But questions about the ideology and ethics are being raised to assess the impacts of these enterprises as they own the technology which the only tool expected to be value neutral.
- Thus global society is demanding that companies, both public and private, serve a social purpose.

What measures needs to be taken?

- Private sectors must understand that the design of a good enterprise must be based on ethical considerations, not merely concerns of efficiency.
- These issues, about the design and governance of institutions, whether privately or publicly owned, require ethical solutions.
- Computers powered with AI are becoming capable of doing anything that humans can do, the most evolved AI systems even have the ability to learn by themselves how to become smarter.
- To make use of value neutral technologies government require urgent reforms in the internet, the regulation of social media and artificial intelligence.
- Owners and managers of enterprises must take responsibility for the impact of their enterprise's conduct on the conditions of societies and the environment.
- Therefore, business enterprises must measure, and be accountable for contribution they make to society, and not merely the shareholder wealth they create and the profits they make.

9.5 Stock Market Volatility - The New Normal

What is the issue?

- Various other global and national economic parameters are expected to cause market uncertainties and usher in monetary tightening.
- Consequently, stocks may experience more volatility for the foreseeable future.

What are the current market trends?

- The Sensex advanced about 28% and the Nifty climbed 30% in 2017, which slated a record bull run.
- Also, 2018 saw a strong start but since the beginning of February, stock markets around the world have witnessed a sharp correction.
- The U.S.'s decision to impose import tariffs on steel and aluminium was the latest development to infuse a sense of uncertainty.
- While the poor state of health of public sector banks has added to the pain, a more broad-based decline in the markets is palpable.
- Presently, Sensex and Nifty are marginally down from the initial 2018 levels.
- Hence, Investors who expected 2018 to be yet another blockbuster year for stocks may have to temper their expectations.

Why is volatility expected to reign?

- After the sharp correction in February, many expected Indian stocks to rebound to new highs, as in the case of previous corrections.
- But the Nifty and the Sensex, which largely remained flat till recently after the February fall has now resumed their downtrend.
- While it is not clear on whether this will continue or a consolidation will take place soon, investors seem willing to take risks and bet high on Indian stocks.
- This belies reason as there are fundamental weaknesses like – plummeting corporate earnings, underperforming economy.
- Hence, considering the irrational optimism despite the underlying risks, it's only natural that stock prices will tend to oscillate and remain volatile.

What are the challenges?

- The biggest challenge ahead for stock prices will be higher interest rates as central bankers move to rein in inflation as growth picks up elsewhere.
- The U.S. Federal Reserve is expected to reduce the size of its balance sheet by \$2 trillion in the next four years as it moves to let interest rates rise.
- Bond yields have begun to reflect the prospect of tighter liquidity and the U.S. 10-year Treasury has almost approached the 3% mark (from 2% 6 months ago)
- Many noted bond investors have confidently proclaimed the end of the multi-decade bull market in bonds, which began in the early 1980s.
- Indian bond market too witnessed a sharp increase in yields recently, amid fears of faster inflation and government's worsening finances.
- Stocks markets have thus far shown minimal reaction the prospect of higher interest rates (lesser liquidity).
- But higher interest rates are likely to eventually dampen stock prices, although it will continue to remain volatile.

9.6 Increasing Trade Deficit in India

Why in news?

Ministry of Commerce and Industry stated that India's trade deficit has increased.

What is trade deficit?

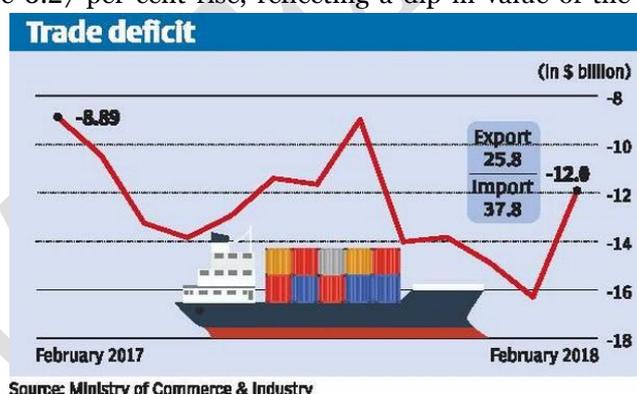
- A trade deficit is an economic measure of international trade in which a country's imports exceeds its exports.
- A trade deficit represents an outflow of domestic currency to foreign markets.
- It is also referred to as a negative balance of trade (BOT).
- Trade Deficit = Total Value of Imports – Total Value of Exports

What is the status of India's trade deficit?

- The Trade deficit of India for February 2018 was estimated at \$11,979.21 million, 25.8 per cent higher than the \$9,521.73-million deficit reported during February 2017.
- Exports from the country rose 4.48 per cent in dollar terms during February this year compared to the same month of the last fiscal.
- But, in rupee terms, export growth was flat with a mere 0.27 per cent rise, reflecting a dip in value of the Indian currency.

What is the reasons behind the increasing trade deficit?

- In recent years there is an increase in imports of petroleum, crude & products, electronic goods, machinery, electrical & non-electrical, pearls, precious & semi-precious stones and coal, coke & briquettes among others.
- India's crude oil import bill during February 2018 stood at \$10,194.33 million, 32.05 per cent higher than the import bill of February 2017 on the back of a recovery in crude prices.
- This is also because the Global crude oil prices have increased 17.90 per cent in February 2018 compared to February 2017.



What are the implications for India?

- For India economic growth is on the back of higher exports of petroleum products, organic and inorganic chemicals, drugs and pharmaceuticals, rice and electronic goods.
- Exports during February 2018 has increased when compared during February 2017.
- But increasing deficit had weakened Indian currency, as the pace of overall exports has slowed down in February 2018 which is distressing.
- It is even more disconcerting that Indian exports faltering when the global economy is on an uptick.

9.7 Protectionist Tariff Amendments by India

What is the issue?

- Union government had made few tariff amendments which are considered to be protectionist in nature.
- Government need to step in to resolve the concerns of the manufacturing sector in this regard.

What are the significant protectionist moves of government?

- Customs duty on luxury/lifestyle goods such as perfumes, silk fabrics, precious stones, imitation jewellery and products related to beauty treatment has been increased.

- Customs duty on raw materials such as crude and refined edible oils, fruit juices and soya preparations has also been increased.
- The customs duties on refractory goods consumed by the domestic iron and steel companies has been increased and it is imperative to weigh the overall impact of this change.
- There is also an increase in customs duty on automobile parts and LCD/LED/OLED.

What is the significance of this moves?

- Rejig in the custom duty structure can be seen as a fine balancing act between fiscal deficit and fiscal prudence and as an overarching design to boost revenues.
- A custom duty increase on luxury goods sector is expected to boost the domestic manufacturing of such goods and to provide an additional source of revenue to the government.
- The duty increase in agro raw materials will give an impetus to the domestic food processing industry and agricultural suppliers to these industries.
- The custom duty increase on raw materials for manufacturing sector seems to boost many domestic sector.

What are the concerns of these move?

- It remains to be seen whether these tariff amendments have a certain degree of permanence or whether they are introduced to achieve short-term goals.
- India's move on increasing import duties has taken without exploring the manufacturing possibility, since it might not be economically viable for a foreign investor considering the scale of operations.
- It is hoped that importing completely built-up units will not become the preferred option for Indian as well as foreign companies, leading to job losses locally.
- The precipitous overnight increase of rates will merely inflate prices of such goods owing to prohibitive cost of imported materials.
- A spur in construction and infrastructure projects and increased requirements for iron and steel is expected to increase demand of inputs for manufacture of refractories.
- There are concerns about the capability of domestic industry to fulfil the demand for such goods at an adequate pace to substitute imports.

What measures need to be taken?

- The government needs to provide long-term and very competitive export incentives to companies that will provide economies of scale.
- At the same time it will be viable for them to set up expensive manufacturing facilities for components such as LCD/LED/OLED panels or auto parts.
- Each category of goods must be looked at independently to assess the impact after duly factoring in all commercial considerations for the industry.
- If the government has a subsequent tariff reduction plan on manufacturing raw materials then such a plan should be promulgated in advance so that the domestic industry can set the right expectations and prepare accordingly.
- For which a consultative approach in decision making involving both domestic and foreign companies is needed.
- Thus government must understand that the "Make in India" campaign can succeed only when a conscious effort is made to customise the policy decisions after duly considering all concerns.

9.8 Informal WTO Negotiations

What is the issue?

- The stalemate between the developed and developing countries in the WTO has effectively stalled policy progress in global trade.
- India will host an informal WTO ministerial meeting in New Delhi in a short while in order to negotiate critically contented aspects.

What is the current meet for?

- Senior officials of the WTO and trade representatives of Africa, ASEAN, EU, US, China, Japan, and many other countries will gather shortly in New Delhi.
- They are expected to brainstorm over crucial global trade issues in an informal setting to evolve a consensus on contentious issues for moving ahead.
- Notably, no business-relevant decision has emerged out of the multiple formal negotiation rounds in the WTO forum for the past two decades.
- A “Trade Facilitation Agreement” (TFA) was signed in 2013 at Bali, but it turned out to be just an over-hyped face-saver.
- Also, the 11th WTO ministerial conference (MC11) that took place at Buenos Aires in December 2017 concluded without any significant decision.
- Seven core trade issues has resulted in conflicting positions of the country and breaking the impasse would require revisiting the very objectives of WTO.

What are the major domains of contestation?

Agriculture

- **Subsidy** - Developed countries have persistently complained that developing countries are distorting trade by recklessly subsidising farmers.
- Particularly, India’s crop MSP program and public procurement for PDS distribution have been flagged as a violation of WTO’s subsidy policies.
- But a nuanced observation reveals that even developed countries have been giving out subsidies amounting to as much as \$260 billion annually.
- Notably, the developed countries have been cleverly routing subsidies through avenues that have been exempted by the WTO (argued as a policy flaw).
- **Market** - Due to their cost advantage, countries practicing extensive commercial farming (mostly developed) have been preying on subsistence agriculture economies.
- This has been catastrophic for small subsistence farmers of the developing world, as their produce is being stifled out even in their own domestic markets.
- As their farmers are under intense pressure for survival, most developing countries have erected protectionist tariff walls for agro-products.
- **Contestation** – A realisation that it is a mere trade issue for the developed world, but a survival issue for the developing world is needed.
- Developed countries are demanding the poor countries to lower their agri-import duties.
- But contrarily, the developing world has been vouching for a comprehensive renegotiation of the WTO’s “Agreement on Agriculture”.
- Notably, India had won a 4 year temporary concession in 2013 called “Peace Clause” to sustain its subsidy programs.

- But as no alternative permanent solution has been reached, the clause remains operational by default.

Digital Business

- **The sector** - Pressured by big names like Amazon, developed countries have been strongly vouching for liberalising e-commerce and online businesses.
- Notably, these big-ticket online firms and their businesses already hold enormous sway in influencing policy, public opinion and business landscape.
- While their menacing size and might already looks scary, the contours and scope of digital platforms aren't fully comprehended as yet.
- **The Concerns** - Many countries feel that the digital business are still evolving and e-commerce hasn't even been defined properly thus far.
- If the WTO makes rules, this would mean that the countries will have to forego their rights to regulate the digital sector, which isn't desirable presently.
- While the developed countries are seeking to freeze the lead they've managed to take in the sector, other countries are seeking more time to comprehend the sector better and catch up with the developed world.
- Notably, the current "Zero Tariff Regime" for e-transactions has been proposed to be retained till 2019 and various clauses are being negotiated further.

