

News Analysis (07 May, 2021)

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Media has Right to Report Court Proceeding: SC

Why in News

Recently, the Supreme Court (SC) dismissed a plea by the Election Commission of India (ECI) to restrain media from reporting oral observations of the judges.

The SC ruled that the **media has rights to report observations** made during the course of hearings (Court Proceedings).

Key Points

- Freedom of Speech:
 - Real-time reportage of court proceedings, including the oral exchanges in courtrooms between judges and lawyers, is part of the right to freedom of speech.

Under Article 19, Indian Constitution guarantees Freedom of Speech and Expression.

• With the advent of technology, reporting has proliferated through social media forums, which provides real-time updates to a much wider audience. This is an extension of the freedom of speech and expression that the media possesses.

This constitutes a virtual extension of the open court.

- Except in cases of child sexual abuse and marital issues, the phenomenon of free press should extend to court proceedings.
- Judicial Integrity:

Right of the media to report and disseminate issues and events, including court proceedings that were a part of the public domain, augmented the integrity of the judiciary.

- Functionality of Open Court Proceeding:
 - Ensures that the judicial process is subject to public scrutiny which in turn is crucial to maintaining transparency and accountability and transparency in the functioning of democratic institutions is crucial to establish the public's faith in them.
 - Ensures that judges act in accordance with law and with probity.
 - Court proceedings are vital sources of public information about the activities of the legislature and the executive. An open court serves an educational purpose as well becoming a platform for citizens to know how the practical application of the law impacts upon their rights.
- Language:

There is a **need for judges to exercise caution in off-the-cuff remarks in open court**, which may be susceptible to misinterpretation. Language, both on the Bench and in judgments, **must comport with judicial propriety.** Language is an **important instrument of a judicial process which is sensitive to constitutional values.**

Election Commission of India

- About:
 - It is an **autonomous constitutional authority** responsible for administering Union and State election processes in India.
 - It was established in accordance with the constitution on 25th January 1950 (celebrated as <u>national voters' day</u>). The secretariat of the commission is located in New Delhi.
 - The body administers elections to the Lok Sabha, Rajya Sabha, and State Legislative Assemblies in India, and the offices of the President and Vice President in the country.

It is **not concerned with the elections to panchayats and municipalities** in the states. For this, the Constitution of India provides for a separate <u>State</u> <u>Election Commission</u>.

Constitutional Provisions:

<u>**Part XV (Article 324-329)</u>** of the Indian Constitution deals with elections, and establishes a commission for these matters.</u>

Source:TH

Falling Bond Yield

Why in News

Recently, the **Reserve Bank of India's (RBI)** decision to step up purchase of **Government Securities (G-Sec)** under the **Government Securities Acquisition Programme (G-SAP)** led to the **yield on the benchmark 10-year bond falling below 6%.**

In India, the **yield of 10-year G-Sec is considered the benchmark** and shows the overall interest rate scenario.

Key Points

• Bond Yield:

Bond yield is the **return an investor realizes on a bond.** The **mathematical formula** for calculating yield is the **annual coupon rate divided by the current market price of the bond**

- Bond: Is an instrument to borrow money. A bond could be issued by a country's government or by a company to raise funds.
- Coupon Rate: It is the rate of interest paid by bond issuers on the bond's face value.
- Effect of General Movement of Bond Yields:

Movements in yields depend on trends in interest rates, **it can result in capital** gains or losses for investors.

- A rise in bond yields in the market will bring the price of the bond down.
- A drop in bond yield would benefit the investor as the price of the bond will rise, generating capital gains.
- Reason for Decreasing Bond Yields:
 - Due to economic uncertainty caused by Covid-19.
 - In April 2021, the RBI launched G-SAP which has caused a decrease in G-sec yields which has continued since then.

