

# 18 Jun 2020: UPSC Exam Comprehensive News Analysis

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## A. GS 1 Related

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## B. GS 2 Related

**Category: INTERNATIONAL RELATIONS**

### 1. Is China's 'peaceful development' over?

**Context:**

As news broke about the violent clashes between Indian and Chinese troops in the Galwan Valley of eastern Ladakh, a Chinese J-10 fighter briefly entered Taiwan's air defence zone, prompting the self-ruled island to scramble its aircraft in response.

Read more about the [India-China military standoff along the Line of Actual Control](#).

### China's approach towards its neighbourhood:

- Recent development was the third Chinese incursion into Taiwan's airspace within a week.
- Two months ago, Chinese vessels had entered the waters of Malaysia and Vietnam.
- In May 2020, Chinese Coast Guard ships pursued Japanese fishing boats in waters claimed by both countries.
- All these incidents point to a newfound aggressiveness in China's approach towards its already troubled neighbourhood, from the Himalayas to the South and East China Seas.

### Details:

- Tensions in the neighbourhood are not new for China.
- The roughly 4,000 km-long India-China border, which is not clearly demarcated, has seen occasional flare-ups.
  - In 2017, troops from both countries were locked in a face-off in the India-China-Bhutan tri-junction of Doklam for over two months.
- China has claims over the South China Sea.
- Reunification with Taiwan is one of its self-declared goals, under its "One China Policy".

### China's most major policy decisions post-COVID-19:

- What makes the current stand-offs different is China's readiness to use force in addressing these challenges.
- This was the first time in 45 years that blood was spilt on the India-China border.
- Recently, in an annual policy blueprint, China dropped the word "peaceful" in referring to its desire to "reunify" with Taiwan, ending a nearly 30-year-long precedent.
  - This sharp turn marks China's most major policy decisions post-COVID-19.
- Relations with the U.S. are particularly bad, with the Trump administration openly targeting China for its handling of the pandemic.
- When Australia pushed for an investigation into the pandemic outbreak, Beijing punished the country by imposing trade curbs.
- In Hong Kong, which has been seeing anti-China protests for a year, Beijing has introduced a new national security law, granting itself broader powers in the Special Administrative Region.
- In the middle of the COVID-19 outbreak, China now appears to be overseeing an expansive foreign policy that pushes the boundaries.

### Concerns:

- Xi Jinping's predecessor had adopted the "peaceful rise" (or "peaceful development", as the Chinese later called it) policy to assure other countries, especially the U.S. and China's Asian neighbours, that its rise did not pose any threat to others.
- The whole series of positions China has taken with respect to Taiwan, Tibet, Hong Kong, national sovereignty or whatever problems they have with the U.S. is an indication that China seems to have come out of its "peaceful rise" policy.
- The "China Dream", laid out by President Xi after he took power in 2012, seeks to turn the country into a wealthy, strong and modern global power by 2049, the centenary of the Communist revolution.

## 2. North Korea vows to redeploy troops in Demilitarized Zone

**Context:**

- North Korea has said that it has rejected a South Korean offer to send special envoys to ease escalating tension over defiance by North Korean defectors.
- It said that it has stalled reconciliation efforts, and has vowed to redeploy troops to border areas.

**Background:**

- North Korea recently blew up a joint liaison office set up on its side of the border as part of a 2018 peace agreement between the two countries' leaders.

This topic has been covered in 17<sup>th</sup> June 2020 Comprehensive News Analysis. [Click here](#) to read.

**Details:**

- A spokesman for the General Staff of the (North) Korean People's Army said it would deploy troops to Mount Kumgang and Kaesong near the border, where the two Koreas had carried out joint economic projects in the past.
- The spokesman also said police posts that had been withdrawn from the heavily fortified Demilitarized Zone (DMZ) would be reinstated, while artillery units near the western sea border, where defectors frequently send propaganda leaflets drifting in balloons over North Korea, will be reinforced.
- The North will also resume sending anti-Seoul leaflets across the border, he said.

**Concerns:**

- Tensions have been rising with North Korea threatening to cut ties with South Korea and retaliate over North Korean defectors in the South sending propaganda leaflets into North Korea.
- Any moves to invalidate cross-border peace deals pose a major setback to South Korea's President Moon Jae-in's efforts to foster more lasting reconciliation with the North.
- They could also complicate efforts by U.S. President, to persuade North Korea to abandon its nuclear and missile programmes.