Fisheries Subsidy

- Fishermen from the developed countries of the EU, Canada and Japan venture far and wide in high-tech vessels to get a bountiful catch.
- But small fishermen from developing countries are being accused for depleting the marine stock by practicing unsustainable fishing practices.
- Rich countries oppose subsidies granted by the developing countries to its poor fishermen, but they dole out indirect subsidies (WTO exempted) to help their fishers.
- In fact, EU, US and Japan alone provide almost 65% of the total fishing subsidies that total to an annual sum of \$35-billion.
- This issue has also been slated to be taken up in WTO's next ministerial conference in 2019.

Services

- Services sector contributes to 70% of the world GDP, but only 20% of world trade as country-specific domestic regulations (DR) act as trade barriers.
- In this area, developed countries have a clear lead over others as they already have a robustly implemented DR set-up.
- As this can further distort the equation in favour of the developed world, India and other developing countries must rush to create their own DRs.

Investment

- The inclusion of investment as a subject in the WTO was rejected in 1996 because the WTO makes rules for trade.
- But 71 countries led by the EU issued a statement calling for discussions on developing a "multilateral framework for investment facilitation".
- But most other countries feel this is only a small part of the investment regime and hence should be left as it is.

Crisis Management



- US President Trump has used ‘threat to national security’ provision of the WTO for imposing tariffs, which reveals his disdain for the WTO process.
- Notably, this clause empowers a country to take any action to counter a threat to its national security and is an option of last resort only.
- While the current US action is reckless, the entire WTO membership must confront and oppose Trump before it is too late.

How does the future look?

- Improving the standard of living of people and ensuring full employment are two of the important stated objectives of the WTO.
- Many countries need to reconcile their positions with these and approach negotiations with the agility to bargain and settle for compromises.
- It is hoped the WTO Delhi 2018 event will create goodwill, and lead to the development of a common position on important trade issues.

9.9 Aircel Bankruptcy Crisis

Why in news?

Aircel Cellular Ltd. has filed for bankruptcy under Insolvency and Bankruptcy Code, 2016.

What is the crisis faced by Aircel?

- Aircel has more than 85 million subscribers across 17 telecom circles, in India.
- Aircel services were disrupted after Telecoms like Idea Cellular and Vodafone stopped interconnect services for non-payment of dues.
- While the operator had shut services in six circles, services in other regions were hit due to financial problems.
- GTL Infrastructure had switched off nearly one-third of the total towers due to non-payment of dues.
- Aircel is also facing an unsustainable debt rises, owing to intense competition following the disruptive entry of a new player.
- This has caused significant negative business and reputational impact on the company.

What is the need for this move?

- As per RBI guidelines, the company invoked a Strategic Debt Restructuring (SDR) scheme in January 2018, but no agreement could be reached with the lenders on restructuring of debt and funding.
- Under the current circumstances, especially after RBI guidelines, the company believes resolution process under the Code is an appropriate recourse.
- To protect the interest of everyone (vendors, distributors, employees, etc.) and to preserve the value of the company and manage its operations it has taken this move.

What measures were taken by the company?

- The Telecom Regulatory Authority of India (TRAI) had directed Aircel to generate Unique Porting Codes (UPCs) in operational circles where a large number of its subscribers were facing difficulties in porting their mobile numbers.
- Seeking cooperation from all stakeholders, including the vendor fraternity and channel partners during the IBC process, Aircel continued services from suppliers and partners for the ongoing business.

- The company also plans to communicate to all customers that it would strive hard to provide uninterrupted service connectivity and appealed for their support during the current “difficult” period.

9.10 SC's Ruling on Foreign Law Firms

Why in news?

The Supreme Court has ruled that foreign law firms or foreign lawyers cannot practise law in the country.

What are the directives?

- **Practice** - Foreign law firms or foreign lawyers cannot practise law in the country either on the litigation or non-litigation side.
- This means overseas lawyers or firms -
 - i. cannot open offices in the country
 - ii. cannot appear in courts or before any authority
 - iii. cannot render other legal services, such as giving opinions or drafting documents
- **Temporary** - However, there is no bar on foreign law firms or foreign lawyers visiting India for a temporary period on a “fly in and fly out” basis.
- This could be for giving legal advice to their clients on foreign law or their own system of law and on international legal issues.
- The expression ‘fly in and fly out’ will only cover a casual visit not amounting to ‘practice’.
- The Court added that any dispute in this issue would be decided by the Bar Council of India.
- **International Commercial arbitration** - The SC also ruled on arbitration proceedings and disputes arising out of contracts relating to international commercial arbitration.
- Accordingly, the foreign law firms and lawyers also do not have an “absolute right” in this regard.
- However, they might not be debarred from conducting arbitration in India arising out of international commercial arbitration.
- But they would be governed by the code of conduct applicable to the legal profession in India.
- **BPO** - The court said Business Process Outsourcing (BPO) companies, providing a range of services, would not come under the Advocates Act.
- The services include word processing, secretarial support, transcription and proof reading services, travel desk support services, etc.

What is the need?

- It comes as an effort to keeping India’s legal market exclusively for Indians.
- The ruling settles a long-standing argument on whether foreign firms or attorneys should be allowed to enter the Indian legal market.
- **Lawyers' Concern** - Sections of the legal fraternity have been opposing the entry of foreign firms for nearly two decades.
- There were petitions seeking legal action against 30 foreign law firms that were “illegally practising” in the country.
- The Commerce Ministry, setting up earlier in 2005 a committee to consider opening up legal services, was opposed by bar associations.

- Lawyers were against the country succumbing to international pressure.
- Their main objection was that Indian law firms would not be able to compete with foreign firms.
- As, the latter had greater money power and may control the legal market.
- **Other Countries** - Indian advocates were not allowed to practise in the U.K., the U.S., Australia and other nations.
- They are allowed only on fulfilling onerous restrictions like qualifying tests, experience and work permit.
- It was thus argued that foreign lawyers should not be allowed to practise in India without reciprocity.
- **Non-litigious Practice** - Non-litigation market has seen an exponential increase after globalisation.
- The services include drafting of documents, preparation for litigation, etc.
- In particular, international commercial arbitration has taken off in a big way.
- The foreign law firms had argued that there was no bar on a company carrying on consultancy or support services.
- But the Bar Council of India contended that even non-litigious practice came under the term 'practice of law'.
- Thus even these could be done only by those enrolled under the Advocates Act in the country.

What are the implications?

- Successive governments were considering permitting foreign law firms to practise law in matters not involving litigation and on a reciprocal basis.
- In 2011, the Union Law Ministry held consultations with the Bar Council of India to consider amending the Advocates' Act for the purpose.
- However, the SC's ruling has included both litigation and non-litigation services in 'practice of law', laying down restrictions.
- The Centre may thus be not able to throw open the legal services sector to overseas players.
- Moreover, the court has recognised only limited access to foreign players in arbitration.
- It should be limited to matters governed by an international commercial arbitration agreement, and code of conduct applicable to the legal profession in India has to be followed.
- This could be a considerable hurdle in India's ambition to be a global arbitration hub.

10. INFRASTRUCTURE

10.1 Surveying Solar Energy Potential of Rooftops

Why in news?

Bengaluru sets out an aerial mission to collect data on the solar energy potential of its rooftops.

What is the mission on?

- Bengaluru sent helicopter which hovered over the rooftops of the city.
- The aim was to collect data on the solar energy potential of the city's rooftops.
- This is being executed by the Centre for Study of Science, Technology and Policy (CSTEP).
- It offers support to the Bangalore Electricity Supply Company (Bescom).

- The data will also be put in the public domain.

How does it work?

- It employs the 'web-based rooftop photovoltaic tool using aerial LIDAR (Light Detection and Ranging) project'.
- The helicopter has a camera that emits laser pulses.
- Reflections from the ground get captured, creating a rough 3D map.
- This raw data will be sent to the Defence Ministry for vetting.
- After this, the process of shadow analysis and creation of a model city map will begin.

What are the benefits?

- **Bescom** - The Bangalore Electricity Supply Company will be equipped with a map of the most lucrative rooftops to generate solar power.
- Bescom will move to achieve the 1 GW solar target for 2021-22.
- **Resource assessment** - It helps assess how much of the city's power needs can be met through rooftop solar installations.
- The survey helps determine usable rooftops, separating them from green spaces.
- It thus helps analyse the quality of the solar resource.
- **Investments** - With urbanisation, solar maps help electricity utilities come up with good business cases and investment vehicles.
- They can also give residents an opportunity to become partners in the effort.
- People can make money by consuming and/or selling the solar energy generated.
- **Solar Target** - Moreover, scaling up rooftop solar installations is essential to achieve the solar target of 100GW by 2022.
- It is aimed at creating 40GW of power capacity through rooftop solar panels alone by 2022.

What are the limitations?

- The industry is apprehensive that the favourable scope could diminish for the solar sector during the current year.
- Impact of factors such as imposition of safeguard duty and anti-dumping duty on imports should be evaluated.
- The levy of the goods and services tax on photovoltaic modules also needs an assessment.
- Major solar projects that connect to the grid often face the challenge of land acquisition and transmission connectivity.
- This has led to a delay in planned capacity coming on stream during 2017.
- Notably, nearly 3,600 MW did not get commissioned during the last quarter, out of a scheduled 5,100 MW.

10.2 Specific Relief (Amendments) Bill 2017

Why in news?

Union government has approved the Specific Relief (Amendments) Bill 2017.

What is Specific relief bill about?



- The Specific Relief (Amendment) Bill, 2017 was introduced in Lok Sabha by the Ministry of Law and Justice.
- The Bill seeks to amend the Specific Relief Act, 1963 and sets out the remedies available to parties whose contractual or civil rights have been violated.
- The Act sets out two main remedies to a party whose contract has not been performed
 1. The party may ask the court to compel performance of the contract (specific performance); or
 2. The party may seek monetary compensation instead of performance.
- Under the Bill, certain civil courts may be designated as Special Courts by the state government, in consultation with the Chief Justice of a High Court and these courts will deal with cases related to infrastructure projects.
- The Department of Economic Affairs is the nodal agency for specifying various categories of projects and infrastructure sub-sectors, which is provided as Schedule to the Bill.
- The Department may amend the Schedule relating to any such category or sub-sectors.

What is the need for the bill?

- The Specific Relief bill 1963 brought in enormous commercial activities in India including foreign direct investments, public private partnerships.
- But the act is not in tune with the rapid economic growth of the country.
- Government believes that with wider discretion of courts to grant specific performance and to make specific performance of contract will restricts economic growth.
- Thus the new bill proposes to enable courts to engage experts on specific issues and to secure their attendance.

What are the salient features of the bill?

