

SosinClasses

INSTITUTE FOR IAS EXAMINATION

(IAS, IFS, IPS, IRS, IRMS, IFoS & Other Civil Services)

Ashok Nagar X Road, Hyderabad

+91-90000 36699 / 9000066690

DAILY NEWS DIARY

Of

19.07.2022

FOR PRELIMS AND MAINS

Warm Greetings.

- DnD aims to provide every day news analysis in sync with the UPSC pattern.
- It is targeted at UPSC – Prelims & Mains.
- Daily articles are provided in the form of Question and Answers
- To have a bank of mains questions.
- And interesting to read.
- Providing precise information that can be carried straight to the exam, rather than over dumping.

SosinClasses

INDEX

GS 2

1. Extended Fund Facility (EFF) to Pakistan.....06
2. Minority status, State-dependent07

GS 3

1. defence production of India04

- ✚ Prelims practice questions.....10

sosinclasses

GS 3

❖ ECONOMY

Q) Assess the impact of the increasing defence production of India. Explain the issues retarding India's defence exports.

Context:

Our defence exports have increased seven times in the last eight years, informed the Prime Minister. We had achieved defence exports worth ₹13,000 crore and of this 70% was from the private sector. The Indian Defence sector, the second largest armed force is at the cusp of revolution.

India's Defence Exports:

- India has put out a range of military hardware on sale which includes various missile systems, Light Combat Aircraft (LCA), helicopters, warship and patrol vessels, artillery guns, tanks, radars etc.
- From 2016-17 to 2018-19, the country's defence exports have increased from ₹1,521 crore to ₹10,745 crore, a staggering 700% growth.

Steps taken by the Centre to boost defence production:

- Licensing relaxation: Measures announced to boost exports since 2014 include simplified defence industrial licensing, relaxation of export controls and grant of no-objection certificates.
- Lines of Credit: Specific incentives were introduced under the foreign trade policy and the Ministry of External Affairs has facilitated Lines of Credit for countries to import defence product.
- Policy boost: The Defence Ministry has also issued a draft Defence Production & Export Promotion Policy 2020.
- Indigenization lists: On the domestic front, to boost indigenous manufacturing, the Government had issued two "positive indigenization lists" consisting of 209 items that cannot be imported.
- Budgetary allocation: In addition, a percentage of the capital outlay of the defence budget has been reserved for procurement from domestic industry.
- Defence Industrial Corridors: The government has also announced 2 dedicated Corridors in the States of TN and UP to act as clusters of defence manufacturing that leverage existing infrastructure, and human capital.
- Long-term vision: The vision of the government is to achieve a turnover of \$25 bn including export of \$5 bn in Aerospace and Defence goods and services by 2025.
- Push for self-reliance: The govt has identified the Defence and Aerospace sector as a focus area for the 'Aatmanirbhar Bharat' or Self-Reliant India initiative.

Issues retarding defence exports:

1. Excess reliance on Public Sector: India has four companies (Indian ordnance factories, Hindustan Aeronautics Limited (HAL), Bharat Electronics Limited (BEL) and Bharat Dynamics Limited (BDL)) among the top 100 biggest arms producers of the world.
2. Policy delays: In the past few years, the government has approved over 200 defence acquisition worth Rs 4 trillion, but most are still in relatively early stages of processing.
3. Lack of Critical Technologies: Poor design capability in critical technologies, inadequate investment in R&D and the inability to manufacture major subsystems and components hamper the indigenous manufacturing.
4. Long gestation: The creation of a manufacturing base is capital and technology-intensive and has a long gestation period. By that time newer technologies make products outdated.
5. 'Unease' in doing business: An issue related to stringent labour laws, compliance burden and lack of skills, affects the development of indigenous manufacturing in defence.
6. Multiple jurisdictions: Overlapping jurisdiction of the Ministry of Defence and Ministry of Industrial Promotion impair India's capability of defence manufacturing.
7. Lack of quality: The higher indigenization in few cases is largely attributed to the low-end technology.
8. FDI Policy: The earlier FDI limit of 49% was not enough to enthruse global manufacturing houses to set up bases in India.
9. R&D Lacunae: A lip service to technology funding by making token allocations is an adequate commentary on our lack of seriousness in the area of Research and Development.
10. Lack of skills: There is a lack of engineering and research capability in our institutions. It again leads us back to the need for a stronger industry-academia interface.

