1. **SOCIAL ISSUES**
   1. **Ayushman Bharat For A New India -2022**

**In News**

* As part of Ayushman Bharat programme, the Government has announced two major initiatives in health sector.
* The aim of this step is to make path breaking interventions to holistically address health in primary, secondary and tertiary care systems, covering both prevention and health promotion.

**Key Highlights**

* The Ayushman Bharat programme is driven by two main aims:

1. To strengthen primary health care which has been lacking in the country, and
2. To offer financial protection from catastrophic expenditure, often encountered once a family member is sick and needs long-term health care.

* Two major initiatives under this scheme are:

1. **Health and Wellness Centre** - The National Health Policy, 2017 has envisioned Health and Wellness Centres as the foundation of India’s health system. Under this, 1.5 lakh centres will bring health care system closer to the homes of people. These centres will provide comprehensive health care, including for non-communicable diseases and maternal and child health services. These centres will also provide free essential drugs and diagnostic services.
2. **National Health Protection Scheme (NHPS)** – This is the second flagship programme under Ayushman Bharat, which will cover over 10 crore poor and vulnerable families (approximately 50 crore beneficiaries) providing coverage up to 5 lakh rupees per family per year for secondary and tertiary care hospitalization. This will be the world’s largest government funded health care programme.

This flagship scheme is likely to benefit more than 37% of the population, meaning that nearly all the poor and vulnerable families will be covered. The cost will be shared on a 60:40 basis between central and state governments.

**Need For This Scheme**

* India is presently in a state of health transition. Infectious diseases as well as emerging problem of chronic non-communicable diseases are now the leading cause of mortality.
* This epidemiological transition is being fueled by social and economic determinants of health, as well as by demographic changes such as an ageing population, by environmental factors such as climate change, and by factors such as globalization, urbanization and changing lifestyles.
* As a result, the health infrastructure is already under severe strain. Moreover, the high cost of health care and out of pocket expenditure force families to sell their assets, pushing nearly 60 million people every year into poverty.
* Under the existing Rashtriya Swasthya Bima Yojana (RSBY), poor families get an annual coverage of ₹30,000, which was not adequate.
* This scheme could help country move towards universal health coverage and equitable access to healthcare, which is one of the UN Sustainable Development Goals or SDGs.

**Key Challenges**

* Without addressing the human resource situation, public sector health care will remain of poor quality and largely unacceptable, forcing patients to go to the private sector. Therefore, it seems as if NHPS is likely to ***benefit private parties more than government health services***. This will ultimately be unsustainable and even detrimental for the poor for whom the scheme is intended.
* Given that States are expected to agree for 40 % share under the NHPS and that health being a state subject, ***state ownership and commitment*** will be critical for the success of the programme.
* ***Clarity*** is needed on what services will be provided by government health facilities and for which conditions patients will have to use private parties and what mechanisms are being thought of.
* There is a need for ***uniformly pricing systems*** for various health interventions, including diagnostics and medicines, and making them transparent by displaying them in hospital premises.
* For the success of the programme, ***effective implementation*** is the key. For this an independent body or unit may be set up within the Ministry Of Health & Family Welfare to plan, coordinate, and provide technical backstopping to states, including in capacity building and development of standards and guidelines for the programme. Such a unit will ensure uniform and systematic approach to programme implementation across the country.
  1. **Revitalising Infrastructure and Systems in Education**

The government has proposed a new initiative called Revitalising Infrastructure and Systems in Education (RISE). RISE will be launched in the country with a total investment of Rs 1 lakh crore in the next four years.

**Key Highlights**

* The scheme aims to lend low-cost funds to government higher educational institutions. Under it, all centrally-funded institutes (CFIs), including central universities, IITs, IIMs, NITs and IISERs can borrow from a Rs 1,00,000 crore corpus over next 4 years to expand and build new infrastructure.
* It will be financed through suitably structured Higher Education Financing Agency (HEFA).

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| **Higher Education Financing Agency**   * The Union cabinet, in 2016, cleared a proposal to set up a higher education financing agency (HEFA) that will raise Rs20,000 crore from loans and bond sales to fund infrastructure development at central educational institutions. * The agency will be a special purpose vehicle (SPV). The SPV will be a quasi-sovereign agency, which will borrow funds at close to the 10-year gilt rate, which is around 8% at present. It will lend to institutions at a slightly higher rate. * HEFA will finance institutions through a 10-year loan. The principal portion of the loan will be repaid through the ‘internal accruals’ earned through fee receipts, research earnings, etc. The central government will service the interest portion through the regular plan assistance.   *Significance*   * It is expected to ease pressure on the government, which currently is the sole funder of such institutions. * In turn, the move may mark the beginning of a market-linked fee structure in central government-funded educational institutions, including the Indian Institutes of Technology (IITs), National Institute of Technology (NITs) and central universities. * Since the institutions will borrow money and return it, they have to be revenue-surplus, which may make a fee hike the first possibility. * HEFA will instill accountability in higher educational institutions as hike in fee structure is possible only if better facility and infrastructure is made available. * Also, the institution would like to increase its internal accruals through different means other than fee hike. Since research earnings form a major part of internal accruals, this move will force universities to improve the R&D ecosystem. |

* 1. **More Tribal Areas To Get Eklavya Schools**

**In News**

* Government has proposed to set up Eklayva Model Residential School to provide education to tribals in their local environment by 2022.
* Every block comprising more than 50 per cent of tribal population and at least 20,000 tribal people will have an 'Eklayva Model Residential School.
* This step has been taken in view of the social discrimination faced by tribal communities.

**Key Highlights**

* Eklavya schools will be on par with Navodaya Vidyalayas (schools aimed at providing quality education to all students irrespective of their socio-economic backgrounds) in India and will have special facilities for preserving local art and culture besides providing training in sports and skill development.

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| Eklavya Model Residential Schools:   * This Scheme was started in 1998 and first school was started in the year 2000 in Maharashtra. * Since then, it has been acting as institute of excellence for tribal education. |

**Need For Such Step**

* The 104.2 million Indians notified as STs, constitute 8.6% of the country’s total population and 11.3% of the total rural population. The literacy rates of STs has increased from 8.53% in 1961 to 58.96% in 2011.
* Despite the increase and despite the fact that the 2009 Right to Education Act makes it mandatory that all children between the ages of six and 14 be provided free and compulsory education, significant disparities exist in enrolment rates, drop-outs, across states, districts and blocks.
* In the case of tribals, dropout rates are still very high – 35.6% in Classes I to V; 55% in Classes I to VIII; and 70.9% in Classes I to X in 2010-11, according to the Statistics Of School Education 2010-2011.
* According to a 2014 UNICEF-sponsored South Asia regional study All Children in School by 2015, economic and socio-cultural factors are reasons behind the education deprivation for certain groups in India, especially SCs, STs and Muslims. “Poverty levels are very high in these three groups.
* Even compared to scheduled castes, STs are much more backward. They cannot compete with others, not even with the other marginalized communities. So it is important to make space and create doors for them to enter the domain of democratic benefits.
  1. **National Women Entrepreneurship Council**

**In News**

* The Ministry of Women and Child Development is considering to establish National Women Entrepreneurship Council (NWEC).
* This council will promote entrepreneurship as it would be the umbrella organization for socio-economic gender parity, financial inclusion and economic empowerment of women in India.

**Need For Such Council**

* India lags behind other countries in Mastercard Index of Women Entrepreneurs. India has been ranked 49 among 54 economies globally with overall low score of 41.7 points.
* India presents lower opportunities for women to assume leadership roles, participation in the workforce or engagement in entrepreneurial activities.
* Lack of education, patriarchal mindset, inadequate facilities for women at workplace, sexual harassment of women at workplace etc. are some key impediments that happen to undermine women’s ability.
* Against this backdrop, NWEC can act as a driver and facilitator in empowering women entrepreneurs.
  1. **India Health Fund to Cover TB, Malaria**
* The India Health Fund (IHF), an initiative by Tata Trusts, in collaboration with the Global Fund has decided to financially support innovations and technologies designed to combat tuberculosis and malaria.
* It aims to support new products and strategies that impact the entire lifecycle of TB and malaria, from prevention to post-cure recovery. It is not a fellowship to do research from scratch.
* The fund will cover four area of research. These are:
* Use of technology and data science to strengthen surveillance of TB and malaria, inform early warning systems, and improve early detection and prompt treatment;
* Promotion of robust molecular diagnostic facilities feasible for primary healthcare in low-resource settings;
* Innovations on effective communication strategies that will prevent transmission of TB and malaria and enable people to protect themselves from the diseases,
* Research on innovative approaches to vector surveillance.
* TB and malaria pose long-standing health challenges for India. The two diseases account for over 4.23 lakh deaths and around 15 million lab-confirmed cases every year. Hence, the decision of IHF to cover TB and Malaria can help in improving the health scenario in India.
  1. **Education Impact Bond For India**

**In News**

* Britain's Prince Charles has launched a new 10-million-dollar Development Impact Bond (DIB) to help improve education for over 200,000 children in India.
* The DIB, the largest bond of its type in South Asia, is the latest fundraising initiative by the British Asian Trust (BAT), set up by the royal 10 years ago to fight poverty in South Asia.

**Key Highlights**

* Under the initiative, the DIB will provide funding to local not-for-profit delivery partners in India over four years, delivering a range of operational models including principal and teacher training, direct school management, and supplementary programmes.
* It is intended to improve literacy and numeracy learning levels for primary school students from marginalised communities in the country.
* The DIB is intended as result-oriented way to attract new capital into development projects, with strong emphasis on data and evidence.
* It was launched by trust with support of UK government’s Department for International Development (DfID), Comic Relief, Mittal Foundation and UBS Optimus Foundation.
  1. **National Deworming Initiative**

**In News**

* Union Minister for Health and Family Welfare launched the National Deworming Initiative on the occasion of the National Deworming Day.
* National Deworming Day is celebrated on 10th February every year.
* Under the National Deworming Initiative, Union Government will work to ensure that high quality healthcare is accessible to every child and up to the last mile.

**National Deworming Day**

* The National Deworming Day (NDD) is observed on February 10 by the Ministry of Health and Family Welfare.
* Its main objective is to deworm children between the ages of (1-19) at schools and anganwadi centres.
* During NDD single dose of Albendazole is administered to children from under 1 to 19 years of age group through the platforms of schools and anganwadi centers.
* The Ministry has now decided to give the deworming tablets to the private schools children also.
* The government of India had launched the initiative in 2015, making it one of the largest single-day public health initiatives in India.

**Necessity Of Deworming Programme In India**

* India carries the highest burden of worm infestation and 64 per cent of Indian population less than 14 years of age are at risk of Soil Transmitted Helminths (STH) or worms’ infestation (WHO).
* Soil Transmitted Helminths (STH) interfere with nutrients uptake in children; can lead to anaemia, malnourishment and impaired mental and physical development.
* According to a study, the infected children cannot concentrate on their studies and they find very hard to put up their daily activities.
* The situation of undernutrition and anaemia which is linked to STH ranges from 40 per cent to 70 per cent in different population groups across the country (WHO).  They also pose a serious threat to children’s education and productivity later in life.
* In this context, National Deworming Day is a commendable step that will go a long way in ensuring healthy India. On India’s glorious record sheet of eradicating Polio, Guinea worm, Small pox, Maternal and neonatal tetanus, this may become yet another entry.
* However, we must remember that the cycle of parasitic infections cannot be broken with drugs alone. Proper hand washing and sanitation play an important role in preventing such diseases.

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| **Soil-Transmitted Helminths (STHs)**   * According to WHO, Soil-Transmitted Helminths (STH) or parasitic worms are among the most common infections worldwide. * It lives in human intestines and consume nutrients meant for the human body. * They produce thousands of eggs each day, which are passed in faeces and spread to others in areas used for public toilet. |

* 1. **International Kala Mela**

**In News**

* The First ever International Kala Mela was inaugurated by the Vice President of India, Shri M. Venkaiah Naidu in New Delhi.
* The International Kala Mela has been organised by the Lalit Kala Akademi in partnership with IGNCA of the Ministry of Culture.

**Key Highlights**

* With a total of 325 exhibition stalls, it has more than 800 participants from across the globe.
* These participants are from countries such as China, Venezuela, Peru, Portugal, Srilanka, Poland, Tunisia, Mexico, Bangladesh, Trinidad, Tobago, Fiji, France, Papua New Guinea, Czechia, UK, Spain and Brazil.
* It has been held to showcase art and also celebrate various cultural forms of India, as well as to provide platform to artists from abroad.
* The event has been conceptualised to help those artists who cannot afford to exhibit their works in art galleries or expensive art fairs.

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| **Lalit Kala Akademi:**   * The Lalit Kala Akademi was inaugurated in 1954 to foster cultural and national identity. * It has headquarters at New Delhi and regional centers at Bhubaneswar, Chennai, Garhi (Delhi), Kolkata, Lucknow and Shimla. * It is a non-profit, autonomous body, under the Ministry of Culture. * Central to the Akademi’s mission is the encouragement of a deeper understanding and enjoyment of modern and contemporary art by a diverse local, national and international audience that it serves. The National Exhibition of Art and the International Triennale India, are examples of such endeavours. |

* 1. **Technical Education Quality Improvement Programme**

**In News**

* The Cabinet Committee on Economic Affairs has approved the proposal for initiation of the Third Phase of Technical Education Quality Improvement Programme (TEQIP).
* The Project will be implemented as a 'Central Sector Scheme'.

**Key Highlights**

* The project will be implemented with the facility of Direct Funds Transfer to the accounts of beneficiary institutes. The project will be initiated in the current year and will be co-terminus with Fourteenth Finance Commission i.e. 2019-20.
* The major outcomes of the project are:
* Better academic standards, through accreditation, filling up faculty positions, training faculty in better teaching methods, improved research outputs in institution in Focus States/UTs.
* Better administration of the institutions with improved financial/academic autonomy.
* Better systems for assessment of Student Learning, higher transition rates.
* Transparent and expeditious release of funds to institutes by way of Direct Funds Transfer System.
* The project will cover all Government / Government aided engineering institutes, ATUs and CFTIs from Focus States/UT.
* The **Focus States** are 7 Low Income States (Bihar, Chhattisgarh, Jharkhand, Madhya Pradesh, Rajasthan and Uttar Pradesh), 3 Hill States (Himachal Pradesh, Jammu & Kashmir and Uttarakhand), 8 North-Eastern States (Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim and Tripura) and Union Territory of Andaman and Nicobar Islands.

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| About TEQIP:   * The Technical Education Quality Improvement Programme (TEQIP) commenced in 2003 with World Bank assistance as a long term programme to be implemented in three phases. * The first phase of TEQIP commenced in 2003 and ended on March 31st, 2009. * TEQIP-II commenced in August 2010 and was scheduled to conclude in October, 2016. * Both projects have had a positive impact on the infrastructure and educational standards in the technical institutions where they were taken up. * Institutions in the central, eastern and north-eastern region and hill States are at present in need of similar and specific interventions. The initiation and implementation of the project TEQIP-III will bridge this gap. |

* 1. **Indian Languages, Dialects Facing Extinction In India**

**In News**

* A list prepared by United Nations Educational, Scientific and Cultural Organisation (Unesco) has mentioned the 42 languages or dialects in India, which are endangered and may be heading towards extinction.
* There are 22 scheduled languages and 100 non-scheduled languages spoken by at least 100,000 or more people in the country.
* However, according to a report of the census directorate, around 42 languages which are spoken by less than 10,000 people are considered endangered as they seemed heading towards extinction.

**Key Highlights**

* Languages considered to be facing extinction, as per the list prepared by UNESCO, are mentioned in the following table:

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| States | Endangered languages |
| Andaman and Nicobar Islands (11) | Great Andamanese, Jarawa, Lamongse, Luro, Muot, Onge, Pu, Sanenyo, Sentilese, Shompen and Takahanyilang |
| Manipur (7) | Aimol, Aka, Koiren, Lamgang, Langrong, Purum and Tarao |
| Himachal Pradesh (4) | Baghati, Handuri, Pangvali and Sirmaudi |
| Odisha (3) | Manda, Parji and Pengo |
| Karnataka (2) | Koraga and Kuruba |
| Andhra Pradesh (2) | Gadaba and Naiki |
| Tamil Nadu (2) | Kota and Toda |
| Arunachal Pradesh (2) | Mra and Na |
| Assam (2) | Tai Nora and Tai Rong |
| Uttarakhand (1) | Bangani |
| Jharkhand (1) | Birhor |
| Maharashtra (1) | Nihali |
| Meghalaya (1) | Ruga |
| West Bengal (1) | Toto |

* The Union Government has launched “Protection and Preservation of Endangered Languages of India (PPEL)”, in February 2014.
* Under this scheme, the Central Institute of Indian Languages (CIIL), Mysore, works on protection, preservation and documentation of all the mother tongues/languages of India spoken by less than 10,000 people in the country.
* The scheme will be implemented by the CIIL in coordination with universities across the country. It will identify, document and take measures to protect the endangered languages.
* Under the programme, grammatical descriptions, monolingual and bilingual dictionaries, language primers, anthologies of folklore, encyclopaedias of all languages or dialects especially those spoken by less than 10,000 people were being prepared.

**Why Indian Languages Are Facing Extinction**

* In the wake of globalisation, the domains of use of some languages are shrinking with the result that many Indian languages have become threatened and even endangered.
* English has become the language of knowledge and employability, as well as the primary language of the internet. The major content of the digital sphere is now in English, and, therefore, other languages have been marginalised.
* According to the People’s Linguistic Survey of India (PLSI), over the last 50 years, the world’s Hindi-speaking population has increased from 260 million to 420 million. Over the same period, the English-speaking population has gone from 320 million to 480 million.
* However, the growth of Hindi, English and other major languages within India has come at a price: Around 250 languages in India have disappeared in the last 50 years. A language dies when its speakers die. For example, a language of Andaman and Nicobar islands, namely, Aka-Bo died recently when its last speaker died in 2010.
* In India among many languages facing extinction, most of them are the coastal languages. The reason is that livelihood in coastal areas is no longer safe. The corporate world is doing deep-sea fishing. Traditional fishing communities, on the other hand, have moved inwards - away from the coast, thus giving up their languages.

**Criteria to Declare Languages as Endangered**

According to the criteria adopted by the UNESCO, a language becomes extinct when nobody speaks or remembers the language. The UNESCO has categorized languages on basis of endangerment as follows:-

* ***Vulnerable*** - Most children speak the language, but it may be restricted to certain domains (e.g. home)
* ***Definitely Endangered*** - Children no longer learn the language as mother tongue in the home
* ***Severely Endangered*** - Language is spoken by grandparents and older generations; while the parent generation may understand it, they do not speak it to children or among themselves.
* ***Critically Endangered*** - The youngest speakers are grandparents and older generations; while the parent generation may understand it, they do not speak it to children or among themselves

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| **UNESCO Atlas of World’s Languages**   * The UNESCO Atlas of World’s Languages in Danger 2010 lists around 2,500 endangered languages around the world. India tops the list with 197 endangered languages, followed by the U.S. (191) and Brazil (190). * According to UNESCO, 197 languages in India are reported to be endangered of which 81 are vulnerable followed by definitely endangered (63), severely endangered (6), critically endangered (42) and already extinct (5). |

* 1. **National Urban Housing Fund**

*[For detailed analysis on Affordable Housing in Urban Areas, refer Yojana Summary of September 2017]*

**In News**

* The Union Cabinet has given approval for creation of National Urban Housing Fund (NUHF) for Rs.60,000 crores.
* NUHF will finance the government’s Housing for All programme, which aims to build 12 million affordable housing units in urban areas by 2022.

**Key Highlights**

* The newly created fund will be placed under the aegis of the Building Materials and Technology Promotion Council, an autonomous body under the ministry of housing and urban affairs, whose primary task is the mainstreaming of new construction technologies.
* The fund will be raised from non-budgetary sources and could tap into existing government entities such as the Housing and Urban Development Corp. (Hudco).
* The newly created fund is expected to raise the requisite funds as per requirement for the next four years and plug any budgetary shortfalls so that flow of Central Assistance under different verticals i.e. Beneficiary Linked Construction (BLC), Affordable Housing in Parternership (AHP), In-Situ Slum Redevelopment (ISSR) and Credit Linked Subsidy Scheme (CLSS) is sustained and construction of houses to address the gap in Urban Sector progresses smoothly.
  1. **Watan ko Jano**
* The Ministry of Home Affairs (MHA) has been organising programme “Watan Ko Jano” to give exposure to the youth and children of Jammu and Kashmir about the cultural and socio-economic development taking place in other parts of the country.
* The programme is sponsored jointly by Ministry of Home Affairs, Central Government (Kashmir Cell) and J&K State Rehabilitation Council Social Welfare Department.
* Youth and children hit by militancy and from weaker sections of the society have been identified for the purpose.
* Around 200 youth from the state are on a visit to different places of the country as part of the programme from 11th Feb-20th Feb, 2018.
* With this tour, the youth will be able to see the development of modern India and they will also be able to analyse the role of unity in the process of development.
  1. **World Cities Culture Forum**

**In News**

* In a first of its kind, Mumbai will be the first Indian city to join the World Cities Culture Forum, the leading collaborative network of world cities that share a belief in the importance of culture for creating thriving metropolitan environments.
* It was launched in London in the year 2012. it is a leading collaborative network that has grown from 12 to 33 member cities that share research and best practices, advancing the vital role of culture in their cities.

**How Will The Forum Help Mumbai**

* The WCCF enables the policy makers of member cities to share research and intelligence, while exploring the vital role of culture in prosperity.
* Forum members collaborate via a program of events including themed symposia, regional summits and workshops.
* Mumbai, like members of the Forum, will be able to share its culture as part of a comparative research to understand its role and impact. The municipal corporation will be able to maintain a relationship with the other member cities and Mumbai will be represented on the Forum at all events.

1. **POLITY AND GOVERNANCE**
   1. **Rationalization of Autonomous Bodies Under Department of Health & Family Welfare**

**In News**

* The Union Cabinet has approved the proposal for closure of Autonomous Bodies, namely, Rashtriya Arogya Nidhi (RAN) and Jansankhya Sthirata Kosh (JSK).
* The functions of these bodies are proposed to be vested in Department of Health & Family Welfare (DoHFW).

**Key Highlights**

* Since RAN provides financial medical assistance to poor patients and DoHFW provides funds to the hospitals, the grants can be given from the Department to the hospital directly. RAN functions can, therefore, be vested in DoHFW.
* JSK will continue to play a significant role in population stabilization strategies. However, its existence as an Autonomous Body is not necessary. Hence, it was decided that JSK as an Autonomous Body can be closed as it can be administered by the Department as a fund.

**Background**

* Based on the recommendations of Expenditure Management Commission, NITI Aayog had undertaken a review of the 19 Autonomous Bodies, under the DoHFW, that have been formed under Societies Registration Act, 1860.
* It submitted the interim report with recommendations to rationalize the same.

**Need for Rationalization**

* Autonomous bodies are required to be reviewed and rationalised with a view to improve their outcomes, effectiveness and efficiency, utilisation of financial and human resources, synergy, governance and relevance in current policy and programme context, with improved monitoring and oversight.

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| **Rashtriya Arogya Nidhi (RAN)**   * It is a centrally sponsored scheme set up under the Ministry of Health & Family Welfare in 1997**.** * Rashtriya Arogya Nidhi (RAN) provides financial assistance to patients who are living below poverty line and suffering from major life threatening diseases related to inter-alia, heart, liver, kidney and for cancer, etc., to receive medical treatment at any of the 12 super specialty Government hospitals / institutes or other Government hospitals.   **Jansankhya Sthirata Kosh (JSK)**   * The "Jansankhya Sthirata Kosh" (JSK) (National Population Stabilisation Fund) has been registered as an autonomous Society established under the Societies Registration Act of 1860. * Its aim is to promote and undertake activities aimed at achieving population stabilisation at a level consistent with the needs of sustainable economic growth, social development and environment protection, by 2045. * The JSKs Annual Report and Accounts are tabled in Parliament and its accounts can be audited by the Comptroller and Auditor General of India.   **Expenditure Management Commission**   * The Government had constituted an Expenditure Management Commission (EMC) in 2014. * It was constituted to look into various aspects of expenditure reforms to be undertaken by the Government such as review of the institutional arrangements including budgeting process and Fiscal Responsibility and Budget Management (FRBM) rules, suggest ways to improve allocative efficiencies in the existing expenditure classification system, and other issues concerning Public Expenditure Management. |

* 1. **Constitution Bench to Examine Citizenship Act**

**In News**

* The Supreme Court has decided to refer to a fresh Constitution Bench pleas to examine the validity of various aspects of a provision of the Citizenship Act 1955.
* The examination will include the cut-off date for awarding citizenship to Bangladeshi immigrants in Assam. Section 6A of the Act relates to provisions for citizenship of people covered by the Assam Accord.

**Background**

* According to section 6A, all those who came to Assam on or after 1 January, 1966, but before 25th March, 1971 from the specified territory (it includes all territories of Bangladesh at the time of commencement of the Citizenship (Amendment) Act, 1985), and since then are residents of Assam, must register themselves under section-18 for citizenship.
* Therefore, this act fixes March 25, 1971 as the cut-off date for granting citizenship to Bangladeshi migrants in Assam.
* However, Articles 6 and 7 of Indian constitution dealt with migrations to and from Pakistan and fixed 19th July 1948 as the “cut-off date” for citizenship.
* Hence, the constitutional validity of the act was challenged in the apex court. In 2014, a two-judge Bench of the apex court had framed 13 questions for deliberation by a larger Bench.
* The current case comes up for hearing as the result of a referral order under Article 145(3) of the Constitution, passed by a bench of two judges in Assam **Sanmilita Mahasangha vs Union of India**, who framed thirteen questions of law to be decided by a Constitution Bench.

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| **Citizenship Act, 1955**   * The provisions relating to citizenship at the commencement of the Constitution are contained in Articles 5 to 11 in Part II of the Constitution of India. The Citizenship Act enacted by the Parliament in 1955 provides for acquisition and determination of citizenship. * Modes of acquiring Indian citizenship by– ***Birth, Decent, Registration, and Naturalisation*** * Termination of Indian citizenship - The Citizenship Act envisages three situations under which a citizen of India may lose his Indian nationality. Section 9 deals with the automatic termination of citizenship and Section 10 deals with the deprivation of citizenship. These are by ***Renunciation, Termination, and Deprivation***   **Assam Accord**   * It was a Memorandum of Settlement signed between representatives of the GoI and the leaders of the Assam Movement in 1985. * It brought an end to the Assam Agitation and paved the way for its leaders to form a political party and form a government in the State of Assam soon after. * The Assam Movement (or Assam Agitation) was a popular movement between 1979 and 1985 against undocumented immigrants in Assam. The movement was led by All Assam Students Union (AASU) and the 'All Assam Gana Sangram Parishad' (AAGSP). |

* 1. **E-way Bill**

**In News**

* The Government has made it mandatory for all States to implement the national e-way bill system for intra-state movement of goods by June 1.
* Also, the government, on the recommendations of the GST Council, appointed the 1st day of February as the date from which the provisions of the e-way bill rules shall come into force for inter-state movement of goods.
* However, in view of the difficulties faced by the traders in generating the e-way bill due to initial technological glitches, it was decided by the GST Council to extend the trial phase for generation of e-way bills, both for inter-state and intra-state movement of goods.

**What Is It**

* The E-way bill, short form for electronic way bill, is a document to be generated online under the GST system, when goods of the value of more than ₹50,000 are shipped inter-State or intra-State.
* The E-way bill must be raised before the goods are shipped and should include details of the goods, their consignor, recipient and transporter.
* Though check-posts have been abolished under GST, a consignment can be intercepted at any point for the verification of its E-way bill, for all inter-State and intra-State movement of goods.
* If a consignment is found without an E-way bill, a penalty of ₹10,000 or tax sought to be evaded, whichever is greater, can be levied.
* Where the goods are handed over to a transporter for conveyance by road and neither the consignor nor the consignee has generated the E-way Bill, the transporter becomes liable to generate it.
* When the consignor or transporter generates the E-way bill, the recipient for the consignment has to either accept or reject it on the portal. If no action is taken by the recipient in 72 hours, it shall be taken as accepted.

**Importance of E-way Bill**

* According to data from the Ministry of Road Transport and Highways, a typical truck in India spends 20 per cent of its time in inter-state check points. This varies from 20-30 minutes in some States such as Rajasthan and Maharashtra, but goes upto to two hours in Bihar or Jharkhand.
* Both the GST levy and the E-way bill were expected to root out such transit delays, while at the same time plugging tax evasion.
* Every E-way bill generated by a sender or buyer of goods is to be automatically updated in the outward sales return (GSTR1) of the supplier, leaving little scope for tax evasions on shipments.
* A single electronic way bill for the movement of goods throughout the country is expected to save tons of paperwork and sidestep various inter-state clearances for buyers, sellers and transporters.
  1. **Government e-Marketplace (GeM) 3.0 launched**

**In News**

* After the massive success of GeM 2.0, which was launched as a pilot in August 2016, a new transformed version GeM 3.0 has been launched.
* It would offer standardised and enriched catalogue management, powerful search engine, real time price comparison, template-based Bid and RA creation, demand aggregation, e-EMD, e-PBG, user rating, advanced MIS and analytics and more.

**Silent Features of GeM 3.0**

* Powerful search engine
* Price comparison using third party sites – multisource and real time
* Performance based user rating
* Market based – Bundling and Bunching of products and services

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| **About GeM**   * Government e-Marketplace (GeM) aims to transform the way in which procurement of goods and services is done by the Government Ministries/Departments, PSUs, autonomous bodies etc. * The recommendations of two Groups of Secretaries formed the basis of GeM. * GeM is a completely paperless, cashless and system driven e-market place that enables procurement of common use goods and services with minimal human interface.   *[Also refer July 2017 issue of CA magazine for detailed analysis on GeM]* |

* 1. **ISRO Sets Up Village Resource Centres For Rural Development**

**In News**

* To demonstrate the potential of satellite technology for development of rural areas, ISRO has established Village Resource Centres (VRCs) on a pilot scale.
* 473 VRCs are being established by ISRO with the help of selected NGOs, Trusts and State Government Departments.

