

20 Apr 2019: UPSC Exam Comprehensive News Analysis

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B. GS2 Related

Category: HEALTH

1. [Chemists and druggists are passé; from now, all will be pharmacies](#)

Context:

The words “chemists and druggists” appearing on the signboards of medical shops will soon have to be replaced with the word “pharmacy” following an order by The Drug and Technical Advisory Board (DTAB).

Background:

- Earlier, the terms “pharmacy”, “pharmacist”, “dispensing chemist” or “pharmaceutical chemist” could be used only by licencees who employ the services of a registered pharmacist and run a pharmacy for compounding against prescription.
- Under the Drugs and Cosmetics Rules, the description “chemists and druggists” is displayed by licencees who employ registered pharmacists but do not have a pharmacy for compounding –

preparing personalised medication for patients -- against prescriptions.

- Registered pharmacists no longer practise compounding of medicines because the pharmaceutical industry sells formulations in different dosages and potencies.
- DATB noted that, in the current scenario, the compounding of medicines by registered pharmacists hardly exists due to a capable pharma industry in place in the country.

Details:

- First coined in 1945, the words 'chemist' and 'druggist' are headed for a change, with the Union Health Ministry replacing them with 'pharmacy'.
- Besides being a long-standing demand of the industry, a senior health official explained that the phrase 'chemists and druggists' was coined over seven decades ago, is quite old, and has lost its relevance in the current scenario.
- At present, the word 'drug' is looked upon as more clandestine, and as addiction to chemicals, and thus it's not suitable while referring to a professional pharmacist.
- The matter was deliberated upon by the Drugs Technical Advisory Board (DTAB), after repeated requests were made to amend the Rule 65(15)(b) and Rule 65(15)(c) so that medical shops can be called a 'pharmacy'.
- After the Union ministry of health and family welfare formally notifies the amendments, chemists will be given a time frame to make the necessary changes.

Significance:

- There was need for this [renaming] as the concept of druggists is outdated.
- It would give the profession better recognition.
- After being cleared by DTAB, it is now also in concurrence with the international practice of calling a medical shop selling medicines as pharmacy and to also provide an identity and sense of value to the practising pharmacist at the outlets.
- The Chemists have always had a problem with the word 'druggists' as the meaning is negative. They have welcomed this change the government has made.

Category: INTERNATIONAL RELATIONS

1. Navy to take part in fleet review in China

Context:

International Fleet Review would be held in Qingdao, China, later this month as part of the 70th anniversary celebrations of the People's Liberation Army Navy.

Details:

- The Indian Navy has sent two ships to take part in the International Fleet Review.
- The ships are stealth destroyer INS Kolkata and fleet tanker INS Shakti.
- The visit of the Navy's most potent destroyer and versatile fleet support ship showcases India's prowess, reach and sustainability, besides indigenous ship-building capability.
- As a reciprocal gesture and as part of the efforts to promote military cooperation, China has agreed to send its ships on port calls to India.
- The Indian Navy had last held an International Fleet Review in February 2016, in which 50 navies of different countries took part with nearly 100 warships.

INS Kolkata:

- The INS Kolkata is an indigenously built stealth guided missile destroyer.
- As part of her pre-commissioning weapon trials at sea, INS Kolkata test-fired a BrahMos missile off Karwar's coast in 2014.
- In 2015, BrahMos missile was test fired from INS Kolkata during the Tropex exercise in the Arabian Sea.
- In December 2015 the Indian Navy successfully test-fired the Barak 8 missile from INS Kolkata.
- Two missiles were fired at high speed targets, during naval exercises being undertaken in the Arabian Sea.

INS Shakti:

- INS Shakti is one of the largest fleet replenishment tankers, displacing over 27,000 tonnes and capable of carrying 15,000 tonnes of liquid cargo.
- NS Shakti(A57) is a Deepak-class fleet tanker in service
- She was built by an Italian ship building company.
- She is the second and final ship of her class. Shakti, along with her predecessor Deepak, is one of the largest ships of the Indian Navy.

2. Asian Tea Alliance launched in China

Context:

The Asian Tea Alliance (ATA) was launched in Guizhou in China.

What is ATA?

