



News Analysis (11 Mar, 2020)

 drishtiias.com/current-affairs-news-analysis-editorials/news-analysis/11-03-2020/print

Impact of COVID-19 Outbreak

Why in News

Stock markets in India crashed on 9th March, 2020 as **Sensex** and **Nifty** indices saw their biggest ever fall in absolute terms.

- The Sensex dropped 1,942 points or 5.17% to 35,635 and the Nifty dropped 538 points to 10,451, wiping out as much as Rs 6.8 lakh crore of investor wealth.
- According to the **Securities and Exchange Board of India (SEBI)**, volatility in stock market is due to **perceived economic fallout from COVID-19** and **steep fall in global crude prices**.
 - Oil prices also crashed on the same day after the collapse of the Organization of the Petroleum Exporting Countries (OPEC) supply cut agreement with Russia.
 - The price of Brent crude oil fell almost 30% to \$31.14 a barrel, its biggest single fall since the start of the first Gulf war (1990-91).

Sensex

- Sensex, otherwise known as the S&P BSE Sensex index, is the **benchmark index of the Bombay Stock Exchange (BSE)** in India.
- It comprises **30** of the largest and most actively-traded stocks on the BSE, providing an accurate gauge of India's economy. The index's composition is reviewed in June and December each year.
- Initially compiled in 1986, the Sensex is the **oldest stock index in India**.

Nifty

- Nifty is primarily an **equity benchmark index** which was introduced in **1996** by the **National Stock Exchange**.

- The term Nifty is derived from the combination National and Fifty as Nifty consists of **50 actively traded stocks**. Nifty is an abbreviation of National Stock Exchange Fifty.

Perceived Economic Fallout From COVID-19

- **Fall in economic activities globally:** Falling Chinese exports, faster than expected pace of shrinking of the Japanese economy, increasing cases of Coronavirus outside China, and disruption of global supply chains, have contributed to the panic in the financial markets worldwide.
- **Investment Outflow:** Selling of securities by foreign institutional investors have contributed to the sharp selloff in Indian markets.
 - A sell-off occurs when a large volume of securities are sold in a short period of time. This leads to decline in the price of the security.
 - **Foreign Institutional Investors (FIIs)** refer to outside companies investing in the financial markets of India.
- **Yes Bank Crisis:** The Yes Bank crisis has raised concerns over the stability of the country's banking system, adding to the woes of domestic investors.

Fall in Global Crude Prices

- Top crude oil producers Saudi Arabia and Russia have begun a price war. Saudi Arabia slashed its oil prices after it failed to convince Russia to support sharp crude oil production cuts.
- A three-year supply pact between members of the **Organization of the Petroleum Exporting Countries (OPEC)** and Russia collapsed after Russia refused to support deeper oil cuts to cope with the substantial fall in demand caused by the impact of coronavirus on travel and economic activity.
- **Immediate Impact**
 - In the Sensex pack, the Oil and Natural Gas Corporation Limited (ONGC) was the worst performer, losing over 16%.
 - State-owned Oil Marketing Companies (OMCs) have reduced the prices of sensitive petroleum products such as petrol and diesel by 30 paise and 25 paise a litre respectively across major cities.
- **Long-Term Impact**
 - The fall in the prices of crude oil goes well for the Indian economy as **India imports more than 80% of its oil requirements**.
 - The savings on oil imports is estimated to be around US \$30 billion in the Financial Year 2021 if there is no significant uptick in global demand. This will help in arresting the rising inflation in the country.
 - However, according to some experts, very low prices imply less growth for emerging countries like India, thus impacting negatively.

Government's Move to Boost Agri-exports

- The central government has identified **21 agricultural products**, including honey, potatoes, grapes, soya beans and groundnuts, in which Indian exports could benefit from trade restrictions against Chinese goods.

Some countries have imposed restrictions on Chinese goods in response to the outbreak of COVID-19.

- The total value of China's global exports of these products amounted to \$5488.6 million in 2018. India exported \$4,445.9 million worth of these commodities in the same period and could now have a chance to grab part of China's market share.

Source: TH

Long Term Reverse Repo Operation

Why in news

According to the **Reserve Bank of India (RBI)**, the response to the **Long Term Reverse Repo Operation (LTROs)** has been highly encouraging.