**Village Resource Centre(VRC)**

* It is a unique initiative that uses Satellite Communication (SATCOM) network and Earth Observation (EO) satellite data in a judicious combination to address the needs of the local people in villages.
* VRCs so far addressing the areas like, Agriculture/horticulture development; Fisheries development; Live stock development; Water resources; Tele health care; Awareness programmes; Woman’s empowerment; Supplementary education; Computer literacy; Micro credit; Micro finance; Skill development / vocational training for livelihood support etc.
* Tele-medicine concept connects the sick people in villages, through VSAT network, to the doctors, who located in cities/urban areas or the Super-speciality hospitals, for providing health services.
* The Tele-education uses SATCOM to provide a virtual classroom facility to far-flung villages or remote areas in the country and helps in imparting education to the needy. Thousands of students receive classroom lectures/talks from selected expert centres that imparts knowledge to student community.
  1. **Panel Recommends Separate Flag For Karnataka**

**In News**

* A committee constituted by the Kannada and Culture department of the Karnataka government to examine the feasibility of having a separate flag for the state has submitted its report.
* In its report, it has recommended an official three-coloured flag to replace an unofficial two-coloured one currently used to signify local pride.

**Key Highlights**

* The nine-member committee has recommended a flag with the yellow and red of the unofficial flag to be separated by white in the middle with the state symbol on it.
* If adopted with clearance from the MHA, Karnataka will be the second state after Jammu and Kashmir to have an official state flag.

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| Karnataka’s unofficial flag:   * Karnataka has had an unofficial state flag since the mid-1960s, when pro-Kannada groups were agitating against screening of non-Kannada films in the state. * The red-yellow flag was created by Kannada writer and activist Ma Ramamurthy for a pro-Kannada political party called the Kannada Paksha. * This unofficial flag is flown every year on November 1, Karnataka’s foundation day, and is a common sight at public spaces in the state. |

**Constitutional Position**

* So far, Jammu and Kashmir is only state having separate flag of its own due to special status granted by Article 370 of the Constitution.
* There is no separate Central or State law to deal with this issue. In addition, the Indian Constitution does not prohibits States to have their own flag.
* National Flag Code is silent about the separate State Flag. Although, it specifically authorizes use of flags subject to court regulation.
* In ***S.R. Bommai v/s Union of India*** *(Supreme Court 1994) case*, the Supreme Court has declared that federalism is a basic feature of the Constitution and States are supreme in their sphere.
* This being the Constitutional position, there is no prohibition in the Constitution for the State to have its own flag.
* However, the manner in which the State flag is hoisted should not dishonour the national flag. It has to be always below the national flag.

There is nothing illegal or unconstitutional in having separate State flag. However, we must take into account the various other dimension before deciding on such issue. These are:

* Symbol of Unity – Indian Tricolour is representative of unity among diversity as the three colours represent the idea of India. Having separate flag can run contrary to the notion “One Nation, One Constitution, One Flag”.
* Representative of Freedom Struggle – The national flag is a result of our struggle against colonialism. It tells us to cherish and follow the noble ideas that inspired the national struggle for freedom.
* Signifies the historical process of integration – During national integration of princely States, barring J&K, each princely states decided to surrender their State flags and accepted the Indian Tri-Colour.
* Many a times separate State flags are representative of rebellion. At a time when we are dealing with separatist movements in many States and cultural alienation among North-Eastern States, separate State flags would do more harm than good.
  1. **Healthy States, Progressive India Report**

**In News**

* NITI Aayog has released a comprehensive Health Index report titled, “Healthy States, Progressive India”.
* The report ranks states and Union territories innovatively on their year-on-year incremental change in health outcomes, as well as, their overall performance with respect to each other.
* The report has been developed by NITI Aayog, with technical assistance from the World Bank, and in consultation with the Ministry of Health and Family Welfare (MoHFW).

**About The Report**

* Health Index has been developed as a tool to leverage co-operative and competitive federalism to accelerate the pace of achieving health outcomes.
* It would also serve as an instrument for “nudging” States & Union Territories (UTs) and the Central Ministries to a much greater focus on output and outcome based measurement of annual performance than is currently the practice.
* With the annual publication of the Index and its availability on public domain on a dynamic basis, it is expected to keep every stakeholder alert to the achievement of Sustainable Development Goals (SDGs) Goal number 3.
* It is the first attempt to establish an annual systematic tool to measure and understand the heterogeneity and complexity of the nation’s performance in Health.
* States and UTs have been ranked in three categories namely, Larger States, Smaller States, and Union Territories (UTs), to ensure comparison among similar entities.
* The Health Index is a weighted composite Index, which for the larger States, is based on indicators in three domains: (a) Health Outcomes (70%); (b) Governance and Information (12%); and (c) Key Inputs and Processes (18%), with each domain assigned a weight based on its importance.

**Key Findings**

* Among the Larger States, Kerala, Punjab, and Tamil Nadu ranked on top in terms of overall performance, while Jharkhand, Jammu & Kashmir, and Uttar Pradesh are the top three ranking States in terms of annual incremental performance.
* Among Smaller States, Mizoram ranked first followed by Manipur on overall performance, while Manipur followed by Goa were the top ranked States in terms of annual incremental performance.
* Among UTs, Lakshadweep showed both the best overall performance as well as the highest annual incremental performance.
* Report highlighted that States and UTs that start at lower levels of development are generally at an advantage in notching up incremental progress over States with high Health Index scores. It is a challenge for States with high Index scores to even maintain their performance levels.
* The incremental measurement reveals that about one-third of the States have registered a decline in their performance in 2016 as compared to 2015, stressing the need to pursue domain-specific, targeted interventions.
* According to the report, common challenges for most States and UTs include the need to focus on addressing vacancies in key staff, establishment of functional district Cardiac Care Units, quality accreditation of public health facilities and institutionalization of Human Resources Management Information System (HRMIS).
* It highlights the need for almost all Larger States to focus on improving the Sex Ratio at Birth.
* It notes that there is an urgent need to improve data systems in the health sector, in terms of terms of representativeness of the priority areas, periodic availability for all States and UTs, and completeness for private sector service delivery.
  1. **SC Stays New Tribunal Rules**

**In News**

* The Supreme Court has stayed parts of amendments to the Finance Act, 2017 thereby effectively staying the applicability of provisions of the Central Tribunal, Appellate Tribunal and other Authorities (Qualification, experience and other conditions of service of members) Rules, 2017.
* This rule gave the government primacy in making key appointments to tribunals, including the National Green Tribunal.
* The SC said that appointments to all the tribunals would be made as per earlier rules, until pleas challenging the provision of the bill are decided.

**Background**

* The Supreme Court was hearing a batch of petitions that challenged the constitutional validity of the draft rules under the Finance Act, 2017, which were amended in March 2017.
* Tribunals, Appellate Tribunals and Other Authorities (qualifications, experience and other conditions of service of members) Rules, 2017’, framed under the Finance Act, provides that the search-cum-selection committee to select its administrative members will be headed by a nominee of the central government.
* Earlier, the Chief Justice of India (CJI) or his nominee had a role in the selection of administrative members of CAT. The new amendment provided the Centre the power to govern appointments, removal and service conditions of the members. Since the amendment, there have been more delays in filling vacancies in tribunals such as the National Green Tribunal.
* The petitioners had claimed that the provisions violated the independence and powers of the judiciary and that the new rules will encroach upon the principle of separation of powers.

**Key Highlights Of The Judgement**

* The judgement said the appointment of the chairperson of the tribunal will be made by the chief justice or his nominee.
* A three-member panel comprising two government secretaries and the chairperson of the concerned tribunal will decide the appointment of other members of the tribunal.
* All appointments to be made pursuant to the selection made by the interim search-cum-selection committee shall abide by the conditions of service as per the old Acts and the Rules.

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| **About Administrative Tribunals**   * Article 323A empowers the Parliament to provide for the establishment of administrative tribunals for the adjudication of disputes relating to recruitment and conditions of service of persons appointed to public services of centre, the states, local bodies, public corporations and other public authorities * In pursuance of Article 323A, the Parliament has passed the Administrative tribunals Act 195. * Article 323B deals with tribunals for other matters. |

* 1. **Atal Bhoojal Yojana**
* The Government of India is going to launch a Water Conservation scheme- Atal Bhoojal Yojana.
* The scheme, once cleared by the cabinet, will be implemented by the Ministry of Water Resources, River Development & Ganga Rejuvenation.

**About The Scheme**

* Through this scheme, the underwater level will be raised for providing pure and clean water for the use in agriculture.
* The focus would also be given to ensure the revival of water bodies for proper supply of groundwater and Ganga River Water for agricultural requirements.
* It will give emphasis to recharging ground water sources and ensure efficient use of water by involving people at local level.
* The scheme after Cabinet’s clearance will soon be launched in water-stressed states: Gujarat, Haryana, Karnataka, Maharashtra, Uttar Pradesh, Rajasthan and Madhya Pradesh.
* Its major component is making society responsible and bringing about behaviour change to manage groundwater resource.
* The Central Ground Water Board statistics reveal 1034 out of the 6584 assessed blocks to be over-exploited where the amount of groundwater extracted is far more than recharge.
* The declining ground water levels have resulted in failure of wells or deepening of extraction structures, leading to additional burden on farmers. The scheme will be able to change the water scenario in these areas.
  1. **Prasar Bharati Rejects I&B Ministry’s Proposal**

**In News**

* Public broadcaster Prasar Bharati (PB) has turned down a proposal by the Union Ministry of Information and Broadcasting (I&B) to appoint an IAS officer to its board as 'member personnel'.
* The ministry intended to appoint an IAS officer to take up charge of all human resource and administrative decisions taken by the autonomous body.

**Key Highlights**

* The main proposal was regarding the filling up of the vacancy of Member (Personnel), a whole-time member on the Prasar Bharati Board. The Board, however, felt that this proposal would give the I&B Ministry a window to intrude into the Prasar Bharati.
* The body also deferred its proposal to bring in senior journalists to head the news service units of Doordarshan and All India Radio, reportedly citing autonomy and the salary package offered.
* Besides, some of the board members also took objection to the ministry's directive regarding the termination of contractual employees of the Prasar Bharati.
* The faceoff between I&B Ministry and Prasar Bharati over the latter’s autonomy on hiring and firing has subsequently spilled into financial matters.
* Doordarshan (DD), under Prasar Bharati, has rejected repeated demands of the National Film Development Corporation (NFDC) — which falls under I&B Ministry — to pay Rs 2.92 crore as expenses to a Mumbai-based private firm that arranged for live coverage of the opening and closing ceremonies of the 2017 International Film Festival of India.
* Doordarshan claims there was “no rationale nor any precedent” to outsource the job since it had been doing this all these years and had the “in-house” capability to telecast the ceremonies live.

**Rationale Behind Rejection**

* Appointment of an IAS officer as Member (Personnel) has been seen as an erosion of the PB Act. According to PB Act, the ministry does not have a direct role in appointment of the chairman and whole-time members of the Board.
* The Act clearly says the appointments to the board will be made on the recommendation of a committee headed by the vice president. Many believe that such a proposal would “denigrate the office of the Vice President,” who, under the PB Act, heads the selection committee for Board members.

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| **About Prasar Bharati**   * Prasar Bharati is a statutory autonomous body established under the Prasar Bharati Act and came into existence in 1997. * It is the Public Service Broadcaster of the country. The objectives of public service broadcasting are achieved in terms of Prasar Bharati Act through All India Radio and Doordarshan, which earlier were working as media units under the Ministry of I&B and since the above said date became constituents of Prasar Bharati. * The primary duty of the Corporation is to organise and conduct public broadcasting services to inform, educate and entertain the public and to ensure a balanced development of broadcasting on radio and television. * Prasar Bharati’s board comprises a chairman, an executive member (CEO), two members (finance and personnel), six part-time members, a representative of the I&B ministry, and the director generals of All India Radio and Doordarshan as ex-officio members. There is no provision to have a serving bureaucrat on the board. |

* 1. **President Approves Bill Allowing Kambala In Karnataka**

**In News**

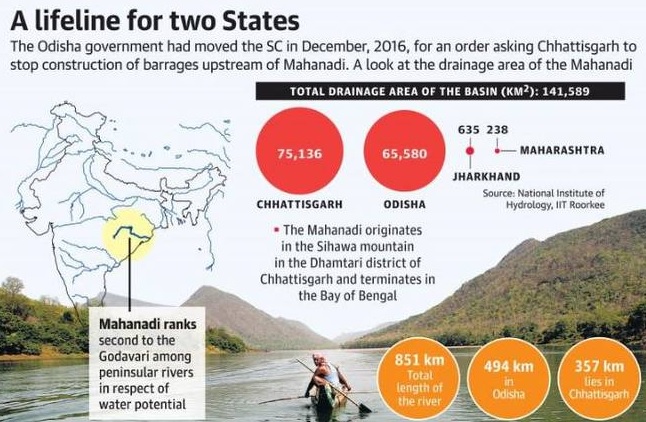
* President has approved the Prevention of Cruelty to Animals (Karnataka Amendment) Bill making Kambala a legal rural sport in Karnataka.
* Karnataka government had promulgated Prevention of Cruelty to Animals (Karnataka Amendment) Ordinance, 2017 last year. The Bill seeks to exempt kambala and bullock-cart racing from the ambit of the Prevention of Cruelty to Animals (PCA) Act, 1960.

**About Kambala**

* Kambala is an annual buffalo race which is a tradition in the Karnataka's Dakshina Kannada and Udupi districts' farming community. This area is called Tulunadu (Land of Tulu Language).
* The festival begins with an inaugural ceremony and a parade of the participating farmers along with their prized buffaloes. Tracks are ploughed into a muddy field that is made slushy with water.
* This annual event starts in November and lasts till March every year. This age-old festival is organized on a large scale and a huge crowd gathers to participate in the celebrations.
* According to one belief, Kambala is a festival that originated in the farming community of Karnataka around 800 years back.
* The festival is dedicated to Kadri's Lord Manjunatha, an incarnation of Lord Shiva. It is believed to be celebrated to please the Gods for a good harvest.
* It is a form of recreational sport for the farming community and also another belief is that it is considered as the Sport of the royal (landlord) Family.

**What Is The Controversy**

* This age-old tradition of buffalo race is a cause of concern for animal lovers and animal activists. The celebration of Kambala was stopped in Karnataka based on an order of Supreme Court, dated 7th May, 2014. This order was actually meant for the violent game of jallikkatu, a bull taming sport in Tamil Nadu. The order did not mention Kambala.
* Kambala, like jallikattu, was banned last year after animal rights group PETA approached the Karnataka Hih Court, citing animal cruelty in bull taming and buffalo racing. In view of the apex court verdict on jallikattu, the high court had also stayed this event.
  1. **Committee To Select 20 ‘Institutes Of Eminence’**
* Former chief election commissioner N Gopalaswami has been appointed chairperson of the empowered expert committee (EEC) that will be the final authority to select 20 “institutes of eminence”, which will be free from government regulations.
* A major task of the EEC will be to monitor and review the 20 institutions and ensure quality, decide on appeals if any, liquidation of corpus fund if needed, verify compliance to financial requirements if required, assess deviations from goals and standards.
* The panel will review the institutes once every three years for adherence to their implementation plan until they achieve the top 100 global ranking slot for two consecutive years. The institutes will have to inform the EEC every year about their progress and may be asked to address deficiencies or face penal action if they fail to deliver
* The institutes of eminence scheme under the Union human resource development (HRD) ministry aims to project Indian institutes to global recognition.
* The 20 selected institutes will enjoy complete academic and administrative autonomy. The government will run 10 of these and they will receive special funding.
  1. **Mahanadi Water Disputes**
* The Union Cabinet has approved the proposal for adjudication of dispute on Mahanadi River Waters. The dispute is between Odisha and Chhattisgarh on sharing the waters of the river Mahanadi.
* The tribunal will consist of a chairman and two other members nominated by the Chief Justice of India from among judges of the Supreme Court or high courts.
* This step has been taken after Supreme Court order directed the Centre to set up a tribunal in response to a plea by the Odisha government to stop the Chhattisgarh government from constructing several weirs on the river.
* The Tribunal shall determine water sharing among basin States on the basis of the overall availability of water in the complete Mahanadi basin, contribution of each State, the present utilization of water resources in each State and the potential for future development.

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| **Facts**   * Article 262 of the constitution provides for the adjudication of inter-state water dispute. * In pursuant of this Article, Centre enacted the Inter-State Water Dispute Act (1956). * This act empowers Central government to set up an ad hoc tribunal for the adjudication of a dispute between two or more states. * The decision of tribunal would be final and binding on the parties of the dispute. * Neither Supreme Court not any other court have jurisdiction with respect to disputes referred to such tribunal under this act. |

* 1. **NITI Forum for Northeast**

**In News**

* A special Niti forum has been created to accelerate the central government’s efforts to spur inclusive growth in the northeastern region of the country.
* The exclusive Niti Aayog forum will work to identify constraints that stand in the way of achieving accelerated, inclusive and sustainable economic growth in the eight states of the Northeast region.

**Key Highlights**

* The forum will be co-chaired by the vice chairman of the Niti Aayog and the DoNER minister.
* Its members include secretaries in the ministries of road transport and highways, railways, power, water resources, river development and Ganga rejuvenation, new and renewable energy, health and family welfare, human resource development and environment, forest and climate change. The chief secretaries of all the eight states of the region will also be its members.
* Secretary, North East Council (NEC) will be Member Secretary, while Joint Secretary (North East) in MHA and several other experts from other fields will also be members.
* The Forum may examine and address any other issues which are of importance but not specifically spelt out in its Terms of Reference. It may devise its own procedure to conduct its business.
  1. **NHRC Retains Its 'A' Status Of Accreditation With GANHRI**
* The National Human Rights Commission (NHRC), India has retained its 'A' status of accreditation with the United Nations (UN) mandated Global Alliance of National Human Rights Institutions (GANHRI) in Geneva for the fourth consecutive term of five years.
* The ‘A’ status is given to those national human rights bodies, which, after a rigorous process of review every five years, are found fully compliant with the UN mandated Paris principles.
* The NHRC got 'A' status first time in 1999 which it retained in 2006 and 2011 reviews.

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| **Global Alliance of National Human Rights Institutions (GANHRI)**   * GANHRI, formerly known as the International Coordinating Committee of National Human Rights Institutions, is a global network of national human rights institutions (NHRIs) - administrative bodies set up to promote, protect and monitor human rights in a given country. * It coordinates the relationship between NHRIs and the United Nations human rights system, and is unique as the only non-UN body whose internal accreditation system, based on compliance with the 1993 Paris Principles, grants access to UN committees. * Institutions accredited by the Subcommittee for Accreditation (SCA) of the GANHRI with "A status", meaning full compliance with the Paris Principles, are usually accorded speaking rights and seating at human rights treaty bodies and other UN organs, mainly to the Human Rights Council.   **Paris Principles**   * The United Nations Paris Principles provide the international benchmarks against which national human rights institutions (NHRIs) can be accredited by the Global Alliance of National Human Rights Institutions (GANHRI). * Adopted in 1993 by the United Nations General Assembly, the Paris Principles require NHRIs to: * Protect human rights, including by receiving, investigating and resolving complaints, mediating conflicts and monitoring activities; and * Promote human rights, through education, outreach, the media, publications, training and capacity building, as well as advising and assisting the Government. * The Paris Principles set out six main criteria that NHRIs require to meet: * Mandate and competence: a broad mandate, based on universal human rights norms and standards; * Autonomy from Government; * Independence guaranteed by statute or Constitution; * Pluralism; * Adequate resources; and * Adequate powers of investigation. |

* 1. **Cauvery Water Dispute Verdict**

The Supreme Court has given its verdict on Cauvery water dispute. Karnataka and Tamil Nadu had been at loggerhead for their ‘due share’ of Cauvery River.

**Key Highlights**

* The Supreme Court cut Tamil Nadu’s quota of water by 14.75 tmcft and increased Karnataka’s share to meet Bengaluru’s drinking water needs.
* Tamil Nadu will get 404.25 tmcft, which will be 14.75 tmcft less than what was allotted by the tribunal in 2007.
* The 2007 tribunal award of 30 tmcft to Kerala and 7 tmcft water to Puducherry will remain unchanged. It said its order on Cauvery water allocation will continue for the next 15 years.
* SC highlighted that no state can claim exclusive right to a river passing through different states and kept drinking water on the highest pedestal.

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| **Background**   * The dispute is an old one going back to agreements in 1892 followed by one in 1924 between Madras province and Mysore, then a principality. * By 1990, when the Cauvery Water Disputes Tribunal (CWDT) was established, Madras province was Tamil Nadu and Mysore had become the state of Karnataka. * It took the CWDT 17 years to arrive at its final order in 2007 on how the Cauvery waters should be shared between the four riparian states—Tamil Nadu, Karnataka, Kerala and Puducherry. * The central government another six years to notify the award in 2013, that too at the prompting of the Supreme Court. * When this happened, all the states rushed to the Supreme Court challenging the award. As a result, the apex court has now been handed the task of apportioning water shares. * The central government has yet not constituted the Cauvery Management Board. |

* 1. **Judicial Discipline**

**Context**

* A judgment on the land acquisition law in February 2018 has landed the Supreme Court in an unusual situation after it turned out that the verdict contradicted another passed by the court three years ago.
* The controversy involves judicial discipline and propriety arising due to conflicting views of different benches of the apex court in matters relating to land acquisition.

**Background**

* In 2014, three judges of the Supreme Court had ruled that the government's acquiring land could be considered void if the money had not been deposited into the accounts of the landowners. This ruling helped people who had refused to surrender their land and refused to accept the compensation amount.
* However, on February 8, a three-judge bench reversed this verdict. The judges decided that it was enough for the government to offer the compensation and it did not matter if the landowner refused to accept the money.
* Although, a bench of the court is entitled to overrule a judgment delivered by a smaller bench. But a three-judge bench of the Supreme Court on February 8 ended up disagreeing with a verdict also delivered earlier by three judges of the top court in 2014.

**Issues**

* This situation has raised an important question of judicial discipline. Can a three-judge bench overrule judgment of another three judges?
* If they differ with the correctness of an earlier decision, they can only refer the matter to the Chief Justice of India for a decision by a larger bench.
* The inconsistency in the law laid down by the highest court of the land is a cause for concern. There is a system which must be followed in all circumstances otherwise the sanctity of the institution will be affected.
* Legal experts say if the 2014 judgement is overturned by larger bench, it would have a cascading effect on several land acquisition cases decided following the law as settled by it.
* More importantly, if February 8 order is termed as “**per incuriam**”, it would expose the fallacious manner in which the highest court of the land has been functioning since the last several months.

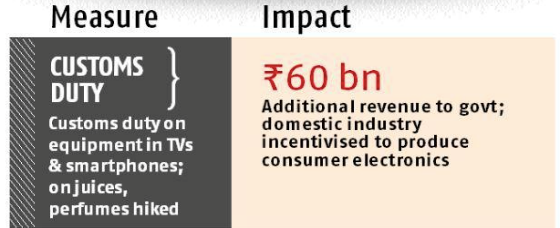
**Current Situation**

* Two separate benches of the Supreme Court decided to ask Chief Justice of India to constitute an “appropriate” bench to decide whether a three-judge bench can declare “**per incuriam**” a judgment delivered by another bench of similar strength.
* “per incuriam” refers to a judgment that is delivered without taking into consideration available, relevant facts, or following due care. In simpler terms, it is a careless judgment.

1. **ECONOMY AND INFRASTRUCTURE**
   1. **Government Hikes Import Duty To Boost Make In India**

The Budget doubled customs duty on high-end foreign products such as mobile phones, cosmetics, watches, sunglasses, gems, jewellery etc. to nudge companies to make in India to create jobs, raise incomes and boost the economy.

**Positive**

* ***Promote Make in India:*** Higher import duties will discourage imports from other countries and propel the Make in India mission forward.
* ***Prevent dumping of goods:*** The justification is also that it will stop China from dumping products in India, which has hit the local industries.
* ***Technological development:*** The measure will not only encourage investments but also encourage technology development in these areas.
* ***Revenue generation:*** The government is also hoping to garner Rs 60 billion by raising import duties on about 50 such items.

**Negative**

* ***Difficult task to achieve:*** The doubling of customs duty on such goods wouldn’t necessarily boost Make in India at least in the foreseeable future. As It is difficult to make most of those products in India due to various reasons including economies of scale, non-availability of the required technology or raw materials etc.
* ***Promote inefficiency:*** Raising import duties is a preferred alternative to protect local industry but this solution has long been rejected as local industries continue to remain inefficient and constantly look for protection.
* ***Hit the sluggish demand:*** The increase in customs duty can be an additional drag on consumer product companies already hit by sluggish demand.
* ***Violates WTO Agreement:*** The decision to increase import duty on mobile phones could land India in trouble in the WTO because under the Information Technology Agreement (ITA) signatories can’t impose import duties on many IT products including mobile phones. Thus though Make in India is the objective this measure is a protectionist one.

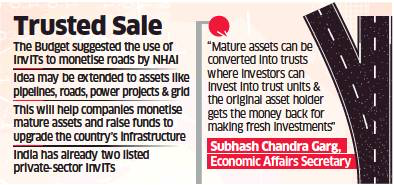
**Way Forward**

* The make in India is a good scheme but there are other methods, which can help in boosting local manufacture. It is recommended that government should give incentives to manufacture in India, which are so attractive that foreign companies set up their plants in India.
* Moreover the government should stick to its phased manufacturing plan (PMP) and continued to levy import duties on components instead of on the final product.
  1. **Public Infra Assets May Be Monetized Via InvIT Model**

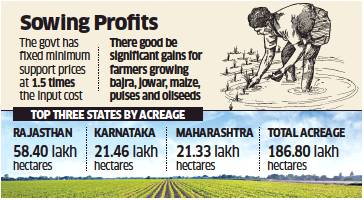
**In News**

* This year’s Budget suggested the use of Infrastructure Investment Funds (InvITs) to monetize roads by the NHAI but the idea may be expanded to include other assets as well. Currently India has two-listed private sector InvITs.
* Moreover a big bang sale of India’s pipelines, railway tracks, power plants and transmission grids could be on the cards through InvITs.

**Benefits**

* ***Help raising funds:*** The government hopes this will help companies monetize mature assets and raise funds for fresh investments.
* ***Benefit the PSUs:*** This will help Public sector companies to pool their assets through these InvITs and to raise funds. As in the public sector a lot of assets like pipelines, railway tracks, power plants, transmission grids are mature and developed assets.
* ***Improve infrastructure:*** Such a move will help accelerate the government’s programme of improving the country’s infrastructure.
* ***Help mature assets conversion into trusts:*** Mature assets can be converted into trusts where investors can invest into trust units and the original asset holder gets the money back for making fresh investments.
  1. **New Procurement Mechanism And Payment System For Crops**

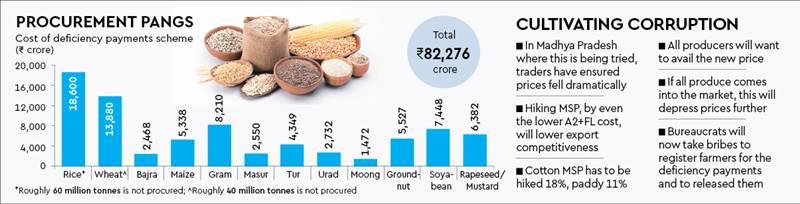
**In News**

* Farmers can expect a big rise in support prices for the crops as the government has adopted the principle of buying their produce at 1.5 times the input cost in this year’s budget proposals that aim to combat rural distress.
* The government will now also procure 23 notified crops under the MSP mechanism, which has mainly helped farmers who plant paddy, wheat and cotton until now.
* The budget also promises of ***MSP-based deficiency payments***, where the government not be able to procure all crops at the MSP.
* Currently, the government announces MSP for every crop season but the system has worked effectively in only a few states mainly Punjab and Haryana forcing farmers to sell their produce at a lower price in regions where official procurement agencies do not operate.

**Positive**

* ***Reduce procurement cost:*** The use of deficiency payment mechanism will reduce the need for the government to actually procure food crops, transport, store and then dispose of them under the Public Distribution System. Besides it will also keep India’s bill on food subsidies under check.
* ***Cover more than 90% of farmers:*** This is a historic announcement that MSP will be ensured for all 23 notified crops and will benefit 90% of farmers.
* ***Benefit small and marginal farmers:*** The biggest gainers from the new system of crop support prices will be small farmers who grow coarse grains.
* ***Help farmers of backward areas:*** This will also help farmers who plant coarse grains such as ragi, bajra etc. which is cultivated in backward areas of Rajasthan, Odisha, Maharashtra, Andhra Pradesh.

**Negative**

* ***Higher MSP itself not enough:*** Higher support prices by themselves won’t be enough because rural distress continues to exist despite many crops and many states already having provided for MSP, which is 50% above the cost of production.
* ***Lack of institutional mechanism:*** Merely announcing the intent to increase the MSP does not solve the problem unless and until the institutional mechanism and system comes into effect that the Niti Ayog in consultation with the state governments will create.
* ***No clear mechanism of calculation of input cost:*** It is not clear how input costs will be calculated as the risk of inflation and distortion in cropping patterns could cause a glut in some crops, scarcity in others.
* ***Huge financial implication:*** Under the MSP-based deficiency payments where the government not able to procure all crops at the MSP will cost around Rs 80,000 crore based on conservative estimates.
* ***Vicious cycle:*** For the use of deficiency payment system all farmers should line up and bring all their crops to get the payment. But when the entire crop comes into the market will depress the prices further and raise the deficiency payments.
* ***Lead to Bureaucratization and corruption:*** It will also trap the farm sector in massive bureaucracy and corruption as farmers will need to be registered to get these sops and government will need to clear the payments.
* ***Make some crops less export competitive:*** A higher MSP will also make several crops like cotton less export-competitive and this will also depress prices if the crops come into the domestic market.

