



## News Analysis (17 Aug, 2018)

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### Atal Bihari Vajpayee Passes Away

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Atal Bihari Vajpayee, a towering politician, statesman, orator and a poet passed away at the All India Institute of Medical Sciences in New Delhi.

- He was Prime Minister thrice in 1996, 1998-1999 and 1999-2004.
- Born on December 25, 1924, in Gwalior, Mr. Vajpayee was elected 10 times to the Lok Sabha from four different States and was twice member of the Rajya Sabha.
- He was awarded **India's highest civilian honor Bharat Ratna in 2015** on his birthday. His birthday, December 25, is observed as the Good Governance Day by the government.
- He was also awarded **Padma Vibhushan** in 1992.

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#### Few Flagship Initiatives

##### 1. Sarva Shiksha Abhiyan

- Launched in 2000-2001 to provide **free and compulsory education** to children between **6 to 14 years**.
- As per 2013 data, the school dropout has declined from 80 lakh in 2009 to 30 lakh in 2012 due to the success of the SSA.
- The **net enrolment ratio at the primary level has also increased to 99.8 per cent** since the launch of the scheme.
- Recently the Government has approved an **Integrated Scheme on School Education** by subsuming the Sarva Shiksha Abhiyan (**SSA**), Rashtriya Madhyamik Shiksha Abhiyan (**RMSA**) and Teacher Education (**TE**) from April 1, 2018 to March 31, 2020.

- In January, 2017 the government launched a dedicated web portal **ShaGun** for monitoring the progress of Sarva Shiksha Abhiyan (SSA). The portal was developed by **World Bank** in collaboration with Union Ministry of Human Resource Development. Its name has been derived from the words Shala (means schools) and Gun (i.e. Gunvatta meaning Quality).

## 2. Pravasi Bharatiya Divas

- Pravasi Bharatiya Divas (PBD) conventions are being held every year **since 2003**.
- It is celebrated on 9 January every year to mark the contribution of Overseas Indian community in the development of India. January 9 was chosen as the day to celebrate this occasion since it was on **this day in 1915 that Mahatma Gandhi, returned to India from South Africa**.
- These conventions provide a platform to the overseas Indian community to engage with the government and people of the land of their ancestors for mutually beneficial activities.
- These conventions are also very useful in networking among the overseas Indian community residing in various parts of the world and enable them to share their experiences in various fields.
- The **15<sup>th</sup> PBD will be held in Varanasi (U.P.)** in January, 2019 and its theme will be **"Role of Indian Diaspora in Building a New India"**.

## 3. Pradhan Mantri Gram Sadak Yojana

- The Pradhan Mantri Gram Sadak Yojana was launched on 25th December, 2000 to **provide all-weather access to unconnected habitations**.
- It is a **Centrally Sponsored Scheme** and 50% of the Cess on High Speed Diesel (HSD) is earmarked for this Programme.
- Recently, the Government has brought **forward the target date by three years from 2022 to 2019** to achieve complete rural connectivity through all-weather roads under PMGSY.
- The unit for this Programme is a **Habitation and not a Revenue village or a Panchayat**. A Habitation is a cluster of population, living in an area, the location of which **does not change over time**.

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## NAFIS Report Released by NITI AAYOG

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On August 16, 2018, 'NABARD All India Rural Financial Inclusion Survey' (NAFIS) was released by NITI Aayog.

- NAFIS was launched in 2016-17 as a national level survey that offers a comprehensive overview of the status of livelihoods and level of financial inclusion of the rural population.
- Its coverage spans across various financial inclusion aspects ranging from loans, savings, investments, pension, remittances and insurance.
- The survey also assessed the financial knowledge, attitude & behaviour of individuals.
- NABARD has decided to carry out such surveys every three years.

## Analysis

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- The NABARD All India Rural Financial Inclusion Survey (NAFIS) shows that average agriculture household income was a mere Rs 8,931 per month in 2016-17. Apart from a paltry income, farmers are facing rising indebtedness, lesser financial inclusion, and absence of insurance facility, according to the report.
- In the past four years, the income of a farm household has increased by just Rs 2,505/month. This is calculated by comparing the NABARD report with a 2012-13 study by the National Sample Survey Organization (NSSO), another government body that estimated the average monthly income of farm household at Rs 6,426. However, this income would actually be lesser if food inflation is included.
- While cultivation is still a major source of income (35 per cent), followed by daily wage labourer (34 per cent), livestock rearing contributes only 8 per cent of their income.