- The Bill adds a new entity to the list of parties which includes a limited liability partnership (LLP) formed from the amalgamation of two existing LLPs, one of which may have entered into a contract before the amalgamation.
- The Act provides circumstances in which injunctions cannot be given, for example, to stop a party from filing a complaint in a criminal matter.
- The Bill additionally seeks to prevent courts from granting injunctions in contracts related to infrastructure projects, if such an injunction would hinder or delay the completion of the project.
- The court will determine the terms of payment of such expert and the payment will be borne by both the parties.

11. AGRICULTURE

11.1 Draft Agriculture Export Policy

Why in news?

A new Draft Agriculture Export Policy was released recently by the Ministry of Commerce and Industry.

What are the objectives?

- The 'National Agriculture Export Policy' is formulated in line with the vision to double the farmers' income by 2022.
- It is also towards the goal of increasing the share of agricultural exports from present about USD 30 billion to over USD 60 billion.
- Getting to one of the top 10 exporting countries of agricultural products is also one of the goals.

What are the concerns addressed?

- **Trade** - India is today a leading global producer of foodgrain, dairy and several horticultural crops.
- But it holds a minuscule 2.2% share in global agri-exports.
- It is stuck at the lowest rung of the value chain, and India's farm exports are highly reliant on a handful of commodities.
- These include marine products, meat, rice and plantation crops.
- **Shortfalls** - Exports even in these items are frequently interrupted by self-imposed and arbitrary trade curbs.
- State-level curbs on movement of produce add to already high costs from fragmented farms and poor logistics.
- High rejection rates on consignments due to poor quality, antibiotic and pesticide residues and other phytosanitary grounds are major concerns.
- **Farmers** - Bumper crops continued to trigger a meltdown in food prices.
- Policy interventions such as e-Nam and the repeal of the APMC Acts by States have made scant progress.
- **Policy** - Domestic price and production volatility of certain agricultural commodities lead to using the existing policy for short-term goals.
- These include taming inflation, providing price support to farmers and protecting the domestic industry.
- These decisions may serve the immediate purpose of maintaining domestic price equilibrium.
- However, they end up distorting India's image in international trade as a long term and reliable supplier.
- It is thus imperative to frame a stable and predictable policy.

What are the key recommendations?

- **Infrastructure** - The policy stresses on improving the infrastructure, and storage and exit point logistics.
- It suggested a comprehensive need-gap analysis of existing export oriented infrastructure across the value chain for this.
- **R&D** - The policy emphasised promoting R&D activities for new product development for the upcoming markets.
- Increased focus on R&D, new varieties and state of the art lab for effective accreditation and monitoring is called for.
- This will be part of the efforts towards establishing a strong quality regime.
- Besides, the policy stressed the need to ensure greater interaction between the various research organizations and industry bodies.
- **Exports** - The policy aims to boost high value and value added agricultural exports, focusing on perishables.
- Improving the institutional mechanism for tackling market access barriers is suggested as a measure.
- Dealing with sanitary and phytosanitary issues are also the priorities.
- Processed agricultural products and all kinds of organic products will not be brought under any kind of export restriction.
- **APMC** - Monopoly of the Agricultural Produce Market Committee (APMC) is a long existing concern.
- It prevents private players from setting up markets and investing in market infrastructure.

- APMC across states have not been able to achieve farmers' welfare envisaged in these acts.
- The policy hinted at continuing the efforts with state governments to remove perishables from their APMC Acts.
- It also suggested better coordination between central ministries that are now working at cross-purposes.
- **Mandi** - State governments would also be urged to standardize/ rationalize mandi taxes for largely exported agricultural products.
- Simplification or uniformity of mandi/agricultural fee across states will create a transparent supply chain.
- This will empower the farmers, providing wider access to markets and enabling free trade across the country.
- **Products** - It is proposed that the agricultural export policy must focus on promotion of value added, indigenous and tribal products.
- Development of organic export zones/organic Food park with an integrated approach is suggested to help promote shipments.
- **Agency** - Global bodies like US FDA and European Food Safety Authority are empowered to frame, regulate and implement policies related to both agricultural production and trade.
- The draft policy considered working towards bringing in similar agencies in India.
- **Besides** the policy made a case for promoting contract farming as it would help in attracting investments.
- Some of the other notable recommendations include:
 - i. promotion of region-specific clusters for lucrative crops
 - ii. coordinated branding efforts
 - iii. a shared database for exporters on market intelligence and export rejects
 - iv. quality assurance at the farm
 - v. wider adoption of land leases

11.2 Pink Bollworm Infestation in BT Cotton

What is the issue?

- India is the only BT cotton-growing country facing the problem of pink bollworm infestation.
- A look into the various factors that make it a problem unique for India and the consequences therein is essential.

What is the infestation concern?

- The pink bollworm infestation is plaguing cotton farmers.
- Monsanto is an American agro-tech company that released the BT cotton in India.
- Bollgard 2 or BG-2 is Monsanto's second generation insecticidal technology for cotton.
- BG has a single bacterial gene called CryA1C, and BG-2 has CryA1C and Cry2AB2.
- Both are designed to protect the crop against pink bollworm.
- But the pest has grown resistant to the toxins produced by this trait.
- BG began failing against the pest in 2009, and BG-2 began failing in 2014.



What is the significance?

- **Cost** - As a result of this, farmers now spend more on pesticides to control infestations.
- This, along with the high cost of BT seeds, is driving farmers to deprivation.
- **India** - Interestingly, none of the other 14 BT cotton-growing countries have seen this resistance.
- China still successfully controls pink bollworm with first-generation BT cotton.
- The U.S. and Australia are moving on to third-generation BG-3 without having faced this problem.

Why is it a problem unique for India?

- Hybrids are crosses between two crops that often see higher yields than their parents, in a genetic phenomenon called heterosis.
- All other BT cotton-growing countries mainly grow open-pollinated cotton varieties rather than hybrids.
- But India restricted itself to cultivating long-duration hybrids since the introduction of BT cotton in 2002.
- This is said to be the reason for the pink bollworm growing resistant to toxins in India.

What are the factors behind?

- **Agreement** - Monsanto licensed its BG and BG-2 traits to Indian seed companies.
- The agreement restricted the introduction of these traits to hybrids only.
- **Cropping pattern** - When Monsanto introduced BT cotton in India, the technology was so popular.
- Many cotton farmers shifted to it in large numbers.
- However, absence of open-pollinated BT option forced many farmers to shift en masse to hybrids.
- From 2002 to 2011, the area under cotton hybrids rose from 2% in north India and 40% elsewhere to 96% across the country.
- **Seed protection** - India is the only country whose intellectual property laws have never prevented its farmers from either saving or selling seeds.
- Other countries restrict saving and selling of seeds in various degrees.
- Some countries allow farmers to reuse seeds from a protected plant variety, but not to sell them.
- In the U.S., where plant varieties are patented, the patented seeds cannot even be reused.
- **Seed Companies** - Without seed protection mechanism, several seed companies in India prefer hybrids.
- This is because unlike open-pollinated varieties, hybrids lose their genetic stability when their seeds are replanted.
- This compels farmers to repurchase seeds each year and in a way protects corporate revenues.

What are the consequences?

- One adverse consequence is resulted from the cost of the hybrids.
- **Density** - Besides, hybrids are also bigger and bushier.
- This forces farmers to cultivate them at low densities of 11,000 to 16,000 crops per acre.
- This is suboptimal, as countries like the U.S. and Brazil plant cotton at 80,000 to 100,000 per acre.

- The low densities also drive Indian farmers to grow them longer so that they produce enough cotton.
- **Toxicity** - The introduction of the BT gene into only one parent of Indian hybrids, as is the practice, is itself a problem.
- The resulting hybrids are hemizygous, which means that they express only one copy of the BT gene.
- They thus produce cotton bolls that have some seeds toxic to the pink bollworm and some that are not.
- Unlike this, the homozygous seeds of open-pollinated varieties in the U.S., China or Australia have 100% toxic seeds.
- The problem is hemizygous hybrids allow pink bollworms to survive on toxin-free seeds when they are vulnerable newborns.
- But this is only a hypothesis, and experiments are needed to confirm this.

How does pink bollworm affect crops?

- When all the above factors combine with the pink bollworm's biology, it creates favourable conditions for resistance.
- The pest does its most damage in the latter half of the cotton-growing season.
- It does not consume any other crop that grows then.
- So, the long duration of Indian cotton crops, between 160 and 300 days, allows this pest to thrive and evolve resistance.
- Contradictorily, other cotton-growing countries strictly terminate the crop within 160 days, arresting resistance growth if any.

11.3 Government's Role in Contract Farming

What is the issue?

- Union government is taking efforts to ensure farmers that they get better prices for their produce.
- For achieving this goal emphasis is made on contract farming act.

What is contract farming?

- Contract farming refers to an agreement between farmers and marketing firms for the production and supply of agricultural products under forward agreements, frequently at predetermined prices.
- The contract between farmers and buyers insulates farmers from price risk, helps them develop new skills, and opens new markets.
- Under Monopsony contract firms enter into an agreement with farmers to grow differentiated crops.
- This turns the firm into a sole buyer and farmers into price-takers.

What are the concerns with Contract farming?

- Contracting firms can exploit monopsony situation to their advantage by offering lower prices to farmers.
- Contracting firms do not have complete information on productivity and land quality.
- This can lead to a situation where farmers produce below-quality crops.
- Farmers sometimes do not understand contract specifications like the quantity and quality to be produced, or the effect of price change.



- In some cases buyers may penalize farmers and farmers may indulge in side-selling or leak the technology provided by the contracting firm.

What were the measures taken by India in this regard?

- In India, contract farming is regulated under the Indian Contract Act, 1872.
- The Act has many general provisions that are relevant to contract farming, including the formation of contracts, obligations of parties, and consequences in case of breach of contract.
- In addition, the model APMC (agricultural produce market committee) Act, 2003 provides specific provisions for contract farming, like compulsory registration of contract farming sponsors and dispute settlement.
- The department of agriculture and farmers welfare has now come out with a draft model contract farming Act, 2018.
- It intends to establish a win-win framework for both farmers and sponsors. Instead, some of the clauses do the opposite.

What is the significance of contract farming Act 2018?

- The model contract farming Act proposes a state-level agency, the Contract Farming (Development and Facilitation) Authority, which would put contract farming outside the ambit of the APMC.
- The model Act requires the sponsor and the farmers to register the contracts with a registering and agreement recording committee.
- Registration imposes additional procedures and costs on the parties, and small and medium farmers cannot easily afford these costs.
- The Act also proposes price protection for farmers by determining a pre-agreed price.

11.4 Extension of Urea Subsidy

Why in news?

The government has approved a proposal to extend urea subsidy till 2020.

What are the measures?

- **Urea** - Urea is made available to farmers at a statutorily controlled price of Rs 5,360 per tonne.
- The difference between the delivered cost of the fertiliser at farm gate and maximum retail price is given as subsidy to manufacturers.
- The Cabinet Committee of Economic Affairs (CCEA) has recently cleared the proposal of the Department of Fertilizers.
- Accordingly, the urea subsidy has been extended for 3 years till 2020.
- Normally, the ministry of chemicals and fertilisers takes approval for the urea subsidy on an yearly basis.
- However, this time it has received clearance for 3 years.
- **DBT** - The CCEA has also approved implementation of direct benefit transfer (DBT) for disbursement of fertiliser subsidy
- DBT would entail 100% payment to fertiliser companies.
- Continuation of the urea subsidy will facilitate smooth implementation of DBT scheme in fertiliser sector.

