

GOVERNOR

- The Governor's appointment, his powers and everything related to the office of Governor have been discussed under Article 153 to Article 162 of the Indian Constitution.
- The role of the Governor is quite similar to that of the President of India. The Governor performs the same duties as of President, but for the State. Governor stands as executive head of a State and the working remains the same as of the office of President of India. Under the Constitution of India, the governing machinery is the same as that of the Central Government.
- It is stated that the Governor has a dual role.
- He is the constitutional head of the state, bound by the advice of his council of ministers.
- He functions as a vital link between the Union Government and the State Government.

Constitutional Provisions related to Governor

- The appointment and powers of government can be derived from Part VI of the Indian constitution. Article 153 says that there shall be a Governor for each State. One person can be appointed as Governor for two or more States.
- The governor acts in 'Dual Capacity' as the Constitutional head of the state and as the representative.
- He is the part of federal system of Indian polity and acts as a bridge between union and state governments.
- Article 157 and Article 158 of the Constitution of India specify eligibility requirements for the post of governor. They are as follows:

A governor must:

- Be a citizen of India. Be at least 35 years of age. Not be a member of the either house of the parliament or house of the state legislature. Not hold any office of profit.
- The term of governor's office is normally 5 years but it can be terminated earlier by:
- Dismissal by the president on the advice of the council of minister headed by the prime minister of the country.
- Dismissal of governors without a valid reason is not permitted. However, it is the duty of the President to dismiss a governor whose acts are upheld by courts as unconstitutional and malafide.
- Resignation by the governor.

Historical Background

- The Governors under the Government of India Act 1935 were "by the Raj, of the Raj and

for the Raj". The constituent assembly wanted elected governors as proposed by a sub-committee of B.G. Kher, K.N. Katju and P. Subbarayan.

- The apprehension of the clash between powers of Governor and Chief minister led to the system of appointed Governor in the state.
- The draft constitution of 1948 was ambivalent – the drafting committee leaving it to the constituent assembly to decide whether governors should be elected or nominated.

Issues

- There are numerous examples of the Governor's position being abused, usually at the behest of the ruling party at the Centre. The process of appointment has generally been the cause behind it.
- In several cases, politicians and former bureaucrats identifying with a particular political ideology have been appointed as the Governors by the Governments. This goes against the constitutionally mandated neutral seat and has resulted in bias, as appears to have happened in Karnataka and Goa.
- Recently, the Governor of Rajasthan has been charged with the violation of the model code of conduct. His support of the ruling party is against the spirit of nonpartisanship that is expected from the person sitting on constitutional posts.
- Due to such incidents, negative terms like an agent of the Centre, Puppet and rubber stamps are used to describe a governor of the state.
- Governor's discretionary powers to invite the leader of the largest party/alliance, post-election, to form the government has often been misused to favour a particular political party.
- The Governors Committee (1971) laid down the responsibility on the governor to see that the administration of the State does not breakdown due to political instability and he must send a regular report about the political situation of the State.
- However, the imposition of President's rule (Article 356) in case of breakdown of constitutional machinery in a State has been frequently misused by the central government.
- Governor's work is bound by the aid and advice of his council of ministers, this has brought down the significance of the office to a mere rubber stamp.
- This is reflected in TB. Pattabhi Sitaramayya (a former Governor of Madhya Pradesh) observation that he had no public function to perform except making the fortnightly report to the President.
- The arbitrary removal of the Governor before the expiration of his tenure has also been an important issue in the recent past.
- The Governor cannot be removed on the ground that he is out of sync with the policies and ideologies of the Union government or the party in power at the Centre. Nor can he be removed on the ground that the Union government has lost confidence in him.