Key Points

- Long Term Reverse Repo Operation (LTRO) is a mechanism **to facilitate the transmission of monetary policy** actions and the flow of credit to the economy. This helps in **injecting liquidity in the banking system**.
- Funds through LTRO are provided at the repo rate. This means that banks can avail one year and three-year loans at the same interest rate of one day repo. But usually, loans with higher maturity period (here like 1 year and 3 years) will have a higher interest rate compared to short term (repo) loans.
- According to the RBI, the LTRO scheme will be in addition to the existing **Liquidity Adjustment Facility (LAF) and the Marginal Standing Facility (MSF)** operations.

The LAF and MSF are the two sets of liquidity operations by the RBI with the LAF having a number of tools like repo, reverse repo, term repo etc.
- The central bank has been conducting LTROs for one- and three-year tenors of appropriate sizes for up to a total amount of Rs 1,00,000 crore at the policy repo rate from the fortnight beginning February 15, 2020.
 - The central bank received total bids of ₹1.94 lakh crore, for the three-year repo, compared with the notified amount of ₹25,000 crores.
 - In yet another (LTROs) ₹48,856 crores worth of bids were conducted for an amount of ₹25,000 crores with a three-year tenor.

- LTROs are conducted on **Core Banking Solution (E-KUBER) platform**. The operations would be conducted at a fixed rate.
- The minimum bid amount would be Rs 1 crore and multiples thereof. There will be no restriction on the maximum amount of bidding by individual bidders.

E-Kuber

- e-Kuber is the **Core Banking Solution** of Reserve Bank of India which was **introduced in 2012**.
- Core Banking Solutions (CBS) can be defined as a solution that enables banks to offer a multitude of customer-centric services on a 24x7 basis from a single location, supporting retail as well as corporate banking activities.
- The centralisation thus makes a **“one-stop” shop for financial services a reality**. Using CBS, customers can access their accounts from any branch, anywhere, irrespective of where they have physically opened their accounts.
- Almost all branches of commercial banks, including the Regional Rural Banks (RRBs), are brought into the core-banking fold.
- The e-kuber system can be accessed either through **INFINET or Internet**. The INFINET is a Closed User Group Network for the exclusive use of member banks and financial institutions and is the communication backbone for the National Payments System.

Benefits of the LTROs

- **Enhance Liquidity:** It will enhance liquidity in the banking system by Rs 1 lakh crore.
- **Bring down the cost of funds for banks:** The introduction of long-term repo operations (LTRO) will bring down the cost of funds for banks without effectively cutting deposit rates. This decision is likely to make reverse repo rate as the operative policy rate over a point of time.
- **Boost Investment:** It is a measure that is expected to bring down short-term rates and also boost investment in corporate bonds.
- **Ensure banks have durable liquidity:** These efforts are being carried forward with a view to assuring banks about the availability of durable liquidity at a reasonable cost relative to prevailing market conditions.
- **Ensure credit flow to productive sectors:** This should encourage banks to undertake maturity transformation smoothly and seamlessly so as to augment credit flows to productive sectors.

Source: TH

New Hub Under National Mission on Interdisciplinary Cyber Physical Systems

Why in News

The **Indian Institute of Technology (IIT) Ropar, Punjab** is setting up a **Sectoral Application Hub in Technologies for Agriculture and Water**.

Key Points

- The hub is being set up under the **National Mission on Interdisciplinary Cyber Physical Systems (NMICPS)** and is granted by Union Government's **Science and Engineering Research Board**.
- The application hub will bring solutions for **stubble management, water quality improvement** and **mapping of hazardous substances in water**.
- The hub **aims** at carrying out translational research and work with concerned departments to develop prototypes, products and implementations.

National Mission on Interdisciplinary Cyber Physical Systems

- It was **launched in 2018** and is implemented by the **Department of Science & Technology** for a period of five years.
- NMICPS covers entire India which includes Central Ministries, State Governments, Industry and Academia.
- **Objectives:**
 - It is a **comprehensive mission** which would address technology development, application development, human resource development & skill enhancement, entrepreneurship and start-up development in **Cyber-Physical System (CPS)** and associated technologies.
 - The mission **aims** at establishing 15 Technology Innovation Hubs (TIH), six Application Innovation Hubs (AIH) and four Technology Translation Research Parks (TTRP).
 - These Hubs & TTRPs will connect to Academics, Industry, Central Ministries and State Government in developing solutions at reputed academic, R&D and other organizations across the country in a hub and spoke model.
 - The Hubs & TTRPs have **four focused areas** namely:
 - Technology Development.
 - HRD & Skill Development.
 - Innovation, Entrepreneurship & Start-ups Ecosystem Development.
 - International Collaborations.

