# CURRENT AFFAIRS

WEEKLY

WEEK -1 JULY, 2019

#### Defence

Project 75 India 3

#### **Economy**

- **Declining Nuclear Energy Market**
- **Employees' State Insurance Act** ②
  - **Extension of Anti-profiteering** (2)
- FrameworkIndian Banks' Association ② tweaks Inter Creditor Agreement
  - Kaleshwaram Project 3
- Multilateral Convention to Implement ②

  Tax Treaty

#### **Environment & Ecology**

Kelp Forests **⊘** 

#### Geography

**Heat Waves** ②

#### **Internal Security**

**National Investigation Agency** 

#### **Public Health**

Ebola Outbreak in Uganda - Not a Global @ Emergency

#### **Science & Technology**

Anthrax Vaccine 🔊

#### **Social Issues**

Purple Clad protest: Women in ② Switzerland rise for equal pay

#### **Miscellaneous**

Akshay Patra wins BBC World Service @ Global Championship Award

Health Index 3

#### **ECONOMY**

Pradhan Mantri Mudra Yojna (PMMY): A Step towards Financial Inclusion

#### **ENVIRONMENT**

Marine Debris

#### **GEOGRAPHY**

Melting of Himalayan Glaciers

#### **INTERNATIONAL RELATIONS**

- India UK Relations
- Yoga as Proponent of World Peace

#### **SOCIAL ISSUES**

Ayushman Bharat Scheme



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## - Disclaimer -

The current affairs articles are segregated from prelims and mains perspective, such separation is maintained in terms of structure of articles. Mains articles have more focus on analysis and prelims articles have more focus on facts.

However, this doesn't mean that Mains articles don't cover facts and PT articles can't have analysis. You are suggested to read all of them for all stages of examination.

#### **CURRENT AFFAIRS ANALYST**

WEEK-1 (JULY, 2019)

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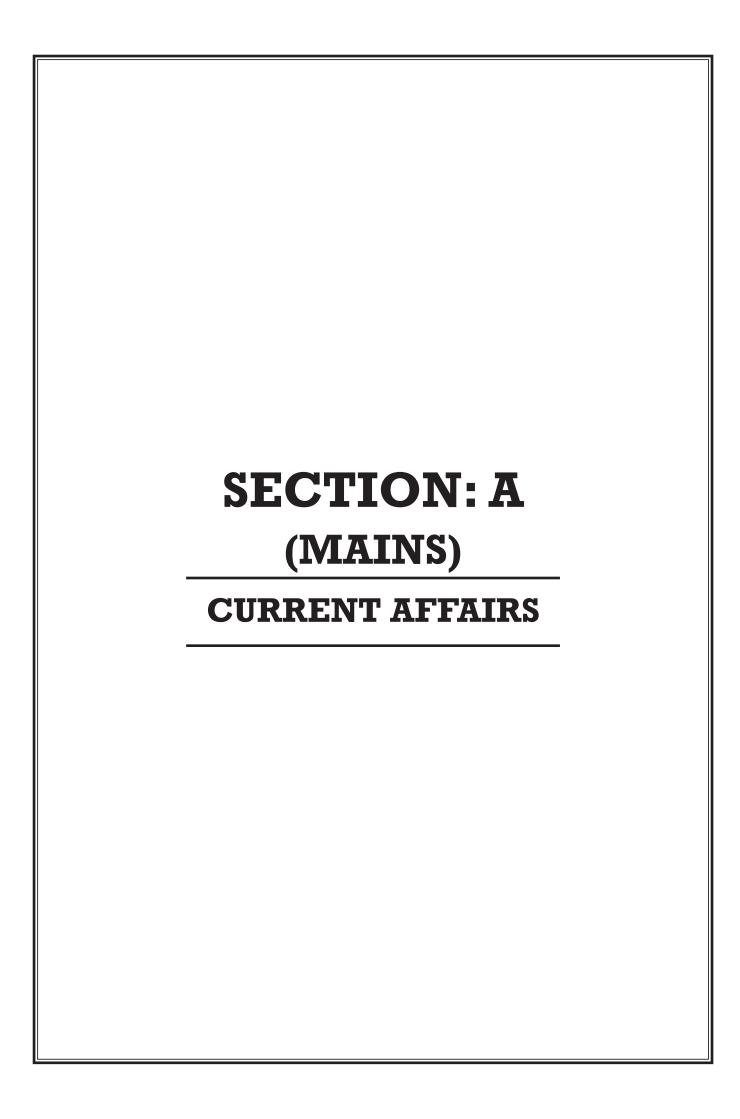
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# PRADHAN MANTRI MUDRA YOJNA (PMMY): A STEP TOWARDS FINANCIAL INCLUSION

#### CONTEXT

- Finance Ministry plans to revamp its flagship lending scheme, Pradhan Mantri Mudra Yojna (PMMY), to ensure better access to credit for small firms, boost entrepreneurship and promote financial inclusion.
- Government will also take into consideration that Non-Performing Assets should not be created out of the MUDRA loans which could burden the Banking sector further.

#### **Background**

- Financial Inclusion is one of the most important strategies in India to empower citizens. The primary point behind the monetary consideration is to cover the all segment of population under monetary administrations.
- Government of India (GOI) has introduced some of the major steps to "fund the unfunded" micro enterprises segment. One of the initiatives taken by Government of India (GOI) is Pradhan Mantri Mudra Yojana (PMMY) which plays an important role in achieving the success of financial inclusion. The idea behind the scheme is to provide the credit requirement to small business upto 10 lakh.
- The Micro Units Development & Refinance Agency Ltd. (Mudra) was set up in 2015 under the Pradhan Mantri Mudra Yojana (PMMY) to help develop and refinance the 'non-corporate business' sector.
- It is aimed at supporting finance institutions that lend to micro/small business entities engaged in manufacturing, trading and service activities. The loan is given primarily for the purpose of employment creation at the grassroots level through formal banking credit channel.
- Under MUDRA scheme, collateral-free loan of up to ₹10 lakh falls under three categories—Shishu, Kishore and Tarun. Shishu accounts for loans of up to ₹50,000, while ₹50,001 to ₹5 lakh are disbursed under Kishore. The third category is for loans of ₹5-10 lakh.
- More than 17 crore entrepreneurs have availed loans under the Pradhan Mantri Mudra Yojna so far till March 2019, which has been seen as one of the biggest interventions in MSME sector by the government in recent times.

#### **Significance of Financial Inclusion**

- Access to financial services enables the poorest and most vulnerable in society to step out of poverty and reduces the inequality in society.
- Financial inclusion not only helps individuals and families, but collectively it develops entire communities and can help drive economic

growth.

- Financial inclusion is about enabling and empowering people and communities:
  - Enabling people to have the ability and tools to manage and save their money
  - Empowering people with the skills and knowledge to make the right financial decisions
- Participation within the financial system leads to all kinds of individual benefits, including:
  - Ability to start and grow a business, which gives people an opportunity through microfinancing schemes for example to better long term prospects
  - Being able to pay for an education for children, which in turn enables a new generation of educated and informed individuals
  - ➤ The ability to handle uncertainties that require ad hoc and unexpected payments or 'financial shocks'
- Financial inclusion through access to an account, savings and a payment system (whatever that maybe) enables potential and empowers men, women and whole communities. This in turn promotes:
  - ➤ Investment within the community, provides jobs and again research shows that employment boosts status, income and ones outlook on life. Collectively this helps to invigorate economies.
  - Equality both within the community and within families.

#### ANALYSIS

#### **Funding the unfunded: Concerns**

- In India the main problem that acts as a hurdle for the development of entrepreneurship is financing.
- Major problems faced by micro enterprises, small business and entrepreneurs includes financial





- illiteracy, lack of information, lack of financial access, entry level policies, lack of infrastructure, high cost and technologies barriers.
- Bank credit to MSMEs as a percentage of GDP in India is around 6%—less than one-sixth of the levels seen in South Korea and China, and onefourth in Thailand and Malaysia.
- As per the International Finance Corporation, the total financing demand of Indian MSME sector is Rs 32.5 lakh crore, but availability of funds, both internal and formal finance, is Rs 14.6 lakh crore. So, MSMEs are grappling with a formal credit gap of Rs 17.9 lakh crore, i.e. 56% of total demand.
- Banks hesitate to grant loans due to lack of transparency, lack of financial discipline, high administrative costs of small-scale lending, highrisk perception, and lack of collateral.
- mortality rates of MSMEs—financial institutions are doubtful about their survival and growth and, therefore, under-financing happens
- 62% of 5.77 crore small business units and micro units are held by the Scheduled Cast, Scheduled Tribe and Other Backward Class as per the government estimates. These are involved in small manufacturing, trading or service businesses. For these weaker sections and low income groups, it is difficult to approach financial services and credits easily.

#### Why MSMEs matter?

- India's Micro Small and Medium Enterprises (MSMEs) are vital for the economy as they contribute around 8 per cent to the GDP and being labor- intensive these employ the largest number of people in the industrial and services sectors.
- There are 50 million or so MSMEs, both registered and unregistered, in India and they contribute 6.11 percent of the manufacturing GDP and 24.6 per cent of the services GDP.
- There are 12 crore employees in MSMEs second only to agriculture. These also employ the maximum number of women workers.
- Many of the micro and small-scale units come under the informal sector due to their size and low capital base.

#### **Performance of the MUDRA Loans**

- MUDRA was introduced by keeping financial inclusion at the core of the scheme. The scheme aimed at prioritizing marginalized sections of the society such as women, STs and SCs.
- Out of the 12 crore beneficiaries, 28 per cent or 3.25 crore are first-time entrepreneurs. About 74 per cent or 9 crore, borrowers are women and 55 per cent belong to the SC/ST and OBC category.

- While women remained the biggest beneficiary in terms of loan disbursement, the disbursement to STs and SCs remained low. The general category entrepreneurs across the States dominate the loan chart, receiving 45 per cent of loans followed by Other Backward Castes (23 per cent), Schedule Caste (18 per cent) and Scheduled Tribes (5 per
- The growth of entrepreneurship in the noncorporate small business sector (NCSB) in smaller States has not received any major boost under the scheme. Data shows that States that already have higher Credit–Deposit (C-D) ratios are the ones reaping the benefit of the scheme.
- While six large States led by Tamil Nadu have received over 50 per cent of the ₹6.82-lakh crore MUDRA loans disbursed, a majority of North-East States and Union Territories have not received even 1 per cent of the total MUDRA loans. About 60 per cent of the total loan sanction comes from these top six States.

#### **Major concerns**

- Seeking collateral security from the beneficiaries is not mandatory under Mudra Yojana. It is argued that waiving off mandatory collateral clause may be good politics but bad economics.
- The average of sanctioned loans under Mudra Yojana comes at Rs 52,739. This amount could not be considered enough to launch a startup that could provide jobs to others.
- This amount is also much lower than the average per capita income of Indians - Rs 1.11 lakh for 2017-18, according to advance estimates of the Central Statistics Organisation (CSO).
- There is no empirical data no record for employment generated by the loans disbursed under Mudra Yojana. The numbers of large-sized loans or disbursements from the banks exceeding Rs 5 lakh - that can generate employment - are mere 1.3 per cent under Mudra Yojana.
- The Mudra scheme is designed such as to give preference to women entrepreneurs. This has led to creation of a pool of proxies, who claim to turn entrepreneurs.
- There has been a lack of awareness about the scheme among the bank officials as well as the borrowers which has clouded the performance of the scheme.
- Although present trend of NPAs in MUDRA loans are lower compared to Formal sector lending, there are apprehensions that there would be increase of NPAs from these loans in the coming years.
- The central bank has revealed that bad loans under PMMY have risen to Rs 11,000 crore. The NPAs in this segment have spiked because most





of the applicants are first-time borrowers without any credit history.

#### Way forward

- MUDRA should enhance the role of alternative channels such as microfinance institutions (MFIs) and other intermediary organisations in reaching out to end-users by leveraging additional funds. The small ticket size loans of less than Rs 10 lakh require a very different expertise in terms of managing the loans as well as making it a success.
- Similarly, the RBI has created a new institutional infrastructure in the form of Small Finance Banks, which specialise in small ticket size loans. In fact, the entire organisation is groomed to handle and manage small borrowers. The cooperative banks are also best suited to operate in small loan segment.

- The policy makers should widen the MUDRA net and incentivize further formalization of micro units. The revamping of the scheme should allow the participation of digital lenders with small unsecured loans to new-to-credit MSMEs.
- Efforts should be made to popularise digital payments like BHIM (Bharat Interface for Money) and JAM (Jan Dhan-Aadhaar-mobile) trinity to promote cashless transactions for using the MUDRA loans.
- The new technologies and fin-techs should play a key role in devising alternative ways to do credit assessment of people who don't have a credit history. For example use various tools like driving license, social media tools, tax returns; GST should be used to assess the creditworthiness of those borrowers who borrows substantial amounts.

#### **Practice Question**

• Critically analyze the success of Pradhan Mantri Mudra Scheme. How far it is right to say that it will be a new threat to financial stability of banks?







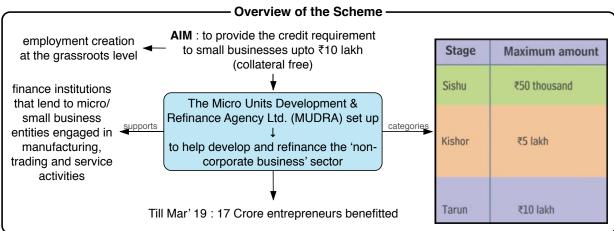
#### **CONTEXT**

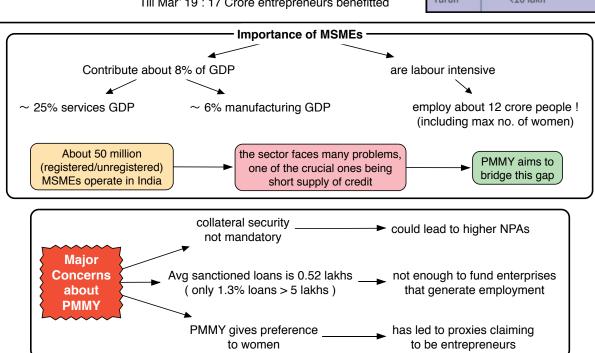
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Learning Aid

The Finance Ministry plans to revamp the PMMY to ensure better access to credit for **small firms**, boost entrepreneurship and **promote financial inclusion**.

