News Analysis (03 Apr, 2020)

Operation Sanjeevani

Why in News

Recently, **India supplied 6.2 tonnes of essential medicines to Maldives,** under **Operation Sanjeevani** as assistance in the fight against **COVID 19.**

Key Points

- The medicines were delivered by an **Hercules C-130J-30 aircraft of Indian Air Force.**
- The medicines **include influenza vaccines, antiviral drugs such as <u>lopinavir and ritonavir</u>** among others as well as consumables such as catheters, nebulisers, urine bags and infant feeding tubes.
  - Lopinavir and ritonavir have been used to treat patients with COVID-19 in some countries.
- In March India also dispatched a **14-member Army medical team to Maldives to set up a viral testing lab** there and **gifted 5.5 tonne of essential medicines.**

Previous India's Assistance to Maldives

- **1988:** Under **Operation Cactus** the Indian Armed Forces have helped the government of Maldives in the **neutralization of the coup attempt.**
- **2004:** India has helped Maldives **after the tsunami.**
- **2014:** Under **'Operation Neer'** India supplied drinking water to Maldives to deal with the drinking water crisis.
- The two Advanced Light Helicopters (ALH) given by India to the Maldivian armed forces have been used in saving Maldivian lives.
  - The Advanced Light Helicopter is a multi-role, new generation helicopter in the 5.5-ton weight class, indigenously designed and developed by **Hindustan Aeronautics Limited (HAL).**

Relations Between the Two Countries

- **History:** India and Maldives share ethnic, linguistic, cultural, religious and commercial links. India was **among the first to recognize Maldives** after its independence in 1965 and later established its mission at Male in 1972.
- **Defence:** India provides the largest number of training opportunities for Maldivian National Defence Force (MNDF), meeting around 70% of their **defence training requirements.**
  - **'Ekuverin'** is a joint military exercise between India and Maldives.
- **Disaster Management:** The Government of India has provided large-scale assistance to Maldives in the aftermath of the 2004 Indian Ocean tsunami and during the 2014 Male water crisis.
- **Trade and Tourism:** India is Maldives' 4th largest trade partner after UAE, China and Singapore. In 2018, India was the 5th largest source of tourist arrivals in Maldives.
  - The Maldivian economy is heavily dependent on its tourism sector, which is the major source of foreign exchange earnings and government revenue.

Source: TH

Impact of Lockdown on Banks

Why News

- Banks are concerned about the build up of Non-performing Assets (NPAs) as the disruption caused to business operations and supply chains during the 21-day **lockdown** period will take time to repair.
- This is despite the fact that the **Reserve Bank of India** (RBI) has injected fresh liquidity into the banking system and given banks leeway to deal with potential stress in loan accounts.

Non-Performing Asset

- NPA refers to a classification for loans or advances that are in **default or are in arrears** on scheduled payments of principal or interest.

- In most cases, debt is classified as non-performing, when the loan payments have not been made for a **minimum period of 90 days.**
- **Gross non-performing assets** are the sum of all the loans that have been defaulted by the individuals who have acquired loans from the financial institution.
- **Net non-performing assets** are the amount that is realized after provision amount has been deducted from the gross non-performing assets.

Concerns of Bankers

- **Fresh NPAs**
  - The 21-day period lockdown would cause pain to lenders, especially in loan
  - accounts from sectors including **Micro, Small & Medium Enterprises (MSMEs)**, airlines, real estate, auto dealers, gems and jewellery, metals among others.
  - Banks are concerned about MSME loans and those extended to manufacturing sectors, such as auto, steel, renewable energy, as those where fresh NPAs are looming.
  - According to the RBI's financial stability report, the share of large borrowers in scheduled commercial banks' total loan portfolios and their share in GNPAs was at 51.8%and 79.3% respectively, in September 2019.
- **Problems Within Different Sectors**
  - Even if the lockdown is lifted on April 14, operations of a number of companies in specific sectors will not see business getting back to normal as the labour has moved out and the production may not be able to restart.
  - Apart from these, capital intensive sectors such as aviation, real estate, consumer durables, and jewellery may take a long time before there is a demand revival.
  - Renewable power is struggling because of complete disruption of supply chains from China, as a result of which they are way behind on project schedules and could face payment issues from their customers, the power discoms.
- **Fear of Extended Lockdown:** Measures by the RBI will provide banks some relief during the next three months, but a buildup of bad loans looks inevitable.While moratorium provides temporary relief to borrowers and helps check the NPAs during that period, an extended lockdown is expected to have a significant adverse effect on the economy.

