

04 May 2019: UPSC Exam Comprehensive News Analysis

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Category: POLITY AND GOVERNANCE

1. Only 10 of 100 Ganga sewage projects completed

Context:

According to the records, the government has only finished 10 of the 100 sewage infrastructure projects commissioned after 2015 under the Namami Gange mission.

Details:

- Commissioning of sewage treatment plants (STP) and laying sewer lines are at the heart of the mission to clean the Ganga.
- Nearly Rs. 23,000 crore has been sanctioned of the Rs. ₹28,000 crore outlay for sewage management

work.

- River-front development, cleaning ghats and removing trash from the river — the cosmetic side of the mission — make up about for Rs. 1,200 crore of the mission outlay.
- The bulk of the projects completed were those commissioned before the Ganga mission began work in earnest under programmes such as the Ganga Action Plan-1 and Ganga Action Plan-2, which began in 1987 and 1996 respectively.
- For instance, as of March 31, 27 of the 37 completed STP projects and sewer infrastructure were those commissioned before 2015, says a report on the National Mission for Clean Ganga (NMCG) website.
- None of the towns through which the Ganga courses through has water fit for bathing or drinking, according to water monitoring reports by the State and Central Pollution Control Board.

Reasons for the delay:

- Director-General, NMCG, said it was only after August 2016 that the NMCG got the necessary independence and authority to commission projects quickly.
- Most of the major projects were sanctioned in 2017 and 2018 and several of them would come online (and translate into improved water quality) by 2019 and early 2020.
- A new model of having a single private operator take care of all the infrastructure works of a city (to improve efficiency) has been followed.
- Hybrid Annuity Model (HAM) was followed in awarding tenders to STP and infrastructure developers.
- About 65 projects were “under process” and would have shorter gestation times than in the GAP-1 and GAP-2 era, the Director General said.
- The HAM, inspired from the prevalent practice of developing highways in India, has 40% of the capital cost of the project is paid by the government during the construction phase of the project.
- The remaining capital investment on the project, the cost of operations and maintenance of STP are paid over a period of 15 years as quarterly instalments, subject to achieving performance standards.

2. Not keeping record of pre-natal tests is criminal: SC

Context:

In a significant judgment, the Supreme Court upheld the provisions in the anti-pre-natal sex determination law which ‘criminalises’ non-maintenance of medical records by obstetricians and gynaecologists and suspend their medical licence indefinitely.

Background:

- Supreme Court in *Center for Enquiry into Health & Allied Themes (CEHAT) and others v. Union of India and others (1)*, *Center for Enquiry into Health & Allied Themes (CEHAT) and others v. Union of India and others (2)* and *Voluntary Health Association of Punjab Vs. Union of India and others (1)* had already issued many directions for the effective implementation of the ‘The Pre-conception and Pre-natal Diagnostic Techniques (Prohibition of Sex Selection) Act, 1994’.
- In 2016, the Supreme Court in *Voluntary Health Association Vs State of Punjab*, had issued additional directions to curb female foeticide by effective implementation of the ‘The Pre-conception and Pre-natal Diagnostic Techniques (Prohibition of Sex Selection) Act, 1994’.
 - All the States and the Union Territories in India shall maintain a centralized database of civil registration records from all registration units so that information can be made available from the website regarding the number of boys and girls being born.
 - If there has been violation of any of the provisions of the Act or the Rules, proper action has to be taken by the authorities under the Act so that the legally inapposite acts are immediately curbed.

