



**APTI PLUS**

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# UPSC CSE 2021 MAINS EXPRESS



**IAS GYAN**  
PREDICT THE UNPREDICTABLE

## GS-I

### ART & CULTURE

#### Hunar Haats

##### Context

- Recently, the 28<sup>th</sup> Edition of the HunarHaat was organised at Kala Academy in Panaji, Goa.

##### Significance of HunarHaats

###### Economic Empowerment

- HunarHaat have become “Employment and Empowerment Exchange” for master artisans and craftsmen.
- More than 5 lakh artisans, craftsmen and people associated with HunarHaats have been provided employment and employment opportunities in the last about 5 years.
- These beneficiaries include a large number of women artisans.
- HunarHaat have infactproved to be a “Mega Mission” of economic empowerment of needy master artisans and craftsmen.

###### Promotion of Indigenous Legacy

- Traditional crafts have gradually lost their employability in the light of globalization & competitive market.
- HunarHaats are preserving and promoting India’s indigenous traditional legacy of master artisans and craftsmen which was on the verge of extinction.

###### Business Generation

- HunarHaat generates business worth crores of rupees for indigenous handmade exquisite products of artisans and craftsmen.
- These artisans are receiving orders for their products not only from domestic markets but also from international markets.

###### Atmanirbhar Bharat

- 'HunarHaat' is playing key role in making 'Vocal for Local' campaign a mass movement.

###### Empowerment of the minorities

- Hunar Hubs is one of the projects under Pradhan Mantri Jan VikasKaryakram (PMJKV) a Centrally Sponsored Scheme.
- Under this scheme 870 Minority Concentration Blocks, 321 Minority Concentration Towns have been recognized and till now 8 Hunar Hubs have been sanctioned for the socio-economic development of the minority artisans.

#### Tourism Industry of India

##### In News

- The 82nd webinar titled 'Stories of Madurai', of the Ministry of Tourism's 'DekhoapnaDesh' webinar series was held on Mar 30.

##### Achievements of Tourism Industry in India

- India was globally the third largest in terms of investment in travel and tourism in 2018, accounting for 5.9% of the total investment in the country.
- According to The World Travel and Tourism Council (WTTC), **tourism generated 6.8% of India’s GDP in 2019 and supported 39.80 million jobs which is 8 % of its total employment.**
- In 2014, Tourism & Hospitality **sustained a total of 36.7 million direct, indirect, and induced jobs in India, which is more than the jobs** created in banking, automotive manufacturing, chemicals manufacturing, education, financial services, and mining sectors.
- The total number of **inward medical tourists doubled in last three years** in India.

- India's rank in the Travel & Tourism Competitiveness Index (TTCI), 2017 has also shown a 25 places jump from 2013.
- **Rank of India in TTCI Report of 2017 was 40th as compared to 52nd in 2015 and 65th in 2013.**

### Challenges plaguing the Tourism Industry

- India **positioned 112nd in the ICT readiness component and 104th rank in the health and hygiene components** of the WEF's Travel and Tourism Competitiveness Index, 2017. This basically mirrors the poor quality infrastructure our nation has.
- In the past years, there was an exploding increase in manpower for other sectors like banking, engineering, and medicine. **This gradually prompted abatement in the human resources available for the tourism sector.**
- In India, the financial **backing allotted to help and advance the travel industry is less contrasted with other tourist destinations.**
- **High taxes on the entire industry including the airline facilities, hotels, and tour operators are highly expensive.**
- The **increasing rate of sexual abuse of women, theft, credit card fraud, identity theft, food poisoning, terrorism, and public violence** is affecting Indian tourism to a high extent.
- The B2B travel **industry in India is a highly cluttered market offering homogenous** range of choices and highly customized services.
- **Lack of cohesiveness across various state-led tourism campaigns** has limited India as clichéd, and stereotypical spiritual destination. We can refer to this tourist section as the Eat-Pray-Love crowd.
- **Lack of an Integrated Tourism Promotion Programme** has hindered the growth of tourism.
- **Indifference of many states and union territories to tourism**, which has not yet been accorded industry status by them, is another factor limiting its growth.

### Suggestions

- Experts in the **fields of hotel management and tourism must be associated** with all the decision-making bodies.
- Better **liaison should exist between State Tourism Department and ITDC.**
- A state level Tourism Planning Board can be set up to **do perspective planning to provide the required fillip to the tourism industry in India.**
- **Electricity and water to tourism & hospitality units** should be charged at a subsidized rate and on actual consumption against fixed load.
- **Grant infrastructure status to all hotels to allow them** to avail electricity, water and land at industrial rates as well as better infrastructure lending rates with access to larger amounts of funds as **external commercial borrowings.** It will also make them eligible to borrow from India Infrastructure Financing Company Limited (IIFCL).
- A **national tourism policy should be issued by the Ministry of Tourism**, Government of India which covers common protocols for entry of a tourist into a state. This will act as a uniform guideline for all states to follow.
- The **states and union territories should have a targeted marketing campaign** to communicate the safety measures taken by the Government at various tourist attractions and the private stakeholders to ensure the safety of the tourists when travelling to the destination.
- **Creation a separate Tourism fund under the aegis of Ministry of Tourism** to support the Hospitality and Travel Industry in this time of crisis. The fund should be accessible to the Industry as a collateral free 10-year loan.
- **Stimulus package to stabilize and support the sector in the near term**, including a workforce support fund to ensure that there are no job losses.
- Lending to MSMEs in the Hospitality sector may be treated as Priority Sector lending, which will enable increased access to bank finance.

### Steps taken to promote Tourism in India

- Central Financial Assistance to States/UTs **under the schemes of SwadeshDarshan, National Mission on Pilgrimage Rejuvenation and Spiritual Heritage Augmentation Drive (PRASHAD)** and Assistance to Central Agencies for the development of tourism related infrastructure in the country.
- **Extension of e- visa facility** to citizens of 167 countries.

- Niche tourism products like Heritage Tourism, Adventure Tourism, Cruise Tourism, Rural Tourism, Wellness & Medical Tourism, MICE, Golf, etc. are being promoted through the Incredible India 2.0 Campaign.
- **Launch of 24x7 toll free multi-lingual tourist helpline in 12 International languages including Hindi and English.**
- Organisation of **annual Global Tourism Mart for India in line with major international travel marts being held in countries across the world.** It provides a platform for all stakeholders in tourism and hospitality industries to interact and transact business opportunities.
- Organisation of biennial International Buddhist Conclave. It showcases the Buddhist Heritage countries and communities interested in Buddhism.
- Organisation of Annual International Tourism Mart for promotion of tourism in North Eastern States.
- Promotional activities in tourist generating markets overseas **through the India Tourism Offices abroad with active participation in travel fairs and exhibitions;** organizing Road Shows, –Know India” seminars & workshops.
- The Ministry of Tourism **launched a mobile application called SwachhParyatan** which will let citizens report any hygiene issues at various tourist destinations across the country.
- **ASI has identified 100 monuments to be developed as Model Monuments.** These monuments would be provided necessary tourist facilities including Wi-Fi, security, signage, encroachment free area, interpretation centres showing short films about the importance of monuments and signboards of Swachh Bharat Abhiyan.
- Ministry of Tourism **developed an initiative called SAATHI (System for Assessment, Awareness & Training for Hospitality Industry)** by partnering with the Quality Council of India (QCI) in October 2020.
- Ministry of Tourism **launched Audio Guide facility App called Audio Odigos** for 12 sites in India (including iconic sites).
- Ministry of Tourism **has launched the Adopt A Heritage’ project.**
- Creation of **Special Tourism Zones would lead to overall development** of the areas and offer diverse tourism experiences which would help in creating livelihood and improve standards of local communities living in those areas.
- Ministry of Tourism as part of its Rail Tourism Policy is collaborating with Ministry of Railways for manufacturing of three glass top coaches to be deployed on scenic rail routes of the country.
- **Two glass top coaches were launched in 2017 on the Vishakhapatnam – Araku Valley and Dadar to Madgaon route.** The third glass top coach is being constructed for the Qazigund – Baramullah route in Jammu and Kashmir.

## Conclusion

- Tourism sector is predicted to grow at an annual rate of 6.9% to \$460 bn by 2028 which is 9.9% of GDP.
- Government of India is rightly working to achieve 2% share in world's international tourist arrivals by 2025.
- To achieve its goals India needs a colossal move from the conventional marketing techniques that are still being followed to a much modern approach.

## Bhakti Movement

### Context

- It is common to see politicians often going to different Sattras to seek blessings or extolling the virtues of Sankardeva.

### Reasons behind rise of Bhakti Movement in a nutshell

- Brahminical Dominance
- rigidity of caste system,
- irrelevant rituals and religious practices,
- blind faiths and social dogmas.
- polytheism,
- segregation,
- severe economic disparity due to casteism, untouchability

- Rival religions like Islam: The Islamic principles of one God, equality and fraternity of mankind and complete surrender to God appealed to the liberal Hindus.
- Emergence of Great Reformers: Hindu liberals like Ramanuja, Chaitanya Mahaprabhu, Kabir, etc emphasized aspects like equality irrespective of caste, creed, and colour, virtues of kindness of heart and mind, devotion to one God (monotheism), freedom from all kinds of ritualism and preaching in the language of the common people.

### Features of the Bhakti Movement

- Unity of God or one God though known by different names.
- Bhakti, intense love and devotion, the only way to salvation. Repetition of the True Name.
- Self-Surrender.
- Condemnation of rituals, ceremonies and blind faith. Rejection of idol worship by many saints
- Open-mindedness about deciding religious matters.
- Did not linked themselves with any particular religious creed Emphasized on fundamental unity of all religions.
- No distinction of different castes, higher or low
- Need of a guru for guidance advocated by some.
- Preaching through local or regional languages and travelling from place to place for spreading the religious message.

### Bhakti Movement in Assam

- In 15th century AD Srimanta Sankaradeva appeared on the social scene of Assam.
- He initiated a fresh approach to the existing Vaishnava religion that gave rise to a set of new values and aided in social synthesis.
- The movement evolved new institutions of Satra and Namghar which began to serve as the instrument spreading the faith.
- As the saint travelled across Assam, spreading his teachings and propagating an egalitarian society, these Sattras/Thans were established as centres of religious, social and cultural reforms in the 16th century.

### Sankardeva's philosophy

- Sankardeva propagated a form of **Bhakti called eka-sharana-naam-dhrama**, and espoused a society based on equality and fraternity, free from caste differences, orthodox Brahmanical rituals and sacrifices.
- His teaching **focused on prayer and chanting (naam) instead** of idol worship.
- His dharma was based on the four components of deva (god), naam (prayers), bhaktas (devotees), and guru (teacher).

### Contribution of women in Bhakti Movement

- **Akka Mahadevi**: She was a poet of Kannada Language. She is known to have considered the god Shiva as her husband. Her mystical poems have notable contribution to Kannada literature.
- **Meerabai**: Meerabai a mystical poet and singer known for her songs of devotion to Lord Krishna. Mira is a symbol of a liberated woman who risked all to protect her independence, freedom, and love towards Krishna.
- **Andal**: A well-known South Indian poet and only female among 12 Alvars of Tamil Nadu.
- **Lal Ded**: The Muslim poetess from Kashmir Lal Ded & Habba Khatun, represented the saint tradition of Bhakti and wrote Vakh (maxims), which are peerless gems of spiritual experience.
- **Jana Bai**: Janabai was influenced by teachings of Saint Namdev. Her poetry encompasses the discrimination faced by women & sudras. This awakens the sudras and women for their rights.

### Impact of Bhakti Movement

#### Social impact:

- Rejection of the caste distinction. People belonging to all —so called classes|| began to mix together on the basis of equality.
- It led to the upliftment of people in the lower rungs of the society in fundamental ways.
- They took their meals together from the common kitchen. The movement tried to loosen the bond of caste.



- A spirit of harmony among different sections of society and religion received impetus.
- The evil practice of Satireceived some set back.
- The status of women got improved.

#### Religious impact:

- The movement aroused awakening among the Hindus and Muslims regarding the futility of ritualism and superstitions.
- The feeling of appreciation of the difference between the thought and practices of the two religions emerged.
- The movement encouraged religious toleration.
- It gave birth to a new sect i.e. Sikhism.

#### Impetus to Vernacular Languages

- In place of Sanskrit, Arabic and Persian, the Bhakti saints preached through the medium of local languages which could be understood very easily.
- For instance Surdas used Brij dialect. GoswamiTulsi Das composed his works in Awadhi.

#### Moral influence

- The movement attempted to infuse a spirit of piety in the daily life of the people.
- It emphasized earning of wealth through hard work and honest means.
- It encouraged the value of social service to the poor and the needy.
- It developed a humanitarian attitude. It pointed out the virtues of contentment and self control.
- It drew attention to the evils of anger, greed and vanity.

### Relevance of Bhakti Movement in today's world

- Bhakti movement, which dates back to the 6th century, reshaped the cultural, social and religious life of India, breaking barriers of caste and gender and it continues to do so when India and the world is grappling with issues like:
  - Inter-communal Violence: Figures at 723 for the year 2017 (NCRB Report).Communal violence rose by 28% from 2014 to 2017.
  - Intolerance: India ranks fourth highest in terms of social hostilities against religion (PEW Report)
  - Inequality: The top 10% of the Indian population holds 77% of the total national wealth- Oxfam Report.
- According to a report by Human Rights Watch: Discriminatory and cruel, inhuman, and degrading treatment of over 165 million people in India has been justified on the basis of caste.
- Nine states accounted for 84% of all crimes against Dalits in India in 2019 though they accounted for only 54% of the country's SC population--National Crime Records Bureau.
- Status of women:
  - India's female labour force participation rate stands distressingly low at 23.4 per cent (2019) as per the World Bank (modelled ILO estimates)
  - The crime rate registered per lakh women population is 62.4 per cent in 2019, up from the 58.8 per cent figure of 2018- NCRB
- India ranked 108th out of 149 countries on Gender Gap Index by World Economic Forum.

## Monument of National Importance

### Context

- Centuries-old St. George's Orthodox Church is now set to be declared a Centrally protected monument of national importance by the Archaeological Survey of India (ASI).

### Declaration

- The church is one of the rarest in Kerala, having traditional Kerala church architectural pattern with rare and beautiful mural paintings on the walls of the altar. It is believed that the church was built in AD 950.
- Considering the historic, art and architectural importance of the church, this office intends to protect the church as a Centrally protected monument of national importance.

## Monument of National Importance

- A "Monument of National Importance" is designated by the Archaeological Survey of India and includes the following:
  - ✓ The remains of an ancient monument
  - ✓ The site of an ancient monument
  - ✓ The land on which there are fences or protective covering structures for preserving the monument
  - ✓ Land by means of which people can freely access the monument

## The Importance of Preserving Historical Buildings

It is said that

**"Memory is the treasure house of the mind wherein the monuments thereof are kept and preserved."**

- Historical Buildings give glorified pictures of one country. They not only give us idea about the socio-economic state of the country but also give a vivid idea about the religious and political status.
- They are the pictures of the rule, the culture, and the faith of changing times which that particular area underwent with the ages.
- They show light on our earlier generations, their way of living, their skills, their knowledge etc.
- Monuments are the grappling-irons that bind one generation to another.
- One of the reasons to preserve historical buildings is the character they bring to a neighbourhood or a place.
- Buildings and spaces with history have character. They bring a certain charm to a neighbourhood that new buildings don't.
- Historical establishments serve as reminders of the past. And preserving our past gives us more understanding and hope for the future.

## Buddhism

### Context

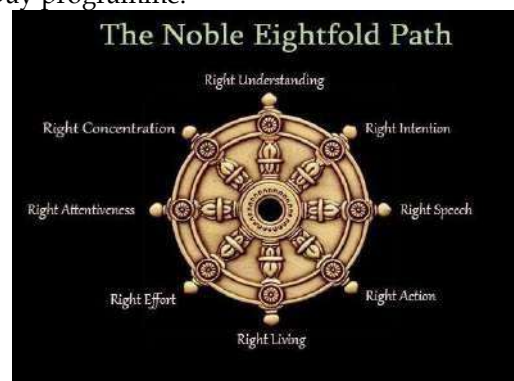
- Care with prayer initiative of the International Buddhist Confederation is praiseworthy, said the Prime Minister in his message for the Ashadha Purnima-Dhamma Chakra Day programme.

### The Four Noble Truths

These truths are usually explained as follows:

1. All life is **dukkha**
2. Dukkha is caused by **tanha** ('thirst', desire, attachment, craving)
3. Tanha can be overcome, therefore **dukkha can be overcome**
4. Tanha can be overcome by following the **Eightfold Path**

**There is suffering.**  
**Suffering has an origin.**  
**Suffering can cease.**  
**There is a path out of suffering.**



## Relevance of teachings of Buddha amid the Pandemic

- Buddha denotes one who as attained enlightenment and had a sense of awakening to build a peaceful, harmonious and just society.
- The Buddha's assurance of **putting an end to suffering**; his emphasis on universal compassion and non-violence; his message to pursue morality and moderation in all aspects of life, have inspired countless people over the last 2600 years since his first sermon at Sarnath.
- This universal appeal of Buddhism is due to its **logical, rational and simple answers to the fundamental problems** faced by human beings across time and place.
- The ongoing COVID pandemic bears testimony to the fact **that the complexities of the modern world carry with them more uncertainties and crises.**
- The threats of **bioterrorism, climate change, global warming, radicalism, extremism, etc, are shaking the conscience of humanity.**
- The Buddha's **method of introspection and awakening shows the path in these troubling times.**

- The Buddha's lesson of **—Atma Dipo Bhava|| — every man can be a light unto himself, a savior of himself through personal efforts** — is apt to alter the individualist approach.
- The Buddhist approach of **righteous behaviour, wisdom, compassion, and the reduction of trishna (greed)** offers a set of building blocks for a new world order.
- In this world **violence and conflict are minimized and development takes place without degrading the natural resources.**
- The **adoption of the —middle path** by avoiding extreme positions as taught by Buddha leads to avoiding conflict, reconciliation of different viewpoints, and achieving consensus.
- His **eight-fold-path has not only transformed** the spiritual landscape worldwide but also encouraged ethical and sustainable social, political, and commercial practices.
- It is due to the **Buddhist values of compassion and the promotion of peaceful coexistence that the world is looking** towards India with hope.
- His **teachings find reflection in the globally-accepted Gandhian ethos.** .
- As peace and sustainable development are interlinked, **the Buddha's prism can be the guiding lights to every single stakeholder from local to global** institutions and leaders, to work together for promoting dialogue, harmony, and justice based on compassion and wisdom.
- Buddha Purnima is an apt moment amid this pandemic to reinforce our commitment to take determined action to relieve ourselves from conflicts, violence, and strengthen the contemporary relevance of Vasudhaiva Kutumbakam.

## World Heritage Sites

### Context

- Dholavira, a Harappan-era city in Gujarat, has been conferred the tag of UNESCO World Heritage Site.

### About Dholavira

- Dholavira is an example of a proto-historic Bronze Age urban settlement pertaining to the Harappan Civilization.
- It bears evidence of a multi-cultural and stratified society during the 3rd and 2nd millennia BCE.
- It is the first site of the ancient Indus Valley Civilisation (IVC) in India to get the tag.
- Dholavira and the Ramappa Temple were included in the list during the 44th session of the UNESCO's World Heritage Committee.

### Benefits of a World Heritage Site designation

- It brings international attention to the need for the preservation and conservation of the site.
- It brings tourism to the site, with its accompanying economic benefits to the host country and local area.
- It can provide funds for restoration, preservation, and training. For example, in 2001, the Taliban destroyed two 6th century, 150-ft. statues of Buddha carved into the mountainside in the Bamiyan Valley in Afghanistan. The site has received more than \$4 million from UNESCO to help with reconstruction and to hire a sculptor to re-carve some of the damaged stone.
- It promotes national and local pride in the natural and man-made wonders of the country.
- It promotes close ties with the United Nations system and the prestige and support it provides. It provides access to global project management resources.
- It facilitates creating partnerships between government, the private sector, and NGOs to achieve conservation goals. Once declared, the site becomes protected under Geneva convention against destruction during a war.

## Architect of Post-Independence India

### Context

- Indian Institute of Management (IIM), Ahmedabad has decided to bring down 18 dormitories built by legendary American architect Louis Kahn and replace them with new building.
- Kahn, is one among several foreign architects whose work defines several Indian cities.



## Contribution of architects

### Louis Kahn

- He conceived the IIMA campus in his distinctive style of architecture.
- It comprises of circles and arches, using red bricks that were locally available.
- Louis Kahn's majestic red-brick campus is an architectural masterpiece.
- Kahn is also known for his monolithic complexes of buildings including the Capitol Complex in Dhaka, Bangladesh and the recently restored Salk Institute in California.



### Antonin Raymond & George Nakashima

#### The building

- Antonin Raymond designed Golconda as a universal commune.
- Japanese-American woodworker George Nakashima completed it after Raymond left India. Golconda is **India's first reinforced concrete buildings**, built between 1937 and 1945.
- Its ascetic interiors helped provide a meditative atmosphere for disciples.

### Otto Koenigsberger

- Koenigsberger from Berlin worked for the Maharaja of Mysore in the late 1930s.
- Later, he was commissioned by Tata & Sons to develop the industrial township of Jamshedpur in the early 1940s. He also designed the masterplan for Bhubhaneswar (1948) and Faridabad (1949).
- He planned for schools and bazaars in the city centre after seeing children and women walk punishing distances to reach schools and workplaces.
- At the time of Partition and communal riots his housing plans included people from different social classes and religions.

### Frank Lloyd Wright

- American architect Frank Lloyd Wright never built a structure in India, but his influence was unfathomable.
- Two of his students, Gautam and Gira Sarabhai, were the founders of the National Institute of Design, Ahmedabad.
- Gira remodelled an existing bungalow using Wright's signature cantilever roofs and a strong indoor-outdoor connect.
- Padma Vibhushan Charles Correa, one of India's finest architects and urban planners, was hugely influenced by Wright.

### Le Corbusier

- Swiss-French painter-writer-architect Corbusier designed many of Chandigarh's civic buildings -- from courts to housing.
- Corbusier's modernist approach, without decoration, gave India its brutalist, bare concrete buildings.
- Many architects like B V Doshi and Shivrath Prasad, were inspired by him.
- Corbusier built the Sarabhai House, Shodhan House, Mill Owner's Association Building and Sankar Kendra.
- He is often called the "father of modern Indian architecture".

### Buckminster Fuller

- Fuller is known for his geodesic domes – large-span structures made of a network of triangles.
- Gautam Sarabhai, inspired by Fuller, designed the Calico Dome in 1962.

### Joseph Allen Stein

- He established the Department of Architecture and Planning at the West Bengal Engineering College.
- Stein gave Delhi many cultural landmarks that blended Indian craft with international modernism. It includes:
  - Triveni Kala Sangam
  - the High Commissioner's Residence and Chancery for Australia,
  - Steinabad in Lodhi Estate, where many of his buildings stand, including the India International Centre, Ford Foundation and the India Habitat Centre.

## Lingayats

### Context

- Karnataka Chief Minister recently laid the foundation stone for the New Anubhava Mantapa' in Basavakalyan.
- It is the place where 12th century poet-philosopher Basaveshwara lived for most of his life.

## About Basavanna

- Basavanna was an Indian 12th-century statesman, philosopher, poet, in the Bhakti movement.
- He was also a Hindu Shaivite social reformer during the reign of the Kalyani Chalukya/Kalachuri dynasty.
- His influence reached its peak during the rule of King Bijjala II in Karnataka.

### Contributions

- He was the founder of Lingayat sect.
- Basavanna was a social reformer during the reign of the Kalyani Chalukya/Kalachuri dynasty.
- Rejected temple worship, superstitions and rituals led by Brahmins.
- Advocated equality of all human beings irrespective of caste.
- Launched a devotional movement called Virashaivas. It means "ardent, heroic worshippers of Shiva". Roots of this movement could be traced to Tamil Bhakti movement, particularly the Shaiva Nayanars traditions of 7th- to 11th-century.
- Promoted personalized devotional worship of Shiva through symbols like ishtalinga. Anyone could worship God irrespective of gender, class or caste discrimination.
- used his poetry -Vachanaas to spread social awareness.
- Established Anubhava Mantapa- a hall for gathering and discussion of spiritual ideas by any member of the society from both genders.



### Literary works

- The Basavarajadevara Ragale by the Kannada poet Harihara (c.1180) is the earliest available account on the life of Basavanna.
- The Basava Purana, written by Palkuriki Somanatha in 13th-century is a sacred text in Lingayatism.

## Promotion of Indigenous Games

### Context

- Recently, the Sports Ministry has approved the inclusion of four Indigenous Games to be a part of Khelo India Youth Games 2021, scheduled to take place in Haryana.
- The games include: Gatka, Kalaripayattu, Thang-Ta and Mallakhamba.

### Gatka

- It is a style of stick-fighting, with wooden sticks intended to simulate swords.
- This traditional fighting style of the Nihang Sikh Warriors is used both as self-defense as well as a sport.

### Kalaripayattu

- Kalaripayattu contains rituals and philosophies inspired by Hinduism.
- The art also bases medical treatments upon concepts found in the ancient Indian medical text, the Ayurveda.
- Practitioners of Kalaripayattu possess intricate knowledge of pressure points on the human body and healing techniques that incorporate the knowledge of Ayurveda and Yoga.

### Thang-ta (Component of Huyen langlon)

- The thang-ta aspect of Huyen langlon can be practiced in three ways:
- ritual, demonstration, and combat.
- The first way is **related to tantric practices** and is entirely ritualistic in nature.
- The second way consists of a spectacular **performance involving sword and spear dances**.
- These routines can be converted into actual fighting practices.
- The third way is the **true combat application**.

### Mallakhamb

- Mallakhamb is a traditional sport, in which a gymnast performs aerial yoga or gymnastic postures and wrestling grips in concert with a vertical stationary or hanging wooden pole, cane, or rope.

## Significance of promoting Indigenous Games

- Indigenous games are a very important part of a people's heritage and culture.
- Agility, strength, balance, reflexes, hand-eye coordination, accuracy, strategy, intuition, patience. These are skills Indigenous hunters and fishermen relied on to feed their communities. And those skills were learned at an early age through games and maintained throughout adulthood through play.
- Also, Geoclimatic regions influenced the types of games. For example: Games in the Arctic developed the mental and physical strength necessary to survive in a harsh climate with extended periods of darkness.
- Traditional Indigenous games not only teach valuable skills but also combined mental and physical wellbeing.
- Thus, Indigenous Sport is an extremely important component for the overall development of our nation.
- It's important to inspire young talent, give them top-notch infrastructure and training of the highest level.
- We need to inculcate a strong spirit of participation in sports that enables players to demonstrate their true potential.
- Only then can India realize its dream of becoming a sports super power.

## Guru Nanak Dev

### Context

- Recently, the 551st birth anniversary of Guru Nanak Dev was celebrated all over the world.

### Guru Nanak Dev

- First of the 10 Sikh Gurus and the founder of Sikhism, Guru Nanak was born in a village, Talwandi, near Lahore (it was renamed later as Nankana Sahib).
- He rejected sacrifices, rituals, image worship, austerities and the scriptures of both Hindus and Muslim.
- He advocated the 'Nirguna' (devotion to and worship of formless divine) form of bhakti.
- Guru Nanak's hymns known as —Gurbanill were included in the Adi Granth compiled by Guru Arjan (1563-1606), the fifth Sikh guru.
- The book also contains teachings of Bhakti saints like Kabir, Ramananda, Namdev and a Sufi saint Sheikh Farid.
- Adi Granth came to be known as "Guru Granth Sahib" after the tenth Sikh guru- Guru Gobind Singh, included the compositions of the ninth guru, Guru Tegh Bahadur in the scripture.

## Relevance of Guru Nanak Dev's teachings in present day context

### Building a classless and casteless society

- His idea of equality can be presumed from his innovative social institutions:
  - Langar (Common kitchenette): Collective cooking.
  - Pangat (Holy congregation): sharing food without distinction and discrimination of caste.
  - Sangat (General Assembly): Collective decision-making.
- These practices had directly challenged the ill practices like untouchability and the caste system in the 16th century and continue to do so even today.

### Communal harmony and social stability

- Guru Nanak Dev's concept of "Sabna Jiya Ka Ek Data" is relevant even today and can tackle these issues in the society. "Sabna Jiya Ka Ek Data" means the whole world is God's creation and all are born equal. There is only one universal God i.e. —Ik Omkaar Satnaam.
- Further, forgiveness, patience, forbearance, and kindness are the core of Guru Nanak Dev's teachings.

### Gender Equality

- Respect for women and gender parity are perhaps the most important lessons that need to be learnt from Guru Nanak Dev's teachings.
- Guru Nanak Dev's argument "How can women be inferior when they give birth to men?" and his words "Women as well as men share the grace of God and are equally responsible for their actions to him."

### Neighborhood Peace

- Due to cross border terrorism and Kashmir issue, relationship between India and Pakistan has been grim since decades.
- Both the countries kept their political issues aside and inaugurated the Kartarpur corridor. This clearly demonstrates the influence of Guru Nanak Dev's teachings and appears to be a point of normalization between the two countries that will have a huge influence in maintaining peace and order in South Asia.

## GS-II

### SOCIAL JUSTICE

#### Bodily Autonomy

##### Context

- United Nations Population Fund's (UNFPA) flagship State of World Population Report 2021 titled 'My Body is My Own' has been launched.

##### What is Bodily autonomy?

- Bodily autonomy means that we have the power and agency to make choices over our bodies and futures, without violence or coercion.
- This includes when, whether or with whom to have sex. It includes when, whether or with whom you want to become pregnant. It means the freedom to go to a doctor whenever you need one.

##### Violation of Bodily autonomy

- Bodily autonomy and bodily integrity are violated when a husband prevents a woman from using contraception.
- They are violated when a person is forced to exchange unwanted sex for a home and food.
- They are violated when people with diverse sexual orientations and gender identities cannot walk down a street without fearing assault or humiliation.
- Bodily autonomy and integrity are violated when people with disabilities are stripped of their rights to self-determination, to be free from violence and to enjoy a safe and satisfying sexual life.

##### Some methods of violation of Bodily autonomy in society

- Virginity testing and forced anal testing
- Forced sterilisation and contraception use
- Homophobic and Trans phobic rape
- Forced and Child Marriage
- Female Genital Mutilation
- Honour Killings
- Marital Rape and Marry your Rapist Laws
- Reproductive Coercion
- Denial of Comprehensive sexuality Education

##### Measurement of Bodily Autonomy

- The international community has agreed to monitor two indicators – part of the Sustainable Development Goals (SDG) – measuring decision-making and laws on reproductive health care and information.

##### Decision-making power

SDG Indicator 5.6.1 looks at three questions posed to women:

- Who usually makes decisions about health care for yourself?
- Who usually makes the decision on whether or not you should use contraception?
- Can you say no to your husband or partner if you do not want to have sexual intercourse?

Only women who make their own decisions in *all three* of these areas are considered to have autonomy in reproductive health decision-making and to be empowered to exercise their reproductive rights.

##### Laws that empower

SDG Indicator 5.6.2 looks at laws and regulations that guarantee full and equal access to women and men to sexual and reproductive health care, information and education. It covers:

- Maternity Care
- Contraception and Family Planning
- Comprehensive sexual education and information



- Sexual Health and Well being

The indicator measures whether a supportive law exists and whether there are restrictions, such as age limitations or spousal permission requirements.

### Ensuring Autonomy for all

- The first step is articulating and affirming the concept itself. Too many people are unaware that they even have the right to make choices over their own bodies and futures.

#### Education is key

- Women with more education are more likely to make their own decisions about contraception and health care, and to be able to say no to sex.
- Comprehensive sexuality education – meaning age-appropriate, accurate information about one's reproductive health and rights – is crucial, as well.
- This education not only helps prevent unintended pregnancy and sexually transmitted infections, it also equips individuals to advocate for themselves.

#### Health providers

- Patients must be aware of their rights, and they must be asked for informed consent.
- Medical guidelines, trainings on legal requirements, and specific gender-sensitivity trainings can help health-care providers actively support the bodily autonomy of patients.

#### Social norms

- Social norms must also become more gender equitable.
- Improving women's opportunities for livelihoods and leadership roles in their community and beyond can increase their power to make decisions within households and about their bodies.
- Progress fundamentally depends on men being willing to step away from dominating roles that privilege their power and choices at the expense of women's power and choices.

#### Laws

- Laws can have a significant impact on women's rights, gender equality, and sexual and reproductive health.
- They must be aligned with globally agreed human rights principles and commitments, and reviewed for gender responsiveness.
- The judiciary and police must also be aware of these laws and principles.

## Coronavirus and Caste

### Context

- 2<sup>nd</sup> wave of coronavirus has led to exodus of workers towards their villages as more states go to lockdown.
- Many scholars have tried to identify the impact of coronavirus on the caste equation in India.

### Weakened the caste inequality in India

- Times of emergency as witnessed during the pandemic dilute caste rigidity in society – at least for that period of acute distress.
- These times foreground the safety of the biological body as the primary concern.
- The narratives of migrant workers suggested that untouchability and vertical distance based on caste disappeared in those difficult times.
- Water, food and goods were moving hand to hand without thinking or bothering about caste. Brahmin had food at the lower caste food joints.
- Coronavirus has produced only two castes in villages – '*prawasi* (outsider)' and '*niwasi* (insider)'.
- The pandemic has changed the dynamic of untouchability in Indian society and brought a type of horizontal untouchability between bodies, which goes beyond caste and religion.

### Strengthened the Caste Inequality

- Many lower caste were barred from purchasing essentials such as food and medicine by their upper-caste locales.



- Caste discrimination was witnessed in the government employment schemes where most of the jobs were landed with the upper caste.
- Lower caste also is the poorest section which hampers its access to healthcare.
- In the recent times, lower caste faced multiple hurdles in accessing the crematoriums.

### Way Forward

- Caste is the deepest social discrimination which can't go away with a pandemic. It will require continuous sustained efforts from the government.
- Faster, inclusive development is the only way for casteless society as envisaged by the Ambedkar.

## Criminalisation of Begging

### Context

- Supreme Court is hearing a petition which seeks to decriminalise the begging.
- In the recent times, Railways has decided to decriminalise the begging in trains.
- The petition has sought directions to declare as "illegal and void" all provisions, except some sections, of the Bombay Prevention of Begging Act, 1959, Punjab Prevention of Beggary Act, 1971, Haryana Prevention of Begging Act, 1971 and Bihar Prevention of Begging Act 1951.

### Data

- According to census 2011, the total number of beggars in India is 4, 13,670 and the number has increased from the last census.
- West Bengal has the highest no of beggars followed by Uttar Pradesh and Bihar.

### Argument by the Petitioner

- **Violation of article 21:** The provisions of the statutes criminalising the act of begging put people in a situation to make an unreasonable choice between committing a crime or not committing one and starving which is violation of article 21.
- **Failure of state:** The presence of beggars is evidence that the state has failed to provide basic facilities to all its citizens.
- **Violation of constitutional Morality:** Criminalising the act of beggary is irrational and against the approach of a socialist nation as embedded in the preamble of our Constitution.

### Reasons behind Beggary

- **Poverty:** One of the major factors that force people to make a miserable beggary. It does not mean that **enough to support themselves or their families, many people resort to begging.**
- **The lucrative business:** Because of **easy profits and income from begging, some people can earn enough** to make it as a career instead of doing honest labour.
- **Disorganized family:** Family is part of the relationship of **our society, which affect our patterns of behaviour and activities. Any disruption in our home state, especially in** the case of a poor one leads to a breakdown of the family, which leads to rise in beggary.

### Legal Provisions

- There is no federal law in India as begging is a state subject in India.
- State government has justified their harsh laws that they aim to turn beggars into good people.
- Every state has their provision to criminalise the begging. 20 states have adopted Bombay Prevention of Begging act, 1959 as basis for their law.

#### Bombay Prevention of Begging act, 1959:

- This act provides for 3-10 years penalty in beggar homes for beggars.
- People found begging can be arrested without warrant.

- **Definition of Begging:** “Begging” under the Act includes soliciting or receiving alms in a public place, whether or not under any pretence of singing, dancing, fortune-telling, performing or offering any article for sale.

### J & K High Court observation

- Violation of the constitutional guarantee of freedom of movement: Such acts exclude the poor and marginalised from public places.
- Violation of article 19(1) (a) “A freedom of Speech Guarantee”: Begging was a peaceful method to communicate their situation to another, and solicit their assistance, it was protected under freedom of Speech.
- Violation of Basic Human Dignity: The act are steeped in prejudice against poverty and premised on an absolute presumption of potential criminality. It violated the right to life and personal dignity under article 21 of constitution.

### Delhi High Court Observation

- **Mandate of Social Security:** Government has the mandate to provide social security for everyone and the presence of beggars is evidence that the state has not managed to provide these to all its citizens.
- It decriminalised beggary by striking down, as unconstitutional.

### Steps Taken

#### Bhor Yojana (Bhikshu Orientation and Rehabilitation for poor and homeless people) by Rajasthan

- BHOR Yojana by Rajasthan government will provide vocational training to rehabilitate the beggars.
- Specifically included yoga asanas that can strengthen their physical fitness irrespective of their illnesses.
- Rajasthan government will provide medical aid to the beggars, revamp the beggar homes and provide them education.

#### Others

- Central government has tabled the “The Beggars (Empowerment, skill development and Rehabilitation) bill 2014 for the rehabilitation of beggars. The bill must be reintroduced and passed.
- J & K high court, Delhi high court have already quashed the respective state laws. It is incumbent on Supreme Court to quash such laws.

### Way Forward

- A **data census must be carried out to ascertain the number of beggars** in India, in each state and in each district to make a holistic policy.
- Target must be to **reskill these beggars and engage them in employment** rather than treating them as criminals.
- Children engaged in **the begging practice must be sent back to juvenile homes** and should be enrolled in the schools.
- Each state government **must treat them as weaker section and must work for empowerment** of this section.

## Groundwater withdrawal in India

### Context

- According to a new study, groundwater depletion in India may cause crop intensity of winter to decline by 20%.
- According to NITI Aayog Comprehensive water Index, 21 cities will run out of groundwater by 2030.

### Mapping of Groundwater

- The overall contribution of rainfall to the country’s annual ground water resource is 68%.
- The share of other resources, such as canal seepage, return flow from irrigation, recharge from tanks, ponds and water conservation structures taken together is 32%.

### Concept of Groundwater development:

- Ground water development is a ratio of the annual ground water extraction to the net annual ground water availability. It indicates the quantity of ground water available for use.

## Issues Arising out of Groundwater use

- Increasing and unsustainable extraction of groundwater has resulted in significant depletion, **with consequent adverse environmental impact.**
- From the **large-scale loss of livelihoods to health issues related to lack of availability of safe drinking water to people migrating**, the impact of water scarcity is severe.
- This is compounded by **climate change, which makes precipitation patterns erratic and therefore affects the predictability of groundwater recharge.**
- Currently, groundwater resources in nearly one-third of the country are under different levels of stress.
- Small and marginal farmers, women, and weaker sections of the society, disproportionately bear the brunt of groundwater depletion and contamination.**

## Major Causes of Ground Water Crisis in India

### Demand Side Reasons:

- Agriculture:**
  - Around 70% groundwater is used in agriculture. 90% of irrigation in north-west is done using groundwater. It is through excess withdrawal of water.
  - High Minimum Support Price (MSP) for rice, wheat and sugarcane also leads to faulty cropping pattern.
- Others:**
  - Overpopulation is enhancing the need for the groundwater.
  - Use of the groundwater is increasing for industrial purposes.

