



PepsiCo Sues Potato Farmers

PepsiCo, a multi-million dollar conglomerate, has sued Gujarati farmers asking them to pay ₹1.05 crore each for alleged violation of Intellectual Property Rights.

- The company has said that farmers **infringed its patent rights by growing the potato variety used in its product called as Lays chips.**
- However, facing boycott calls after it sued Gujarati potato farmers PepsiCo has offered to settle the case if the farmers stop growing the registered potato variety used in its Lays chips.

Pepsico's Point of View

- PepsiCo has invoked **Section 64 of the Protection of Plant Varieties and Farmers' Rights (PPV&FR) Act, 2001** to claim infringement of its rights.
- The section **prohibits anyone other than the breeder of seeds or a registered licensee of that variety to sell, export, import or produces such variety.**
- The farmers were allegedly growing a variety of potato namely FL 2027, also called FC5, on which PepsiCo claimed exclusive rights by virtue of a Plant Variety Certificate (PVC).

Farmers Point Of View

- However, farmers groups have said that **section 39 of the Protection of Plant Varieties and Farmers' Rights (PPV&FR) Act, 2001** allows farmers to grow and sell any variety of crop or even seed as long as they don't sell branded seed of registered varieties.
- The farmers have requested the government to interfere on their behalf and ask Protection of Plant Varieties and Farmers' Rights Authority (PPV&FRA) to make a submission in court and fund legal costs through the National Gene Fund.

Protection of Plant Varieties and Farmers' Rights (PPV&FR) Act, 2001

- The aim of the act is the **establishment of an effective system for the protection of plant varieties, the rights of farmers and plant breeders** and to encourage the development of new varieties of plant.
- The act also **establishes Protection of Plant Varieties and Farmers' Rights Authority under the Ministry of Agriculture and Farmers Welfare.**
 - The major function of Authority includes **Registration** of new plant varieties; **documentation** of varieties registered; **Preservation of plant genetic resource;** Maintenance of the **National Register of Plant Varieties** and Maintenance of **National Gene Bank (for conserving seeds of registered varieties).**
- **Rights under the Act**
 - **Breeders' Rights:** Breeders (Seed Producers) will have **exclusive rights to produce, sell, market, distribute, import or export the protected variety.**
 - A breeder can exercise for **civil remedy** in case of infringement of rights
 - **Researchers' Rights:** Researcher can **use any** of the **registered variety under the Act** for conducting an experiment or research.
 - Researchers can use the initial source of variety for the purpose of developing another variety but **repeated use needs the prior permission of the registered breeder.**
 - **Farmers' Rights:** A farmer **who has evolved or developed a new variety is entitled**

to registration and protection in like manner as a breeder of a variety.

- A farmer **can save, use, sow, re-sow, exchange, share or sell his farm produce including seed of a variety protected under the PPV&FR Act, 2001**
- However, the farmer **shall not be entitled to sell branded seed of a variety protected under the PPV&FR Act, 2001.**
- There is also a provision for **compensation to the farmers for non-performance of variety.**
- The farmer shall **not be liable to pay any fee in any proceeding before the Authority or Registrar or the Tribunal or the High Court** under the Act.

National Gene Fund

- In 2007, the **National Gene Fund was constituted under the PPV&FR Act 2001.**
- It started with an initial amount of Rs 50 lakh from the Central government and gets a contribution from the money paid by plant breeders as registration and annual fee.

Contract Farming

- Contract farming can be defined as **agricultural production carried out according to an agreement between a buyer and farmers**, which establishes conditions for the production and marketing of a farm product or products.
- In contract farming, the farmer agrees to provide agreed quantities of a specific agricultural product which meet the quality standards of the purchaser and be supplied at the time determined by the purchaser.
- On the other hand, the buyer commits to purchase the product and, in some cases, to support production through the supply of farm inputs, land preparation and the provision of technical advice.

Global Food Policy Report

It is released by the Washington DC-based **International Food Policy Research Institute (IFPRI).**

- **Rural revitalization** is the theme for 2019.

Key Observation

- Marked by the deepening cycle of hunger and malnutrition, poverty, limited economic opportunities, and environmental degradation, **rural areas continue to be in a state of crisis** in many parts of the world.
- This crisis **can slow the progress toward achieving the Sustainable Development Goals** and global climate targets.
- **Rural population account for 45.3% of the world's total population and at least 70% of the world's population remains extremely poor.**
- The rural population suffers from **rapid population growth rates, inadequate job and enterprise creation, poor infrastructure, scarce financial services.**
- In addition, rural communities **bear the brunt of climate change impacts.**
- Nearly **50% of rural youth all over the world do not have any formal job** - they are either unemployed or under-employed.
- Rural revitalization is **important to end hunger and malnutrition.**
- The Changing consumption patterns—driven largely by **urbanization, demographic transitions, increasing income, and growing integration of food supply chains and food**

systems in India — offer new opportunities for entrepreneurship and employment in rural areas.

