

03 Oct 2019: UPSC Exam Comprehensive News Analysis

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A. GS1 Related

Nothing here for today!!!

B. GS2 Related

Category: INTERNATIONAL RELATIONS

1. U.S. warns partners of sanctions risk

Context:

The U.S. officials have warned India that with the decision to go ahead with the purchase of the Russian S-400 missile defence system, India may risk sanctions.



Background:

- India had agreed to purchase the **surface-to-air missile system (S-400 missile defence system)** from **Russia** in 2018 for about \$5.2 billion, risking sanctions under the **2017 U.S. CAATSA law**.
- Sanctions could kick in when the first payment for the equipment is made **unless the U.S. President** grants a waiver.
- U.S. government officials have repeatedly asserted, in the Indian context, that countries should not assume that waivers are automatic.

Details:

- The S-400 'Triumf' is the **most advanced long-range air defense missile system** that went into service in Russia in 2007.
- It is designed to **destroy aircraft, cruise and ballistic missiles, including medium-range missiles**, and can also be used **against ground installations**.
- The S-400 can engage targets at a distance of **400 km** and at an altitude of up to **30 km**.
- Russia has also signed the contracts for the delivery of these systems with **China** (the first customer) and **Turkey**.
- The U.S. has urged all their partners to forgo transactions with Russia that risk triggering sanctions under the Countering America's Adversaries Through Sanctions Act (CAATSA).

CAATSA:

- CAATSA, Enacted on August 2, 2017, aims to counter the aggression by Iran, Russia and North Korea through punitive measures.
- The Act deals with sanctions on Russian interests such as its oil and **gas industry, defence and security sector, and financial institutions**, in the backdrop of its military intervention in Ukraine and its alleged meddling in the 2016 US Presidential elections.
- The Act **empowers the US President to impose at least five of the 12 listed sanctions** on persons engaged in a "significant transaction" with Russian defence and intelligence sectors.
- Two of the most stringent of these sanctions are the export licence restriction by which the US President is authorised to suspend export licences related to munitions, dual-use and nuclear-related items; and the ban on American investment in equity/debt of the sanctioned person.

The extent to which CAATSA would affect Indo-US defence relations will depend on what sanctions, if any, Washington decides to impose on New Delhi in view of India's continued defence cooperation with Russia.

Category: POLITY AND GOVERNANCE

1. 'Mo Sarkar' initiative launched

Context:

The Odisha government has launched a new governance initiative 'Mo Sarkar' on the occasion of Gandhi Jayanti.

What is Mo Sarkar?

- "Mo Sarkar" literally translates to "My Government".
- Under the programme, feedback will be collected on government officers from public.
- The ministers would dial common citizens to seek feedback on the kind of response they get during



- recent visits to police stations and district headquarters hospitals (DHH).
- The state government will collect feedback on the behaviour and professionalism of government officers. The government employees will be incentivised or action will be taken against them, based on the feedbacks.
- All of these government officers will then be graded on the basis of feedback received from people.

Details:

- The "Mo Sarkar" initiative is an important transformative move under the **5T programme** introduced by Chief Minister of Odisha.
- The 5Ts aim at achieving progress through **Transparency**, **Teamwork**, **Technology**, **Time and Transformation**.
- This is the **first such type of programme in the country**.
- Any government employee found guilty of misbehaviour or any other wrongdoing will face strict punishment.

2. Call for mass protests against Citizenship Bill

This issue has been covered in the 28th September 2019 Comprehensive News Analysis under GS Paper 2, Polity and Governance. Follow the link: https://byjus.com/free-ias-prep/upsc-exam-comprehensive-news-analysis-sep28-2019/ to read.

3. Inter-State portability for ration cards launched

Context:

Inter-State portability for ration cards has been launched for **Rajasthan and Haryana** to facilitate the distribution of foodgrains to beneficiaries of **the National Food Security scheme**.