### Supply Side Reasons

- Low intensity rainfall in the North-western India due to change in the behaviour of monsoon.
- Concretisation of roads, drainage, colonies leads to less seeping of precipitation of groundwater.

## Way Forwards

- Correction of Agriculture Practices**
  - Use of modern technologies to measure the soil moisture and providing irrigation on need basis.
  - Usage of the drip and sprinkler irrigation than flood irrigation to improve water use efficiency.
  - Low water intensity crops must be planted in the low rainfall region. Mustard, maize, Bazra is the ideal crop for north -west India.
- Other steps needed**
  - Taxation of the groundwater withdrawal must be done.
  - Aquifer mapping must be taken up at large scale and groundwater condition must be a critical part of economic planning at panchayat level.
  - Recently, government has launched Bhujal Yojana for augmentation of the groundwater in alliance with the World Bank. It should be implemented properly and on priority.
  - Rainwater harvesting must be done at individual level. Watershed development should be taken up to control the flow of rainwater into river.

## Manual Scavenging

### Context

- Condemning the Centre for its "inhuman and cruel" statement that no deaths due to manual scavenging have been reported in the past five years, Safai Karamchari Andolan convener.

### Background

- Manual scavenging is a term used mainly in India for "manually cleaning, carrying, disposing of, or otherwise handling, human excreta in an insanitary latrine or in an open drain or sewer or in a septic tank or a pit"
- Manual scavenging refers to the practice of manually cleaning, carrying, disposing or handling in any manner, human excreta from dry latrines and sewers.**
- It often involves using the most basic of tools such as buckets, brooms and baskets.

- The **practice of manual scavenging is linked to India's caste system** where so-called lower castes were expected to perform this job.
- Manual scavengers are amongst the poorest and most disadvantaged communities in India.

### Reasons behind Manual Scavenging

- Association of the Caste stigma with manual scavenging.
- Lack of acceptance among states about manual scavenging pushes the issue under the carpet.
- Lack of rehabilitation of the manual scavenger.
- Poor implementation of the Prohibition of Manual Scavenging act. Governments do not provide the equipment like gloves and Masks while cleaning the drainage.
- Manual scavenging has crept up in urban India through cleaning of septic tanks and drainage systems.
- Low awareness of their rights, lower education, and lack of self-esteem continues the manual scavenging.
- Low per capita income, lack of skills to engage in other works, social stigma associated with this work also curtails mobility of manual scavengers.
- Lower inculcation of technology in scavenging.
- Low political mobilization, lack of leaders in the community, social exclusion further aggravates the issue.

### Steps taken for Eradication of Manual Scavenging

- In 1993, the Government of India enacted the Employment of Manual Scavengers and Construction of Dry Latrines (Prohibition) Act.
- The act **prohibited the employment of manual scavengers for manually cleaning dry latrines and the construction of dry toilets** (that do not operate with a flush).
- **Government brought Prohibition of Employment as Manual Scavengers and their Rehabilitation Act, 2013, which** is wider in scope and importance, acknowledging the urgency of rehabilitating manual scavengers.
  - It prohibits the construction or maintenance of insanitary toilets.
  - It prohibits a person from being engaged or employed for hazardous cleaning of a sewer or a septic tank.
  - Offences under the Act are cognizable and non-bailable.
  - It calls for a survey of manual scavengers in urban and rural areas within a time-bound framework.
- A Supreme Court order in March 2014 makes it mandatory for the government to identify all those who died in sewerage work since 1993 and provide Rs.10 lakh each as compensation to their families.
- Self-Employment Scheme for Rehabilitation of Manual Scavengers (SRMS) with the objective to rehabilitate remaining manual scavengers and their dependents in alternative occupations, in a time bound manner.
- Focus has been given on conversion of insanitary latrines into sanitary latrines under Swachh Bharat Mission.
- Under the Scheme of "Pre Metric Scholarship to the Children, the children of manual scavengers are also provided scholarship.

### Supreme Court observation on Manual Scavenging

- Nowhere in the world, people are sent to "gas chambers to die."
- **Why proper protective gear like mask and oxygen cylinders were not being provided to people engaged in manual scavenging** and cleaning of sewage or manholes.
- The **Constitution has if all human beings are equal but they are not being given equal facilities by the authorities.**
- No law, which deals with civil wrong and its liabilities thereof, is developed in the country and the magistrates are not empowered to take cognisance on their own of such incidents.

### NHRC Recommendations

- Rehabilitation process of manual scavengers may be linked to schemes under which they can immediately start earning like MNREGA and revisit to see how they and their families are doing;
- The amount of compensation paid as one time cash assistance for rehabilitation of manual scavengers may be enhanced from Rs. 40,000/- to Rs. 1 Lakh.
- Nodal authority/department that will bear the expense of such Compensation may also be clearly specified.

- Ensure to remove the role of middlemen by making provisions like direct benefit transfer or by collaborating with NGOs.
- Strict Action against local authorities, who employ people to work as manual scavengers; An App and a toll-free number for registration of complaints.
- The National Crime Research Bureau (NCRB) to monitor the sewer deaths and data reflected in its report.
- Union Finance Ministry of GOI may designate a particular Nationalized Bank for each State to take-up the responsibility of extending loans to the Manual Scavengers and their dependents' up to Rs.10.00 lakhs to take up the business Activity.
- Either individual or group insurances must be provided to Manual Scavengers and the premium shall be paid by the concerned Local Bodies.
- The National Safai Karamcharis Finance and Development Corporation, NSKFDC may provide financial assistance to manual scavengers to help start up working in the domain of sanitation and training to them.
- Government needs to plan adequate investment facilitating the shift to the use of technology, maintenance of technology and training the workers to operate the technology.
- Officers in the Supervisory level or In charge of the area should submit a declaration to the respective civic body to the effect that the required safety gears are being provided before any person enters the sewer/septic tank.

## Malnutrition in India

### Context

- Government has told the Rajya Sabha that there are over 9 lakh children with severe malnutrition in the country as of November 30 last year.

### Reasons behind Malnutrition

- Calorie deficiency
- Protein Hunger
- Micronutrient malnutrition

### Other reasons

- Poor uneducated women don't focus on children nutrition.
- Poor sanitation, lack of access to good quality food, lack of access to mineral drinking water are biggest reasons behind it.
- Birthing child in lower age, poor nutritional status of pregnant women and lack of adequate gap between two children are other reasons.
- Low per capita income, Higher food inflation especially fruit inflation, monodiet (having rice and lentils only) further aggravates the malnutrition.
- Poor implementation of the Policies like ICDS (Integrated Child development scheme), corruption in implementation of Mid-day meal scheme, lack of convergence between different ministries is other policy related causes.
- Poor fund utilization: Many States have only utilized 16% of their allotted funds in National Nutrition Mission.

### Methods to mitigate malnutrition

**ICDS scheme:** It focuses on improving the nutritional and health status of children in the age group 0-6 years. It involves:

- Supplementary nutrition (SNP),
- Immunization,
- Health check-up,
- Referral services,
- Pre-school non-formal education
- Mid day meal: It focuses on improving the nutritional status of children.

### Poshan Abhiyan:

- **POSHAN Abhiyaan has been set up by Government of India on 18.12.2017 for a three-year time frame commencing from 2017-18 with an aim to reduce the level of stunting in children (0-6 years), under-nutrition**



(underweight prevalence) in children (0-6 years) and Low Birth Weight at 2% per annum and reduce anaemia among young children (6-59 months), women and adolescent girls at 3% per annum across the country.

- It ensures convergence with various programmes, organising Community Based Events; incentivising States/UTs for achieving goals.

#### Other Approach:

- Include pulses in the PDS, mid day meal for dealing with protein hunger.
- National Horticulture mission is an attempt to reduce the micronutrient malnutrition.

#### Challenges in the Schemes

- Schemes has not been able to utilise the budget allotted to them. Most revised figures have been downgraded from estimate budgeted figures.
- In Poshan Abhiyan, much focus has been on digitisation of the process than achieving the convergence in the schemes.
- National nutrition mission doesn't focus on making low cost nutrition diet popular among the masses to make nutrition diet available for everyone.
- It doesn't make focus on disseminating information to public about basic dietary practices for children, adolescents, and mothers. For example, what is a balanced diet on a limited budget.
- National nutrition mission doesn't focus on breaking down the silos existing between health and women & child ministry to provide a comprehensive package for dealing with malnutrition.

#### Way forward

- Focus on nutrition-related interventions, beyond digitisation;
- Intensify the convergence component of POSHAN Abhiyaan, using the platform to bring all departments in one place to address nutrition;
- Direct the **announcement to form 10,000 farmer producer organisations with an allocation of Rs. 500 crore** to nutrition-based activities;
- **Promotion of youth schemes to be directed to nutrition-agriculture** link activities in rural areas;
- Give explicit emphasis and fund allocation to agriculture-nutrition linked schemes;
- Ensure early disbursement of funds and an optimum utilisation of schemes linked to nutrition.

## Poverty in India

### Context

- Poverty in India is on the rise again

### 1. Background

- Unemployment had reached a 45-year high in 2017-18, as revealed by NSO's Periodic Labour Force Survey (PLFS).
- Two-thirds of people in India live in poverty: 68.8% of the Indian population lives on less than \$2 a day.
- Over 30% even have less than \$1.25 per day available - they are considered extremely poor.
- This makes the Indian subcontinent one of the poorest countries in the world; women and children, the weakest members of Indian society, suffer most.
- India is the second most populous country after China with about 1.2 billion people and is the seventh largest country in the world with an area of 3,287,000 km<sup>2</sup>.
- The highly contrasted country has enjoyed growth rates of up to 10% over many years and is one of the largest economies in the world, with a gross domestic product (GDP) of 1,644 billion US dollars.
- But only a small percentage of the Indian population has benefited from this impressive economic boom so far, as the majority of people in India are still living in abject poverty.


## Reasons for Poverty

- In his book 'Poverty and Un-British Rule in India', Dadabhai Naoroji explains that the very nature of **British rule in India has encouraged poverty and impoverished the masses**. The decimation of the rural handicrafts and artisan communities, backwardness of agriculture and expenditure on the company officials are described as some of the reasons.
- Illiteracy and lack of quality education:** Despite more than 15 million graduates being produced every year, there are no jobs available for them due to lack of quality of education. Most of these graduates are studying outdated educational syllabus and hence cannot be productively employed anywhere.
- Vicious trap of poverty:** Prevalence of massive malnourishment, stunting and wasting amongst **children** which negatively impact their physical and mental potential pushing them deeper into the vicious trap of poverty for the rest of their lives.
- Sub-standard health outcomes:** More than 60% of the household incomes in many families is devoted towards health expenditure. This out of pocket expenditure on healthcare is one of the biggest pulling factor for poverty.
- Administrative Bottleneck:** Certain government policies that favour one sector over the other. Also there is lack of rule of law and enforcement of laws such as the Minimum Wages Act.
- Income Inequality:** According to the Oxfam, the top 10% of the Indian population holds 77% of the total national wealth. 73% of the wealth generated in 2017 went to the richest 1%, while 67 million Indians who comprise the poorest half of the population saw only a 1% increase in their wealth.
- Discrimination:** Discrimination and poverty go hand in hand. Discrimination can both cause poverty and be a hurdle in alleviating poverty. Ex: Discrimination against women, SC, ST, Disabled, Old age people etc is one of the major causes of poverty among them.
- Nature of job:** Approximately 56% of the total working population is in the agricultural sector. Which is marked by poor landholding, low productivity and disguised unemployment?
- The issue of low employment growth within industrial and service sectors has contributed to stagnant or declining standards of living.
- Inadequate public infrastructure:** Lack of accessibility to primary health care centres, quality public schools, research institutions, roads, waterways, rural markets, etc. act complementary for the rise and sustenance of poverty in India.
- Inadequate policy structure:** Given the vicious cycle of poverty, government hand-holding is needed to support those above poverty lines to prevent them from slipping below the line.

THE HINDU

### Relative and absolute poverty rose after 2012

Tracking poverty in India from 2005 to 2020



Incidence of Poverty		As per NSS CES data		As per PLFS data
		2004-05	2011-12	2019-20
Poverty Head Count Ratio (%)	Rural	41.8	25.7	30.5
	Urban	25.7	13.7	15.5
	<b>Total</b>	<b>37.2</b>	<b>21.9</b>	<b>25.9</b>
Number of poor (Million)	Rural	325.8	216.7	270
	Urban	81.4	53.1	71
	<b>Total</b>	<b>407.2</b>	<b>269.8</b>	<b>348</b>
Tendulkar Poverty Line (MPCE in ₹) All India	Rural	₹446.68	₹816	₹1,217.96
	Urban	₹578.8	₹1,000	₹1,467

## Consequences of Poverty

### The high infant mortality

- 1.4 million children die each year in India before their fifth birthday.
- In addition to Nigeria, Pakistan, the Democratic Republic of the Congo and China, India is one of the countries with the highest child mortality rates.
- Pneumonia, malaria and diarrheal diseases as well as chronic malnutrition are the most frequent causes of death.

### Malnutrition - not even a bowl of rice a day

- India is one of the world's top countries when it comes to malnutrition: More than 200 million people don't have sufficient access to food, including 61 million children. 7.8 million infants were found to have a birth weight of less than 2.5 kilograms - alarming figures for a country commonly referred to as the emerging market.

**Child labour - no time to play and learn**

- Although child labour for children under the age of 14 in India is prohibited by law, according to official figures, 12.5 million children between the ages of 5 and 14 are working.
- Aid agencies assume that in reality, there are many more estimating that 65 million children between 6 and 14 years do not go to school.
- Instead, in order to secure survival, it is believed that Indian children contribute to the livelihood of their families; they work in the field, in factories, in quarries, in private households and in prostitution.

**Lack of education - no opportunities without education**



- According to UNICEF, about 25% of children in India have no access to education.
- The number of children excluded from school is higher among girls than boys. Although women and men are treated equally under Indian law, girls and women, especially in the lower social caste, are considered inferior and are oppressed by their fathers, brothers and husbands.
- Without education, the chance of finding a living wage from employment in India is virtually hopeless.

**Child marriage - the early end of childhood**

- In spite of banning minors from marrying in 2006, it is still widespread in many regions of India.
- The main leaders in this practice are young girls, who are still children themselves and become mothers too early.
- Many of them die at birth. According to an investigation by the medical journal The Lancet, 44.5% of girls are still married in India before they are of legal age.
- Due to poverty, many parents encourage early marriages for their daughters in hopes of better lives for them.

**HIV / AIDS - a taboo in Indian society**

- 2.7 million Indians are infected with the HIV virus; about 220,000 of them are children, with the tendency rising.
- The lack of education and the lack of condoms mean that the virus is spreading faster and faster and more and more people are dying of AIDS - especially in the slums of the growing cities. More and more children are living there as so-called AIDS orphans, often being infected with the virus as well.



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**Committees to determine the Poverty level in India****YK Alagh Committee (1979):**

- It defined a poverty line based on the nutritional requirements for the urban and rural areas and assigned a consumption expenditure amount for it. Every year, this line was adjusted for inflation.

**Lakdawala Committee (1993):**

- This committee continued with the poverty line and nutritional requirements approach. However, it recommended that it is important for every state to define its own poverty line based on the diversity and also a separate poverty for the rural and urban areas.

**Suresh Tendulkar Committee report (2009):**

The following were the recommendations:



- Shift away from consumption-based poverty estimation to a more inclusive approach. The committee noted that the consumption patterns of people had changed and it was important to add more items than just calories needed for basic nutrition.
- It also recommended the addition of various intoxicants, education, fuel, medical and sanitation.
- Uniform poverty line- It did away with the system of having different approaches for the urban and rural areas of different states.
- Private expenditure on health and education.

**Rangarajan committee report (2012):**

- It set the poverty line at Rs 47 in urban areas and Rs 32 in rural areas as a poverty line per day per person as a poverty line.
- The international poverty line set up by the World Bank is USD 1.90 per individual in a day.

**Way Forward**

**Universal Basic Income:**

- It gained currency in the West because of the threat of automation-induced job losses.
- Economic Survey 2016-17 has suggested replacing all current cash transfers with universal basic income. The survey wants UBI to replace and not supplement the existing social welfare, anti-poverty schemes like MGNREGA, PMJSY etc.
- The Survey points out that the two prerequisites for a successful UBI are: functional JAM (Jan Dhan, Aadhar and Mobile) system as it ensures that the cash transfer goes directly into the account of a beneficiary and CentreState negotiations on cost sharing for the programme.

**Conditional Cash Transfer Schemes for Alleviating Human Poverty:**

- Such schemes aim at reducing extreme poverty in the short run while protecting the formation of human capabilities in the long run. This programme represents a shift in government's approach of focusing on the supply-side to a demand driven approach. Ex: In 2005, India launched a conditional cash transfer (CCT) programme, Janani Suraksha Yojana (JSY), to reduce maternal mortality ratio (MMR) through promotion of institutional births. JSY is the largest CCT in the world.

**Public investment in human capital and public goods:**

- Investments in human capital and public goods have significant positive impacts on private-sector productivity, with estimated rates of return ranging from 15 percent to upwards of 45 percent.
- The enhanced productivity of human beings or human capital contributes substantially not only towards increasing labour productivity but also stimulates innovations and creates ability to absorb new technologies.

**Economically Weaker Section (EWS) Quota**

**Context**

- Recently, government has announced the EWS quota for the medical education.
- The Constitution (103rd Amendment) Act provides for 10% reservation in government jobs and educational institutions for the economically weaker section in the unreserved category.
- The Act amends Article 15 and 16 to provide for reservation based on economic backwardness.

**More about EWS quota**

- It is in addition to 50% reservation already provided to SC, ST and OBC communities.
- Declaration of EWS is based on fulfilling of following criteria:
- Income should be less than 8 Lakh per annum.
- One should not have more than 5 acre farm land.
- Home size should be less than 1000 sq. feet.

**YOU ARE ELIGIBLE FOR THE 10% RESERVATION IF YOU:**

 <b>1</b> Have household income of less than ₹8 lakh a year <small>At least 95% (127 crore)</small>	 <b>2</b> Have agricultural land of less than 5 acres <small>86% land holdings in India fall under this category</small>	 <b>3</b> Have a house smaller than 1,000 square feet <small>At least 80% of households in India have houses smaller</small>	 <b>4</b> Have a residential plot smaller than 100 yards in a municipality <small>Data not available</small>	 <b>5</b> A residential plot of less than 200 yards in a non-notified municipality <small>NA</small>
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### Positives of EWS reservation

- It provides legitimacy to already existing reservation. Now, universities won't be segregated between merit candidates and reserved communities.
- It is secular in nature and includes all religions: Muslims, Christians
- Economic justice is the philosophy behind it. In an increasing economic society, class becomes a tool of oppression.
- It addresses contemporary reservation movements like Jats reservation, Patel reservation.
- 8 Lakh is creamy layer identified in OBC reservation. Hence, 8 Lakh is justified as a basis of class criteria.

### Concerns/drawbacks of EWS reservation:

- It violates Indira Sawhney judgement of Supreme court which applied 50% cap on the reservation.
- Social justice has been the philosophy behind reservation. Upper caste are at the top of caste pyramid and doesn't require any reservation.
- It is not based on any scientific data. A survey of 450 educational institutions had found 28% students belonging to EWS section.
- The criteria qualifies around 90-95% population.
- The reservation doesn't make any sense when jobs are on the rise in private sector. Public sector is already declining and not creating many jobs.
- This reservation move can be abused by changing the economic status by selling property or showing lower income.

### Conclusion

- Administration must ensure that non-deserving population doesn't get the EWS certificate.
- Genuine poor and needy section should get the opportunity.

## 127<sup>th</sup> Constitutional Amendment Bill

### Context

- The Constitution 127th Amendment Bill, 2021, which seeks to restore the states' power to make their own OBC lists, has been passed in the Lok Sabha with 385 members voting in support and no member opposing it.

### Background

- Reservation is a form of positive discrimination, created to promote equality among marginalised sections, so as to protect them from social and historical injustice.
- Generally, it means giving preferential treatment to marginalised sections of **society in employment and access to education**.
- National Front government in 1990, to implement the recommendation of the Mandal Commission that jobs in central government should be reserved for the **Other Backward Classes**.
- This led to violent 'anti Mandal' protests in different parts of the country.
- This dispute between the supporters and opponents of OBC reservations was known as the 'Mandal issue' and was to play an important role in shaping politics since 1989.
- The decision was also challenged in the Supreme Court and came to be known as the "**Indira Sawhney case**".

### Reservation for OBCs in Educational Institutions

- 1979, the Central Government appointed the Second Backward Classes **Commission under the chairmanship of B.P. Mandal**.
- The Mandal Commission was appointed in terms of Article 340 of the Constitution to investigate the conditions of the socially and educationally backward classes and suggest measures for their advancement.
- The **reservation to OBC was an exception to Article 15** of the Indian Constitution which was added by the 93rd Amendment Act of 2005.



- The Central Government enacted the Central Educational Institutions (Reservation in Admission) Act, 2006, providing a quota of 27% for candidates belonging to the Other Backward Classes (OBCs).

### Indra Sawhney case

- **Indra Sawhney case 1992** ruled that the total reservation for backward classes cannot go **beyond the 50% mark**.
- **Not only Maharashtra** but Tamil Nadu, Haryana and Telangana also exceed the reservation **quota above 50%**.
- **1990, when the V P Singh** led-government set out to implement the Mandal report and it was challenged in court.
- **The court in this judgment upheld the 27 % quota** that was provided to the Socio economic Backward classes.
- **The advanced sections among the OBCs (the creamy layer- Economically well off ) should be excluded from the list of beneficiaries of reservation.**
- **Limit should not exceed 50%** except in exceptional circumstances and extraordinary situations, this limit can be crossed.

### Constitutional provisions

- **Article 15 and 16 of the Constitution** enabled the State and Central Governments to reserve seats in government services for the members of the SC and ST.
- **Article 330 and 332** provides for specific representation through reservation of seats for SCs and STs in the Parliament and in the State Legislative Assemblies respectively.
- **Article 243D** provides reservation of seats for SCs and STs in every Panchayat.
- **Article 233T** provides reservation of seats for SCs and STs in every Municipality.
- **Article 335** of the constitution says that the claims of SCs and STs shall be taken into consideration constitutively with the maintenance of efficacy of the administration.

### About the 127th Constitutional Amendment Bill

- The Constitution (One Hundred and Twenty-Seventh Amendment) Bill, 2021 was introduced in Lok Sabha by the Minister of Social Justice and Empowerment.
- The Bill **amends the Constitution to allow states and union territories to prepare their own list of socially and educationally backward classes**.
- List of socially and educationally backward classes: The National Commission for Backward Classes (NCBC) was established under the National Commission for Backward Classes Act, 1993.
- The Constitution (One Hundred and Second Amendment) Act, 2018 gave constitutional status to the NCBC, and **empowered the President to notify the list of socially and educationally backward classes** for any state or union territory for all purposes.
- The 2021 Bill amends this to provide that the President may notify the list of **socially and educationally backward classes only for purposes of the central government**.
- This central list will be prepared and maintained by the central government. Further, the Bill enables states and union territories to prepare their own list of socially and educationally backward classes.
- This list must be made by law, and **may differ from the central list**.
- Consultation with the NCBC: **Article 338B of the Constitution** mandates the central and state governments to consult the NCBC on all major policy matters affecting the socially and educationally backward classes.
- The Bill exempts states and union territories from this requirement for matters related to **preparation of their list of socially and educationally backward classes**.

## Women and Education

### Context

- We must bring more and more women within the ambit of higher education.

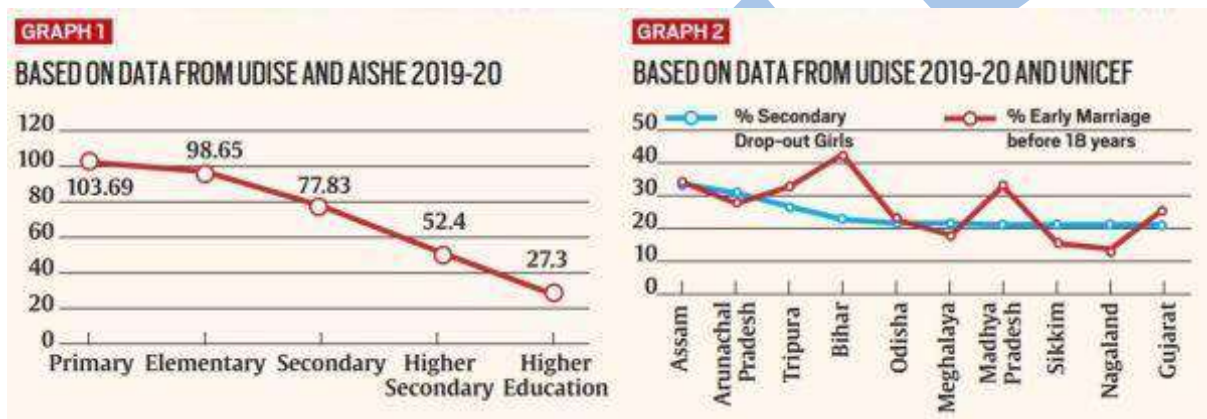
### Need for education for women

- As a society, women can be the pivot to bring about critical and lasting social transformation.
- As individuals, they deserve a shot at being the very best they can.

- Their economic participation is necessary to make India an economic powerhouse.
- The global average for the private rate of return (the increase in an individual's earnings) with just one extra year of schooling is about 9 per cent.
- The social returns of an extra year of school are even higher – above 10 per cent at the secondary and higher education levels as per a decennial World Bank review.
- Interestingly, the private returns for women in higher education are much higher than for men – 11 to 17 per cent as per different estimates.

### Issues with Women Education

- As girls progress from primary to secondary to tertiary school levels, their numbers decrease by the year.
- Challenges of Economic Conditions:
- The primary ones for the dropouts are obvious: Girls drop out of school because:
  - they are engaged in domestic activities (31.9 per cent)
  - they have financial constraints (18.4 per cent),
  - they are not interested in education (15.3 per cent)
  - they get married (12.4 per cent).
  - over one crore girls are on the verge of dropping out of schools due to the pandemic alone.



### Challenges of Social Norms:

- The states having the highest rate of secondary school drop-outs among girls are also the ones where a significant percentage of girls get married before the age of 18 years.
- At the higher secondary level, 28 per cent of boys attend private schools as opposed to 24 per cent of girls.
- The average annual household expenditure on girls at this level is Rs 2,860 less than that on boys.
- Of the girls who do manage to enrol in a tertiary degree, a smaller proportion go on to pursue professional courses such as engineering (28.5 per cent), while many more take courses such as pharmacy (58.7 per cent) or opt for “normal graduation” (52 per cent) as per AISHE 2019-20.
- Their representation is lowest in institutions of national importance, followed by deemed and private universities.

### Means to enhance women participation in Education

#### Setting up Community schools:

- As an immediate step, in every locality, a mohalla school or a community learning programme should be started with appropriate Covid norms if the local disaster management authorities and the state governments permit.
- Evidence from the Ebola pandemic shows that continued engagement with educational activities reduces drop-outs in a statistically significant way.
- NITI Aayog, with the help of civil society organisations, had started a community programme led by volunteers called “Saksham Bitiya” in 28 aspirational districts where more than 1.87 lakh girl students were trained in socio-emotional and ethical learning.
- **Developing a Gender Atlas:** to predict likely drop-outs, a gender atlas comprising indicators that are mapped to key reasons for school drop-outs should be developed.

- **Training of Teachers:** Teachers should also be trained in all the scholarships and schemes available that provide economic support to girls and their families for continuing their education.
- **Conditional Cash Transfers:** there is a need to revise the National Scheme of Incentive to Girls for Secondary Education in areas or states with high prevalence of drop-outs and early child marriages. The scholarship amount may be increased and tied to the completion of graduation, with yearly scholarships paid to students upon successful completion of each year of their undergraduate degree.
- **Targeting the backward district:** special education zones need to be set up in areas which have been traditionally backward in education. Every panchayat showing a consistent trend in girl child drop-outs should have composite schools till higher secondary (classes I-XII).
- **Setting up of Gender Inclusion Fund:** The National Education Policy 2020 provides for a gender inclusion fund. This fund should be utilized to support STEM education in these schools as well as in all Kasturba Gandhi Balika Vidyalayas.
- **Seeking private participation:** The recently modified viability gap funding scheme includes provisions for social infrastructure projects, including education. For greenfield projects in higher education, 60 per cent of the funding can be accessed as viability gap funding from the central and state governments. For pilot projects in education, close to 80 per cent of the funding is available as viability gap funding and an additional 50 per cent as operational cost in initial years.
- **Developing appropriate behaviour:** Behavioural Insights Units (BIU) may be established across states to tackle social issues with the help of ultra-local NGOs/CSOs to reach the last mile. NITI Aayog has taken a leap forward in this direction by establishing a BIU to tackle nutrition and health challenges in aspirational districts.

## Conclusion

- With recent experiments and learning experience, informed targeting of ample resources and an agile policy environment, this challenge could well prove to be an opportunity. Given the right enabling environment, educational outcomes can be improved.

## Menstruation among women

### News

- A college in Gujarat had forced girls to remove their undergarments to check if they were menstruating.

### Court Action

- Taking cognizance of the incident at SSGI, the Gujarat High Court, proposed to introduce a set of guidelines that prohibit the social exclusion of menstruating women from private, public, religious and educational places.

### Cultural Stigma of Menstruation

- An underlying silence, stigma, hesitation and taboo exists world over with respect to menstruation.
- Women and especially young girls face the burden of this unspoken issue to the core which has been a result of lack of awareness, knowledge and sensitization of the issues pertaining to their body, menstrual hygiene, management, puberty and maternal health.
- In India, menstruation is considered as a social-cultural taboo which is being universally observed among the diverse sub cultures, religions, states residing in the country.
- Patriarchy plays a pivotal role in restricting or changing practices and perceptions about women's reproductive rights, and sexuality rights.
- The stigma finds its roots in the notion of purity and pollution attached historically to menstruation. This was explained exceptionally by Justice D.Y. Chandrachud in *Indian Young Lawyers Association v. The State of Kerala* (2018)
- He reasoned that any social practice which excludes women from participation in public life as a result of their menstruation is discriminatory on the ground of their sex.
- This is because it is drawn from the notion of menstruating women being "impure", a notion which targets the physiological feature of being women.

## Challenges

- **Violation of article 14:** Menstruation discriminates women on the basis of gender. It is against the notion of substantive equality adopted by the Constitution.
- **Violation of Right to Privacy:** The conduct of the authorities, in college, amounts to a violation of the Right to Privacy which is an integral component of the 'Right to life and personal liberty' guaranteed under article 21.
- **Violation of right to freedom:** Restrictions of movement imposed on these students are one of the many attempts of state and non-state actors to take control of their person.
- **It perpetuates female subordination.**
- For instance, creating embarrassment and humiliation around menstruation and regulating social exclusion and taboos to exclude and marginalize women during their period
- Due to embarrassment, shame, hesitation the young girls are susceptible to serious health hazards.
- They are **exposed to unhygienic methods and unsanitary materials such as the use of dirty rags, dried leaves, newspapers, ash** to prevent the flow of menstrual blood.
- As per the WHO statistics **it has accounted to 27% of world's cervical cancer deaths**- the incidence rate almost twice to the global average rate.
- The social stigma is coupled with lack or no access to basic amenities, clean toilets, waste disposal mechanism, lack of communication from teachers, families to orient and aid young girls about the changes that advent in their body, the result - a huge drop out rate is observed in India from school.

## Statistics related menstruation in India

- 70% of **all reproductive diseases in India are caused** by poor menstrual hygiene & affects maternal mortality.
- 23 % of **girls in India leave school when they start menstruating.**
- Only 12% **Menstruating Women use sanitary** napkins.

## Menstruation Hygiene Scheme

- The Ministry of Health and Family Welfare has introduced a scheme for promotion of menstrual hygiene **among adolescent girls in the age group of 10-19 year** in rural areas.

### The major objectives of the scheme are:

- To increase awareness among adolescent girls on Menstrual Hygiene
- To increase access to and use of high quality sanitary napkins to adolescent girls in rural areas.
- To ensure safe disposal of Sanitary Napkins in an environmentally friendly manner.

## Future Actions

- **Awareness Campaign:** Government should spread awareness among its citizens regarding the social exclusion of women on the basis of their menstrual status through various mediums :
  - putting up posters at public places,
  - including it in the school curriculum,
  - using audiovisual mediums like radio, entertainment/news channels, short films etc;
- **Sensitization:** Sensitization of health workers, Accredited Social Health Activists and Anganwadi Workers regarding menstruation biology must also be done
- Inclusion of the issue of social exclusion of women on the basis of their menstrual status in all existing campaigns/schemes that aims at menstrual hygiene
- Prohibition of all educational institutions, hostels, and living spaces for women from following social exclusion of women on the basis of their menstrual status in any manner;
- Undertaking surprise checks
- Imposition of an appropriate penalty against the erring institution.

## Conclusion

- It is high time that we understood that Menstruation is a human issue and not only a women's issue.
- People need to know and understand that it is a normal physiological function of womanhood.



# Medical Termination of Pregnancy (Amendment) Bill, 2021

## Why in News

- The Rajya Sabha has approved the Medical Termination of Pregnancy (Amendment) Bill, 2021 to amend the Medical Termination of Pregnancy Act, 1971.

## Objective

- The Medical Termination of **Pregnancy (Amendment) Bill, 2021** is for expanding access of women to safe and legal abortion services on therapeutic, eugenic, humanitarian or social grounds.
- The amendments **include substitution of certain sub-sections, insertion of certain new clauses under some sections in the existing Medical Termination of Pregnancy Act, 1971.**
  - with a view to increase upper gestation limit for termination of pregnancy under certain conditions*
  - to strengthen access to comprehensive abortion care, under strict conditions, without compromising service and quality of safe abortion.

## Salient features

- Enhancing the upper gestation limit from 20 to 24 weeks for special categories of women which includes survivors of rape, victims of incest and other vulnerable women (like differently-abled women, minors) etc.
- Opinion of only one provider will be required up to 20 weeks of gestation and of two providers for termination of pregnancy of 20-24 weeks of gestation.
- Upper gestation limit not to apply in cases of substantial foetal abnormalities diagnosed by Medical Board.
- The composition, functions and other details of Medical Board to be prescribed subsequently in Rules under the Act.
- Name and other particulars of a woman whose pregnancy has been terminated shall not be revealed except to a person authorised in any law for the time being in force.
- The ground of failure of contraceptive has been extended to women and her partner.

## Issue in the Bill

- The limit for the first category (pregnancies terminable subject to the opinion of one medical practitioner) is raised from **12 weeks to 20 weeks**, the limit for the second category (pregnancies terminable subject to the opinion of two medical practitioners) is raised to include those exceeding **20 but not exceeding 24 weeks**, instead of the present category of cases exceeding 12 but not exceeding 20 weeks.
- The **second category is left ambiguous and open to potential executive overreach** insofar as it may be further narrowed down by rules made by the executive.
- Further, pregnancies are allowed to be terminated only where continuance of the pregnancy would prejudice the life of the pregnant woman or cause grave injury to her mental or physical health or if the child were born it would suffer from any serious physical or mental abnormality.
- Section 3(2B), however, makes the **upper gestational limits inapplicable to abortions necessitated**, in the opinion of the Medical Board, by any "substantial foetal abnormalities".
- The fact that a **woman's right to abortion** is exercisable only in the face of such **compelling circumstances renders motherhood the norm, and abortion the exception**.
- The **special classifications** of "serious physical or mental abnormalities" and "substantial foetal abnormalities" also **reek of societal prejudices against persons with special needs**.

## About 1971 Act

- The 1971 Act **reeks of moral biases against sexual relationships** outside marriage, adopts an ableist approach and carries a strong eugenic emphasis.
- The very Statement of **Objects and Reasons of the 1971 Act** noted the fact that most of these mothers are married women, and are under no particular necessity to conceal their pregnancy as a logical basis for legalisation of termination of pregnancies.



- In addition to preventing danger to the life or risk to **physical or mental health of the woman**, **eugenic grounds** were recognised as a specific category for legally permissible abortions.

### Conclusion

- It is a step towards safety and well-being of the women and many women will be benefitted by this.
- Recently several petitions were received by the Courts seeking permission for aborting pregnancies at a gestational age beyond the present permissible limit on grounds of foetal abnormalities or pregnancies due to sexual violence faced by women.
- The amendments will increase the ambit and access of women to safe abortion services and will ensure dignity, autonomy, confidentiality and justice for women who need to terminate pregnancy.

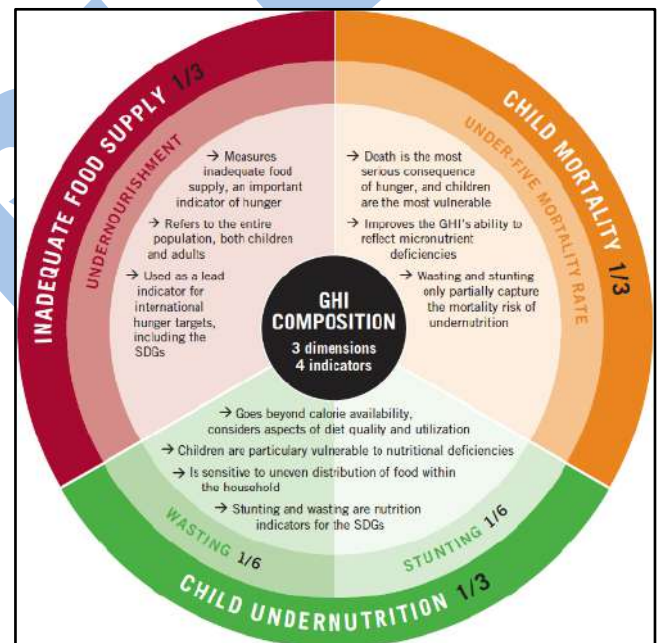
## Hunger in India

### Context

- Union Minister of State for Agriculture Parshottam Rupala **questioned the methodology and data accuracy of the Global Hunger Index (GHI) report**, which has placed India at 104th out of 107 countries in 2020.

### Government Data

- According to the **National Family Health Survey (NFHS)-4**, the percentage of wasted, stunted and malnourished children in 2015-16 stood at 21, 38.4 and 35.7, respectively.
- The **Comprehensive National Nutrition Survey (CNNS)** of 2017-18 showed an improvement of 4%, 3.7% and 2.3% in wasted, stunted and malnourished children respectively.
- The first-ever CNNS was commissioned by the government in 2016 and was conducted from 2016-18, led by the Union Health Ministry, in collaboration with UNICEF.
- The findings were published in 2019. CNNS includes only nutrition data, whereas NFHS encompasses overall health indicators.



### About GHI

- GHI is a **peer-reviewed annual report**, jointly published by **Concern Worldwide**, an Ireland-based humanitarian group, and **Welthungerhilfe**, a Germany-based NGO, designed to comprehensively **measure and track hunger at the global, regional, and country levels**.
- It says the aim of publishing the report is to trigger action to reduce hunger around the world.
- According to the GHI website, the data for the indicators come from the **United Nations and other multilateral agencies**, including the World Health Organisation and the World Bank.