- Impact:
 - Better Equity Markets:
 - A decline in yield is also better for the equity markets because money starts flowing out of debt investments to equity investments.
 - Equity market: It is a market in which shares of companies are issued and traded, either through exchanges or over-the-counter markets. Also known as the stock market.
 - That means as bond yields go down, the equity markets tend to outperform by a bigger margin and as bond yields go up equity markets tend to falter.
 - Reduced Cost of Capital:
 - When bond yields go up, the cost of capital goes up. That means that future cash flows get discounted at a higher rate.
 - **Discounting** is the process of determining the present value of a payment or a stream of payments that is to be received in the future.
 - This compresses the valuations of these stocks. That is one of the reasons that whenever the interest rates are cut by the RBI, it is positive for stocks.
 - Reduces Risk of Bankruptcy:
 - When bond yields go up, it is a signal that corporates will have to pay a higher interest cost on debt.
 - As debt servicing costs go higher, the risk of bankruptcy and default also increases and this typically makes mid-cap and highly leveraged companies vulnerable.
- RBI's Stand:
 - The RBI has been **aiming to keep yields lower as that reduces borrowing costs for the government** while preventing any upward movement in lending rates in the market.
 - A rise in bond yields will put pressure on interest rates in the banking system which will lead to a hike in lending rates. The RBI wants to keep interest rates steady to kick-start investments.

Government Securities Acquisition Programme

- About:
 - The RBI, for the year 2021-22, has decided to put in place a secondary market G-SAP 1.0.

It is part of RBI's Open Market Operations (OMOs).

• Under the programme, the **RBI will commit upfront to a specific amount of Open Market Purchases of G-Secs.**

• Objective:

To **avoid volatility in the G-sec market** in view of its central role in the pricing of other financial market instruments across the term structure and issuers, both in the public and private sectors.

- Significance:
 - It will **provide certainty to the bond market participants** with regard to RBI's commitment of support to the bond market in **Financial Year** (FY) 2021-2022.
 - It will help reduce the difference between the repo rate and the 10-year government bond yield.
 - That, in turn, will help to reduce the aggregate cost of borrowing for the Centre and states in FY 2021-22.
 - **Repo rate** is the rate at which RBI lends money to commercial banks.
 - It will **enable a stable and orderly evolution of the yield curve** amidst comfortable liquidity conditions.

Yield curve: It is a line that plots yields (interest rates) of bonds having equal credit quality but differing maturity dates.

The slope of the yield curve gives an idea of future interest rate changes and economic activity.

Source:IE

Report on Social Stock Exchanges

Why in News

A **technical group on Social Stock Exchanges (SSEs)**, constituted by the <u>Securities and</u> <u>Exchange Board of India (SEBI)</u>, has submitted its report.

- SEBI set up the technical group in September, 2020 under the chairmanship of Harsh Bhanwala, former chairman of <u>NABARD</u>.
- Earlier, a <u>Working Group (WG)</u> on the SSE, chaired by Ishaat Hussain, submitted its report in June 2020.

- About Social Stock Exchanges (SSEs):
 - The idea of the Social Stock Exchange (SSE) as a platform for listing social enterprise, voluntary and welfare organisations so that they can raise capital was mooted in the Union Budget 2019-20.

Social enterprise can be defined as a non-loss; non-dividend paying company created and designed to address a social problem.

- It was proposed to be set up under the market regulator SEBI.
- The **aim** of the initiative is **to help social and voluntary organisations which work for social causes to raise capital** as equity or debt or a unit of mutual fund.
- SSE already exists in countries such as Singapore, UK, Canada among others. These countries allow firms operating in sectors such as health, environment and transportation to raise capital.

- Recommendations of the Group:
 - Type of the Organisation: Political and religious organisations, trade organisations as well as corporate foundations should not be allowed to raise funds through SSEs.
 - Eligibility: For Profit Enterprise (FPE) and Not for Profit Organisation (NPO) will be eligible to tap the SSE if they are able to show their primary goals are social intent and impact.
 - Entities listed on SSE will have to disclose their social impact report on an annual basis covering aspects such as "strategic intent and planning, approach, impact score card".
 - NPOs are usually structured as non-governmental organisations, <u>Section 8</u> <u>companies</u>, trusts or societies. FPEs can be private limited companies, partnerships or sole proprietorships.
 - Different Modes of Fund Raising:
 - For NPOs, fundraising through equity, zero coupon zero principal bond, development impact bonds, social impact fund with 100% grants-in grants out provision, and donations by investors through mutual funds.
 - For FPEs, fundraising through equity, debt, development impact bonds, and social venture funds.
 - Eligible Activities: Social enterprises can engage in activities in such as:
 - Eradicating hunger, poverty, malnutrition and inequality; promoting health care (including mental health) and sanitation; and making available safe drinking water.
 - **Promoting education, employability** and livelihoods.
 - Promoting gender equality, empowerment of women and LGBTQIA+ communities.
 - Ensuring environmental sustainability, addressing climate change (mitigation and adaptation), forest and wildlife conservation.
 - Promoting livelihoods for rural and urban poor, including enhancing income of small and marginal farmers and workers in the non-farm sector.
 - Slum area development, affordable housing and other interventions to build sustainable and resilient cities.