- The Courts which deal with the complaints under the Act shall be fast tracked and the concerned High Courts shall issue appropriate directions in that regard.
- The learned Chief Justices of each of the High Courts in the country are requested to constitute a Committee of three Judges that can periodically oversee the progress of the cases.
- The awareness campaigns with regard to the provisions of the Act as well as the social awareness shall be undertaken.
- The State Legal Services Authorities of the States shall give emphasis on this campaign during the spread of legal aid and involve the para-legal volunteers.
- The States and Union Territories shall implement the Pre-conception and Pre-natal Diagnostic Techniques (Prohibition of Sex Selection) (Six Months Training) Rules, 2014 forthwith considering that the training provided therein is imperative for realising the objects and purpose of this Act

Issue:

- Under the Pre-Conception and Pre-Natal Diagnostic Techniques (Prohibition Of Sex Selection) Act (PCPNDT Act), a medical practitioner could be sent to jail for upto three years for even anomalies in paper work and not keeping records of the patients.
- The doctors had alleged that the provisions in the law criminalise even the smallest anomaly in paperwork which is in fact an inadvertent and unintentional error.
- The sections had made obstetricians and gynaecologists vulnerable to prosecution all over the country.

Details:

- A Bench of Justices Arun Mishra and Vineet Saran held that the particular provisions in the Pre-conception and Pre-natal Diagnostic Techniques (Prohibition of Sex Selection) Act of 1994 were necessary to prevent female foeticide in the country.
- There are only 586 convictions out of 4202 cases registered even after 24 years of existence. It reflects the challenges being faced in implementing this social legislation, the court observed.
- The main purpose of the Act is to ban the use of sex selection and misuse of pre-natal diagnostic technique for sex selective abortions and to regulate such techniques.
- The SC also observed that a fall in sex ratio has not only impact, but also leads to trafficking of women and bride-buying.
- “It is a responsible job of the person who is undertaking such a test i.e., the gynaecologist/medical geneticist/radiologist/ paediatrician/director of the clinic/centre/laboratory to fill the requisite information. In case he keeps it vague, he knows fully well that he is violating the provisions of the Act,” the court observed.

Category: INTERNATIONAL RELATIONS

1. Don't terminate GSP benefits to India

Context:

25 US lawmakers urge Trump administration, not to cancel GSP trade benefits to India.

Background:

- On March 4, President Donald Trump announced that the US intends to terminate India's designations as a beneficiary developing country under the GSP programme.
- “India's termination from GSP follows its failure to provide the United States with assurances that it

will provide equitable and reasonable access to its markets in numerous sectors," Trump had said in a letter to Congress.

- However, Trump says that there is continued assessment to check whether the Government of India is providing equitable and reasonable access to its markets, in accordance with the GSP eligibility criteria
- The USTR through a simple notification in federal register can formally terminate GSP benefits to India.

What is GSP?

- The Generalized System of Preference (GSP) is the largest and oldest US trade preference programme and is designed to promote economic development by allowing duty-free entry for thousands of products from designated beneficiary countries.
- It is a preferential tariff system which provides tariff reduction on various products.
- The concept of GSP is very different from the concept of MFN. MFN status provides equal treatment in the case of tariff being imposed by a nation but in case of GSP, differential tariff could be imposed by a nation on various countries whether it is a developed country or a developing country.
- Both the rules come under the purview of WTO.
- GSP provides tariff reduction for least developed countries but MFN is only for not discriminating among WTO members.
- GSP involves reduced/zero tariffs of eligible products exported by beneficiary countries to the markets of GSP-providing countries.

Details:

- The lawmakers stated that the country's companies seeking to expand their exports to India could be affected.
- The 25 members of the US House of Representatives in a passionate letter urged US Trade Representative to continue negotiating a deal that protects and promotes jobs that rely on trade both imports and exports with India.
- American companies that rely on duty-free treatment for India under the GSP will pay hundreds of millions of dollars annually in new taxes. In the past, even temporary lapses in such benefits have caused companies to lay off workers, cut salaries and benefits, and delay or cancel job-creating investments in the United States.

India extends retaliatory tariff deadline on U.S. items

- The Indian government has again extended its deadline to impose retaliatory import duties on 29 U.S. products, including on almonds, walnuts and pulses.
- A Finance Ministry notification said that implementation of increased customs duty on specified imports from the U.S. has been postponed.
- These deadlines have been extended several times since June 2018, when India decided to impose duties in retaliation to a U.S. move to impose high customs duties on certain steel and aluminium products.