### Explanation for the index

- The GHI has been brought out almost every year by Welthungerhilfe (lately in partnerships with Concern Worldwide) since 2000
- The GHI slots countries on a scale ranging from "low" hunger to "moderate", "serious", "alarming", and "extremely alarming".
- India is one of the **47 countries that have "serious" levels of hunger**.
- A low score gets a country a higher ranking** and implies a better performance.
- The reason for mapping hunger is to ensure that the world achieves "Zero Hunger by 2030" — one of the Sustainable Development Goals laid out by the United Nations.

- It is for this reason that GHI scores are **not calculated for certain high-income countries**.
- In a formal sense, GHI is calculated by mapping the level of calorie intake.

### Calculation of Global Hunger Index

- **Undernourishment (which reflects inadequate food availability):** calculated by the share of the population that is undernourished (that is, whose caloric intake is insufficient).
- **Child Wasting (which reflects acute under nutrition):** calculated by the share of children under the age of five who are wasted (that is, those who have low weight for their height).
- **Child Stunting (which reflects chronic under nutrition):** calculated by the share of children under the age of five who are stunted (that is, those who have low height for their age).
- **Child Mortality (which reflects both inadequate nutrition and unhealthy environment):** calculated by the mortality rate of children under the age of five (in part, a reflection of the fatal mix of inadequate nutrition).

### Causes of Hunger

- Poor uneducated women don't focus on children nutrition.
- Poor sanitation, lack of access to good quality food, lack of access to mineral drinking water are biggest reasons behind it.
- birthing child in lower age, poor nutritional status of pregnant women and lack of adequate gap between two children are other reasons.
- Low per capita income, Higher food inflation specially fruit inflation, monodiet (having rice and lentils only) further aggravates the malnutrition.
- Poor implementation of the Policies like ICDS (Integrated Child development scheme), corruption in implementation of Mid-day meal scheme, lack of convergence between different ministry are other policy related causes.
- Poor fund utilization: Many States have only utilized 16% of their allotted funds in National Nutrition Mission.

### Effects of Hunger

- Low Brain development causing low realization of the cognitive faculty.
- It's a leading cause behind under 5 mortalities.
- Initiates a vicious cycle of poverty and malnutrition.
- Malnutrition children perform poorly in schools subsequently having low incomes, high fertility and provide poor care for their children. It transmits the poverty.

### Dealing with Hunger

- Government has launched a **National Nutrition Mission to deal** with malnutrition.
- It set targets to **reduce stunting, under-nutrition, anaemia among young children, women and adolescent girls and reduce lowbirth weight** by 2%, 2.2%, 3% and 2% per annum respectively.
- It focuses on intense monitoring and Convergence Action Plan right upto grass root level.
- It will also **create synergy, issue alerts for timely action, ensure better monitoring, and encourage States/UTs** to perform.
- It will also **incentivize Anganwadi Workers (AWWs) for using IT based tools**.
- **Other Direct Targeted interventions:** 1) Integrated Child Development Services (ICDS) 2) National Health Mission (NHM) 3) Mid-Day Meal Scheme 4) Rajiv Gandhi Schemes for Empowerment of Adolescent Girls (RGSEAG) or SABLA, 5) Indira Gandhi Matritva Sahyog Yojana (IGMSY).
- Focus on **increasing breast feeding through programs like MAA** (Mothers Absolute affection).
- Indirect **approach like Swachh Bharat Abhiyan, Jal Shakti also focuses on Malnutrition**.

### Way Forward

- Best Practices of States should be emulated and propagated across country.
- Women's empowerment, Political commitment and administration efficiency are the key to deal with malnutrition.

- \$1 spent on dealing with malnutrition leads to generation of \$34-\$38 in return.
- Decentralized approach by making Panchayats a key stakeholder can mobilize masses.
- Strengthening of PHC, increasing doctor ratio, increasing higher spending on health are further steps to ensure better nutrition.

## New AICTE Rules on Engineering Courses

### Context

- AICTE has taken decision to give engineering colleges the flexibility to admit students without mathematics and physics in high school and offer them remedial bridge courses to cope in class.

### New Rules

- AICTE, India's technical education regulator, **tweaked the entry-level qualification for undergraduate engineering** programmes making students who haven't studied either physics or mathematics (or both) in **Classes 11 and 12 eligible for admission**.
- Under the new norms, a candidate is expected to have **scored at least 45%** in any three subjects out of a list of 14 – physics, mathematics, chemistry, computer science, electronics, information technology, biology, informatics practices, biotechnology, technical vocational subject, engineering graphics, business studies, and entrepreneurship.
- Earlier, an engineering aspirant should have passed high school with **physics and mathematics as compulsory subjects**.

### Reason for change in rules

- The regulator has been defending the changes on the ground that they are in line with the new **National Education Policy's multidisciplinary approach**.
- It will make **technical education more accessible to students** coming from diverse backgrounds
- It will **reduce the pressure on students to study topics which** are not relevant for higher technical education.
- The changes, which are not binding on institutes and colleges, will open a window of opportunity for students from diverse academic backgrounds to pursue engineering.
- branches like **textile and biotechnology where, an advanced knowledge of physics and mathematics is not required and can be fulfilled with bridge courses in college**.

### Bridge Courses

- The new guidelines state that institutes and universities can **offer bridge courses to help such students with subjects** (in this instance, Mathematics) they didn't have in Classes 11 and 12.
- Universities will offer suitable bridge courses such as Mathematics, Physics, Engineering, Drawing, for students coming from diverse backgrounds to achieve the desired learning outcome of the programme.

### Challenges

- Niti Ayog Member has called the decision "retrograde" and a "step in the wrong direction."
- Principal Scientific Advisor K VijayRaghavan told that "rigour and depth in mathematics and physics comes easier early on".
- A high-quality biotechnology course without, at the least, a strong high-school level training in physics and mathematics to start with is difficult to progress through. A good course will require advanced methods in statistics, computer science, probability, the physics of motion, and of colloids, and so on.
- There is a renewed focus on STEM. Even MBBS doctors are now using mathematics.

### New National Education Policy on interdisciplinarity

- The new NEP talks about doing away with **rigid separation between curricular and extracurricular, vocational and academic streams** and between arts, humanities, and sciences in school education.



- Students will be **given increased flexibility and choice of subjects** to study, particularly in secondary school – including subjects in physical education, the arts and crafts, and vocational skills – so that they can design their own paths of study and life plans.
- Holistic development and a wide choice of subjects** and courses year to year will be the new distinguishing feature of secondary school education.

### About All India Council for Technical Education (AICTE)

- All India Council for Technical Education (AICTE) is the statutory body and a national-level council for technical education, under Department of Higher Education, Ministry of Human Resource Development.
- Established in November 1945 first as an advisory body and later on in 1987 given statutory status by an Act of Parliament.
- AICTE is responsible for proper planning and coordinated development of the technical education and management education system in India.

## Religious Conversion

### Context

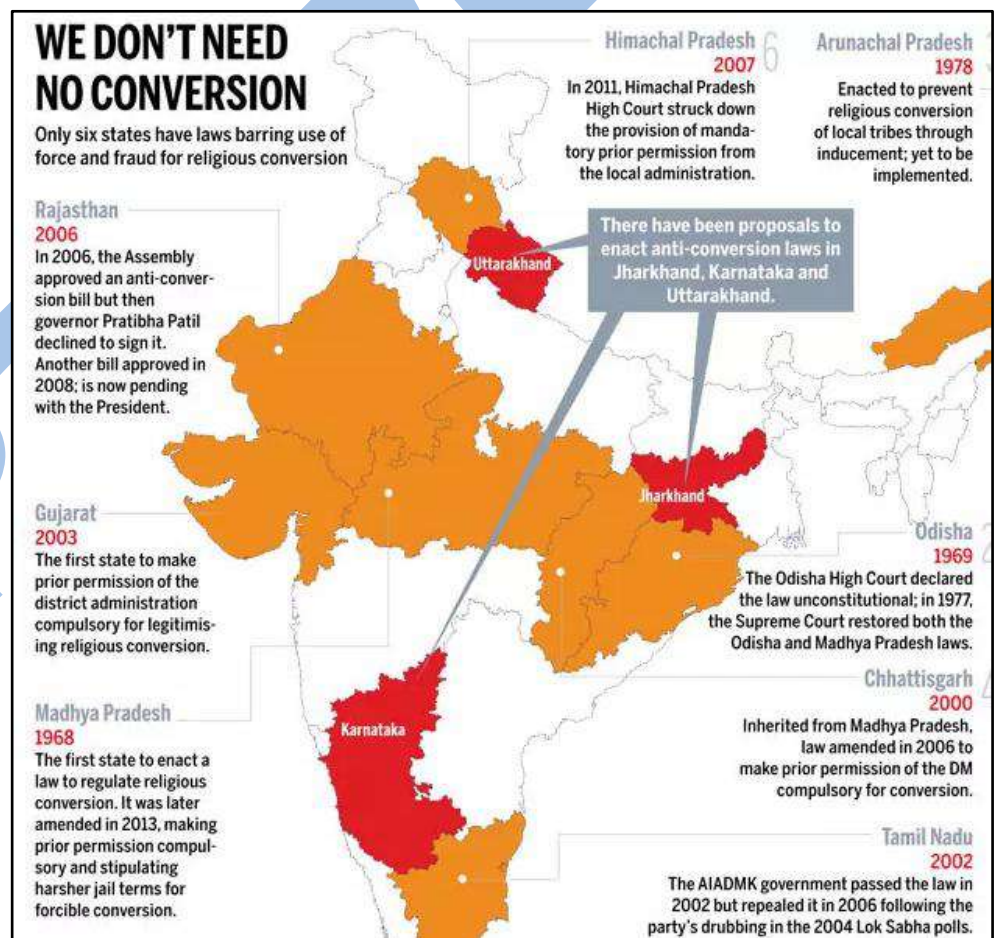
- The Madhya Pradesh Assembly passed a Bill that penalises religious conversion through marriage or any other fraudulent means.

### Details

- Government said unlike the 1968 legislation, the present Act provides for annulment of marriage and a harsher sentence.
- The Act also provides for fine of up to Rs. 1 lakh.
- The law regulates inter-faith marriages and prescribes a punishment of two to 10 years in prison and a fine of Rs 50,000 for forcing women to convert their religion.

### Universal Acceptance of Freedom of Religion

- Every individual has a **natural entitlement of religious faith and freedom of conscience**, a right to adopt or abandoned any faith of his own choice.
- The freedom of religion and freedom of conscience has also been **recognized under the international law**.
- Freedom of religion and freedom of conscience is **fundamental right both constitutionally and conventionally**.





## Constitution on freedom of religion

- Indian society has nourished and nurtured almost all the established religion of the world like Hinduism, Islam, Christianity, Buddhism, Jainism, Sikhism etc. from its time immemorial.
- Article 25 (1) states, "Subject to public order, morality and health and to the other provisions of this Part, all persons are equally entitled to freedom of conscience and the right freely to profess, practise and propagate religion
- Religious conversion means adopting a new religion, a religion that is different from his previous religion or religion by his birth.

## Reasons behind religious conversion

- Conversion by force
- Conversion by offering better life. It means offering economic incentive for one to come out of the religion.
- Conversion for marriage.
- Conversion to escape the rigid hierarchical system caste system.
- Conversion by free will or free choice as the tenets of other religion appears more closer to person.
- Conversion to get reservation benefits

## Anti-Conversion laws in India

- There is no pan India anti conversion law Some states have adopted their state specific anti conversion laws.
- Under these state laws, one is given a fixed time period before converting to another religion. It ensures that one doesn't convert due to force.

## Supreme Court verdict on conversion

- The freedom of religion enshrined in Article 25 is not guaranteed in respect of one religion only but covers all religions alike which can be properly enjoyed by a person if he exercises his right in a manner commensurate with the like freedom of persons following other religion.
- What is freedom for one is freedom for the other in equal measure and there can, therefore, be no such thing as a fundamental right to convert any person to one's own religion.

## QS World University rankings

### Context

- According to the latest edition of the QS World University Rankings by Subject, Twenty-Five Programmes offered by higher education institutions in India rank among the top 100 in the world in their respective subject categories. Last year, this number stood at 26.

### Details

- The number of Indian universities/ institutes in the top 100 subject rankings has increased from eight to 12 this year.
- IIM-Ahmedabad, IIM-Bangalore, IIM-Lucknow and IIM-Kozhikode have more or less maintained their positions in the Business and Management Studies category.
- The O P Jindal Global University is the only private university to have entered the top-100 club. Its law programme is now ranked 76th globally.
- 17 of the 25 globally ranked Indian programmes are in engineering.
- IIT-Madras's Petroleum Engineering programme registered the best performance among Indian institutes – 30th in the world.

Methodology of QS World University Rankings <sup>[22]</sup>		
Indicator	Weighting	Elaboration
Academic peer review	• 40%	Based on an internal global academic survey
Faculty/Student ratio	• 20%	A measurement of teaching commitment
Citations per faculty	• 20%	A measurement of research impact
Employer reputation	• 10%	Based on a survey on graduate employers
International student ratio	• 5%	A measurement of the diversity of the student community
International staff ratio	• 5%	A measurement of the diversity of the academic staff

- The four new universities/ institutes in the top 100 subject rankings are: IIT-Guwahati (for petroleum engineering), Jawaharlal Nehru University (anthropology), Anna University (petroleum engineering), and O P Jindal Global University (law).
- While the **public Institutions of Eminence (IoE)** such as the IITs are better-represented in the QS World University Rankings, the **private ones have made a mark** in the Subject Rankings edition.

### QS World University Rankings

- QS World University Rankings by subject calculate performance based on four parameters – **academic reputation, employer reputation, research impact** (citations per paper) and the **productivity of an institution's research faculty**.
- QS ranking is viewed as one of the three most-widely read university rankings in the world, along with **Academic Ranking of World Universities** and **Times Higher Education World University Rankings**.

### Reasons behind poor ranking

- Low spending by global standards that it holds back India's economic, technological and strategic ambitions. **India's R&D spending amounts to 0.7% of gross domestic product, a fraction of China's 2.1%, let alone Japan's 3.1%.**
- **A lax intellectual property regime, foolish sectoral regulations and a protectionist trade policy have deterred R&D thus reducing industry income.**
- Composition of spending is also skewed. The **government and a few strategic sectors, notably atomic energy, space and defence, account for the bulk of the meagre spending.**
- The contribution of **Indian companies, both private and public sector taken together, to total R&D is just 44% against a global average of 71%.**
- Indian Higher education is marred with the curse of plagiarism.
- Government policies like paying graduate students cash incentives for publishing in the reputed journal creates a bias towards publishing than high quality science. Indian papers are cited lower compared to those in USA and China.
- Our school system is focussed on rote-learning than critically thinking. It also affects the quality of research.
- Poor quality infrastructure at institutes is also an issue.

### Questions on Rankings

- Quantified rankings bring conflict between educational values and market values. Educational values focus on **critical thinking, analytical abilities, social agendas and the inculcation of citizenship ideals that are unquantifiable** and intangible While Market values **are industry-driven, orients the project of neoliberal higher education training towards developing particular skill-sets for the labour market.**
- Rankings are leading to defunding of the public institutions where they are supposed to enhance the income from corporates. **It has an attack on dissent, critical education, and any public institution that might exercise a democratising influence on the nation.**
- Rankings **are one Size fits all model** where they do not consider local cultures/societies.
- Rankings increased **focus in on research output fuelling the consumerism. It violates the basic principle of university: Teaching.**
- Focus on increased international exposure reduces opportunity for local regions.
- Focus on publication has resulted in massification in research journals. Scams have been unearthed about fake journals providing no peer research support.

### Way Forward

- University ranking by the Ministry of Education is more holistic in nature and should be used to gauge the performance.
- Focus must be on the enhancing the equity as well accessibility of the higher education for all.
- Programs like Institute of Eminence which provide necessary freedom for higher education institutes must be further strengthened to enhance the research output.

## Covid 19 and Women

### Context

- Women workers have borne a disproportionate burden of the Covid 19.

### Data

- According to the Centre for Monitoring Indian Economy, 61% of male workers were unaffected during the lockdown while only 19% of women experienced this kind of security.
- 47% of employed women who had lost jobs during the lockdown, had not returned to work.
- Nearly half of the women workers withdrew from the workforce.

### Covid Impact

- **Low Earnings:** Women are more likely to enter as daily wage workers while men found avenues for self-employment. Daily wage work is typically far less remunerative than self-employment as on average. Hence, women are likely to be at very low earnings compared to men. Covid had disrupted the daily wages by closing of the MGNREGA works, construction works which impacted the lower earnings of women.
- **Lost work disproportionately Compared to Men:** Women tended to lose work disproportionately irrespective of the industry in which they were employed. For instance, the share of women in job losses in education was three times their share in that industry.
- **Increased Household responsibilities:** household responsibilities increased for women because everyone was limited to the confines of their homes. According to The India Working Survey 2020, the number of hours spent in domestic work increased manifold for women.
- **Layoffs:** The first round of layoffs has been particularly acute in the services sector, including retail, hospitality and tourism, where women are overrepresented.
- **Lack of Social Security:** Vast majority of women's employment – 70 per cent – is in the informal economy with few protections against dismissal or for paid sick leave and limited access to social protection.
- **Poverty:** The impacts of the COVID19 global recession will result in a prolonged dip in women's incomes and labour force participation, with compounded impacts for women already living in poverty.

### Way Forward

- Expansion of the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) and the introduction of an urban employment guarantee targeted to women.
- **Creation of women employment through setting up of community kitchens**, prioritising the opening of schools and *anganwadi* centres, and engagement with self-help groups for the production of personal protective equipment kits.
- **Setting up a COVID-19 hardship allowance of at least ₹5,000 per month** for six months for 2.5 million accredited social health activists and Anganwadi workers.
- Sectors where women are a large proportion of workers, and where supply chains have been disrupted, should have **adequate access to credit, loans, grants so they can retain the female workforce**.
- The whole range of economic policies – for both immediate response and long-term recovery – need to be designed and implemented with a gender lens.
- **Access to benefits such as health insurance, paid sick and maternity leave, pensions and unemployment benefits** need to reach beyond formal employment and be accessible to women in all spheres of work.
- **Integrate a gender assessment in all country assessments to understand the impact of COVID-19 on women and girls**, including economic impact, and how to address it effectively.

## Healthcare infrastructure in India

### Context

- The health crisis brought out by the pandemic has exposed the issues of the healthcare system in India.

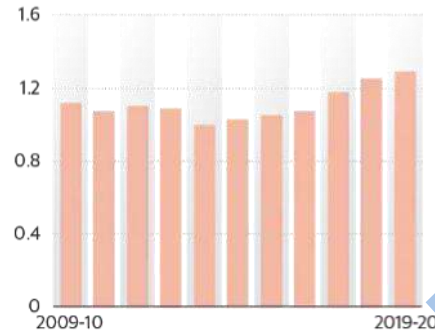
## Status of Healthcare infrastructure in India

- India had 85.7 physicians per 1,00,000 people in 2017 (in contrast to 98 in Pakistan, 100 in Sri Lanka and 241 in Japan).
- 53 beds per 1,00,000 people (in contrast to 63 in Pakistan, 79.5 in Bangladesh, 415 in Sri Lanka and 1,298 in Japan).
- 172.7 nurses and midwives per 1,00,000 people (in contrast to 220 in Sri Lanka, 40 in Bangladesh, 70 in Pakistan, and 1,220 in Japan).
- India has among the highest out-of-pocket (OOP) expenditures of all countries in the world- 62% of the total health expenditure in India is OOP.

### Health a low priority

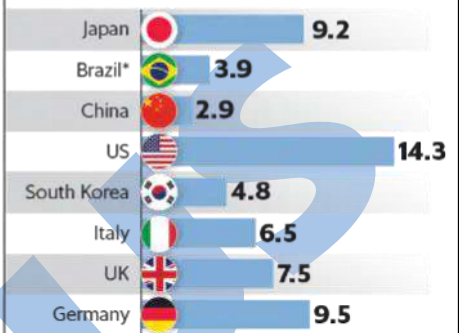
India's public health expenditure was just 1.29% of GDP in 2019-20. In 2018 too, the country lagged behind BRICs peers as well as developed nations.

India's (centre plus states) public expenditure on health (as % of GDP)



Source: National Health Profile 2019, Government of India; CARE Ratings' calculations

Public expenditure on health in 2018 (as % of GDP)



Source: OECD, Conta-Satélite de Saúde

\*For 2017

### Lower Spending by the government:

- India has very low public spending on health (barely 1% of GDP).
- Though India's public spending on health is about to double within the 2021-22 fiscal year, it continues to stay grossly inadequate in comparison to the amount in other similar developing nations.

### High out of pocket expenditure:

- The share of 'out of pocket' (OOP) health expenditure (of total health spending) in India was over 60% in 2018.
- Medical expenses constitute the main reason for private debt in India and have pushed many into poverty.
- According to the Economic Survey, The OOPE, as a share of total health expenditure, drops precipitously when public health expenditure increases.
- An increase of public spending to 2.5% of GDP can decrease the OOPE from 65% to 30% of overall healthcare spend.

### Regional inequality:

- India's fragmented, urban-centred, variably functional and grossly underfunded primary health centres and elite-focused healthcare system cater to only a little section of the population.
- In certain rural areas, the doctor-population ratio is over 1:40,000.
- Kerala and Delhi have been close to the top in all the years.
- Bihar, Jharkhand and Uttar Pradesh have been consistently towards the bottom of the ranking in all years.

### Lack of regulation of personal health sector:

- The private health sector in India is poorly regulated in practice.
- Some private healthcare providers have objected to public authorities' orders on widened patient access during the continued health crisis.

## Way Forward

### According to this year Economic Survey:

- Flexibility in Healthcare:** for enabling India to respond to pandemics, the health infrastructure must incorporate flexibility as events requiring healthcare attention may not repeat in identical fashion in future.
- Increase in Public Spending:** an increase in public spending from 1% to 2.5-3% of GDP — as envisaged in the National Health Policy 2017.
- India can think of constituting a national medical service on the lines of UK.
- Regional equity can be achieved by giving targeted funding by finance commission to the laggard states.



## Case Studies

### Brazilian Approach

- a) Brazilian constitution has a declaration of Right to Health as Fundamental Right in order to ensure greater commitment of the government towards health, there is a need to include health as a constitutional and fundamental right as provided under Brazilian constitution.

### The Kerala (India) Experience

- In 1996, the government of the state of Kerala gave 40% of its budget to the rural Panchayats, and the freedom to plan and provide for the needs in their villages.
- This led to some positive changes as the money was used for the betterment of all the facilities in the village.
- For example: proper planning was done for water supply, healthcare, education, working of schools, etc.

### Costa Rica Approach

- Many years ago, the Costa Rican government took a very important decision of not having a national army.
- This meant that all the money which was used to manage the army could be used for other, more useful projects such as health, education, and meeting other basic needs of the people.
- The Costa Rican government took this step because it believes that a healthy population is the most important factor in the development of any country.

### British National Health Service:

- The service is funded entirely from general taxation and therefore the general public receive treatment solely consistent with their clinical needs with none exception.
- The system includes payment to general practitioners, most of whom remain private providers but are paid by the state for treating NHS patients.
- All hospital treatment and medicines are free, as are outpatient and follow-up appointments. Only a proportion of patients in England need to buy prescription items.
- The NHS is that the largest employer within the U.K. Its current budget is about 7.6% of GDP, and it provides highly localised access to worry.
- It has resulted within the provision of top-class universal healthcare, including training and research.
- It integrates preventive and curative medicine in the least levels.

## Conclusion

- Health of a nation depends critically on its citizens having access to an equitable, affordable and accountable healthcare system.

## Inequality in the Digital World

### Context

- The novel coronavirus pandemic has accelerated the use of digital technologies in India, even for essential services such as health and education.

### Increase in Economic Inequality

- People whose jobs and salaries are protected, face no economic fallout. **The super-rich have even become richer.**

### Increase in Educational Inequality

- Surveys by the National Council of Educational Research and Training (NCERT), the Azim Premji Foundation, ASER and Oxfam suggest **that between 27% and 60% could not access online classes due to lack of devices, shared devices, inability to buy "data packs"**.
- Lack of stable internet connectivity** also affected the learning process.
- Lack of learning ecosystems:** many lack a learning environment at home: a quiet space to study. 25% Indians lived in single-room dwellings in 2017-19. If between two and four people share a single room, how can a child study? Girls bore additional expectation of doing the domestic chores.
- Peer learning has also suffered.** Students are not able to learn through interaction with their peers due to online education.

## Inequality in Health Sector

- Given the challenges posed by the **current health crisis in the form of shortage of essentials: drugs, hospital beds, oxygen, vaccines, etc**, the focus of the administration seems to be on increasing digitization of the sector. Example: Efforts being made at developing apps like CoWIN.
- The use of CoWIN to book a slot makes it that much harder for those without phones, computers and the Internet.
- Also, the website is only available in English which limits its usefulness for the non-English speaking population in India.
- Platform- and app-based solutions can exclude the poor entirely, or squeeze their access to scarce health services further.
- Privacy Concern:
  - Experts have voiced their concerns **over the attempts to use the pandemic to create an infrastructure for future exploitation** of people's data. The digital health ID project with a centralised database model is being pushed during the pandemic.
  - Given that **India lacks a data privacy law, it is very likely that health records will end up with private entities without the data owner's consent**, even weaponized against them (e.g., private insurance companies may use it to deny poor people an insurance policy or charge a higher premium).
- Only problems and no solutions:** Digital "solutions" create additional bureaucracy for all sick persons in search of these services without doing enough to punish the overcharging private hospitals or people indulging in hoarding and black marketing.

## Way Forward

- Need to increase health expenditure on basic health services.
- Digital solutions only seem to be obfuscating and distracting us from the real problem. The health sector needs policy, not technocratic solutions.
- The pandemic should nudge us to be more discerning about which digital technologies to embrace especially in sectors like education and health which are critical for social mobility in a society like India.

## Reforms in POSCO Act

### Context

- POSCO act has often been criticised in being ineffective to solve the abuse of children.

### Provision of POSCO Act

- The POSCO Act was **enacted in 2012 and is gender neutral** – it recognises that boys can be victims of sexual violence as well.
- It defines a child as someone under the age of 18.
- It also specifically **lays down stringent punishment for exposing children to**, or using them to create child sexual abuse material.
- The law **lays down the procedures for reporting sexual crimes** against children.
- It places **the burden of proof on the accused, following 'guilty until proven innocent'** unlike the IPC.

### Data on child abuse

- Half of the country's children face some form of sexual abuse with 18.3 percent were physically abused and 8.6 percent were sexually abused in 2017.
- A national estimate of 1,720 children died from abuse and neglect in fiscal year 2017 compared to 1,750 children who died in fiscal year 2016.

## Challenges with the Act

- Lack of complaint:** Most of the victims experience the **terrific social humiliation** and feelings of shame and guilt when they report that they are sexually assaulted. It either delays or leave out a no of victims.

- **Lack of awareness:** Parents or guardians often do not have the knowledge to safeguard their children either by educating the children about sexual abuse or by being watchful in order to prevent abuse on their children.
- **Poor rate of conviction:** POSCO act is plagued by low rate of conviction. It was 14% in 2014 and 18% in 2018.
- Many states **have not complied with the provisions of the act** as they have not established the special children courts.
- The act **doesn't cover all aspects of the crime against the children**. It doesn't cover cyber bullying and other types of online crime against children.
- **Ineffective training of the public prosecutors** have often led to acquittal of the perpetrator.

### Way Forward

- **More awareness needs to be generated** in order to make more children come forward for their child abuse.
- **Proper training of police, forensic staff and public prosecutors** need to be put in place for enhancement of the conviction rate.
- The introduction of **sex education in schools** and educating the children about good touch and bad touch is significant. In **2008-09 Parliamentary committee report** mentions the introduction of sex education, but it never materialized. It has to be implemented.
- The **Supreme Court issued a direction to set up special courts within 60 days** on the districts that are having more than 100 pending POCSO cases. This has to be implemented urgently.

Section 8 of the POCSO Act	Section 354 of IPC
This section is gender-neutral	This section is only for women and not for male or transgender child
Punishment can be a minimum sentence of 3 years and may extend to the maximum sentence of 5 years	Punishment shall not be less than one year but it may extend to five years

## Digital Education

### Context

- By the recent pandemic, education has shifted online.

### Central government Guidelines for Digital Education

- School can hold live online classes for a maximum of 1.5 hours per day for Classes 1-8.
- For kindergarten, nursery and pre-school, only 30 minutes of screen time per day for interacting with parents.
- School can conduct Three hours per day for Classes 9-12
- It Advises schools to first survey their own students before making decisions about the mode of teaching.
- Children exposed to digital technologies or gadgets for a longer time are prone to severe health issues.
- "Asynchronous learning" with tools to allow students to download lessons.
- Listen to radio and TV programmes
- Communicate through Whatsapp and SMS
- Study on their own and undertake creative projects.

### Pros of Digital education

- It has reduction of cost for teachers and students both. As students do not need to make long commute and schools do not need to spend much on the infrastructure.
- It has ensured continuation of education in this pandemic maintaining the learning outcomes for the children and securing the future of country.
- It can be **accessed by anybody and anywhere** as the content is hosted on cloud and is available for all.
- It can **make best teachers available across the India** thus overcoming issues of skilled teachers by letting their content available to all. This can help in bridging the serious gap of poor quality of teachers in school.

- Lectures **can be recorded and viewed as per the convenience** of the students. This ensures that children can learn as per his/her convenience.
- It has **helped to mitigate the rigidity of casteism at educational places**. Digital education is available for all without any prejudices of caste and class.

### Challenges of Digital education

- It **does not let socialization of children**. Since, children do not go to school, they do not learn how to behave, how to make friends.
- Poor students **having issues of no access to digital medium are left behind**. This will further enhance the inequality prevailing in India. It will lead to undone of years of work done by the government.
- Generally, private schools **are faster to adopt digital education while government schools are lagging behind**. It will further widen the learning gap among public-private institution students.
- It puts **pressure back on the women of the household to teach children**, as they have to sit with their children. This has enhanced the
- In this technological age, efforts are **underway to lure away children from usage of smart gadgets, but online schooling puts them back on smart phone**. It may have long term repercussions on the development of children.

### Digital based education programme by Government

#### 1. Swayam:

- An integrated platform for offering online courses and covering school (9th to 12th) to Post Graduate Level.
- NCERT (National Council of Educational Research and Training) has been developing course modules for school education system in 12 subject areas.

#### 2. Swayam Prabha:

- SWAYAM Prabha is an initiative to provide 32 High Quality Educational Channels through DTH.
- Curriculum-based course content covering diverse disciplines.

#### 3. National Digital Library:

- Project to develop a framework of virtual repository of learning resources with a single-window search facility.
- There are more than three crores digital resources available through the NDL.

#### 4. Spoken Tutorial:

- 10-minute long, audio-video tutorial, on open source software, to improve employment potential of students.
- The languages are C, C++, Java, PHP, Python, PERL, Scilab, OpenFOAM, OpenModelica, DWSIM, LibreO and many more.

#### 5. E-Yantra:

- Project for enabling effective education across engineering colleges in India on embedded systems and Robotics.
- The training for teachers and students is imparted through workshops where participants are taught basics of embedded systems and programming.

### Way Forward

- Schools may reopen in a staggered manner, with hygiene and distancing protocols in place, and induction should be contingent on testing.
- Residential institutions like the Navodayas should lead, since they can seal the perimeter and do not run the continuing risk of spreading presented by daily student traffic.
- Online schooling can only be a support to already existing physical education, but it cannot replace the schooling system.
- Government focus must be on quick vaccination of the all, which would enable opening up of the schools.

## Child Marriage

### Context

- The pandemic has caused a spike in child marriages.



## Meaning of Child Marriage

- Child marriage can be described as a formal marriage or an informal union entered into by an individual before attaining the prescribed eligible age.

## Data of Child Marriage

- India is estimated to have over 24 million child brides.
- 40% of the world's 60 million child marriages take place in India according to the National Family Health Survey.
- India has the 14th highest rate of child marriage in the world, according to the International Center for Research on Women.
- Marriage systems and practices vary by region, caste and tribe.
- Rates of child marriage are higher in the North-West and lower in the South-East of the country.
- The states with the highest rates of child marriage (50% and above) are Bihar, Rajasthan, Jharkhand, Uttar Pradesh, West Bengal, Madhya Pradesh, Andhra Pradesh and Karnataka.

## Effects of child marriage

- Girls who get married at an early age are often more susceptible to the health risks associated with early sexual initiation and childbearing, including HIV and obstetric fistula
- Young girls who lack status, power and maturity are often subjected to domestic violence, sexual abuse and social isolation.
- Early marriage almost always deprives girls of their education or meaningful work, which contributes to persistent poverty.
- Child Marriage perpetuates an unrelenting cycle of gender inequality, sickness and poverty.
- Getting the girls married at an early age when they are not physically mature, leads to highest rates of maternal and child mortality.

## Reasons for early / child marriages

- **Poverty:** Most marriages happen as parents find their children burden specially the girls. Poor people marriage off their daughter to improve their conditions.
- **Low level of education of girls:** Low level of education ensures that girls are often not able to resist the pressure of child marriage. They consider themselves as burden on the family and do not understand the whole challenges associated with the child marriage.
- **Social customs and traditions:** Child marriages are an accepted norm by the culture. Most families consider it morally right to marry off their children.
- **Inadequate Implementation of the Law:** Child marriage restraint act, enacted to prevent child marriage has not been implemented with letter and spirit. Generally, the local police and administration remains in hand in hand with the local society which negates the impact of law.

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## Law on Child Marriage in India

- Child marriage is prohibited in India as per the Prohibition of Child Marriage Act, 2006.

### Objective of law

- allows anyone who was a child at the time of getting married to legally undo it;
- provides for maintenance for the girl in a child marriage;
- treats children born out of child marriages to be legitimate, and makes provisions for their custody and maintenance; and
- considers certain kinds of child marriages where there was force or trafficking as marriages which never happened legally.

### Crimes under the law:

- for an adult male to marry a child wife;
- to perform or help with a child marriage in any way;
- to allow, encourage or fail to stop a child marriage (as a parent or guardian); and
- to attend or take part in a child marriage (as a parent or guardian).

### Means of Implementation

- One can **directly go to a District Court and make an application** – the judge can pass an order directing the people involved to not take part in the child marriage.
- One can go to a **Child Marriage Prohibition Officer** for help with annulling a child marriage.

## Way Forward

- Government needs to work alongside civil society and local government to alter the existing social customs and ethos.
- Female literacy needs to be enhanced. Construction of girl's toilets through Swachh Bharat Abhiyan, conditional cash transfers by many state government can help in mitigating it.
- The basic root of child marriage is poverty. Enhancing per capita income through decentralised development and rapid industrialisation of the economy can make significant dent in the child marriage.

## Social Security Code

### Context

- Social security code hasn't been effective in providing the basic security to the vast 91% informal workers.

### Concept of Social Security

- According to International Labour Organisation, "Social security is the protection that a society provides to individuals and households to ensure access to health care and to guarantee income security, particularly in cases of old age, unemployment, sickness, invalidity, work injury, maternity or loss of a breadwinner".
- **Economists Amartya Sen and Jean Dreze distinguish two aspects of social security – "protection" and "promotion."** While the former denotes protection against a fall in living standards and living conditions through ill health, accidents, the latter focuses on enhanced living conditions, helping everyone overcome persistent capabilities deprivation.

## Constitutional Basis for Social Security

**The following social security issues are mentioned in the Concurrent List (List III in the Seventh Schedule of the Constitution of India):**

- Item No. 23: Social Security and insurance, employment and unemployment.
- Item No. 24: Welfare of Labour including conditions of work, provident funds, employers' liability, workmen's compensation, invalidity and old age pension and maternity benefits.

### **Part IV Directive Principles of State Policy:**

- Article 41: Right to work, to education and to public assistance in certain cases. The State shall, within the limits of its economic capacity and development, make effective provision for securing the right to work, to education

and to public assistance in cases of unemployment, old age, sickness and disablement, and in other cases of undeserved want.

- Article 42 Provision for just and humane conditions of work and maternity relief. The State shall make provision for securing just and humane conditions of work and for maternity relief.

### Provisions of Social Security Code-2020

- The Code on Social Security 2020 (Code), subsumes nine regulations relating to social security, retirement and employee benefits, such as (i) The Employees Compensation Act, 1923, (ii) The Employees State Insurance Act, 1948, (iii) The Employees Provident Fund and Miscellaneous Provisions Act, 1952, (iv) The Employees Exchange (Compulsory Notification of Vacancies) Act, 1959, (v) The Maternity Benefit Act, 1961, (vi) The Payment of Gratuity Act, 1972, (vii) The Cine Workers Welfare Fund Act, 1981, (viii) The Building and Other Construction Workers Cess Act, 1996, and (ix) The Unorganized Workers' Social Security Act, 2008).
- Enhanced coverage: The Code has widened coverage by including the unorganised sector, fixed term employees and gig workers, platform workers, inter-state migrant workers etc., in addition to contract employees.
- Uniform definitions: Uniformity in determining wages for the purpose of social security benefits is another highlight. Specific exclusions with ceilings have been provided for discouraging inappropriate structuring of salaries to minimise social security benefits.
- Consultative approach: Unlike the existing role of inspectors, the Code provides for an enhanced role of inspector-cum-facilitator whereby employers can look for support and advice to enhance compliances.
- Career Centre: To enable that demand for human resources is met and to monitor employment information, career centres will be established.
- Digitization : As per the Act, all records and returns have to be maintained electronically. Digitisation of data will help in exchange of information among various stakeholders / funds set up by the Government, will ensure compliance and also facilitate governance.
- Stringent penalties: The Code captures it all. Any failure to deposit employees' contributions not only attracts a penalty of Rs 100,000, but also imprisonment of one to three years.

### Key Challenges with the Act

- **Maternity Benefit:** Women engaged in the unorganised sector remain outside the purview of maternity benefit.
- **Employees Provident Fund:** For informal sector workers, access to employees' provident fund remains unfulfilled too in the new code.
- **Payment of Gratuity:** Although payment of gratuity was expanded in the new Code, it still remains inaccessible for a vast majority of informal workers.
- **Fragmented Approach:** It has 2 different version for organized and unorganized workers separately.
- **Absence of definition:** The absence of definite and unambiguous provisions in the present code would further complicate achievement of universal registration

### Challenges Faced by Informal Workers in accessing the Social Security

- **Registration barrier:** To avail social security, an informal worker **must register herself on the specified online portal** to be developed by the central government.
- **Lack of awareness:** Experience shows that there is an awful lack of awareness among informal workers regarding social security schemes.
- **Lack of digital literacy:** Online registration places a further challenge as most informal workers lack digital literacy and connectivity.
- **Lack of documents:** Informal workers also find it difficult to furnish all documentary papers required **as part of the registration process**.
- Furnishing proof of livelihood and income details in the **absence of tangible employer-employee relations is very difficult**.
- Such requirements deter informal workers from completing the registration and they continue to remain outside the social security ambit.



## Way Forward

- Employers should be made to own up to the responsibility of providing social security to their workers.
- Inter-State cooperation:** As unorganised workers are spread across the length and breadth of India, **inter-State arrangement and cooperation** becomes imperative.
- Universal coverage:** All unorganised workers should have **basic social security coverage**, irrespective of labour market classifications.