- Asian Tea Alliance (ATA) is a union of five tea-growing and consuming countries.
- The members of the alliance are the Indian Tea Association, China Tea Marketing Association, Indonesian Tea Marketing Association, Sri Lanka Tea Board and Japan Tea Association.

Details:

- ATA plans to work towards enhancing tea trade, cultural exchanges, technology exchanges as well as globally promoting tea.
- It will also work towards enhancing global consumption of tea, while creating a sustainability agenda for the future of Asian tea.
- The forging of this alliance comes close on the heels of the signing of a memorandum of understanding in December 2018 between the Indian Tea Association and China Tea Marketing Association.
- The two associations signed the pact to promote green and black tea consumption in major tea markets of Europe, the U.S., Russia and West Asia, besides India and China.

C. GS3 Related

Category: ENVIRONMENT AND ECOLOGY

1. Ganga has higher proportion of antibacterial agents

Context:

A study commissioned by the Union Water Resources Ministry to probe the “unique properties” of the Ganga found that the river water contains a significantly higher proportion of organisms with antibacterial properties.

Background:

- The study, ‘**Assessment of Water Quality and Sediment To Understand Special Properties of River Ganga,**’ began in 2016.
- The study was conducted by the Nagpur-based National Environmental Engineering and Research Institute (NEERI), a CSIR lab.
- The NEERI team was tasked with assessing the water quality for “radiological, microbiological and biological” parameters in the Bhagirathi (a feeder river of the Ganga) and the Ganga at 20 sampling stations.
- That the Ganga may contain unique microbial life, which makes it relatively more resilient to putrefaction, was suggested by British colonial scientists about 200 years ago.
- The study was commissioned to test these properties using the latest scientific techniques and knowledge.

Findings of the study:

- The study suggests that the other Indian rivers also contain these organisms but the Ganga particularly in its upper Himalayan stretches has more of them.
- As part of the assessment, five pathogenic species of bacteria (Escherichia, Enterobacter, Salmonella, Shigella, Vibrio) were selected and isolated from the Ganga, Yamuna and the Narmada and their numbers compared with the bacteriophages present in the river water.
- Because bacteriophages are a kind of virus that kill bacteria, they are frequently found in proximity to each other.
- In the river Ganga, the bacteriophages were detected to be approximately 3 times more in proportion than bacterial isolates.
- Though it isn’t evident that there are bacteriophage species unique to the Ganga, the study suggests there are many more of them in the Ganga than in other rivers.
- Thus, samples drawn from the Ganga contained almost 1,100 kinds of bacteriophage, and proportionally there were less than 200 species detected in the samples obtained from the Yamuna and the Narmada.
- However, these antibacterial properties varied widely along the length of the river.
 - The stretch from Gomukh to Tehri had 33% more bacteriophage isolates than from Mana to Haridwar, and Bijnor to Varanasi.
 - In the stretch from Patna to Gangasagar, the bacteriophages were only 60% of that in the Gomukh to Tehri stretch.
- The report asserted that the super-phage isolated from Ganga and decoded for its lysine gene and cloned to produce lysine protein at IIT Roorkee holds great potential as an antibacterial pharmaceutical.

Category: ECONOMY

1. BBB tags 75 officers for leadership roles in PSBs

Context:

The Banks Board Bureau (BBB), the apex body for selection of whole-time directors of state-owned lenders, has identified 75 senior management personnel of public sector lenders to take over leadership roles in the

Banks Board Bureau:

- Banks Board Bureau (BBB) is an autonomous body of the Government of India tasked to improve the governance of Public Sector Banks, recommend selection of chiefs of government owned banks and financial institutions and to help banks in developing strategies and capital raising plans.
- The BBB works as step towards governance reforms in Public Sector Banks (PSBs) as recommended by P.J. Nayak Committee.
- The BBB was the part of Indradhanush Plan of government.
- Banks Board Bureau comprises of a chairman, secretary of the Department of Financial Services (Ex-officio member), Secretary, Department of Public Enterprises (Ex-officio member), Deputy Governor of the Reserve Bank of India and five other members (initially three).
- The decision to appoint two additional members to the Banks Board Bureau was taken in the year 2017 in order to strengthen the panel and eliminate delays in timely recommendations for filling up the key positions in the PSBs.
- Recommendations for appointment of non-executive chairman and the full time directors for PSBs are given by the Banks Board Bureau.
- Assistance is provided to PSBs in coming up with differentiated strategies for following innovative financial methods and instruments for raising funds and comprehensively deal with the problems of stressed assets.
- PSBs are provided guidance on addressing the issues of bad loans plaguing their Balance Sheets for a long time and suggestions such as bank consolidations or mergers are provided by the Banks Board Bureau.