One Nation, One Ration card Scheme:

- The 'One nation, One ration card' scheme will make sure that a beneficiary is able to avail the Public Distribution System (PDS) no matter which part of the country, the beneficiary may be in.
- Under the scheme, the food ministry will create a **central depository of all the ration cards**, which would help in **eliminating duplication**.
- At present, over 75% of Fair Price Shops have been equipped with electronic PoS devices.
- Under the scheme, various issues pertaining to efficient implementation of the National Food Security Act, end-to-end computerisation, transparency in storage and distribution of foodgrains, and synergising of all FCI, CWC and SWC depots with the Depot Online System (DOS) would be addressed.

What are the benefits of the scheme?

- The scheme aims to ensure that all **beneficiaries can access PDS across the nation from any shop** of their choice.
- The biggest beneficiary of this would be migrant labourers who move to other states to seek better job opportunities.
- The scheme would provide freedom to the beneficiaries as they will not be tied to any one PDS shop and reduce their dependence on shop owners.
- The objective is to ensure that this is implemented nationally in a time-bound manner.
- The process also aims to **do away with manual recordings of transactions**, thereby ensuring clarity of record keeping.



4. Jagan launches Village Secretariat system in Andhra Pradesh

Context:

Andhra Pradesh has become a role model for other states by setting up village and ward secretariats.

Details:

- Under the **Village Secretariat programme**, 1.26 lakh new government employees will begin working.
- It is a major step towards **decentralisation** of administration.
- These institutions would act as a **bridge between the government and the people** by rendering over 500 types of **services at their doorstep**.
- It is opined that the bribing culture prevalent, to get ration cards or pensions or to avail any welfare scheme would be a thing of the past when the village and ward secretariats start functioning in a full-fledged manner from January 1, 2020.
- The idea behind them is to ensure that govt's services reach people on the ground and also to strengthen the existing Panchayat Raj system

Issue:

- The system is in complete contrast to the earlier trajectory of the state, which had been pushing for e-governance or online services instead under the former chief minister.
- The previous government had launched the **e-Pragati platform**, bringing many of the state government's services online, in partnership with EY Consultancy.
- The e-Pragati programme enabled citizens to avail over 745 services from 34 departments and 336 autonomous organizations of the AP government online.
- Prior to that in 2017, **Real Time Government Service** at the state secretariat at Amaravati was started. It was launched with the Real Time Governance Society as its functional arm, which directly reported to the then chief minister.

C. GS3 Related

Category: ECONOMY

1. 'Firms opting for new lower tax can't claim MAT credit'

Context:

The Finance Ministry has said that the companies opting for the lower corporate tax rate of 22% will not be allowed to reduce their tax liability by claiming deductions towards additional depreciation and Minimum Alternative Tax (MAT) credits.

Details:

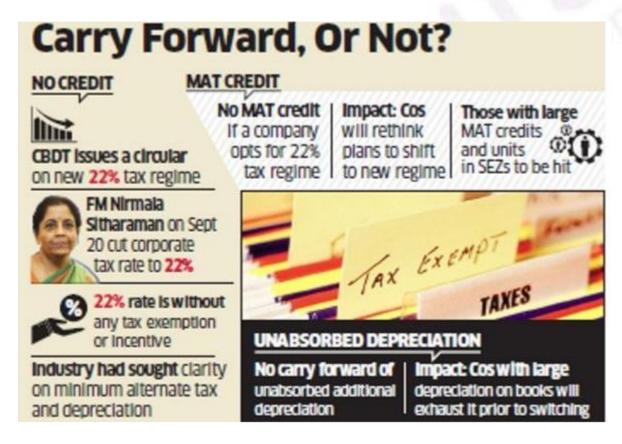
- The Central Board of Direct Taxes (CBDT), has announced that the companies will be allowed to utilise such credits only against regular taxes under the old regime and may opt for lower corporate tax regime in the subsequent assessment years.
- Under Section 115BAA, it was stated that companies opting for lower tax rate of 22% will not be allowed to claim any deduction or exemption.
- It gave the companies the **right to exercise the option before furnishing the income tax return**.
- It was also stipulated that the **option, once exercised, cannot be withdrawn** in subsequent years.