## Caste Census

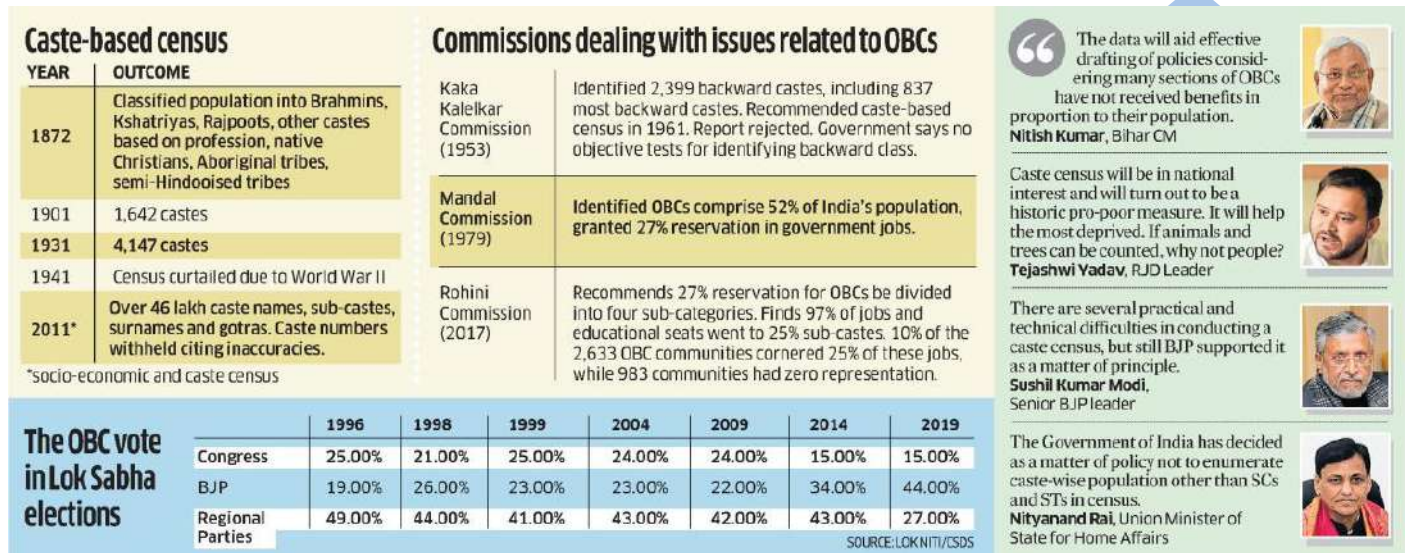


Figure 1: No Copyright Infringement Intended

## Context

- SEVENTEEN Muslim organisations, under the umbrella of All India Pasmanda Muslim Mahaz demanded a caste census for minority communities.

## Their Arguments

- Muslims, contrary to perception, are not a monolithic homogenous community.
- Caste persists among Muslims as well and 80 per cent of the Muslim population belong to other backward classes.
- Development of such communities can take place only if there is data – on who the land owners are, what the economic situation of different communities are etc.
- Since the caste census has not been done since 1931, this is a reason why the benefits of the government's policies have not reached the relatively weaker sections and numerically smaller castes.

## Evolution of Caste Census

- The silence around caste in national-level politics was finally breached during the Mandal moment.
- The **1990s were a decisive watershed for our collective** understanding of caste, and one of its direct outcomes was the gathering of momentum around the demand for a caste census.
- The **2001 Census saw the first battles, but the opposing forces won relatively**
- The **2011 Census witnessed a more even fight, ultimately forcing the UPA government into a backdoor escape via the Socio-Economic and Caste Census**, a project designed to fail.

## Reasons for Not Conducting the Caste Census

- The main reason for not counting caste has been political, and strong enough to produce (so far) broadly similar responses from both the UPA and the NDA as it can threaten the Vote bank.
- Nehruvian argument offered for not counting caste was also moral-political, namely that doing so would **strengthen caste identities, contradicting the official goal of erasing them.**



- The technical-practical reasons for opposing caste enumeration – **namely, that it is impossible to count something as complex and varied as caste.**
- **Counting caste in the Census threatens to make visible the only social group in independent India that has never been counted – the so-called “upper” castes.**
- Tabulating and categorising similar-sounding caste names and deciding on whether to treat some sections as separate castes or sub-castes of a community will also be a challenging task.

### Need for Caste Census

- Public policy must not be **formulated on the basis of hazy projections and blurry extrapolations.** Accurate data on the caste composition of the population is needed to maximise the gains of policies such as reservation in education and employment.
- **Caste continues to be an influential determinant in public affairs and access to resources.** Hence, there is a need to enumerate it.
- **A caste-based census is required to assess the exact ground situation because in** at least 30 states and Union territories, the reservation for backward classes has crossed the upper limit.
- **Provide Quantifiable data:** Over the last two decades, the Supreme Court has been raising questions about the basis for reservation levels being high in various States. In particular, it has laid down that there should be **quantifiable data** to justify the presence of a caste in the backward class list, as well as evidence of its under-representation in services.

### About Socio-Economic Caste Census 2011

- The Socio-Economic Caste Census of 2011 was a major exercise to obtain data about the socio-economic status of various communities.
- The general census is conducted in a small window of a month, while the caste census is conducted over a longer period of time, and there is a good deal of revision and correction.
- The SECC 2011 had two components: a survey of the rural and urban households and ranking of these households based on pre-set parameters, and a caste census. However, only the details of the economic conditions of the people in rural and urban households were released.
- The caste data have not been released till now.
- While a precise reason is yet to be disclosed, it is surmised that the data were considered too politically sensitive.
- Fear of antagonising dominant and powerful castes that may find that their projected strength in the population is not as high as claimed may be an important reason.

## Mob Lynching

### Context

- THE RAJASTHAN High Court has summoned six persons acquitted in the 2017 Pehlu Khan lynching case following an appeal filed by the victim's sons.

### Reasons for rising mob lynching

- **Poor Implementation of minority's laws:** An act of lynching reflects failure of law to protect minorities and punish the culprits. State action is important in strict enforcement of law and punishing the culprits.
- **No law on mob lynching:** There is no comprehensive law on mob lynching in India. This allow culprit to go free unpunished.
- **Lack of accountability and conviction:** Mob has no face. This impunity leads mob to take extreme steps. Thus community and state role increase to stop such crimes. Active participation of civil society against such crimes and helping state and law enforcement agencies in nabbing the criminal is critical.
- **Vote-bank politics:** Sometimes, political mobilisation that uses violence as a tool of politics, support such elements in society. Here community awareness and action against such politicians become necessary to prevent such vote bank politics.

- **Police failure:** Indifferent attitude of Police leads people to take law in their own hands. Also police delays and inability to catch the criminals lead to more such incidents. State should be more proactive in police reforms. Strict action should be taken against any police officials who do not record such incidents in criminal records.
- **Social media menace:** Rise in penetration of social media and its usage to spread rumours and hatred has exaggerated such incidents. A vigil community with state action on taking action against cyber criminals is must to prevent fake news and rumours.
- **High Unemployment rates:** High unemployment leave millions of youths unengaged. These young brains are often misguided and brainwashed through various ideologies and agendas. State action is important to provide more employment opportunities to youth with focus on economic development of the region.
- **Against social peace:** These crimes impact solidarity of society and idea of Unity in diversity. This create's an atmosphere of majority v/s minority. It could aggravate caste, class and communal hatred. Thus, community and state need to work together to stop such crimes. Programs especially focused on teaching values of tolerance and secularism is important.

### SC guidelines

- There shall be a **"separate offence" for lynching and the trial courts** must ordinarily award maximum sentence upon conviction of the accused person to set a stern example in cases of mob violence.
- The state governments will have to designate a **senior police officer in each district** for taking measures to prevent incidents of mob violence and lynching.
- The state governments need to **identify districts, sub-divisions and villages where instances of lynching and mob violence have been reported in the recent past.**
- The **nodal officers** shall bring to the notice of the DGP about any inter-district co-ordination issues for devising a strategy to tackle lynching and mob violence related issues.
- **Every police officer shall ensure to disperse the mob** that has a tendency to cause violence in the disguise of vigilantism or otherwise.
- Central and the state governments shall **broadcast on radio, television and other media platforms** about the serious consequences of mob lynching and mob violence.
- Despite the measures taken by the State Police, if it comes to the notice of the local police that an incident of lynching or mob violence has taken place, the jurisdictional police station shall immediately **lodge an FIR.**
- The State Governments shall prepare a **lynching/mob violence victim compensation scheme** in the light of the provisions of Section 357A of CrPC within one month from the date of this judgment.
- If a police officer or an officer of the district administration fails to fulfil his duty, it will be considered **an act of deliberate negligence.**

'SET UP FAST-TRACK COURTS'	
<ul style="list-style-type: none"> <li>➤ SC orders states to designate officer of SP rank as nodal officer in each district to prevent mob violence</li> <li>➤ Centre, states to broadcast radio, TV and online messages warning that lynching and mob violence shall invite serious consequences</li> <li>➤ FIR must against persons spreading such fake/irresponsible messages, videos</li> </ul>	<ul style="list-style-type: none"> <li>➤ Police, district admin's failure to comply with SC's directions will be deemed deliberate negligence</li> <li>➤ States to draw up compensation scheme for lynching with provision for interim relief to victim(s)/next of kin within 30 days</li> <li>➤ Lynching cases to be tried by fast-track courts in each district and preferably concluded in 6 months</li> </ul>

### Sociology of lynching cases

- The victims are always those living on the margins of the society.
- The cow-vigilantes are motivated by an urge to **impose hegemony of values and cultural homogeneity**, by obfuscating diverse practices and beliefs.
- They dare to defy the process of law, as their acts are powered by majoritarian sentiments.
- This is not an issue within the narrow confines of law and order; it plays out on a broader canvass of **socio-cultural dynamics.**
- It is the tussle between rule of law and belief-systems.
- It is the friction between the privileges of the mainstream and the struggles of survival by the marginalized.

### Legal Framework

- Rajasthan and Manipur have made a law to curtail these hate crimes.

### Basic features of the law

- Definition: **It covers any act of violence, whether spontaneous or planned, by a mob on the grounds of religion, race, caste, sex, place of birth, language, dietary practices, sexual orientation, political affiliation or ethnicity.** And two persons are enough to constitute a 'mob'.
- Provisions:
  - Compensation worth Rs. 5 Lakh to the victim
  - Punishable with life imprisonment
- Such type of laws should be made at Pan India level curbing the mob violence in the nub.

### Probable Questions

1. Highlight the reasons behind declining child sex ratio in India. Also, enumerate the steps taken by government to improve the sex ratio.
2. Highlight the reasons behind the poor rankings of Indian universities in international roles. Also enumerate on the steps taken for improvement of rankings.
3. Do you think there should be a right to primary health care for dependents similar to the Right of Children to Free and Compulsory Education (RTE) Act at a State level? Substantiate.
4. Explain doctrine of essentiality. How does court approach towards regulation of religion in India. What has been the criticism of the judiciary in its approach to regulating religions.
5. Explain Blue carbon? Highlight the role played by Mangroves in dealing with climate change.
6. Sanskrit language was foundation for the development of ancient Indian literature. Elaborate.
7. Indian puppetry is a subject as varied as the many cultural traditions of the Indian subcontinent. Discuss the Tradition of Puppetry in India.
8. To what extent has the urban planning and culture of the Indus Valley Civilization provided inputs to the present-day urbanization? Discuss.
9. Globalization has tied world together into a single globalized marketplace and village. Explain!
10. Dhamma edicts were written for the welfare and happiness of the people. Comment!
11. Music alone can take you to the highest. Explain the statement in the lights of significance of folk music in our life.
12. In recent times, flood-related damages are showing an increasing trend and have gone beyond the usual boundaries of the flood-prone areas in the country. In this regard, critically evaluate the existing Flood Management Mechanisms in India
13. Climate change has emerged as an intergovernmental political issue. Discuss various major international agreements related to climate change. Also, suggest measures to bolster the negotiations to deal with climate change effectively.
14. 'Even after India has started the world's largest vaccination programme to prevent future COVID19 waves in India, vaccine hesitancy still remains a major roadblock.' In this context, discuss the challenges posed by vaccine hesitancy to Vaccine Communication Strategy and suggest strategies to resolve the issue.
15. 'While the country prepares for future waves of COVID-19 pandemic and mutations of the virus, without urgent and significant consideration given to nutrition as part of our national covid response, the malnutrition crisis will only deepen'. Comment.
16. 'The situation of women in India is getting from bad to worse in the time of COVID-19 pandemic.' Suggest adequate measures to address their issues.
17. The present form of caste as a social institution has been shaped very strongly by both the colonial period as well as the rapid changes that have come about in independent India. Comment.
18. India is a nation of great cultural diversity. Evaluate its impact on building a national identity.
19. Globalization leads to cultural homogeneity in India. Do you agree? Justify your answer.
20. Evaluate the impact of the changing role of the State in developing countries in the light of globalization.
21. Social media is a rapidly evolving world. In this context, discuss the impact of social media on Indian society.
22. 'In India, the challenges of sanitation workers are not just occupational; they have been exploited and forced to do manual scavenging for ages.' Discuss various measures taken by the government to uplift the status of sanitation workers.

23. 'Unless the states in India have the autonomy to create jobs, they will only resort to reserving existing jobs for locals.' In this context, discuss various factors for growing regionalism. Also, suggest measures to address the issue.
24. 'The catalogue of religious violence and incitement in several parts of the country remains an unsettling fact in both pre and post-independent India.' In this context, discuss various causes of Communalism.
25. Discuss various factors responsible for migration in India and mention their implications. Do you think Besides addressing the immediate distress conditions of migrants, the State needs to think of long-term solutions?
26. Explain the basic tenets of Sufism. What relevance does sufism has in today's world ?
27. Law alone cant empower the women. In the light of this statement, explain how social reforms can lead to empowerment of women.
28. India did nationalisation in 70s. Today, India is pursuing the path of privatisation. Comment!
29. India's rank in global hunger index has always been wanting. In the light of this statement, explain the importance of the Food Fortification in challenging the menace of nutrition deficiency.
30. India are stuck in a "capability trap" where they know the destination and the route needed to be taken but lack the ability to implement the strategy to do so. In the light to this statement, discuss the Indian strategy to reap the demographic dividend.
31. Diversity of religion gives more strength to the nation than being the weakness. Comment
32. Violence Against Women (VAW) is a growing concern in India. Explain the Causes and steps require to mitigate them.
33. menstruation and menstrual hygiene management (MHM) have evolved in a big way to find a space and voice on the policy level as well as in mainstream cinema. On the other hand, to a layperson, it still is a basic biological function for the menstruator, and thus their personal problem. Comment
34. Despite promising legal frameworks, violence against children is rampant. The National Crime Record Bureau reported that in the year 2019 about 33.2 per cent of the total crime (IPC + SLL) was committed against children. Discuss the causes behind violence against children and suggest the mitigating steps.
35. Explain the difference between Rural Marketing and Rural Product Marketing. Discuss the roadblocks in the rural product marketing and provide marketing strategies for rural products.
36. A new report by the Intergovernmental Panel on Climate Change (IPCC) presents the most recent evidence on how the different uses of land – forests, agriculture, urbanisation – are affecting and getting affected by climate change. In the context of this statement, provide link between climate change and land usage.
37. India will restore 26 million hectares of degraded land by 2030, more than its earlier target of 21 million hectares, Prime Minister Narendra Modi said at a UN conference to combat desertification. Provide steps taken by government to mitigate desertification and reasons behind increasing desertification.
38. Jainism and Buddhism arose in response to increased social evils in society. Highlight the difference and similarities between both the religion.
39. The Ajanta cave paintings had a dual function of teaching and experiencing the lives of Buddha. In the light of this statement, comment on Ajanta cave paintings.
40. Bhakti and Sufi movement in middle centuries paved the way for reforming Indian society. Highlight the similarities between the two movements.
41. Literature in India reached to its zenith during Gupta period. Comment
42. Recently, Kartarpur corridor was opened for pilgrims to celebrate the 550th birth anniversary of Guru Nanak . Highlight teachings of Gurunanak which led to birth of Sikhism.
43. The conflict seen in universities in recent times are aiming towards making Indian universities apolitical in nature. Critically Comment
44. 8<sup>th</sup> schedule of constitution provides protection to languages. There is a need to enlarge it and provide protection to more language for inclusive development of India.
45. Wastes and climate change are closely interrelated and are severely impacting each other. Comment
46. Better rural infrastructure is capable of facilitating better avenues for rural growth and of appropriately remunerating the activities of the farmers, manufacturers and service providers in a rural set up. Mention the initiatives taken to improve the rural infrastructure.



47. India's weak health care is a legacy of limited attention to it after Independence, and the multiple priorities of a young nation. Comment
48. Discuss the significance of Jal Jeevan Mission in promoting Circular economy.
49. Migration is the barometer of changing socio-economic and political conditions at the national and international levels. Discuss
50. Andhra Pradesh government has made all government elementary schools 'English-medium'. Is it the need of the hour? Comment!

## POLITY

### Appointment at Judiciary

#### Context

- The Supreme Court asked the government to clarify on the **status of 55 recommendations** made by the Collegium for judicial appointments to various High Courts six months to nearly a year-and-a-half ago.

#### About Collegium System:

- Collegium System is a system under which appointments and elevations of judges and lawyers to the Supreme Court and the High Courts, and also transfer of judges to High Courts and the Apex court are decided by a forum of the **Chief Justice of India and 4 senior most judges of the Supreme Court**.

#### Appointment to Judiciary

##### In Practicality

- It is appointed by recommendations of a collegium system.
- Collegium system is the system of appointment and transfer of judges that has evolved through judgments of the Supreme Court, and not by an Act of Parliament or by a provision of the Constitution.
- The Supreme Court collegium is headed by the Chief Justice of India and comprises four other senior most judges of the court.
- The government's role is limited to getting an inquiry conducted by the Intelligence Bureau (IB) if a lawyer is to be elevated as a judge in a High Court or the Supreme Court.
- It can also raise objections and seek clarifications regarding the collegium's choices, but if the collegium reiterates the same names, the government is bound, under Constitution Bench judgments, to appoint them as judges.

##### **Constitutional Provisions:**

- Judges of the Supreme Court and High Courts are appointed by the President under Articles 124(2) and 217 of the Constitution.
- The President is required to hold consultations with such of the judges of the Supreme Court and of the High Courts as he may deem necessary.
- Article 124(2) says: "Every Judge of the Supreme Court shall be appointed by the President by warrant under his hand and seal after consultation with such of the Judges of the Supreme Court and of the High Courts in the States as the President may deem necessary for the purpose and shall hold office until he attains the age of sixty-five years."

#### Evolution of Collegium System

##### 1st Judges Case

- The Supreme Court held that the concept of primacy of the Chief Justice of India was not really to be found in the Constitution.
- The Constitution Bench also held that the term "consultation" used in Articles 124 and 217 was not "concurrence" – meaning that although the President will consult these functionaries, his decision was not bound to be in concurrence with all of them.

##### 2nd Judges Case

- It devised a specific procedure called "Collegium System" for the appointment and transfer of judges in the higher judiciary.
- It gave primacy to the CJI in matters of appointment and transfers while also ruling that the term "consultation" would not diminish the primary role of the CJI in judicial appointments.

- The court said that the recommendation should be made by the CJI in consultation with his two senior most colleagues, and that such recommendation should normally be given effect to by the executive.
- It held that executive can ask for reconsideration, but if reiterated the same name, executive will have to make the appointment.

### 3<sup>rd</sup> Judges Case

- The recommendation should be made by the CJI and his four senior most colleagues, instead of two leading to birth of new collegium system.
- It also held that Supreme Court judges who hailed from the High Court for which the proposed name came, should also be consulted.
- It was also held that even if two judges gave an adverse opinion, the CJI should not send the recommendation to the government.

### Challenges to Collegium system

- The system is non-transparent, since it does not involve any official mechanism or secretariat.
- It is seen as a closed-door affair with no prescribed norms regarding eligibility criteria or even the selection procedure.
- There is no public knowledge of how and when a collegium meets, and how it takes its decisions.
- It violates the principle of separation of power as judges are appointing themselves. It has led to tyranny of unelected.
- There is the lack of a written manual for functioning, the absence of selection criteria, the arbitrary reversal of decisions already taken, the selective publication of records of meetings.

### Possible reforms in collegium system

- At the supreme court level, a secretariat is required since the Supreme Court collegium (its composition varies when comes to the appointment of High Court Judges) has a decisive role to play in appointing judges to both High Courts and the Supreme Court.
- There is an urgent need to develop appropriate criteria for determining the merit. Arun Jaitley, the then leader of opposition in Rajya Sabha, advocated the need to develop objective criteria for determining eligibility and suitability of candidate for appointments.
- Need for Transparency in Collegium system:
  - Vacancies in the Supreme Court and the High Courts shall be announced in advance.
  - The practice of providing regional and demographic representation in the Supreme Court shall be formally acknowledged and their extent earmarked.
  - even with respect to appointment of judges to the High Courts, the percentage of judges selected/to be selected from each of the two categories mentioned in the Constitution shall be announced.
  - List of candidates, who had applied, nominated or considered by the members of the collegium on their own, shall be maintained.

### Conclusion

- Supreme Court itself has accepted that collegium system needs to be reformed. With, more pressure and demand for transparency in working of judiciary, it is high time that court makes system more transparent, participative and representational.

## Central Bureau of Investigation (CBI)

### Context

- Recently, the Supreme Court told the government that interim appointments to the post of Central Bureau of Investigation director cannot go on.
- A petition regarding the opposing the appointment of interim/acting director was filed in the court.

## Petitioner's arguments

- **Lack of provisions:**
  - There is no provision for the appointment of an acting director in CBI.
  - The appointment of a full-time director as per the statutory law is necessary for upholding the rule of law.
- **Delay of meeting:**
  - Centre was delaying a meeting of high-powered selection committee as it "wants to bypass" the Chief Justice of India.
- Constitutional Morality: the premier investigative agency should function independently for enforcement of the rights of the citizens under Articles 14 and 21 of the Constitution of India.
- Violation of Law: It is incumbent on the central government to call for a meeting of the selection committee for the appointment of his successor as per the law, well in advance, so as to ensure a smooth transition.

## Need for full time CBI Director

- He supervises all the work in the CBI.
- He is responsible for **constitution of investigating teams for probing cases**
- He is responsible to **enhance the functional autonomy of the CBI director**
- He also **limits the extent of executive discretion in the matter of appointment** of this key functionary.

### **Issues with CBI:**

- **Dependence on central government:**
  - CBI can investigate only those cases which are referred to it by State. It cannot suo motto take cases.
  - This gives a chance to political executive to target opposition members and dissenters.
  - Supreme Court had called CBI as 'caged parrot' in 2013 due to its functioning as per the wishes of central government.
- **Lack of Financial autonomy:**
  - CBI also lacks financial autonomy.
  - It depends entirely on government even for small administrative expenses.
- **Lack of Transparency:**
  - Lack of transparency in selection procedure of director and also no effective external monitoring system to check misuse of its power.
- **Lack of Legal Backing:**
  - CBI charter of duties are not protected by legislation.
  - Its functions are merely based on resolutions which draws its powers mainly from the Delhi Special Police Establishment Act.
- **Shortage of Man power:**
  - According to a Parliamentary panel, 789 posts in executive ranks, 77 posts of law officers and 415 posts of technical officers and staff were lying vacant.

## Suggested Reforms

- **Role of Lokpal**
  - Lok Pal provides for appointment of director, CBI through a collegium system which is a step in right direction.
  - Lok Pal should be allowed to decide cases which CBI takes up, not the executive.
  - CBI to report to Lok Pal for investigation of such cases. Lok pal can supervise and oversee CBI.
- **Changes in Legal Mechanism**
  - Substitute archaic DPSE act by new CBI act. Define the role, jurisdiction and legal powers of CBI.
  - Also give the CBI financial autonomy in the statutory law as has been given to Supreme Court, CAG, etc.
- **Personnel administration reforms**
  - Have more establishment in form of judges, prosecutors and support staff for CBI.
  - Have a dedicated cadre for CBI. The current practice of appointing IPS officers may show favouritism towards some political and permanent executive.
- **Improvement of functioning:**

- There's a dire need to improve the capability of the intelligence-collection machinery and upgrade its resources, the intelligence-sharing mechanism.
- **Enhanced accountability of CBI:**
  - There should be an accountability commission headed by three retired Supreme Court or high court judges. The committee will look into cases of grievances against the CBI.

### Way Forward

- CBI plays a pivotal role in checking corruption at highest levels. The need for autonomy for such an organisation is beyond any question and must be ensured to cleanse our political system.

## Election Commission

### Context

- Recently, Madras High court has held election commission responsible for the rise of the cases.

### High Court Observations

- The Election Commission of India (ECI) was responsible for the second wave in the country
- Its officials should probably be tried on murder charges for allowing political parties to hold massive rallies without following Covid-19 norms.
- Face masks, sanitizers weren't used and no social distancing was maintained during election campaigning.

### Election Commission response

- Responsibility of State Disaster Management Authority
  - According to the Covid-19 rules notified under the Disaster Management Act, 2005, the State Disaster Management Authority (SDMA) has the responsibility to ensure the rules are followed.
  - At no occasion, the Commission takes over the task of SDMA for enforcement of COVID-19 instructions.
- Polling with full compliance of norms: Polling was conducted following all prescribed COVID appropriate, which witnessed good electoral participation with full compliance of norms by all concerned.

### Criticism of Election Commission

- **Decline of Trust:** As election commission is increasingly being seen as a body more closely to the government than working independently. Position parties have accused it of **going slow against certain political party**.
- **Lack of Transparency in appointment:** there are no safeguards in the procedure for its own appointments. The government picks the commissioners with no consultation.
- **Arbitrary standards:** Election commission has issued gag against using army photographs in the political campaign. But, allowed certain leaders to use the army in their campaign thus discriminating against political parties.
- **Delay in cases:** Election commission is taking time to clear the cases which is leading to cause confusion and decline of trust.
- **Failing to regulate income tax raids:** The commission also failed to check the Department of Revenue, which conducted raids on members of Opposition parties, without keeping it informed.

### Way Forward

- 2<sup>nd</sup> ARC report recommended that collegium headed by the Prime Minister with the Speaker of the Lok Sabha, the Leader of Opposition in the Lok Sabha, the Law Minister and the Deputy Chairman of the Rajya Sabha as members should make recommendations for the consideration of the President for appointment of the Chief Election Commissioner and the Election Commissioners
- Law Commission 255th Report on Electoral Reforms: Strengthening the office of the Election Commission of India recommended Making the appointment process of the Election Commissioners and the CEC consultative
- Financial Independence: Expenditure of the election commission must be charged on the consolidated fund of India.



- Enhancing Power: Election commission must be given more power to regulate the expenditure of political party. Currently, election commission can regulate individual spending but not the spending by Political party.
- ECI must also be given more power to deal with repeat offenders or leaders who use religion or caste in political rallies. Currently, EC can only issue the notice to such leaders.

## Re-promulgation of Ordinances

### Context

- Recently, the central government has re-promulgated the Commission for Air Quality Management in the National Capital Region and Adjoining Areas Ordinance, 2020.

### Data of Ordinances

- In the 1950s, central ordinances were issued at an average of 7.1 per year.
- The number peaked in the 1990s at 19.6 per year, and declined to 7.9 per year in the 2010s. With no reaching to the 16 in 2019 and 15 in 2020, the no of ordinances are raising again.

### What are Ordinances

- Ordinances are laws that are promulgated by the President of India on the recommendation of the Union Cabinet.
- For an ordinance to be enforced effectively, it must not be in conflict with any higher law such as state or national law or constitutional provisions.

### Constitution Provision regarding Ordinances

- Article 123 of the Constitution of India grants the President certain law-making powers to promulgate ordinances when either of the two Houses of Parliament is not in session.
- The governor of a state can also issue ordinances under Article 213 of the Constitution of India, when the state legislative assembly is not in session.

### Limitation on promulgation of ordinances

- The President can only promulgate an ordinance when either of the two Houses of Parliament is not in session.
- The President cannot promulgate an ordinance unless he is satisfied that there are circumstances that require taking 'immediate action'.
- Ordinances must be approved by Parliament within six weeks of reassembling or they shall cease to operate. They will also cease to operate in case resolutions disapproving the ordinance are passed by both the Houses.

### Associated Issues with Ordinance route

- Ordinance making route undermines the law-making process, deprives citizens from articulating their grievances through representatives in Parliament when the bill is first conceived and tabled.
- Ordinance making power of the President is extraordinary and issuing of Ordinances could be interpreted as against constitutional morality.
- Ordinances are a hindrance to personal freedom and a relic of foreign rule.
- The government has promulgated ordinances on issues that perhaps did not have the kind of urgency that was claimed.

#### Judgements by the Supreme Court on Ordinances:

##### RC Cooper Case 1970:

President decision to issue ordinance can be challenged on the grounds that immediate action was not required. It made ordinance issuing authority subject to judicial review.

##### DC Wadhwa Case:

It is unconstitutional to re-promulgate ordinances, unless in exceptional circumstances. Ordinances themselves are an exception].  
Ordinances are only to tide over a temporary urgency that the executive resorts to an ordinance.  
But to re-promulgate it is to circumvent the legislature's primacy; it is an underhanded way of prolonging the life of an ordinance. Judiciary declared re-promulgation unconstitutional or a "fraud on the Constitution".

##### Krishna Kumar Singh v State of Bihar:

Supreme Court of India held that re-promulgation of ordinance is a fraud on the Constitution.  
The Court also held that the satisfaction of the President of India under Article 123 and of the Governor under Article 213 while issuing an Ordinance is not immune from judicial review.

- While ordinances are passed as laws subsequently, this too is often done in a hurry – PRS data shows that only 25% of the bills went to parliamentary committees between 2014 and 2019, compared to 71% between 2009 and 2014.

### Way Forward

- If there are important matters to be dealt with, surely the proper response is to lengthen the parliamentary session and not resort to ordinances.
- They should be only issued in emergency cases with clearly stated reasons of what does the emergency.
- It is the ethical morality of each party to maintain the democratic spirit of the country.

## The Tribunal Reforms (Rationalisation and Conditions of Service) Ordinance 2021

### Context

- Recently, government has promulgated the Tribunal Reforms (Rationalisation and Conditions of Service) Ordinance 2021.

### Features of the Ordinance

- It dissolves certain existing appellate bodies and transfers their functions (such as adjudication of appeals) to other existing judicial bodies.
- The Ordinance amends the 2017 Act to include provisions related to the composition of search-cum-selection committees and term of office of tribunal members in the Act itself.
- The Ordinance includes the National Consumer Disputes Redressal Commission established under the Consumer Protection Act, 2019 within the purview of the Finance Act, 2017.

### Search-cum-selection committees

- The Ordinance specifies that these Committees will consist of:
  - the Chief Justice of India, or a Supreme Court Judge nominated by him, as the Chairperson (with casting vote),
  - two Secretaries nominated by the central government,
  - the sitting or outgoing Chairperson, or a retired Supreme Court Judge, or a retired Chief Justice of a High Court, and
  - the Secretary of the Ministry under which the Tribunal is constituted (with no voting right).

### Term of Office:

- The Ordinance specifies that the term of office for the Chairperson of the tribunals will be of four years or till the attainment of the age of seventy years, whichever is earlier.
- For other members of the tribunals, the term will be of four years or till the age of sixty-seven years, whichever is earlier.

### Abolition of Bodies:

- The Ordinance removes the following bodies from the purview of the Finance Act, 2017:
  - the Airport Appellate Tribunal established under the Airports Authority of India Act, 1994,
  - the Appellate Board established under the Trade Marks Act, 1999,
  - the Authority of Advanced Ruling established under the Income Tax Act, 1961,
  - the Film Certification Appellate Authority established under the Cinematograph Act, 1952.

### Reasons behind Abolition of Bodies:

- It is **part of the tribunal rationalisation process which** initiated in 2015. By the Finance Act, 2017, seven tribunals were abolished or merged based on functional similarity and their total number was reduced to 19 from 26.
- In these tribunals, **public at large are not the litigant, hence**, they will be merged with the commercial bench of high court.
- Abolition of bodies will **ensure more judicial independence**.

## Concern with the Act

- The tenure of four years fixed by the Ordinance is contrary to the directions issued by the Supreme Court in the Madras Bar Association case (2020). According to the Supreme Court, four-year tenures discourage meritorious candidates.
- Supreme Court has also held that small tenure enhances arbitrariness of the executive by letting them interfere with the tribunal work.
- Court had directed to let search committee only recommend one name for the appointment. But, the ordinance has kept it two names.
- Court had held that appointment must be done within 3 months after submission of names by the search committee. But, the central government has made it preferably in 3 months.

## Way Forward

- The Ordinance is a path as per the multiple rulings of the court and try to rationalise the multiple act governing tribunals in India.
- Abolition of appellate tribunals have strengthened the position of high court and ensured judicial independence.
- By incorporating court guidelines on search and selection committee, ordinance has tried to create balance between judicial independence and fast and speedy justice.

## Constitutional Provisions regarding Tribunals

### Administrative Tribunals:

- **Article 323 A empowers the Parliament to provide** for the establishment of administrative tribunals.
- In pursuance of Article 323 A, the **Parliament has passed the Administrative Tribunals Act in 1985. The act authorises the Central government to establish one Central administrative tribunal and the state administrative tribunals.**

### Purpose of Administrative tribunals:

- It is for the adjudication of disputes relating to recruitment and conditions of service of persons appointed to public services of the Centre, the states, local bodies, public corporations and other public authorities.

## Electoral Bonds

### Context

- Electoral bonds worth ₹695 crore sold during recent Assembly polls, highest amount in Kolkata. The amount sold was the highest-ever for any Assembly elections since the scheme started in 2018.

### About Electoral Bonds

- An electoral bond is designed to be a **bearer instrument like a Promissory Note** — in effect, it will be similar to a bank note that is payable to the **bearer on demand and free of interest**.
- It can be purchased by any **citizen of India or a body incorporated in India**.

### Opposition to the electoral Bonds

- **Anonymity:** voters do not know which individual, company, or organisation has funded which party, and to what extent.
- The government of the day **can always access the donor details by demanding the data** from the State Bank of India (SBI) which makes them more powerful.
- Printing of these bonds & SBI commission for facilitating the sale and purchase of the bonds is paid from the **taxpayers' money by the central government**.
- Classification of 1% vote share is arbitrary in nature.
- RBI has said the bonds would set a **"bad precedent"** since it would allow for money laundering and undermine trust in banknotes.

## Popularity of Electoral bonds as route of Donation

- By virtue of the anonymity they offer to donors, electoral bonds have become the most popular route of donation.
- In the years 2017-18 and 2018-19, political parties received a total of Rs 2,760.20 crore from electoral bonds, of which Rs 1,660.89 cr or 60.17% was received by the BJP alone.

## Election commission stand on Electoral Bonds

- It had objected to the amendments in the Representation of the People (RP) Act, which exempt political parties from disclosing donations received through electoral bonds.
- It described the move as a "retrograde step".
- The Commission had even asked the government to "reconsider" and "modify" the above amendment.

## Supreme Court Verdict on Electoral bonds

- Recently, Supreme Court has allowed the sale of the electoral bonds and held it constitutional in nature. Following are the responses held by supreme court against the charges :

Charges	Court Response
Anonymity of the buyers which allows channelizing of money without public scrutiny.	It ensures that everything happens through the banking channels alone. The purchase as well as encashment of the bonds, happening only through banking channels, is always reflected in documents that eventually come to the public domain.
Financing of the Political Parties by the Corporate Houses	The bonds require fulfilment of the KYC requirements. The Spent money will always reflect on the expense sheet of company.
Influence of the foreign Cooperation by purchase of electoral bonds	Bonds can be purchased only by a person who is a citizen of India or incorporated or established in India.
It will lead to flow of black money as it can be sold outside.	Bonds are not tradable under clause 14. Moreover, the first buyer will not stand to gain anything out of such a sale except losing white money for the black.

## Governor: An Agent of the Centre

### Context

- The West Bengal Governor Jagdeep Dhankhar visited the areas hit by post-poll violence in Cooch Behar.
- This act of Governor constitutes a grave transgression of the bounds of constitutional propriety and highlights his disregard for the principle that constitutional heads should not air their differences with the elected regimes in public.

### Meaning of Agent of Centre:

- Governors are always seeking an opportunity to run down the state government when it is in the hands of a party opposed to the party ruling at the centre.
- He is always trying to bring about a government of the same party as at the centre.

### Different Methods to act as agent of Centre

- Issues of selecting the chief minister
- Determining the timing for proving legislative majority
- Demanding information about day-to-day administration
- Taking apparently long time in giving assent to bills or reserving bills for the President
- Commenting adversely on specific policies of the state government



## Philosophy of Discretionary Powers of Governor

- Discretionary power, beyond the specific situations mentioned in the constitution, does **not enable a governor to override the state government**.
- It is **not a general clause giving the governor power to disregard the advice** of his ministers in any matter in which he finds he ought to disregard.
- Governor discretionary **powers are for good and pure administration**, and not for promoting the interests of the party ruling at the centre.

## Different Role of Discretionary Powers

- Role of seeking **information from ministries is to advise the ministry, to warn the ministry, to suggest to the ministry** an alternative for any action which would be constitutional and in public interest and ask for reconsideration.
- **Reserving a bill for President Consideration:** It is necessary for the governor to make sure that state's laws fall within the framework of the constitution.
- **Appointment of Chief Minister:** According to the Sarkaria Commission, this power's role is to see that a government is formed and not to try to form a government.

## Why Governors act as Agent of Centre

- **Appointment:** Since, he is appointed by the centre, hence, on the interest of centre.
- **Lack of tenure:** Governor doesn't have security of tenure which makes them dependent upon the centre wishes.
- **Discretionary powers:** Discretionary constitutional powers like reserving the bills for president consideration provides for the centre's interference with state legislative process.
- **Credibility of Person:** Governor post has become a parking lot for the retired bureaucrats and politicians rather than for people of high integrity.

## Way Forward

- Sarkaria commission recommended that the governor should be appointed only after **consultation with the respective chief minister**.
- Some scholars have even suggested that the **appointment should be made from a panel prepared by the state legislature and actual appointing authority** should be the Inter-state Council, not the central government.
- In the B.P. Singhal case, Supreme court has already highlighted that **governor is a constitutional position and not an agent of centre**.

## Conclusion

- Centre shouldn't use the governor's office as an instrument for controlling state politics by exploiting his tenurial insecurity, party loyalty or through pandering his ambition. It is **better for the country in the long run to respect such public opinion and to let the governor act on his sagacity** and sound judgment.

## Report on Reforms in Urban Planning Capacity

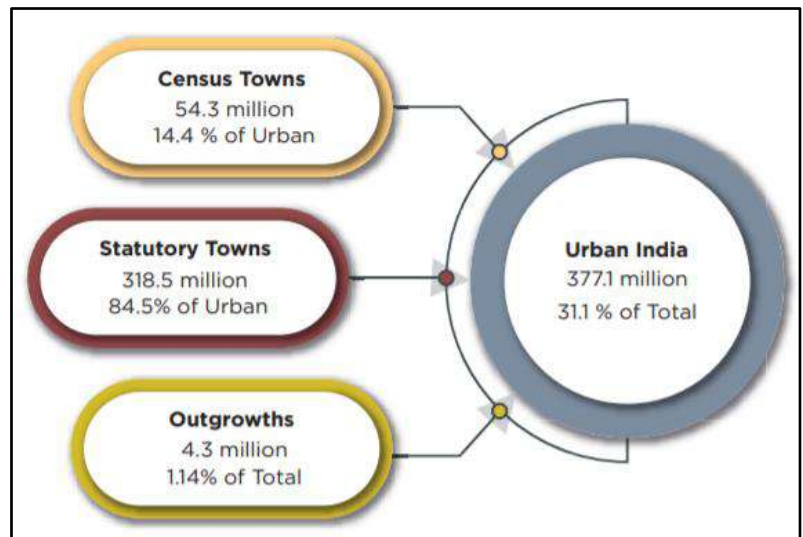
### Context

- NITI Aayog has launched a report on measures to ramp up urban planning capacity in India.