Recommendations

S.R. Bommai Judgment

- In S.R. Bommai case (1994), following the Sarkaria Commission's recommendations, the Supreme Court underlined that the breakdown of constitutional machinery implied a virtual impossibility, and not a mere difficulty, in carrying out governance in a State.
- SC said that while the subjective satisfaction of the President regarding such a breakdown was beyond judicial scrutiny, the material on which such satisfaction was based could certainly be analysed by the judiciary, including the Governor's report.
- The Court reinstated the governments in Arunachal Pradesh and Uttarakhand which were suspended after the arbitrary imposition of the President's Rule.
- The Supreme Court classified the instances of failure of constitutional machinery into four heads:
 - Political crises.
 - Internal subversion.
 - Physical breakdown.
 - Non-compliance with constitutional directions of the Union Executive.
 - Other Cases and Recommendation
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- The Supreme Court in the Nabam Rebia judgment (2016) ruled that the exercise of Governor's discretion Article 163 is limited and his choice of action should not be arbitrary or fanciful. It must be a choice dictated by reason, actuated by good faith and tempered by caution.
- The Administrative Reforms Commission (1968) recommended that the report of the governor regarding the president's rule has to be objective and also the governor should exercise his own judgment in this regard.
- The Rajamannar Committee (1971) recommended the deletion of Articles 356 and 357 from the constitution of India. The necessary provisions for safeguards against arbitrary action of the ruling party at the Centre under Article 356 should be incorporated in the constitution.
- The Rajamannar Committee emphasised that the governor of the state should not consider himself as an agent of the centre but play his role as the constitutional head of the State.
- The Sarkaria Commission (1988) recommended that Article 356 should be used in very rare cases when it becomes unavoidable to restore the breakdown of constitutional machinery in the State.
- The commission recommended that before taking action under Article 356, a warning should be issued to the state government that it is not functioning according to the constitution.
- "Justice V.Chelliah Commission" (2002) recommended that Article 356 must be used sparingly and only as a remedy of the last resort after exhausting all actions under Articles 256, 257 and 355.
- The "Punchhi commission" recommended that these Articles 355 & 356 be amended. It sought to protect the interests of the States by trying to curb their misuse by the Centre.

Constitutional provisions

- Article 163: It talks about the discretionary power of governor.
- Article 256: The executive power of the Union shall extend to the giving of such directions to a State as may appear to the Government of India to be necessary for that purpose.
- Article 257: The executive power of the Union shall also extend to the giving of directions to a State as to the construction and maintenance of means of communication declared in the direction to be of national or military importance:
- Article 355: It entrusts the duty upon Union to protect the states against “external aggression” and “internal disturbance” to ensure that the government of every State is carried on in accordance with the provisions of Constitution.
- Article 356: In the event that a state government is unable to function according to constitutional provisions, the Central government can take direct control of the state machinery. The state's governor issues the proclamation, after obtaining the consent of the President of India.
- Article 357: It deals with Exercise of legislative powers under Proclamation issued under Article 356 by the central government.

Way Forward

- For the smooth functioning of a democratic government, it is equally important that the governor must act judiciously, impartially and efficiently while exercising his discretion and personal judgment.
- In the current political climate examples being Goa (2017), Meghalaya (2018), Manipur (2017) and Karnataka (2018), point to the need to ensure proper checks and balances to streamline the functioning of this office.
- In order to enable the governor to successfully discharge his functions under the constitution, an agreed 'Code of Conduct' approved by the state governments, the central government, the parliament, and the state legislatures should be evolved.
- 'Code of Conduct' should lay down certain 'norms and principles' which should guide the exercise of the governor's 'discretion' and his powers which he is entitled to use and exercise on his personal judgment.
- The 'procedure for appointment of governors should be clearly laid down' and conditions of appointment must also be laid down and must assure a fixed tenure for the governor so that the governor is not under the constant threat of removal by the central government.
- It is necessary to invest the office of the Governor with the requisite independence of action and to rid them of the bane of 'instructions' from the Central Government.
- It is suggested that the exercise of 'discretionary powers' by the Governors should be 'guided by the healthy and democratic conventions'.
- The Bommai verdict allows the Supreme Court to investigate claims of malafide in the

Governor's report, a similar extension to cover malafide in the invitation process could be a potential solution.

- The role of governor is indispensable for the successful working of the constitutional democracy. He must refrain from aligning himself to any political ideology. The virtue of impartiality must be withheld to ensure a free and fair election in a democracy.

STATE DEVELOPMENT LOANS

State Development Loans (SDLs) are dated securities issued by states for meeting their market borrowings requirements. In effect, the SDL are similar to the dated securities issued by the central government. Purpose of issuing State Development Loans is to meet the budgetary needs of state governments. Each state can borrow upto a set limit through State Development Loans.

SDL securities are eligible securities for SLR and LAF of the RBI

The SDL securities issued by states are credible collateral for meeting the SLR requirements of banks as well as a collateral for availing liquidity under the RBI's LAF including the repo.

SDL as a market based borrowing arrangement for states

One remarkable feature of SDL is that it is a market oriented instrument for states to mobilise funds from the open market. Higher the fiscal strength of a state, lower will be the interest rate (yield) it has to pay for the SDL borrowings.