- **Analysis By Different Rating Agencies**
  - **Moody's Investors Service:** It expects deterioration in banks' asset quality due to disruption in economic activity. It has changed the outlook for Indian banking system to negative from stable.
  - **According to a report released by Crisil:** The asset classes will see continuing pressures on asset quality due to weaker profiles of borrowers and expectation of only a gradual economic recovery. In study of 35 sectors, both from manufacturing and services,there is a sharp variation in resilience in a post-Covid-19 landscape.
    - **High Resilience Category:** Pharmaceuticals, telecom, Fast Moving Consumer Goods (FMCG), fertiliser, oil refineries, power & gas distribution and transmission are among the sectors comprising nearly 44% of the debt.
    - **Moderate Resilience Category:** Another 52% debt is in sectors such as automobile manufacturers, power generators, roads and construction.
    - **Least Resilient Category:** Around 4% of debt in sectors such as airlines, gems and jewellery, auto dealers and real estate, given the discretionary nature of goods and services, and weak balance sheets.

Source: IE

Covid-19 Quarantine Alert System (CQAS)

Why in News

The Department of Telecommunications (DoT) has shared a Standard Operating Procedure (SOP) with all telecom service providers regarding the application called **COVID-19 Quarantine Alert System (CQAS).**

> CQAS collects phone data, including the device's location, on a common secured platform and alerts the local agencies in case of a violation by **COVID** patients under watch or in isolation.

Key Points

- **Developed By:** The DoT and the Centre for Development of Telematics (C-DOT), in coordination with telecom service providers, have developed and tested the application.

- **Working:**
  - The CQAS prepares a list of mobile numbers, segregates them on the basis of telecom service providers, and the location data provided by the telecom companies is run on the application to create **geo-fencing.**
    - **Geo-fencing** is a location-based service in which an app or other software uses GPS, RFID, Wi-Fi or cellular data to trigger a pre-programmed action when a mobile device or RFID tag enters or exits a **virtual boundary** set up around a **geographical location, known as a geofence.**
    - **Geo-fencing will only work** if the quarantined person has a mobile phone from Airtel, Vodafone-Idea or Reliance Jio, as "BSNL/MTNL" do not support location based services. BSNL and MTNL are government owned.
  - The location information is received periodically over a secure network for the authorised cases with **"due protection of the data received".**
  - The System **triggers e-mails and SMS alerts** to an authorised government agency if a person has jumped quarantine or escaped from isolation, based on the person's mobile phone's cell tower location. The **"geo-fencing" is accurate by up to 300 m.**
- **Use of Powers under the Indian Telegraph Act, 1885**
  - The Centre is using powers under the **Indian Telegraph Act** to **"fetch information"** from telecom companies **every 15 minutes** to track COVID-19 cases across the country.
  - The States have been asked to seek the approval of their Home Secretaries under the provisions of **Section 5(2) of the Indian Telegraph Act, 1885,** for the specified mobile phone numbers to request the DoT to provide information by email or SMS in case of violation of "geo-fencing".
  - Section 5(2) authorises State or Centre to access information of a user's phone data in case of **"occurrence of any public emergency or in the interest of the public safety."**
- **Protection of Data**
  - As per the SOP, the phone number should be deleted from the system after the period for which location monitoring required is over and the data would be deleted four weeks from thereon.
  - The data collected shall be used only for the purpose of **Health Management in the context of COVID-19** and is strictly not for any other purposes. Any violation in this regard would attract penal provisions under the relevant laws.

Centre for Development of Telematics

- C-DOT was established in August 1984 as **an autonomous Telecom R&D Centre of DoT.**
- It is a registered society under the Societies Registration Act, 1860.
- It is a **registered 'public funded research institution'** with the Department of Scientific and Industrial Research, Ministry of Science & Technology.

Global Positioning System

The Global Positioning System is a **Global Navigation Satellite System (GNSS),** used to determine the ground position of an object. It is a US-owned utility that provides users with Positioning, Navigation, and Timing (PNT) services.