C. GS3 Related

Category: ECONOMY

1. RBI imposes fines on PPIs for violating norms

Context:

The Reserve Bank of India has slapped monetary penalty on five pre-paid payment instrument issuers, for violating regulatory guidelines.

Details:

- A penalty of Rs. 3.05 crore has been imposed on Vodafone m-pesa and Rs. 1 crore each on Mobile Payments, PhonePe and G.I. Technology Private Ltd.
- Also, a penalty of Rs. 5 lakh has been imposed on Y-Cash Software Solutions.
- In a separate statement, RBI said it had imposed a penalty on Western Union Financial Services Inc., USA., and MoneyGram Payment Systems Inc, USA, for non-compliance of regulatory guidelines.
- The penalties on Western Union and MoneyGram had been imposed by the central bank under the provisions of the Payment and Settlement Systems Act, 2007, for compounding of the contravention.
- RBI also imposed a penalty on private sector lender Yes Bank for violation of norms pertaining to issuance and operations of PPIs.

Prepaid Payment Instruments (PPIs):

- **What are PPIs?**

PPIs are instruments that facilitate purchase of goods and services, including financial services, remittance facilities, etc., against the value stored on such instruments. PPIs that can be issued in the country are classified under three types viz. (i) Closed System PPIs, (ii) Semi-closed System PPIs, and (iii) Open System PPIs.

- **Who is an issuer of PPI?**

PPI issuer is an entity participating in a payment system for issuing PPIs to individuals or organisations. The money so collected is used by the entity to make payment to the merchants who are part of the acceptance arrangement and for facilitating funds transfer or remittance services.

- **Who is a holder of a PPI?**

A holder is an individual / organisation who purchases PPI from the PPI issuer and uses the same for purchase of goods and services, including financial services, remittance facilities, etc. However, in case of a Gift PPI, the targeted beneficiary (though not being a purchaser) can also be a holder.

- **Who can issue and operate PPIs in India?**

A company incorporated in India and registered under the Companies Act, 1956 / Companies Act, 2013 can issue and operate PPIs after receiving authorisation from RBI.

- **What are various types of PPIs?**

1. **Closed System PPIs:** These PPIs are issued by an entity for facilitating the purchase of goods and services from that entity only and do not permit cash withdrawal. As these instruments cannot be used for payments or settlement for third party services, the issuance and operation of such instruments is not classified as payment system requiring authorisation by the RBI.
2. **Semi-closed System PPIs:** These PPIs are issued by banks (approved by RBI) and non-banks (authorized by RBI) for purchase of goods and services, including financial services, remittance facilities, etc., at a group of clearly identified merchant locations / establishments which have a specific contract with the issuer (or contract through a payment aggregator or payment gateway) to

accept the PPIs as payment instruments. These instruments do not permit cash withdrawal, irrespective of whether they are issued by banks or non-banks.

3. **Open System PPIs:** These PPIs are issued only by banks (approved by RBI) and are used at any merchant for purchase of goods and services, including financial services, remittance facilities, etc. Cash withdrawal at ATMs / Points of Sale (PoS) terminals / Business Correspondents (BCs) are also allowed through such PPIs.

- **Does a holder earn any interest on PPI balances?**

No interest is payable on PPI balances.

- **How can a PPI be loaded?**

PPIs can be loaded by cash, by debit to a bank account, by a credit / debit card, or from other PPIs. The loading / reloading of PPIs shall be through payment instruments issued by entities regulated in India and shall be in Indian Rupees (INR) only. Banks and non-banks are permitted to issue and reload such payment instruments through their authorised branches / ATMs or through their authorised agents.

D. GS4 Related

Nothing here for today!!!

E. Editorials

Category: INTERNATIONAL RELATIONS

1. An image makeover of the Belt and Road Initiative

What's in the news?