How is fertiliser DBT different?

- The direct benefit transfer (DBT) for fertilisers differs from the one implemented for LPG subsidy.



- For fertilisers, payment would not be transferred to a farmer's bank account.
- It would instead go to manufacturers and importers on actual sales made by a retailer.
- Currently, the company is eligible for subsidy payment after submitting invoices prepared on the basis of receipts at the district-level warehouses.
- This typically takes 45-60 days.
- Under DBT, the retailer will record the transaction on a point of sale machine authenticated with biometric information of the farmer.
- The fertiliser maker will be entitled to get 100% subsidy in 7 days.
- The government is pushing all companies to set up retail centres.
- DBT would set right some of the challenges faced by both the industry and the government such as -
 - i. diversion of subsidised urea for industrial use
 - ii. delay in subsidy payments
 - iii. skewed usage of nutrients
 - iv. smuggling to neighbouring countries

What are the concerns with urea subsidy?

- Farmers tend to **use urea excessively** because of its low prices, made possible by the subsidy.
- This is ruinous for **soil health** and agriculture in the long-run.
- Moreover, a bulk of subsidised urea is cornered by a handful of **rich farmers**.
- Farmers with large land-holdings can show a **high urea demand**.
- This can become a route for both farmers and re-sellers to exploit the black market for urea.

11.5 Massive Farmer Rally in Mumbai

What is the issue?

- The "long march of the farmers" (protest) in Maharashtra has brought back the attention on the crisis that beholds the Indian agriculture.
- It is important to recognize that the issues raised aren't merely superficial and they question the very socio-economic framework of our society.

What were the broader contours of the protest?

- A series of long-standing demands like - Loan waivers increased MSP, wider diffusion of effective property rights, improvements in irrigation.
- The rally was a deeply emotional reminder of how much the farmer has become an invisible entity in our larger political mesh.
- While most farmer movements were pressure tactics against governments and is dominated by the landed and well off castes, the current is very different.
- This seems largely like a march of the most marginalised in dire desperation to liberate themselves from the fringes of the economic spectrum.
- Hence, it would be a mistake to see the current voices as mere screams that could be shunted with unsustainable populist handouts.



What are the nuances that need special attention?

- **MSP** - The farmers have asserted the need to reform the way “Minimum Support Price” (MSP) is fixed, which is a prudent economic demand.
- The demand is to assess the true estimate of costs, and commission a cost plus model to secure farmer earnings after months of hard labour.
- While farmers are thought to be pampered with waivers, this debate highlights how consumers have been subsidised in invisible ways by farmers for long.
- **Loans** - While loan waivers in a well-functional system won't be necessary, considering the extent of distress in the sector, it is in fact not all that bad.
- There is a moral hazard in disputing desperate financial waivers as this would mean dismissing distributive justice that forms the core of our democracy.
- **Irrigation** - Part of the crisis has been induced by failures of irrigation projects, which calls for a rethink on our approach in this regard.
- Additionally, with increased focus on - roads, ports, power capacity etc, irrigation network up gradation has taken a backseat.
- **Marketing** - Agriculture is not a business in the conventional sense and faces production and price risks and a great deal of market regulations.
- The interventionist role of the state in farming and random subsidisation policies are some serious issues that need streamlining.
- **Rural Neglect** - The urban bias of public policy, media's incapacity to capture and highlight rural distress work congruently to worsen farmer woes.
- Rural India also faces a double social disadvantage due to our failures in health and education sectors, which envelops farmers almost completely.

12. SCIENCE AND TECHNOLOGY

12.1 BrahMos Tested with an Indigenous Seeker

Why in news?

BrahMos missile was recently flight-tested successfully for the first time with an indigenous seeker.

What is the BrahMos missile?

- BrahMos is a supersonic cruise missile.
- It is a joint collaboration between India and Russia.
- The missile is capable of being launched from land, sea, sub-sea and air against surface and sea-based targets.
- Its range was initially capped at 290 km as per obligations of the Missile Technology Control Regime (MTCR).
- But since India's entry into the club, the range has been extended to 450 km, and the plan is to increase it to 600km.
- The Army and Navy have already inducted the missile.
- The air-launched version was test-fired for the first time last year from a modified Su-30MKI aircraft.

- The submarine-launch variants are still in their testing phase.
- BrahMos was flight tested with an **Indian-made seeker** for the first time, at Pokhran test range, Rajasthan.

What is the seeker technology?

- The seeker technology is a critical technology that determines the accuracy of a missile.
- So far, the seeker technology had come from Russia.
- The technology is a closely guarded secret.
- Mastering it is a significant milestone in missile technology and would reduce import dependence.
- The seeker was developed by Research Centre Imarat (RCI), Hyderabad, in collaboration with other DRDO labs.

What is the significance?

- The missile demonstrated its supreme operational capability with the new indigenous seeker.
- The development would be a further boost to the country's security.
- **Indigenous** - It was developed jointly by BrahMos Aerospace and DRDO; both companies have teamed up with the private sector.
- This is particularly with an aim to bolster in-house manufacturing capability of the missile and to propel indigenisation.
- **Export** - The test is a significant step in bolstering the export potential of the missile.
- With the successful test, several South-East Asian countries have evinced interest in purchasing the missile.
- **Geo-political** - Exports are significant especially since China has reportedly sold a high-tech missile tracking system to Pakistan.
- Both Pakistan and China are also developing Air Launched Cruise Missiles.
- The geopolitical situation is tense and recently peaked between Vietnam and Beijing.
- China threatened to attack Vietnamese posts in the South China Sea if its efforts to explore oil fields was not called off.
- Notably, Vietnam is one among many countries to have shown an interest in the BrahMos.

12.2 GSAT-6A Launch by GSLV Fo8

Why in news?

The GSLV Fo8 launched the GSAT 6A communication satellite into its orbit, from the Satish Dhawan Space Centre at Sriharikota.

What is GSAT-6A for?

- GSAT-6A, similar to its predecessor GSAT-6, is a high power **S-band communication satellite**.
- It has a mission life of around **10 years**.
- The satellite has a **six-metre wide antenna** that would unfurl once it is in space.
- The antenna, meant for **S-band communication**, is 3 times broader than those generally used in ISRO satellite.
- This feature facilitates mobile communication for the country through **handheld ground terminals**.



- The smaller antenna in other communication satellites requires larger ground stations.
- The GSAT-6A is intended to provide communication services through **multibeam coverage**.
- The satellite would also provide services to the Indian **Armed Forces**.
- The GSAT-6A was successfully placed in **GTO** (Geo-stationary Transfer Orbit).
- Soon after separation from GSLV, the two solar arrays of GSAT-6A were automatically deployed in quick succession.
- The **Master Control Facility** (MCF) at **Hassan** in Karnataka assumed control of the satellite.

What is the significance?

- **Launch** - The launch took ISRO a step towards realising its second Moon mission Chandrayaan 2 planned for October 2018.
- The launch was the 12th satellite launched on board the GSLV rocket.
- This is the fifth consecutive success for a GSLV equipped with an indigenously developed **Cryogenic Upper Stage engine**.
- **GSLV** - The GSLV Fo8 is an improved and a fully operational version of ISRO's heavy-lift GSLV Mk II rocket series.
- The GSLV, specifically the GSLV F10, is the designated rocket to fly India's second mission to the Moon, the Chandrayaan 2.
- In the absence of heavy-lift rocket technology, India has been relying on France for launching its communication satellites.
- **Vikas Engine** - Vikas engine powered the rocket's second stage.
- The performance of the vehicle is enhanced with an improved Vikas engine.
- The improved engine has increased the thrust by 6%, thereby enhancing payload capability of the vehicle by 50%.
- The second stage also had electromechanical actuation system replacing electrohydraulic actuation system.
- This is to enhance the reliability of the rocket.
- These improvements to the vehicle would be incorporated into GSLV's future missions, including Chandrayaan-2.

Satellite GSAT-6A
Launch vehicle GSLV-F08 (three stage rocket)
Orbit Geostationary
Weight of the satellite 2,140kg
Weight of rocket 415.6 tonnes
Life span 10 years

MISSION

- > Provide mobile **communication through hand-held ground terminals**
- > 6m diameter unfurlable antenna for **communication link for S-band**
- > 0.8m fixed antenna for **hub communication link in C band frequency**

Why is the cryogenic stage significant?

- The indigenous cryogenic stage on the GSLV is the third stage, and uses liquid hydrogen as fuel and liquid oxygen as oxidiser.
- **Challenge** - Cryogenic engine uses propellants at extremely **low temperatures**.
- The resultant and associated thermal and structural problems make cryogenic stage a very complex system.
- **Benefits** - Cryogenic engines provides more thrust for every kg of propellant it burns.



- It is a highly efficient rocket stage as the efficiency is better when compared to solid and earth-storable liquid propellant stages.
- Cryogenic engines also keep fuel loads relatively low.
- **GSLV** - Cryogenic engines provide unprecedented thrust to GSLV rockets in their final stages.
- Nearly 50% of the power for GSLV rockets as they push into space comes from the cryogenic stage.

How did the cryogenic technology evolve in India?

- India had first ventured on the path of obtaining cryogenic technology in 1992.
- It had a two-pronged strategy of purchasing cryogenic engines from Russia, and acquiring the technology from the US.
- But following the 1998 nuclear tests and the sanctions that followed, the US denied India cryogenic technology.
- ISRO used 7 cryogenic engines sold by Russia for the early phase of its GSLV programme that began in 2001.
- Parallely, India ventured into developing an indigenous technology.
- GSLV launches with Russian engines, including early operational flights, had mixed results, with only 2 flights going perfectly to plan.
- The first GSLV flight with an indigenous cryogenic upper stage failed on April 15, 2010.
- But India is now among 6 nations, along with the US, Russia, France, Japan and China, to possess cryogenic engine technology.

12.3 Preventing Asteroid Hit with HAMMER

Why in news?

US scientists have conceptualised the HAMMER to deal with asteroids heading for earth.

What is the need?

- Few years back, Stephen Hawking warned of one of the major threats to intelligent life in the universe.
- It is the high probability of an asteroid colliding with inhabited planets.
- If these bodies impact Earth, they can cause regional damage across a whole country or even a continent.
- In response, scientists are looking at possible ways to ward off the threat, if and when it comes.
- The chance of an impact appears slim now, but the consequences would be dire.
- The studies thus aim to help shorten the response timeline when the threat is evident, so as to have more options to deflect it.