Way Forward

 As the Covid-19 effects on the world economy show, it is critical for public and private sources of capital to come together and develop ingenious methods to ensure that capital flow to the social sector is unhindered and capital is utilised effectively to generate a lasting impact for the community.

- Institutional support through SSEs ensures that more investors are encouraged to integrate environmental aspects (such as resource conservation, environmentally sustainable working practices), social aspects (including privacy, data protection, employee welfare) and governance aspects (like board diversity, conflicts of interest resolution mechanism, independent oversight of management) into the evaluation of enterprises, moving beyond financial statements.
- To this end, all efforts need to be directed to make sure that an **enabling regulatory environment** is created for the planned SSE with a minimal compliance burden imposed on the enterprises, social entrepreneurs and investors.

Source: IE

5G Trial

Why in News

The **Department of Telecommunications (DoT)** has given **permissions to Telecom Service Providers (TSPs)** for conducting trials **for use and applications of** <u>5G</u> <u>technology</u>.

This formally **leaves out Chinese companies** like Huawei and ZTE from the 5G race in India.

- About the Trials:
 - In the initial phase, these trials **will be for 6 months**, including a 2 month period for procurement and setting up of the equipment.
 - TSPs will be required to test their set up in urban areas, semi-urban areas as well as rural areas.
 - TSPs will be provided with experimental spectrum in various bands, such as the mid-band of 3.2 GHz to 3.67 GHz, the millimeter wave band of 24.25 GHz to 28.5 GHz, and others.
 - Applications such as tele-medicine, tele-education, augmented/ virtual reality, drone-based agricultural monitoring, etc. will be tested. The data generated during the trials will be stored in India.
 - **Use of Indigenous Technology:** The TSPs are encouraged to conduct trials using **5Gi technology** in addition to the already known 5G Technology.
 - The 5Gi technology was advocated by India and it is approved by International Telecommunications Union (ITU) - the United Nations specialized agency for information and communication technologies – ICTs.
 - The 5Gi technology has been developed by IIT Madras, Centre of Excellence in Wireless Technology (CEWiT) and IIT Hyderabad.
 - It facilitates much larger reach of the 5G towers and Radio networks.
- Need for 5G Trial:
 - The telecom market in India is left with only three private telcos, with the rest having surrendered to the low returns on investments over the years. The two state-run companies, MTNL and Bharat Sanchar Nigam Limited (BSNL) have survived but are making losses.
 - In order **to increase their average revenue per user**, it is pertinent for telcos to start offering the new 5G technology as soon as possible.

- Chinese Telecom Companies in India:
 - India's telecom ministry has left out Chinese equipment makers Huawei and
 - **ZTE from its 5G trials**, becoming **the latest country to lock the firms out**. The US says **Huawei could be used by China for spying**, via its 5G equipment and its Federal Communications Commission (FCC) has even ordered certain US telecommunications companies to remove Huawei equipment from their network.
 - India is yet to implement any type of official ban on the Chinese companies, which currently supply a significant amount of equipment to India's mobile providers.
 - However, the government has signalled a tighter, more security-oriented approach to the country's networks, which is widely expected to work against the Chinese companies.
 - In December 2020, the government said it would identify "trusted" sources of telecoms gear its carriers can use in their networks as part of the <u>new security directive</u> for the sector.
 - Those new procurement rules are expected to come into effect in June 2021, and will restrict Indian network providers to buying certain types of equipment from "trusted sources". It might also include a list of banned suppliers.