Radio-Frequency Identification

Radio-Frequency Identification (RFID) is the **use of radio waves** to read and capture information stored on a tag attached to an object. A tag can be read from up to several feet away and does not need to be within the direct line-of-sight of the reader to be tracked.

Wi-Fi

Wi-Fi is the name of a wireless networking technology that **uses radio waves** to provide wireless high-speed Internet and network connections. WiFi network **enables connection between two or more devices** wirelessly for data sharing purposes.

Source: TH

Impact of Covid-19 on Global Economy

Why in News

Recently, the **United Nations Conference on Trade and Development (UNCTAD)** has observed that the economic uncertainty sparked by the **Covid-19** will likely cost the global economy $1 trillion in 2020.

> The observation is based on the **World Economic Situation and Prospects 2020** released by UNCTAD.

Key Observations

- A **slowdown in the global economy to under 2%** for this year is envisaged which will probably cost in the order of $1 trillion.
  - **Worst possible scenario:** If the world economy grew at only 0.5% which would involve a $2 trillion hit to **gross domestic product** (GDP).
  - **Best case scenario:** With moderate declines in private consumption, investment and exports and offsetting increases in government spending, global growth would fall to 1.2% in 2020.
- **Global financial market is fluctuating** due to the **supply-chain interruptions from China** and **oil price uncertainty** among major producers.

- **European economies** had already been performing extremely badly towards the end of 2019.
    - **Europe** is almost certain to go into **recession** over the coming months.
    - **German** economy is in a **fragile** state.
    - **Italian** economy and other parts of the **European periphery** are also facing very **serious stresses** right now.
- Many parts of the **Latin American** region are also vulnerable.

    Argentina in particular will be struggling as a consequence of the knock-on effects of this pandemic.
- The **least developed countries** whose economies are driven by the **sale of raw materials** will also face hard consequences.
- Heavily-indebted **developing countries,** particularly **commodity exporters,** face a particular threat due to the **weaker export returns linked to a stronger US dollar.**

    The likelihood of a **stronger dollar** as investors seek safe-havens for their money and the almost certain **rise in commodity prices** as the global economy slows down, means that commodity exporters are particularly **vulnerable.**

Suggestions

- A series of **dedicated policy responses and institutional reforms** are needed to prevent a localized health scare from turning into a global economic meltdown.
- Governments need to **spend now in order to prevent more damaging meltdown** in the coming times.
    - **Chinese** Government is likely to introduce **significant expansionary measures –** shorthand for increasing spending or tax cuts.
    - The **US** government is in an election year and it needs to do **more than simply cutting taxes and reducing interest rates.**

United Nations Conference on Trade and Development

- It was established in **1964** to promote development-friendly integration of developing countries into the world economy.
- UNCTAD is a **permanent intergovernmental body** headquartered at **Geneva** in Switzerland.
- Some of the **reports published by it are:**
    - Trade and Development Report
    - World Investment Report
    - The Least Developed Countries Report
    - Information and Economy Report
    - Technology and Innovation Report
    - Commodities and Development Report

Source: UN

Suggestions for Covid-19 and Lockdown Exit

Why in News

Recently, the Prime Minister of India has held a video conference with the Chief Ministers of the States on tackling the **Covid-19** pandemic.

> He emphasised on the importance of formulating a common exit strategy to ensure a steady re-emergence of the population after the **lockdown** is over.

Key Suggestions

- Seamless **supply lines for medical equipment and drugs and raw materials.**
- Coordinated and prioritised **testing, tracing, isolation and quarantine** among and in all states.
- **Appointment of district-level disease surveillance officers** for optimum penetration of the combating strategy.
- Ensuring that there are separate hospitals for Covid-19 patients and proper protection to the doctors attending the patients.
- **Speedy online training of doctors** in the treatment of Covid-19.
- **Going beyond the route of Agricultural Produce Marketing Corporations** (APMC) for the procurement of this season's harvest. **Starting a truck pooling scheme** for ferrying produce to the market.
- Using the amount from the **State Disaster Response Fund (SDRF)** to fight COVID-19. The Centre will release ₹11,000 crore from the **SDRF** by the end of April.
- **Rapid disbursement** of grants under the **Pradhan Mantri Gareeb Kalyan Yojana.**
- Recruitment of volunteers from the **National Cadet Corps** (NCC) and the **National Service Scheme** (NSS) in the effort to combat the crisis.
- Coordination between NGOs and crisis management groups and sharing of strategies.
- Promotion and use of **traditional immunity boosting methods mentioned in Ayurveda** to minimise the number of people with weak immunity. The **Ministry of AYUSH** has also issued an **advisory** regarding this.

