



# drishti

## News Analysis (17 Jan, 2019)

 [drishtiias.com/current-affairs-news-analysis-editorials/news-analysis/17-01-2019/print](https://drishtiias.com/current-affairs-news-analysis-editorials/news-analysis/17-01-2019/print)

### DGP Appointment

The Supreme Court (SC) has **rejected the pleas** made by five States to implement their own local laws for selection and appointment of their Director General of Police (DGP). The court said its directions were issued in **larger public interest** and to protect **the police officials from political interference**.

- The petition was filed by Punjab, Kerala, West Bengal, Haryana and Bihar for modification in the apex court orders in the procedure to be followed for appointment of Directors General of Police (DGP).
- The SC also asked the **Union Public Service Commission** whether it was preparing **panels of senior IPS officers** for each state to **pick its DGP in the last 10 years**, i.e. in sync with its 2006 guidelines given in Prakash Singh case.
- Most states **did not follow the SC judgment** and enacted laws doing away with the panel of names recommended by UPSC. The state laws instead provided for an **in-house committee to provide a panel of senior IPS officers** of the state cadre from whom the government could pick its choice.

### Background

- The judgement is the **follow up of December 12, 2018**, order wherein the SC agreed to hear the States' pleas seeking to **implement their local laws** regarding the **selection and appointment of the police chief**.
- Earlier In July 2018, the Supreme Court had **refrained State governments** from appointing DGPs without first consulting the Union Public Service Commission (UPSC). It came up with the following guidelines:
  - The State governments concerned have to **send UPSC the names of the probables three months before** the incumbent DGPs are to retire.
  - The UPSC will prepare a **panel of three officers** fit to be DGP and send it back.
  - The UPSC shall, as far as practicable, choose the people within the zone of

- consideration who have got a **clear two years of service** and must give **due weightage to merit and seniority**.
- The State, in turn, shall **“immediately” appoint one of the persons** shortlisted by the UPSC.
- On the practice of States appointing “Acting DGPs”, the court **rejected the idea of acting or temporary DGPs**, i.e.. States shall appoint a person as **permanent DGP**.
- The court also ruled that **any rule or state law on the subject of appointment of police officers** will be kept in **suspension**. However, the States, which have made laws on police appointments, can move to court seeking modifications of its order.
- The court had passed the series of directions on an application made by the Centre for modification of its judgement in **Prakash Singh Case of 2006 for reforms and transparency in the State police forces**.

### **Prakash Singh Case**

- In **Prakash Singh Case of 2006**, the Supreme Court **gave 7 directives** with a view to bring in police reforms.
- In passing these directives the Court put on record the deep rooted problems of politicization, lack of accountability mechanisms and systemic weaknesses that have resulted in poor all round performance and fomented present public dissatisfaction with policing. The directives are:-
  - **Constitute a State Security Commission (SSC)** to:
    - Ensure that the state government does not exercise unwarranted influence or pressure on the police,
    - Lay down broad policy guideline and
    - Evaluate the performance of the state police.
  - Ensure that the **DGP** is appointed through **merit based transparent process** and secure a **minimum tenure of two years**.
  - Ensure that other police officers on operational duties (including **Superintendents of Police** in-charge of a district and **Station House Officers** in-charge of a police station) are **also provided a minimum tenure of two years**.
  - Separate the **investigation and law & order functions of the police**.
  - Set up a **Police Establishment Board (PEB)** to decide transfers, postings, promotions and other service related matters of police officers of and below the rank of Deputy Superintendent of Police and make recommendations on postings and transfers above the rank of Deputy Superintendent of Police.
  - Set up a **Police Complaints Authority (PCA)** at **state level** to inquire into public complaints against police officers of and above the rank of Deputy Superintendent of Police in cases of serious misconduct, including custodial

death, grievous hurt, or rape in police custody and at district levels to inquire into public complaints against the police personnel below the rank of Deputy Superintendent of Police in cases of serious misconduct.

- Set up a **National Security Commission (NSC)** at the union level to prepare a panel for selection and placement of Chiefs of the Central Police Organisations (CPO) with a minimum tenure of two years.