- Experts opine that as the Second Belt and Road Forum (BRF), which aimed at reviewing progress of the Belt and Road Initiative (BRI), concluded in Beijing on April 27, 2019, China has reason to be satisfied.

Editorial Analysis:

- The summit segment was attended by 37 heads of state or government.
- The list included strategic partner Russia and almost all from Central and Southeast Asia, two important areas of BRI operation.
- If the attendance from South Asia was somewhat disappointing (only Pakistan and Nepal at the leaders' level), South Asian countries, except India and Bhutan, joined various initiatives launched at the forum.

Diverse Nature of Participants:

- The east coast of Africa, which is on the Maritime Silk Road, sent five leaders.
- Particularly in the context of recent U.S. tirades against the “predatory economics” of the BRI, **it was significant that nine European leaders attended, including seven from the European Union.**
- Japanese Prime Minister Shinzo Abe sent a special envoy, conveying that the BRI “is a grand vision with great potential”.
- The UN Secretary General and IMF Managing Director were in attendance. As a matter of fact, the

IMF Managing Director extolled the BRI's achievements, **“from stimulating infrastructure investment to developing new global supply chains”**.

- China claimed participation from 150 countries at the forum, which included a CEO conference, where agreements worth \$64 billion were signed.

Litany of complaints:

- The Chinese leadership claimed the attendance rebutted allegations that BRI is a geopolitical tool and exploitative “debt trap” driving countries into dependence on China.
- It would be more realistic to see it as indicating China's economic clout and the desire of most countries to hedge their bets in the current turbulence in great power relations.
- It is important to note that the concerns about the viability of BRI projects have not dissolved; it is just that immediate benefits sometimes obscure the direness of future consequences.
- Over the years, the structure and implementation of the BRI have attracted negative comment, including from some of the countries represented at the forum.
- The litany of complaints include the following:
 1. that projects are selected as per Chinese priorities, with inadequate consultation with recipients;
 2. terms are agreed bilaterally and non-transparently with the leadership, and
 3. benefits do not trickle down to the population;
 4. contracts go to Chinese companies and are implemented by Chinese labour,
 5. raw materials and products are from China;
 6. most projects are over-valued and economically unviable;
 7. most financing is by Chinese loans on unrealistic terms, leading eventually to “debt traps”;
 8. foreign companies and private investment are spurned;
 9. corruption flourishes in the absence of transparency, and finally,
 10. labour laws are flouted and environmental compliance is lax.
- Above all, the BRI exhibits China's geostrategic ambition for economic dominance and political hegemony.

China's promises on the BRI:

- Some experts opine that President Xi Jinping's speeches and the final forum communique silenced this criticism by promising a total makeover of the BRI.
- They declared that it will be guided by extensive consultation, joint contribution and shared benefits.
- Cooperation should be transparent, people-centric, green and clean, with zero tolerance for corruption.
- Project evaluation, tendering, bidding and implementation would meet international standards.
- The right of participating countries to define their developmental priorities would be respected, as also their laws, sovereignty and territorial integrity.
- Foreign investment would be welcomed.
- Economic, social, fiscal and environmental sustainability of projects should be ensured, with emphasis on debt sustainability.
- In short, it was a promise to transform the BRI, in one fell swoop, from all that it was into all that it should have been.
- However, in the wake of all this, an important question arises: **How will this rhetoric translate into action?**

The “Belt and Road”: A framework for bilateral and plurilateral cooperation?

- The other remarkable feature was the launch of the “Belt and Road” as an overarching framework for bilateral and plurilateral cooperation.

- China announced a clutch of “Belt and Road” scholarships, training courses and exchange programmes.
- Groups of countries launched cooperation mechanisms for ports administration, accounting standards, tax administration, banking, intellectual property, sustainable cities, energy and dispute settlement, among many others.
- It is important to note that some of these mechanisms were facilitated by UN agencies.
- China listed 283 “deliverables” from the forum, comprising Chinese initiatives, bilateral and multilateral agreements, investment projects and financing arrangements.
- The message was the BRI is now more than a bunch of Chinese infrastructure projects; it is truly a “community of common destiny” (as Mr. Xi termed it in 2017) to reshape global governance – a sort of G-150, promoting multilateralism, globalisation, development and human rights, whose members could forge plurilateral cooperation under its umbrella.