Cyber-Physical Systems

- These systems **integrate** sensing, computation, control and networking into physical objects and infrastructure, connecting them to the Internet and to each other.

- **Few Potential applications:**
 - **Driverless cars** that communicate securely with each other on smart roads.
 - **Sensors** in the home to detect changing health conditions.
 - **Improving agricultural practices.**
 - **Enabling scientists** to address issues arising out of climate change.
 - Advances in cyber-physical systems will enable capability, adaptability, scalability, resiliency, safety, security and usability that will far exceed the simple embedded systems of today.
-

Attukal Pongala Festival

Why in News

The annual “ Attukal Pongala”, one of the largest all-women religious congregations began recently amid the **COVID-19 virus** threat.

Key Points

- Pongala is a **ten-day- long festival** of **Attukal Bhagavathy Temple**.
- The festival commences with the musical rendering of the story of the **Goddess (Kannaki Charitam) during the "Kappu Kettu ceremony"**.
- The story invokes the presence of Kodungallur Bhagavathy and the **slaying of the Pandyan King**. This festival commemorates the victory of Good over Evil, by the slaying of Pandyan King.
- The event of the Goddess annihilating the Pandyan King is accompanied by much sound and fury of the temple drums and "Vaykurava" by devotees, immediately followed by the lighting of the hearths for the preparation of the offering for the Goddess.

Pongala

- Pongala, which means '**to boil over**', is the ritual in which women prepare sweet payasam (a pudding made from rice, jaggery, coconut and plantains cooked together) and offer it to the Goddess or 'Bhagavathy'.
- The pongala is cooked in pots – preferably earthen.

Attukal Bhagavathy temple

- This temple is dedicated to **Goddess Bhagavathy**.
- Also known as "**the Sabarimala of Women**", this temple attracts the biggest set of women devotees for the annual Attukal Pongala festival.

- Attukal Devi temple and its main festival Attukal Pongala reached **Guinness Book of World Records** of largest annual gathering of women, when 1.5 million (15 Lakhs) women offered pongala on February 23, 1997 and on March 10, 2009, when over 2.5 million people took part in it.
- The temple is built with elements of **Kerala architectural style and Tamil architectural style as well.**
- The main building also comprises Goddess Kali, Goddess Parvathy, Lord Shiva, Goddess Sri Rajarajeswari and several others.

Kerala Architectural Style

- It displays certain variation on plan and elevation from its counterparts on the eastern coast of south India.
- These variations are mainly owing to **distinct climatic conditions** and the employment of different building materials along with the native systems of beliefs and culture.
- Kerala temples have a distinct style of their own by the **lavish use of wood, stone and metals.**
- Wood is used for making Temples because of rich forest cover.
- The base structure of the temple is made using **granite and laterite.**
- The roof may have **one, two or even three stories.**
- The shape of the roof depends on the plan of the sanctum below.
- The steep and needle like roof is made of wood and is covered with copper plates in order **to protect the inner skeletal framework from the vigorous monsoons.**

Source : TH

Government to Launch Mahua-based Alcoholic Drink

Why in News

The central government is set to launch a **mahua-based alcoholic beverage 'Mahua Nutribeverage'** in the market for the first time.

- The Beverage will come in **six fruit-based flavours** and will be available at the price of Rs. 700 for a 750ml bottle.
- This is the **first time** that the **Ministry of Tribal Affairs** is getting into bottling and sale of alcoholic beverages.

Key Points

- The beverage has a **high nutritional value** and **relatively low alcohol** content (5%).
- It has been developed by the **Indian Institute of Technology (IIT) Delhi** in collaboration with the **Tribal Cooperative Marketing Development Federation of India (TRIFED)**.

TRIFED is a **national-level apex organization** functioning under the administrative control of the Ministry of Tribal Affairs.

- TRIFED has signed a memorandum with the **National Research Development Corporation (NRDC)** to undertake the assignment of technology transfer to the suitable entrepreneurs for production and marketing of the beverage.
- The marketing is being undertaken under the **Van Dhan Vikas Karyakram**.
 - It is **Tribal Affairs Ministry's value-addition scheme** which was launched in **Chhattisgarh's Bijapur in 2018**.
 - The nation-wide programme earmarked ₹500-600 crore for training tribal clusters to add value to their produce and sell it in a packaged format, aiming to increase their income manifold.
 - The products marketed under the scheme include only those that need **primary-level processing**, including handicrafts, textiles, food items, jams and pulps and jewellery.
- Besides mahua, other tribal staples such as **tamarind and amla** will be de-seeded and brought to the market in the form of candies and jams.

