

IAS PARLIAMENT

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G.S PAPER II

1. POLITY

1.8 Problems with Delimitation

What is the issue?

- The constitution was amended to freeze the delimitation till 2026.
- This had led to a situation where many states have a representation in the parliament that is disproportionate to their population.

How did the present problem evolve?

- The government had suspended delimitation in 1976 until 2000.
- This is done for the reason that the states' family planning programs would not affect their political representation in the Lok Sabha.
- 84th Constitution Amendment), Act 2001 extended the deadline from 2000 to 2026.
- Later, delimitation based on the 2001 census was done.
- However, the total number of seats in the Assemblies and Parliament decided as per the 1971 Census was not changed.
- The constitution has also capped the number of Lok Sabha & Rajya Sabha seats to a maximum of 550 & 250 respectively.
- As a result increasing populations are being represented by a single representative.

Delimitation

- Delimitation literally means the act of fixing the boundaries of constituencies.
- Under Article 82 of the Constitution, Parliament enacts a Delimitation Act after every Census which establishes a delimitation commission.
- The main task of the commission is redrawing the boundaries of the various assembly and Lok Sabha constituencies to ensure an equitable population distribution.
- Delimitation commissions have been set up four times in the past under 'Delimitation Commission Acts' of 1952, 1962, 1972 and 2002.

What will be the consequence?

- If the constitution was to be amended to increase the number of seats in the parliament, then there is a need to work out the modalities to ensure more time deliberations & debate.
- Disruptions will be a bigger challenge in a larger house & needs to be dealt with.
- States whose representation might get diluted will be an aggrieved lot.
- There is also strong element of sub-nationalism prevalent in many states.
- So the move could have huge political ramifications & needs to be treaded cautiously.

1.9 Gujarat Rajya Sabha Election - NOTA

Why in news?

SC allowed the use of NOTA in elections to three Rajya Sabha seats in Gujarat

How Rajya Sabha members are elected?

- General elections to the Lok Sabha are conducted with secret ballots (or votes) and are based on the first-past-the-post principle.
- Unlike this, Rajya Sabha elections uses open ballot system and follow a proportional representation system based on the single transferable vote.

- Open ballot system is when the MLAs have to show their ballot paper to an authorised party agent before putting it in ballot box.

What are the issues with NOTA in Rajya Sabha polls?

- NOTA is generally restricted to direct elections.
- In the case of the Rajya Sabha elections, the vote allows for the preferential ordering of candidates.
- If an MLA chooses NOTA, the vote is rendered would be ineffective.
- It is argued that if the NOTA option is allowed, the legislators' votes would be "bought" secretly by other parties.
- It would also become "a tool for corruption"

What are the supporting views on NOTA?

- Anti-defection law provisions do not apply for RS elections, and a defiant MLA is not disqualified from membership of the House.
- The party can take only disciplinary action including expulsion. The defiant voter can continue to be an MLA and his vote can also not be invalidated for defying party directions
- So the presence of the NOTA option allows the possibility of a protest vote against the party high command for choosing candidates who are not agreeable, without having to choose candidates from opposition.
- SC said the use of the NOTA option is a constitutional issue which needs to be debated.

NOTA

- None of the above is a ballot option in some jurisdictions or organizations, designed to allow the voter to indicate disapproval of all of the candidates in a voting system.
- The idea behind the use of NOTA is to allow the voter to register a "protest" vote if none of the candidates is acceptable to her for whatever reason.
- The candidate with the highest number of votes polled is declared elected irrespective of the NOTA total.

1.10 Gujarat Rajya Sabha Election - Disqualification

Why in news?

Two votes cast in Gujarat Rajya Sabha election were invalidated, when two electors cast their ballots and showed it.

What is the ground for invalidation?

- As per the Conduct of Election Rules 1961 Rajya Sabha elections call for a ballot-in-secret.
- Rule 39A mandates that the elector cannot declare his ballot to anyone with an exception in Rule 39AA.
- Rule 39AA mandates that an elector belonging to a political party must declare his vote only to the party agent, if the political party has issued a whip regarding the vote.
- Any deviation results in the invalidation of the ballot by the presiding officer.

How can secret voting be achieved?

- Secrecy aims to protect the vote as it affords the right to the voter to keep silent over the choice of candidate.
- This is achieved by two means - The duty-based measure and the rights-based measure.
- **The rights-based measure** provides the voter the right to keep his vote a secret.
- According to this, election authorities should provide voting facilities that do not disclose the vote. But the voter can choose to not opt for secrecy.
- **The duty-based measure** imposes secrecy as a statutory duty not only on the election authorities but also on the voter.
- The voter even by his consent cannot declare his choice; doing so would invalidate his vote.
- Rule 39A creates secrecy in the nature of a duty-based measure.

What are the flaws in this system?

- It is argued that the voter should not be given an option to declare his vote because the flexibility would allow others to pressure him informally into declaring his choice.
- In reality, Rule 39AA of the Conduct of Election Rules defeats this purpose.
- Refusing to declare to party agent is a violation of the election procedure and the vote stands invalidated.
- It allows for internal voter intimidation by parties.
- Also, Rule 39A applies only while the election process is underway.
- It does not prohibit a voter from declaring his vote after the process is completed.
- It cannot control the behaviour of the elector outside the ballot box.
- Therefore, the scheme of duty-based secrecy fails.

1.11 Parliamentary Salaries

What is the issue?

- The Tamil Nadu Assembly has recently voted to double the salaries of its legislators.
- This has raised a debate on rationalising the salaries of members of legislatures.

What are the issues with the demand?

- Tamil Nadu legislators' demand comes at a time of farmers demanding drought relief package and loan waiver.
- Recently, parliamentary representatives also have demanded an increase of their own fiscal compensation by 1,250% over the last two decades.
- But the Parliament has seen less than 50% of Bills being scrutinised by parliamentary committees, defeating the very purpose of a deliberative Parliament.
- Ideally, remunerations granted should be in proportion to the services that they have rendered to the nation.
- The rush to pass Bills has also been inspired by a priority for politics rather than for policy.

What is to be done?

- Instead of seeking pay in line with the private sector, India's public representatives should be paid a reasonable wage, in proportion to their service.
- An external independent body should determine that parliamentary salaries are fairly set.
- Salary reviews should be conducted through an institutionalised process to ensure that increments are provided through a transparent and accountable process.
- The receipts record of parliamentarians should be made public.
- Salaries should also be linked to their performance and to a minimum attendance of parliamentary sessions.

1.12 Controversy around Art 35A

Why in news?

The Supreme Court is hearing a PIL petition challenging the constitutional validity of Article 35A.

What is the controversy in Art 35A?

- Article 35A allows the Jammu and Kashmir legislature to define the list of '**permanent residents**' of the state, who-
 1. are eligible to vote
 2. can work for the state government
 3. can own land, buy property
 4. can secure public employment and college admissions, etc.

- Non-permanent residents are denied all these rights.
- This article is being challenged on the ground of **gender discrimination**.
- This is because a male resident will not lose the right of being a permanent resident even after marriage to a woman from outside.
- A woman from outside the state shall become a permanent resident on marrying a male permanent resident of the state.
- However, a daughter who is born state subject of J&K will lose the right of being a permanent resident on marrying an outsider.
- It discriminates against women who marry outside the State from applying for jobs or buying property.
- This is said to be **against the spirit of Article 14** of the Constitution which provides for equality before the law and the equal protection of the laws.

Why is the case significant?

- Art 35A was added to the constitution through the Constitution (Application to Jammu and Kashmir) Order, 1954, a presidential order not yet ratified by the Parliament.
- It is being challenged that the provision was “unconstitutional” and approved without any debate in the parliament.
- The J&K government sees **Art 35A** as offering the **state a special position**.
- On the other hand, the Centre differs on the grounds that it discriminates against women and is calling for a larger debate.
- The issue is now getting -a **political** tone leading to tensions between the state and the central government.
- There are also apprehensions that any adverse order against the provision could give the state's **separatists** a chance to stir up **violence in the state**.
- It is high time that the governments place the **rights and privileges of the people** of the state above political motives and deal it accordingly.

1.13 The Fundamental Right to Privacy

Why in news?

The Supreme Court recently pronounced its verdict upholding right to privacy as a fundamental right.

What are the main aspects of the verdict?

- In a unanimous verdict, a nine member Constitution Bench of the Supreme Court declared that privacy is intrinsic to life and liberty and thereby a part of the Art-21 of the fundamental rights.
- It held that privacy is a natural & inherent right available to all humans and the constitutional recognition is only to make it explicit.
- But the court also clarified that it is not an absolute right.

What are the larger implications?

- **Right to life & personal liberty** – This bench has become the 1st to explicitly overrule the Emergency era judgment in ADM Jabalpur v Shukla case, that had ruled that fundamental right to life & personal liberty could be suspended during Emergency.
- **Homosexuality** – The judgment also implicitly overrules the 2013 judgment of the Supreme Court that upheld the validity of IPC Section 377, which criminalises homosexuality.

- The verdict held that the sexual identity of the LGBT community is inherent in the right to life.
- Currently, Section 377 is pending before a Bench of five judges and in this backdrop, its striking down is the most likely outcome.
- **Right to die** - As an individual's rights to refuse life prolonging medical treatment is another aspect that falls within the zone of the right of privacy, this revives the question of passive-euthanasia.
- This was originally dealt in Aruna Shanbaug's case where it was then held that no violation of fundamental rights had been established.
- The matter is now pending re-consideration before a Bench of five judges and this verdict is bound to influence that case.
- **Beef & Alcohol** - While Bombay High Court held that consumption of beef is a part of the right to be left alone, the Patna High Court struck down the total ban on alcohol in Bihar.
- While both these judgments is now being challenged before the Supreme Court, the current judgment has held that the right to food of one's choice is part of the right to privacy.
- It is therefore clear that the 'privacy judgment' will have a bearing on matters like consumption of beef and alcohol.
- **Data Protection** - As India has no statute regarding privacy or data protection, concerns were raised by the court.
- It expressed hope that the government would undertake this exercise after a careful balancing of privacy concerns and legitimate state interests.
- The court had previously been informed that the Ministry of Information Technology has constituted a Committee of Experts to deliberate on a data protection framework.
- **Whatsapp & Facebook case** - The verdict has recognized the threat of Big Data in private hands and the need to establish a statutory framework to safeguard them.
- It was observed that information, when shared voluntarily, may be said to be in confidence, and any breach of confidentiality is a breach of trust.
- This assumes great significance, given that privacy concerns over WhatsApp and Facebook are pending adjudication before another Bench of five judges.
- **Future of Aadhar** - The immediate trigger for the privacy case being taken up was Aadhar & hence the judgment's impact will also be felt the most there.
- Attorney General's argument regarding Aadhar, that the right to privacy is not fundamental in a developing country where people do not have access to food & shelter was severely rebuked by the SC bench.
- This will significantly limits the stand that the union government will be able to take before the bench that finally hears the validity of the Aadhaar Act.

IPC - Section 377

- Section 377 of the Indian Penal Code dating back to 1860, criminalises sexual activities "against the order of nature".
- This arguably included homosexual sexual activities but wasn't restricted to it.
- The section was decriminalized with respect to sex between consenting adults by the High Court of Delhi in 2009.
- That judgement was overturned by the Supreme Court of India in 2013, with the Court holding that amending or repealing Section 377 should be a matter left to Parliament, not the judiciary.

How does the future look?

- **Reasonable Restrictions** - It is pertinent at this juncture to note that the judges have referred to the reasonable restrictions and limitations that privacy would be subject to.
- The verdict also elaborated that such restriction should be based on compelling state interest and on a fair procedure that is free from arbitrariness, selective targeting or profiling.
- The verdict also made a note for future courts that would exercise writ jurisdiction to be cautious about the nature of the relief they grant based on wide and open-ended claims of breach of privacy.

- **State Surveillance** – Privacy as a value finds itself at loggerheads with notions of national security, the needs of a knowledge society and even socio-economic policy.
- While surveillance of the state for security & administrative reasons would help better governance, the tendency to slip into an era totalitarian control is very much real.
- Hopefully, this judgment will put such concerns to rest and bring about a more equitable relationship between citizens and the state.

1.14 Compensation for Damage of Religious Shrines

Why in news?

The Supreme Court has set aside a Gujarat HC order on repair of shrines damaged in Gujarat riots.

What was the case about?

- A PIL filed by the Islamic Relief Committee of Gujarat (IRCG), demanded a survey on and compensation for the religious places damaged in 2002 post-Godhra communal riots.
- The Gujarat High Court ordered the state government to give monetary compensation to all religious places damaged in favour of persons in charge of the religious places..
- It did not set any limit on the compensation amount.
- It also appointed principal district judges as special officers to decide the amount required for.
- SC has reversed this order.

What is the rationale behind the SC's reversal?

- SC has accepted the state's argument that using “substantial part” of the tax-payers’ money for paying damages to destroyed religious structures would **violate Article 27 of the Constitution**.
- Article 27 forbids the state from compelling a person to pay taxes for promotion or maintenance of any particular religion or religious denomination.
- The HC's order was challenged by the **state government** which came up with a **new compensation scheme**.
- The scheme places the riot-affected religious structures on par with “houses destroyed or damaged” in the violence.
- It agrees to pay a maximum of Rs 50,000 as compensation to all places of worship damaged in the riots.
- The SC has agreed to this scheme, as the maximum amount as ex-gratia assistance is fixed.
- Also, the power to determine the ownership or administration rights of religious places concerned is conferred on the district collector.
- Moreover, the terms and conditions for claiming the amount are clearly prescribed in the scheme and are reasonable.

What are the drawbacks in this regard?

- **Right to life and liberty** - The state government had argued that in a secular country it can't spend government money for any religious purposes.
- This protects the freedom of religion guaranteed under Article 27.
- However, this fails to address the fact that if religious places of weaker sections of population are targeted, it essentially has an impact on their rights to equality and personal liberty as well.
- **Fundamental rights** - SC accepted the state's argument that the writ power of the High Court is limited in terms of awarding compensation.
- This is because, right to property being a constitutional right, do not fall under the writ jurisdiction of the HC under Article 226.
- However, the recent developments, especially the judgement on Right to Privacy, seem to be giving wider scope to the fundamental rights.

- The various **fundamental rights** are **no more compartmentalised** and seen in isolation but are rather jointly read and dealt as a broader concept.
- **States' role** - In this case, the state has fall short of its duty and responsibility in maintenance of law and order.
- Thus it is being argued that the compensation is not being sought for the maintenance of any particular religion but for the failure of the government in fulfilling its basic duty.
- **Expenditures on religious activities** - The court seems to have missed the fact that governments are routinely spending money on various religious activities.
- This includes the states' funding on devaswoms, expenditure on trips, yatras, and pilgrims of different religious sects, maintenance of temples, etc

2. GOVERNMENT ACTS, POLICIES AND INTERVENTIONS

2.7 Whistle blowers Protection Act

Why in news?

- Whistleblower protect Bill was passed in 2014.
- More than 15 whistle-blowers have been murdered in India in the past three years.
- Instead of operationalising the WBP law, an amendment Bill, which fundamentally dilutes the law, was introduced in Parliament in 2015 by the government without public consultation.

Who is a Whistleblower?

- The 2014 law defines a whistleblower as any government official, common man or non-governmental organisation that exposes corruption in the government.
- The RTI law has empowered the common man to have access to information from public authorities which only government officials were earlier privy to, making every citizen a potential whistle-blower.

What are the main features of WBP law, 2014?

- The law affords protection against victimisation of the Whistleblower (like suspensions, withholding of promotions, threats of violence and attacks) who renders assistance in an inquiry.
- Whistleblowers could potentially use a wide range of information to expose corruption.

What are the proposed controversial amendments?

- The amendment Bill seeks to remove immunity provided to whistle-blowers from prosecution under the draconian Official Secrets Act (OSA) for disclosures made under the WBP law.
- It proposes that, complaints by whistle-blowers containing information which would prejudicially affect the sovereignty, integrity, security or economic interests of the state shall not be inquired into.
- It also states that, certain categories of information cannot form part of the disclosure made by a whistleblower, unless the information has been obtained under the RTI Act.
- This includes what relates to commercial confidence, trade secrets which would harm the competitive position of a third party and information held in a fiduciary capacity.

What are the consequences?

- It will shun even genuine whistleblowers with a strong case for the fear of repercussions.
- Exposition of corruption made in domains like nuclear facilities or the Army will not be subject to inquiry (under the clause relating to national security).
- The move to restrict government employees from using certain information will drastically reduce their potential advantage of being an insider with privy information to expose corruption.
- The bill has been hastily passed in the Lok Sabha.

- To reconsider amendments that would fundamentally dilute the law, and provide an opportunity for public consultation, it is imperative that the Bill be referred to a select committee of the Upper House.

2.8 Dynamic Pricing Policy

Why is the issue?

Dynamic pricing has left the Indian fuel retailers worried about their profit margins.

Why are the retailers worried?

- In the previous regime of fortnightly change in fuel prices, the retailers managed their inventories based on expected prices.
- But with a business requirement of stocking for a much longer period than a day, daily fuel prices left the retailers worried about their fixed profit margins.
- With the current fixed commission of Rs 2.2/litre on petrol and Rs 1.5/litre on diesel, the net profit for a dealer at the end of the month will be dependent on the way the dealer manages overhead costs, transport, working capital, etc, and not the inventories.
- e.g. To sell high priced inventories at low prices, will be disincentivising.
- The same situation will also arise when crude oil prices become highly volatile without any clear downward or upward direction.
- Retailers lost as much as Rs 400 crore in the first two weeks of the roll-out of the dynamic pricing.
- This has the potential to introduce inventory uncertainties and disrupt the well established smooth supply chain.

Dynamic pricing policy

- This means that the prices of these transport fuels are changed daily by the OMCs based on the movement of international crude oil prices.
- Prior to this, the revision in fuel prices happened on a fortnightly basis.
- It is part of an effort to remove the burden off subsidies on the exchequer & the Oil Marketing Companies (OMCs).
- It smoothened out price fluctuations & thereby benefited OMCs and the consumers.

2.9 Ending LPG Subsidy

Why in news?

Government has decided to increase the rates of cooking gas by Rs. 4 each month till LPG subsidy comes to an end.

What was the rationale?

- LPG is a highly subsidized commodity in India.
- The subsidy now costs around Rs. 475 per 14.2-kg cylinder.
- The rate of non-subsidised LPG, which consumers pay after exhausting their quota of below-market priced bottles, costs around Rs. 565.
- The subsidy burden is more than Rs. 40,000 crores/annum.

What would be the impact of this?

- This would adversely affect the common people.
- It also claimed that there was no justification when global crude oil prices had gone down.
- The government is failing on its social commitment to provide cooking gas at subsidised rates to the poor.

Significance of household air pollution

- The household air pollution is largely due to improper ventilation combined with the use of biomass fuels for cooking and lighting.
- The biomass emits pollutants such as CO, SO₂, particulate matter, benzene, and metals including lead and copper.
- It leads to a range of diseases among women, who are the primary cooks in most Indian households.
- There are many reported cases of chronic bronchitis, cataract and various adverse pregnancy outcomes among Indian women.
- It also contributes to 12% of still births in the country.

- The 'Give it Up' campaign encouraged many to give up subsidies so that subsidised LPG could be provided to the poor and needy. The recent decision defeats this purpose.
- Around 2.5 crore women who were recently given LPG connection for free would be finding it difficult to avail LPG cylinders every month.
- It might increase pollution as people might go back to unsustainable cooking practices like biomass fuels and kerosene.
- LPG vendors may face job losses if rural households turn back to biomass fuels.

2.10 Draft Pharma Policy

Why in news?

The draft pharma policy was recently released by the Department of Pharmaceuticals (DOP).

What are the highlights of draft pharmaceutical policy?

- It proposes to balance the need for price control over medicines.
- Union government will gain a greater role in deciding prices of medicines and medical devices.
- NPPA will regulate only medicines that are specified by the government in the National List of Essential Medicines.
- The price caps being imposed on patented medicines will be reduced.
- It will allow pharmaceutical manufacturers to sell their medicines under only under generic names and not under differently-priced brands.
- Manufacturing of drugs under WHO standards will be made mandatory.
- The policy will bring down the unreasonable trade margins offered by various stockists to hospitals.

What are the issues with the policy?

- The policy fails to lay controls over the chemists, which may facilitates the sale of fake drugs.
- It doesn't have any mechanisms to boost production standards.
- Instead of an appellate authority, it seeks to give bureaucrats more powers on drug controls.
- Government takes direct role of fixing the drug price.
- This will affects the quality, innovation, and hurts patients as much as it does companies.
- It opens the door to lobbying and rent-seeking with all the attendant dangers for competition and for corruption.

What should be done?

- It will be better if price monitoring focuses on essential drugs, there are about 200.
- Strict price control measures needs to be avoided and market friendly pricing should be followed.
- Domestic production of import drugs should be promoted, with better quality and affordability.
- The government should also consider specific steps against overcharging of prices by the industries.

2.11 Supreme Court's order on NFSA

Why in news?

The Centre has been asked by the Supreme Court to ensure that States implement key aspects of the National Food Security Act (NFSA) 2013.

What are the mandates of NFSA?

- NFSA empowers the common person in securing subsidised food.

- It mandates providing of highly subsidised food grains to targeted households with a ceiling of 75% of the population in rural areas and 50% in urban areas.
- The beneficiaries are chosen by the State governments.
- Sections 14, 15 and 16 of the act require the setting up of a grievance redress mechanism and a State Food Commission (SFC).

What is the case about?

- SFC has the responsibility to monitor the implementation of the law.
- But they have been done only in name.
- In the Swaraj Abhiyan Case, the court pointed out the SFC in Haryana and said that it has been sitting “jobless” and “without proper infrastructure”.
- This was due to the state government's lacklustre response to the NFSA.
- The judgment also listed nine other States — Madhya Pradesh, Karnataka, Andhra Pradesh, Telangana, Maharashtra, Gujarat, Jharkhand, Bihar and Chhattisgarh.
- These states also responded poorly to NFSA by lack of proper implementation.

What should be done?

- **Responsibility** –It was claimed in November 2016 that the Act covers the entire country. This is not consistent with the underlying facts.
- Union Government cannot push the blame over state governments.
- Article 256 casts a responsibility on the States and the Union to ensure compliance with laws made by Parliament.
- **Implementation** - The system should have in-built mechanisms to allow for the entry of new households that suddenly find themselves in financial distress, while others can exit it based on changed circumstances.
- Modernisation of the PDS, with the use of information technology, could incorporate such dynamic features and eliminate deficiencies and fraud.
- All these are provided for under the Act, but have been ignored mainly due to a lack of political will.
- **Grievance redressal** - Food Ministry data presented to Parliament showed that a mere 1,106 complaints received from beneficiaries nationwide in 2016.
- This shows that the present system does not reflect the true scale of public grievances which should be improved.

2.12 Draft ordinance on NEET

What is the issue?

- Recently Tamilnadu government had submitted a draft ordinance on National Eligibility-cum-Entrance Test (NEET) to Centre.
- This last-minute exemption may lead to more complexities in proceedings.

What is the status of Medical admissions in Tamilnadu?

- Tamil Nadu abolished entrance tests for professional courses in 2006.
- It now fears that the introduction of NEET would jeopardise the admission prospects of rural students who cannot afford the extra coaching and higher workload preparing for NEET entails.
- Anyway centre was very clear that this year's medical admissions in Tamil Nadu would be solely based on the NEET.
- Tamil Nadu government feels that a buffer time should have been given before the conversion to the new system.

- In Tamil Nadu, in academic year 2016-17, among those who appeared for NEET in TN, at least 95% are from the State board, while only 5% are from CBSE and other Boards.
- To safeguard the interest of its students, recently it had submitted a draft ordinance on NEET.

What are the provisions?

- It is seeking one-time exemption to admit MBBS/BDS aspirants based on their 12th standard scores for this year alone.
- This is to protect the interests of poor students from rural areas
- It is also to ensure that medical personnel are available in all remote parts of the State.

What are the issues with draft ordinance?

- The last minute change in the basis for admission will cause heartburn to students who have cleared NEET.
- If the Centre was ready to grant a one-time exemption, it ought to have done so much earlier and not now.
- If the exemption is stayed by the courts, another set of students and parents will once again feel deprived.
- This belated move is bound to spawn further litigation and encourage similar demands elsewhere.

3. HEALTH

3.5 Gorakhpur Health Tragedy

Why in news?

More than 70 children have died in a span of few days at the BRD medical college in Gorakhpur, UP.

What are the reasons?

- **Oxygen** - Infections and possible disruption of oxygen supply in the paediatric ward are being blamed for the death.
- **Non-payment of bills** is alleged as the reason for oxygen cylinders reportedly falling short.
- Government **procurement** has always been a disorganized issue. Many Vendors have claimed that government agencies are bad paymasters, processes are corrupt and so on.
- **Japanese encephalitis (JE)** - Gorakhpur is also the worst JE affected region in the state, which afflicted many of the children who died in this incident.
- JE is correlated with expansion of irrigation and construction of dams four decades ago, resulting in an increase in disease-transmitting mosquitoes.
- **Health System** - India's worrisome track record on health, its spending, its delivery, lack of insurance support and the weak enforcement of rules on quality and governance are also the driving causes.

What should be done?

- The immediate measure is to take up an **independent inquiry** and arrive at the reasons for the tragedy. The Indian Council of Medical Research can launch a special commission for U.P., treating it as a public health emergency.
- There is no vaccine currently available for checking the spread of Acute Encephalitis Syndrome. Hence better **hygiene** is the only way to ward it off.
- Addressing the issues of **hospital infrastructure**, shortfall of doctors and supporting medical staff is of prime importance.
- The National Health Policy 2017 promises to increase **health spending** to 2.5% from the current 1% by 2025.
- However, experts feel it needs to be at least 5% or more because India is a country that is simultaneously home to malnutrition and lifestyle problems.
- Health is a state subject, but it is high time the Centre set the bar high by prioritising health sector.

3.6 Social media and mental health

What is the issue?

- Blue Whale Challenge is said to be the reason behind some recent suicides by teenagers in India.
- Huge number of youngsters seeking to play the game may already be prone to mental disorders such as depression or anxiety.

What is the status of mental disorders among urban teens?

- A study suggests that mental disorders in the age group of 13-17 years in the urban metros at 13.5%, nearly double the countrywide prevalence (7.3%).
- Many teen agers in urban cities has Sub Subclinical depression.
- It is a condition in which a person has symptoms which signify a chance of depression but does not meet the criteria for a depressive disorder.
- Teenage girls were at a higher risk for experiencing depressive symptoms than boys.
- The overall prevalence in India was higher than statistics obtained from similar studies in the West.

Blue whale Challenge

- It is the most disturbing of trends driven by social media.
- Players who sign up are ordered around by an administrator, referred to as the “Blue Whale”.
- Players log on at odd hours to receive instructions.
- They are told to complete painful, dangerous “tasks” such as carving letters on their bodies for a 50-day period with the final task being death.
- The game is already banned in most jurisdictions and police in many nations have issued advisories.