RBI facilitates the issue of State Development Loans securities in the market. SDL securities are considered as superior to loans mobilized or bonds issued by state government entities. The RBI as the facilitator to the issue of SDLs, has the power to make repayments to SDLs out of the central government allocation to states.

Issue and marketability of SDLs

SDLs are basically securities and they are auctioned by the RBI through the Negotiated Dealing System (NDS) which is dedicated electronic trading system for government securities and other instruments. RBI holds SDL auctions once a fortnight.

The SDLs doesn't have any credit risk and in this respect, they are similar to central

government securities. This means that under the CRAR prudential norm, the risk weight of SDL is zero and banks need not keep any capital for investing in SDLs. Such a treatment and the higher yield (interest rate) of SDLs have encouraged banks to invest in them in recent years and states are hence able to meet their borrowing requirements.

Trading of SDLs

SDL's are traded electronically on the RBI managed NDS-OM (Negotiated Dealing System-Order Matching) and traded in the voice market (NDS).

Interest rate or yield on SDLs

The rate of interest or yield of SDL securities are determined through auction. Still the interest rate will be slightly higher than that of Central Government securities (G-secs) of matching tenure.

Who buys SDLs?

The investors in SDL are basically commercial banks, mutual funds, insurance companies who are attracted by the slightly higher interest rate of SDL (compared to central government securities). In 2015, Government allowed Foreign Portfolio Investors (FPIs) to buy SDLs up to 2% of outstanding SDLs in the market.

Cooperative Banking

- A Co-operative bank is a financial entity which belongs to its members, who are at the same time the owners and the customers of their bank.
- Co-operative banks in India are registered under the States Cooperative Societies Act. The Co-operative banks are also regulated by the Reserve Bank of India (RBI) and governed by the
- Banking Regulations Act 1949
- Banking Laws (Co-operative Societies) Act, 1955.

Features of Cooperative Banks:

- Customer Owned Entities: Co-operative bank members are both customer and owner of the bank.
- Democratic Member Control: Co-operative banks are owned and controlled by the members, who democratically elect a board of directors. Members usually have equal voting rights, according to the cooperative principle of "one person, one vote".

- **Profit Allocation:** A significant part of the yearly profit, benefits or surplus is usually allocated to constitute reserves and a part of this profit can also be distributed to the co-operative members, with legal and statutory limitations.
- **Financial Inclusion:** They have played a significant role in the financial inclusion of unbanked rural masses.

Advantage of Cooperative Banking

- Cooperative Banking provides effective alternative to the traditional defective credit system of the village money lender.
- It provides cheap credit to masses in rural areas.
- Cooperative Banks have discouraged unproductive borrowing personal consumption and have established the culture of productive borrowing.
- Cooperative credit movement has encouraged saving and investment, instead of hoarding money the rural people tend to deposit their savings in the cooperative or other banking institutions.
- Cooperative societies have also greatly helped in the introduction of better agricultural methods. Cooperative credit is available for purchasing improved seeds, chemical fertilizers, modern implements, etc
- Cooperatives Banks offers higher interest rate on deposits.

Problems with Cooperative Banking in India

- Organisational and financial limitations of the primary credit societies considerably reduce their ability to provide adequate credit to the rural population.
- Needs of tenants and small farmers are not fully met.
- Primary credit societies are financially weak and are unable to meet the production-oriented credit needs
- Overdues are increasing alarmingly at all levels.
- Primary credit societies have not been able to provide adequate and timely credit to the borrowing farmers.
- The cooperatives have resource constraints as their owned funds hardly make a sizeable portfolio of the working capital. Raising working capital has been a major hurdle in their effective functioning.
- A serious problem of the cooperative credit is the overdue loans of the cooperative banks which have been continuously increasing over the years.
- Large amounts of overdues restrict the recycling of the funds and adversely affect the lending and borrowing capacity of the cooperative.
- Most of the benefits from the cooperatives have been covered by the big land owners because of their strong socio-economic position.
- Cooperative Banks are losing their lustre due to expansion of Scheduled Commercial Bank

and adoption of technology. They are also facing stiff competition from payment banks and small-finance banks.

- Long-term credit extended by them is declining.
- Regional Disparities: The cooperatives in northeast states and in states like West Bengal, Bihar, Odisha are not as well developed as the ones in Maharashtra and Gujarat. There is a lot of friction due to competition between different states, this friction affects the working of cooperatives.
- Political Interference: Politicians use them to increase their vote bank and usually get their representatives elected over the board of director in order to gain undue advantages.