## Indebtedness and agricultural households

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- The survey shows that 41 per cent of rural households are indebted, of which majority (43 per cent) are agriculture households. Gujarat, Maharashtra, Telangana, Jammu and Kashmir and Himachal Pradesh are the most indebted households.
- Around one-third of total households take a loan from money lenders and other non-financial institutions. Although around 60 per cent of households take loans from financial institutions, the average amount of loan from non-institution is more than double than any financial institution.
- The average loan per household from non-institutional sources is Rs 63, 645 whereas average loan from a financial institution is Rs 28, 207.
- It clearly shows that one-third of rural households, which require the most support, are weaned away from financial inclusion. It also states that financial institutions do not prefer to lend in rural areas and they prefer to give the least they can.
- On an average, rural households have a debt of Rs 91,852.

## Insurance

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- Only one-fourth of the total rural households have any kind of insurance such as life insurance, vehicle, accident or health insurance. Out of the total rural households, only 26 per cent of agriculture households have any kind of insurance. Only 5 per cent and 2 per cent of the rural household have a vehicle and accidental insurance respectively said the survey.
- Only 6 per cent of rural households have health insurance. The health insurance among agriculture households was lowest (5 per cent) among the rural population.
- The pension is another social security scheme to provide income support to rural households, but only 19 per cent of rural households get any kind of pension. 20 per cent of agriculture households got a pension.

## Financial Inclusion

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- Around 49 per cent of total rural households report savings in a financial institution and around 53 per cent of agriculture households to save in financial institution. Besides, one-fourth rural households cannot use an ATM independently and 60 per cent of rural households cannot use mobile banking as they needed help to use it.
- Only 20 per cent rural households reported being associated with Self Help Groups.
- National Bank for Agriculture and Rural Development (NABARD) came into existence at the recommendation of B. Sivaraman Committee.
- It was approved by the Parliament through Act 61 of 1981 and came into existence in 1982 by transferring the agricultural credit functions of RBI and refinance functions of the then Agricultural Refinance and Development Corporation (ARDC).

### **Functions of NABARD**

- NABARD gives high priority to projects formed under the Integrated Rural Development Programme (IRDP).
- It provides finance to support poverty alleviation programs run by IRDP.
- It also makes the service area plan to provide backward and forward linkages and infrastructural support.
- It seeks to establish linkages between Self-help Group (SHG) that are organized by voluntary agencies for poor and needy in rural areas and other official credit agencies.
- It finances projects under the 'National Watershed Development Programme' and the 'National Mission of Wasteland Development'.
- It also supervises the cooperative banks and Regional Rural Banks to periodically ensure the development of the rural financing and farmers' welfare.

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## Investment in P-notes Continues to Decline

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Investments through participatory notes into Indian capital markets plunged to over nine-year low amid stringent norms put in place by the SEBI to check misuse of these instruments.

- Earlier in July 2017, SEBI had notified stricter norms stipulating a fee of \$1,000 on each instrument to check any misuse for channelising black money.
- It had also prohibited FPIs from issuing such notes where the underlying asset is a derivative, except those which are used for hedging purposes.
- The Securities and Exchange Board of India (SEBI) had also barred resident Indians, NRIs and entities owned by them from making investment through P-notes.

### **Participatory Notes**

- P-Notes, or Offshore Derivative Instruments (ODIs), are instruments issued by registered foreign portfolio investors (FPIs) to overseas investors who wish to invest in Indian stock markets without registering themselves with SEBI.
- By their very nature, P-Notes are seen as an opaque route for investment which leave room for round tripping. Round tripping is stashing money and bringing it back to India through tax haven in the garb of foreign capital.

### **Reasons for Tightening Rules on P-Notes**

- It will help in keeping track of the beneficial owners of these instruments.
- For ensuring transparency and having checks in place while dealing with P-Notes.
- SEBI aims to bring P-Note holders under the ambit of Indian knowyour-customer (KYC) and anti-money laundering norms.