Way forward:

- ✓ Reducing import dependence: India was the world's second-largest arms importer from 2014-18, ceding the long-held tag as the largest importer to Saudi Arabia, says 2019 SIPRI report.
- ✓ Security Imperative: Indigenization in defence is critical to national security also. It keeps intact the technological expertise and encourages spin-off technologies and innovation that often stem from it.
- ✓ Economic boost: Indigenization in defence can help create a large industry which also includes small manufacturers.
- ✓ Employment generation: Defence manufacturing will lead to the generation of satellite industries that in turn will pave the way for a generation of employment opportunities.

Source: The Hindu

GS 2

❖ INTERNATIONAL RELATIONS

Q) Analyse the importance of the support of International Monetary Fund (IMF) to Pakistan. Explain the benefit of Extended Fund Facility (EFF) to Pakistan.

Context:

The latest IMF press release maintains it would consider an extension of the current Extended Fund Facility (EFF) to end June 2023 and augment the fund amount to \$7 billion for Pakistan.

Pakistan seeks IMF bailout:

Surprisingly, it took five months to reach the staff-level agreement. The total disbursement under the current EFF to Pakistan has now been \$4.2 billion. The talks were originally aimed at releasing a tranche of \$900 million.

Extended Fund Facility (EFF):

- The EFF was established by the IMF to provide assistance to countries experiencing serious payment imbalances because of structural impediments or slow growth and an inherently weak balance-of-payments position.
- An EFF provides support for comprehensive programs including the policies needed to correct structural imbalances over an extended period.

Pakistani EFF:

- The 39-month EFF between the two was signed in July 2019 to provide funds amounting to Self-Drawing Rights (SDR) — \$4,268 million.
- The EFF was signed by Pakistan to address the medium-term balance of payment problem, and work on structural impediments and increase per capita income.

Why did the talks take longer to conclude?

The IMF placed demands (all of which seem impossible for Pakistan) includes:

1. Fiscal consolidation to reduce debt and build resilience
2. Market-determined exchange rate to restore competitiveness
3. Eliminate 'quasi-fiscal' losses in the energy sector and
4. Strengthened institutions with transparency
5. Ousted Pakistani PM eased fuel prices. This was considered a major deviation under the EFF benchmarks.
6. Then govt gave tax amnesties to the industrial sector, impacted the tax regime and a structural benchmark for fiscal consolidation.
7. The IMF insisted on its demands before approving any release of the tranche.

Importance of the IMF support to Pakistan:

- Pakistan's economic situation is dire.
- According to the Economic Survey of Pakistan 2022, the fiscal deficit in FY 22 was \$18.6 billion, and the net public debt at \$252 billion, which is 66.3% of the GDP.
- The power sector's circular debt is \$14 billion.

Risks posed by a failed Pakistan:

- ✓ There is also a narrative that Pakistan has the fifth largest population with nuclear weapons that cannot be allowed to fail.
- ✓ A section within Pakistan also places the geo-strategic location of the country would provide an edge for cooperation, rather than coercion.
- ✓ Hence, this section believes, the IMF would continue to support.
- ✓ Given the IMF's increased assertion, Pakistan's political calculations and the elections ahead, the relationship between the two is likely to remain complicated.

Pakistan and the IMF:

- Despite the latest agreement, the road ahead for the IMF and Pakistan is not an easy one.
- Political calculations and the elections ahead will play a role in Pakistan's economic decision-making.
- However, one thing is eminent Pakistan will certainly collapse someday badly like Sri Lanka.

Source: The Hindu

SNIPPETS**GS 2****❖ POLITY & GOVERNANCE**

Q) "Minority status of religious and linguistic communities is 'State-dependent'." Discuss.

Context:

The minority status of religious and linguistic communities is "State-dependent", said the Supreme Court.

Supreme Court stance:

Every person in India can be a minority in one State or the other. One can be a minority outside his/her State. Similarly, a Kannada-speaking person may be in minority in States other than Karnataka.

Petition:

- The court was hearing a petition complaining that followers of Judaism, Bahaim and Hinduism are the real minorities in Ladakh, Mizoram, Lakshadweep, Kashmir, Punjab and the North-East States.
- However, they cannot establish and administer educational institutions of their choice because of the non-identification of 'minority' at the State level.
- Religious communities such as Hindus here are socially, economically, politically non-dominant and numerically inferior in several States.