Scientists on Lockdown

- **Lockdown is only a temporary solution** and this period should be used to prepare the healthcare system to avoid its social costs and to realise long-term epidemiological benefits.
- The government needs to **reveal a post-lockdown** plan that will ensure that the rate of new infections is kept low in a sustainable manner after the lockdown ends.
  > **Social distancing and better hygiene are helpful** yet **insufficient** measures by themselves.

- If the lockdown period will not be used responsibly, it might lead to a **possible bounce-back effect.**
  - The current restricted testing-policy creates the risk that a large number of mildly symptomatic or asymptomatic cases will remain undetected even at the end of the lockdown period.
  - These cases could easily serve as the nucleus for the epidemic to bounce back.
- The problem of **reverse migration** (from cities to sub-urban/rural areas) has also been highlighted. The exodus triggered by the lockdown will rapidly spread the virus to all parts of the country.
  - This can lead to both an **epidemiological** and a **humanitarian crisis.**
- Instead of stopping the reverse migration, the **forces should be used to stock up food-grains, ensure fast cash transfers for the food-security and welfare** of workers.
- Scientists have **offered their complete support to the people** and **possible expertise** in combating this disease and in ensuring that the country emerges from this difficult period with as little loss of life as possible.

New Developments

- **Alternative Sealant**
  - The **Defence Research and Development Organisation** (DRDO) has developed a **special sealant as an alternative to seam sealing tape** which is critical in **Personal Protective Equipment** (PPE).
  - The alternative sealant is based on the sealant used in **submarine applications.**
  - DRDO can mass produce this glue through the industry to support the seam sealing activity by suit manufacturers.
- **Bio Suit**
  - DRDO has also developed a **bio suit to keep medical and other personnel safe from the virus.**
  - Scientists developed it with the help of the industry at various DRDO laboratories **by applying the technical know-how and expertise in textile, coating and nanotechnology.**
  - It has been **subjected to rigorous testing** for textile parameters as well as **protection against synthetic blood.**
  - The production of bio-suits was **hampered due to the non-availability of seam sealing tapes** but the development of the alternative sealant will boost its production now.
- **Handheld InfraRed Temperature Sensor**
  - **Naval Dockyard,** Mumbai, has designed and developed its own **handheld InfraRed (IR) based temperature sensor for screening** people at its entry gates.
  - The instrument has been **manufactured through in-house resources** at a cost of under ₹1000, a fraction of the cost of the temperature guns in the market.

Source: TH

Classes in Distance Mode

Why in News

The Centre is planning to start the next academic year virtually.

> Many schools have been shut since early March due to the **COVID-19** pandemic, even before the countrywide lockdown.

Key Points

- This means that the new academic calendar will begin as usual in April for classes 9 to 12, though the last academic year may have been somewhat truncated, with examinations postponed in some cases including the CBSE exams for classes 10 and 12.
  - Recently, it has been decided that the cbse will conduct exams only for the main subjects: required for promotion or may be crucial for admission in higher educational institutions.
- The Centre plans to restart classes in the distance mode, with teaching via **dedicated TV and radio channels in English and Hindi.**
  - There is an existing program, **Swayam Prabha,** which is a group of 32 DTH channels devoted to telecasting high-quality educational programmes on 24X7 basis using the GSAT-15 satellite.
- **National Institute of Open Schooling (NIOS)** has been asked to create a structured programme for schools class-wise. This is being done along with the **National Council of Educational Research and Training (NCERT)** using their syllabus.
- The material will be ready for use by schools following the NIOS or the Central Board of Secondary Education (CBSE) syllabus.
- **For the State Boards**
  - **Digital Infrastructure for Knowledge Sharing (DIKSHA) mobile app has been offered to States** as a platform to provide content in local languages.
  - If States are willing to produce the content in local languages, the Centre can give them 2-3 hours on the channel.