### **Securities and Exchange Board of India**

- The Securities and Exchange Board of India was established as a non-statutory regulatory body in the year 1988, but it was given statutory status under the Securities and Exchange Board of India Act, 1992.
- Its objective is to protect the interests of investors in securities and to promote the development and regulation of securities market.
- In 2015, the Forward Market Commission was merged with SEBI.
- This merger has created SEBI has a unified regulator for commodities and capital markets in India.

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## **UPI 2.0 Launched by NPCI**

On August 16, 2018, an upgraded version of the Unified Payments Interface (UPI), UPI 2.0, was launched by the National Payments Corporation of India (NPCI).

## What is Unified Payments Interface (UPI)?

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- It was launched in April 2016 and in the last two years, the platform has emerged as a popular choice among users for sending and receiving money.
- UPI is a payment system that allows money transfer between any two bank accounts by using a smartphone.
- UPI allows a customer to pay directly from a bank account to different merchants, both online and offline, without the hassle of typing credit card details, IFSC code, or net banking/wallet passwords.
- It also caters to the “Peer to Peer” collect request which can be scheduled and paid as per requirement and convenience.

## Key Features

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- **Linking of overdraft account:** In addition to current and savings accounts, customers can link their overdraft account to UPI. Customers will be able to transact instantly and all benefits associated with the overdraft account shall be made available to the users. UPI 2.0 will serve as an additional digital channel to access the overdraft account.
- **One-time mandate:** UPI Mandate, which means customers including both merchants and individual users can pre-authorize a transaction and pay at a later date, can be created and executed instantly. On the date of actual purchase, the amount will be deducted and received by the merchant/individual user.
- **Invoice in the inbox:** This feature is designed for customers to check the invoice sent by merchant prior to making payment. It will help customers to view and verify the credentials and check whether it has come from the right merchant or not. Customers can pay after verifying the amount and other important details mentioned in the invoice.
- **Signed intent and QR:** This feature helps customers to check the authenticity of merchants while scanning QR or quick response code. It notifies the user with information to ascertain whether the merchant is a verified UPI merchant or not. This provides an additional security. Customers will be informed in case the receiver is not secured by way of notifications.

## **National Payments Corporation of India (NPCI)**

- It is an umbrella organisation for operating retail payments and settlement systems in India. It is an initiative of Reserve Bank of India (RBI) and Indian Banks’ Association (IBA) under the provisions of the Payment and Settlement Systems Act, 2007.
- It has been incorporated as a “Not for Profit” Company under the provisions of Section 25 of Companies Act 1956 (now Section 8 of Companies Act 2013).

- The ten core promoter banks are State Bank of India, Punjab National Bank, Canara Bank, Bank of Baroda, Union Bank of India, Bank of India, ICICI Bank, HDFC Bank, Citibank and HSBC. In 2016 the shareholding was broad-based to 56 member banks to include more banks representing all sectors.
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## Scientists to test land for LIGO

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Recently the Environment Ministry has allowed scientists to test the suitability of land in Maharashtra's Hingoli district to host the ambitious Laser Interferometer Gravitational Wave Observatory (LIGO) project. .

- The project involves constructing a network of L-shaped arms, each four kilometres long, which can detect even the faintest ripples from cosmic explosions millions of light years away.
- The project, piloted by the Department of Atomic Energy and Department of Science and Technology and is expected to be ready by 2025.

## LIGO India

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- LIGO India is a planned advanced gravitational-wave observatory to be located in India as part of the worldwide network.
- The LIGO project operates three gravitational-wave (GW) detectors. Two are at Hanford in the State of Washington, north-western USA, and one is at Livingston in Louisiana, south-eastern USA.
- The LIGO-India project is an international collaboration between the LIGO Laboratory and three lead institutions in the LIGO-India consortium: Institute of Plasma Research, Gandhinagar; IUCAA, Pune; and Raja Ramanna Centre for Advanced Technology, Indore.