**Way Forward**

* The real solution is to help farmers capture much more of the value added to their produce before it reaches the consumer. This call for policy action and investment like raising agro-processing capacity that will help farmers capture an increasing share of the value of their produce.
* There is also a need for creating market linkages, good roads and making stable power available in rural areas. Moreover the farmer producer companies need to be established which could mobilize greater bargaining strength vis-a-vis organised retail.
  1. **Fiscal Glide Path Pushed Back To 2021**

**In News**

* ***Missed fiscal target:*** The government has missed the fiscal deficit target of 3.2% for 2017-18. This was attributed to revenues to be received under the Goods and Services Tax (GST) for 11 months, instead of 12. Budget says that the fiscal deficit for 2017-18 will be 5.95 lakh crore, which is 3.5% of GDP.
* ***Future targets:*** The government said the fiscal deficit target for next financial year would be 3.3% and 3.1% for the year after and then 3% for 2020-21.
* ***Debt-GDP ratio:*** The budget also proposed to accept key recommendations of the Fiscal Reform and Budget Management Committee relating to adoption of the Debt Rule and to bring down Central Government’s Debt to GDP ratio to 40%.
* ***Hawkish approach of RBI:*** The fiscal slippage coupled with worsening expenditure quality is bound to be noticed by the RBI and given the surge in retail inflation in recent months the central bank could turn more hawkish.

**Way Forward**

* This underscores the need for structural reforms to raise non tax revenues and sees lowering the revenue deficit as an immediate priority. This makes sense with the qualification that the deficit has to be brought down not so much by lowering expenditure as by raising non-tax revenues.
* The Centre must also reconfigure its assets through stake sales and privatization and use the proceeds to spend on capital formation.
  1. **Foreign Digital Cos With India User Base Have To Pay Tax**

**In News**

* Union Budget 2018 has for the first time mentioned India’s intent to tax digital businesses by amending **Section 9 of the Income Tax Act**. This is a part of the OECD and G20 Base Erosion and Profit Shifting (BEPS).
* India is the first country to have taken concrete steps in this direction for taxing digital entities that have a large user base or business in a country but don’t have a significant physical presence there.
* It said that ‘significant economic presence’ could include download of data or software in India or interaction with a prescribed number of users. The government will hold consultations with stakeholders to spell out the finer details.
* Before this **equalization levy** was imposed only for online advertising which is a very small chunk of their operations. The government is now saying that they have the right to tax such companies under section 9, which have some economic nexus in India.

**Positive**

* ***Create a level playing field:*** It will encourage Indian digital enterprises and give them a level playing field and also drive their foreign peers to set up shop here.
* ***Help in amending DTAA:*** Amending the IT Act will enable the government to renegotiate its trade agreements (Double Taxation Avoidance Agreement) only after which companies will start paying taxes in India.
* ***Help overcoming practice of BEPS:*** The move will boost the concerted global move towards ending multinational company practices collectively dubbed as base erosion and profit-shifting.
* ***Raise revenue for the government:*** The imposition of tax will help in overcoming the issue of double non-taxation and raise the revenue for the government.
* ***India a large market:*** Step on this front is important since India is becoming a large market for many Internet companies given the huge number of smartphone and Internet users in India.

**Negative**

* ***Method to determine profit not clear:*** There are various challenges and questions such as what will determine India income, just because a company has users in here doesn’t mean it is necessarily making any revenue or profits from India.
* ***Lack of parity in International taxation:*** There is still no parity in terms of international law of taxation as technology companies have operations the world over but it is difficult to attribute profit to a particular company.

**Way Forward**

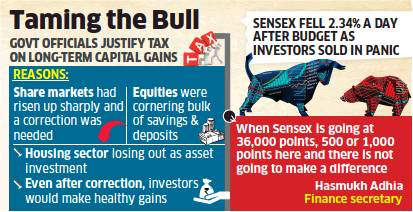
The step is in right direction to implement the recommendations of the OECD but at the same time it also need to be ensured that India creates a responsible and business friendly tax regulatory system, otherwise may further add to the tax litigation in india.

* 1. **DIPP Rules To Rank States On Startup Projects**
* ***DIPP framework:*** The Department of Industrial Policy and Promotion (DIPP) has launched a framework to rank states on the basis of their performance in implementation of the central government’s Startup India programme.
* ***Parameters:*** The assessment parameters for states include startup policy implementation, incubation and seed funding support, simplification of regulations, promoting angel and venture capital funding, ease of public procurement and awareness and outreach programmes for startups.
* ***Specialized committee to assess:*** The DIPP will constitute a specialized committee to assess and rank states independently. The rankings will apply to all 18 states which have announced their startup policies as well as those that do not have a formal policy yet.
* ***Final ranking:*** The final ranking of states on the basis of the data submitted by them and assessments by DIPP will be announced in April 2018.
* ***Main Purpose:*** The main objective of this step is to ensure competition between states and get real time information on what each state is doing.
  1. **Long Term Capital Gains Tax Makes A Comeback**

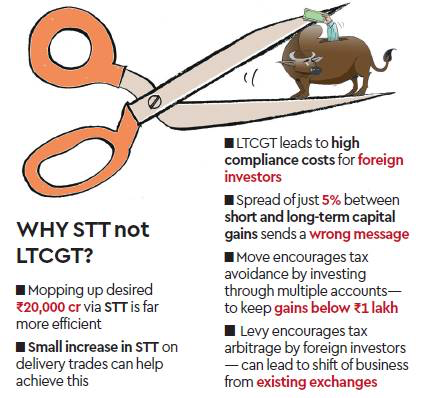
**In News**

* Union Budget re-introduced LTCG tax on stocks and now Investors will have to pay 10% tax on profit exceeding 1 lakh made from the sale of shares or equity mutual fund schemes held for over one year.
* But the budget says that the gains from shares or equity mutual funds made till March 31 will be grandfathered or exempted. There will be no LTCG tax on notional profit in shares till then.

**Positive**

* ***Revenue generation:*** The government hopes to double its revenue from long term capital gains (LTCG) tax on stocks to 40000 crore in 2019-20 as more share transactions come in its fold with the waning of the grandfathering effect. The government had lost revenue of over 3 lakh crore by withdrawing LTCG in 2004-05.
* ***Curb Tax evasion:*** It is fair tax as those who make huge returns on stock market investment will be brought into the tax net and will curb tax evasion.
* ***Protect retail investors:*** The government also reasons that only capital gains in excess of 1 lakh will be taxable, which will leave out most retail investors.
* ***Equity return sill attractive:*** The return on investment in equity is already quite attractive even without tax exemption. There is therefore a strong case for bringing long term capital gains from listed equities in the tax net.
* ***Address the distortion in asset market:*** This will also resolve the issue of preferential treatment for equities that was distorting the assets market with stock markets cornering the bulk of savings and deposits and housing losing out.
* ***STT and LTCG both needed:***The purpose of STT and LTCG is different and that the former only helps the government in keeping a track of equity transactions without any windfall revenue collection.

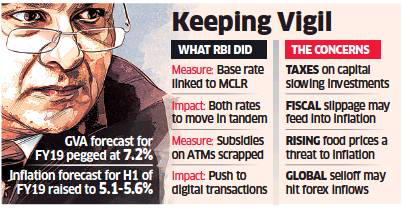
**Negative**

* ***More volatility and less investment in equity:*** The move may reduce incentive for investors to hold equities for longer term as the difference between tax on short and long term capital gains is about 5%. Thus will lead to more volatility and investor’s enthusiasm for equity investment will also reduce.
* ***Increase the investment hurdles for FII:*** LTCG will increase the investment hurdle rate for foreign investors as FIIs who look for certain dollar benchmark return must now look for 10% higher return from their stock investments in India.
* ***Flight of foreign investor:*** The other apprehension among market men is a flight of foreign investor business as Singapore is planning to introduce stock futures. Trading on stock futures of Singapore will not pull any LTCG or Security transaction tax (STT). This will make several FIIs trade over there and not in India.
* ***Leads to Double taxation:*** In 2004-05 as part of its attempts to encourage long term investment in equity shares the government had abolished LTCG tax replacing it with STT. While the Centre has brought back LTCG it has however decided against abolishing or reducing the STT rates that many feel is a case of double taxation.
* ***Promote treaty shopping:*** With the introduction of LTCG tax treaty shopping by some FPIs could restart. This is mainly because if an FPI enters through Singapore or Mauritius, it will be liable to pay the 10% LTCG against nil tax if it came through the Netherlands or France.

**Final Analysis**

* The introduction of 10% LTCG tax on equities on a prospective basis is a very prudent measure. Mutual fund assets under management across equity and balanced schemes have grown by 45% annually in the past three years and have crossed Rs 8.5 trillion.
* At this level of maturity and given the need to ensure that investors prudently weigh risk factors appropriately across different asset classes, equity markets should not have the same degree of relative tax advantage as before.
  1. **RBI Keeps Rates Unchanged, Raises Inflation Projection**

**In News**

* ***Overall projections:*** The Reserve Bank of India (RBI) kept interest rates unchanged but warned of a spike in prices, fiscal profligacy and volatile global financial markets after the recent selloff, signalling that its ability to fuel growth may be limited.
* ***Inflation outlook:*** The Monetary Policy Committee (MPC) noted that the inflation outlook has been clouded by several factors including house rent allowance (HRA) increases in some states, a global growth revival pushing up crude oil and commodity prices and higher minimum support prices (MSPs) for kharif crops.
* ***Status quo on rates:*** The repo rate at which the central bank lends to banks was held at 6% and the reverse repo rate at which it pays banks for parking surplus funds was maintained at 5.75%. All other rates also remained the same.
* **Exchange rate volatility:** Central bank is gearing up for greater exchange rate volatility. It has decided to ease foreign exchange hedging in India for non-residents and liberalized the limit for exchange traded currency derivatives for residents and non-residents, raising it from $15 million to $100 million without having to show underlying exposure.
* ***Monetary policy challenges:*** Monetary policy challenges include the inflationary threat due to rising food prices, higher government spending that could crowd out private investment and increased oil prices. The recent selloff in the global financial markets is the latest headache for policy makers.
  1. **Renewed Push For The Development Of The Corporate Bond Market**

The Budget 2018 has several welcome suggestions to deepen and widen the corporate bond market such as setting a target for resources to be raised via the bond market by large corporates at about one-fourth of their financing needs.

**Benefit**

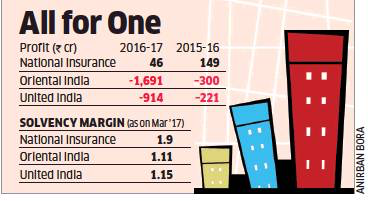
* ***Development of Infrastructure:*** Developing a robust bond market is vital for growth of infrastructure which currently depends on the banking sector for its funding requirements.
* ***Improve the supply of bonds:*** If large corporates are mandated to meet their one fourth funding requirement through bond market, it will improve the supply of bonds as more companies will tap the debt market.
* ***Multiple benefits:*** The move will provide insurance companies, provident and pension funds an opportunity to invest in high yielding instruments and open up a new funding source for lower-rated companies.

**Analysis**

* It may end up being just another enabling legislation, which would fall short if not accompanied by development of auxiliary elements such as rationalization of stamp duty and kindling of animal spirits in fund managers.
* There is also a need to put in place a robust credit research infrastructure to take advantage of these opportunities.
* There is also a need to have an active platform with central counterparty facility as in the market for gilts. Efficient insolvency resolution is also a precondition for a functional bond market. Thus proactive policy on multiple fronts is the only way to get the bond market going.
  1. **Mega Insurance Firm In Offing**

**In News**

* The government plans to merge three of its unlisted general insurance companies to create a behemoth that will control a third of the non-life insurance market and be listed on stock exchanges to fetch better valuation.
* National Insurance Company, United India Insurance Company and Oriental India Insurance Company will be merged an entity that could be a dominant player in the 1.5 lakh crore a year motor, health and industrial insurance industry.

****Positives**

* ***Multiple benefits:*** The merger will lead to higher retention capacity and subsequent listing and raising of capital will make them stronger. It will also reduce the competitive intensity and will lead to better pricing and better underwriting profitability.
* ***Ability to face competition:*** The merger of state run PSUs will help in facing intense competition from private players in the insurance market.
* ***Enhances value for disinvestment:*** The listing of the merged entity also gives the opportunity to the government to optimize on the divestment front as it enhances the valuation of the entity.
* ***Higher mobilization of resources:*** The consolidation and subsequent listing is step towards enhanced penetration of general insurance business by the public sector that would result in higher mobilization of funds for general insurance products.
* ***Ability to scale up across the country:*** These state owned companies were based in different regions and therefore were not in the best position to scale up across the country. But this problem will be resolved once these entities are merged.
* ***Resolve problem of solvency margin:*** The increased competition has eroded solvency margins of general insurers and every insurer has to maintain an asset value at 150% of liabilities. Thus merger will help in overcoming this issue.
* ***Benefit to insurance sector as a whole:*** From the industry’s perspective it will lead to healthy competition which will ensure innovation in product offerings and better customer service.
* ***Other benefits:*** The consolidation will result in elimination of competition between the three PSU companies, reducing marketing expenses, raising cost efficiencies, streamlining of processes and systems by adopting the best prevailing and finally enabling an increase in the risk retention capacity, which directly results in saving in the cash outflow of re-insurance premiums.

**Way Forward**

Merger is a good step but it has to be properly managed. It require merger of people process and IT. The huge saving in cost will come only after the merger is implemented. Thus speed and efficiency will be crucial.

* 1. **Government Nudges Firms To Hire More**

**In News**

* The Union Budget announced a slew of measures in an attempt to boost employment generation in the formal sector, including reducing the rate of contribution towards provident fund schemes for new women workers, financing the provident fund burden of employers for all sectors and allowing fixed-term employment for all sectors.
* Budgetproposed to reduce the women employee’s contribution to 8 per cent for the first three years of their employment against the existing rate of 12 per cent.
* Government will also amend the Employees Provident Fund and Miscellaneous Provisions Act, 1952 to bring about the change. Currently both employers and employees are mandated to contribute an equal share of 12 per cent of the monthly income towards provident fund and pension schemes under the EPFO.
* Companies can avail benefits of another scheme announced in which the government will contribute 12 per cent of the wages of new employees for the first three years to the EPFO for all private sector jobs. At present the government makes a contribution of 12 per cent to the EPFO for new employees in the textile, leather and footwear industries. **(Pradhan Mantri Rojgar Protsahan Yojana)**

**Benefits**

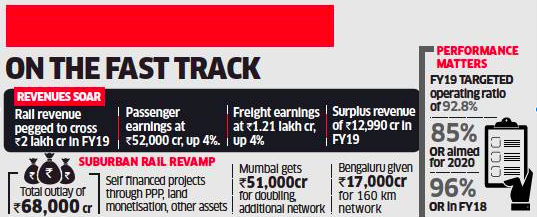
* ***Remove the financial burden of employers:*** The move will essentially take away the financial burden of employers that are required to contribute towards employee’s social security schemes due to which they prefer hiring contract workers over permanent workers.
* ***More employment creation:*** Moreover the government extending the fixed-term employment schemes (already a feature in the labour-intensive garment and leather industries) to all sectors is expected to encourage companies to hire more.
* ***Promote ease of doing business:*** By encouraging fixed-term employment the government is attempting to allay the apprehensions of employers who fear they may not be able to let go of workers when needed. This would improve the ease of doing business.
* ***Increase formal employment:*** The extension of fixed term contracts will also greatly increase formal employment by ending the regulatory arbitrage provided by the small informal sector to large employers.
* ***Impact on women:*** A reduction in the EPF contribution will bring more women into the formal sector and increase their take home salaries.

**Way Forward**

The above decision will help to ensure creation of new jobs and also add to the social security of the workers. But these steps need to be supplemented by the measures such as reforming of labour laws, effective implementation of the Skill India Mission etc. to have a wholesome effect.

* 1. **Highest Ever Allocation To Fast Forward Railway Plans**

**In News**

* In the highest ever allocation budget announced a capital expenditure of 148528 crore for the Railway Ministry for the year 2018-19.
* A large part of these funds will be utilized for capacity addition. The government has decided to double 18000 km of tracks and to work on third and fourth lines in several sectors. And 4000 km of the railway network will be commissioned for electrification during 2017-18.
* There will also be increased use of technology like ‘Fog Safe’ and ‘Train Protection and Warning System’. The government has decided to eliminate 4267 unmanned level crossings in the broad gauge network in the next two years.
* The focus of investment is on safety, electrification, track doubling/tripling and rolling stock such as train sets, wagons, coaches and locomotives.

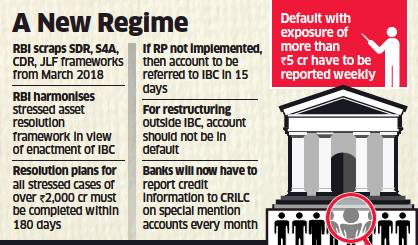
**Benefits**

* ***Help in development of smart cities:*** Modernizing the railways riding on technology offers the appropriate ecosystem for the development of smart cities.
* ***Creation of employment:*** This will also help attract more business and increased employment opportunities for the local populace.
* ***Creation of business opportunity:*** Enhanced allocation for safety will create business opportunities for companies working in the areas of signaling systems and advanced rail control systems.
* ***Long term dividend:*** Emphasis on capacity building i.e. doubling of the existing single line sections, gauge conversion of all narrower lines, aggressive electrification, investment in modern signaling and rolling stock will certainly yield long-term dividends.

**Way Forward**

To ensure that benefit of the said announcement are realized on the ground there is a need for fast pacing the project delivery which continues to remain unsatisfactory..

* 1. **With The Introduction Of IBC, RBI Ends Debt Recast Schemes**

**In News**

* The Reserve Bank of India has scrapped a number of loan-restructuring programmes that banks were using to recast debt, with the Insolvency and Bankruptcy Code (IBC) having become the main tool to deal with defaulters.
* Almost all schemes such as corporate debt restructuring (CDR), sustainable structuring of stressed assets (S4A), strategic debt restructuring (SDR) and flexible structuring of existing long term project loans have been abolished. The Joint Lenders Forum (JLF) that was designed to resolve potential bad debts has also been disbanded.
* The central bank also warned lenders of monetary penalties and higher provisions if they are found to have violated the rules or evergreening accounts (i.e. intent to conceal the actual status of accounts) to escape the stringent new norms on fixing defaults.

**Reason For Abolishment Of Schemes**

* ***IBC has stabilized:*** The various restructuring schemes that have been in force for years continued while banks became familiar with the new law. Now that the bankruptcy process appears to be stabilizing, the regulator has found it apt to scrap the schemes.
* ***IBC provides for a timeline:*** It has also mandated that banks act quickly to resolve big defaults. It said banks have to come together to work out a resolution plan as soon as a default occurs and if this is not done within 180 days, the account should be referred to the bankruptcy courts.
* ***Misuse of schemes:*** The schemes were also misused or not being sophisticated enough to deal with the bad loan burden.
  1. **RBI Panel Bats For Tax Incentives To Merchants Using Digital Payments**
* ***Recommendation:*** A committee set up by the Reserve Bank of India (RBI) recommended that the government consider offering tax-based incentives to merchants to encourage the adoption of digital means of payments in the country.
* ***Chairman:*** Inter regulatory working group on fintech and digital banking was chaired by Sudarshan Sen, executive director, RBI.
* ***Fin-tech products:*** The committee also said that there is a need to develop a deeper understanding of various fin-tech products and their interaction with the financial sector before regulating the space.
* ***Data protection law:*** The report also emphasized the need for a data protection law in the country, stating that while sections under the Information Technology Act, 2000 provide for redressal in instances of data breach the protections guaranteed by them are often subject to the particular terms of a contract between two parties.

* 1. **Commercial Coal Mining Opened For Private Sector**

**In News**

* ****The cabinet committee on economic affairs approved the methodology for auctioning coal blocks for commercial mining by the private sector. The government will now hold forward auctions to select developers for commercial coal blocks.
* Thereby the private sector will soon be able to mine coal and sell it to power plants, steel mills and other users ending the decades-old monopoly of state-run Coal India Ltd (CIL) and its affiliates. Currently, Coal India and its affiliates account for about 80% of total coal output.
* The coal sector was nationalized in 1973 and the non-state coal mining had thus far been allowed only for captive use.
* The key reform will virtually upend the **Coal Mines (Nationalization) Act, 1973**, which has kept the sector largely a preserve of public-sector monolith Coal India (CIL).

**Positives**

* ***Overall benefits:*** The move is seen as lowering prices and imports while introducing better technology, apart from saving on foreign exchange.
* ***Benefit for CIL:*** CIL will become more competent as greater competition will lead to improved efficiency.
* ***Increase supply and moderate coal prices:*** Allowing the private sector to enter coal mining is expected to lift supplies and moderate prices while boosting investment.
* ***Improve energy security:*** The move will also lead to energy security as 70% of India’s electricity is from thermal power plants.
* ***Resolve uncertain fuel supply:*** Currently 18700 MW of thermal power capacity across the country does not have regular fuel supply agreements with CIL. This will be resolved once this decision is implemented.
* ***Consolidation in power sector:*** It will lead to consolidation in the power sector and rise of large vertically integrated energy companies with interests in coal mining, power generation, transmission and distribution and retail supply.
* ***Employment generation and poverty eradication:*** It will also help many Indian and global companies to participate in the auction and is a step towards further liberalization of Indian economy thus will give boost to employment generation and eradication of poverty.
* ***Cooperative federalism:*** The move will be economically beneficial to coal-bearing eastern Indian states such as Bihar, Jharkhand, West Bengal and Odisha as all royalties would be passed on to the state governments.

**Challenges**

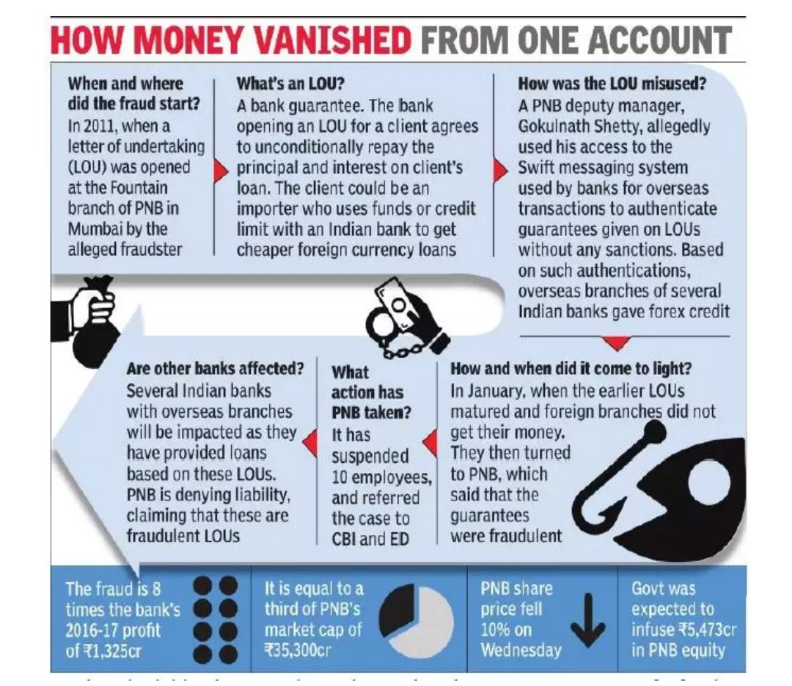
* ***Lack of clarity:*** There is a lack of clarity about the nature of blocks that are auctioned, their reserves and methodology of the auction process, issues in land acquisition etc.
* ***Absence of regulator:*** In the absence of a strong regulator such auctions may bring back issues faced by the industry during the pre-nationalization era, which saw major exploitation of reserves and workmen in unethical ways.
* ***Opposition by trade union:*** The trade union has opposed the move as they feel that CIL may not be able to compete when private companies move in and fear salary cuts and job losses.
* ***Increase the green house gases:*** The move of the government is not in consonance with the prevalent narrative of renewable and clean energy.

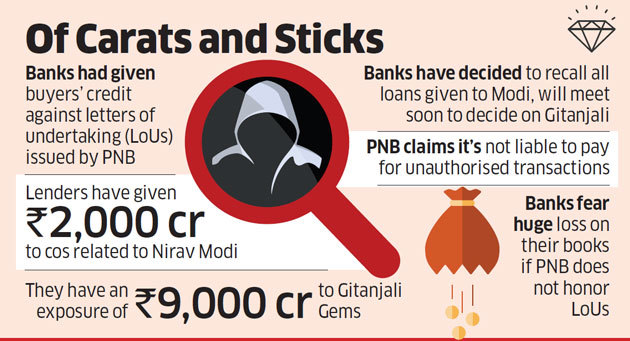
**Way Forward**

* The way ahead is to set up an empowered and strong regulatory body for the coal sector for proper investor comfort. We also need sound regulatory oversight in coal to boost investments, adopt cutting-edge technology, appropriate beneficiation methods and sustainable mining practices.
* It is also very much in our interest to rev up renewable sources of energy going forward but in the foreseeable future we need to step up productivity in coal output and proactively raise thermal efficiency in power generation. The lapsed Coal Regulatory Authority Bill, 2013 surely needs reactivation.
  1. **Punjab National Bank Reports $1.8 Billion Fraud**

**In News**

* Punjab National Bank (PNB) detected some fraudulent and unauthorized transactions in one of its branches in Mumbai for the benefit of a few select account holders with their apparent connivance.
* Diamond merchant Nirav Modi has been accused of siphoning off funds worth about 11500 crore from the PNB.
* PNB has sought to blame overseas branches of other banks for not undertaking due diligence before accepting such transactions, but that may be too simplistic an explanation.

****The Nuts And Bolts Of PNB Fraud**

* ***SWIFT system:*** A key element of the scam is the Society for Worldwide Interbank Financial Telecommunication (SWIFT) a messaging network that connects banks and other financial institutions across the world.
* ***LoU requests:*** A bank that is part of SWIFT can use the system to convey credit instruments called letters of undertaking (LoUs) to other banks located overseas. A LoU is simply a request made to another bank in the SWIFT network to loan money to a client.
* ***Guarantee:*** The bank that issues the LoU essentially guarantees the bank that receives the LoU request that it stands by the creditworthiness of the borrower. That is, in case of a default, the bank that issued the LoU stands liable to compensate the bank that made the loan to the borrower.
* ***Fraudulent LoUs:*** PNB alleges that employees at one of its branches in Mumbai issued fraudulent LoUs that were not authorised by its management. This allegedly allowed Mr. Modi's companies to obtain loans from the overseas branches of various Indian banks.
* ***PNB IIS not linked to SWIFT:*** PNB’s internal information systems were not seamlessly linked to SWIFT. It is claimed that the huge fund transfers made via SWIFT to Modi’s companies by a few PNB employees went undetected for many years.
* ***Fraud by employees:*** PNB employees repeatedly issued LoU to Modi's companies and their banks without following the processes i.e. without securing cash reserve or collateral and without recording the transactions in the bank's core banking software, the system on which the bank's financial transactions are run and recorded.
* ***Other banks:*** Modi and his companies leveraged those LoUs in Hong Kong to secure credit from the local branches of Allahabad Bank (estimated to be Rs 2000 crore), Union Bank (about Rs 2300 crore), Axis Bank (about Rs 2000 crore) and State Bank of India (Rs 960 crore) among others.

**Negative Implications**

* ***Questions about health of Indian banks:*** The case poses further questions about the health of India's banks, which are already grappling with one of the worst bad-loan ratios among big economies.
* ***Restriction on finance will hurt business:*** Some banks have reportedly clamped down on trade finance following the scam. Thus restricting letters of credit and holding back LoUs will hurt trade and the bank’s own business.
* ***Affect recapitalization of PSBs:*** The fraud has wiped out the market capitalization of the public sector banks and has hurt the government goal of recapitalization of banks through disinvestment in PSBs.
* ***Bank borrower nexus:*** The banker-borrower nexus has been blamed for problems in the banking system for years. This episode will set off fears of a nexus deeper than imagined.
* ***Role of auditors:*** The incident has again raised the issue of the role of auditors and failure on their part to report the incidents.

**Way Forward**

* An inquiry by the RBI must get to the bottom of the systemic lapses in this affair and fix accountability across the chain of command. The RBI and investigating agencies should act speedily to restore trust in the banking system.
* The RBI and Indian Bank’s Association should instruct the banking community not to disrupt trade finance. But proper checks to prevent frauds are a must.
* The government should work with the central bank to assess risk control mechanisms and review of audit processes at the banks. And focus should also be on strengthening corporate governance in public sector banks with greater infusion of professionalism, transparency and accountability.
* Moreover a Resolution corporation needs to be established so to early detect the systemic risk and take preventive measures.
  1. **New Law Approved to Ban Unregulated Deposit Schemes**

**In News**

* The Union cabinet has approved a new law to ban unregulated deposits to prevent duping of gullible investors through Ponzi schemes and approved changes to the chit fund law for a more orderly growth of the sector.
* For this the government plans to introduce Banning of Unregulated Deposit Schemes Bill, 2018 and Chit Funds (Amendment) Bill, 2018 in Parliament.
* The Budget, 2018 had announced a comprehensive central legislation to deal with the menace of illicit deposit taking schemes.