Dual Regulation of Urban Cooperative Bank

- Urban Co-operative Banks are regulated and supervised by State Registrars of Co-operative Societies (RCS) in case of single-State co-operative banks and Central Registrar of Co-operative Societies (CRCS) in case of multi-State co-operative banks and by the RBI.
- The RCS exercises powers under the respective Co-operative Societies Act of the States with regard to incorporation, registration, management, amalgamation, reconstruction or liquidation and in case of UCBs that have multi-State presence, are exercised by the CRCS.
- The banking related functions such as issue of license to start new banks/branches, matters relating to interest rates, loan policies, investments and prudential exposure norms are regulated and supervised by the Reserve Bank under the provisions of the Banking Regulation Act, 1949.

Case of Punjab and Maharashtra Cooperative (PMC) Bank

- Restrictions imposed by RBI on withdrawals of money from PMC bank highlighted the strong case of malfunctioning in dual regulatory system in urban cooperative banking system.
- In above PMC case, there are three major problems- financial irregularities, failure of internal control and system, and underreporting of exposures.
- PMC Bank has extended 73% of its assets to HDIL which created a panicky situation for depositors.
- Since, PMC has deposits from other smaller cooperatives banks, the financial irregularities which includes governance and transparency issues will likely to have multi-dimensional impact.

• Countering Dual Regulation Problem

- A high powered committee chaired by former Deputy Governor of RBI, R. Gandhi has recommended the merging and converting some of the cooperatives banks to small finance banks and the same has been implemented by RBI in form of scheme for voluntary transition of urban cooperative banks into small finance banks.

- Setting up of an independent regulator for Urban Cooperative Banks.
- H Malegam committee recommended a board of management of eligible and proper persons as opposed to elected Directors.

Way Forward

- An umbrella organisation should be promoted by the banks themselves to raise the capital as a joint stock company from the market to adequately tackle capital issues.
- RBI should be empowered to implement resolution techniques such as winding-up and liquidating banks, without involving other regulators under the cooperative societies' laws.
- Audit plays an important supervisory role in ensuring the best performance of the cooperatives, but, it is observed that lots of irregularity & negligence take place while conducting audit. Hence, an appropriate mechanism of checks & balances may be evolved & made mandatory for all the Cooperative Bank.
- Accountability for erroneous audit along with penal action should also be ensured through appropriate statute. Further, the state government should also conduct a forensic Audit of the loan portfolios & purchases of a representative sample of cooperative banks.
- The RBI must ensure that Cooperative Banks adopt more professionalism in order to retain people's confidence in the banking sector.

OPERATION SANJEEVANI

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

- The medicines were delivered by an Hercules C-130J-30 aircraft of Indian Air Force.
- The medicines include influenza vaccines, antiviral drugs such as lopinavir and ritonavir 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.

E Sanjeevani

- eSanjeevani', is a web-based comprehensive telemedicine solution.
- It is modeled on 'Sanjeevani' CDAC Mohali's' flagship integrated telemedicine solution. '
- eSanjeevani' extends the reach of specialized healthcare services to masses in both rural areas and isolated communities.
- Besides enhancing quality of medical services, addressing issues pertaining to uneven distribution and shortage of infrastructural as well as human resources, eSanjeevani also aims to make healthcare services equitable by bridging the digital divide that exists between the urban vs. rural, rich vs. poor etc. eSanjeevani can also be used to provide medical education to interns , people across various Common Service Centers (CSCs), etc.

Technology:

- eSanjeevani is a platform independent, browser-based application facilitating both doctor-to-doctor and patient-to-doctor tele-consultations.
- It has a user friendly GUI and has been developed on .
- Net technology using 3.5 framework with MS-SQL as the database.
- It provides the ease of accessing the health records at the comforts of one's home.

- The application is based on invite-system which restricts it to the actual beneficiaries of the application.
- It has a user-friendly interface which facilitates both tech savvy and novice doctors/users in the rural and urban environment to access the application.
- The application also has advanced degree of security against unwanted elements.

eSanjeevani, was launched by the Honorable Minister of State (Communications and Information Technology) Sh. Sachin Pilot at Department of Information Technology, New Delhi on 16th June 2009. Sh. Sachin Pilot highlighted the need to have a telemedicine network at rural areas and how beneficial eSanjeevani can be in providing primary healthcare across the Indian region.

