PERFECT 7 WEEKLY
CURRENT AFFAIRS

July: 2019 / Issue-02

MARITIME PIRACY AND ARMED ROBBERY

A Global Threat

- Back to Village : Energising and Empowering Panchayats
- Basel III Norms & India's Preparedness
- Restructuring India's Fiscal Federalism
- India - Maldives : Deepening Ties
- G20 Summit 2019 : Major Takeaways
- India - US Relations : The Strategic Conundrum

DHYEYA IAS
most trusted since 2003

FELICITATION PROGRAMME FOR UPSC TOPPERS 2018

DHYEYA IAS : AN INTRODUCTION

The guiding philosophy of the institute, throughout, has been creation of knowledge base. Dhyeya IAS inculcates human values and professional ethics in the students, which help them make decisions and create path that are good not only for them, but also for the society, for the nation, and for the world as whole. To fulfill its mission in new and powerful ways, each student is motivated to strive towards achieving excellence in every endeavor. It is done by making continuous improvements in curricula and pedagogical tools.

The rigorous syllabi not only instills in them, a passion for knowledge but also attempts to teach them how to apply that knowledge in real-life situations. The programmes lay emphasis on well-rounded personality development of the students and also in inculcating the values of honesty and integrity in them.

Vinay Kumar Singh
CEO and Founder
Dhyeya IAS

Dheya IAS is an institution that aims at the complete development of the student. Our faculty are hand-picked and highly qualified to ensure that the students are given every possible support in all their academic endeavors. It is a multi-disciplinary institution which ensures that the students have ready access to a wide range of academic material.

Our brand of education has broad horizons as we believe in exposure. Our students are encouraged to widen their knowledge base and study beyond the confinements of the syllabus. We aim to lend a gentle guiding hand to make our students recognize their inner potential and grow on their own accord into stalwarts of tomorrow's society.

Q H Khan
Managing Director
Dhyeya IAS

PERFECT 7 : AN INTRODUCTION

With immense pleasure and gratitude I want to inform you that the new version of 'Perfect-7', from the Dhyeya IAS, is coming with more information in a very attractive manner. Heartily congratulations to the editorial team. The 'Perfect-7' invites a wider readership in the Institute. The name and fame of an institute depends on the caliber and achievements of the students and teachers. The role of the teacher is to nurture the skills and talents of the students as a facilitator. This magazine is going to showcase the strength of our Institute. Let this be a forum to exhibit the potential of faculties, eminent writers, authors and students with their literary skills and innovative ideas.

I extend best wishes for the success of this endeavor.

Qurban Ali
Chief Editor
Dhyeya IAS
(Ex Editor- Rajya Sabha TV)

We have not only given the name 'Perfect 7' to our magazine, but also left no stone unturned to keep it 'near to perfect'. We all know that beginning of a task is most challenging as well as most important thing. So we met the same fate.

Publishing 'Perfect 7' provided us various challenges because from the beginning itself we kept our bar too high to ensure the quality. Right from the very first issue we had a daunting task to save aspirants from the 'overdose of information'. Focusing on civil services exams 'Perfect 7' embodies in itself rightful friend and guide in your preparation. This weapon is built to be precise yet comprehensive. It is not about bombardment of mindless facts rather an analysis of various facets of the issues, selected in a systematic manner. We adopted the 'Multi Filter' and 'Six Sigma' approach, in which a subject or an issue is selected after diligent discussion on various levels so that the questions in the examination could be covered with high probability.

Being a weekly magazine there is a constant challenge to provide qualitative study material in a time bound approach. It is our humble achievement that we feel proud to make delivered our promise of quality consistently without missing any issue since its inception.

The new 'avatar' of 'Perfect 7' is a result of your love and affection. We feel inspired to continue our efforts to deliver effective and valuable content in interesting manner. Our promise of quality has reached you in around 100 issues and more are yet to come.

Ashutosh Singh
Managing Editor
Dhyeya IAS

PREFACE

Dhyeya family feels honoured to present you a pandora box 'Perfect 7'. 'Perfect7' is an outstanding compilation of current affairs topics as per the new pattern of Civil Service examination (CSE). It presents weekly analysis of information and issues (national and international) in the form of articles, news analysis, brain boosters, PIB highlights and graphical information, which helps to understand and retain the information comprehensively. Hence,'Perfect 7' will build in-depth understanding of various issues in different facets.

'Perfect7' is our genuine effort to provide correct, concise and concrete information, which helps students to crack the civil service examination. This magazine is the result of the efforts of the eminent scholars and the experts from different fields.

'Perfect 7' is surely a force multiplier in your effort and plugs the loopholes in the preparation.

We believe in environment of continuous improvement and learning. Your constructive suggestions and comments are always welcome, which could guide us in further revision of this magazine.

Omveer Singh Chaudhary
Editor
Dhyeya IAS

Perfect 7

The Weekly Issue
Perfect 7
An Initiative of Dhyeya IAS (for Civil Services Examination)
July: 2019 | Issue: 02

Founder & CEO
Vinay Kumar Singh

Managing Director
Q.H.Khan

Chief Editor
Qurban Ali

Managing Editor
Ashutosh Singh

Editors
Omveer Singh Chaudhary, Rajat Jhingan, Jeet Singh, Avaneesh Pandey, Shashidhar Mishra

Editorial Support
Prof. R. Kumar, Baghendra Pratap Singh

Lead Authors
Rama Shankar Nishad, Ajay Singh, Ahamad Ali, Dharmendra Mishra

Authors
Sanjan Gotam, Ashraf Ali, Vivek Shukla, Swati Yadav, Ranjeet Singh, Anshu Chaudhary, Giriraj Singh

Chief Reviewers
Prerit Kant, Anuj Patel, Rajhans Singh

Copy Readers
Baghendra Pratap Singh, Pankaj Rathour

Design & Development
Sanjeev Kumar Jha, Punish Jain

Promotion & Advertisement
Gufran Khan, Rahul Kumar

Layout & Graphics
Vipin Singh,Krishna Kumar, Nikhil Kumar, Ramesh Kumar, Sachin Kumar

Computer Operators
Krishna Kant Mandal, Tarun Kanoujia

Articles Support
Mrityunjay Tripathi, Priya Singh, Rajni Singh, Rajni Tiwari, Lokesh Shukla, Vishisth Mishra, Ankit Mishra, Ayushi Jain, Preeti Mishra, Ravi Ranjan, Prabhat

Office Assistants
Hari Ram, Sandeep, Rajeev Kumar, Raju Yadav, Subham, Chandan, Arun Tripathi

Content Office

DHYEYA IAS
302, A-10/11, Bhandari House,
Near Chawla Restaurants,
Dr. Mukherjee Nagar, Delhi-110009

Contents

Seven Important Issues & Subjective Questions Based on Them.....1-23

- Maritime Piracy and Armed Robbery : A Global Threat
- Back to Village : Energising and Empowering Panchayats
- Basel III Norms & India's Preparedness
- Restructuring India's Fiscal Federalism
- India - Maldives : Deepening Ties
- G20 Summit 2019 : Major Takeaways
- India - US Relations : The Strategic Conundrum

Seven Brain Boosters & MCQ's Based on Them 24-32

Seven Important Facts for Prelims 33

Seven Practice Questions for Mains Exam 34

Seven Important News 35-37

Seven Important Highlights from PIB 38-40

Seven Important Concepts through Graphics.....41-44

Our other initiative

UDAAN TIMES
Putting You Ahead of Time...

Hindi & English Current Affairs Monthly News Paper

DHYEYA TV
Current Affairs Programmes hosted by Mr. Qurban Ali
(Ex. Editor Rajya Sabha, TV) & by Team Dhyeya IAS
(Broadcasted on YouTube & Dhyeya-TV)

SEVEN IMPORTANT ISSUES

1. MARITIME PIRACY AND ARMED ROBBERY : A GLOBAL THREAT

Why in News?

The Indian Coast Guard (ICG) co-hosted 12th Capacity Building workshop with Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia (ReCAAP) Information Sharing Centre (ISC).

The workshop aimed to deepen the knowledge of participants on various issues related with piracy and armed robbery such as international laws, prosecution process, forensics and emerging threats.

Introduction

Pirate is someone who commits robberies at sea, usually without being appointed to do so by any particular nation. While the word pirate brings to mind sea-fearing heroes of the last century, the truth is that piracy is still commonplace around the world. Moreover, a pirate has become a symbol of a commonplace criminal off the Somali and Singapore coasts and in the waters of the Indian and Pacific Ocean, where pirates are responsible for losses of up to $16 billion per year.

According to the United Nations Convention on the Law of the Sea (UNCLOS) of 1982, maritime piracy is any criminal acts of violence, detention, or depredation, committed for private ends by the crew or the passenger of a private ship or aircraft that is directed on the high seas against another ship, aircraft or against persons or property on board a vessel or aircraft. Hence, its history is as long as the ship has gone to sea and when people started using the oceans as trade routes. The existence of piracy itself has always been bound to the international maritime industry.

Today oceans and seas have transformed into critical arenas for security, trade, environment and maritime geopolitics and have been at the major crossroads of international relations. Overlapping and intersecting interests undergird the complex strategic environment that is characterised by growth, interdependence, vulnerability and competition. These have been supplemented by layers of non-traditional security (NTS) threats such as piracy and terrorism, along with concerns relating to safety at sea and sustainable development or the blue economy.

The threat posed by piracy and armed robbery against ships has been on the India's major security threat on piracy off the coast of Somalia, in the Gulf of Aden and the wider Indian Ocean. India is currently implementing a strategy for enhancing maritime security in West and Central Africa. It played an active role in setting up and functioning of the ReCAAP ISC along with Japan and Singapore. The Centre has designated the ICG as the focal point within India for the ReCAAP.

Further, to navigate through this complicated maritime realm, the states around the Indian Ocean will have to adopt collaborative strategies on security, environment, trade, transport, resources, safety and climate change. Interestingly, various strategic perspectives are being developed by a multitude of players, mostly external to the Indian Ocean region, comprising the US, China and others.

Piracy and Sea Robbery Situation in Asia

In 2018, there were 76 incidents of piracy and armed robbery reported in Asia. This was a 25% decrease in the total number of incidents and a 31% decrease in actual incidents compared to 2017. Nonetheless, it is important that we continue to reinforce the ownership of the Coastal States in addressing maritime crime, the cooperation between law enforcement agencies and the industry, and the timely reporting by ships, all of which have led to the decrease of incidents in Asia.

The threat from piracy remains, in Asia and also in the Indian Ocean. The Indian Ocean High Risk Area (HRA) continues to serve an important reference in ensuring ships and seafarers are prepared for pirate attacks. A serious threat remains despite the reduction to the area's geographic boundaries and correct reporting, vigilance and adherence to the 5th edition of the Best Management Practices to deter piracy and enhance maritime security in the Red Sea, Gulf of Aden, Indian Ocean and Arabian Sea (BMP5) remains crucial.

ReCAAP Information Sharing Centre

The Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia (ReCAAP) is the first regional government-to-government agreement to promote and enhance cooperation against piracy and armed robbery against ships in Asia.

The ReCAAP Agreement was launched in November 2006 with 14 Asian Contracting Parties including North, Southeast, and South Asian countries. It has 20 Contracting Parties today, including Europe (Norway, the Netherlands, Denmark, and the United Kingdom), Australia, and the United States.

The ReCAAP Information Sharing Centre (ReCAAP ISC) was established in Singapore on November 29, 2006. At the 12th Governing Council Meeting in 2018, the Council announced that ReCAAP ISC has met the criteria to be a Centre of Excellence for information sharing in combating piracy and armed robbery against ships at sea.

Sea Piracy: Challenge for India's Maritime Security

Heavy infestation of piracy has a lot to do with the geography of the area, but economic conditions and the mind-set of the coastal people in the hundreds of minor islands that are spread across the Malacca Straits and South China Sea are also a significant factor. Piracy in the Straits of Malaccas has been known for many centuries and is a historic fact. The strait is narrow, contains thousands of islets and is an outlet for many rivers making it an ideal location for piracy as the pirates can easily hide at a very large number of places.

Due to the concerted efforts by the countries of the region namely Indonesia, Malaysia, Singapore and Thailand piracy-related incidents are coming down gradually. Indian Navy and ICG also joined the antipiracy efforts in 2006. Recently, piracy-related incidents seem to have spilled over from these two areas into the Bay of Bengal and the Arabian Sea. Indeed, the centre of gravity of piracy has been gradually shifting to the waters around India and there has recently been direct confrontation between the Indian agencies such as the Indian Navy and ICG and the pirates from Somalia.

There was a dramatic rise in the piracy related incidents in recent years. The number of incidents in the Horn of Africa region doubled in 2017 compared to the previous year, according to the annual State of Piracy report released by the non-profit One Earth Future's Oceans Beyond Piracy (OBP) program. The Isolated Andaman and Nicobar Islands can become safe heavens for the pirates unless strict vigil is maintained by the Indian Navy and the ICG. In addition threat of illegal migration and control of vast exclusive economic zone (EEZ) of India adds another important dimension to the maritime security of India. There is also considerable threat of terrorism from these pirates as they can join with international organizations like the Al-Qaeda and use the hijacked ships like the big oil tankers as bombs in their dirty mission.

Since maritime safety and security is a multi-faceted issue, especially in the realm of non-traditional threats, it is important to highlight the acute and imperative need for protection of the sea lanes of communications.

"Save Our Seafarers"

In an effort to increase the governmental response to the piracy crisis, the leading maritime shipping associations and the International Transport Workers' Federation (ITF) have initiated the "Save Our Seafarers" campaign, in which governments are asked to take the following steps to eradicate piracy at sea and ashore:

- Reduce the effectiveness of the easily identifiable pirate mother ships.
- Authorize naval forces to detain pirates and deliver them for prosecution and punishment.
- Fully criminalize all acts of piracy and the intent to commit piracy under national laws in accordance with their mandatory duty to cooperate to suppress piracy under international conventions.
- Increase naval assets available in the area.
- Provide greater protection and support for seafarers.
- Trace and criminalize the organizers and financiers behind the criminal networks.

Impact of Maritime Piracy

In recent years, thousands of seafarers have been killed, injured, assaulted, taken hostage or threatened as piracy and armed robbery have increased dramatically. Attacks which previously were limited to Nigerian and Somali coastal waters, have now expanded eastwards, across the Indian Ocean.

Seafarers

Seafarers are on the frontline of the piracy problem. All seafarers transiting the Gulf of Aden and Northern Indian Ocean, have to live with the risk of attack. When ships are attacked by pirates, crews suffer the stress of being fired upon with guns

and rocket propelled grenades and those captured can be held hostage for months. Following a piracy attack those involved can be seriously affected by post traumatic stress. Indications are that pirates' treatment of the crew is worsening, with some seafarers having been held in solitary confinement and subjected to other cruelty.

Shipping Industry

For the shipping industry, costs are soaring. Operators now face rising insurance premiums for a high risk area that now covers most of the Indian Ocean and one of the busiest shipping lanes in the world. Other costs include installing preventative measures and protection on board, employing private security personnel, as well as ransom payments.

Economic Impact

Impact of sea piracy on economic activities is wider. Ship owners are finding it increasingly hard to justify putting seafarers at risk. They are also struggling to find crews that are willing to transit the area. As the situation worsens a blockade of the area becomes more likely. This would add several days to most voyages, would push up transport costs, would see oil prices skyrocket and would have a huge impact on the world economy. If the attacks move further into the Gulf, oil supplies worldwide may be severely affected.

Role of International Maritime Organization against Piracy

Due to growing incidents of piracy in the maritime industry, the International Maritime Organization (IMO) has adopted some International Conventions for its member countries to implement. Some of them are the Convention for the Suppression of Unlawful Acts Against the Safety of Maritime Navigation (SUA Convention), the International Convention for the Safety of Life at Sea (SOLA), and the International Ship and Port Facility Security Code (ISPS Code). In addition, IMO assists governments lacking the technical knowledge and resources needed to operate a shipping industry safely and efficiently through the Integrated Technical Co-operation Programme (ITCP) and the Djibouti Code of Conduct. These are the actions of the organization in implementing the anti-piracy law.

The effect of anti-piracy provisions must be considered in implementing anti-piracy laws. There are two conditions that should be met to have an effective outcome of implementing the anti-piracy laws. First, the international legal framework needs to be complemented by adequate nation legislation in all states concerned. Second the legal provision needs to be backed up by effective enforcement capacity both for the arrest and for the prosecution of suspected pirates. When these two conditions are fully implemented, there is a possibility that the case of piracy is minimized.

Conclusion

The Maritime industry is severely affected by piracy. Many aspects are affected by the pirate's attack. These are a loss of property, delay of shipment, changing route, and many others. There are some precautionary measures to prevent pirate attacks. These includes maintaining vigilance, the need for enhancing surveillance and the use of lighting, surveillance and detection equipment, sounding alarmed, alerting other ships and coastal authorities, illuminating the suspect vessel. Undertaking evasive maneuvering and the following radio alarm procedure are some other measures that can be taken.

Anti Maritime Piracy Law

- In 2018, the Union Cabinet had approved a bill providing for death penalty or life imprisonment to those involved in piracy at sea.
- The proposed anti maritime piracy law is aimed at promoting the safety and security of India's maritime trade including the safety of its crew members.
- The government is also planning to bring the law as part of commitment made by India while signing the United Nations Convention on the Law of the Sea (UNCLOS) in 1982. The UNCLOS was ratified by India in 1995.
- The objective of the Bill is to have a domestic anti-piracy legislation to provide the necessary legal framework within the country for prosecution of persons for piracy-related crimes.
- Under the provisions of the bill, the act of committing piracy is punishable by death or life imprisonment. Currently the punishment is not very harsh.
- The proposed law also contains provisions to protect actions taken by officials in good faith and will supplement efforts of the Navy to contain piracy.
- The Indian Navy and the Coast Guard have been dealing with increasing incidents of piracy in critical sea lanes.

Maritime Piracy is a problem at a present time as well as in the past. Maritime organizations are implementing anti-piracy laws and also suggesting measures, tools and techniques to avoid pirate invasion. However, it cannot be solved solely by Mariners or by the maritime organizations but its solution is largely based on how each country handles the situation.

General Studies Paper- II

Topic: India and its neighborhood-relations.

General Studies Paper- III

Topic: Role of external state and non-state actors in creating challenges to internal security.

❍❍❍

2. BACK TO VILLAGE: ENERGISING AND EMPOWERING PANCHAYATS

Why in News?

The Jammu and Kashmir government's 'Back to Village' programme is getting a massive response, especially from people in the militancy-infested areas. The aim of the programme is to bridge the gap between the achievable and achieved goals in development, take governance to doorsteps of the rural and inaccessible areas and generate credible and empirical feedback.

Introduction

Innovation is an important aspect of democracy. The most important part in any democratic set up is that how the basic issues of the people are accessed, assessed and addressed. Jammu and Kashmir has faced this problem the most as there exists a big gap between the ruled and the rulers.

Undoubtedly, the elected representatives have a clear responsibility to do the things that their constituents want, but over the decades it has been observed that the ruling classes have ignored this vital concept of connect with the masses. It is perhaps because of this gap that the current situation in Jammu and Kashmir has arisen. This situation is quite threatening for the very democratic fabric of the state, and it impacts the overall ratings of democracy in the country as well.

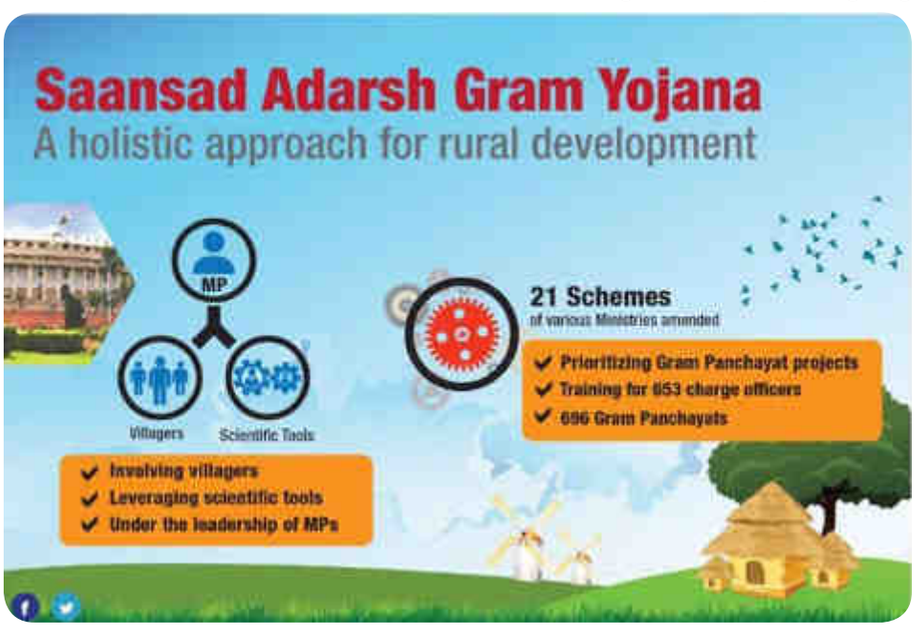
The democracy means listening to the people at their doorsteps, understanding the circumstances in which they are living, feeling a pinch of the difficulties that impact their lives, and finding a way out of it. This was the essence of the initiative of "Back to village". If continued and its feedback responded in a positive fashion, this concept can change the whole dynamic of the governance in the state.

About 'Back to Village' Programme

The 'Back to Village' programme is aimed to involve the people of the state and government officials in a joint effort to deliver the mission of equitable development. The program is primarily aimed at directing development efforts in rural areas through community participation and to create in the rural masses an earnest desire for decent standard of living.

The Four Pillars of Back to Village

The ambitious programme has four main goals havely energising panchayats, collecting feedback on delivery of government schemes and programmes, capturing specific economic potential, and undertaking assessment of needs of villages.