**Demilitarised Zone:**

- The Korean Demilitarized Zone (DMZ) is a region dividing the Korean Peninsula into North Korea and South Korea.
- The DMZ was created after the 1953 Korean War Armistice Agreement, which ended the Korean War.
- Unlike its name, the DMZ is the world's most heavily fortified border, guarded by mines, barbed-wire fences and combat troops on both sides.
- The two sides remain technically at war, since fighting in the Korean War ended with an armistice in 1953 that was never replaced with a peace treaty.

## C. GS 3 Related

**Category: ENVIRONMENT AND ECOLOGY****1. Assessment of OIL well blowout impact begins****Context:**

A team of The Energy and Research Institute (TERI) and an accredited private agency have begun assessing the impact on the environment around the Baghjan natural gas well that caught fire after a blowout.

### **Background:**

- Recently, there was a continuous flow out of gas in Baghjan gas well in Tinsukia district of Assam, following a blowout.
  - The Baghjan well is a purely gas-producing well in Tinsukia district.
  - Since 2006, the gas well is being drilled by Oil India Limited (OIL).
- It underwent a blowout – uncontrolled escape of gas at tremendous velocity – on May 27, 2020 and has been burning since bursting into flames on June 9.
- There were reports of death of a river dolphin.
- Locals complained of symptoms such as burning of eyes, headache, etc.
- As many as 1,610 families with 2,500-3,000 people were evacuated to relief camps.
- It is at an aerial distance of 900 metres from the Dibru-Saikhowa National Park.
- Also close to it is the Maguri-Motapung wetland —an Important Bird Area notified by the Bombay Natural History Society.

### **Natural Gas:**

- Natural gas is the cleanest fossil fuel among the available fossil fuels.
- It is used as a feedstock in the manufacture of fertilizers, plastics and other commercially important organic chemicals as well as used as a fuel for electricity generation, heating purpose in industrial and commercial units.
- Natural gas is also used for cooking in domestic households and as a transportation fuel for vehicles.

### **Why do blowouts happen?**

- Sometimes, the pressure balance in a well may be disturbed leading to ‘kicks’ or changes in pressure. If these are not controlled in time, the ‘kicks’ can turn into a sudden blowout.

### **Similar events in the past:**

In the past, two comparable blowouts have happened in Assam:

- At an OIL-owned oil well in Dikhom (Dibrugarh) in 2005.
- At an ONGC-owned oil well in Rudrasagar in the 1970s. This took three months to contain.

### **What are the possible reasons for the blow out?**

- Possible reasons behind blowouts range from simple lack of attention, poor workmanship, bad maintenance, old age, sabotage to morpho-tectonic factors.
- A device called a blowout preventer is usually installed in wells.
- The gas well at Baghjan was being serviced, and a new sand was being tested at another depth in the same well. The blowout preventer was also removed and suddenly, gas started to ooze out of the exposed well.

### **Why is it so difficult to control?**

- The control of a blowout depends on two things: the size of the reservoir and the pressure at which the gas/oil is flowing out.
- While many blowouts automatically collapse on their own, it can take up to months.
- To control a blowout, the first step is to pump in water, so that the gas does not catch fire.

- This reservoir was particularly difficult to control since it was a gas well and ran the risk of catching fire at any point.

### What is being done?

- A preliminary assessment by TERI team is in progress at the site for studying air quality and noise level.
- Bioremediation of sludge is being done using a technology developed in-house by OIL's research and development wing.
  - Bioremediation is the cleaning of polluted sites through naturally occurring or introduced microorganisms for breaking down environmental pollutants.
- OIL also updated the efforts to kill the well fire before capping the blowout. Certain steps such as erection of heat shield have been completed.

### Dibru-Saikhowa National Park:

- Dibru-Saikhowa is a National Park as well as a Biosphere Reserve situated on the south bank of the river Brahmaputra in Assam.
- It is an identified Important Bird Area (IBA) notified by the Bombay Natural History Society.