- The section does not give any timeline for companies to opt for the new regime of lower tax rate.
- The CBDT said, "a domestic company which would exercise option for availing benefit of lower tax rate under section 115BAA shall not be allowed to claim set off of any brought forward loss on account of additional depreciation for an assessment year for which the option has been exercised and for any subsequent assessment year."

Concerns:

- The government had recently slashed the corporate tax rates in order to attract manufacturing companies that are looking to diversify their production out of China.
- The latest scheme had made the country one of the lowest tax jurisdictions in South and Southeast Asia.
- The recent development could be a huge cost to some companies that will perhaps consider continuing under the old regime for the time being.
- It is opined that the new tax regime is heavily weighed in favour of new companies and investors and that the one-time transition costs, requirement for fresh investments and other hurdles posed for existing taxpayers are significant enough to dent benefits intended in the original announcement.



Minimum Alternative Tax (MAT):

- Tax liability of the company computed as per the normal provisions of the Income-tax Law, i.e., tax computed on the taxable income of the company by applying the tax rate applicable to the company. Tax computed in the above manner can be termed **as normal tax liability**.
- The tax computed by applying a fixed rate as determined by the government (plus surcharge and cess as applicable) **on book profit** is called **MAT**.
- The objective of the introduction of MAT is to bring into the tax net "zero tax companies" which in spite of having earned substantial book profits and having paid handsome dividends, do not pay any



tax due to various tax concessions and incentives provided under the Income-tax Law.

Category: DISASTER MANAGEMENT

1. Excess rain washes out IMD's methods

Issue:

- India ended up with 10% more monsoon rain (or 110% of the long period average LPA of 887 mm) than usual and none of the agency's models tuned to capture long term forecast trends warned of this.
- It is found that the Monsoon Mission Coupled Forecast Model (CFS), deployed by the India Meteorological Department (IMD) over the last decade don't do better than the older ones in long-range forecasting.
- The forecast abilities of the CFS model, used since 2012, show that only twice in 2013 and 2015
 did the CFS model get the monsoon right.

Rain or shine?

The year-wise predictions made by the IMD's statistical and dynamical (CFS) models, and the actual rainfall:



Year	Statistical model (% of LPA)	CFS model (% of LPA)	Actual rainfall (% LPA)
2012	99	104	93
2013	98	104	106
2014	95	96	88
2015	88	86	86
2016	106	112	97
2017	98	100	95
2018	97	97	91
2019	96	97	110

Background:

- Traditionally IMD has relied on its statistical database of over a **100 years** to find **correlations** between certain weather parameters such as temperatures in the Indian ocean, or the warm water volume in the Pacific, for instance, to estimate the chances of a good monsoon or a drought.
- In consonance with emerging trends in meteorology, the IMD too came around to the view that a new approach to forecasting was needed.
- Dynamical models employ a different approach to **forecasting the monsoon**.
- Roughly, this relies on capturing the **interactions between the land, ocean and atmosphere** and tracking how the changes in each affect the other.
- The land, atmosphere and ocean state at a particulate time, generally March, is mathematically simulated on supercomputers and extrapolated into the monsoon months.
- The dynamical model is also called the Climate Forecast Model (CFS) and has been developed based on a climate model developed by the National Center for Environmental Prediction (NCEP), U.S.



Details:

- India this year has recorded its **highest monsoon rain in 25 years**. The IMD models that forecast two weeks ahead (called extended range prediction) **did warn of increased monsoon activity**, as did short-term forecast models (that gauge weather three days ahead).
- The Department doesn't use these to update estimates of the anticipated all India figures.
- However, IMD scientists admitted that the **dynamical models were yet incapable of factoring in changes in the Indian Ocean** a month or two in advance.
- It was opined that dynamical models gave a good "sign" rather than getting the numbers right and it could be customised for predicting summer heatwaves and cold-waves and that it would need much more time to be fully integrated into India's monsoon forecasting system.
- The newer models were developed as part of a Rs.1200 crore 'Monsoon mission' that has been underway for over a decade and were meant to improve both short term and long term forecasts.

D. GS4 Related

Nothing here for today!!!