Good Optics for China?

- All in all, it was a show of China’s self-confidence about its place in the world at a time of churn in global politics.
- The U.S. absence was barely mentioned, nor did the shadow of the increasingly strident U.S. campaign against China’s “militarism”, “predatory economics” and “technology theft” intrude into the bonhomie of forum proceedings.
- India’s absence was gracefully handled, with the Chinese Foreign Minister confirming that it would not affect the ongoing high-level India-China dialogue.

A vehicle to further digital connectivity?

- Xi announced in 2017 that it would enhance digital connectivity and integration of big data to build the “digital silk road of the 21st century”.
- Digital connectivity infrastructure is to be built in tandem with physical connectivity.
- This arouses U.S. (and wider) concerns that with its lead in 5G network technology and deep pockets, China will establish dominance of its 5G standards and equipment in Eurasia and beyond.
- Experts opine that the sudden image makeover of the BRI may well be intended to open up a more accommodating attitude to this technology insertion.

Concluding Remarks: India and the BRI

- The debate in India about whether or not we should join the BRI will probably be reignited in the wake of its new avatar.
- The opposition to the China-Pakistan Economic Corridor determined absence at the forum.
- There is no specific opportunity for India in any other element of the BRI. India’s attitude to it has to be set in the larger picture of the relationship with China, which combines a strong economic partnership with major strategic challenges, further complicated by the global geopolitical flux.

2. US sanctions and Venezuela’s exports and imports

Note to the Students:

- This article has been taken from the “Explained” section of the Indian Express.

Editorial Analysis:

- The United States in January 2019, imposed sanctions on Venezuela’s most important global business – which is producing and selling crude oil.
- This was done as the Trump administration ratcheted up its bid to force Venezuela’s socialist

president, Nicolas Maduro out of power.

- It is important to note that Venezuela's oil exports, account for more than 95 percent of the country's export revenue.
- These oil exports have dropped by some 40 percent since January 2019.
- At the same time, it has been unable to import all the fuel it needs for blending with its heavy crude, as well as for domestic consumption.
- The United States and many Western governments have recognized Venezuelan opposition leader Juan Guaido as the country's rightful head of state. However, Maduro remains in power for now.

How much oil is Venezuela currently producing?

- Venezuela's crude production was between 732,000 and 960,000 barrels per day (bpd) in March, 2019 according to self-reported figures and secondary sources quoted by the Organization of the Petroleum Exporting Countries (OPEC) in its April'19 oil market report.
- That compared to output of 3 million bpd at the turn of the century.

How much crude and refined products is Venezuela exporting?

- Venezuela exported about 1.06 million bpd of crude and refined products in April'19, up slightly from 980,000 bpd in March'19.
- Exports sank 40 percent in February'19, the first full month after the sanctions were imposed.

Where is the oil going?

- The United States, India and China were Venezuela's biggest customers prior to sanctions, with the United States the biggest cash buyer.
- India and China have accounted for most of Venezuela's crude exports since sanctions took effect.
- Europe has also absorbed more.
- In April' 19, more Venezuelan crude cargoes headed to China, and fewer cargoes were steaming toward India.
- Cuba remains a notable destination as well.

What about US imports?

- US imports of Venezuelan crude have collapsed to zero in the wake of sanctions.
- However, 186,000 bpd was imported in the week ended April 26, 2019 – a signal, traders said, that companies were taking the last shipments allowed in a wind-down period that ended April 28.

Who were the biggest US customers?