Energising Panchayats: Providing an energizing boost to panchayats by empowering Gram Sabha will give a much needed impetus in the direction of good governance. Gram Sabha can be an effective forum for information sharing on programmes, schemes, good practices and matters of common interest. Discussion on Gram Panchayat Development Plan during the meeting of Gram Sabha and constitution of Social Audit Committee by including members from Scheduled Castes/Scheduled Tribes (SC/ST) community and other weaker sections, NGOs, Social activities, ex-servicemen, prominent citizens will help in making panchayats truly energized as well as empowered.

Collecting Feedback on Delivery of Government Schemes and Programmes: The feedback obtained directly from the people will help design government schemes — Central and state based on their needs. It will also help in smooth implementation of government programs like PM-KISAN and PM Shram Yogi Mandhan schemes etc. Getting a comprehensive feedback by deploying as many as 4500 officers for duty in villages is a much needed task to be carried on. The feedback would be huge because the problems in villages exist is plenty. Bigger task is how to monitor the feedback and redress the problems of the people.

Capturing Specific Economic Potential: Back to village program will help in providing tailor-made customized solutions by taking into considerations of local area needs. There needs to be area specific economic program to reap the potential

of natural resources, geography etc of the area.

For example, the Northern region, villages are endowed with an array of native flora and economically important horticultural species. If catered appropriately it can contributes in poverty alleviation, nutritional security and have ample scope for farmers to increase their income and helpful in sustaining large number of agro-based industries which generate huge employment opportunities.

Undertaking Assessment of Needs of Villages: Undertaking assessment of needs of village is much needed as there can be area and demography specific problems particularly in the case of the people living in remote areas whose connectivity problem is acute than few others, or for that matter such areas are having health and educational facilities far away from their reach. A general problem in addressing the issue of rural development is the lack of concepts and visions about the future of villages. In many parts of the world, rural areas and village life have been weakened or destroyed by badly designed policies based on misleading concepts and theories.

Importance of Back to Village Programme

Back to village programme connects government officers with the villagers directly and it gives a sense of belongingness and importance to the village people, besides helping in formulating plans for the transformation and development of the villages. It gives opportunity to the officers of the government to know the problems of the villages as they get first hand information about the village life and problems. They then try to solve the problems and also take feedback from villagers, which later on help the administration in the formulation of plans and schemes for villages.

The 'Back to Village Programme' is in progress in all the three division of J&K – Jammu, Kashmir and Ladakh and it has evoked good response in all these divisions. Through this programme the government officers and functionaries go to villages and meet the people and take their suggestions about the development of their villages and about the civic amenities like drinking water, power, health, roads, schools etc. As part of the initiative, the government officers will visit over 7,000 villages spread across 4,483 panchayats in the state, with nodal officers supervising the initiative.

In simple terms, it can be said that the idea of 'Back to village' can drill grassroots democracy deeper into the landscape of Jammu and Kashmir – (a) this gives a sense to the people that they have a voice and that is heard out (b) panchayats elected early this year on the non-party basis would feel empowered, especially when they saw the officers rushing to their villages, sitting amidst them and recording their problems. All this gives a sense of empowerment to the people, a crucial and critical element in the grassroots democracy. Now this 'Back to Village'programme can shift the gears and deliver governance at the doorsteps if it is followed up in letter and spirit.

Similar Initiatives taken by Government of India

Rashtriya Gram Swaraj Abhiyan

The Cabinet Committee on Economic Affairs has given its approval for restructured Centrally Sponsored Scheme of Rashtriya Gram Swaraj Abhiyan (RGSA). The Scheme will be implemented during the period from 01.04.2018 to 31.03.2022 at the total cost of Rs. 7255.50 crore . This scheme will extend to all States and UTs of the Country and will also include institutions of rural local government in non-Part IX areas, where panchayats do not exist. The scheme will have both central component - national level activities including "National Plan of Technical Assistance", "Mission Mode project on e-Panchayat", "Incentivization of Panchayats" and state component - capacity building of Panchayati Raj Institutions (PRIs).

The approved scheme of RGSA will help more than 2.55 lakh PRIs to develop governance capabilities to deliver on SDGs through inclusive local governance with focus on optimum utilisation of available resources. The key principles of Sustainable Development Goals (SDGs), i.e. leaving no one behind, reaching the farthest first and universal coverage, along with gender equality will be embedded in the design of all capacity building interventions including trainings, training modules and materials. Priority will be given to subjects of national importance that affects the excluded groups the most, e.g. poverty, primary health services, nutrition, immunization, sanitation, education, water conservation, digital transactions etc.

The scheme is designed keeping in view programmatic convergence with Mission Antyodaya Gram Panchayats and 115 Aspirational districts as identified by NITI Aayog. As panchayats have representation of SCs, STs and women, and are institutions closest to the grass¬roots, strengthening panchayats will promote equity and inclusiveness, along with social justice and economic development of the community.

Increased use of e-governance by PRIs will help achieve improved service delivery and transparency. The scheme will strengthen Gram Sabhas to function as effective institutions with social inclusion of citizens particularly the vulnerable groups.

Pradhan Mantri Adarsh Gram Yojana

Pradhan Mantri Adarsh Gram Yojana (PMAGY), a government of India initiative for the empowerment of deprived sections, aims to achieve integrated development of selected villages through convergent implementation of all relevant Central and state schemes.

The objective of PMAGY is to ensure integrated development of the selected villages into "model villages" so that, they have all requisite physical and social infrastructures for their socio-economic development, and satisfy the norms mentioned in the vision of an adarsh gram to the maximum possible extent.

Disparity between SC and non-SC population in terms of common socio-economic indicators (e.g. literacy rate, completion rate of elementary education, Infant Mortality Rate/ Maternal Mortality Ratio (IMR/MMR), ownership of productive assets, etc.) is eliminated, the indicators are raised to at least the level of the national average.

Way Forward

The nation-building process must begin at the bottom of the pyramid; we have to transform rural India and people at the grassroots must be empowered. Even after more than two decades of the 73rd Constitutional Amendment of 1992—aimed at creation of a three-tier panchayati raj structure at district, block and village levels—most states and UTs except Kerala have not devolved all the 29 subjects listed in the 11th schedule of the Constitution along with adequate devolution of funds and functionaries to panchayats at district, block and village levels as mandated in the 73rd Amendment. The third-tier government must be enabled to function focusing on good governance, equality, socio-economic justice and all-round welfare of the villagers.

People must be empowered to participate in decision-making processes, enjoying equality, liberty, fraternity, fundamental rights and basic human needs. Constitutional provisions must be supplemented by adequate checks and balances, led by vigilant, responsible and dedicated political leadership. There should be people's participation in designing appropriate village development plans, preparation of people's budget, with prioritisation and allocation of resources based on their needs. There must be simple, robust and easy-to-follow bottom-up development planning process by the people, supported by proper accounting and social audits at all the three levels of panchayats. Such a system can safeguard against fraud, waste, and misuse of resources and proper execution of programmes.

People's participation in planning, budgeting, resource mobilisation and decision-making is indispensable for bringing social, political, cultural and financial inclusion. Good governance can happen only when its essential attributes like accountability, transparency, rule of law, participation of stakeholders in decision-making and development process are facilitated. The grassroots democracy must truly reflect the rule of the people.

Another significant step is combining social audits with community-based monitoring, which can strengthen the state's planning and oversight processes. As social audit is carried out by the people who must reap the planned benefits of government programmes, the implementation gap can be bridged to a great extent by eliminating leakage, diversion and misuse of funds. Social audit done at planning stages can ensure that the plan is need-based and drawn up in consultation with the people; social audit conducted during the preparation stage of a scheme can ensure that estimates are proper, taking into account the priorities and aspirations of the community; social audits carried out during implementation stage can ensure that the scheme is implemented as planned; social audits after completion of a work can ensure that quality of the work is in tune with quantity and estimated cost, the planned outputs and outcome are achieved, and benefits are reached to the targeted sections of the society.

And for achieving all this 'Back to Village' programme like is the step in the right direction.

General Studies Paper- II

Topic: Important aspects of governance, transparency and accountability, e-governance-applications, models, successes, limitations and potential; citizens charters, transparency & accountability and institutional and other measures.

❍❍❍

3. BASEL III NORMS & INDIA'S PREPAREDNESS

Why in News?

The Reserve Bank of India (RBI) has fallen short of meeting tougher requirements set by the Basel III norms, according to a report by the Basel Committee on Bank Supervision (BCBS).

Introduction

The Reserve Bank of India has fallen short of meeting tougher requirements set by the Basel III norms, according to a report by the Basel Committee on Bank Supervision (BCBS). The semi-annual report brought out by the BCBS, a committee under the Bank for International Settlements, looked at adoption status of Basel III standards by 30 global systemically important banks (G-SIBs) as of end-May 2019. This committee of banking supervisory authorities aims to enhance understanding of key supervisory issues and also improve the quality of banking supervision worldwide.

The committee reports that India's central bank is yet to publish the securitisation framework and rules on total loss-absorbing capacity (TLAC) requirements. The RBI also missed the deadline for meeting the TLAC requirement, which ensures that G-SIBs have adequate loss absorbing and recapitalisation capacity so that critical functions can be continued without taxpayers' funds or financial stability being put at risk. These include instruments that can be either written down or converted into equity, like capital instruments and long-term unsecured debt. The TLAC constitutes 16% to 20% of a group's consolidated risk-weighted assets.

The RBI is also yet to come out with draft regulations on revised Pillar 3 disclosure requirements, which took effect from end-2016. Pillar 3 disclosures aim at ensuring market discipline through disclosures in prescribed format, while Pillar 1 focuses on capital adequacy and Pillar 2 looks at the supervisory review process.

According to the report, India's G-SIBs are in the process of implementing rules on interest rate risk in the banking book (IRRBB). These regulations refer to the current or prospective risk to the bank's capital and earnings arising from adverse movements in interest rates that affect the bank's book positions. The central bank had issued draft guidelines in February 2017 and is yet to come out with final guidelines.

Background

Basel III reforms are the response of Basel Committee on Banking Supervision (BCBS) to improve the banking sector's ability to absorb shocks arising from financial and economic stress, whatever the source, thus reducing the risk of spill over from the financial sector to the real economy. During Pittsburgh Summit in September 2009, the G20 leaders has committed to strengthen the regulatory system for banks and other financial firms and also act together to raise capital standards, to implement strong international compensation standards aimed at ending practices that lead to excessive risk-taking, to improve the over-the-counter derivatives market and to create more powerful tools to hold large global firms to account for the risks they take. For all these reforms, the leaders have set for themselves strict and precise timetables. Consequently, BCBS released comprehensive reform package entitled "Basel III: A global regulatory framework for more resilient banks and banking systems" (known as Basel III capital regulations) in December 2010.

Basel Committee on Banking Supervision (BCBS)

The BCBS was founded in 1974 as a forum for regular cooperation between its member countries on banking supervisory matters. The BCBS describes its original aim as the enhancement of "financial stability by improving supervisory knowhow and the quality of banking supervision worldwide." Later on, it turned its attention to monitoring and ensuring the capital adequacy of banks and the banking system.

Basel Accords

The Basel Accords were developed over a number of years, starting in the 1980s. The Basel Accords are three series of banking regulations (Basel I, II and III) set by the BCBS, which provides recommendations on banking regulations in regards to capital risk, market risk and operational risk. The purpose of the accords is to ensure that financial institutions have enough capital on account to meet obligations and absorb unexpected losses.

Basel I

The first Basel Accord, known as Basel I, was issued in 1988 and focuses on the capital adequacy of financial institutions. The capital adequacy risk

(the risk that a financial institution will be hurt by an unexpected loss), categorizes the assets of financial institutions into five risk categories (0%, 10%, 20%, 50% and 100%). Under Basel I, banks that operate internationally are required to have a risk weight of 8% or less.

Basel II

The second Basel Accord, called Revised Capital Framework but better known as Basel II, served as an update of the original accord. It focuses on three main areas: minimum capital requirements, supervisory review of an institution's capital adequacy and internal assessment process and effective use of disclosure as a lever to strengthen market discipline and encourage sound banking practices including supervisory review. Together, these areas of focus are known as the three pillars.

Basel III

In the wake of the Lehman Brothers collapse of 2008 and the ensuing financial crisis, the BCBS decided to update and strengthen the Accords. It saw poor governance and risk management, inappropriate incentive structures and an overleveraged banking industry as reasons for the collapse. In July 2010, an agreement was reached regarding the overall design of the capital and liquidity reform package. This agreement is now known as Basel III, is likely to be implemented in India from 2019.

Changes proposed in Basel III over Earlier Accords i.e. Basel I and Basel II

- **Better Capital Quality:** One of the key elements of Basel III is the introduction of much stricter definition of capital. Better quality capital means the higher loss-absorbing capacity. This in turn will mean that banks will be stronger, allowing them to better withstand periods of stress.
- **Capital Conservation Buffer:** Another key feature of Basel III is that now banks will be required to hold a capital conservation buffer of 2.5%. The aim of asking to build conservation buffer is to ensure that banks maintain a cushion of capital that can be used to absorb losses during periods of financial and economic stress.
- **Countercyclical Buffer:** This is also one of the key elements of Basel III. The countercyclical buffer has been introduced with the objective to increase capital requirements in good times and decrease the same in bad times. The buffer will slow banking activity when it overheats and will encourage lending when times are tough i.e. in bad times. The buffer will range from 0% to 2.5%, consisting of common equity or other fully loss-absorbing capital.
- **Minimum Common Equity and Tier 1 Capital Requirements:** The minimum requirement for common equity, the highest form of loss-absorbing capital, has been raised under Basel III from 2% to 4.5% of total risk-weighted assets. The overall Tier 1 capital requirement, consisting of not only common equity but also other qualifying financial instruments, will also increase from the current minimum of 4% to 6%. Although the minimum total capital requirement will remain at the current 8% level, yet the required total capital will increase to 10.5% when combined with the conservation buffer.
- **Leverage Ratio:** A review of the financial crisis of 2008 has indicted that the value of many assets fell quicker than assumed from historical experience. Thus, now Basel III rules include a leverage ratio to serve as a safety net. A leverage ratio is the relative amount of capital to total assets (not risk-weighted). This aims to put a cap on swelling of leverage in the banking sector on a global basis. 3% leverage ratio of Tier 1 will be tested before a mandatory leverage ratio is introduced in January 2018.
- **Liquidity Ratios:** Under Basel III, a framework for liquidity risk management has created. A new Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR) introduced in 2015 and 2018, respectively.

Need for Basel III in India

In the era of globalization India is well integrated with rest of the world, and as increasingly Indian banks go abroad and foreign banks comes to India, we can't afford to have a regulatory deviation from global standards. Any deviation will hurt us.

Further, if we ought to maintain a low standard regulatory regime this will put Indian banks at a disadvantage in global competition.

Therefore, it becomes important that Indian banks have the cushion provided by this risk management system to withstand shocks from external systems, especially as we deepen our links with the global financial system.

Impact of Basel III on Economy and Banks

Implementing the Basel III accord may result in higher government borrowing, fiscal deficit, inflation, and pressure on Gross Domestic Product (GDP). Lower GDP may also affect investments, credit off-take and banks' profitability. Particularly for banks it could mean higher cost of capital, lower return on equity (ROE), lower yield on assets, and pressure on credit off-take and profitability. A recent study conducted by CARE on the banking industry revealed that a 1% increase in core equity ratio is expected to be met by

fall of ROE by 80-100 basis points which shows the extent to which profitability will be affected.

Banks would have very limited scope to increase profitability or minimise cost. Banks with a very low profitability margin will be affected most because they will require more capital as conversion from profit to capital will be less.

Challenges posed by Basel III for Indian Banks

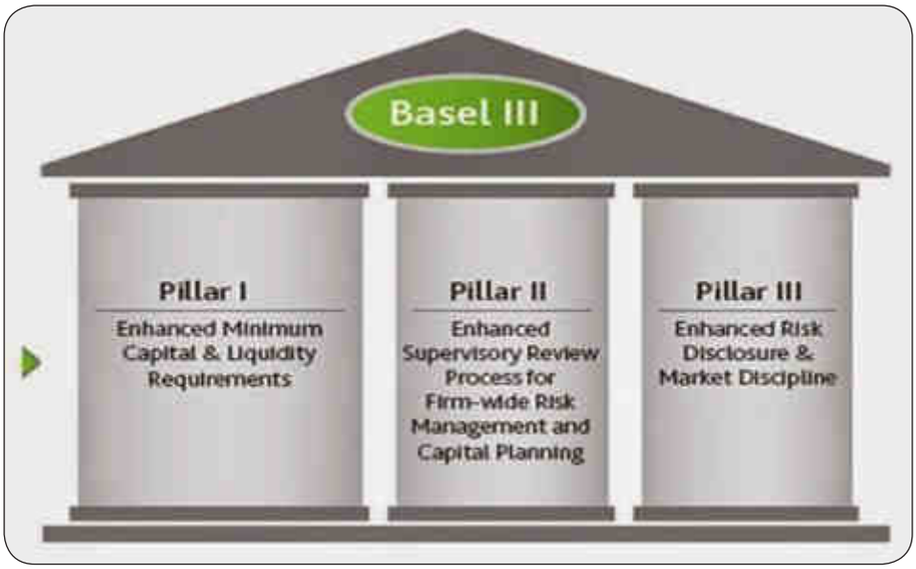
Complying with BASEL III norms is not an easy task for India's banks, which have to increase capital, liquidity and also reduce leverage. This could affect profit margins for Indian banks. Plus, when banks keep aside more money as capital or liquidity, it reduces their capacity to lend money. Loans are the biggest source of profits for banks. Plus, India banks have to meet both Liquidity Coverage Ratio (LCR) as well as the RBI's Statutory Liquidity Ratio (SLR) and Cash Reserve Ratio (CRR) norms. This means more money would have to be set aside, further stressing balance sheets.

Other Challenges

Mounting Pile of Stressed Assets: The banking sector in India is facing challenging times due to low credit growth, deterioration in asset quality and low profitability. In order to protect their margins under the new Basel III norms, banks need to adopt a granular approach and a dynamic risk mitigation strategy.

Economic and Policy Changes: The banking sector is facing headwinds due to some recent policy and economic regulations such as demonetisation, Goods and Service Tax (GST) rollout and the Real Estate (Regulation and Development) Act (RERA). This could slow the process for implementation of global risk norms under Basel III.

Capital Requirements of Public Sector Banks: The public sector banks



(PSBs) in India are falling short of the stipulated capital requirements under Basel III. Media reports suggest that the Indian PSBs need Rs 2.4 lakh crore capital by 2019 to meet the norms. This will be a humongous task for the banks, more so because of the large amount of bad loans on their books -- the total bad loans on the 40 listed banks in India amount to Rs 3 lakh crore. The proposed capital infusion by the government is expected to provide a fillip though details of the capitalisation of individual banks are not clear as yet. A proper risk culture has to be developed across all levels at banks, with stringent checks and controls.

A Race for Survival and Operational Efficiency: To meet the new regulations, Indian banks will need to raise high quality capital while preserving the core capital and using it more efficiently. This may have a transformational impact on the banking landscape in India, leading to crowding out of weaker banks as it will get more difficult for them to raise the additional funding and capital.

Conclusion

The banking sector has undergone phenomenal change in structure, growth and innovation. Banking operations are complicated and are difficult for supervisors to monitor and control. Due to huge complications involved, the banking sector has become exposed to different categories of risks. Basel norms are international guidelines which cover a wide area of risk management and provide an opportunity to banks to modernize and upgrade their risk practices.

Implementing BASEL III norms will, no doubt, insulate Indian banks against domestic and financial shocks, consequently reducing spillover risks from the financial sector to the overall economy. Indian banks should take up this opportunity in their stride to emerge as stronger, more efficient and future proof organisations.

General Studies Paper- II

Topic: Important aspects of governance, transparency and accountability, e-governance- applications, models, successes, limitations and potential; citizens charters, transparency & accountability and institutional and other measures.

General Studies Paper- III

Topic: Indian Economy and issues relating to planning, mobilization of resources, growth, development and employment.

❍❍❍

4. RESTRUCTURING INDIA'S FISCAL FEDERALISM

Context

In recent months, several of India's leading economists have argued for the need for a renewed fiscal federalism institutional arrangement in the country.

Introduction

Fiscal federalism refers to the division of responsibilities with regards to public expenditure and taxation between the different levels of the government. Having a fiscal federalism mechanism allows the government to optimize their costs on economies of scale, because in this manner, people will get public service which they prefer, and there will be no unnecessary expenditure. From the economic point of view also, having a federalised structure helps as it creates a unified market.

India has a federal form of government, and hence a federal finance system. The essence of federal form of government is that the Centre and the state governments should be independent of each other in their respective, constitutionally demarcated spheres of action. Once the fundamentals of the government are spelt out, it becomes equally important that each of the government should be provided with sources of raising adequate revenues to discharge the functions entrusted to it.

Constitutional Provisions

The fiscal powers and functional responsibilities in India have been divided between the Central and State governments following the principles of federal finance. Article 246 of the Constitution lays down the list of subjects on which different levels of government can make laws. The division of functions is specified in the Seventh Schedule of the Constitution in three lists vis. the Union List, the State List and the Concurrent List.

The Union List contains 97 subjects of national importance, such as defence, railways, national highways, navigation, atomic energy, and posts and telegraphs. 66 items of State and local interest, such as law and order, public health, agriculture, irrigation, power, rural and community development, etc. have been entrusted to the state governments. 47 items such as industrial and commercial monopolies, economic and social planning, labour welfare and justice, etc. have been enumerated in the Concurrent List. The concurrent list is one in which both state and the Centre can make legislations. However, in case of a conflict or tie, federal laws prevail.