## Significance of LIGO India Project:

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- Information extracted by these transmitted waves will help to address unsolved questions and mysteries of physics and astronomy.
- It will help Indian scientific community to be a major player in the emerging research frontier of GW astronomy.
- The high-end engineering requirements of the project (such as the world's largest ultra-high vacuum facility) will provide unprecedented opportunities for Indian industries in collaboration with academic research institutions.

- Multidisciplinary nature of project would provide opportunity to bring together scientists and engineers from different fields like optics, lasers, gravitational physics, astronomy and astrophysics, cosmology, computational science, mathematics and various branches of engineering.
- The cutting edge project in India can serve as a local focus to interest and inspire students and young scientists.

## What are Gravitational waves

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- Gravitational waves are distortions or 'ripples' in the fabric of space-time caused by some of the most violent and energetic processes in the Universe.
- They transport energy as gravitational radiation and pass through matter without interacting with it.
- Gravitational waves were first predicted in 1916 by Albert Einstein on the basis of his Theory of General Relativity.
- Strongest sources of gravitational waves are among enigmatic objects in our universe like black holes, supernova, neutron stars and Big Bang

### Notes:

**Black Holes-** A black hole is a place in space where gravity pulls so much that even light can not get out. The gravity is so strong because matter has been squeezed into a tiny space. This can happen when a star is dying.

**Supernova-** A supernova is the explosion of a star. It is the largest explosion that takes place in space. A supernova happens where there is a change in the core, or center, of a star. A change can occur in two different ways, with both resulting in a supernova.

### Neutron stars-

- Neutron stars comprise one of the possible evolutionary end-points of high mass stars.
- Once the core of the star has completely burned to iron, energy production stops and the core rapidly collapses, squeezing electrons and protons together to form neutrons and neutrinos.
- A star supported by neutron degeneracy pressure is known as a 'neutron star', which may be seen as a pulsar if its magnetic field is favourably aligned with its spin axis.

**Big Bang-** The Big Bang Theory is the leading explanation about how the universe began. At its simplest, it says the universe as we know it started with a small singularity, then inflated over the next 13.8 billion years to the cosmos that we know today.

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# India's First Baby Penguin

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India's first Humboldt Penguin chick hatched on 15th August at the Byculla zoo in Mumbai.

- According to the Zoo officials, the DNA test for the determination of the sex of the baby penguin will be conducted later.
- The egg of the Humboldt penguins was laid last month. The nestling became the first to be born in India.

## Humboldt Penguin

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Humboldt penguin is named after the cold ocean current, known as Humboldt current (discovered by German explorer Alexander von Humboldt), that is typical for the natural habitat of this species of penguin (west coast of South America).

**Note:** The Humboldt current, also known as the Peru Current, is an ocean current that flows along the western coast of South America, affecting the water and air temperatures of coastal Chile and Peru.

- **Habitat:** This penguin nests on islands and rocky coasts and feeds in surrounding waters. Its habitat is highly influenced by the cold, nutrient-rich Humboldt Current flowing northward from Antarctica, which is vital to the productivity of plankton and krill and fosters fish abundance.
- **Range:** The Humboldt penguin lives along the coasts of Chile and Peru in the southeastern Pacific Ocean.
- **Migration:** When not raising chicks, these penguins have been known to travel long distances at sea to find food, especially in recent years as prey species become increasingly scarce.
- **Breeding:** Humboldt penguins can breed at any time of year, usually digging burrow-like nests among piles of guano in caves and along cliffs.
- **Life Cycle:** This penguin's lifespan is about 20 years.
- **Feeding:** Humboldt penguins feed primarily on fish, especially anchovies, herring and smelt.
- **Major threats**
  - Changes in ocean currents and temperatures in the Pacific Ocean, apparently driven by global warming, appear to be a grave threat to the species' survival.
  - El Niño southern oscillation events reduce the upwelling of cold, nutrient-laden waters to reduce penguin prey and overall productivity.
  - This penguin is also imperiled by intense commercial fishing and oil pollution.
  - The Humboldt Penguin was classified by IUCN as a Vulnerable species in 2002.

- The Humboldt Penguin is also a protected species under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES).
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## Interpretation Centre to Come Up in Odisha

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The Odisha government has planned to set up a world-class interpretation centre at Dangamal near Bhitarkanika National Park to showcase its efforts in protecting crocodiles and preserving its rich mangrove diversity.