- US refiner Citgo Petroleum, a subsidiary of Venezuela's state-run oil firm PDVSA, imported more than 175,800 bpd of Venezuelan oil in 2018.
- It was followed by Valero Energy Corp, which imported about 166,000 bpd last year (2018), and oil major Chevron Corp , with about 83,000 bpd.

Where are US refiners finding replacement barrels?

- Chevron, Valero and Citgo have turned to producers of heavy crude in Colombia, Iraq, Saudi Arabia and Canada, as well as sour grades produced in the U.S. Gulf Coast by BP PLC and Royal Dutch Shell PLC, traders and brokers said.
- Valero has said it has used domestic blends, Canadian crude and a mix of other grades, including crude from Brazil.

- The US refiners have also secured more crude from West Africa as a replacement, traders said.

What will it take to repair the Venezuelan oil industry?

- Some experts believe that Venezuela might open its oil industry to foreign investment and limit the role of PDVSA, which currently controls all joint ventures in the OPEC-member nation.

What else is Venezuela exporting?

- Venezuela has stepped up shipments of gold to other countries, sending more than \$900 million to Turkey in 2018, according to Turkish government data and trade reports.
- Further, Venezuela is using some proceeds from those sales to buy Turkish consumer goods, according to opposition legislator Carlos Paparoni.
- Turkish pasta and powdered milk are now staples in Maduro's subsidized food program.
- Trade between the two nations grew eight fold last year (2018).

Category: ECONOMY

1. GST buoyancy

Focus of the article:

- This article subscribes to the view that with collections hitting a record high, the next step should be to simplify the tax regime.

Editorial Analysis:

- Experts opine that the final month of financial year 2018-19 has given the government some reason for cheer.
- Targets for indirect tax collections may have been missed for the last year (2018), however, collections from the Goods and Services Tax in April 2019 for economic activity in March the same year scaled a new high.
- It is important to note that the GST inflows of ₹1,13,865 crore in April'19 are the highest recorded since the tax regime was introduced in July 2017.
- They represent an increase of over 10% compared to the same month a year ago, and over 15% buoyancy over the average monthly GST collections in 2018-19 of ₹98,114 crore.

Acknowledgement by the Government:

- The government has acknowledged that economic growth did slow down in 2018-19, owing to declining private consumption growth, a tepid increase in fixed investments and muted exports.
- The hope would be that the latest GST numbers are a harbinger of better growth momentum for 2019-20.
- The growth rate of the economy fell from 8.2% in the first quarter to 7.1% in the second and 6.6% in the third, so any improvement in the final quarter numbers due at the end of May, 2019 should provide some succour.
- Experts also point out that healthier GST collections, if sustained, will also mean less pressure on the Centre to cover its fiscal deficit.

Factors attributed to the rise in tax collections:

- The April GST numbers have come as a surprise to many experts, given the lacklustre economic

activity witnessed across many sectors in recent months, which should normally have impacted tax collections adversely.

- This perplexing trend may be attributed to increasing compliance among businesses amidst the aggressive push by the tax authorities to widen the tax base.
- GST filings, for instance, were the highest in March this year (2019).
- However, the April surge has occurred despite a decrease in the total number of GSTR-3B returns filed by businesses, from 75.95 lakh in March' 19 to 72.13 lakh in April' 19.
- As a matter of fact, in the absence of more disaggregated data, it could be argued that tax rate cuts by the GST Council in December' 19 too may have spurred higher volumes for some goods and services.
- The rush to pay tax arrears at the end of the financial year may have been another seasonal factor contributing to better tax collection in April' 19.
- Enforcement action by the taxman to collect more revenue from registered taxpayers who have not been filing returns could be yet another factor.

Concluding Remarks:

- It is still too early to assume that this is the beginning of a secular trend.
- One must not lose sight of the need for further simplification of the GST regime once the election season is over.
- A significant number of businesses have already been brought into the tax net since the advent of the GST.
- In order to encourage greater compliance, there must be efforts to make it easier for small firms to remain in the tax net by cutting down the time and energy required to fill myriad tax returns.
- In conclusion, a nudge would be preferable to the stick.