It will also consider that NPAs should not be created out of the MUDRA loans which could burden the Banking sector further





RBI has created a new institutional infrastructure in the form of Small Finance Banks, which specialise in small ticket size loans→ these should be involved

The new technologies and fintechs should play a key role in devising alternative ways to do credit assessment of people who don't have a credit history. Way ahead

The small size of loans require a very different expertise in terms of managing the loans as well as making it a success

The cooperative banks are also best suited to operate in small loan segment.

MUDRA should enhance the role of alternative channels such as microfinance institutions (MFIs) and other intermediary organisations in reaching out to end-users by leveraging additional funds

Efforts should be made to popularise digital payments like BHIM and JAM trinity to promote cashless transactions for using the MUDRA loans

The policy makers should widen the **MUDRA** net and incentivize further formalization of micro units. The revamping of the scheme should allow the participation of digital lenders with small unsecured loans to new-to-credit MSMEs





#### **UNUTILISED TAX PROCEEDS**

#### CONTEXT

Recently, the Comptroller and Auditor General (CAG) has highlighted the non-utilisation 94,000 crore of collected cess for secondary and higher educationsince 2007.

#### **•** ABOUT:

#### More on News:

- Higher and Secondary Education Cess was introduced in 2007. The cess was getting accumulated in Consolidated Fund of India(CFI).
- After 10 years, i.e. in 2017, Madhyamik and Uchchtar Shiksha Kosh was created.
- On the other hand, in 2017-18, the public expenditure on school and higher education was estimated to be ₹79,435.95 crore.
- The CAG also said that the schemes on which the cess proceeds were to be spent were not identified.
- Similarly, the state governments have not even utilised 25% of the cess collected, meant for welfare of construction workers in the last six years.
- CAG has also highlighted the issue of short transfer of cess collected in the CFI.
- There was a short-transfer of ₹4,891 crore collected as Swachh Bharat cess into the Rashtriya Swacchata Kosh since FY16, the year the cess was introduced.
- In case of road cess, the short transfer is ₹72,726 crore since FY11 and in case of clean energy, it is ₹44,505 crore.

#### What is Cess?

- A cess is a tax on tax, levied by the government for a specific purpose. It is levied on the tax payable and not on the taxable income.
- To meet specific socioeconomic goals, a cess is preferred over a tax because it is relatively easier to introduce, modify, and abolish.
- Swachh Bharat Cess, Krishi Kalyan Cess and Clean Environment Cess are few examples of cess levied by the Government of India.

#### **Cess Collection Mechanism**

- The proceeds of all taxes and cesses are credited in the CFI.
- The approval of the Parliament is necessary to withdraw funds from the CFI.
- The tax proceeds are shared with the States and Union Territories according to the guidelines by

- the Finance Commission. But the cess proceeds need not be shared with them.
- In order to utilize the cess proceeds lying in CFI, the government has to create a dedicated fund.
- As long as a dedicated fund is not created, the cess proceeds remain unutilised. For example, the dedicated fund for primary education is the 'Prarambhik Shiksha Kosh', or PSK, while that for higher and secondary education is the 'Madhyamik and Uchchtar Shiksha Kosh'.

#### • ANALYSIS:

- What are the implications of non utilization tax proceeds?
- Education Sector Suffers: India spends 2.7% of its GDP on education despite a constant demand from experts and academics to increase it to 6%. It is a high degree of economic and social injustice that the cumulative unutilised SHEC funds far exceeded the expenditure on both school and higher education for the year 2017-18.
- Complexity in the System: Short transfer of Cesses dilutes the sanctity of cess and adds complexity in the system. Even the Judiciary has reiterated that the amount collected through a cess should be used for its mandated purpose only.
- Fiscal Consolidation: On one hand, the fiscal projections in the budget for revenue collection by the government are made too ambitious every year, while on the other hand, money is lying idle in the accounts. If this money would have been circulating in the economy, it would have created assets of greater value like Hospitals, Bridges, Roads, Schools etc.
- Macro Economic targets not achieved: According to FRBM, the government should eliminate revenue deficit and reduce fiscal deficit to 3% (medium term) of the GDP. The fiscal deficit target of 3% of GDP has now been pushed to 2020-21.
- If the government prints new currency to overcome the Fiscal deficit, then it will add new capital to the economy, thus increasing inflation and lowering the value of rupee. It is again ironical to have huge amounts of money unutilised in such a situation.





## Structural problems in Taxation system of India

- Inequitable Tax Structure: India simultaneously has a tax base for direct taxes that is too small; and a tax base for indirect taxes that is too large. Consequently, too little tax revenue is raised; and too much of the tax burden is paid by the poor. The ratio of direct taxes to indirect taxes in total tax revenue in India is 35:65, whereas it is the exact opposite at 65:35 in OECD countries
- Regressive Taxation: Taxes on consumption tend to be regressive, because poor people spend a greater proportion of their income on consumption—and consumption is taxed at high rates in India.
- Double Taxation Dividend: Due to double taxation of dividend, the rate of domestic saving and capital formation has failed to increase appreciably. Companies pay corporation and other taxes (such as excess profit tax or surtax) to the Government. A portion of net profit after tax is usually distributed among shareholders in the form of dividend. A portion of such dividend income is again taxed away in the form of personal income tax.
- Untaxed Domain: Under India's taxation system, Agricultural income is not taxed. The substantial benefit of this provision is taken up by the wealthy and large farmers by exploiting the loopholes in the law. Around 2,800 cases have shown agricultural income of ₹1 crore and more in the last seven years.
- Lack of Assessment: There is lack of assessment and periodic review of the public accounts in which the tax collections are accrued. Due to this, there are surplus collections in some public accounts whereas on the other hand, there are expenditure deficits on the other public accounts. Example: A sum of Rs. 90,000 crore was lying unspent in the CAMPA Funds, assigned for the purpose of environmental degradation.
- Complexity in Tax Structure: GST Regime with five main tax rates, several exemptions, a cess and a special rate for gold has made it very complicated.

#### **Suggestions**

- Rely more on Progressive Taxation: Indian taxation system should be reformed in such a way that it relies more on progressive Direct Taxation rather than Regressive Indirect Taxes. For example, Long term Capital Gains Tax must not be rolled out because it is a Direct Tax. It will reduce the need for the government to levy cess.
- Empower CAG: In practice, the CAG is fulfilling the role of an Auditor-General only and not that of a Comptroller. If CAG is given the control over the issue of money from the Consolidated Fund of India, it lead to more rational utilisation of public money because CAG ensures financial accountability of the government in the Parliament.
- Periodic Assessment and Review: The Tax Department should hold a periodic review and assessment of the public accounts and ensure maximum utilisation of money.
- Simplify GST for better Tax Buoyancy: The first target should be to move to at least a threerate structure—a lower rate for essential goods, a relatively high rate for luxury goods, and a standard rate for the majority of goods and services.
- Faster Establishment of Cess Fund: There should not be inordinate delays in the establishment of Dedicated Funds to transfer the collected cess proceeds from CFI, so that they could be used from the time they are getting collected.
- **Effective Redress Mechanism:** The huge number of pending litigations in the Income Tax Appellate Tribunal (ITAT), the High Court, and the Supreme Court need a concerted action so that the revenue locked in appeals with Income Tax Commissioners could be realized by the government.

#### **Conclusion**

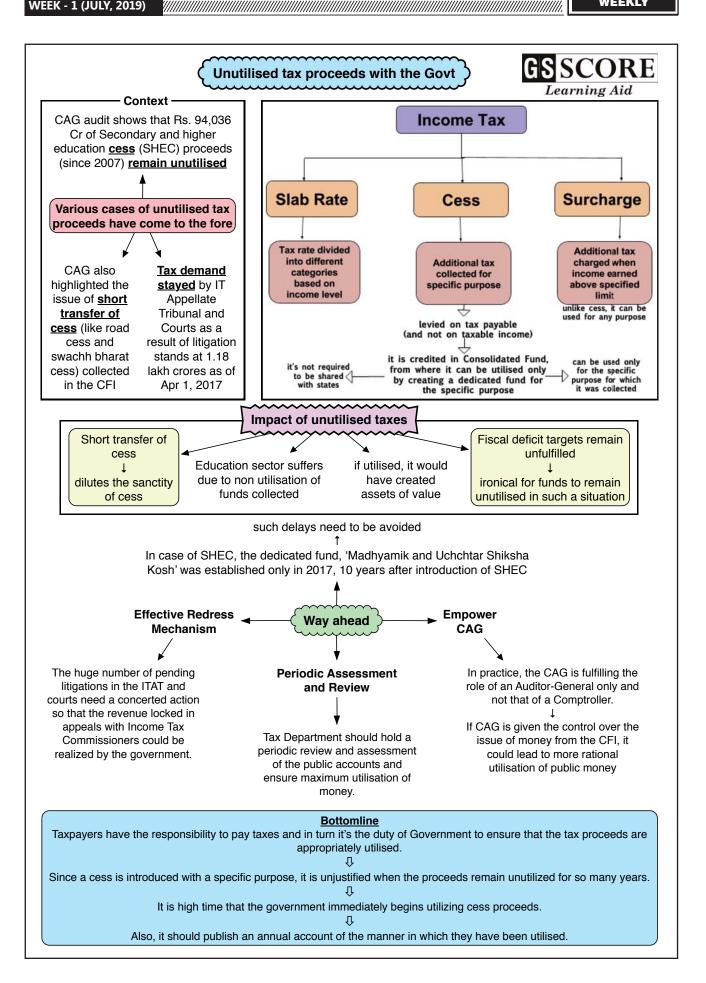
• Taxes in democratic societies indicate the presence of a collective socio-economic vision aimed at improving livelihoods. Since a cess is introduced with a specific purpose, it is unjustified when the proceeds remain unutilized for so many years. It is high time that the government immediately begins utilizing cess proceeds. Importantly, it should also publish an annual account of the manner in which they have been utilized.



#### **Practice Question**

Highlight the structural problems of Indian Taxation System, discuss the measures needed to make it more
efficient and equitable.







#### **MARINE DEBRIS**

#### CONTEXT

Under the Ocean Cleanup project, a floating device designed to catch plastic waste has been redeployed in a second attempt to clean up an island of trash swirling in the Pacific Ocean between California and Hawaii.

#### ABOUT:

- Marine debris, including plastics, paper, wood, metal and other manufactured materials is found on beaches worldwide and at all depths of the ocean.
- About 80% of marine debris originates from sources on land and the other 20%, about 636,000 tons per year, comes from ocean vessels.
- The world produces 300 million tons of plastic each year, but only about 10% is recycled. The rest is dumped, landfilled or escapes as trash into landscapes, lakes, rivers and the ocean.
- About 7 million tons end up in the ocean each year, making up roughly 75% of all marine debris.
- Microplastics, in the millimeter size range, come mainly from the breakdown of larger pieces of plastic.
- They comprise most of the plastic in the oceanic 'garbage patches.'
- There is no way to get nanoplastics and microplastics out of the ecosystem, but both enter food webs because they are ingested by filter feeders and small fish, which gain no nutritional value.
- They soak up toxins that leach from the particles or adsorb onto them, which scientists suggest can be passed on to humans as well as other wildlife.

#### ANALYSIS

- It is estimated that 1.15 to 2.41 million tonnes of plastic are entering the ocean each year from rivers.
- More than half of this plastic is less dense than the water, meaning that it will not sink once it encounters the sea.
- The stronger, more buoyant plastics show resiliency in the marine environment, allowing them to be transported over extended distances.
- They persist at the sea surface as they make their way offshore, transported by converging currents and finally accumulating in the patch.
- Reducing the input of plastics into the ocean is the only way to stop these problems, and the Ocean Recovery Alliance's Plastic Disclosure Project

- lists a number of companies that are measuring, managing and reporting on their use of plastic.
- Not only does plastic pollution in the Great oceans pose risks for the safety and health of marine animals, but there are health and economic implications for humans as well.

#### **Toxic for Sea Surface Feeders**

- Plastic has increasingly become a ubiquitous substance in the ocean. Due to its size and color, animals confuse the plastic for food, causing malnutrition.
- It poses entanglement risks and threatens their overall behavior, health, and existence.
- Worldwatch Institute reports that at least 267 species of marine wildlife are known to have suffered from entanglement or ingestion of marine debris, most of which is composed of plastic.

#### **Effect on biodiversity:**

- Studies have shown that about 700 species have encountered marine debris, and 92% of these interactions are with plastic.
- 17% of the species affected by plastic are on the IUCN (International Union for Conservation of Nature) Red List of Threatened Species.
- Threat of bio-accumulation and magnification:
- Since 84% of this plastic was found to have at least one Persistent Bio-accumulative Toxic Persistent Bio-accumulative Toxic (PBT) chemical, animals consuming this debris are therefore ingesting the chemicals attached to the plastic.

#### Affects the Foodchain

- Through a process called bioaccumulation, chemicals in plastics will enter the body of the animal feeding on the plastic, and as the feeder becomes prey, the chemicals will pass to the predator - making their way up the food web that includes humans.
- These chemicals that affected the plastic feeders could then be present within the human as well.

#### **Affects the Economy**

The United Nations reported that the approximate environmental damage caused by plastic to marine ecosystems represents 13 billion USD.





• This figure included the cost of beach cleanups and the financial loss incurred by fisheries.