### Category: ECONOMY

#### 1. SEBI eases fund-raising norms for firms

##### Context:

As per a gazette notification, **SEBI** has allowed companies to make two qualified institutional placements (QIPs) with a gap of just two weeks between them.

##### Details:

- It is a part of SEBI's attempts to make it easier for listed companies to raise funds in the current volatile scenario.
- This allows listed companies to raise funds at shorter intervals while also giving promoters the go-ahead to increase their stakes by a higher quantum without triggering an open offer.
- This is a significant move as the earlier regulations mandated a minimum gap of six months between two such issuances.
- In another important amendment, the regulator has said that promoters can increase their stakes in their companies through preferential allotments by up to 10% without triggering an open offer.
  - The cap was earlier set at 5%.
  - The relaxation is only for the current financial year.
- In April 2020, SEBI had relaxed certain regulatory requirements related to rights issues and initial public offerings (IPOs) to make it easier for companies to raise funds at a time when the COVID-19 pandemic had made the secondary markets increasingly volatile.
  - It had said that any listed entity with a market capitalisation of at least ₹100 crore could use the fast-track route for a rights issue. (Earlier, the norm was ₹250 crore for such offerings.)
  - Further, any company that had been listed for 18 months was permitted to raise funds through a fast-track rights issue. (The eligibility had earlier been set at three years.)
  - Also, the minimum subscription requirement to make an issue successful was lowered from the earlier 90% of the offer size to 75%.

### Significance:

- The recently announced measures along with the relaxation on rights issues, permitted earlier, are aimed at increasing liquidity for Indian companies.
- Analysts opine that the twin moves would help in enhancing liquidity in the market.
- The companies would be able to time fund-raising in a better manner.
- Promoters can also acquire shares at a time when valuations were quite low compared with the historic highs.

## 2. RBI to tighten rules for home finance firms

### Context:

The Reserve Bank of India (RBI) has proposed stringent norms for housing finance companies by mandating 75% of their home loans to individual borrowers by 2024.

### Details:

- A housing finance company is considered a non-banking financial company (NBFC) under the RBI's regulations.
- A company is treated as an NBFC if its financial assets are more than 50% of its total assets and income from financial assets is more than 50% of the gross income.
- In the draft norms issued, the RBI proposed the definition of qualifying assets for housing finance companies (HFCs).
  - It said at least 50% of net assets should be in the nature of 'qualifying assets' for HFCs, of which at least 75% should be towards individual housing loans.
- The RBI defined 'qualifying assets' as loans to individuals or a group of individuals, including co-operative societies, for construction/purchase of new dwelling units, loans to individuals for renovation of existing dwelling units, lending to builders for construction of residential dwelling units.
- All other loans, including those given for furnishing dwelling units, loans given against mortgage of property for any purpose other than buying/construction of a new dwelling unit/s or renovation of the existing dwelling unit/s, will be treated as non-housing loans.
- RBI said that an HFC could either undertake an exposure on a group company in real estate business or lend to retail individual homebuyers in the projects of group entities, but could not do both.
- The central bank also proposed a minimum net-owned fund (NOF) of ₹20 crore as compared to ₹10 crore now.
  - Existing HFCs would have to reach ₹15 crore within a year and ₹20 crore within two years.

## D. GS 4 Related

*Nothing here for today!!!*

## E. Editorials

**Category: INTERNATIONAL RELATIONS**

### 1. History, the stand-off, and policy worth rereading

The editorial talks about China's legendary revolutionary leader Mao Zedong's five finger policy (with respect to Ladakh, Sikkim, Bhutan, Nepal and Arunachal Pradesh) and how India should cast a grand strategy to renew its compact with each of those areas in the current situation.

### **Mao's five finger policy:**

- The deadly clashes at Galwan and the ongoing stand-off between India and China on the ridges or fingers around the Pangong Tso are a metaphor for the wider conflict between the two countries over all the areas that Chinese strategy refers to as the “five fingers of the Tibetan palm”.
- In the 1950s, Mao described Tibet as the right hand palm, while Ladakh, Sikkim, Bhutan, Nepal and Arunachal Pradesh are five fingers.
- According to the construct, attributed to Mao, it was China's responsibility to liberate the fingers.
- Sixty years ago, India began to set about ensuring that quite the reverse ensued, and all five fingers were more closely attached to India, not China.