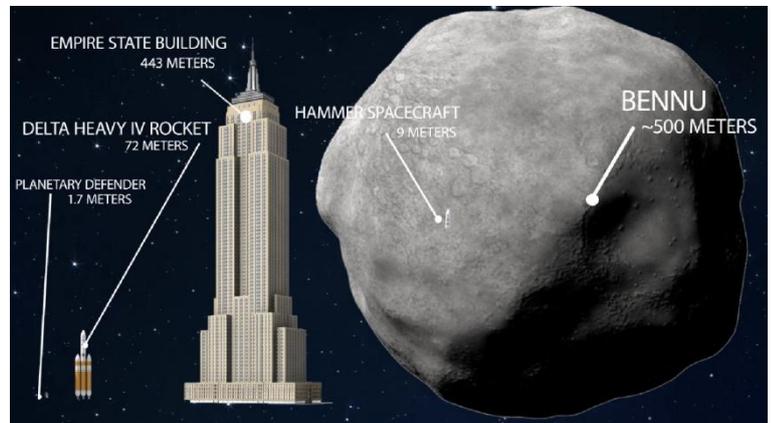
What are the possible ways of dealing with it?

- Scientists are looking at two possible ways to ward off the threat.
- One is to "nudge" the asteroid off its Earthbound course.
- The idea is to give a small push that is needed to change the asteroid's course and save the planet.
- The second one is the nuclear option.
- The idea is to blow the asteroid into pieces, most of which will miss the Earth or burn up in the atmosphere.

- Two new studies have sought to assess the practicability of the two approaches and choosing the better between the two.

What is the HAMMER?

- **Mission** - HAMMER is the short for Hypervelocity Asteroid Mitigation Mission for Emergency Response vehicle.
- HAMMER is a spacecraft designed to serve as either a kinetic impactor or as a transport vehicle for a nuclear device.
- It can deflect an asteroid by nudging i.e. a device (a battering ram) is used to apply force to cause deflection.
- The US team evaluated how effective HAMMER would be in nudging away the asteroid Bennu.



- **Bennu** - Bennu is a 500 m wide and 79 billion kg asteroid.
- It has a 1-in-2,700 chance of striking the Earth on September 25, 2135.
- If it does, the energy released would be equivalent to 1,200 megatonnes or 80,000 times the energy of the Hiroshima bomb.
- **Launches** - Delta IV Heavy rocket is the world's second highest-capacity launch vehicle.
- If launched from the Delta IV Heavy rocket 10 years before the impact, HAMMER would take between 34 and 53 launches of the rocket.
- Each of the launches would carry a single HAMMER impactor, to make a Bennu-class asteroid miss Earth.
- If launched 25 years in advance, it would still need 7 to 11 launches.
- The spacecraft, on the other hand, can carry a nuclear device to the object, to cause detonation to deflect the object.

Why is the nuclear option more viable?

- Nudging an asteroid is the preferred option, because blasting it entails the risk of fragments crashing into Earth.
- If the object were smaller (say 100 m) or the time to impact were greater (say 100 years), a kinetic impactor may provide a better result.
- But using a single HAMMER spacecraft as a battering ram would prove inadequate for deflecting an object like Bennu.
- The spacecraft capabilities make the nuclear option more viable against a large asteroid within a limited response time.
- The nuclear option is also the only viable option for launches 10-25 years before impact.

What is the Russian research on this?

- Russian scientists, have made toy asteroids, and blasted them with a laser pulse.
- They then estimated the size of the nuclear explosion that would be required to blow up an actual asteroid.



- Notably, to eliminate a rocky asteroid 200 m wide, the bomb needs to deliver the energy equivalent of 3 megatonnes of TNT (trinitrotoluene, an explosive chemical compound).
- This is 200 times the TNT equivalent of Little Boy (15 kilotonnes), the atomic bomb that exploded in Hiroshima in 1945.

13. ENVIRONMENT

13.1 Environmental Clearance for Neutrino Observatory

What is the issue?

- India-based Neutrino Observatory (INO) is proposed to be established in the Tamil Nadu section of the Western Ghats for furthering research.
- As the site is being mapped in an eco-sensitive, environmental clearances and other compliances are to be strictly adhered to.

What is the INO project?

- India-based Neutrino Observatory (INO) is a particle physics research project to primarily study the elusive sub-atomic particles called neutrinos.
- A neutrino (ν) interacts only via weak short range subatomic forces and gravity, which makes it very hard to detect it.
- Neutrinos typically pass through normal matter unimpeded and undetected, and its rest mass is almost zero (1 millionth of an electron).
- Its detection needs high-end instruments and an environment that is effectively shielded from other radiant interference.
- Hence, a cavern is being carved out at the depth of 1,300 meters (4,300 ft) below the Western Ghats stretch near Theni for establishing the research site.
- The site will underlie more than 1000 meters of overhead rock that will effectively shield it from natural cosmic radiation from outside.
- The observatory is said to symbolise India's quest for research in particle physics and demonstrate intent to nurture centres of excellence.

Has environmental clearance been secured?

- The project has become controversial as the proposed site lies close to the Mathikettan Shola National Park, which is a biodiversity hotspot.
- About a year ago, the National Green Tribunal (NGT) had suspended the environmental clearance granted to the INO.
- But recently, the NGT verdict on the Rs. 1500 crore project was overturned and has been cleared by the Union Environment Ministry as a special case.
- The approval is only conditional and it needs the consent of the Tamil Nadu Pollution Control Board and the National Board for Wildlife.
- The Expert Committee had laid down 17 conditions for granting approval, but the clearance process was shabby and needs to be bettered.

What are the problems with the environmental clearance?

- The approval was done under category B of the Schedule to the "Environmental Impact Assessment" (EIA) Notification, 2006.



- But it should have been ideally been treated as category A as the project lies just 4.9 km from an eco-sensitive national park.
- Additionally, EIA was done by the Salim Ali Centre for Ornithology and Natural History, which is an “unaccredited agency”.
- While the project is indeed important, treating it as a special case to bypass the environmental clearance protocol sets a wrong precedent.

13.2 Draft National Forest Policy - 2018

What is the issue?

- Ministry of Environment, Forests and Climate Change has recently released the “Draft National Forest Policy, 2018” for public comments.
- This is a positive as a new forest policy that is in tune with the changed realities was long overdue.

How has India’s forest policy evolved?

- Currently, the “National Forest Policy of 1988” is the primary document that drives India’s forest outlook.
- This dates back to the times when climate change was a fuzzy concept, and even before economic liberalisation was undertaken.
- While Forest Rights Act was passed in 2006, a comprehensive new forest policy that covers the new evolving concerns was needed.
- Hence, the present draft on climate change concerns has factored in climate change concerns and management plans forest and wildlife.
- It also talks of “safeguarding the livelihood of forest dependent people” and envisions raising the country’s forest cover from 25% to 30% of its land area.

What are the concerns with the draft forest policy?

- It persists with the methodological weakness of the “Indian Forest Survey Reports” of the past 30 years that conflate plantations with forest cover.
- It talks about improving the productivity of forest plantations by the intensive scientific management of commercially important species.
- While it does mention native plants like bamboo, it also stresses the need for plantations of exotics like eucalyptus and casuarina.
- These provisions seems to disregard the compelling evidence that plantations are no substitute for natural ecosystems that with good biodiversity.
- Ecologists vouch that nurturing natural ecosystems comprising of indigenous species are key for ecological sustainability and for climate change mitigation.
- Also, a 2015 study in Nature had cautioned against “promoting intensive forestry for maximum timber yield under the flag of climate change”.

How effective are forests in addressing climate change?

- While the exotic vs. indigenous species debate is raging, some researchers claim that mere regeneration of forests isn’t enough to check global warming.
- The efficiency of the “carbon cycle in forests” (which varies from forest to forest), is said to be a key factor for climate change mitigation.

- India has largely lacked nuanced studies to map forests and their carbon cycle potential and the draft policy doesn't offer a roadmap to address these.
- Such concerns need to be addressed while finalising the new forest policy.

13.3 World Water Development Report

Why in news?

- The United Nations World Water Development Report (WWDR) was released ahead of World Water Day (March 22).

What is the report on?

- The WWDR is an annual and thematic report that focuses on different strategic water issues each year.
- It aims to provide decision-makers with the tools to implement sustainable use of our water resources.
- The development of the WWDR is coordinated by the *World Water Assessment Programme (WWAP)*.
- The report is a joint effort of the UN agencies and entities which make up UN-Water.
- The latest report was released at the 8th *World Water Forum* in Brasilia, hosted by Brazil.

What are the highlights?

- **Water** - Global demand for water has increased six-fold over the past 100 years and continues to grow at the rate of 1% each year.
- Demand for water is projected to rise faster in developing countries.
- The report highlights that more than 5 billion people could suffer water shortages by 2050.
- This could be due to the effects of climate change, increased demand and polluted water supplies.
- Climate change will put an added stress on supplies because it will make wet regions wetter and dry regions drier.
- **Drought** - It is arguably the greatest single threat from climate change.
- Drought and soil degradation, the biggest risks of natural disaster, are likely to worsen.
- **Water quality** - Pollution has worsened the water bodies and water is expected to deteriorate further in the coming two decades.
- This would be mainly due to agriculture runoffs of fertiliser and other agrochemicals.
- They load freshwater supplies with nutrients that lead to the growth of pathogens and choking algae blooms.
- Industry and cities are also a significant problem.
- About 80% of industrial and municipal wastewater is discharged without treatment.
- **Threat** - Water scarcity can lead to civil unrest, mass migration and even to conflict within and between countries.
- The report thus warns of conflict and civilisational threats unless actions are taken.

What is the concern with the present approach?

- For too long, the world has turned first to human-built, or 'grey', infrastructure to improve water management.



- In doing so, it has often brushed aside traditional and indigenous knowledge that embraces greener approaches.
- But accelerated consumption, multi-faceted impacts of climate change and increasing environmental degradation is the reality now.
- All these call for new ways of managing the competing demands on freshwater resources.

What are the suggestions?

- **Water** - Reducing the stress on rivers, lakes, aquifers, wetlands and reservoirs is important.
- Water shortage cannot be offset by groundwater supplies, a third of which are already in distress.
- Nor is the construction of more dams and reservoirs likely to be a solution.
- The report emphasises a shift away from watershed management.
- It calls for a wider geographic approach that takes in land use in distant areas, particularly forests.
- Although farmers have long seen trees as a drain on water supplies, the vegetation helps to recycle and distribute water.
- Evidently, the São Paulo (Brazil) drought of 2014-15 has been linked to Amazon deforestation.
- The key for change, even for the water problem, will be agriculture.
- **Agriculture** - This is the biggest source of both water consumption and pollution.
- The report thus emphasises the importance of **nature-based solutions**.
- Nature-based solutions can be personal – such as dry toilets – or broad landscape-level shifts in agricultural practices.
- In agricultural practices, it is essentially an approach to rely more on soil and trees than steel and concrete.
- It calls for shift to “conservation agriculture”.
- This would make greater use of rainwater rather than irrigation, and regularise crop rotation to maintain soil cover.
- This is crucial to reverse erosion and degradation, which currently affects a third of the planet’s land.
- The suggestions imply that the potential savings of such practices exceed the projected increase in global demand for water.
- This would ease the dangers of conflict and provide better livelihoods for family farmers and poverty reduction.

13.4 Sardar Sarovar and Gujarat’s Water Crisis

What is the issue?

- The current water crisis in Gujarat has been exacerbated by irrational and wasteful water use policies.
- The famous Sardar Sarovar Reservoir on Narmada has also come under severe water strain, along with its other troubles.

What is the water situation in Gujarat?