Similarly, the borrowing powers have also been clearly mentioned in the Constitution. Under Article 292, the Central government is empowered to borrow funds from within and outside the country as per the limits imposed by the Parliament. According to Article 293(3), the States can borrow funds within the Country. Article 293(2) empowers the Centre to provide loans to state subject to conditions laid down by Parliament.

Fiscal Imbalances in India

Typically, federations (including the Indian one) face vertical and horizontal imbalances. A vertical imbalance arises because the tax systems are designed in a manner that yields much greater tax revenues to the Central government when compared to the state or provincial governments; the Constitution mandates relatively greater responsibilities to the state governments. For example, in India, post the advent of Goods and Services Tax (GST), the share of states in the public expenditure is 60% while it is 40% for the Centre to perform their constitutionally mandated duties.

Justifying Centripetal Biases

For the analysis of Indian fiscal federalism, nevertheless, it must be kept in mind that the Indian federation differs from the developed federations in many important respects.

First, India is vast country with wide inter-regional differences in economic endowments as well as levels of income, and is faced with conflicting tendencies of centralisation and decentralisation, the former designed to reduce inter-regional disparities and the latter to meet the diverse patterns of demand. Besides, the Indian economy is faced with severe inter-jurisdictional competition, underlining the need for utmost cooperation among various jurisdictions.

Second, the low levels of income and wide inter-regional disparities have necessitated governmental intervention not just in the provision of public services; the government has taken the major responsibility for economic development of the country by taking up the role of both catalyst and an entrepreneur. The multilevel planning adopted for the purpose has brought forth additional com plexities in the fiscal arrangements in terms of heavy fiscal dependence of the states on the Centre, high degree of vertical and horizontal tax and expenditure spillovers and multiplicity in intergovernmental transfer schemes with overlapping and ambiguously defined objectives.

Third, as the pattern of investments in pre-independent era was largely determined on the basis of colonial interests of the ruling power, the differences in the levels of development currently in vogue among the states do

not necessarily represent their varied resource endowments.

Finally, the existence of wide inter-regional differences in the levels of development itself under lines a significant role for inter- governmental equitable transfer schemes, as the nexus between levels of development and resource endowments seems to be tenuous in most cases. In such a situation, equitable transfers at the expense of richer states may not necessarily result in lower economic growth.

The Case of Horizontal Imbalances

The horizontal imbalances arise because of differing levels of attainment by the states due to differential growth rates and their developmental status in terms of the state of social or infrastructure capital. Traditionally, Finance Commissions have dealt with these imbalances in a stellar manner, and they should continue to be the first pillar of the new fiscal federal structure of India.

However, in India, the phenomenon of horizontal imbalance needs to be understood in a more nuanced fashion. It involves two types of imbalances. Type I is to do with the adequate provision of basic public goods and services, while the second, Type II, is due to growth accelerating infrastructure or the transformational capital deficits. The latter are known to be historically conditioned or path dependent. It is here that we believe that NITI Aayog must create a niche, assume the role of another policy instrument and become the second pillar of the new fiscal federal structure.

What Can be Done?

Reimagining NITI Aayog

In the past, the Planning Commission used to give grants to the states as conditional transfers using the Gadgil-Mukherjee formula. Now with the Planning Commission disbanded, there is a vacuum especially as the NITI Aayog is primarily a think tank with no resources to dispense, which renders it toothless to undertake a "transformational" intervention. On the other hand, it is too much to expect the Union Finance Commission to do the dual job. In other words, there is an urgent need for an optimal arrangement. It is best that the Union Finance Commission be confined to focussing on the removal of the horizontal imbalance across states of the Type I: i.e. the basic public goods imbalance. We need another institution to tackle the horizontal imbalance of the Type II; for this the NITI Aayog is the most appropriate institution. It can be argued that the Finance Ministry is the other alternative to deliver the goods in this regard but it is ill-suited to do this; its primary duty is to concern itself with the country's macro-economic stability and the proper functioning of the financial system rather than be an instrument of growth at the sub-national level.

Towards this task of cooperative federalism, NITI Aayog should receive significant resources (say 1% to 2% of the GDP) to promote accelerated growth in States that are lagging and overcome their historically conditioned infrastructure deficit, thus reducing the developmental imbalance. In short, the NITI Aayog should be engaged with the allocation of "transformational" capital in a formulaic manner, complete with incentive-compatible conditionalities.

NITI Aayog should also be mandated to create an independent evaluation office which will monitor and evaluate the efficacy of the utilisation of such grants. In doing so, it should not commit the mistake of micro-management or conflicts with line departments. It must be also accorded a place at the high table of decision-making as it will need to objectively buy-in the cooperation of the richer states as their resources are transferred to the poorer ones.

Ushering in Decentralisation

The same perspective will have to be translated below the states to the third tier of government. This is crucial because intra-state regional imbalances are likely to be of even greater import than inter-state ones. Decentralisation, in letter and spirit, has to be another pillar of the new fiscal federal architecture. De jure and de facto seriousness has to be accorded to the 73rd and 74th constitutional amendments. For this, the missing local public finance must be birthed. One of the ways for this is through the creation of an urban local body/panchayati raj institutions consolidated fund. This would mean that Articles 266/268/243H/243X of our Constitution will need to be amended to ensure that relevant monies directly flow into this consolidated fund of the third tier.

Through such constitutional amendments, the Centre and states should contribute an equal proportion of their Central GST (CGST) and State GST (SGST) collections and send the money to the consolidated fund of the third tier. For instance, one-sixth sharing of the CGST and SGST with the third tier can generate more than 1% of the GDP every year for the financing of public goods by urban-level bodies. Such an arrangement will be the third pillar of fiscal federalism.

Further, the State Finance Commissions should be accorded the same status as the Finance Commission and the 3Fs of democratic decentralisation (funds, functions and functionaries) vigorously implemented. This will strengthen and deepen our foundational democratic framework.

Fine Tuning GST

Another pillar that is central and binding — is the "flawless" or model

GST. It is to the credit of our democratic maturity that the GST Bill was passed unanimously by Parliament; but in its present form, it is far from flawless. It needs further simplification and extended coverage. We need to quickly achieve the goal of a single rate GST with suitable surcharges on "sin goods," zero rating of exports and reforming the Integrated Goods and Services Tax (IGST) and the e-way bill. The GST Council should adopt transparency in its working, and create its own secretariat with independent experts also as its staff. This will enable it to undertake further reforms in an informed and transparent manner. Thus, India will be able to truly actualise the "grand bargain" and see the GST as enduring glue holding the four pillars together by creating the new fiscal federal architecture and strengthening India's unique cooperative federalism.

Conclusion

The origin of arrangement fiscal federal architecture in contemporary India can be trace in contemporary history. Since then, the Indian economy, polity, demography and society have undergone many changes. The new aspirational India is now firmly on a growth turnpike. It is in this context that we need to revisit India's fiscal federalism and have to redesign its architecture. To deepen further our cooperative federalism would be the objective of "New Fiscal Federalism." Creating the new fiscal federal architecture based on the effective decentralization, transparent GST regime, independent Finance commission and effective NITI Aayog will help in making this possible.

General Studies Paper- II

Topic: Functions and responsibilities of the Union and ihe States, issues and challenges pertaining to the federal structure, devolution of powers and finances up to local levels and challenges therein.

❍❍❍

5. INDIA - MALDIVES : DEEPENING TIES

Why in News?

Recently, Prime Minister Narendra Modi has paid official visit to the Maldives. It was his first state visit since being re-elected to office.

During visit, India has signed six agreements with Maldives to bolster their special relationship and bilateral cooperation in key areas like health, defence and maritime security.

Introduction

After years of witnessing souring relations during President Abdulla Yameen's term from 2013-2018, India and Maldives reset ties last year after President Solih was elected. Mr. Modi attended President Solih's inaugural ceremony in Male in November 2018, and President Solih's first visit abroad, after assuming office, was to India in December 2018. The respective victories are seen as having strengthened prospects for continuity in strong ties, a stark shift from Mr. Yameen's time when New Delhi grew increasingly concerned over his apparent 'China tilt'.

While Mr. Modi's visit is seen as underscoring his government's 'neighbourhood first policy', President Solih also reaffirmed his 'India-First Policy', pledging his government's 'full support towards deepening the multifaceted, mutually beneficial partnership' between India and the Maldives and pledged his government's full support towards deepening the multifaceted, mutually beneficial partnership between India and the Maldives, which has traditionally been characterized by trust, transparency, mutual understanding and sensitivity.

Key Takeaways of the Visit

President Solih conferred Maldives highest honor – the "Nishan Izzudeen" on Prime Minister Modi and the Indian Prime Minister addressed the Maldivian parliament – the Majlis— whose current speaker is the former Maldivian President Mohammed Nasheed.

The pacts signed aim to draw the Maldives closer to India – deepening linkages in economic cooperation, tourism, health and connectivity. India has already given $ 1.4 billion dollars as budgetary support to the Maldives that has been weighed under debt to China. This is besides a $800 million Line of Credit signed in March for people-centric and socio-economic projects including water and sanitation for many islands besides on projects in areas like port development, health, agriculture, fisheries, tourism and energy. India has also extended grant assistance equalling $5.5 million for the implementation of 'High Impact Community Development Projects' and a cash grant of $ 6.9 million for implementation of community infrastructure, access to education and environmental protection.

Two leaders reiterated their strong commitment to further strengthening and invigorating the traditionally strong and friendly relations between India and the Maldives, nurtured by geographical contiguity, ethnic, historical, socio-economic and cultural ties between the peoples of the two countries.

Cementing ties in the defence area was the composite training centre for the Maldivian Defence Forces that Modi and Solih unveiled together.

The facility is in Maafilafushi. The two leaders also inaugurated a Coastal Surveillance Radar System by remote link which would help enhance the maritime security of the Maldives.

The two leaders acknowledged the recent joint exercise Ekatha conducted in April 2019. Both sides agreed to enhance bilateral cooperation on issues of common concern including piracy, terrorism, organised crime, drugs and human trafficking. They agreed to set up a joint working group on counter terrorism, countering violent extremism and de-radicalisation.

To strengthen connectivity between India and the Maldives besides inter island connectivity within the Maldives, India announced a ferry service between Kochi in India and Male and Kulhudhuffushi in the Maldives to Male.

India's Neighbourhood First Policy and Maldives

'Neighbourhood first policy' is part of India's foreign policy that actively focuses on improving ties with India's immediate neighbours. This policy aims to improve interactions with its immediate neighbours and the Indian Ocean island states. It achieves various goals through a holistic approach to regional foreign policy. Ahead of his visit to Maldives, Prime Minister Narendra Modi has said that his visit to the Maldives indicate the importance that India attaches to the 'Neighbourhood First' policy.

India's interests in the Maldives range from political stability in the neighbourhood, safety of its nationals working in the atoll state and protection of its investments and trade to the prevention of state and non-state forces inimical to Indian interests gaining a firm foothold in the Maldives. India's policy towards the atoll state is oriented towards addressing these national interests. Further, India's policy contours towards the Maldives under present government can be understood under three broad frames: political, economic and security.

Political Frame

India's paramount concern has been that of the impact of instability in its neighbouring countries on its own security. The emphasis on 'democratic stability' in the neighbourhood policy is a continuing feature of the present National Democratic Alliance government as well. Time and again Indian government has linked the importance of India's stability and growth to its neighbours and vice versa. Further, India is also committed to adhere to the principle of Panchsheel and will not intervene in domestic politics of neighbours. In diplomatic parlance, "Panchsheel" is generally used in SinoIndian context, and its usage here was deliberate to highlight China's stand on the issue: "We are committed to non-interference in others internal affairs."

Economic Frame

The bilateral engagement confronted numerous challenges after the first democratically elected government of the Maldives led by Mohamed Nasheed collapsed in 2012. Since then the country's political instability has challenged overall security of the Indian Ocean by increasing radicalisation. But bilateral ties improved after the September 2018 elections ended the Abdulla Yameen government. The change of government in the Maldives allowed both countries to positively redefine bilateral relationships, as indicated by high level visits.

India's aid to the Maldives increased from Rs. 125 crore (US$18.1 million) in 2018–19 budget to Rs. 575 crore (US$83.3 million) in 2019–20. In March 2019, US$4 billion of financial assistance was announced by India for socio-economic development programs in Maldives in an attempt to improve relations. India also announced a US$800 million line of credit to finance infrastructure projects.

Security Frame

On the security front, there are following issues that impinge on India-Maldives bilateral ties. These are:

Islamic Radicalisation

Maldives is a Sunni-majority state. Yet, till recently, it was considered non-radical. However, in the past decade or so, the number of Maldivians drawn towards the Islamic State and Pakistan-based madrassas and jihadist groups has been increasing. Events in the Middle East, Afghanistan and Pakistan have also influenced Maldivians towards radicalisation. Indeed, protests bearing the Islamic State flag have become a common sighting at political protests. About 200 Maldivian nationals have reportedly been fighting along the radical group in the Middle East.

China's Footprint

In the recent past, China's strategic footprints in India's neighbourhood have increased. In the case of the Maldives, the Chinese presence and influence has extended to the extent of opening an embassy in Male in 2011. The Maldives has undoubtedly emerged as an important 'pearl' in China's 'String of Pearls' in South Asia. Given the island nation's strategic location in the Indian Ocean, Beijing has been vying for a maritime base in the atoll. The main motive is to ensure the security of its sea lanes, especially the unhindered flow of critically-needed energy supplies from Africa and West Asia through the Indian Ocean.

China has always been wooing Maldives and for the most part has been successful. When Yameen became president in 2013, Maldives became part of China's Belt and Road Initiative (BRI) maritime silk route and swung completely towards China and away from its traditional ties to India.

Work on GMR airport in Male was taken away from an Indian company and became one of many contracts awarded to Chinese companies, including a 1.4km bridge linking Male' to the airport in Hulhule island.

Yameen also permitted the Chinese to build a Maritime Observatory on the Northern islands. This irked New Delhi as it had a naval military base north of Maldives in Lakshadweep Islands. While the Maldives had said China is only looking to build a meteorological ocean observation centre, not meant for military purposes, the deal had set alarm bells ringing for India. But in a big win of securing India's maritime concerns in the Indian ocean, Maldives may scrapped this deal.

Further, presence of US in the Maldives would have dramatically changed the strategic landscape of the Indian Ocean Region (IOR). However, from the Indian perspective, to counter increasing Chinese naval presence in the Indian Ocean, welcoming increased US military presence in the region may not be a very judicious idea. India is trying to develop cooperative structures in the IOR through Indian-Ocean Rim Association (IORA), Indian Ocean Naval Symposium (IONS), Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) and through the trilateral maritime agreement with Sri Lanka and the Maldives. However, the desire of China to become a maritime power has also brought in competition in this region. The Chinese are already trying to project power by sending submarines in the Indian Ocean. These submarines have docked at Colombo and Gwadar, and a submarine is also suspected to have travelled in the Maldivian waters. For this, India needs an effective national maritime security strategy that creates a synergy between its foreign policy, the strength of Indian Navy, and the domestic defence and maritime industry which in turn can create lasting friendly relations with all littorals in the region.

India First Policy of Maldives

The Maldives has also committed itself to being sensitive towards India's "security and strategic concerns". The Maldivian Foreign Minister Sahid's reiteration of Male's 'India First policy' and their sensitivity towards Indian security and strategic concerns, provided a perfect frame work for India to offer the US$ 1.4 billion a line of credit. This support would be critical for Male given its present huge fiscal debt. Maldives, a middle-income country, with tourism and fisheries sectors contributing largely to its nearly 7 US$ economy and 4.8% growth rate, has in the past few years been faced with a huge debt crises, with its current account deficit now standing at 17.1%. Apart from the debt, Maldives has been also struggling with gradual rise of sea levels amongst other environmental issues, and Indian support will be vital in addressing many of the imminent danger this small island nation faces. While Indian LED bulbs lit up the streets of Male City, India and Maldives will have to ensure the light in the partnership burn stronger irrespective of the governmental changes in either of the capitals. Sustaining this bilateral partnership is critical to both as well as for a peaceful region.

Further, present leadership under President Solih, shown commitment and interest towards 'India First Policy.' During meeting with Indian delegations, Maldives' leadership agreed on preserving peace and security in the IOR and assured of 'being mindful of each other's concerns and aspirations for the stability of the region.' The terrorism and radicalization are major problems against which both governments are committed to increasing cooperation within the region and elsewhere.

Way Forward

India's stability lies in the stability of its neighbourhood. For this, India must exercise its economic leverages prudently. Irrespective of China's economic activities in the atoll state, India should continue providing economic aid to its small neighbour in addition to the development projects that are already underway. Since a widening trade deficit with India is one of the major economic concerns the Maldives has, India could diversify bilateral trade, especially by enhancing its export basket from the atoll state. In the trade sphere, India should consider without delay the proposal from its neighbour regarding the import of diesel, petrol and aviation fuel from India. The Indian private sector could be encouraged to deepen its engagement in the Maldivian economy. But for this, the Maldives will need to become more welcoming to investments made by India.

On the security front, India's geographical proximity to Maldives is a big plus. Indeed, India has been the net security provider to the Maldives by frequently extending its help in securing the sovereignty and territorial integrity of the atoll state. From 'Operation Cactus' in 1988 to fending off a severe water crisis in the island nation, India has played the role of a responsible neighbour. It is in India's interest to continue with such critical engagements and work toward building confidence and assurances to the extent that Maldives emerges out of its "Big Brother Syndrome."

On its part, the Maldives needs to acknowledge the fact that it is only neighbours who come to rescue during emergencies; India has proved this maxim right several times.

General Studies Paper- II

Topic: India and its neighborhood-relations.

Topic: Effect of policies and politics of developed and developing countries on India's interests, Indian diaspora.

❍❍❍

6. G20 SUMMIT 2019 : MAJOR TAKEAWAYS

Why in News?

The G20 Summit concluded in Japan's Osaka recently after two days of hectic meetings, bilateral talks and series of dialogues between leaders of top 20 economies of the world. On the final day of the summit, 19 countries committed to the Paris climate agreement, with the US reiterating President Donald Trump's decision to withdraw from the pact "because it disadvantages American workers and taxpayers".

About G20 Summit

The G20 Summit is formally known as the "Summit on Financial Markets and the World Economy". As the "premier forum for international economic cooperation" (agreed by leaders at the Pittsburgh Summit in September 2009), representing more than 80% of the global Gross Domestic Product (GDP), the G20 has made continuous efforts toward achieving robust global economic growth. As globalization progresses and various issues become more intricately intertwined, the recent G20 summits have focused not only on macro-economy and trade, but also on a wide range of global issues which have an immense impact on the global economy, such as development, climate change and energy, health, counter-terrorism, as well as migration and refugees. The G20 has sought to realize an inclusive and sustainable world through its contributions towards resolving these global issues.

The participants are leaders from 19 countries and the Europian Union (EU). The 19 countries are Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Mexico, Republic of Korea, Republic of South Africa, Russia, Saudi Arabia, Turkey, United Kingdom, United States of America. In addition, leaders of invited guest countries and representatives of invited guest international organizations participate in the summit along with leaders from the G20 members.

The History of the G20 Summit

After the Asian Financial Crisis in 1997-1998, it was acknowledged that the participation of major emerging market countries is needed on discussions on the international financial system, and G7 finance ministers agreed to establish the G20 Finance Ministers and Central Bank Governors meeting in 1999.

The G20 Finance Ministers and Central Bank Governors meetings were centered on major economic and monetary policy issues amongst major countries in the global financial system and aimed at promoting cooperation toward achieving stable and sustainable global economic growth for the benefit of all countries. The participating members in the meetings were the same as the current G20 members.

In November 2008, the inaugural G20 Summit was held in Washington in response to the global financial crisis that occurred in the wake of the collapse of the Lehman Brothers. The G20 Meeting of Finance Ministers and Central Bank Governors was upgraded to the head of state level, as a forum for leaders from major developed and emerging market countries. In September 2009, the third summit was held in Pittsburgh where the leaders designated the G20 as the "premier forum for international economic cooperation." From thereon, the summit meetings were held semiannually until 2010 and annually from 2011 onwards.

Main Themes of the Osaka Summit

Theme 01 Global Economy

While the G20 was originally established in response to the global financial crisis, its core mission today is to establish economic fundamentals for realizing sustainable and inclusive growth of the global economy. From this perspective,

- First, the G20 discussed the impact of structural factors on the global economy, such as global imbalances and aging.
- Second, the G20 discussed concrete actions for strengthening growth potential.
- Third, in the areas of international taxation and finance, discussions were held on issues of how to respond to economic and social structural changes brought by digitalization and globalization of the economy through technological innovation.

Theme 02 Trade and Investment

The current development surrounding international trade are negatively affecting the prospects of global economy and trade. The G20 Ministerial Meeting on Trade and Digital Economy, held in Tsukuba city on June 8 and 9 focussed on the issues:

- Dialogue on current international trade developments.
- A sound business environment that promotes market-driven investment decisions.
- Promotion of trade and investment that contribute to sustainable and inclusive growth.
- WTO reform, recent developments in bilateral and regional trade agreements.

Theme 03 Innovation

G20 discussion has focused on how innovation, including digitalization, drives the economic growth and enhance productivity, while also shedding light on the importance of addressing its impact on labour market, skills, and digital divide. As digitalization is transforming every aspect of our economies and societies, effective use of data is increasingly becoming an important driver of economic growth and social well-being.

Under this overarching narrative, Ministerial Meeting on Trade and Economy discusses the following thematic areas:

- Data Free Flow with Trust (DFFT).
- Human-centric Artificial Intelligence.
- Digital security.
- Digital for Sustainable Development Goals (SDGs) and inclusion.

Theme 04 Environment and Energy

Climate Change: G20 members focused on discussing issues such as innovation, finance mobilization, and collaborating with non-state actors, together with addressing traditional major topics including mitigation, adaptation and climate finance.