Challenges

- **India is continuously facing the challenge of climate change**, risks on **land degradation**, **deterioration** of soil quality, and **loss of biodiversity** have potentially slowed the rural transformation.

Indian Measures to Boosts Rural Economy

- **Giving Minimum Support Prices** by the government for major crops equal to at least 1.5 times their production costs.
- India plans to **upgrade 22,000 rural haats (local informal markets) to Gramin Agricultural Markets (GrAMs)**, and upgrade agri-marketing infrastructure

RBI Extends Ombudsman Scheme to Non-Deposit Taking NBFCs

- Reserve Bank of India (RBI) today announced the extension of the Ombudsman Scheme for [Non-Banking Financial Companies](#) (NBFCs), to eligible non-deposit taking non-banking financial companies (NBFC-NDs) having asset size of Rs 100 crore or above with customer interface.

Why was it done?

- It has been done to ensure **expeditious redressal of complaints** against deficiency in services concerning loans and other matters relating to deficiency in the services by NBFCs.

Ombudsman Scheme for Non-Banking Financial Companies (NBFCs)

- The Scheme was launched on February 23, 2018, for redressal of complaints against NBFCs registered with RBI under Section 45-IA of the RBI Act, 1934 and covered all deposit accepting [NBFCs](#).
- The NBFC Ombudsman is a senior official appointed by the Reserve Bank of India to redress customer complaints against NBFCs for deficiency in certain services covered under the grounds of complaint specified under the Scheme.
- It provides a **cost-free and expeditious complaint redressal mechanism** relating to deficiency in the services by NBFCs covered under the scheme.
- The scheme also **provides for an appellate mechanism** under which the complainant / NBFC has the option to appeal against the decision of the Ombudsman before the appellate authority.
- The offices of the NBFC Ombudsmen are functioning at Chennai, Kolkata, Mumbai and New Delhi and handle complaints of customers in the respective zones.

Non-disclosure of Information by RBI

The Supreme Court granted the last opportunity to the Reserve Bank of India to comply with its order to disclose its annual inspection report and list of wilful defaulters of banks under the Right to Information (RTI) Act.

What is the annual inspection report?

- The RBI conducts an annual financial inspection of commercial banks, both public and private. The central bank is empowered under Section 35 of the Banking Regulation Act to conduct an inspection of banks to ensure they adhere to prescribed rules and regulations.
- This report looks into risk-based supervision, credit risk, market risk and operational risk of any bank, to ascertain bank's possibility of failure.

Background

- The Supreme Court in **Reserve Bank of India Vs Jayantilal N.Mistry and others** had directed disclosure of information on annual inspection report and list of wilful defaulters sought for under the RTI Act relating to individual banks regulated and supervised by the RBI.

RBI's Stand

- RBI had earlier refused to disclose such information **on the grounds of economic interest, commercial confidence, fiduciary relationship or public interest** with these individual banks. RBI, also argued that such information was exempt under Section 8(1)(e) of the RTI Act read with Section 45NB of the Reserve Bank of India Act, 1934.

Summary of SC's judgement

- RBI is supposed to uphold public interest and not the interest of individual banks.
- RBI is clearly not in any fiduciary relationship with any bank. RBI has no legal duty to maximize the benefit of any public sector or private sector bank, and thus there is no relationship of 'trust' between them. Further, withholding rather than disclosing of such information would be detrimental to the economic interest of the nation.
- RBI has a statutory duty to uphold the interest of the public at large, the depositors, the country's economy and the banking sector. Thus, RBI ought to act with transparency and not hide information that might embarrass individual banks.
- It is duty bound to comply with the provisions of the RTI Act and disclose the information sought.

What will be the Impact of this judgement?

- The RBI will be required to provide annual inspection reports and other material.
- While this will provide greater transparency about the affairs of banks, it has the potential to affect the regulatory process of the RBI.
- Information contained in RBI annual inspection reports relating to banks is highly sensitive. The central bank through these efforts tries to ensure that the banking system remains smooth with minimum disruptions.

RTI Act, 2005

- Right to Information Act or RTI is a central legislation, which enables the citizens to procure information from a public authority.
- It provides the mechanism for obtaining information under the control of public authority so that transparency and accountability can be increased.