**Provisions of Unregulated Deposit Schemes Bill, 2018**

* ***Banning clause:*** The Bill contains a substantive banning clause, which bans Deposit Takers from promoting, operating, issuing advertisements or accepting deposits in any Unregulated Deposit Scheme.
* ***Different kind of offences:*** The Bill creates three different types of offences namely running of Unregulated Deposit Schemes, fraudulent default in Regulated Deposit Schemes and wrongful inducement in relation to Unregulated Deposit Schemes.
* ***Competent authority:*** The bill provides for the designation of a Competent Authority by the State Government to ensure repayment of deposits in the event of default by a deposit taking establishment.
* ***Punishment:*** The Bill provides for severe punishment and heavy pecuniary fines to act as deterrent.
* ***Repayment of deposits:*** The Bill has adequate provisions for disgorgement or repayment of deposits in cases where such schemes nonetheless manage to raise deposits illegally.
* ***Attachment of property:*** The Bill provides for attachment of properties/ assets by the Competent Authority and subsequent realization of assets for repayment to depositors.
* ***Time limit:*** Clear-cut time lines have been provided for attachment of property and restitution to depositors.
* ***Online central database:*** The Bill enables creation of an online central database for collection and sharing of information on deposit taking activities in the country.
* ***State government to implement:*** Being a comprehensive Union law the Bill adopts best practices from State laws, while entrusting the primary responsibility of implementing the provisions of the legislation to the State Governments.

**Provisions of Chit Funds (Amendment) Bill, 2018**

* ***Remove the existing ceiling:*** The bill also proposes to amend a section of the Act to remove the ceiling of Rs 100 set in 1982 at the time of framing the Chit Funds Act.
* ***Use of video conferencing:*** The Bill proposes to allow the two minimum required subscribers to join through video conferencing duly recorded by the foreman as physical presence of the subscribers towards the final stages of a chit may not be forthcoming easily.

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* ***Use of word fraternity fund:*** Chit business will be required to use the word fraternity fund to signify its nature as well as to differentiate its working from ‘Prize Chits’ which are banned under a separate legislation.
* ***Foreman’s commission:*** The Bill also aims at hiking the ceiling of foreman’s commission from 5% to 7%.
* ***Foreman right of lien:*** Allowing the foreman a right to lien for the dues from subscribers so that set-off is allowed by the Chit company for subscribers who have already drawn funds so as to discourage default by them.

**Benefits**

* ***Control illicit deposit taking:*** The Unregulated Deposit Bill will tackle the menace of illicit deposit taking activities in the country such as Sharda chit fund scam etc.
* ***Will resolve issue of regulatory gaps & lack of administrative measures:*** Companies/institutions running such schemes exploit existing regulatory gaps and lack of strict administrative measures to dupe poor and gullible people of their hard-earned savings.
* ***Ex-ante measures:*** The principle is also that the bill will ban unregulated deposit taking activities altogether by making them an offence ex-ante, rather than the existing legislative-cum-regulatory framework which only comes into effect ex-post with considerable time lags.
* ***Ensure orderly growth of chit fund sector:*** The amendments to the chit fund law will facilitate orderly growth of the chit funds sector and remove bottlenecks faced by the industry.
* ***Financial access for the people:*** The Chit fund bill will also enable greater financial access of people to other financial products.

**Way Forward**

The bill is a step towards protection of the right of the depositors against the illegal deposit taking. To ensure the effective implementation of the act Central government needs a coordinated effort with the state government. Moreover there is a also need to create financial literacy among the general public to take preventive steps against such fraudulent activities.

* 1. **Malegam To Head RBI Panel To Avert Frauds**

**In News**

* ***Committee:*** Stung by the Rs 11400 crore fraud in Punjab National Bank the Reserve Bank of India (RBI) has constituted an expert committee under the chairmanship of Y H Malegam (a former member of the Central Board of Directors of RBI).
* ***Objective:*** The committee will look into the entire gamut of issues relating to classification of bad loans, rising incidents of frauds and effectiveness of audits.
* ***Other objectives:*** The committee will look into the reasons for high divergence observed in asset classification and provisioning by banks vis-à-vis the RBI’s supervisory assessment and the steps needed to prevent it, factors leading to an increasing incidence of frauds in banks and the measures (including IT interventions) needed to curb and prevent it and the role and effectiveness of various types of audits conducted in banks in mitigating the incidence of such divergence and frauds.
* ***Reason for the constitution of panel:*** The RBI move follows a letter shot off by the government to the RBI asking whether the RBI had at any stage detected the fraud involving LoUs issued to foreign branches of Indian banks on behalf of firms promoted by Nirav Modi and Mehul Choksi.
  1. **RBI Launches Ombudsman Scheme for NBFCs**

**In News**

* ***Ombudsman scheme:*** The RBI today launched 'Ombudsman Scheme' for non-banking financial companies (NBFC) for redressal of complaints against them.
* ***Office:*** The offices of the NBFC ombudsmen will function at four metro centres i.e. at Chennai, Kolkata, Mumbai and New Delhi.
* ***Coverage:*** Initially the Scheme will cover all deposit taking NBFCs. Based on the experience gained the RBI will extend the scheme to cover NBFCs having asset size of **Rs 100 crore** and above with customer interface.
* ***Appointment:*** The Reserve Bank may appoint one or more of its officers in the rank of not less than General Manager to be known as Ombudsman to carry out the functions. The appointment of Ombudsman may be made for a period not exceeding three years at a time.
* ***Appeal mechanism:*** The Scheme provides for an Appellate mechanism under which the complainant/ NBFC has the option to appeal against the decision of the Ombudsman before the Appellate Authority.
* ***Procedure:*** For redressal of grievance the complainant must first approach the concerned NBFC. If the NBFC does not reply within a period of one month after receipt of the complaint or the NBFC rejects the complaint or if the complainant is not satisfied with the reply given by the NBFC the complainant can file the complaint with the NBFC Ombudsman under whose jurisdiction the branch/ registered office of the NBFC falls.
* ***Fee:*** The NBFC Ombudsman does not charge any fee for filing and resolving customer’s complaints.
* ***Implementation of the decision:*** It should be the obligation of the non-banking financial company concerned to implement the settlement arrived with the complainant or the Award passed by the Ombudsman when it becomes final and send a report in this regard to the Reserve Bank within 15 days of the award becoming final.
* ***Penalty for non implementation:*** In the event of non-implementation of settlement or the Award, the complainant may represent to the RBI and the RBI may initiate such action under the provisions of RBI Act, 1934 as it deems fit.

1. **INTERNATIONAL AFFAIRS**
   1. **Political Crisis In Maldives**

**In News**

* Maldives has plunged into a major political crisis after government of Abdulla Yameen refused to respect the court order and announced 15 days of state emergency.
* Later, defying international pressure and criticism, President Yameen extended the state of emergency for another 30 days.

**Key Highlights**

* The Supreme Court on February 2 in a judgement ordered the government to release 12 members of the parliament who were stripped off their posts and held by the government under different charges and order retrial of the case.
* This unexpected judgement pushed Maldives into a new political turmoil as the government of Abdulla Yameen refused to respect the court order and announced 15 days of state emergency.
* The Maldives Defence Force surrounded the Supreme Court and arrested the chief justice and another judge on charges of graft while the three other judges party to this unanimous judgement declared the order null and void.

**Background**

* The tussle between the incumbent president and the Maldives United Opposition (MUO) has intensified since last year after this united political platform was established by all the leaders opposed to Abdulla Yameen's regime.
* The opposition movement against the regime found political momentum after the president's half-brother and former president of Maldives Maumoon Abdul Gayoom broke away from the ruling party, Progressive Party of Maldives (PPM), after a tussle for the control of the party started.
* Inside the Majlis (Parliament of Maldives) the opposition was not allowed to move a no-confidence motion against the speaker as the government made changes to the rules of procedure that increased the signatures required from 15 to 29 to 42 MPs.
* Therefore, the MUO could not succeed in overthrowing the government even after some ruling party MPs joined hands. The ruling party MPs were later disqualified and lost their seat in the parliament under the anti-defection law.
* The Supreme Court decision that ordered the release of the prisoners and retrial was a major challenge to the government that is preparing for the next parliamentary election scheduled this year. Under no circumstance would the government allow its arch-rivals to contest the election which has meticulously been planned to see Yameen elected for another term.

**Why India Is Worried**

* For India, the stakes are higher than for any other country. Over the years, New Delhi has watched the Maldives drift slowly away from its sphere of influence and into China’s orbit. This trend began after Nasheed’s resignation in 2012.
* Nasheed’s immediate successor, Mohammed Waheed Hassan canceled a $511 million project awarded to an India-led consortium. Billed as the largest foreign investment in the Maldives, the project was meant to modernize its international airport. India, clearly disturbed by the move, responded by providing refuge to Nasheed in its embassy.
* Perhaps aware of the growing difference between Male and New Delhi, Beijing increased its overtures to the Maldives by ramping up its investments. As a result, Yameen found a trusted ally in Beijing. It awarded the airport project to a Chinese firm during President Xi Jinping’s 2014 visit to the Maldives.
* Maldives has been getting increasingly radicalized and coming under the influence of fundamentalist Wahhabi ideology. The rapid growth of radical Islam in India’s vicinity is a matter of serious concern for India and for regional security.
* The relationship between Male and Beijing is at its peak now. In the past few years, China has sent more tourists to the Maldives than any other country, helping keep the country’s chief revenue earning sector afloat.
* In 2015, Yameen’s cabinet passed a law granting land ownership to foreign entities that can invest $1 billion. This move is seen, and for good reasons, as a ploy to favor Chinese businesses.
* Last year, the cabinet approved a free trade agreement with China, a first for the Maldives, which was passed in the parliament.
* On top of that, there are rumors that China is eyeing a naval base on Marao Island. If that turns out to be true, it will push regional powers as well as the United States to recalibrate their Indian Ocean security strategy.
* Just after the current crisis, a Chinese naval combat force entered the Indian Ocean for the first time in four years. Security analysts believe that this move may have helped deter an Indian intervention in the Maldives.

**Why India Has Not Intervened So Far**

* Although former President Nasheed called on India to intervene militarily, India has so far restrained itself from intervening militarily. Nasheed invoked Operation Cactus, an Indian military operation in 1988 to save Maumoon Abdul Gayoom’s presidency.
* However, Nasheed’s appeal, coming from an exiled politician, does not offer India a solid reason to intervene. Even if India decides to intervene, it cannot pull out of the country easily, since it has to facilitate a peaceful transition of power through elections. Furthermore, there is no guarantee that a successor to Yameen would sustain his power.
* Even more important for India is to consider how China would react. The Maldives is important to India, but not important enough to drag India into an unnecessary face-off with China in the Indian Ocean.
* Also, India’s latest intervention in its neighborhood did not pan out well. In response to Nepal’s new constitution, the Indian government imposed an unofficial trade blockade on Nepal. It made Nepal reach out to the United Nations, alerted neighboring countries that are heavily reliant on Indian trade. Most crucially, it paved the way for China to outshine India in Nepal, as evidenced by Nepal’s signing of a fuel supply deal with Beijing.
* Therefore, if Indian’s intervention in the Maldives goes awry, the chance is that it will drive Male toward China’s sphere of influence at a faster pace — if not immediately, then later. India clearly does not want that to happen.

**Conclusion**

* So far, Indian responses have been smart. India should maintain its political pressure on Male while keeping the options for dialogue open. As an example of such pressure, India did not play host to a special envoy whom Yameen sent to “friendly nations” to provide a briefing on the situation. In dealing with the Maldives, India should carry both stick and carrot.
* While watching and monitoring the situation closely, it needs to be battle-ready to respond to any development appropriately.
* In conjunction with the UN and other democratic countries, India should apply unrelenting pressure in a graduated and calibrated manner on Yameen to restore freedom and independence of the Supreme Court, lift the state of emergency, implement the 1 February judgment and ensure that Mohamed Nasheed is able to contest the Presidential election due to take place later this year.
  1. **Tanzania Withdraws From UN Refugee Programme**

**In News**

* Tanzanian President John Magufuli has announced that his country will pull out of the UN's "comprehensive refugee response framework".
* Tanzania has decided to withdraw for reasons of security and lack of funds.

**Key Highlights**

* Tanzania has long been considered a safe haven for refugees, particularly from Burundi and the Democratic Republic of Congo.
* In January, Tanzania informed the United Nations High Commissioner for Refugees (UNHCR) that it was suspending the granting of citizenship to some Burundian refugees and that it would discourage new asylum applications.
* Tanzanian government blames the international community for failing to release funds pledged to help Tanzania integrate refugees.

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| **Comprehensive Refugee Response Framework (CRRF)**   * As mass displacement across the world continues to grow, it is usually low- and middle-income countries that shoulder much of the responsibility for refugees. Meanwhile, the world’s response to large-scale movements remains inadequate and underfunded leaving refugees with an uncertain future. * In September 2016, at the UN Summit on Addressing Large Scale Movements of Refugees and Migrants, 193 Member States unanimously adopted the New York Declaration, a common plan for addressing large scale movements of refugees and migrants. Declaration highlights the elements of a Comprehensive Refugee Response Framework (CRRF). * One of the stated objectives of the CRRF is to ease pressure on host countries; another is to expand access to resettlement in third countries. * At the heart of this approach is the idea that refugees should be included in the communities from the very beginning. When refugees gain access to education and labour markets, they can build their skills and become self-reliant, contributing to local economies and fuelling the development of the communities hosting them. Allowing refugees to benefit from national services and integrating them into national development plans is essential for both refugees and the communities hosting them, and is consistent with the pledge to “leave no one behind” in the 2030 Agenda for Sustainable Development. * In the New York Declaration, Member States recognize that refugee camps “should be the exception,” and a temporary measure in cases of emergency. Instead, refugees should be allowed to live among host communities. * The Aim of CRRF includes: * Ease pressure on countries that welcome and host refugees * Build self-reliance of refugees * Expand access to resettlement in third countries and other complementary pathways * Foster conditions that enable refugees voluntarily to return to their home countries.   **United Nations High Commissioner for Refugees**   * UNHCR, the UN Refugee Agency, is a global organisation dedicated to saving lives, protecting rights and building a better future for refugees, forcibly displaced communities and stateless people. * UNHCR stands for the Office of the United Nations High Commissioner for Refugees and was created in 1950, during the aftermath of World War II. * Its headquarter is in Geneva, Switzerland and it is a member of the United Nations Development Group. * The UNHCR has won two Nobel Peace Prizes, once in 1954 and again in 1981. |

* 1. **Pakistan To Be Added To Financial Action Task Force’s ‘Grey List’**

**In News**

* The Financial Action Task Force (FATF), that monitors countries on action taken against terror-financing and money-laundering, has decided to place Pakistan back on its watch list, or “greylist”, from June.
* Grey Listing of a country means financial system of that country will be designated as posing a risk to the international financial system because of “strategic deficiencies” in its ability to prevent terror financing and money laundering.
* Pakistan was on the FATF grey-list from 2012 to 2015.

**Key Highlights**

* A decision to place Pakistan on the watchlist was taken at the FATF plenary session held in Paris.
* The accusation against Pakistan was that it had not taken action on some of the entities and individuals designated as terrorists by the UN Security Council Resolution 1267.
* More specifically the concern was about Jamaat-ud-Dawa and Falah-i-Insaniyat Foundation being allowed to operate in the country, and Hafiz Saeed being free to organise rallies and raise funds.
* Earlier there was a confusion about whether or not Pakistan has been put on a ‘grey list’ by the Financial Action Task Force (FATF) as Pakistan did not feature on the list of countries with strategic deficiencies posing a risk to the international financial system issued along with the FATF statement following the meeting.
* The list featured nine countries Ethiopia, Yemen, Iraq, Syria, Serbia, Sri Lanka, Trinidad and Tabago, Vanuatu and Tunisia, while Bosnia and Herzegovina has been moved to the white list.
* However, US succeeded in calling a second vote on its motion to ‘grey list’. After this vote, it was decided to put Pakistan in the grey list from June 2018.
* In the meantime, the government will work with FATF to build an “action plan” to plug the deficiencies identified by the watchdog, which will be put up for approval by consensus in the June session. After that, implementation of the plan will begin, monitored by the Asia Pacific Group, a part of the global FATF network.
* If there is a failure to build consensus on the action plan, Pakistan could be black listed by FATF, a status currently applied only to Iran and North Korea.

**How Will Being on the FATF Grey-List Actually Impact Pakistan**

* Some analysts have argued that the grey-listing will squeeze Pakistan’s economy and make it harder for the country to meet its mounting foreign financing needs, including potential future borrowings from the International Monetary Fund.
* They have also argued that the grey-listing could lead to a downgrade in Pakistan’s debt ability to float international bonds, borrow from multilateral bodies, receive or send remittances or conduct international trade.
* The status does little more than raising the compliance burden on counterparts, such as correspondent banks, dealing with entities within Pakistan’s financial system, and therefore attaches an additional cost to many external sector transactions.
* Others believe that the FATF listing will not miraculously change everything. They claim that Pakistan was on the FATF grey-list from 2012 to 2015, a period during which it successfully completed an IMF program and raised over $5 billion from the international bond markets. During this period Pakistan’s imports and exports remained stable, evidence that the grey-listing did not raise any significant barriers to trade.
* However grey listing might affect Pakistan this time as gradually the US is coming up with more pressure. If the US “puts more pressure on the World Bank and IMF on future funding, that would be a real challenge.

**Steps Taken By Pakistan So Far**

* Days before the FATF meeting, Pakistan took important policy decisions by amending the anti-terror legislation through a presidential ordinance to include all UN-listed individuals and groups in the national listings of proscribed outfits and persons.
* Similarly, an announcement was made to deploy troops in Saudi Arabia to meet a key demand of the kingdom in an effort to get the crucial Gulf Cooperation Council vote at the FATF.

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| **Financial Action Task Force (FATF)**   * FATF is an inter-governmental body set up in 1989, with an aim to “set standards and promote effective implementation of legal, regulatory and operational measures for combating money laundering, terrorist financing and other related threats to the integrity of the international financial system. * It was established during the G7 Summit in Paris. * It has 35 member (Including India) jurisdictions and 2 regional organisations - the European Commission and the Gulf Co-operation Council. In addition, it has two observers and nine associate members, which are primarily regional organisations. * There are also a number of observer organisations, which either have a related area of work that deals with enforcement like Europol, financial institutions like the International Monetary Fund (IMF) and UN bodies or groups linked with counter terrorism or money laundering. * The FATF functions as an independent body guiding policy, with its president selected by the plenary for a one year period.   **China Elected As Vice-President Of FATF**   * China has been elected as vice-president of the global money laundering watchdog, the Financial Action Task Force (FATF). * China was elected in the plenary session held at Paris in February 2018. |

* 1. **Venezuela Becomes First Country To Launch Its Own Digital Currency**

**In News**

* Venezuela on Tuesday became the first country to launch its own cryptocurrency. The official cryptocurrency has been named Petro.
* Within hours on the market, investors bought petro worth $735 million (approximately Rs 4,889 crore).

**Key Highlights**

* The country’s crude oil reserves – the largest in the world – back the petro.
* In the first year, the Venezuelan government will release 100 million petros. The initial 38.4 million went on sale Tuesday at $60 per coin. If investors buy all the initial petros on sale, it could rake in several billion dollars into the cash-strapped government.
* Its value will be pegged to price of barrel of Venezuelan oil from the previous day.
* Under the plan, Venezuelans would eventually be able to use the petro to make payments to public institutions, including tax payments, according to official documents explaining the initiative.

**Analysis**

* Petro has been launched to counter the sanctions that the United States imposed on Venezuela after the president won an election that was widely believed to be rigged.
* This currency will help Venezuela to circumvent U.S. financial sanctions and resurrect the country’s moribund economy.
* Although the Venezuelan government has warned that the petro is safe, it has yet to release much details on its workings. For instance, it is not clear whether or how buyers will be able to claim rights over the barrels of oil that back the currency, or whether the coins will work as bonds for which holders will be paid once they want to cash their money out.
* Skeptics have expressed doubts that the currency will thrive, mainly because of lack of trust in a government whose debt is being renegotiated and whose policies have brought skyrocketing inflation.
* In addition, the country’s once-thriving oil company, Petróleos de Venezuela S.A. (PDVSA), is producing at its lowest levels in decades.
* Some critics also say the project does not make technical sense because the government will have too much space to manipulate the coin.
* Venezuela’s opposition-led National Assembly has called the project illegal, arguing that oil assets cannot, by law, be sold and that the currency is a form of debt that has to be approved by the legislature.
* But proponents say that buyers may find the currency appealing because it is backed by a commodity and an administration with incentives to see it succeed.
* So far, countries in the world have been warning against investing in crypto currencies. However, if Venezuela successfully manages this currency it will be an eye opener for the world
* Not only that, it could open new ways for other sanctioned countries to be financially stable despite the curbs. It is evident from the fact that the Russian officials have recently toyed with the idea of creating a “cryptoruble.”
  1. **Saudi Women Allowed To Start Own Business Without Male Permission**

**In News**

* Women in Saudi Arabia can now open their own businesses without the consent of a husband or male relative.
* The policy change also marks a major step away from the strict guardianship system that has ruled the country for decades.

**Key Highlights**

* The basic rights of women in Saudi Arabia have been smothered for centuries under its conservative laws and customs. The Global Gender Gap Report 2016, published by the World Economic Forum, ranked Saudi Arabia 141 in gender parity (out of 144 countries).
* Under Saudi Arabia’s guardianship system, women are required to present proof of permission from a male “guardian” - normally the husband, father or brother - to do any government paperwork, travel or enroll in classes.
* Long dependent on crude production for economic revenue, Saudi Arabia is pushing to expand the country’s private sector, including an expansion of female employment under a reform plan for a post-oil era.

**Lacunas Associated With The Male-Guardianship System**

* Many women faced barriers linked to the guardianship system when registering to vote, such as a requirement to prove residency in their voting district—a difficult or impossible task for many women whose names are not generally listed on housing deeds or rental agreements—or a requirement to present a family card, often held by a male guardian.
* The guardianship system also impacts women’s ability to seek work inside Saudi Arabia and to pursue opportunities abroad that might advance their careers.
* Specifically, women may not apply for a passport without male guardian approval and require permission to travel outside the country.
* Women also cannot study abroad on a government scholarship without guardian approval and, while not always enforced, officially require a male relative to accompany them throughout the course of their studies.

**Other Reforms Initiated By Saudi Arabia**

* Saudi Arabia has made a series of limited changes over the last 10 years to ease restrictions on women. Notable examples include allowing women to participate in the country’s limited political space, actively encouraging women to enter the labor market, and taking steps to better respond to domestic violence
* For example, in 2013, then-King Abdullah appointed 30 women to the Shura Council, his highest advisory body. In 2015, authorities allowed women to participate in municipal council elections, with women voting and running as candidates for the first time in the country’s history.
* While women still face a host of restrictions in the ultraconservative Muslim kingdom, Saudi Arabia’s public prosecutors office announced that it would begin recruiting women investigators for the first time.
* While women still face a host of restrictions in the ultraconservative Muslim kingdom, Saudi Arabia’s public prosecutors office this month said it would begin recruiting women investigators for the first time.
* Saudi Arabia’s “Vision 2030” reform programme seeks to elevate the percentage of women in the work force from 22 % to nearly one-third.
* In addition to the civil rights aspect of such steps, the change will have a significant positive impact on the Saudi economy during a period of planned growth and diversification.
* It is also a significant move on the part of the Saudi government to create a gender-neutral society.
  1. **Pakistan To Deploy Troops In Saudi Arabia**

**In News**

* The Pakistan Army has announced that it is sending troops to its ally Saudi Arabia on a training and advise mission under an existing bilateral security pact.
* The Army said it continues to maintain bilateral security cooperation with other Gulf Cooperation Council countries.

**Key Highlights**

* The development comes three years after Saudi asked Pakistan to provide troops in 2015 since the start of Yemen conflict.
* However, Pakistan had refused to deploy soldiers. Pakistan’s Parliament had then voted to remain neutral to avoid being pulled into the regional power struggle.
* There was no official word on the number of additional troops being sent to kingdom but it is being speculated that it might be the size of a composite brigade.

**Why Pakistan Has Decided To Take Such Step**

* Pakistan has long been involved in protecting Saudi Arabia and the House of Saud, but ultimately it is Islamabad, which is more dependent on Riyadh.
* Saudi Arabia, for example, gave oil to Pakistan in 1998 to help Pakistan weather international sanctions against it for conducting a nuclear test.
* The Saudis also saved former Pakistani prime minister, Muhammad Nawaz Sharif, after he was overthrown in a military coup in 1999, and he is thus indebted to them.
* The new deployment plan comes against the background that Pakistani soldiers have frequently been deployed in Saudi Arabia.
* The visit of Indian Prime Minister to UAE and the prospect of a closer partnership between the two states clearly left Pakistan rattled.
* Equally, Pakistan has deep reservations about Indian activities on Iranian soil. During Iranian president Hassan Rouhani’s recent trip to India, a deal was struck that grants New Delhi operational control of the Chahbahar port in southern Iran.
* So Pakistan’s military has been prompted to counterbalance Indian influence in a more vigorous manner, safeguarding its strategic interests.
* Pakistan is also worried about its own deteriorating relationship with the US. At the intergovernmental Financial Action Task Force meeting in February 2018, the US, the UK and France jointly moved a resolution that sought to place Pakistan on an international terror-financing watchlist.
* The move met resistance from Turkey, China and Saudi Arabia – and while US pressure finally prevailed in putting Pakistan’s name on the list from June 2018 onwards, the episode showed that an array of states are emerging as Pakistan’s new supporters at international forums.

**Implications**

* Pakistani lawmakers have criticized the government for bypassing that resolution and "making unilateral decisions to the determent" of the country.
* It also strengthened the widespread perception in Pakistan that the powerful military, and not the civilian government, makes key foreign policy decisions when it comes to dealing with countries such as Saudi Arabia, the United States, Afghanistan and rival India.
* Islamabad's military engagement could upset the country's minority Shiite community and undermine bilateral relations with Tehran.
* However, many believe that it is an olive branch for Pakistan which has been isolated at world forum by Indian efforts. For Pakistan, this seems like an offer that would also help safeguard the larger portion of its western border with Afghanistan.
  1. **Venezuela and Libya Lose UN Vote**
* Venezuela and Libya have been suspended from voting in the U.N. General Assembly for the third time in three years.
* This step was taken because of millions of dollars in unpaid dues to the world body.
* Venezuela is mired in an economic and political crisis and Libya has two rival governments, each backed by an array of militias.
* The other countries that lost their voting rights are Central African Republic, Dominica, Dominican Republic, Grenada, Marshall Islands, Surinam and Yemen. Equatorial Guinea, which is on the Security Council, also lost its vote.
  1. **Nepal’s New Prime Minister**

**In News**

* Nepal president Bidhya Devi Bhandari has appointed moderate communist K.P. Sharma Oli.
* Oli led an alliance with former Maoist rebels to a sweeping victory in recent elections. The Left alliance of the CPN-UML, led by Oli and CPN-Maoist Centre, led by Prachanda, had in December secured 174 seats in the 275-member Parliament in the historic provincial and parliamentary polls that many hope will bring much-needed political stability to the Himalayan nation. It had also secured an overwhelming majority in the upper house of Parliament with 39 out of the 59 seats.
* Oli, who spent 14 years in jail for opposing the now-abolished monarchy in the 1970s and 1980s, was named prime minister hours after Sher Bahadur Deuba, whose party suffered a landslide defeat in the polls, resigned.
* He was also prime minister from 2015 to 2016, soon after the nation’s current constitution was formalized.

**Background**

* Nepal held parliamentary elections in November and December but the formation of the new government had been delayed because the Election Commission declined to declare the final results until the election of the upper house of parliament.
* Nepal has been embroiled in political instability since a decade-long Maoist conflict ended in 2006 and the monarchy was abolished two years later. Oli is the 26th prime minister since protests led to the establishment of a parliamentary democracy in 1990.

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| **Election in Nepal**   * The new constitution passed in 2015 declared Nepal a federal state with three levels of government: federal, provincial and local. This was intended to decentralise power from Kathmandu to the newly-created seven provinces and local government units. * Voters will elect 275 members to the House of Representatives (HoR) in a mixed system, with 60 percent of representatives chosen through a first-past-the-post (FPTP) system, while the remaining 40 percent will be elected through a Proportional Representation (PR) system. * The federal parliament is a bicameral legislature, with the 259-member National Assembly (NA) chosen by an electoral college. The HoR and NA have almost equal powers. * Voters also chose representatives to seven provincial assemblies, for the first time since Nepal turned into a federal republic and abolished the monarchy in 2008. |

* 1. **South Africa’s New President**
* Cyril Ramaphosa, who has become South Africa’s president following the resignation of Jacob Zuma
* Ramaphosa was formerly Zuma's deputy president. He was elected leader of the ruling ANC in December 2017, narrowly defeating Zuma's chosen candidate, his ex-wife Nkosazana Dlamini-Zuma.

**Challenges In Front Of New President**

* The new President is faced with reviving South Africa's sluggish economy, in which unemployment reached 27.3 percent in 2017.
* Twenty-three years after the end of the racist, repressive apartheid regime, South Africa remains a country with enormous resources and great wealth but also vast inequality and poverty.
* Many people live without electricity or sanitation. Schooling and healthcare are often rudimentary.
* Cape Town, the country’s second city, is running out of water.

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| **Why Jacob Zuma Resigned?**   * Mr Zuma is facing the reinstatement of corruption, fraud, money-laundering and racketeering charges related to an arms deal. * Zuma’s party, the African National Congress (ANC), tolerated these scandals for years. * But everything changed after the ANC’s elective conference in December. Delegates at the five-yearly gathering chose as party leader Cyril Ramaphosa, then the deputy-president, ahead of his rival, Mr Zuma’s candidate. Afterwards the new, Ramaphosa-led ANC moved to push Mr Zuma out as president of the country. |

1. **INDIA AND WORLD**
   1. **Prime Minister's Visit to Palestine**

**In News**

* On a landmark visit, PM Narendra Modi became the first Indian sitting Prime Minster to make an official visit to Palestine to bolster long-standing political and economic ties.
* Despite India's history of supporting the Palestine's cause, no Indian prime minister has ever visited the country before. Hence in many terms, this visit has been termed as “history in making”.

