



GS II

SYLLABUS: BILATERAL GROUPINGS AND AGREEMENTS AFFECTING INDIA'S INTERESTS.

INDIA- SRILANKA RELATIONS

THE HINDU, PG.NO: 11.

News: "Sri Lankan President to begin his three-day India visit tomorrow."

Recent issues in Sri Lanka:

- **Sri Lankan Economic crisis 2022:**
 - **Worst economic crisis** since independence.
 - Severe shortage of food, fuel and medicines.
 - **Inflation** reaching over 50%
 - Fall in **Forex reserves** to ~1.5 billion.
 - **Defaulted on its external debt payments** totalling USD 50 billion.
- **Debt issues and IMF Bailout:**
 - In 2023, IMF secured **USD 3 billion to bailout** Sri Lanka from crisis.
- **China presence:**
 - Sri Lanka **leased the Hambantota port to China for 99 years** due to its inability to repay loans in 2017.
 - **China's share of Sri Lanka debt** is about 10% (high interest rates).
- **Security Concerns:**
 - **Easter Sunday bombings in 2019** highlights threat of terrorism in the region.

Initiatives made by India for Sri Lanka:

Financial assistance to Sri Lanka:

- **Assistance of USD 4 billion** in 2022 during financial crisis.
- **Opening credit lines:** totalling **1.5 billion USD** for importing essential commodities and fuel. (credit lines are flexible borrowing options that allow access to funds.)
- **Currency swap agreements:** of **400 million USD** under SAARC framework — **RBI report**.
- India agreed to **defer repayment of Sri Lankan debt payments**.

Infrastructure Projects:

- **Housing Projects:** construction of **50,000 houses** in estate worker's regions (Indian Tamil origin people). 47,000 houses completed — **High Commission of India in Colombo**.
- **Railway development:** supply of railway rolling stock and rehabilitation of railway lines.
- Launch of **free emergency Ambulance Services** by India.

Development Assistance:

- **Grants** for projects in education, health, and community development.
- **Capacity Building:** Eg. Training programs for Sri Lankan officials under Indian Technical and Economic Cooperation (**ITEC**) program.

Agreements on Maritime Security:

- **Joint Exercises and information sharing:** **SLINEX** (naval exercise) and **Dosti** (coast guard exercise including Maldives).

Cultural initiatives:

- **Reconstructions of cultural sites:** Eg. Restoration of Thiruketheeswaram Temple in Mannar.
- **Developing Buddhist circuit** to promote tourism.

Energy Cooperation:

- **Collaboration on Renewable Energy Projects** (solar and wind).

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- Joint development of **strategic oil storage facility** i.e Trincomalee Oil Tank Farm.

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GS II 2022: India is an age-old friend of Sri Lanka.' Discuss India's role in the recent crisis in Sri Lanka in light of the preceding statement.

ECONOMY

PRE-CONTEXT

MFN STATUS

THE HINDU, PG.NO: 13.

News: "Swiss Shock: EFTA member lobs back India's MFN tax volley."

About Most Favoured Nation:

- One of the **WTO Instruments** for **fair trade**.
- MFN status means **a country promises to treat another country as favourably as it treats its most favored trading partner**.
 - This means extending any special privileges, like reduced tariffs or quotas, to all MFN countries.
- **Exemptions to MFN:**
 - **Regional group agreements** (FTA, PTA, GSP etc) are exempted.
 - Above can offer preferential treatment to each other, which may not be extended to non-member countries.

Double Taxation Avoidance Agreement:

- A **bilateral agreement between two countries** designed to **prevent individuals and businesses from being taxed twice** on the same income.
- Switzerland had **granted India MFN status under the DTAA**, which allowed Indian companies operating in Switzerland to benefit from reduced withholding tax rates on dividends, interest, and royalties.
- **Switzerland decided to withdraw the MFN status for India**, citing a lack of reciprocity and the Supreme Court ruling.

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SYLLABUS: PARLIAMENT AND STATE LEGISLATURES—STRUCTURE, FUNCTIONING.

CHAIRMAN AND SPEAKER OF PARLIAMENT

THE HINDU, PG.NO: 10.