5G Technology

- Features of 5G Technology:
 - **Bands in 5G:** 5G mainly work in 3 bands, namely low, mid and high frequency spectrum all of which have their own uses as well as limitations.
 - Low band spectrum: It has shown great promise in terms of coverage and speed of internet and data exchange however the maximum speed is limited to 100 Mbps (Megabits per second).
 - **Mid-band spectrum:** It offers higher speeds compared to the low band, but has limitations in terms of coverage area and penetration of signals.
 - **High-band spectrum:** It has the highest speed of all the three bands, but has extremely limited coverage and signal penetration strength.
 - Upgraded LTE: 5G is the latest upgrade in the long-term evolution (LTE) mobile broadband networks.
 - **Internet Speed and Efficiency:** In the high-band spectrum of 5G, internet speeds have been tested to be as high as 20 Gbps (gigabits per second) as compared to the maximum internet data speed in 4G recorded at 1 Gbps.

5G will provide up to three times greater spectrum efficiency and ultra low latency.

Latency is the amount of time data takes to travel between its source and destination.

- Utility of 5G Applications:
 - Trigger Fourth Industrial Revolution: Combined with <u>IoT</u>, cloud, <u>big data</u>, <u>AI</u>, and <u>edge computing</u>, 5G could be a critical enabler of the <u>fourth industrial</u> <u>revolution</u>.
 - Real Time Relay of Information: One of the primary applications of 5G will be implementation of sensor-embedded networks that will allow real time relay of information across fields such as manufacturing, consumer durables and agriculture.
 - Efficient Transport Infrastructure: 5G can also help make transport infrastructure more efficient by making it smart. 5G will enable vehicle-to-vehicle and vehicle-to-infrastructure communication, making driverless cars, among other things, a reality.
 - Improve the Accessibility of Services: 5G networks could improve the accessibility of services such as mobile banking and healthcare.
 - **Local Research:** It will stimulate the local Research and Development (R&D) ecosystem to develop innovative applications tailored to commercial needs.
 - **Economic Impact:** 5G is expected to create a cumulative economic impact of USD1 trillion in India by 2035, according to a report by a government-appointed panel (2018).

Evolution from First Generation to Fifth Generation

- 1G was launched in the 1980s and worked on analog radio signals and supported only voice calls.
- 2G was launched in the 1990s which uses digital radio signals and supported both voice and data transmission with a bandwidth of 64 Kbps.
- 3G was launched in the 2000s with a speed of 1 Mbps to 2 Mbps and it has the ability to transmit telephone signals including digitised voice, video calls and conferencing.
- 4G was launched in 2009 with a peak speed of 100 Mbps to 1 Gbps and it also enables 3D virtual reality.

Source: PIB

Indian Monsoon Resembled Australian Monsoon

Why in News

According to a recent study based on fossil leaves, Indian monsoon 25 million years ago resembled present day Australia's.

Understanding the past dynamics of Indian monsoon will help in climate modelling for future monsoon prediction.

- About the Study:
 - The morphological characters of fossil leaves from different geological ages collected from Deccan Volcanic Province, East Garo Hills of Meghalaya, Gurha mine in Rajasthan and Makum Coalfield in Assam were analysed.
 Plant leaf morphological characters such as apex, base and shape are ecologically tuned with the prevailing climatic conditions to adapt for all the seasons throughout the year.
 - The results indicated that the fossil leaves from India were adapted to an Australian type of monsoon and not the current Indian monsoon system during its voyage.

After India separated from Gondwana, its 9000 km northward voyage from the Southern Hemisphere to its modern position joined with Eurasia took 160 million years.

- The reconstructed temperature data show that the climate was warm (tropical to subtropical) at all the studied fossil sites with temperatures varying from 16.3–21.3 degrees C.
- All the fossil sites experienced high rainfall, which varied from 191.6 cm to 232 cm.
- Separation of India from Gondwana:
 - More than 140 million years ago, India was a part of the supercontinent called Gondwana.
 - The Gondwana was composed of modern South America, Africa, Antarctica, and Australia.
 - Tethys Ocean an immense body of water separated Gondwana from Eurasia.
 - When this supercontinent split up, a tectonic plate composed of India and modern Madagascar started to drift away.
 - Then, **India split from Madagascar** and **drifted north-eastward** with a velocity of about **20 cm/year**.
 - The continent collided with Eurasia about 50 million years ago, giving rise to the Himalayas.
 - Nowadays, India is still moving in the same direction but with a lower velocity of about 4 cm/year, due to the resistance of the Eurasian plate.