**Key Highlights**

* Indian PM landed in Ramallah and travelled in a chopper provided by the Jordanian government and was escorted by choppers from the Israel Air Force. This itself reflects India’s ability in de- hyphenating Israel from Palestine relationship.
* Palestine President Mahmoud Abbas met Prime Minister Narendra Modi & conferred on him the Grand Collar of the state of Palestine. The Grand Collar is the Highest order given to foreign dignitaries- Kings, Heads of State/Government and persons of similar rank.
* PM Modi said India is hopeful to see an "independent Palestinian state living in an environment of peace.
* Six MoUs have been signed during Prime Minister's visit. These MoUs are:
* MOU between India and Palestine for setting up of India-Palestine Super-specialty hospital at Beit Sahour in Bethelhem Governorate at a cost ofUS$ 30 million
* MOU between India and Palestine for construction of India Palestine Centre for Empowring women, "Turathi” at a cost ofUS$ 5 million
* MOU between India and Palestine for setting up of new National Printing Press at Ramallah at a cost ofUS$ 5 million
* MOU between India and Palestine Construction of school in Muthalth Al Shuhada Village at a cost ofUS$ 1 million
* MOU between India and Palestine Construction of school in Tamoon village in Tubas Governorate in Palestine at a cost of US$ 1.1 million
* MOU between India and Palestine Assistance of US$ 0.25 million for construction of additional floor to Jawahar Lal Nehru for Boys at Abu Dees
* In December 2017, India voted at the United Nations along with 127 other nations against US President Donald Trump's decision to recognize Jerusalem as the capital of Israel

**Reasons For India’s Pro-Palestine Policy**

* India has a considerable number of Muslim Population, which has been always sympathetic to the Muslim population in Palestine.
* Many Indian are working in Arab countries which are a good source of foreign remittances. India does not want to jeopardise the interest of its citizens working in these countries.
* India’s energy security largely depends on the oil imported from Arab countries.
* India’s imperative to counter Pakistan with the support of Arab nations was another reason for our pro-Palestine policy.

**Is India Redefining Its Pro-Palestine Policy**

*Arguments In Favour*

* The visit to Israel from the Indian Prime Minister in July 2017 was a historic event. However, skipping Ramallah by a visiting dignitary from India is a tectonic shift.
* Earlier every dignitary who visited Israel went to Palestine also. This time it was not followed.
* The absence of any reference to East Jerusalem being the capital of the future Palestinian state during President Abbas’s India visit in May 2017 was a powerful message.
* Indian Prime Minister’s meeting with Prime Minister Benjamin Netanyahu on September 28, 2014, at the side lines of the 69th UNGA sessions, garnered headlines. This was the first interaction between the Indian and Israeli Prime Ministers since the September 2003 visit of Ariel Sharon to India.
* Home Minister Rajnath Singh visited Israel in November 2014 to attend a Homeland Security conference. While Singh met with the top Israeli leadership including Netanyahu, the fact that he did not go to Ramallah was seen as a significant departure.
* The current government’s response to **‘Protective Edge’** (The 2014 Israel–Gaza conflict also known as Operation Protective Edge in which a military operation was launched by Israel on 8 July 2014 in the Hamas-ruled Gaza Strip following the kidnapping and murder of three Israeli teenagers by Hamas members) also highlighted the shift in policy.
* The Indian government had expressed ‘deep concern’ at the escalation of violence while at the same time registering India’s “alarm at the cross-border provocations resulting from rocket attacks at targets inside Israel. This response was seen by many as *equating Israel’s military response with Palestinian rocket attacks*, insisting that ‘massacre’ was only taking place on one side.
* India abstained at the UN Human Rights Commission (UNHRC) on July 1, 2015 on a resolution welcoming the report of the Commission of Inquiry established a year ago to investigate violation of international humanitarian and human rights law in the ‘Occupied Territories’ during ‘Protective Edge’.
* The resolution, among other requirements, urged Israel and its antagonists to cooperate with the International Criminal Court in its ‘preliminary examination’ of the issue.
* Also many analysts feel that political gains of supporting Palestine are minimal if any. During the past decade, things have changed in the Middle East. It is an uncomfortable reality that no Arab country would determine the shape and size of its engagements with India by New Delhi's commitments to the Palestinians.
* In short, the inter-Arab political discourse no longer begins or ends with the Israeli-Palestinian conflict. These analysts believe that India is responding to the changing Middle Eastern situation by changing its pro-Palestine policy.

*Arguments In Against: Continuity In Indian Policy*

* The current government has been reiterating the importance of relations with Israel while at the same time insisting that there has been no change in India’s Palestine policy.
* Since his visit to the United Arab Emirates in August 2015, all Middle Eastern visits of Prime Minister Modi have been stand-alone visits, that is, bilateral, and he did not visit a third country.
* This practice was adhered to during his visits to Saudi Arabia, Iran and Qatar in 2016. The same applies to Israel from where he flies off to Germany for the G20 summit meeting in Hamburg. Thus, skipping Ramallah fits in with this logic and cannot be seen as a change in India’s position with respect to Palestine.
* It is worth noting that Indian PM had issued a statement on the ‘International Day of Solidarity with the Palestine People in 2014. The previous instance of a Prime Ministerial statement on the occasion was way back in 2007.
* PM Modi’s meeting with Abbas in New York on the side lines of the 70th UN General Assembly session in 2015 puts to rest doubts about any imminent changes in India’s policy of voting in favour of Palestinian-related resolutions at the UN.
* In 2014, India voted in favour of each of the 14 such resolutions moved in the UNGA. All these resolutions criticised Israeli settlement activity in the occupied territories and supported the work of the UN Relief and Works Agency (UNRWA) for Palestinian Refugees, among others. Israel on its part views these resolutions as ‘outrageous’ and funding the ‘defamation and de-legitimisation’ of Israel.
* Therefore, it would seem that India and Israel will continue to ‘agree to disagree’ as regards India’s voting pattern in the UN on Palestine-related issues for the foreseeable future.
* Further, the Indian government did not desist from sponsoring the resolution – ‘Right of the Palestinian People to Self-Determination’ – which India had been sponsoring since 1998.

**Conclusion**

* It appears that New Delhi has recognised the complexities of the problem and decided to move away from the decade-long position of support for a Palestinian state with ‘East Jerusalem as its capital.'
* This does not mean that India is prepared to accept Jerusalem as Israel’s capital but it prefers a negotiated political resolution through mutual recognition and compromise between the parties concerned.
* In a major shift in foreign policy, New Delhi is de-hyphenating Israel from Palestine and is prepared to deal with the two separately and independently.
  1. **Prime Minister's Visit to United Arab Emirates**

**In News**

* Prime Minister Narendra Modi has visited the UAE on the second leg of a three-nation tour to the Gulf-West Asia.
* This was Prime Minister Narendra Modi’s second visit to UAE. He first visited the country in August 2015.
* This itself signifies the special importance India attaches to its ties with the oil-rich nation and will help in furthering cooperation in diplomatic, economic and security issues.

**Key Highlights**

* India and the UAE signed 5 Govt-to-Govt MoUs in the presence of PM Narendra Modi Sheikh Mohammed bin Zayed Al Nahyan, Crown Prince of Abu Dhabi & Deputy Supreme Commander of the UAE Armed Forces.
* The MoUs signed are:
* MOU between Indian Consortium (OVL, BPRL & IOCL) and ADNOC - For acquisition of 10% participating interest in the offshore Lower Zakum Concession.
* MoU between Government of India and Government of UAE - To institutionalise the collaborative administration of contractual employment of Indian workers in UAE.
* MoU between Ministry of Railways, India and Federal Transport Authority-Land & Maritime of UAE - For Technical Cooperation in Rail Sector
* MoU between Bombay Stock Exchange (BSE) and Abu Dhabi Securities Exchange (ADX) - To enhance cooperation between both the countries in financial services industry.
* MoU between Government of Jammu and Kashmir and DP World - To establish multi-modal logistics park and hub in Jammu comprising warehouses and specialized storage solutions
* During the visit, Indian Prime Minister Narendra Modi witnessed the foundation stone-laying ceremony for the first Hindu temple in the capital of the UAE which is home to over three million people of Indian origin.
* The Prime Minister also participated in the 6th World Government Summit in Dubai, in which India is a partner country. At the summit, the Indian PM had been accorded “guest of honour” status.
* Besides bilateral engagements, Prime Minister Modi is scheduled to address members of the Indian community at the Dubai Opera House.

**Recent Trend**

* The visit builds in the momentum that has developed since India hosted Crown Prince of Abu Dhabi Sheikh Mohammed bin Zayed as chief guest on Republic Day in 2017.
* A new momentum was given to the relationship in January 2017 when the two sides signed the agreement on Comprehensive Strategic Partnership (CSP).
* UAE investments into India has seen a significant increase in defence and security cooperation in recent years. The world is witnessing a transformation in their bilateral energy ties from a buyer seller relationship to a strategic partnership.
* Significantly, the Abu Dhabi National Oil Company (ADNOC), in a first of its kind deal, has agreed to store crude oil in India’s maiden strategic storage facility and give two-thirds of the oil for free to India.
* There are 1,076 flights a week between India and the UAE, which is the largest operation of its kind. More than 50 per cent of Indians, who travel outside India to different destinations, such as Europe or America, use Dubai and Abu Dhabi as their transit hub. This reflects the connectivity component of this rapidly-evolving relationship.
* Till recently India was seen as an investment destination only, but off late UAE has been trying to woo Indian businesses to invest and set up operations here. “This move shows the kind of confidence UAE has on Indian economy.
* At the ground level of delivery, the strategic partnership is being expanded and the UAE has announced plans to invest USD 75 billion over a decade to meet India’s infrastructure needs. If we look at the current level of investment from UAE to India, it exceeds $11 billion, about $4-5 billion in the format of FDI (foreign direct investment)
* Indian expatriates in the UAE actively participate in projects toward the development of the UAE and this visit will help further evolve the deep and historic relationship shared between the two countries.

**Factors Responsible For Growing Ties Between Two Countries**

* As India seeks to enhance economic engagement and deepen security cooperation with the Gulf, it finds a willing partner in the UAE.
* On the other hand, as the UAE ‘Look East’ to find partners for its economic growth and grapples with security concerns emanating from turmoil in West Asia and growing threat from terrorism and extremism, it finds a natural partner in India.
* The flux in West Asia – rise of radical and extremist forces, changes in the regional order, coupled with uncertainties over US policy under President Donald Trump’s administration and India’s growing interest in the Gulf region driven by its economic and trade ties, energy stakes, and presence of some 7 million Indians in the Gulf (and 2.6 million in UAE), are important factors pushing India and UAE to enhance their engagement.
* The UAE has a special place even among the Gulf countries due to its syncretic culture, business-friendly atmosphere, willingness to invest in the Indian economy and its important role in maintaining peace and stability in the region.
* Hence, the third high-level visit between India and the UAE in less than two years underlines the importance both countries attach to accelerating economic growth and maintaining regional peace.

**Challenges**

* Though the two sides have shown greater desire to enhance bilateral relations and there are no outstanding issues or disputes between India and the UAE, there are some challenges to be overcome in order to realize the full potential and promises of the growing relations.
* As far as investments are concerned, the systemic problem faced due to slow implementation from Indian side is a major obstacle.
* For example, the UAE agreed to invest in India’s infrastructure projects through formation of a $75 billion investment fund during the prime minister’s visit in August 2015. However, after more than two years, the modalities and governance structure for the fund has not been finalized.
* While India needs to step up its efforts to tie the loose ends in the implementation of projects and investments funds, it also needs to ensure the execution of the investment projects with required expertise.
* On the other hand, Indian companies operating in the UAE also face problems due to lack of clarity in many aspects of commercial regulations, labor laws and lack of transparency on part of Emirati businesses. While there are immense economic opportunities for Indian businesses in the UAE, these obstacles prevent their ts full realization.
* While trade and energy are two of the most significant aspects of Indo-UAE bilateral ties, the bilateral trade has come down significantly in the past four years.
* Therefore, as India expands its sources for energy imports, it will have to look at other sectors to enhance bilateral trade. Potential areas include defense trade, food and agricultural products as well as automobiles.
* There is also a need to smoothen problems faced by Indian migrants due to cumbersome and strict regulations that favour the Emirati employers and at times leads to serious problems for Indian workers, especially unskilled workers.
* It has also been noticed that workers from other nationalities including Filipinos and Bangladeshis are replacing Indian workers and it is reflected in slight drop in remittances inflow from UAE to India in recent years.

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| **Kafala System**   * The system requires all unskilled laborers to have an in-country sponsor usually their employer who is responsible for their visa and legal status. * The migrant workers’ visas are tied to the employers so that they cannot change jobs without the consent of their employers * This practice has been criticised by human rights organizations for creating easy opportunities for the exploitation of workers,as many employers take away passports and abuse their workers with little chance of legal repercussions. * The system is prevalent in Saudi Arabia, Kuwait, Bahrain, Qatar, Oman, and UAE. |

* 1. **Prime Minister's Visit to Oman**

**In News**

* The Prime Minister visited Muscat on February 11 on the final leg of a three-nation tour to the Gulf-West Asia.
* Oman is India's oldest strategic partner among Gulf Cooperation Council members. An Indian PM is visiting Oman after 9 years.

**Key Highlights**

* Prime Minister Narendra Modi held wide-ranging talks with the Sultan of Oman Sayyid Qaboos Bin Said Al Said.
* The two sides signed eight agreements. The agreements include mutual visa exemption for holders of diplomatic, special, service and official passports and an MoU on cooperation in the field of health, tourism and peaceful uses of outer space, MoU on legal and judicial cooperation in civil and commercial matters.
* The two countries also signed an agreement on cooperation between Foreign Service Institute, Ministry of External Affairs, India and Oman's Diplomatic Institute.
* An MoU on academic and scholarly cooperation between National Defence College, Sultanate of Oman and the Institute for Defence Studies and Analyses. The two sides also signed annexure to the MoU on military cooperation.
* India also got access to strategic port in Oman for military use.
* In the context of strategic oil reserves near Duqm, the Indian Prime Minister reiterated its invitation to Oman to participate in building strategic oil reserves in India.
* The two sides also emphasised the need to “isolate the sponsors and supporters of terrorism” and agreed that the international community should take urgent action against all entities which support terrorism and use it as an instrument of policy.

**Analysis**

* The Sultanate of Oman and the Republic of India shares a strong strategic partnership over a century, linked by maritime trade geography, history and culture as well as proximity of Royal Family besides various other factors.
* The visit provided stimulation factor strengthening the existing cooperation between the two countries in opening the door wider for providing more investment opportunities to new businessmen and investors.
* The relation between the two countries has come a long way since the contacts were first made before or during Indus valley civilization.
* The progress towards the strategic partnership between Oman and India is well evident in the framework of diplomatic engagements include distinguished and high level visits, signing bilateral agreements in various fields and conducting joint military exercises between military units of both armies.
* Bilateral trade and investment are key pillars of the India-Oman joint partnership, which is vigorously excelling. India accords a high priority to expanding its bilateral trade and investment ties with Oman, which remain robust and buoyant, resumed an upward trend rose 3.6 per cent from US$3.8 billion in 2015-2016 to US$ 4 billion in 2016-2017.
* Current Indo-Omani ties are dominated by the defence relations. India needs to broaden areas of cooperation with this crucial Gulf state, which has enormous business opportunities in shipping, transport, infrastructure building, mining, logistics and tourism.
* Investment flows, both ways, reflected in numerous joint ventures (JVs), established both in India and Oman with estimated total investment of around US$ 7.5 billion. Indian companies have invested in Oman In sectors like iron and steel, cement, fertilizers, textiles, cables, chemicals, automotive etc., especially in Sohar, Salalah, and Duqm.
* Oman is a dynamic partner of ‘Make in India’ mission of India. Omani companies directly and in Joint venture with local/foreign companies are exploring many avenues of participation. A Joint Investment fund of $250 million has been set up by SBI and Oman’s State General Reserve Fund (SGRF) for special purpose vehicle (SPV).
* Oman and India, through their joint efforts managed to eliminate the piracy that has prevailed in the region in the past.
* Interactions in the defence/security sphere have been robust in recent times. In January 2016, Indian Navy and the Royal Navy of Oman conducted maritime exercise ‘Naseem al-Bahr’ in the Arabian Sea off the coast of Goa.
* It was subsequently followed by the goodwill visit of Indian Coast Guard Ship (CGS) Sankalp to Muscat in February 2016.
* In March 2017, the troops of the two countries concluded 'Al Nagah-II 2017' military exercise in Himachal Pradesh. Oman is the first Gulf State to buy Indian Small Arms System (INSAS), developed by the state-run Ordnance Factory Board. It has also given the birthing rights to India’s naval vessels to fight against piracy in the Gulf of Aden.
* The rapidly growing energy demand has contributed to the need for long term energy partnerships with countries like Oman. For years, India has been considering to construct an underwater natural gas pipeline via Oman, the Middle East to India Deepwater Pipeline (MEIDP) — also known as the Iran-Oman-India pipeline. The project sought to bring Iranian natural gas to India via Oman. But it has been very slow in materialising due to various obstacles such as lack of suitable technology, sanctions on Iran and objections from Pakistan.
* The Government of the Sultanate of Oman is currently developing Duqm port along with Special Economic Zone as a regional economic hub. India has shown interest to participate in the Duqm port complex.

**Conclusion**

* A high level political engagement between Oman and India has pushed the relations in the positive direction and also provided a fresh fillip to the economic relations.
* Such an engagement will also cement India’s interests in the Gulf region in general and with Oman in particular.
* However, issues regarding Sultan Qaboos’s health and uncertainties regarding succession may be factors that could be impeding such an engagement currently. India-Oman ties in the meanwhile will continue to be pushed forward by complementarities in the defence and economic sphere.

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| **India Gets Access To Strategic Oman Port Duqm For Military Use**   * In a strategic move to expand its footprint in the Indian Ocean region, India has secured access to the key Port of Duqm in Oman for military use and logistical support. * India signed a key pact with Oman on Monday that allows her military vessels to use the strategically located Duqm port and dry dock. * The Port of Duqm also has a special economic zone, where about $1.8 billion investments are being made by some Indian companies. The Adani group had signed an MoU with Duqm port authorities last year, but no investments have been made so far.   *Strategic Importance Of Oman Port For India*   * The Duqm port on the southeastern coast of Oman, opening into the Arabian Sea and the Indian Ocean, is strategic to India because to its north is the Chabahar port in Iran. * India is helping develop Chabahar to open a trade route to Afghanistan and Central Asia, bypassing Pakistan. * The agreement will help India counter China in the Indian Ocean region. Chinese company Ningxia China-Arab Wanfang has signed a project to develop a $10.7 billion industrial city near the port of Duqm. * Also, with the Assumption Island being developed in Seychelles and Agalega in Mauritius, Duqm fits into India’s proactive maritime security roadmap. |

* 1. **Canadian PM Visit to India**

**In News**

* Canadian Prime Minister Justin Trudeau paid a week-long visit to India.
* During the visit, he held talks with his Indian counterpart Narendra Modi on wide-ranging issues, including defence and counter-terror cooperation.
* The ties between India and Canada have been on an upswing. Approximately 1.4 million Canadians are of Indian heritage and India is Canada’s second largest source of immigrants.

**Key Highlights**

* The objective of Prime Minister Trudeau's visit to India is to expand overall ties between the two countries with a focus on defence and security, counter-terror cooperation, trade and investment, and tackling climate change.
* MoUs/agreements signed during the visit are:
* Joint Declaration of Intent Between the Ministry of Electronics And Information Technology of the Republic of India and The Department of Innovation, Science and Economic Development of Canada on Cooperation in the Field of Information Communications Technology and Electronics.
* Terms of Reference for the India-Canada Ministerial Energy Dialogue Between the Ministry of Petroleum and Natural Gas of the Republic of India and The Department of Natural Resources of Canada.
* MoU Between the Ministry of Youth Affairs & Sports of the Republic of India and The Department of Canadian Heritage (Sport Canada) on Cooperation in Sport
* MoU Between the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of Republic of India and The Canadian Intellectual Property Office Concerning Cooperation on Intellectual Property Rights.
* MoU Between the Government of the Republic of India and The Government of Canada Concerning Cooperation in Higher Education.
* MoU Between the Department of Atomic Energy of The Republic of India and The Department of Natural Resources of Canada Concerning Co-Operation in the Fields of Science, Technology and Innovation.
* India and Canada have agreed **on Framework for Cooperation on Countering Terrorism and Violent Extremism** (the "Framework”), the objective of which is to facilitate effective cooperation between law enforcement and security agencies and legal and policy practitioners.
* The framework is based on fundamental respect for the sovereignty, unity and territorial integrity of India and Canada.
* The Framework consists of institutionalized cooperation between the National Security Council Secretariat of the Republic of India and the office of Canada’s National Security and Intelligence Advisor, and regular exchanges and coordination between India and Canada. It will be guided by the joint National Security Advisor’s Dialogue.
* To realize the full potential of bilateral trade and investment, both sides will renew efforts to expand and diversify bilateral economic and commercial relations. Both side also decided to intensify negotiations to finalize a Comprehensive Economic Partnership Agreement and a Bilateral Foreign Investment Promotion and Protection Agreement.
* Both side decided to work Together on Climate Change, Oceans, Space and Clean Energy. They also decided to Advance Gender Equality and Empowerment of Women and Girls.
* Recognizing that terrorism, violent extremism and radicalization to violence present acute challenges to global peace, stability and prosperity, the leaders resolved to combat terrorism and violent extremism in all their forms and manifestations and decide to collaborate in Building a More Peaceful and Secure World.
* To Enhance People-to-People Contacts, the leaders reaffirmed their commitment to address consular issues of mutual concern through discussion between the concerned officials. They welcomed the expansion of direct air connectivity between Indian and Canadian cities.
* They recognized the 50th Anniversary of the Shastri Indo-Canadian Institute in promoting understanding between India and Canada through academic activities and exchanges, with the support of both governments to the institute.
* The leaders also agreed on the benefits of supporting the arts, sports and cultural activities in each other’s country, and agreed to encourage collaboration between academia and think tanks.
* The prime ministers also resolved to facilitate the movement of highly skilled persons from India to Canada under the Global Skills Strategy, to fully harness the complementarity between their technological capabilities and human resources.

**Analysis**

* The critics believe that the Canadian Prime Minister Justin Trudeau’s recently concluded visit to India was a disaster which was mired in the thorny politics of identity, memory, and symbolism.
* They concluded that Trudeau was receiving “a royal snub” from the Indian government.
* They provide following facts to support their argument:
* Prime Minister Modi did not welcome the Canadian first family at the airport in New Delhi, sending a junior minister of agriculture instead. Nor did Modi issue the customary welcome tweet that most heads of government receive upon their visit to India.
* He did not accompany Trudeau on the latter’s visit to Gujarat—a courtesy that has in the past been extended to Xi Jinping, Shinzo Abe, and Benjamin Netanyahu. Indeed, Modi and Trudeau did not meet until the sixth day of Trudeau’s eight-day visit, and that too for only half a day of consultations.
* Despite controversy, many analysts believe that Justin Trudeau’s visit to India was good for business. The biggest boost from the visit comes not just from the leaders’ meeting and working out difficult issues. It’s the cooperation that comes from business leaders from both countries meeting face to face.
* In 2016, two-way merchandise trade between Canada and India totalled $8 billion. Bilateral trade in services reached $2.1 billion in the same year. Canadian investment in India has increased by over $15 billion over the past three years mainly through institutional investors, and the number of Canadian companies active in India stands at over 1000.
* Expanding trade and investment with India is admittedly a long process that requires patience in both countries. But progress was made on this visit; agreements were reached that will result in $1 billion in two-way investment and nearly 6,000 new jobs in Canada.
* Long-pending Foreign Investment Protection and Promotion Agreement (FIPPA), which is under negotiations since 2006, got a boost during visit when leaders of the both sides agreed to conclude it at the earliest.
* Also Cooperation in security and counter-terrorism as well as boosting cooperation in key areas such as nuclear energy has been hailed by many.
* In many ways the platform has been set for sustained and enhanced economic activity between the two countries.

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| **Why Did A Globally Celebrated Superhero Prime Minister Receive Such Shoddy Treatment In India?**   * The main issue was his government’s pandering to members of its Sikh electorate who cling to the goal of creating Khalistan, an independent state for Sikhs carved out of Indian territory. * The Khalistan movement caused much bloodshed in northern India, especially Punjab, in the 1980s, including the deadliest terrorist attack originating on Canadian soil: the bombing of Air India Flight 182 in June 1985. * Although the movement finds few takers in Punjab today, the issue remains alive in left-wing and liberal politics in Canada, with politicians signalling their implicit and often explicit endorsement of the separatist ideology espoused by a non-trivial portion of Canada’s approximately 500,000 Sikhs, or 1.4% of the country’s total population. * On February 22nd a picture of Jaspal Atwal, a former member of the terrorist outfit that carried out the Air India bombing who was also convicted for the attempted murder of a Punjab government minister in 1986, with Sophie Trudeau (the prime minister’s spouse) surfaced. He had also received an invitation (since rescinded) from the Canadian High Commissioner to a dinner reception for Trudeau in New Delhi. * Canadian Khalistanis pose no material threat to India today, yet this fact should not have blinded Ottawa to the symbolism of a foreign leader endorsing a cause that notionally threatens the territorial integrity of a postcolonial major power such as India. |

**Why India – Canada Relationship Is Important**

* Although both Canada and India are two of the world's largest and oldest democracies that share values of liberalism, federalism and multiculturalism, the relationship between the two countries in past years has suffered benign neglect. Its full potential has not yet been realised.
* The presence of a sizeable Indian Diaspora and representation of Persons of Indian origin in Canadian legislatures -- both at the federal and union levels -- are like icing on the cake for the India-Canada relationship.
* In the early years after Indian Independence, there was a fundamental convergence in the approach of New Delhi and Ottawa on issues such as membership of the Commonwealth, the United Nations and the situation in Asia.
* The two countries shared a convergence of perceptions on the need to enhance relations between Asia and the West, to promote multilateral organisations and to foster Third World development.
* Canada and India, as representatives of middle powers, have the potential to influence world affairs in a constructive manner.
* India is one of the most promising new emerging markets, identified by Canada as being of strategic importance.
* Cooperation in the energy sector, particularly in nuclear energy, is yet very important aspect of the bilateral relations between the two countries. Although Canada was critical of India's nuclear tests, it supported the Nuclear Suppliers Group waiver to India.
* It is in this context that the two countries have signed the agreement between India's Department of Atomic Energy and Canada's Cameco for the long-term supply of uranium to India to meet its energy needs.
* In the larger context of global diplomacy, particularly in the Commonwealth, cooperation between Canada and India will not only benefit the two countries, but also help restore the esteem of the two countries in the eyes of the developing countries of the world.
  1. **Visit of President of the Islamic Republic of Iran to India**

**In News**

* Iran President Hassan Rouhani visited India on a three-day visit from 15 February to 18 February. This is Rouhani’s maiden visit to India since coming to power in August 2013.
* Rouhani’s visit, exactly a month after Netanyahu’s, is seen as India’s act of balancing the relationship in the west Asian region. Iran and Israel have a strained relationship, but since India has “strategic interests” with both countries, New Delhi needs to carefully balance bilateral ties with both.

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| Rouhani had come to India as the national security adviser to Iran’s President Mohammad Khatami, when they visited India from January 24-28, 2003 as the chief guest at the Republic Day parade and had met then Prime Minister Atal Bihari Vajpayee. Both sides signed “The New Delhi Declaration”, which set forth the vision of strategic partnership between the countries. |

**Key Highlights**

* In recalling the principles on development of bilateral relations articulated in the ‘New Delhi Declaration’ of 23 January 2003, the two sides expressed satisfaction at the progress made in bilateral ties since Prime Minister Modi’s visit to Iran in May 2016 and reiterated their common resolve to further intensify and strengthen multifaceted bilateral cooperation.
* Trade, investment and regional connectivity between India and Iran received a boost as leaders of the two countries signed a dozen pacts. Following Agreements/MoUs were signed:
* Agreement for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income
* MoU on Exemption from Visa requirement for holders of Diplomatic Passports
* Instrument of Ratification of Extradition Treaty
* MoU on Cooperation in the field of Traditional Systems of Medicine
* MoU on the establishment of an Expert Group on Trade Remedy Measures to promote cooperation in areas of mutual interest
* MoU on Cooperation in the field of Agriculture and Allied Sectors
* MoU on Cooperation in the field of Health and Medicine
* MoU on Postal Cooperation
* Lease Contract for ShahidBeheshti Port-Phase 1 of Chabahar during Interim Period between Port and Maritime Organization (PMO), Iran and India Ports Global Limited (IPGL)
* It was decided to convene within this year the meeting of the India-Iran Joint Commission and all its Working Groups, Foreign Office Consultations, dialogue between defense and National Security Council structures of the two countries, Policy Planning dialogue, and topromote Parliamentary exchanges.
* **Connectivity** –
* The successful inauguration of the Phase-1 of Chabahar Port in early December 2017; the ratification of the Trilateral Agreement between India, Iran and Afghanistan on Establishment of International Transport and Transit Corridor by all sides; and the successful shipment of wheat assistance from India to Afghanistan through Chabahar Port have opened a new gateway to and from Afghanistan, Central Asia and beyond.
* Both leaders welcomed the lease contract for ShahidBeheshti port of Chabahar during interim period between port and Maritime Organization (PMO), Iran and India Ports Global Limited (IPGL). They further directed that the Coordination Council should meet within the timelines stipulated in the Trilateral Agreement.
* With this lease agreement, New Delhi *got operational control* of part of the Iranian east coast port of Chabahar for 18 months.
* With a view to fully utilize the potential of the Chabahar Port and its connectivity to Afghanistan and Central Asia, India conveyed its readiness to support the development of Chabahar- Zahedan Rail line. IRCON, India and CDTIC, Iran who are engaged in discussions, were tasked to finalise the technical parameters and financing options for the project in a time bound manner.
* India's accession to TIR Convention and Ashgabat Agreement was welcomed as additional steps at enhancing regional connectivity and linking regional centers of economic growth.
* Both sides stressed the need for inclusion of Chabahar port under the framework of International North- South Transport Corridor (INSTC).
* **Energy Partnership** –

It was agreed to move beyond traditional buyer-seller relationship and develop it into a long term strategic partnership. For this purpose, both sides agreed to continue and increase the pace of negotiation for reaching appropriate results on energy cooperation, including Farzad B gas field.