Energy: G20 Osaka Summit focused on accelerating innovation such as hydrogen and Carbon Capture, Utilization and Storage (CCUS) as a major impetus for a virtuous cycle of environmental and growth, mobilizing private finance for innovation, and improving business environment for dissemination of innovative technologies.

Environment (Marine Plastic Litter): Marine plastic litter, which has been attracting global attention in recent years, is an urgent challenge, given that it harms the marine ecosystem and impacts our health.

Theme 05 Employment

The world of work faces significant changes driven by globalization, digitalization, demographic transitions, and a shift in individual and societal expectations about work and welfare. The three pillars of discussion are:

(1) Adapting to demographic change.

(2) Promoting gender equality in labour markets.

(3) exchanging national policies and practices in response to the new forms of work.

Theme 06 Women's Empowerment

On women's labour participation, G20 Leaders committed to the Brisbane Commitment "25 by 25," to reduce the gender gap in labour force participation by 25 per cent by 2025 at the Brisbane Summit in 2014. Women's empowerment is essential for achieving sustainable and inclusive economic growth. Discussions under made under the following three pillars:

(1) Implementation of G20 commitments including those related to women's labour participation.

(2) Enhancing support for girls' and women's education including STEM (Science, Technology, Engineering and Mathematics) area.

(3) Engagement with women business leaders and entrepreneurs.

Theme 07 Development

Development is an important issue for realizing inclusive and sustainable world and discussion on this topic has been elaborated under the past G20 presidencies. The discussion on the following themes, particularly on the importance of quality Infrastructure and human capital investment in order to promote development, especially in developing countries:

- 2030 Agenda for sustainable development.
- Accountability.
- STI (Science Technology and Innovations) for SDGs.
- Quality infrastructure for connectivity enhancement towards sustainable development (in cooperation with the Infrastructure Working Group).
- Human capital investment.

Theme 08 Health

Global health is an important topic that is essential as a basis for sustainable growth of the global economy. The World Health Organisation (WHO) was invited to the Osaka Summit. In the G20 Osaka summit, three elements, namely

1. Achievement of Universal Health Coverage (UHC),
2. Response to Aging society, and
3. Management of Health Emergencies including antimicrobial resistance (AMR) were the priority areas of discussion.

Takeaways from the G20 Summit 2019

- **India-US Meet**
  - Leaders of both the countries acknowledged the breadth and depth of bilateral ties, including economic, trade, energy, defence and security, counterterrorism and space.
  - They reiterated their commitment to provide strong leadership to address global challenges and build prosperity for their citizens in the decades to come.
- **India on Iran**
  - It is in India's fundamental interest to maintain peace and stability in the region.

  India's interests in the region:
  - Indian diaspora in the region.
  - Energy requirements.
  - Economic interest in the region.
- **India's stand on 5G and Data Storage**
  - On technological issues such as data storage and 5G network,

India ranged itself across the divide from Japan and the U.S., and alongside leaders of BRICS (Brazil-Russia-India-China-South Africa).

- The need for framing rules on data within the World Trade Organisation (WTO) and not at the G20, running counter to Japan's initiative as the host of this year's G20 summit, to push for "Data Free Flow with Trust, (DFFT)". Prime minister Modi refered data as a "new form of wealth".
- On the issue of 5G technology, where the U.S. has demanded that countries ban Chinese telecom major Huawei's 5G network because of its ability to spy on them, India had given no assurances to US.

- **Terrorism as the Biggest Threat to humanity**
  - Describing terrorism as the biggest threat to humanity, Prime Minister Narendra Modi said the scourge not only kills innocents but also severely affects economic development and social stability. There is a need to stop all the mediums of support to terrorism and racism.
- **On Disaster Management**
  - Modi also invited the G20 countries to join a global coalition on disaster resilience, saying disasters require quick and effective remedial measures as they invariably affect the poor the most.
- **19 Countries Vow Support to Paris Agreement**
  - In the final communique at the G20, world leaders vowed to tackle climate change, which is showing its impact globally with rising temperatures and ever-changing weather patterns. Japan has pushed for the Osaka summit to become a landmark for progress on environmental issues, including tackling the global problem of plastic waste and recommitting to efforts to counter climate change.
- **Tackling Ocean Plastic Waste**
  - Group of 20 Environment Ministers agreed to adopt a new implementation framework for actions to tackle the issue of marine plastic waste on a global scale.
  - One of the top issues was ocean plastic waste as images of plastic debris-strewn beaches and dead animals with stomachs full of plastic have sparked outrage with many countries banning plastic bags outright.
  - The new framework is aimed at facilitating further concrete action on marine waste, though on a voluntary basis, after the G20 Hamburg Summit in Germany adopted the "G20 action plan on marine litter" in 2017.
- **Life-cycle Approach**
  - Under the new framework, G20 members will promote a comprehensive life-cycle approach to prevent and reduce plastic litter discharge to the oceans through various measures and international cooperation.
  - They will also share best practices, promote innovation and boost scientific monitoring and analytical methodologies.
- **US-China Trade Talks Dominate Summit:** Trump said he would not lift existing import tariffs but would refrain from slapping new levies on an additional $300 billion worth of Chinese goods – which would have effectively extended tariffs to everything China exports to America.
- China warns of 'severe threats' to global order: China also held a meeting with three African leaders and said protectionism and "bullying" were threatening the world order
- **Three Major Challenges highlighted at the Summit**
  - Instability and downfall in the global economy. Unilateralism and competitiveness are overshadowing the rule-based multilateral global trade systems.
  - The second challenge is to make development sustainable and all-inclusive.
  - Terrorism is the third major challenge.

Conclusion

This year's G20 summit was being held at a time of grave global distress. Multiple faultlines are threatening to derail the global order and there is no leadership around the world that seems capable of rising up to the challenges of our times. U.S. President Donald Trump is busy being, threatening to rip up global frameworks without offering any real alternative. The European Union is coming to terms with own dysfunctionality at a time when it is being challenged from within and without. The United Kingdom is so mired in a political mess of its own making that it is unclear if it can even think of anything beyond the next leadership contests for the post of prime minister. China is facing an economic crisis that even Xi Jinping, with all his centralization of power, is finding it difficult to manage. And Russia has no larger interest than challenging the United States and the West at every possible platform.

As leaders of the G20 meet in Osaka, there was a sense of bewilderment about the real aims of this platform and if it has any relevance

in this day and age. Today the G20 faces perhaps its most serious challenges since it first met in November 2008 to tackle the financial crisis, with a primary mandate of preventing future international financial crises. As trade tensions escalate among major powers and global growth decelerates, the G20 countries found it hard to present a common framework to tackle global challenges, something the group was able to do after the 2008 financial crisis when it not only consolidated International Monetary Fund (IMF's) budget, but also prevented protectionist tendencies from taking root.

With Saudi Arabia hosting the next G20 in 2020, followed by Italy in 2021, all eyes will soon turn to the agenda India plans to highlight when it holds the G20 summit in 2022. Many global challenges, such as climate change and its impact, the balance between the needs for speed and national security with 5G networks being introduced, as well as technology-driven terrorism, will become even more critical for the grouping, and the government must articulate its line. India should lead the exercise in making the G20 more effective in dealing with some of the inequities in its system.

General Studies Paper- II

Topic: Bilateral, regional and global groupings and agreements involving India and/or affecting India's interests.

❍❍❍

7. INDIA - US RELATIONS : THE STRATEGIC CONUNDRUM

Why in News?

In his first meeting after re-election, Prime Minister Narendra Modi met United States (US) President Donald Trump at the sidelines of G20 Summit in Japan's city of Osaka. Both the leaders discussed various bilateral and global issues such as issues related to Iran, 5G rollout, and bilateral and defence relations between India and the US.

Introduction

Ties between India and the US have seen considerable improvement in the last two decades with a convergence of views on many issues. Successive presidents from Bill Clinton through Donald Trump have ensured that the project of deepening ties between the India and the US remains on track. Immediately after assuming the presidency, Trump began to woo Prime Minister Modi, who lost no time in carving out a personal relationship with him. The Trump administration made India eligible for defense-related technologies under a "strategic trade authorization," going a step further than the Obama administration, which had designated India as a "major defense partner."

The term "Indo-Pacific region" has now replaced the term "Asia-Pacific region" in the American diplomatic lexicon. The Trump administration has consistently described India as one of its major allies in the Indo-Pacific region; it renamed the former US Pacific Command as Indo-Pacific Command, emphasizing the strategic linkage between the Indian and Pacific Oceans. There is greater clarity now that the arc of authoritarian resilience threatening both India and the US is no longer localized to the Asian landmass but can potentially stretch from the Pacific Ocean to the Indian Ocean. The democratic voices in territories falling between these vast oceans are calling for the creation of new security architecture premised on international law.

In October 2017, then US Secretary of State Rex Tillerson declared that India and America were "two bookends of stability — on either side of the globe" and that the "emerging Delhi-Washington strategic partnership" was essential to anchor the rules-based world order for the next hundred years.

But Donald Trump administration's recent actions such as suspention of Indian trade privileges from its Generalized System of Preferences (GSP), imposing tariff barriers, ban on Iranian oil import among others has threaten the foundation of trust and flexibility on which India-US relations are premised.

Divergence in Relations

Donald Trump administration's recent actions threaten the foundation of trust and flexibility on which India-U.S. relations are premised. However, they seem to be part of a pattern progressively visible in American foreign policy in which bullying friends has become the name of the game. The Trump administration's insensitive approach towards its allies in Western Europe by denigrating the North Atlantic Treaty Organisation and the European Union (EU), threatening to impose tariffs on EU goods in connection with trade disputes and Europe's relations with Russia, and Washington's unilateral withdrawal from the Iran nuclear deal that roiled its European partners are all evidence of this policy.

The same paradigm explains Washington's recent moves vis-à-vis India. US unilateral actions on various fronts that have simultaneously

demonstrated what amounts to downgrading India in American strategy. Some of the important ones are:

Iranian Oil Import

US Secretary of State Mike Pompeo has announced on April 22 that Washington would not renew after May 2 the exemption that it had granted India and seven other countries regarding import of Iranian oil. It was one sign that American unilateralism had trumped coherent strategic thinking.

The Iranian share of Indian oil imports stood at 10%. While it would not be impossible for India to replace Iranian oil, the American announcement failed to consider the strategic importance of Iran in Indian foreign policy and the damage it could do to India-Iran relations. Iran's strategic location and the common concerns of both countries regarding the future of Afghanistan and the threat of terrorism emanating from Pakistan make Tehran an ideal geopolitical ally of New Delhi. India is also engaged in building the Chabahar Port in Southeastern Iran, which could act as the gateway for India to Central Asia, bypassing a hostile Pakistan. Moreover, by forcing India to tamely accept the American diktat on Iranian oil, it has torn off the veneer of "strategic autonomy" that Indian policymakers had long touted as the fundamental creed of Indian foreign policy.

The Issue of CAATSA

Another strain in the bilateral relation is the US threat to impose sanctions on India if it buys the S-400 missile defence system from Russia for which a deal had been signed in October 2018 by Russian President Vladimir Putin and Indian Prime Minister Modi. The US has argued that India's purchase of the S-400 systems will violate the Countering America's Adversaries

Through Sanctions Act (CAATSA), a US federal law that requires the country to impose sanctions on states entering into major military deals with Russia.

This puts India in a Catch-22 position. If it defies US threats and goes ahead with the purchase, it would subject India to economic sanctions and curtailment of defence and high-tech cooperation with the US If it buckles under American pressure and cancels the S-400 deal, it will have major negative implications for India's relations with Russia, its largest arms supplier and a time-tested friend. Furthermore, it will make it clear that India is for all practical purposes a "lackey" of the US, thus once again severely damaging its standing and credibility in international circles.

The Issue of GSP

Another important divergence in the relation was seen when US Administration removed India from the preferential trade programme, known as the Generalised System of Preferences (GSP). It gives developing countries easier access to the US market and lowers US duties on their exports. India was the largest beneficiary nation under the GSP scheme and exported goods worth $6.35 billion to the US under the preferential regime last year. This is close to 10% of the goods exported by India to the US While the Indian reaction to the American decision has been mild so far — the Commerce Ministry termed it "unfortunate" — it is bound to cause resentment in New Delhi.

5G Technology

The US has been pressurising India to ban the Chinese company from its 5G development and deployment on the back of security concerns of Chinese surveillance on these networks. Last week, the Chinese foreign ministry weighed in on the debate, calling for India to take an "unbiased and nondiscriminatory" decision. India conveyed to US secretary of state Mike Pompeo that the government will balance the national security implications of Chinese company Huawei with the demands of the local telecommunication market before deciding on 5G trials. The issue was also raised by Prime Minister Modi during his meeting with US President Trump on the sidelines of G20.

Tariff Issue

India has raised tariffs on 28 items exported from the US with effect from june 2019 in retaliation to America's withdrawal of preferential access for Indian products from 5 June. The commerce ministry had made public India's intention to go ahead with imposition of duty on American products, a move New Delhi had previously deferred in the hope of striking a trade deal.

India had repeatedly postponed the imposition of tariffs of more than $200 million on import of US goods worth $1.4 billion since they were first

announced on 20 June 2018. The duties were in retaliation to the US decision of significantly hiking customs duties on certain steel and aluminium products. New Delhi and Washington need to make a more determined attempt to sort out issues, starting from scratch if required, with tariffs. While the 50-60% duties on motorcycles and cars and 150% duties on American liquor that India imposes need a second look, the US must see that average tariffs imposed by India (13.8%) are not much higher than those levied by economies such as South Korea and Brazil.

Similarly other issues like data localisation requirements and new e-commerce regulations, price caps on coronary stents and other medical devices, Access to dairy products, Intellectual Property Rights (IPR) issues need to be resolved.

Conclusion

India-US ties are going through a periodic and stressful phase. Unarguably, enormous strides have been made during the last two decades, in deepening bilateral relations in the nuclear, trade, investment, defence, and many other sensitive sectors like cyber security and counter-terrorism.

The upward trajectory in ties accelerated after the India-US Nuclear Deal in 2008. Since then, the US has emerged as India's largest trading partner in goods and services, a major investor and supplier of defence hardware. People-to-people ties have also seen an upward trajectory, with Indian students comprising the largest chunk of foreign students in the US, and a thriving and affluent Indian-origin community of over 3 million, adding to the growing links. American pressure on Pakistan on terrorism, denial of aid and defence hardware, support from the United Nations Security Council (UNSC) on the Pulwama terrorist attack and the subsequent Indian air strikes at Balakot, support for Pakistan's inclusion in the grey list in the Financial Action Task Force (FATF), have been viewed favourably by New Delhi.

But the recent issue of trade has overshadowed this strategic relation. America, of course, has its own interests in furthering its ties with India, but to deny Indian foreign policy all agency is to do great disservice to India's growing heft in global politics. Paradoxical though it may sound to many in India, New Delhi primarily wants to enhance its strategic autonomy by deepening its security ties with the US. The biggest challenge to Indian strategic interests today comes from China and India doesn't have much leverage vis-a-vis it. A strong relationship with the US is the most potent way to ward off the China challenge in the short to medium term. In the long term, this will allow India to develop its comprehensive national power. Despite all the baggage, Mike Pompeo's visit has succeeded in injecting a renewed vigour in Indo-US bilateral discourse and in Indian Foreign Minister, he managed to find a partner who is equally focused on delivering practical outcomes.

General Studies Paper- II

Topic: Effect of policies and politics of developed and developing countries on India's interests, Indian diaspora.

❍❍❍

SEVEN SUBJECTIVE QUESTIONS WITH MODEL ANSWERS

Maritime Piracy and Armed Robbery : A Global Threat

Q 1. What is maritime piracy? Discuss the challenges and impacts related to it in the context of India.

Hints:

- According to the United Nations Convention on the Law of the Sea (UNCLOS) of 1982, maritime piracy is any criminal acts of violence, detention, or depredation, committed for private ends by the crew or the passenger of a private ship or aircraft that is directed on the high seas against another ship, aircraft or against persons or property on board a vessel or aircraft.
- The Maritime industry is severely affected by piracy. Many aspects are affected by the pirate's attack. These are a loss of property, delay of shipment, changing route, and many others.
- Seafarers are on the frontline of the piracy problem. All seafarers transiting the Gulf of Aden and Northern Indian Ocean, have to live with the risk of attack. When ships are attacked by pirates, crews suffer the stress of being fired upon with guns and rocket propelled grenades and those captured can be held hostage for months. Following a piracy attack those involved can be seriously affected by post traumatic stress. Indications are that pirates' treatment of the crew is worsening, with some seafarers having been held in solitary confinement and subjected to other cruelty.
- Impact of sea piracy on economic activities is wider. Ship owners are finding it increasingly hard to justify putting seafarers at risk. They are also struggling to find crews that are willing to transit the area. As the situation worsens a blockade of the area becomes more likely. This would add several days to most voyages, would push up transport costs, would see oil prices skyrocket and would have a huge impact on the world economy. If the attacks move further into the Gulf, oil supplies worldwide may be severely affected.

Back to Village : Energising and Empowering Panchayats

Q 2. Back to village programme connects government officers with the villagers directly and it gives a sense of belongingness and importance to the village people, besides helping in formulating plans for the transformation and development of the villages

Hints:

- The nation-building process must begin at the bottom of the pyramid; we have to transform rural India and people at the grassroots must be empowered.
- People's participation in planning, budgeting, resource mobilisation and decision-making is indispensable for bringing social, political, cultural and financial inclusion.
- There must be simple, robust and easy-to-follow bottom-up development planning process by the people, supported by proper accounting and social audits at all the three levels of panchayats. Such a system can safeguard against fraud, waste and misuse of resources and proper execution of programmes.
- In simple terms, it can be said that the idea like 'Back to village' can drill grassroots democracy deeper into the landscape of states of India. These kind of ideas will energise panchayats, strengthen the feedback delivery of government schemes and programmes, capture specific economic potential and undertak assessment of needs of villages.

Basel III Norms & India's Preparedness

Q 3. What do you understand by 'BASEL III norms'? Discuss its need for the Indian banking system.

Hints:

- In the era of globalization India is well integrated with rest of the world, and as increasingly Indian banks go abroad and foreign banks comes to India, we can't afford to have a regulatory deviation from global standards. Any deviation will hurt us.

- Further, if we ought to maintain a low standard regulatory regime this will put Indian banks at a disadvantage in global competition.
- Therefore, it becomes important that Indian banks have the cushion provided by this risk management system to withstand shocks from external systems, especially as we deepen our links with the global financial system.
- Implementing BASEL III norms will, no doubt, insulate Indian banks against domestic and financial shocks, consequently reducing spillover risks from the financial sector to the overall economy. Indian banks should take up this opportunity in their stride to emerge as stronger, more efficient and future proof organisations.

Restructuring India's Fiscal Federalism

Q 4. The new aspirational India is now firmly on a growth turnpike. It is in this context that we need to revisit India's fiscal federalism and have to redesign its architecture.

Hints:

- Fiscal federalism refers to the division of responsibilities with regards to public expenditure and taxation between the different levels of the government.
- Typically, federations (including the Indian one) face vertical and horizontal imbalances.
- Towards this task of cooperative federalism, NITI Aayog should receive significant resources (say 1% to 2% of the GDP) to promote accelerated growth in States that are lagging and overcome their historically conditioned infrastructure deficit, thus reducing the developmental imbalance.
- Another pillar that is central and binding — is the "flawless" or model GST. It needs further simplification and extended coverage. We need to quickly achieve the goal of a single rate GST with suitable surcharges on "sin goods," zero rating of exports and reforming the Integrated Goods and Services Tax (IGST) and the e-way bill.

India - Maldives : Deepening Ties

Q 5. India's stability lies in the stability of its neighbourhood. Discuss it in the context of India-Maldives relations.

Hints:

- 'Neighbourhood first policy' is part of India's foreign policy that actively focuses on improving ties with India's immediate neighbours. This policy aims to improve interactions with its immediate neighbours and the Indian Ocean island states.
- India's interests in the Maldives range from political stability in the neighbourhood, safety of its nationals working in the atoll state and protection of its investments and trade to the prevention of state and non-state forces inimical to Indian interests gaining a firm foothold in the Maldives.
- Present leadership under President Solih, shown commitment and interest towards 'India First Policy.' During meeting with Indian delegations, Maldives' leadership agreed on preserving peace and security in the IOR and assured of 'being mindful of each other's concerns and aspirations for the stability of the region.' The terrorism and radicalization are major problems against which both governments are committed to increasing cooperation within the region and elsewhere.
- India must exercise its economic leverages prudently. Irrespective of China's economic activities in the atoll state, India should continue providing economic aid to its small neighbour in addition to the development projects that are already underway.

G20 Summit 2019 : Major Takeaways

Q 6. Critically discuss the major takeaways from the G20 Summit 2019.

Hints:

- The G20 Summit concluded in Japan's Osaka recently after two days of hectic meetings, bilateral talks and series of dialogues between leaders of top 20 economies of the world.
- On the issue of 5G technology, where the U.S. has demanded that countries ban Chinese telecom major Huawei's 5G network because of its ability to spy on them, India had given no assurances to US.
- Describing terrorism as the biggest threat to humanity, Prime Minister Narendra Modi said the scourge not only kills innocents but also severely affects economic development and social stability. There is a need to stop all the mediums of support to terrorism and racism.
- Under the new framework, G20 members will promote a comprehensive life-cycle approach to prevent and reduce plastic litter discharge to the oceans through various measures and international cooperation.
- Instability and downfall in the global economy. Unilateralism and competitiveness are overshadowing

the rule-based multilateral global trade systems. The second challenge is to make development sustainable and all-inclusive. Terrorism is the third major challenge.

India - US Relations : The Strategic Conundrum

Q 7. India-US ties are going through a periodic and stressful phase. Discuss the reasons behind the same.