Digital Infrastructure for Knowledge Sharing

- Diksha Portal was launched by the **Ministry of Human Resource Development (MHRD)**
- in 2017 for providing a digital platform to teachers giving them an opportunity to **learn and train themselves and connect with the teacher community.**
- It is built considering the **whole teacher's life cycle** - from the time student teachers enroll in Teacher Education Institutes (TEIs) to after they retire as teachers.

- **States, government bodies and even private organisations,** can integrate DIKSHA into their respective teacher initiatives based on their goals, needs and capabilities.
- It also provides access to NCERT textbooks and lessons, following the regular school curriculum.

National Institute of Open Schooling

- NIOS, formerly known as National Open School (NOS) was established in November,1989 as an **autonomous organisation in pursuance of National Policy on Education 1986** by the **Ministry of Human Resource Development (MHRD).**
- NIOS provides a number of **Vocational, Life Enrichment and community oriented courses besides General and Academic Courses at Secondary and Senior Secondary level.**
- It also offers **Elementary level Courses** through its Open Basic Education Programmes (OBE).
- Government of India has vested NIOS with the authority to **examine and certify** learners registered with it upto pre degree level courses whether Academic, Technical or Vocational.

Source: TH

Demand for MGNREGA Work Increased

Why in News

The demand for work by households under the **Mahatma Gandhi National Rural Employment Guarantee Act** (MGNREGA) programme surged to a nine-year high in 2019-20.

Key Points

- According to the MGNREGA official portal, 5.47 crore households sought MGNREGA works, **the highest since 2010-11,** when the number was 5.5 crore.
- **More individuals too worked under MGNREGA in 2019-20,** with 7.86 crore employed at various sites across the country. This is the highest since 2012-13, when 7.97 crore individuals worked under this programme.
    - The **disruption caused by the coronavirus lockdown,** however, may impact the final figure of the person days generated in March 2020.
- The **gram panchayats not recording any MGNREGA expenditure has also declined.** This shows that more and more panchayats are using MGNREGA to provide unskilled work to the unemployed.
- These new **MGNREGA figures coincide with the sharp fall in GDP growth rate** to 5% in 2019-20, the lowest in a decade.

- The **demand for works under MGNREGA is surging despite the fact that wages have been flattening** in recent years.
  - In 2019-20, average MGNREGA wage per day per person was Rs 182.09, barely Rs 3 higher than Rs 179.13 in 2018-19.
- The data also showed that **263.73 crore person days** were generated during 2019-20, slightly lower than 267.96 crore in 2018-19 but significantly higher than the total person days generated during each financial year from 2012-13 to 2017-18.
- During 2019-20, the Centre released Rs 72,162.13 crore for the MGNREGA, the **highest ever amount,** and substantially higher than the Rs 62,125.07 crore released in 2018-19.

Mahatma Gandhi National Rural Employment Guarantee Act, 2005

- The Act **aims at enhancing the livelihood security** of people **in rural areas by guaranteeing hundred days of wage employment in a financial year to a rural household** whose **adult members** (at least 18 years of age) volunteer to do unskilled work.
- The **central government bears the full cost of unskilled labour,** and 75% of the cost of material (the rest is borne by the states).
- It is a demand-driven, social security and labour law that aims to enforce the **'right to work'.**
- The **Ministry of Rural Development (MRD),** Government of India in association with state governments, **monitors the implementation of the scheme.**
- Agriculture and allied activities constitute more than 65% of the works taken up under the programme.
- Social inclusion, gender parity, social security and equitable growth are the founding pillars of MGNREGA.