#### **Fighting for Trash Free Seas**

- Marine debris isn't an ocean problem—it's a people problem. That means people are the solution.
- Tackling the problem of plastic in the ocean begins on land. Reduction in plastics use, especially of single-use disposable products, and the collection and recycling of plastics in developing countries can help to reduce the amount of plastic waste that enters the ocean.

## Ocean Conservancy: the leading way for practical solutions

- Empower People: to people on every street corner, creek bed and coastal waterway to empower them to stop the flow of trash before it hits our shores.
- Strengthen the science: improve the knowledge of ocean trash issue.
- Engage everyone in solutions: to bring systemic, durable solutions to the ocean trash issue.
- Promote good policies: to strengthen a national focus on marine debris.

## India sets pace in global race to beat plastic pollution:

- Initiated to join UN Environment's Clean Seas campaign
- The government has established national and regional marine litter action campaign as well as a program to measure the total marine plastic footprint in India's coastal waters.
- Urban e-mobility program to scale back emissions.
- The state of Andhra Pradesh launched a scale-out plan to transition 6 million farms from conventional synthetic chemical agriculture to Zero-Budget Natural Farming.

- As part of the official ceremony in Delhi, the Indian government, in collaboration with UN Environment also launched a joint World Environment Day Report: "Single-use Plastics: A roadmap for Sustainability".
- Presenting case studies from more than 60 countries, the report analyzes the complex relationships in our plastics economy and offers an approach to rethink how the world produces, uses and manages single-use plastics.

#### The Ocean Cleanup

- It is a non-profit organization, developing advanced technologies to rid the world's oceans of plastic based in Netherlands.
- It has conducted two expeditions to the North Pacific Gyre, and published scientific papers.
- The clean-up approach uses barriers in ocean gyres to scoop up marine debris as the barrier is pushed by wind and current.
- The project aims to launch a total of 60 such systems in the patch by 2021.
- It is predicted that this capability could clean up 50% of the debris in the Great Pacific Garbage Patch in five years.

#### **Great Pacific Garbage Patch (GPGP):**

- It is also described as the Pacific trash vortex, is a gyre of marine debris particles in the north central Pacific Ocean.
- Sea turtles by-caught in fisheries operating within and around the patch can have up to 74% (by dry weight) of their diets composed of ocean plastics.
- Laysan albatross chicks from Kure Atoll and Oahu Island have around 45% of their wet mass composed of plastics from surface waters of the GPGP.



#### **Practice Question**

 Once plastic particles reach the marine environment, wind and global ocean currents can spread them around the world. Ocean plastic pollution is an alarming issue due to its persistence, complexity, steady growth and the pervasive impacts it has on ecosystems. Discuss.





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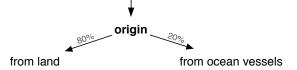
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### Marine Debris

# GS SCORE Learning Aid

The oceans world over are facing the problem of **Marine debris** (plastics, paper, wood, metal,etc) which are found on beaches worldwide and at all depths of the ocean.





#### Understanding the problem

Only about 10% of plastic waste of world is recycled every year

half of these are less dense than water

This buoyancy helps them to be transported over long distances

Threat of bio-accumulation

and magnification

Since 84% of this plastic has

been found to have at least

one Persistent Bio-

accumulative Toxic (PBT)

chemical, animals consuming

this debris are therefore ingesting the chemicals attached to the plastic.

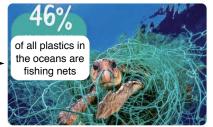
\_ 7 million tonnes of the untreated \_ plastic ends up in oceans

These form about 75% of Marine debris

These breakdown to form microplastics

enter food chain through ingestion by marine species

eventually even reach humans



can choke / entangle various marine life

#### Affects the Human Foodchain

₩

Through bioaccumulation, chemicals in plastics will enter the body of the animal feeding on the plastic, and as the feeder becomes prey, the chemicals will pass to the predator – making their way up the food web that includes humans.

#### **Effects on Economy**

₩

The United Nations reported that the approximate environmental damage caused by plastic to marine ecosystems represents 13 billion USD

This figure included the cost of beach cleanups and the financial loss incurred by fisheries.

# Multilateral initiatives, Govt policies and people awareness A world wide campaign to minimise plastic usage promoting scientific research on issue of ocean trash





#### **MELTING OF HIMALAYAN GLACIERS**

#### CONTEXT

Researchers from Columbia University claimed that the Himalayan glaciers have lost more than a quarter of their ice in the last four decades.

#### • ABOUT:

#### **Background**

- The Hindu Kush-Himalayan (HKH) region extends over 2,000 km from east to west across the Asian continent spanning several countries: Afghanistan, Bangladesh, Bhutan, China, India, Nepal, and Pakistan.
- Hind Kush Himalayan region is also known as Third Pole due to its largest permanent snow covers after the North and South Poles — sustains the livelihoods of 240 million people living in the mountains and hills.
- This region is the source of numerous large Asian river systems, including the Indus, Ganges, and Brahmaputra, which provide water for over a billion people. The surface water of these rivers and associated groundwater constitute a significant strategic resource for all of Asia.
- Many of the countries in this region are already experiencing physical water scarcity. Existing water stress and projections of population growth have led to concern over possibilities of negative impacts from changes in the availability of water supplies in the coming decades.
- Climate change and global warming has emerged as threat to the Himalayan Ecosystem. Many researches in the recent past has claimed that the glaciers are melting at an accelerated pace. This could be detrimental in to the countries including India that are dependent on Himalayan Ecosystem for water and other geo-economicreasons.

#### ANALYSIS:

- Himalayan Assessment report of International Centre for Integrated Mountain Development (ICIMOD) says HKH region is warming faster than the global average. It would continue to warm through this century even if the world is able to limit global warming at the agreed 1.5 degrees Celsius.
- The per capita fossil fuel carbon dioxide emission from the HKH countries is one-sixth of the global average though it is disproportionately impacted.
- In the last 60 years, extreme cold events have become lesser while extreme warm weather

- events have become more pronounced. Both minimum and maximum temperatures are also changing: they are moving north, indicating overall warming.
- Every decade HKH loses one cold night and half a cold day. While warm nights have increased by 1.7 per decade, the region gets 1.2 warm days every decade.
- Alarmingly, changes in surface temperature (relative to 1976-2005) in this Himalayan region are higher than the global average, and even the South Asian region.
- The projected changes in the surface mean temperature over the HKH region are larger compared to the global mean change by the end of the 21st century.
- Although the climate of the region has changed significantly in the past, it is projected to change more dramatically in the near future.
- The number of glaciers in the Himalayan area has increased in the last five decades and this is an indicator of how severe glacier melting has been due to global warming.
- The increase in the number of glaciers is primarily due to glacier fragmentation — that big ones are splitting into smaller ones. And this is happening due to consistent loss in areas the glaciers occupy.
- Smaller glaciers are shrinking faster than larger ones, although the smaller glaciers of Ladakh show a lower rate of retreat than other Himalayan glaciers. However, the assessment makes clear that despite the surety of glaciers in the Hindu Kush Mountains losing length since 1973, no studies have been done to examine area change in this

#### **Impact of melting Himalayan glaciers**

- It has ramifications for the global climate. This region is a heat source in summer and a heat sink in winter.
- Along with the Tibetan Plateau, this influences the Indian summer monsoon. So, any changes in this region would have a bearing on the monsoon itself that already shows signs of changes in spread and distribution.
- It could trigger a multitude of biophysical and





- socio-economic impacts, such as biodiversity loss, increased glacial melting, and less predictable water availability—all of which will impact livelihoods and well-being in the HKH.
- Faster snow and glacier melting due to warming is already manifesting in formation of glacial lakes. Glacial lake outburst floods (GLOF) are becoming frequent and causing huge casualties and loss to local infrastructures.
- Glaciers in HKH have been retreating faster, and consistently causing greater water flows in rivers.
   In Tibetan Plateau, river run off has increased by 5.5 per cent.
- Most of the lakes in high altitudes have also reported water level rise by 0.2 m/year besides their surface areas expanding.

#### **Way Forward**

- To stop this temperature rise and to cool the planet, slowing down greenhouse gas emissions won't be enough. Current conditions will have to reversed, which will be the greatest challenge for the human race in the coming years.
- Better for all of us to accelerate to net zero as a matter of the highest priority. Net zero means the amount of greenhouse gases emitted into the atmosphere is no more than the amount taken out.
- Governments must focus on creating enabling environments and institutions that empower mountain people to share in the regional and global achievements and benefits of inclusive growth and sustainable development.

#### Initiatives taken by India

- **International Solar Alliance (ISA)** is an alliance of more than 122 countries initiated by India, most of them being sunshine countries, which lie either completely or partly between the Tropic of Cancer and the Tropic of Capricorn. The primary objective is to work for efficient exploitation of solar energy.
- National Clean Air Program (NCAP): The government launched NCAP, to tackle increasing air pollution. The NCAP will be a mid-term, five-year action plan with 2019 as the first year. The main aim of the programme would be 20-30% reduction of PM2.5 and PM10 concentration by 2024.
- **Swachh Bharat Abhiyaan** is a national campaign by the government to clean streets, roads and infrastructure of the country.
- Pradhan Mantri Ujjwala Yojana is a move to expand LPG connection among rural poor and thus reduces household air pollution and protects health, particularly of women.
- **Battery Cars:** In order to reduce emissions and cut fuel imports, the government is buying 10,000 battery-powered cars from Tata Motors and Mahindra & Mahindra to replace Petrol and Diesel cars.
- Steps were taken to progress towards implementing the 2030 SDG targets. Sustainable
  Development Goals (SDGs) are ambitious global development goals that address key
  aspects of universal well-being across different socio-economic, cultural, geographical
  divisions and integrate the economic, social and environmental dimensions of
  development.

#### **Practice Question**

 The receding Himalayan glaciers underline the need for cooperation between countries that share Himalayas. Comment



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#### Melting of Himalayan Glaciers



Using data obtained from spy satellites deployed by theUS Govt, researchers from Columbia University have shown that Himalayan Glaciers are losing about half a metre of ice every

year since 2000!!



Himalayas lost about 4 billion tonnes of ice / year from 1975-2000

But since then owing to global warming, this **rate has doubled** to 8 billion tonnes

In toto, more than a **quarter of ice mass** has been lost since 1975

The rate of melting is similar all along the mountain chain, indicating main cause to be global warming caused by anthropogenic activities

Indeed, the temperature in the region has risen by 1 degree celsius between 1975-2000 and 2000-2016

formation of larger glacial lakes

→ affect local communities

Adverse effects

endanger balance of habitat for Himalayan species

excess freshwater flow from glaciers

affect rivers flowing throughout Asia

in turn, will affect billions dependent on these rivers for irrigation, hydroelectric power, drinking water

lead to summer floods and eventually, droughts as glacial reservoirs get depleted

also affect

Ocean ecosystem

Species like corals need a particular concentration of salt water for survival

Rise in sea levels

dverse impacts
on coastal areas

#### Way Forward -

It would be better for all of us to accelerate to net zero as a matter of the highest priority.

Net zero means the amount of greenhouse gases emitted into the atmosphere is no more than the amount taken out.

#### will have to be reversed, which will be the greatest

Way Forward -

To stop this

temperature rise

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Current conditions

challenge for the human race in the coming years.

#### Way Forward

Governments must focus on creating enabling environments and institutions that empower mountain people to share in the regional and global achievements and benefits of inclusive growth and sustainable development.



#### **INDIA - UK RELATIONS**

#### CONTEXT

A new parliamentary inquiry report in United Kingdom has said that the country is falling behind in the global race to engage with India because it has failed to adjust its strategy to fit India's enhanced influence and power on the world stage.

#### ABOUT

#### **Background**

- After independence, India advocated for nonalignment and decolonization, whereas United Kingdom allied with US during the cold War. Thus, initially, India and UK were at logger heads with each other, both politically and ideologically.
- But bilaterally, India UK relations were good till the 1965 Indo – Pak War. After the war, the relations took a downturn due to UK's stand on Pakistan. This deterioration of relations was continued till the end of Cold War.
- After the cold war, there has been a paradigmatic shift in the relations and a constant rise in the bilateral trade has been witness since then. In recent times, mergers have paved way for establishment of large conglomerates. Tata has purchased Corus and Jaquar.
- In 2004, the two nations concluded a Strategic Partnership Agreement while, since 1995, there has been a defence consultative group formed between the two.
- In November, 2015, Indian PM NarendraModi visited Britain for three days and newDefense and International Security Pact was agreed for curbing security concerns. A joint statement on Energy and Climate Change cooperation was made to ensure cooperation to reduce fossil fuels consumption and focus on clean energy.
- Then, the British PM Theresa May visited India in November, 2016. The visit is significant as May visited India at a time when Britain was struggling to execute the BREXIT (Britain Exit from EU)

#### Threads between United Kingdom and **India**

- **Institutionalised dialogues:** India and UK have a number of bilateral dialogue mechanisms in place, covering a wide spectrum of areas including political, trade, education, science & technology, defence etc.
- Trade: UK is among India's major trading partners and during the year 2014-15, UK ranked 18th in the list of India's top 25 trading partners. India's

- main exports to the UK are garments and textiles, machinery and instruments, petroleum products, footwear and leather.
- Services: As per UK's Office for National Statistics, India-UK bilateral trade in services in theyear 2014 amounted to approx. £2.5 billion.
- **Investment:** UK is the 3rd largest inward investor in India, after Mauritius, and Singapore with a cumulative equity investment of US \$22.56 billion.
- Economic Dialogue: Bilateral mechanisms like India-UK Economic & Financial Dialogue (EFD) and India-UK Joint Economic and Trade Committee (JETCO) form the basis of institutional engagements between the two countries.
- Education: Education is an important plank of the India-UK bilateral relationship. Over the last 10 years, the relationship has grown substantially with the introduction of bilateral mechanisms such as the India-UK Education Forum UK-India Education and Research Initiative (UKIERI).
- Indian Students: UK has traditionally been a favourite destination for international students. At present, there are approximately 20,000 Indian students pursuing Undergraduate and Postgraduate courses in the UK.
- Cultural Linkages: Cultural linkages between India and UK are deep and extensive, arising out of shared history between the two countries. There has been a gradual mainstreaming of Indian culture and absorption of Indian cuisine, cinema, languages, religion, philosophy, performing arts,
- Indian Diaspora: The India Diaspora in UK is one of the largest ethnic minority communities in the country, with the 2011 census recording approximately 1.5 million people of Indian origin in the UK equating to almost 1.8 percent of the population and contributing 6% of the country's GDP.
- Geopolitical Significance: The Indian Ocean is identified as a vital arena for closer defence and security cooperation between the two countries. Further, India needs UK's support on international fora for its aim to have a permanent seat in UNSC and full membership of NSG.