What are the reasons for ill -mental health?

- **Family setup**-There is glaring gap between the number of teenagers and their family members.
- With nuclear families and lesser interaction with peers, children these days depend just on their parents, who may both be working and busy with their day-to-day lives.
- **Technological access**-Many youngsters get their own smart devices before they hit their teens.
- Parents are clueless about how easy it is to bypass ‘parental controls’ installed on these devices.

What are the consequences of these disorders?

- Youngsters in the age group of 16-20 were socially withdrawn after getting addicted to online gaming and social media.
- Many of these youngsters show a decline in their academic performance and social skills after becoming addicted.
- Some may be introverts by nature or may have become withdrawn after getting addicted to the online world.
- When parents intervene, these teenagers respond with anger, irritability, and in a few cases they resort to self-harm.
- Depression can be a killer, and sometimes even a trivial online game can push someone to a place of no return.

What are the measures taken so far?

- The Indian government has done a sensible job by asking all major social media and communication platforms to remove any links pertaining to the Blue Whale challenge.
- There are new “positive” challenges such as Happy Blue Whale Challenge and The Pink Whale challenge which help youngsters learn methods to cope with depression and low moods.
- Parents are aware to pay greater heed to their children’s social behaviour patterns and online surfing habits, by various efforts by NGO’s and government.
- Service for Healthy Use of Technology (SHUT) clinic, India’s first technology de-addiction clinic in Bengaluru helps teenagers to get rid of addictive technology.

3.7 Rising H1N1 cases

What is the issue?

The reported cases and deaths due to the spread of H1N1 virus are on the rise in comparison with previous years' records.

What is H1N1?

- Influenza A (H1N1) virus is the subtype of influenza A virus that was the most common cause of human influenza in 2009.
- H1N1 flu is also known as swine flu caused by swine influenza virus that is endemic in pigs.
- It is a highly contagious disease and can easily spread from a patient through saliva and mucus.

What are the recent developments?

- India is witnessing a new rise in the number of cases and deaths due to swine flu.
- Gujarat is the worst-affected, followed by Rajasthan, Punjab, Maharashtra and Delhi.
- The number of cases in the southern states is also high compared with last year, especially in Tamil Nadu.

What is the reason?

- Pune based National Institute of Virology has noted that the **virus has not undergone any significant mutation** directly responsible for the spread or increased mortality.
- Also, the virulence or the disease causing nature has remained nearly unchanged.
- However, the virus has undergone **point mutations**.
- This has resulted in a **new strain called the Michigan strain** which has replaced the California strain which has been prevalent since the 2009 pandemic.
- Only the Michigan strain is circulating this year as against the co-circulation of both strains last year.
- While earlier **vaccinations made people immune to the California strain**, the circulation of the new strain is the cause of increased caseload and mortality.

What is to be done?

- **Vaccine** - After mutation, the newer strain emerges stronger than the earlier strain.
- More research is needed to fully understand the epidemiology of H1N1 caused by the Michigan strain, and who may be more vulnerable.
- Also, the composition of the swine flu vaccine will require changes as per the World Health Organization (WHO)'s recommendation.
- **Database** - The numbers in the official report do not reflect the true reality.
- This is because it is not mandatory for the private hospitals to disclose all the deaths and the people affected, to the government's database.
- There is a need for a system to record and release the actual number of cases **for making appropriate response**.
- **Prevention** - Being a communicable disease, swine flu can best be prevented with **awareness** generation by the governments.
- Uptake of influenza vaccination by people, health-care workers and especially by those belonging to the high-risk category, can go a long way in reducing the cases.
- High-risk categories include pregnant women, very young and old people, those who have had organ transplantation and those with certain underlying illnesses.
- Government should ensure that there are enough **vaccines** in various health centres.
- Also, it should take measures to keep the environment clean to address poor **hygiene and sanitation** being causes of swine flu.

- **Diagnose** - Sufficient lab facilities to diagnose H1N1 cases among both hospitalised and non-hospitalised population is essential.
- The government should do everything possible to take both preventive and curative measures to fight swine flu.

3.8 FDA's measure to address Nicotine Addiction

Why in news?

The 'U.S. Food and Drug Administration' (FDA) has proposed to reduce the amount of nicotine in cigarettes to non-addictive levels.

What is the significance of the proposal?

- This is a new dimension towards addressing addiction & reducing cancer.
- It may reduce the likelihood of new users (those in the 15-24 age group) getting addicted to cigarettes.
- It increases the chances of habitual smokers being able to quit.
- A significant increase in the quitting rate among smokers has been seen with e-cigarette use.
- FDA has made selling e-cigarettes to children illegal to effectively address the growing concern about children smoking them.
- But the current FDA's proposal doesn't seek to regulate nicotine in e-cigarettes.

Nicotine

- Nicotine is an extremely addictive substance that is present in cigarettes.
- It does not directly cause cancers and other diseases.
- But by keeping smokers addicted for the long term it exposes them to nearly 7,000 harmful chemicals every time they smoke.

What is the scenario in India?

- India has followed most of the measures mentioned in the 'WHO Framework Convention on Tobacco Control guidelines.
- Unlike the U.S, India had banned tobacco advertisements long ago.
- It introduced pictorial warnings covering 85% of the front and back of packages of tobacco products.
- It has also prohibited the use of positive descriptions like mild, flavoured on labels.
- The number of tobacco users reduced by more than eight million between 2010 and 2016.
- Legal prohibition of the sale of e-cigarettes to minors has not been done yet.

What lies ahead?

- There is the possibility that tobacco companies will aggressively target developing countries.
- It is important for the Indian government to remain resolute in not losing the gains made in the last few years.

4. SOCIAL JUSTICE

4.13 Drawbacks in Domestic Violence Verdict

What is the issue?

- The Supreme Court recently gave its verdict on section 498A of the Indian Penal Code (IPC) which deals with domestic violence.
- The verdict has created resentment among women's rights activists.

What was the court's verdict?

- There were opinions that complaints under section 498A were being filed on the basis of personal vendetta.

- In this regard, SC has passed a directive to police and magistrates that there would be no automatic arrests or coercive actions arising out of complaints lodged.
- Instead actions should follow only after ascertaining the validity of the complaints.
- The verification of the complaints shall be carried out by a special police officer and a district-level Family Welfare Committee.
- Family Welfare Committee will preferably comprise of three members, who can be "paralegal volunteers/social workers/retired persons/wives of working officers/other citizens who may be found suitable and willing".
- The court has assured that grave physical injury or death of the aggrieved person would be exceptions to this directive.

What are the drawbacks?

- Its leaves the responsibility to test the truthfulness of the complaints on arbitrary personalities in the **Family Welfare Committee** without setting any quantitative standards.
- By creating the Family Welfare Committee, the court creates one more layer between the victim and the justice system. So the access to justice is delayed.
- The naming as 'Family' Welfare Committee places family above individual woman's rights, dignity or agency that the provision is meant for.
- It also suggests that the judiciary does not trust the very beneficiaries of this legal provision.
- Mental torture, emotional or sexual violence are not recognised as exceptions.
- The court's observation that filing complaints would affect the later reunion of the couple as also the reputation of the husband and the family is so medieval.
- This might also encourage women to shy away from lodging complaints to protect the honour of the family.
- The language of the judgment - condemning the "violation of human rights of the innocents" (the husband and his family), seems to lack the understanding of legal provision meant for women's rights and protection.

Is the rationale behind the judgement convincing?

- It was primarily based on the idea that the law was misused by women.
- Based on the number of people arrested, convicted and acquitted, the court concluded that since the conviction rate was low, most of the cases registered were "false".
- However, reasons for acquittal could be many such as poor investigation by the investigating officer, settlement through mediation, or intimidation of witnesses and the complainant herself.
- Low conviction rates exist across the board, in relation to all crimes.

What should the court have done?

- The court should have called for expert evidence and consulted the services of women's studies centres which exist in all universities.
- The court could have correlated NCRB data with the recent data of National Family Health Survey (NFHS) - 3 which has highlighted numerous cases of women who experienced some form of physical or sexual violence.
- As per NFHS, a mere 2% of these women have sought police support, while the rest have not accessed the law.

4.14 SC verdict on Triple Talaq

Why in news?

Supreme Court has invalidated the triple talaq practise by calling it arbitrary and unconstitutional in a 3-2 majority judgment.

What are the justifications of minority judges?

- Two of the five judges have argued that talaq as a personal law practise was an **integral part of Article 25** (Freedom of Religion).

- It has been practised for over 1,400 years hence becomes a matter of firm **religious faith** and that it cannot be tested on the touchstone of Article 14.
- They held that personal laws like instant talaq were an '**exception**' to the Constitution's stated aim to protect gender equality.
- They had reasoned that instant talaq cannot be invalidated just because the Koran does not expressly provide for or approve of it.

What are the justifications of the majority judges?

- Three of the five judges have set aside instant talaq terming it as 'manifestly arbitrary' which makes it **violative of Article 14**.
- **Social** - A mere prevalence of the practise for over 1,400 years itself cannot make it valid.
- An individual's dignity and equality is placed at the mercy of their communities by this practise.
- **Religious** - It is noted that triple talaq is against the basic tenets of the Holy Koran.
- Shariat Act had in the past put an end to oppressive and discriminatory customs in the Muslim community.
- So similarly Triple Talaq can also be invalidated.
- **Legal** - A section of the Muslim Personal Law (Shariat) Application Act of 1937 has already recognised triple talaq as a **statutory right** and not a fundamental right.
- This makes triple talaq outside the ambit of Article 25.
- Hence it was made clear that instant talaq was no longer a personal law and it comes under **Article 13**.
- Article 13 mandates that any law, framed before or after the Constitution, should not be violative of the fundamental rights.

What are the shortcomings?

- The narrow majority with which the judgement has come raises doubts on the long term impact on the issue of community rights over individual rights.
- Only Triple Talaq is invalidated. The other forms of Talaqs like 'Talaq Hasan' and 'Talaq Ahsan' are still available to Muslim men.
- Though it reached the right conclusion, there was no consensus on first principles.
- The majority has not ruled that our basic constitutional values override religious belief and practice and as a result proper precedent was not set.
- A more elaborate consideration of how Article 14 might affect personal laws would have laid down a better precedence for the future.
- **Court's jurisdiction** - One of the majority judges held that talaq-e-biddat found no mention in the Koran, and was no part of Muslim personal law.
- His judgement was based on the ground that talaq-e-biddat was un-Islamic, rather than unconstitutional.
- This raises the question as to whether secular courts have the jurisdiction to adjudicate on such grounds.
- **Individual and community rights** - The basic unit of the Constitution, as Ambedkar said, is the individual.
- However, the minority judgement has placed community claims above the individual constitutional rights.
- It has advanced the view that religion could become the arbiter of individuals' civil status and civil rights.
- **Constitutional protection**- There is a need for distinction between religious rituals and beliefs as against laws relating to tenancy, succession and marriage.
- This distinction has not been properly conveyed.

4.15 Criminalizing Marital Rape

Why in news?

The Centre has pleaded not to criminalise marital rape in an affidavit filed in response to pleas seeking its criminalisation.

What is the case about?

- **Section 375** of the IPC dealing with rape holds an **exception** that “sexual intercourse by a man with his own wife, the wife not being under 15 years of age, is not rape”
- No other statute recognises marital rape.
- The victims only have recourse to civil remedies provided under the Protection of Women from Domestic Violence Act, 2005.
- Presently, the Delhi High Court is hearing petitions seeking the declaration of exception under Section 375 of the IPC as unconstitutional.
- The Justice Verma committee had also recommended removing the exception.

What is the centre's rationale in arguing for decriminalisation?

- The centre argues that criminalising marital rape would **destabilise the institution of marriage**.
- It stated that it would be an easy tool for harassing the husbands.
- Centre emphasizes that defining marital rape would call for a **broad based consensus of the society** as the perceptions on this broadly differs.
- It also mentioned that criminal law was in the **Concurrent List** and implemented by the **states**, the cultures of which are varied to a large extent which have to be factored in.
- It referred to the reports of the Law Commission and the Parliamentary Standing Committee saying they did not recommend criminalisation of marital rape.
- All of the above justifications are misplaced are insensitive to women's plight.

4.16 Witch Hunting of Tribal Women

What is the issue?

On International Day of the World's Indigenous Peoples (August 9), a most common form of violence against tribal women i.e branding them as witches, is being remembered.

What are the reasons for victimisation?

- A combination of superstitious beliefs, religious practices and patriarchal norms.
- Witch hunting is often deployed to deprive women of land and property.
- To take revenge where women refuse sexual advances and to punish women for petty disputes.
- Lack of education and health services have contributed to the continuation of this antiquated practice of witch hunting.
- The complexity of this issue and its punitive dimensions can be found in the blurring of boundaries between protector and perpetrator.
- This is because perpetrators are often members of their own family, neighbourhood and community.
- Moreover, the identity politics of adivasis non-adivasiovertakes the reality of patriarchal violence within the adivasi community.

Witch hunting

- Witch hunting involves the branding of victims, especially women as witches.
- They are accused of possessing supernatural powers to harm others.
- They are subjected to numerous forms of torture, beatings, burns, paraded naked through the village, forced to eat human excrement and raped.
- In victim and their children are socially excluded or even put to death.

- Society and governments are hardly outraged over it. As a result of this lethargic response and action, accused goes unpunished.

Is there any legislation on this?

- NCRB data and police records show that the practise is more prevalent in the states of Bihar, Jharkhand, Chhattisgarh, Madhya Pradesh, West Bengal, Rajasthan and Assam.
- There is no specific national level legislation that penalises Witch hunting.
- Hence various provisions and sections under the Indian Penal Code 1860 are being invoked for taking legislative actions.
- Different states have also come up with different legislations.

What should be done?

- The country must recognize that witch-hunting is very real.
- Strict enforcement as well as implementation of Anti-witchcraft laws by the states will work to prevent this.
- Sensitizing of police and welfare department and establishment of NGO's for this purpose could prove beneficial.

4.17 Age of Consent

Why in news?

Supreme Court has asked the government to provide details of the number of child marriage prohibition officers and prosecutions initiated under the Child Marriage Act in the past three years in a case related to the Act.

What is the case about?

- The Exception 2 to Section 375 (rape) of the Indian Penal Code permits "intrusive sexual intercourse with a girl aged between 15 and 18 only on the ground that she is married."
- The Exception is part of the Criminal Law (Amendment) Act of 2013.
- It is contrary to the Protection of Children from Sexual Offences Act of 2012 (POCSO).
- A girl under 18 is treated as a child in POCSO.
- If she is married, she is no more a child under the Exception 2 to Section 375 of the IPC.
- This is totally inconsistent. A girl under 18 is still a child, married or not.
- An NGO named Independent Thought challenged this provision.
- This statutory exception to rape was violative of right to life, liberty, equality and was discriminatory.
- They argued that there were 23 million child brides in India, and there had hardly been over six convictions under the anti-child marriage law.
- The Centre said Parliament must have thought it 'pragmatic' to reduce the age of consent for sexual relations for married girls from 18 to 15 as the child marriage system still exists in the country.

What are the anomalies related to the act?

- Say a 17-year-old boy gets married to a 16-year-old girl.
- Even if the court quashed this exception, with the existing provisions only the boy can be convicted for seven years.
- But the parents, the real culprits, may get off with a few months' imprisonment.
- It can also not be presumed that just because a girl is less than 18, she does not understand the consequences of her actions.
- Under the new Juvenile Justice Act, if a girl between the age of 16 and 18 commits murder, she can be treated as an adult.

4.18 Stalking - A Crime Indeed

What is the issue?

- The recent incident of a woman being pursued at night by men in Chandigarh has brought up the issue of stalking to the fore.
- Oppositions are getting stronger that the perpetrators should not have been let out on bail without due verification and interrogation.

What is the legislation with stalking in India?

- Section 354D of the Indian Penal Code pertains stalking as a bailable offence.
- As of now, the **first offence of stalking is “bailable”**, implying that the accused need not be produced before a court for seeking bail but can be relieved from a police station itself.
- Any **subsequent offence of stalking is ‘non-bailable’**, meaning court will have the discretion to grant bail to an accused.
- The Justice Verma Committee had recommended that stalking be introduced as a non-bailable offence with one to three years in jail as punishment.
- A Criminal Law Amendment Ordinance also wanted every offence of stalking be considered as non-bailable.

What are the problems in this regard?

- There is an almost 50% rise in stalking cases but conviction rate is abysmally low.
- The duration it takes for the police to file charge sheet for the offence that is bailable could lead to complainants losing the resolve to continue.
- There are also instances of complainants being pressured into withdrawing the case.
- Stalking is far too often dismissed as harmless. However, it is important to understand how traumatic and inhibiting it is for a woman to be pursued with uncalled-for interest.
- Stalking, at times, contains the seeds for a bigger, often violent crime including murder and acid attack.

What should be done?

- Law makers and the society should start understanding stalking as indeed a crime that requires swift punishment.
- Time-bound trial can help in more convictions.
- Stalking and eve-teasing are not given the same importance as other “grave” forms of sexual violence such as rape.
- These are often normalised, romanticised and encouraged especially in **popular culture**.
- But offences such as stalking deprive women of their fundamental right to occupy public space without fear.
- The perception that violence must necessarily involve some form of bodily harm should definitely change.
- Evidently, the change is now needed in social attitude towards considering stalking as a mere annoyance.
- It has to go to the level of respecting and valuing the honour and dignity of women and their choices.

4.19 Recognizing Women Farmers

What is the issue?

- Despite making a considerable share as agricultural workers and in rural workforce, women are not officially recognised as farmers.
- Women are only labelled either as “agricultural labourers” or as “cultivators”.

What is the reality?

- Women constitute close to 65% of all agricultural workers and 74% of the rural workforce.

- However, the government does not recognise as farmers those who do not have a claim to land under their name in official records.
- As many as 87% of women working in land do not own their land.
- One of the reasons is that **land** being a **state subject** is not governed by the constitution under a uniform law.
- It is rather governed by personal religious laws, which tend to discriminate against women when it comes to land inheritance.
- Moreover, the cultural aspect of the deep-rooted biases that hinder women's ownership of land.

What is the need for recognising women farmers?

- As various studies suggest, women have a greater tendency to use their income for the needs of their households.
- This can transform into improvement of the household food security and nutrition.
- The chance of propertied women being physically abused is reduced from 49% to 7% due to an increase in the wife's bargaining power.
- Financial independence of women can go a long way in making them socially empowered.

4.20 Gender Disparity in Google

Why in news?

A 10-page internal memo of Google was recently leaked by an employee at Google.

What was the memo about?

- It attempts to justify gender imbalance and systemic discrimination in the workplace.
- It states that "men and women biologically differ in many ways" and that "Women, on average, have more Neuroticism (higher anxiety, lower stress tolerance)".
- Google has distanced itself from the memo.

How are women distributed in the Indian workforce?

- Women entrepreneurs in India are mostly concentrated in low-paying industries.
- Manufacturing sector, tobacco products, apparel and textiles attract the largest share of women entrepreneurs.
- This is perhaps because these industries are known to have lower physical labour requirements.
- There is also a strong negative relationship between average industry wages and the share of female-led plants in the manufacturing sector.
- The overall participation of women in corporate India is only of 20-22%.
- This sharply falls to 12-13% at senior and top levels.
- The World Economic Forum's Gender Gap Index placed India in the 101st position among 136 countries.

What are the challenges in the work place?

- Women employees in India are still fighting for an **equal pay for equal work**.
- **Sexual harassment** exists at workplace.
- Frequently, managements pressurize the victims of harassment to withdraw the complaints.
- Indian companies are **reluctant to employ women** for reasons of brake/relieves after marriage and motherhood.
- **Inadequate infrastructure** affects women entrepreneurs more than men, because women often bear a larger share of the time and responsibility for household activities.

- Women face greater constraints in geographic **mobility** imposed by safety concerns and social norms.

What should be done?

- Improving **gender balance** is an important first step for India's development and its achievement of greater economic growth and gender equality.
- Imposing a **mandatory women quota** in the boardroom — something that countries such as Norway, France, Sweden and Spain have done can ensure a place for women.
- Procedural acceptance of sharing the burden of parental care by both men and women with the measures like paternity leave will ensure the gender balance in hiring process.
- **Sensitisation** of society and co-workers to gender understandings can be of help.

4.21 Dealing with Hate Speech

Why in news?

A former DG of Kerala police was arrested recently on charges of promoting communal enmity.

Why was he arrested?

- It is a case of gross misuse of the law.
- The state police had booked him under Section 153(A) of the IPC.
- It is a legal provision against hate speech.
- This was for remarks he made in an interview to a Malayalam magazine in July.
- In the interview, he presented what appeared to be a prejudiced view of the state's Muslim community.
- He claimed that population growth in the state was skewed in favour of Muslims and that a section in the community promoted religious conversion through "love jihad".

What should have been done?

- His views are undoubtedly controversial, even bigoted.
- The fact that such a person headed the state police is indeed a cause for concern.
- However, to book him under hate speech provisions is uncalled for.
- Such views cannot be banished by wielding hate speech laws.
- They call for greater political engagement and debate.
- Skewed ideas about communities will have to be confronted with arguments and facts.
- It is undemocratic to demand the curtailment of the right to freedom of expression by raising the spectre of communal disharmony.
- It would set a precedent for curtailing future dissents against the government.
- He also had a fraught relationship with the ruling regime.
- The present government had removed him from the DGP's post after it won the election last year.
- Hence the current move questions the real intentions of the government.
- Ideally, his remarks need to be challenged in the public sphere, not through criminal action.

4.22 Kerala Conversion Case

Why in news?

Supreme Court has ordered an investigation by the National Investigation Agency (NIA) into a possible "conspiracy" of "love jihad".

What is the case?

- The case involves the marriage of a 24 year old Hindu girl who converted to Islam before wedding a Muslim man.

- She has told the court that she converted to Islam of her own will.
- The girl's father had argued that his daughter had come under the influence of radical Islamists.
- This is made at the backdrop of allegations of widespread radicalisation in Kerala.
- Kerala High Court had annulled their marriage earlier, condemning it as "love jihad".
- The case subsequently taken to Supreme Court which has ordered an NIA probe into the case.

Was the issue handled properly?

- The whole issue seems to have got muddled communal narrative over an individual's rights and freedom.
- **HC order** - The girl is an adult.
- Yet the HC made an odd observation that the woman's marriage required the involvement of her parents, as she is still at a "vulnerable age".
- It enforces the widespread patriarchal understanding of women being the forever wards and property of their parents or any other male.
- Allegations were made over her husband having links with the Islamic State extremists on the basis of his WhatsApp groups.
- However, police investigation had not found any criminal element in this regard.
- **SC order** - The question before the court is the correctness of the Kerala HC's decision to annul her marriage and to adjudicate if her conversion and marriage are voluntary.
- But, the Supreme Court has ordered NIA to inquire into whether Hindu women in parts of Kerala are being radicalised.
- This seems to be arbitrary and invites suspicions of **judicial overreach**.
- It is also erroneous to task an anti-terrorism investigative agency to ascertain the truthfulness of religious conversions.
- Supreme Court seems to have placed a judicial curtailment on her free choice and has failed to fulfil its commitment to protect her freedom of religion and movement.

4.23 Delaying Child Abduction Law

What is the issue?

- US Congress recently passed International Child Abduction Return Act of 2017 that seeks to punish countries that do not adhere to US court orders on the return of abducted children.
- Despite repeated recommendations from courts and Law Commission, Indian government is reluctant to ratify The Hague Convention.

What is India's stance on this?

- The Law Commission has suggested signing, because it will facilitate the return to India of children who have their home in India.
- In the absence of a law in this regard, Indian courts had not followed a pattern in such cases.
- On the other hand, the government is apprehensive that signing would force Indian women who return with their children after conflict with their husbands, to go back to the foreign country for settlement of custody.

Hague Convention

- It is an international treaty to ensure the return of a child who has been "abducted" from the country of their "habitual residence".
- This is to address the issue of **custody of children caught in transnational marital discord**.
- Under the Convention, contracting countries must establish a central authority to trace unlawfully removed children and secure their return to the country of habitual residence.
- This is irrespective of the country's own laws on the issue and applies to children under the age of 16.

What is the way forward?

- **Law Commission** submitted The International Child Removal and Retention **Bill**, 2016.

- It had cautioned that a woman must not be put forced to choose between her children and an abusive relationship.
- The Commission dropped the word ‘abduction’ as the “parental abduction” is out of love and not to harm the child.
- It made a provision that gave the **central authority** the power to secure the voluntary return of any such child to the country of habitual residence, and to bring about an amicable **resolution**.
- Deciding on the proposals and formulating a suitable **law** and then ratifying the convention would decide the fate of children in dispute.

4.24 Reservations within Reservations - OBCs

Why in news?

The Union Cabinet has commissioned a study for establishing sub-quotas within OBC quota.

How did the OBC categorisation evolve?

- The Mandal commission in its recommendation in 1980 had suggested 27% reservations at the central level, for a list of the backward classes.
- This category was subsequently termed ‘Other Backward Classes’ and clubbed together nearly 5,000 castes.
- The first central OBC list was a compromise between the list of OBCs in the Mandal Report and the various existing state lists.
- The Centre has since expanded the list, often including newer castes to meet political exigencies.

What is the rationale behind the current move?

- As OBC is a group of castes, it was found that certain better empowered castes among the OBCs cornered the benefits for themselves.
- This defeats the very purpose of reservations.
- In order to address this, a commission has been recently created to explore the creation of subcategories for reservation within the central list of OBCs.
- This is also in line with the proposals submitted by the Ministry of Social Justice and Empowerment, the National Commission for Backward Classes and a Parliamentary Standing Committee.
- It is to be noted that, many state OBC lists already have subcategories and the system has worked.
- Also, there are no legal restrictions for sub-classification of the OBCs on the basis of their levels of progress as per the ‘Indira Sawhney Judgment - 1992’.

What could be the political implication?

- Creating OBC subcategories may force reconfiguration of the OBC politics and end the leadership role of certain dominant castes.
- The reservation policy will be exhausted of its transformative possibilities at some point and the signs are already there in the Jat, Patel and Maratha mobilisations.
- Even the “creamy layer” concept, which was to make reservations more equitable has been ineffective, mainly due to pressure from influential sections for frequently raising the income bar.
- Hence, the process must be effectively shielded from political interference.

4.25 Kapu agitations in Andrapradesh

Why in news?

The farming community of Kapus in Andhra Pradesh started agitations for their inclusion in notified Backward Classes.

What are the reasons for the agitations?

- They constitute about 20% of the population, demanding its inclusion in notified Backward Classes.

- Present government promised quotas for the Kapus.
- Yet three years on there has been no announcement on the quota.
- Manjunatha commission looked into the demands for quota by the Kapus and other communities.
- There is no word yet from the Commission.
- Recent protests were also inspired from the Gujjars and the Patels agitation.

How political parties gains from Kapu demands?

- The issue has been used effectively by ambitious Kapu leaders and political parties to garner votes from this numerically strong community.
- They raise the caste divide among the people for their secure vote bank.

5. GOVERNANCE

5.5 Digital Police Portal

Why in news?