Mahua



- Its scientific name is **Madhuca indica**.
- It is a prominent forest tree in tribal areas of **Bastar (Chhattisgarh)** and plays an important role in the rural economy.
- The mahua flowers are a **rich source of sugars** and are said to contain **vitamins, minerals and calcium**.
- The flowers are fermented and distilled yielding spirituous liquor also known as '**country beer**'.
- An **estimated 90% of the annual production** of Mahua flower is used in the process of brewing beverages.

Source: IE

Hubli-Ankola Railway Line Project

Why in News

The Hubballi-Ankola railway line project, saw stiff opposition from a majority of the board members of the Karnataka State Wildlife Board.

Key Points

- The proposed 164.44-km railway line passes through forests between two major protected areas — **Kali Tiger Reserve and Bedthi Conservation Reserve**.
- More than 80% the line has to pass through the dense forest lands of the Western Ghats, and this entails the diversion of 727 hectares of prime forests.



Kali Tiger Reserve

- Kali Tiger Reserve is located in the central portion of **Uttara Kannada district of Karnataka state**.
- The Tiger Reserve comprises two important protected areas of the region viz., Dandeli Wildlife Sanctuary and Anshi National Park.
- These two protected areas are contiguous to each other and form a single tract of protected area located in **the biologically sensitive Western Ghats**.

- Forests of the Tiger Reserve are primarily **moist deciduous and semi-evergreen**, with excellent patches of evergreen forests in the western most parts as well as in deep valleys.
- Animals found in the Tiger Reserve include Tiger, Leopard, Elephant, Bison, Wild dog, Sambar, Spotted deer, Sloth bear, Wild boar, Hanuman langur, Bonnet macaque, varieties of reptiles and birds, etc.

State Boards for Wildlife

- SBWL is constituted under **the Wildlife Protection Act, 1972**.
- The SBWL is headed by the Chief Minister, with the Forest Minister of the State as the Vice Chair.
- State Boards for Wildlife advises the state governments in selection and management of protected areas and other matters connected with the protection of wildlife..

Source : TH

CPCB Notifies Contaminated Sites

Why in News

- According to the **Central Pollution Control Board (CPCB)**, there are 128 sites in India contaminated by **toxic and hazardous substances**.
- **West Bengal led the list** with 27 sites followed by Odisha at 23.

Incidents of Contamination

- **Oil contamination** due to leakage of underground oil pipelines of Bharat Petroleum Corporation Limited in Tamil Nadu.
- **Pesticide and heavy metal contamination** in creeks at Eloor, Kerala.
- **Chromium contamination** at Rania, Ranipet, Tamil Nadu, and Lohianagar, Uttar Pradesh.
- Improperly disposed **electronic waste** lying on the banks of river Ramganga, Moradabad.
- **Mercury contamination** of the soil at Kodaikanal, Tamil Nadu, and Ganjam, Odisha.

The Central Pollution Control Board

- CPCB is a **statutory organisation** which was constituted in September, 1974 under the **Water (Prevention and Control of Pollution) Act, 1974**.
- It was entrusted with the powers and functions under the **Air (Prevention and Control of Pollution) Act, 1981**.

- It serves as a field formation and also provides technical services to the Ministry of Environment and Forests of the provisions of the **Environment (Protection) Act, 1986**.
- Principal Functions of the CPCB, as spelt out in the Water (Prevention and Control of Pollution) Act, 1974, and the Air (Prevention and Control of Pollution) Act, 1981
 - to promote cleanliness of streams and wells in different areas of the States by prevention, control and abatement of water pollution.
 - to improve the quality of air and to prevent, control or abate air pollution in the country.

India's Record

- Independent organisations have warned that **India has a poor track record** in dealing with chemical accidents.
- According to **ToxicsLink**, an organisation that deals with hazardous waste disposal, there have been four major chemical accidents recorded, on average, every month between 2016-2019 and several accidents are not duly recorded.
- A committee constituted by the NGT in a report on the state of the management of hazardous waste (HW) in India noted that the **inventory was not very comprehensive**.