- The project has been approved under the Integrated Coastal Zone Management Project.
- The state will develop the centre both as a tourist attraction and a place for students to learn about the environment.
- **Interpretation centres** are the places that provide interpretation of the place of interest (such as a country park, historical site, etc) through a variety of media, such as video displays and exhibitions of materials and artefacts related to the heritage significance of the sites.

## Integrated Coastal Zone Management Project

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- Integrated Coastal Zone Management (ICZM) Project was launched by the Ministry of Environment, Forest and Climate Change based on the recommendations of the expert committee report of the Prof M. S. Swaminathan. Society of Integrated Coastal Management (SICOM) was established under the Project.
- It is a World-Bank assisted project which aims to build national capacity for implementation of comprehensive coastal management approach in the country, and piloting the integrated coastal zone management approach in states of Gujarat, Orissa and West Bengal.
- There are four components to the project to be implemented by the SICOM-
  - **National ICZM capacity building**- the national component includes **mapping, delineation and demarcation of the hazard lines**, and delineation of coastal sediment cells all along the mainland coast of India.

The national component also includes the **establishment of a National Centre for Sustainable Coastal Management (NCSCM)** at Chennai with its regional centres in each of the coastal States/Union territories to promote research and development in the area of coastal management including addressing issues of coastal communities.
  - **Piloting ICZM approaches in Gujarat**- includes the Gulf of Kachchh region
  - **Piloting ICZM approaches in Odisha**- includes the stretches of Paradip-Dhamra and Gopalpur-Chilika
  - **Piloting ICZM approaches in West Bengal**

## Coastal Management in India

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- In general, the east coast of India is considered to be more vulnerable than the west coast because of its low lying nature and hence the tendency of coastal flooding can rise if the sea level rises significantly.
- Multi-hazard approach that fully accounts for holistic coastal vulnerability arising from the Earthquake, Cyclones, Flood, Storm Surge and Tsunami etc. is considered for developing hazard-resistant design criteria for construction of on-shore infrastructure viz. houses, buildings, special economic zones (SEZs), ports, construction of bridges for evacuation of habitants in low lying zones like Sundarbans, Bay Islands etc., Industrial and Infrastructure Corridors.
- India's National Action Plan on Climate Change (NAPCC) outlines a strategy that aims to enable the country adapt to climate change and enhances the ecological sustainability of our development path.

## Bhitarkanika National Park

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- Bhitarkanika National Park is one of Odisha's finest biodiversity hotspots and is famous for its green mangroves, migratory birds, turtles, estuarine crocodiles and countless creeks.
- The wetland is represented by 3 protected Areas, the Bhitarkanika National Park, the Bhitarkanika Wildlife Sanctuary and the Gahirmatha Marine Sanctuary.
- Bhitarkanika is located in the estuary of Brahmani, Baitarani, Dhamra and Mahanadi river systems.
- It is said to house 70% of the country's estuarine or saltwater crocodiles, conservation of which was started way back in 1975.
- The mangrove forests had acted as a bio-shield in 1999 when coastal Odisha was battered by Super Cyclone. There was little impact of the cyclone in the mangrove-forested regions.
- Kalibhanjdia Island, a place in Bhitarkanika, possesses 70% of the total mangrove species of the world.

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## Important Facts for Prelims (17 August 2018)

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### KeyPass

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KeyPass is a ransomware that is a variant of a trojan. It takes control of a computer by taking manual control of the internal systems.

**NOTE:** Ransomware is a form of malware or malicious software. It can encrypt or hack data of individual users or corporations. As the name suggests, it presents users with an

ultimatum: pay a fee to unlock and reclaim personal data, or lose the data indefinitely.  
Examples of ransomware include wannacry, petya etc.

- It has become viral in the last few days, particularly targeting developing countries. India is among the top five victim countries.
  - A trojan is a malware that behaves as a legitimate software. It fools computer users into downloading it, thereby, giving hackers a back-door entry. By taking control of computers hackers can manipulate data to cause harm that includes demanding a ransom.
-