- **Drought Situation** - Gujarat is experiencing a severe water crisis and many dams and reservoirs across the state are also drying up.



- Central Water Commission (CWC) Data shows that all 27 major reservoirs in Gujarat and Maharashtra have recorded lower water levels than last year.
- Additionally, it has also been found to be less than the average storage of last 10 years during the corresponding months.
- **Sardar Sarovar Dam**- This helps to irrigate 1.8 million hectares, and benefit 1 million farmers through a canal network that runs 75,000 km.
- With the onset of summer, water level at the Dam has dipped below the minimum drawdown level of 110.64 m, which is 25 meters less than in Sep 2017.
- Stretches of the canal network are now lying parched, and Gujarat farmers have been denied access to Narmada waters for agricultural purposes.
- More strikingly, security personnel have been deployed along the main canals of the Dam to ensure that farmers do not illegally draw water.

What are the reasons for the current situation?

- **Deficient rainfall** - A substantial area of the Sardar Sarovar Dam's (SSD) and catchment area lies in Madhya Pradesh, which had a rainfall deficit.
- Rainfall shortages in these areas affect the SSD storage as well as most of Narmada's drainage edifice in downstream Gujarat.
- But Gujarat government has asserted that the allocation to the state is based on the total water availability in Narmada basin and not just the SSD.
- Hence, it has been vouched that storage across reservoirs in Madhya Pradesh can rescue Gujarat from dire water strain.
- **Irrational use** - Data show MP and Gujarat experienced deficit rainfall from August to November but no corrective water management plan was pushed.
- The state seems to have drawn much water during Kharif, when it should have saved it for Rabi crop and the expected harsh summer.
- Also, water for riverfront and other ceremonial occasions like the water flight could've been avoided as the monsoon failure was clear.
- Significantly, officials have denied water release to the Sabarmati River front from Sardar Sarovar Dam (SSD) as some MLAs had asserted.
- But water is released for Sabarmati River to cater to domestic, drinking water and industrial requirements of Ahmadabad city, through Vasna barrage.
- **Unwarranted releases** - The timing of the release of water by upstream dams on the Narmada in Madhya Pradesh has come under criticism.
- Notably, an unusual amount of water was released upstream of Sardar Sarovar (SSD) last September, prior to the inauguration of the SSD by PM Modi.
- Official records show that the high water level was achieved on the inauguration day due to an unexplained release by the MP government.
- This proved non-optimal and water levels in the reservoir increased till it reached its highest point in late-September, and then began to dip.

What are the other troubles with Sardar Sarovar Project?

- "Narmada Water Disputes Tribunal" provides for sharing electricity generated from SSD among MP (57%), Maharashtra (27%), and Gujarat (16%).

- But there has been no power generation from the unit since June 2017 and Madhya Pradesh and Maharashtra haven't questioned this.
- While Gujarat government usually supplies water for irrigation till June, it has now been stated there will be no Narmada water for irrigation till Monsoon.
- The SSD authorities have also added that the government is not obligated to release water for the summer crop.
- There have also been some doubts raised on the structure of the dam as multiple seepages have been noted, which officials are said to be working on.

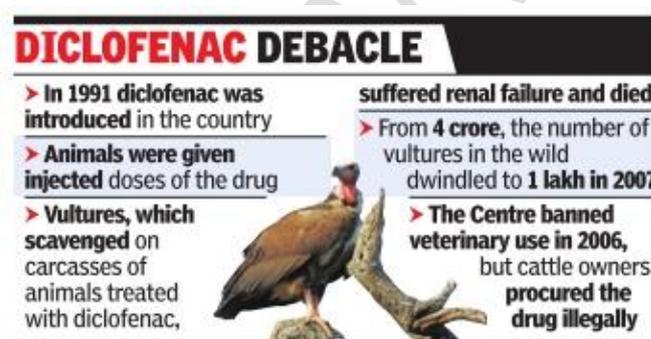
13.5 Diclofenac Threat to Vultures

Why in news?

The 104 birds bred at Rani, Assam face a serious threat by Diclofenac drug used in cattle.

How is vulture population in India?

- India hosts 9 vulture species, 5 of them the highly endangered Gyps species.
- Assam is naturally a suitable habitat for vultures.
- It is home to 6 species, including winter visitors from the Himalayas — the Himalayan and Eurasian griffons.
- The Vulture Conservation Breeding Centre (VCBC) in Assam at Rani, Guwahati has 104 vultures, brought in as chicks.
- It has 30 adults and sub-adults: all oriental white-backed and slender-billed.
- These are 2 of the 6 species found in Assam that are old enough to be set free.
- The vulture population in Assam is presently battling toxic chemicals in livestock carcasses, due to Diclofenac use.



How does diclofenac affect vultures?

- Diclofenac is a painkiller, usually injected to cattle.
- The digestive system of vultures is so evolved.
- This makes it possible to tolerate bacteria and natural toxins in putrefying meat.
- But they are vulnerable to chemicals such as diclofenac.
- Diclofenac present in the carcasses of cattle, injected as a painkiller, finds way into the vulture.

What are the challenges in eradication?

- **Diclofenac** - Diclofenac for veterinary use was banned in 2005 but it was continued to be made for humans.
- BNHS pressured the government into banning the vials (containers) of 30 ml or more in 2015.
- Humans need 3-5 ml while only 30 ml or more works for cows.
- But untrained veterinarians use the 30 ml vials for veterinary use, with fatal consequences for vultures.
- The last of the 2015 stocks of the big vials expire by December 2018.



- This is thus delaying the freedom (release) for adult vultures being reared in captivity in the State.
- **Pesticides** - Even after the expiry of diclofenac stocks, there is no guarantee that the birds will be safe.
- The rampant use of pesticides by farmers and more than 70,000 tea gardens is another concern.
- Villagers generally poison carcass of dead animals with pesticides to kill dogs, jackals and leopards that are a danger to livestock.
- Unfortunately, vultures that feed on these carcasses become the unintended victims.
- Recently, around 30 vultures, most of them Himalayan griffons, died in Assam, after feeding on the poisoned carcass of a goat.
- **Life cycle** - Vultures take time to mature, pair for life, breed once a year, and live up to 70 years.
- This extended cycle make captive breeding efforts challenging.

What are the efforts to address this?

- The VCBC takes various efforts to save the birds by reducing their exposure to the fatal drug.
- Mutton is the only food given at the VCBC and goats are kept for 10-12 days before the feeding.
- This is to ensure that traces of any toxic painkiller or other chemicals are flushed out.

14. INTERNAL SECURITY

14.1 Assessing Navy's Potentials

What is the issue?

The evolving geopolitical scenario demands an assessment of India's strengths and weaknesses in the sea to take appropriate measures.

What are the recent developments?

- India's security interests are becoming increasingly **focused on the sea**.
- In the context of possible adversaries, the Indian Navy is **prepared to respond** immediately to any misadventures by Pakistan.
- This includes incidents of the type that took place in the 2008 terrorist attack in Mumbai through the coastal route.
- The meeting with ASEAN leaders and the recent one with French president, all had **maritime security** highest on the agenda.
- **Indian Ocean Region (IOR)** taking centre-stage in these, reflects its increasing importance in the global arena.
- The activities of **Chinese** naval units in the Indian Ocean Region (IOR) are closely watched by the Navy.
- In the **South China Sea (SCS)**, due to proximity and numbers, the Chinese are obviously better placed.
- The Indian Navy had increased its deployments in the **Indo-Pacific**.

What are the strengths?

- China's ventures into the IOR are well known.
- Nevertheless, India's ability to **locate and track its ships** and submarines in these waters is also quite substantial.

- The dozens of **airfields** on the two coasts and in southern India facilitates largest **surveillance** and **attack aircraft operation**.
- Added to this are the airfields in the Andaman and Nicobar Islands and reconnaissance satellites.
- These together can allow India to keep the **northern Indian Ocean** under watch.
- Besides, **interfaces** with countries like Oman, Seychelles and France further extend this reach.
- Our ability to deal with Chinese energy lifelines is not something that can be ignored.
- Both operationally and logistically, the Chinese will be hard put to match India in the IOR.
- But, investment in the navy largely decides the worth of these several advantages.

What are the challenges and weaknesses?

- **Budget allocations** - There is an increasing interface with the US, Japan and Australia and enhancement of security interests.
- But these are not reflected in defence budget allocations.
- For the military to modernise in keeping with the challenges faced, resources are needed.
- The defence budget falls well short of what is needed.
- **Strategy** - Budget allocations are weak because of the inability to crystallise a holistic national security strategy.
- A strategy to identify what our interests are and how they can be best safeguarded or enhanced has to be devised.
- **Pakistan** - At sea, India is superior over the Pakistan.
- But, vigilance along the long coastline is important.
- **Submarines** - The Navy is ahead of the other two services in Make in India.
- But the submarine scenario is worrying with poor availability.
- The first Scorpene submarine built at Mazagon Docks is delivered after a delay of several years.
- However, the total number of submarines stands at just over a dozen; but all are more than 20 years old.
- Some have undergone modernisation but that does not equip them for current needs.
- **Delays** - The plan to continue beyond the Scorpenes and the urgently needed replacements for multi-role helicopters continue to languish.
- The decision-making process is slow and no improvement has been visible in the past four years.

14.2 Influencing Voter's Choice - Facebook

What is the issue?

- The Cambridge Analytica involved in data breach controversy used users' details obtained from Facebook.
- It was allegedly used to influence voter's preferences in the American Presidential election.

How are user preferences observed?

- Individual interacting with Facebook over a period of time are observed.

- The platform gathers enough information about the likes and dislikes of the person.
- It becomes aware of the kinds of people the individual follows and the types of news sources that s/he prefers.
- The range of actions and reactions from the user, for the posts from these sources, is also observed.
- All these data, when combined, help in putting together a picture of the user's political affiliation and inclinations.

How users are generally targeted?

- Facebook has an advertisement preferences page.
- It helps the platform to serve up advertisements according to user preferences.
- Based on an individual's likes and dislikes, it lists topics, people and interests, which it thinks are good enough to push ads to the user.
- With the availability of advertisements of all kinds, Facebook allows a good degree of targeting.
- Usually, the targeting is based on age, location and interests.

What did Cambridge Analytica do?

- Cambridge Analytica did not gather data from Facebook through advertisement preferences.
- The firm allegedly took the help of a psychology professor at Cambridge University.
- The professor designed an application, 'thisisyourdigitallife', to gather information about users.
- This third party app used Facebook's login API (application programming interface).
- This allows people to use their Facebook profile instead of creating a new account.
- This is allowed under Facebook's rules and guidelines.
- However, the professor then shared the data with Cambridge Analytica, which is against the norms.
- The app was projected to be for a personality quiz.
- The questions were framed in a manner so as to draw out details about the quiz-taker's political leanings and related aspects.
- The acquired data would then provide raw material for a detailed profile of the potential voter.

How were voters influenced?

- With the kind of data Cambridge Analytica had, it allegedly influenced voters in many American states.
- It specifically targeted those who had not made up their minds, and had a high probability of moving.
- E.g. people dissatisfied with economic slowdown and resultant unemployment were targeted with the pro-Trump campaign.
- A certain line of narrative to these voters over a period of time may have helped them in making their choices.