Source : TH

National Judicial Pay Commission

Why in News

Recently, a Supreme Court Bench has made it clear to the States and Union Territories (UTs) that recommendations made by the **Second National Judicial Pay Commission** to nearly **triple the pay and allowances for subordinate judiciary** should be implemented **proactively**.

The Supreme Court highlighted, in its February 28, 2020 order, that a financially self-sufficient subordinate judiciary was **pivotal** for the existence of an independent judiciary.

Second National Judicial Pay Commission

- The Commission was **constituted in 2017** pursuant to the order of the Supreme Court in **All India Judges Association case**, under **Article 32 (Constitutional Remedies)** of the Constitution.

- It is headed by former Judge of Supreme Court **Justice P. Venkatrama Reddi**.
- Few of the **objectives** of the Commission are:
 - To evolve the principles governing the pay structure and emoluments of Judicial Officers belonging to the Subordinate Judiciary all over the country.
 - To examine the present structure of emoluments and conditions of services of Judicial Officers in the States and Union Territories and to make suitable recommendations including post-retirement benefits such as pension, etc.
 - To consider and recommend such interim relief as the Commission considers just and proper to all categories of Judicial Officers.
 - To make recommendations regarding setting up of a permanent mechanism to review the pay and service conditions of members of Subordinate Judiciary periodically by an independent Commission.
- The Supreme Court observed that the **Commission may consider**, if necessary, **sending reports** on any of the matters as and when recommendations are finalised.
- The Commission has been **empowered to devise its own procedure and formulate the modalities** necessary for accomplishing the task.

First National Judicial Pay Commission

- It was **constituted in 1996**, pursuant to the order of the Supreme Court of India in **All India Judges Association case**.
- It was headed by **Justice K. Jagannatha Shetty**, former Judge of the Supreme Court. It was also referred to as the **Justice Shetty Commission**.
- The commission gave a **comprehensive report in the year 1999**, covering not merely the pay structure, allowances and conditions of service of Judicial Officers but also various other aspects concerning the Courts and judicial administration.

Source: TH

National Institute of Health & Family Welfare

Why in News

- Recently, the **43rd Annual Day** of the **National Institute of Health & Family Welfare (NIHFW)** was organised.
- On the occasion, the Union Health Minister emphasized that **synergy and cooperation between institutions** needed to counter India's Public Health challenges.

Key Points

- The National Institute of Health & Family Welfare (NIHFW) is situated in Delhi and was **established in 1977**.
- NIHFW is the premier organisation under Ministry Of Health and Family Welfare for capacity building through training of health professionals, frontline health workers such as **Accredited Social Health Activists (ASHAs)** and **Auxiliary Nurse Midwife (ANMs)** and other central and state officers & healthcare staff.

Accredited Social Health Activist

- An Accredited Social Health Activist (ASHA) is a **community health worker** instituted by the Ministry of Health and Family Welfare (MoHFW) as a **part of the National Rural Health Mission (NRHM)**. The mission began in 2005.
- ASHAs must primarily be female residents of the village that they have been selected to serve, who are likely to remain in that village for the foreseeable future.

Auxiliary Nurse Midwife

- **Auxiliary nurse midwife, commonly known as ANM**, is a village-level female health worker in India who is known as the first contact person between the **community and the health services**.
- ANMs are regarded as the grass-roots workers in the health organisation pyramid.
- Their services are considered **important to provide safe and effective care** to village communities.
- The role may help communities achieve the targets of **national health programmes**.

Source: PIB

Foundation Day of National Archives of India

Why In News

Recently, on the occasion of **130th Foundation Day of National Archives of India**, an exhibition "**Jallianwala Bagh**" was inaugurated, to mark the **Jallianwala Bagh massacre centenary**.

Key Points

- The present exhibition is primarily presented with the help of original and digital copies of archival documents relating to the Jallianwala Bagh Massacre available in National Archives of India.
- This is an attempt to portray the relentless struggle of the Indian people against the British tyranny through our record holdings.

National Archives of India

- The National Archives of India is an attached office under the **Ministry of Culture**. It was established on 11 March 1891 at Kolkata (Calcutta) as the Imperial Record Department.
- Following the transfer of the capital from Calcutta to Delhi in 1911, the present building of the National Archives of India was constructed in 1926 which was designed by Sir Edwin Lutyens.
- The transfer of all records from Calcutta to New Delhi was completed in 1937. It is the **nodal agency** for the implementation of the **Public Records Act, 1993 and Public Record Rules, 1997**.

Source: PIB