Category: POLITY AND GOVERNANCE

1. Encryption can secure the right to privacy

Note to Students:

- This editorial analysis is taken from the article entitled, "Encryption can secure the right to privacy", published in the Hindu Business Line on the 4th of May, 2019.

Editorial Analysis:

- The Supreme Court's decision in the Puttaswamy case established the right to privacy as a Fundamental Right under Article 21 of the Constitution.
- Further, given the rampant data leaks and unauthorised tapping of users' data, the court's decision was applauded by citizens and privacy activists alike.

The Safety of Personal Data:

- According to a recent research by AudienceNet, a social and consumer research company, for most urban Indians, irrespective of their age or gender, privacy and safety of personal data remains a major concern.
- As a matter of fact, this concern may explain the popularity of end-to-end encrypted messaging platform such as WhatsApp.

End-to-End Encryption: An Issue

- Critics argue that fully encrypted social media platforms are prone to misuse, and a tool to spread fake news especially during elections that calls for corrective actions.
- It's heartening to note social media platforms are increasingly taking steps to mitigate such risks. Nevertheless, India's data protection regime remains a concern.

The Need for effective legislation:

- The existing privacy framework under the **IT Act 2000** and **Telegraph Act 1885** is inadequate when it comes to providing protection to data or remedies in case of data breach.
 - Besides, there are no effective safeguards against excessive state surveillance under the existing rules.
 - India's draft **Data Protection Bill 2018** emphasises on the need for data localisation to ensure data privacy and prevent foreign surveillance of Indian citizens.
 - Undoubtedly, the Bill provides far greater protection to privacy than the IT Act, its grievance redressal mechanism is better, and punishment for data breach harsher.
 - However, the **Data Protection Bill 2018** has several flaws. These flaws are as under mentioned:
 - a) The scope of non-consensual processing of data is too wide: consent will not be needed for data processing on grounds such as national security and legal proceedings or for any other reasonable purposes specified by the proposed Data Protection Authority (DPA).
1. Further, the exceptions granted to the state by the proposed law do not inspire confidence as they allow unwarranted intrusion into citizens' privacy.
 2. Besides, the degree of data privacy will depend on the effectiveness of the country's data-protection regime and not where data is located. Moreover, domestic enforcement agencies may pose a greater threat to an individual's privacy than suspected foreign snoopers due to local storage of data.
 3. Experts opine that India's proposed data protection law in its current form is not effective enough to safeguard data principals against unchecked state surveillance.
 4. Thus, imposing a sweeping data localisation regime on the country without an effective mechanism to protect (personal) data **may encourage intrusive data gathering by state agencies.**
 5. Besides, there are adverse side-effects of localisation that are not being fully appreciated. For instance, localisation may drive up the infrastructure cost of IT firms, tech start-ups and SMEs that currently rely on storing data abroad that costs less.
- It is important to note that India's software and IT-enabled services sector is export driven and deals with data of non-national citizens and corporations. Mandatory data localisation could be perceived as a protectionist trade barrier and may prompt retaliation.
 - Moreover, consumers will have to bear higher charges for digital services arising out local data storage.

Concluding Remarks: The way forward

- Trust remains a major concern for social media users given widespread data leaks and unauthorised use of users' data. Thus, experts opine that **tougher privacy norms — either self-imposed or enforced by government — are needed.**
- Encryption by ensuring safety and security of the data will improve trust.
- However, social media and messaging platforms must take responsibility to check the misuse of their platforms.
- In this context, WhatsApp has taken several pro-active measures to prevent misuse.
- For instance, it has stopped forwarding of a message to more than five people in one go in India.
- It has also started a helpline that users can use to verify any message or news being circulated.
- In conclusion, encryption strengthens privacy while localisation may weaken it.
- There is a potential danger that allowing state unrestricted access to users' data through regulatory moves such as data localisation will dilute privacy protection and may lead to state intrusion into

citizens' personal lives, undermining the spirit of Supreme Court's decision in the Puttaswamy case.