Minister of Home Affairs has recently launched Digital Police Portal under the CCTNS project.

What is CCTNS?

- The Crime and Criminal Tracking Networks and Systems is an Indian government project for web based policing.
- It was conceived as a response to the Mumbai attacks of 2008 and approved in 2009.
- It aims at creating a comprehensive and integrated system for effective policing through e-Governance.
- The system is already in operation in many states but with a limited coverage.

What are the features of the Portal?

- The portal is part of the Inter-operable Criminal Justice System (ICJS) that aims to integrate the CCTNS project with a larger database.
- It aims at **integrating** various **organs of the criminal justice system** with the CCTNS database.
- This include the police, courts, prisons, forensic laboratories, juvenile homes, etc.
- It facilitates a **pan-India search** of **crime and criminal records** of individuals through a national database.
- It offers 11 kinds of search and 44 types of reports.
- Also, it will provide for the **citizens** to register FIRs online and also to register complaints against erring police officials.
- It gives them access to seven **public delivery services** which include among many -
 1. person/address verification of employees, tenants and servants.
 2. permission for hosting public events.
 3. reporting lost and found articles and vehicle theft
- The portal has a scope of extending its domain further to the databases like vehicle registrations as well.

What is the way forward?

- Criminal investigations and decisions can now become more informed.
- However the success of this potential game-changer project will depend on **data accuracy and its judicious utilisation**.
- Government has to ensure this while going ahead with the revolutionary initiative for the justice system.

5.6 RTI and Defence ministry

Why in news?

- Defence ministry at various instances failed to address the requests made under RTI act.
- Recently the Central Information Commission (CIC) advised the Ministry of Defence (MoD) to ensure correctness and accountability in defence procurements.

What is the role of RTI in requesting an information?

- RTI specifies information is required to be published within 120 days of the notification of the Act in respect of the items listed therein.
- Listed items are like the particulars of the organisation, its function and duties, norms set for discharge of functions, etc.
- The information can be in any form, including records, documents, opinions, press releases, circulars, contracts, etc. or can be data material held in any electronic form.
- RTI Act prescribes a maximum of 30 days for disposal of applications.
- It specifies for one CPIO (Central Public Information officer) for each department, who could forward the RTI applications to the right persons within the department.

What are the issues in acquiring defence information?

- There are plenty of RTI requests which were not addressed effectively by the defence ministry.
- RTI portals of defence ministry does not provide any meaningful information required to be made public every year.
- CPIOs to turn down the request on the grounds that the information sought by the applicant does not qualify as 'information'.
- The information required by the contractors and vendors itself is not delivered successfully by the department.
- The process is uncommunicative and unresponsive in regard to matters relating to defence acquisitions.
- There are chronic delays at every stage in the procurement process, which distressing aspect of the entire system.

What method is used by CPIO for denial of information?

- Section 8 of the RTI Act, exempts 'information, disclosure of which would prejudicially affect the sovereignty and integrity of India, the security, strategic, scientific or economic interests of the State, relation with foreign State or lead to incitement of an offence'.
- The irony here is, the denied information is found splashed all over the media or is available in the Standing Committee Reports.

How can this issue be addressed?

- Proactive disclosures and Quick response to the stake-holders - queries should be taken care.
- Engaging some experienced consultants as transparency Officers to sift through the applications received under the RTI Act will help.
- Identifying all areas of general interest for making proactive disclosures, related to those areas in a standardised format needs to be done.
- At regular intervals data need to be released through various means of communications, it will reduce the use of the RTI.
- Setting up Research institutions to carry out research based on information released by concern ministries will promote participatory governance.

5.7 Issues with NITI Aayog

What is the issue?

NITI Aayog has failed to achieve few of its commitments.

What is status of with NITI Aayog?

- National Institution for Transforming India, or NITI Aayog, was created as an alternative to the Planning Commission in 2015.
- It was believed that it would be crisp and original in its ideas and prepare India to sustain growth, jobs and living standards.
- Two-and-a-half years later, it is found that its promises remain largely unfulfilled.
- So far, the NITI Aayog has not come up with very many exciting recommendations.

What are the weak segments of NITI Aayog?

- **Disinvestment:** The suggestions on privatisation of Air India, and on a larger disinvestment plan is less than compelling.
- **Agriculture:** Its suggestions on agriculture marketing reforms are no different from prescriptions of the past.
- They do not shed any light on managing the transition from an old set of institutions to new ones.
- **Trade technology:** It had less plans on services and manufacturing powerhouse in a rapidly changing world, where automation is rendering a host of existing skills redundant.
- **Management:** NITI Aayog was meant to be a lean, efficient alternative to the clumsy Planning Commission.
- It has options of funding sharing mechanisms, but has very less focus decision making with respect to cooperative federalism.

What can be done?

- NITI Aayog needs to recognise that with paradigm shifts taking place with respect to globalisation, immigration, automation and financial sector policies.
- It needs good management skills in handling the cooperative federalism.
- It should rope States into developing a coherent approach in sectors that lie in the latter's domain, such as agriculture, education and job creation.

5.8 Corporate Governance

Why in news?

The term is often seen in news following the rift between the founders and the management of Infosys.

What is Corporate Governance?

- The term governance refers to the act of managing an entity.
- What makes the governance of a company different is the separation of ownership from management in the corporate structure.
- Public limited companies pool capital from thousands of shareholders.
- But these shareholders/owners effectively play no active role in the day to day running of company.
- They delegate all the 'governance' to a management team.
- Good Corporate Governance is all about ensuring the management team runs the company in the interests of its owners, instead of their vested interests.

Why is it important?

- Most listed companies and large corporate groups in India were born as family-owned businesses.
- Family members used to occupy managerial positions and make all the key business decisions.
- This also meant very little distinction between the company's finances and that of the family owners.
- With the evolution of the equity markets, many of these family-owned businesses listed themselves on the exchanges.
- However, the traditional governance practices continued.

- Though no longer the sole owners, the promoters continued to wield disproportionate influence over decisions.
- Companies Act 1956 tried to fix it by requiring company Boards to seek Central Government permission for certain decisions like loans to directors and shareholder approvals for decisions like appointment of relatives.
- These checks were proved inadequate.
- SEBI constituted a series of committees to come up with more elaborate governance norms for India Inc.
- The present corporate governance norms, enshrined in the Companies Act, SEBI listing regulations and Clause 49 of the listing agreement are the result of deliberations by these committees.
- Yet another committee – the UdayKotak committee – has recently been tasked with a further review.

What are the present norms for listed companies?

- Governance norms for Indian listed companies are set out in
 1. The Companies Act,
 2. Clause 49 in the listing agreement that companies sign with the exchanges and
 3. SEBI's new Listing Obligations and Disclosure Requirement Regulations of 2015.
- They include -
 1. At least one-third of the Board should be independent directors
 2. All related party deals need to be disclosed.
 3. Comparative metrics on managerial pay has to be disclosed
 4. Audit and nomination committees are to be appointed.
 5. CEO and CFO are required to sign off on the governance norms being met in the financial statements.
 6. Minority shareholders with 10% voting rights also have the right to drag companies to Court for 'oppression and mismanagement'.

6. INDIA AND ITS NEIGHBOURHOOD

6.7 Cross LoC Trade with Pakistan

Why in news?

Cross LoC trade across Uri-Muzaffarabad route resumed this week after it was stopped over 2 weeks ago due to seizure of drugs from a truck.

What is the significance of Cross LOC Trade?

- To ease tensions between India & Pakistan, to promote peace & economic activity in the state of J&K, cross-LoC trade was started in 2008.
- Though not very voluminous in nature, it helped connect the regions of J&K on both sides of the border.
- The trade is through barter exchange & has by far been a successful initiative.
- The present ruling party of J&K, had promised to support this trade.
- With increasing border tensions, trade across the Poonch-Rawalakot route has been stopped since July.
- The Uri-Muzaffarabad route was also suspended following the recovery of Rs 300 crore worth heroin and brown sugar from a truck coming from PoK.

What are some steps to better this trade?

- **Joint Investigation Teams** should be set up to investigate cases of narcotic and arms smuggling across the border.

- **Trade Monitoring Cells** should be constituted to keep a check on the traders and trade practices,.
- **Institutionalisation** -Traders and chambers on both sides have come up with the idea of a joint chamber, which will have traders of both sides as well as the local chambers of Jammu and Kashmir and the Mirpur Chamber.
- Support from both governments will help create more transparency in transactions and information flow among traders and chambers on across the LoC& within.
- **Training** - It is important to impart training to LoC traders, with support from excise and security agencies.

6.8 Patriot games at Attari-Wagah

What is the issue?

The retreat ceremony at the Attari-Wagah border today is more of a display of mutual hostility than peace.

What is the retreat ceremony?

- Attari-Wagah is a recognized international border in Punjab that lies very close to Amritsar in India & Lahore in Pakistan.
- The evening flags ceremony at the Wagah border is a daily military practice that the security forces of India and Pakistan have jointly followed since 1959.
- The practice began as a goodwill gesture to symbolise co-operating & co-ordination between the nations.
- Over the years, the display of respective nationalisms attained prominence and gestures have become far more aggressive, dramatic and hateful.

How has the commerce influenced patriotism?

- Over the years, business at border ceremony flourished flashing their tri-coloured advertisements and selling patriotic memorabilia.
- Frequent presence of celebrities and Bollywood music has added a completely new dimension to the craze.
- The telecast of the event in close angles has added fuel to more intense symbolism.

Why should we give up aggression?

- It's time to wind down the choreographed hostility at the India-Pakistan border as these posturing displays a deep ill will for the other.
- At present time, it looks less like a celebration and more about insulting the other.
- Although in 2010, both nations agreed to reduce aggressive gestures but things haven't changed on ground.

6.9 Need for diplomacy in Rohingyas conflict

Why in news?

Myanmar has recently increased military deployment in the northern Rakhine area as part of its counter-insurgency efforts against Rohingyas.

Who are the Rohingyas?

- The Rohingya are an ethnic Muslim group in the majority Buddhist country
- They reside predominantly in Rakhine state and speak a Bengali dialect.
- They are not recognised by the Myanmar government as an official ethnic group and are therefore denied citizenship.
- While it is claimed that there were no Rohingyas in Myanmar before the British brought 'Bengalis' to Burma, there is sufficient evidence to show for the Rohingyas' pre-existence.
- They are often said to be the world's most persecuted minority.

What is the issue in Myanmar?

- In the past ten months alone, nearly 100,000 more Rohingyas have been displaced, with three-fourths of them seeking refuge in Bangladesh and India.
- The fundamental reasons for the violation of the human rights of the Rohingyas.
- They suffer "mass atrocities" perpetrated by security forces in the northern part of Rakhine state.
- There has been no effective international pressure to roll back such policies.
- Neighbouring countries like Bangladesh, India and Indonesia have raised the issue with Myanmar only when the refugees became economically burdensome.

How is India affected by this issue?

- **Migration** - In India, there are nearly 40,000 Rohingya refugees, with 16,500 registered with the office of the United Nations Human Rights Commissioner.
- **Islamic extremism** - Efforts of radical Islamists to influence some of the Rohingya youth, to capitalise on the situation and promote anti-India activities is possible
- **Political tensions** - There are a few places in the country where politically instigated attempts are being made to re-locate them.
- **North-East security** - India has a stake in the security conditions in upper western Myanmar adjoining the Naga self-administered zone where the Khaplang faction of the National Socialist Council of Nagalim operates.

6.10 Significance of Pangong Tso

Why in news?

A series of clashes between Indian and Chinese army personnel are reported near Pangong Tso Lake.



Pangong Tso

- Pangong Tso is a long narrow, deep, landlocked lake situated at a height of more than 14,000 ft in the Ladakh, Himalayas.
- The 135 km-long lake sprawls over 604 sq km in the shape of a boomerang, and is 6 km wide at its broadest point.
- The western end of Pangong Tso lies 54 km to the southeast of Leh.
- The brackish water lake freezes over in winter, and becomes ideal for ice skating and polo

What are the reasons for the dispute?

- The Line of Actual Control (LAC) cuts through the lake, but India and China do not agree on its exact location.
- In 1999, when the Army unit from the area was moved to Kargil for Operation Vijay, China took the opportunity to build 5 km of road inside Indian Territory along the lake's bank.
- From one of these roads, Chinese positions physically overlook Indian positions on the northern tip of the Pangong Lake.
- As things stand, a 45 km-long western portion of the lake is in Indian control, while the rest is under China's control.
- Most of the clashes between the two armies occur in the disputed portion of the lake

6.11 Ending the Doklam Standoff

Why in news?

After weeks of diplomatic negotiations, India and China agreed to disengage from the standoff on the Doklam plateau.

What was the root cause?

- Doklam lies near the disputed Sikkim-Bhutan-Tibet tri-junction where the 89-square kilometre yak-grazing ground is claimed by both China and Bhutan.
- The current tensions began when China was found to be constructing a road near the area.
- India has intervened for Bhutan's cause & the Indian troops ventured more than 200m into Chinese territory to stop the construction work.
- China has set the withdrawal of Indian troops from the area as a pre-condition for talks & India has asked China to give up the road project.

How has the border dispute panned over the years?

- The McMahon Line was the border demarcation which was agreed in 1914 Simla Convention between British India and the then Tibetan government, which is now not recognized by China.
- Sovereignty over two large and various smaller separated pieces of territory have been contested between China and India.
- **Aksai Chin** - This uninhabited high altitude wasteland is claimed by India as part of the Ladakh region in state of Jammu and Kashmir but is controlled and administered as part of the Chinese autonomous region of Xinjiang.
- **Arunachal Pradesh** – This region has been administered by the Indian union with a state government with considerable autonomy of its own. The entire of Arunachal is claimed by China as part of southern Tibet.
- The 1962 Sino-Indian War was fought in both of these areas.
- Small skirmish have been intermittently occurring in other areas across the disputed fringes of 4000km border ever since.
- An intension to resolve the dispute was agreed upon in 1996, including "confidence-building measures" and a the establishment of a mutually agreed temporary Line of Actual Control.
- **Sikkim** - With China acknowledging Sikkim as an integral part of India in 2003, a major border settlement was reached in the Sikkim sector except for a small region in the northern tip.

What is the recent development?

- After more than 2 months of negotiations, the Indian troops withdrew back from Doklam to their posts in Sikkim as a goodwill gesture as China promised to make adjustments.
- Government sources have said that the process of disengagement had been almost completed and also verified by both sides.
- This restores status quo ante at Doklam.
- China had put off any plans to further construct the road in the disputed area for the present.
- But the statements issued by both the sides were inconsistent with each other.
- It shows that both sides seem to have agreed to disagree, though not ideal, is a good sign.

What should be done in the future?

- Diplomats must now repair the rupture in ties over the past few months that began with the cancellation of the Nathu La route for Kailash-Mansarovar pilgrims.
- Presently, it appears that China no longer recognises the gains made in the Special Representative talks in 2012 or the disputed nature of the Doklam tri-junction.
- India, on the contrary has made it clear that it does not consider the Sikkim boundary settled.
- Hence, both sides will have to walk swiftly on these basic issues.

- Both must revert to the spirit of the Border Defence Cooperation Agreement of 2013, which laid down specific guidelines on tackling future developments along the 3,488-km boundary they share.

6.12 Nepali PM visit to India

Why in news?

Recently Nepali Prime minister visited India.

What are the highlights of the meet?

- **Governance** - Nepal expressed its hope to implement amendments to the constitution in future.
- Flood management and irrigation projects were a point of focus in the talks between the two countries
- Both nations signed eight pacts, including on cooperation in countering drug trafficking.
- **Security** - Emphasis on closer cooperation between the two countries security and defence forces to prevent any misuse of their open border was made.
- Nepal was clear that under no circumstances it would allow its territory to be used against India.
- No discussions were made on Doklam issues.
- **Infrastructure** -India and Nepal jointly inaugurated the Kataiya-Kusaha and Raxaul-Parwanipur cross border power transmission lines.
- Agreements on development of the Ramayana and Buddhist tourism circuits through better connectivity was made.
- **Trade Cooperation** - Both sides also exchanged views on regional and sub-regional cooperation using BIMSTEC and BBIN and create a "win-win" situation in various areas.

7. BILATERAL RELATIONS

7.5 Indo-US Defence ties

Why in news?

Recent summit between US and India concluded with continuity in the bilateral defence and security relationship.

What is the importance of Indo-US defence relations?

- The defence partnership has proven to be a low velocity, high inertia affair slow, steady, but unlikely to change course absent a major disruption.
- This has been due, in part, to the fact that it has been under-girded by a common view of the balance of power in the Indo-Pacific, and a shared concern over China's reach across Asia.
- This strategic rationale for defence cooperation is citing a set of "common principles" such as respect for international law and state sovereignty,
- The defence statement reaffirmed the imperative for US-India cooperation across Asia embodied in the 2015 Joint Strategic Vision.

What are the major areas of Indo-US defence cooperation?

- **Exercise** - Deeper collaboration on maritime domain awareness,
- The annual US-India-Japan MALABAR exercise, which is "the largest maritime exercise ever conducted in the vast Indian Ocean," and which included a focus on anti-submarine warfare.
- **Defence trade** - The summit's flagship deal was the announcement that the US had offered a multi-billion dollar sale of 22 Sea Guardian Unmanned Aerial Systems.
- Procuring them should be a boon to India's maritime surveillance.
- **Counter Terror** - This the area in which both might eventually see closer cooperation.

- The tough language on Pakistan along with the US designation of Hizb-ul-Mujahideen leader Syed Salah Uddin .
- The announcement of a new consultative mechanism on terrorist designation listings US may be more willing to take Pakistan to task and prioritise India's grievances.

7.6 Import of American Oil

Why in news?

The first shipment of American crude oil to India is likely to reach soon.

Why is this a big deal?

- The export of American oil was banned for about 40 years.
- The ban was implemented in 1975 amid the Arab oil embargo and petroleum shortages.
- It was lifted by former US President Barack Obama in 2015.
- Indian PM recently secured a comprehensive review of trade relations particularly in the energy sector with US President during his recent visit to USA.
- Soon after this, leading Indian oil companies started placing orders for purchasing crude from the US.

What was the need for American shipments?

- Brent (oil field in the North Sea) is benchmark crude that serves as a reference price for buyers in western world and Dubai serves as benchmark for countries in the east.
- Their prices have become uncompetitive following the Production cuts by OPEC.
- So buying US crude has now become attractive for Indian refiners.
- Even after including the shipping cost, buying US crude is cost effective for India retailers.

What is the significance of the move?

- India, the world's third-largest oil importer, now joins Asian countries like South Korea, Japan and China to buy American crude.
- By the tapping this alternative supply option India's over dependence on OPEC for imports has come down.
- It also opens up new avenues for diversifying India's buying options.
- Subsequently it increases India's bargaining power with OPEC members.
- It has also opened new vistas in the Indo-US ties.
- It reduces the impact of uncertainty with global oil prices on Indian economy to a significant extent.

7.7 The Afghan connect

Why in news?

The India-Afghanistan air corridor has been hit by a shortage of cargo planes.

What is the importance of Air corridor?

- Afghanistan is a land-locked country & trade connectivity through road has to pass through an unwelcoming Pakistan.
- The air corridor project was proposed during the 'Heart of Asia' summit in Amritsar in December 2016.
- It was inaugurated few months ago & the political commitment shown by both sides was remarkable.
- The Afghan government also heavily subsidises the transit for its traders.



What is the recent problem?

- Currently, it is fruits season in Afghanistan.
- The lack of a secured provider for chartered flights in Afghanistan had caused recent disruptions.
- On the Indian side, traders worry about clearing the perishable goods quickly through Indian customs as the process is yet to be streamlined.
- Due to this, tonnes of perishable produce are not being able to make it to their destined markets in time.

What are the other projects that enhance connectivity to the west?

- India has committed \$2 billion in development aid to Afghanistan.
- Zaranj Delaram highway (which connects to Iran), the Herat dam (Friendship Dam), the Doshi-Charikar power project, and the construction of Afghanistan's parliament complex are completed.
- India's plans for the Chabahar port in Iran and the trilateral agreement to develop transit trade is being worked on.
- It is yet to be ratified in Iran.
- Tenders by India Ports Global Limited to develop berths as well as the railway line connecting Chabahar to the Afghan border at Zahedan (first planned in 2011) continue to be delayed.

7.8 India-Philippines Financial Aid

What is the issue?

India's financial aid to the Philippines to fight the Islamic State signals a reworking of its ASEAN outreach.

What is the issue going in Philippines?

- The siege of Marawi, about 800 km south of the capital Manila, began in May.
- Philippines security forces launched an offensive to capture Isnilon Hapilon, leader of the IS-affiliated group.
- Despite the military offensive, militants remain in control of Marawi which they view as key to their efforts to create an IS province.

What is the significance of India's Aid?

- India has decided to provide a financial assistance of Rs. 3.2 crore to the Philippines to aid its fight.
- This is the first time India is sending aid to another nation to help it fight terrorism.
- India used this crisis to enhance its anti-terror and de-radicalisation partnership with the Philippines.
- India is conducting cyber security training for the Philippine security forces, focusing on de-radicalisation.

Will this things impact china?

- The Philippines is trying to recalibrate its ties with China, under stress because of a suit brought by Manila to the Permanent Court of Arbitration challenging Beijing's claim to almost all of the South China Sea.
- India cannot easily match China's growing economic profile but it has other means to build partnership with a very important region in its foreign policy matrix.
- As India and the Association of Southeast Asian Nations (ASEAN) celebrate 25 years of their partnership this year, it is a politically opportune moment to upgrade India's regional profile.
- The recent outreach to Manila is an important step in that direction.



8. INTERNATIONAL ISSUES

8.28 Restrictions on Pakistan

Why in news?

US Congress proposed restrictions on Pakistan for its role in fuelling terror in Afghanistan.

What is the need for such restrictions?

- Country Report of Terrorism, 2016 has noted that Pakistan has failed to take action against the Afghan Taliban and Haqqani Network that continue to operate from “Pakistan based safe havens”.
- Pakistan government did not take any significant action against the Lashkar-e-toiba and Jaish-e-mohamadi who are responsible for terror activities in India.
- The US is now proposing closer oversight of how US funds for Afghanistan are utilised by the Afghan government.

What are the decisions of US over Pakistan?

- **Sanctions** -The US legislation proposes imposing graduated diplomatic, military and economic costs on Pakistan as long as it continues to provide support and sanctuary to terrorist links.
- **Assistance** - It plans for assistance to Pakistan for terminating support for all terrorist and insurgent groups.
- **Diplomatic ties** - US calls for working through flexible frameworks for regional dialogue, together with Afghanistan, Pakistan, China, India, Tajikistan, Uzbekistan, Turkmenistan and other nations.

8.29 U.S's Afghan Strategy

Why in news?

U.S President recently announced his new Afghan strategy.

What are the highlights of the strategy?

- **Pakistan** -It is acknowledged the fact that Pakistan has been playing a destructive role in Afghanistan by providing support and sanctuary to terrorists.
- **India** -India is the ninth biggest trading partner of the U.S. and India had a trade surplus of around \$26 billion with the U.S. in goods trade alone in 2016.
- It pointed out that India makes billions of dollars in trade with the United States and in return it wants India to help US more with Afghanistan.
- It recognized India as a strategic partner for security and economic development in Afghanistan.
- By inviting India to be a partner in Afghanistan, it entirely overruled Pakistan's position that India's involvement to its west is part of the problem.
- **South Asia** -It followed the previous administration's understanding of South Asia as a nuclear flash point.
- It sees the relationship between Pakistan and India as worsening wants to prevent nuclear weapons of either of the countries from falling into the hands of terrorists.
- **ANDSF** -It reiterated the centrality of the Afghan National Defense and Security Forces (ANDSF) in defense of Afghan values, and safeguarding the space for democratic & constitutional play by keeping the Taliban and other terrorists at bay with military and financial assistance of the US.
- It clarified U.S' stance in Afghanistan as not nation-building but killing terrorists.

What was the need?

- Sixteen years since George W. Bush ordered the American invasion of Afghanistan and toppled the Taliban regime, the insurgents are on the ascendant again.
- More than half the country's territory is now controlled by the Taliban, while the IS has set up base in eastern Afghanistan.
- In recent years, both the Taliban and the IS have carried out a number of terror attacks in the country, including high security zones, raising questions about the very survival of the government.

- US wants to avoid the kind of vacuum left behind by the Soviet withdrawal in the late 1980s that plunged Afghanistan into a protracted civil war.

What should we do?

- A positive Indian approach would involve three elements — economic, security and diplomatic.
- India must ramp up its economic diplomacy in Afghanistan to bring immediate benefits to Kabul.
- It must step up security cooperation with Afghanistan, especially in the training of its police and armed forces and intelligence sharing.
- It must also remind the world of its commitment to regional cooperation with Afghanistan and Pakistan.

How will it affect Pakistan?

- Pakistan is conscious of the dangers of antagonising the West.
- But it also should be noted that Pakistan has got away with its misdeeds for the past 17 years.
- So it would indeed prove difficult to turn words into action.
- It will not be easy, however, for Pakistan to abandon its investments in cross-border terror.

8.30 US-China Trade Dispute

Why in news?

U.S. President has ordered an enquiry to determine if an investigation into China's trade practices was warranted.

What are the practices that U.S objects?

- Chinese laws require American and other foreign companies that are directly investing in China to set up joint ventures with Chinese partners.
- In some cases, transfer of intellectual property assets is also mandated.
- China is already on the USTR Priority Watch List, which is a list of countries whose IP regimes are deficient.
- But it is also to be noted here that China is the U.S.'s largest goods trading partner.

What could be the possible actions?

- There are provisions in the U.S. Trade Act, 1974, which enable the U.S. to take action to enforce trade treaties, or use counter measures, such as retaliatory tariffs.
- China has said if that it will retaliate if the U.S. acts against it in a manner that violates existing international trade agreements.
- If retaliatory measures come in place, then it is possible that a trade war could ensue between the two.

8.31 Tensions between U.S & Russia

Why in news?

Russian President Vladimir Putin has ordered 755 US diplomatic staff to leave the country.

How did the crisis evolve?

- US's intervention in the middle-east since early 2000s has destabilised state structures in many countries leading to the rise of radical jihad which was posing a threat to Russia's security.
- NATO breached its promise of not to expand eastwards by steadily increasing its influence in Ukraine.
- Russia & the US have been involved in face-off indirectly for long by aligning with opposite sides in various international conflicts.
- Russia's war in Ukraine, and its intimidation of small states on its peripheries, led up to President Obama to imposing sanctions in 2014.
- Russian diplomatic missions in US were ordered to downsize as a retaliation when initial evidence of Russian rigging of the US presidential elections emerged.

What was recent set-off?

- While the investigation into the allegations of Russia's election-time interference in US is still under way, Congress went ahead preparing the sanctions Bill.
- The Bill seeks to limit US President Trump's ability to suspend or lift sanctions on Russia.
- The new sanctions will add to Russia's economic troubles at a time it is already facing sanctions imposed by Europe and the U.S., and dealing with a commodities slowdown.
- Russia has thus opted to retaliate diplomatically.