* **Trade and Investment Cooperation** –
* To deepen trade and investment cooperation, the two leaders recognised the need to put in place an effective banking channel for business transactions
* It was also agreed to set up a Joint Committee of officials to examine feasible options, including Rupee-Rial Arrangement, Asian Clearing Union mechanism to establish functional payment channels
* The two sides agreed to undertake text based negotiations on Preferential Trade Agreement as well as conclusion of Bilateral Investment Treaty in a fixed time frame.
* India fully supported the accession of the Islamic Republic of Iran to the World Trade Organization and the ongoing consensus building efforts among WTO members to reactivate the accession process, consistent with the objective of making the Organization universal and inclusive.
* **Security and Defence Cooperation** –

The two agreed to enhance regular and institutionalized consultations between them and others concerned on terrorism, security and related issues such as organised crime, money-laundering, drug trafficking and cyber crime.

* **Promotion of Friendly exchanges and people to people contacts** –
* In order to facilitate friendly exchanges between the two countries, it was agreed that India would grant e-visa facility for the Iranian nationals and Iran would grant e-visa facility to the Indian nationals.
* With a view to build on the strong foundations of civilization and cultural connect and promote better understanding of each other at various levels, it was agreed:
* to hold the Festival of India in Iran in 2018/19;
* to establish a Chair of Indian studies in Tehran University;
* to organise Indology courses for Iranian diplomats by the Foreign Service Institute of India;
* to support the Persian language courses in India;
* to cooperate further in the areas of archaeology, museums, archives and libraries.
* The Indian side reaffirmed its support for full and effective implementation of the Joint Comprehensive Plan of Action (JCPOA), which has been endorsed by the UN Security Council and is crucial contribution to the non-proliferation framework and international peace, stability and security.
  1. **Tool To Hardsell Soft Power In Diplomacy**

**In News**

* The Indian government is working on developing a “soft power matrix”, a tool aimed at calibrating the effectiveness of India’s soft power outreach in dealings with neighbouring countries and leveraging it better as an operational instrument in India’s broader diplomatic doctrine.
* The process of putting in place a soft power matrix is currently at a research stage.
* The articulation of India’s soft power abroad is currently being done through the Indian Council for Cultural Relations (ICCR), with some 36 foreign cultural centres working to promote artistic and cultural traditions through a range of activities such as Festivals of India abroad.

**Key Highlights**

* The proposed matrix is being developed to calibrate outreach efforts such as:
* The propagation of Gandhian values and philosophy,
* The strength of the Mumbai film industry,
* Educational scholarships extended by the Ministry of External Affairs,
* Extending humanitarian assistance and disaster relief to help mitigate the adverse impact of natural disasters.
* Alongside, mementos offered by Prime Minister Narendra Modi during his engagements with world leaders over the last three years, including the gold-plated replica of Kerala’s Cheraman Juma Masjid, the replica of Khamsa-i Khusrau by the 13th century Sufi poet Amir Khusrau, and bookends with inscriptions from the Bhagavad Gita are also being seen as efforts to buttress the strength of Indian cultural heritage.

**Rationale Behind This Matrix**

* Soft power is perceived to be an intangible ingredient of a state’s power and it is difficult to measure the definite impact of these measures. The proposed matrix is being seen as an attempt to establish the linkages between India’s soft power and tangible outcomes in the area of diplomacy.
* There had been criticism in the past that the country has not been able to adequately leverage its ‘soft power’ in matters of foreign policy.
* Also, India’s soft power so far is perceived as having functioned independently of government policies, without the backing of a focused policy or adequate backing with financial resources.
* The Standing Committee on External Affairs, in a report two years ago, had recommended that the Ministry of External Affairs formulate a “comprehensive and well-structured policy” delineating India’s soft power resources and their articulation abroad.
  1. **Protocol Amending Accord Between India, China for DTAA**

**In News**

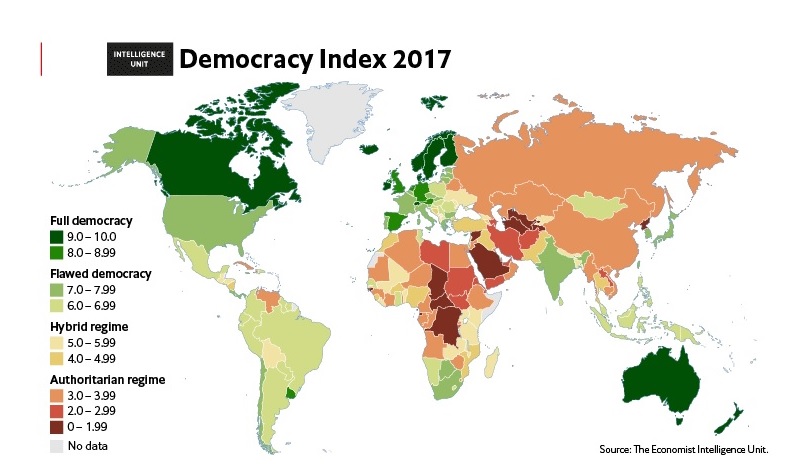
* The Cabinet has accorded approval to the protocol amending the agreement between India and China for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income.
* The protocol amending Double Taxation Avoidance Agreement (DTAA) aims to update the provisions on exchange of information of the DTAA to the latest international standards.

**Key Highlights**

* The Protocol will incorporate changes required to implement treaty related minimum standards under the Action reports of Base Erosion and Profit shifting (BEPS) Project, in which India had participated on an equal footing.
* It will also bring in changes as per BEPS Action reports as agreed upon by two countries.

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| **Base Erosion and Profit Shifting**   * Base erosion and profit shifting (BEPS) refers to tax avoidance strategies that exploit gaps and mismatches in tax rules to artificially shift profits to low or no-tax locations. * The idea is simple. Firms make profits in one jurisdiction, and shift them across borders by exploiting gaps and mismatches in tax rules, to take advantage of lower tax rates and, thus, not paying taxes to in the country where the profit is made. * The Organization for Economic Cooperation and Development (OECD) states that BEPS is of major significance for developing countries due to their heavy reliance on corporate income tax, particularly from multinational enterprises. * It also states that estimates since 2013 conservatively indicate annual losses of anywhere from 4 to10 per cent of global corporate income tax revenues, or $100-$240 billion annually. * The OECD, under the authority of the Group of 20 countries, has considered ways to revise tax treaties, tighten rules, and to share more government tax information under the BEPS project. * The convention will tackle base erosion and profit shifting through tax planning strategies that exploit gaps and mismatches in tax rules to artificially shift profits to low or no-tax locations where there is little or no economic activity, resulting in little or no overall corporate tax being paid. * The Final BEPS Project identified 15 actions to address BEPS in a comprehensive manner. Implementation of the Final BEPS Package requires changes to more than 3,000 bilateral tax treaties which will be burdensome and time consuming. * In 2016, India signed a multilateral convention to implement measures to prevent shifting of profits by companies to low-tax nations as a way to avoid paying taxes. |

1. **SUMMITS AND ORGANISATION**
   1. **Democracy Index 2017**



* Democracy Index 2017 report, released by the Economist Intelligence Unit, showed that democracy is in decline across the world.
* It is the worst performance since 2010-’11 in the aftermath of the global financial crisis.
* India has slipped to 42nd place on an annual Global Democracy Index. In 22016, India was ranked at 32nd place.

**Key Highlights**

* In the 2017 Democracy Index, the average global score fell from 5.52 in 2016 to 5.48 (on a scale of 0 to 10). Not a single region recorded an improvement in its average score since 2016, as countries grapple with increasingly divided electorates. Freedom of expression in particular is facing new challenges from both state and non-state actors.
* Some 89 countries experienced a decline in their total score compared with 2016. 27 recorded an improvement. The other 51 countries stagnated, as their scores remained unchanged compared with 2016.
* Top 5 countries are – Norway (9.87), Iceland (9.58), Sweden (9.39), New Zealand (9.26), Denmark (9.22).
* Bottom 5 countries are - Dem. Republic of Congo (1.61), Central African Republic (1.52), Chad (1.50), Syria (1.43), North Korea (1.08).
* The US (ranked 21), Japan, Italy, France, Israel, Singapore, and Hong Kong have also been named among ‘flawed democracies’.
* Only top 19 countries have been classified as ‘**full democracies’**, while the **hybrid regimes** include Pakistan (110th), Bangladesh (92nd), Nepal (94th) and Bhutan (99th).
* Those named as ‘**authoritarian regimes’** include China (139th), Myanmar (120th), Russia (135th) and Vietnam (140th).
* Top-ranked Norway has been given an overall score of 9.87 with perfect-ten scores for electoral process and pluralism; political participation; and political culture.
* It was a bad year for Asian nations as the continent recorded the biggest decline compared to other regions of the world.
* According to the index, Asia (5.63) lagged behind North America (8.56), Western Europe (8.38) and Latin America (6.26). Indonesia was the worst-performing nation, falling to 68th position from 48th rank.

**India Specific Observation**

* India fell ten places in the rankings from 32 to 42 as its score deteriorated by 0.58 points to 7.23 (on a scale of 0 to 10).
* Rise of conservative religious ideologies and increase in vigilantism and violence against minorities as well as other dissenting voices has been cited as the factors responsible for India’s fall in ranking.
* In the ‘media freedom ranking’, India ranked 49 out of 167 countries that the index covered. According to the report, India has also become a more dangerous place for journalists, especially the central state of Chhattisgarh and the northern state of Jammu and Kashmir.

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| **About The Report**   * The index ranks 165 independent states and two territories on the basis of 60 indicators grouped in five categories: electoral process and pluralism, civil liberties, the functioning of government, political participation and political culture. * The list has been divided into four broad categories—full democracy, flawed democracy, hybrid regime and authoritarian regime. * The index was first produced in 2006, with updates for 2008, 2010 and the following years since then.   **Economic Intelligence Unit**   * The EIU is the research and analysis division of the UK- based media behemoth The Economist Group. * Created in 1946, the EIU describes itself as having over 70 years of experience “in helping businesses, financial firms and governments to understand how the world is changing and how that creates opportunities to be seized and risks to be managed”. |

* 1. **World Government Summit 2018**

**In News**

* The sixth World Government Summit was held in Dubai. The Prime Minister Narendra Modi was the chief guest of this summit
* In his inaugural speech, PM Modi floated idea for sustainable development and urged everyone to follow the six Rs that stand for reduce, reuse, recycle, recover, redesign and remanufacture.
* He also emphasized the role of technology in empowering the common man via minimum government, maximum governance.

**About World Government Summit**

* The World Government Summit is a global platform dedicated to shaping the future of governments worldwide.
* It is an annual event held in Dubai, UAE and was first held in 2013. It brings together leaders in government for a global dialogue about governmental process and policies with a focus on the issues of futurism, technology and innovation, as well as other topics.
* The World Government Summit is a knowledge exchange forum at the intersection of government, technology, and innovation. It also functions as a thought leadership platform and networking hub for policymakers, business and civil society in human development.
  1. **UN Development Partnership Fund**

**In News**

* India has contributed an additional $1 million to the India-UN Development Partnership Fund earmarked for South-South cooperation.
* According to the UN Office of South-South Cooperation (UNOSSC), the contribution aims to intensify its partnerships with other developing countries.

**Key Highlights**

* India has pledged a multi-year contribution of $100 million to the fund established in June 2017.
* It has already provided $6 million within the seven months since its launch.

**About the India-UN Development Partnership Fund**

* The India-UN Development Partnership Fund is a dedicated facility within the United Nations Fund for South-South Cooperation established in 2017.
* It is supported and led by the Government of India, managed by the United Nations Office for South-South Cooperation, and implemented in collaboration with the United Nations system.
* The India-UN Development Partnership Fund supports Southern-owned and led, demand-driven, and transformational sustainable development projects across the developing world, with a focus on least developed countries and small island developing states.
* United Nations agencies implement the Funds projects in close collaboration with partnering governments.
* Its focus area includes - reducing poverty and hunger, improving health, education and equality, and expanding access to clean water and energy.

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| **About United Nations Office for South-South Cooperation (UNOSSC)**   * It was established to promote, coordinate and support South-South and triangular cooperation globally and within the United Nations system. * UNOSSC, hosted by UNDP since 1974, was established by the UN General Assembly with a mandate to advocate for and coordinate South-South and triangular cooperation on a global and UN system-wide basis. * UNOSSC receives policy directives and guidance from the General Assembly and through its subsidiary body, the High-level Committee on South-South Cooperation. * UNOSSC submits its strategic planning frameworks to the UNDP, UNFPA and UNOPS Executive Board for approval and funding. |

* 1. **South Asia Region Public Procurement Conference**

**In News**

* 5th South Asia Region Public Procurement Conference was inaugurated in New Delhi.
* The Government of India (GOI), through the Public Procurement Division (PPD) of the Ministry of Finance and All India Management Association (AIMA) are hosting the Conference.

**Key Highlights**

* The theme of the Conference was “**Public Procurement and Service Delivery**”.
* The Fifth Conference deliberated upon key aspects of public procurement that help ensure delivery of these services; and identify and address areas that need improvement.
* Procurement of health and education services, enhancing oversight in public procurement through complaints mechanism, audits, etc., role of ICT and PPP in public procurement, etc., also figured in various sessions.

**About The Conference**

* The objective of the Conference is to enable the Heads of Public Procurement and other key stakeholders in the eight South Asian countries to meet and learn from one another and from experts in the field of public procurement.
* The knowledge thus acquired would help various South Asian Governments to consider enhancements and innovations in their public procurement systems, enabling efficient utilization of public resources, ensuring quality and timeliness in delivery of services.
* The Conference is held under the auspices of the **South Asia Region Public Procurement Network (SARPPN)**, which is sponsored and facilitated by the World Bank, Asian Development Bank and Islamic Development Bank.
* The First Conference was held in Kathmandu in 2010, the second in Islamabad in 2014, the third in Dhaka 2015 and the fourth in Sri Lanka 2017.
  1. **UN World Food Programme**

**In News**

* Sweden and the United Nations World Food Programme has signed a Strategic Partnership Agreement committing an unprecedented $370 million dollars to WFP over the next four years.
* The contribution for the period 2018-2021 is the biggest ever made by a donor within a WFP Strategic Partnership Agreement.

**Key Highlights**

* For nearly a decade, Sweden has been the largest donor of flexible – or unearmarked – funds to WFP.
* Sweden’s leadership in providing flexible funding stands out at a time when more than 90 percent of government contributions to WFP are earmarked for specific operations or activities.
* In addition to its consistent funding, Sweden stands as one of WFP’s strongest advocates for reduced earmarking among donors.
* Under the agreement known as the **Grand Bargain**, concluded at the **World Humanitarian Summit in 2016**, Sweden and other leading donors committed to progressively reduce earmarking, with an aim of achieving a global target of 30 percent of humanitarian funding that is unearmarked or softly earmarked by 2020.

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| **About World Food Programme**   * Assisting 80 million people in around 80 countries each year, the World Food Programme (WFP) is the leading humanitarian organization fighting hunger worldwide, delivering food assistance in emergencies and working with communities to improve nutrition and build resilience. * It is part of the United Nations system and is voluntarily funded. * Born in 1961, WFP pursues a vision of the world in which every man, woman and child has access at all times to the food needed for an active and healthy life. * Its headquarter is in Rome. * The objectives that the WFP hopes to achieve are to: * Save lives and protect livelihoods in emergencies * Support food security and nutrition and (re)build livelihoods in fragile settings and following emergencies * Reduce risk and enable people, communities and countries to meet their own food and nutrition needs * Reduce undernutrition and break the intergenerational cycle of hunger * Zero Hunger in 2030 * WFP food aid is also directed to fight micronutrient deficiencies, reduce child mortality, improve maternal health, and combat disease, including HIV and AIDS. Food-for-work programmes help promote environmental and economic stability and agricultural production. |

* 1. **Corruption Perceptions Index 2017**

**In News**

* Transparency International has released its report called “Corruption Perceptions Index 2017”.
* The index, which ranks 180 countries and territories by their perceived levels of public sector corruption according to experts and businesspeople, uses a scale of 0 to 100, where 0 is highly corrupt and 100 is very clean.

**Key Highlights**

* This year’s Corruption Perceptions Index highlights that the majority of countries are making little or no progress in ending corruption.
* This year, the index found that more than two-thirds of countries score below 50, with an average score of 43.
* New Zealand and Denmark rank highest with scores of 89 and 88 respectively. Syria, South Sudan and Somalia rank lowest with scores of 14, 12 and 9 respectively.
* The best performing region is Western Europe with an average score of 66. The worst performing regions are Sub-Saharan Africa (average score 32) and Eastern Europe and Central Asia (average score 34).
* Top 5 countries are – New Zealand (89), Denmark (88), Finland (85), Norway (85), Switzerland (85)
* Bottom 5 countries are – Yemen (16), Afghanistan (15), Syria (14), South Sudan (12), Somalia (9)
* China with a score of 41 was ranked 77th on the list, while Brazil was placed at 96th with a score of 37 and Russia was at the 135th place with a score of 29.
* Report also indicated that countries with the least protection for press and non-governmental organisations (NGOs) also tend to have the worst rates of corruption.

**India Specific Observations**

* India’s ranking slid to 81 among a group of 180 countries with an overall score of 40. In 2016, India was in the 79th place among 176 countries.
* India’s ranking in the index had plummeted in 2013 and 2014 in the wake of the spectrum and coal scams. The ranking has improved since then, but seems to be showing signs of weakening.
* It named India among the “worst offenders” in terms of graft and press freedom in the Asia Pacific region.

**Top Five Recommendations By the Report**

Transparency International calls on the global community to take the following actions to curb corruption:

* Governments and businesses must do more to encourage free speech, independent media, political dissent and an open and engaged civil society.
* Governments should minimise regulations on media, including traditional and new media, and ensure that journalists can work without fear of repression or violence. In addition, international donors should consider press freedom relevant to development aid or access to international organisations.
* Civil society and governments should promote laws that focus on access to information. This access helps enhance transparency and accountability while reducing opportunities for corruption. It is important, however, for governments to not only invest in an appropriate legal framework for such laws, but also commit to their implementation.
* Activists and governments should take advantage of the momentum generated by the United Nations Sustainable Development Goals (SDGs) to advocate and push for reforms at the national and global level. Specifically, governments must ensure access to information and the protection of fundamental freedoms and align these to international agreements and best practices.
* Governments and businesses should proactively disclose relevant public interest information in open data formats. Proactive disclosure of relevant data, including government budgets, company ownership, public procurement and political party finances allows journalists, civil society and affected communities to identify patterns of corrupt conduct more efficiently.
  1. **World Congress on Information Technology**

**In News**

* The Government of Telangana has hosted the World Congress on Information Technology (WCIT) in 2018.
* The conference was held in Hyderabad. This was the first time it was being held in India and second for Asia. In 2008, it was hosted in Kualalumpur, Malaysia.

**Key Highlights**

* It was the 22nd edition of WCIT and was hosted by Telangana Government, in association with National Association of Software and Services Companies (NASSCOM) and global IT organization World Information Technology and Services Alliance (WITSA). The Government of Telangana was the **State Partner**.
* Theme of the event was - **'Future Enterprises**’
* Issues such as cyber security, global collaborative models, IT continuing education policies, global convergence, future of technology and others was discussed at the conference.
* Leaders at the conference agreed that digital transformation is critical. However, 70% of digital initiatives are likely to fail. According to them, what is needed is a digital core – an enterprise – wide transformation that rethinks the core across people, processes and technology.

**About WCIT**

* First held in 1978, the World Congress on Information Technology (WCIT) is unique in its global perspective on ICT issues and its ability to draw users, providers, media and academia from around the world.
* The congress is held after every two years, during which senior global business, government and academic leaders discuss emerging markets, legal and policy issues, political and economic trends, emerging technologies, ICT user perspectives and business opportunities in the global marketplace.
* WCIT 2016 was held in Brazil while 2014 edition was held in Mexico.

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| World Information Technology and Services Alliance (WITSA)   * Founded in 1978, the World Information Technology and Services Alliance (WITSA) is a leading consortium of ICT industry association members from over 80 countries/economies around the world. WITSA's members represent more than 90 percent of the world ICT market. * As the leading recognized voice of the global ICT industry, WITSA aims to drive transformation and grow the industry given that ICT is the key driver of the global economy. * Functions: * Facilitating international trade and investment in ICT products and services through our global network of contacts; * Promoting industry cooperation and strengthening our national associations through the sharing of knowledge, experience, and critical information; * Working closely with internationally recognized organizations to promote and facilitate growth; |

* 1. **World Sustainable Development Summit 2018**

**In News**

* 2018 edition of the World Sustainable Development Summit (WSDS 2018) was held in India.
* It has been organized by the Energy and Resources Institute (TERI). It aims to accelerate action towards sustainable development and especially climate change.
* WSDS is the flagship forum of The Energy and Resources Institute (TERI) and seeks to bring together on a common platform, global leaders and thinkers in the fields of sustainable development, energy and environment sectors.

**Key Highlights**

* The theme of the Summit this year is ‘Partnerships for a Resilient Planet’.
* The Summit addressed a wide variety of issues, including combating land degradation, effective waste management mechanisms to make cities free of landfills free, combat air pollution effectively, measures to increase resource and energy efficiency, facilitate transition to clean energy and create financial mechanisms to enable effective climate change mitigation.
* The ‘Greenovation Exhibition’ at WSDS 2018 highlighted the latest technological advancements to meet Sustainable Development Goals.
* The thematic tracks at WSDS 2018 included discussions on issues related to sustainability, including carbon markets and pricing, sustainable transport, resilient cities, solar energy and refrigerant technologies.

**Background**

* The Energy and Resources Institute’s (TERI's) annual event, **the Delhi Sustainable Development Summit (DSDS)**, has been rebranded to World Sustainable Development Summit (WSDS). TERI had been organizing DSDS since 2001.
* Post the adoption of the Sustainable Development Goals and the signing of the Paris Agreement, the WSDS aims to provide long-term solutions for the benefit of the global community by assembling the various stakeholders on a single platform.
* The first edition of the WSDS was held in 2016 in New Delhi, under the broad theme of ‘Beyond 2015: People, Planet and Progress’.

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| The Energy and Resources Institute (TERI):   * The Energy and Resources Institute (TERI) is a leading think tank dedicated to conducting research for sustainable development of India and the Global South. * TERI was established in 1974 as an information centre on energy issues. However, over the following decades, it made a mark as a research institute, whose policy and technology solutions transformed people's lives and the environment. * TERI's key focus lies in promoting: * Clean energy * Water management * Pollution management * Sustainable agriculture * Climate resilience * TERI is headquartered in New Delhi, with regional centres in Bengaluru, Guwahati, Mumbai, Panaji (Goa), and Nainital (Uttarakhand). |

* 1. **International Conference on Sustainable Biofuels 2018**

**In News**

* The two day international conference on Sustainable Biofuels was organized in New Delhi.
* It was jointly organized by Department of Biotechnology, Govt. of India on behalf of Mission Innovation and Biofuture Platform.

**Key Highlights**

* The event is brought experts and delegates from 19 countries together in Sustainable Biofuels sector to take stock of current knowledge, share information and best practices, and build consensus on the actions most needed to move forward.
* The conference made an effort to a clear understanding of the development in bio-economy made by participating countries, increase awareness of policy makers about the challenges faced by the industry-investor for commercial scale up of advanced biofuels.
* A “New Delhi Declaration on Sustainable Biofuels” was endorsed during this International Conference which had been prepared in consultation with the Mission Innovation Member countries, and Biofuture Platform group.

**Background**

* Mission Innovation (MI) is a global initiative of 22 countries and the European Union to dramatically accelerate global clean energy innovation.

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| * Department of Biotechnology (DBT) under Ministry of Science & Technology is nodal agency coordinating and steering activities of Mission Innovation (MI) in India. Mission Innovation India unit was set-up in 2017 by DBT at ICGEB, New Delhi * DBT also has established Sustainable Biofuel Innovation Challenge (SBIC) under MI. It aims to accelerate research, development and deployment of low cost, high GHG impacting advanced biofuels. |

* As part of the initiative, participating countries have committed to double Clean Energy Research and Development investments over five years.
* The Sustainable Biofuel is one of the Seven Mission Innovation Challenges and India Co-leads this along with other countries Brazil, Canada and China.
* Sustainable Biofuel development is a key challenge as well as an opportunity for Governments, researchers, investors and industry to work together. International Conference on Sustainable Biofuels aims to provide a common platform to Government policy makers, industry, investors and research community to exchange experiences and challenges related to development and scaling of advance biofuels.

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| **Biofuels**   * Biofuels are fuels produced directly or indirectly from organic material – biomass – including plant materials and animal waste. * Biofuels may be derived from agricultural crops, including conventional food plants or from special energy crops. Biofuels may also be derived from forestry, agricultural or fishery products or municipal wastes, as well as from agro-industry, food industry and food service by-products and wastes. * A distinction is made between primary and secondary biofuels. * In the case of primary biofuels, such as fuelwood, wood chips and pellets, organic materials are used in an unprocessed form, primarily for heating, cooking or electricity production. * Secondary biofuels result from processing of biomass and include liquid biofuels such as ethanol and biodiesel that can be used in vehicles and industrial processes. * Biofuels are broken down into three generations, namely - First, Second and Third. * **First-generation** biofuels are those which are made from feedstocks that can also be consumed as human food. Whether it is sugar, starch, or vegetable oil, all of them are also human food products which makes them a first-generation fuel. E.g. – Biodiesel, Ethanol, Biogas etc. * **Second-generation** fuels are also produced from sustainable feedstock but, in this case, these feedstocks are not normally used for human consumption. * Second-generation technologies cover a wider range of biomass resources, from agriculture to forestry and waste materials. One well-known second-generation technology is called lignocellulosic processing, which uses forest materials. * The plus side of second-generation biofuels is the increased efficiency that uses the vast majority of the biomass feedstock which avoids the waste seen in first-generation bioful production. * Third-generation fuels is algae. The capital and operating costs of third-generation production are the highest. This sub-sector requires additional research and development to reach the point of being a sustainable method of consistent biofuel production on a commercial scale, but the potential is highly promising. |

* 1. **India Energy Congress 2018**

**In News**

* The 7th India Energy Congress was held in New Delhi from February 1 to 2.
* The theme of the 7th edition of India Energy Congress is 'Energy 4.0: Energy Transition Towards 2030'.
* It was organised by World Energy Council India (WEC India) and inaugurated by Union Power and New and Renewable Energy Minister.

**Key Highlights**

* The event provided platform to discuss and debate the energy transition being witnessed, **Energy 4.0 - the fourth energy revolution** and draw map for 2030, in view of technological and digital disruptions already underway and those visible across the horizon.
* It also deliberated upon how these are driving energy transition in various parts of the world.
* The Congress was structured in five cross-cutting sub-themes: Policy and Energy Environment 2030; Energy Investments in an Uncertain World; Sustainable Mobility; Variable Renewable Energy Integration; and Reaching the Last Mile.

**About World Energy Council**

* The World Energy Council is the principal impartial network of leaders and practitioners promoting an affordable, stable and environmentally sensitive energy system for the greatest benefit of all.
* Formed in 1923, the Council is the UN-accredited global energy body, representing the entire energy spectrum.
* The World Energy Council informs global, regional and national energy strategies by hosting high-level events, publishing authoritative studies, and working through its extensive member network to facilitate the world’s energy policy dialogue.

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| * The India Energy Congress is the flagship event of World Energy Council India (WEC India) and joint event of ministries of power, coal, new & renewable energy, petroleum & natural gas, external affairs and Department of Atomic Energy. * The WEC India functions under the power ministry. Secretary (Power) is the chairman of the WEC India. * Currently, NTPC Chairman Gurdeep Singh is the member secretary of the WEC India. |

1. **DEFENCE AND SECURITY**
   1. **Bill To Amend Prevention Of Money-Laundering Act**

**In News**

* Government has proposed a Bill to amend Prevention of Money-laundering Act via Finance Act, 2018.
* The Amendments aim at further enhancing the effectiveness of the Act, widen its scope and take care of certain procedural difficulties faced by the Enforcement Directorate in prosecution of PMLA cases.