Hints:

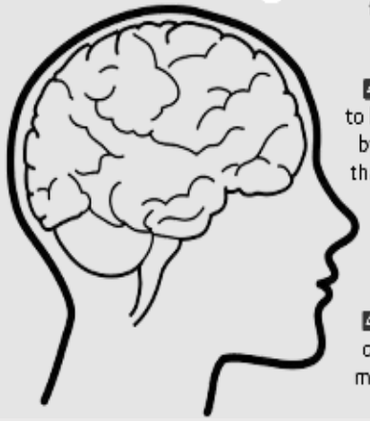
- Ties between India and the US have seen considerable improvement in the last two decades with a convergence of views on many issues.
- But Donald Trump administration's recent actions such as suspention of Indian trade privileges from its Generalized System of Preferences (GSP), imposing tariff barriers, ban on Iranian oil import among others has threaten the foundation of trust and flexibility on which India-US relations are premised.
- The same paradigm explains Washington's recent moves vis-à-vis India. US unilateral actions on various fronts that have simultaneously demonstrated what amounts to downgrading India in American strategy. Some of the important ones are: Iranian oil import, the issue of CAATSA, the issue of GSP, issue related to 5G technology and various tariff issues.
- America, of course, has its own interests in furthering its ties with India, but to deny Indian foreign policy all agency is to do great disservice to India's growing heft in global politics.

❍❍❍

Removal of Judges

Why in News?

1.1 Chief Justice of India (CJI) Ranjan Gogoi has written to Prime Minister to initiate a motion for removal of Allahabad High Court's Justice SN Shukla



Background

2.1 Justice Shukla had allegedly defied the categorical restraint orders passed by a CJI-led bench of the Supreme Court (SC) last year to permit private colleges to admit students for the 2017-18 academic session

2.2 After that CJI had constituted an in-house committee to investigate the allegations against Justice Shukla

2.3 In January 2018, in-house committee had concluded there was sufficient substance in the allegations against Justice Shukla

2.4 Following the report, the then CJI Dipak Misra, in accordance with the relevant in-house procedure, had advised Justice Shukla to either resign or seek voluntary retirement forthwith

2.4.1 But Shukla refused to do so and went on a long leave after that

Removal of Judges

3.1 A judge may be removed from office through a motion adopted by Parliament on grounds of 'proven misbehaviour or incapacity'

3.1.1 While the Constitution does not use the word 'impeachment', it is colloquially used to refer to the proceedings under Article 124 (for the removal of a Supreme Court judge) and Article 218 (for the removal of a High Court judge)

3.2 The Constitution provides that a judge can be removed only by an order of the President, based on a motion passed by both Houses of Parliament

Procedure for Removal of Judges

4.1 The procedure for removal of judges is elaborated in the Judges Inquiry Act, 1968

4.2 Under the Act, an impeachment motion may originate in either House of Parliament

4.3 To initiate proceedings at least 100 members of Lok Sabha may give a signed notice to the Speaker, or at least 50 members of Rajya Sabha may give a signed notice to the Chairman

4.4 If the motion is admitted, the Speaker or Chairman (who receives it) will constitute a three-member committee to investigate the complaint

4.5 It will comprise a SC judge, Chief Justice of a High Court and a distinguished jurist

4.6 After concluding its investigation, the Committee will submit its report to the Speaker or Chairman, who will then lay the report before the relevant House of Parliament

4.7 If the report records a finding of misbehaviour or incapacity, the motion for removal will be taken up for consideration and debated

4.8 The motion for removal is required to be adopted by each House of Parliament by a majority of the total membership of that House; and a majority of at least two-thirds of the members of that House present and voting

4.9 If the motion is adopted by this majority, the motion will be sent to the other House for adoption

4.10 Once the motion is adopted in both Houses, it is sent to the President, who will issue an order for the removal of the judge

National Policy on Biofuel 2018

Why in News?

1.1 The National Policy on Biofuels-2018 has allowed production of ethanol from damaged food grains like wheat, broken rice etc. which are unfit for human consumption

More from News

2.1 The policy also allowed conversion of surplus quantities of food grains to ethanol, based on the approval of National Biofuel Coordination Committee (NBCC)

2.1.1 However, food for fuel has often been a controversial policy matter across the globe as many believe using grains for ethanol raises food inflation risk

Why Foodgrains?

3.1 India has for years trailed the official target of blending 5 percent ethanol and biodiesel in petrol and diesel respectively to cut pricey oil import

3.2 Use of damaged food grains and surplus food grains for production of ethanol will increase its availability for Ethanol Blended Petrol (EBP) Programme

3.2.1 Under the EBP programme, the Centre has asked the oil marketing companies (OMCs) to target 10 per cent blending of ethanol with petrol by 2022

3.3 This decision will also benefit farmers by enabling them to make additional money from surplus production

3.4 At present, ethanol for blending comes from molasses, a byproduct of sugar industry

Present Scenario of Ethanol Availability

4.1 During the ethanol supply year 2017-18, 150.5 crore litres of ethanol was blended in Petrol

4.1.1 It has resulted in foreign exchange impact of about Rs. 5070 crore and carbon emission reduced to the extent of 29.94 lakh tonnes

4.2 Further, government has approved Pradhan Mantri JI-VAN Yojana to provide Viability Gap Funding (VGF) to second generation (2G) bio-ethanol manufacturing projects to increase availability of ethanol for EBP programme

About National Policy on Biofuels

5.1 It envisages an indicative target of 20% blending of ethanol in petrol and 5% blending of bio-diesel in diesel by 2030

5.2 It categorises biofuels into three categories- First Generation (1G), Second Generation (2G) and Third Generation (3G) biofuels

5.3 It expanded the scope of raw material for ethanol production by allowing use of sugarcane juice

5.3.1 Sugar containing material like Sugar Beet, Sweet Sorghum and Starch containing materials like Corn, Cassava

5.3.2 Damaged food grains like wheat, broken rice, Rotten Potatoes, unfit for human consumption for ethanol production

5.4 It also encouraged setting up of supply chain mechanisms for biodiesel production from non-edible oilseeds, used cooking oil and short gestation crops

Classification of Biofuels

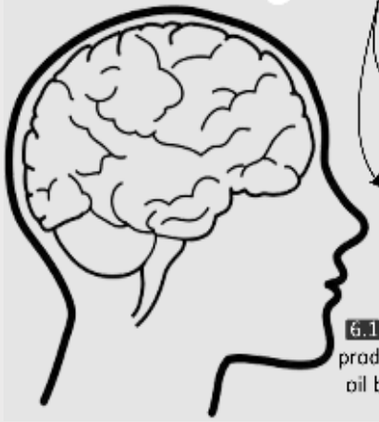
6.1 1G biofuels not only made from food products such as sugar, starch, or vegetable oil but also from a feedstock that can also be consumed as a human food

6.2 2G biofuels are often called advanced biofuels and produced from sustainable feedstock

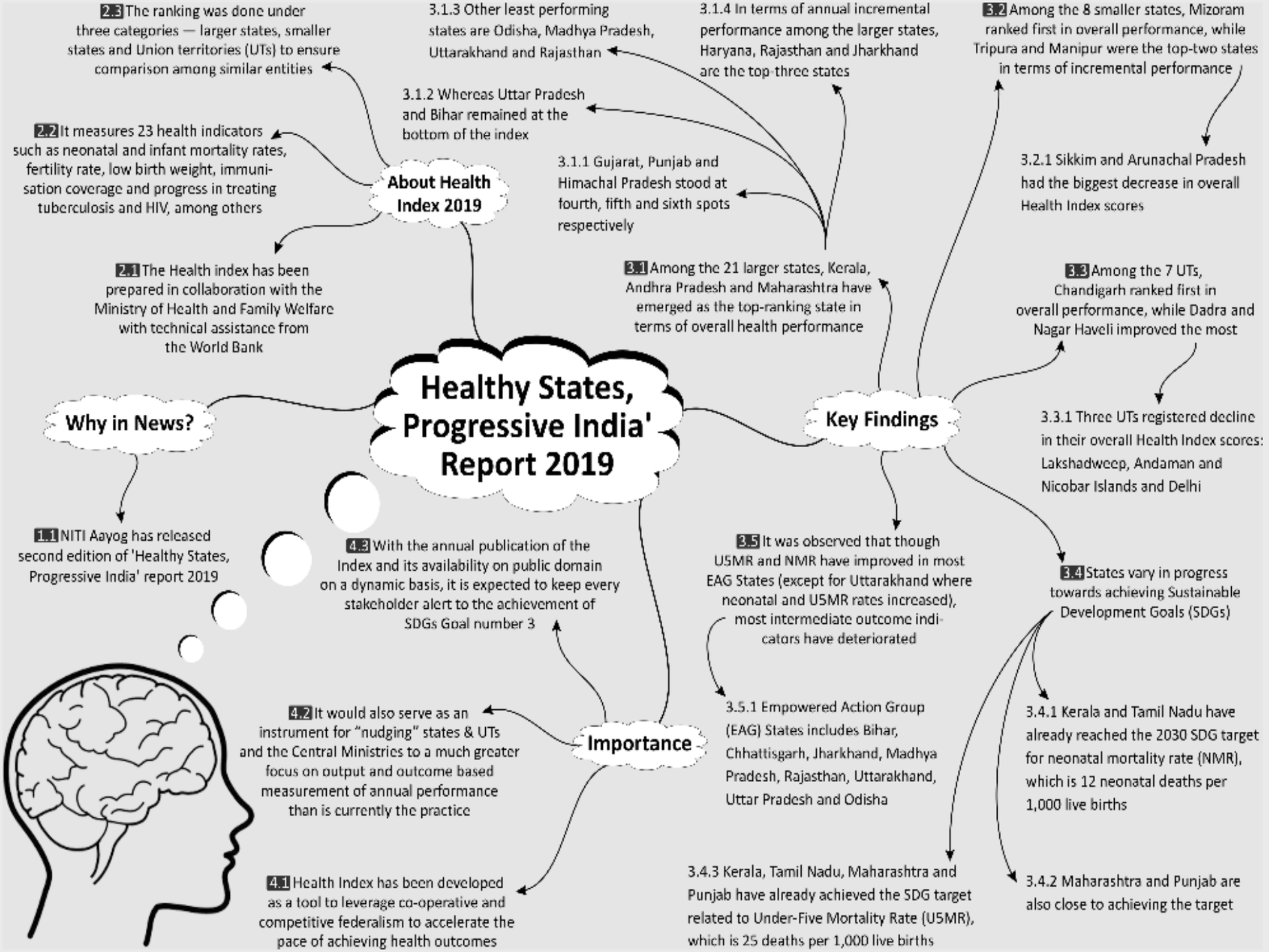
6.2.1 These are produced from non-food crops such as cellulosic biofuels and waste biomass

6.2.2 But certain food products can become 2G fuels when they are no longer useful for consumption

6.3 3G biofuels are produced from micro-organisms like algae



DHYEYA IAS
IDEAS TRANSFORM SINCE 2003


Healthy States, Progressive India' Report 2019
Why in News?
1.1 NITI Aayog has released second edition of 'Healthy States, Progressive India' report 2019
About Health Index 2019
2.1 The Health index has been prepared in collaboration with the Ministry of Health and Family Welfare with technical assistance from the World Bank
2.2 It measures 23 health indicators such as neonatal and infant mortality rates, fertility rate, low birth weight, immunisation coverage and progress in treating tuberculosis and HIV, among others
2.3 The ranking was done under three categories — larger states, smaller states and Union territories (UTs) to ensure comparison among similar entities
Key Findings
3.1 Among the 21 larger states, Kerala, Andhra Pradesh and Maharashtra have emerged as the top-ranking state in terms of overall health performance
3.1.1 Gujarat, Punjab and Himachal Pradesh stood at fourth, fifth and sixth spots respectively
3.1.2 Whereas Uttar Pradesh and Bihar remained at the bottom of the index
3.1.3 Other least performing states are Odisha, Madhya Pradesh, Uttarakhand and Rajasthan
3.1.4 In terms of annual incremental performance among the larger states, Haryana, Rajasthan and Jharkhand are the top-three states
3.2 Among the 8 smaller states, Mizoram ranked first in overall performance, while Tripura and Manipur were the top-two states in terms of incremental performance
3.2.1 Sikkim and Arunachal Pradesh had the biggest decrease in overall Health Index scores
3.3 Among the 7 UTs, Chandigarh ranked first in overall performance, while Dadra and Nagar Haveli improved the most
3.3.1 Three UTs registered decline in their overall Health Index scores: Lakshadweep, Andaman and Nicobar Islands and Delhi
3.4 States vary in progress towards achieving Sustainable Development Goals (SDGs)
3.4.1 Kerala and Tamil Nadu have already reached the 2030 SDG target for neonatal mortality rate (NMR), which is 12 neonatal deaths per 1,000 live births
3.4.2 Maharashtra and Punjab are also close to achieving the target
3.4.3 Kerala, Tamil Nadu, Maharashtra and Punjab have already achieved the SDG target related to Under-Five Mortality Rate (U5MR), which is 25 deaths per 1,000 live births
3.5 It was observed that though U5MR and NMR have improved in most EAG States (except for Uttarakhand where neonatal and U5MR rates increased), most intermediate outcome indicators have deteriorated
3.5.1 Empowered Action Group (EAG) States includes Bihar, Chhattisgarh, Jharkhand, Madhya Pradesh, Rajasthan, Uttarakhand, Uttar Pradesh and Odisha
Importance
4.1 Health Index has been developed as a tool to leverage co-operative and competitive federalism to accelerate the pace of achieving health outcomes
4.2 It would also serve as an instrument for "nudging" states & UTs and the Central Ministries to a much greater focus on output and outcome based measurement of annual performance than is currently the practice
4.3 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 SDGs Goal number 3

Progress of the World's Women 2019–2020

Why in News?

1.1 The United Nations Entity for Gender Equality and the Empowerment of Women, also known as UN Women has released a report titled 'Progress of the World's Women 2019-2020: Families in a Changing World'

Key Findings

2.1 The women's rights have advanced over the past decades, families around the world have become a place of love and solidarity

2.1.1 But also one where fundamental human rights violations and gender inequalities persist

2.2 Marriages remain largely universal and socially compulsory in much of Southern and Eastern Asia, Sub-Saharan Africa and Northern Africa and Western Asia In these regions

2.2.1 The extent to which women can exercise agency in partnership formation is highly constrained by a mix of social norms and economic factors

2.2.2 In many countries, choosing a partner is not an individual decision but one that is taken by the wider family or social network

2.3 Today, three billion women and girls live in countries where rape within marriage is not explicitly criminalized but injustice and violations take other forms as well

2.4 In one out of five countries girls do not have the same inheritance rights as boys, while in others (a total of 19 countries) women are required by law to obey their husband

2.5 Women continue to enter the labour market in large numbers, but marriage and motherhood reduce their labour force participation rates and the income and benefits that come with it

Performance of India

3.1 Semi-arranged marriages are partially replacing arranged marriages in India, especially in urban areas

3.1.1 It leads to reduction in marital violence and giving women a greater say in crucial decisions on finances and family planning

3.2 The practice of dowry remains widespread in South Asia despite long-standing feminist campaigns and legislation prohibiting the practice in both Bangladesh and India

3.3 India has seen a decline in women's labour force participation rates (LFPR)

3.3.1 The fall in women's LFPR (for those aged 25—54) in India is one of the largest globally (6.9 percentage points) during the period 1997—2018

3.4 In India, while the number of divorcees has doubled over the past two decades, still only 1.1% of women are divorced, with those in urban areas making up the largest proportion

3.4.1 Noting that divorce rates are generally low in India, the default regime is separation of property and the right to maintenance is weakly enforced

Way Forward

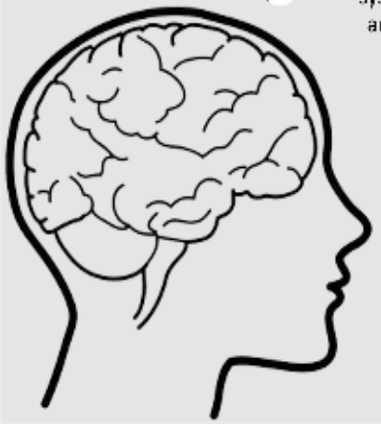
4.1 Amend and reform family laws to ensure that women can choose whether, when and who to marry; and enable women's access to family resources

4.2 Recognize diverse forms of partnership, to protect women in cohabiting and same-sex partnerships

4.3 Invest in public services, especially reproductive healthcare, to expand women's and girls' life choices

4.4 Push for social protection systems, such as paid parental leave and State support for children and older care to sustain families

4.5 Ensure women's safety by implementing laws to eliminate violence against women and girls and provide justice and support for violence survivors



Polymetallic Nodules

What are Polymetallic Nodules?

2.1 PMN are also known as manganese nodules

2.2 These are rock concretions formed of concentric layers of iron and manganese hydroxides around a core

2.3 These are largely porous nodules found in abundance carpeting the sea floor of world oceans in deep sea

2.4 Besides manganese and iron, they contain nickel, copper, cobalt, lead, molybdenum, cadmium, vanadium, titanium, of which nickel, cobalt and copper are considered to be of economic and strategic importance

Why in News?

1.1 India is planning to mine ocean floor's mineral resources, polymetallic nodules (PMN) in the Indian Ocean to boost its economy

Formation

3.1 Several theories have been proposed to explain the formation of different types of nodules

3.2 Two of the more popular are:

3.2.1 A hydrogenous process in which concretions are formed by slow precipitation of the metallic components from sea water

3.2.1.1 This is thought to produce nodules with similar iron and manganese content and a relatively high grade of nickel, copper and cobalt

3.2.2 A diagenetic process in which the manganese is remobilized in the sediment column and precipitates at the sediment/water interface

3.2.2.1 Such nodules are rich in manganese but poor in iron and in nickel, copper and cobalt

PMN and India

4.1 India is the first country to have received the status of a pioneer investor in 1987

4.1.1 India was allocated an exclusive area in Central Indian Ocean Basin (CIOB) by United Nations (UN) for exploration and utilization of nodules

4.2 India is one among the top 8-countries and is implementing a long–term programme on exploration and utilization of PMN through Ministry of Earth Sciences

4.2.1 This includes survey and exploration, environmental studies, technology development in mining and extractive metallurgy, in which significant contributions have been made

4.3 The Ministry of Earth Sciences is also planning to launch 'Deep Ocean Mission' to boost India's sea exploration capabilities

4.4 Recently, India's exclusive rights to explore PMN from seabed in CIOB have been extended by five years

4.4.1 These rights are over 75000 sq. km of area in international waters allocated by International Seabed Authority for developmental activities for PMN

4.5 The estimated PMN resource potential is 380 million tonnes, containing 4.7 million tonnes of nickel, 4.29 million tonnes of copper and 0.55 million tonnesof cobalt and 92.59 million tonnes of manganese

Celiac Disease

Why in News?

1.1 According to the study, patients with the celiac disease commonly have micronutrient deficiencies including B12 and D, as well as folate, iron, zinc and copper, at the time of diagnosis

1.2 Another study revealed that one of every 140 persons in India is estimated to have celiac disease

What is Celiac Disease?

2.1 Celiac disease is a serious autoimmune disease that occurs in genetically predisposed people where the ingestion of gluten leads to damage in the small intestine

2.2 When people with celiac disease eat gluten (a protein found in wheat, rye and barley), their body mounts an immune response that attacks the small intestine

2.3 These attacks lead to damage on the villi, small fingerlike projections that line the small intestine, that promote nutrient absorption

2.3.1 When the villi get damaged, nutrients cannot be absorbed properly into the body

2.4 Celiac disease is hereditary, meaning that it runs in families

2.4.1 People with a first-degree relative with celiac disease (parent, child, sibling) have a 1 in 10 risk of developing celiac disease

2.5 It can develop at any age after people start eating foods or medicines that contain gluten

Effects on Health

3.1 People with celiac disease have a 2x greater risk of developing coronary artery disease and a 4x greater risk of developing small bowel cancers

3.2 Untreated celiac disease can lead to the development of other autoimmune disorders like Type I diabetes and multiple sclerosis (MS)

3.2.1 Other conditions includes dermatitis herpetiformis (an itchy skin rash), anemia, osteoporosis, infertility and miscarriage, neurological conditions like epilepsy and migraines, short stature, heart disease and intestinal cancers

Celiac Disease and India

4.1 Wheat, the staple food for crores of Indians, is also responsible for celiac disease

4.2 The prevalence of celiac disease has jumped four folds in India since 1960s and now around eighty lakh people are affected

4.3 Some of the previous studies have noted that the prevalence of celiac disease is greater in North India, followed by the North East India

4.3.1 The disease was found to be less common in the Southern states

What is Autoimmune Disease?

5.1 A body has an immune system, which is a complex network of special cells and organs that guards against germs like bacteria and viruses and other foreigner invaders

5.2 Normally, the immune system can tell the difference between foreign cells and our own cells

5.3 When it senses these foreign invaders, it sends out an army of fighter cells to attack them

5.4 In a body suffering from auto-immune disease, the immune system releases proteins called autoanti-bodies that attack healthy cells

5.4.1 The body parts that are affected depend on the type of autoimmune disease

5.4.2 Some autoimmune diseases target only one organ

5.4.2.1 Type 1 diabetes damages the pancreas. Other diseases, like systemic lupus erythematosus (SLE), affect the whole body

DHYEYA IAS
IDEAS TRANSFORM SINCE 2003

International MSME Day 2019

Why in News?

1.1 International Micro-, Small and Medium-sized Enterprises (MSME) Day was observed on 27th June

1.2 Theme of the day was "Big Money for Small Business: Financing the Sustainable Development Goals (SDGs)"

Introduction

2.1 The day is dedicated to raising awareness of the need for greater investment into small and mid-sized businesses in developing countries

2.2 MSME sector has the potential to create 600 million new jobs needed by 2030 to keep pace with the growth of the world's working age population

What are MSME?