#### ANALYSIS

Issues affecting bilateral relations and their **Impact** 

#### **BREXIT** –

- Impact on Diaspora Many members of Indian Diaspora in Britain had voted against BREXIT because it is likely that Indian IT Professional in Britain will face tough competition when UK will open up its border for more skilled migration.
- Impact on Indian Companies in UK A hard Brexit would inevitably impact more than 800 Indian companies in UK in crucial sectors of British economy Indian. But data has shown that companies are increasing investments in the UK and creating many thousands of new jobs. This demonstrates that, Brexit or no Brexit, India supports Britain.
- **Impact on India-EU Relations** With €72.5 billion worth of India-EU trade and €19.4 billion of India UK trade at stake, all partners needed to think through this issue carefully in the business and commercial context. Brexit seems to be a challenge to the India EU strategic partnership but India would need to learn to manage its relations with the EU without UK
- **Impact on Trade** Forging a Free Trade Agreement with India will not be a priority for UK as it leaves EU. Instead, Britain would initially focus on tackling existing barriers to trade. But India should grab the opportunity to fill the trade gap in UK, post-Brexit.

#### **Visas and Immigration**

**Illegal Migration:** There are more than 1 lakh illegal Indian immigrants in UK. Britain has started putting pressure on Indian government to ensure that Indians who have no right to remain in UK be sent back to India

- **Latest Measures:** On the other hand, a white paper on post-Brexit visas and immigration strategy has been unveiled. It is expected to benefit Indian students and professionals, with a focus on skills rather than country of origin. An annual cap of 20,700 on the number of skilled work visas issued will also be removed.
- Britain's relationship with Pakistan The UK's ties with Pakistan complicate the process of building a closer defence and security relationship with India. Some Indian observers view the UK as overly sympathetic to Pakistan
- **Britain's Relationship with China** The Parliamentary Inquiry Report highlights that India seems to face tougher Visa norms as compared to a non - democratic country like China. The UK should take care to ensure that stronger ties with China are not at the expense of a deeper partnership with India.
- JallianwalaBagh Massacre UK government's failure to formally apologise for the Jallianwala Bagh massacre during the British Raj in time for its 100th anniversary in April this year as an "important symbolic opportunity" which was missed.

#### **Way Forward**

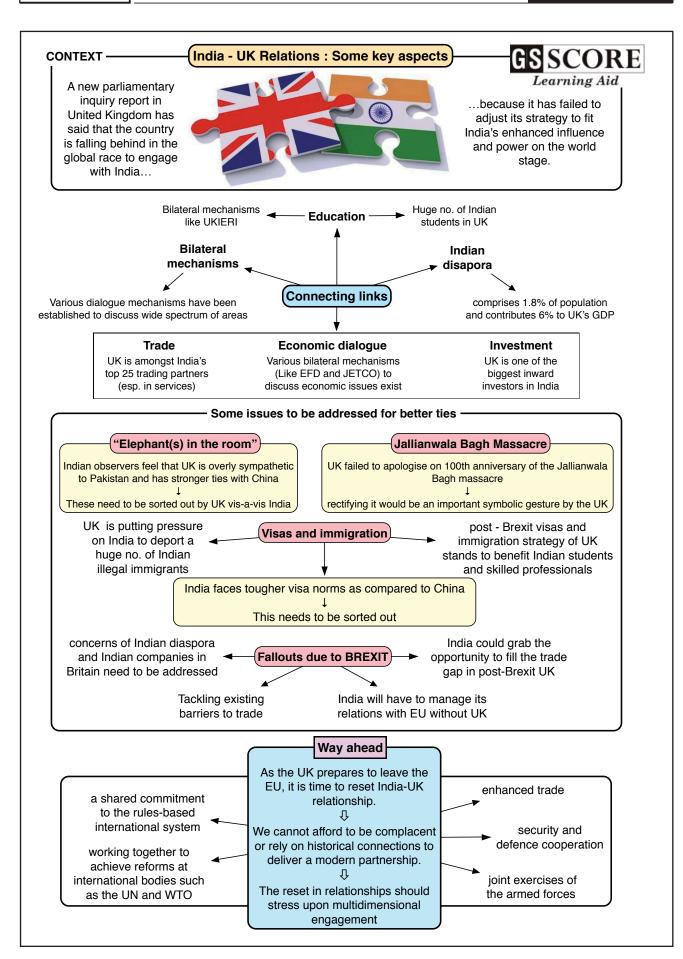
- As the UK prepares to leave the EU, it is time to reset this relationship. Both the countries cannot afford to be complacent or rely on historical connections to deliver a modern partnership.
- Britain could further its relationship with India including through security and defence cooperation, joint exercises of the armed forces, and working with India to achieve reform at international bodies such as the UN and WTO. Trade, security, a shared commitment to the rulesbased international system — these are all factors in our growing and evolving partnership.



#### **Practice Question**

Discuss the impact of BREXIT on the bilateral relations of India and United Kingdom.







#### YOGA AS PROPONENT OF WORLD PEACE

#### CONTEXT

- Recently fifth annual International Day of Yoga was celebrated on Friday, 21 June 2019.
- The Indian government is expanding the framework in which people around the world think of yoga and its
  role.

#### • ABOUT:

- Yoga is gaining popularity due to its time tested utility in boosting mental agility and contributions towards Peace behavior.
- Similar to China's Panda diplomacy, India is spreading yoga as a proponent of world peace.
- Indian diplomatic missions, the Ministry of External Affairs, and the prime minister of India himself have ramped up their social media diplomacy on yoga.

#### What is Yoga?

- The word 'yoga' derives from Sanskrit and means to join or to unite, symbolizing the union of body and consciousness.
- Yoga cultivates the ways of maintaining a balanced attitude in day-to-day life and endows skill in the performance of one's actions.
- Yoga is a union of physical, mental as well as spiritual practices and disciplines that is said to have originated in India almost 5,000 years ago.
- The Number of seals and fossil remains of Indus Saraswati valley civilization with Yogic motives and figures performing Yoga Sadhana suggest the presence of Yoga in ancient India.
- While Yoga finds a mention in the Rig-Veda, it became more prominent as hatha yoga texts emerged around the 11th century.
- Yoga includes Asanas, Mudras, Kriyas, Shaktakarmas and Meditation.

#### **History of Yoga**

- Though Yoga was being practiced in the pre-Vedic period, the great Sage MaharshiPatanjali systematized and codified the then existing practices of Yoga, its meaning and its related knowledge through his Yoga Sutras.
- Sage Patanjali's treatise on raja yoga, the Yoga Sutras, says Yoga comprises of yama, niyama, asana, pranayam, pratyahara, dharana, dhyana and samadhi.
- The phallic symbols and seals of idols of mother Goddess of Indus Valley Civilization are suggestive of Tantra Yoga.

- Presence of Yoga is available in folk traditions, Indus valley civilization, Vedic and Upanishadic heritage, Buddhist and Jain traditions, Darshanas, epics of Mahabharat and Ramayana, theistic traditions of Shaivas, Vaishnavas, and Tantric traditions.
- Sun was given highest importance during the Vedic period. The practice of 'Surya namaskara' may have been invented later due to this influence.

## How well did the Western World know Yoga before IDY event?

Following the success of Swami Vivekananda in the late 19th and early 20th century, yoga took off as a popular system of physical exercise across the Western world.

#### ANALYSIS

Yogic Practices for Health and Wellness: The Sustainable life

The ten basic components of peace behavior which are regarded as some of the major declared objectives of Yoga are:

- Positive thinking: It involves building a positive self-concept in oneself. Having a positive outlook helps a person to value himself and life in all forms.
- Compassion: Being Compassionate means having empathetic qualities such as love, kindness, friendliness and doing no harm to others.
- Inner Peace: Inner Peace as a theme is concerned with resolution of one's own psychological conflicts and problems and discovering peace of mind. It includes ways of understanding the self and the process of thought, controlling emotions such as anger, art of soothing the mind etc.
- Be your true self: The concept 'Be your true self'
  means the strength of the character to be honest
  and direct in expressing one's needs, feelings and
  thoughts without letting others down. The skills in
  such behavior are necessary for resolving conflicts
  and effective social interaction.
- Living together: People need to learn to work harmoniously in groups with others. The theme living together can accommodate such subtopics





- as sharing, mutual help, trust building, taking group responsibility, leading and following. Learning cooperation reduces egoistic competitive tendencies in human beings.
- Think critically: Critical thinking on the part of the citizens is a necessary feature of a democratic society. It involves analysis, syntheses, looking at the other sides of an issue, searching for alternatives and logical thinking.
- Non-violent conflict resolution: It encompasses such skills Necessary for conflict resolution as conflict analyses, negotiation, active listening, mediation, creative problem-solving and alternative solution seeking.
- Respect for human dignity: Respect for human dignity is based on the concepts of human rights, duties and justice. It attempts to develop a consciousness that recognizes and respects one's own and others' rights.
- **Peace in community:** Building peace in community means providing opportunities for its members to be open to social realities and understand people's problems and work with them.
- **Care for the planet:** The health of the planet has direct and immediate influence on the destiny of mankind. Values like peace with nature, preservation of nature, appreciation and admiration of natural environment, reuse, repair, recycling natural resources, etc. are included in this theme

#### **Clearing Misconceptions about Yoga:**

- For many, the practice of yoga is restricted to Hatha Yoga and Asanas (postures).
- However, among the Yoga Sutras, just three sutrasare dedicated to asanas. Fundamentally, hatha yoga is a preparatory process so that the body can sustain higher levels of energy.
- The process begins with the body, then the breath, the mind, and the inner self.
- Yoga is also commonly understood as a therapy or exercise system for health and fitness.

- While physical and mental health are natural consequences of yoga, the goal of yoga is more far-reaching.
- Yoga is about harmonizing oneself with the universe. It is the technology of aligning individual geometry with the cosmic, to achieve the highest level of perception and harmony.
- Yoga does not adhere to any particular religion, belief system or community; it has always been approached as a technology for inner wellbeing.
- Anyone who practices yoga with involvement can reap its benefits, irrespective of one's faith, ethnicity or culture.

#### Why is yoga needed in present conflicting times?

- Yoga asana's and spirituality transcends religious, regional and virtually all forms of barriers.
- It helps to seek humanity in diversity responsible consumerism (SDG 12) with social well-being.
- The concept of "VasudhaivKutumbkam" is inherently linked with sustainable life style which is a major component of Yoga.

#### Promotion of India's soft power in the form of Yoga

- This is aimed at meeting the country's foreign policy objectives and showing its willingness to play a bigger role in global politics.
- While previous Indian governments understood and recognized the value of soft power to further India's foreign policy goals, attempts have been largely ad hoc.
- However, the way Yoga diplomacy is rolled out (even bypassing Buddhist diplomacy in its social media coverage), it clearly tells the word that India's soft power is important.
- Yoga has become nothing less than a geopolitical tool.

#### **Practice Question**

It has been pointed out by several practitioners that yoga is effective in generating internal peace. Can this peace be channelized to invoke world peace at a time when it is more fragmented? Discuss.





#### **CONTEXT**

GS SCORE

Learning Aid

Recently the fifth annual International Day of Yoga was celebrated on 21 June 2019. The Indian government is expanding the framework in which people around the world think of yoga and its role.

Yoga is an ancient physical, mental and spiritual practice that originated in India

It seems to have originated more than 10,000 years ago

However, the first books to mention Yoga were the Vedas and the Tantras

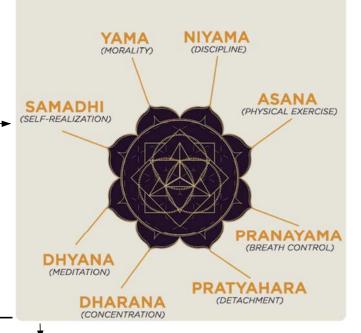
The great Sage Maharshi Patanjali systematized and codified the then existing practices of Yoga, its meaning and its related knowledge through his **Yoga Sutras** 

> It includes breath control, simple meditation, and the adoption of specific bodily postures.

The asanas are widely practiced for health and relaxation.

#### **EIGHT LIMBS OF YOGA**

THE EIGHT LIMBS OF YOGA MENTIONED IN THE 'YOGA SUTRAS' PREPARE YOUR BODY STEP BY STEP TO EVENTUALLY REACH THE ULTIMATE GOAL OF TRUTH, ECSTASY, AND BLISS.



Yoga gained popularity due to its time tested utility in boosting mental agility and peace

Following the success of Swami Vivekananda in the late 19th and early 20th century, yoga took off as a popular system of **physical exercise** across the Western world.

Eventually it became one of India's biggest cultural exports

#### The promotion of India's soft power in the form of Yoga

Indian diplomatic missions, the Ministry of External Affairs, and the prime minister of India himself have ramped up their social media diplomacy on yoga.

This is aimed at meeting the country's foreign policy objectives and showing its willingness to play a bigger role in global politics

The way Yoga diplomacy is rolled out, it clearly tells the world that India's soft power is important.