## Way Forward

---

- The Judgement limits significantly the discretion enjoyed by the political executive in effecting transfers at whims and fancies of the political executive.
  - The police force should be **insulated from political encroachment** into their hierarchy. The commitment, devotion and accountability of the police has to be only to the rule of law and not persons. Arbitrary appointments and postings challenges the ethics of public services from political class on one hand and creates instability in the administration. Moreover, this also makes officers in services vulnerable to **political interferences, pressures and favoritism leading to corruption in long run in pursuit of power, praise and money.**
- 

## RBI Eases External Commercial Borrowing Framework

---

The Reserve Bank of India has drawn up a **new external commercial borrowing (ECB) framework** in order to further **improve the ease of doing business in India.**

The new framework will come into effect immediately.

### External Commercial Borrowings

- External Commercial Borrowings is a **loan availed by an Indian entity** from a nonresident lender with a **minimum average maturity.**
- Most of these loans are provided by foreign commercial banks buyers' credit, suppliers' credit, securitized instruments such as Floating Rate Notes and Fixed Rate Bonds etc.
- Advantages of ECBs:
  - ECBs provide opportunity to **borrow large volume of funds.**
  - The funds are available for **relatively long term.**
  - Interest rate are also **lower compared to domestic funds.**
  - ECBs are in the form of foreign currencies. Hence, they enable the corporate to have foreign currency to meet the import of machineries etc.
  - Corporate can raise ECBs from internationally recognized sources such as banks, export credit agencies, international capital markets etc.

## New Framework

---

- The **RBI kept the borrowing limit under the automatic route** unchanged at \$750 million per financial year but replaced the sector-wise limits.
- RBI has **expanded the definition of beneficiaries eligible** for external commercial borrowings to include all entities that can receive foreign direct investment. Among those now eligible are: port trusts, units in special economic zones, microlenders, not-for-profit companies, registered societies/trusts/cooperatives and non-government organisations.
- The Export-Import Bank (EXIM) and the Small Industries Development Bank of India (SIDBI) has been allowed to borrow overseas from recognised lenders.
- The previous four-tier structure has been replaced by **two specific channels: dollar- and rupee-denominated ECBs.**
  - Earlier, there was a distinction between foreign currency ECBs based on maturity. One was maturity period of three to five years and the other of 10 years. Both have been subsumed into foreign currency-denominated ECBs.
  - Indian rupee-denominated overseas borrowings with similar sets of maturities have also been combined into a single rupee- denominated ECBs.
- To curb volatility in the forex market arising out of dollar demand for crude oil purchases, the framework provides a **special dispensation to public sector oil marketing companies.**

It allows them to raise ECB, with an overall ceiling of \$10 billion, for working capital purposes with a minimum average maturity period (MAMP) of three years under the automatic route without mandatory hedging and individual limit requirements.
- The RBI has decided to keep the **minimum average maturity period at 3 years** for all ECBs, irrespective of the amount of borrowing, except for borrowers **specifically permitted to borrow for a shorter period**, like manufacturing companies.
  - Earlier, the minimum average maturity period was five years.
  - Further, if the ECB is raised from a foreign equity holder and **utilised for working capital, general corporate purposes or repayment of rupee loans, the maturity period will be five years.**
- Any entity who is a resident of a country which is financial action task force compliant, will be treated as a recognised lender.

This change increases lending options and allows various new lenders in ECB space while strengthening the anti money laundering/combating the financing of terrorism framework.
- The **negative list**, for which the ECB proceeds cannot be utilised, would include **real estate activities, investment in capital market, equity investment, working capital purposes ( except from foreign equity holder), repayment of Rupee loans (except from foreign equity holder).**
- Earlier in November, 2018 RBI also eased Hedging Norms for External Commercial

Borrowings to make the ECB route attractive to firms.

---

## India Warming: Trends

---

Recently, the India Meteorological Department (IMD) stated **“2018” as the sixth warmest year on record**, with the average temperature over India being “significantly above normal”.

The IMD said that 11 of the 15 warmest years were during the recent past fifteen years (2004-18). This increase in temperatures will likely lead to more **extreme weather events**.

### India Meteorological Department (IMD)

- IMD was established **in 1875**.
- It is an agency of the **Ministry of Earth Sciences of the Government of India**.
- It is the principal agency responsible for **meteorological observations, weather forecasting and seismology**.