PRELIM BITS

HISTORY

Hazrat Amir Hasan Dehlvi

- Amir Hasan Sijzi or Hazrat Amir Hasan Dehlvi is a sufi saint and also one of the two famous disciples ,the other being Amir Khusro, of Hazrat Nizamuddin Auliya.
- Amir Sijzi was born in Badaun in Uttar Pradesh in 1254 and died in Daulatabad in 1337.
- Amir Sijzi in his famous literary discourse titled Fawa'id-al-Fu'ad, wrote about the teachings of Hazrat Nizamuddin Auliya.
- The book deals with the day-to-day interactions, reactions and teachings of a Sufi Shaikh in his khanqah.
- This book is an important historical, social and literary document as it records contemporary life and society.
- Amir Sijzi became Auliya's disciple quite late in life, when he was already an established poet and called the Saadi-e-Hind
- It is believed that the original copy of the Fawa'id-al-Fu'ad is buried with Amir Hasan Sijzi as per his will.

ART AND CULTURE

Qal'at al-Bahrain

- The Qal'at al-Bahrain is an ancient harbor and Capital of Dilmun heritage site in Bahrain, near its capital city of Manama.
- It comprises four main elements - an archaeological tell, a sea tower near the tell, a sea channel near the sea tower and palm groves.
- A typical tell is an artificial mound created by many successive layers of human occupation.
- It is believed to have been occupied for over 4,000 years and is considered the capital of the Dilmun civilization.
- Dilmun (Telmun) was a civilization located in the eastern part of the Arabian Peninsula which was contemporary to Indus and Mesopotamian civilization.
- The site was declared a UNESCO World Heritage Site in 2005.
- Excavation was carried out in this region that found a fortification wall around the tell.
- Other artifacts found during the process were barbar pottery, relics of copper and ivory, pots and vessels, fishing tools and a socketed spearhead.



Performing arts -Dance

- At the 32nd Konark dance and music festival, various dance forms were performed that celebrated the heritage, history and arts.
- Some of the performances are as discussed below,
 1. **Mahari** is a dance form that is performed as a special service to Lord Jagannath, Odisha by the devdasis (temple dancers)called mahari for centuries. It spurred the development of Odissi and Gotipua dance forms of Odisha.
 2. **Gotipua** (Goti – Single; Pua – Boy) dance has been performed in Orissa by young boys who dress up as female to praise Lord Jagannath and Lord Krishna.
 3. **Kathak** is one of the classical dance forms and only one belonging to northern part of the country. It is about story telling from episodes in myths and puranas.
 4. **Odissi** is a highly stylized dance and to some extent is based on the classical Natya Shastra and the Abhinaya Darpana.Odisha is the home of Odissi.



5. **Mangaiyar** is a Muslim community who perform folk music with their traditional instrument is kamaicha. They are found in the Sindh, Pakistan and Rajasthan, India regions.

Kuthiyottam ritual

- The Kerala State Commission for the Protection of Child Rights registered a suo motu case in connection with the Kuthiyottam ritual.
- The Kuthiyottam ritual is usually performed every year during the Pongala festival at the Attukal Bhagavathy Temple in Thiruvananthapuram, Kerala.
- The Attukal Pongala festival is the largest congregation of women for a festival in the world.
- Pongala, which means 'to boil over', is a ritual in which women prepare a pudding made from rice, jaggery, coconut and plantains cooked together, and offer it to the goddess.
- Young boys undertake a seven-day penance before Pongala day by being within the temple, sleeping on the floor, observing strict diet restrictions and bathing three times a day.
- The ritual also reportedly involves piercing the child's side with a small hook and knotting a thread through it to symbolize their bond with the Goddess.

National Mission for Manuscript

- National Mission for Manuscripts (NMM) is engaged in documentation of Indian manuscripts.
- The National Mission for Manuscripts was established in February 2003, by the Ministry of Tourism and Culture, Government of India.
- The Mission has the mandate of identifying, documenting, conserving and making accessible the manuscript heritage of India.
- India possesses an estimate of ten million manuscripts, probably the largest collection in the world, which covers a variety of themes, textures and aesthetics, scripts, languages, calligraphies, illuminations and illustrations.
- NMM is working towards fulfilling its motto, 'conserving the past for the future'.
- A manuscript is a handwritten composition on paper, bark, cloth, metal, palm leaf or any other material dating back at least seventy-five years that has significant scientific, historical or aesthetic value.

GEOGRAPHY

Blizzards

- Blizzards across Europe killed around 50 people and halted the transport network affecting the normal life of the people.
- It is a **local cold wind** mostly experienced in the North eastern part of the North American Region.
- Blizzard is a severe storm condition characterized by low temperatures, heavy snow and strong winds.
- Europe is now experiencing blizzards as the plume of cold air from Russia has swept the continent leading temperatures to drop to -20 degrees.

SOCIAL JUSTICE

Falling Sex Ratio

- A recent report from the NITI Aayog said sex ratio at birth (SRB) nationwide had dropped from 906 in 2012-2014 to 900 in 2013-2015.
- The SRB is the number of girls born for every 1,000 boys.

- In all, 17 of 21 large Indian States saw a drop in the SRB, with Gujarat performing the worst, declining 53 points.
- A consistent lowering of the SRB is observed since the 1970s.
- In natural circumstances, the SRB should be around 952 girls for every 1,000 boys.
- However India's SRB is far lower than 952 because of the preference for the male child.
- As on today, around 63 million girls are estimated to be 'missing' in India because of such actions.

Decline in Child labour

- As per 2011 Census, the number of main workers in the age group of 5-14 years in the country is 43.53 lakh which shows a decline from 57.79 lakh as per 2001 Census.
- After strengthening the legislative framework through amendment in Child Labour Act, Government has framed the Child Labour (Prohibition & Regulation) Amendment Rules, 2017 which ensures effective enforcement of the provisions of the Act.
- To provide an enforcement mechanism an online portal PENCIL (Platform for Effective Enforcement of No Child Labour) has been launched by the Ministry of Labour & Employment.
- Government is also implementing the National Child Labour Project (NCLP) Scheme for rehabilitation of child labour.
- Government is also running various awareness generation campaigns for eradication of child labour under the Scheme.

GOVERNMENT INITIATIVES

First Mega Food Park in Maharashtra

- The first Mega Food Park in the state of Maharashtra at Village Degaon, District Satara was inaugurated by Minister of Food Processing Industries.
- Satara Mega Food Park is the 12th operationalised food park in the country.
- Mega Food Parks create modern infrastructure facilities for food processing along the value chain from farm to market with strong forward and backward linkages through a cluster based approach.
- To give a major boost to the food processing sector by adding value and reducing food wastage at each stage of the supply chain with particular focus on perishables is the main aim of the food park.
- The Park will also provide direct and indirect employment to 5,000 persons and benefit about 25,000 farmers.
- Mega Food Park is one of the schemes implemented under the Pradhan Mantri SAMPADA Yojana.

Ama Gaon, Ama Vikas program

- The Odisha government has launched Ama Gaon, Ama Vikas (Our Village, our development) to reach out to the people in rural areas and involve themselves in the developmental activities.
- Mobile video vans for 'Ama Gaon Ama Vikas' program will move across the State to highlight various welfare schemes at villages in the state.
- Through these Wi-Fi enabled latest technology video wall vans, people can directly send their grievances to the Chief Minister's Office at the Secretariat in Bhubaneswar.

GOVERNMENT SCHEMES

Swajal Yojana

- Union Minister of Drinking Water and Sanitation launched the Swajal pilot project at Rajasthan recently.

- Swajal is a community owned drinking water programme for sustained drinking water supply.
- The project ensures the availability of clean drinking water to every household round the year and also generates employment.
- Under the scheme, 90% of the project cost will be taken care by the Government and the remaining 10% of the project cost will be contributed by the community.
- The Operations and management of the project will be take care by the local villagers.

'Eco-Circuits Projects' – Swadesh darshan Scheme

- Tourism Ministry has sanctioned Rs. 460.74 Crore for Five Ongoing 'Eco Circuit' Projects.
- Eco Circuit is one of the thematic circuits identified for development under Swadesh Darshan Scheme- Integrated development of theme- based tourist circuits in the country.
- The five eco circuit projects are in the states of Utrakhand, Mizoram, Kerala, Telegana and Madhya Pradesh.
- The completion of the projects sanctioned under the scheme would result in increased tourist inflow thereby creating employment opportunities for the local community.
- The Swadesh Darshan Scheme (Central Sector Scheme) was launched by Ministry of Tourism (MoT) – for integrated development of theme based tourist circuits in the country.

SWADESH DHARSHAN	PRASAD SCHEME
Swadesh dharshan is a theme based tourist circuit's development scheme.	The scheme is a National Mission on Pilgrimage Rejuvenation and Spiritual Augmentation Drive (PRASAD)
Under the Swadesh Darshan scheme, the following thematic circuits have been identified, for development namely: North-East India Circuit, Buddhist Circuit, Himalayan Circuit, Coastal Circuit, Krishna Circuit, Desert Circuit, Tirtankar circuit, Tribal Circuit, Eco Circuit, Wildlife Circuit, Rural Circuit, Spiritual Circuit, Sufi circuit, Ramayana Circuit and Heritage Circuit.	Under the PRASAD scheme thirteen sites have been identified for development, namely: Amritsar, Ajmer, Dwaraka, Mathura, Varanasi, Gaya, Puri, Amaravati, Kanchipuram, Vellankanni, Kedarnath, Kamakhya and Patna.
In the 'Spiritual Circuit' identified under the Swadesh Darshan scheme; the thrust is on development of particular thematic circuit consisting of various religious/spiritual destinations in a State and Union Territory.	Under the 'PRASAD' scheme the focus is on development and beautification of the identified pilgrimage destinations

NATIONAL INSTITUTES IN NEWS

National Agricultural Cooperative Marketing Federation of India (NAFED)

- The Cabinet Committee on Economic Affairs has doubled the credit limit of agri cooperative NAFED to undertake procurement of pulses and oilseeds.
- NAFED is registered under the Multi State Co-operative Societies Act and was established in 1958.
- NAFED was set up with the object to promote co-operative marketing of agricultural produce to benefit farmers.



- Agricultural farmers are the main members of NAFED, who have the authority to say in the form of members of the General Body in the working of NAFED.
- The objectives of the NAFED shall be
 1. To organize, promote and develop marketing, processing and storage of agricultural, horticultural and forest produce.
 2. To distribute agricultural machinery, implements and other inputs.
 3. To undertake inter-state, import and export trade, wholesale or retail.
 4. To act and assist for technical advice in agricultural production.

India Council for Cultural Relations (ICCR)

- South Court, informally known as Jinnah House, in Mumbai is now under the possession of ICCR.
- Indian Council for Cultural Relations is an autonomous organization under the administrative control of Ministry of External Affairs.
- The Indian Council for Cultural Relations (ICCR) was founded in 1950 by Maulana Abul Kalam Azad, independent India's first Education Minister.
- Its objectives are
 1. To actively participate in the formulation and implementation of policies and program pertaining to India's external cultural relations
 2. To foster and strengthen cultural relations and mutual understanding between India and other countries
 3. To promote cultural exchanges with other countries and people
 4. To develop relations with nations.
- The Jawaharlal Nehru Award for International Understanding is administered by ICCR.