Source: IE

Effect of BCG Vaccine on Covid-19

Why in News

Recently, Doctors and scientists in India have expressed caution on a study, which argues that countries that have deployed the BCG-tuberculosis vaccine in their immunisation programmes have seen fewer deaths from **COVID-19.**

BCG, or bacille Calmette-Guerin, is a vaccine for **tuberculosis (TB) disease.**

Key Points Related to Study

- **BCG Vaccine Policy and COVID-19 Deaths**
  - **The middle and high-income countries**
    - Countries that have universal BCG policy had 0.78 deaths per million people.
    - The countries that **never had a universal BCG policy** had a larger mortality rate, with 16.39 deaths per million people, a significant variation.
  - **Low and middle-income countries,** even if they had universal immunisation policies, were **excluded** from the analysis because they were also likely to have low testing rates for COVID-19 infection and therefore fewer reported deaths.
  - **India having a universal BCG policy in place** and relatively fewer deaths as a proportion of confirmed coronavirus infections, **wasn't included** in the analysis.
- **BCG Vaccine confers a strong immune response**
  - The BCG vaccine is known to confer a strong immune response and a significant degree of protection against **leprosy and non-invasive bladder cancers.**
  - Those countries where the elderly were likely to have had a BCG shot in their childhood were likely to be better protected against coronavirus because COVID-19 was **particularly lethal to the elderly.**
- **Cases of Different Countries**
  - **Japan** (which has a BCG policy since 1947) had one of the early cases of COVID-19 but it has maintained a low mortality rate despite not implementing the most strict forms of social isolation.
    Japan had 1,655 cases and 65 deaths as of March 29.
  - **Iran,** which has seen at least 3,000 deaths,began implementing its BCG vaccination policy only in 1984 and therefore anyone over 36 was vulnerable.
  - **Spain, France, the United States, Italy and the Netherlands:**
    - These countries don't have universal BCG policies and have seen many deaths from COVID-19.
    - Many of these countries don't have a universal programme because BCG has been shown to **not be always protective against tuberculosis in adults** as well as an **increased risk of mycobacterium (bacteria) species.**
    - **Italy,** where the COVID-19 mortality is very high, never implemented universal BCG vaccination.
- **Views of Indian Scientists and Doctors**
  - it is premature for India, that has had a **consistent TB vaccination policy since 1968,** to take comfort from the study.
  - Australia, the Netherlands, the United States are going to vaccinate healthcare workers with BCG. This may provide some evidence.

Source: TH

Nobel Laureate to Spread Awareness of Covid-19

Why in News

Recently, the **West Bengal** government roped in **Nobel laureate Abhijit Banerjee** to spread awareness of **COVID-19.**

Abhijit Banerjee along with his wife economist Esther Duflo have agreed to help the West Bengal government.

Key Points

- **Abhijit Banerjee, Esther Duflo** along with **Michael Kremer** were awarded the **Nobel Prize** in **Economics "for their experimental approach to alleviating global poverty."**
- The experiment-based approach of the three laureates has transformed development economics and turned it into a "flourishing field of research".
- The three adopted an **evidence-based approach** to apply theory to real-life situations using randomised trials and assessing the outcomes.
  - The approach is derived from the concept of **clinical trials in the pharmaceuticals industry.**
  - The effort was to understand the impact of interventions to achieve desirable outcomes.
- **Example:** The experiment that Mr. Banerjee and Ms. Duflo carried out in Rajasthan some years ago would explain the concept better.
  - Despite immunisation being free, women were not bringing in their children for the vaccination shot.
  - The two economists decided to give a bag of pulses free to women who brought their babies for vaccination. Word soon spread and the rate of immunisation shot up in the region.
- One of their studies also resulted in benefiting 5 million children in India through programmes of remedial tutoring in schools.