### Need for Urban Planning Capacity

- In the coming years, urban India will power the growth of the Indian economy.
- Urban challenges, including town planning, need greater policy attention in our country.
- There is a compelling need to plug the gaps in urban planning capacity in the country, else a huge opportunity for rapid, sustainable and equitable growth would be at risk of being missed
- By planning, Greater synergies among the public and private sectors and education institutions will provide a massive boost towards making Indian cities more liveable, competitive, and sustainable.

- Over the years, the country has witnessed the expansion of cities based on car-centric planning. However, the future of urban mobility and urban living needs to evolve on the back of public transportation.
- The cities need to be very compact and adopt a circular economy system to minimize their negative impacts on the environment.
- India's urban story may be lauded globally or suffer irreversible damages in the next 10-15 years depending upon corrective policy measures and actions taken at the beginning of this decade.



### Challenges with Urban planning

- Our urban planning machinery has not grown at the pace of the demands posed by urbanisation and global technological advancements.
- Urban local bodies face a massive shortage of skilled and trained human resources as well as financial challenges.
- Of the 7933 towns that are accounted as urban, almost half have a status of census towns and they continue to be governed as rural entities. With business as usual, the country may become a haven for unplanned urbanization.
- Furthermore, poor quality of planning is a huge limiting factor to realize the true economic potentials of urbanization.
- urban planning, which is the foundation for the integrated development of cities, citizens, and the environment, has not received adequate attention.
- 65% of the 7933 urban settlements do not have any master plan. This leads to piecemeal interventions, haphazard constructions, urban sprawl, and environmental pollution, which can further aggravate issues such as traffic congestion, flooding, etc.
- In many cities, development control regulations were formulated several decades ago and have been updated arbitrarily without sufficient empirical evidence on their impacts.
- An inadequate number of urban planners in the State planning machineries and lack of multi-disciplinary teams are serious issues.

### Data on Urban India

- India's population stood at 1210 million in 2011, with an urbanisation level of 31.1% (Census of India 2011).
- India's urban population is 11% of that of the world. This is still more than highly urbanised countries/regions like the United States, Japan, Western Europe, and South America
- India's urbanisation is poised to accelerate in the coming decades. During 2011-36, urban growth will be responsible for 73% of the rise in total population.

### Recommendations of the Report

- Programmatic Intervention for Planning of Healthy Cities:** Every city must aspire to become a 'Healthy City for All' by 2030. The report recommends a Central Sector Scheme '500 Healthy Cities Programme', for a period of 5 years, wherein priority cities and towns would be selected jointly by the states and local bodies.
- Programmatic Intervention for Optimum Utilization of Urban Land:** All the cities and towns under the proposed 'Healthy Cities Programme' should strengthen development control regulations based on scientific evidence to maximize the efficiency of urban land (or planning area). The report recommends a sub-scheme 'Preparation/Revision of Development Control Regulations' for this purpose.
- Ramping Up of Human Resources:** To combat the shortage of urban planners in the public sector, the report recommends that the states/UTs may need to a) expedite the filling up of vacant positions of town planners, and

b) additionally sanction 8268 town planners' posts as lateral entry positions for a minimum period of 3 years and a maximum of 5 years to meet the gaps.

- **Ensuring Qualified Professionals for Undertaking Urban Planning:** State town and country planning departments face an acute shortage of town planners. This is compounded by the fact that in several states, ironically, a qualification in town planning is not even an essential criterion for such jobs. States may need to undertake requisite amendments in their recruitment rules to ensure the entry of qualified candidates into town-planning positions.
- **Re-engineering of Urban Governance:** There is a need to bring in more institutional clarity and also multi-disciplinary expertise to solve urban challenges. The report recommends the constitution of a high-powered committee to re-engineer the present urban-planning governance structure. The key aspects that would need to be addressed in this effort are: i) clear division of the roles and responsibilities of various authorities, appropriate revision of rules and regulations, etc., ii) creation of a more dynamic organizational structure, standardisation of the job descriptions of town planners and other experts, and iii) extensive adoption of technology for enabling public participation and inter-agency coordination.
- **Revision of Town and Country Planning Acts:** Most States have enacted the Town and Country Planning Acts, that enable them to prepare and notify master plans for implementation. However, many need to be reviewed and upgraded. Therefore, the formation of an apex committee at the state level is recommended to undertake a regular review of planning legislations (including town and country planning or urban and regional development acts or other relevant acts).
- **Demystifying Planning and Involving Citizens:** While it is important to maintain the master plans' technical rigour, it is equally important to demystify them for enabling citizens' participation at relevant stages. Therefore, the committee strongly recommends a 'Citizen Outreach Campaign' for demystifying urban planning.
- **Steps for Enhancing the Role of Private Sector:** The report recommends that concerted measures must be taken at multiple levels to strengthen the role of the private sector to improve the overall planning capacity in the country. These include the adoption of fair processes for procuring technical consultancy services, strengthening project structuring and management skills in the public sector, and empanelment of private sector consultancies.
- **Steps for Strengthening Urban Planning Education System**
  - The Central universities and technical institutions in all the other States/UTs are encouraged to offer postgraduate degree programmes (MTech Planning) to cater to the requirement of planners in the country in a phased manner.
  - The committee also recommends that all such institutions may synergize with Ministry of Rural Development, Ministry of Panchayati Raj and respective state rural development departments/directorates and develop demand-driven short-term programmes on rural area planning.
  - 'Planning' as an umbrella term, including all its specializations such as environment, housing, transportation, infrastructure, logistics, rural area, regional, etc., or any other nomenclature approved by AICTE, should be included as a discipline under the National Institute Ranking Framework (NIRF) of MoE to encourage a healthy competition among the institutions.
  - The committee recommends that AICTE may retain the names of specializations based on industry requirements, while limiting them to an appropriate number, as 25 nomenclatures seem too high for market acknowledgement and absorption.
  - Faculty shortage in educational institutions conducting degree and PhD programmes in planning need to be resolved in a time bound manner by 2022.
- **Measures for Strengthening Human Resource and Match Demand-Supply:** The report recommends the constitution of a 'National Council of Town and Country Planners' as a statutory body of the Government of India. Also, a 'National Digital Platform of Town and Country Planners' is suggested to be created within the National Urban Innovation Stack of MoHUA. This portal will enable self-registration of all planners and evolve as a marketplace for potential employers and urban planners.

## Women in Judiciary

### Context

- Chief Justice of India N.V. Ramana has backed 50% representation for women in the judiciary.

### Concerns

- The CJI said women constituted only about 30% of the subordinate judiciary.
- In High Courts, women judges constitute 11.5%, and in the Supreme Court, there are currently just four women Justices out of the sitting 33 (i.e, 12%).
- Of the 1.7 million advocates, only 15% are women.
- Only 2% of the elected representatives in the State Bar Councils are women. At present, there is no woman member in the Bar Council of India.

### Reasons behind low no of women in Judiciary

- Lower number of women enter into the subordinate judiciary which makes the whole pool distorted towards the men.
- Double Jeopardy: Women faces double jeopardy where they have to take care of their household responsibilities along with professional career. This puts them into disadvantage to male section.
- Patriarchal Society: Economic responsibility in the household is considered a male work and women are not encouraged in the house to take up professional careers.
- High Dropouts: Women have more dropout rate than male in the secondary education which affects their probability of undertaking a professional career.
- Break in career: Women face break in career due to responsibility of child rear which puts them into disadvantage.

### Need for More Women in Judiciary

- Inclusive Judiciary: It will make judiciary more inclusive and wider representative of the society. Women are more accessible thus will enhance the reach of judiciary.
- Increased Public trust: By their mere presence, women judges enhance the legitimacy of courts, sending a powerful signal that they are open and accessible to those who seek recourse to justice.
- Sensitivity towards marginalised section: It will bring ethics of care along with ethics of rationality thus ensuring wider social justice along with economic justice.
- Women judges bring their lived experiences to their judicial actions, experiences that tend toward a more comprehensive and empathetic perspective- one that encompasses not only the legal basis for judicial action, but also awareness of consequences on the people affected.
- Fairness to judgement: By elucidating how laws and rulings can be based on gender stereotypes, or how they might have a different impact on women and men, a gender perspective enhances the fairness of adjudication, which ultimately benefits both men and women.
- Flip to Women empowerment: More women as judges would hail as role model to other females thus provide an overall lift to the women empowerment.
- Constitutional Provision: Article 15, 15(3), 16, 39(a) seeks to achieve the gender justice in society. By giving great participation to women in judiciary, a move towards gender justice can be achieved.

## Public Interest Litigation

### Context

- The Supreme Court allowed public interest litigation to intervene in the case of subordinate courts.

### Background

- The concept of Public Interest Litigation (PIL) originated and developed in the USA in the 1960s.
- In the USA, it was designed to provide legal representation to previously unrepresented groups and interests.



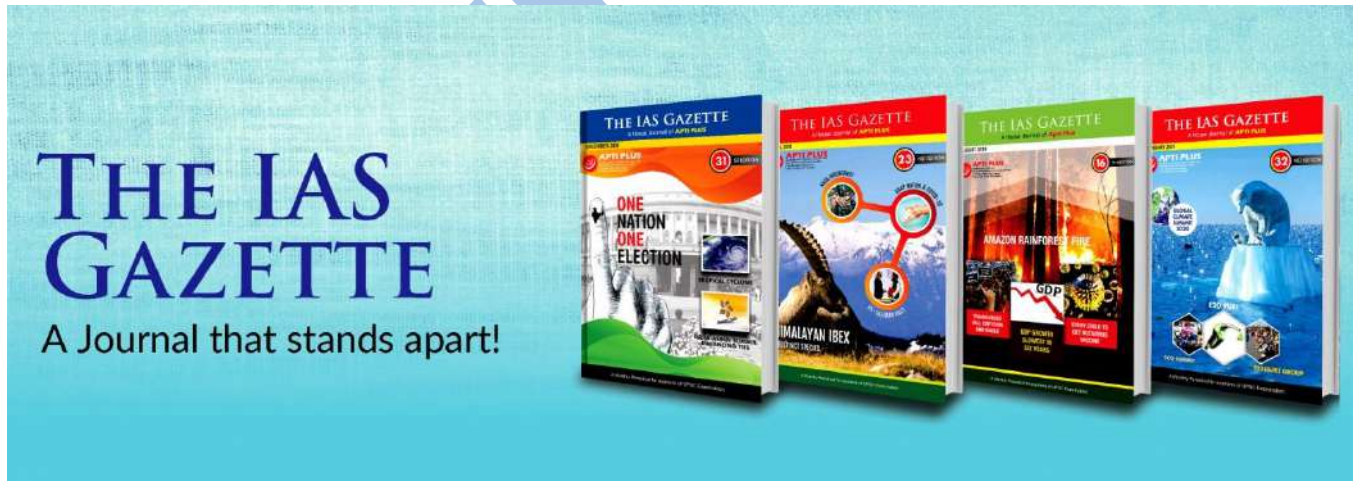
- It was undertaken in recognition of the fact that the ordinary marketplace for legal services fails to provide such services to significant segments of the population and to significant interests.
- Such groups and interests include the poor, environmentalists, consumers, racial and ethnic minorities, and others.
- In India, the PIL is a product of the judicial activism role of the Supreme Court. It was introduced in the early 1980s.
- PIL is also known variously as **Social Action Litigation (SAL)**, **Social Interest Litigation (SIL)** and **Class Action Litigation (CAL)**.

### Meaning of PIL

- PIL is absolutely necessary for maintaining the rule of law, furthering the cause of justice and accelerating the pace of realization of the constitutional objectives. In other words, the real purposes of **PIL (Public Interest Litigation)** are:
- Vindication of the rule of law.
- Facilitating effective access to justice to the **socially and economically weaker sections of the society**.
- Meaningful **realization of the fundamental rights**.
- Public interest litigation is the use of the law to **advance human rights and equality, or raise issues of broad public concern**.

### Role of PIL

- It helps advance the cause of minority or disadvantaged groups or individuals.
- Public interest cases may arise from both public and private law matters.
- Public law concerns the **various rules and regulations** that govern the exercise of power by public bodies.
- Private law concerns those cases in which a **public body is not involved**, and can be found in areas such as employment law or family law.
- Public interest litigation is **most commonly used to challenge** the decisions of public authorities by judicial review.



### Features of PIL

- **PIL is a strategic** arm of the legal aid movement and is intended to bring justice within the reach of the poor masses, who constitute the low visibility area of humanity.
- PIL is a totally **different kind of litigation** from the ordinary traditional litigation which is essentially of an adversary character where there is a dispute between two litigating parties,
- one making claims seeking relief against the other and the other opposing such claim or resisting such relief.
- PIL is brought before the **Court not for the purpose of enforcing the right of one individual against another** as happens in the case of ordinary litigation, but it is intended to promote and vindicate public interest.
- PIL demands that violations of constitutional and **legal rights of large numbers of people who are poor**, ignorant or in a socially or economically disadvantaged position should not go unnoticed and unredressed.

- PIL is essentially a **co-operative** effort on the part of the petitioner, the State or Public Authority, and the Court to secure observance of the constitutional or legal rights, benefits and privileges conferred upon the vulnerable sections of the community and to reach social justice to them.
- In PIL, litigation is undertaken for the **purpose of redressing public injury**, enforcing public duty, protecting social, collective, disused rights and interests or vindicating public interest.
- In PIL, the role held by the Court is more assertive than in traditional actions; it is creative rather than passive and it assumes a more positive attitude in determining acts.
- Though the PIL court enjoys a degree of flexibility unknown to the trial of traditional private law litigations, whatever the procedure adopted by the court it must be procedure known to **judicial tenets and characteristics of a judicial proceeding**.
- In a PIL, unlike traditional dispute resolution mechanisms, there is no determination on adjudication of individual rights.

### Challenges

- PIL actions may sometimes **give rise to the problem of competing rights**. For instance, when a court orders the closure of a polluting industry, the interests of the workmen and their families who are deprived of their livelihood may not be taken into account by the court.
- It could lead to **overburdening of courts with frivolous PILs by parties with vested interests**. PILs today has been appropriated for corporate, political and personal gains. Today the PIL is no more limited to problems of the poor and the oppressed.
- **Cases of Judicial Overreach by the Judiciary in the process of solving socio-economic or environmental problems** can take place through the PILs.
- PIL matters concerning the **exploited and disadvantaged groups are pending for many years**. Inordinate delays in the disposal of PIL cases may render many leading judgments merely of academic value.

### Way Forward

- The court must be careful to see that the petitioner must be acting bona fide and not for personal gain.
- The court should not allow its process to be abused by politicians and others to delay legitimate administrative action or to gain political objectives.
- In shaping the relief, the court must take into account its impact on those public interests.
- The PIL activists should be responsible and accountable.
- Since it is an extraordinary remedy available at a cheaper cost to all citizens of the country, it should not be used by all litigants as a substitute for ordinary ones or as a means to file frivolous complaints.

## Judicial challenges

- The Indian Judiciary acts as a guardian of the Constitution of India and protects the fundamental rights of the society, thus making it the most important organ for the citizens of India.

### Delay in justice

- The Indian judiciary system has failed to deliver justice expeditiously.
- This **delay in justice has proved to be one of the biggest drawbacks** of the judiciary system.
- Delay in justice implies the time taken to dispose of a case, in excess of the time which should be reasonably consumed by the court to decide the case.
- Delay of justice creates disillusionment amongst the litigants, it also undermines the capability of the judiciary system.

### The pendency of cases

- If we look at the figures, **2.84 crore cases are pending in the subordinate courts, the backlog clogging the High Courts and Supreme Court (SC) is 43 lakh and 57,987 cases, respectively.**
- According to National Judicial Data Grid (NJDG), the five states which account for the highest pendency are **Uttar Pradesh (61.58 lakh)**, Maharashtra (33.22 lakh), West Bengal (17.59 lakh), Bihar (16.58 lakh) and Gujarat (16.45 lakh).

- This number is increasing day by day which shows the inadequacy of the courts to deal with this matter.
- Generally, the **victims of this are ordinary or poor people.**
- The pendency of the cases also **creates a big blockade for international investors and corporations to do business in India.**

#### Low judges strength and appointment problem

- The **vacancy of judges can also result in the delay of justice.**
- There is a tussle between executive and judiciary over who should be appointing judges rather than how judges should be appointed.
- There are almost 5000 vacancies in trial courts.

#### Strike by Lawyers

- The Supreme Court bench stated that **lawyer strikes are one of the major reasons for pendency of cases.**
- As per the High Court of Uttarakhand, **advocates were on strike for 455 days between 2012 to 2016. That means that on average, lawyers went on strike for 91 days per year.**
- The figures of the UP courts are worse, as the periods of the strike over five years in the worst affected districts were.

#### Lack of transparency

- In the functioning of the Indian judiciary system, the **substantial issues like the quality of justice and accountability are not known to the citizens properly.**
- There is also a **need for transparency in the appointment of the judges.**
- Right to know is a part of freedom of speech and expression, as provided by the Constitution, **however, the present system violates this fundamental right.**
- The citizen's right to know is also an international trend also supported by judicial decisions.
- Right now we do not have a transparent and fool proof system of appointment of judges. These also lead to delays in filling the vacancies.

#### Hardships of the under trials:

- In India, over two-thirds of **India's roughly 4.2 lakh prisoners are under trial, which is one of the world's largest number of under-trial prisoners.**
- They are in jail **not because they have been found guilty but because they are being prosecuted on charges that are non-bailable** or when they are too poor to afford a bail.
- In most of the cases **they end up spending more time in jail during the prosecution than the actual term awarded of the crime has been actually committed.** Under trials are not guilty till convicted.

#### No interaction with the society

- In order to form an effective judiciary, is necessary that the judiciary form an integral part of the society.
- Judiciary's interaction with society is a must and it should be both regular and relevant.
- Several countries involve their citizens in judicial decision making, however, in India, there is no such setup.
- The citizens need to actively take part in judicial activities to build an effective judicial system

#### Less use of technology

- In order to have a more effective judiciary, it needs to adopt the technology. This will reduce the huge amount of paperwork involved.
- The database of the court is also not maintained in one place and there is no recording of the proceedings and hearings.

### **How to speed up the Indian Judicial System**

#### To increase the strength of the judiciary

- In order to increase the strength, the All-India recruitment exam (All India judicial services) may help in resolving the issue of appointment of judges.

#### To keep courts, open throughout the year

- In order to deal with the pendency of cases it is necessary that the courts are open throughout the year, however, calendar of Supreme Courts (which is also applicable to other courts) provides week-long vacations each for Holi, Dussehra, Muharram, and Diwali along with the fortnight-long winter vacations.

### Proper modernization of courts

- In the era of modernization, the court should not be left behind.
- They need to be fully digitized and a proper infrastructure should be built to provide easy access.

### Introduction of fast-track courts

- The 11th Finance Commission recommended the creation of 1734 Fast track courts.
- These courts were established for expeditious disposal of long pending cases in sessions courts and other courts.

### To do away with the archaic laws

- The Indian judicial system needs to let go of archaic laws and focus on taking consideration of the present social condition while giving a judgment.

### Non-acceptance of flippant cases

- The judges should have clear instruction about the kind of cases they can accept in the court.

## Post of Speaker

### Context

- Frequent parliamentary disruption has brought the role of speaker in the question.

### Role of Speaker

- In the Lok Sabha, as in the United Kingdom, the Speaker is the supreme authority;
- He has vast powers and it is his primary duty to ensure the orderly conduct of the business of the House.
- Once a person is elected Speaker, he is expected to be above parties, above politics.
- He **belongs to all the members or belongs to none**.
- He **holds the scales of justice evenly, irrespective of party or person**.
- Pandit Nehru referred to the Speaker as **"the symbol of the nation's freedom and liberty"**.
- Speakers should be men of outstanding ability and impartiality.
- He is conscience and guardian of the House.
- As the principal spokesperson of the Lok Sabha, the Speaker represents its collective voice.

### Powers of the Speaker

- It is the Speaker's duty to decide what issues will be taken up for discussion.
- He has the sole discretion to permit an adjournment motion to be tabled or to admit a calling attention notice, if the issue is of urgent public importance.
- Quasi-Judicial Body: His/her decision in all Parliamentary matters (including disqualification matters under Tenth Schedule) is final, binding and ordinarily cannot be challenged in the Court of law. Thereby, Speaker acts as the ultimate arbitrator.
- For example, on this question whether a bill is a money bill or not, his/her decision is final.
- However, on the questions of disqualification of the members, the Supreme Court in *Kihoto Hollohan vs Zachillhu and Others*, 1992 case ruled that the decision of the Speaker in this regard is subject to judicial review.
- Maintains order and decorum in the House for conducting its business and regulating its proceedings.
- Allocates duration for debates, can discipline members of the House, and even override decisions taken by the Committees of the House.
- Final interpreter of the provisions of the Constitution of India, Rules of Procedure and Conduct of Business of Lok Sabha, and Parliamentary precedents within the House.

### Issues with the Partisan role of Speaker

- The present practice of the Speaker continuing to be an active member of the ruling party has the inevitable result of his **refusing to allow any debate or discussion that may be essential in national interest** but may embarrass the ruling party.
- This inevitably leads to **constant disruption of Parliament by the Opposition**.



- The persistent disruption of Parliament **causes extensive damage not only to the prestige of the House but also frustrates the primary function of any legislature**: The responsibility to make laws for the good governance of the country after careful debate and deliberation.
- The stalling of parliamentary proceedings **has led to the passing of important bills in several sessions without any discussion**.
- It leads to **law making by the bureaucracy**.

### Supreme Court Observations

Supreme Court Judgement	Observations
<b>Jagjit Singh versus State of Haryana (2006)</b>	<ul style="list-style-type: none"> <li>Highlighted the allegations about the confidence on the <b>role of Speaker</b> in the matters of <b>impartiality</b>.</li> </ul>
<b>Kihoto Hollohan case (1992)</b>	<ul style="list-style-type: none"> <li>The suspicion of bias on the Speaker's role could not be ruled out as his/her <b>election and tenure</b> depends on the majority will of the House (or specifically of the ruling party).</li> </ul>
<b>Manipur Legislative Assembly (2020)</b>	<ul style="list-style-type: none"> <li>Why a Speaker- who is a member of a particular political party and an insider in the House, should be the sole and final arbiter in the cases of disqualification of a political defector.</li> </ul>

### Rules related to power of speaker

- **Rules 378**: The Speaker shall preserve order and shall have all powers necessary for the purpose of enforcing own decisions.
- **Rules 373**: Speaker can ask any member to withdraw from the house in case of grossly disorder conduct. The member has to withdraw compulsorily and remain absent for the day's sitting of the house.
- **Rules 374**: The Speaker may name a **member who disregards the authority of the Chair or abuses the rules of the House through disorder conduct**. Speaker can disqualify such members after a passed motion to be absent for remaining session. House can revoke such disqualification through a motion.
- **Rules 374(1)**: If a member abuses **rules of house by coming into the well or shouting slogans, can be automatically suspended from the** service of the House for five consecutive sittings or the remainder of the session through naming by Speaker.

### Cases

- Speaker Sumitra Mahajan suspended 45 members of Lok Sabha belonging to the TDP and AIADMK after they continuously disrupted proceedings for days.
- Speaker Meira Kumar had suspended 18 MPs from (undivided) Andhra Pradesh following pandemonium in the House.

### Possible reforms in Power of Speaker

- Making it compulsory for the speaker to resign from his party before taking the position of speaker. It will ensure neutrality of the post.
- Some of speaker's decision like suspension of members may be subject to review by judiciary.
- A code of ethics for MPs must be formed to clearly define cases for suspension and dismissals
- Power must be given to speaker to form a parliamentary committee to recommend removal of MPs regularly disrupting the house.

## GOVERNANCE

### Refugee Policy of India

#### Context

- Many Afghan nationals are seeking refuge in India after takeover by the Taliban.

#### Definition of Refugee

- Under the 1951 UN Convention on the Status of Refugees and the subsequent 1967 Protocol, the word refugee pertains to any person who is outside their country of origin and unable or unwilling to return owing to well-founded fear of persecution for reasons of race, religion, nationality, membership of a particular social group or political opinion.
- Stateless persons may also be refugees in this sense, where country of origin (citizenship) is understood as 'country of former habitual residence'.

#### International Protocol for Refugees

- The United Nations' 1951 Refugee Convention, the only refugee instrument that existed at the time, had been created to accord protection to people displaced in the aftermath of World War II.
- The 1951 Refugee Convention and its 1967 Protocol are the key legal documents that form the basis of our work. With 149 State parties to either or both, they define the term 'refugee' and outlines the rights of refugees, as well as the legal obligations of States to protect them.**
- The core principle is non-refoulement, which asserts that a refugee should not be returned to a country where they face serious threats to their life or freedom. This is now considered a rule of customary international law.

#### Rights of Refugees under UNHCR Convention:

- The cornerstone of the 1951 Convention is the principle of non-refoulement contained in Article 33. According to this principle, a refugee should not be returned to a country where he or she faces serious threats to his or her life or freedom.
- The right not to be punished for illegal entry into the territory of a contracting State (Article 31);

#### Difference between Refugee and Migrant

- Refugees are forced to flee **because of a threat of persecution** and because they lack the protection of their own country.
- A migrant, in comparison, **may leave his or her country for many reasons that are not related to persecution, such as for the purposes of employment, family reunification or study.**

#### Determination of the Refugee

- Although the 1951 Convention does not prescribe a particular procedure for the determination of whether a person is a refugee, where an individual assessment is the preferred approach, any procedures must be fair and efficient.

#### Indian stand on UNHCR Convention

- India has signed neither the 1951 United Nations Refugee Convention nor its 1967 Protocol, which has 140 signatories.
- India continues to host a large population of refugees. In the main, they are treated kindly.
- Security Concern: borders in South Asia are extremely porous and any conflict can result in a mass movement of people. This can have two results:
  - a strain on local infrastructure and resources in countries that are poorly equipped to deal with sudden spikes in population.
  - it can upset the demographic balance, a tinderbox in South Asia.
- India already does its duty, so where's the need to sign this piece of paper? It mostly doesn't even take UN money to look after the refugees.

- India retains a degree of scepticism about the UNHCR. This apparently flows from the Bangladesh war of 1971. As it doesn't perceive the role of UNHCR as fair and neutral.

### Challenges associated with signing the convention

- India will be **bound by law not to repatriate a single refugee against their will**. It's known as the non-refoulement principle – no forcible repatriation.
- The Convention requires the **signatory nation to accord a minimum standard of hospitality and housing towards those it accepts as refugees**. Failure to provide the minimum continues to attract a lot of international criticism for host nations even today.

### Challenges with the refugees

#### Social consequences of permitting refugees:

- By permitting refugees India might face many social consequences. Such as,
  - Refugees might **create an identity crisis** with the indigenous people. For example, the refugees from Bangladesh currently in Assam and Arunachal threaten to overtake the indigenous population of the region.
  - Difficult to identify and deport** them back to their country after a few years. For example, the illegal migrants from Bangladesh and Rohingya refugees entered through North-East. But later they spread to all other states, like Haryana, Kerala, Telangana and UTs like Jammu and Kashmir, Delhi, etc. Identifying them among more than a billion Indians is a great challenge.

#### Economic consequence of permitting refugees:

- Increased financial responsibility of the state.** According to the UNHCR report in 2014, there were more than 200,000 refugees in India. There are millions of illegal immigrants in India. India at present does not have the financial capacity to satisfy all their basic needs.
- Decreases wage level and replace the native people.** Since illegal immigrants and refugees require food and shelter, they also work at very low wages in their settling areas. It impacts the lives of locals, as they don't get adequate jobs.

#### Political consequence of permitting refugees:

- Issue of illegal voting:** The illegal migrants to avail the benefits, procure illegal national identity cards such as voter id. By procuring that, they also vote in elections and influence the outcome.
- Issue of terrorism:** These refugees, since not accepted by governments, are vulnerable to join Pakistani based terror outfits for work and revenue.

### Challenges Associated with India's Refugee Policy

- Refugees vs. Immigrants:** In the recent past, many people from neighbouring countries tend to illegally immigrate to India, not because of state persecution but in search of better economic opportunities in India.
- While the reality is that much of the debate in the country is about illegal immigrants, not refugees, the two categories tend to get bunched together.
- Due to this, policies and remedies to deal with these issues suffer from a lack of clarity as well as policy utility.
- Ambiguity in the Framework:** The main reason why our policies towards illegal immigrants and refugees are confused is that as per Indian law, both categories of people are viewed as one and the same and are covered under the Foreigners Act, 1946.
- Ad-hocism:** The absence of such a legal framework also leads to policy ambiguity whereby India's refugee policy is guided primarily by ad hocism.
- Ad hoc measures enable the government in office to pick and choose 'what kind' of refugees it wants to admit for whatever political or geopolitical reasons.
- This results in a discriminatory action, which tends to be a violation of human rights.
- Discriminatory CAA:** The Government of India has passed the Citizenship Amendment Act (CAA). CAA envisages providing citizenship to people who are religious minorities in India's neighbourhood and persecuted by the state.
- However, CAA is not the answer to the refugee problem primarily because of its deeply discriminatory nature, as it doesn't include a particular religion under its ambit.

- Further, many political analysts have dubbed the CAA as an act of refugee avoidance, not refugee protection.

## Conclusion

- In spite of not being a party to the 1951 Refugee Convention and its 1967 Protocol, India has been one of the largest recipients of refugees in the world. However, if India had domestic legislation regarding refugees, it could have deterred any oppressive government in the neighbourhood to persecute their population and make them flee to India.

## Self Help Group

### Context

- The Prime Minister hails work done by **women SHGs**, and says they can connect villages with prosperity.

### Background

- Self-help groups are informal groups of people who come together to address their common problems.
- Villages are faced with problems related to **poverty, illiteracy, lack of skills, health care etc.**
- These are problems that cannot be tackled individually but can be better solved through group efforts.
- Today these groups known as Self-help groups have become the vehicle of change for the poor and marginalized.
- While self-help might imply a focus on the individual, one important characteristic** of self-help groups is the idea of mutual support., people helping each other. Self-help groups can serve many different purposes depending on the situation and the need.
- For example, within the **development sector, self-help groups have been used as an effective strategy for poverty alleviation, human development and social empowerment**, and are therefore often focused on microcredit programmes and income-generating activities



### Characteristics of Self-help group

- Voluntary nature** – they are run by and for group members, have regular meetings, and are open to new members.
- Generally being formed in response to a particular issue, e.g. no access to education for children with disabilities, limited income-generating opportunities.
- clear goals, which originate from the needs of group members** and are known and shared by all members.
- Informal structure and basic rules**, regulations and guidelines to show members how to work effectively together.
- Participatory nature** – involving getting help, sharing knowledge and experience, giving help, and learning to help oneself.
- Shared responsibility among group members** – each member has a clear role and contributes his/her share of resources to the group.
- Democratic decision-making.**
- Governance by members**, using an external facilitator only if necessary, in the formation of the group.
- Evolution over time to address a broader range of issues.
- Possibility of joining together to form a federation of groups across a wider area.

### Guiding principles in formation of SHGs

- Effort is built on mutual trust and mutual support.



- Every individual is equal and responsible.
- Every individual is committed to the cause of the group
- Decision is based on the principles of consensus.
- Savings is the foundation on which to build the group for collective action.

## Challenges with SHG

### Ignorance of Members/Participants:

- Even though the authorities take measures for creating awareness among the group members about the schemes beneficial to them, still majority of the group are unaware of the schemes of assistance offered to them.

### Inadequate Training Facilities:

- The training facilities given to the members of SHGs in the specific areas of product selection, quality of products, production techniques, managerial ability, packing, other technical knowledge are not adequate to compete with that of strong units.

### Problems of Marketing:

- Marketing is an important area of functioning of the SHGs. However, they face different problems in the marketing of products produced by them.

### Exploitation by Strong Members:

- It is also observed that in the case of many SHGs, strong members try to earn a lion's share of the profit of the group, by exploiting the ignorance and illiterate members.

### Weak Financial Management:

- It is also found that in certain units the return from the business is not properly invested further in the units, and the funds diverted for other personal and domestic purposes like marriage, construction of house etc.

### Low Return:

- The return on investment is not attractive in certain groups due to inefficient management, high cost of production, absence of quality consciousness etc.

## Way Forward

- The Government should play the role of a facilitator and promoter, create a supportive environment for the growth and development of the SHG movement.
- **Expanding SHG Movement to Credit Deficient Areas of the Country** - such as Madhya Pradesh, Rajasthan, States of the North-East.
- **Rapid expansion of financial infrastructure (including that of NABARD)** and by adopting extensive IT enabled communication and capacity building measures in these States.
- **Extension of Self-Help Groups to Urban/Peri-Urban Areas** - efforts should be made to increase income generation abilities of the urban poor as there has been a rapid rise in urbanisation and many people remain financially excluded.
- **Positive Attitude** - Government functionaries should treat the poor and marginalized as viable and responsible customers and as possible entrepreneurs.
- **Monitoring** - Need to establish a separate SHG monitoring cell in every state. The cell should have direct links with district and block level monitoring system. The cell should collect both quantitative and qualitative information.
- **Need Based Approach** - Commercial Banks and NABARD in collaboration with the State Government need to continuously innovate and design new financial products for these groups.

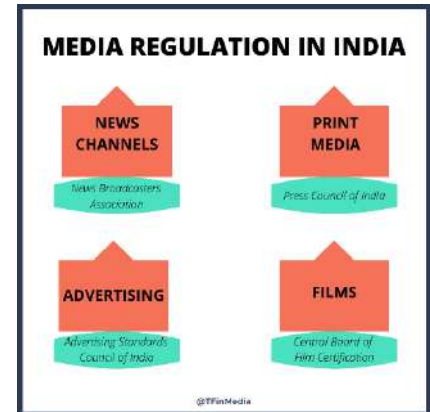
## Role of Media in Democracy

### Context

- Opposition parties allege that government of not allowing the media to talk about issues like 'jobs or the ones raised by farmers.

## Background

- A free, objective, skilled media is an essential component of any democratic society.
- On the one hand, it provides the information which the polity requires to make responsible, informed decisions.
- On the other, it performs a “checking function” ensuring that elected officials uphold their oaths of office and campaign promises and that they carry out the wishes of the electorate.
- Media is supplying the political information that voters base their decisions on. They identify problems in our society and serve as a medium for deliberation.
- They also serve as watchdogs that we rely on for uncovering errors and wrongdoings by those who have power.
- Media is vital in generating a democratic culture that extends beyond the political system and becomes ingrained in the public consciousness over time.



## Media in protecting freedom of expression

- This rationale is based on the notion that democracy – **which recognises that people have the right to elect a government of their choosing – cannot exist in any meaningful way without the right to freedom of expression.**
- There are many aspects to this rationale, but the fundamental concept is that in order for democracy to be effective, the **citizenry that votes in elections and engages in public processes with the government must be informed and must have the right to participate freely in public discourse.**
- **If there is no freedom of expression – if people are not free to share information and express a range of ideas, opinions and political views; and, the corollary to that, if people are not free to receive information in the form of a range of ideas, opinions and political views – they will not be sufficiently well informed to make appropriate and meaningful political choices, whether at the ballot box or in their interactions with government more generally.**

## Role of Media in society

- The media can play a positive role in democracy **only if there is an enabling environment** that allows them to do so.
- They **need the requisite skills for the kind of in depth reporting** that a new democracy requires.
- There should **also be mechanisms to ensure they are held accountable to the public and that** ethical and professional standards are upheld.
- Media independence is guaranteed if media organizations are financially viable, free from intervention of media owners and the state, and operate in a competitive environment.
- The media should also be accessible to as wide a segment of society as possible.
- Efforts to help the media should be directed toward: the protection of press rights, enhancing media accountability, building media capacity and democratising media access.
- Enabling independent media to perform the crucial roles of being a watchdog over government and educating people about the issues that affect their lives also requires supporting organizations such as trade unions and professional associations for journalists, and a public education about these roles and responsibilities of media and their function in a democratic and open society (Civil society).
- If a democracy is to run smoothly in any country, it is a must that the media in all fairness should be given full autonomy and a free hand it deserves in airing its views among the people and no unnecessary restrictions should be imposed on it.

## Challenges with the Media

- The issues of paid news, media trial, non-issues being presented as real news while the real issues are side-lined, the news is being doctored and fact distortion for profits and political favour, fake news, yellow journalism are

important concerns which are influencing public and impacting national security. For instance, fear mongering through media has led to mob lynching's, attacks on the migrant population.

- The absence of objective journalism leads to the false presentation of truth in a society which affects the perception and opinions of people. As observed in the case of Cambridge Analytica case, the biased news coverage on social media platform affected the Presidential elections in the U.S.
- The chase for sensationalism and higher TRP rates as observed in the coverage of 26/11 terrorist attacks in India risked the internal security of the nation. The sensationalism-driven reporting compromised the identities of rape victims and survivors despite SC guidelines.
- Trial by media does not follow the due process of law and can reduce the public trust in institutions of governance like the judiciary.
- Paid news and fake news can manipulate public perception and can instigate hatred, violence, and disharmony among the various community within society.
- With the advent of social media, technological changes, the reach of media has grown profoundly. Its reach and role in impacting public opinion have made it even more important to ensure its objectivity, non-partisanship calls for the enforcement of journalistic ethics.

## Media regulating agencies in India

### Press Council of India (PCI):

- It is a statutory body established under PCI act, 1978.
- It was established for preserving the freedom of press and for maintaining standards of newspapers and news agencies in India.
- The functions of the PCI includes
  - (i) Helping newspapers to maintain their independence
  - (ii) Build a code of conduct for journalists and news agencies
  - (iii) Help maintain 'high standards of public taste' and foster responsibility among citizens
  - (iv) Review developments likely to restrict flow of news.

### Central Board of Film Certification:

- The role of the CBFC is limited to controlling content of movies and television shows, etc. Unlike the PCI, it does not have the power to issue guidelines in relation to standards of news and journalistic conduct.

### Other Authorities:

- Program and Advertisement Codes for regulating content broadcast on the television, are issued under the Cable Television Networks (Regulation) Act, 1995.
- **IT Rules regulate content over internet.** However, there is no overarching body to control the content on internet.
- **Radio channels have to follow the same Programme and Advertisement Code as followed by All India Radio.**
- **News channels are governed by mechanisms of self-regulation.** National broadcasting association has devised code of ethics to regulate news content.
- The Advertising Standards Council of India has also drawn up guidelines on content of advertisements.

## Reforms suggested for Media

- Media must remain honest and truthful and act with great restraints and responsibility.
- TRPs, circulation figures and bottom lines, though important, must not dictate media's path.
- Media should get rid of established prejudices and try to give voice to youth, women, farmers and entrepreneurs.
- Media should report and highlight more positive stories and best practices to inspire positive changes. Success of Swachh Bharat showed the power of media in bringing behaviour change.
- Media should help in protecting, preserving and promoting India's rich cultural heritage and languages.
- Development of vernacular newspapers should be encouraged to promote regional languages and to spread awareness across rural masses.
- Regulators should effectively counter fake news because pervasive menace of fake news threatens to destroy the credibility of media.