Various states on Minorities:

- ✓ The Centre gave the example of how Maharashtra notified 'Jews' as a minority community within the State.
- ✓ Again, Karnataka notified Urdu, Telugu, Tamil, Malayalam, Marathi, Tulu, Lambadi, Hindi, Konkani and Gujarati as minority languages within the State.

Minorities:

- Muslims, Sikhs, Christians, Buddhists, Jain and Zoroastrians (Parsis) have been notified as minority communities under Section 2 (c) of the National Commission for Minorities Act, 1992.
- As per the Census 2011, the percentage of minorities in the country is about 19.3% of the total population of the country.
- The population of Muslims are 14.2%; Christians 2.3%; Sikhs 1.7%, Buddhists 0.7%, Jain 0.4% and Parsis 0.006%.
- Minority Concentration Districts (MCD), Minority Concentration Blocks and Minority Concentration Towns, have been identified on the basis of both population data and backwardness parameters of Census 2001 of these areas.

Defining Minorities:

The Constitution recognizes Religious minorities in India and Linguistic minorities in India through Article 29 and Article 30. But Minority is not defined in the Constitution.

Currently, the Linguistic minorities in India are identified on a state-wise basis thus determined by the state government whereas Religious minorities in India are determined by the Central Government. The Parliament has the legislative powers and the Centre has the executive competence to notify a community as a minority under Section 2(c) of the National Commission for Minorities Act of 1992.

- I. Article 29: It provides that any section of the citizens residing in any part of India having a distinct language, script, or culture of its own, shall have the rights of minorities in India to conserve the same. Article 29 is applied to both minorities (religious minorities in India and Linguistic minorities in India) and also the majority. It also includes – rights of minorities in India to agitate for the protection of language.

- II. Article 30: All minorities shall have the rights of minorities in India to establish and administer educational institutions of their choice. Article 30 recognizes only Religious minorities in India and Linguistic minorities in India (not the majority). It includes the rights of minorities in India to impart education to their children in their own language.
- III. Article 350-B: Originally, the Constitution of India did not make any provision with respect to the Special Officer for Linguistic minorities in India. However, the 7th Constitutional Amendment Act, 1956 inserted Article 350-B in the Constitution. It provides for a Special Officer for Linguistic Minorities appointed by the President of India. It would be the duty of the Special Officer to investigate all matters relating to the safeguards provided for linguistic minorities under the Constitution.

Source: The Hindu

SosinClasses

Q) Which of the following statements with respect to the T cells and B cells are correct?

- a) T cells mature in bone marrow. B cells mature in thymus
- b) T cells produce plasma cells & memory cells
- c) B cells produce antibodies in response to the antigens
- d) T cells trigger B cells to develop cytotoxic cells.

 **Hey from Yesterday –**

Q) Which of the following can be considered applications of quantum computing?

- a) Artificial intelligence and machine learning
- b) Computational chemistry
- c) Drug design and development
- d) Cybersecurity and cryptography
- e) Weather forecasting

Options:

- a. 1, 2, 3 and 5 only
- b. 2, 3, 4 and 5 only
- c. 1, 2, 3, 4 and 5
- d. 1, 3 and 5 only

Answer: c

Explanation:

The applications Of Quantum Computing includes:

- Artificial Intelligence and Machine Learning
- Computational Chemistry
- Drug Design and Development
- Cybersecurity and Cryptography
- Financial Modelling
- Logistics Optimisation
- Weather Forecasting

UPSC - CSE**OUR PROGRAMS TARGETING 2022 – 23****OFFLINE / ONLINE****COURSES OFFERED****ANTHROPOLOGY OPTIONAL COURSES**

- Online course with individual portal access from 1st week of August
- Anthro Enhance All India Test Series for Mains from 16th July 2022
- Anthroment (Mentorship & Long-term Test Series 2022-2023) – Admission Open
- Anthro Mini (All India Test Series for Mains) from 30th July 2022
- Anthropology Long Term All India Test Series (LATIS -2023) from 3rd Sep 2022

GENERAL STUDIES FOUNDATION COURSE

- Classroom Course offline mode – Admission Open
- Online course with individual portal access – Admission Open
- Exclusive GS – Mentorship for Prelims cum Mains 2023 – Admissions Open
- GS Mains Answer Writing Test Series Program Starts from 11th July. Available from both in Offline & Online modes