3.1 In accordance with the provision of Micro, Small & Medium Enterprises Development (MSMED) Act, 2006 the MSME are classified in two Classes

3.2 Manufacturing enterprises engaged in the manufacture or production of goods pertaining to any industry specified in the first schedule to the industries (Development and regulation) Act, 1951

3.2.1 The manufacturing enterprise are defined in terms of investment in Plant & Machinery

- 3.2.1.1 Micro Enterprises - does not exceed twenty five lakh rupees
- 3.2.1.2 Small Enterprises - more than twenty five lakh rupees but does not exceed five crore rupees
- 3.2.1.3 Medium Enterprises - more than five crore rupees but does not exceed ten crore rupees

3.3 Service enterprises engaged in providing or rendering of services and are defined in terms of investment in equipment

- 3.3.1 Micro Enterprises - does not exceed ten lakh rupees
- 3.3.2 Small Enterprises- more than ten lakh rupees but does not exceed two crore rupees
- 3.3.3 Medium Enterprises - more than two crore rupees but does not exceed five crore rupees

MSME and India

4.1 Providing employment to about 111 million people, the sector's health is crucial to the economy's vitality and society's well being

- 4.1.1 Globally, 50 % employment is generated through small businesses

4.2 MSME sector contributes more than 28% of the Gross Domestic Product (GDP) and about 45% to manufacturing output

4.3 Recently, an RBI committee has suggested a Rs. 5,000 crore stressed asset fund for the MSME sector to provide relief to small businesses hurt by demonetisation, GST and an ongoing liquidity crisis

- 4.2.1 Further, government has set a target to up the contribution to 50% by 2025 as India becomes a $5 trillion economy

Challenges before MSME

5.1 Shortage in skilled workforce is one of the biggest challenges faced by Indian MSMEs

- 5.1.1 Further, non-availability of suitable technology and over-regulation impede the growth of this sector

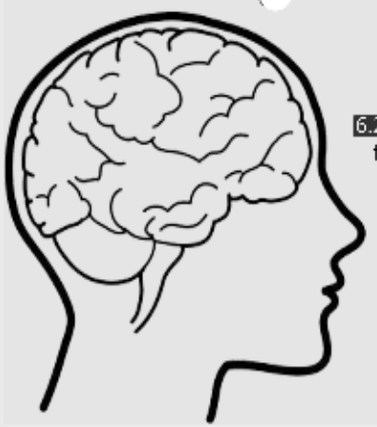
5.2 Among the aforementioned constraints, the availability of finance and financing costs are the two key factors that directly impact the growth and survival of the manufacturing and services MSMEs

MSME and SDGs

6.1 These are vital in achieving the SDGs, in particular in promoting innovation, creativity and decent work for all

6.2 SDG targets 8.3 and 9.3 call for enhancing the access of SMEs to financial services

6.3 In addition, SMEs are an important element in the implementation of SDG 8 (decent work and economic growth) and SDG 9 (industry, innovation and infrastructure)



SEVEN MCQ's WITH EXPLANATORY ANSWERS (Based on Brain Boosters)

Removal of Judges

Q1. With reference to the removal of judges, consider the following statements:

1. The procedure for removal of judges is elaborated in the Judges Inquiry Act, 1968.
2. An impeachment motion for High Court judges may originate in either House of State Legislatures.

Which of the statements given above is/are correct?

a) 1 only b) 2 only

c) Both 1 and 2 d) Neither 1 nor 2

Answer: (a)

Explanation: Statement 1 is correct. The procedure for removal of judges is elaborated in the Judges Inquiry Act, 1968.

Statement 2 is not correct. The procedure for removal of judges is elaborated in the Judges Inquiry Act, 1968. Under the Act, an impeachment motion may originate in either House of Parliament.

National Policy on Biofuel 2018

Q2. Consider the following statements:

1. National Policy on Biofuels 2018 envisages an indicative target of 20% blending of ethanol in petrol and 5% blending of bio-diesel in diesel by 2030.
2. 2G biofuels are produced from non-food crops such as cellulosic biofuels and waste biomass only.

Which of the statements given above is/are correct?

a) 1 only b) 2 only

c) Both 1 and 2 d) Neither 1 nor 2

Answer: (a)

Explanation: Statement 1 is correct. National Policy on Biofuels 2018 envisages an indicative target of 20% blending of ethanol in petrol and 5% blending of bio-diesel in diesel by 2030.

Statement 2 is not correct. 2G biofuels are often called advanced biofuels and produced from sustainable feedstock. These are produced from non-food crops such as cellulosic biofuels and waste biomass, but certain food products can become 2G fuels when they are no longer useful for consumption.

Healthy States, Progressive India' Report 2019

Q3. Consider the following statements in respect of 'Healthy States, Progressive India' Report 2019:

1. It has been released by NITI Aayog and Ministry of Health and Family Welfare.
2. Kerala, Andhra Pradesh and Tamil Nadu have emerged as the top-ranking state in terms of overall health performance.
3. Uttar Pradesh and Bihar are the worst performers in the overall health performance.

Which of the statements given above is/are correct?

a) 2 and 3 only b) 1 and 2 only

c) 3 only d) 1, 2 and 3

Answer: (c)

Explanation: Statement 1 is not correct. It has released by NITI Aayog. And it has been prepared in collaboration with the Ministry of Health and Family Welfare with technical assistance from the World Bank.

Statement 2 is also not correct. Among the 21 larger states, Kerala, Andhra Pradesh and Maharashtra have emerged as the top-ranking state in terms of overall health performance.

Statement 3 is correct. Uttar Pradesh and Bihar are the worst performers in the overall health performance.

Progress of the World's Women 2019–2020

Q4. Consider the following statements in respect of 'Progress of the World's Women 2019–2020':

1. It has been released by UN Women.

2. Semi-arranged marriages are partially replacing arranged marriages in India, especially in urban areas.
3. India has seen an upward movement in women's labour force participation rates (LFPR).

Which of the statements given above is/are correct?

a) 2 and 3 only b) 1 only
c) 1 and 2 only d) 1, 2 and 3

Answer: (c)

Explanation: Statement 1 and 2 are correct. It has been released by UN Women. Semi-arranged marriages are partially replacing arranged marriages in India, especially in urban areas.

Statement 3 is not correct. India has seen a decline in women's labour force participation rates (LFPR). The fall in women's LFPR (for those aged 25—54) in India is one of the largest globally (6.9 percentage points) during the period 1997—2018.

Polymetallic Nodules

Q5. With reference to the 'polymetallic nodules', consider the following statements:

1. PolymetallicNodules are also known as manganese nodules.
2. International Seabed Authority has allotted over 75000 sq. km of area in international waters area for developmental activities for PMN.

Which of the statements given above is/are correct?

a) 1 only b) 2 only
c) Both 1 and 2 d) Neither 1 nor 2

Answer: (c)

Explanation: Both statements are correct. PMN are also known as manganese nodules. 2.2 These are rock concretions formed of concentric layers of iron and manganese hydroxides around a core.

Recently, India's exclusive rights to explore PMN from seabed in CIOB have been extended by five years. These rights are over 75000 sq. km of area in international waters allocated by International Seabed Authority for developmental activities for PMN.

Celiac Disease

Q6. Consider the following statements in respect of 'celiac disease':

1. Celiac disease is caused by excessive ingestion of gluten protein.
2. Gluten is a family of proteins found in grains like wheat, rye, spelt and barley.

Which of the statements given above is/are correct?

a) 1 only b) 2 only
c) Both 1 and 2 d) Neither 1 nor 2

Answer: (b)

Explanation: Statement 1 is not correct. Celiac disease is a serious autoimmune disease that occurs in genetically predisposed people where the ingestion of gluten leads to damage in the small intestine.

Statement 2 is correct. Gluten is a family of proteins found in grains like wheat, rye, spelt and barley.

International MSME Day 2019

Q7. With reference to the 'International MSME Day 2019', consider the following statements:

1. It observed every year on 27th June.
2. Theme of the day was "Big Money for Small Business: Financing the SDGs".
3. SDG targets 8.3 and 9.3 call for enhancing the access of SMEs to financial services.

Which of the statements given above is/are correct?

a) 1 and 2 only b) 2 and 3 only
c) 1 only d) 1, 2 and 3

Answer: (d)

Explanation: All statements are correct. International Micro-, Small and Medium-sized Enterprises (MSME) Day was observed on 27th June. Theme of the day was "Big Money for Small Business: Financing the SDGs".

These are vital in achieving the Sustainable Development Goals (SDGs), in particular in promoting innovation, creativity and decent work for all. SDG targets 8.3 and 9.3 call for enhancing the access of SMEs to financial services.

❍❍❍

SEVEN IMPORTANT FACTS FOR PRELIMS

1. Which nation will host 2026 Winter Olympics, officially known as the XXV Olympic Winter Games and commonly known as Milan-Cortina 2026?

–Italy

2. Which rare species of tortoise was found in jugle of Arunachal Pradesh?

–Impressed Tortoise (Scientifically known as - Manouria impressa)

3. Which nation has extended ban on food imports from the European Union until end of 2020?

–Russia

4. Which country has become first Arab country to be granted full Financial Action Task Force (FATF) membership?

–Saudi Arabia

5. Which project has been given extension in its construction by two years by Ministry of Environment Forest and Climate Change?

–Polavaram Multipurpose Project in Andhra Pradesh

6. Which nation has resumed its commercial hunt of whales after 30 years?

–Japan

7. Which state government has made it mandatory for trekkers to carry a GPS device to tackle any exigency?

–Himachal Pradesh

❍❍❍

SEVEN PRACTICE QUESTIONS FOR MAINS EXAM

1. "India should use diplomatic tools at its disposal to help de-escalate US-Iran tensions." Discuss it in the context of growing tension between India and US.

2. "Creating more opportunities for everyone continues to remain the weakest link in India's journey towards becoming a more equitable society." Critically discuss it in the context of present reservation policy in India.

3. India's growing digital profile has made it a data powerhouse. Its successes in leveraging digital technologies for transforming governance and lives of ordinary Indians is being appreciated by the world. Discuss how this revolution will take India to a new level for creating inclusive growth.

4. "Religious notions of indigenous communities in India provide an understanding of the natural order, and resources to resist its degradation." Comment.

5. What is 'cooperative federalism'? Is cooperative federalism must for agricultural reforms in India? Discuss.

6. "India cannot afford to tolerate the culture of lynching. Mobs have grown accustomed to grabbing individuals suspected of some crime and beating them to a pulp, often resulting in death." Critically analyse it in the context of recent cases of mob lynching.

7. Critically discuss the challenges and oppourtinities associated with the growth of MSME sector in India.

❍❍❍

SEVEN IMPORTANT NEWS

1. Special Economic Zones (Amendment) Bill, 2019

The Parliament has cleared the Special Economic Zones (SEZ) (Amendment) Bill, paving the way for trusts to set up units in such areas. It is now set to become a law after receiving the President's nod.

What are SEZs?

SEZs are special demarcated areas in the country that have different regulations to attract foreign direct investment (FDI). Such areas are considered outside the customs territory. They are entitled to various tax incentives to boost manufacturing, promote exports as well as generate employment.

Key Highlights

It amends the Special Economic Zones Act, 2005 and replaces an Ordinance that was promulgated on March 2, 2019. The Act provides for the establishment, development and management of SEZs for the promotion of exports.

The present provisions of the SEZs Act, 2005, do not permit 'trusts' to set up units in SEZs. The amendment will enable trusts to be considered for grant of permission to set up units in SEZs. Under the Act, the definition of a person includes an individual, a Hindu undivided family, a company, a co-operative society, a firm, or an association of persons. The Bill adds two more categories to this definition by including a trust, or any other entity which may be notified by the central government.

At the end of March 2019, the investment in SEZs was a whopping Rs. 5 lakh crore plus and the employment was over 20 lakh and exports were over Rs. 7 lakh crore. ■

2. India's bid for Non-permanent UNSC Seat

India has won the unanimous support of all countries in the 55-member Asia-Pacific Group at the United Nations in support of its bid for a non-permanent seat at the UN Security Council (UNSC) for a two-year term in 2021-22. Also, India's candidature for a two-year term from 2021-22 was unanimously endorsed by both China and Pakistan.

Key Highlights

The 55-member Asia-Pacific Group gets to nominate one of its members for the June 2020 elections to a non-permanent seat on the UNSC. Estonia, Niger, Tunisia, Vietnam and St. Vincent and the Grenadines were elected earlier this month.

India has been keen to hold the seat in 2021-22 to coincide with the 75th anniversary of independence in 2022.

India has already held a non-permanent seat on the UNSC for seven terms: 1950-1951, 1967-1968, 1972-1973, 1977-1978, 1984-1985, 1991-1992 and 2011-2012. It announced its candidacy for the 2021-22 seat at the end of 2013, with Afghanistan, a potential contender, withdrawing its nomination to accommodate India's candidacy based on the long-standing, close and friendly relations between the two countries.

Members of UNSC

- The Council is composed of 15 Members.
- Five permanent members: China, France, Russian Federation, the United Kingdom and the United States.
- Ten non-permanent members elected for two-year terms by the General Assembly (with end of term year). Currently, the UNSC has 10 non-permanent members – Belgium, Cote d'Ivoire, Dominican Republic, Equatorial Guinea, Germany, Indonesia, Kuwait, Peru, Poland, and South Africa.

■

3. International Day against Drug Abuse and Illicit Trafficking 2019

The International Day Against Drug Abuse and Illicit Trafficking is observed on June 26 every year to raise awareness about the major problem that illicit drugs poses to the society. This year the theme was 'Health for Justice, Justice for Health', which highlights that justice and health are two sides of the same coin when it comes to addressing drug problems.

Effective responses to the world drug problem require inclusive and accountable institutions of criminal justice, health and social services to work hand in hand to provide integrated solutions, in line with the international drug control conventions, human rights obligations and the Sustainable Development Goals (SDGs).

Drug Abuse in India

At the national level, about 14.6 percent of the people (approximately 16 crore people) between the ages of 10 and 75 are current users of alcohol.

About 2.8 percent of Indians (3.1 crore people) have reported using any cannabis product within the past 12 months.

Around 2.06 percent of the people reported using opiods at the time of the survey.

About 0.55 percent of Indians are estimated to need help for their opioid use problems. Nationally, it is estimated that there are about 8.5 lakh people who inject drugs (PWID).

Government Initiatives

The Ministry of Social Justice and Empowerment has prepared a National Action Plan for Drug Demand Reduction (NAPDDR) for 2018-25. The aim is to reduce the adverse consequences of drug abuse and addiction by creating awareness, educating people about the ill-effects of drug use, and developing human resources to work towards these objectives.

■

4. DRDO has Developed Herbal Drug to Treat Leucoderma

Ahead of the International Vitiligo Day, the Defence Research and Development Organisation (DRDO) has developed the herbal drug to treat the leucoderma.

What is Leucoderma?

Quite similar to the skin condition "Vitiligo" –leucoderma is a skin disorder in which patches of skin tend to lose its natural color. Leucoderma is regarded as the de-pigmentation of the skin which is marked by the localization or complete destruction of melanocytes in the body. The characteristic formation of white patches on the skin remains closely bound to each other unlike the patches formed in Vitiligo. Vitiligo is not contagious and is not life-threatening.

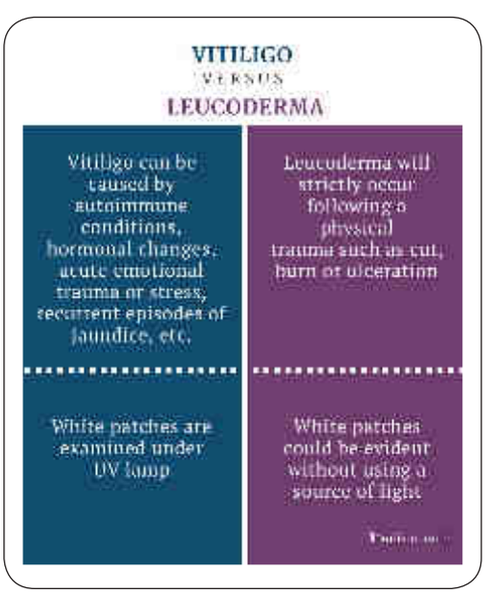
Key Highlights

Lukoskin is available as an ointment and oral liquid. A more developed version is likely to hit the market soon.

The ointment has seven herbal ingredients having properties such as anti-blister, anti-irritation, anti-septic, wound healing and copper supplementing properties, while the oral formulation is designed to check the emergence of new spots.

Present Scenario

The world wide incidence of leucoderma has been reported at 1-2 per cent. In India, its incidence is around 4-5 per cent in some parts of Rajasthan. In Gujarat, it is very high at more than 5-8 per cent. This skin disorder is considered a social stigma in India where people confuse it with leprosy.



■

5. National Mission on Natural Language Translation

The Ministry of Electronics and IT is planning to launch a mission on Natural Language Translation — one of the key missions identified by the Prime Minister's Science, Technology and Innovation Advisory Council (PM-STIAC).

Key Highlights

It aims to make science and technology accessible to all by facilitating access to teaching and researching material bilingually — in English and in one's native Indian language. To achieve this, the government is planning to leverage a combination of machine translation and human translation.

To overcome the language barrier, the government planned to set up an ecosystem which involved the Central and state agencies and start-ups.

Translation activities can also help generate employment for educated unemployed.

The mission would help not just students but also teachers, authors, publishers, translation software developers and general readers.

The IT ministry is the lead agency for implentation of the mission along with the Ministry of Human Resource Development and Department of Science and Technology.

About PM- STIAC

The PM-STIAC is an overarching body that identifies challenges in certain areas of science and technology.

Besides natural language translation, other missions identified by the body includes Quantum Frontier, Artificial Intelligence, National Bio-diversity mission, electric vehicles, BioScience for Human Health and deep ocean exploration.

■

6. L 98-59b - A New Planet

NASA's Transiting Exoplanet Survey Satellite (TESS) has discovered a world between the sizes of Mars and Earth orbiting a bright, cool, nearby star. The planet, called L 98-59b, marks the tiniest discovered by TESS to date.

Key Highlights

L 98-59b is around 80% Earth's size. The two other worlds in the system, L 98-59c and L 98-59d, are respectively around 1.4 and 1.6 times Earth's size. Their host star, L 98-59, is about one-third the mass of the Sun and lies about 35 light-years away. While L 98-59b is a record for TESS, even smaller planets have been discovered in data collected by NASA's Kepler satellite, including Kepler-37b, which is only 20% larger than the Moon. All three were discovered by TESS using transits, periodic dips in the star's brightness caused when each planet passes in front of it.

L 98-59b, the innermost world, orbits every 2.25 days, staying so close to the star it receives as much as 22 times the amount of energy Earth receives from the Sun.

About TESS

The Transiting Exoplanet Survey Satellite (TESS) was launched on April 18, 2018. TESS will search for planets outside of our solar system, including those that could support life. The mission will find exoplanets that periodically block part of the light from their host stars, events called transits. TESS will survey 200,000 of the brightest stars near the sun to search for transiting exoplanets.

■

7. Sister-city agreement between Kobe and Ahmedabad

Authorities from the Japanese city of Kobe have exchanged a Letter of Intent (LoI) with their counterparts in Ahmedabad for a sister city partnership, which will pave the way for an enhanced economic relationship between the two vibrant cities as well as the two countries. The push for a sister-city agreement between the two cities began way back a year and a half ago, when a delegation led by the then vice-mayor of Kobe, visited Ahmedabad in November 2017.

It will formalize the relationship between the two cities, both of which are unique in their own ways. While Kobe is the Creative Design City of Asia, Ahmedabad is India's first World Heritage City. Background

The MoU sought to promote mutual cooperation between Gujarat and Hyogo in the fields of academics, business, cultural cooperation, disaster management and environmental protection.

Concept of Sister City

The plan was conceived after the end of World War II to promote peaceful coexistence and to encourage trade and tourism. The concept of sister cities or twin towns is a legal and social agreement between towns, cities, counties, oblasts, prefectures, provinces, regions, states between two separate countries to promote cultural and commercial ties. In diplomacy, this concept is seen as a way to enhance strategic ties between two nations, both cultural as well as economic.

India has signed sister city agreements with many countries including China, US, Australia, Russia, Canada, Mauritius, Germany, Hungary, South Korea, Bangladesh, Lithuania, Portugal, Belarus and Jordan.

■

SEVEN IMPORTANT HIGHLIGHTS FROM PIB

1. INS Tarkash

In a demonstration of India's commitment to its ties with Egypt and of Indian Navy's increasing footprint and operational reach, Indian Naval Ship Tarkash arrived at Alexandria, for Western Fleet Overseas Deployment programme. The current visit seeks to underscore India's peaceful presence and solidarity with friendly countries and, in particular, to strengthen the existing bonds of friendship between India and Egypt.

India and Egypt Relations

India and Egypt are two of the world's oldest civilizations. Building upon the rich and longstanding relations that have existed between India and Egypt, both nations have developed warm relations in several spheres. A number of bilateral agreements for cooperation and cultural exchange exist between the two nations. The geostrategic location of Egypt provides it the unique advantage of being at the crossroads of Africa, Asia and Europe. Crucial Sea Lines of Communication pass through Red Sea into the Mediterranean through Suez Canal in Egypt.

About Tarkash

Tarkash is a state of the art warship of the Indian Navy equipped with a versatile range of weapons and sensors capable of addressing threats in all the three dimensions. The ship is part of the Indian Navy's Western Fleet and is under the operational Command of Flag Officer Commanding-in-Chief, Western Naval Command, based at Mumbai.

2. Loan Agreement between India and World Bank to Eliminate TB

The World Bank and the government of India have signed a loan agreement of $400 Million to expand the coverage and the quality of interventions for the control of Tuberculosis (TB), which kills approximately half a million people in India every year.