#### **AYUSHMAN BHARAT SCHEME**

#### CONTEXT

- The government has set up committees of over 300 leading doctors from across the country to review the cost of nearly 1,300 medical packages under the Ayushman Bharat Scheme.
- The committees would recommend which packages can be revised downward or upward. There are some packages which are priced on the lower side; some are on the higher side.

#### ABOUT:

#### **Background:**

- India's health system is already one of the most privatised in the world, with three quarters of outpatient treatment and two thirds of in-patient treatment being provided by the private sector.
- More than 17% of Indian population spend at least 10% of household budgets for health services. Catastrophic healthcare related expenditure pushes families into debt; with more than 24% households in rural India and 18% population in urban area have met their healthcare expenses through some sort of borrowings.
- India ranks as low as 145th among 195 countries in healthcare quality and accessibility, behind even Bangladesh and Sri Lanka. The country spends an abysmal 1.3 per cent of its GDP on health, way less than the global average of 6 per cent.
- Over 70 per cent of the total healthcare expenditure is accounted for by the private sector. Given the country's crumbling public healthcare infrastructure, most patients are forced to go to private clinics and hospitals. Health care bills are the single biggest cause of debt in India, with 39 million people being pushed to poverty every

#### **Ayushman Bharat**

- This scheme is assumed to be giant leap towards providing accessible and affordable health care to the common man.
- Ayushman Bharat has labelled as the largest health scheme in the world, benefiting over 10 lakh patients since its launch, and created an atmosphere of positivity.
- With PMJAY, the government is taking healthcare protection to a new aspirational level. This would be the world's largest government funded healthcare program targeting more than 50 crore beneficiaries.
- PMJAY primarily targets the poor, deprived rural families and identified occupational category of urban workers' families as per the latest Socio-

- Economic Caste Census (SECC) data for both rural and urban areas.
- PMJAY will be an entitlement based scheme where it will be decided on the basis of deprivation criteria in the SECC database.

#### ANALYSIS

- Ayushman Bharat is an integrated approach covering primary, secondary and tertiary healthcare through
- Access to Health and Wellness centers(HWCs) at the primary healthcare level.
- These centres are supposed to provide Comprehensive Primary Health Care (CPHC).
- HWCs will cover both maternal and child health services and non-communicable diseases, including free essential drugs and diagnostic services.
- Financial protection for accessing curative care at the secondary and tertiary levels through PMJAY.

#### **Significance of Ayushman Bharat:**

- HWCs can help unleash a people's movement for a healthy India. It would be a right step in realising the goals of National Health Policy 2017.
- PMJAY will help reduce catastrophic expenditure for hospitalizations, which is mostly out of the pocket expenditure.
- Entitled families will be able to use the quality health services they need without facing financial hardships.
- It is a visionary step towards advancing the agenda of Universal Health Coverage (UHC).
- The scheme encourages hospitals to maintain certain minimum standards.
- It will enhance organisational capacity at the district and state levels, to oversee the programme.
- For insurers and third-party administrators, this is a large new market that will open up.
- The cover includes many items typically excluded in standard medi-claim: pre-existing diseases, mental health conditions, food and internal congenital diseases, among others.



Ayushman Bharat will spur increased investment in health and generate lakhs of jobs, especially for women, and will be a driver of development and

#### **Challenges:**

PM-JAY focuses on secondary and tertiary care, taking away the attention from primary care and public health-related investments. In a supplydeficit environment, raising demand will not help. The current package prices are too low to encourage private-sector hospitals to fully participate in the scheme. Hospital insurance addresses only a small amount of out-of-pocket expenditures. Finally, there is scepticism that either the required budget will not be available or provided at the expense of other critical needs etc.

#### **Financial:**

- Implementation of such scale and benefit is bound to face obstacles, the most substantial of which is for it to be economically sustainable.
  - The proposed package rates under NHPS for various treatments according to hospitals are loss-making.
  - Not all the states and Union Territories are in position to raise their own share, and few have not even joined the scheme.
  - The challenge of funding, therefore, remains. And without adequate budgetary commitments, the implications of pooling the financial risk for such a large segment of the population through insurers or state-run trusts or societies make the outcomes uncertain.

#### **Human Resource:**

- The limited and uneven distribution of human resources at various levels of health services, with up to 40 per cent of health worker posts lying vacant in some states poses a challenge to such an ambitious scheme.
- Most primary health care centres suffer from perennial shortage of doctors and even district hospitals are without specialists.

#### **Negligence of primary healthcare:**

- With greater emphasis on secondary and tertiary healthcare, the scheme may result in overlook of primary healthcare which is fundamental for sustainable quality healthcare.
- The scheme was nothing but an old wine in a new bottle. Ayushman Bharat does not provide out-patient department care support, which is a major component of health expenditures and is as expensive as the in-patient care.
- Besides, the policy of providing fiscal incentives to

the private sector to establish hospitals in deficit areas without insulating government-owned facilities or the small and marginal hospitals that together provide 95% of hospital care will tighten the grip of corporates on secondary and tertiary markets. This will result in cost escalations — more so because of the rapid consolidation and aggregation of tertiary hospitals by foreign financial conglomerates and private equity funding agencies, impacting prices, access to tertiary care and the very sustainability of the NHPS.

#### **Technical and Administrative:**

- A large-scale Information Technology network for cashless treatment should be set up and validated.
- Since a majority of the families will be rural, and the secondary and tertiary public hospital infrastructure suffers from severe efficiency and accountability problems, State governments should upgrade the administrative systems.
- West Bengal, Telangana, Delhi and Odisha not joined Ayushman Bharat, the question arises whether the scheme is hurting the idea of cooperative federalism. The Seventh Schedule of the Constitution makes States responsible for hospital services. The States have their own schemes to provide financial risk protection to those seeking medical relief.

#### **Way Forward**

- There is an urgent need to strengthen publicly funded hospitals to offer universal healthcare.
- It is essential to reduce the pressure on secondary and tertiary hospitals for expensive treatments by investing in preventive and primary care facilities. Here, the 150,000 health and wellness centres of the National Health Protection Mission can play a valuable role.
- The first-order priority should be to draw up a road map for universal health coverage, through continuous upgradation of the public sector infrastructure.
- Increased public funding combined with flexibility of financial transfers from centre to state can greatly improve the performance of state-operated public systems.
- Increased public spending can also contribute to quality assurance in the public and private sectors through effective regulation and oversight.
- In addition to an increase in public expenditures on health, the Government of India will, however, need to introduce specific methods to contain costs, improve the efficiency of spending, increase accountability, and monitor the effect of expenditures on health.



#### **Features of the Ayushman Bharat Scheme**

• The scheme has created a network of health and wellness infrastructure across the nation (for primary health care services).

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- Beneficiaries of health insurance under the scheme will include 50 crore economically weak citizens of India as defined in the social, economic and ethnic census 2011 database. It will cover both rural (8.03 crore) and urban (2.33 crore) families.
- Ayushman Bharat subsumed the existing Rashtriya Sawasthya Bima Yojna, launched in 2008 and the Senior Citizens Health Insurance Scheme.
- It will provide a benefit cover of Rs 5 lakh/year/family.
- Expenses incurred will be shared between Centre and States in 60:40 ratio.
- The Government aims to open 5 lakh health and wellness centre by 2022 that will be equipped to treat various diseases.
- Ayushman Bharat will take care of secondary care and tertiary care procedures and also cover pre and posthospitalisation expenses.
- Cashless benefits will be allowed from any public or private empanelled hospitals. Such empanelled hospitals will have 'Ayushman Mitra' to assist patients.
- Benefits can be availed from any place in India and no hospital can refuse treatment under this scheme.
- The Scheme is principle based rather than rule based, allowing States enough flexibility in terms of packages, procedures, and scheme design, entitlements as well as other guidelines.
- States can implement the Scheme through an insurance company or directly through the Trust/Society/ Implementation Support Agency or a mixed approach.

#### **Practice Question**

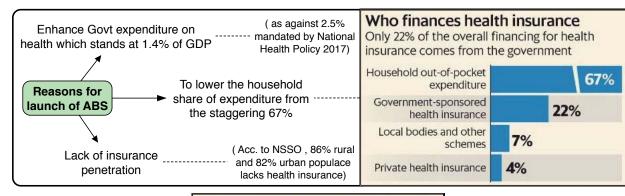
 Ayushman Bharat is assumed to be a giant leap towards providing accessible and affordable health care to the common man. Examine.



#### Ayushman Bharat Scheme (ABS)

GSSCORE

Context: The government has set up committees of over 300 leading doctors from across the country to review the cost of nearly 1,300 medical packages under the Ayushman Bharat Scheme



Component 1 : Health and wellness centres 1.5 lakh centres to be established as primary health care system

free diagnostic services medicines

referral access to secondary and tertiary care

#### Ayushman Bharat: In a nutshell

The main features of government's Ayushman Bharat scheme

- ▶100 million family beneficiaries
- ▶₹5 lakh cover per family ▶Will be implemented Families identified based on
- census 2011 Funded 60:40 by centre and state

socio-economic caste

- ▶To be merged with other state schemes
- through an insurance company or a trust/society or both
- ▶ Driven by strategic purchasing from private sector

cover secondary / tertiary healthcare hospitalisation

> Component 2 : National Health Protection Mission

services can be availed at all public hospitals and empaneled private health care facilities

#### Forseeable challenges

There are many challenges that the scheme may

- ► Enrolment of ghost beneficiaries
- ▶Impersonation in connivance with cardholders and hospital
- Conversion of OPD patient into an IPD patient
- Deliberate blocking of higher priced package
- ▶Treatment of diseases which a hospital is not equipped for
- ▶ Doctors performing unnecessary procedures
- ► Hospitals charging fees even though it's a cashless scheme

private hospitals

Pvt sector is unhappy with the Reluctance of \_\_\_\_\_ rates fixed by govt for various services under the ABS

Quality Care ·----

Only 3% of private hospitals are recognised by National Accreditation Board for Hospitals

Weak Primary Health Care Infrastructure

----- Success of ABS depends on how strong the PHC can be made

#### - Way Ahead -

The first-order priority should be to draw up a road map for universal health

There is an urgent need to strengthen publicly funded hospitals to offer universal healthcare

It is essential to reduce the pressure on secondary and tertiary hospitals for expensive treatments by investing in preventive and primary care facilities. coverage, through continuous upgradation of the public sector infrastructure.

> Increased public funding combined with flexibility of financial transfers from centre to state can greatly improve the performance of stateoperated public systems.

In addition to an increase in public expenditures on health, the Government of India will, however, need to introduce specific methods to contain costs, improve the efficiency of spending, increase accountability. and monitor the effect of expenditures on health.



# SECTION: B (PRELIMS) CURRENT AFFAIRS

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#### PROJECT 75 INDIA

#### **© CONTEXT:**

Defence Ministry has begun the process to shortlist potential Indian shipyards for the construction of six new-generation conventional stealth submarines for the Indian Navy.

#### ABOUT

#### **More on News**

- The Ministry of Defence has issued the "Expression of Interest" (EoI) to shortlist potential Indian Strategic Partners (SPs) under the strategic partnership model (SP Model) for the construction of six conventional submarines under Project 75 India of the Indian Navy in collaboration with the selected manufacturer.
- Under the SP model, government will also nominate the foreign original equipment manufacturer (OEM) under the umbrella of 'Make in India'.
- This is a step towards opening a second production line for diesel electric submarines in India. The first was the procurement of 111 Naval Utility Helicopters (NUH).
- Four foreign firms have so far responded to the Indian government's request for proposal for the project. These are French firm Naval Group, Russia's Rosoboronexport Rubin Design Bureau, Germany's ThyssenKrupp Marine Systems and Sweden's Saab.

#### **Project 75 India (P-75I)**

- P75I was first cleared in 2007, but lay dormant until now after undergoing numerous changes.
- The P75I project is part of a 30-year submarine building plan that ends in 2030.
- The project cost is about Rs. 45,000 crore.
- As part of this plan, India was to build 24 submarines 18 conventional submarines and six nuclear-powered submarines (SSNs) — as an effective deterrent against China and Pakistan.
- This project envisages the construction of six conventional submarines with better sensors and weapons and the Air Independent Propulsion System (AIP).
- The project has been cleared under the strategic partnership model.

#### Background

- In 1999, the Cabinet Committee on Security had approved a '30-Year Plan for Indigenous Submarine Construction'. It was to develop two production lines on which six submarines would be built each named Project 75 and Project 75 (I) with foreign submarine makers.
- These two projects will replace ageing Sindhughosh and Shishumar class submarines of Indian Navy, which numbered around 13.
- INS Kalvari, the first Scorpene class submarine, was commissioned into the navy in December 2017 under Project-75; the remaining five are at different stages of construction and trials.

#### **Current submarine arsenal of India**

- India's current arsenal consists of 14 conventional submarines and two nuclear-powered submarines. Only half of the conventional submarines are operational including the Scorpene.
- India also has two nuclear-powered submarines namely INS Arihant (a ballistic missile submarine) and INS Chakra leased from Russia.
- India's nuclear submarine arm is based in Visakhapatnam while the diesel electric submarines are primarily based both in Mumbai and Visakhapatnam.





#### Strategic Partnership (SP) Model

- SP model in Defence sector was approved by Defence Acquisition Council (DAC) in 2017. This was implemented to enable participation of private Indian firms in Make in India in defence. This will also ensure development of a wider skill base and will trigger innovation.
- This model aims to revitalise defence industrial ecosystem, increase efficiencies, facilitate faster and more significant absorption of technology and progressively build indigenous capabilities in the private sector to design, develop and manufacture complex weapon systems for the future needs of the Armed Forces.
- The Indian strategic partner will be the systems integrator by building an extensive ecosystem and will tie-up with foreign manufacturers to cover manufacturing, transfer of technology and assistance in building.

#### Four segments have been identified for acquisition SP route

- Fighter Aircraft
- Helicopters
- **Submarines**
- Armoured Fighting Vehicles (AFVs) / Main Battle Tanks (MBTs).