### **India's countermove:**

- In the 1950s, even after India and China signed the Panchsheel agreement in 1954 and before the 1962 China-India war, the Nehru government had begun to worry about some of China's proclamations.
  - Especially after the flight of the Dalai Lama to India in 1959, China began to demand “self-determination in Kashmir”.
  - The Chinese press and radio launched a propaganda war against India, while the Chinese government allowed Naga and Mizo dissidents into China for refuge and training.
- More importantly, school textbooks there began to depict the “five fingers” as a part of China, in the 1950s.

### **Three-pronged foreign policy approach:**

The three-pronged foreign policy New Delhi set into motion during the 1962 war, that provided an effective counter to Mao's five finger policy over the course of the century, is perhaps not so well understood.

#### **1) Managing the borders**

- The first was a push for building border infrastructure and governance.
- In the mid-1950s, the government piloted a project to build the Indian Frontier Administrative Services (IFAS) for overseeing NEFA (Arunachal Pradesh) and other areas along the India-China frontier.
- A special desk was created in the Ministry of External Affairs for officers who would tour all the regions from NEFA to Ladakh in order to make suggestions for the rapid development of these areas. It was wound up in 1968.
- The IFAS's role has since been transferred to the Indian Army and the Border Roads Organisation.
- It is an idea worth revisiting, especially as areas along the frontier continue to complain of neglect and a lack of focus from the Centre.

#### **2) Outreach and treaties**

- The second prong was a series of treaties that were signed with neighbours such as Nepal and Bhutan, and the consolidation of control, militarily and administratively, of other territories that acceded to India, including Ladakh as a part of Jammu and Kashmir (1947), and NEFA (1951).
  - In 1950, India signed a treaty with Sikkim that made it a “protectorate”, and by 1975 the Indira Gandhi Government had annexed Sikkim and made it the 22nd State of India.
- Each of these treaties built unique relationships with New Delhi, tying countries such as Nepal and Bhutan in ways that were seen as a “win-win” for both sides at the time.

- However, over time, the treaties have outlived their utility, and the benefits of unique ties with Nepal and Bhutan, including open borders and ease of movement, jobs and education for their youth as well as India's influential support on the world stage, have waned in public memory.
- China was not able to make inroads with Bhutan as it did with Nepal because the Indian government renegotiated its 1949 Treaty of Perpetual Peace and Friendship between the Government of Bhutan of 1949 with the India-Bhutan Friendship Treaty in 2007.
  - This has held India and Bhutan ties in good stead, even during the Doklam stand-off between India and China in 2017 in the face of severe pressure from China.
- New treaties may not, in themselves reduce India's security threat from China in its neighbourhood, but they create space for a more mutually responsive diplomacy that is necessary to nurture special relationships.

### 3) The Tibet Issue:

- For the third prong, India's policy towards Tibet should be looked at more closely.
- While New Delhi's decision to shelter the Dalai Lama and lakhs of his followers since 1959 is a policy that is lauded, India must now look into the future of its relationship, both with the Tibetan refugee community in India, as well as with its future leadership.
- At present, the Dalai Lama has the loyalty of Tibetans worldwide, but Karmapa Lama, who lived in India after his flight from China in 2000, and was groomed as a possible political successor, has now taken the citizenship of another country and lives mostly in the United States.
- Given that it is home to so many Tibetans, India must chart a more prominent role in this discourse.

### Conclusion:

- Finally, it is necessary to introspect on how India's own reorganisation of Jammu and Kashmir in August 2019 has changed the security matrix and threat parameters for India, and its neighbours.
- While Pakistan's extreme reaction to the move was expected, China's reaction was perhaps not studied enough.
  - Beijing issued a statement decrying the impact on Jammu and Kashmir.
  - Also a statement specifically on Ladakh, calling it an attempt to "undermine China's territorial sovereignty by unilaterally changing its domestic law" and warning that the move was unacceptable and will not come into force.
- Home Minister's vow in Parliament, to take back Pakistan Occupied Kashmir (PoK) and Aksai Chin was not taken lightly either, as China's stakes in PoK now go beyond its historical closeness with Pakistan, to its investment in the [China-Pakistan Economic Corridor](#) that runs through it.

As the government readies its hand on dealing with China, it must not lose sight of every finger in play.