What lies before Russia and US?

- Whenever Russia and the U.S. joined hands to address the world's pressing problems in recent years, there were positive results. e.g Iran nuclear deal
- The Trump administration's willingness to work with the Russians in Syria has also helped calm parts of the war-ravaged country.
- The ceasefire brokered by Moscow and Washington between the Syrian regime and rebels recently is still holding.
- Besides, if the U.S. wants to address the North Korean nuclear crisis diplomatically, which is perhaps the biggest foreign policy challenge, it could do with Russia's help.
- Russia is also crucial to stabilising Afghanistan, where US is reportedly arming the Taliban.
- But instead of expanding their cooperation and addressing these challenges as responsible global leaders, the nuclear-armed powers seem to have fallen into the old Cold War-era hostility.

8.32 Threats by North Korea**What is the issue?**

North Korea continues to test missiles and poses threat to its neighbourhood.

What are the concerns with North Korean missile test?

- Recently N.Korea launched its 22nd missile of this year, the number is highest since 1984.
- According to the U.S. government, the missile has a range of 7,000-9,500 km.
- It can reach continental U.S. Depending on the trajectory and payload, it can destroy Chicago and maybe even New York.
- Like it did in 2009 with previous US presidential regime, it also testing the resonance of current U.S regime and alliance of Japan and South Korea.
- U.S is preparing its defence commitment including nuclear weapons, since Pyongyang possesses the means to hit mainland U.S.

What N.Korea is trying to signify with its missile launches?

- The series of acts by North Korea as created a dubious geopolitical security.
- According to recent U.S. intelligence assessment, Pyongyang has developed miniaturised nuclear warheads that can fit into its missiles.
- This coupled with the worrying shift in missile testing patterns of the nation, launches are now being conducted all over the country
- There are not just at the conventional tests, it indicates that the nation is possibly preparing all its missile units for nuclear war.

8.33 Guam Crisis

Why in news?

North Korea has threatened to launch a nuclear attack on Guam Island, a US territory.

What is Guam's significance?

- The remote 210-square mile US territory, near the Mariana trench, is a vital US military outpost and host to strategic bombers and at least 6,000 US service members.
- American military bases, including the sprawling Andersen Air Force Base and the Naval Base Guam, occupy nearly 30% of the island.
- Japanese soldiers take part in joint military exercises between the US, Japan, France and UK on Naval Base Guam.
- Guam's importance to America's Pacific defence capabilities, and its location as the closest point of American soil to North Korea, just 2,200 miles southeast, have left it vulnerable to being caught in the crossfire of dictator Kim Jong-un's bellicose missile threats.
- The training operation may be one reason why North Korea specifically threatened the island.

Guam Island

- Guam is an island located in the Micronesia region of the Pacific.
- It was captured by the US from Spain in 1898 during the Spanish-American war.
- The island has 1,60,000 residents, 40% of whom are comprised of the Chamorro ethnic group, and are American citizens by birth.
- It is America's most western territory but it is not a state.
- It has a seat in the US House of Representatives, who does not have a vote on the final passage of legislation.
- U.S. citizens in Guam vote in a straw poll in the U.S. Presidential general election, but the poll has no real effect.
- The territory's tropical climate, with an average temperature of 28 degrees Celsius, makes it a popular location for tourists.

8.34 UN Sanctions on North Korea

Why in news?

The UN Security Council has unanimously approved the U.S.-drafted sanctions on North Korea.

What are the sanctions for?

- The sanctions are in response to the North Korea's two intercontinental ballistic missile tests recently.
- The sanctions prohibit North Korea from buying, selling or transferring coal, iron, iron ore, seafood, lead and lead ore to other countries.
- They also attempt to restrict North Korean labour abroad.
- It is said that if fully implemented, the sanctions would cut North Korea's foreign earnings by \$1 billion.



What is North Korea's response?

- North Korea has firmly made it clear that new UN sanctions would not stop it from developing its nuclear arsenal.
- It also rejected calls for negotiations and warned the US of retaliation.
- North Korea also reiterated that unless the hostile policy and nuclear threat of the U.S. against it are fundamentally eliminated, it would not change its course on nuclear policy.
- US has stated that it would consider talks only if Pyongyang halted its ballistic missile programme.

Are sanctions effective?

- There are opinions that sanctions are a blunt instrument and can take a long time to have any effect because of ineffective implementation.

- This is due to factors like North Korea exploits illicit supply networks, individual states don't implement sanctions fully and private-sector firms can often undermine them.
- Even earlier sanctions on North Korea have not fully materialised to choke off all economic activity of the present North Korean regime.
- New sanctions are a necessary and potentially useful precondition but this is a kind of a security problem that requires more skilful diplomacy and alliance-building.

8.35 China's sanctions on North Korea

Why in news?

Following new UN sanctions, China announced that it will halt iron, iron ore and seafood imports from North Korea.

What does this sanction include?

- **Exports** - The tough new sanctions would prohibit export of North Korean coal, iron, iron ore, lead, lead ore, and seafood.
- These industries account for about a third of all of North Korean exports.
- **Investments** - It sets new limits on North Korea's Foreign Trade Bank by banning new joint ventures between North Korea and foreign companies.
- It prohibits new foreign investments in North Korean ventures, and caps the number of workers the country can send abroad.

China N.Korea Trade

- China accounts for 90% of North Korea's trade.
- China imported \$74.4 million worth of iron ore in the first five months of this year, almost equalling the figure for all of 2016.
- Fish and seafood imports totalled \$46.7 million in June 2017.

What is the significance of China's move?

- USA has been pressuring Beijing to take a harder stance against North Korea.
- China voted for the measure in UN, after repeated accusation from US that China is not doing enough to harness in its neighbour.
- Given that China is North Korea's largest trading partner, this move is expected to be effective.

What are the issues with this sanction?

- It's unclear whether NK will curtail the nation's weapons program.
- Past sanctions have not discouraged the regime in its quest to develop nuclear weapons.
- The sanctions would punish North Korean leaders in particular.
- It's unclear how the sanctions will impact ordinary citizens.
- It is also doubtful whether China will keep its commitments for maintaining the sanctions.

8.36 Nuclear Weapons Ban Treaty

Why in news?

The Treaty on the Prohibition of Nuclear Weapons was adopted recently in the United Nations

What is the treaty about?

- Nuclear weapons – unlike chemical weapons, biological weapons, landmines and cluster munitions – are not prohibited in a comprehensive and universal manner.
- Even the Non-Proliferation Treaty (NPT) of 1968 and nuclear-weapon-free zone contains only partial prohibitions.
- This treaty is the first multilateral legally-binding instrument for nuclear disarmament.
- It prohibits a full range of nuclear-weapon related activities, such as undertaking to develop, test, produce, manufacture, acquire, possess or stockpile nuclear weapons or other nuclear explosive devices.

- It also prohibits the use or threat of use of these weapons as well.
- It will serve as an "unambiguous political commitment" to achieve and maintain a nuclear-weapon-free world and act as a moral pressure.
- It was hoped that the new treaty will promote inclusive dialogue and renewed international cooperation aimed at achieving the long overdue objective of nuclear disarmament.

Who were the participants?

- 122 of the 124 nations that participated in the negotiations had voted in favour of the treaty.
- The treaty will enter into force 90 days after it has been ratified by at least 50 countries.
- The eight nuclear weapon states i.e US, Russia, Britain, China, France, India, Pakistan and North Korea along with Israel had not participated in the negotiations.
- Even Japan, the only country to have suffered nuclear attacks boycotted the conference.

What are stands of the boycotters?

- India maintained that it recognises the 'Geneva-based Conference on Disarmament'-(CD) as the single multilateral disarmament negotiation forum & it is not convinced of the potential of the current treaty to address the disarmament issue.
- The Permanent Representatives of the US, UK and France are of the view that the treaty does not recognize the importance of nuclear deterrence.
- In the backdrop of the grave threat posed by North Korea's nuclear programme, they feel that the treaty could ruin peace and stability.

8.37 Humanitarian Crisis in Yemen

What is the issue?

Apart from civil war, Yemen is facing new challenges of humanitarian crisis including the recent outbreak of cholera.

What is Yemen civil war?

- The Yemeni Civil War is an ongoing conflict that began in 2015 between two factions claiming to constitute the Yemeni government.
- Houthi forces, loyal to the former President, have clashed with forces loyal to the current government.
- The Houthi forces captured the Yemen capital Sana.
- Al-Qaeda in the Arabian Peninsula (AQAP) and the Islamic State of Iraq and the Levant are also agencies involved in the conflict.
- A coalition led by Saudi Arabia launched military operations by using airstrikes to restore the Yemeni government which is overthrown by Houthi.
- According to the UN, from March 2015 to March 2017, 16,200 people have been killed in Yemen, including 10,000 civilians.

What are the present issues in Yemen?

- Migration - Millions were displaced since 2015.
- Yet many migrants come to Yemen from the Horn of Africa seeking work in prosperous Gulf countries further north.
- Cholera - Yemen saw largest outbreak of Cholera in a single year.
- Just hours after being infected, vomiting and diarrhoea cause severe dehydration that can kill without rapid intervention.
- There are no proper facilities to treat people affected by diseases.

8.38 Racial Tensions in the US

Why is the issue?

Call for the removal of symbols representing the confederacy has heightened racial tensions in USA.

What is the Confederacy?

- USA was historically the destination market for slaves brought from Africa.
- The economy of the southern states of US was mainly based on cotton cultivation & plantations and depended heavily on slave labour.
- When Abraham Lincoln was elected president in 1860 on an agenda to abolish slavery, the southern states rebelled.
- The confederacy of American states was founded in 1861, consisting of the eleven south states that seceded from the union.
- Though the confederacy officially ceased to exist by 1865, it remained the ideological nucleus for all future white supremacist movements like violent Ku Klux Klan.

What was the recent conflict?

- A series of racial attacks on black youth in the US recently, revamped the organisations working for racial equality.
- This also gave rise to the anti-confederacy movement that has called for removing all symbols of the confederacy as a means to true reconciliation.
- While most see the symbols of the confederacy, such as flags, monuments, statues etc as one of racist oppression, some see them as their historical heritage.

8.39 Developments on the Brexit

What is the issue?

As the EU and Britain enter for the next round of Brexit negotiations, EU demands more clarity on certain issues before Britain decides on post-Brexit arrangements.

What are the recent developments?

- The opposition party is putting forth the idea of a "soft Brexit".
- Firstly, this means Britain remaining in the **EU's customs union and single market** for a transition period after the March 2019 Brexit deadline.
- This would perhaps facilitate tariff-free trade, and the much-needed certainty to businesses and consumers.
- However, it also implies the acceptance of the principle of free movement of people within the EU bloc, which was earlier one of the prime reasons for the Brexit.
- Secondly, the initial call for Brexit had firmly asserted the need for Britain's independence from the **European Court of Justice** on national sovereignty concerns.
- However, recently, the ruling Conservative Party has hinted a possibility of the continued role of the Court well after Britain's exit from the EU.
- Britain Prime Minister Theresa May is compromising on her earlier stance to leave both, as she lost her parliamentary majority in the recent elections.

What is the way forward?

- The withdrawal agreement as understood from Article 50 of the Treaty on European Union entails three distinct elements -
 1. status of British and EU **migrants** resident in their respective territories
 2. the **financial settlement** of London's outstanding dues
 3. reconfiguration of the EU-UK **border** between Northern Ireland and the Republic of Ireland.
- The European Union insists that these key issues of withdrawal be dealt and settled before any post-Brexit discussions begin.
- A resolution of these outstanding issues only would ensure a meaningful negotiation on the Brexit as well as any future trade agreement between the two parties.

G.S PAPER III

9. ECONOMY

9.1 Problems in Inflation Targeting

What is the issue?

- There has been demand to lower the interest rates since the inflation slipped to 1.54%.
- Economists suggest that the monetary policy should not be formulated based upon inflation.

What is the flaw in the existing model?

- India opted for the Monetary Policy Committee to deal with **inflation targeting**.
- Developing countries such as India have an economic structure different from the developed ones of the West for which inflation targeting was first devised.
- The problem with this model is that the potential level of output is unobservable, uncertain and is highly variable.
- e.g **Agriculture sector** of India. The production fluctuates to a large extent with subsequent fluctuation in prices.
- When the relative price of agricultural goods rises due to slower growth of agriculture, the inflation rate rises.
- Such inflation has nothing to do with an economy-wide imbalance gap as visualised in the 'output gap model'.
- With this perception, the slow growth in other sector of economy, manufacturing, is going unnoticed.
- Rising interest rate as a response to rising agricultural prices would only be at the cost of output loss in the non-agricultural sector.

What should be done?

- RBI and the MPC have to acknowledge that they have erred in taking real rates in India to the highest levels.
- Inflation targeting should be based on a proper understanding of inflation in the Indian context.

9.2 Rate cut by RBI

Why in news?

The Monetary Policy Committee (MPC) of the Reserve Bank of India (RBI) in its bimonthly review of monetary policy has cut the repo rate by 25 basis points to 6%.

What was the need?

- The rate cut was widely expected after many data releases suggested a slowing economy.
- Consumer price **inflation** had hit record low numbers. Food inflation had turned negative.
- Suppressed urban **demand** implies that companies do not have great pricing power.
- The Index of Industrial Production and Purchasing Managers' Index (PMI) for **manufacturing** were also not optimistic.
- The high levels of **stress** that continue to be reflected in the balance sheets of both lenders and corporate borrowers does not seem to have scope for new **investments**.

What caution has the RBI taken?

- The MPC has chosen to be cautious by cutting rates only by 25 basis points and not by 50 basis points or more as was demanded.
- This is because MPC expects the trajectory of inflation to rise from current lows amid many uncertainties.
- A conclusive separation of "transitory and structural factors" impacting price gains remains vague.
- These factors include fluctuating prices of food items, farm loan waivers by states, salary and allowance increases as per seventh pay panel recommendations, etc.

- The MPC acknowledges that there are moderating forces at work.
 1. a second successive normal monsoon that could check food costs.
 2. a stable international commodity price outlook that could help keep the inflation trajectory favourable.

What lies before the governments?

- The onus is now on the Centre and the States to take steps through **policy measures and fiscal actions**.
- The Centre and State governments should move forward and make speedier clearance of projects to **boost investments**.
- They should find resolution for the **bad loans crisis** to make the rate cut fruitful.

9.3 Problems with MCLR

Why in news?

While cutting the repo rate by 25 basis points, RBI called on banks to reduce rates for existing borrowers too.

How does the repo rate work?

- Repo rate is the interest rate at which the RBI lends money to commercial banks.
- It is a monetary policy instrument which can be used to control the money supply and thereby inflation.
- By reduction the rate, borrowing becomes cheaper for the banks.
- So the banks will end up with more money which can be lent to its customers.
- More money with the public will result in higher economic activity thus pushing the growth of the country.

How were banks subverting this?

- Base rate is the minimum rate set by the Reserve Bank of India below which banks are not allowed to lend to its customers.
- Banks calculate the lending rates to its customers based on the base rate.
- It does not consider 'repo rate' in their calculations. So the effect of Repo rate is not reflected in this.
- Banks often does not reduce their lending rate even after the reduction of repo rate, to increase their profits.

Components of base rate system

1. Cost of funds (interest rates offered by banks on deposits)
2. Operating expenses to run the bank.
3. Minimum Rate of return ie margin or profit Cost of maintaining CRR

Components of MCLR–

1. Operating Expenses
2. Cost of maintaining CRR
3. Marginal Cost of funds
 - a) After considering interest rates offered on savings / current / term deposit accounts.
 - b) Based on cost of borrowings - short term borrowing rate i.e **repo rate**& also on long-term borrowing rates.
 - c) Return on Net-worth
4. Tenor Premium - based on the loan tenure & commitments.

How was this rectified?

- In April 2016 MCLR was introduced. It includes Repo rate with it.
- So any change in repo rate will be reflected in lending rates too.

What is the current problem?

- The central bank has reduced the repo rate by 200 bps since January 2015.

- While banks cut the marginal cost of funds based lending rate (MCLR) by up to 90 bps, the reduction in the base rate.
- MCLR has been operational only from April 2016.
- So a large proportion of loans are still linked to the base rate and such borrowers have not benefited to the extent of the new borrowers.
- The difference between the base rate and MCLR, for some banks, is as high as 90-100 bps.
- The commercial banks also have a tendency to reduce interest rates only for prospective customers in order to push new business.
- They reduce rates for segments where competition was high as in the case of home loans and personal loans.
- So the RBI pushed the lenders to pass on lower loan costs to borrowers who had not received the full benefit of the reductions in the policy rate.

9.4 Tussle between the regulators

What is the issue?

- TRAI came up with a consultation paper on “Regulatory principles of tariff assessment” which has questions on delineating relevant markets, assessing dominance, and predatory pricing.
- Following this, the chairman of CCI has argued that the CCI is better placed to look into matters related to predatory pricing.

How is predatory pricing usually handled?

- Predatory pricing is a strategy where the dominant market player prices its products or services below costs to undercut its rival.
- Recent offers by Reliance Jio have led to allegations of predatory pricing.
- Usually, the **ex-ante competition matters** i.e anticipated issues based on forecasts fell in the domain of **TRAI**.
- The **ex-post matters** i.e issues based on actual results such as predatory pricing fell in domain of **CCI**.
- Predatory pricing is a highly specialized field of competition assessment.

Why does the existing mechanism need change?

- In the present mandate, only a dominant position holder can be punished for engaging in predation.
- The dominant position is determined based on market share.
- Reliance Jio is not in a dominant position.
- Hence the recent complaints before CCI bore no results, in spite of Reliance Jio using unfair competition measures in its “promotional offer” which went on for several months.
- Thus, the way CCI understands and acts against predatory pricing in the present scheme of legislative mandate is bound to leave an enforcement gap.

What is the way out?

- These enforcement gaps can be filled by TRAI, which can fix ex-ante to ensure fair competition.
- Through this TRAI can ensure fair competition through means other than acting against mandated predatory pricing.
- TRAI could also limit the duration of promotional offers, which include below cost pricing, so that a level playing field is ensured for all market players.
- It could increase the interconnect usage charges (IUC) to a point where below cost pricing becomes unsustainable.
- TRAI could be given the mandate to specify the duration and features of promotional offers.

- The highly technical nature of this telecom sector issue has necessitated that CCI, a competition regulator consults with TRAI, a sector-specific regulator to ensure consumer welfare.

9.5 Canada-India BIT negotiations

Why in news?

India is planning to consider some of the demands of Canada regarding the model Bilateral Investment Treaty (BIT).

What is BIT?

- It is an agreement establishing the terms and conditions for private investment by nationals and companies of one state in another state.
- Government of India has signed BITs with 83 countries.
- They are based on a model BIT formulated by India in 2016.
- The model BIT provides the framework for new negotiations with its trading partners.

TRAI

Telecom Regulatory authority of India, established in 1997, by an Act of Parliament is to regulate telecom services and tariffs in India.

CCI

Competition Commission of India is a statutory body of the Government of India responsible for enforcing The Competition Act, 2002, to prevent activities that have an adverse effect on competition among companies in India.

What are the demands of Canada?

- **ISDS** - Canada has been insisting on concessions in the inter-state dispute settlement (ISDS) mechanism.
- ISDS mandates that all domestic options need to be exhausted (i.e settlement via domestic courts) before a company can go for international arbitration.
- Since there are no time-lines for settling the cases, Canada wants more options in case domestic courts take long time in settling disputes.
- **MFN** - Canada has demanded an upgrade to a 'Most Favoured Nation' (MFN) status which will provide for more economic relaxations.
- Along with this it also asked for a MFN-forward clause.
- This means that whatever concessions that India may extend in future to other trading partners will automatically extended to Canada.
- **Ratcheting** - It is also demanding a ratcheting provision.
- This is to make sure that the benefits arising from future liberalisation of India's domestic policies are automatically extended to Canada, and vice-versa.
- **CEPA** - It also wants to fasten the negotiations of 'Comprehensive Economic Partnership Agreement' (CEPA).
- CEPA is a comprehensive free trade agreement under which two trade partners significantly reduce or eliminate Customs duties, besides liberalising trade in services and investment norms.

Why is India considering the demands?

- Model-BIT has given flexibility for negotiations that began earlier.
- BIT with Canada was already under negotiations when the model BIT text was passed.
- Investments from Canada have also been steadily increasing and are expected to go up further once the BIT and the CEPA are in place.
- So there is a possibility for considering these demands.
- At the same time India is also cautious as it does not want to get involved in international arbitration cases with foreign companies nor to sacrifice its domestic policy space.

9.6 Srikrishna Committee - BIT Disputes Resolution

Why in news?

The Srikrishna committee's report was recently released, with a focus on recalibration of the Indian BIT regime.

What were the key recommendations?

- It was constituted to prepare a road map to make India a hub of international arbitration.
- It recommended the creation of the post of an 'international law adviser' (ILA) to advise the government on international legal disputes, particularly BIT disputes.
- Creation of an inter-ministerial committee (IMC), with officials from the Ministries of Finance, External Affairs and Law for better managing BIT disputes was also called for.
- It also recommended establishing a BIT appellate mechanism and a multilateral investment court.
- It suggested hiring of external lawyers and appointing counsels having expertise in BITs to boost the government's legal expertise and creating designated fund to fight BIT disputes.

What are the shortcomings?

- **Framework** - The call for appointing an 'Law Adviser' will amount to duplicating the existing arrangement.
- Presently, the Legal and Treaties (L&T) division of the External Affairs Ministry is mandated to offer legal advice to the government on all international law.
- It would be sensible to have a member from the Commerce Ministry in the proposed IMC as it works for investor protection but it was not recommended.
- **Narrow window** - The report named the investor-state dispute settlement (ISDS) mechanism as robust.
- But it provides for only a narrow 90 day window for filing of BIT arbitration.
- The report is also silent on many other jurisdictional limitations given in Article 13 in the 'Indian model BIT' that also limit the usefulness of ISDS.
- The commission's mandate was to focus on on all the three parts of BIT arbitration namely –
- BIT arbitration has three aspects namely:
 1. Jurisdictional (such as definition of investment)
 2. Substantive (such as provision on expropriation)
 3. Procedural (ISDS mechanism).
- But it focussed only on the procedural aspect.

9.7 Bharat-22 ETF

Why in news?

Recently government has launched new Exchange Traded Fund Bharat-22.

What is ETF?

- ETF is an investment fund traded on stock exchanges, much like stocks.
- An ETF is a type of fund that owns the underlying assets which can be shares of stock, bonds, gold bars, foreign currency, etc..
- It divides ownership of those assets into shares.

What are the highlights of Bharat 22 ETF?

- Bharat 22 is an ETF that will track the performance of 22 stocks, which the government plans disinvest.
- It is the second ETF from Govt. of India after CPSE ETF.
- It will span six sectors, such as basic materials, energy, finance, FMCG, industrials and utilities and some of the government's holdings in SUUTI (Specified Undertaking of Unit Trust of India).

Why did the government choose the ETF route?

- Earlier disinvestment is done through a series of follow-on offers and offers for sale in the market.
- Frequent visits to the market by disinvestment candidates led to an oversupply of public sector paper.

- This made for sub-optimal timing of the issues and depressed valuations, as their stock prices were inevitably hammered in the run-up to such offers.
- ETFs act as a superior alternative to this method of PSU stake sales.
- It allows the Centre to sidestep these issues through a one-shot offer.
- The government managed to raise ₹8,500 crore via the second tranche of the CPSE ETF in FY17.

How Bharat 22 is different from CPSE-ETF?

- CPSE ETF had exposure of over 62% in the public sector energy giants, with marginal weights in other firms.
- This single sector concentration made it quite a risky portfolio to own.
- With 22 firms drawn from six different sectors, Bharat 22 fund offers a more diversified, mutual fund-like basket to retail investors.
- Bharat 22 also blends sectors with secular growth prospects (like FMCG and utilities), and cyclical ones (like energy, metals, industrials).
- The addition of equity stakes held by the SUUTI in private sector blue-chips such as L&T, Axis Bank and ITC should also help Bharat 22 garner better response.

What should be done?

- Good packaging is merely not enough to make PSU stakes attractive.
- Many investors in India are reluctant of investing on PSUs owing to the Government's unwillingness to allow them to operate on wholly commercial lines.
- e.g irrational dividend and buyback norms, or structuring deals including the recent ONGC-HPCL merger to appropriate their cash coffers.
- Repairing this investor-unfriendly image is critical for State-owned firms.

9.8 A relook on Banks Consolidation

What is the issue?

- SBI recently merged its five associate banks and BharatiyaMahila Bank (BMB) with itself.
- The release of first quarterly performance of the merged entity calls for a rethink on the government's consolidation strategy.

What is the impact?

- The consolidation has weakened the original standalone entity of the SBI in terms of NPAs.
- The merger took a heavy toll on the bank's recovery.
- The deterioration in asset quality was essentially because of the merger.
- SBI's lending growth has slowed down.

Is consolidation the right choice?

- In SBI's case the conflicts and disparities of work culture might have been fewer.
- But in case of an increased geographical reach for a merged entity in future, bridging the work culture gap at operational level would be challenging.
- The problems faced by Indian public sector banks run deeper, and mergers cannot provide a quick fix.
- The solution requires better recapitalisation as well as governance reforms so that the banks' shortcomings are sorted out.

9.9 SEBI's order on Shell Companies

Why in news?

SEBI recently decided to suspend trading of 331 listed companies that it suspected were "shell companies".

What are shell companies?

- Shell companies are serves as a medium for business transactions without itself having any significant assets or operations.
- They often indulge in, and enabling, tax evasion
- This is done by either rigging the share prices upwards or downwards.
- Share prices can indeed be manipulated to absorb black money and launder it via circular trades with the connivance of the promoter-broker nexus.
- SEBI is mandated with the task of preventing such money laundering & insider trading activities & protecting the interests of minority share holders.
- Since demonetisation the Centre has deregistered well over 1,60,000 dormant companies, identified over 37,000 shell firms and over 3,00,000 firms engaged in suspicious dealings.

What are the drawbacks of SEBI's move?

- Taking a drastic measure on mere suspicion and without any criteria being publicly declared is not called for.
- SEBI seems to have acted in haste and has violated some of the basic principles of natural justice.
- The accused were not given a chance to defend themselves before trading was suspended.
- All these action has knocked down investor sentiment
- Due to the suspension of trading without notice, minority investors did not get a chance to assess the situation and, possibly, exit these stocks in an orderly fashion.

9.10 Minimum Wage Code Bill

Why in news?

The Union Cabinet has approved the new wage code bill.

What is the bill about?

- It will ensure a minimum wage across all sectors by integrating four labour related laws.
- It will consolidate the Minimum Wages Act, 1948; the Payment of Wages Act, 1936; the Payment of Bonus Act, 1965; and the Equal Remuneration Act, 1976.
- It signals a formal start of the process of consolidating 44 labour laws into four codes.
- At present, every state decides the minimum wage for different industries and labour classifications.
- The bill seeks to **empower the Centre to set a minimum wage across all sectors** in the country and states will have to maintain that.
- States will not be able to pay less than the national floor; however, states will be able to provide for higher minimum wage in their jurisdiction than fixed by the central government.
- At present, the minimum wages fixed by the Centre and states are applicable only to workers getting up to Rs 18,000 pay monthly.
- The new minimum wage norms would be applicable for all workers irrespective of their pay.
- The proposed legislation is expected to benefit over 4 crore employees across the country.