#### Air-independent propulsion (AIP)

- AIP is any marine propulsion technology that allows a non-nuclear submarine to operate without access to atmospheric oxygen.
- It can augment or replace the diesel-electric propulsion system of non-nuclear vessels.

#### SIGNIFICANCE

In addition to bringing in the latest submarine design and technologies, it would provide a major boost to the indigenous design, construction capability of submarines in India, timely delivery of equipment to Armed forces and reduction in dependence on imports and greater self-reliance in meeting national security objectives.

#### DECLINING NUCLEAR ENERGY MARKET

#### **© CONTEXT:**

Due to increase in the number of renewable energy sources and safety concerns, more countries have decided to move away from nuclear energy, which will lead to decommission of nuclear power plants. According to recent research, this specialised operations market will grow at 5 % during 2018-25.

#### ABOUT: More on News

- According to estimates, around 110 commercial power reactors, 48 prototype reactors, more than 250 research reactors and numerous fuel cycle facilities were out of operation by September 2017. The process to decommission of nuclear power plants is long in which plant components have to be dismantled and disposed safely.
- The number is expected to increase further during the period 2018-23.
- Growing focus on the usage of renewable energy and planned phase-out of nuclear energy by countries in the European Union is expected to drive the nuclear decommissioning market in Europe during the forecast period.
- Several countries in the European Union (EU) are actively considering retracting nuclear power, due to the benefits of integrating renewable energy generators. After the Fukushima incident, countries, such as Germany and France, have taken drastic measures to phase-out their nuclear power programs.





- As of 2017, nuclear energy accounted for approximately 75% of the power generation in France. It will close down 17 nuclear power stations by 2025. In Europe, the nuclear decommissioning services market is expected to grow at 29.57 % during 2018-2022.
- USA, which has the highest number of nuclear power plants (99), has already decommissioned 10 power plants while 20 are under decommissioning.
- Around 76 nuclear reactors were retired globally between 2015 and 2019, 183 units will be retired in the 2020s and 127 units in the 2030s.

#### **Nuclear Decommissioning**

- For nuclear plants, the term decommissioning includes all clean-up of radioactivity and progressive dismantling of the plant.
- Nuclear decommissioning is the process whereby a nuclear facility is dismantled to the point that it no longer requires measures for radiation protection.

#### Steps taken by India

- India is yet to start decommissioning nuclear plants even when there is a guideline to do so by the Atomic Energy Regulatory Board.
- The Nuclear Power Corp of India Ltd (NCPI), India's sole nuclear energy producer, already collects "decommissioning levy" from users to create a fund to finance decommission activities in the future. This fund is managed by the Department of Atomic Energy.
- The 2017-18 annual NCPI report mentioned that the decommission levy fund has at least Rs 1,975 crore.

#### **Department of Atomic Energy (DAE)**

- DAE is a department directly under the Prime Minister of India with headquarters in Mumbai. It was established in 1954 by a Presidential Order.
- It has been engaged in the development of nuclear power technology, applications of radiation technologies in the fields of agriculture, medicine, industry and basic research.

#### **Atomic Energy Regulatory Board (AERB)**

- AERB was constituted on November 15, 1983, by the President of India by exercising the powers conferred by the Atomic Energy Act, 1962 to carry out certain regulatory and safety functions under the Act.
- The regulatory authority of AERB is derived from the rules and notifications promulgated under the Atomic Energy Act and the Environment (Protection) Act, 1986.

#### **Nuclear Power Corp of India Ltd. (NCPIL)**

- NCPIL is an Indian public sector undertaking based in Mumbai.
- It is wholly owned by the Government of India and is responsible for the generation of nuclear power for electricity. It is administered by the DAE.

#### **EMPLOYEES' STATE INSURANCE ACT**

#### • CONTEXT:

Recently, government has reduced the salary contribution of industrial workers who
are eligible for healthcare benefits under the Employees' State Insurance Act (ESI
Act) from 6.5 % to 4%.

#### • ABOUT: More on News

• With this reduction, the employers' contribution to the ESI Act has been reduced from 4.75 % to 3.25 % and the employees' contribution has been reduced to 0.75 % from 1.75 %.



- The move is aimed at formalising India's informal workforce and expanding social security coverage. This will benefit 3.6 crore employees and 12.85 lakh employers.
- This decision, which lowers the cost of hiring for employers, should be seen in conjunction with recent initiatives such as the Pradhan Mantri Rojgar Protsahan Yojna (PMRPY) that aim to boost the creation of formal jobs by lowering the costs associated with formalisation.

#### **Employees' State Insurance (ESI)**

- The ESI Act 1948 was the first major legislation on social security for workers in India.
   It provides for health-related events, such as sickness, maternity and temporary or permanent disability.
- It also covers occupational disease or death due to employment injury, resulting in loss of wages or earning capacity either total or partial.
- Under the Act, employers and employees contribute their share, respectively, with the rate of contribution being decided through the Ministry of Labour and Employment.
- It applies to premises where 10 or more persons are employed.
- Employees with wages up to Rs 21,000 a month (earlier Rs 15,000 per month) are entitled to the health insurance cover and other benefits under the ESI Act.
- ESI Corporation (ESIC), which is an autonomous body, regulates medical services being provided by the ESI Scheme in the respective states and Union Territories.

#### How wide is its coverage?

- As part of a second-generation reforms, ESIC-2.0, the ESI Corporation decided to implement the ESI scheme all over the country.
- The efforts resulted in a rise in the number of registered employees (insured persons) and employers.

#### Benefits of reduction

- Impact on Employers: Reduction in the share of contribution of employers will reduce the financial liability of the establishments leading to improved viability of these establishments. This will enhance Ease of Doing Business.
- It is also expected that reduction in the rate of ESI contribution will improve compliance
  of law.
- Impact on Employees: The reduced rate of contribution is expected to provide substantial relief to employees. It will bring in many more employees within the ambit of the ESI Scheme and result in an increased workforce joining the formal sector.
- Further, the reduced rate of contribution will in turn lead to an increase in cash in hand of the eligible employees, thereby strengthening their financial position.

#### Why are some trade unions criticising the revision of rates?

- Trade unions such as the Centre of Indian Trade Unions (CITU) have described it is a
  unilateral decision and not in line with a decision taken by the Tripartite Governing
  Council of the ESI. CITU said that the reduction in ESI contribution is mainly to benefit
  the employers/business class.
- The All India Trade Union Congress (AITUC) too has issued a statement, saying that
  instead of reducing the rate of contribution, more benefits should be planned under
  the health insurance scheme and a practice of inspections should be restored to ensure
  compliance.





#### EXTENSION OF ANTI-PROFITEERING FRAMEWORK

#### **© CONTEXT:**

India has extended the anti-profiteering framework under the goods and services tax (GST) by another two years while also making the rules more stringent to ensure companies pass on the benefit of lower taxes to consumers.

#### ABOUT

#### More on news:

- The Goods and Services Tax Council, led by finance minister introduced more stringent norms to check tax evasion and extended the tenure of the National Anti-Profiteering Authority (NAA) by two years to November 2021.
- As part of its anti-tax evasion measures, businesses and merchants found guilty of pocketing the benefits of tax cuts meant for consumers and do not return the amount amassed illegally within 30 days, they will have to pay a 10% penalty of the profiteered amount. They have to return the entire amount to the consumer or deposit the money in the consumers' welfare funds. Earlier, businesses had to pay a flat rate of Rs.25, 000 as penalty.
- **Need for Clarity:** As per the experts said the anti-profiteering framework needs clarity. Industry demand for clarity on methodology for anti-profiteering has still not been addressed by the government. While the extension of term of National Anti-profiteering Authority (NAA) by two years was expected, there is need for guidelines.
- The anti-profiteering system was meant to shield consumers against any sudden spike in prices after GST was rolled out in July 2017 and to ensure that companies passed on savings from lower taxes to buyers. Several countries that implemented GST had faced a spike in inflation soon after doing so. India had looked at the mechanisms that Malaysia and Australia had put in place as part of their GST framework.

#### Other Decisions of the 35th GST Council meeting

- The federal indirect tax body also decided that Aadhaar-based GST identification will now be sufficient for GST registration. Aadhaar-based registration will not only simplify the process but also improve ease of doing business, as the entities will not be required to submit any other document to enroll.
- Despite demands of tax cuts from the industry, the Council focused on anti-evasion measures and simplification of rules. Proposals to slash tax rates on electric vehicles, battery chargers and leasing of electric vehicles were referred to the fitment committee for consideration. On taxation of lotteries, the Council decided to seek the attorney general's view.
- The council also decided to introduce e-invoicing in a phased manner for business-tobusiness (B2B) transactions. E-invoicing would help tax authorities in combating the menace of tax evasion.
- Phase 1 is proposed to be voluntary and will be rolled out in January 2020. Registered multiplexes will be required to issue tax invoices electronically. E-tickets issued by them shall be deemed to be tax invoices.
- The council also decided on the location of state and area benches for the Goods and Services Tax Appellate Tribunal (GSTAT) for various states and Union Territories that have legislatures.
- It has been decided to have a common state bench for Sikkim, Nagaland, Manipur and Arunachal Pradesh.

#### **National Anti-Profiteering Authority (NAA)**

NAA has been constituted under Section 171 of the Central Goods and Services Tax Act, 2017 to ensure that the reduction in rate of tax or the benefit of input tax credit is passed on to the recipient by way of commensurate reduction in prices.





- Further, the following steps have been taken by the NAA to ensure that customers get the full benefit of tax cuts:
  - ► Holding regular meetings with the Zonal Screening Committees and the Chief-Commissioners of Central Tax to stress upon consumer awareness programmes.
  - ► Launching a helpline to resolve the queries of citizens regarding registration of complaints against profiteering.
  - ➤ Receiving complaints through email and NAA portal.
  - Working with consumer welfare organizations in order to facilitate outreach activities.

# INDIAN BANKS' ASSOCIATION TWEAKS INTER CREDITOR AGREEMENT

#### **O CONTEXT**

• The Indian Banks' Association has tweaked the inter-creditor agreement (ICA) that was framed by the Sashakt Committee, to keep it in line with the revised guidelines of the Reserve Bank of India (RBI) on stressed assets resolution.

#### ABOUT

#### **Background**

- The total stress in the Indian banking sector, including write-offs, is likely to be around Rs 16.30 lakh crore.
- As of March 31, 2018, provisional estimates suggest that the total volume of gross NPAs in the economy stands at Rs 10.35 lakh crore. About 85% of these NPAs are from loans and advances of public sector banks. For instance, NPAs in the State Bank of India are worth Rs 2.23 lakh crore.
- Revised Guidelines of the Reserve Bank of India (RBI) on Stressed Assets
- Earlier, the stressed asset norms were applicable only for banks, now it is applicable on banks, Small Finance Banks as well as NBFCs.
- Earlier, the default of even one day had to be reported. Now, lenders are given 30 days to start working on a resolution plan.
- Earlier, banks had to refer borrower to NCLT if it failed to resolve the account within 180 days. Now, it is made voluntary for the lenders to initiate legal proceedings.
- Earlier, consensus was required on the resolution plan, now agreement of 75% of lenders by debt value and 60% lenders by number is needed.

#### Changes brought by IBA in ICA

- The revised norm had mandated that if there was a default by any borrower, all lenders should review the borrower account within 30 days of the default, which is termed 'review period', and to chalk out a resolution plan. It has been made mandatory for all the lenders to enter into an ICA within the review period.
- RBI had said ICA must provide that any decision agreed to by lenders representing 75% by value of total outstanding credit facilities and 60% of lenders by number

#### **Inter Creditor Agreement**

- It is aimed at the resolution of loan accounts with a size of ₹50 crore and above that are under the control of a group of lenders. The lenders will jointly appoint a lead lender who will function on behalf of the entire group.
- The agreement says if 66% of lenders by value agree to a resolution plan, it would be binding on all lenders. The dissenting creditors will, however, have the option to sell their loans to





other lenders at a discount of 15% to the liquidation value, or buy the entire portfolio paying 125% of the value agreed under the debt resolution plan by other lenders.

#### **Indian Banks Association**

- Established in 1946
- **HQ** Mumbai
- It is an association of Indian Banks and financial Institutions.
- The members comprise of:
  - Public Sector Banks.
  - Private Sector Banks.
  - ► Foreign Banks having offices in India.
  - Co-operative Banks.
  - Regional Rural Banks.
  - ▶ All India Financial Institution.
- Objective Strengthening, development and coordination of the Indian Banking.
- Project Sashakt
  - Project Sashakt was proposed by a panel led by PNB chairman Sunil Mehta.
  - ➤ Bad loans of up to ₹ 50 crore will be managed at the bank level, with a deadline of 90 days.
  - For bad loans of ₹ 50-500 crore, banks will enter an inter-creditor agreement, authorizing the lead bank to implement a resolution plan in 180 days, or refer the asset to NCLT.
  - ► For loans above ₹ 500 crore, the panel recommended an independent AMC, supported by institutional funding through the AIF. The idea is to help consolidate stressed assets.

#### **Stressed Assets**

Stressed assets = NPAs + Restructured loans + Written off assets

#### KALESHWARAM PROJECT

- CONTEXT:
- Recently, Telangana government inaugurated world's largest multi-stage lift irrigation scheme namely Kaleshwaram Lift Irrigation Project Phase I.
- ABOUT:

The Kaleshwaram Lift Irrigation Project (KLIP) is a multi-purpose irrigation project on the Godavari River in Kaleshwaram, Telangana. The cost of this project is around Rs. 80,500 cr.

#### **Background**

- This project is an off-shoot of the original Pranahitha-Chevella Lift Irrigation Scheme taken up by the Congress government in 2007 when Andhra Pradesh was not divided.
- After the formation of Telangana in 2014, the Telangana Rashtra Samithi (TRS) government redesigned the project on the ground that the original plan had too many environmental obstacles and had very low water storage provision.
- With the help of highly advanced Light Detection and Ranging (LiDAR) survey and study of flows in Godavari at different locations, the government separated the original project into two projects- Pranahitha project and Kaleshwaram project.