Details:

- From a pool of 450 senior management personnel across nationalised banks, an inaugural batch of about 75 personnel has been identified this year to help these banks take on the current and emerging challenges as well as help create a leadership pipeline.
- It has made a case for giving complete autonomy to banks to decide organisational structure for better efficiency.
- The Bureau also suggested revamping the credit governance architecture in nationalised banks to reinforce efforts to minimise credit costs and enhance efficiency of credit allocation.
- The identified personnel will undergo intensive leadership development journey in a globally-ranked Indian institution.
- The Bureau in its report also suggests incentivising maximisation of risk-adjusted income and disincentivising operational inefficiencies by aligning compensation with right performance metrics through the introduction of performance-based compensation through Employee Stock Option Scheme, which is different from Employee Share Purchase Scheme, and Performance-Linked Incentives.

D. GS4 Related

Nothing here for today!!!

E. Editorials

Category: ENVIRONMENT AND ECOLOGY

1. Humanize the law

What's the news?

The Ministry of Environment, Forest and Climate Change (MoEF &CC) has finalized the first draft of the comprehensive amendments to the Indian Forest Act, 1927 (IFA). The amendments specifically deal with the Forest Rights Act, 2006 (FRA).

Editorial analysis:

- The original law, the Indian Forest Act, 1927, is an incongruous relic, its provisions having been drafted to suit the objectives of a colonial power that had extractive uses for forests in mind.
- A new law enacted should make a departure and be aimed to expand India's forests, and ensure the well-being of traditional forest-dwellers and biodiversity in these landscapes.

Highlights of the draft:

- The amendment **defines community** as “a group of persons specified on the basis of government records living in a specific locality and in joint possession and enjoyment of common property resources, without regard to race, religion, caste, language and culture”.
- **Forest is defined** to include “any government or private or institutional land recorded or notified as forest/forest land in any government record and the lands managed by government/community as forest and mangroves, and also any land which the central or state government may by notification declare to be forest for the purpose of this Act.”
- While **the preamble of IFA, 1927**, said the Act was focused on laws related to transport of forest produce and the tax on it, the amendment has increased the focus to “conservation, enrichment and sustainable management of forest resources and matters connected therewith to safeguard ecological stability to ensure provision of ecosystem services in perpetuity and to address the concerns related to climate change and international commitments”.
- **Increased role of states:** The amendments say if the state government, after consultation with the central government, feels that the rights under FRA will hamper conservation efforts, then the state “may commute such rights by paying such persons a sum of money in lieu thereof, or grant of land, or in such other manner as it thinks fit, to maintain the social organization of the forest dwelling communities or alternatively set out some other forest tract of sufficient extent, and in a locality reasonably convenient, for the purpose of such forest dwellers”.
- The amendment also introduces a new category of forests — **production forest**. These will be forests with specific objectives for production of timber, pulp, pulpwood, firewood, non-timber forest produce, medicinal plants or any forest species to increase production in the country for a specified period.

Conclusion:

- The need is for a paradigm that encourages community-led, scientifically validated conservation. This is critical, for only 2.99% of India's geographic area is classified as very dense forest; the rest of the green cover of a total of 21.54% is nearly equally divided into open and moderately dense forest, according to the State of Forest Report 2017.
- The draft Bill reinforces the idea of bureaucratic control of forests, providing immunity for actions such as use of firearms by personnel to prevent an offence. The hardline policing approach is reflected in the emphasis on creating infrastructure to detain and transport the accused and to penalize entire communities through denial of access to forests for offences by individuals.
- Such provisions invariably affect poor inhabitants, and run counter to the empowering and egalitarian goals that produced the Forest Rights Act.

Category: ECONOMY

1. Capital gains

(Note: This analysis has been taken from a write-up featured in the Indian Express on April 20, 2019)

What's the news?