## 2. Disorder at the border

### Context:

- Twenty Indian personnel, including a Colonel, were killed in violent clashes with Chinese troops along the Line of Actual Control (LAC) in Ladakh.
- The clashes came amid a de-escalation process in the Galwan area after a month long stand-off between troops at several points along the LAC in Ladakh and Sikkim.

Read more on issue, covered in [14th June 2020 Comprehensive News Analysis](#).

What next?



- In order to prepare its response appropriately, the first step the government must take is to appraise the nation of exactly what has occurred along the LAC, including incidents in Ladakh and Sikkim.
- The government must conduct a full investigation of the Galwan clash and put out clearer details.
- Both the MEA and the Chinese Ministry of Foreign Affairs have reaffirmed their commitment to dialogue as a means of restoring peace. Both sides must also acknowledge that the recent developments have undone decades of painstakingly negotiated confidence-building mechanisms.
- Without a full restoration of the status quo ante, reparations for the casualties, as well as some honest commitment to abide fully by any agreement, talks with Beijing at this point might not mean more than empty words.

## **Category: HEALTH**

### **1. A prescription of equitable and effective care**

The editorial talks about the need to get the public and private sectors into a functioning partnership in handling the pandemic.

#### **Issue:**

- Medical care has been disrupted by the novel coronavirus.
- The private sector, which delivers the major part of medical services, is now functioning at a skeletal level.
- Patients have considerable difficulty in accessing medical care.
- With the focus on prevention, doctors have been unable to attend to their primary task of providing good clinical care to reduce morbidity and prevent deaths.

#### **Way forward:**

##### **Partnership between public and private hospitals:**

- In order to implement a universal COVID-19 care programme, the government health system should collaborate with private hospitals.
- As the number of COVID-19 cases continue to rise, there is a need to pull together the resources of the public and private sectors into a functioning partnership, to provide good clinical care, ameliorate suffering and prevent deaths.
- The government should financially assist the private sector by reimbursing basic patient care costs for providing COVID-19 care.

##### **Combating fear:**

- Because of the labelling and stigmatisation of those diagnosed with COVID-19, the public are reluctant to come to hospital and may come late or refuse to visit the hospital at all.
- Clear message must be sent out that hospitals will provide good quality care at affordable cost and ensuring confidentiality.
- Good supportive care for sick patients is essential in preventing deaths.
- Hospital services have to focus on in-patient management of moderate and severe cases, prioritising intensive care unit (ICU) beds for potentially reversible illness.

##### **Adequate facilities for medical staff:**

- Medical staff taking care of COVID-19 patients are anxious that they may acquire the infection and transmit it to their family members.
- Deaths of hospital staff due to COVID-19 have been reported, although the mortality risk is lower than that of the general population.
- Medical staff involved in COVID-19 care should be adequately protected with appropriate personal protective equipment, or PPE, and should be trained in infection control and clinical care protocols.

### **Conclusion:**

These initiatives can only be realised with appropriate leadership from the government. The private sector has to be fully involved in clinical care of the COVID-19 epidemic. Response to the epidemic must combine good science, clinical reasoning and a humane response to save the lives of the people of our country.

## **2. Maternal health matters**

The editorial points to the death of a pregnant woman in Noida after being turned away from a number of private and government hospitals, raising questions about effectiveness of welfare measures for pregnant women and the state of maternal health in the country.

### **Details:**

- Over the last 15 years, the state has been promising maternal well-being to pregnant women provided they turn up at public hospitals during labour, and has been providing a cash incentive to those that have institutional birth.
- Consequently, it has become almost routine for all pregnant women to reach health facilities during labour.
- Elaborate tracking systems have been instituted by the Ministry of Health and Family Welfare to track every pregnant woman, infant and child until they turn five.