# National Human Rights Commission (NHRC)

## Context

- The National Human Rights Commission (NHRC) has issued notices to the Centre and the state governments of Delhi, Rajasthan, Haryana and Uttar Pradesh over the “adverse impact” of the ongoing farmers’ protests on industrial units and transportation.

## About NHRC

- NHRC of India is established on 12th October, 1993 under the provisions of Protection of Human Rights Act, 1993, later amended in 2006. It is an independent statutory body.
- The NHRC is considered as the watchdog of human rights in the country, i.e. the rights relating to life, liberty, equality and dignity of the individual guaranteed by the Constitution or embodied in the international covenants and enforceable by courts in India.
- NHRC looks over the individual’s rights about their life, liberty, dignity and equality that are defined in Section 2(1) of the Protection of Human Rights Act.
- They are guaranteed by the Constitution of India, embodied in the international covenants and are enforceable by the courts of India as well.

## Composition of the Commission

- NHRC is a multi-member body which comprises a Chairman and seven other members.
- Three are ex-officio members, out of the seven members. President appoints the Chairman and members of NHRC on recommendation of high-powered 6 member committee consisting of:
  - The Prime Minister as its head,
  - The Lok Sabha speaker,
  - The Rajya Sabha deputy chairman,
  - Opposition Leaders (LoP) of Lok Sabha and Rajya Sabha and
  - The Union Home Minister.
  - Further, a sitting Supreme Court judge or a sitting chief justice of a High Court could be appointed only after consultation with the chief justice of India.
- The Chairperson and the members of the NHRC are appointed for 5 years or till the age of 70 years, whichever is former.
- The President could remove the chairperson or any member from the office.
- Their removal can be on the charges of proved misbehaviour or incapacity, only if proved by an inquiry conducted by a Supreme Court Judge.

## Functions

- Proactively or reactively enquires into breach of human rights** or negligence in the prevention of such breach by a public-servant.
- By leave of the court, to interfere in court proceeding** relating to human rights.
- To visit any jail or other institution under the control of** the state-government, where persons are detained or lodged for principles of treatment, reformation or protection, for the study of the living conditions of the inmates and make recommendations.
- Review the safeguards offered by or under the Constitution**—or any law for the time being in force for the protection of human rights and recommend measures for their effective implementation.

## Powers

- The commission **has the authority of a civil court** and can take cognizance of cases if received within one year of occurrence.
- It could **recommend compensation to the victim**, prosecution of the accused. But such recommendations aren’t binding.



- It submits special or annual reports to parliament and state legislatures along with action taken on their recommendations and causes for non acceptance of advice.

### Limitations of NHRC

- NHRC **does not have any means of investigation**. In majority cases, it enquires the concerned Central and State Governments to investigate the cases of the violation of Human Rights
- It has been **termed as 'India's teasing illusion'** by Soli Sorabjee (former Attorney-General of India) due to its inability to render any practical relief to the aggrieved party. The Supreme Court **also called NHRC "a toothless tiger"**.
- NHRC **could only make recommendations**, without the power to implement decisions.
- Many times NHRC is seen as **post retirement destinations for judges and bureaucrats with political affiliation**; moreover, lack of funds also hinders it's working. 288
- A **lot of grievances go unaddressed because NHRC** shall not investigate the complaint registered after one year of incident.
- Government **often outright rejects the proposal of NHRC** or there is partial compliance to these recommendations.
- State human **rights commissions shall not call for information from the national government**, which means that they are completely denied the power to investigate armed forces under national control.
- National Human Rights Commission powers related to violations of human rights by the armed forces have been largely limited.

### Achievement of NHRC

- The Global Alliance of National Human Rights Institutions (GANHRI), a UN body based in Geneva, has re-accredited India's apex rights watchdog with the 'A' status, a perfect score.
- Cases are resolved within months and compensation is granted in 90 per cent of them.
- disposal of more than 17 lakh cases
- payment of more than Rs 1 billion to victims of human rights violations
- carrying out over 750 spot enquiries of human rights violations
- conducting over 200 conferences to spread awareness of human rights across the country.
- its role has been significant in combating encounter killings and custodial deaths. The commission's guidelines in 1997 mandates every custodial death and encounter killing be reported to it within 24 hours.
- its interventions in the 2007 Nandigram violence in West Bengal and SalwaJudum-related incidents in Chhattisgarh has been instrumental in developing India's human rights.

### Protection of Human Rights (Amendment) Act, 2019

Provisions	Act of 1993 (Original)	Act of 2019 (Amended)
Composition of NHRC:	<ul style="list-style-type: none"> <li>• Under the Act, the chairperson of the NHRC is a person who erstwhile a Chief Justice of the Supreme Court.</li> <li>• The Act provides for 2 persons having knowledge of human rights to be appointed as members of the NHRC.</li> <li>• Under this Act, chairpersons of various commissions such as the National Commission for Scheduled Castes (NCSC), National Commission for Scheduled Tribes (NCST) and National Commission for Women (NCW) are members of the NHRC.</li> </ul>	<ul style="list-style-type: none"> <li>• The Bill changes this to allow the chairperson of the NHRC to be a former Chief Justice of the Supreme Court (CJI) or a Supreme Court Judge.</li> <li>• The Bill amends this to authorize three members to be appointed, of which at least one will be a woman.</li> <li>• Chairmen of the National Commission for Backward Classes, the National Commission for the Protection of Child Rights and the Chief Commissioner for Persons with Disabilities will all be members of the NHRC, according to the bill</li> </ul>
Chairperson of	<ul style="list-style-type: none"> <li>• The Act mandates that the chairperson</li> </ul>	<ul style="list-style-type: none"> <li>• A person who has served as Chief Justice or</li> </ul>

SHRC:	of a SHRC be a former Chief Justice of a High Court.	Judge of a High Court would be the chairperson of a SHRC, according to the Amendment of the Bill
Terms of office:	<ul style="list-style-type: none"> <li>The Act provides that the chairperson and members of the NHRC and SHRC will hold office for 5 years or till the age of 70 years, whichever is earlier.</li> <li>Members of the NHRC and SHRCs can also be reappointed for a five-year period under the Act.</li> </ul>	<ul style="list-style-type: none"> <li>The Bill diminishes the term of office to three years or till the age of seventy years, whichever is earlier. The Bill eliminates the five-year limit for reappointment</li> </ul>

### Means to Empower NHRC

- **Appointments to the NHRC need to be made from a wider pool of candidates.** The recommendations of the GANHRI can be considered to relax the criteria for appointment of members from the higher judiciary. There is also a need to advertise the vacancies widely and fill them promptly without any delays.
- The **expert members criteria needs clear definition and well-defined benchmarks** so as to resolve the allegation that it is a post-retirement security for bureaucrats.
- **Political representatives should be strictly limited in their engagement** as members of the NHRC so as to ensure independence.
- There is a **need for the NHRC to constitute and maintain an independent cadre of officials that will be able to develop expertise in human rights violation investigation.**
- The **PHRA, 1993 needs to be amended to include mandatory time frame for action taken and response formulation by the Government at the Centre and in the states on NHRC recommendations.**
- The NHRC should be granted contempt powers so as to ensure effective implementation of its recommendations.

## Social Media and Bureaucracy

### Context

- The biggest challenge today to Indian bureaucracy is the shift from desk to digital.

### Shift includes

- Organisational and bureaucratic response to digital spaces, especially the use of social media.
- Transition towards e-office and e-governance

### Challenges with usage of social media

#### Pros:

- It enhances the **access of the civil servants for the people.** Many civil servants have become accessible to the **common** people and public service delivery issues have been resolved through the use of social media.
- Social media **has also created a positive outlook towards an institution long perceived as opaque and inaccessible.**
- Social media **has increased awareness among people about government policies** and programmes.
- It **provides an opportunity to bureaucrats to shape the public discourse** and engage with the public while being politically neutral.
- when the tendency among the political executive is to receive the very remarks or advice from bureaucrats that they **want to hear, social media ensures that blind obeying is minimised and bureaucrats serve the people.**
- In Modern Times, **both values and facts are getting reshaped due to fake news and systematic propaganda within public policy circles as well. In such a scenario, the bureaucracy, which is expected to be the epitome of public values and a storehouse of facts, shouldn't be expected to govern in private.**
- It has also created an effective system where we could get citizens' feedback in a seamless manner. Social media has changed the dynamics of governance.

**Cons:**

- **anonymity**, the defining feature of Indian bureaucracy, gets compromised when a civil servant uses social media.
- as an **organisational form**, the **bureaucracy is incompatible with social media**. While **bureaucracy is characterised** by hierarchy, formal relationships and standard procedures, social media is identified by openness, transparency and flexibility.
- Social media is **getting used by civil servants for self-promotion**. Through their selective posts and promotion of these posts by their social media fans, civil servants create a narrative of their performance.
- It is **not a formal set-up where accessibility and accountability are based on uniformity of treatment**. Social media accountability is no alternative to institutional and citizen-centric accountability.
- It is, in fact, **partly unethical to use social media during office hours and justify it when some people who have travelled** long distances are waiting outside the office.

**Way Forward**

- Bureaucrats should use social media to improve public policies.
- There is a need for institutionalisation of social media usage. It is getting institutionalised in many Westminster system-based countries. During the Brexit debate in the U.K., many civil servants shaped public debate through the use of social media even while remaining politically neutral.

**Case study**

- Recently, IAS officer of Saran, Bihar visited to a Dutch cemetery in the city of Chapra in his district. He posted a message about his visit on Twitter, following which an organisation working on conservation approached him. A chain reaction followed, and now the state government is in the process of sanctioning funds for the cemetery's restoration.
- During Covid, social media proved effective in mobilising essential items to help the needy. Raigarh district crowd-sourced 1.4 million masks for public use, using social media.

## Internet Shutdown

**Context**

- India has been tagged as the capital of world internet shutdown.

**Background**

- India saw more instances of Internet shutdown than the year preceding it.
- India's Internet restrictions also accounted for more than 70% of the total loss to the global economy in 2020, and India remains infamous as the Internet shutdown capital of the world.
- Since the revocation of Article 370 in 2019, many parts of Jammu and Kashmir have been under lockdown with no internet and movement restrictions.
- It was justified by the Central Government that the restrictions were based on the state's volatile history, threat of an uprising, law and order, national security and possible misuse of the internet for propagation of terror activities and incitement of the general public.
- However, the people have argued that such blanket restrictions violate the fundamental right and are unconstitutional.
- Also, restrictions of such a wide scale for a period spanning over three months can be invoked only by declaring an emergency under Article 352 of the Constitution.
- Such restrictions cannot be imposed through Section 144 of the Code of Criminal Procedure.
- A declaration of emergency under Article 352 can curb the internet facilities which will be subjected to periodic review of the Parliament, and that way possibilities of abuse could be checked.

**Court's observations**

- Anuradha Bhasin vs Union of India, where the top court also ruled that any restriction on Internet access by the Government must be temporary, limited in scope, lawful, necessary and proportionate.

- On Internet shutdown the Supreme Court opined that Freedom of speech and expression through the medium of internet is a fundamental right under Article 19(1)(a) of the Constitution.
- Freedom of trade and commerce through the internet is also a constitutionally protected right under Article 19(1)(g).
- Suspension of internet for indefinite period not permissible.
- It can only be for a reasonable duration and periodic review should be done.
- Kerala high court's judgement in Faheema Shirin v/s State of Kerala, where the right to internet access was recognised as a fundamental right forming a part of the right to privacy and the right to education under Article 21 of the constitution.
- Considering these issues, it is not surprising that the Supreme Court, in Anuradha Bhasin, permitted the Government to restrict Internet access only in limited circumstances.

### Internet Shutdowns

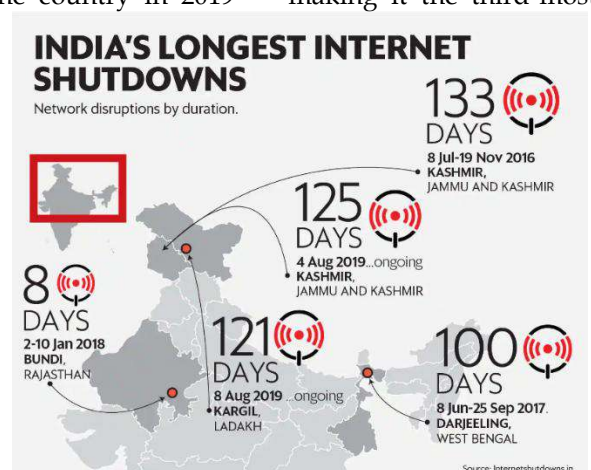
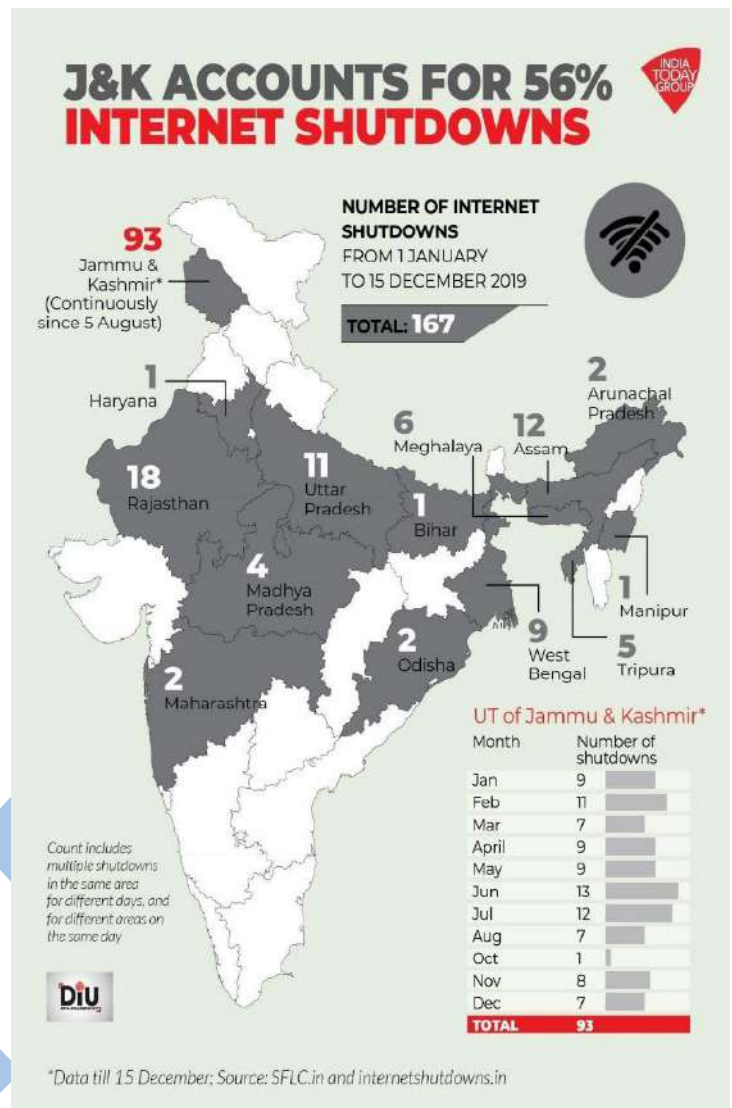
- India tops the list of Internet shutdowns globally.
- According to Software Freedom Law Center's tracker, there have been **381 shutdowns since 2012, 106 of which were in 2019.**
- The shutdown in Kashmir after Article 370 was the longest ever in any democratic country.
- Legislative provisions on **suspension of Internet services are dealt with under the Information Technology Act, 2000, the Criminal Procedure Code (CrPC), 1973 and the Telegraph Act, 1885**
- India **lost over \$1.3 billion in internet shutdowns** across the country in 2019 – making it the third-most economically affected country after Iraq and Sudan.
- The shutdown is based on analysis of intelligence inputs.
- This is a **preventive measure used by the law & order administration as a last resort to address mass protests, civil unrest, so as to ensure peace.**
- In certain extreme situations where rumours through social media start playing a disruptive role, it may become necessary to have internet shutdowns.

### International protocols on Internet shutdown

- In 2016, the United Nations Human Rights Council released a non-binding resolution condemning intentional disruption of internet access by governments.
- The UN resolution on internet shutdown reaffirmed that "the same rights people have offline must also be protected online".

### Challenges Associated

- In 2020, the Indian economy suffered losses to the tune of \$2.8 billion due to 129 separate instances of Internet suspension, which affected 10.3 million individuals.





- The Internet is a source of information, entertainment, health care, education, livelihood and a platform for the members of Indian society to interact with each other and the world at large.
- Internet activists, law experts, and human rights agencies suggest that there is no
- Real evidence of Internet shutdown actually helping in preventing mass protests or civil unrest. Crashing developing and emerging economies.
- The most **vulnerable individuals are being hit the hardest**.
- Many of the young saw their **careers permanently damaged by the internet** shutdown.
- Internet shutdowns make **human rights a hostage to the whims of the executive**: the fundamental rights to speech, conduct business, access healthcare, express dissent, and movement of the people in a state, are compromised.
- Shutting the **internet results in an information blackout that can also create hysteria, panic and can result in even more discord and mob violence**.
- Internet shutdown is **also causing digital divide and disparity in education especially** in the instances of COVID 19 pandemic.

## One Nation One Ration Card

### Context

- The Supreme Court set a deadline of July 31 for States to implement the 'One Nation One Ration Card' scheme to **allow migrant workers avail of subsidised food from any part of the country**.

### About One nation One Card (ON-ORC)

- Under the 'One Nation, One Ration Card' system, **the beneficiary will be able to buy subsidised food grains** from any FPS across the country.
- It will **identify a beneficiary through biometric authentication** on electronic Point of Sale (ePoS) devices installed at the FPSs.
- **Integrated Management of Public Distribution System (IM-PDS) portal provides the technological platform** for the inter-state portability of ration cards.

### Benefits

- Beneficial for migrant workers as they will be able to access the food grains from across the India.
- Target the prevailing hunger and urban poverty.
- Universal access to food grains
- Empowerment of Consumers as they will have choice to choose the fair price shop. It will give voice and Choice to consumers leading to enhanced accountability.
- Provide stronger data on status of migration in India which will help in making data driven policies.

### Challenges

- **Seeding with Aadhar card has witnessed exclusion error which** can get amplified at national level with little scope of grievance redressal.
- **Logistics issues as FPS receive the quota based on the beneficiary** enrolled at the shop.
- ON-ORC will affect how the financial burden is shared between states.
- **The larger issues of federalism and inter-state coordination**: Many states are not convinced about a "one size fits all" regime because they have customised the PDS through higher subsidies, higher entitlement limits, and supply of additional items.
- **Technological Challenges**: ON-ORC requires a complex technology backbone that brings over 750 million beneficiaries, 5, 33,000 ration shops and 54 million tonnes of food-grain annually on a single platform.

## Way Forward

### Learning from the GST:

- Centre could provide an assurance like guaranteed compensation (as seen in GST) to “net inbound migration” states such as Maharashtra and Kerala that any additional costs on account of migrants will be covered by it for the five years.
- Government could create a specific council like GST council for inter-state coordination.
- Technological challenges could be overcome by developing the platform like GSTN for this scheme.
- The Nilekani-led task force recommended setting up of a PDS network (PDSN) to track movement of rations, register beneficiaries, issue ration cards, handle grievances and generate analytics.

## IT Rules Debate

### Context

- Recently, a debate has propped up regarding the compliance of the IT rules by the big social media giants like Facebook, Whatsapp etc.

### Internet intermediaries

- Internet intermediaries can be described as **entities that facilitate access to the internet or services on the internet (Association Progressive Communications 2014)**. For example, internet service providers, social media networks, search engines, etc. Generally, the intermediaries adopt a passive approach to the content they provide or host (unlike book publishers).
- Since they generally do not have editorial control over the content, countries are encouraged to enact safe harbour protections which offer immunity to intermediaries from criminal liability. In India, the safe **harbour provisions have been defined under Section 79 of the IT Act**.

### Need of the IT Rules

- **Curb on terrorism:** These platforms are being used for terrorist activities by recruiting people, financing of the activities. The rules will help to ensure accountability of these platforms.
- **Ensure rule of law:** The platforms have themselves appropriated the role of court where they are judging what is freedom of speech and what is not.
- **Ensure sovereignty:** Currently, these giants do not have any accountability towards the Indian government for any illegal content. The rules will enhance accountability of these giants.
- **Curtail fake news:** These platforms are increasingly being used to paddle the fake news.
- The algorithms used by these platforms to optimize views and advertisements often fail to distinguish between relevant or useful content and abusive content and fake news, thereby amplifying them in very little or no time.

### Supreme Court Verdict regarding regulations of Social Media

- The Supreme Court in 2018, in the **Tehseen S. Poonawalla v/s Union of India case**, directed the government to curb and stop dissemination of explosive messages and videos on various social media platforms which have a tendency to incite mob violence and lynching of any kind.
- The Court in 2017 observed that the **government may frame necessary guidelines to eliminate child pornography, rape and gang rape imageries, videos and sites in content hosting platforms and other applications**.

### The Rules

- The 2021 Rules also now permit the intermediaries to take down any unlawful information on a voluntary basis.
- Each significant social media intermediary is required to establish a grievance redressal mechanism and appoint three officers:
  - A **Chief Compliance Officer who shall be responsible for compliance** of the Information Technology Act and the rules framed there under.
  - **Nodal Contact Person who shall be responsible for communication** with law enforcement agencies

- a **Resident Grievance Officer who shall be responsible** for the grievance redressal mechanism.
- All these officers are required to be residents of India.
- Another obligation cast upon these **intermediaries is to enable identification of the 'first originator' of any information on its platform.**
- **Removal of non-consensual intimate pictures** within 24 hours,
- Publication of compliance reports to increase transparency,
- Setting up of a dispute resolution mechanism for content removal
- Adding a label to information for users to know whether content is advertised, owned, sponsored or exclusively controlled.

### On OTT Platforms

- OTT platforms would be called as 'publishers of online curated content' under the new rules.
- They would have to self-classify the content into five categories based on age and use parental locks for age above 13 or higher.
- They also need to include age verification mechanisms for content classified as 'Adult'.

### Significance of the IT rules

- The IT Rules 2021 aim to **empower ordinary users of social media platforms and OTT platforms** with a mechanism for redressal and timely resolution of their grievance.
- Special emphasis has been **given on the protection of women and children from sexual offences, fake news** and other misuse of the social media.
- **Identification of the "first originator of the information"** would be required in case of an offence related to sovereignty and integrity of India.
- The rules are **framed in accordance with the Supreme Court guidelines.**

<b>SOCIAL MEDIA</b> <ul style="list-style-type: none"> <li>■ Identify 'first originator' of content that authorities consider anti-national</li> <li>■ Appoint grievance officer, resolve complaints in 15 days</li> <li>■ File monthly compliance report on complaints received, action taken</li> </ul>	<b>DIGITAL NEWS</b> <ul style="list-style-type: none"> <li>■ Follow Press Council of India, Cable TV Networks (Regulation) Act norms.</li> <li>■ Self-regulatory bodies to oversee adherence to Code of Ethics</li> <li>■ I&amp;B Ministry to form panel, oversight mechanism</li> </ul>
<b>OTT PLATFORMS</b> <ul style="list-style-type: none"> <li>■ Self-classify content into five age-based categories: U (universal), U/A 7+ (years), U/A 13+, U/A 16+, and A.</li> </ul>	<ul style="list-style-type: none"> <li>■ Parental locks for any content classified as U/A 13+ or above.</li> <li>■ Age verification mechanism for content classified as 'A' (adult)</li> </ul>

### Challenges

- It **goes beyond the purview of IT act -2000.** It controls the digital media also which was outside of IT act.
- An intermediary is **now supposed to take down content within 36 hours** upon receiving orders from the Government. This deprives the intermediary of a fair recourse in the event that it disagrees with the Government's order due to a strict timeline.
- It places **fetters upon free speech by fixing the Government** as the ultimate adjudicator of objectionable speech online.
- These Rules **undermine the right to privacy by imposing** a traceability requirement.
- Traceability requirement **will also render all the data** from these conversations vulnerable to attack from ill-intentioned third parties.

### Way Forward

- **Uniform Application of Law:** The laws to combat unlawful content are already in place. What is **required is their uniform application.**
- **Deliberating with Stakeholders:** The solution to ongoing criticism about these rules is to start afresh with the publication of a white paper.
- **Statutory Backing:** After that, if regulation is still deemed to be necessary, then it must be **implemented through legislation that is debated in Parliament** instead of relying upon executive rule-making powers.

- **Expediting Data Protection Law:** Making platforms share more information could prove counterproductive in a country where the citizens still do not have a data privacy law to guard themselves against excesses committed by any party. In this context, there is a need to expedite the passing of the personal data protection bill, 2019.

## Public Private Partnership in Medical Education

### Context

- According to NITI Aayog, Central government will offer viability gap funding of 60% and in certain cases upto 80% of the cost of setting up medical colleges in existing district hospitals under public private partnerships.

### Reason behind the move

- It will **rope in private investors who will access the land** available at the existing hospital to set up the college.
- They will **bring efficiency under an arrangement** with the government to improve health education at district levels.
- It will complement other efforts in the health sector:
  - offering cashless health insurance cover to 500 million people,
  - offering incentives for setting up factories to produce medical devices and drugs.
- It will **help in mitigating the shortage of doctors** as it will accelerate the growth of development of medical colleges.
- It will **help in tapping the resources of private sector** as government is resource scarce in nature.

### Challenges with the move

- This proposal is against the recommendation of every national expert committee or policy statement or policy committee that has ever been constituted.
- **Exclusion of the Poor:** District hospitals are considered as the last resort for the poor. The corporatisation will make the services very costly and exclude them from getting care.
- **Continuation of issue of lack of doctors in rural areas:** This move would shut the door on a large number of medical aspirants who would otherwise have a strong motivation to work in rural areas but do not have the means to finance themselves.
- This proposal is not aligned with India's national health policy goals like achieving universal health care and health equity.
- States have alleged that it is violation of federalism as health is a state subject.

### Way forward

- Health is a public good as its purpose is to improve the population's health and decrease disease burden.
- There should be a **substantial step-up** in public investment in health Infrastructure. 5th Finance Commission has asked to raise it to 2.5 per cent by 2024
- By **establishing new medical colleges**, the government can increase student intake as well as enhance equitable access to medical education. Besides, it must allocate adequate financial resources to strengthen the overall capacity of existing medical colleges to enrich student learning and improve output.

### Case Study of PPP in Rajasthan

- It was initiated in December 2015, when the Rajasthan government opened bids to private parties, both non-profit and for-profit organisations, to run all 213 of the state's PHCs.

#### Results of it:

- While in some villages, the people were satisfied with services provided, in others people were distrustful of the privately-run PHCs.
- Public health specialists in Rajasthan say that the PHCs managed by private organisations may work well on curative healthcare, but do not implement preventive and promotive health measures.



## Foreign Contribution Regulation Act 2010

### Context


- Indian entities, including hospitals and charitable trusts, hoping to receive COVID-19 relief material from overseas are facing delays as they are not registered under the Foreign Contribution Regulation Act (FCRA). Amended provisions of the FCRA act-2010 have made the task of civil society very difficult.


### Role Played by Civil Society in Covid

- NGOs have been actively setting up community kitchens, creating awareness about prevention, and physical distancing, providing shelter to the homeless, the daily wage workers, supporting government efforts in setting up health camps and in deputing volunteers to deliver services to the elderly, persons with disabilities, children, and others.
- An outstanding contribution of NGOs was in developing communication strategies in different vernaculars which went a long way in taking awareness measures to the community level.
- Akshaya Patra, Rama Krishna Mission, Tata Trusts, Piramal Foundation, Bill and Melinda Gates Foundation, Action Aid, International Red Cross Society, Prayas, Help-age India, SEWA, Sulabh International, Charities Aid Foundation of India, Gaudia Math, BachpanBachaoAndolan, the Salvation Army, and Catholic Bishops' Conference of India are some partners who have embodied the whole-of-society approach in COVID-19 response management.
- Civil societies have organized oxygen camps where oxygen equipped beds were provided to those who couldn't get it in hospital.
- The NGO leaderships created momentum throughout their networks and delivered the much needed response.
- They also brought to the attention of the group the problems from the grassroots.

### About FCRA


- The Foreign Contribution (Regulation) Act regulates the receipt of foreign contribution or aid from outside India for use in the country.
- This is essential to ensure that such aid does not affect political or any other situation in India.
- For genuine donation, the provision of law is not very difficult to comply.
- The compliance is limited to filing annual return every year.
- This law is enforced by the Ministry of Home Affairs.
- There is a separate section in the MHA to ensure compliance to the Foreign Funding Registration.

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### Amended Provisions:

Provision	Amended Provisions
<b>Prohibition to accept Foreign Contribution</b>	The amended act adds public servants (as defined under the Indian Penal Code) to this list.
<b>Transfer of foreign contribution</b>	The amended Act amends this to prohibit the transfer of foreign contribution to any other person.
<b>Aadhaar for registration</b>	The amendment adds that any person seeking prior permission, registration or renewal of registration must provide the Aadhaar number of all its office bearers, directors or key functionaries, as an identification document.
<b>FCRA account</b>	The Act amends this to state that foreign contribution must be received only in an account designated by the bank as "FCRA account" in such branch of the State Bank of India, New Delhi, as notified by the central government. No funds other than the foreign contribution should be received or deposited in this account.
<b>Restriction in the utilisation of foreign contribution</b>	The amendment adds that the government may also restrict usage of unutilised foreign contribution for persons who have been granted prior permission to receive such contribution.
<b>Renewal of license</b>	The Bill provides that the government may conduct an inquiry before renewing the certificate to ensure that the person making the application: (i) is not fictitious or benami, (ii) has not been prosecuted or convicted for creating communal tension or indulging in activities aimed at religious conversion, and (iii) has not been found guilty of diversion or misutilisation of funds, among others conditions.
<b>Reduction in use of foreign contribution for administrative purposes</b>	The amendment reduces this limit to 20%.

### Challenges associated with FCRA

- Issues lies with ambiguity in words such as Public interest or economic interest.
- Recent amendment would restrict those small NGOs that are unable to get registered yet require funds.
- By allowing only some political groups to receive foreign donations and disallowing some others, can induce biases in favour of the government.
- Many NGOs have been de-registered by the security agencies on public interest without clear explanation.
- It would also cause delayed functioning to those subsidiary NGOs which are dependent on other Large NGOs for funds.
- The FCRA restrictions have serious consequences on both the rights to free speech and freedom of association under Articles 19(1)(a) and 19(1)(c) enshrined in the Constitution.
- Without the registration under FCRA, no NGO can receive funds over rupees 25000 at one time. This has restricted smooth functioning of many NGOs.

## Extradition in India

### Context

- Nirav Modi can be extradited to India as per UK court. Nirav Modi was residing in Britain and India had requested Britain for extradition.

### About Extradition

- Extradition is an act where one jurisdiction delivers a person accused or convicted of committing a crime in another jurisdiction, over to their law enforcement.

- It is a **cooperative law enforcement process between the two jurisdictions** and depends on the arrangements made between them.
- Besides the legal aspects of the process, extradition also involves the **physical transfer of custody of the person**.

### Need and underlying Philosophy of the law of extradition

- Balance of Territorial concept of Criminal law: extradition allows states to show solidarity in repression of criminality and co-operate in the international battle against crime. It balances the traditional principle of territoriality of Criminal Law.
- Ensuring Justice: It ensures that nobody is able to bypass the rule of law in order to flee to other countries. This creates an expression of deterrence and enhances respect in rule of law.
- Balance of International law with sovereignty: It balances competing imperatives of comity of nations (respect for a foreign court) on one hand, and international crime control on the other.

### India Extradition Law

- In India, the extradition of a fugitive from India to a foreign country or vice versa is covered by the **provisions of the Extradition Act, 1962**.
- The act lays down the first principles of extradition law.
- The obligation to extradite springs out of treaties/arrangements/conventions entered into by India with other countries.

### Basic Principles Governing Extradition

- **Principle of relative Seriousness of the offence:** Extradition is **usually permissible only for relatively more serious offences, and not for trivial misdemeanours or petty offences**.
- **Principle of Dual Criminality:** This is the most important principle governing Extradition Law. This requires that the offence that **the fugitive is alleged to have committed, should be an offence both in the requesting as well as the requested state**.
- **Principle of proportionality between offence and sentence:** A Requesting state should **respect the principle of proportionality between offence and sentence**.
- **Rule of specialty:** when a **fugitive is extradited for a particular crime, he can be tried only for that crime**.

### A few common restrictions on extradition

- **Failure to fulfil dual criminality:** if the act for which the criminal's extradition is requested is not a crime in the requested state, then the state can refuse extradition.
- **Political crimes:** most nations **refuse the extradition of political criminal suspects**. This excludes terrorist offences and violent crimes.
- **The possibility of certain forms of punishment:** if the accused is **likely to receive capital punishment or torture in the requesting State, the requested state can refuse extradition**.
- **Jurisdiction:** jurisdiction over a crime can be invoked to refuse extradition.
- The absence of an extradition treaty.

### Conclusion

- Extradition is a great step towards international cooperation in the suppression of crime. States should treat extradition as an obligation resulting from the international solidarity in the fight against crime.

# Criminalisation of Politics

## Context

- According to the **National Election Watch (NEW)** and **Association of Democratic Reforms (ADR)**, in the Assembly elections in Assam, Kerala, Puducherry, Tamil Nadu and West Bengal, at least 1,157 out of 6,318 candidates have criminal cases against them.

## About Criminalisation of Politics

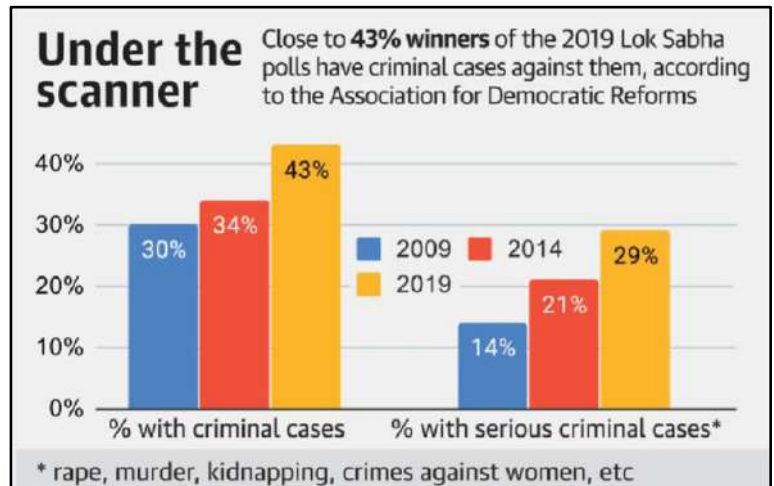
- Criminalisation of Politics refer to a situation where criminals start entering politics through use of Money or muscle power.

### N N Vohra Committee:

- N N Vohra committee had defined it where criminals are either given patronage by the political parties in lieu of assistance provided by them during the election process or criminal enter the Politics through money and muscle power.

### Data:

- Current Parliament has highest no of MP with criminal background. 43% of elected MP in 2019, 39% of elected MP in 2014 has serious criminal charges against them. Major parties are fielding criminal background candidates.



## Reasons behind rise of Criminalisation in Politics

### Supply side factors: Motivation for criminals to enter the process

- Collapse of Electoral financing:** Candidates who are richer are likely to win the election. It brings aspect of money laundering, criminals with rich background into elections.
- Complete breakdown of law and order:** It makes easier for criminal background to easier the contest elections. Judicial delays help them. Politicisation of police has made nexus between politician and criminals stronger.
- Lack of Legal Mechanism:** Representation of people act lacks any strong mechanism to deal with the criminalisation. Election commission suggestion to bar candidates with charge sheets in serious cases involving prison for more than 5 years has not found ground with the parliament.
- Politics of Self Preservation:** any criminal winning the election will use law enforcement machinery to target his adversary and ensure that it doesn't chase his own case. Politicisation of CBI is testimony of it.

### Demand side: Why voters elect them

- Failure of Governance:** Voters consciously elect such candidates due to failure of governance. These candidates have generally good political connection and can get things done. These candidates can get public service delivery.
- Lack of Option:** Most of the candidates in India has criminal cases. It leaves with little option to the voters as very few clean candidates contest the elections.
- Public Perception:** Most of the voters conceive politics as an arena of criminals. They do not have concern with the long-term consequences of the criminalisation of politics.

## Impact of Criminalisation of Politics

- Decline of trust in democracy:** Law breakers become the law makers. This destroys the trust in the democracy and sets a wrong precedent for people.
- Moral decline of society:** Parliamentary needs to be ideal citizen for development of egalitarian society. But criminals becoming the trustee of power send wrong message to society and corrupts the moral fabric.
- Roadblock to electoral reforms:** Continuous electoral reforms are necessary to ensure free and fair elections but such MPs obstruct the process of electoral reforms.



- **Rise of crony capitalism:** Rise of crony Capitalism as these legislatures engage in dishonest practices to amass the wealth. It leads to wastage of public resources and poor development in the country.
- **Breakdown of Law and Order:** Politicisation of law enforcement machinery which leads to breakdown of law and order. Rule of law is a mandatory condition for development and growth.

### Legal Provisions

- Currently, under the Representation of Peoples (RP) Act, lawmakers cannot contest elections only after their conviction in a criminal case.
- Under Section 8 of the Representation of the People (RP) Act, a person convicted with a sentence of two years or more years is disqualified from contesting elections.

### Supreme Court Judgement

#### Association for Democratic Reform 2002

- The Supreme Court judgment of May 2, 2002 mandated that candidates disclose their criminal antecedents, if any, as also their financial and educational background.

#### Ramesh Dalal vs Union of India -2005

- In Ramesh Dalal vs. Union of India 2005, the Supreme Court held that a sitting Member of Parliament (MP) or Member of State Legislature (MLA) should also be subject to disqualification **from contesting elections if he is convicted and sentenced to not less than 2 years of imprisonment by a court of law.**

#### Lily Thomas vs. Union of India 2013

- The Supreme Court in Lily Thomas vs. Union of India 2013 held Section 8(4) as unconstitutional and void. Hence, now if a sitting member of Parliament or state legislature is convicted and sentenced to not less than 2 years of imprisonment, he will get immediately disqualified from being member of house.

#### Judgement of None of the Above (NOTA)

- Supreme Court held that a voter could exercise the option of negative voting and reject all candidates as unworthy of being elected. The voter could press the 'None of the Above' (NOTA) button in the electronic voting machine (EVM).

#### Public Interest Foundation v. Union of India

- It shall be mandatory for political parties [at the Central and State election level] to upload on their website **detailed information regarding individuals** with pending criminal cases (including the nature of the offences, and relevant particulars such as whether charges have been framed, the **concerned Court, the case number etc.) who have been selected as candidates, along with the reasons for such selection**, as also as to why other individuals without criminal antecedents.
- These details **shall be published within 48 hours of the selection of the candidate or not less than two weeks before the first date for filing of nominations**, whichever is earlier.
- The political party concerned shall then submit a report of compliance with these directions with the Election Commission within 72 hours of the selection of the said candidate.

#### Others:

- Supreme Court directed government to set up special court to take up cases against MP and MLA. 12 fast track courts have been set up for cases against MP and MLA.

### Way forward

- State capacity to deliver public service needs to be strengthened. Digital India, good governance and rights-based approach is the need of hour. Public service needs to be equitable in power.