**Key Highlights**

The major amendments proposed are as follows:

* **Measures to enhance effectiveness of PMLA** -
* **Amendment in definition of “proceeds of crime”** - The definition of "proceeds of crime" in PMLA was amended in 2015 to include "property equivalent held within the country" in case proceeds of crime is taken out or held "outside the country". The present amendment shall allow to proceed against property equivalent to proceeds to crime held outside the country also.
* **Amendment in bail provisions**: Amendment proposed in Section 45(1) would make the applicability of bail conditions uniform to all the offences under PMLA, instead of only those offences under the schedule which are liable to imprisonment of more than 3 years. This will be a significant step forward in delinking the proceedings against scheduled offences and Money laundering offences under PMLA.
* **Corporate frauds included as Scheduled offence**: Section 447 of Companies Act is being included as scheduled offence under PMLA so that Registrar of Companies in suitable cases would be able to report such cases for action by Enforcement Directorate under the PMLA provisions.
* **Measures to enhance effectiveness of investigations**
* Section 5(1) of the Act provides that every order of provisional attachment passed by an officer of Enforcement Directorate shall cease to have effect after 180 days from the date of the provisional attachment order, unless confirmed by the Adjudicating Authority under PMLA within that period.
* This section is proposed to be amended to include the period of stay in this time limit of 180 days and also further period of not more than 30 days to take care of delays if any in communication of judicial orders.
* Under the existing provision of Section 8(3), presently, the Directorate is required to file prosecution immediately after confirmation by Adjudicating Authority. Proposed amendment gives 90 days more for investigation to ED, before prosecution is filed.
* New sub-section (2) of section 66 is being introduced to provide for clear guidelines to share the information relating to contraventions of other laws noticed during investigation by ED, with concerned authorities under the said Acts. This shall enable exchange of information among agencies and enhance effectiveness of efforts against black money.
* **Measures for restoration of property of persons adversely affected by PMLA investigation**
* Present provisions under Section 8(8) allow distribution of confiscated property to the rightful claimants, only after the trial is complete. Present amendment allows Special Court, if it thinks fit, to consider the claims of the claimants for the purposes of restoration of such properties even during trial also, in such manner as may be prescribed.

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| **MONEY LAUNDERING**   * It is the process of creating the appearance that large amounts of money obtained from serious crimes has originated from a legitimate source. * Illegal arms sales, smuggling, and other organized crime, including drug trafficking and prostitution rings, can generate huge amounts of money. * Embezzlement, insider trading, bribery and computer fraud schemes can also produce large profits and create the incentive to "legitimize" the ill-gotten gains through money laundering. * The money so generated is tainted and is in the nature of 'dirty money'. Money Laundering is the process of conversion of such proceeds of crime, that is to say the 'dirty money', to make it appear as 'legitimate' money. * modus operandi:   + The first stage is when the crime money is injected into the formal financial System. This is called'placement';   + In the second stage, money injected into the system is layered and spread over various transactions with a view obfuscate the tainted origin of the money. This process is called 'layering';   + In the third and the final stage, money enters the financial system in such a way that original association with the crime is sought to be obliterated so that the money can then be used by the offender or person receiving as clean money. This is called 'Integration'. |

* 1. **J&K Asks Centre To Adopt Atal Doctrine**

**In News**

* J&K government asked the Centre to revisit former Prime Minister Atal Bihari Vajpayee’s doctrine to defuse tension with Pakistan.
* This has been asked in the backdrop of heightened tension witnessrd at Line Of Control.
* The state government believes that dialogue and reconciliation is the only way to restore peace along the borders and on the mainland.

**The Atal Doctrine**

* The Vajpayee doctrine on Kashmir called for peace, progress and prosperity in the Valley by imbibing the spirit of Insaniyat (Humanity), Jamhuriyat (Democracy) and Kashmiriyat (Identity of the people of Kashmir).
* The doctrine was universally acclaimed by all segments across of political spectrum in the state, including the extremist elements in the Valley.
* Vajpayee's mantra included resolving all outstanding issues with Pakistan, including that of Jammu and Kashmir issue in a peaceful manner through bilateral dialogue without any third party intervention.
* Vajpayee’s doctrine of Insaniyat, Kashmiriyat and Jhamooriyat calls for the balanced development of Jammu, Kashmir and Ladakh while retaining the identity of the region.
  1. **Security Check Kiya Campaign**

**In News**

* To create awareness around Internet safety, Google India has launched a public initiative “#SecurityCheckKiya”.
* The main aim of this campaign is to protect young and first-time web users from account hijacking, safeguard Android devices from malicious apps and secure all their personal data if they lose their device.

**Key Highlights**

* With a large base of unsuspecting first time Internet users now coming online through easy access modes but lacking technical literacy, Indian users are increasingly vulnerable to bad actors and abuse on the web.
* Google made this information available on its homepage http://www.google.co.in, encouraging users to take the first step of Security Check on Safer Internet Day which was celebrated on February 6.
* People can follow a three-step action to stay safe on the web. To protect account hijacking, all Android devices and Gmail users can review their security settings and Google account activity with one click “Google Security”. This automatically scans for any vulnerability and guides users to keep theri account safe.
* To safeguard Android devices from malicious apps, users can scan and check Android device for any harmful apps through Google Play Protect. Google Play Protect scans all apps for malware before and after you install them and is automatically enabled on your device.
* To secure all personal data if an Android device is lost, users can download “Find My Device” app and it will help you to easily locate a lost Android device and keeps device and information secure.
  1. **Defence Acquisition Council Cleared Plan to Give Armed Forces Much-needed Firepower**

**In News**

* The Defence Acquisition Council approved the procurement of light machine guns, assault rifles and sniper rifles worth Rs 15,935 crore on a fast-track basis.
* The decision was taken at a meeting chaired by defence minister Nirmala Sitharaman.

**India’s Defence Acquisition Framework**

* India’s current acquisition framework consists, broadly, of a two-tiered structure, comprising the Defence Acquisition Council (DAC) and its subordinate bodies ­– the Defence Procurement Board, the Defence Research and Development Board and the Defence Production Board.
* This structure was created in 2001 in pursuance of the recommendations of the Group of Ministers (GoM), which was set up to review the “national security system in its entirety”.
* The acquisition procedures, which are captured in a document known as Defence Procurement Procedures (DPP).

**Problems with Defence Acquisition Framework**

* India’s defence acquisition has not progressed as desired. Among the failures of India’s defence acquisition framework has been its inability to ensure time-bound procurement thus forfeiting available budgetary resources, as well as vulnerability to import-centric pressures, corruption and controversies.
* In its 2007 audit report, the Comptroller and Auditor General of India (CAG) had noted that the basic problem of India’s defence acquisition framework was its dispersed centres of responsibility and lack of professionalism in acquisition.
* There are too many independent actors responsible for various acquisition functions that include drafting of technical features, issuance of tender document, undertaking of trials and evaluation, providing quality assurance and making payment to vendors.
* These actors are neither trained for their assigned roles nor are they given adequate time to build institutional capacity.
* Another major problem of India’s defence acquisition framework has been its lip service to indigenisation/self-reliance, which is now being manifested in the current government’s Make in India initiative.
* Although the DPPs of recent years have tried to buttress the self-reliance efforts through a host of measures, the acquisition system still harbours its step-motherly attitude towards indigenous industry, particularly private sector companies.
* The apathy towards domestic industry has been institutionalised by keeping the acquisition and production functions under two distinct power centres in the MoD.
* Though a mere brick wall separates the offices of the DG (Acq.) and Secretary (Defence Production) – the latter is responsible for indigenous arms production by both state and private entities – their meeting grounds remain far apart.
* Since the basic objectives of these two high offices are not necessarily driven by indigenous-centric procurement, the focus on indigenisation has become subservient to acquisition.
* It is primarily because of the inherent conflict of interests between these two high offices that domestic industry has not received the necessary attention it deserves, and India continues to figure among the top arms importers in the world.

**Way Forward**

* India can learn a lot France’s success in devising a sound domestic-industry-driven procurement system.
* It should focus to integrate the procurement and acquisition functions under one administrative head.
* Create a dedicated professional acquisition cadre to bridge the knowledge asymmetry between government and industry.
* Create the post of Chief Of Defence Staff (CDS) as the focal point for drawing up a consolidated procurement plan for the defence and security forces.
  1. **Assam’s Jogighopa Into India’s New Gateway To South-East Asia**

**In News**

* Jogighopa, a small town in Assam, is set to become India’s gateway to South-East Asia as well as the rest of the North-East.
* The road ministry is gearing up to develop a **multimodal logistics park (MMLP)** there with road, rail, waterways and air transport facilities.
* The road ministry has shortlisted 35 MMLPs across India, of which four are being executed in collaboration with ADB.

**Key Highlights**

* The development includes railway sidings, container terminals, warehousing, non-cargo processing, a truck terminal, common facilities, support infrastructure and equipment.
* Under the project, all four types of transportation—road, rail, air and waterways—will be available.
* A special purpose vehicle, backed by the Asian Development Bank (ADB), will be created to execute the project, which will be executed in two phases.
* Recent developments, like the announcement of the Northeast Economic Corridor under the Bharatmala programme of the road ministry and the signing of the MoU (memorandum of understanding) between India and Bangladesh for developing the Dalu-Tura-Goalpara-Gelephu multimodal trade route strengthen Jogighopa’s case for MMLP.

**Need For Such Gateways**

* The current transit corridors from mainland India to the North-East region pass through an area known as the “Chicken’s Neck”—a narrow tract of land in India between the borders with Bangladesh, Nepal and Bhutan.
* Since it is close to these borders and cannot be expanded, the North-East region requires an alternative route for providing connectivity to the rest of India—a route with adequate expansion potential.
* The Indo-Bangladesh road route, along with the National Waterways-2, provides such an option. We need to explore other routes as well.
* Currently India’s neighbours are gearing up for trade. For example, Bangladesh’s development of the Khulna-Dhaka-Sylhet Economic Corridor and the Banglabandha-Dhaka-Chittagong-Cox’s Bazar Economic Corridor—to promote industrial development in the region.
* These initiatives are expected to drive freight movement in the region and facilitate trade between India and Bangladesh, and between Bangladesh and Bhutan through India.
* Logistic connectivity in NE region can play a pivotal role in integrating national corridors of India with the international routes. It will also help in fostering a strong bond with ASEAN.
  1. **Anti-Narcotics Scheme Extended For 3 More Years**

**In News**

* The Centre has extended for three more years a scheme which combats illicit trafficking in drugs and psychotropic substance.
* This step has been taken considering the fact that there are 40 lakh drug addicts in the country.

**Key Highlights**

* Financial assistance will be provided to all the anti- narcotics agencies for strengthening their enforcement capabilities to combat illicit trafficking in narcotic drugs and psychotropic substances.
* The Narcotics Control Bureau (NCB) being the national nodal agency for drug administration will process the requests from state governments and UTs for financial assistance for improving their enforcement capabilities in dealing with the supply side of the drug menace
* The financial assistance will only be provided to those states/ UTs that have established basic institutional arrangements for the effective enforcement of anti-narcotics laws such as:
* Setting up of a multi-disciplinary coordination committee under the Chairmanship of Chief Secretary or Home Secretary for regular interaction with various central and state agencies including NCB for coordination and sharing of information and reviewing of the drug situation in the state.
* Setting up of an anti-narcotics task force under IG/ DIG level officer with properly demarcated duties and responsibilities.
* Preparation of annual action plans to address narcotics-related issues. The action plan should include Identification of regions that are sensitive to drug tracking and require focused attention and preparation of strategic action to be taken in these regions.

**About The Scheme**

* The scheme was first launched by the Union Home Ministry in 2004 for a period of 5 years
* Since then it has been extended twice.
* It aims to assist states and Union Territories financially which are contributing in controlling inter-state and cross-border drug trafficking.
* This is achieved through the formulation of strategies that include both supply reduction and demand reduction. Supply reduction would include enforcement activities while demand reduction would involve rehabilitation and de-addiction measures.
* The implementation of the scheme is monitored by IS- II Division, Ministry of Home Affairs and DG, Narcotics Control Bureau (NCB).

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| **About Narcotics Control Bureau (NCB)**   * The Narcotics Control Bureau (NCB) is the nodal drug law enforcement and intelligence agency of India responsible for fighting drug trafficking and the abuse of illegal substances. * It was created in 1986 to enable the full implementation of The Narcotic Drugs and Psychotropic Substances Act, 1985 and fight its violation through the Prevention of Illicit Trafficking in Narcotic Drugs and Psychotropic Substances Act, 1988.   **Provisions To Fight With Drug Menace**   * The National Policy on Narcotic Drugs and Psychotropic Substances is based on the Directive Principles, contained in Article 47 of the Indian Constitution, which direct the State to endeavour to bring about prohibition of the consumption, except for medicinal purposes, of intoxicating drugs injurious to health. * India is a signatory to the single Convention on Narcotic Drugs 1961, as amended by the 1972 Protocol,the Conventions on Psychotropic Substances, 1971 and the United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, 1988. * The broad legislative policy is contained in the three Central Acts, viz. Drugs and Cosmetics Act, 1940, The Narcotic Drugs and Psychotropic Substances Act, 1985, and The Prevention of Illicit Traffic in Narcotic Drugs and Psychotropic Substances Act, 1988. * The responsibility of drug abuse control, which is a central function, is carried out through a number of Ministries, Departments and Organisations. These include the Ministry of Finance, Department of Revenue which has the nodal co-ordination role as administrator of the Narcotic Drugs and Psychotropic Substances Act, 1985 and the Prevention of Illicit Traffic in Narcotic Drugs and Psychotropic Substances Act, 1988. |

* 1. **Centre Proposes Law Against Fugitives**

**In News**

* The Union Cabinet, on Thursday, approved the Fugitive Economic Offenders Bill, 2018.
* It aims to provide an “*effective, expeditious and constitutionally permissible deterrent to ensure that such actions are curbed*”.
* It would tighten the noose around fugitives like diamond merchant Nirav Modi and Vijay Mallya, and prevent such incidents in future.

**Key Highlights**

* The cases where the total value involved in such offences is Rs.100 crore or more, will come under the purview of this Bill.
* The bill will be applicable to various financial and allied offences as defined under the Indian Penal Code, the Prevention of Corruption Act, the Securities and Exchange Board of India Act, Customs Act and so on.
* The Bill defines a “fugitive economic offender” as an individual who has either left India to avoid criminal prosecution or refuses to return to India to face criminal prosecution, despite the fact that an arrest warrant is issued against him for a scheduled offence by any Indian court.
* It empowers “Special Courts” to declare a person a fugitive economic offender. Special Courts are those designated under Section 43(1) of the Prevention of Money Laundering Act, 2002. It covers a wide range of offences, including willful loan defaults, cheating and forgery and non-repayment of deposits.
* All properties in addition to the proceeds of crime belonging to such offender would also be confiscated. Besides, he will be disentitled from defending any civil claim.
* However, if such offender returns to India before the declaration by the Special Court, proceedings under the proposed law would cease.
* All necessary constitutional safeguards in terms of providing hearing to the person through counsel, allowing him time to file a reply, serving notice of summons to him, whether in India or abroad and appeal to the High Court have been provided for.
* Further, provision has been made for appointment of an Administrator to manage and dispose of the property in compliance with the provisions of law.

**Need For Such Bill**

* There have been several instances of economic offenders fleeing the jurisdiction of Indian courts, anticipating the commencement, or during the pendency, of criminal proceedings.
* The absence of such offenders from Indian courts has several deleterious consequences - first, it hampers investigation in criminal cases; second, it wastes precious time of courts of law, third, it undermines the rule of law in India.
* Further, most such cases of economic offences involve non-repayment of bank loans thereby worsening the financial health of the banking sector in India. The existing civil and criminal provisions in law are not entirely adequate to deal with the severity of the problem.

Possible impact of such legislation:

* The Bill is expected to re-establish the rule of law with respect to the fugitive economic offenders as they would be forced to return to India to face trial for scheduled offences.
* This would also help the banks and other financial institutions to achieve higher recovery from financial defaults committed by such fugitive economic offenders, improving the financial health of such institutions.
* It is expected that the special forum to be created for expeditious confiscation of the proceeds of crime, in India or abroad, would coerce the fugitive to return to India to submit to the jurisdiction of Courts in India to face the law in respect of scheduled offences.
  1. **Panel to Expedite Capital Acquisition for Armed Forces Modernisation**

**In News**

* Defence Minister Nirmala Sitharaman has constituted a 13-member advisory committee to monitor and expedite capital acquisition projects for the modernisation of the armed forces.
* The committee will be headed by Shri Vinay Sheel Oberoi.

**Key Highlights**

* The committee has to undertake an independent review and check the status of ongoing critical projects worth more than Rs 500 crore including ‘Mission Mode’ projects, ‘Make’ projects, ‘Buy (Indian), ‘Buy (Indian – IDDM), ‘Buy and Make’ and ‘Buy and Make (Indian)’ projects as well as ‘Design and Development’ projects under the Ministry.
* It would suggest measures to improve the capital acquisition process.
* The mandate of the panel includes identifying specific bottlenecks in implementing projects and suggesting remedial measures.
  1. **Paschim Lehar**

**In News**

* A tri-Service Maritime Exercise, named ‘Paschim Lehar’ commenced on the Western Seaboard on 12 February 2018.
* This exercise included participation of a large number of ships, submarines and aircraft from the Western Naval Command of the Indian Navy.
* In addition, units from Eastern Naval Command, Indian Army, Indian Air Force and the Indian Coast Guard are also participated to build inter-operability.
* The Amphibious capabilities of the Armed Forces, along with the elements of Army Amphibious Brigade will also be deployed and tested for operational tasking during the exercise.

**About Western Command**

* Western Command is a formation of the Indian Army, active since 1947. It has seen action during the Indo-Pakistan Wars of 1947, 1965 and 1971.
* It is headquartered at Chandimadir and is responsible for Punjab and Rajasthan.
* After the partition of India, the erstwhile command headquarters of which north India formed a part, Northern Command, went to Pakistan.
* The communal violence of partition necessitated the raising of a new command headquarters to relieve Army Headquarters of the day to day overseeing of operations of the two independent areas in north India.
* This command, initially named Delhi and East Punjab Command was raised in Delhi on 14 September 1947 with Lt Gen Sir Dudley Russell, KBE, CB, DSO, MC as the first commander. It had under it:
* Delhi Independent Area.
* East Punjab Independent Area.
* On 26 October 1947, following the accession of Jammu and Kashmir to India, Western Command was put in charge of all Indian Army operations to seize the area for India.
  1. **Milan 2018**
* Andaman & Nicobar Command will be hosting a multinational mega event MILAN 2018 during second week of March.
* With the **underlying theme of 'Friendship Across the Seas'**, MILAN 2018 will witness a diverse mix of professional exercises and seminars, social events and sporting fixtures.
* MILAN 2018 aims to showcase the rich heritage and pristine natural beauty of the Andaman and Nicobar Islands to the foreign visitors.
* MILAN is a congregation of littoral navies conducted biennially by Indian Navy at the Andaman and Nicobar Islands, under the aegis of the Andaman and Nicobar Command.
* Besides fostering co-operation through naval exercises and professional interactions, MILAN also provides an excellent opportunity to the participating navies to come together in a spirit of collaboration and mutual understanding to nurture stronger ties.
* MILAN made modest beginnings more than two decades ago when it was first held in 1995. The first edition saw participation of four littoral navies.
* From an event of sub- regional context, MILAN has now grown into a prestigious international event and encompasses participation by maritime forces from not just the Bay of Bengal and South East Asia but the larger Indian Ocean Region (lOR).
  1. **Rustom 2**

**In News**

* India’s Defence Research and Development Organisation successfully completed the test flight of its Rustom 2 drone at the Aeronautical Test Range.
* Rustom 2 is part of the Rustom line of Unmanned Aerial Vehicles (UAVs) that includes Rustom-I, Rustom-H and Rustom-C.

**Key Highlights**

* The drone was developed for use by all three services of the Indian armed forces, primarily for intelligence, surveillance and reconnaissance operations.
* The medium-altitude prototype can fly at over 22,000 ft and is a long-endurance (MALE) UAV that has an approximate flight time of 20 hours.
* The Rustom 2 is propelled by two 3-bladed NPO saturn engines. It can fly at around 280 km/h and carry a variety of payloads like Medium Range Electro Optic (MREO), Long Range Electro Optic (LREO), Synthetic Aperture Radar (SAR), Electronic Intelligence (ELINT), Communication Intelligence (COMINT) and Situational Awareness Payloads (SAP) that help in performing missions even during the night.
* Rustom 2 can fly missions on manual as well as autonomous modes. The onboard way-point navigation system allows the drone to conduct missions autonomously.
  1. **Myanmar Dam on Border**
* A dam being constructed by Myanmar across a river close to the boundary with India has stoked fears of submergence and water scarcity among border villagers in Kengjoi subdivison of Manipur’s Chandel district.
* The dam is being constructed barely 100 metres from the Zero Line separating the two countries. Although, international rules warrant border countries to check activities in No Man’s Land – a 150-metre strip on either side of the boundary line.
* The dam, called Tuidimjang, is on the Twigem river flowing into Myanmar from Manipur. The topography of the area is such that Khangtung and other Indian villages will be submerged if the dam comes up.
* This project will have huge negative social, cultural and economic impact on the residents of Khangtung and other Indian villages
* Khangtung is inhabited by the Thadou tribe.
* Manipur has had issues with internal dams too. In June 2015, a tribal village named Chadong in Ukhrul district was submerged by the Mapithel dam on river Thoubal.

1. **SCIENCE AND TECHNOLOGY**

### ICMR Partners With Pfizer To Combat Antimicrobial Resistance

* The Indian Council of Medical Research (ICMR) has partnered with Pfizer Ltd to establish a ‘Centre to Combat Antimicrobial Resistance’ in New Delhi.
* The project will help address the growing threat of antimicrobial resistance (AMR) in India. The joint initiative will implement a series of comprehensive interventions, ranging from AMR stewardship programmes for nursing homes to scaling up of the ongoing AMR surveillance network and creating awareness around responsible use of antibiotics.

**What Is Antimicrobial Resistance**

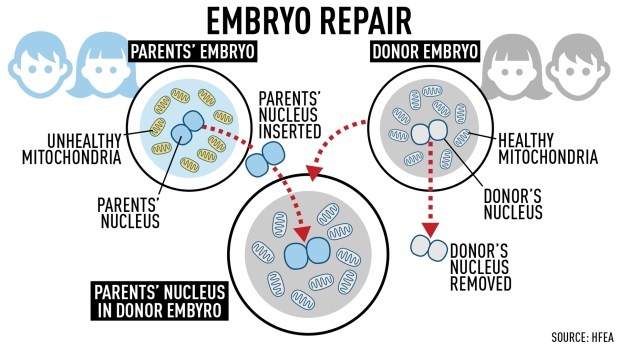
* Antimicrobial resistance occurs when microorganisms such as bacteria, viruses, fungi and parasites change in ways that render the medications used to cure the infections they cause ineffective. **When the microorganisms become resistant to most antimicrobials they are often referred to as “superbugs**”. This is a major concern because a resistant infection may kill, can spread to others, and imposes huge costs to individuals and society.
* Antimicrobial resistance occurs naturally but is facilitated by the inappropriate use of medicines, for example using antibiotics for viral infections such as cold or flu, or sharing antibiotics, Low-quality medicines, wrong prescriptions and poor infection prevention and control also encourage the development and spread of drug resistance. Lack of government commitment to address these issues, poor surveillance and a diminishing arsenal of tools to diagnose, treat and prevent also hinder the control of antimicrobial drug resistance.

## Three-parent Babies

**In News**

* Mitochondrial replacement therapy, which creates **"three-parent babies", involves a portion of the child's DNA coming from their mother, father and a third person – an egg donor**.
* Britain’s fertility regulator **Human Fertilisation and Embryology Authority (HFEA)** has allowed doctors to create country’s first ‘three-parent’ babies through **mitochondrial donation therapy.** This move is aimed at preventing passage of incurable genetic diseases from mothers to offsprings.

**Mitochondrial Replacement Therapy (MRT)**

Mitochondrial replacement is a special form of in vitro fertilisation in which the future baby's mitochondrial **DNA comes from a third party**. This technique is used in cases when mothers carry genes for mitochondrial diseases. The two most common techniques in mitochondrial donation are

1. Pronuclear transfer

2. Maternal spindle transfer.

**How Is Mitochondrial Replacement Therapy Different From Gene Editing**

In gene editing there is change in the existing genetic code. Mitochondrial replacement therapy is different because there is no change in the DNA. In MRT, only source of the mitochondrial genome is changed. It’s more a kind of transplantation.

* 1. **Agni-I Missile Flight-Tested Successfully**

An indigenously developed short-range nuclear capable ballistic Agni-1 was successfully test-fired from Dr Abdul Kalam Island, formerly known as Wheeler Island.

**Facts About Agni-I Missile**

* The short-range nuclear capable ballistic missile Agni-1 has a strike range of over 700 km.
* Agni-1 is an indigenously developed surface-to-surface, single-stage missile which was inducted into service in 2004.
* The state-of-the-art missile is propelled by a solid rocket propellant system.
* The sophisticated Agni-1 missile is equipped with a specialised navigation system that ensures it reaches the target with a high degree of precision.
* Agni-1 missile was developed by the Advanced Systems Laboratory or ASL in collaboration with the Defence Research Development Laboratory (DRDL) and the Research Centre Imarat (RCI).

# India Successfully Test-Fires Nuclear Capable Ballistic Agni II Missile

# An indigenously developed intermediate-range nuclear capable ballistic Agni II was successfully test-fired from Launch Complex-4 of Integrated Test Range (ITR) from the Abdul Kalam Island off the Odisha coast.

# The trial was conducted by the Strategic Forces Command (SFC) of the Indian Army as part of its user training exercise.

**Facts About Agni-II Missile**

* The intermediate-range nuclear capable ballistic Agni II is indigenously made and has already been inducted into the Indian Army.
* Agni II missile has a strike range of more than 2,000 km and is 20 metres long.
* Agni II missile weighs 17 tonnes and can carry a payload of 1,000 kg.
* The two-stage Agni II missile is equipped with advanced high accuracy navigation system.
* The navigation system in Agni II missile is guided by a novel scheme of state-of-the-art command and control system was propelled by solid rocket propellant system.

# India Successfully Test-Fires Nuclear Capable Prithvi-II

* India successfully test-fired it’s indigenously developed nuclear capable Prithvi-II missile as part of a user trial by the Army from a test range in Odisha.
* The trial of the surface-to-surface missile, which has a strike range of 350 km, was carried out from a mobile launcher from launch complex-3 of the Integrated Test Range at Chandipur near Balasore.
* Inducted into the Armed forces of the country in 2003, the nine-metre-tall, single-stage liquid-fuelled Prithvi-II is the **first missile** to have been developed by the DRDO under the **Integrated Guided Missile Development Programme (IGMDP).**

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| **Integrated Guided Missile Development Programme (IGMDP)**   * Integrated Guided Missile Development Programme (IGMDP) was conceived by renowned scientist Dr A P J Abdul Kalam to enable India attain self-sufficiency in the field of missile technology. * It was started in 1983 and completed in March 2012. * IGMDP was sanctioned to develop Prithvi, Trishul, Akash, Nag and a Technology Demonstrator Agni Missile. |

# Scientists Grow Human Eggs To Full Maturity In A Lab

# In a move likely to lead to improved fertility treatments, human eggs have been fully grown for the first time in a laboratory at the University of Edinburgh.

# This is the first time human eggs have been developed outside the human body from their earliest stage to full maturity.

# The technology remains at early stage, and much more work is needed to make sure that it is safe and optimized before these eggs remain normal during process, and can be fertilized to form embryos that could lead to birth of healthy babies.

**Significance**

# The advance could potentially help cancer patients wishing to preserve their fertility while undergoing chemotherapy treatment and deepen scientific understanding of the biology of the earliest stages of human life.

# It can help in developing regenerative medicine therapies and new infertility treatments.

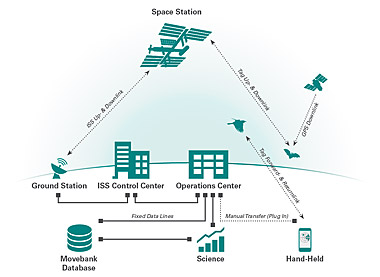
# Japanese Encephalitis

* Japanese encephalitis virus (JEV) is a **flavivirus related to dengue, yellow fever and West Nile viruses, and is spread by mosquitoes**.
* JEV is the main cause of viral encephalitis in many countries of Asia with an estimated 68 000 clinical cases every year. Although symptomatic Japanese encephalitis (JE) is rare, the case-fatality rate among those with encephalitis can be as high as 30%. Permanent neurologic or psychiatric sequel can occur in 30%–50% of those with encephalitis.
* 24 countries in the WHO South-East Asia and Western Pacific regions have endemic JEV transmission, exposing more than 3 billion people to risks of infection.
* There is no cure for the disease. Treatment is focused on relieving severe clinical signs and supporting the patient to overcome the infection.
* Safe and effective vaccines are available to prevent JE.

# Russian Cargo Ship Launches on 2-Day Flight to Space Station

* Russian space agency Roskosmos has successfully launched **Progress MS-08**, an unmanned cargo spacecraft for the International Space Station (ISS). It was launched onboard of Soyuz-2.1a rocket from Russian-leased Baikonur launch facility in Kazakhstan. Soyuz-2.1a has four strap-on boosters and core engine, all fuelled by mix of kerosene and liquid oxygen.
* The robotic cargo capsule is packed with equipment, scientific hardware, food and supplies for the orbiting lab’s six-person crew, propellant for the station, water, compressed air and compressed oxygen.
* It was also carrying equipment for the **German-Russian ICARUS research project** aimed at studying wildlife-migration pattern

**ICARUS (International Cooperation For Animal Research Using Space) Research Project**

* ICARUS, the most technically advanced project for animal observation from space.
* ICARUS intends to research the global migration flows of animals at the focus first of all are small animals such as birds, bats or flying foxes. Tiny transmitters, which weigh less than five grams and are known as tags, collect information on their migratory behaviour and transmit this to the ISS. "Entered into a database, the aim is to help protect animals, better understand Earth's climate and the spread of diseases as well as helping to practise more sustainable agriculture.

# New Type Of Antibiotic Discovered In Soil

# Scientists trawling through thousands of soil samples has discovered a whole new class of antibiotics capable of killing drug-resistant bacteria.