### **Issues:**

- However, during lockdown, the state appeared to have missed out on charting out plans to ensure the health and well-being of those women expected to give birth.
- Frontline workers were pressed into community surveillance, monitoring and awareness building for COVID-19.
- The public health system was overburdened with handling the pandemic: most secondary and tertiary hospitals were either those designated as COVID-19 facilities or those unequipped with enough PPE kits.
- Though pregnant women have been identified as people being 'high risk', reference on the need to provide emergency services for pregnant women was lacking.
- In 12 weeks (of lockdown), approximately 9,00,000 pregnant women (15% of the six million women giving birth) who needed critical care had to face enormous hurdles to actually obtain treatment at an appropriate hospital. Added to this were the women who have had miscarriages or sought abortions: another 45,000 women every single day.
- India's Maternal Mortality Ratio came down to 122 deaths per 1,00,000 live births (SRS 2017), from 167 per 1,00,000 births in 2011-13. Much effort and investment over many years have led to this decrease. As India struggles to manage the COVID-19 pandemic, the hard-won gains of the last 15 years can be erased with one stroke.

### **Way forward:**

**Acknowledge the shortcomings of health care system:**

- The health policymakers need to acknowledge the shortcoming of an overstretched and under-resourced system in responding to the critical care needs of pregnant women during crises.

**Scrutinise the role of private sector:**

- Although 80% doctors and 64% beds are in the private sector, clinics have closed down and private hospitals have stepped back fearing infections.
- Larger hospitals have begun charging exorbitant amounts.
- Therefore, the role of the private sector needs to be scrutinised.

**Ensure transparency:**

- In order to win back the trust of pregnant women, the state will have to account publicly for how the millions of deliveries took place; or how abortions, miscarriages and childbirth complications were handled.

**Conclusion:**

Improved maternal health was the lynchpin around which public health systems had been strengthened over the last 15 years. As a part of the longer-term management strategy, it is time to consider doing things differently for improving maternal well-being.

## F. Prelims Facts

*Nothing here for today!!!*

## G. Tidbits

### 1. More drone pilot training schools in offing

**What's in News?**

India's aviation regulator, Directorate General of Civil Aviation (DGCA), is planning to allow more than just flight training organisations to offer drone pilot training.

- The DGCA has brought out a draft circular that proposes to allow interested organisations under the Central and State governments, government-approved universities, and even private drone manufacturers to sign up as drone pilot training schools.
- So far, only a few organisations were permitted to operate as remote pilot training organisations (RPTOs) and the focus was primarily on training fixed wing aircraft pilots.
- Now, entities selected by the DGCA will be able to train drone pilots and grant commercial pilot licences and private pilot licences.
- The move presents great opportunities in areas such as logistics, agriculture, e-commerce, aerial photography, law enforcement.
- During the lockdown, drones have been used to monitor adherence to physical distancing orders.

**Note:**

- Since January 2020, when the Ministry of Civil Aviation (MoCA) made it mandatory for operators to register their drones, 19,553 unmanned aerial vehicles (UAV) — 1,832 nano, 13,735 micro, 2,808 small, 140 medium and 1,038 large drones — have been registered.
- The process has been left open-ended with provisions made for the online issuance of unique identification numbers for drones through the Ministry's Digital Sky platform.

## 2. AIIB clears \$750-mn loan to India for COVID-19

### What's in News?

Beijing-based Asian Infrastructure Investment Bank (AIIB) has approved a loan of \$750 million for India to assist the government in its fight against COVID-19.

- With this loan, AIIB's total sovereign funding for India to mitigate the damage caused by the pandemic and related curbs has reached \$1.25 billion.
- The latest advance will be the second for India under AIIB's COVID-19 Crisis Recovery Facility (CRF), which was created as part of the coordinated international response to counter the pandemic, to support AIIB members' urgent economic, financial, and public health needs and quick recovery from the crisis.
- Co-financed by the [Asian Development Bank](#), the budgetary support will go towards bolstering economic aid for businesses, including for the informal sector, expanding social safety nets for the needy, and strengthening the country's healthcare systems.

### Note:

While AIIB does not have a regular instrument for policy-based financing, the bank is extending such loans on an exceptional basis under the CRF to support its members through projects co-financed with the World Bank or the ADB.

## 3. Trump signs order on police reform

### What's in News?

Following weeks of national protests since the death of George Floyd, President Donald Trump has signed an executive order he said would encourage better police practices. However, he made no mention of the roiling national debate over racism spawned by police killings of black people.