Key Highlights

- The World Bank supported program will cover nine states of India.
- The World Bank's program towards elimination of TB will support the India's National Strategic Plan to end TB in India by 2025. It will do so by helping improve and strengthen diagnostics and management of drug-resistant tuberculosis and increase the capacity of public institutions engaged in monitoring and treating TB in the country.
- The Program will provide financial incentives to private sector care providers for reporting cases of TB and ensuring that their patients complete the treatment regimen.
- It will also provide Direct Benefit Transfers to patients for acquiring the critical nutrition needed during treatment.
- The Program will also help the government of India strengthen the monitoring and implementation of Nikshay - a web-based TB case monitoring system introduced by the government.

Why TB?

TB is affecting the poor and marginalized and kills approximately 480,000 people every year in India. Drug resistant TB is a major public health threat and despite a growing number of TB cases being notified, India has more than a million "missing" cases every year with most of them being either undiagnosed or inadequately diagnosed and treated in the private sector.

3. Education Quality Upgradation and Inclusion Programme

The government has released a five-year vision and action plan to transform higher education by doubling enrolment and employability, addressing inequalities of access, and revamping governance and funding mechanisms.

Key Highlights

- The Education Quality Upgradation and Inclusion Programme (EQUIP) is likely to involve investment of Rs. 1.5 lakh crore over the next five years, much of which will have to be raised from the market.
- The plan has suggested more than 50 initiatives with timelines, implementation methods and funding requirements, with quality and access as its major goals.

Key Goals

- The ten expert groups have suggested more than 50 initiatives that would transform the higher education sector completely. The groups have set the following goals for higher education sector:
- Double the Gross Enrolment Ratio (GER) in higher education and resolve the geographically and socially skewed access to higher education institutions in India.
- Upgrade the quality of education to global standards.
- Position at least 50 Indian institutions among the top-1000 global universities.
- Introduce governance reforms in higher education for well-administered campuses.
- Accreditation of all institutions as an assurance of quality.
- Promote Research & Innovation ecosystems for positioning India in the Top-3 countries in the world in matters of knowledge creation.
- Double the employability of the students passing out of higher education.
- Harness education technology for expanding the reach and improving pedagogy.
- Promote India as a global study destination.
- Achieve a quantum increase in investment in higher education .

4. Statistics Day 2019

On 29th June, the government has celebrated the Statistics Day, to popularize the use of Statistics in everyday life and sensitize the public as to how Statistics helps in shaping and framing policies. It has designated as one of the Special Days to be celebrated at the national level and is celebrated on the birth anniversary of Prof. P C Mahalanobis, in recognition of his invaluable contribution in establishing the National Statistical System.

Key Highlights

- The theme of Statistics Day, 2019 was "Sustainable Development Goals (SDGs)". The theme has been chosen for intensive and focused discussions towards filling the data gaps and improvement of timelines/ quality in SDGs.
- The government also launched India's first SDG dashboard to track the country's progress on the Agenda 2030 adopted by the United Nations. The dashboard will be India's official data repository of the National Indicator Framework on SDGs, the country's largest monitoring framework with 306 statistical indicators.
- The dashboard also allows state governments to track their performance on each goal, compare it to other states and identify priority areas, which need urgent action.
- India has been closely monitoring its progress on the SDGs through its National Indicator Framework and the India SDG Index released in 2018. Also India's progress in SDGs is crucial, as the country is home to about 17 per cent of the world population.

5. Van Dhan Yojana

A workshop to flag the 100 days' plan for implementation of the Van Dhan Scheme was organised by Tribal Affairs as Nodal Department at the Central Level (TRIFED) of Ministry of Tribal Affiars in New Delhi.

Key Highlights

- The Van Dhan Karyakaram would establish 50,000 'Van Dhan Vikas Kendras' in the tribal areas of the country to ensure livelihood generation, income enhancement and empowerment of tribals. The Scheme will have a coverage of 27 states and 307 predominant tribal districts across India.
- The Van Dhan Karyakaram will cover 50 non-nationalized Minor Forest Produce (MFP) items with Minimum Support Price to provide fair and remunerative returns to the tribals. The scheme aims to set up and operationalize 3000 Van Dhan Vikas Kendras in FY 2019-20, of which 600 VDVKs will be established during the 100-Day Plan.

What are MFP?

An important source of livelihoods for tribal people are non-wood forest products, generally termed 'Minor Forest

Produce (MFP)' means all non-timber forest produce of plant origin and will include bamboo, canes, fodder, leaves, gums, waxes, dyes, resins and many forms of food including nuts, wild fruits, Honey, Lac, Tusser etc.

The Minor Forest Produces provide both subsistence and cash income for people who live in or near forests. They form a major portion of their food, fruits, medicines and other consumption items and also provide cash income through sale.

Minor Forest Produce (MFP) starts with the word "Minor" but is a major source of livelihood for tribals who belong to the poorest of the poor section of society.

About TRIFED

TRIFED came into existence in 1987. It is a national-level apex organization functioning under the administrative control of Ministry of Tribal Affairs.

6. World Bank Loan for Improved Health Services in Andhra Pradesh

The government of India, government of Andhra Pradesh and the World Bank have signed a loan agreement of $328 Million to help improve the quality and responsiveness of public health services in Andhra Pradesh.

Key Highlights

- The State of Andhra Pradesh has over the years demonstrated a strong commitment to improving health outcomes. Maternal mortality ratio in the state declined by 52 percent and infant mortality fell to 35 per 1,000 live births from 54 over the decade from 2005. Ninety-three percent women now opt for institutional deliveries. Despite these positive steps, there exist disparities within the state in coverage of maternal and child health services and quality of service delivery. Non-communicable diseases are also on the rise and form 60 percent of Andhra's burden of disease.
- The agreement will support the government of Andhra Pradesh as it scales-up its efforts to bring better health care to all its citizens, especially pregnant women and those at risk of non-communicable diseases, like hypertension, diabetes and cervical cancer.
- This new project will help leverage the state's own systems and processes and build capacity, thus enhancing the sustainability of the interventions.
- Currently, a primary health care facility exists for every 5,721 population on average in Andhra Pradesh and a secondary/tertiary care facility exists for every 200,000 population in the state. A continued focus on quality of care and availability of services will ensure quality health services to all, especially the poor.

7. One Nation-One Ration Card Scheme

The government of India is going to implement "One nation-one ration card" scheme in the whole country by 30th June, 2020. It will allow portability of food security benefits. This means poor migrant workers will be able to buy subsidised rice and wheat from any ration shop in the country, so long as their ration cards are linked to Aadhaar. According to the government of India, work on linking all the ration cards all over the country with Aadhar cards and organizing food grain distributionmechanism in its entirety through Point of Sale (PoS) machine is in the final stage.

Key Highlights

- Currently, Andhra Pradesh, Gujarat, Haryana, Jharkhand, Karnataka, Kerala, Maharashtra, Rajasthan, Telangana and Tripura are 10 states where 100% POS machines have been arranged for grain distribution and all Public distribution system (PDS) shops have been connected to the Internet. Now, in these states any beneficiary can take grain from any public distribution system shop in that state.
- Other states, including Himachal Pradesh, Madhya Pradesh, Jammu and Kashmir, Punjab and Tamil Nadu, could easily implement the scheme, as they had PoS machines in all the ration shops.
- Around, 77% % of the ration shops across the country have PoS machines and more than 85% of people covered under the National Food Security Act (NFSA) have their cards linked to Aadhaar. While Aadhaar linkage is not necessary to access NFSA benefits in a beneficiary's local registered ration shop, located closest to her home address, it will be necessary to access the portability scheme.

Fortified Grains

In a bid to reduce nutrition deficiencies among beneficiaries, the Central government would roll out a pilot project in 15 districts to fortify rice grains with iron, folic acid, Vitamin A and Vitamin B12. The first fortified grains would be available in ration shops from this November.

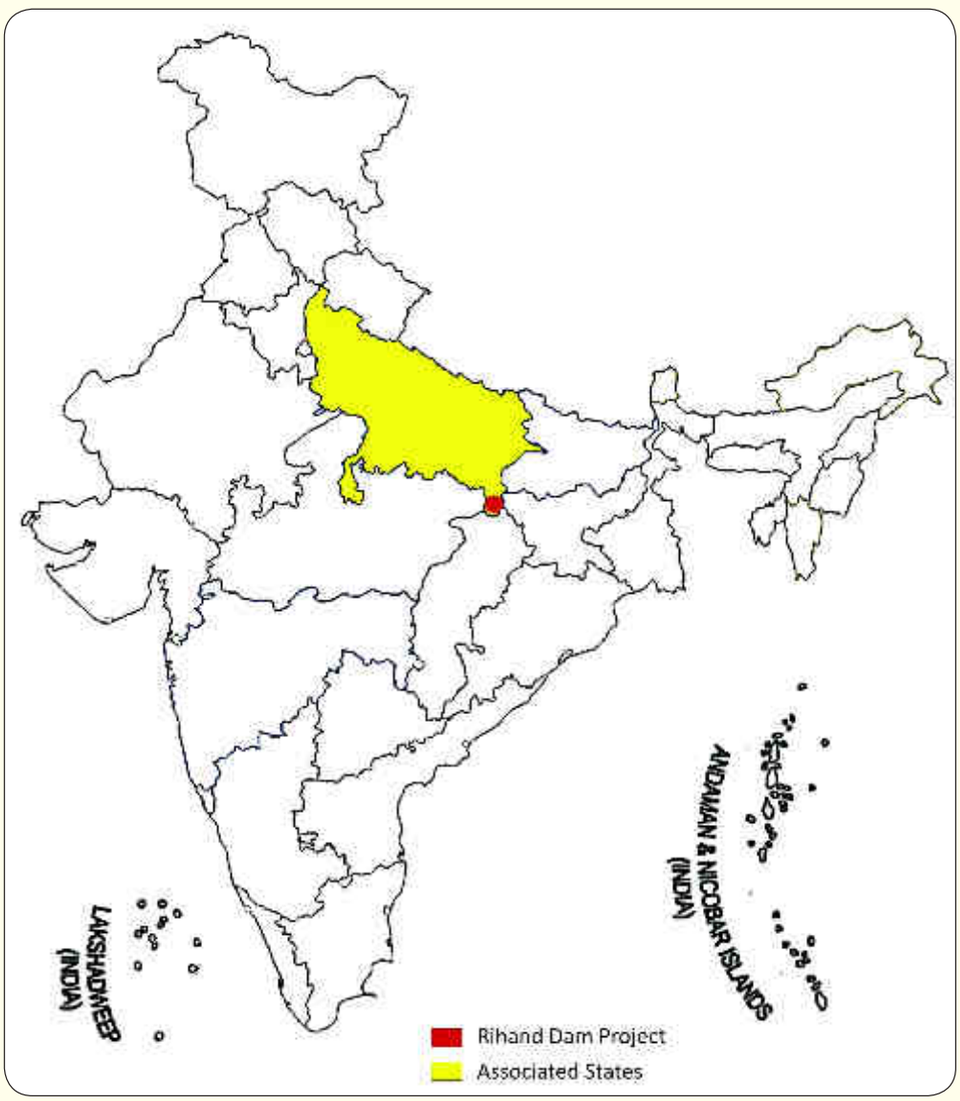
❍❍❍

SEVEN IMPORTANT CONCEPTS THROUGH GRAPHICS

1. Rihand Dam Project

Key Facts

- The Rihand River (a tributary of the Son River) flows across a narrow gorge in the Vindhyan ranges in the Mirzapur district of Uttar Pradesh.
- Rihand dam project is the largest multi-purpose project of Uttar Pradesh. It involves the construction of a 934 m long and 91 m high (from stream bed 167 m) straight gravity concrete dam across the Rihand River near village Pipri in Sonbhadra district.
- The reservoir created by this dam has been named as 'Gobind Ballabh Pant Sagar'.
- Another dam about 25 km North of the Rihand dam has been constructed at Obra.
- The power house near the Rihand dam supplied power to the Eastern parts of Uttar Pradesh, Western parts of Bihar and Northern parts of Madhya Pradesh.
- The Son river valley is blessed with vast deposits of coal, iron ore, limestone, mica, bauxite, feldspar, etc.
- The main aim of the Rihand project is to generate hydro electric power. It also provides benefits for the development of fisheries, navigation, flood control in the Rihand and Son rivers.

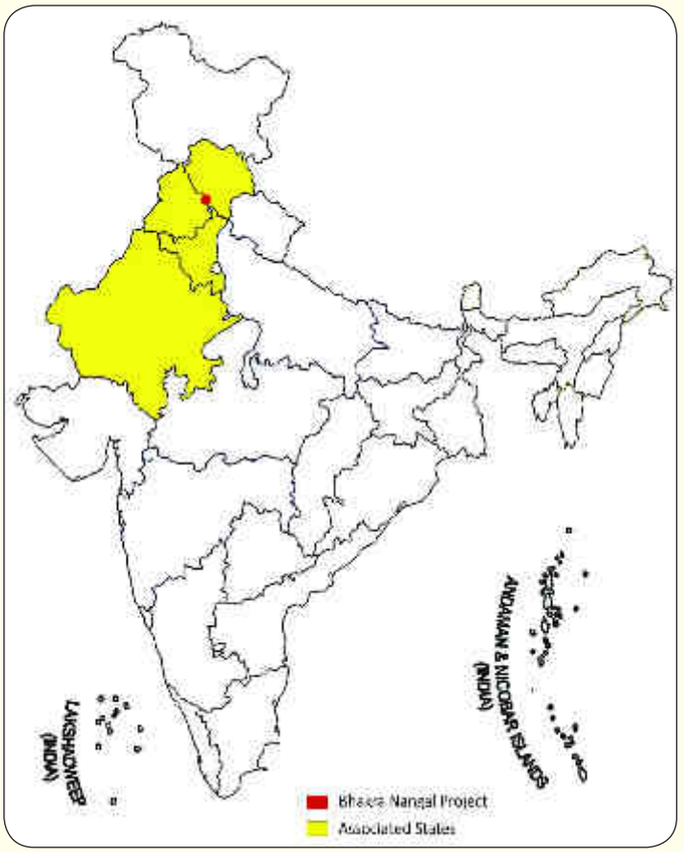


- This project is also boon to the aluminium industry at Renukoot, the chemical industry at Pipri, the Cement Industry at Churk and other industries like fertiliser, porcelain and paper.
- The water stored behind the Rihand dam is released into the River Son, giving it supplies for irrigation throughout the whole year in the Eastern regions of Uttar Pradesh.
- About 5,000 wells in Uttar Pradesh have been energised. Another 2.25 lakh hectares of land has been provided with tube-well irrigation in Bihar.
- Flood control in Son valley, fishing in Gobind Ballabh Pant Sagar, tourism, prevention and control of soil erosion in Baghelkhand region are some of the other benefits from this project.

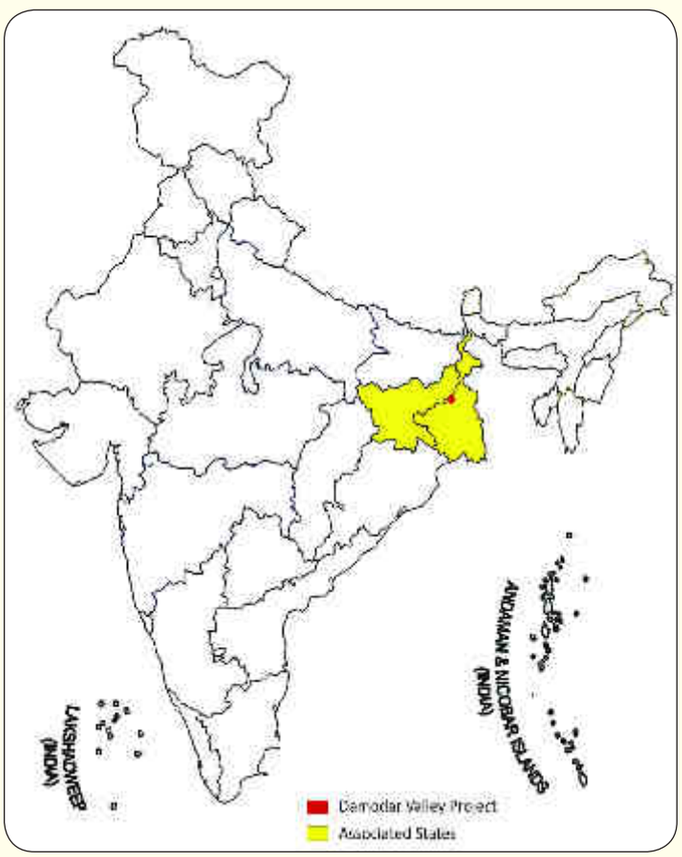
2. Bhakra Nangal Project

Key Facts

- Construction of the Bhakra Nangal dam commenced in the year 1948 and was completed in 1963.
- It is the largest and the most important multipurpose project named after the two dams built at Bhakra and Nangal on the Satluj River.
- It is a joint venture of the Punjab, Haryana and Rajasthan states designed to harness the precious water of the Satluj for the benefit of the concerned states.
- The project comprises of (i) two dams at Bhakra and Nangal, (ii) Nangal Hydel Channel, (iii) power houses with a combined installed capacity of 1,204 megawatt (M.W.) (iv) Electric transmission lines and (v) Bhakra canal system for irrigation.
- The Bhakra dam is one of the highest straight gravity dams in the world. The dam has created Gobindsagar reservoir of water.
- The Gobind Sagar reservoir has a capacity to store water up to 9.34 billion cubic meters, which is enough amount of water to flood the whole of Chandigarh, parts of Haryana, Punjab and Delhi.
- The Nagal dam has been constructed at Nagal about 13 km downstream of the Bhakra Dam. This 23 m high, 305 m long and 121 m wide is an auxillary dam which serves as a balancing reservoir for taking up daily fluctuations from the Bhakra Dam.
- Power houses have been built to generate hydroelectricity from water of the Satluj river.
- The main Bhakra Canal is 174 km long. This canal system commands a gross area of about 27 lakh hectares and provides irrigation to about 15 lakh hectares. Of this 37.7 per cent is in Punjab, 46.7 per cent in Haryana and the remaining 15.6 per cent is in Rajasthan.



3. Damodar Valley Project



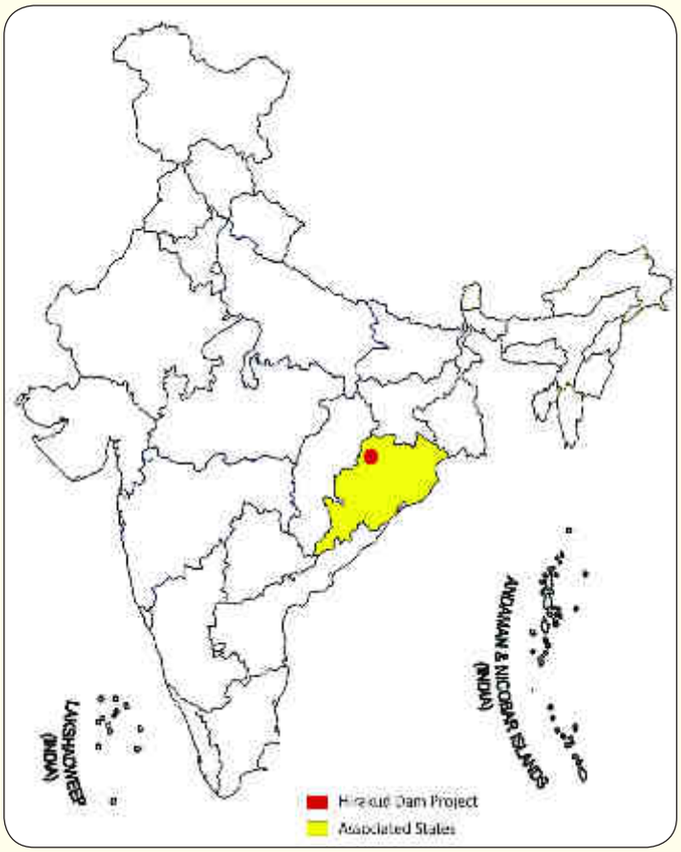
Key Facts

- The Damodar River is a tributary of the Hugli River. It flows more or less in the west to east direction through Jharkhand and West Bengal.
- The Damodar Valley Corporation (DVC) was established on 18th February, 1948 to execute the Damodar Valley Project.
- Damodar Valley Project is the first multipurpose river valley project of independent India.
- It is modeled on the Tennessee Valley Authority of the United States. In order to control floods, the Central government, in consultation with the state governments of erstwhile Bihar and West Bengal, worked out a unified development project for the Damodar Basin.
- The original plan was to construct seven major dams. These dams were to be Aiyar and Panchet Hill on the Damodar river; Maithon, Belpahari and Tilaiya on the Barakar river; Konar on the Konar river and Bokaro on the Bokaro river. But the DVC has constructed only four dams (Tilaiya, Maithon, Konar and Panchet Hill).
- DVC's network of four dams, one barrage and a canal, checks floods and facilitates irrigation in Jharkhand, Bihar and West Bengal.
- At present, DVC has an installed power generation capacity of 7,209.2 megawatts (MW); it plans to raise it to 13,000MW by 2022 and 20,000MW by 2027. The DVC Act of 1948 mandates it to operate within a 25,000 sq. km area covering the states of Jharkhand and West Bengal.