E. Editorials

Category: SOCIAL JUSTICE

1. Miles to go before becoming open defecation-free

Context

- October 2nd 2019 was Mahatma Gandhi's 150th birth anniversary, it was also the anniversary of the Swachh Bharat Mission.
- Speaking in Gujarat, Prime Minister Narendra Modi declared India "open defecation-free".

Definition

• Open defecation free is broadly defined by the absence of visible faeces in the environment.

What is the government's strategy?

To achieve its goals under the Swachh Bharat Mission, the government outlined a three-pronged strategy:

- using social messaging, education and communication to trigger behaviour change
- providing subsidies to vulnerable social groups to help them construct latrines at home
- Verifying and monitoring the continued use of these latrines through surveys and social audits.

A look at numbers

- In the past five years, the Indian government has built 100 million toilets.
- This implies that it constructed 38 toilets every minute that had passed since the Swachh Bharat Mission was launched. With a country as large as India, this is a big achievement.

But has this led to open defecation society in reality?

• Many reports have found that several people in villages across India, including the national capital,



were still forced to defecate in open due to lack of toilets, especially in impoverished colonies.

- People in few pockets in the states like Bihar, Uttar Pradesh, Rajasthan and Madhya Pradesh have functional latrine but have continued to defecate in the open.
 - o Most believe that emptying even a decomposed latrine pit would be ritually polluting and would cause them to become an outcaste.
- Scarcity of water
 - Household water connections were not available and therefore toilets constructed under SBM could not be used.
 - o Many people are still relieving themselves in the open due to lack of water connectivity
- The government has been making ODF declarations on the basis of latrine ownership rather than actual latrine use.

Other areas that need introspection

- Triggering behavioural change through "Information, Education and Communication" is one of the key components of Swachh Bharat. The Mission has been given the highest advertising and promotion budget from the Centre compared to other schemes.
 - Most of those funds have been directed towards media publicity on radio, TV or in print, rather than on grassroots-level awareness campaigns.
- India generates over 150,000 tonnes of municipal solid waste per day. Only 83% of waste is collected and less than 30% is treated. As noted above, the **government has chosen to prioritise toilet construction at the cost of waste management services**.
- Lives of manual scavengers across Indian cities do not seem to have changed much in the years of SBM.
- Many rural Indians were threatened with or even denied their legal rights, such as PDS ration, for not building a latrine. Officials resorted to threats of fines and jail terms to intimidate people in some places.

Conclusion

- The spirit of bidding farewell to open defecation as a gift to Gandhi deserves accolades. But we must not forget that there are still miles to go.
- **India needs to have a sanitation policy** that focuses on reducing open defecation. And most importantly, it should follow Gandhi's path of ahimsa and compassion.

Category: POLITY

1. Supreme Court recalling its verdict diluting SC/ST anti-atrocities law

Context

• The Supreme Court has recalled its directions in a March 20, 2018 verdict that had effectively diluted provisions of arrest under the Scheduled Castes & Scheduled Tribes (Prevention of Atrocities) Act, 1989.

Background

- The March 2018 decision of the SC laid down three new rules as safeguards against the Act's possible misuse:
 - o That the **bar on anticipatory bail** under Section 18 need not prevent courts from granting advance bail:
 - o That a person can be arrested only if the "appointing authority" (in the case of a public



- servant) or the SP (in the case of others) approves such arrest; and
- o That there **should be a preliminary enquiry** into all complaints.
- It caused an uproar among Dalits, and a nation-wide protest had turned violent in some places.
- The **Centre** then moved the petition in the Supreme Court seeking review of its 2018 judgment calling it "against the spirit of the Constitution".

What were the arguments on which SC based its Judgment?