Indian Monsoon

- The **climate of India is described as the 'monsoon' type.** In Asia, this type of climate is found mainly in the south and the southeast.
- Out of a total of 4 seasonal divisions of India, <u>monsoon</u> occupies 2 divisions, namely,
 - **The southwest monsoon season -** Rainfall received from the southwest monsoons is seasonal in character, which occurs between June and September.
 - **The retreating monsoon season -** The months of October and November are known for retreating monsoons.

- Factors Influencing Southwest Monsoon Formation:
 - **The differential heating and cooling of land and water** creates a low pressure on the landmass of India while the seas around experience comparatively high pressure.
 - The shift of the position of Inter Tropical Convergence Zone (ITCZ) in summer, over the Ganga plain (this is the equatorial trough normally positioned about 5°N of the equator. It is also known as the monsoon-trough during the monsoon season).
 - **The presence of the high-pressure area, east of Madagascar,** approximately at 20°S over the Indian Ocean. The intensity and position of this high-pressure area affect the Indian Monsoon.
 - **The Tibetan plateau** gets intensely heated during summer, which results in strong vertical air currents and the formation of low pressure over the plateau at about 9 km above sea level.
 - **The movement of the westerly jet stream** to the north of the Himalayas and the presence of the tropical easterly jet stream over the Indian peninsula during summer.
 - Tropical Easterly Jet (African Easterly Jet).
 - El Nino/Southern Oscillation (SO): Normally when the tropical eastern south Pacific Ocean experiences high pressure, the tropical eastern Indian Ocean experiences low pressure. But in certain years, there is a reversal in the pressure conditions and the eastern Pacific has lower pressure in comparison to the eastern Indian Ocean. This periodic change in pressure conditions is known as the SO.

<u>Source: TH</u>

Eco Sensitive Zone Around Thane Creek Flamingo Sanctuary

Why in News

Recently, the **Ministry of Environment, Forest and Climate Change (MoEFCC)** has notified an **Eco Sensitive Zone (ESZ)** around the **Thane Creek Flamingo Sanctuary (TCFS, Maharashtra).**

The **ESZ** is meant to act as a **buffer for protected areas** and **reduces developmental pressures** around a **wildlife sanctuary or national park**.

About Thane Creek Flamingo Sanctuary:

- It is the second marine sanctuary of Maharashtra after Malvan sanctuary, and lies along the western bank of the Thane Creek.
- It is recognized as an "Important Bird Area" by the <u>Bombay Natural History</u> <u>Society.</u>
- TCFS is home to 39 categories of <u>mangrove</u> species, 167 species of birds like <u>flamingos</u>, 45 fish species, 59 species of butterflies, 67 insect species and mammals like jackals among others.

Thane Creek

- It is **an inlet in the shoreline of the Arabian Sea** that isolates the city of Mumbai from the Indian mainland.
- The creek is **divided into two parts:** the Ghodbunder-Thane stretch and the Thane Trombay (Uran) stretch.
- The creek has been **formed due to seismic faults** lying below it which runs from Uran to Thane.



Other Protected Areas of Maharashtra

- Sanjay Gandhi National Park
- <u>Tadoba Andhari Tiger Reserve</u>
- Koyna Wildlife Sanctuary
- Bor Wildlife Sanctuary
- <u>Umed Paoni Kardhandla WS</u>
- Sahyadri Tiger Reserve
- <u>Melghat Tiger Reserve</u>
- Navegaon National Park

Eco Sensitive Zone:

• About:

Eco-Sensitive Zones (ESZs) or **Ecologically Fragile Areas** are **areas** within 10 kms around Protected Areas, National Parks and Wildlife Sanctuaries.

In case of places with sensitive corridors, connectivity and ecologically important patches, crucial for landscape linkage, **even areas beyond 10 km width can be included** in the eco-sensitive zone.

• Associated Ministry:

ESZs are notified by the **Ministry of Environment**, **Forest and Climate Change (MoEFCC)**, under **Environment Protection Act**, **1986**.