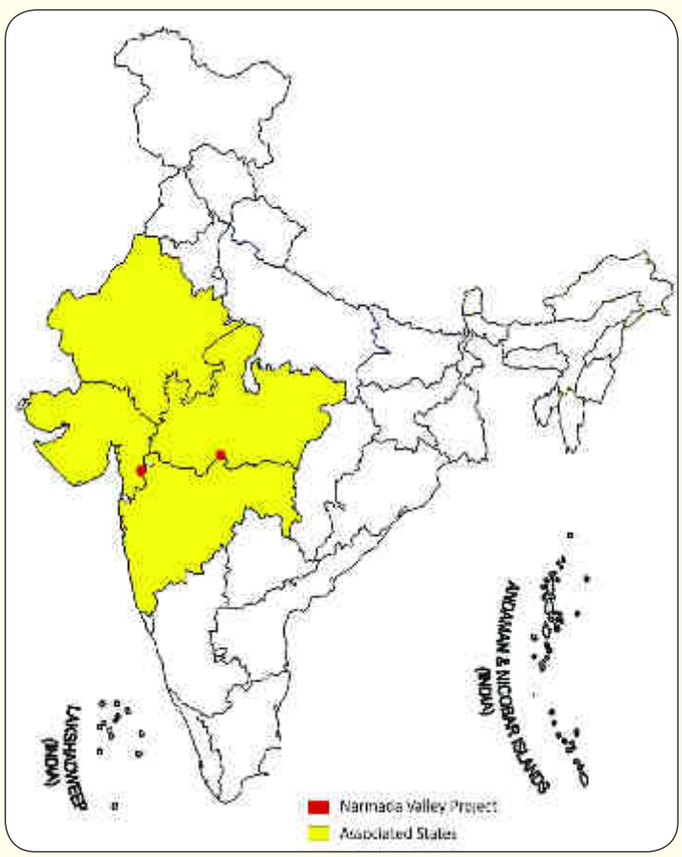
4. Hirakud Dam Project

Key Facts

- The Hirakud project has a total potentiality to irrigate about one million hectares of land, generate 270 mw of electricity and provide navigation facilities.
- The project involves construction of three dams across Mahanadi at Hirakud, Tikarpara and Naraj.
- Hirakud dam is built across the Mahanadi River in the state of Odisha in India.
- This dam is one of the longest man made dams in the world and one of the world's longest earthen dams.
- The main dam has an overall length of 4.8 km spanning between two hills; the Lamdungri on the left and the Chandili Dunguri on the right.
- The dam regulates the flow of the Mahanadi River and produces hydroelectricity through several hydroelectric plants.
- The main purpose of the Hirakud Dam was to check the massive flood that was effecting a large part of coastal Orissa. But construction of the dam greatly affected the native of western part of Orissa.
- The area served by this project is blessed with several minerals such as iron-ore, bauxite, manganese, graphite, chromite, mica and several other useful minerals which require large supply of hydroelectricity for their exploitation.
- Hirakud project provides the required power to these areas and helps their economic growth. Besides, this project supplies power to a large number of industries and urban centres.



5. Narmada Valley Project



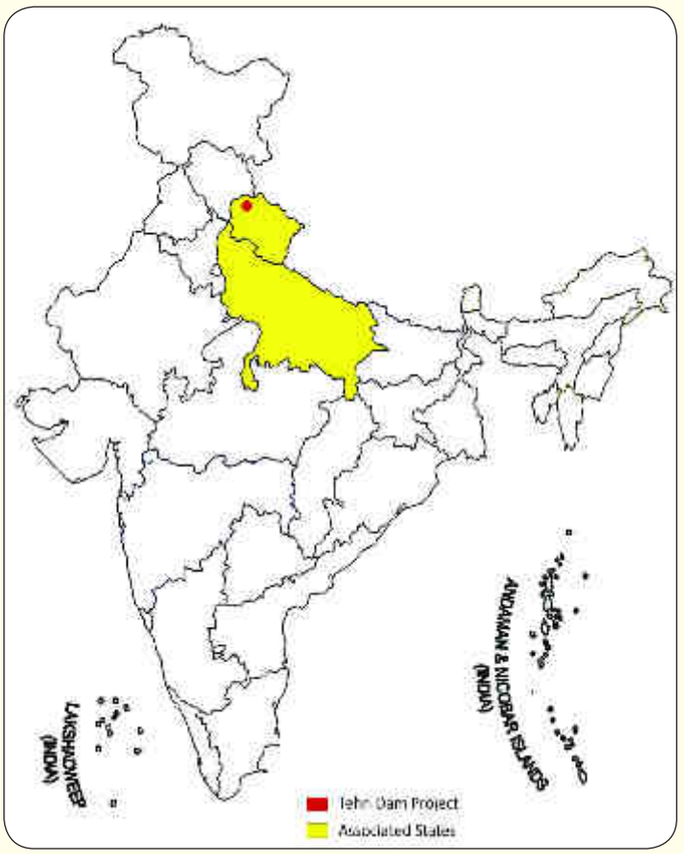
Key Facts

- Originating in the Amarkantak plateau of Madhya Pradesh, the Narmada is the fifth largest river of India and the largest among the west flowing rivers of the Peninsula.
- Only 5 per cent of flow of water is utilized and 95 per cent flows unutilized to the Gulf of Khambhat.
- The Narmada Valley Project aims at harnessing this flow for the economic prosperity of the concerned areas. This project is going to be one of the largest river valley projects of the world because the entire project includes the construction of 30 major, 135 medium and 3,000 minor dams on the river.
- This project includes two main dams namely the Sardar Sarovar Dam and the Narmada Sagar Dam.
- This project is designed to benefit the people in not only Gujarat but also those in Madhya Pradesh and Maharashtra with Rajasthan tagged as a marginal beneficiary to get more drinking water.
- The dams on the river are designed to produce about 3,000 M.W. of hydroelectricity. The canal system to be built in the integrated scheme is expected to provide irrigation facility to 17.92 lakh hectares of land in Gujarat, 1.40 lakh hectares in Madhya Pradesh and 73,000 hectares in Rajasthan. Although 87% of the Narmada flow is in M.P., 11.5% in Gujarat and 1.5% in Maharashtra, Gujarat is the main beneficiary state.
- Further, Gujarat state claim a positive impact on the health scene. There would be substantial reduction in scabies and skin diseases in Saurashtra, Kuchchh and Northern Gujarat due to availability of potable water.

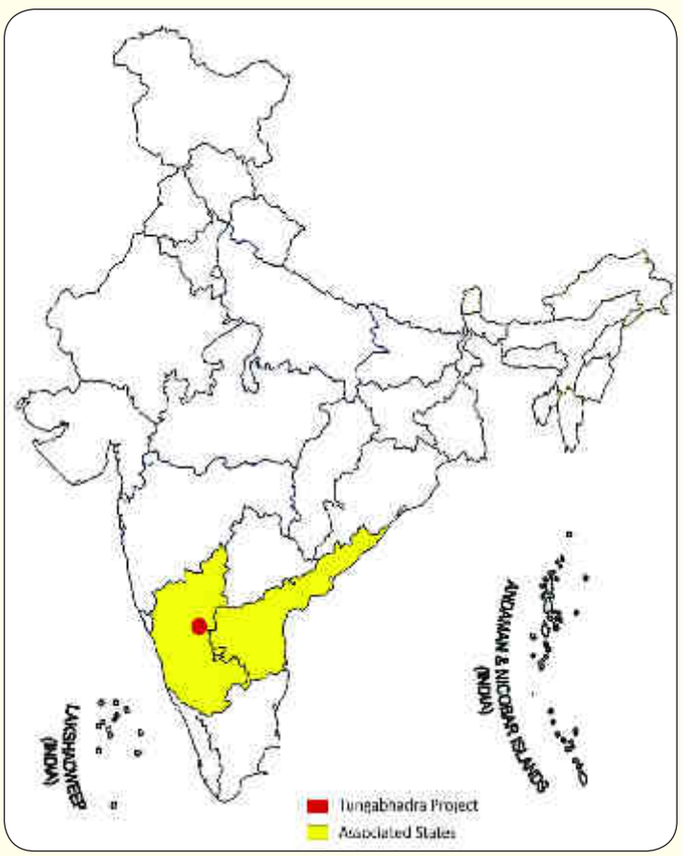
6. Tehri Dam Project

Key Facts

- This dam in Tehri Garwal was conceived in 1949.
- It is situated at the confluence of the Bhagirathi River and the Bhilganga rivers in Garhwal district of Uttarakhand.
- The Tehri Dam of Uttarakhand is the highest dam in India, 2nd highest in Asia and 8th highest in World.
- This rock-fill dam, expected to generate 3,500 MW of electricity, will irrigate 270,000 hectares of arid land between Ganda and Yamuna river
- The Tehri Dam withholds a reservoir, also known as Tehri Lake for irrigation, municipal water supply and the generation of hydroelectricity.
- The dam reservoir is also flocked with tourists interested in boating and is slowly becoming a prominent hub for adventure tourism in Uttarakhand.
- The Tehri dam is designed to withstand an earthquake of 8.4 magnitude, but some seismologists say that earthquakes with a magnitude of 8.5 or more could occur in this region.
- The Tehri Dam and the Tehri Pumped Storage Hydroelectric Power Plant are part of the Tehri Hydropower Complex which also includes the 400 MW Koteshwar Dam.[3] Power is distributed to Uttar Pradesh, Uttarakhand, Punjab, Delhi, Haryana, Jammu & Kashmir, Chandigarh, Rajasthan and Himachal Pradesh .



7. Tungabhadra Project



Key Facts

- This is a joint project of erstwhile Hyderabad state and erstwhile Madras Presidency when the construction was started; later it became a joint project of Karnataka and Andhra Pradesh after its completion in 1953.
- The main aim of the Tungabhadra project is to harness the river water for irrigation, power generation and flood control and drought mitigation.
- Tungabhadra project is also helped in augmenting the area under cotton, groundnut, rice, sugarcane, jowar and other crops.
- The project comprises a 2,441 m long and 50 m high straight gravity masonry dam across the Tungabhadra (a tributary of the Krishna River) in Bellary district of Karnataka, two irrigation canals and power houses on both sides of the dam.
- Three canal systems originate from the Tungabhadra barrage namely the Left Bank Canal (340 km long) is called Tungabhadra Canal, Tungabhadra Low Level Canal (347 km long) originates from the right side of the dam and Tungabhadra High Level Canal with 196 km length. All three canal system is providing the irrigation facility in Karnataka and Andhra Pradesh.
- Of the three power stations, two are situated at the foot of the dam and the third is at Right Low Level Canal. All three power stations have a potential of 126 MW.

DHYEYA IAS®
most trusted since 2003

LEGACY OF SUCCESS CONTINUES...

After achieving a phenomenal success with **120+** selections in CSE 2017, **DHYEYA IAS** has once again reached a new zenith of success with **122+** selection

KANISHAK KATARIA
AIR 1

JUNAID AHMED
AIR 3

We salute the spirit of our selected candidates and wish them a successful and bright future ahead

ANURAJ JAIN
AIR-24

DEEPAK KUMAR DUBEY
AIR-46

RENJINA MARY VARGHESE
AIR-49

RANGASHREE
AIR-50

GIRDHAR
AIR-61

AYUSHI SINGH
AIR-86

SAWAN KUMAR
AIR-89

VEER PRATAP SINGH
AIR-92

BRIJESH JYOTI UPADHYAY
AIR-112

RANJEETA SHARMA
AIR-130

CHITTYREDDY SRIPAL
AIR-131

SHIV NARAYAN SHARMA
AIR-149

SHAKTI MOHAN AVASTHY
AIR-154

SIDDHARTH GOYAL
AIR-163

GUNDALA REDDY RAGHAVENDRA
AIR-180

GAUTAM GOYAL
AIR-223

SHIVAM SHARMA
AIR-251

INDERVEER SINGH
AIR-259

GAURAV GUNJAN
AIR-262

MD JAWED HUSSAIN
AIR-280

DEEPTI BAGGA
AIR-297

ARPIT GUPTA
AIR-300

HIMANSHU GUPTA
AIR-304

POORVI GARG
AIR-317

NAVEEN KUMAR
AIR-324

ADITYA KUMAR JHA
AIR-339

SACHIN BANSAL
AIR-349

CHIRAG JAIN
AIR-355

LAKSHMAN KUMAR
AIR-362

SAHIL GARG
AIR-376

YOGITA
AIR-384

ANIMESH GARG
AIR-387

KIRTI PANDEY
AIR-389

KUMAR BISWARANJAN
AIR-391

GARIMA
AIR-394

and many more...

DHYEYA IAS®
most trusted since 2003

AN INTRODUCTION

Dhyeya IAS, a decade old institution, was founded by Mr. Vinay Singh and Mr. Q.H. Khan. Ever since its emergence it has unparallel track record of success. Today, it stands tall among the reputed institutes providing coaching for Civil Services Examination (CSE). The institute has been very successful in making potential realize their dreams which is evidents from success stories of the previous years.

Quite a large number of students desirous of building a career fro themselves are absolutely less equipped for the fairly tough competitive tests they have to appear in. Several others, who have a brilliant academic career, do not know that competitive exams are vartly different from academic examination and call for a systematic and scientifically planned guidance by a team of experts. Here one single move my invariably put one ahead of many others who lag behind. Dhyeya IAS is manned with qualified & experrienced faculties besides especially designed study material that helps the students in achieving the desired goal.

Civil Services Exam requires knowledge base of specified subjects. These subjects though taught in schools and colleges are not necessarily oriented towards the exam approach. Coaching classes at Dhyeya IAS are different from classes conducted in schools and colleges with respect to their orientation. Classes are targeted towards the particular exam. classroom guidance at Dhyeya IAS is about improving the individuals capacity to focus, learn and innovate as we are comfortably aware of the fact that you can't teach a person anything you can only help him find it within himself.

DSDL Prepare yourself from distance

Distance learning Programme, DSDL, primarily caters the need for those who are unable to come to metros fro economic or family reason but have ardent desire to become a civil servant. Simultaneously, it also suits to the need of working professionals, who are unable to join regular classes due to increase in work load or places of their posting. The principal characteristic of our distance learning is that the student does not need to be present in a classroom in order to participate in the instruction. It aims to create and provide access to learning when the source of information and the learners are separated by time and distance. Realizing the difficulties faced by aspirants of distant areas, especially working candidates, in making use of the institute's classroom guidance programme, distance learning system is being provided in General Studies.The distance learning material is comprehensive, concise and examoriented in nature. Its aim is to make available almost all the relevant material on a subject at one place. Materials on all topics of General Studies have been prepared in such a way that, not even a single point will be missing. In other words, you will get all points, which are otherwise to be taken from 6-10 books available in the market / library. That means, DSDL study material is undoubtedly the most comprehensive and that will definitely give you added advantage in your Preliminary as well as Main Examination. These materials are not available in any book store or library. These materials have been prepared exclusively for the use of our students. We believe in our quality and commitment towards making these notes indispensable for any student preparing for Civil Services Examination. We adhere all pillars of Distance education.

Face to Face Centres

DELHI (MUKHERJEE NAGAR) : 011-49274400 | 9205274741, **DELHI (RAJENDRA NAGAR)** : 011-41251555 | 9205274743, **DELHI (LAXMI NAGAR)** : 011-43012556 | 9205212500, **ALLAHABAD** : 0532-2260189 | 8853467068, **LUCKNOW (ALIGANJ)** 9506256789 | 7570009014, **LUCKNOW (GOMTINAGAR)** 7234000501 | 7234000502, **GREATER NOIDA RESIDENTIAL ACADEMY** : 9205336037 | 9205336038, **BHUBANESWAR** : 8599071555, **SRINAGAR (J&K)** : 9205962002 | 9988085811

Live Streaming Centres

BIHAR – PATNA, **CHANDIGARH, DELHI & NCR** – FARIDABAD, **GUJRAT** – AHMEDABAD, **HARYANA** – HISAR, KURUKSHETRA , **MADHYA PRADESH** – GWALIOR , JABALPUR , REWA , **MAHARASHTRA** – MUMBAI, PUNJAB – JALANDHAR, PATIALA, LUDHIANA, **RAJASTHAN** – JODHPUR, **UTTARAKHAND** – HALDWANI, **UTTAR PRADESH** – ALIGARH, AZAMGARH, BAHRAICH, BARELLY, GORAKHPUR, KANPUR, LUCKNOW (ALAMBAGH , LUCKNOW (GOMTI NAGAR), MORADABAD, VARANASI

YouTube dhyeyaias | dhyeyaias.com | /dhyeya1 | STUDENT PORTAL

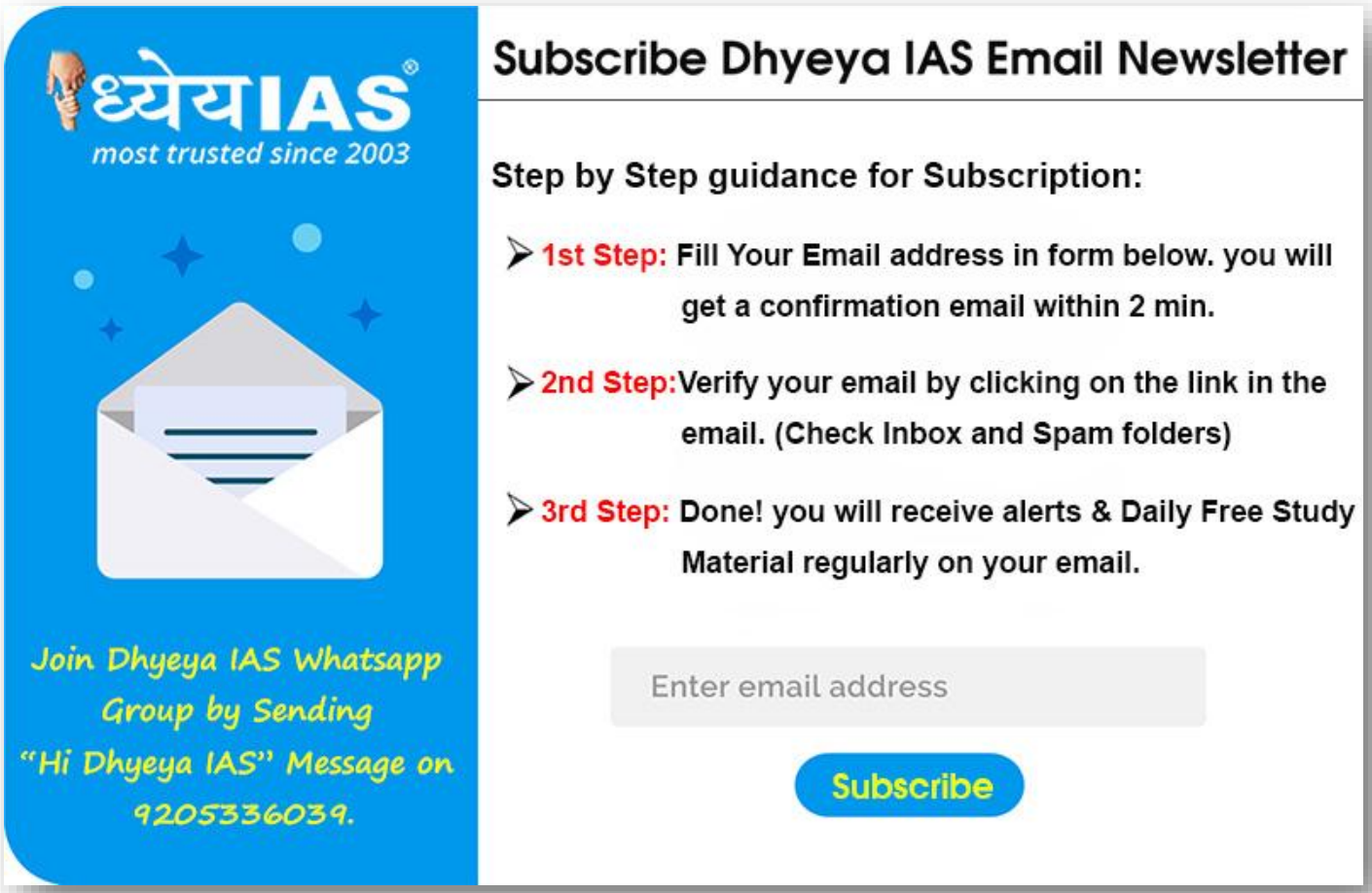
TRUEWORD
Quest for Wisdom

Price ₹ 40

Subscribe Dhyeya IAS Email Newsletter
(ध्येय IAS ई-मेल न्यूजलेटर सब्स्क्राइब करें)

जो विद्यार्थी ध्येय IAS के व्हाट्सएप ग्रुप (Whatsapp Group) से जुड़े हुये हैं और उनको दैनिक अध्ययन सामग्री प्राप्त होने में समस्या हो रही है | तो आप हमारेईमेल लिंक Subscribe कर ले इससे आपको प्रतिदिन अध्ययन सामग्री का लिंक मेल में प्राप्त होता रहेगा | **ईमेल से Subscribe करने के बाद मेल में प्राप्त लिंक को क्लिक करके पुष्टि (Verify) जरूर करें अन्यथा आपको प्रतिदिन मेल में अध्ययन सामग्री प्राप्त नहीं होगी |**

नोट (Note): अगर आपको हिंदी और अंग्रेजी दोनों माध्यम में अध्ययन सामग्री प्राप्त करनी है, तो आपको दोनों में अपनी ईमेल से Subscribe करना पड़ेगा | आप दोनों माध्यम के लिए एक ही ईमेल से जुड़ सकते हैं |



ध्येय IAS
most trusted since 2003
Address: 635, Ground Floor, Main Road, Dr. Mukherjee Nagar, Delhi 110009
Phone No: 011-47354625/ 26 , 9205274741/42, 011-49274400

Dhyeya IAS Now on WhatsApp

Join Dhyeya IAS Whatsapp Group by Sending

"Hi Dhyeya IAS" Message on 9355174441.

You can also join Whatsapp Group through our website

www.dhyeyaias.com
www.dhyeyaias.in

ध्येय IAS
most trusted since 2003

Address: 635, Ground Floor, Main Road, Dr. Mukherjee Nagar, Delhi 110009
Phone No: 011-47354625/ 26 , 9205274741/42, 011-49274400