What are the concerns with the code?

- It seeks to expand the reach of minimum wage regulation to non-formal jobs. The **scope for intervention** in business by government inspectors has thus been vastly **increased**.
- The code assumes a **single national floor for wages** for a country as diverse as India, with so many variations to costs of living. This ignored local and sectoral conditions.
- Such regulations have often resulted in the **decrease of the number of such jobs**.

- The code looks less like labour law reform and more like another entitlement which could be counter-productive to the intended aims.

9.11 Negatives of Rupee appreciation

Why in news?

Rupee has appreciated around 6.1% against the dollar so far in 2017.

What are the shortcomings?

- It can cause damage in term of lost exports growth.
- There might also be a fall in domestic production due to cheapening imports.
- In the current year so far, a total of \$31 billion of FPI flows have already come versus an outflow of \$2.7 billion in the same period.
- This is because interest rates are significantly higher in India.
- So around 2/3rd of the FPI flows have been in the form of debt instruments like bonds and securities.
- This rate is not slowing down in the near future as the US economy is not reflating at the expected pace.
- In this case, FPIs benefit from both the higher interest rates as well as the appreciation of the rupee.
- More the inflows, greater will be the appreciation.
- This would make India suitable place for carry trade.
- A carry trade is a strategy in which an investor borrows money at a low interest rate in order to invest in an asset that is likely to provide a higher return.
- It makes our exchange rate more volatile and also drains our forex.

What has RBI done to tackle this?

- RBI's purchased \$20 billion, half each in the spot and forward markets.
- It has tried to slow debt inflows by tightening norms for masala bonds.
- The tenors were raised to 3-5 years and an interest rate cap was imposed.
- SEBI reinforced this with a temporary ban on new issues.
- RBI also tried to increase the maturity profile of FPI investments in G-Secs.

What should be done?

- There is no short-term solution to slowing, or reversing, the rupee's appreciation.
- There should be sharper cuts in interest rates.
- Inflows should be slowed down by promoting outward FDI.
- The automatic hikes that were put in place for FPI positions in the bond market two years ago should be relooked to make it serve as a cap to debt inflows and the rupee's appreciation.
- Government has to create enough fiscal space to be able to service the resulting lower interest rates.
- RBI has been using stronger rupee as an inflation-fighting tool.
- It is time for RBI to shift the focus and estimate the damage caused by an appreciating rupee and to take necessary steps.

9.12 RBI's Surplus Halved

Why in news?

- RBI's recently approved the transfer of surplus to the Government of India amounting to Rs.30,659crore for the year ended.
- This is less than half of the surplus transfer in the previous year.

What is RBI's surplus?

- The RBI's surplus represents the difference of income over its expenditure.
- The key source of income for the Central bank is the interest arising from its foreign assets and domestic assets.
- It includes the interest earned on bond holdings through open market operations or purchase and sale of government securities.
- The transfer of profits is provided in Section 47 of the RBI Act.
- It states that the balance of the profits of the bank is required to be paid to the Central government.
- In 2012-13, YH Malegam Committee recommended the central bank to transfer its entire surplus to the government, without allocating anything to its various reserve funds, because it had adequate reserve funds.
- The RBI has been transferring its entire surplus to the government since 2013-14.
- The RBI's financial year runs from July to June.

What was the reason for the decline?

The RBI did not provide any reason for the decline in dividend. The possible reasons could be –

- **Demonetisation** -RBI's expenses would have gone up on account of the demonetisation exercise, whereby old denomination notes were sucked out of the economy and new denominations were circulated.
- Also the notes that are not returned remain as the RBI's liability and cannot be passed on to the government.
- **Reverse repo** -Reverse repo operation is when RBI borrows money from banks by lending securities.
- The interest rate paid by RBI in this case is called the reverse repo rate.
- It is done to absorb the liquidity in the system.
- Multiple Reverse-repo auctions were conducted by RBI to drain surplus liquidity with the banking system after the demonetisation.
- On an average, RBI paid 6% interest to drain the excess liquidity.
- **Rupee Appreciation** -The rupee has appreciated by more than 6% against the dollar since January 2017.
- This had depressed returns, in rupee terms, on the RBI's foreign holdings.

What will be the impact?

- In the Union Budget 2017-18, it was assumed that around Rs.75,000 crore would come from the RBI, public sector banks (PSBs) and financial institutions.
- So lower surplus will exert pressure on the government to meet its fiscal deficit (FD).
- FD might increase from 3.2% to 3.4% this year.

9.13 Announcements in MTEF

Why in news?

Recently the finance ministry has tabled the MTEF in parliament.

What is Medium-Term Expenditure Framework (MTEF)?

- The MTEF is annual, rolling three year-expenditure planning.
- It sets out the medium-term expenditure priorities and hard budget constraints against which sector plans can be developed and refined.
- It also contains outcome criteria for the purpose of performance monitoring.
- MTEF together with the annual Budget Framework Paper provides the basis for annual budget planning.

What are the recent announcements in the MTEF?

- **Petroleum:** The government expects to more than halve its petroleum subsidy bill over the next three years.
- By March 2018, target is eliminating the LPG cylinder subsidy altogether by raising prices by ₹4 each month.
- Efforts are also taken to bring kerosene subsidies under DBT system or making some States 'kerosene-free.'
- **Food:** The food subsidy bill is estimated to shoot up sharply from ₹1.45 lakh crore this year to ₹2 lakh crore by 2019-20
- One of the main reasons for an increase in food subsidy is to meet the repayment obligations of FCI to the National Small Savings Fund.
- **Infrastructure:** Greater spending on defence, Railways, road transport and urban development.
- The finance ministry expects government's cap to rise by 25% to ₹3.9 lakh crore by 2019-20.
- **Taxation:** In the next two years, the government is betting on an expansion of the tax base, citing gains from GST and increased surveillance efforts post-demonetisation.
- The tax-GDP ratios are projected to be 11.6% and 11.9%, in 2018-19 and 2019-20, respectively.
- **Interest rates:** The government's revenue expenditure are expected to rise nominally to ₹6.15 lakh crore by 2019-20.
- There will not be any 'upward pressure on interest rates' owing to its borrowings.

9.14 Banking regulation amendment bill

Why in news?

Recently, Banking Regulation (Amendment) Bill has been passed in Rajya Sabha.

What is present status of banking and its reforms?

- Steel, Infrastructure, Power and Textiles are the sectors with the most NPAs.
- Public sector banks were hit the most as big industrial and infrastructure programmes were supported by them in the hope that there would be further expansion.
- The capacity to banks to lend money to small creditors is being impacted, the growth is impacted
- Non-performing assets (NPA) were growing because of accumulated interests.
- Along with the stressed assets, they amounted to over ₹8 lakh crore.
- Earlier rules for debt recovery were time-consuming, IBC 2016 The new parallel mechanism was more effective.

What are the highlights of the bill?

- The Bill, earlier passed by the Lok Sabha, will replace the Banking Regulation (Amendment) Ordinance, 2017.
- It empowers the Reserve Bank of India to issue instructions to the banks to act against major defaulters
- Powers are being offered to the RBI as, it also performed other functions like public debt management earlier.
- In the case of wilful defaulters their names will be made public.
- Only in cases of normal commercial transactions were the names not made public.

9.15 Economic Survey – Volume II

Why in news?

The second volume of the Economic Survey for 2016-17 was recently released.

What is its significance?

- First volume was released just before the Union Budget which had been advanced by a month.

- This means that the section of the Survey that dealt with the data for the past financial year could not be produced at the same time.
- This data is now been published in volume II.
- It also carries an analysis of the economy since the Budget.
- It is direct about the struggles that the Indian economy faces and lays out an urgent case for a traditional reform programme.

What are its findings?

- Growth - Volume I had forecast growth in GDP, of between 6.75% and 7.50% in 2017-18. Volume II has not changed that range but acknowledged that the downside risks have increased.
- Falling agricultural revenue, state government finances, stress in the power and telecommunications sectors, and the costs of transitioning to the GST regime are mentioned as some of these risks.
- GST - It points out that other than the GST, there is no real grounds for medium- or long-term optimism.
- It also acknowledges that the current form of GST is incomplete.
- **Inflation** - It believes that India has moved permanently to a lower-inflation paradigm because of the permanently lower oil prices now, since 2014 and the transformation of agricultural sector that made agricultural prices less volatile.
- But it does not effectively prove the argument that agriculture has been reformed sufficiently.
- There is also no persuasive evidence that high inflation could not return.
- **Interest** - It argues that current real interest rates of 4.7% are too high.
- **Factors of growth** - It attributes India's recent growth spurt to the exceptional circumstances like slow credit growth, stagnant or declining exports, and weak investment.
- The growth is driven entirely by government spending and consumption.
- These circumstances are not sustainable and hence it warrants action on "more normal drivers of growth".

10. INFRASTRUCTURE

10.6 Rail safety concerns

What is the issue?

Railways safety record comes under scrutiny in the wake of series of accidents.

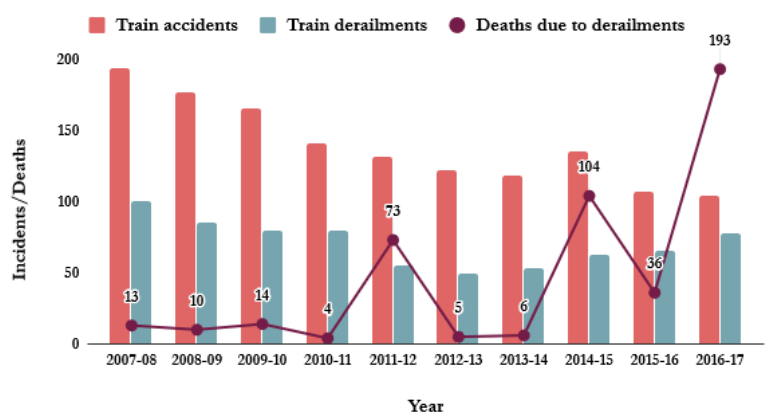
What is the status of railways safety?

- Rail mishaps are not an uncommon occurrence in India, but rarely does one see heads roll at the very top.
- The deaths due to derailments were 193 in 2016-17.
- One accident near Kanpur alone claimed over 140 lives in November 2016, it was highest in at least a decade.
- The number of accidents has been steadily on the decline, from nearly 200 in 2007-08 to 104 in the last fiscal.
- The number of derailments and casualties has been on the rise in the last three years even as the total number of accidents has fallen.

What are the reasons for derailment?

- Derailments occur due to wear and tear of track, rolling stock and human error.

Train Accidents & Derailments Over Decade



- There is a persistent shortage of loco pilots, with nearly 19,000 vacancies out of over 95,000 posts.
- As a result, loco-pilots are overworked and prone to error in signals.
- About 25% posts for safety remain vacant, rationalisation of railways' staff does not seem to have worked.
- As for damaged tracks, 1.15 lakh km length should be renewed annually, but no more than half of that is generally carried out.

How these issues can be addressed?

- Budget 2017-18 announced the creation of Rashtriya Rail Sanraksha Kosh with a fund of ₹1 lakh crore to be used over five years.
- Proposed safety fund will be utilised for track improvement, bridge rehabilitation, and rolling stock replacement, human resource development, improved inspection system and safety work at level crossing, among other things
- It is important to focus on operational aspects such as allowing maintenance staff flexibility to hold up traffic even if that implies train delays.
- A separate post for Member (Safety) needs to be created in the Railway Board.

10.7 Introduction of HSR

What is the issue?

Bullet trains are expected to transform rail travel and boost the economy.

What is the status of HSR in India?

- High speed rail or HSR, which basically means trains running on dedicated lines at 250 km/h or highest.
- India's pioneering 500-km 'bullet' train corridor between Mumbai and Ahmedabad.
- It is being executed in collaboration with Gujarat and Maharashtra,
- Japan's offer of the \$12 billion assistance at highly concessional terms is not transferable to other rail projects.

What are the advantages of HSR?

- **Climate Change** - A high-speed electric train emits an eight and a fifth of carbon dioxide as against automobiles and airplanes per passenger km, respectively.
- **Efficient land usage** - A double-track rail line has more than thrice the passenger carrying capacity of a six-lane highway while requiring less than half the land.
- **Faster connectivity** - HSR helps bring settlements 500 km apart within two hours of each other.
- **Affordable** - Designed to be faster than a car, while also cheaper and more convenient than a plane.
- **Economic growth** - It stimulus for the development of satellite towns, helping alleviate migration to metropolises.
- **Safety** - HSR's unblemished safety record is an important benefit, ever since its inception in 1964 has maintained a unique record of no fatal accident.

10.8 Renegotiating Power Purchase Agreements

Why in news?

Many states including Andhra Pradesh & Tamil Nadu have sought to renegotiate power purchase agreements (PPAs) which were signed a couple of years ago with producers of wind & solar power.

What is PPA?

- It is a contract between the one who generates electricity and one which is looking to purchase it.
- It defines all of the commercial terms for the sale of electricity between the two parties, including when the project will begin commercial operation, schedule for delivery of electricity, penalties for under delivery, payment terms, and termination.

- e.g Andhra Pradesh's electricity discoms signed PPAs with various wind power generators at between Rs 4.76 and Rs 4.84 per unit in 2015.
- These tariffs looked competitive at that time.
- Now, Solar Energy Corporation of India (SECI) managed to get bids as low as Rs 3.46 per unit.
- So several State Electricity Boards (SEBs) want to revisit their tariff agreements.

Why is the demand a bad one?

- **Investor Sentiment** -The cancellation of contracts and arm-twisting of agreements will ruin investor sentiments & discourage new investments.
- The key to the ease of doing business is enforceability of contracts which needs to be protected.
- Such calls by SEBs could come at ruinous costs, ultimately affecting their power sufficiency in the long run.
- **NPA Buildup** - With banks having lent heavily to the developers, the Indian Banks Association has written to the Union power ministry to intervene.
- They've warned that projects could turn unviable if states default on agreements, leading eventually to NPAs.
- Banks that had assessed the projects for loans had done so keeping in mind the costs of technology then and the tariffs agreed to.

Is the comparison with private players a fair one?

- Some argue that if the government allows private players like Tata or an Adani to renegotiate contract for power projects and so the same should be allowed for SEBs.
- This argument is frivolous as it compares two different issues.
- The agreement on coal based power projects of Adani & Tata was renegotiated as the 'Indonesian coal prices' on which these projects were dependent, had shot up unexpectedly.
- On the contrary, falling costs of technology for solar and wind can't be considered the same.
- So the Centre must get states to realise the range of effects this could have.

10.9 New Metro Rail Policy

Why in news?

- Recently Union Cabinet approves new Metro Rail Policy.
- The policy seeks to enable realization of metro rail aspirations with the use of PPP models.

What are the highlights of Metro Rail policy?

- It focuses on compact urban development, cost reduction and multi-modal integration
- It opens a big window for private investments across a range of metro operations.
- PPP component is made mandatory for availing central assistance for new metro projects.
- Innovative forms of financing of metro projects have been made compulsory.
- **Last mile connectivity** - It seeks to ensure it by focusing on a catchment area of 5 km on either side of metro stations to provide necessary last mile connectivity through feeder services
- Walking, cycling pathways and introduction of para-transport facilities are planned for this.
- **Optimal utilization** - Urban Metropolitan Transport Authority (UMTA) has been made mandatory,
- It is mandated to ensure complete multi-modal integration for optimal utilization of capacities.
- **Third party Assessments** - Independent assessment by agencies to be identified by the Government, whose capacities would be augmented, as required in this regard.
- **Urban transformation** - Transit Oriented Development (TOD) to promote compact and dense urban development along metro corridors.

- TOD reduces travel distances besides enabling efficient land use in urban areas.
- **Fare Fixation** - It empowers States to make rules and regulations and set up permanent Fare Fixation Authority for timely revision of fares.

10.10 Major Port Authorities Bill

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 others 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.
- **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.
- **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.
- **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.

11. AGRICULTURE

11.6 Revamping ICAR

What is the issue?

ICAR needs a makeover as agriculture education is in a poor state.

What is ICAR?

- The Indian Council of Agriculture Research (ICAR) is the apex body mandated with agriculture education, research and farm extension.
- It acts as a nodal agency to agriculture research institutions & KrishVigyanKendras - KVK
- Its contributions during the most challenging years of food scarcity were remarkable.
- The success though came at an environmental cost.

What is the current problem with ICAR?

- We have achieved food sufficiency but farmer sustainability is far off, with agrarian distress & farmer suicides aplenty.
- Far from being an autonomous body, ICAR has become an extension of the Ministry of Agriculture and Farmers Welfare.
- ICAR has historically evolved with a strong bias in favour of crop sciences at the cost of animal husbandry.
- Its research, which is primarily oriented towards agriculture productivity without an alignment to farmer prosperity is no longer sustainable.
- Yields for irrigated crops like rice and wheat are comparable with the best in the world, but research on rain-fed farms, pulses, oilseeds, fruits and vegetables lag considerably.
- Evolving consumer preferences, changing the narrative from farm to food, environmental impact, climate resilient agriculture require a reorientation of priorities and mindsets.
- The capacities for market intelligence and forecasting models have not been cultivated.

What are some institutional reforms to be done?

- Manipulations in recruitment and nepotism need to be removed.
- The salary structures & promotions are currently time-bound and do not recognise research output and talent which needs to change.
- Women need to be recruited in proportional numbers to remove gender bias.
- Improvement in inter-departmental co-ordination is necessary.
- Action needs to be taken to plug the routine theft of research work of ICAR by private companies & the IPR filings needs to be taken up as a priority.

What could be some of the structural reforms taken up?

- ICAR could be transformed into a truly autonomous body, reporting directly to the prime minister like the Atomic Energy Commission.
- Its functions could be restricted to farm research, education and oversight of non-ICAR agriculture institutes.
- Farm extension services should be completely delegated to the state governments.
- If the PMO accepted the responsibility of agriculture research and education, SAU salaries would fall into the Central government basket.
- This would free up resources & KVKs could be transferred to the states to better focus on farm extension.
- Budget allocations for agriculture R&D must be pegged as 2 per cent of the GDP from the less than 1 per cent at present.
- But, most importantly, a metric to audit outcomes and establish accountability is needed to resolve the crisis.

11.7 Agri Future Markets**What is the issue?**

- The Indian agri - futures remained at low levels forming only 2% of 1.6 billion global agri - futures contracts.
- It remains unsupportive of farmers.

What are agri-futures?

- Derivatives are financial instruments with a price that is dependent upon or derived from one or more underlying assets.
- Futures and options represent two of the most common form of "Derivatives".
- In futures contract buyer has the obligation to purchase a specific asset, and the seller has to sell and deliver that asset at a specific future date.
- Agri-futures markets are one way to ensure that farmers' planting and selling decisions are forward - looking, and not based on past prices.

What are the issues with Indian agri - future markets?

- **Governance** - They are often disrupted by sudden bans or suspensions by the government as many policymakers have deep mistrust in the functioning of these markets.
- The basic distinction between feed and food commodities is missing.
- There is less variety of goods to choose from the market.
- **Participation** - Very few farmers or farmer-producer organisations (FPOs) trade on such markets, due to the mistrust with the policymakers.
- **Implementation** - The creation of an all-India spot market/(e - NAM) for farmers is operating at a slow place.

What India can learn from china?

- State participation in the futures markets through the State Trading Enterprises.
- No abrupt suspensions of commodities.
- Focus on choice of commodities, which are not very sensitive from food security point of view.
- The Chinese volume of contracts is much higher in soya, mustard, and corn complexes, which are basically for feed.
- India being the largest importer of edible oils, especially palm and soya oils, these are promising candidates for agri - futures provided global players are allowed to trade in these.

11.8 Rise in vegetable prices

What is the issue?

- The prices of vegetables with short shelf life are rising.
- A better infrastructure for marketing is required.

What is the status of vegetable prices in India?

- Price of tomato is spiralling, along with other food items.
- Tomatoes saw a sharp inflation of over 209.5% from 29.4%
- The prices of onion and potato have increased in recent months owing to disparity between demand and supply.

What is the reason for high price?

- The rise in the retail prices of tomato is being associated with low supply from key growing States.
- Heavy rain in a few regions that damaged the crop and hindered transport as well.
- The mismanagement in the supply chain is another reason for the huge gap in prices that growers sell perishable agricultural commodities for and what the consumer pays.
- The cost of packaging, grading, transporting and fees, besides the margins of the middlemen, are some of the elements that determine the final price the consumer has to bear.

How can these issues be addressed?

- **Storage facility** - Upgraded storage infrastructure will keep a check on price volatility.
- India's cold storage capacity at present is nearly 3.5 crore tonnes, which is short by 30 - 40 lakh tonnes, and it needs to be increased.
- **Transportation** - There are 7,000 -8,000 refrigerated trucks plying in India, mostly transporting pharmaceuticals and dairy products.
- Transport of perishable vegetables in refrigerated trucks could be one of the options that would help in better supply and availability of the produce.
- **Marketing** - Creation of co -operative groups and societies are probably an alternative that could assist in minimising the marketing channel.
- **Co - operative farming** - Most farmers in India have small landholdings, nearly 85% farmers are 'small,' who have less than 2 hectares.
- Co-operative farming will stabilise prices and benefit consumers.

11.9 Reviving water management practices

What is the issue?

Amidst drought and looming water crisis, the need for practices like 'Kudimaramath' is increasingly felt.

What is Kudimaramath?

- In ancient India water was managed through a **system of patronage and community control** through village councils, particularly in South India.
- In Tamil Nadu, during the Chola rule, parts of the Grand Anicut canal system which were maintained by the government were known as 'sarkari'.
- The lower parts maintained by farmers were known as '**Kudimaramath**' i.e. people's maintenance by donation of labour.
- Under 'Kudimaramath', the users were expected to contribute labour for the upkeep and repair of irrigation facilities from time to time.
- Works on deepening of tanks, strengthening bunds, desilting supply channels and repairing sluices are taken up under 'Kudimaramath'.
- The institution of 'Kudimaramath' witnessed a gradual decay with the advent of the British rule as the management of tanks shifted to a centralised channel namely PWD.
- Post-Independence too, successive governments failed in their attempts to revive the 'Kudimaramath' works.

What is significance of tank irrigation?

- **Tanks** have been an **important source of irrigation** in southern India.
- They are -
 1. less capital-intensive.
 2. capture the run-off resulting from the unpredictable monsoon rains.
 3. conserve water for multifarious uses like irrigated agriculture, drinking water for cattle and domestic uses.
 4. augment groundwater resources through sub-surface recharge.
- Rapid urbanisation, dumping community resources into tanks, declining community maintenance, and encroachments have degraded the condition of tanks.
- Reports suggest that out of 5.56 lakh tanks in the country, only 4.71 lakh tanks are in use leading to a **loss of** about one million hectares of **irrigation potential**.
- Fewer rainy days with increased magnitude are predicted by climate experts in the days to come.

- Restoring tanks and ponds will ensure adequate water supply even during drought.

What should be done?

- The cost-effective method of repairing, renovating and restoring the age-old tanks and other small water bodies should be given top priority.
- It is more likely to succeed if panchayats play a pro-active role in the exercise as in Kudimaramath system.
- Proper consultation with the stakeholders including the farmers and gram sabhas is essential.
- The responsibility, authority and control over the development of water bodies could be vested with the beneficiaries or the panchayats which can ensure accountability as well.

11.10 Rebirth of Indian cotton

What is the issue?

Indian farmers started to return towards the traditional cotton cultivation from the Bt-cotton.

What is the reason for the return?

- Bt-cotton's gradual lost resistance against the devastating bollworm insects.
- It has failed to resist new pests like whiteflies.
- Indian cotton, can withstand most of these pests, besides some common diseases.
- Technology developers and seed companies have failed to diversify pest-repellent traits in BT-cotton.

What are the advantages of Indian cotton over Bt-Cotton?

- It has evolved indigenously and better acclimatised to local agro-ecological conditions
- It needs lower amounts of inputs like fertilisers and pesticides and is, on the whole, less costly to cultivate.
- It is early maturing and can be harvested before pests like bollworms and whiteflies become active.
- It is amenable to closer planting to accommodate more plants in a field, it is an easy way to raise crop yields and net profits.
- Due to the small staple length and absorbent nature of its fibre, it is in demand for surgical and medical use.

What are the other issues in Indian cotton cultivation?

- There is no diversity in the cotton cultivation carried out in India.
- Lack of diversity has led to the development of immunity among pests.
- The GM cotton occupying nearly 95 per cent of the crop area.
- Seed approval protocols discouraged public sector research bodies from entering this field.
- With respect to this few companies are becoming the monopoly in the selling the seeds.

12. SCIENCE AND TECHNOLOGY

12.3 Concerns with gene editing

Why in news?

US scientists corrected disease-causing gene mutation in a human embryo.

What is the experiment about?

- CRISPR/Cas9 is a gene editing technology which has been used.
- It is used by researchers to replace short DNA sequences with genetic material of their choice.
- Scientists proved that there is also a chance to knock out disease-causing genetic mutations that parents pass on to their children.
- Mutations linked to diseases like breast and ovarian cancers or cystic fibrosis can also be eliminated.

- Correcting the mutation in the gene would also prevent the mutation from being passed on to future generations.

What are the issues with the experiment?

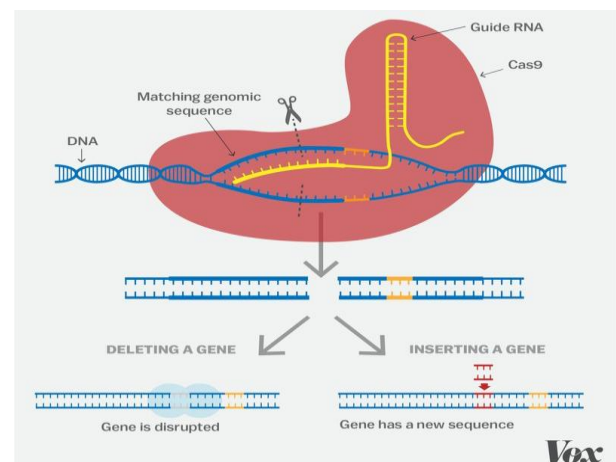
- One of its controversial applications is modifying the genes of eggs, sperm, or early embryos to alter a human life.
- This could result in “designer babies” i.e the ability to create smarter or more athletic humans.
- The implications of introducing modified genomes into the human gene pool are vastly unknown.
- Creating children with preferred traits also raised bio-ethical concerns as it goes against natural process.
- If this technology becomes a realistic, the wealthy would be able to afford the selection of desirable traits in their offspring, while those of lower socioeconomic standing would not be able to access the same options.
- As a result, economic divisions may grow into genetic divisions, with social distinctions delineating enhanced individuals from unenhanced individuals.
- **Safety**- Most drug regulatory regimes insist that drug makers submit clinical trial data to establish that their drugs are safe and effective.
- The issue in this case is about the longevity of these trials as genetic changes and alterations take years to manifest.
- An incremental case-by-case approach could be adopted.
- **IP** - Governments must get it right while dealing with the corporate conglomerates, and their “trade secret” and other intellectual property (IP) issues.
- We need to therefore encourage more **transparency and openness** and open up this gene trial data to the wider public, and to scientists and doctors.
- Given all these concerns it is essential to establish firmly, certain **baseline principles** to go ahead with gene editing in all its fairness.