- The executive order would establish a database that tracks police officers with excessive use-of-force complaints in their records. Many officers who wind up involved in fatal interactions have long complaint histories.
- The order would give police departments a financial incentive to adopt best practices and encourage co-responder programmes, in which social workers join police when they respond to nonviolent calls involving mental health, addiction and homelessness issues.
- As part of the order, the use of chokeholds, which have become a symbol of police brutality, would be banned except if an officer's life is at risk.

## 4. 'Extraditions to China a possibility with HK law'

## What's in News?

According to Hong Kong's sole representative to Beijing's top lawmaking body, China's planned national security law for Hong Kong could allow for extraditions to the mainland.

- The comments by the veteran pro-Beijing politician are significant because it was the threat of extradition to China's party-controlled courts that ignited last year's pro-democracy protests.
- The city has been convulsed by a year of huge and often violent rallies that began with an eventually aborted criminal extradition bill but morphed into a popular call for democracy and police accountability.
- Beijing says the new national security law is needed to end the political unrest and restore stability.
- But critics see it as potential knock-out blow for Hong Kong's cherished freedoms and autonomy.

This topic has been covered in [13th April 2019](#) and [23rd May 2020](#) Comprehensive News Analysis.

## H. UPSC Prelims Practice Questions

Q1. Consider the following statements about Dibru-Saikhowa National Park:

1. It is also a Biosphere Reserve situated on the south bank of the river Brahmaputra.
2. The park is bounded by the Brahmaputra and Lohit Rivers in the north.
3. It is an Important Bird Area (IBA) notified by the Bombay Natural History Society.

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

- a. 2 only
- b. 1 and 3 only
- c. 3 only
- d. None of the above

Answer: d

Explanation:

- Dibru-Saikhowa is a National Park as well as a Biosphere Reserve situated on the south bank of the river Brahmaputra in Assam.
- The park is bounded by the Brahmaputra and Lohit Rivers in the north.
- It is an identified Important Bird Area (IBA) notified by the Bombay Natural History Society.

Q2. Consider the following statements with respect to Qualified Institutional Placements (QIPs):

1. The QIP allows an Indian-listed company to raise capital from foreign markets without the need to submit any pre-issue filings to market regulators.
2. QIPs are a way to issue shares to the public without the submission of pre-issue filings to SEBI.

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:**

- A qualified institutional placement (QIP) is, at its core, a way for listed companies to raise capital, without having to submit legal paperwork to market regulators.
- Qualified Institutional Placements are a way to issue shares to the public without going through standard regulatory compliance such as the submission of pre-issue filings to SEBI.
- The QIP allows an Indian-listed company to **raise capital from domestic markets** without the need to submit any pre-issue filings to market regulators.
- The Securities and Exchange Board of India (SEBI) created the rule to avoid the dependence of companies on foreign capital resources.

**Q3. Consider the following statements with respect to Asian Infrastructure Investment Bank (AIIB):**

1. India is the second-largest shareholder in the bank, followed by Russia.
2. All the G-20 nations are members of the AIIB.
3. It is headquartered in Manila, Philippines.

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

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

**Answer: a**

**Explanation:**

- The Asian Infrastructure Investment Bank (AIIB) is a multilateral development bank with a mission to improve social and economic outcomes in Asia.
- It is headquartered in Beijing, China.
- India is the second-largest shareholder in the bank, followed by Russia.
- Only 14 of the G-20 nations are members of AIIB.

**Q4. Consider the following statements:**

1. A housing finance company is considered a non-banking financial company (NBFC) under the RBI's regulations.
2. A company is treated as an NBFC if its financial assets are more than 50% of its total assets and income from financial assets is more than 50% of the gross income.

**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: c**

**Explanation:**

- A housing finance company is considered a non-banking financial company (NBFC) under the RBI's regulations.
- A company is treated as an NBFC if its financial assets are more than 50% of its total assets and income from financial assets is more than 50% of the gross income.

## I. UPSC Mains Practice Questions

1. Assuring pregnant women access to safe birth and continuum of antenatal and postnatal care during the pandemic assumes great importance. Discuss the challenges involved and measures to be taken for the provision of health services to pregnant women and mothers. (15 Marks, 250 Words).
2. Incidents in the recent past point to a newfound aggressiveness in China's approach towards its already troubled neighbourhood and is an indication that China seems to have come out of its "peaceful rise" policy. Elucidate. (15 Marks, 250 Words).