Sec 8 of the RTI ACT

Sec 8 deal with exemption from disclosure of information.—

- information which would **prejudicially affect the sovereignty and integrity of India**
- information which has **been expressly forbidden to be published by any court of law**
- information, the **disclosure of which would cause a breach of privilege of Parliament or the State Legislature**
- information including **commercial confidence, trade secrets or intellectual property**, the disclosure of which would harm the competitive position of a third party, unless the competent authority is satisfied that larger public interest warrants the disclosure of such information

- information available to a person in his **fiduciary relationship**, unless the competent authority is satisfied that the larger public interest warrants the disclosure of such information
- information received in confidence from foreign government
- information, the disclosure of which would **endanger the life or physical safety of any person** or identify the source of information or assistance given in confidence for law enforcement or security purposes
- information which **would impede the process of investigation** or apprehension or prosecution of offenders
- information **under the Official Secrets Act**

Important Facts For Prelims (27th April 2019)

Centre for Predictive Human Model Systems

- Atal Incubation Centre (AIC) at the [Centre for Cellular and Molecular Biology \(CCMB\)](#) in collaboration with **Humane Society International-India (HSI-India)** has launched the Centre for Predictive Human Model systems.
- Under this system, computational models and in-vitro models have been developed that can be used for research and testing in life sciences.
- The model is not only resource-friendly with reduced costs but also more accurate at predicting human outcomes and are ethical.
- The center will be a dedicated facility to enable a new approach methodology instead of animal models.
- The center aims at prioritizing investment in human-based, non-animal methodologies in life sciences research in India.
- Recently, **“world laboratory animal day”** was also observed on 24th April.



Cyclone Kenneth

- A powerful [tropical cyclone](#) has made landfall in Mozambique, just six weeks after [Cyclone Idai](#) devastated the central part of the country and left hundreds dead.

- Cyclone Kenneth battered northern Mozambique with winds of up to 220 kilometers per hour. The cyclone also struck the island nation of Comoros.
- Mozambique is still recovering from the previous powerful storm, which made landfall further south in March 2019.
- This is the first time in known history that Mozambique has been hit by two cyclones in one season.

Panel to Review Microinsurance Framework

- **Insurance Regulatory and Development Authority (IRDAI)** has set up a committee to review the regulatory framework on microinsurance.
- **Microinsurance** products offer coverage to low-income households or to individuals who have little savings and is tailored specifically for lower valued assets and compensation for illness, injury or death.
- The 13-member panel has been tasked with suggesting product designs with customer-friendly underwriting, including easy premium payment methods and simple claims settlement procedures.
- Its mandate is to suggest changes in the distribution structure, including mobile-based and technology-driven solutions.

Kafala System

- **Qatar** is set to abolish its **controversial exit visa system** for all foreign workers by the end of 2019.
- Under the Kafala system, **a migrant worker's immigration status is legally bound to an individual employer or sponsor (kafeel) for their contract period.**
- The **migrant worker cannot enter the country, transfer employment nor leave the country** for any reason without first obtaining explicit written permission from the kafeel.

Xenon Decay Observed

- Scientists at **XENON Dark Matter Project** have detected the radioactive decay of liquid **Xenon-124 atomic nuclei for the first time.**
- The **half-life measured for Xenon-124 is 1.8×10^{22} years**, about one trillion times longer than the age of the universe. This is the **slowest radioactive decay ever spotted.**
- This makes the **observed radioactive decay the rarest process ever seen in the detector XENON1T.**
- The new study shows that the XENON detector is also able to measure other rare physical phenomena, such as **double electron capture.**

Double Electron Capture

In double electron capture, **two protons in the nucleus simultaneously "catch" two electrons from the innermost atomic shell**, transform into two neutrons, and emit two neutrinos.

- The XENON experiment is a **collaboration of 160 scientists, representing 24 different nationalities, and 27 institutions from the US, Europe, Japan, and UAE.**
- Xenon Dark Matter Project aims to search for Dark matter particles at Gran Sasso Laboratory of the **National Institute for Nuclear Physics (INFN) in Italy.**

Southern River Terrapin

- **Cambodia** has released **twenty critically endangered Southern Terrapin Turtle 'Royal Turtles' into their Cambodian rivers.**
- Southern River Terrapin was on the **brink of extinction because of hunting, trafficking, and illegal sand mining.**
- Southern River Terrapin is **found in Cambodia; Indonesia, Malaysia, and Thailand.**

- It is listed as **critically endangered in the IUCN red list.**

Manjira Wildlife Sanctuary

- The **Manjira sanctuary situated along the river Manjira in Telangana.** Originally a crocodile sanctuary, today more than 70 species of birds are spotted here and is home for the vulnerable species mugger [crocodile](#).
- **Mugger crocodile**
 - The mugger crocodile most **commonly found in freshwater environments** such as rivers, lakes, hill streams, and village ponds. It can live in fresh water and coastal saltwater lagoons.
 - It also can live in **human-made reservoirs.**
 - This crocodile **does not migrate seasonally, inhabiting the same locale in wet seasons or dry seasons.** This species makes burrows on land in a wide variety of habitats.
 - Mugger crocodile has been listed as **vulnerable on the IUCN Red List.**

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