ECONOMY

Premium Tag for Coffee grown in Araku Valley

- Coffee Board has applied for registration of Araku coffee under Geographical Indications to protect the unique identity of the coffee grown by the tribal communities of Araku Valley in Visakhapatnam district of Andhra Pradesh.
- Arabica coffee from the Araku Valley area has gained popularity as a high quality speciality coffee internationally.
- The exclusive logo of the Araku valley coffee is shown in the image.
- The production of this coffee which had grown very popular internationally has been promoted through the "Integrated Coffee Development Project."
- Araku valley is situated near the Odisha border in Vishakapatnam District of Andhra Pradesh.
- It is a valley in the Eastern Ghats inhabited by different tribes.
- Araku valley is home to several tribes and they perform the Dimsa and Mayur dances during the Itika Pongal, the popular hunting festival in the month of April.

SPECIES IN NEWS

North Atlantic Right Whale

- The North-Atlantic right whale is one of the most endangered of all large whales, with a long history of human exploitation and no signs of recovery despite protection from whaling since the 1930s.
- The dwindling North Atlantic right whale population is on track to finish its breeding season without any new births.
- They primarily feed on phytoplankton.
- The North-Atlantic right whale is mostly found along the Atlantic coast of North America, where it is threatened by entanglement in fishing gear and ship collisions.
- The combination of rising mortality and declining fertility is now seen as potentially catastrophic.
- It was once the target of major commercial whaling, but now it is not harvested.
- There are estimated to be as few as 430 North Atlantic right whales left in the world, including just 100 potential mothers.
- It is classified as endangered under the IUCN Red list.

Super colony of Penguin

- A thriving super colony of some 1.5 million Adelie penguins has been discovered on the remote Danger Islands in the east Antarctic.
- However in the west Antarctic, the same species is in decline due to sea ice melt blamed on global warming.
- The first complete census revealed that the Danger Islands host more than 750,000 breeding pairs of Adelie penguins, more than the rest of the Antarctic Peninsula region combined.
- Adelie penguins, one of the five species in the continent, are carnivores, and they feed over krill and silverfish in the region.



Invasive Alien Species (IAS)

- National Biodiversity Authority (NBA) has urged the government to come up with quarantine facilities at major seaports and airports to check the invasive alien species (ornamental species), which is posing a threat to India's native fish populations.
- The huge market for Invasive Alien Species (IAS) is turning out to be major threat to India's aquatic biodiversity.
- Most of the fish are imported from Southeast Asian countries.
- An alien species become invasive whenever it has a competitive advantage over the native ones.
- For example sucker mouth catfish, an ornamental species known as a 'tank cleaner' of aquariums has spread to almost all freshwater ecosystems and outnumbers other native fish by feeding on their larvae and competing with them for food resources.

Black tip Sharks

- Black tip sharks that gather off the South Florida every year coast are shrinking in number.
- The Blacktip Shark is widespread in warm temperate, subtropical and tropical waters.
- The species are found over the following areas,
 1. In the western Atlantic it ranges from United States to southern Brazil
 2. In the eastern Atlantic it is known from the Mediterranean Sea southwards to central Africa



3. In the Indian Ocean from South Africa to western Australia, including the Red Sea and Persian Gulf
 4. In the Pacific Ocean it is recorded from throughout the Indo-Australian Archipelago
 5. In the eastern Pacific from California, USA, to Peru
- Black tip Shark meat is primarily consumed locally and fins are dried and shipped to the Far East where they are used in preparing shark-fin soup.
 - It is a near threatened species under the IUCN red list.

CONSERVATION RESERVES IN NEWS

Chilika Lake

- Chilika Lake, a shallow lagoon and a lake of brackish water, is located in the eastern State of Odisha and spread across over 1,000 sq.km.
- A number of islands are present in the lagoon, prominent among which are Krushnaprasad, Nalaban, Kalijai, Somolo and Birds Islands.
- The Chilika Lake comprises the Chilika Bird Sanctuary and Nalbana (Forest of Reeds) bird sanctuary.
- Chilika attracts avian visitors from as far as the Himalayas, Caspian Sea, remote parts of Russia, Mongolia and certain regions of Asia.
- Chilika was designated as the 1st Ramsar Site of India.
- Also it was removed from the Montreux record in 2002.
- River Daya flows through Khurda and Puri district before merging with the Chilika lake

CLIMATE CHANGE

Urban air pollution source

- According to a National Oceanic and Atmospheric Administration-led study, chemical products that contain compounds refined from petroleum rivals motor vehicle emissions as the top source of urban air pollution.
- Household cleaners, pesticides, paints and perfumes, lotions, and other products are some examples of such chemical products.
- The scientists focused on volatile organic compounds or VOCs that can escape into the atmosphere and react to produce either ozone or particulate matter causing health impacts, including lung damage.
- The amount of VOCs emitted by consumer and industrial products is actually two or three times greater than estimated by current air pollution inventories.
- The NOAA study covered North America, particularly the United States of America.

Antarctica – a lab for climate change

- Melting of glaciers and appearance of animals in the areas where they didn't exist are the visible consequences in the southernmost continent.
- Measurements taken last year in Antarctica's Palmer Archipelago showed water temperature had risen to 2.5 degrees Celsius, up from its normal range of between 0 and 1.5 degrees.
- However, at a depth of 130 feet, it was still at 2.0 degrees.
- The warming waters have attracted species previously unseen in the Antarctic, such as a spider crab normally found south of Chile.



- Antarctica holds 62 % of the planet's freshwater reserves, so the melting there could have far-reaching consequences.
- One of them would be diminishing salinity of the seas, which could prove fatal for many marine species.
- The white continent also may hold the key to plant and animal life adapting to changing temperatures.

Rise in short spells of heavy rainfall

- A paper published by researchers from IIT-Gandhinagar, observes that the frequency of sub-daily (less than 24-hours) rainfall extreme has witnessed a two-fold increase between 1979 and 2015.
- At present rainfall data is reported on 24-hour basis and long-term sub-daily observations are limited.
- In cities, heavy downpour for less than an hour can create urban flooding due to large impervious area.
- The paper states that changes in sub-daily precipitation extremes are more strongly related to **variations in the atmospheric motion and increase in vertical velocity** than the **increase in atmospheric moisture content and climate warming**.

River Citarum

- The river Citarum runs over 186 miles from the Wayang Mountain to the Java Sea in the Western Java.
- The island's largest river supports more than 30 million residents who rely on the water source for agricultural, domestic and personal use.
- Unregulated factory growth since the area's rapid industrialization in the 1980s has choked the Citarum with both human and industrial waste.
- Factory pipes dump waste directly into waters bubbling with chemical dyes used in textiles, creating an overwhelming stench.
- The river is now one of the most polluted rivers in the world.
- Many locals suffer from skin diseases like scabies and dermatitis, as well as respiratory infections from inhaling factory pollution.
- Recently, Jakarta vowed to get tough on business owners who ignore waste-disposal rules.

DEFENCE

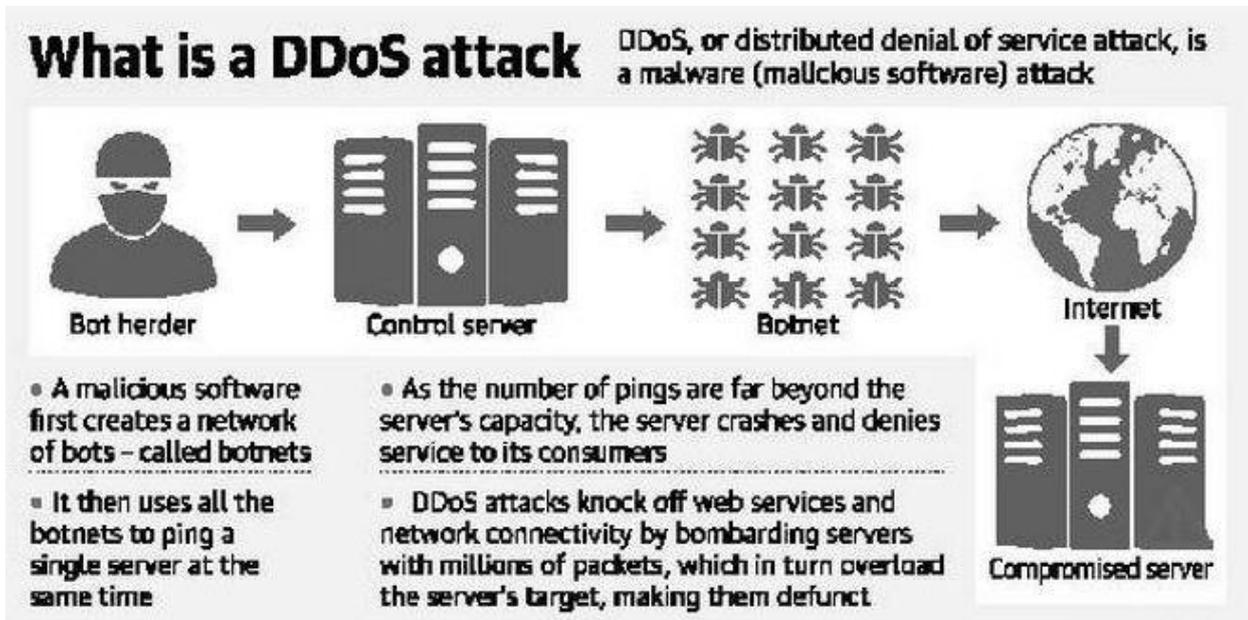
Exercise Pashim Lehr

- The Western Naval Command of the Indian Navy concluded a large scale operational exercise in the Arabian Sea.
- Exercise 'Paschim Leher' (XPL), tested the operational readiness of the Western Naval Command and the execution of its operational plans.
- The aircraft carrier INS Vikramaditya, frontline ships of the Western Fleet and Eastern Fleet, submarines, Patrol vessels and craft of the Local Flotilla and Indian Coast Guard participated in the exercise.
- Defence of Indian offshore assets, such as oil rigs, escort operations of Indian merchant ships as well as coastal defence, was also rehearsed.
- The exercise will enable further refine the operational, logistics and administrative plans of the Western Naval Command.

SCIENCE AND TECHNOLOGY

Saposhi – A New Malware

- A new threat looms large on the horizon of cyberspace as cyber security agencies have detected a new malware called Saposhi, which is capable of taking over electronic devices and turning them into 'bots'.
- Once turned into bots they can be used for purpose such as a Distributed Denial of Service attack which, with enough firepower, can cripple entire industries.
- The Computer Emergency Response Team (CERT), a Central government body that deals with cyber attacks, had issued an alert about Reaper.



- Reaper is a highly evolved malware capable of hacking devices like Wi-Fi routers and security cameras and also hiding its own presence in the bot – a device taken over by a malware.
- Mirai is also a malware that used a botnet of 5 lakh devices to crash the servers of Dyn, a leading domain name service provider, affecting services of popular websites like Twitter, Netflix and Reddit.

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