## SC LEADS FIGHT TO CLEAN UP POLLS

### CASES THAT LED TO THE RULINGS

**2002** SC directs all candidates to file affidavit detailing their criminal antecedents, educational qualification and details of their assets. Upholds voters' right to know about a candidate's antecedents to make an informed choice (Association of Democratic Reforms)

**July 2013** SC quashes provision in Representation of the People Act that allowed MPs and MLAs to continue their membership in a House by merely filing appeal against their conviction and sentence of more than two years in a higher court. This meant **MPs and MLAs would be disqualified immediately on conviction and sentence of more than 2 years.** (Lily Thomas and Lok Prahari case)

**Sept** SC asks EC to provide **'none of the above' choice to voters** to exercise their right to express no confidence against all candidates in fray

(People's Union for Civil Liberties)

**Mar 2014** SC orders trial courts to hold **day-to-day trial in criminal cases** pending against sitting MPs and MLAs and complete it within one year from framing of charges

**Aug** SC recommends to **PM/CMs not to include persons**, against whom charges have been framed in serious offences, in their council of ministers (Manoj Narula)

**Mar 2016** SC refers to 5-judge Constitution bench whether **framing of charge in heinous crimes** (which entails imprisonment of five years or more) against an MP or MLA would disqualify him. This also meant—whether a person against whom charges framed in serious offences be debarred from contesting elections (Public Interest Foundation)

- Institutions **dealing with rule of law needs to be strengthened. Police reform along the line of Supreme Court directives can** go a long way to deal with criminalisation of politics.
- Regulating the affairs of a political party is essential for a cleaner electoral process. Therefore, it is **imperative to strengthen the election commission.**
- Various **committees** (Dinesh Goswami, Inderjeet Committee) on the electoral reforms have recommended for **state funding of elections** which will curb use of black money to a large extent and thereby will have a significant impact on limiting criminalization of politics.

## River Water Dispute

### Context

- Karnataka will soon approach the Supreme Court with an original suit against Tamil Nadu's decision to unilaterally go ahead with the **Cauvery-Vellaru-Vaigai-Gundar link project to utilise excess water in the Cauvery basin and transfer it to its southern districts.**

### Constitutional Approach for Inter-state River water dispute

- Entry 17 of State List deals with water i.e. water supply, irrigation, canal, drainage, embankments, water storage and water power.
- Entry 56 of Union List empowers the Union Government for the regulation and development of inter-state rivers and river valleys to the extent declared by Parliament to be expedient in the public interest.

### According to Article 262, in case of disputes relating to waters

- Parliament may by law provide for the adjudication of any dispute or complaint with respect to the use, distribution or control of the waters of, or in, any Inter-State River or river valley.
- Parliament may, by law provide that neither the Supreme Court nor any other court shall exercise jurisdiction in respect of any such dispute or complaint as mentioned above.

LIST OF EXISTING WATER DISPUTE TRIBUNALS		
No	Name of Tribunal	States concerned
1.	Godavari Water Disputes Tribunal	Maharashtra, Andhra Pradesh, Karnataka, Madhya Pradesh & Odisha
2.	Krishna Water Disputes Tribunal -I	Maharashtra, Andhra Pradesh, Karnataka,
3.	Narmada Water Disputes Tribunal	Rajasthan, Madhya Pradesh, Gujarat and Maharashtra
4.	Ravi & Beas Water Tribunal	Punjab, Haryana and Rajasthan
5.	Cauvery Water Disputes Tribunal	Kerala, Karnataka, Tamil Nadu and Puducherry
6.	Krishna Water Disputes Tribunal -II	Karnataka, Telangana, Andhra Pradesh and Maharashtra
7.	Vansadhara Water Disputes Tribunal	Andhra Pradesh & Odisha
8.	Mahadayi Water Disputes Tribunal	Goa, Karnataka and Maharashtra

### Parliament has enacted two laws according to Article 262

- River Board Act, 1956: The objective of Boards is to advise on the inter-state basin to prepare development scheme and to prevent the emergence of conflicts. Till date, no river board as per above Act has been created.
- Inter-State Water Dispute Act, 1956:
- In case, if a particular state or states approach to Union Government for the constitution of the tribunal:
- Central Government should try to resolve the matter by consultation among the aggrieved states.
- In case, if it does not work, then it may constitute the tribunal.

### Need to amend 1956 Act

- There are dozens of tribunals for inter-state water dispute resolution. It makes the process unwieldy and delayed.
- There are time delays from 6 years to 20 years in awarding the verdict.
- Low acceptance of the awards by the state: Only three out of eight awards have been accepted.
- There are tribunals for last 30 years like Cauvery tribunal, Ravi tribunal and hasn't given any verdict.
- There has been delay in constituting the tribunals. It took nine years to constitute the Narmada tribunal.
- The River Boards Act 1956, which is supposed to facilitate inter-state collaboration over water resource development, remained a „dead letter“ since its enactment.
- There was no clarity in the tenure of tribunal members.

- Generally, tribunal's members were not specialist in areas.
- Tribunals didn't go forward in water management and focus on developing a water database.
- Tribunals were created when State approached the centre and centre approved creation of tribunals.

### Provisions of the Inter-State River Dispute (Amendment) Act: 2019

- A dispute between two states will first go to a dispute resolution committee. In case of its failure, dispute will go to the permanent tribunal.
- A single Tribunal with different benches for all the river disputes.
- Maximum duration for a tribunal award is 6 years. 1.5 years are for dispute resolution committee and 4.5 years are for tribunals hearing and verdict.
- Tribunals member tenure will be of 5 years or 70 years of age.
- Tribunal will consist domain experts.
- Tribunal decisions are binding and has authority of Supreme court order.
- It will require maintenance of basin database.

## Model Tenancy Act

### Context

- Housing and Urban Affairs Minister addressed concerns about the Model Tenancy Act.

### Need of the Act

- As per Census 2011, more than 1 crore houses were lying vacant in urban areas.
- The existing rent control laws are restricting the growth of rental housing and discourage owners from renting out their vacant houses due to fear of repossession.
- One of the potential measures to unlock the vacant house is to bring transparency and accountability in the existing system of renting of premises and to balance the interests of both the property owner and tenant in a judicious manner.
- **Encourage Renting:** As per Census 2011, nearly 1.1 crore houses were lying vacant in urban areas across the country. The act gives sufficient rights to landowners, which may encourage greater renting and reduce homelessness.
- Further, the act will encourage the private sector to develop housing projects for rent purposes.
- In India, the rental yield for residential property is quite low, even in bigger cities. It is in the range of 1.5% to 3% of the capital values due to obsolete laws.
- **Preventing Unnecessary Financial Burden:** The act places a cap of two months on the security deposit. This reduces financial strain on tenants and encourages more renting.
- Currently, the security deposit in Mumbai and Bengaluru can reach 6-8 times the monthly rent.
- Respecting the privacy of the Tenant: The landlords in India have a habit of entering the rented property as per their will. It violates the tenant's Right to Privacy under Article 21 of the Indian Constitution. But now a notice of 24 hours needs to be given before entering.

### WHAT CHANGES

- |   |  |
|---|--|
| ■ Verbal rent agreements are illegal                              | ■ Jurisdiction of civil courts barred                  |
| ■ Security deposit capped at up to 2 month's rent for residential | ■ Redressal within 60 days                             |
| ■ For non-residential premises, it is maximum 6 months            | ■ No eviction of tenant during tenancy period          |
|   | ■ In force majeure, tenant allowed to stay for a month |

### Applicability of the Act

- After enforcement of this Act, no person can let or take on rent any premises except by an agreement in writing.
- The new Act will be applicable prospectively and will not affect existing tenancies. The Act seeks to cover urban as well as rural areas.

### Innovative Mechanisms under Act

- States will set up a grievance redressal mechanism consisting of Rent Authority, Rent Court and Rent Tribunal to provide fast-track resolution of disputes.



- Disposal of a complaint/appeal by the Rent Court and the Rent Tribunal will be mandatory within 60 days.
- There is no monetary ceiling.
- A digital platform will be set up in the local vernacular language or the language of the State/Union Territory for submitting tenancy agreement and other documents. The Rent Authority will keep a tab on these agreements.
- Verbal agreements will be out of the picture, as the MTA mandates written agreement for all new tenancies which is to be submitted to the Rent Authority.
- Tenants will continue to pay the rent even during the pendency of a dispute with a landlord.
- Subletting of premises can only be done with the prior consent of the landlord, and no structural change can be done by the tenant without the written consent of the landlord.

### Benefits from the Act

- It will create an effective regulatory ecosystem in India to govern landlord-tenant relationships.
- It will provide a huge opportunity for private housing operators and institutional investors in the organized rental housing market.
- It will unlock vacant properties and increase rental yields.
- It will reduce procedural barriers in registration by increasing transparency and discipline.
- It will help overhaul the legal framework with respect to rental housing across the country.
- It will enable creation of adequate rental housing stock for all the income groups thereby addressing the issue of homelessness.

### Challenges with the Act

- Meaning of 'Premises': States where the Rent Control Act is in place and where urban dwellings like slums/chawls were previously covered, may have to define it clearly under their state level laws to provide protection to both tenants and landlords.
- There is a time period required for on-ground implementation of the Model Tenancy Act, 2021 by all states and UTs across the country.
- Prospective effect: The new model act would have a prospective effect. This means it would be applicable to future disputes only, hence past disputes would continue to linger on for years.
- Inadequate Security Cover: Security Cap for two months may not be enough to cover damages, especially during the last month when tenants adjust their rent in the security deposit.
- Like in the case with RERA (Real Estate (Regulation and Development Act), the fear is that states may choose not to follow guidelines, diluting the essence of the Model Act.

### Way Forward

- States **should not dilute the provisions of the model tenancy act** but rather adopt it as per their particular needs.
- **Rent Authorities, Rent Tribunals and Rent Courts must be set up expeditiously** and strengthened with required financial resources to let them function effectively.
- **Specific cases of conflict between landlords and tenant may see retrospective application** of the law as it will foster the confidence of investors.

## INTERNATIONAL RELATION

### Reform in United Nation Security Council

#### Context

- Five new countries — India, Mexico, Norway, Ireland and Kenya — formally joined the U.N. Security Council.
- The new countries will hold non-permanent seats on the 15-member council for two years.

#### Issues related to the United Nations Security Council

- The United Nations Security Council has several significant problems.



### Membership of the Security Council:

- It has changed very little since its inception in 1945, even though the **number of UN member states has almost quadrupled** since then and the **relative power of member states** has changed significantly.
- The only change in membership has been the addition of **four non-permanent seats in 1965**.
- **African states** call the under-representation of Africa a —historical injustice|| which needs to be corrected.

### Differences between permanent and non-permanent seats:

- The five permanent members (P5) – **Britain, France, United States, Russia and China** – possess permanent seats and have the privilege of the veto whilst the status of non-permanent members is low.
- The non-permanent members have **essentially been relegated to a role of rubber stamping decisions made by the P5** or choosing between their contending positions.
- P5 have on many occasions abused their veto powers. Another important issue regarding the veto is that the decision probability in the Security Council remains very low.

### Performance:

- The performance of the Security Council in maintaining international peace and security has been poor.
- **In Somalia**, the choice of strategy was counterproductive and Washington's political timetable for the mission too arbitrary.
- **In Bosnia**, the operation was severely undermanned and the Security Council failed to provide adequate protection for the UN safe areas, resulting in the Srebrenica Massacre.
- More recently, the Security Council has failed to act to resolve crises in Crimea, Syria and Yemen.

### Reform Proposals

- The current negotiation process is based on **Decision 62/557 which was adopted in 2008**.
- It defines five key issues for reform:
- Categories of membership,
- The question of the veto,
- Regional representation,
- The size of an enlarged Security Council and its working methods, and
- The relationship between the Security Council and the General Assembly.
- On the issue of reform, the UN member states are divided into several groups. Their positions on the most important questions, membership and the veto, are as follows.

### Different Groups

- The **G4** consists of **Germany, Japan, India and Brazil**. The G4 mainly seek **permanent seats for themselves**, but are willing to **forego their veto rights** for fifteen years or possibly even longer.
- The **Uniting for Consensus (UfC)** consists of various states – including **Italy, Spain, Argentina, Canada, Mexico, South Korea and Pakistan** – which oppose the G4 and the addition of any new permanent seats. The UfC would instead **add only non-permanent seats** and preferably **abolish the veto or at least restrict its use**.
- The **African group** consists of members of the African Union. It seeks **two permanent and five non permanent seats for Africa**. The African group would preferably **abolish the veto**, but it insists that as long as the veto exists all permanent members should possess it.
- The **L69** consists of some **40 developing countries** from all over the world, including Brazil and India. It seeks **six new permanent seats** and **six new non-permanent seats** balanced across UN regions. Its stance on the veto is similar to that of the African group; either the **veto is abolished or it is extended to all permanent members**.
- The Arab group consists of **22 states** and it demands a **permanent Arab seat**. It heavily criticizes the veto, but does not present any solution to it.

### India's Security Council Calculus

- The Indian calculus on permanent membership of Security Council flows broadly from a mix of three streams, viz., India's historic association with the UN system itself since its independence, India's intrinsic value and place in contemporary international politics and its ambitions as a traditional great power in Asia and beyond.

### India in UN System:

- India points out its rich history of consistent international, multilateral posture of cooperation and fraternity.
- India signed the Treaty of Versailles that ended the First World War and created the League of Nations.
- India also contributed most importantly by being instrumental in establishing the G77 of developing states at the UN, other than supporting the establishment of various bodies like UNICEF on a permanent basis, the UNDP, the UNEP, and the restructuring of the economic and social fields of the UN and the UN Development Fund.
- In the arena of peacekeeping, India has remained the largest cumulative contributor of UN peacekeeping troops with around 180,000 troops since the 1950s.
- Indian **strategic interest in the Council seat has also been shaped by its history of interacting with the Security Council**. India paid the price for being —idealistic|| to take the Kashmir issue to the UN wherein it had to battle hard realpolitik of Cold war years leading to UN interventions over the Kashmir dispute.
- Indian presence at the Security Council, **it is hoped will ensure Indian interests are not sacrificed at the altar of great power politics**. It will stall any possible intervention by China, a permanent member at the behest of its ally Pakistan.

### India's Intrinsic Value:

- By any objective criteria, such as population, territorial size, GDP, economic potential, civilizational legacy, cultural diversity, political system.
- Demography remains the primary reason why India should be in the Council. India is the second most populous country in the world comprising almost one-fifth of humanity.
- India's rising economic stature globally has added to Indian claims as well. India is now the fastest-growing major economy in the world, and Asia's third largest.
- India's leading position in software and its IT-enabled services making it a global technology giant adds to its increasing economic and trade footprint across the world.
- India's newly acquired status as a Nuclear Weapons State (NWS) in May 1998 also makes India a natural claimant as a permanent member similar to the existing permanent members who are all Nuclear Weapon States.

### India's Great Power Ambitions:

- Foremost in Indian **calculus lies the Indian aspiration of the institutionalized big power** status the permanent seat in the Security Council would confer on India right away.
- India sees **itself carrying the necessary abilities, actual and potential**, which entitles it to a permanent seat at the Council.
- The seat on the high table, at the **UN's premier, powerful body would provide it the much needed leverage to expand its geo-political and geo-economic clout globally**.
- It would **serve as an equalizer to China**, its rival and an emerging hegemony in Asia and an ever increasing strategic and security concern in its immediate neighbourhood and beyond.
- India has **always seen itself as a democratic alternative to the authoritarian China** in a leadership role in Asia.

### Attitude of P5

- France and Britain are most open to reform.
- Whilst all permanent members accept the reform in principle, they have often fought popular reform proposals.
- For example, when in 2005 it seemed that the G4 and the African group might reconcile their differences, China and Russia declared any reform to be out of the question and with the aid of the United States started publicly gathering support to defeat the reform attempt.
- Similarly, in 2012 intense pressure from the permanent members forced a draft resolution on improving the working methods of the Council to be abandoned.

## **South Asian Association for Regional Cooperation (SAARC)**

### Context

- Thirty-six years after it first began, the South Asian Association for Regional Cooperation (SAARC), **appears to be all but dead in the water**. The year 2020 marked the sixth year since the leaders of the eight nations that make up SAARC were able to meet.

## Pandemic-caused challenges

- Reviving SAARC is crucial to countering the common challenges brought about by the pandemic.
- Comprehensive approach for Pandemic Preparedness and Response to COVID-19 in South Asian Countries is necessary for the distribution of vaccines, as well as developing cold storage chains for the vast market that South Asia represents is needed.
- The pandemic's **impact on South Asian economies** is another area that calls for coordination.
- Apart from the overall **GDP slowdown, global job cuts** which will lead to an estimated **22% fall in revenue for migrant labor and expatriates** from South Asian countries, there is an expected loss of about 10.77 million jobs and \$52.32 billion in GDP in the tourism sector alone from the impact of COVID-19.

## SAARC Successes

- SAARC has tackled important topics for the region such as a social charter, development agreements and even the sensitive subject of fighting terrorism.

## SAPTA

- It was signed in 1993 and entered into force in 1995.
- The Agreement **reflected the desire of the Member States to promote and sustain mutual trade and economic cooperation** within the SAARC region through the exchange of concessions.
- The agreement **provided for a positive list**; the trade of the items on positive list could be regulated.

## SAFTA

- The South Asian Free Trade Area (SAFTA) is an agreement reached in 2004 to create SAARC free trade area.
- The members of **SAARC signed a framework agreement on SAFTA** to reduce customs duties of all traded goods to zero by the year 2016.
- The SAFTA agreement came into force on 1 January **2006 and is operational following the ratification of the agreement by the seven governments.**

## SAARC Failures

- SAARC almost **failed to accomplish its ambitious objectives** during the last 25 years due to the political difference, conflicts and poor economic state of the member countries. Most of the **programs and achievements exist only in official documents.**
- Their activities are only confined to **holding seminars, workshops and short training courses.**
- During the time of the worst natural calamity in Bangladesh cyclone, Pakistan earth quack and flood in Pakistan, **Food Security Reserve of SAARC** could not be used to satisfy the demands of the affected people in its 30 years of existence, **SAARC failed to hold 11 annual summits** for political reasons, both at the bilateral and internal levels.
- The **intra-regional trade of SAARC** amounted to \$40.5 billion in 2011, which constitutes just **5% of member countries' trade.**
- The number pales into insignificance when compared with the volume of trilateral trade between member countries of NAFTA, the North American Free Trade Agreement, (the US, Canada and Mexico) which hit \$1 trillion in 2011.
- While different regions of the world have progressed even to monetary union, SAARC has failed to even come up with a **free trade agreement**
- Even in the Kathmandu Summit 2014, there were **three connectivity agreements on road, rail and energy**, to be endorsed by the eight SAARC leaders. Only one of these - on energy - has been signed.

## Reasons for failure

- **Weak Cultural Identities:** The South Asian Region comprises countries sharing **common history, heritage and culture.** The horrors of **divisions and sub-divisions** have however created fissures. These fissures are commonly articulated through the ideas of distinct cultures.

- **Rivalry between India and Pakistan:** The two largest members of SAARC, has hovered hugely on SAARC. The rivalry continues to restrain SAARC from functioning as a sub-regional organization.
- **Border Issue:** The region is still beset with many unresolved border and maritime issues. These unresolved borders have led to problems of Terrorism, Refugee Crisis, Smuggling, and Narco-Trade. The unresolved issues continue to mar cooperative relations.
- India's ambitions in the region crisscross with **China's ambitions** to have an influence on the region. China has in past decade strengthened its relations with Bangladesh, Sri Lanka. This has led to a trust deficit in the grouping.
- **SAARC Charter Article X(2)** of the SAARC Charter mandates that decisions, at all levels in SAARC, are **only of multilateral issues**, and only those issues are for **inclusion in the agenda in a SAARC summit** meeting on the basis of unanimity. The SAARC platform thus cannot be used to resolve bilateral issues; this has undermined the scope and potential of SAARC.

### Future option for SAARC in pandemic

- South Asian countries should work as a **collective to set standards for labor** from the region, and also to promoting a more **intra-regional, transnational approach towards tourism**, citing successful examples including the 'East Africa Single Joint Visa' system, or similar joint tourism initiatives like in the Mekong region or the Caribbean islands.
- In the longer term, there will be a **shift in priorities towards health security, food security, and job security**, that will also benefit from an —all-of South Asia approach.
- The impact of COVID-19 will be seen in broader, global trends: a **growing distaste for „globalization“ of trade**, travel and migration all of which were seen to have helped the pandemic spread from China, as well as a growing preference for nativism, **self-dependence and localizing supply chains**.
- While it will be impossible for countries to cut themselves off from the global market entirely, **regional initiatives will become the “Goldilocks option”** (not too hot and not too cold), or the happy medium between globalization and hyper-nationalism.
- Seen through **Beijing's prism**, India's SAARC neighbourhood may be a means to contain India, with the People's Liberation Army strategies against India over the LAC at present, or in conjunction with Pakistan or Nepal at other disputed fronts in the future.

## Quad

### Context

- A virtual meeting of the leaders of the Quadrilateral (Quad) was held on 12 March 2021, which highlighted the need for cooperation among the member countries to deal with the ongoing **COVID-19 pandemic through joint partnership on vaccines** and also stressed on the need for **ensuring an open and free Indo-Pacific region**.

### Background

- The first Quad meeting in 2007 in the aftermath of the **2004 tsunami** started as a tentative grouping of officials from the four countries.
- Quad 2.0 kicked off as a senior officials meeting at the **level of joint secretaries in 2017**, and there were doubts if this grouping would emerge as something substantial in the upcoming years.
- Quad is a direct result of China's heavy-handed and aggressive **territorial expansionist policy around its periphery in the South China Sea (SCS), Ladakh and Hong Kong**.
- This meeting also witnessed the release of a Quad leaders joint statement — **“The Spirit of the Quad”**.

### The Spirit of the Quad Joint Statement

- It committed the four members to promoting a free, open rules-based order, rooted in international law, to advance security and prosperity and counter threats to both in the Indo-Pacific and beyond as well as supporting the rule of law, freedom of navigation and over flight, peaceful resolution of disputes, democratic values, and territorial integrity.



### About the meeting

- Its focus was on the economic and health impacts of covid-19, climate change, as well as shared challenges in cyberspace, critical technologies, counterterrorism, quality infrastructure investment, and humanitarian-assistance and disaster-relief.
- Maritime security retained its centrality in this agenda, as the Quad underscored the need to prioritise the role of international law in the maritime domain and facilitate collaboration, including in maritime security, to meet challenges to the rules-based maritime order in the East and South China Sea.
- Cooperation in critical emerging technologies has also been highlighted as key to a resilient Indo-Pacific region.
- Quad meeting deliberated on matters like climate change, and critical and emerging technologies.
- The establishment of a new Quad Climate Working Group, Critical and Emerging Technology Working Group that will help set standards in key technologies.

### China's Response

- The announcement of the second summit meeting has drawn a guarded response from China which has —hoped that the meeting will be —conducive to regional peace and stability and prosperity.

### India in the Quad

- The U.S.'s focus on the west Pacific due to **aggressive Chinese maritime activity** gradually **pulled India into the ambit of the Indo-Pacific** that views the western Pacific and the Indian Ocean as an integrated geopolitical space.
- Besides the U.S. navy, **India expanded its maritime ties with other regional states**, the most high-profile of the interactions being the Quad.
- Since November 2017, the **joint naval exercises of Quad members** are being supplemented by extensive consultations on security issues.
- However, India's involvement with the Quad was **initially cautious due to its reluctance to join an overt anti-China coalition**.
- For instance, at the **Shangri La Dialogue in June 2018**, Prime Minister Narendra Modi described the Indo-Pacific as a "**geographical definition**" and firmly **denied it was a "strategy" or a "club of limited members ... directed against any country"**.
- Despite this, in September 2019, India agreed to elevate the **Quad platform to ministerial level**.

### Significance of Quad for India

- **Geo-Politics:** The Indo-Pacific construct provides New Delhi with an opportunity to rise above its long-labelled middle-power status. This is reinforced by India joining the league of great powers and fostering close strategic relationships with Washington and its allies in the region.
- **Relations with other countries:** New Delhi's active engagement in the Indo-Pacific automatically boosts India's Act East Policy and Extended Neighbourhood Policy. This boost is reinforced by New Delhi's closer ties with the member states of ASEAN, including Vietnam, Singapore, Thailand, and Myanmar.
- The strengthening of the **India-US Strategic partnership**, mainly through defence ties, acts as a strong counterweight to India's rivals. This is exemplified by four foundational agreements signed between the two countries, comprising the General Security of Military Information Agreement; Logistics Exchange Memorandum of Agreement; and Communications Compatibility and Security Agreement; and finally, Basic Exchange and Cooperation Agreement.
- **Countering China:** China's increased aggression in the South China Sea and aggression in LAC and its likely impact on aggravating regional tension. Quad seeks to check any aggression.

### Issues

- **India's Policy:** India has traditionally taken the non-alignment approach and has stayed away from military alliance.
- **Lack of clarity:** USA is looking for a formal alliance while India wants cooperation in security and economic dimension among countries of all countries in Asia-Pacific.

- **Vision of Indo-Pacific:** It is a new concept which will be difficult to materialise considering the difference in vision of participant countries.
- **Trustworthiness of USA:** Military guarantee of USA might never materialise because of its history of unfulfilled promises (Eg. Pakistan). Moreover, the USA has not come to the rescue of Japan and the Philippines despite military alliance.

### Way Forward

- The stand-off at Ladakh has been a bitter experience for India: it has affirmed the limits of India-U.S. security ties, the folly of Indian involvement in the Quad, and the need to focus national attention and resources in areas of abiding interest for India – the border, the neighbours and the Indian Ocean.
- The rebuilding of ties with China will have to be a priority concern. Though it will take time for trust to be restored, what will help will be for India to dilute its focus on the Indo-Pacific and the Quad and accept that the borders and the Indian Ocean are where its crucial interests lie.
- The Ladakh experience has highlighted certain deficiencies at home: the government appears to be largely focused on reshaping the national ethos on the basis of a narrow and exclusive political ideology that has raised doubts about India's continued commitment to democratic pluralism.
- Foreign policy cannot be a part-time concern of the national leadership; in terms of priority and attention, it should be on a par with domestic affairs.

## Indo- Bangladesh Relations

### Context

- Prime Minister Narendra Modi's two-day trip to Dhaka to attend the birth centenary of Bangladesh's Father of the Nation, Bangabandhu Sheikh Mujibur Rahman, and the golden jubilee celebrations of the country's Independence undertook last month. The warmth and goodwill were evident.

### Background

- Bangladesh's emergence was the result of a unique **uprising of the Bengali people** who fought a heroic war for national independence in 1971.
- The unprecedented atrocities committed by the marauding Pakistani Army in 1971 led to a **mass exodus to India**, where an **estimated 10 million people took refuge for nine months**.
- India, under Indira Gandhi, **opened its eastern borders** allowing streams of refugees to take shelter.
- India stood solidly behind Bangladesh throughout the **nine-month-long war** and **recognised the new state on 6 December 1971**.
- The relationship between the two countries comes attached with a unique bond as **India's MitroBahini** fought shoulder-to-shoulder with the Bangladeshi forces, **MuktiBahini**, and embraced martyrdom.
- Bangabandhu Sheikh Mujibur Rahman, the founding father of Bangladesh, had laid the foundation of relations with India, based on **geopolitical reality and upholding the secular national spirit** that had influenced the people to break away from Pakistan.

### Bilateral Relations

- **Economic Relations:** Indian investments have largely increased. Bangladesh is now the largest recipient of line of credit (LOC) funds from India. India's exports to Bangladesh in 2018-19 stood at US\$ 9.21 billion and imports from Bangladesh for the same period stood at US\$ 1.22 billion.
- **Power:** Cooperation in the power sector has become one of the hallmarks of bilateral relations. Bangladesh is importing 1,160 Megawatts of power from India to meet its demand, including exporting internet bandwidth to the state.
- **Connectivity:** Rd connectivity is being restored and new rail links are being planned. There are regular train services between Kolkata and Dhaka, and buses run from Dhaka to Shillong, Agartala and Kolkata.
- Old rail link of Chilahati-Haldibari was reopened.
- The Prime Ministers of both the countries will also inaugurate the Dhaka-New Jalpaiguri passenger train.

- Dhaka also took the remarkable step of granting a trans-shipment facility to India to transport goods to the Northeastern states through its territory.
- **Defence:** Bangladesh's tri-service contingent joined India's 2021 Republic Day parade. Bangladesh has also cooperated with India in sorting out security issues in the Northeast.
- **Cultural:** The national anthems of the two countries were written by Rabindranath Tagore, the great Bengali poet.

**World Bank Report:**

- A World Bank Report stated that seamless movement of vehicles between the two neighbouring countries for trade could raise India's national income by eight per cent and Bangladesh's by 17 per cent; provide faster and cheaper access to products from Northeast and boost real income in states such as West Bengal, Uttar Pradesh and Maharashtra.
- Commenting that a —broad trust deficit throughout the region|| was a major reason behind lack of seamless transport between the two countries.

**Issues**

- The India-Bangladesh relationship has, so far, faced many obstacles from broadly three categories of adversaries:
  - Recent Initiatives: Energy import from India; India's involvement in building Bangladesh's nuclear power plant; the grant provided for the Padma bridge; building special economic zones for Indian investors in Bangladesh; the signing of the coastal shipping agreement;
  - allowing transit facilities to Nepal and Bhutan through India to use Bangladesh's Mongla, Chattogram, and Payra ports; the signing of the Bangladesh-Bhutan-India-Nepal (BBIN) Motor Vehicle Agreement and other initiatives could usher in a sea of change in the way that trade, business, and other areas of connectivity operate at the moment.
- The traditional foes who pursue the **communal ideals of 1947**'s communal division of British India;
- The **anti-Bangladesh elements**, who were defeated in the 1971 War by the MuktiBahini and MitroBahini and who reorganised their followers to strike back the spirit of 1971;
- The **political Islamists**, who would never like to see the relations stabilised.
- Recent Indian policies that include enacting of the **Citizenship Amendment Act (CAA)** and plans to implement the **National Register of Citizens (NRC)** has triggered fear over an impending **exodus of people from Assam to Bangladesh**.
- Trade between the two countries, a major part of which takes place through land ports, face formidable challenges.
- **Cost of trading remains very high**, mostly associated with lack of appropriate trade facilitation as well as logistical difficulties and the consequent high lead time that discourages traders.
- In spite of the fact that **India imports about US\$ 450.0 billion worth of products** annually from the global market, Bangladesh's exports to India have tended to hover around only US\$ 1.0 billion.

**Way Forward**

- It is important to take effective steps to **resolve pending issues** like sharing of common river waters and bringing down border killing to zero as such incidents vitiate public minds.
- The policymakers should also expedite **signing of the treaty for sharing of the waters of the Teesta**, the river so vital for northern Bangladesh's irrigation as it still remains a long-pending issue.
- The two countries, bonded by nature, history and culture, should be **bold enough to go for new areas of cooperation and connectivity**, as it is the key apparatus to change the fate of the region.
- Connectivity should not be in terms of land, road, and waterways alone, it must be of culture and people-to-people connections as well.
- Trade: The two countries political leaders must look beyond the borders, and forge a progressive partnership for a peaceful, prosperous, and progressive region.

- Modalities of public-private partnerships and cross-country joint private sector initiatives will need to be identified and realised on the ground to reap the potential benefits originating from the various ongoing initiatives.
- Concrete actions will need to be identified towards triangulation of trade, transport, and investment connectivity to develop the production networks and establish the backward and forward value chains that serve the interests of trade, business and commerce, bilateral and even beyond that.

## BRICS

### About BRICS

- It is an informal group of states comprising the Federative Republic of Brazil, the Russian Federation, the Republic of India, the People's Republic of China and the Republic of South Africa.
- It is actually a forum than a traditional-type organization with rigid membership and regulations.
- Originally the first four were grouped as "BRIC" (or "the BRICs"), before the induction of South Africa in 2010.
- At the Fortaleza Summit (2014), in Brazil, the New Development Bank (NDB) and the Contingent Reserve Arrangement (CRA) were created.
- Among other areas of collaboration, matters pertaining to drug trafficking are an important area of cooperation among the BRICS member states.

### What challenges BRICS is facing?

- Disagreements between its members.
- Slow progress shown on the ground when it comes to implementation of initiatives makes it quite vulnerable to criticism.
- The development trends of the BRICS nations are not very similar, as there is a huge difference in the economic structure of the member countries.
- The members also have differences over the UN Security Council (UNSC) reforms. It will be tough for the member countries to make a consensus on contemporary global issues.
- The burden of the NDB cannot be shared equally, as the size of the economy of each member varies with great magnitude. So, it is inevitable that the disputes will arise in sharing the burden of NDB.

### BRICS and COVID-19

- Most of its programs and mechanisms proved to be effective during the pandemic.
- The **BRICS Science, Technology and Innovation (STI) Framework Programme**, helped scientists and researchers to effectively exchange their findings to better facilitate a common response.
- It worked better than other global governance institutions amidst the ongoing COVID crises.
- There was **no blame-game or pointing fingers within BRICS**, rather there is only a common vision for intensifying cooperation, including in sectors like healthcare, social welfare.
- BRICS has progressed on developing a common position on the most important matters of the global economy and security.

### Way Ahead

- It is now important for the BRICS nations to engage in the grouping at the highest level **to change the world order to counter the US supremacy**.
- BRICS forum should be effectively utilized for consultation, coordination and cooperation on contemporary global issues of mutual interest and promoting mutual understanding.
- The future of BRICS depends on the adjustment of the internal and external issues of India, China and Russia.
- Mutual communication between India, China and Russia is important for moving ahead.



## India & Central Asia

- The first Trilateral Working Group Meeting between India, Iran and Uzbekistan on joint use of Chabahar Port was held virtually.
- India welcomed interest of Uzbekistan to use the Chabahar port as a transit port. It will open up economic opportunities for the traders and business community of the region.
- Being close to Afghanistan and the Central Asian countries of Turkmenistan, Uzbekistan and others, it has been termed the "Golden Gate" to these landlocked countries.

### Central Asian Connectivity

- The Iranian port of Chabahar has the potential to shift some of the regional dynamics in India's favor.
- Double landlocked Uzbekistan has been interested in using the port to expand its trade and transit options.
- Uzbekistan has already developed rail connectivity into Afghanistan as a means to link with Iranian railway lines reflects Tashkent's seriousness.
- Other Central Asian states like Kazakhstan have also been interested in exploring such options.
- Given the geostrategic location of Central Asia, the region is also witnessing a fair share of great power competition.
- The region is viewed as Russia's immediate backyard and Moscow has traditionally maintained a dominant role in relations with Central Asia, China has steadily strengthened its footprint. India has also been pursuing both geopolitical and economic ties with the region.



#### Chabahar Port

- It is a seaport in Chabahar located in southeastern Iran, on the Gulf of Oman.
- It serves as Iran's only oceanic port, and consists of two separate ports named Shahid Kalantari and Shahid Beheshti, each of which has five berths.
- The port is partly intended to provide an alternative for trade between India and Afghanistan as it is 800 kilometers closer to the border of Afghanistan than Pakistan's Karachi port.

### What Chabahar can offer?

- Chabahar has the potential to **shift** some of the regional **dynamics in India's favor**.
- First, it could prove to be a **gateway to Central Asia and Eurasia**, which can, most importantly, avoid Pakistan.
- It is seen as an effort at **exploring an alternate option for Central Asia to China's Belt and Road Initiative (BRI)**.

### Measures taken to improve ties:

- India has made consistent efforts to re-establish linkages with this region and consider Central Asia a part of the **India's extended neighbourhood**. But lack of physical connectivity has proven to be a major hurdle in building trade and economic ties.
- Modi became the first Indian leader to travel to all five Central Asian republics – Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan – in 2015.
- In addition to **energy security cooperation**, **India and Central Asia have both shunned Islamic terrorism and extremist ideology**. Fighting cross-border terrorism has become an important common issue shaping their agenda.
- India has also been stepping up defense cooperation with the region, with a defense attaché posted in each of the Indian missions in Central Asia.
- India and Uzbekistan signed a **civil nuclear agreement** in January 2019, under which Uzbekistan **agreed to supply India with uranium**.

- Both countries signed nine agreements including on counterterrorism & infrastructure-related issues and agreed to pursue connectivity projects via the **International North-South Transport Corridor (INSTC)**.

**INSTC**

- INSTC is a multi-modal infrastructure initiative spanning around 7,200 km.
- It encompasses a network of ship, rail and road routes for transporting freight between India, Iran, Afghanistan, Central Asia, Azerbaijan, and Europe, with the goal of creating transport linkages among major cities including Astrakhan, Baku, Bandar Abbas, Moscow, and Mumbai.
- Feasibility studies undertaken so far has shown significant reduction of transportation costs, to the tune of \$2,500 per 15 tons of cargo.
- India is —pitching for|| Uzbek participation in the INSTC connectivity project.

**Conclusion**

- India's push with the trilateral arrangement for Uzbekistan to use Chabahar port is important in the context of **expanding bilateral, trilateral**, as well as broader **regional cooperation**.
- But more significantly, it is a **geopolitical move aimed at countering growing Chinese influence** in the region.
- India has capacity issues in this regard compared to China, but New Delhi is planning on cashing in on existing projects to expand its reach and linkages so that the Central Asian republics have an alternative to China's BRI.

**India-EU Relations****Context**

- A virtual India-EU leaders meeting was held between Indian Prime Minister and 27 EU leaders.

**Summary of Joint Statement****India-EU Strategic Partnership**

- India and the EU have a common interest in ensuring security, prosperity and sustainable development in a multi-polar world.
- Both agreed to foster new synergies for 2030 Agenda for Sustainable Development and the Paris Agreement.

**Global health preparedness and resilience**

- Defeating the COVID-19 pandemic through global cooperation and solidarity remains our priority.
- Both agreed to **cooperate on resilient medical supply chains, vaccines** and the Active Pharmaceutical Ingredients.
- The EU invited India to **work towards an international treaty on pandemics**.

**Protecting our planet and fostering green growth**

- The EU invited India to consider the endorsement of the Leaders' Pledge for Nature and the effective **engagement with like-minded countries on negotiations on a Global Plastics Agreement**.
- They welcomed the **first meeting of the India-EU High-Level Dialogue on Climate Change**.
- The Dialogue provided an opportunity to mark our strengthening cooperation under the India-EU Clean Energy and Climate Partnership.

**Background of India-EU Relations:**

- Relations between the European Union and the Republic of India are currently defined by the 1994 EU-India Cooperation Agreement.

**Trade**

- The EU is India's largest trading partner with 12.5% of India's overall trade between 2015 and 2016.
- India is the EU's 9th largest trading partner with 2.4% of the EU's overall trade.
- France, Germany and the UK collectively represent the major part of EU-India trade.

**Free trade negotiations**

- India and the EU have been working on a Broad-based Trade and Investment Agreement (BTIA) since 2007.
- Issue:** manufacture of generic drugs, greenhouse gas emissions, civil nuclear energy, farming subsidies, regulation & safeguards of the financial sector, cooperation on tax evasion, overseas financing of NGOs in India.

### Maritime Cooperation

- The Joint Action Plan adopted in 2005, highlighted and emphasized on maritime cooperation.
- Both India and the EU have **stressed on the idea of freedom of navigation, maritime piracy, and adherence to United Nation Conventions on the Law of the Sea (UNCLOS).**

### Climate Change

- India-EU relations **have witnessed a commitment of international agreements** such as the Kyoto Protocol and the Paris agreement.
- They have been **collectively pushing for a comprehensive framework for global governance** on climate change.