## Extreme Weather Events of 2018

---

- The IMD specifically underlined **two extreme weather events**:
  - The **Kerala floods in August** were due to unusually heavy rains which are very rare over Kerala.
  - The **thunderstorm activity over the northern states** in May-June of 2018 was also rare due to prolonged days of activity and severity.
- **Temperatures are increasing** during both day and night time.
- **Heat waves are increasing** in frequency as well as magnitude.
- **Extreme rainfall and rainstorms** which can cause floods are increasing.
- **Dry spell** duration is also increasing.
- Heat and cold waves, **snowfall, thunderstorms, dust storms, lightning** and floods are increasing.
- India witnessed **increased cyclonic storms (Titli, Luban, Gaja, Daye, Phethai)** that formed over the northern Indian Ocean.
- Flood and heavy rain related incidents reportedly **claimed over 800 lives** from different parts of the country (viz. northern/northeastern, central & peninsular parts) during pre-monsoon, monsoon & post-monsoon seasons in 2018.
- Although Southwest monsoon was normal, the northeast monsoon season rainfall was **substantially below normal (56% of Long Period Average (LPA)), the sixth lowest since 1901**.

LPA is the **average rainfall received by the country** as a whole during the south-west monsoon, **for a 50-year period**.

- The trends of recent years are part of the **“global warming” trend**, i.e. the rate of increase of temperatures over India is almost **similar to the global average**.
- 

## Important Facts for Prelims (17th January 2019)

---

### Gandhi Peace Prize

---

- The government has announced the **Gandhi Peace Prize for the years 2015,2016,2017 and 2018**.
- The following have been honored with the award:
  - **Vivekananda Kendra, Kanyakumari** for the year **2015** for their contribution in Rural Development, Education, Development of natural resources.
  - For **2016** jointly to **Akshaya Patra Foundation** for its contribution in providing **mid-day meals** to millions of children across India and **Sulabh International** for its contribution in **improving the condition of sanitation in India** and emancipation of manual scavengers.
  - **Ekal Abhiyan Trust** for the year **2017** for their contribution in providing **Education for Rural and Tribal Children** in remote areas pan India, Rural Empowerment, Gender, and Social Equality.
  - **Shri Yohei Sasakawa** for the year 2018 for his contribution in **Leprosy Eradication in India and across the world**.
- **The Jury of Award**  
The jury includes the **Prime Minister** as Chairman and comprises of the **Chief Justice of India, Leader of the single largest Opposition Party in Lok Sabha** and **two other eminent personalities**.

### Gandhi Peace Prize

- The annual award was instituted by the Government of India in 1995 during the commemoration of the 125th Birth anniversary of Mahatma Gandhi.
- The award carries an amount of Rs 1 Crore, a Citation in a scroll, a plaque as well as an exquisite traditional handicraft/handloom item.
- Gandhi Peace Prize is not awarded posthumously.
- The award is open to all persons regardless of nationality, creed, race or sex.

### Education Institutions Ranking by Times Higher Education

---

- **London Based Times Higher Education** has released the ranking of institutions Times Higher Education Emerging Economies.
- The 2019 ranking comprises **nearly 450 universities from 43 countries, across four continents**.

- **India has improved performance with 49 institutions making it to the list including 25 in the top 200.**
- Leading India is the **Indian Institute of Science (14th), followed by the Indian Institute of Technology Bombay (27th).**
- **India has 25 universities in the top 200, a rise from 17 in 2018.**
- **China remains the most represented nation in the annual 2019 listing, with four institutions among the top five and 72 institutions in total.**

## Global Risk Report 2019

---

- **World Economic Forum** has recently released the Global Risk Report 2019.
- The Global Risks Report 2019 **enlists the threats which the world will face in future** ranging from geopolitical and geo-economic tensions to environmental degradation and disruptions of the Fourth Industrial Revolution.
- The report presents the results of the Global Risks Perception Survey conducted by the World Economic Forum.

## Findings of the Report

---

The report has predicted the following major risks under five categories:

- **Economic**
    - Asset bubbles in a major economy
  - **Environmental**
    - Extreme weather events
    - Failure of climate change mitigation and adaptation
    - Natural disasters
    - Man-made environmental disasters
    - Biodiversity loss and ecosystem collapse
    - Failure of climate change mitigation and adaptation
  - **Geo-Political**
    - Weapons of mass destruction
  - **Societal**
    - Large-scale involuntary migration
    - Water crises
    - A spread of infectious diseases
  - **Technological**
    - Data fraud or theft
    - Cyber-attacks
    - Critical information infrastructure breakdown
-