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World education summit

Why in news?

Rajasthan has bagged the “best innovation and initiative leadership award” for its achievements in higher education in the World Education Summit-2019 held in New Delhi.

Initiatives takes

- Promoting higher education with the emphasis on inculcating ethical values among the students, improving their personality through extra-curricular activities and developing their skills to face competitive exams.
- “Free education for girls has helped improve their ratio in higher education.
- Against every 100 boys, rajasthan have 108 girls studying in the government colleges.
- Third higher education and human resource conclave would be organised in Rajasthan in November this year.

Two-day summit

- State Higher & Technical Education Secretary Vaibhav Galriya and Commissioner (College Education) Pradeep Kumar Borad were among those present.
- Representatives of eight countries and 17 States of India attended the two-day summit.

A cure for Ebola

Context

Scientists are a step closer to being able to cure the deadly Ebola haemorrhagic fever after two experimental drugs showed survival rates of as much as 90% in a clinical trial in Congo.

Details

- Two experimental drugs – an antibody cocktail called REGN-EB3 developed by Regeneron and a monoclonal antibody called mAb114 – will now be offered to all patients infected with the viral disease in an ongoing outbreak in the Democratic Republic of Congo (DRC).

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- The drugs showed “clearly better” results, according to U.S. National Institute of Allergy and Infectious Diseases (NIAID), in a trial of four potential treatments being conducted during the second-largest Ebola outbreak in history, now entering its second year in DRC.
- The drugs improved survival rates from the disease more than two other treatments being tested – ZMapp, made by Mapp Biopharmaceutical, and Remdesivir, made by Gilead Sciences – and those products will be now dropped.
- The agency said 49% of the patients on ZMapp and 53% on Remdesivir died in the study.
- In comparison, 29% of the patients on REGN-EB3 and 34% on mAb114 died.

About Ebola

- Ebola has been spreading in eastern Congo since August 2018 in an outbreak that has now killed at least 1,800 people.
- Efforts to control it have been hampered by militia violence and some local resistance to outside help.
- A vast Ebola outbreak in West Africa from 2013 to 2016 became the world's largest ever when it spread through Guinea, Liberia and Sierra Leone and killed more than 11,300 people.
- The Congo treatment trial, which began in November last year, is being carried out by an international research group coordinated by the World Health Organization (WHO).

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CSR expenditure

Why in news?

High Level Committee on CSR recommends CSR expenditure to be made tax deductible expenditure

Recommendations by committee

The Committee has made far reaching recommendations.

- The main recommendations include, making CSR expenditure tax deductible, provision for carry forward of unspent balance for a period of 3 – 5 years, welfare of differently abled persons, disaster management and heritage protection), balancing local area preferences with national priorities, introducing impact assessment studies for CSR obligation of 5 crore or more, and registration of implementation agencies on MCA portal.

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- The other recommendations include developing a CSR exchange portal to connect contributors, beneficiaries and agencies, allowing CSR in social benefit bonds, promoting social impact companies, and third party assessment of major CSR projects.
- The Committee has emphasized on not treating CSR as a means of resource gap funding for government schemes.
- The Committee discourages passive contribution of CSR into different funds included in Schedule VII of the Act.
- It has emphasized on CSR spending as a board driven process to provide innovative technology based solutions for social problems.
- The Committee has also recommended that companies having CSR prescribed amount below Rs. 50 lakh may be exempted from constituting a CSR Committee.
- The Committee has also recommended that violation of CSR compliance may be made a civil offence and shifted to the penalty regime.

Background

- The High Level Committee on CSR was constituted in October, 2018 under the Chairmanship of Secretary (Corporate Affairs) to review the existing CSR framework and make recommendations on strengthening the CSR ecosystem, including monitoring implementation and evaluation of outcomes.

GI tag

Why in news?

The famous Palani panchamirtham, given as 'prasadam' at the Murugan temple there, has been granted the Geographical Indication (GI) tag.