What should be done?

- Experiments to change the human germ line are banned in much of Europe but are legal in the US and China.
- Though they are in a premature stage, it is to be monitored that the scientific community suggest unavoidable legislative challenges as more advances are made.

CRISPR

- CRISPR stands for Clustered Regularly Interspaced Short Palindromic Repeats.
- CRISPR - Cas9 is the most prominent genome editing technique .
- It allows researchers to permanently modify genes in living cells and organisms.
- This can be used to correct mutations at precise locations in the human genome to treat genetic causes of diseases.
- Correcting the mutation in an embryo ensures that the child is born healthy and the defective gene is not passed on to future generations.



- It is also to be noted before placing a blanket ban that every advancement in reproductive health, starting from in vitro fertilisation to the recent birth of a baby through the “three parent” technique for mitochondria-related disease, has initially been stuck in controversy.

12.4 Tapping the Space potential

What is the issue?

- India is being watched for its space feat especially with the recent launch of a record-breaking 104 nano-satellites into orbit from a single rocket.
- Experts however feel that India can do a lot more, given its potential.

What are India's strengths?

- Scientists attribute much of ISRO's success and prolific output to the way the **organization** is run.
- Tight cost-control driven by the **organization's ability to do everything in-house** – including building rockets, satellites, propulsion systems, and sensors – has helped.
- Cheaper Indian labour – scientists, engineers, technicians, support staff – as compared to those in the U.S. or Europe is another plus.
- ISRO is now recognized as a reliable source by many countries to outsource their launches to.
- Apart from commercial space activities and for agricultural purposes, India is also augmenting its capacity to pursue diplomatic and security objectives.

What are the opportunities at present?

- The recent achievements have helped strengthen India's place in the burgeoning **private space market**.
- With surging demand for **telecommunication services** India's primacy in the field of space exploration and space-based services will skyrocket further.
- Demand for **small, inexpensive satellites**, like the ones ISRO fired off, is especially expected to boom.
- ISRO now has its eyes set on **interstellar missions** (travelling between stars or planetary systems) which is expected to set the template for future interstellar missions.
- There are a **range of other missions** under way such as Aditya-1 (first Indian space mission to study the sun), Chandrayaan-2 mission, an orbiter to Venus, etc.

Where to focus now?

- Indian government has been augmenting ISRO's **budget** year on year. Even so, the organization's current annual budget of \$1 billion is just 5 percent of NASA's.
- ISRO's average annual **revenue** over the last three years is approximately \$200 billion which is very low in comparison with the global launch services market.
- ISRO has to fully **leverage its capacities and talents** to earn more profits, which can help expand its operations.
- Despite its successes, India needs to claim a larger share of the global space economy pie. It should fully tap the potential and earn substantial **profits for its commercial launch services**.
- Indian government should formulate policies to optimally use its scientific and technological expertise to **nurture home-grown enterprises**.
- This can help expand a range of products and services for the domestic market as well as increase the participation in the global space industry.

13. ENVIRONMENT

13.8 Amendments to Environment Protection Act

Why in news?

The Union government is planning to make changes to the Environment (Protection) Act of 1986.

What are the present provisions?

- The maximum fine that can be imposed on a polluting industry or other entities is Rs.1 lakh along with a jail sentence of up to five years.

- Even this requires the government agencies to first file a complaint with a magistrate at the district level and secure a favourable order against the polluter.
- At present, there are powers to shut down a polluting industry or an operation of a part of the industry temporarily.
- Currently, a violation of the Environment Protection Act is treated as a criminal offence.
- There is a felt need to have graded response to the pollution problem without everything ending up in court.

What are the proposed changes?

- The level of fines for a polluting industry from Rs.1 lakh to Rs.1 Crore to be increased.
- The fine is to be imposed without going through a judicial process prescribed in the current law.
- A designated officer would be the final authority to decide the money that needs to be recovered from the polluting entity.
- There is also a plan to make pollution a civil offence for which the government can demand costs from the polluters without going to the courts.

What are the shortfalls?

- The proposed changes lack understanding of why repeated attempts over the past failed to bring a change in pollution levels in the river. This includes the recent NamamiGange project's output.
- The river is a community asset and polluting it has disastrous health effects. This cannot be overlooked because a polluting industrial unit is happy to pay Rs.1 Crore.
- Undermining judicial review could give scope for official-polluter nexus, instead of reducing pollution.
- Change can start with more efficient execution of the existing rules than amending them or bringing new ones.

13.9 Environmental issues with GST

What is the issue?

The non-inclusion of diesel and non-fixed fertiliser rates shows GST is not environmental friendly.

What are the serious environmental issues with GST?

- The commodity value chain is inseparably linked to a more fundamental production process i.e the ecological production process.
- Goods and services provided for free to human communities by the ecosystem also comes under taxable product.
- The GST imposed on commodities that are pivotal to livelihoods for forest tribes in India might not be too beneficial for the value-chain either.
- **Infrastructure** - GST will bring about more transportation of goods and demand for infrastructure.
- If road infrastructure growth brings about reasonable land use conversions without factoring in ecological concerns, the net result may not be ecologically favourable.
- **Clean energy** - Diesel is not clean fuel and it does not come under GST taxation, but under proposed structure there is 5% tax on solar and wind energy.
- The carbon tax (or coal cess), which was thought to be a source of funding for clean energy projects through the National Clean Energy Fund, will now feed the GST Compensation Fund — a fund meant to compensate various state governments for any loss in revenue arising out of the goods and services tax.
- With the costs for coal projected to fall by almost 7%, the GST regime clearly moves the “terms-of-trade” in favour of coal from the cleaner sources of energy.
- **Chemicals** - On the other hand, a 12% GST on fertilisers, up from the 4-8% rates escalates the prices of fertilisers.
- As per certain estimates, the prices for urea, the most commonly used fertiliser, may increase by ₹300 to ₹400 per tonne.

- Most States did not levy any value-added tax (VAT) on micronutrients, organic manure and bio-fertilisers, the 12-per cent GST rate will mean a rise in retail prices of these minor fertilisers.
- **Tobacco** -The tax on tendu leaf, a Minor Forest Produce (MFP) used to roll beedi, which is the financial lifeline of many tribes of Central India is now set at 18%.
- When the government has already imposed 28% on finished beedi with the health concerns with tobacco consumption looming large.
- The 18% GST on collected tendu leaf selling goes against the fundamental essence of equity under which Forest Rights Act (FRA) of 2006.
- This act exempted incomes obtained from sale of non-timber forest products from taxation.
- GST on tendu leaves is akin to taxing ecosystem services, which provide livelihood to poor.

13.10 Human Animal Conflict - Pilibhit Tiger Reserve

What is the issue?

Traditional elements of man-animal conflict along with some site-specific triggers in Pilibhit have made this young tiger reserve one of the worst conflict zones.

How prevalent is the conflict?

- In Pilibhit tiger reserve in Uttar Pradesh, tigers have killed 6 people over the last 3 months.
- This is a new high even for this notorious conflict zone.
- Tadoba (Maharashtra) and Pilibhit are the two reserves that saw the bulk of the recent deadly attacks.
- Sunderbans (West Bengal) and Corbett (Uttarakhand) are other notable conflict zones.



What are the reasons?

- **Visibility** -Unlike elephants that occupy huge space and resources and are easy to spot, the big cats are good at avoiding people and often go invisible.
- **Land Use Pattern** - A drastic change in land use is evident in most of the conflict zones. e.g.–
 1. Huge influx of settlers in Sunderbans due to various historical reasons.
 2. Fisherfolk ventured deep into the channels of the Sunderbans, while honey-collectors delved into the mangrove clusters.
 3. Large scale deforestation in Pilibhit for firewood and fodder added to the causes.
- **Local reasons** -In Pilibhit, the conflict was further exacerbated by the reckless farming choices made by the local community.
- Farmland at the immediate edge of a forest creates an illusion of extended habitat for the wildlife.
- Pilibhit's widespread sugarcane fields and the choice of sugarcane and rice as prime crops have brought tigers and people dangerously close due to the absence of a functional buffer area.
- Riverbed (boulder) miners set up colonies for migrant labourers who start intruding into the tiger reserve in Corbett.
- Frequent human activities for long time inside the tiger forests greatly increase the chances of accidental encounters with the big cats.

What could be done?

- The bulk of human casualties occur in just a few pockets of acute conflict.
- Setting up of **Wildlife corridors** to absorb surplus cats from crowded reserves to tiger-deficient forests could be an option.
- A safer land use model and practical crop selection can avoid tigers getting confused with standing crops for their extended habitat.
- Instead of fencing, strategic and limited physical restrictions in the reserves in terms of human habitation could help avoid points of conflict more efficiently.

13.11 Deficit rainfall in Karnataka

What is the issue?

Deficit rainfall in the Cauvery catchment areas is likely to cause drought in Karnataka and Tamil Nadu.

What is the status of water deficiency?

- The areas encompassing the Cauvery catchment, is currently witnessing the worst monsoon in the country.
- Earlier this week, four major reservoirs in the Karnataka side of the Cauvery basin had a storage of just 43.18 tmc.
- This is barely 40% of total capacity, and is even lesser than the 51 tmc recorded last year (a drought year).
- Karnataka has already stated that water will not be released for Kharif crop sowing, this year.
- Instead, preference has been given to drinking water needs, estimated to be 30 tmc till the next monsoon.

What is the reason for this water deficit?

- **Monsoon:** Off-shore troughs or depressions (areas of low pressure) in the southern Arabian Sea or the southern Bay of Bengal allow for accumulation of south-west monsoon clouds in south India.
- The depressions were off the coast of Maharashtra and Gujarat, and rain-bearing monsoon too migrated there.
- **Anthropogenic:** Large-scale deforestation in the Western Ghats, continued sand mining.
- The inability to revive tributaries have led to declining health of the catchment area and river capacity.
- **Cropping pattern:** water-intensive crops such as sugarcane and paddy, which dominate the agrarian landscape.
- The proliferation of bore wells, which have had an impact on surface run-off.

What is the status of water sharing with Tamilnadu?

- Supreme Court which is hearing appeals by Karnataka, Tamil Nadu and Kerala challenging the 2007 Cauvery Water Disputes Tribunal award.
- The share of Cauvery had been determined as 270 tmc to Karnataka and 419 tmc to Tamil Nadu, among others.
- In June and July, Karnataka was to release 44 tmc to abide by the award.
- Only 7 tmc has been released so far, conflict over water-sharing is bound to rise again.
- With lower water release from Karnataka, the main samba crop in Tamil Nadu will be under threat.

13.12 Bellandur & India's Urbanisation Woes

What is the issue?

- The ever surging foam & pollutants in Bellandur lake in Bengaluru has triggered much debate.
- The lake is just one of the many victims of our reckless hazard urban planning & development.

What is the problem with Bellandur Lake?

- During rains, the stinking froth and foam rises as high as 10 to 12 feet from Bellandur.

- It spread onto the streets, endangers traffic and enters shops and homes across the road, causing huge inconvenience to those living in the area.
- This is due to a mix chemicals and untreated sewage mixing in the lake.
- A few months earlier, the area was engulfed in smoke as garbage dispersed around the lake was set ablaze.
- In 2015, the lake itself was on fire, creating enormous fear and anxiety in the minds of the people.
- The Central Pollution Control Board - (CPCB) had opined that the sustained inflow of untreated sewage and industrial effluents as the principal forces behind the phenomena of froth and fire.
- Out of 480 million litres per day (MLD) of wastewater discharged to the lake, only 308 MLD is treated.

What action has been taken?

- An expert committee set up by the state government submitted its report on rejuvenation of the lake in October 2016.
- The National Green Tribunal -NGT has also issued a number of directions for removal of silt from the lake, treatment of municipal sewage going into it and closure of polluting industries.
- Dumping of municipal solid waste and mixing untreated sewage by private entities around the lake were banned.
- The capacity for sewage treatment plants in Bengaluru is 51% of the total generation but actual treatment was only a mere 37%.
- This is still higher than the 30% average for all Indian cities and towns, which forces us to look at the bigger picture.

What is reason behind phenomenon?

- As untreated sewage finds its way to water bodies, it feeds the excessive growth of water-weeds (like hyacinth in Bellandur), which blankets the entire water surface.
- There two inter-dependent phenomenon that arise out of this.
- **Eutrophication** - Excessive presence nutrients in a body of water, which causes a dense growth of plant life is called eutrophication.
- This also leads to the excessive growth of microbes (that eventually decompose organics) which in turn increases the Biological Oxygen Demand (BOD) and depletes the dissolved oxygen content.
- Depletion of dissolved oxygen kills aquatic life.
- **Foam Formation** – when organic matter naturally breaks down, it releases fatty acids that float to the surface.
- These act as natural surfactants, facilitating bubbles formation which often persist for a long time resulting in a foamy surface.
- Also, most surfactants in Indian detergents are not biodegradable and end up in the untreated sewage mix as potent foam generators.

How did the US deal with foaming in their lakes?

- **Surfactants Control** – In the late 1950s in the US - lakes, rivers, and sewage treatment plants experienced foam formation, caused by synthetic laundry detergents.
- Now, the foaming agent of all detergents in the market are legally bound to be biodegradable in the US.
- Hence, quickly lose their ability to cause foaming and are unable to produce long-lasting foam.
- **Nutrient Regulation** – The problem of excessive nutrients in water was first identified when Lake Erie, on the US-Canada border, turned green due to algal bloom.
- It is phosphorus in detergents entering wastewater acts as a nutrient that promotes the growth of water plants.
- Both countries rapidly responded with an international treaty in 1970 which, has since 1973, limited the phosphorus content in their detergents to a maximum of 2.2 per cent.

- While the European Union followed suit thereafter, India is yet to limit phosphorus content in detergents and laundry bars, even as demand for them has grown at the rate of 10-11% annually.

13.13 Floods - Disaster Response

What is the issue?

- Recent floods in parts of eastern and north-eastern India have left many dead and displacing thousands.
- This has increased the need for a massive capacity-building programme to deal with frequent, destructive weather events.

What actions are required?

- Protocols followed by **State governments to deal with floods** need an urgent review.
- Catastrophic events, such as the Chennai flood of 2015, necessitate a review of the protocol followed by State governments in controlling flows from dams and reservoirs.
- Some states have not been able to use **disaster relief funds** as intended.
- The Centre has asked states to set off the unutilised portion when making fresh claims which is unfair for people in urgent need.
- **Other actions** people need on the ground include short-term housing, food, safe water, access to health care and protection for women, children and the elderly.
- With neither **social support** nor **financial instruments** available to rebuild lives, alleviating financial losses of the victims is crucial for a return to normality.
- It is essential to look at the **public health** dimension as many without the coping capacity develop mental health issues including post-traumatic stress disorder in the wake of such catastrophes, and need counselling.
- A review of the deployment of **National Disaster Response Force** teams near water bodies is required.
- This is to be coupled with data compiled by the Central Water Commission, which identifies the hotspots where better management and perhaps additional reservoirs can mitigate damage.
- Given the unprecedented events like even drought-prone regions in Gujarat and Rajasthan encountering floods, governments' response is of crucial importance.

13.14 Mumbai Floods – An analysis

What is the issue?

Flooding seems to recur almost every year in Mumbai, with this year being particularly severe.

How does Mumbai's drainage network look?

- Massive underground sewers built during the colonial era dating back to 1860-1900 are impressive with some of it still in use, but is limited to South Mumbai.
- The suburbs of Mumbai are served mostly by open drains, into which tonnes of garbage are dumped each year by citizens.
- Pre-monsoon 'desilting' exercises are carried out every year, which has proved to be ever-inadequate.
- Much of these sewer networks flow several kilometres through congested localities before discharging into the sea, often through outfalls located below mean sea level.
- This means if it's raining heavily when the tide is sufficiently high, drainage is impossible.

How to deal with the Tides?

- The problem is that Mumbai's flood waters are simply discharged in the Arabian Sea through gravity.
- There are international examples of balancing reservoirs and deep tunnel systems for underground storage of flood waters to be pumped out later when the tides are low.
- Best practices also involve adopting and conserving rainwater within a catchment area itself, through local storage and recharging alongside filtration systems.

What is unusual about the current floods?

- Although, the rainfall was only one-third of the rainfall that caused the 2005 deluge, flood water failed to recede and the reasons remain much the same.
- Dozens of de-watering pumps for localised relief also suffered technical glitches, as conceded by the municipal commissioner.
- While, even after the highest tide had subsided, flood waters in many places did not recede, which is clear validation of clogged drains.

What are the problems plaguing Mumbai's drainage?

- **Insufficient Drains** – Although the drainage capacity of the entire city isn't impressive as such, experts have explicitly conceded that at least major roads and traffic junctions fall far short of the required.
- **Brimstowad Project** – After much delay this project got a go ahead, with resources being spent on measures such as standard operation protocol, better-equipped disaster cells and forecasting systems.
- Yet, incredibly, a range of long-term measures, accepted in principle, were left incomplete.
- **Contour mapping** - Although contour maps for drains were prepared it remains incomplete for the rest of the city.
- This means, although the prediction of the drainage flow is possible, there is no data point to predict how a river's flood waters will rush out.
- **Other Issues** - Recommendations to protect the Sanjay Gandhi National Park within the city limits, construct detention basins for flood water, demarcate flood-prone zones were never undertaken
- Also, recommendations to empower the Maharashtra Pollution Control Board to ensure compliance of environmental regulations by municipalities were never undertaken.

14. INTERNAL SECURITY**14.5 India's Secret Agency - R&AW****What is the issue?**

- Politicisation of India's intelligence community has impacted R&AW's accountability.
- There is a need for transparency.

What is R&AW?

- The Research and Analysis Wing (R&AW) is the primary foreign intelligence agency of India.
- It is a specialised, independent agency dedicated to foreign intelligence gathering.
- The agency's primary function is gathering foreign intelligence, engaging in counter-terrorism, promoting counter-proliferation, advising Indian policymakers, and advancing India's foreign strategic interests.
- It is also involved in the security of India's nuclear programme.
- It moderates mass anxieties about India's troubles such as terrorism from Pakistan and the constraints posed by stubborn China.

What are the successful operations of R&AW?

- The R&AW is considered highly capable in undertaking covert operations abroad allegedly including,
- The promotion of unrest in Pakistan.
- Military training to Tibetan exiles.
- Initial support of and subsequent war with Tamil rebels in Sri Lanka.
- Delivery of victory in the Bangladesh War of 1971.
- Building a formidable presence in Afghanistan.
- It develops advanced technological intelligence capabilities.

What are the issues with the agency?

- Unlike other democracies, India has been shy to declassify intelligence files, or even authorise an official history of the R&AW.
- It is lacking parliamentary oversight and reporting directly to the Prime Minister's Office.
- There is no systematic way to assess how R&AW ensures accountability, efficiency, and effectiveness.
- The intake is mostly from other departments, it raise issues of bureaucratic politics and inconsistency in training standards.

How the issues can be addressed?

- Parliamentary accountability of India's agencies is the only way towards attracting top quality recruits.
- Many activists want classified files to become the subject of public scrutiny.
- Declassifying historical documents for public consumption and accepting parliamentary oversight is critical to ensure that the functioning of the agency is optimised.
- This will prevent the agency from becoming a tool of abuse by the political leadership.

14.6 Data protection framework**Why in news?**

Supreme Court recommended centre for a framework for data protection

What is the need for such framework?

- The data being given to an excess of organisations like Apple, Google and Facebook and countless apps are not secure.
- But always government agencies like Aadhaar is been questioned on data protection.
- The present 'consent model' one in which the data controller is free to collect, process and use the data once a user has given her consent doesn't offer complete, or even adequate, data protection.
- This could be because the user doesn't always understand what she is giving her 'consent' to or the 'consent' can be forced.
- The majority of apps can't be loaded without giving access to your phone-book, etc.
- With data being collected processed and used in far too many ways by far too many platforms for an average user to comprehend.

How such a legal framework should look like?

- In this model, the data controller must assure security of the data collected.
- It must share information with the subject regarding what use the data has been put to or with whom has it been shared.
- The individual has a right to opt out of the processing of the data collected by a controller at any point of time.
- The controller will have to show the subject all the data that it has collected/or intends to collect on an interactive dashboard, and the ways in which this can be processed.
- The user can then opt out of data processing for certain categories or for certain outcomes, even as the dashboard informs her of the consequences.

14.7 Significance of Unmanned Aerial Vehicles**What is the issue?**

- US Navy has decided to replace its Aircrafts gradually with UAVs.
- There is a strong demand for India over the UAV venture.

What are the significance of UAVs?

- Unmanned Aerial Vehicles are the best for search and strike missions with low calibre high accuracy guided weapons.
- Controlled from a ground station, the UAV either flies a pre-planned path or can be dynamically controlled.
- UAV's has high endurance, which allows a high success rate for search and strike missions.
- The roles of UAVs are gradually increasing in the civil sector, ranging from the delivery of packages to the shooting of high-quality aerial films.

What are the short comings with UAVs in replacing MAVs?

- **Sensors** - Present sensors do not have the capacity to replicate the appreciation by a human eye and pose a limitation in operations.
- **Dynamic Situation Processing** - Decision-making autonomy is required, It cannot be explicitly expressed mathematically, a human is essential.
- **Communication** - Their inability is to capture high fidelity data, based on directions from the ground station, receive, decrypt and process it to execute a command.
- **Speed and Manoeuvrability** - They are low speed and consequent low manoeuvrability as compared to manned fighter aircraft and this makes them vulnerable.
- **Weapon Carrying Capacity** - UAVs are capable of carrying low calibre/low weight weapons in limited numbers as compared to manned aircraft.
- **Safety** - UAV accident rates are four to five times higher than that of manned aircraft.
- **Endurance** - Autonomous inflight refuelling could keep the UAV in the air for days.
- **Risk** - The control of UAV is heavily dependent on electromagnetic waves, which are susceptible to interference/jamming/technical malfunctions.

What is Indian UAV Scenario?

- By 2050, at least 50 per cent of combat missions would be designated to UAVs and that would require a large fleet of various types of UAVs.
- While Israel and USA are leaders in UAV technology and operations, the Indian UAV programme is in its infancy.
- Going by the example of the Light Combat Aircraft (LCA), the production of an Indian combat mission capable UAV is at least a couple of decades away.
- To meet that challenge, it would be prudent to establish a joint venture for the production of UAVs in India under the Strategic Partnership programme.

14.8 Insurgency across the Eastern Frontier

What is the issue?

- Increasingly, co-operation among various militant groups has been noted in the north-eastern region.
- This, combined with the porous boundary along Myanmar, increases the challenge of effectively controlling these groups.

Why is the North-eastern region prone to insurgency?

- The seven sister states are predominantly tribal with some states having more than 90% tribal populations.
- The forest laws since the British times became intrusive & drastically affected their livelihoods & culture.
- The diversity within even small territories proved to be difficult to accommodate within the same political administration.
- This led to numerous demands, ranging from more autonomy to complete independence.

What are some of the prominent militant groups in the north–east?

- **NSCM** - Nationalist Socialist Council of Nagaland, was formed to advance the Naga cause for sovereignty.
- This organisation has operations in the Naga inhabited regions of India & Myanmar, with easy cross border access.
- This group has had major splits. Issac-Muivah faction (NSCN – IM) is currently involved in peace talks with the Indian government, while the Kaplang faction with its major operations in Myanmar is designated as a terror outfit by India.
- **ULFA** - The United Liberation Front of Assam is operating to establish a sovereign Assam through an armed struggle.
- The Indian government banned it in 1990s & a severe crackdown was launched in 2010, which considerably brought down their numbers.
- Some other organisations of significance are **Mizo National Front** and **National Liberation Front of Tripura**.

What is the current situation?

- Insurgency-related fatalities in the north-east had indeed reached a 20-year low in 2016, suggesting that a degree of peace and stability being restored.
- The peace process between the Government of India and the NSCN – IM also appeared to hold firm.
- The already existing ceasefires with other groups have been extended for another year.
- However, substantial challenges remain in confronting the remaining non-ceasefire signatory groups such as ULFA – I, NSCN-K and the CorCom umbrella group.
- These groups have increasingly shifted their strategies towards the conduct of cross-border strikes in areas adjacent to the international border.
- They are also increasingly carrying out co-ordinated attacks on the Indian defence establishments now.
- They are an indication of increasing desperation due to the success of counter insurgency actions.

What is significance of the Myanmar border?

- The Sagaing region across the India-Myanmar border has long provided sanctuary for armed groups.
- NSCN-K signed a ceasefire agreement with Myanmar in 2012.
- As it attempts to retain operational relevance in India, the areas of India in proximity to Myanmar along the border districts in Arunachal Pradesh, Manipur & Nagaland has attained a newfound significance.
- Since the NSCN-K abrogated its 14-year ceasefire agreement with the Indian government in April 2015, the group has conducted major attacks in conjunction with its allies from within these networks.
- e.g the ambush on an Indian Army convoy in Manipur's Chandel district.

How can the issue be addressed?

- Two governments are considering deepening cooperation in checking the misuse of the 16 km visa-free zone on either side of the international border.
- Furthermore, the use of cross-border “surgical strikes,” such as those conducted in the immediate aftermath of the Chandel ambush can be considered.
- Offers for rehabilitation to NSCN–K militants of Indian origin were announced recently, which is a positive move.

Prelim Bits Consolidation

HISTORY

Koodiyattam

- Koodiyaattam is one of the oldest traditional theatre forms of Kerala and the only surviving specimen of the ancient Sanskrit theatre.
- It is based on Sanskrit theatre traditions.
- It is used to be a combined dance drama conducted by the Chakkiyars, who provided the male cast and the Nangiars, playing the female roles.
- Themes are based on Hindu mythology.
- It is widely believed that Kulasekhara Varma Cheraman Perumal, an ancient King of Kerala, was the creator of Koodiyattam in the present form.
- His book '**Aattaprakaram**' is considered as the most authoritative work on the art form till date.
- It is officially recognised by UNESCO as a **Masterpiece of the Oral and Intangible Heritage of Humanity**.

Buddhist Statue in Ghantasala

- The government has cleared the proposal of developing Ghantasala village in Krishna District, Andhra Pradesh as one of the prime Buddhist tourist spots.
- 70ft Buddha Statue in Mahaparinirvana posture will be built and the theme of the tourist spot is also based on it.
- In Buddhism, Mahaparinirvana is a term meaning "great, complete Nirvana".
- The word "Mahaparinirvana" usually refers to the ultimate state of Nirvana (everlasting, highest peace and happiness) entered by an Awakened Being (Buddha) at the moment of physical death.
- But it can also refer to that same state reached during such a being's physical lifetime too.
- Ghantasala, known as Katakasila in the ancient times, was a renowned Buddhist centre located near the coast.