• **Aim:**

To **regulate certain activities** around National Parks and Wildlife Sanctuaries so as to minimise the negative impacts of such activities on the fragile ecosystem encompassing the protected areas.

• Regulation of Activities in ESZs:

- Prohibited Activities: Commercial mining, saw mills, industries causing pollution (air, water, soil, noise etc), establishment of major hydroelectric projects (HEP), commercial use of wood, Tourism activities like hot-air balloons over the National Park, discharge of effluents or any solid waste or production of hazardous substances.
- Regulated Activities: Felling of trees, establishment of hotels and resorts, commercial use of natural water, erection of electrical cables, drastic change of agriculture system, e.g. adoption of heavy technology, pesticides etc, widening of roads.
- Permitted Activities: Ongoing agricultural or horticultural practices, rainwater harvesting, organic farming, use of renewable energy sources, adoption of green technology for all activities.
- Significance:
 - To minimise the impact of urbanisation and other developmental activities, areas adjacent to protected areas have been declared as Eco-Sensitive Zones as it acts as a shock absorber.
 - They also act as a transition zone from areas of high protection to areas involving lesser protection.
 - ESZs help in in-situ conservation, which deals with conservation of an endangered species in its natural habitat, for example the conservation of the <u>One-horned Rhino</u> of Kaziranga National Park, Assam.
 - ESZs minimise forest depletion and man-animal conflict.

- Challenges:
 - Climate Change: The rise in global temperature has generated land, water and ecological stress on the ESZs.
 - Local Communities: Slash and burn techniques used in agriculture, pressure of increasing population and the rising demand for firewood and forest produce, etc. exerts pressure on the protected areas.

Source: IE

Pulayar Community and Anamalai Tiger Reserve

Why in News

Two **Tribal settlements (Kattupatti and Kuzhipatti) of Pulayar community** within the limits of **Anamalai Tiger Reserve** in **Tamil Nadu** are gearing up for their **annual festival of local deity Vairapattan.**

- About Pulayar Community:
 - The Pulayar, also Pulaya, or Holeya or Cheramar, are one of the main social groups found in Kerala, Karnataka and in historical Tamil Nadu or Tamilakam.
 - They are a **Scheduled Caste** in **Kerala and Tamil Nadu.**
 - Pulayas are **noted for their music, craftsmanship, and for certain dances** which include,
 - Kolam-thullal, a mask dance which is part of their exorcism rituals, and
 - Mudi-āttam or hair-dance which has its origins in a fertility ritual.
 - Mahatma Ayyankali was called as Pulaya King.
 - Ayyankali in 1893 rode an ox-cart challenging the 'ban' on untouchables from accessing public roads by caste-Hindus.
 - Ayyankali became a stated protestor for Pulayar rights. Because of the protests led through Ayyankali, in 1907 a decree was issued to confess students from the untouchable network to government schools.

- Anamalai Tiger Reserve:
 - About:
 - It is one of the four Tiger Reserves in Tamil Nadu. It forms part of the Southern Western Ghats.
 - It forms part of the Anamalai Parambikulam Elephant Reserve declared in 2003.
 - It is surrounded by Parambikulam Tiger Reserve on the East, Chinnar Wildlife Sanctuary and Eravikulam National Park on the South Western side (all belong to Kerala).
 - The reserve is also surrounded by Nenmara, Vazhachal, Malayattur and Marayur reserved forests of Kerala.
 - The ranges found in this reserve include Amaravathi, Udumalpet, Pollachi, Ulandy, Valparai and Manamboli.

• Anthropological Diversity:

- The area has significant anthropological diversity with more than 4600 Adivasi people from six tribes of indigenous people living in 34 settlements.
- The tribes are the Kadars, Malasars, Malaimalasar, Pulaiyars, Muduvars and the Eravallan (Eravalar).

• Flora:

It includes wet evergreen forest and semi-evergreen forest, montane sholagrassland, moist deciduous, dry deciduous, thorn forests and marshes.

• Fauna:

The important mammals include: Asiatic elephant, Sambar, Spotted deer, Barking deer, Mouse deer, Gaur, Nilgiri tahr, Tiger, etc.

<u>Source: TH</u>