India's tax authority is now considering a revamp of the rules for taxing multinational companies as well as digital firms, with a committee of the Central Board of Direct Taxes recommending changes to protect the country's revenue interests.

Editorial analysis:

- At the core of this move is the issue of taxation rights on income generated by global firms operating across various jurisdictions in an age of digitalization and profit shifting or tax avoidance strategies marked by exploiting loopholes to transfer profits to low tax destinations.
- The rise of the digital and the gig economy in particular, has made the concept of a physical presence as a threshold for taxation redundant, posing challenges to governments and fiscal experts.
- The OECD (Organisation for Economic Co-operation and Development) / G-20 Base Erosion and Profit Sharing Project recognize this situation and envisage a global consensus on tax rules by 2020.
- It has now forced governments to consider fundamental changes to taxation rules to ensure that tax revenues are not eroded.
- Indian authorities, like some of their peers globally, will now have to firm up their approach on profit attribution — the allocations of profits between jurisdictions where customers are located and where factors of production are located and where supply side activities are carried out.
- The OECD model tax convention favors granting taxation rights to the country of residence of the taxpayer, an approach which India and some other countries do not agree with. Rather, they argue taxation rights should be allowed in jurisdictions where value is created and which contributes to demand by economic activity.
- The other proposal which is now being considered is a formula for allocation of such taxes among countries based on sales, payroll or wages besides assets and property.

India's stand:

- Indian authorities have argued rightly that adopting the OECD model will mean not just losing revenues but also taxing local firms, putting them at a disadvantage compared to their foreign firms, with an adverse impact on competitiveness, demand, revenues and profits.
- For a country like India, which needs greater inflow of capital to boost growth and create more jobs, what will count more are not the new formula or rules for taxing cross-broader activities, but the stability and predictability of its tax regime. That's what foreign investors fret about.

F. Tidbits

Nothing here for today!!!

G. Prelims Facts

Nothing here for today!!!

H. Practice Questions for UPSC Prelims Exam

Q1) Consider the following statements:

1. Banks Board Bureau is a statutory body.
2. It was a part of the Indradhanush plan of the government.

Which of the given statement/s is/are correct?

- a. 1 only
- b. 2 only
- c. Both 1 and 2
- d. Neither 1 nor 2

Answer: b

Explanation:

Banks Board Bureau (BBB) is an autonomous body of the Government of India^[1] tasked to improve the governance of Public Sector Banks, recommend selection of chiefs of government owned banks and financial institutions and to help banks in developing strategies and capital raising plans. The BBB was the part of Indradhanush Plan of government.

Q2) Arrange the neighbouring countries of India in decreasing order of border length:

1. Pakistan
2. Nepal
3. China
4. Bangladesh
5. Afghanistan

Choose the correct option:

- a. 1, 2, 3, 4, 5
- b. 4, 3, 1, 2, 5
- c. 2, 1, 3, 4, 5
- d. 4, 1, 2, 3, 5

Answer: b

Explanation:

The neighbouring countries of India in decreasing order of border length are : Bangladesh-China-Pakistan-Nepal-Myanmar-Bhutan-Afghanistan.

Q3) Which of the following rivers flow into the Arabian Sea?

1. Narmada
2. Godavari
3. Tapi
4. Sabarmati

Choose the correct option:

- a. 1 and 2 only
- b. 1, 2 and 4
- c. 1, 3 and 4
- d. All of the above

Answer: c

Explanation:

Godavari does not flow into the Arabian Sea, it drains into the Bay of Bengal.

Q4) World Energy Outlook (WEO) is published by:

- a. International Energy Agency
- b. Organization of the Petroleum Exporting Countries
- c. Sustainable Development Solutions Network
- d. International Atomic Energy Agency

Answer: a

Explanation:

World Energy Outlook (WEO) and Southeast Asia Energy Outlook are published by International Energy Agency.

I. UPSC Mains Practice Questions

1. What is compulsory voting? Should India implement it? Critically examine. (10 Marks)
2. Recently, the Government of India has finalized the first draft of the comprehensive amendments to the Indian Forest Act, 1927 (IFA). Critically examine the features of the draft bill Indian Forest Act, 2019. (10 Marks)