#### Aim of KLIP

• The main target of this project is to harness the flood waters of the Godavari River so that Telangana can be made drought-proof.

- Under this project, water of the Godavari will be tapped by reverse pumping and storage
  which would raise the water level in the whole state and that will lead to refill thousands
  of tanks, providing water for industries and supplying drinking water to Hyderabad and
  Secunderabad by creating a series of storage tanks and a network of pipelines.
- This project has been designed to meet 70% drinking water requirement of the state and to irrigate 45 lakh acres of land for two crops in a year.
- This project will support Mission Bhagiratha and Mission Kakatiya, which were designed to provide drinking water to many villages and improve the capacities of tanks in the Telangana.

#### **Features of KLIP**

- It has the longest tunnel to carry water in Asia, running up to 81 km, between the Yellampally barrage and the Mallannasagar reservoir.
- The project would also utilise the highest capacity pumps, up to 139 MW, in the country to lift water.
- This project has provision for the storage of about 148 tmc ft with plans of utilising 180 tmc ft by lifting atleast 2 tmc ft water every day for 90 flood days.
- The project is designed to irrigate 7,38,851 hectares (over 18.47 lakh acres) uplands in the erstwhile districts of Karimnagar, Nizamabad, Warangal, Medak, Nalgonda and Ranga Reddy.
- This is the first time the water of the river Godavari has been lifted to the height of 92 meters for the agricultural irrigation and for water supply. The maximum height of this water lifting is 618 meters in Kondapochamma (Telanagana).

# Mission Kakatiya

- It is a flagship programme launched by the Government of Telangana.
- The objective of this mission is to enhance the development of agriculture based income for small and marginal farmers, by accelerating the development of minor irrigation infrastructure, strengthening community based irrigation management and adopting a comprehensive programme for restoration of tanks.

#### **Mission Bhagiratha**

- It is a project for safe drinking water for every village and city household in Telangana.
- The main aim of this mission is to ensure safe and sustainable PIPED drinking water supply from surface water sources and to provide each household with a tap connection.

#### **Light Detection and Ranging**

- LiDAR is a surveying method that measures distance to a target by illuminating the target with pulsed laser light and measuring the reflected pulses with a sensor. Differences in laser return times and wavelengths can then be used to make digital 3-D representations of the target.
- LiDAR sometimes is called 3D laser scanning, a special combination of a 3D scanning and laser scanning. It has terrestrial, airborne, and mobile applications.
- LiDAR is commonly used to make high-resolution maps, with applications in geodesy, geomatics, archaeology, geography, geology, geomorphology, seismology, forestry, atmospheric physics, laser guidance, airborne laser swath mapping (ALSM), and laser altimetry. The technology is also used in control and navigation for some autonomous cars.





# MULTILATERAL CONVENTION TO IMPLEMENT TAX TREATY

#### **© CONTEXT:**

• The Union Cabinet has approved the ratification of the Multilateral Convention to implement tax treaty related measures to prevent base erosion and profit shifting and to implement OECD's project on checking tax evasion.

#### • ABOUT:

#### **Multilateral Convention**

- The Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting, sometime abbreviated BEPS multilateral instrument, is a multilateral convention of the Organisation for Economic Co-operation and Development (OECD) to combat tax avoidance by multinational enterprises (MNEs) through prevention of Base Erosion and Profit Shifting (BEPS).
- The BEPS Project identified 15 actions to address in a comprehensive manner.
- It enables countries to implement the tax treaty related changes between two or more Parties to the Convention to achieve anti-abuse BEPS outcomes through the multilateral route without the need to bilaterally re-negotiate each such agreement which is burdensome and time consuming.
- It will not function in the same way as an amending protocol to a single existing treaty, which would directly amend the text of the Covered Tax Agreement.
- Instead, it will be applied alongside existing tax treaties, modifying their application in order to implement the BEPS measures.

# **Impact:**

- The Convention will modify India's treaties in order to curb revenue loss through treaty
  abuse and base erosion and profit shifting strategies by ensuring that profits are taxed
  where substantive economic activities generating the profits are carried out and where
  value is created.
- Ratification of the Multilateral Convention will enable application of BEPS outcomes through modification of existing tax treaties of India in a swift manner.
- This step will update international tax rules and lessen the opportunity for tax avoidance by multinational enterprises.

#### **Multilateral Instrument (MLI)**

- The Multilateral Instrument (MLI) offers concrete solutions for governments to close the gaps in existing international tax rules by transposing results from the OECD/ G20 BEPS Project into bilateral tax treaties worldwide.
- The MLI modifies the application of thousands of bilateral tax treaties concluded to eliminate double taxation. It also implements agreed minimum standards to counter treaty abuse and to improve dispute resolution mechanisms while providing flexibility to accommodate specific tax treaty policies.

# **BEPS** (base erosion and profit shifting)

- BEPS refers to tax planning strategies that exploit gaps and mismatches in tax rules to artificially shift profits to low or no tax locations where there is little or no economic activity. It is of major significance for developing countries due to their heavy reliance on corporate income tax, particularly from multinational enterprises.
- Most BEPS activity is associated with industries with intellectual property (IP), namely Technology and Life Sciences.





# KELP FORESTS

#### **O CONTEXT**

• Underwater Arctic Forests (Kelps) are expanding according to a research by Canadian Marine Ecology, Universite Laval published in Global Change Biology.

#### ABOUT

#### More on news

- The research uncovers the distribution of Arctic kelp forests and explores how these important ecosystems are changing with the climate.
- Warming waters and retreating of sea ice will benefit marine plants. Researchers predict a northern shift of kelp forests as ice retreats.

# **Kelp Forests**

- Kelp forests are underwater forests that thrive well in cold, nutrient rich waters.
- Kelps are large brown algae seaweeds attached to the seafloor and eventually grow to the water's surface and rely on sunlight to generate food and energy.
- These forests are always coastal and require shallow, relatively clear water.
- These forests harbor a greater variety and higher diversity of plants and animals than almost any other ocean community.

#### **Distribution**

- Kelp forests have been observed throughout the Arctic by Inuit, researchers and polar explorers. The Canadian Arctic alone represents 10 per cent of the world's coastlines.
- Kelps have adapted to the severe conditions. These cool water species have special strategies to survive freezing temperatures and long periods of darkness, and even grow under sea ice.
- In regions with cold, nutrient-rich water, they can attain some of the highest rates of primary production of any natural ecosystem on Earth.
- In Hudson Bay and eastern Canada, kelp forests have been scientifically documented between Ellesmere Island and Labrador, and along coasts in Lancaster Sound, Ungava Bay, Hudson Bay, Baffin Bay and Resolute Bay.

# **Function**

- Kelps function underwater in the same way trees do on land. They create habitat and modify the physical environment by shading light and softening waves.
- These forests provide important three-dimensional, underwater habitat that is home to hundreds or thousands of species of invertebrates, fishes, and other algae.
- These forests comprise one of the ocean's most diverse ecosystems. Many fish species
  use kelp forests as nurseries for their young, while seabirds and marine mammals like
  sea lions, sea otters and even gray whales use them as shelter from predators and
  storms.

#### **Threat**

- Thawing permafrost and crumbling Arctic coasts are dumping sediments into coastal waters at alarming rates, which blocks light and could limit plant growth.
- The run-off from melting glaciers will also lowers salinity and increase turbidity, which impacts young kelp.
- Destructive fishing practices, coastal pollution, and accidental damage caused by boat entanglement are known to negatively affect kelp forests.
- Sea urchins can destroy entire kelp forests at a rate of 30 feet (9 m) per month by moving in herds. Sea otters play a key role in stabilizing sea urchin populations so that kelp forests may thrive





#### SIGNIFICANCE

- Kelp forests throughout the world play an important role in coastal economies, supporting a broad range of tourism, recreational and commercial activities.
- Kelp is used as food by the North Americans, and the kelp aquaculture industry is growing at a rate of seven per cent per year for the last 20 years globally (kelp is a coveted food source in many countries, full of potassium, iron, calcium, fiber and iodine).
- In the Arctic, Inuit traditionally use kelp as food and wild harvest numerous species.

# **HEAT WAVES**

#### OCONTEXT

In early June 2019, an intense heat wave scorched many parts of India which led to the death of 36 people in the country, mostly from Andhra Pradesh.

#### ABOUT

#### **More on News**

- In 2019, sparse rainfall during the pre-monsoon season, along with a delayed monsoon, has made the heat more unbearable.
- The NDMA official added that Churu (Rajasthan), where temperature crossed the 50 degrees Celsius mark, has not registered a single death whereas parts of Andhra Pradesh have witnessed most number of deaths, where the temperature was relatively lower.

# Reason behind this Anomaly role.

- The Comfortable Index of a region increases with the increase in humidity. Comfortable Index measures the human discomfort due to the combined effects of heat and humidity.
- Since humidity in Andhra Pradesh would be 80-90 per cent, it makes the overall comfortable index much more than a person in the state is used to experiencing. This will make people feel that they are experiencing temperatures above 70°Celsius.

This is true about most coastal states like Odisha, Andhra Pradesh and Telangana whereas Churu has humidity around 10 to 15 per cent.

- This happens because it is not just temperature, but humidity also plays a
- Weak El Niño conditions may also play their part in ensuring higher than normal temperature.

# **Heat Waves**

Heat Wave is simply, a continuous spell of abnormally hot weather. Heat wave need not be considered till maximum temperature of a station reaches at least 40° C for Plains and at least 30° C for Hilly regions.

#### Criteria for declaring Heat Wave followed by IMD

- Situation 1 When normal maximum temperature of a station is less than or equal to 40° C. Declare Heat Wave if:
  - Heat Wave Departure from normal is 5° C to 6° C
  - Severe Heat Wave Departure from normal is 7° C or more
- Situation 2 When normal maximum temperature of a station is more than 40° C. Declare Heat Wave if:
  - Heat Wave Departure from normal is 4° C to 5° C
  - Severe Heat Wave Departure from normal is 6° C or more
- Situation 3 When actual maximum temperature remains 45°C or more irrespective of normal maximum temperature, heat wave should be declared.





# NATIONAL INVESTIGATION AGENCY

#### **© CONTEXT:**

In a bid to empower the National Investigation Agency, the Union Cabinet approved a proposal to amend the NIA Act and the Unlawful Activities (Prevention) Act.

#### ABOUT: More on news:

- The amendments will bolster the National Investigation Agency (NIA), increasing the ambit and scope of its investigations in India and abroad. The proposed bills are likely to be introduced in the Parliament in the current session.
- This development is significant as the investigation agency is closely monitoring the development of Islamic State (IS) modules especially in the wake of the Easter Day bombings in Sri Lanka that left 11 Indians dead.
- The agency has also been probing terror funding in Jammu and Kashmir and had gathered damning evidence of Pakistan's involvement in the unrest in Kashmir.
- Details of the amendment
- New offences, including cases of cyber-terrorism registered under the Section 66F of the Information Technology Act, and Human-trafficking crimes under Sections 370 and 371 of the Indian Penal Code (IPC), have been added to the schedule of the NIA act in the draft NIA (Amendment) Bill.
- Cases of human-trafficking often have inter-state and international connections.
- Amendment to Schedule 4 of UAPA will allow the agency to designate an individual suspected to have terror links, as a terrorist. Currently, only organisations can be declared as 'terrorist organisations'.
- It will enable the government to declare Hafiz Saeed, the Lashkar-e-Taiba chief and Mumbai attack mastermind, and Masood Azhar, the Jaish-e-Mohammad chief, as "individual terrorists".
- Banning of individual terrorists under the UAPA act will strengthen India's request to all nations and financial institutions to add them to their blacklist and impose travel bans
- Proposed amendment will empower the agency to take up cases of terror incidents against India or Indians abroad, although any investigation of the foreign soil will have to be with the cooperation of the host nation.
- It will allow the agency to carry out searches in a state, without the consent of Director General of Police (DGP). While it is not mandatory for the agency to take prior permission from the DGP even now, the NIA does so when a law-and-order situation is anticipated.

#### National Investigation Agency (NIA)

- It is a central agency, came into existence with the enactment of the National Investigation Agency Act 2008 by the Parliament of India on 31 December 2008.
- It acts as the Central Counter Terrorism Law Enforcement Agency. (NIA was created after the 2008 Mumbai terror attacks as need for a central agency to combat terrorism was realised.)
- The Agency has been empowered to conduct investigation and prosecution of offences under the Acts specified in the Schedule of the NIA Act.
- A State Government may request the Central Government to hand over the investigation of a case to the NIA, provided the case has been registered for the offences as contained in the schedule to the NIA Act.
- Central Government can also order NIA to take over investigation of any scheduled offense anywhere in the India.



 Officers of the NIA who are drawn from the Indian Revenue Service, Indian Police Service, state police, Income Tax as well as officers from the Central Armed Police Forces, have all powers, privileges and liabilities which the police officers have in connection with investigation of any offense.

# EBOLA OUTBREAK IN UGANDA - NOT A GLOBAL EMERGENCY

**©** CONTEXT:

• World Health Organization (WHO) has again decided not to declare Africa's latest Ebola outbreak a global emergency.

#### • ABOUT:

#### More on news:

- Many infectious disease experts and public officials had called for WHO to declare a Public Health Emergency of International Concern (PHEIC) when Ebola broke out of the Democratic Republic of Congo (DRC).
- However, WHO has again decided not to declare Africa's latest Ebola outbreak, which has killed more than 1400 people and just crossed into a new country.
- It was the view of the committee that the outbreak is a health emergency in the Democratic Republic of Congo [DRC] and the region, but it does not meet all [the PHEIC] criteria.
- The committee gathered for the third time after news emerged that the virus had spread
  from the DRC to neighboring Uganda, so far killing two people there—a 5-year-old boy
  and his grandmother—who had crossed the border.
- More than 2400 people have been sickened since the outbreak started in August 2018 the largest outbreak of Ebola other than when it ravaged West Africa 5 years ago.
- WHO has declared a PHEIC only four times since the tool was introduced into the agency's arsenal in 2005: for the 2014 West African Ebola outbreak; Pandemic flu in 2009; Polio in 2014; and the Zika virus in 2016.
- Declaring Africa's latest Ebola outbreak a PHEIC would have raised the levels of international political support, which has been lacking to date; enhanced diplomatic, public health, security, and logistic efforts as well as released more financial resources to support teams working in DRC.