# The chemical, which has been called malacidin, appears to be non-toxic in humans and effective in tackling the hospital superbug MRSA (methicillin-resistant Staphylococcus aureus), raising hopes that it could be used to develop a new treatment.

# It has been produced by microorganisms living in soil and dirt and is capable of killing off several antibiotic-resistant pathogens. Malacidins are distinctive class of antibiotics that are commonly encoded in soil microbiomes. They have never been reported in culture-based NP (Natural Products).

# Malacidins are active against multidrug-resistant pathogens, sterilize methicillin-resistant Staphylococcus aureus (MRSA) skin infections in animal wound model and did not select for resistance in laboratory conditions.

# Malacidins only target gram-positive bacteria with a very thick cell wall. It is ineffective against gram-negative bacteria which cause cholera, pneumonia sexually transmitted diseases, and plague. Thus, it does not make it universal cure against all bacteria.

# Antimicrobial resistance - the ability of diseases to fight back against and ultimately become immune to known treatments - represents one of the greatest threats to humanity.

# Nearly 100 New Exoplanets Have Been Found in K2 Mission Data

# Scientists have confirmed discovery of nearly 100 new Exoplanets outside our solar system based on data from second mission of NASA’s Kepler Space Telescope (K2 mission). With this total number of Exoplanets found using NASA’s K2 mission has reached almost 300.

# They were discovered using research from National Space Institute (DTU Space) at the Technical University of Denmark. Out of 275 candidate planets, scientists confirmed 95 were Exoplanets. A candidate exoplanet is measured by the shadow it causes as it crosses its host star.

# One of planets detected was orbiting a very bright star called HD 212657 with 10-day orbit period. HD 212657 is now the brightest star found by either the Kepler or K2 missions to host validated planet.

# This discovery will help astronomers to develop much better picture of nature of exoplanet which in turn will allow us to place our own solar system. Discovery of planets around bright stars will help astronomers to learn about them from ground-based observatories.

**Exoplanets**

# Exoplanets (or extra solar planets) are all the planets in the universe beyond own solar system. There exist various types of Exoplanets-

### A. Rocky planets: Rocky planets are mainly composed of heavier elements such as silicate rocks or metals and their solid planetary surface makes them especially suited for harbouring complex life. Immediately after its formation the planet was completely molten, thus most of the heavier elements (mainly metals) sink down to the core of the planet and the lighter elements (such as silicon or oxygen) float above the metallic core.

### B. Super-Earths: Super-Earths are planets of between 1 and about 10 Earth masses. The term super neither means super-habitable nor does it say anything about the surface conditions of the exoplanet, in this context it merely means larger than our Earth. Anyhow, super-Earths might be even more suitable for life than our own planet Earth - mainly due to their favourable tectonic activity. There are no super-Earths in our own solar system. Super-Earths with a low bulk density are mainly composed of hydrogen and helium

### C. Ocean planets and desert planets: Ocean planets (or water worlds) are planets with enough water to completely cover the entire surface of the planet with oceans. Potentially all rocky planets, including super-Earths, can become water worlds provided that the planet resides in the habitable zone of its star (where the surface temperature is between 0 and 100 °C).

A desert planet is a planet without any surface water. Such planets are quite common too; Mars is a good example inside our own solar system and Earth will become a desert planet in about a billion years due to the slowly increasing luminosity of the Sun that will cause all water to evaporate.

**D.** **Gas Giants:** All planets with masses exceeding 10 Earth masses are called gas giants. These planets probably have a small rocky core, but they aremainly composed of hydrogen and helium**.** We have four gas giants in our own Solar System: Jupiter, Saturn, Uranus and Neptune **(even though Uranus and Neptune might also be categorized as ice giants due to their high water and ammonia content).**

**E. Hot Jupiter**: A hot Jupiter is a gas giant that orbits its host star in a very close orbit hence it's a high-temperature variant of a gas giant.

**F. Rogue planets:** Rogue planets (also called nomad planets or orphan planets) are planets without a central star; they are free-floating throughout our galaxy. Since there is no star around them they are dark and very difficult to detect.

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| **Kepler Mission:** NASA had launched Kepler spacecraft in 2009 to hunt for exoplanets in single patch of sky. The spacecraft had crippled the telescope in 2013 due to mechanical failure. However, by changing its field of view periodically, astronomers and engineers had then devised way to repurpose and save the space telescope which had paved way for K2 mission. The telescope hunts exoplanet transits by registering dips in light caused by shadow after it crosses in front of its host star. |

# Indian Scientists Develop Next Generation Technology Loop To Generate Clean Energy

# Indian scientists, at Indian Institute of Science Bangalore, have indigenously developed a super critical carbon di oxide Brayton test loop facility that would help generate clean energy from future power plants including solar thermal.

# This is India’s first test-bed for next generation, efficient, compact, waterless super critical carbon dioxide Brayton cycle test loop for power generation. The technology is perhaps the first test loop coupled with solar heat source in the world.

# This early stage research could potentially be useful for meeting the energy needs of the country. The new generation high efficiency power plants with closed cycle CO2 as the working fluid have the potential to replace steam based nuclear and thermal power plants, thus reducing the carbon foot print significantly.

# Today’s thermal power plants use steam to carry heat away from the source and turn a turbine to generate power. However, it could generate more power if, instead of steam, supercritical CO2 (SCO2) is used. The term “supercritical” describes the state of carbon dioxide above its critical temperature of 31°C and critical pressure of 73 atmospheres making it twice as dense as steam.

# The efficiency of energy conversion could also be significantly increased by as much as 50 percent or more, if S-CO2 is operated in a closed loop Brayton cycle. Besides increasing power generation and making the process more efficient, there are other advantages of using this new technology. Smaller turbines and power blocks can make the power plant cheaper, while higher efficiency would significantly reduce CO2 emissions for fossil fuel based plants. Moreover, if the power plant used solar or nuclear heat source, it would mean higher capacity at lower operating costs.

# Dhanush Ballistic Missile Successfully Test-Fired

# India successfully test-fired the nuclear-capable 'Dhanush' ballistic missile with a strike range of 350 km from a naval ship off Odisha coast.

# The surface-to-surface missile, a naval variant of the indigenously-developed 'Prithvi' missile, was test-fired from the ship positioned near Paradip in the Bay of Bengal.

# Dhanush' missile is capable of carrying a payload of 500 kg and hitting both land and sea-based targets.

# The single-stage, liquid-propelled 'Dhanush', has already been inducted into the defence services. It is one of the five missiles developed by the Defence Research and Development Organization (DRDO) under the Integrated Guided Missile Development Programme (IGMDP).

# Mysterious shrinking storms of Neptune spotted by NASA's Hubble

# The Hubble Space Telescope – has observed that an ominous, dark storm in Neptune, the farthest known major planet in our solar system, is shrinking out of existence.

# Similar to Jupiter's Great Red Spot (GRS), Neptune's storm swirls in an anti-cyclonic direction and is dredging up material from deep inside the ice giant planet’s atmosphere. The dark spot material may be hydrogen sulfide, with the pungent smell of rotten eggs. Unlike Jupiter’s GRS, the Neptune spot is not as tightly constrained by numerous alternating wind jets (seen as bands in Jupiter’s atmosphere).

# Neptune seems to only have three broad jets: a westward one at the equator and eastward ones around the north and south poles. The vortex should be free to change traffic lanes and cruise anywhere in between the jets.

# India To Launch Mission To Explore Moon’s South Pole

# India's second lunar mission – Chandrayaan-II – is scheduled for an April 2018 launch. It is under Chandrayaan-1 mission that the ISRO spotted water on the moon. Chandrayaan-2 is a further extension of the project and it is as good as landing a man on the moon.

# The south-pole is a “very tricky area” with rocks formed a million years ago. “It has very old rocks. This could possibly help us understand the origin of universe.

**Chandrayaan-2 Mission**

* **Chandrayaan-2**, India's second mission to the Moon is a totally indigenous mission comprising of an Obiter, Lander and Rover. After reaching the 100 km lunar orbit, the Lander housing the Rover will separate from the Obiter. After a controlled descent, the Lander will soft land on the lunar surface at a specified site and deploy a Rover.
* The mission will carry a six-wheeled Rover which will move around the landing site in semi-autonomous mode as decided by the ground commands. The instruments on the rover will observe the lunar surface and send back data, which will be useful for analysis of the lunar soil.
* Chandrayaan-2, weighing around 3290 kg, would orbit around the moon and perform the objectives of remote sensing the moon. The payloads will collect scientific information on lunar topography, mineralogy, elemental abundance, lunar exosphere and signatures of hydroxyl and water-ice.

# Ultra Massive Black Holes Discovered In Far-Off Galaxies

# Astronomers have detected what are likely to be the most massive black holes ever discovered in the universe. The discovery was made using data collected by NASA Chandra X-ray telescope on galaxies up to 3.5 billion light years away from Earth.

# A black hole is an invisible celestial object whose gravitational pull is so strong that neither matter nor light can escape it. These ultra massive black holes are growing faster than the stars in their respective galaxies.

# Researchers at University of Montreal in Canada, and Institute of Space Sciences in Spain, studied 72 galaxies located at the centre of the universe’s brightest and most massive galaxy clusters. Astronomers calculated the masses of black holes detected in these galaxy clusters by analysing their radio wave and X-ray emissions.

**Black Holes**

* **Albert Einstein first predicted black holes in 1916 with his general theory of relativity**. The term "black hole" was coined in 1967 by American astronomer John Wheeler, and the first one was discovered in 1971.
* There are three types of black hole:-

1. **Stellar black holes:** When a star burns through the last of its fuel, it may collapse, or fall into itself. For smaller stars, up to about three times the sun's mass, the new core will be a neutron star or a white dwarf. But when a larger star collapses, it continues to compress and creates a stellar black hole.

Black holes formed by the collapse of individual stars are (relatively) small, but incredibly dense. Such an object packs three times or more the mass of the sun into a city-size range. This leads to a crazy amount of gravitational force pulling on objects around it. Black holes consume the dust and gas from the galaxy around them, growing in size.

1. **Super massive black holes**: Super massive black holes are [millions or even billions of times](https://www.space.com/18668-biggest-black-hole-discovery.html) as massive as the sun, but have a radius similar to that of Earth's closest star. Such black holes are thought to lie at the centre of pretty much every galaxy, including the [Milky Way](https://www.space.com/18539-milky-way-s-supermassive-black-hole-seen-eating-something-video.html). Super massive black holes may be the result of hundreds or thousands of tiny black holes that merge together. Large gas clouds could also be responsible, collapsing together and rapidly accreting mass. A third option is the collapse of a stellar cluster, a group of stars all falling together.
2. **Intermediate black holes**: Such bodies could form when stars in a cluster collide in a chain reaction. Several of these forming in the same region could eventually fall together in the centre of a galaxy and create a super massive black hole.

# Artificial Intelligence May Help Check Tuberculosis Spread In India

# Scientists have developed a new artificial intelligence (AI) system that can help prevent the spread of infectious diseases such as tuberculosis in India more effectively than public outreach campaigns.

# Researchers used behavioral, demographic and epidemic disease data, to create a model of disease spread that captures underlying population dynamics and contact patterns between people. Using computer simulations, they tested the algorithm on two real-world cases: tuberculosis (TB) in India and gonorrhea in the US.

# The algorithm is leveraging non-obvious patterns and taking advantage of sometimes-subtle interactions between variables that humans may not be able to pinpoint. The model also takes into account that people move, age, and die, reflecting more realistic population dynamics than many existing algorithms for disease control. For instance, people may not be cured instantly, so reducing prevalence at age 30 could mean creating targeted public health communications for people at age 27.

1. **ECOLOGY AND ENVIRONMENT**
   1. **New Plant Species From West Bengal Named After Former President Abdul Kalam**

* Scientists from the Botanical Survey of India have identified a new plant species from two protected National Parks in West Bengal. **Named*Drypetes kalamii,* it is a small shrub found to be shorter version of its close relative Drypetes ellisii**. This adds to the rich floral wealth of India**.**
* Standing just 1 meter tall, the **newly described plant is unisexual in nature, which means they have separate male and female plants.**
* **The new species is a close relative of a medicinal plant known in Sanskrit as *Putrajivah*”. They were found in Buxa tiger Reserve and Jaldapara National park.**
* The new species is found in wet, shaded areas of subtropical moist semi-evergreen forests, at a height ranging 50-100 metres. With pale yellow flowers in clusters and bright orange to red fruits, the plant is exclusive to the two national parks**.**
* By following the IUCN (International Union for Conservation of Nature) rules, the scientists have provisionally assessed the plant to be **“Critically endangered”.** The report states forest fires and grazing as two plausible threats to the new species.
  1. **Three New Eel Species Found In Bay Of Bengal**
* Scientists have discovered three new species of eel along the northern Bay of Bengal coast in the past few months**.**
* **Dark brown with white dots on the dorsal side, *Gymnothorax pseudotile* was discovered at the Digha coast of the Bay of Bengal. The other two species, *Gymnothorax visakhaensis* (uniformly brown) and *Enchelycore propinqua*(reddish brown body mottled with irregular creamy white spots), were discovered from the Visakhapatnam coast of the Bay of Bengal.**
* While *Gymnothorax pseudotile* is about 1 feet to 1.5 feet long, *Gymnothorax visakhaensis* is about a foot long. *Enchelycore propinqua* is the smallest of them measuring less than a foot.
* **Eels are found mostly at the bottom of rivers and seas. Across the world, about 1,000 species of eels have been identified. In India, the number is around 125.** For species belonging to the family *Muraenidae*, referred commonly as Moray eels, there are records of about 200 species of which more than 30 species are found in India.
* The newly discovered species are not consumed by people at this moment but with declining marine and freshwater fish resources in the country, the species can be used for food in the future. *Gymnothorax pseudotile* is a beautiful species and can be used as an ornamental species for aquarium**.**
* An eel is any fish belonging to the order Anguilliformes that consists of four suborders, 20 families, 111 genera and about 800 species. Most eels are predators. The term "eel" (originally referring to the European eel) is also used for some other similarly shaped fish, such as electric eels and spiny eels, but these are not members of the Anguilliformes order
  1. **Maharashtra: Ghodazari To Be A New Wildlife Sanctuary**
* The Maharashtra government approved **Ghodazari in Chandrapur district as a new wildlife sanctuary.**
* The new sanctuary will include about 159 sq km area of Bramhapuri forest. It will create employment opportunities for people of 59 villages.

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| **Wild Life Sanctuary**   * A wildlife sanctuary is defined by State Government via a Notification. * There is no need to pass a legislation (act) by the state assembly to declare a wildlife sanctuary. * Fixation and alternation of boundary can be done by state legislature via resolution. * However, alternation of boundaries in wildlife sanctuaries can be done only with the approval of National Board of Wildlife. |

* 1. **Floating ‘Island’ To Clean Up Neknampur Lake**
* **The Floating Treatment Wetland (FTW)**was inaugurated on World Wetlands Day in Neknampur Lake in Hyderabad to clean and purify the pollution**.**
* Several plants on this FTW play the part of cleaning the lake by absorbing nutrients dissolved in the water, such as excess nitrates and oxygen, thereby reducing the content of these chemicals.
* FTW is a joint effort of NGO Dhruvansh, Hyderabad Metropolitan Development Authority (HMDA), district administration and other organizations.
* Based on the soil-less hydroponics technique, the FTW comprises four layers. Floatable bamboo forms its base, over which Styrofoam cubicles are placed. The third layer consists of gunny bags.
* The final layer is of gravel. Hydroponics permits plants to grow only on sunlight and water. There is no need of soil. There are small holes at the bottom which facilitate the flow of nutrients from the water to the plants (biological uptake process), which are held upright by the gravel layer.
* **Cleaning agents planted** on the FTW include vetivers, canna, cattalis, bulrush, citronella, hibiscus, fountain grass, flowering herbs, **tulsi and ashvagandha**.
* Micro-organisms growing on the FTW and plant root systems break down and consume the organic matter in the water through microbial decomposition. The root systems filter out sediments and pollutants. The NGO claims that FTW is strong and can hold the weight of as many as four people. Compared to sewage treatment plants, this method is much cheaper.

Biochemical Oxygen Demand or Biological Oxygen Demand, is a measurement of the amount of dissolved oxygen (DO) that is used by aerobic microorganisms when decomposing organic matter in water

Biochemical Oxygen Demand is an important water quality parameter because it provides an index to assess the effect discharged wastewater will have on the receiving environment. The higher the BOD value, the greater the amount of organic matter or “food” available for oxygen consuming bacteria. If the rate of DO consumption by bacteria exceeds the supply of DO from aquatic plants, algae photosynthesis or diffusing from air, unfavourable conditions occur. Depletion of DO causes stress on aquatic organisms, making the environment unsuitable for life.

* 1. **Green Good Deeds Campaign**
* Environment Ministry has launched Green Good Deeds campaign.
* The purpose of the people-oriented campaign is to sensitise people and students, in particular about climate change and global warming**.**
* The Minister for Environment , Forests and climate change reminded theteachers of their “Green Social Responsibility” (GSR), similar to Corporate Social Responsibility (CSR).  Referring to the crucial role played by “Polio Sainiks” from municipal corporation schools in the Pulse Polio campaign, he underlined the need for “Green Sainiks” to broad-base the Green Good Deeds movement and to take it down to the grassroots level successfully.  
  1. **Pelican Festival**

The ‘Pelican Bird Festival-2018’ was held for the first time at Atapaka Bird Sanctuary on Kolleru lake in Andhra Pradesh. It was jointly organised by Andhra Pradesh Tourism Authority (APTA) and Krishna district administration.

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| * *Atapaka* Bird Sanctuary was recognized as one of the largest pelicanry in the world. During winter season, thousands of pelicans, painted storks and other birds migrate to *Kolleru* lake. During their stay they roost, breed and later fly away with their off springs. * Kolleru Lake is one of the largest freshwater lakes in India located in Andhra Pradesh. It is located between Krishna and Godavari deltas. * Kolleru lake is an important habitat for resident and migratory birds, including the grey or spot-billed pelican (Pelecanus philippensis). The lake was declared as wildlife sanctuary in November 1999 under *Wildlife Protection Act of 1972,* and also designated wetland of international importance in November 2002 under Ramsar Convention. * Pelicans are a genus of large water birds that makes up the family *Pelecanidae*. Pelicans are gregarious birds, travelling in flocks, hunting cooperatively and breeding colonially. They have been persecuted because of their perceived competition with commercial and recreational fishing. |

* 1. **Rhodendron Park In Tawang**
* The park would be built in a total area of 1.15 hectares and would be **partly funded under border area development programme (BADP).**
* **More than 30 species of rhododendrons** would be planted and conserved in the park where terrace cutting would also be done to raise the beauty and scenic component.
* ***Rhododendron***  is a genus of 1,024 species of woody plants in the heath family (Ericaceae), either evergreen or deciduous, and found mainly in Asia, although it is also widespread throughout the highlands of the Appalachian Mountains of North America. **It is the national flower of Nepal.** Most species have brightly coloured flowers which bloom from late winter through to early summer.
* Rhododendrons of India are widely distributed in diﬀerent regions and altitudes mainly in the Himalayas.
* The genus *Rhododendron* L. (Ericaceae) is represented by about 80 species in India. It is distributed mainly in different regions and altitudes of Himalayas with a greater concentration in the eastern Himalayas.
* Of the four parallel ranges in Himalayas, rhododendrons are practically absent in the Siwaliks, a few are found in the lesser Himalayas and majority of them are in the greater Himalayas. Only one species occurs in Trans-Himalayan region located in extreme north-west of India (including the cold deserts of Jammu and Kashmir and Himachal Pradesh).The greater Himalayas are thus an ideal locality for rhododendrons in India. Besides this, a good number of species are found in northeastern India particularly in Naga and Khasi hills.One subspecies *nilagiricum* of *Rhododendron arboreum* occurs in Western Ghats**.**
* Rhododendrons, in general, grow in well-drained acidic soils, which are rich in organic matter and low in elements. Most species grow on slopes where there is no water logging.

1. 1. **Cabinet Approves Ratification Of The Minamata Convention On Mercury**

* The approval entails Ratification of the Minamata Convention on Mercury along with flexibility for continued use of mercury-based products and processes involving mercury compound up to 2025**.**
* The Minamata Convention on Mercury will be implemented in the context of sustainable development with the objective to protect human health and environment from the anthropogenic emissions and releases of mercury and mercury compound.
* The Convention protects the most vulnerable from the harmful effects of mercury and also protects the developmental space of developing countries. Therefore, the interest of the poor and vulnerable groups will be protected.
* **The Minamata Convention on Mercury** urges the enterprises to move to mercury-free alternatives in products and non-mercury technologies in manufacturing processes. This will drive research & development, and promote innovation.
* Mercury is considered by experts to be one of the most toxic metals known. Once released into the environment, mercury bio-accumulates and bio-magnifies in the food chain, and easily enters the human body and impacts the nervous system
* The **Minamata Convention on Mercury**  was adopted and signed in 2013 at a Diplomatic Conference held in Kumamoto, Japan. The Convention is named after the Japanese city Minamata. This naming is of symbolic importance as the city went through a devastating incident of mercury poisoning.
  1. **ASH TRACK Mobile App For Better Management Of Fly Ash Produced By Thermal Power Plants**
* **A Web based monitoring System and a Fly Ash mobile application named ASH** TRACK were launched. These platforms will enable better management of the ash produced by thermal power plants by providing an interface between fly ash producers (Thermal Power Plants) and potential ash users such as – road contractors, cement plants **etc.**
* The ASH TRACK App would be managing 200 million tonnes of fly ash by tracking coal based power plants situated within 100 km and 300 km from given location and availability of fly ash, along with prospective users within the same radius. The App gives plant-wise, utility-wise and State-wise ash utilization status in the country.
* The thermal plants would regularly update fly ash generation, utilization and stock on the web portal and the app. This would allow effective monitoring and reviewing for increasing ash utilization. This would also help in protecting environment in terms of reduction in fugitive emissions, saving of precious top soil and conservation of land for sustainable development.
* The ASH TRACK Mobile App has following features**:**

**For Consumers-**

1. App shows coal based power plants situated within the radius of 100 km and 300 km from a given location
2. User can select power station from where he wants to take fly ash
3. Ash availability, distance from user’s location, details of contact person will be displayed
4. User can apply online for allocation of ash
5. SMS will be sent to the applicant and the respective power plant instantly

**For Power Stations-**

* 1. App shows perspective users within the radius of 100 km and 300 km of power plants
  2. Power station can see the location of prospective ash users surrounding the power plant like – cement plants, NHAI, Pradhan Mantri Gram Sadak Yojana (PMGSY) projects, brick producers, etc.
  3. Power plants can contact the prospective users for supply of ash

**Ash Utilisation Data –**

* 1. App gives plant wise, utility wise and state wise ash utilization status in the country
  2. Shows details of real time ash generation and utilization

Fly ash, the end product of combustion during the process of power generation in the coal based thermal power plants, is a proven resource material for many applications of construction industries and currently is being utilized in manufacturing of Portland Cement, bricks/blocks/tiles manufacturing, road embankment construction and low lying area development, etc.

* 1. **India State of Forest Report 2017**

The India State of Forest Report (ISFR) 2017 was released by Environment Minister in New Delhi.

**ISFR 2017: Key Findings**

* **Forest and Tree Cover of the country has increased by 8,021 sq km (1 %) as compared to assessment of 2015**. The very dense forest (VDF) has increased by 1.36 % as compared to last assessment. This is very heartening as **VDF absorbs maximum carbon dioxide from the atmosphere.**
* The increasing trend of forest and tree cover is largely due to the various national policies aimed at conservation and sustainable management of our forests like Green India Mission, National Agro-Forestry policy (NAP), REDD plus policy, Joint Forest Management (JFM), National Afforestation Programme and funds under Compensatory Afforestation to States.
* Successful agro-forestry practices, better conservation of forests, improvement of scrub areas to forest areas, increase in mangrove cover, conservation and protection activities have also led to increase in the forest and tree cover.
* Green Highways (Plantations & Maintenance) Policy to develop 1,40,000 km long tree line with plantation along with both sides of national highways will go a long way in enhancing the forest & tree cover.
* Top 5 states where maximum forest cover has increasedare **Andhra Pradesh (2,141 sq kms), Karnataka (1,101 sq kms), Kerala (1,043 sq kms), Odisha (885 sq kms) and Telangana (565 sq kms).**
* Top 5 states where forest cover has decreased are **Mizoram (531 sq km), Nagaland (450 sq km), Arunachal Pradesh (190 sq km), Tripura (164 sq km) and Meghalaya (116 sq km).** It is important to mention here that these states are in the North Eastern region of the country where the total forest cover is very high i.e. more than 70% in each state**.**
* The main reasons for the decrease are - shifting cultivation, other biotic pressures, rotational felling, diversion of forestlands for developmental activities, submergence of forest cover, agriculture expansion and natural disasters**.**

**Water Bodies Inside Forests Have Increased Over A Decade**

* Forests play a vital role in water conservation and improve the water regime in the area.
* State Forest Departments besides plantation and protection also undertake steps to improve water conservation through different interventions such as building Check dams, vegetation barriers, percolation ponds, contour trenches etc. under various Central & State Government schemes.
* As per the latest assessment, water bodies inside forest cover have increased by 2,647 sq kms during the last decade. Maharashtra (432 sq kms), Gujarat (428 sq kms), Madhya Pradesh (389 sq kms) are top three states showing increase in water bodies within forest areas. Overall, almost all the states have shown a positive change in water bodies.

**Mangrove Cover Of The Country Has Shown A Positive Change**

* As per ISFR 2017, mangrove forests have increased by 181 sq kms. Maharashtra (82 sq kms), Andhra Pradesh (37 sq kms) and Gujarat (33 sq kms) are the top three gainers in terms of mangrove cover. 7 out of the 12 mangrove states have shown an increase in mangrove cover and none of them show any negative change.
* Mangrove eco-systems are rich in biodiversity and provide a number of ecological services. They also play a major role in protecting coastal areas from erosion, tidal storms and tsunamis.

**Striving Towards Achieving NDC Goal**

* India is striving towards achieving its NDC goal of creating additional carbon sink of 2.5 to 3.0 billion tonnes of CO2 equivalent through additional forest and tree cover by 2030**.**
* As per present assessment total carbon stock in forest is estimated to be 7,082 million tonnes. There is an increase of 38 million tonnes in the carbon stock of country as compared to the last assessment.

* 1. **MoU Signed between Botanical Survey of India and Natural History Museum, UK**
* Botanical Survey of India (BSI) and Natural History Museum (NHM), UK signed a Memorandum of Understanding for cooperation in the field of genetic/taxonomic studies, research and training, conservation in India, including species and habitat conservation assessments, etc.
* The MoU will pave the way for BSI staff to work in Natural History Museum, London and vice-versa and they will share fairly and equitably the benefits that may arise from the collection, study and conservation of the plant materials such as seeds, herbarium specimens and tissue samples and exchange associated data and images. NHM will help BSI in capacity building in areas of systematic botany and long-term conservation of plant genetic resources in India.
* Botanical research has a long history in India, and modern scientific institutions have developed over two centuries. The collection of Indian plants held in UK institutions, together with India’s own tremendous collections, are an invaluable resource for modern Indian botanical science. Collections, digitisation and study by Indian scientists will make these openly available for wider scientific use in India in areas such as biodiversity conservation, environmental protection, and preservation of plant resources for use in traditional health systems by rural communities.
* Lakhs of herbarium specimens of Indian plants are located in the Natural History Museum in London, and a renewed partnership with the Botanical Survey of India is creating digital images of these specimens to make them available to Indian science.
* Both countries are committed to the use of scientific evidence to support the goals of the Convention on Biological Diversity, CITES and the Nagoya Protocol – this MOU will enable research that will underpin these national responsibilities.
  1. **Assam Will Mark September 22 As Rhino Day To Raise Awareness About The Animal**
* The Assam government will be observing **September 22** as Rhino Day to generate public awareness on protection of the one-horned pachyderm.
* A State Rhino Project in line with National Rhino Project will be launched in Assam soon for protecting the pachyderms from threats of poaching.

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| **Plastic Pollution Facts**   * Every year the world uses 500 billion plastic bags. * Each year, at least 8 million tonnes of plastic end up in the oceans, the equivalent of a full garbage truck every minute. * In the last decade, we produced more plastic than in the whole last century. * 50% of the plastic that we use is single-use or disposable. * We buy 1 million plastic bottles every minute. * Plastic makes up 10% of all of the waste we generate. |

* 1. **Drive Against Plastic Pollution To Gain Momentum From India - The Global Host Of World Environment Day 2018**
* India will be the global host of this year’s World Environment Day on June 5. ‘**Beat Plastic Pollution’** will be the theme of this year’s event which would drive worldwide efforts to discourage use of hazardous plastic.
* India had previously hosted the World Environment Day in 2011. Every year, a different country is chosen as the principal venue for the global celebration of the WED on June 5.
* The Day, a UN Environment-led global event, is celebrated for rededication of national efforts for sustainable development, to bring environmental concerns into the mainstream of the national developmental effort and also to bring people to the forefront of environmental conservation
* **According to the UN Environment, the theme for World Environment 2018** urges governments, industry, communities, and individuals to come together and explore sustainable alternatives and urgently reduce the production and excessive use of single-use plastic polluting our oceans, damaging marine life and threatening human health.
  1. **UK And India Upgrade Joint Research On Clean Water And Clean Energy**
* UK-India research projects on ‘Water Quality Research’ and ‘Energy Demand Reduction in Built Environment’ were launched.
* The *‘Water Quality Research’* programme has eight projects and *‘Energy Demand Reduction in Built Environment’*programme has four projects. These projects aim to deliver mutual benefits and research solutions not only to the UK and India but also to address shared global sustainable development goals – clean water and clean energy**.**