News: "Opposition is against my 'category': Chairman"

Context: In a move that is unprecedented in India's parliamentary history, 60 Members of the Rajya Sabha have expressed a loss of confidence in the Chairman, who is also the Vice-President of India.

- **The Speaker must ensure the Lok Sabha's proceedings are uninterrupted.** To achieve this, **they must earn the trust of MPs** by being neutral in practice and perception.

Controversies with Office:

- **Perceived partisanship:** Speaker and Chairman often hail from political party in majority.
 - **Unlike Britain Parliament** speaker has no convention or compulsion to resign from the party membership.
- **Decision making powers:**
 - **Anti-defection cases:** Eg. Maharashtra Assembly 2019-20.
 - **Classification of bills as Money bill** e.g. Recent PMLA 2022 amendments done through money bill route, Aadhar as money bill in 2016.
- **Functioning related issues of house:**
 - **Admission of critical motions:** Eg. censure motion and no-confidence motion against the government.
 - **Allocation of time for discussion:** on important issues to the opposition members.
 - **Delay in key issues:** like recognition of Leader of Opposition after 2014 general elections.
 - **Hastily applying "guillotine" provisions** to cut short debates on contentious issues.

Removal of Presiding Officers of Parliament:

Chairman:

- **Grounds for Removal:** **not mentioned in the Constitution.**
- The Chairman of the Rajya Sabha can be removed from his office only if he is removed from the office of the Vice-President.
- **Art. 67(b):**
 - **At least a 14-day notice** has been given of the intention to move the resolution.
 - Vice President may be removed from his office by a resolution passed by an **Effective Majority (i.e. majority of total strength minus vacancies) of the Rajyasabha.**
 - After being passed in Rajyasabha, **Approval of Loksabha (simple majority)** is needed.
 - Vice President **cannot preside** as Chairman of the Rajya Sabha, during discussions on removal.
 - The Vice-President **can hold office beyond his term of five years** until his successor assumes charge.
 - He/She is also **eligible for reelection** to that office for any number of terms.

Speaker:

- **Grounds for Removal:** **not mentioned in the Constitution.**
- **Art. 94 and 96:**
 - **At least a 14-day notice** has been given of the intention to move the resolution.
 - House can remove the Speaker through a resolution passed by an **effective majority Effective Majority (i.e. majority of total Strength minus vacancies) of the Loksabha.**
 - Speaker **cannot preside** sitting of the house, **during discussions on removal.**

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- **Whenever the Lok Sabha is dissolved,** the **Speaker does not vacate his office** and continues till the newly-elected Lok Sabha meets.
- **Rajyasabha has no role** in the removal of the Speaker of Lok Sabha.
- He/She is also **eligible for reelection** to that office for any number of terms.

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GS II 2020: 'Once a Speaker, Always a Speaker'! Do you think this practice should be adopted to impart objectivity to the office of the Speaker of Lok Sabha? What could be its implications for the robust functioning of parliamentary business in India?

RECENT EXAMPLES FROM NEWSPAPER

THE HINDU, PG.NO: 8.

Impartiality

News: "Wounding the spirit of the Constitution of India."

About Impartiality:

- Impartiality means **making decisions** or judgements **without bias or favouritism.**
- Impartiality plays a key role for professions like **judges, doctors, public officials etc** where fairness is critical.
- An impartial person ensures that no one receives unfair advantage or disadvantage.

Earlier instances of questioning the impartiality of Administrators:

- **Former CJI Ranjan Gogoi's** nomination to Rajyasabha 2020.
- **Justice Arun Mishra** praising PM while presiding over sensitive cases in 2020.
- **Kerala mulls action against IAS officer** for social media group based on religion in 2024.
- **Karnataka High Court judge in 2024,** had referred to a Muslim-dominated locality in west Bengaluru as 'Pakistan.
- **A sitting judge of the Allahabad Court in 2024,** stating that India will run as per the wishes of the majority and also criticising Muslims is shocking.

"Art. 50 of the Indian Constitution advocates for **Separation of judiciary from executive.** This underscores need for impartiality in governance."

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Thank you!