Details

- This is the first time a temple 'prasadam' from Tamil Nadu has been bestowed with the GI tag.
- The panchamirtham is a combination of five natural substances — banana, jaggery, cow ghee, honey and cardamom. Dates and diamond sugar candies are added for flavour.
- The panchamirtham is an 'abhishega prasadam' (food that is a religious offering), which is served in a semi-solid state.
- It is sweet in taste and one of the main offerings for Lord Dhandayuthapani Swamy, the presiding deity of Arulmigu Dhandayuthapani Swamy Temple, situated on Palani Hills.

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- Not even a single drop of water is added during the preparation of the panchamirtham. This gives it its classic semi-solid consistency and taste. No preservatives or artificial ingredients are used.
- The whole process of producing the panchamirtham is automated. It is doubly ensured that the hygienic aspects are maintained.
- Devotees who visit the temple are offered the panchamirtham as a prasadam in the hill temple as well as in stalls run by temple administration at Adivaram. It is believed that the panchamirtham cures diseases of devotees.

Negative rate policy

Why in news?

With little room to cut rates further, some major central banks have resorted to unconventional policy measures, including a negative rate policy.

What is it?

Negative rate policy - once considered only for economies with chronically low inflation such as Europe and Japan - is becoming a more attractive option for some other central banks to counter unwelcome rises in their currencies.

This is how a negative rate policy works and its potential pitfalls:

WHY HAVE SOME CENTRAL BANKS ADOPTED NEGATIVE RATES?

- To battle the global financial crisis triggered by the collapse of Lehman Brothers in 2008, many central banks cut interest rates near zero.
- A decade later, interest rates remain low in most countries due to subdued economic growth. With little room to cut rates further, some major central banks have resorted to unconventional policy measures, including a negative rate policy.
- The euro area, Switzerland, Denmark, Sweden and Japan have allowed rates to fall slightly below zero.

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HOW DOES IT WORK?

- Under a negative rate policy, financial institutions are required to pay interest for parking excess reserves with the central bank.
- That way, central banks penalise financial institutions for holding on to cash in hope of prompting them to boost lending.
- The European Central Bank (ECB) introduced negative rates in June 2014, lowering its deposit rate to -0.1% to stimulate the economy. Given rising economic risks, markets expect the ECB to cut the deposit rate, now at -0.4%, in September.
- The Bank of Japan (BOJ) adopted negative rates in January 2016, mostly to fend off an unwelcome yen spike from hurting an export-reliant economy.
- It charges 0.1% interest on a portion of excess reserves financial institutions park with the BOJ.

WHAT ARE THE PROS, CONS?

- Aside from lowering borrowing costs, advocates of negative rates say they help weaken a country's currency rate by making it a less attractive investment than that of other currencies. A weaker currency gives a country's export a competitive advantage and boosts inflation by pushing up import costs.
- But negative rates put downward pressure on the entire yield curve and narrow the margin financial institutions earn from lending.
- If prolonged ultra-low rates hurt the health of financial institutions too much, they could hold off on lending and damage the economy.
- There are also limits to how deep central banks can push rates into negative territory - depositors can avoid being charged negative rates on their bank deposits by choosing to hold physical cash instead.

WHAT ARE CENTRAL BANKS DOING TO MITIGATE THE SIDE-EFFECTS?

- The BOJ adopts a tiered system under which it charges 0.1% interest only to a small portion of excess reserves financial institutions deposit with the central bank.
- It applies a zero or +0.1% interest rate to the rest of the reserves.



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- The ECB is also expected to take "mitigating measures", such as a partial exemption from the charge in the form of tiered deposits rates, if it were to deepen negative rates from the current - 0.4%, analysts say.
- But designing such a scheme won't be easy in a bloc where cash is distributed unevenly among countries. It could even backfire by pushing rates up in certain countries, rather than down.