# **WHO's Arguments**

- Although declaring a PHEIC would allow WHO to share information about the disease's spread without the affected countries' consent and to make temporary recommendations that member states have to follow, those measures are not necessary because countries are already sharing information and following WHO's advice.
- The overall regional risk posed by the outbreak in DRC remains very high. The overall risk at international level remains low. Declaring a PHEIC could be interpreted as the outbreak being a global emergency.

#### **Ebola**

- Ebola virus disease (EVD), also known as Ebola hemorrhagic fever (EHF) or simply Ebola, is a viral hemorrhagic fever of humans and other primates caused by Ebola viruses.
- Signs and symptoms typically start between two days and three weeks after contracting the virus with a fever, sore throat, muscular pain, and headaches.
   Vomiting, diarrhea and rash usually follow, along with decreased function of the liver and kidneys. At this time, some people begin to bleed both internally and externally.



- The disease has a high risk of death, killing between 25 and 90 percent of those infected, with an average of about 50 percent. This is often due to low blood pressure from fluid loss, and typically follows six to sixteen days after symptoms appear.
- The virus spreads through direct contact with body fluids, such as blood from infected humans or other animals. Spread may also occur from contact with items recently contaminated with bodily fluids.
- Spread of the disease through the air between primates, including humans, has not been documented in either laboratory or natural conditions.
- Semen or breast milk of a person after recovery from EVD may carry the virus for several weeks to months.
- Fruit bats are believed to be the normal carrier in nature, able to spread the virus without being affected by it.

# **ANTHRAX VACCINE**

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#### **© CONTEXT:**

 A group of Indian scientists have developed a new vaccine against anthrax which is claimed to be superior over existing vaccines as it can generate immune response to anthrax toxin as well as its spores rather than the toxin alone.

#### • ABOUT

#### More on news:

- The anti-anthrax vaccines available in market generate immune response against a
  Bacillus protein-protective antigen a protein that helps in transport of bacillus toxins
  inside the cells. This means that immune response is triggered only when spores
  germinate in body and start producing bacterial proteins. Anyone vaccinated with such
  a vaccine would show no immune response to bacillus spores and only perform once
  spores germinate and release toxins.
- Studies have, however, shown that when inactivated spores are injected in addition to vaccine, the protection towards bacillus is enhanced.
- Researchers from the Defence Research and Development Laboratory (DRDL), Mysore and Jawaharlal Nehru University (JNU) decided to develop a single vaccine which is effective against both the toxin and its spores so as to provide complete protection.
- For this, they stitched together portions of two genes: protective antigen protein and protein present in outer layer of spore. The protein thus produced was fusion of the two proteins and was injected into mice. After few days, scientists found that injected mice had high concentration of antibodies against fused proteins in its blood, showing immune response against the injected protein.
- It was found that these antibodies were also able to individually bind both protective antigen and spore protein demonstrating that the vaccine can produce immune response against both spores and the toxin.
- The ability of fused protein to generate protective immune responses against both spores and toxin suggests it as an efficient vaccine candidate against B. anthracis infection.
- While antibiotics are also available, vaccines for anthrax are necessary as the infection can cause death within 2-3 days leaving no scope for diagnosis and treatment.

#### **Anthrax**

 Anthrax is a deadly human disease caused by bacterium Bacillus anthracis that also infects animals like horses, sheep, cattle and goats. Humans can become infected through direct or indirect contact with sick animals.



• There's no evidence that anthrax is transmitted from person to person, but it's possible that anthrax skin lesions may be contagious through direct contact. Usually, anthrax bacteria enter the body through a wound in the skin. A person can also become infected by eating contaminated meat or inhaling the spores.

- Signs and symptoms, which depend on how a person is infected, can range from skin sores to vomiting to shock. Prompt treatment with antibiotics can cure most anthrax infections. Inhaled anthrax is more difficult to treat and can be fatal.
- In 2001, these spores were used as agents of bio-terrorism when letters containing anthrax spores were sent to some people in America, leading to widespread panic.
- Spores of the bacterium that causes anthrax are present in soil and can stay in latent form for years. However, under favourable environmental conditions, they become active and start to infect. Often, animals pick up spores while grazing, following which spores germinate in their body and produce toxins.

# PURPLE CLAD PROTEST: WOMEN IN SWITZERLAND RISE FOR EQUAL PAY

**© CONTEXT:** 

• Purple-clad protesters protested in Geneva, as women across the country went on strike for equal pay in Switzerland.

#### **• ABOUT:** More on news:

- Women poured into the streets to vent their frustration with persistent gender discrimination and wage gaps in the wealthy Alpine nation (Switzerland).
- The strike comes nearly three decades after women held the country's first nationwide strike for equal pay.
- Pram marches, whistle concerts and giant picnics were planned around the country, with the day's events set to culminate in giant demonstrations in several cities. Tens of thousands of women dressed in purple filled the square in front of the government and parliament buildings in Bern.
- Women in Switzerland on average still earn 20 percent less than men. And for men and women with equal qualifications, the wage gap remains nearly eight percent, according to the National Statistics Office.
- Riding the wave of the global #MeToo movement, a new generation of women are
  attacking lingering discrimination, harassment, sexual abuse and wage inequality with
  renewed vigour. Strike was born out of frustration at a bid to change the law to impose
  more oversight over salary distribution, after a watered-down version passed through
  the Swiss parliament last year.
- Switzerland was one of the last countries in Europe to grant women the right to vote, in 1971. Over the past three decades, women's rights advocates in Switzerland have made some gains. Abortion was legalised in 2002, and 2005 saw the introduction of 14 weeks of paid maternity leave.
- But Switzerland still offers no paternity leave, and limited access to expensive daycare is seen as a major hindrance to women's integration into the labour market.

#### **Gender Pay Gap**

• The gender pay gap or gender wage gap is the average difference between the remuneration for men and women who are working. Women are generally paid less than men. There are two distinct numbers regarding the pay gap: unadjusted versus adjusted pay gap. The latter takes into account differences in hours worked, occupations chosen, education and job experience.





The gender pay gap can be a problem from a public policy perspective even when the reason for the gap is entirely voluntary, because it reduces economic output and means that women are more likely to be dependent upon welfare payments, especially in old age.

# **Indian Scenario (Findings of Monster Salary Index survey, 2019)**

- Women in India earn 19% less than men, reflecting the high gender pay gap in the country and the gap has narrowed merely by 1% in 2018 from 20% a year ago.
- Gender pay difference widening with higher skill level while there is no gender pay gap in semi-skilled work, the gap touches 20% for skilled women and 30% for highly skilled occupations.
- The gap increases with experience and is highest at 15% in favour of men for talent with 10 and more years of experience,
- Nearly 60% working women in India surveyed feel discrimination at work and over onethird of the women feel that they are not easily considered for top management roles.
- About 71% men and 66% women feel that gender parity needs to be a top priority for their organisations.
- Sectoral analysis of the gender pay gap (GPG) showed that wage inequalities in favour of men are present in all the relevant sectors including IT/ITES services (26%); manufacturing (24%); healthcare, caring services and social work (21%). Financial services, banking and insurance is the only industry where men earn just 2% more.

# AKSHAY PATRA WINS BBC WORLD SERVICE GLOBAL **CHAMPIONSHIP AWARD**

### **© CONTEXT:**

Akshaya Patra, a non-profit organisation running one of the world's largest school meals project in India, has been awarded the BBC World Service Global Champion Award for the programme.

#### ABOUT: More on news:

- The Award, presented at the BBC Food and Farming Awards in Bristol, recognises a person or project who is changing the way the world produces, processes, consumes or thinks about food for the better.
- The Bengaluru-based NGO was selected by an international panel of judges from nominations sent in by the World Service audience from around the world.
- Other projects on the shortlist for the 2019 award included UK charity WRAP, which is aiming to reduce waste across a range of sectors, and Food 4 Education, a non-profit organisation which provides heavily-subsidised meals at primary schools in Nairobi, Kenya.
- This was the third edition of Global Food Champion. In 2018, chef Jose Andres who helped provide 3.4 million meals to people in Puerto Rico in the aftermath of Hurricane Maria won the award.

### **About Akshaya Patra**

- Akshaya Patra's stated mission is to ensure that no child is deprived of education because of hunger. It recognises that children may forego education to do menial jobs to earn enough money to eat, and even if they do make it to the classroom, an empty stomach can make it hard to concentrate.
- The charity started its midday meal programme almost 20 years ago.
- Back then it provided 1,500 free school lunches every day. Today it feeds 1.75 million children all over India with hot, freshly prepared meals. For many children this will be their main source of nutrition and keep them in education.



#### **Food Loss & Food Waste**

• It is estimated that nearly one third of the food produced in the world for human consumption every year gets lost or wasted. 40 percent of the fruits and vegetables, and 30 percent of cereals that are produced are lost due to inefficient supply chain management and do not reach the consumer markets.

- While significant levels of food losses occur upstream, at harvest and during post-harvest handling, a lot of food is lost or wasted during the distribution and consumption stages.
   Some food is also wasted on the shelves and in the warehouses of food businesses either due to excess production, introduction of new products, labeling errors, or due to shorter remaining shelf life.
- Such food could be salvaged by timely withdrawing it from the distribution network, aggregating it and then redirecting it to the people in need.

# **Child Hunger in India**

- According to FAO estimates in 'The State of Food Security and Nutrition in the World, 2018" report, 195.9 million people are undernourished in India. By this measure 14.8% of the population is undernourished in India.
- Also, 51.4% of women in reproductive age between 15 to 49 years are anaemic. Further
  according to the report 38.4% of the children aged under five in India are stunted (too
  short for their age), while 21% suffer from wasting, meaning their weight is too low for
  their height.
- Malnourished children have a higher risk of death from common childhood illnesses such as diarrhea, pneumonia, and malaria.
- The Global Hunger Index 2017 ranks India at 100 out of 119 countries on the basis of three leading indicators -- prevalence of wasting and stunting in children under 5 years, under 5 child mortality rate, and the proportion of undernourished in the population.

#### Key facts about hunger in India

- India is home to the largest undernourished population in the world.
- 14.9% of our population is undernourished.
- 195.9 million people go hungry every day.
- 21.0% of children under 5 are underweight
- 38.4% of children under 5 years of age are stunted.
- 1 out of 4 children is malnourished.

# HEALTH INDEX

# • CONTEXT

• NITI Aayog recently released a second edition comprehensive Health Index report titled "Healthy States, Progressive India".

#### ABOUT

- It is the second edition of Healthy States, Progressive India Report.
- It ranks all states and Union territories based on their year-on-year incremental change and overall performance in health.
- All States and UTs have been ranked in three categories to ensure comparison among similar entities.
- These are accordingly Larger States, Smaller States, and Union Territories (UTs).
- The report has been developed by NITI Aayog with technical assistance from the World Bank.





- Ministry of Health and Family Welfare (MoHFW) was also consulted in the process.
- The report is the first attempt to establish an annual systematic tool to measure and understand the nation's health performance.
- For generation of Index Values and ranks, data was submitted online and validated by an Independent Validation Agency (IVA)

#### **Outcomes**

# Larger States

- The Health Index is based on indicators in three domains. These are Health Outcomes (70%), Governance and Information (12%) and Key Inputs and Processes (18%).
- Among the Larger States, Kerala, Punjab and Tamil Nadu ranked on top in terms of overall performance.
- Jharkhand, Jammu & Kashmir, and Uttar Pradesh ranked as top three States in terms of annual incremental performance.
- Uttar Pradesh, Rajasthan, Bihar, Odisha and Madhya Pradesh occupied the bottom ranks.
- Odisha is estimated to have the highest neonatal mortality rate at 35 per thousand live births.

#### **Smaller States**

- Among Smaller States, Mizoram ranked first followed by Manipur on overall performance.
- In terms of annual incremental performance Manipur ranked top followed by Goa.

#### UTs

Among UTs, Lakshadweep showed best overall performance as well as the highest annual incremental performance.

#### **Inference from Outcomes**

- States with a record of investment in literacy, nutrition and primary health care have achieved high scores.
- About one-third of States have registered a decline in their performance in 2016 as compared to 2015.
- All States and UTs have substantial scope of improvement
- The common challenges for most States and UTs include the need to focus on:
  - Addressing vacancies in key staff
  - establishment of functional district Cardiac Care Units (CCUs)
  - quality accreditation of public health facilities
  - institutionalization of Human Resources Management Information System (HRMIS)

#### SIGNIFICANCE

- The Health Index is an important aid in understanding the heterogeneity and complexity of the nation's performance in Health. The results of this report provide an important insight into the areas in which States have improved, stagnated or declined.
- Both the Centre and the States have to scale up their investment on health as a percentage of their budgets. The findings stress the need for pursuing domain-specific, targeted interventions. The index could be linked to incentives offered under the National Health Mission by the Ministry of Health and Family Welfare.





# **Key Definitions**

- Neonatal Mortality Rate (NMR) Number of infant deaths of less than 29 days per thousand live births during a specific year.
- **Under-five Mortality Rate (U5MR)** Number of child deaths of less than 5 years per thousand live births during a specific year.
- Total Fertility Rate (TFR) Average number of children that would be born to a woman if she experiences the current fertility pattern throughout her reproductive span (15-49 years), during a specific year.
- Sex Ratio at Birth (SRB) The number of girls born for every 1,000 boys born during a specific year.

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