Key Features

- **MIS-based application :** eSanjeevani has strong administrative abilities to manage the users of the application. Regular alerts in terms of memory usage, invites, blocked users etc. help keep the users updated. It has been designed as a highly customizable and flexible application for the users to choose from the varied specialties such as tele-ophthalmology, tele-cardiology etc. and functionalities. The users can choose the desired specialists and hospitals for tele-consultation as per their requirements. Various logs are maintained to record user activity.
- **Comprehensive Electronic Medical Record (EMR) :** eSanjeevani's EMR includes demographic and other patient data like clinical examination reports, physical examination reports along with patient's medical history, family's medical history, etc. eSanjeevani also enables import and export of complete patient record including images, files etc.
- **Tele-Consultation :** eSanjeevani provides tele-consultation facility using both 'store and forward' and 'real-time' mode. In a 'store and forward' mode, the users can choose the doctors in the specialized area for the diagnosis and send the selected/ entire EMR for consultation. For 'real-time' consultation, video conferencing facility is provided to the user to connect to the doctor.
- **Video Conferencing :** The web based video conferencing enables doctors to have a video/ audio conversation with the consulting medical experts at remote end. Doctors can also exchange clinical information along with the radiographs for a detailed discussion. Online text based chat facility has also been provisioned.

Specialties

eSanjeevani caters to numerous medical specialties, these include

Cardiology

Diabetes
Dermatology
Gynecology
Ophthalmology
Pediatrics
Pathology
Radiology
Pulmonary
Pediatrics

In eSanjeevani, these specialties are designed with thorough discussion with tertiary level healthcare institutions.

- **Reporting & Graphical Tools :** eSanjeevani provides its users the facility of generating and viewing various reports including the doctor's prescription. These reports help depict the overall health status of the patient for hard copy reports. The medical history of the various physiological parameters such as blood pressure, glucose, etc. can be presented graphically for an easy view and analysis.
- **Appointment Scheduler :** The users of eSanjeevani can seek appointments with specialists depending on their availability. The appointments can be scheduled as (a) Online: which enables audio/video conferencing with the specialist and (b) Offline: where patient can visit the doctor at his clinic/ hospital for a one-to-one interaction. Users may also view the doctors' availability status.
- **Interoperability :** eSanjeevani is interoperable with all the eHealth applications at HIE Division. It also complies with international standards including:
DICOM (Digital Imaging and Communications in Medicine)
TWAIN (Technology without an Interesting Name)
- **Medical Equipment Interface :** 'eSanjeevani' provides an interface with a wide range of diagnostic/ medical equipment. Output of each of the medical peripherals is directly acquired by eSanjeevani. Some of the medical diagnostic equipment interfaced with eSanjeevani include ECG machine, digital slit lamp, digital microscope, medical film scanner, etc.

IN - SPACe

- IN -SPACe, a new entity of the Department of Space, will have its own chairperson and Board, and regulate and promote building of routine satellites, rockets and commercial launch services through Indian industry and startups.
- These activities had been largely the domain of the 50 year old Indian Space Research

Organisation (ISRO) until now, but the change will not upset the core research activity of ISRO.

- INSPACe, or Indian Space Promotion and Authorisation Centre, is touted as the body that will ensure a level playing field for Indian industry in a fast growing global space sector.
- It will function autonomously and parallel to ISRO.
- INSPACe will have its own directorates for technical, legal, safety and security, monitoring and activities promotion.
- The year old NSIL [New Space India Ltd] will be strengthened and empowered with a larger role in what the government has called the new “open and inclusive” space sector.
- It will work with INSPACe and enable industry consortia to take on some of the activities of ISRO.
- These include launch vehicles and satellite production, launch services and space based services.
- Over the past two years, ISRO has been in the process of finding industry partners who could take up these services; industry teams had been involved in assembling and testing satellites and also launched one navigation satellite last year.

Navigation policy

- A new satellite navigation policy, which has a strategic military element to it, is being proposed. The older ones, namely Remote Sensing Data Policy and the Sat Com Policy of 2000, are being revised. These are apart from a proposed policy for space activities that has seen a draft.
- INSPACe will be in place in three to six months. Meanwhile, the DoS will immediately start receiving and processing applications from private sector industries.
- In about two weeks, a webinar on space sector reforms is planned to tell the industry the contours of the new setup.

GLOBAL REPORT ON ILLEGAL WILDLIFE TRADE – RELEASED BY FINANCIAL ACTION TASK FORCE