- The court made an assumption that **SC/ST members are more likely to give false complaints than the general population** (as evidenced by the fact that there is no preliminary enquiry or prior sanction for arrest envisaged for other complaints).
- The apex court had taken note of the **rampant misuse of the stringent SC/ST Act** against government servants and private individuals and said there would be no immediate arrest on any complaint filed under the law.
- It had said on "several occasions", innocent citizens were being termed as accused and public servants deterred from performing their duties, which was never the intention of the legislature

Current Judgment

- A three-judge bench consisting of Justices Arun Mishra, M R Shah and B R Gavai in its ruling contended that the struggles of the scheduled tribe and scheduled caste communities are still not over in the country.
- The bench said **SC/ST people still face untouchability, abuse** and are being socially outcast.
- In accepting the review, Justice Mishra relied on the Statement of Objects & Reasons of the act and stated that "despite various measures to improve the socio-economic conditions of the Scheduled Castes and the Scheduled Tribes, **they remain vulnerable**. They are denied number of civil rights.
- They are subjected to various offences, indignities, humiliations and harassment. They have, in several brutal incidents, been deprived of their life and property".

Conclusion

• The review is a timely reminder that the top court's power to pass any order required to uphold justice cannot be used to give directives contrary to existing laws or to supplant them altogether.

Category: DISASTER MANAGEMENT

1. Bihar Rain

Context

 Heavy rain and acute waterlogging disrobed life in the state of Bihar leading to loss of lives and property.

Impact

- The rain has affected the movement of trains, road traffic as well as flight operations.
- The floodwater has also entered houses, shops and hospitals at many places in the state.
- Electricity, phone connection, Internet was down in few regions.

Lack of administrative preparedness



- If Bihar is struggling to stay afloat in the ongoing monsoon, its distress can be traced to **poor** infrastructure and apathy of officials in disaster management.
- Indian cities are investing in several spheres of infrastructure but with limited scope and not matching it up with capacity building
- Ignoring urban planning and adaptation has proved to be costly, and losses are sapping the vitality of the economy.
- Patna was paralyzed without power and communication and the State government tried to drain its streets of water, and critical rations were distributed by boat and helicopter.

Way Forward

- India's cities should work towards solutions **that use engineering and ecology** to contain the excess water from rain and put it to good use. This could be in the form of new lakes and bioswales, which are vegetated channels to manage rainwater.
- States should be able to find financial and technical linkages to put up flood-handling structures.
- In Bihar's case, coordination with Nepal to track monsoon flows is also vital, since big Gangetic Rivers originate in the Himalayan region.

Conclusion

• So going forward the state missionary and administration must focus on ensuring the safety of citizens and durability of economic assets.

F. Tidbits

1. Cement firm to use plastic waste for fuel in Meghalaya

- The **Meghalaya government** has signed an agreement with a major cement firm for **buying plastic** waste to be used as fuel instead of coal for producing clinkers.
- At least half a dozen companies manufacture cement in Meghalaya, which has almost 10% of India's limestone reserves.
- These companies rely largely on **coal**, also mined in the State, for fuel.
- The State Pollution Control Board would be monitoring the ambient air quality after the plastics are burned so that no harmful emission takes place.
- Meghalaya had begun battling plastic in 2018 by building the **first plastic road in Nongstoin** town followed by another in Tura town.
- A few months ago, the **Meghalaya Plastic Challenge** was introduced towards plastic waste management by involving local organisations and traditional tribal bodies.
- The movement saw village-level volunteers and rag-pickers collect 17 tonnes of plastic waste from across the State.

2. Tribals revive tradition to ward off jumbos

- The tribal people of Kerala have started using their traditional knowledge to ward off wild elephants from their makeshift shelters in flood-hit of Kerala.
- Thattamade of bamboo produces loud sounds and is used to warn off elephants.
- The Adivasis prefer to live in consonance with nature. Therefore, driving the elephants away is not their agenda.
- But they use equipment to **alert the elephants** about their presence in the area.
- Depending on its use, the thatta is made in different sizes with a large one sounding very much like firecrackers going off.



G. Prelims Facts

1. Exchange Traded Fund (ETF)

- An exchange-traded fund is an investment fund traded on stock exchanges.
- It is a collection of securities such as stocks that tracks an underlying index.
- ETFs can contain many types of investments, including stocks, commodities, bonds, or a mixture of investment types.