Conservation of Pagodas

- Cabinet has recently approved the MoU between India and Myanmar for the conservation of earthquake-damaged pagodas at Bagan, Myanmar.
- A pagoda is a tiered tower with multiple diminishing roofs rise above the other, built in traditions originating as stupa in South Asia and further developed in East Asia.
- It is commonly found in Nepal, India, China, Japan, Korea, Vietnam, Myanmar, Sri Lanka and other parts of Asia.
- Pagodas in Myanmar, Thailand, Laos and Cambodia are derived from South Indian Dravidian architecture and traditionally have an odd number of levels in roofs.
- They became prominent as Buddhist monuments and are used for enshrining sacred relics.
- In India, it is mostly found in Mandi, Kullu, Shimla hills and Kinnaur regions of Himachal Pradesh.

Endangered Languages

- The linguistic survey by People's Linguistic Survey of India (PLSI) was launched in 2010 in order to update existing knowledge about the languages spoken in India.
- The World's largest linguistic survey has identified 780 languages in India, out of which 400 languages may get extinct.
- Most of the endangered languages which are on the verge of disappearance are the coastal languages.

- The reason is that livelihood in coastal areas is no longer safe and they started migrating inward.
- Few other languages are thriving mainly because educated people in these communities have started using these languages for writing.
- Those languages include Gondi (spoken in Odisha, Chhattisgarh, Maharashtra), Bheli (Maharashtra, Rajasthan, Gujarat), Kotbarak (Tripura), Mizo, Garo and Khasi.

GEOGRAPHY

Geological Stresses in Indian Ocean

- A Geological stresses is building along the Indo-Australian tectonic plate boundary in the Southern Indian Ocean.
- It has the potential to cause a powerful earthquake, triggering a tsunami across much of South India.
- This development is mainly due to the presence of diffuse deformation zone between Indian and Australian tectonic plates.
- Diffuse zones of deformation are in general characterized by complex morphological expressions and scattered seismicity of up to several 100Km width.
- The zones are capable of generating undersea earthquakes up to a magnitude of 8.
- Studies have to be conducted to understand how the event will unfold.
- The largest **strike-slip earthquake** on record had happened along the Indo-Australian boundary in 2012.
- Strike-slip earthquake occurs when tectonic plates slips horizontally along a fault line, unlike most large earthquakes which are caused when two plates collided at their boundaries and one plate slid beneath the other.

Largest Volcanic Region on Earth

- Researchers have recently discovered the largest volcanic region on Earth with nearly 100 volcanoes, two km below the surface of the vast ice sheet in west Antarctica.
- This huge region is likely to dwarf east Africa’s volcanic ridge currently rated as the densest concentration of volcanoes in the world.

Hurricane Harvey

- Harvey is a currently active tropical cyclone that recently made landfall in Texas as a major hurricane.
- It is the first Category 4 hurricane to make a landfall in US since 2004 with powerful winds of up to 130 miles per hour.
- The Saffir–Simpson Hurricane Wind Scale (SSHWS) classifies hurricanes in western hemisphere into 5 categories distinguished by the intensities of their winds.
- The wind scale is used only to describe hurricanes forming in the Atlantic Ocean and northern Pacific Ocean east of the International Date Line.

Category	Wind speed (Miles Per Hour)
I	74-95 mph; Dangerous winds with no significant structural damage to most well-constructed permanent structures.
II	96-110 mph; Extremely dangerous winds will cause extensive damage.
III	111-129 mph; Category 3 and higher are described as major hurricanes.
IV	130-156 mph; It tends to cause more structural damage.
V	>157 mph; Highest category in the scale cause more catastrophic damage.

Shahpur Kandi Project

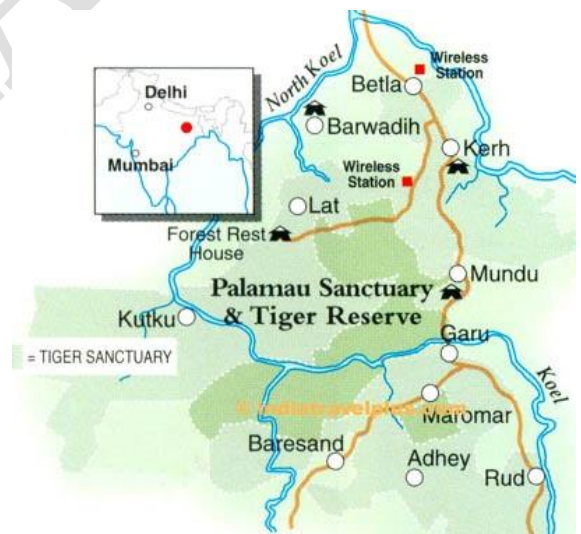
- Recently, the Jammu and Kashmir (J&K) government has finally agreed to allow Punjab to restart Shahpur Kandi dam project.
- The construction was taken up in 1999 but later halted in 2014 due to dispute between Punjab and J&K.
- It is a gravity dam that is proposed to be constructed across Ravi River in Gurdaspur district in Punjab.
- It is located downstream to the Ranjit Sagar dam, also known as Thein dam.
- It will help in providing irrigation facility besides generating hydroelectric power and help India utilise its share of waters under Indus Water Treaty.

Chambal River Bridge

- It is India's longest hanging bridge, constructed across the river Chambal in Kota, Rajasthan.
- Cables of the bridge are aerodynamic giving them the ability to be neutral in stormy winds.
- The Chambal River is a tributary of the Yamuna River that originates in Mhow, South Slope of the Vindhya Range Madhya Pradesh.
- Chambal and its tributaries drain the Malwa region of Madhya Pradesh.
- Few stretches of the river are protected as **National Chambal Sanctuary**, which is known for gharial, mugger crocodiles, gangetic river dolphins.

North Koel Reservoir Project

- Cabinet has given the approval for the completion of North Koel reservoir project in Jharkhand and Bihar.
- The North Koel River rises on the Ranchi Plateau in Jharkhand.
- It is a tributary of River Son that joins the river Ganga in Bihar.
- The project envisages building a dam named "**Mandal dam**" in Jharkhand.
- The river along with its tributaries meanders through the northern part of **Betla National Park**.
- The reservoir project is expected to flood villages which are within the **Palamau Tiger Reserve**.
- Thus the GoI restricted the storage capacity of Mandal dam in order to reduce the submergence and to protect Betla National Park and Palamau Tiger Reserve.
- The project aims to provide irrigation the most backward and drought prone areas of Palamu & Garhwa districts in Jharkhand and Aurangabad & Gaya districts in Bihar.



Mekedatu Project

- It is a proposed project by Karnataka involving the construction of a reservoir across the Cauvery River at Mekedatu, located about 110 km from Bengaluru.
- It is proposed to have a storage capacity of 66.50 tmc ft and will meet the drinking water needs of Bengaluru.
- Tamil Nadu objected the project saying that it would affect the flow of Cauvery water to Tamil Nadu.
- Cauvery Water Disputes Tribunal award, 2007, mandated an annual allocation of 419 tmcft to Tamil Nadu in the entire Cauvery basin, 270 tmcft to Karnataka, 30 tmcft to Kerala and 7 tmcft to Puducherry.
- The Centre has notified the final award of the Cauvery Water Disputes Tribunal (CWDT) in 2013.

Mechi River

- Cabinet approves MoU between India and Nepal for construction of a new bridge over Mechi River at Indo-Nepal border.
- Mechi is a trans-boundary River that originates in the Mahabharat Range in Nepal.
- It enters Indian state of Bihar to join **Mahananda River**.
- The cost for the construction will be borne by GOI through Asian Development Bank (ADB) loan.
- National Highway and Infrastructure Development Corporation (NHIDCL) under Ministry of Road Transport & Highways has been designated as the implementing agency for this project.
- There is also a proposal for the construction of **Kankai dam** as a part of Mechi and Kosi river interlinking project.

POLITY

Proxy Voting

- Cabinet has recently cleared a proposal to extend proxy voting to Overseas Indians and NRIs by amending electoral laws.
- Presently, NRIs and overseas Indians are free to cast their votes in constituencies where they are registered.
- It requires the amendment of Representation of the People Act. After the amendment, proxy voting would also be allowed as other means to cast their votes in assembly and Lok Sabha elections from overseas.
- Proxy voting is a form of voting whereby a member may delegate his or her voting power to a representative, to enable a vote in absence.
- Currently, only service personnel are permitted to vote through proxy.
- However, the facility for NRIs will not be the same as that enjoyed by service personnel.
- Voters in the armed forces can nominate their relatives as permanent proxy to vote on their behalf. But NRIs cannot nominate one proxy for all polls.

Fast Track Courts

- On the recommendation of 14th Finance Commission, a scheme for setting up of Fast Track Courts (FTC) was rolled out by the central government.
- They were established to expeditiously dispose of long pending cases in the Sessions Courts and long pending cases of undertrial prisoners.
- It is the primary responsibility of the State Governments to establish these courts in consultation with the concerned High Courts.
- Department of Justice (Ministry of Law and Justice) is monitoring the Scheme and Ministry of Finance release funds directly to state governments to establish Fast track courts.
- Maharashtra state is going to setup 24 fast track courts and the first 3 courts will be set up in Mumbai and Thane to deal with heinous crimes like rape and murder.
- U.P is first on the list of beneficiary states to get funds from Central government for setting up of FTC, followed by Maharashtra.

SOCIAL ISSUES

Rural Sanitation Survey

- Ministry of Drinking water and Sanitation released the Rural Sanitation Survey undertaken by Quality Council of India.
- According to it, almost all rural households in Kerala and Haryana had access to toilet while Bihar and UP were among the worst performers in it.
- Quality Council of India is the accreditation authority of India.

- It is an autonomous body under Ministry of Commerce and Industry.
- It was created jointly by Government and Industry bodies such as CII, FICCI and ASSOCHAM.
- Chairman of QCI is appointed by Prime Minister on the recommendations of Industry to the Government.
- Its objective is to establish and operate National accreditation structure, to monitor and administer the national quality campaign.

Sankalp Se Siddhi

- Sankalp Se Siddhi is a New India Movement 2017-22, launched on the occasion marking 75th anniversary of Quit India Movement.
- It envisages India free of Poverty, Corruption, Terrorism, Communalism, Casteism and uncleanness.

SAMVAD

- SAMVAD is a Global Initiative on Conflict Avoidance and Environment Consciousness.
- The second edition of "Samvad" Conference is being organised in Yangon, Myanmar.
- The first edition of this unique conference was hosted by Vivekananda Kendra, New Delhi in September 2015.
- The conference represents various religions and traditions across the world.

GOVERNMENT INITIATIVES

MyFASTag and FASTag Partner

- FASTag is a device that employs Radio Frequency Identification (RFID) technology for making toll payments directly from the prepaid account linked to it.
- It is affixed on the windscreen of the vehicle and enables to drive through toll plazas.
- The method of purchase and recharge of FASTags has been cumbersome, hindering the implementation of Electronic Toll Collection project.
- National Highways Authority of India launched two mobile apps, MyFASTag and FASTag Partner, to ensure smooth functioning of the Electronic Toll Collection system.
- MyFASTag is a consumer app where one can purchase or recharge FASTags, FASTag Partner is a merchant app.
- These apps will facilitate the availability of FASTags for electronic toll collection making it possible to buy or recharge FASTags.
- The NHAI chairman also said that from October 1, all lanes of NHAI toll plazas in the country will become FASTag enabled.

Mentor India Campaign

- NITI Aayog is about to launch the Mentor India Campaign.
- It is a strategic nation building initiative to engage leaders who can guide and mentor students at more than 900 Atal Tinkering Labs, established across the country as a part of the Atal Innovation Mission.
- Atal Tinkering Labs are dedicated works spaces where students from Class 6th to Class 12th learn innovation skills and develop ideas that will go on to transform India.
- The labs are powered to acquaint students with state-of-the-art equipment such as 3D printers, robotics & electronics development tools, Internet of things & sensors etc.

Madhyamik and Uchchatar Shiksha Kosh

- Cabinet has recently approved the setting up of a single corpus fund "Madhyamik and Uchchatar Shiksha Kosh (MUSK)".
- The proceeds of secondary and higher education cess will be credited to this fund.
- It is a non-lapsable fund and it will be utilised for the government's schemes in the education sector.

Committee on Data Protection Framework

- Ministry of Electronics and Information Technology constituted a Committee under the Chairmanship of Justice **B N Srikrishna** to suggest a draft Data Protection Bill.
- The Committee will study and identify key data protection issues and recommend methods for addressing them.
- It will recommend a framework for securing personal data in the increasingly digitised economy and also address privacy concerns.

Panel on Fair Market Conduct

- SEBI has constituted a committee headed by **T K Viswanathan** on 'fair market conduct'.
- The committee has been tasked with suggesting improvements to the existing SEBI norms, fraudulent and unfair trade practices (FUTP).
- It has been specifically asked to look at handling of price-sensitive information during takeovers and aligning of insider-trading rules with provisions of the Companies Act.

AGRI UDAAN- Food and Agribusiness Accelerator 2.0

- AGRI UDAAN is a unique initiative for upliftment of Agri start-ups.
- It is implemented by Indian Council of Agriculture Research in collaboration with IIM-Ahmadabad.
- It aims at scaling up innovative start-ups through education, mentorship, and financing.
- The initiative has 6 month program in which shortlisted Agri startups with promising innovative business models will be mentored & guided to scale up their operations with market traction.

e-RaKAM

- Government has recently launched a portal named e-Rashtriya Kisan Agri Mandi (E-RaKAM).
- The digital platform portal enables enable farmers to sell their agricultural products through auction.
- Various E-Rakam centers are being developed to facilitate farmers for online sale their products across the country.
- The farmers would get the payment for their products directly into their bank accounts without any intermediaries.
- CWRC, a subsidiary of the Central Warehousing Corporation Ltd, will provide logistics support for sellers and buyers in case they need it.

National Agri-Food Biotechnology Institute (NABI)

- NABI is the **first Agri-Food and Nutritional based Biotechnology Institute** set up by the Dept. of Biotechnology in Mohali.
- The institute provides quality research in the field of agricultural biotechnology and innovative technologies in the field of food processing.
- Their products of nutritionally rich crops and processing of crop residues will be provided to the local farming communities to increase their income.
- They are acting as nodal agencies for local organization in the areas Agri food and nutritional biotechnolgy.

GeM Samvaad

- Government eMarketplace (GeM) and confederation of Indian Industry (CII) has established an industry forum named GeM Samvaad.
- It promotes participative and collaborative approach for promoting Indian industry and entrepreneurship.
- It aims at
 1. Improving the quality of products/services procured especially from the MSMEs,
 2. Organizing annual Public Procurement Convention of all stakeholders,
 3. Setting up GeM Resource Centres at CII Regional Offices.

GOVERNMENT SCHEMES

Pradhan Mantri Paridhan Rojgar Protsahan Yojana (PMRPY)

- The Scheme is under the Ministry of Textiles, benefitting the apparel industries.
- The scheme enables incentives towards employers, registered with Employees' Provident Fund Organization (EPFO), for creation of new employment.
- Under **Pradhan Mantri Rojgar Protsahan Yojana (PMRPY)**, GOI is providing incentive to the employer by paying the 8.33% EPF contribution towards new employment created for up to 3 years.
- Ministry of Textiles under **PMRPY**, will bear additional 3.67% towards the employer's contribution of the Employers Provident Fund Scheme, in addition to Ministry of Labour's contribution under PMRPY.

Pradhan Mantri Bhartiya Janaushadhi Pariyojana (PMBJP) Kendras

- Pradhan Mantri Bhartiya Janaushadhi Pariyojana' is a campaign launched by the Department of Pharmaceuticals, Ministry of Chemicals and Fertilizers.
- It aims to provide quality medicines at affordable prices to the masses through special kendra's known as Pradhan Mantri Bhartiya Jan Aushadhi Kendra.
- Kendras have been set up to provide generic drugs, which are available at lesser prices but are equivalent in quality and efficacy as expensive branded drugs.
- Bureau of Pharma Public Sector Undertakings of India has been established under the Department of Pharmaceuticals, for co-coordinating procurement, supply and marketing of generic drugs through PMBJK.
- Earlier, only medicines manufactured by Central Public Sector Undertakings (CPSU) were being supplied to Kendra. Later medicines which the CPSU's not able to supply are being made from private manufacturers.

Pradhan Mantri Kisan Sampada Yojana

- The Cabinet Committee has approved the renaming of SAMPADA (Scheme for Agro-Marine Processing and Development of Agro-Processing Clusters) as "Pradhan Mantri Kisan Sampada Yojana".
- It is the new Central Sector Scheme that aims to supplement agriculture, modernize processing and decrease Agriculture waste.
- The implementation period of the scheme is 2016-20 coterminous with the 14th Finance Commission cycle.
- The implementation of this scheme will result in creation of modern infrastructure, growth of food processing sector and providing better prices to the farmers.

Yuva

- YUVA is a skill development programme and an initiative by Delhi Police under Pradhan Mantri Kaushal Vikas Yojana (PMKVY).
- It aims to connect with the youth by upgrading their skill as per their competencies and help them to get a gainful employment under PMKVY.
- Delhi Police has tied up with National Skill Development Corporation (NSDC) and Confederation of Indian Industry (CII) for providing mass job linked skill training for the selected youth.

Gender Champions Scheme

- The scheme is implemented by Ministry of Women and Child Development and Ministry of Human Resource Development.
- Gender Champions aim to make young boys and girls gender sensitive and create positive social norms which value the rights of women and girls.
- Under the scheme, Colleges and universities will appoint responsible leaders as Gender champions.

- They will facilitate an enabling environment within their schools/colleges/academic institutions where girls are treated with dignity and respect.

Institutions of Eminence

- Ministry of HRD will soon set up an empowered committee to select 10 public and 10 private educational institutes to be upgraded as “Institutions of Eminence”.
- Consequently, the apex higher educational regulators such as UGC and AICTE will lose powers to regulate those institutions.
- Institutions of Eminence would have complete freedom to decide the curricula, hire domestic and foreign faculty and fix a fee structure of their choice.
- These institutions are expected to make into top 500 world rankings in a decade.
- The institutions which are among top 50 in the National Institute Ranking Framework are allowed to apply for this scheme.
- The search and selection committee comprising the cabinet secretary, the secretary (Higher Education) and the UGC chairman will be set up to choose an empowered committee comprising eminent scholars.

Hathkargha Samvardhan Sahayata

- It is a scheme launched by the Ministry of Textiles for handloom weavers.
- The scheme aims to improve earnings of the handlooms weavers.
- It helps to meet the needs of the handloom weavers for assistance for looms and accessories on larger scale with an objective to improve quality of fabric and productivity.
- Under this scheme, GoI assists the weaver by bearing 90% of the cost of new looms so that they do not have to bear the heavy financial burden.

BILATERAL AND INTERNATIONAL INSTITUTIONS & ISSUES

US- India Strategic Partnership Forum (USISPF)

- USISPF is a new representative body set up to further enhances business relations between the two countries.
- The non-profit corporation aims to promote bilateral trade and will work closely together with businesses and government leaders to achieve economic growth, job creation, innovation, inclusion and entrepreneurship.

BIMSTEC Disaster Management Exercise 2017

- Recently, the first phase of the First ‘BIMSTEC Disaster Management Exercise- 2017’ is being organized by the National Disaster Response Force (NDRF).
- Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) is an international organisation involving a group of countries in South Asia and South East Asia.
- Bangladesh, India, Myanmar, Sri Lanka, Nepal, Thailand and Bhutan are its members. Its headquarters is in Dhaka, Bangladesh.
- The main objective of BIMSTEC is technological and economic co-operation among south Asian and South East Asian countries along the coast of the Bay of Bengal.
- The ADB has become BIMSTEC’s development partner to undertake, promote and improve transport infrastructure and logistic among the BIMSTEC countries.

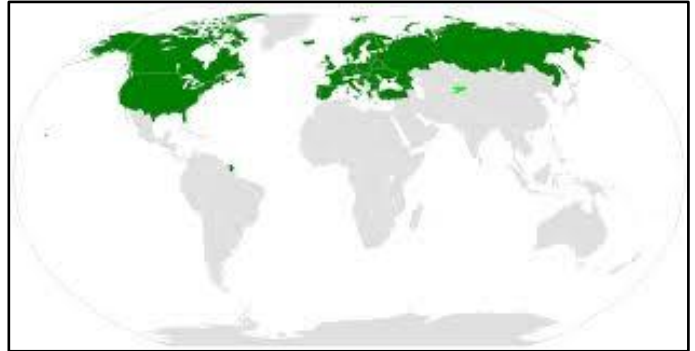
International Organisation for Migration (IOM)

- IOM is an inter-governmental organization, established in 1951.
- It works in the field of migration with governmental, intergovernmental and non-governmental partners.
- The organisation has 166 member countries (including India) and 8 observer states.
- It aims to provide humanitarian assistance to migrants in need, including refugees and internally displaced people.

- IOM works to help ensure the humane management of migration by providing services and advice to governments and migrants, promote international cooperation on migration issues.

Open Skies Treaty

- The Treaty on Open Skies establishes a regime of **unarmed aerial observation flights** over the territories of its signatories.
- The Treaty is designed to enhance mutual understanding and confidence by giving all participants, a direct role in gathering information through aerial imaging on military forces and activities of concern to them.



- The treaty is one of the most wide-ranging international arms control efforts to date to promote openness and transparency in military forces and activities.
- Currently, it has 34 member states. Russia and U.S. are signatories to the treaty.

RIMES

- Regional Integrated Multi-Hazard Early Warning System for Africa and Asia (RIMES) is an intergovernmental institution for the generation and application of early warning information.
- It was established in 2009, evolved from the efforts of countries in Africa and Asia, in the aftermath of the 2004 Indian Ocean tsunami.
- It works with a multi-hazard framework for the generation and communication of early warning information and capacity building for preparedness and response to trans-boundary hazards.
- It operates from its regional early warning center in Thailand.
- Recently, at the 3rd ministerial meeting of RIMES, the Indian National Centre for Ocean Information Services (INCOIS) inaugurated the Ocean Forecasting System for Comoros, Madagascar, and Mozambique.
- The meeting was held at Port Moresby, Papua New Guinea.

International Vaccine Institute

- The Indian Council of Medical Research (ICMR) has signed a MoU with the International Vaccine Institute (IVI) for collaborating on vaccine research and development.
- IVI, an International Organisation is headquartered at Seoul, South Korea and established based on the initiatives of UNDP.
- It is devoted to developing and introducing new and improved vaccines to protect the people against infectious diseases.
- India is a long-term collaborator and stakeholder of IVI since 2007. With the change in governance structure in 2012, India becomes a full member of its governing council with the cabinet approval.
- One of the most successful collaborations of IVI with India was on the development of Shanchol, the world's first low-cost oral cholera vaccine.
- The vaccine was licensed in India in 2009 and WHO-prequalified in 2011.

SITA

- Supporting Indian Trade and Investment for Africa (SITA) is a project of the International Trade Centre which aims to catalyze at least \$80 million worth investment by 2020 between East African Countries and India.
- It covers five East African countries such as Ethiopia, Kenya, Rwanda, Uganda and the United Republic of Rwanda.
- Though Indian SMEs interested in exploring opportunities in African markets, they are not aware of the new geographies, political and socio economic situations, investment climate, regulatory framework.

- SITA helps bridge this gap through awareness building workshops and seminars. It also disseminates sector-focused information.

Globefish

- Globefish is the unit within the FAO of United Nation responsible for information and analysis on international fish trade and markets.
- Globefish's flagship reports cover over 14 of the most major traded seafood commodities, including shrimp, tuna, salmon, small pelagics and other species with detailed statistics.
- According to its latest report, India is the largest sea food exporter in 2016.
- The top five shrimp exporters to the international market in 2016 were India, Vietnam, Ecuador, Indonesia, and Thailand.
- India's top export markets included the US, Vietnam, the EU and Japan.

TOP FIVE SHRIMP EXPORTERS

Country	(In tonnes)
India	438,500
Vietnam	425,000
Ecuador	372,600
Indonesia	220,000
Thailand	209,400

Source: Food and Agriculture Organisation (FAO) of the United Nations

NATIONAL INSTITUTION IN NEWS

Central Board of Film Certification

- Pahlaj Nihalani has been recently removed from the position of CBFC chairman and Prasoon Joshi was appointed.
- CBFC is a statutory body under Ministry of Information and Broadcasting.
- It regulates the public exhibition of films under the provisions of the Cinematograph Act 1952.
- Films can be publicly exhibited in India only after they have been certified by CBFC.
- The Board consists of non-official members and a Chairman (all of whom are appointed by Central Government) and functions with headquarters at Mumbai.
- It has nine Regional offices, one each at Mumbai, Kolkata, Chennai, Bangalore, Thiruvananthapuram, Hyderabad, New Delhi, Cuttack and Guwahati.
- The Certification process is in accordance with The Cinematograph Act, 1952, The Cinematograph (certification) Rules, 1983, and the guidelines issued by the Central government u/s 5 (B).

Competition Commission of India

- It is a statutory body of the Government of India responsible for enforcing the Competition Act, 2002.
- It is the duty of the Commission to eliminate practices having adverse effect on competition, promote and sustain competition, protect the interests of consumers and ensure freedom of trade in the markets of India.
- It has some discretionary powers in awarding punishment to an offender. It is called as **leniency norms**.
- Presently, an entity can seek lesser penalty in cases related to cartelisation provided the entity is not part of the particular cartel anymore.
- Such entities are required to provide vital disclosure with respect to cartelisation in order to be eligible for leniency.
- The commission is also considering bringing individuals within the ambit of its leniency norms.
- Currently, only companies are eligible to be covered under these norms.

Centre for Development of Telematics (C-DOT)

- It is an autonomous Telecom Technology development centre under the Ministry of Communication.
- The key objective was to build a centre for excellence in the area of telecom technology.
- It is vested with full authority to develop state-of-the-art telecommunication technology to meet the needs of the Indian telecommunication network.

- Recently, it launched its latest innovation “**WiDHWAN**”, to cater the recurring call drop issues in no-signal and low-signal network scenarios.

NPPA - Capping of Orthopaedic implants price

- National Pharmaceutical Pricing Authority (NPPA) is an executive body under the Ministry of Chemicals and Fertilizers controls the price of pharmaceutical drugs in India.
- It renders advice to the government in the matters of drug policies and pricing.
- NPPA has started working on capping the prices of orthopaedic implant.
- An orthopaedic implant is a medical device manufactured to replace a missing joint or bone or to support a damaged bone.
- It is mainly fabricated using stainless steel and titanium alloys for strength and the plastic coating that is done on it acts as an artificial cartilage.
- The similar capping of price was previously carried out for cardiac stents.
- The prices are capped to make it more accessible to patients and reducing the out of pocket expenditure.