Source: TH
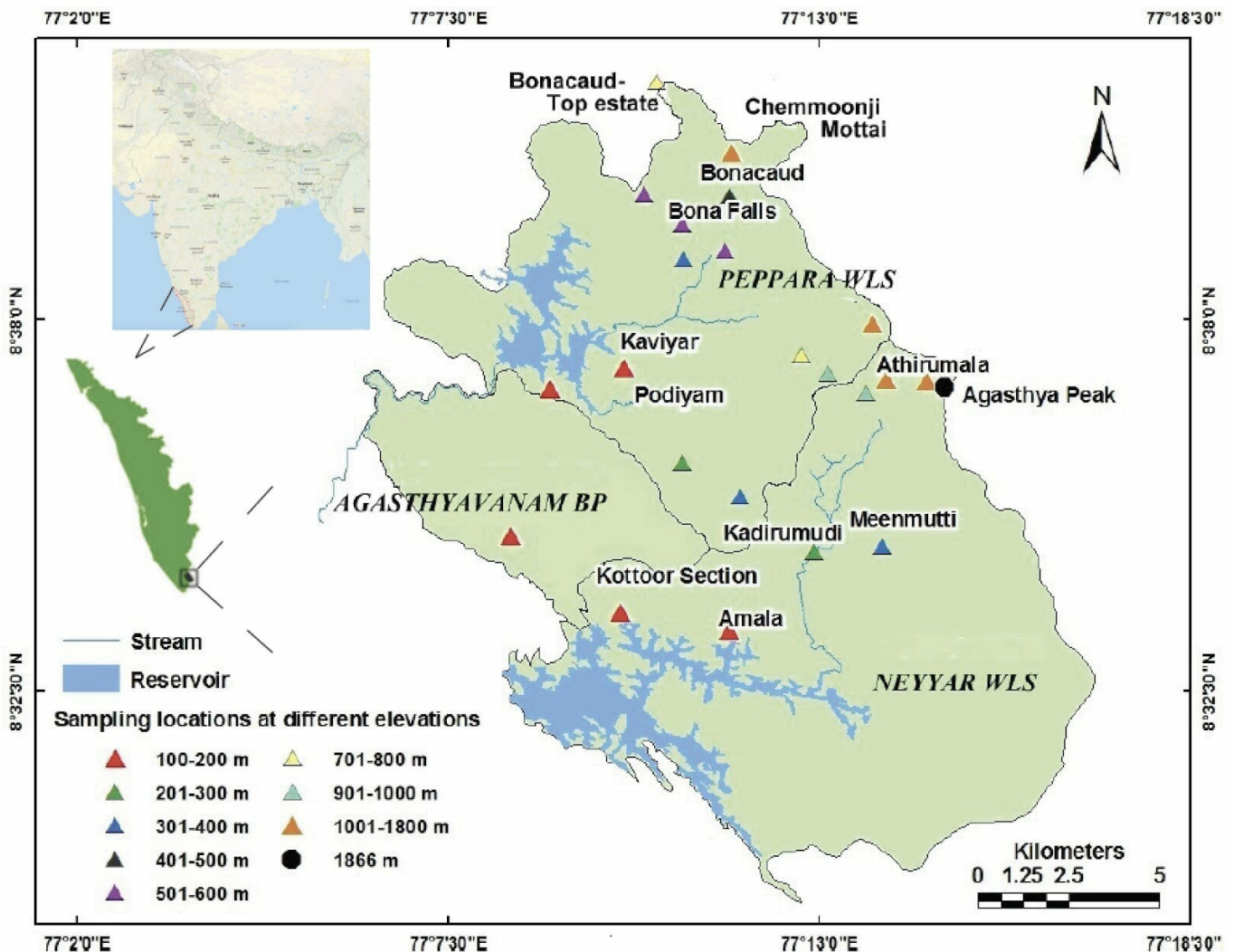
Agasthyavanam Biological Park

Why in News

The Forest Department is procuring forest produce collected by the tribespeople of the Agasthyavanam Biological Park (ABP) and surrounding forest ranges to be sold to commercial establishments and various collectives to deal with the lockdown necessitated by the **COVID-19 pandemic.**

- Established in **1997,** Agasthyavanam Biological Park is a **wildlife sanctuary in Kerala.**
  - The park is located **near Thiruvananthapuram/Trivandrum,** the capital city of Kerala.
  - It is contiguous to **Neyyar Wildlife Sanctuary** and **Peppara Wildlife Sanctuary.**
- The park has been **named after the Agasthyamalai Agasthyakoodam Peak,** which can be seen at a distance from the park.
  - The **Agasthyamala Biosphere Reserve** is located in the southernmost end of the Western Ghats and incorporates peaks towering 1,868 m above sea level. It covers 3,500 km² and encompasses tropical forest ecosystems that fall within the Tirunelveli and Kanyakumari districts of Tamil Nadu and the Thiruvananthapuram and Kollam districts of Kerala.
- Agasthyavanam Biological Park is **spread** over an area of 23 sq. km., of which 17.5 sq. km. of the park has been dedicated for natural regeneration to develop into a dense forest. The rest area of the park is left for systematic conservation programs.
- The Park has **endemic medicinal plants** and **rich biodiversity.**

Source: TH