Bharat 22 ETF

- The government is coming up with a fresh tranche of Bharat 22 ETF for individual investors.
- It is a part of the government's divestment programme.
- The ETF, which will be managed by ICICI Prudential Asset Management Company, intends to raise up to 2,000 crore with an option to retain oversubscription.
- An open-ended ETF, the fund allows investors to invest in a basket of government-owned and private sector entities.
- Bharat 22 ETF invests in the 22 companies that comprise the S&P BSE Bharat 22 index.

2. Nayi Taleem

- It is a four-day festival showcasing the tradition of those who make crafts and how skills form an integral part of the heritage of India.
- It is designed to bring together the traditional knowledge systems and novel design practices as showcased in the various iterations at the foundation.
- The festival is organised to celebrate India being one of the most hand-skilled nations in a world of rapidly de-skilling communities.
- The exhibition is organised by the Asian Heritage Foundation.

H. Practice Questions for UPSC Prelims Exam

Q1. Consider the following statements:

- 1. Index of Industrial Production (IIP) is published by the Central Statistical Organisation (CSO).
- 2. It is a composite indicator that measures the long-term changes in the volume of production of a basket of industrial products.

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

a. 1 only

b. 2 only

c. 1 and 2 only

d. Neither 1 nor 2

Answer: a

Explanation:

Index of Industrial Production (IIP) published monthly by the Central Statistical Organisation (CSO). It is a composite indicator that measures the short-term changes in the volume of production of a basket of industrial products.



Q2. Which of the following is the most suitable definition of "Unemployment Trap":

- a. A situation where more people are employed than actually needed.
- b. A situation arising from the mismatch between the jobs available in the market and the skills of the available workers in the market.
- c. A situation where unemployment benefits discourage the unemployed to go to work.
- d. A situation where persons are deemed unemployed, since records of their work are never maintained.

Answer: c

Explanation:

Unemployment trap is a situation when unemployment benefits discourage the unemployed to go to work. People find the opportunity cost of going to work too high when one can simply enjoy the benefits by doing nothing. While the purpose of social security and welfare systems is to provide relief to the unemployed, they end up providing them with an incentive not to return to work.

Q3. Twin deficit in an economy means:

- a. High Current Account Deficit and High Fiscal Deficit
- b. High Current Account Deficit and High Capital account deficit
- c. High Capital Account Deficit and High Fiscal deficit
- d. High Budget Deficit and High Fiscal deficit

Answer: a

Explanation:

Twin deficit economy is one that has both fiscal and current account deficits. Fiscal deficit means government expenditure is more than its revenues. While Current Account Deficit (CAD) means imports are higher than exports.

${\tt Q4}$. Consider the following statements with respect to School Education Quality Index (SEQI):

- 1. SEQUI comprises of 3 critical indicators that assess the delivery of quality school education in the states and Union Territories.
- 2. Self-reported data from the states also forms a part of the survey data.
- 3. SEQUI 2019 is the first-ever edition of the index.

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

- a. 1 and 2 only
- b. 2 and 3 only
- c. 1 and 3 only
- d. 1, 2 and 3

Answer: b

Explanation:

NITI Aayog recently released the first-ever School Education Quality Index (SEQI) -2019. For the purpose of survey, 2015-16 is considered the base year and 2016-17, the reference year. Developed through a



collaborative process including key stakeholders such as MHRD, the World Bank and sector experts, the index consists of 30 critical indicators that assess the delivery of quality education. The School Education Quality Index assesses States on the basis of learning outcomes, access, equity and infrastructure and facilities, using survey data, self-reported data from States and third-party verification. Among 20 large States, Kerala was the best performer with a score of 76.6%, while Uttar Pradesh came in last with a score of 36.4%. Rajasthan and Karnataka clinched the top second and third spots in the overall performance rankings.

I. UPSC Mains Practice Questions

- 1. Many reports have found that several people in villages across India are still forced to defecate in open due to a lack of toilets, especially in impoverished colonies. In the light of Prime Minister Narendra Modi declaring India "Open Defecation-Free", analyse if India's ODF status is a reality. (15 Marks, 250 Words)
- 2. Write a note on the key features of the "One Nation, One Ration Card Scheme". What are the challenges in its implementation? (15 Marks, 250 Words)