ECONOMY

Clearing Houses for Securities Market

- SEBI has recently given the approval to Multi Commodity Exchange Clearing Corporation, a wholly-owned subsidiary of MCX, to act as a clearing corporation for a period of one year.
- A clearing house is an intermediary between buyers and sellers of financial instruments in the securities exchange market.
- The clearing houses are regulated by the SEBI Act and the Securities Contract (Regulation) Act.
- All members of an exchange are required to clear their trades through the clearing house at the end of each trading session and to deposit with the clearing house a sum of money based on clearinghouse margin requirements.
- SEBI has qualified National Securities Clearing Corporation Ltd (NSCCL), Indian Clearing Corporation Ltd (ICCL) and MCX-SX Clearing Corporation Ltd (MCX-SXCCL) in the Indian securities market.
- Each futures exchange has its own clearing house.
- **Futures exchanges** are where financial products are bought and sold at some agreed-upon date in the future with a price fixed at the time of the deal.

Rajaswa Gyansangam

- It is a two day conclave of tax officer and it will be inaugurated by Prime Minister on September 1.
- The focus of the discussion will be on GST as well as on unearthing black money.
- For the first time, the tax officers of the state governments will also participate for discussion on the Goods and Services Tax (GST) related issues.

Bhandhan Bank

- Bandhan Bank has initiated the process of an Initial Public Offering (IPO).
- An IPO is the first time that the stock of a private company is offered to the public.
- Bandhan is the first microfinance institution to receive universal banking licence in 2015.
- Universal banking combines the services of a commercial bank and an investment bank, providing all services within one entity.
- The services can include deposit accounts, a variety of investment services and may even provide insurance services.
- The RBI's guidelines mandate the bank to get listed within three years from commencement of banking operations.

Peer to Peer (P2P) Lending

- It is a form of crowd-sourcing, where individuals or businesses can borrow money via online platforms (i.e) without the use of an official financial institution as an intermediary.
- P2P lending platforms are largely technology companies registered under the Companies Act that act as aggregators for lenders and borrowers.
- The interest rate may be set by the platform or by mutual agreement between the borrower and the lender.
- The platform provides the service of collecting loan repayments and doing preliminary assessment on the borrower's creditworthiness. It makes a profit from arrangement fees.
- Now, the RBI is looking at allowing players in the sector to have an offline presence besides an online one.
- If it is allowed to have offline presence, it will be just like chit funds.
- Further, to attract more players into the P2P space, entities (such as societies) other than those registered under the Companies Act may be allowed entry.

Financial Data Management Centre

- Law Ministry has recently approved the creation of the Financial Data Management Centre (FDMC).
- They will collect data in electronic format directly from the financial regulators.
- RBI would soon no longer be the sole collector and custodian of financial data.
- In order to facilitate FDMC functioning, it also seeks "consequential amendments" in the RBI Act, Banking Regulation Act and the Payment and Settlement Systems Act as their confidentiality clauses do not allow access to raw data.
- The RBI is against sharing raw data that it gets from banks and other market sources with FDMC as it is not obliged to share confidential client information of banks with anybody.
- The only exception is when a law enforcement agency has to get specifics on an individual company for investigation purpose.

E -Shakti

- E - Shakti is a pilot project of National Bank for Agriculture and Rural Development (NABARD).
- The project aims at digitisation of Self Help Groups (SHGs).
- It was initiated to address certain concerns like improving the quality of book keeping of SHGs and to enable banks to take informed credit decisions.

Norms for Airlines

- The second volume of Economic Survey has pointed out that there is a large increase in capacity entitlements under bilateral air service agreement.
- **Sixth Freedom** – It is a part of bilateral air service agreement.
- It is the bilateral air traffic right to fly from a foreign country to another foreign country while stopping in one's own country.
- For e.g. Emirates operates flights between India and the U.K while stopping at Dubai, its home state.
- **o/20 Rule** – It is a rule to allow domestic airlines for overseas operations.
- It says that, a domestic airline needs to deploy at least 20 planes in the domestic sector before getting the right to fly on International routes from India.
- Earlier the rule was **5/20**, it required an Indian airline to have five years of domestic flying experience and 20 aircraft in its fleet before it could fly to overseas destinations.
- It was diluted in civil aviation policy 2016.

Higher Education Financing Agency

- The Government has signed an agreement with Canara bank to set up non-banking financial company (NBFC) called the Higher Education Finance Agency (HEFA).
- It will be a joint venture between the HRD ministry and the bank.
- It is formed to give a major push for creation of high quality infrastructure in premier educational institutions.
- NBFC will raise funds from the market and also mobilize CSR funds from PSUs/Corporates and lend to government-run higher educational institutions for promoting research and innovation.
- The HEFA would finance the civil and lab infrastructure projects through a 10-year loan.
- HEFA will leverage the equity to rise up to Rs. 20,000 crore for the funding of world-class infrastructure at the IITs, IIMs, the National Institutes of Technology (NITs) and such other institutions.

Mini-Ministerial meeting of WTO

- India will participate in a mini-ministerial meeting of trade ministers from select WTO member countries at Marrakesh.
- The meeting is to finalise the agenda for the upcoming ministerial conference to be held in Buenos Aires, Argentina in December 2017.
- Ministerial Conference is the topmost decision-making body of the WTO, which usually meets every two years.
- It takes decisions on all matters under any of the multilateral trade agreements.
- The last Ministerial Conference was held in Nairobi in 2015.

ENVIRONMENT

India ratification of 2nd Commitment Period of Kyoto Protocol

- India has ratified the second commitment period of the Kyoto Protocol.
- With this, India became the 80th country to accept the amendment relating to the second commitment period of the Kyoto Protocol.
- The Kyoto Protocol signed in 1997, is an international treaty that commits state parties to reduce greenhouse gas emissions.
- It was adopted in 1997 and entered into force in 2005.
- Under the Kyoto Protocol, industrialized nations agreed to cut their greenhouse gas emissions below 1990 levels.
- A group of rich and industrialized countries were assigned emission reduction targets with the **first commitment period of 2005-2012**.
- The Doha amendment was made to Kyoto protocol in 2012 to extend the obligations of the developed countries for the **second commitment period of 2013-2020**.
- It requires ratification from a total of 144 of the 192 parties of the Kyoto Protocol to become operational.
- As only 75 countries have so far ratified the Doha amendments it could not be enforced.
- China, Poland, Australia, Mexico, South Africa, Indonesia are some of the countries that ratified Doha amendments.
- US have not ratified the Kyoto Protocol and Canada withdrew from Kyoto protocol in 2012.

Eco-Sensitive Zones

- The Karnataka State Government has decided to limit the eco-sensitive zone (ESZ) around Kali Tiger Reserve.
- Eco-Sensitive Zones (ESZs) are areas notified by the Ministry of Environment, Forests and Climate Change (MoEFCC), around Protected Areas, National Parks and Wildlife Sanctuaries.
- The purpose of declaring ESZs is to create some kind of shock absorbers to the protected areas by regulating and managing the activities around such areas.

- They also act as a transition zone from areas of high protection to areas involving lesser protection.
- An ESZ could go up to 10 kilometres around a protected area as provided in the Wildlife Conservation Strategy, 2002. And it may go beyond 10 kilometres in ecologically important patches.
- Though the word “Eco-Sensitive Zones” is not mentioned in the Environment protection act, a clause in the act states that central government can prohibit or restrict the location of industries and carrying on certain operations on the basis of considerations like the biological diversity of an area.

National Green Tribunal

- NGT has given the Karnataka government 10 days to provide a concrete action to save the **Bellandur Lake in Bengaluru** from frothing.
- The frothing was due to the presence of Phosphorus in detergent waste flowing from residential complexes.
- NGT was established in 2010 with its principal bench in Delhi.
- Its objective is to provide an effective and speedy disposal of cases pertaining to environment protection, conservation of forests and for seeking compensation for damages caused to people or property due to violation of environmental laws.
- The NGT has the power to hear all civil cases relating to environmental issues that are linked to **The Water (Prevention and Control of Pollution) Act, 1974; The Forest (Conservation) Act, 1980; The Air (Prevention and Control of Pollution) Act, 1981; The Environment (Protection) Act, 1986; The Public Liability Insurance Act, 1991; The Biological Diversity Act, 2002.**
- There is a bar on civil court to take cases under these listed laws in Schedule 1 of NGT act.
- The NGT has not been vested with powers to hear any matter relating to the Wildlife (Protection) Act, 1972, the Indian Forest Act, 1927 and various laws enacted by States relating to forests, tree preservation etc.
- The NGT is not bound by the procedure laid down under the Code of Civil Procedure, 1908, but shall be guided by principles of natural justice.

Air Quality Index

- In its recent report, Central Pollution Control Board (CPCB) pointed out that Delhi has not seen a “poor” air quality in July month.
- The classifications of air quality are part of a 6 grade, colour coded Air Quality Index (AQI).
- It is used by CPCB to rate air quality in the country.
- The AQI will consider eight pollutants (PM₁₀, PM_{2.5}, NO₂, SO₂, CO, O₃, NH₃, and Pb)
- There are six AQI categories, namely Good, Satisfactory, Moderately polluted, Poor, Very Poor, and Severe.
- Based on the measured ambient concentrations, corresponding standards and likely health impact, a sub-index is calculated for each of these pollutants.

Fatbergs

- It is a term used to denote the giant lumps of floating waste produced due to leftover cooking oils and grease washed down the sink mix with solids in the sewers.
- A UK company, Argent Energy, is now converting these fatbergs into usable fuel (Biodiesel)
- The masses are heated to separate the oils and fats from the solid waste.
- The extracted oil is then treated with a few chemicals to yield an industry-standard biodiesel that can be used for a string of purposes.
- Roughly a quarter to two-fifths of a fatberg is converted into biodiesel.
- Fatberg fuel is far more environmentally friendly than, say, a crop-based biodiesel like the one from palm oil—palm farming has caused destruction of rainforests in South East Asian nations.

Exploration in Deep Sea Bed

- India's exclusive rights to explore polymetallic nodules from seabed in Central Indian Ocean Basin have been extended by five years.
- The rights in the international water, is allocated by **International Seabed Authority (ISA)** for developmental activities.
- India is implementing a long-term programme on exploration and utilization of Polymetallic nodules through **Ministry of Earth Sciences** and it includes survey and exploration, environmental studies, technology development in mining and extractive metallurgy.
- ISA is an intergovernmental body based in Kingston, Jamaica, established by the Law of the Sea Convention.
- It was established to organize, regulate and control all mineral-related activities in the international seabed area beyond the limits of national jurisdiction.
- UNCLOS defines the international seabed area—the part under ISA jurisdiction—as “the seabed and ocean floor and the subsoil thereof, beyond the limits of national jurisdiction”.
- India's rights have been approved unanimously in the 23rd session of ISA concluded at Kingston, Jamaica.

Renewable Energy Pact

- India and Germany signed an agreement on technical cooperation under the Indo-German Energy Programme – Green Energy Corridors (IGEN-GEC).
- The main objective of this programme is to improve the conditions for grid integration of renewable energy.
- This programme component supports the implementation of the Renewable Energy Management Centre (REMCs), Green Energy Corridors (GEC) scheme which is a prerequisite for large scale grid integration of renewable energy.
- Green Energy Corridor is grid connected network for the transmission of renewable energy produced from various renewable energy projects.
- It helps in synchronising the electricity produced from solar, wind and other renewable energy resources.
- Renewable Energy Management Centre (REMC) will monitor renewable energy generation on a real-time basis and also make forecasts for hassle-free integration of solar and wind energies with the grid.
- Thus the programme contributes to achieve the 175 GW target for renewable energy generation capacity by 2022.

Varshadhare Project

- It is a cloud seeding project flagged off by the Karnataka government to enhance the amount of precipitation from the clouds to generate more rain.
- Special aircraft will disperse silver iodide as they fly through rain-bearing clouds to trigger and enhance the precipitation.
- Karnataka is facing a cumulative rainfall deficiency of around 25% till date, while the deficit across the country as a whole is 4%.

Mosses as Bio-indicators

- A Bio-indicator is a living organism that gives us an idea of the health of an ecosystem.
- Some organisms are very sensitive to pollution in their environment, so if pollutants are present, the organism may change its morphology, physiology or behaviour, or it could even die.
- Bryophyte is a collective term for mosses, hornworts and liverworts which can be used as Bio-indicators. It thrives well in humid cities.
- Mosses found on rocks and trees in cities can be used to measure the impact of atmospheric change and could prove a low-cost way to monitor urban pollution.
- Mosses generally absorb water and nutrients from their immediate environments.

- Thus it responds to pollution or drought-stress by changing shape, density or disappearing, allowing scientists to calculate atmospheric alterations.

Nasikabatrachus bhupathi

- It is a new soil dwelling species of frog that has a snout-shaped nose like a pig, discovered by scientists in Hyderabad.
- It inhabits the eastern slopes of the Western Ghats, near the Srivilliputhur Grizzled Giant Squirrel Wildlife Sanctuary in Tamil Nadu.
- It evoked comparisons with the Purple frog that was first discovered in 2003.
- The Purple frog is an inhabitant of Seychelles.
- The discovery of bhupati frog is significant as it constitutes additional evidence in favour of the theory of continental drift.
- It suggests that the Indian subcontinent was part of the ancient landmass of Gondwana before splitting from Seychelles 65 million years ago.

Mongoose

- Mongoose is a protected species under Part II of Schedule II of the Wildlife Protection Act, 1972.
- Indian grey mongoose is the state animal of Chandigarh.
- Wildlife Crime Control Bureau (WCCB) has recently seized mongoose-hair painting brushes in Kolkata.
- Species listed in Schedule I and part II of Schedule II are provided absolute protection and offences under these are prescribed the highest penalties. e.g Gangetic Dolphin, Clouded Leopard, Sloth bear etc
- Species listed in Schedule III and Schedule IV are also protected, but the penalties are much lower. e.g Chital, Indian porcupine etc
- Schedule V includes vermins i.e the animals which may be hunted. e.g Common Crows, Fruit Bats, Nilgais etc
- The plants in Schedule VI are prohibited from cultivation and planting. e.g Pitcher plant, Red Vanda etc.

SPACE

IRNSS 1H

- IRNSS 1A has become redundant due to failure of its rubidium atomic clocks, which are critical for providing precise time.
- Thus, ISRO has planned to launch a replacement navigation satellite IRNSS 1H, 8th navigation spacecraft to replace IRNSS 1A.
- But the Satellite Launch Vehicle, in its forty-first flight (PSLV-C39) carrying the IRNSS-1H has failed.
- IRNSS 1H was fitted with corrected atomic clocks to make up for the failed rubidium atomic clocks in IRNSS-1A.
- The failure is a setback for the country's attempts to complete the constellation of home grown GPS satellites system.

Time Synchronisation

- NAVIC will also soon synchronise its clocks to time provided by the National Physical Laboratory, a CSIR body.
- The synchronisation would help IRNSS to end its dependence on the United States Naval Observatory (USNO) for time synchronisation.
- Currently, IRNSS provides accurate positional information services with respect to Coordinated Universal Time as per the time maintained by atomic clocks at the USNO.

Venus Satellite

- The Venus satellite (Vegetation and Environment Monitoring New Micro-Satellite) is an earth-observation micro-satellite.
- It is designed jointly by Israel's agency and France's National Centre for Space Studies (CNES).
- The scientific mission will monitor Earth's vegetation using a camera capable of recording 12 narrow spectral bands.
- The microsatellite will send high-resolution photos to track climate change and aid efforts to tackle desertification, erosion, and pollution.

TRAPPIST-1

- In a new study, researchers found that the TRAPPIST-1 star is quite old: between 5.4 and 9.8 billion years.
- This is up to twice as old as our own solar system, which formed some 4.5 billion years ago.
- TRAPPIST-1 is a system of seven Earth-size planets orbiting an ultra-cool dwarf star about 40 light-years away.
- This is by far the largest collection of Earth-like planets in the habitable 'Goldilocks' zone of a star.
- Goldilocks represents a zone which is neither too close nor too far from a star, which raises the possibility of liquid water being present on the surface.
- Unlike earlier discoveries of exoplanets, all seven planets could possibly have liquid water.
- Since the initial discovery of three planets was made using the Chile-based Transiting Planets and Planetesimals Small Telescope, the exoplanet system is called TRAPPIST-1

TDRS-M

- Tracking and Data Relay Satellite-M (TDRS-M) is a next generation communication satellite recently launched by NASA.
- It is the third and final in a series of next generation communications satellites.
- TDRS-M will become part of NASA's Space Network providing navigation and high-data-rate communications to the International Space Station, NASA's Hubble Space Telescope, rockets and a host of other spacecraft.
- TDRS-M will expand the capabilities and extend the lifespan of the Space Network by receiving and transmitting mission data well into the next decade.

DEFENCE

INS Kalvari

- It is a Scorpene class submarine currently undergoing its last stages of sea trials.
- It is first of the six submarines developed by the French DCNS under Project 75.
- The submarines of Scorpene class are propelled by diesel-electric engines and Torpedo is mounted as a primary weapon.
- It will have both anti-surface and anti-submarine warfare.
- It also features an additional air-independent propulsion (AIP) system.
- Conventional diesel-electric submarines have to surface every few days to get oxygen to recharge their batteries. With AIP systems, they can stay submerged for much longer periods.

Navika Sagar Parikrama

- It is a project wherein a team of women officers of the Indian Navy would circumnavigate the globe on an Indian-built sail boat INSV Tarini.
- This is the first ever Indian circumnavigation of the globe by an all-women crew.
- The project is considered essential towards promoting Ocean Sailing activities in the Navy.

- It is also aimed at helping to discard the societal attitudes and mindset towards women in India by raising visibility of participation by women in challenging environment.

Mega War Games

- India and Russia will hold a mega war game in October involving their armies, navies and the air forces to further ramp up military ties.
- It will be the first time both Russia and India carry out an **integrated tri-services exercise**.
- It will be for the first time India will participate in a tri-services exercise with a foreign country with such large scale participation by the Navy, the Army and the Air Force.
- The armies, navies and air forces of Russia are holding bilateral exercises separately such as
 1. Exercise INDRA – Joint Exercise conducted by both Armies
 2. Exercise INDRA NAVY - Joint Exercise conducted by both Navies
 3. Exercise AVIAINDRA-14 - Joint Exercise conducted by both Air Forces.

Kamov Ka-226T

- Russia plans to deliver 10 Kamov Ka-226T military helicopters to India in a first tranche as part of a \$1-billion deal, signed in Indo-Russia Summit in Moscow, 2015.
- The Kamov 226T is a light weight, twin-engine multi-role chopper offers services for both military and civilian purposes.
- It will replace India's ageing fleet of Cheetah and Chetak.
- The military version is capable of working in extreme and difficult weather conditions such as hot climate, marine areas and high mountains.
- The helicopter has a maximum speed of 250 km/hour and maximum takeoff weight is 3,600 kg.

Long Range Surface to Air Missile

- LRSAM is the ship launch version of Barak-8 missile, jointly developed by India and Israel.
- LR-SAM is capable to penetrate in deep water/land to intercept all types of aerial targets like Subsonic & Supersonic Missiles, Fighter Aircraft, Maritime Patrolling Aircraft (MPA), Helicopter and Sea Skimming Missiles.
- It was recently handed to Indian Navy.
- Medium Range Surface to Air Missile (MRSAM) is the land version of Barak-8 Missile.

ASTRA

- The ASTRA weapon system is an indigenously developed air-to-air Beyond Visual Range (BVR) missile developed by the DRDO.
- It comprises a launcher and a missile and it is designed as a BVR missile with a long range of 110 km and short range of 20 km.
- BVR missiles are the latest in air-to-air combat.
- It will be inducted into IAF later this year and this would be the IAF's first indigenous air-to-air BVR missile.
- It was recently test fired from Russian-origin Sukhoi-30 MKI fighter aircraft.

Shekatkar Committee

- The 11 member committee headed by Lt. Gen. Shekatkar was appointed by Defence Ministry to recommend reforms in Indian Army, Navy and Air Force for enhancing combat compatibility
- They submitted the report in December, 2016.
- They gave 99 recommendations including, increasing the deployment of soldiers for active combat in the Indian Army and redeployment of civilian in different wings of the Armed Forces and improving efficiency of National Cadet Corps (NCC).
- The first batch of reforms has been accepted recently by Defence ministry and will be operationalized in 2019.

HEALTH

Measles-Rubella Vaccination campaign

- Central Government has completed the phase I of Measles-Rubella vaccination campaign and phase II has been rolled out.
- Under the vaccination campaign, all children in the age group of 9 months to 15 years will be vaccinated against measles-rubella.
- Following the campaign, MR vaccine will become a part of routine immunization and will replace measles vaccine, currently given at 9-12 months and 16-24 months of age of child.
- India, along with ten other WHO South East Asia Region member countries, has resolved to **eliminate measles and control rubella**/congenital rubella syndrome (CRS) by 2020.
- Measles is a highly contagious infection and one of the major childhood killer diseases, caused by the measles virus that spreads through air.
- Complications include diarrhea, blindness, inflammation of the brain, and pneumonia among others.
- Unlike measles, rubella is a mild viral infection that mainly occurs in children.
- But infection during early pregnancy may result in a child born with congenital rubella syndrome (CRS) or miscarriage.

National Deworming initiative

- Health Ministry is going to launch 2nd round of National Deworming initiative to tackle Worm Infections in children
- National Deworming initiative aimed to protect children in the ages of 1-19 years from intestinal worms (also known as Helminths).
- Albendazole tablets will be given to all targeted children through Anganwadi centres and schools (incl. Private schools).
- According to WHO, India has the highest burden of Soil-Transmitted Helminths (STH) in the world.
- National Deworming Day is organised twice in a year and it is the largest ever single-day public health campaign in the world.

Japanese Encephalitis

- It is a mosquito-borne viral infection of the brain.
- Japanese encephalitis virus (JEV) is a flavivirus related to dengue, yellow fever and West Nile viruses, and is spread by mosquitoes.
- There is no cure for the disease. Treatment is focused on relieving severe clinical signs and supporting the patient to overcome the infection.
- JEV is transmitted to humans through bites from infected mosquitoes of the Culex species.
- The virus exists in a transmission cycle between mosquitoes, pigs and/or water birds (enzootic cycle).
- Safe and effective JE vaccines are available to prevent disease and it is one of the vaccines given under Universal Immunisation Programme of India.

Haemophilia

- Haemophilia is a genetic and life-threatening bleeding disorder that affects the blood's ability to clot due to the absence of clotting proteins called factors.
- It is one of the few new diseases included under the Rights of Persons with Disabilities Act 2016.
- The erstwhile Right of Persons with Disabilities Act 1995 considered only seven categories, namely blindness, low vision, locomotive disability, hearing impairment, mental retardation, mental illness and leprosy, but not haemophilia.

- According to a study conducted by the World Federation of Haemophilia in 2016, almost half of the world's haemophilia population lives in India.
- The country lags severely in providing the facility of free “clotting factor concentrates”, which helps in stopping the bleeding and is the first step in treatment of patients with severe haemophilia.

Leptospirosis

- Recent, Mumbai floods has created ground for spreading of Leptospirosis.
- Leptospirosis is a bacterial infection in rodents and other wild and domesticated species.
- It is a zoonotic disease (i.e) spread from animals to humans caused by bacteria of the genus *Leptospira*.
- It is transmitted to humans by exposure through water contaminated by urine from infected animals.
- The infection in man is contracted through skin abrasions and the mucosa of the nose, mouth and eyes. Human-to-human transmission is rare.
- In most of the cases, leptospirosis only causes mild flu-like symptoms, such as headache, chills and muscle pain.
- However, in some cases the infection is more severe and can cause life-threatening problems, including organ failure and internal bleeding.
- Severe form of leptospirosis is known as **Weil's disease**.

BIOTECHNOLOGY

Curcumin to treat cancer

- Scientists have recently found that nanoparticles loaded with curcumin can target and destroy neuroblastoma cells.
- Curcumin is the bioactive component of turmeric. A bioactive compound is a compound that has an effect on a living organism, tissue /cell.
- Researchers have attached curcumin to cerium oxide nanoparticles and tested the nano-curcumin formulation.
- The formulation induced substantial cell death in neuroblastoma cells while producing no or only minor toxicity in healthy cells.

Production of Bio-Ethanol

- Scientists from CSIR have produced ethanol from discarded cotton-stalks by using a combination of chemical and biological techniques.
- The cotton stalks were first treated with an acid, alkali and enzymes to convert it to glucose.
- Then the fermentation using a novel yeast strain was carried out to convert the glucose into ethanol.
- The final alcohol obtained can be made to fuel grade Bio-ethanol, after distillation and dehydration using molecular sieves.
- Bio-ethanol has a number of advantages over conventional fuels as it comes from a renewable resource.
- It is mandatory to blend 10% ethanol with petrol.
- Presently it is obtained by fermentation of sugar cane molasses which is a by product of sugar production, and has food value.
- Converting the agro-residues (Cotton Stalks) to ethanol reduces the food and fuel competition.

INDEX AND REPORTS

Global Food Price Index

- Global Food Price Index is released by UN Food and Agriculture Organisation (FAO).
- Recently, the index for the July month hit the highest in 31 months.

- The Index is a monthly measure of international market prices of five major food commodity groups such as Cereals, Sugar, Dairy, Vegetable oil and Meat products.
- UNFAO was established in 1945 with the objective of eliminating hunger and improving nutrition and standards of living by increasing agricultural productivity.
- Its secretariat is located in Rome, Italy.
- Some of the important key programmes of FAO are Food Security Programmes, Codex Alimentarius, International Plant Protection Convention (IPPC) etc.,

India VIX

- India Volatility Index (VIX) is released by National Stock Exchange (NSE).
- It measures the degree of volatility or fluctuation that active traders expect in the Nifty50 over the next 30 days.
- It is a good indicator of whether participants in stocks are feeling fearful or satisfied about the near future.
- The NIFTY 50 index is NSE’s benchmark **stock market index** for Indian equity market.
- NIFTY is owned and managed by India Index Services and Products (IISL), which is a wholly owned subsidiary of the NSE.

Global Retirement Index

- The index is calculated by French asset management company Natixis Global.
- It ranks 43 countries which include International Monetary Fund (IMF) advanced economies, members of the OECD and the BRIC countries.
- It ranks on the basis of four factors such as the
 1. Material means to live comfortably in retirement;
 2. Access to quality financial services to help preserve savings value and maximize income;
 3. Access to quality health services;
 4. A clean and safe environment.
- India has ranked the lowest and worst among BRIC countries.
- Switzerland, Norway and Iceland topped the ranking.

Global Liveability Ranking

- Australia’s Melbourne city has been named the world’s most liveable city for the sixth consecutive year, according to the Global Liveability Ranking.
- Global Liveability Ranking is a list of 140 cities published by the Economist Intelligence Unit.
- The ranking considers 30 factors related to things like public safety, healthcare, education, infrastructure and environment.
- Melbourne is followed by Austrian capital Vienna and Canada’s Vancouver.
- The least liveable city is Damascus at 140th place.
- No Indian cities were ranked in the top ten or bottom ten in the list.