- **A far better alternative to data localisation would be bilateral and multilateral data-sharing agreements** that will keep India's digital economy open and yet expedite criminal investigation without diluting the protection to privacy.

F. Tidbits

1. Facebook bans conspiracy theorists

- Facebook has banned prominent conspiracy theorists, including Infowars founder Alex Jones and the controversial black activist Louis Farrakhan, in its latest push to crack down on hate content at the leading social network.
- Facebook has been under intensifying pressure to curtail extremist content.
- Among the most prominent figures banned, Mr. Farrakhan, the head of the Nation of Islam, is notorious for spreading anti-Semitic and black supremacist views.
- Far-right conspiracy theorist Jones is best known for calling the 9/11 attacks an inside job and for describing the Sandy Hook school massacre as a hoax. Mr. Jones's organisation Infowars was also banned by Facebook.
- Facebook said those being banned had violated policies against dangerous individuals and organisations.

G. Prelims Facts

1. UDAN Scheme

UDAN is a regional connectivity scheme spearheaded by the Government of India(GoI). The full form of UDAN is 'Ude Desh ka Aam Nagarik' and aims to develop smaller regional airports to allow common citizens easier access to aviation services.

Read more about [UDAN Scheme](#).

H. Practice Questions for UPSC Prelims Exam

Q1) The Sanjay Gandhi National Park is in:

- a. Maharashtra
- b. Odisha
- c. Karnataka
- d. Uttar Pradesh

Answer: a

Explanation:

The Sanjay Gandhi National Park (SGNP) in Mumbai, Maharashtra lost its last surviving white tiger on when Bajirao, the 18-year-old male tiger, died. The big cat was suffering from senile arthritis for the past four years and had been unable to walk for the past ten days.

Q2) Consider the following statements

1. Swachh Survekshan is the ranking exercise to all cities under Swachh Bharat Mission-Urban.

2. The Quality Council of India (QCI) is responsible for carrying out the assessment .
3. Swachh Survekshan 2019 is the first edition of exercise.

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

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

Answer: b

Explanation:

Swachh Survekshan 2019 is the fourth edition Swachh Survekshan 2019 increased the coverage of the ranking exercise to all cities under Swachh Bharat Mission-Urban. The Quality Council of India (QCI) is responsible for carrying out the assessment.

Q3) Consider the following statements with respect to World Happiness Report:

1. The report is released by the Sustainable Development Solutions Network
2. India's rank in the report has been consistently improving

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: a

Explanation:

The World Happiness Report is a landmark survey of the state of global happiness that ranks 156 countries by how happy their citizens perceive themselves to be. World Happiness Report 2019 is the 7th edition. The report is published by the Sustainable Development Solutions Network. India slipped 7 spots as compared to last year and is ranked 140 among 156 nations. Most of India's neighbours including Pakistan, Bangladesh, Bhutan, Nepal, China and Sri Lanka have been placed ahead of India in the ranking.

Q4) Consider the following statements:

4. The Outer Space Treaty governs the Activities of States in the Exploration and Use of Outer Space
5. India is not a signatory to the Outer Space Treaty

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: a

Explanation:

The Outer Space Treaty, formally the Treaty on Principles Governing the Activities of States in the Exploration and Use of Outer Space, including the Moon and Other Celestial Bodies, is a treaty that forms the basis of international space law. India is a signatory to the Outer Space Treaty.

I. UPSC Mains Practice Questions

1. Recent incidents of governance failures or shortcomings in some of India's top listed private banks, leading to the exit of CEOs raises questions about governance standards in India's premium companies. Comment. (15 Marks, 250 Words)
2. Discuss the provisions of Pre-Conception and Pre-Natal Diagnostic Techniques (Prohibition Of Sex Selection) Act (PCPNDT Act and the concerns. (15 Marks, 250 Words)