### Data Protection and Regulation

- The Roadmap 2025 document for the **first time reflected the need to build effective cooperation** on data protection and regulation.

### Issues in the relation

- India's exports of products such as textiles, inorganic and organic chemicals, gems and jewellery, iron, steel and their articles, base metals and automobiles are out of the ambit of EU-GSP benefits.
- There is a likelihood of losing EU-GSP benefits in other categories such as apparel, rubber, electronic items, sports goods and toys due to product graduation.
- Indian companies find it difficult to access the European markets due to the rising non-tariff barriers in the form of technical regulations, phytosanitary measures, industrial standards, conformity assessments or barriers to services exports.

### Suggestion

- India has an untapped export potential of \$39.9 billion in the EU and Western Europe.
- The top products with export potential include apparel, gems and jewellery, chemicals, machinery, automobile, pharmaceuticals and plastic.
- Lobbying in the EU must be emphasised in order to influence EU's lawmakers. Diplomatic efforts through
- Indian diaspora and business lobby can help in overcoming these issues.

### Approach to FTAs

- India's negotiation for a Broad-based Trade and Investment Agreement, which commenced in 2007. China has already negotiated a comprehensive agreement on investment.
- India also needs to negotiate on investment-related aspects with the EU to enhance bilateral investments and foster stronger value chains, especially in technology-intensive sectors in which the EU has a comparative advantage.
- FTAs have some institutional arrangements for NTMs. India should critically review the availability of such arrangements in its negotiations, as also their operationalisation and effectiveness.

### QUESTIONS

1. India has not been able to realize the benefits out of the Shanghai Cooperation Organization (SCO). Write on the significance of SCO with respect to statement.
2. **Transparent funding of elections are the hallmark of transparent democracy. Explain how election funding is regulated in India. Make a case for state funding of elections.**
3. The Supreme Court of India keeps a check on arbitrary power of the Parliament in amending the Constitution. Discuss critically.
4. Recently Madhya Pradesh shifted to indirect election for the post of Mayor in municipalities. Highlight the advantage and disadvantage of having indirect elections of mayor.
5. The Act of 1935 promised too much and delivered too little. Comment.
6. Do you think NGOs are a threat to the national and economic security of India? Do you think strict regulation of NGOs will aid development process in the country? Critically comment.
7. Discuss the impact of Self Help Groups on financial inclusion in India.

- Recently, Singapore government has passed a law to curb on fake news. Highlight the need for a law to curb the fake news and existing provisions in Indian law.
8. India is having strong legal framework for defamation laws. Highlight these laws and provide a commentary on their justification.
9. Recently, CAG has come out with its reports on Implementation of Ujjawala scheme. Highlight the success of Ujjawala scheme along with CAG observation.
10. Pressure groups are the informal face of politics. In this context, discuss the role of pressure groups playing in deepening democracy in India.
11. Do you think the MPLADS scheme suspension should be converted into its complete abolition? Justify your answer.
12. NGOs have played an important role in India's development process. With its changing nature, it needs systematic assessment and scrutiny. Comment.
13. "The PESA Act is considered to be the backbone of tribal legislation in India; its proper implementation can rejuvenate the self-governance system". Elucidate.
14. Enumerate the recent reforms taken by the government to make to encourage efficiency, transparency and curb corruption in the system.
15. To what extent do the Social audits ensure a citizen-centric mode of accountability of democratic governance? Analyze.
16. The local governance in India is constitutionally recognized but not empowered.' Discuss recommendations of various Finance commissions to empower local bodies.
17. "Electoral bonds violate the basic tenets of Indian democracy by keeping away the information of political parties' funding from citizens and voters". Comment. Also, suggest measures to fill the gaps in the system.
18. CBI is becoming the handmaiden of the government. Critically Analyze. Also, suggest measures to make it more effective.
19. 'The recent pandemic has exposed the inherent weakness of the bureaucracy in India'. Analyze. Also, suggest some measures to strengthen it.
20. Reforms in the tribunals are necessary, but scrapping does not help in strengthening the judicial system. Critically analyze.
21. 'Citizen Charter is an effective tool of accountability in public service, but not sufficient for the speedy delivery of public goods and the elimination of graft from the process of delivery'. Examine. Also, suggest some measures to realize its objectives effectively
22. What is the need to regulate OTT (over the top) media services? How far do the new IT rules (2021) bring answerability to the digital ecosystem?
23. COVID-19 has further intensified the child trafficking incidents in India. How far Trafficking in Persons Bill, 2021 can address the problem?
24. India does not suffer with the Deficit of Schemes, but with Implementation Deficit. Analyse the statement in the context of Challenges faced by AtmaNirbhar Bharat Abhiyan in achieving its intended benefits?
25. Panchayats play a critical role in disaster management. highlight their significance with example in disaster management.
26. Anti defection law has failed to serve its purpose. Comment
27. Recently, SC is studying Centre's query on 'refugee' status for illegal immigrants based on petition by Rohingya Muslims. Highlight the differences between Refugees and Illegal migrants and challenges associated with illegal immigration.
28. Recently, Supreme Court hailed that Section 144 cant be used for suppressing people's right. Provide rationale behind the supreme court ruling along with provisions incorporated under section 144.
29. Mob-lynching has become a menace for Indian society. Enumerate the reasons behind mob-lynching. Write-down the steps taken by Supreme court to curb this practice.
30. PMJAY has the potential to transform the healthcare sector of India. In light of this statement, highlight issues associated with health insurance as model for universal healthcare.
31. Despite taking several measures to uplift the situation of Persons with Disabilities (PWDs), they continue to be treated with indignity. Critically comment.



32. Do you think India's Aspirational Districts Programme can count on the support of a new strategy to improve data-driven governance?
33. Critically comment upon the efficacy of the poverty measurement instruments in the representation of the degree of poverty. Also, write measures to improve the state of India's poor.
34. 'India's punitive approach on juvenile offenders has raised several concerns for child's interests'. Do you think India needs a welfare-orientated approach? Justify your answer.
35. SHGs emerged as the vehicle of change in rural areas, especially for women and marginalized sections. Critically evaluate.
36. Discuss the procedure of allocation of cases in the Supreme court?? What are the issues involved in the present system??
37. Is reservations a panacea for the socio-economic inequalities in India. Comment
38. Discuss the concept of Right to Privacy as a fundamental right in the context of the Judgment of the Supreme Court in K.S. Puttaswamy Vs. Union of India.
39. Union Territories having legislatures with ultimate control vested in the central administrator are not workable and the most critical issue of the federal nature of the Constitution. Comment
40. Though the recent disengagement process between India and China is a promising start towards restoring peace in the border areas, there are many other issues that needed to be resolved to establish lasting peace. Comment
41. 'Judiciary played a crucial role in development and evolution of society in general and in ensuring good governance by those holding reins of power, in particular'. Critically examine the statement.
42. In India, Panchayati Raj system is identified as the prime instrument of decentralisation through which democracy becomes representative and responsive. Comment
43. The Indian Diaspora is considered as a Foreign Policy Tool in India-South East Asia Relations. In this light comment on the major challenges that Indian Diaspora in South-East Asian countries is facing in the 21st century.
44. Being the supreme representative institution of the people, what are the various functions that the Parliament performs? Suggest the necessary parliamentary reforms in order to make it more effective in catering to the needs of the society.
45. Should India consider an alternative approach for relationship with central Asian countries post Afghan crisis? Critically discuss.
46. Recent Indian approach in United Nation Security council highlighted that India is ready to be permanent member of UNSC. Comment
47. India seems to be standing out as a reluctant neighbor with neither the heft nor the intent to play any role in the biggest ongoing crisis in the region. Discuss the statement in the context of the Myanmar crisis.
48. Discuss the strategic significance of Indo-Pacific region?? Discuss in what way QUAD ensures a free, open, inclusive, healthy, Indo-Pacific region.
49. There are many new areas that can bring the EU and India together in a more meaningful and productive partnership because of a shared faith in democracy and an open, rule-based order. Discuss

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## GS-III

### ECONOMY

#### Changes in Bank licensing norms by RBI's IWG

##### Context

- Recently, the Reserve Bank of India's Internal Working Group (IWG) has suggested changes in licensing norms for the Banking Industry, including NBFCs.

##### Background

- The PK Mohanty-headed working group was set up in June, 2020 to review the extant licensing and regulatory guidelines relating to ownership and control, and corporate structure of Indian private sector banks.
- Working Group Suggestions are indirectly seconding NITI Aayog old recommendation of giving banking licenses to select industrial houses. NITI Aayog, had recently also recommended to the government that long-term private capital should be allowed into the banking sector.

##### What is a Banking License?

- According to the Banking Regulation Act, 1949, no company in India shall carry on banking business, unless it holds a license issued in that behalf by the Reserve Bank of India and any such license may be issued subject to such conditions as the Reserve Bank may think fit to impose

##### Requirements for such move

- Such a move will require the Amendment in Banking Regulations Act
- Strengthening of RBI's supervisory department to deal with connected lending and exposures between the banks and other financial and non-financial group entities

##### Recommendations of Working Group

- Promoter Shareholding:** The cap on promoters' stake in the long run (15 years) may be raised from the current level of 15 per cent to 26 per cent of the paid-up voting equity share capital of the bank.
- Non-Promoter Shareholding:** A uniform cap of 15 per cent of the paid-up voting equity share capital of the bank may be prescribed for all types of shareholders.
- Allowing Large Corporate/ Industrial Houses into Banking:** Large corporate/industrial houses may be allowed as promoters of banks only after necessary amendments to the Banking Regulation Act, 1949 and strengthening of the supervisory mechanism for large conglomerates, including consolidated supervision.
- Allowing NBFCs into Banking:** Consistent running large Non-banking Finance Companies (NBFCs), with an asset size greater than Rs50,000 crore, including those which are owned by a corporate house, may be considered for conversion into banks subject to completion of 10 years of operations and meeting due diligence criteria and compliance with additional conditions specified in this regard.
- For Payments Banks intending to convert to a Small Finance Bank, track record of 3 years of experience as Payments Bank may be considered as sufficient.
- Initial Capital Requirement:** The minimum initial capital requirement for licensing new banks should be enhanced from Rs500 cr to Rs1000 cr for universal banks, and from Rs200 cr to Rs300 cr for small finance banks.
- Harmonizing Licensing Guidelines by RBI:** Central Bank may take steps to ensure harmonization and uniformity in different licensing guidelines, to the extent possible

##### Pros

- Aid in capitalization: The recommendations could usher in a fresh wave of consolidation in the sector as several lenders are struggling to meet minimum capital norms because of a surge in bad loans

- Improvement in Management:- Corporates can bring management expertise, experience, and strategic direction to banking system.
- Very few nations explicitly prohibit large corporate houses to set up banks, hence India could follow International practice to make this system more effective and suitable to Indian context.
- Greater Competition: The entry of corporate players would engender greater competition in the Indian banking sector by increasing the supply of financial products available for customers.
- Diversifying banking option for depositors: Recommendations promote more open access to the country's deposit base, while charting a future course for asset specialists too.

### Cons

- Most important issue is the Conflict of Interest that it might create. It can also be seen as connected lending. Connected lending when promoters of private banks, corporate and industrial houses channel large sums of low-cost depositors' money into their own group companies.
  - During 1947-58, connected lending practices were rampant in India. These practices created a scenario where bank failures ballooned, for instance, 361 banks of varying sizes failed in India
- Lack of Corporate Governance in Indian firms which was seconded by IWG suggestions
- Will be difficult to ring-fence the non-financial activities of the promoters.
- Circular Banking: Under circular banking, a corporate-owned bank 1 would finance the projects of corporate-owned bank 2, 2 would finance the projects of corporate-owned bank 3, and 3 would finance the projects of 1, completing the cycle. This creates a backdoor for bypassing the regulations against connected lending.
- Excessive competition could be counter-productive: There is a growing recognition in academic and policy circles that increased competition in the banking industry may be good for efficiency and innovation but bad for financial stability. The 2008 global financial crisis is a case in point.
- In March 2018, the domestic bad loans of Indian banks peaked at ₹9.62 trillion. Of this, around 73.2% or ₹7.04 trillion, were defaults made by the industry. Hence we need to be cautious
- There will also be a risk of promoters giving loans to selves, which frequently happened before 1969 Nationalization Drive. 1967 report by former PM Chandrashekhar found that of the total bank loans amounting to Rs. 2,432 crore in 1966, Rs. 292 crore was given to bank directors themselves and their companies

### Conclusion

- Keeping all issues in mind, still the proposed rules will make for greater long-term stability. These are progressive, practical and protective to all stakeholders' interests. They will march onwards to Aatmanirbhar financial services for Aatmanirbhar India.
- The IWG recommends that large corporate/industrial houses may be permitted to promote banks only after necessary amendments to the Banking Regulations Act, 1949 to deal with connected lending and exposures between the banks and other financial and non-financial groups

## Inflation Targeting

### Context

- In March 2021, the Inflation Targeting regime in India completed 5 years. The Reserve Bank of India (RBI) in its Currency and Finance (RCF) report for the year 2020-21 has said that the current inflation target band (4% +/-2%) is appropriate for next 5 years

### What is Inflation Targeting

- It is a central banking policy that revolves around adjusting monetary policy to achieve a specified annual rate of inflation.
- Inflation targeting was first adopted by New Zealand and subsequently various countries including India have been following Inflation Targeting as their core element of monetary policy.
- The principle of inflation targeting is based on the belief that long-term economic growth is best achieved by maintaining price stability, and price stability is achieved by controlling inflation.

- India follows Flexible Inflation Target since 2016. Such type is adopted when the central bank is to some extent also concerned about other things, for instance, the stability of interest rates, exchange rates, output and employment

### Benefits of Inflation Targeting

- Enhanced Transparency:** The Inflation targeting explicitly states as to what would be the targeted rate of Inflation in an economy. Such explicitly mandated targets brings in more amount of clarity and predictability with respect to the rate of Inflation and monetary policy formulation.
- Inflation targeting allows monetary policy to “focus on domestic considerations and to respond to shocks to the domestic economy”, which is not possible under a fixed-exchange-rate system.
- Promote Growth:** A high rate of inflation leads to decrease in the purchasing power of currency, reduces the savings and investment rate, increases the unemployment and leads to overall decrease in the GDP growth rate. Further, high rate of inflation is accompanied by higher levels of Fiscal Deficit and Current Account Deficit leading to an adverse impact on the macro-economic stability of the country. Hence, low and moderate level of inflation would incentivize the investors to undertake the investment in the economy leading to the promotion of higher growth and development.
- Autonomy and Accountability of RBI:** As per the Monetary policy framework agreement, the RBI has been given complete autonomy in maintaining the rate of inflation within the mandated targets. If the RBI fails to maintain the Inflation within the target, then it would be required to submit in writing, the reasons for its failure. Such a provision enables the RBI to enjoy autonomy and at the same time, the enables the Government to have enhanced accountability over the actions of the RBI.
- Empirical Evidence:** The Inflation targeting has been quite successful in some of the advanced economies such as UK, New Zealand etc. These advanced economies have been able to maintain moderate rate of inflation for a much longer time leading to increased macro-economic stability.

### Challenges

- There is a propensity of inflation targeting to neglect output shocks by focusing solely on the price level.
- Disregards the Multi-faceted role of RBI: In a developing country like India, it is not practical for the central bank to focus exclusively on inflation without considering the larger development context. The RBI needs to balance between growth, price stability and financial stability
- No Clear link between Price Stability and Financial Stability: 2008 Global Financial Crisis has clearly proved that price stability alone cannot lead to financial stability and the excessive focus of the Central banks on the price stability may lead to neglect of other crucial functions such as regulation leading to the economic crisis
- Poor Monetary Policy Transmission: The Inflation targeting is more suited to the developed economies since the monetary policy transmission in such economies is quite efficient. However, in case of India, the monetary policy transmission is quite inefficient, and this can in turn reduce the effectiveness of Inflation Targeting

### Way Forward

- Post-Global Financial crisis, the dominant view around the world is that flexible inflation targeting, rather than pure inflation targeting is more efficient for Monetary policy formulation.
- According to the Flexible inflation targeting, the role of the Central Bank would depend on the prevailing rate of inflation in the country.
- If the rate of inflation is way off target, the primary emphasis of the central Bank would be bringing the rate of inflation within a acceptable range. On the other hand, if the rate of inflation is within the range, the central Bank should focus on its other core objectives.
- Thus, it is being said that the Central banks should focus on flexible inflation targeting rather than pure inflation targeting. In this aspect, there is a need for greater debate around kind of Inflation targeting in India



# Monetary Policy, Monetary Policy Committee and Instruments of Monetary Policy

## Introduction

- Monetary policy refers to the use of monetary instruments either quantitative or qualitative, under the regulation of the central bank to regulate magnitudes such as money supply, credit liquidity, etc
- RBI's responsibility to conduct monetary policy comes from the mandate under Amendment made in Reserve Bank of India Act, 1934 in 2016 following Urjit Patel Committee Recommendations to strengthen Monetary policy framework of RBI.
- Before the MPC, a Technical Advisory Committee (TAC) on monetary policy advised the Reserve Bank on the stance of monetary policy
- MPC works with an aim to maintain price stability while keeping in mind the ultimate objective of inclusive growth.
- Central Government has notified 4% Consumer Price Index (CPI) inflation as the target for the period from 2016 to 2021 with the upper limit of 6% and the lower limit of 2%.

## Structure of Monetary Policy Committee

- Section 45ZB of the RBI Act, 1934 provides for 6-member monetary policy committee (MPC) to be constituted by the Central Government.
- RBI Governor is the ex-office Chairman of the committee.
- The committee comprises 6 members – 3 officials of the Reserve Bank of India and 3 external members nominated by the Government of India for 4 years with no option of Reappointment.
- The quorum for MPC meeting is four members.
- The MPC is required to meet at least four times in a year and have to publish minutes of meeting every 14<sup>th</sup> day & monetary report every 6 months
- Each member of the MPC has one vote, and in the event of an equality of votes, the Governor has a casting vote

## Basic Instruments of Monetary Policy

- There are several direct and indirect instruments that are used for implementing monetary policy.

## Liquidity Adjustment Facility (LAF)

- Introduced by RBI after the recommendations of Narasimham Committee on Banking Sector Reforms (1998).
- LAF is a tool by RBI that **allows banks to borrow money** through repurchase agreements (repos) or to make loans to the RBI through reverse repo agreements
- This arrangement is effective in managing liquidity pressures and assuring stability in the financial markets
- In case of Emergency, banks can use G-sec as collateral from Statutory Liquidity Ratio (which is not allowed in LAF), this is called Marginal Standing Facility (MSF)

## Repo Rate

- It is the rate at which the Bank take short term loan from RBI by giving G-secs as collateral with a promise to repurchase them in future.
- Repo rate is used by RBI to control inflation.

## Reverse Repo Rate

- It is the rate at which **RBI borrows** money from commercial banks within the country.

## Bank Rate

- Bank rate is the rate charged by RBI for lending funds to commercial banks.

## Open Market Operations (OMOs)

- It refers to a central bank buying or selling short-term Treasuries and other securities in the open market in order to influence the money supply, thus influencing short term interest rates.
- Buying securities adds money to the system, making loans easier to obtain and interest rates decline.
- Selling securities from the central bank's balance sheet removes money from the system, making loans more expensive and increasing rates.

## Asset Reconstruction Company (ARC)

### Context

- Union Budget, 2021-22 revived the idea of a bad bank by stating that the Centre proposes to set up an Asset Reconstruction Company – Asset Management Company (ARC-AMC) to acquire bad loans from the banks, by state-owned and private sector banks, and there will be no equity contribution from the government. With COVID-19 lockdown and moratorium, bad loans are expected to increase further.
- Asset Reconstruction Company is a specialized financial institution that buys the Non-Performing Assets (NPAs) from banks and financial institutions so that they can clean up their balance sheets. This will help banks to concentrate in normal banking activities. The Narasimham panel recommended the establishment of an asset reconstruction fund or asset reconstruction company to flush bad loans out of the system.

### Legal Basis for ARC

- SARFESI Act defines 'asset reconstruction' as the acquisition of any right or interest of the bank by a reconstruction company
- The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act, 2002 provides the legal basis for the setting up of ARCs in India.
- As per the SARFAESI Act, ARCs should have a minimum net owned funds of Rs. 100 Cr
- The SARFAESI Act helps reconstruction of bad assets without the intervention of courts. Since then, a large number of ARCs were formed and were registered with the Reserve Bank of India (RBI) which has got the power to regulate the ARCs

### What it means, and how it works

Finance minister Nirmala Sitharaman on Thursday announced measures that paved way for operationalisation of the bad bank, which was originally announced in Union Budget 2021-22

**₹30,600 cr**

in guarantees to be provided by Centre to buy bad loans from banks over a period of 5 years

**WHAT WILL THIS COVER?**

NARCL is intended to resolve stressed loan assets above ₹500cr which together amount to:

**₹2,00,000cr** worth bad loans

**HOW WILL THIS HELP?**

This will enable speedy disposal of stressed assets and clean balance-sheets of banks

"[The structure] will incentivise quicker action on resolving stressed assets helping in better value realisation... This approach will also permit freeing up of personnel in banks to focus on increasing business and credit growth."

- NIRMALA SITHARAMAN, finance minister

**WHO WILL PURCHASE THESE BAD LOANS AND HOW?**

The National Asset Reconstruction Company Ltd (NARCL) has been incorporated under the Companies Act and has applied to RBI for licence as an asset reconstruction company. It will purchase bad loans at a discounted value from banks under a 15:85 structure, where it will pay up to 15% of the value in cash and issue security receipts for the rest

### Potential Benefits

- This structure will reduce the load of stressed assets on the bank balance sheet and look to resolve this bad debt in a market-led way.
- With most banks expected to be on board this company, the resolution is expected to be faster.
- It can help consolidate all bad loans of banks under a single exclusive entity, which will make monitoring of the resolution easy.
- Banks can concentrate on their core areas of lending.
- The idea has been tried out in countries such as the USA, Germany, Japan, and others in the past.

### Issues with ARC

- Bad banks backed by the Government will merely shift bad assets from the hands of public sector banks, which are owned by the Government, to the hands of a bad bank.
- Lack of consensus on the 'right' price at which banks should sell bad loans to ARCs

- here is huge risk of moral hazard as commercial banks that are bailed out by a bad bank have little reason to change their behavior.
- Mere transfer of assets from one pocket of the Government to another (though it may be established by banks, but it may have sovereign guarantee) may not lead to successful resolution.
- A bad bank backed by the Government is likely to pay too much for stressed assets.
- The root cause of the problem is that the public sector banks are managed by bureaucrats who may not have the same commitment, just like private sector bank executives, in ensuring these lenders' profitability.

### Way Forward

- A bad bank makes a profit in the operations, if it manages to sell the loan at a price higher than what it paid to acquire the loan from a commercial bank.
- The present requirement of 15% investment by ARCs themselves which was not in the SARFAESI Act and was added in 2014, should be done away with
- A standing committee on the ARC sector should be formed which should meet quarterly to take stock of the developments and ways to improve the functional effectiveness of ARCs.
- We should leverage this capacity to the fullest. By tweaking some regulations, ARCs can become a potent solution to the growing crisis of NPAs.

## Disinvestment

### Context

- The Government kept disinvestment target of Rs. 1.75 lakh crore. This includes likely inflows from the strategic sale of entities like Air India (recently happened), BPCL carried forward from this year's plans.
- The listing of LIC could be completed as well with necessary amendments in the Finance Bill.
- There is a promise to privatize two public sector banks and a general insurance company. The
- Government categorically stated that it will exit all businesses in non-strategic sectors.

### Definition

- Disinvestment means sale or liquidation of assets by the government, usually Central and state public sector enterprises, projects, or other fixed assets
- Strategic disinvestment is the transfer of the ownership and control of a public sector entity to some other entity. Disinvestment commission defines strategic sale as the sale of a substantial portion of the Government shareholding of a central public sector enterprises (CPSE) of up to 50%, or such higher percentage as the competent authority may determine, along with transfer of management control
- The Department of Investment and Public Asset Management (DIPAM) under the Ministry of Finance is the nodal department for the strategic stake sale in the Public Sector Undertakings (PSUs).

**Tata in the sky** | Tata Sons will be the new owner of debt-laden national carrier Air India. The sale marks the return of Air India to the Tata group, a pioneer in aviation

<b>1932:</b> JRD Tata pilots Tata Airlines' inaugural flight from Karachi to Bombay	<b>2007:</b> Air India merges with Indian Airlines, that operates only domestic routes	<b>Jan, 2020:</b> Govt. launches a second attempt, this time offers 100% stake in Air India
<b>1946:</b> Tata Airlines becomes a public company; renamed Air India Limited	<b>2012:</b> Govt. approves ₹30,000 crore bailout for Air India, which has over ₹67,000 crore in debt	<b>Oct, 2020:</b> Govt. confirms Tata Sons' subsidiary Talace Pvt. Ltd. as the winning bidder
<b>1948:</b> Govt. of India acquires a 49% stake in the carrier	<b>May, 2018:</b> Govt. attempts to sell 76% stake in Air India; attracts no bidders	
<b>1953:</b> Government nationalises Air India		



Strategic Sale			DISINVESTMENT
<b>BPCL *</b> Sale of full <b>53.3%</b> stake to strategic buyer (*After removing Numaligarh Refinery from its fold)	<b>Shipping Corp</b> Sale of entire <b>63.8%</b> stake to strategic buyer	<b>Tehri Hydro</b> Entire <b>74.2%</b> stake to NTPC	<b>Reduction of govt stake in select PSUs to below 51%</b>
<b>Concor</b> <b>30.8%</b> stake and management control to strategic buyer (Govt to retain 24% stake)	<b>Neepco</b> Entire <b>100%</b> stake to NTPC		<b>PSUs to be identified by officials</b>
			<b>Govt to retain management control on case-to-case basis</b>



## Need of Disinvestment

- Disinvestment assumes significance due to the prevalence of an increasingly competitive environment, which makes it difficult for many PSUs to operate profitably. This leads to a rapid erosion of the value of the public assets making it critical to disinvest early to realize a high value.
- There is a pressure on the government to raise resources to support the economic recovery and meet expectations of higher outlays for healthcare.
- The increase in public spending in the upcoming Budget will have to be financed to a large extent by garnering disinvestment proceeds and monetizing assets.
- To eliminate the need for the government's involvement in non-strategic areas

## Issues

- The Government made its intent clear in 2014 itself, when it said that "the Government had no business being in business", Now tactful execution will be as critical as dealing with the usual pockets of resistance that would crop up.
- Sale of profit-making and dividend paying PSUs would result in the loss of regular income to the Government
- Strategic Disinvestment of Oil PSUs is seen by some experts as a threat to National Security since Oil is a strategic natural resource and possible ownership in the foreign hand is not consistent with our strategic goals.
- Though the stock markets are on a high, the financial capacity of potential bidders may not be optimal.
- Using funds from disinvestment to bridge the fiscal deficit is an unhealthy and a short-term practice. It is said that it is the equivalent of selling 'family silver' to meet short term monetary requirements

## Suggestions

- The Government will need to create confidence in the sale processes and ensure a semblance for fair valuations. A third-party valuation of every PSU's assets and a minimum number of bidders, should be necessary pre-conditions to going ahead with each sale.
- Officers should also be protected from potential post-transaction, witch-hunts by auditors and investigating agencies.
- With the massive disinvestment, the economy should not face shocks or create monopolies.
- It needs to be ensured that Privatization (Strategic Disinvestment) leads to greater competition in all cases. A single controversial transaction could scuttle the entire process, so the Government should be highly cautious.

# Development Finance Institution

## Context

- Now the Government thought that Development Finance Institution (DFI) is inevitable to take care of funding needs of National Infrastructure Pipeline (NIP). Some critics say that it was a failed experiment with institutions like ICICI and IDBI, which were converted into universal banks. But India's financial markets have grown by leaps and bounds since then. Other economies have demonstrated success with DFIs. Now, the policy makers have the luxury of learning from past mistakes. This makes the DFI idea worth exploring again.
- Development financial institutions provide long-term credit for capital-intensive investments spread over a long period and low yielding rates of return, such as urban infrastructure, mining and heavy industry, and irrigation systems.
- Development banks are different from commercial banks, which mobilize short- to medium-term deposits and lend for similar maturities to avoid a maturity mismatch (a potential cause for a bank's liquidity and solvency).

### Infra Push

**Proposed** DFI to be called the National Bank for Financing Infrastructure & Development (NaBFID)

**Govt may** offer up to 74% stake to domestic, foreign institutions over time

**Sovereign** wealth funds and multilateral lenders may be invited to invest

**IIFCL to** be merged with NaBFID

**IIFCL has** paid-up capital of ₹10k cr and sanctioned loans of around ₹1.5 lakh cr

**New DFI** will aim to have a lending portfolio of at least ₹5 lakh cr in three yrs, the FM had said

## History of DFI

- In India, the first DFI was operationalized in 1948 with the setting up of the Industrial Finance Corporation (IFCI).



- Subsequently, India's Industrial Credit and Investment Corporation (ICICI) was set up with the World Bank's backing in 1955.
- The Industrial Development Bank of India (IDBI) came into existence in 1964 to promote long-term financing for infrastructure projects and industry.
- However, during the 1970-80s, DFI got discredited for mounting non-performing assets, allegedly caused by politically motivated lending and inadequate professionalism in assessing investment projects for economic, technical, and financial viability.
- Due to these factors, Narsimhan Committee (1991) recommended disbanding of the DFI, and the existing DFI were converted into commercial banks

### Benefits of DFI

- The Covid-19 pandemic has exacerbated inequality, the poverty gap, unemployment, and the economy's slowing down. Therefore, Infrastructure building through DFIs can help in quick economic recovery.
- NITI Aayog has estimated that US\$4.5 trillion will be needed by 2030 to fund infrastructure. DFI is a step in the right direction towards this goal.
- DFIs in China, Brazil, and Singapore has been successful in both domestic and international markets

### Issues

- Universal banks failed because they ran into asset liability mismatches due to their reliance on retail deposits to fund long-term projects.
- At the heart of this old idea coming back in a new shape is the banking crisis in India, which emerged because of banks trying to fulfill the funding requirements of infrastructure projects
- Indian project execution has got its own inherent weaknesses.
- In the past, ambitious highway and pipeline projects have been interminably held-up by local protests and land acquisition woes.
- Telecom players were affected because of litigation over AGR and retrospective taxes.
- Mega power projects have been stalled by irregular fuel allocations and poor contract enforcement.

### Suggestions

- Specific verticals tend to do better in building project appraisal skills and managing risks than super-market lenders, who fund any project that comes their way.
- DFIs of the earlier era were over-reliant on cheap government funds and today's commercial banks ran into asset-liability mismatches due to their reliance on retail deposits to fund long-term projects. Therefore, it may be best for new-age DFIs to focus on diversified sources of funding.
- The proposed DFI must be freed from political interference or crony lending.
- Merely having private shareholders or professional managers on-board is not sufficient to ensure good governance. This has to be backed by a robust system of external checks and balances, such as supervision by RBI and proper due diligence by auditors and rating agencies.
- Periodic reviews are necessary to ensure that the DFI remains relevant by considering changing priorities of the economy and making consequential adjustments in the role.
- For a developing country like India, it is desirable that the new DFI remains viable and sustainable to be able to cater to the long-term development financing requirements.

## India's Digital Services Tax

### Context

- The United States recently announced 25% tariffs on over \$2 billion worth of imports from six nations over their digital services taxes, but immediately suspended the duties to allow time for international tax negotiations to continue.
- To understand the logic of Digital Services Tax (Equalization Levy), one has to go back to 2013.
- At that point of time, the Base Erosion and Profit Shifting (BEPS) programme was launched by

- OECD at the behest of the G20 countries. Under the 15 action points, action point one was to look at the tax challenges of the digital economy.
- India was the one of the first countries to introduce a 6 per cent equalization levy in 2016, but the levy was restricted to online advertisement services (also known as “digital advertising taxes” or “DATs”).
- In March 2020, it expanded the scope of the existing equalization levy to a range of digital services that includes e-commerce platforms. Any payment made by non-residents in connection with an Indian user will now attract a 2% levy.

### Need of Digital Services Tax

- Prolonged International Tax Law Negotiation: The agenda to reform international tax law so that digital companies are taxed where economic activities are carried out was formally framed within the OECD’s base erosion and profit shifting program. However, seven years since its inception, it is still a work in progress
- The proliferation of digital service taxes (DSTs) is a symptom of the changing international economic order.

### Issues

- The main problem was to find the new way of taxing digital companies, because under the existing rules, they were not adequately taxed.
- They don’t have permanent establishments in the countries which they operate. For example, Indian Income Tax Act does not allow taxation, when there is no permanent establishment.
- Experts suggest that DST can be passed on to consumers. While the Indian customer may not pay this as a tax, this could mean higher prices, contrary to the claim that it taxes the company
- The USTR investigations could pose a threat of retaliatory tariffs, as similar tariffs were imposed by the US on France.

### India’s Stand on DST

- India has described the equalization levy as a fair, reasonable and non-discriminatory tax aimed at all offshore digital economy firms accessing the local market and has denied it targets US companies.
- The government of India will examine the determination/decision notified by the US in this regard and would take appropriate action keeping in view the overall interest of the nation.
- It seeks to ensure a level-playing field with respect to e-commerce activities undertaken by entities resident in India as well as those not residents in India or without permanent establishment in India.

### Suggestions

- It is easy for the Government to tax revenue as it is possible to assess location specific revenue clearly
- While the digital economy and its implications continue to evolve, the multilateral solution at the level of the OECD must be expedited.
- Moreover, it would also require political consensus on multiple issues, including sensitive matters such as setting up of an alternative dispute resolution process comparable to arbitration

## High Public Debts

### Context

- As per the International Monetary Fund (IMF), India’s public debt ratio is projected to jump by 17 percentage points to almost 90% because of an increase in public spending due to Covid-19. The increase in public spending, in response to Covid-19, and the fall in tax revenue and economic activity, will make the public debt ratio jump by 17 percentage points
- Advanced countries or rich countries face the problem of secular stagnation. Older people who expect to live longer spend less per capita, as do low-income households, who don’t see their economic prospects improving. As people consume less and save more, investment opportunities decline and the economy goes into a low growth, low inflation syndrome of secular stagnation.

## Issues

- Central banks respond to this downturn by cutting interest rates to zero or even making them negative. When people's confidence about their economic prospects is low, even that doesn't help.
- The solution, then lies in Governments taking advantage of low interest rates to borrow and spend.
- In a low interest rate scenario, the multiplier effect of spending will be so high that public debt, far from exploding, will actually pay for itself.
- The median age of Indian population is 29 years. Our economy is consumption driven and inflation prone. Far from secular stagnation, any increase in incomes here quickly translates into consumption. Hence inflation becomes a problem!
- In rich countries, interest payments are just a small proportion of total Governments pending. But in a country like India, when the debt accumulates, interest payments are the single biggest item of Government expenditure.

## Suggestions

- In the near-term, additional fiscal action should be deployed as needed to support the poor and the vulnerable. This should be accompanied by a credible medium-term fiscal consolidation plan that can reinforce market confidence and structural reforms that boost India's growth potential
- Government must be collecting enough in taxes such that it's borrowing, if at all, only for paying the interest on debt.
- The FRBM Committee determined our sustainable debt as 60% of GDP. Govt should work in consensus to maintain that
  - If today's debt financed spending does not generate rapid growth, the burden of debt
  - Repayment will pass on to our children through higher taxes. We don't want to sin
  - Against our children.

# 15<sup>th</sup> Finance Commission Recommendations

## Context

- The 15th Finance Commission was appointed on November 27, 2017. Originally, it was to submit a report by October 30, 2019, for five years i.e., for the period 2020-21 to 2024-25. The Finance Commission submitted two reports. Interim Report for 2020-21 and the Main Report covering the period of five years beginning April 1, 2021, and ending March 31, 2026.

## 15<sup>th</sup> Finance Commission

- Finance Commission is a constitutional body under Article 280, that determines the method and formula for distributing the tax proceeds between the Centre and states, and among the states as per the constitutional arrangement and present requirements
- Under Article 280 of the Constitution, the President of India is required to constitute a Finance Commission at an interval of five years or earlier.

## Key Points

- It used two additional factors, i.e., demographic performance and tax effort.
- It gave 15% weightage to 2011 population and demographic performance was given 12.5% weightage and it appears to be a balancing act.
- The income distance is given 45% weightage and it is the distance of the States' income from the State with the highest income. States with lowest per capita income would be given a higher share to maintain equity among the States.
- It has recommended maintaining the vertical devolution at 41% - the same as in its interim report for 2020-21.
- It has recommended post-devolution revenue deficit grants amounting to about Rs. 3 trillion over the five-year period ending FY26.
- It made grants towards urban and rural local bodies conditional upon states setting up their own Finance Commissions and publishing online, the accounts of the local bodies.

- In grants for Urban local bodies, basic grants are proposed only for cities/towns having a population of less than a million. For Million-Plus cities, 100% of the grants are performance-linked through the Million-Plus Cities Challenge Fund (MCF).
- 60% of these grants will be further linked to the bodies providing sanitation and water services.
- Panel suggested setting up a non-lapsable dedicated fund to support defence and internal security modernization, which is accepted by the Centre in principle.
- It also recommended sector specific and other grants adding up to about Rs. 1.8 lakh crores and Centre is non-committal about this recommendation till now

### Criticism

- Performance based incentives disincentivizes independent decision-making. Any conditions on the state's ability to borrow will have an adverse effect on the spending by the state, particularly on development thus, undermines cooperative fiscal federalism.
- Sole reliance on the 2011 population figures would discriminate against states such as Kerala that have a better record of controlling population growth and reducing their share in the national population
- The Fifteenth Finance Commission failed to carry policy choices forward systematically.
- It does not hold the Union government accountable for its own fiscal prudence and dilutes the joint responsibility that the Union and States have.

## Hydroponic Farming: Advantages & Challenges

### Context

- It is the technique of growing plants without soil. In traditional farming, plants get their nutrients from soil, through additives such as compost, manure and fertilizers. In hydroponic farming, plants get them in nutrient fortified water. The method is suitable for growing greens and herbs as they don't have deep roots. Tomatoes and strawberries are other popular items

### Issues

- Setting up a hydroponic farm can be extremely expensive due to the cost of containers, pumps, lights, nutrients and automated systems. If water of an area has dissolved minerals or is hard, purification devices will be needed to make it usable, thus adding to the costs.
- A physical outer structure is required to grow the plants. This can be trays or tubes, which are typically made of food-grade plastic which is typically Rs. 50,000-75,000 for 1,000 sq ft.
- Since plants are grown in a controlled environment, constant monitoring is required.
- The process of hydroponic farming depends on a range of equipment that requires proper expertise.
- High level of energy consumption, because of air pumps, providing light, water pumps and the running of other appliances.
- If a disease appears, all plants in the system will be affected
- Normally we cannot grow root vegetables through hydroponics.
- Heavy fruiting plants may need elaborate forms of support.

### Advantages

- There is no need to worry about land requirements.
- Roots don't need to spread because water and nutrients are delivered directly to them, hence more plants can be grown in the same amount of space.
- More energy can be diverted into the growth of leaves, stems, vegetables and fruits and hence, 30% to 50% faster growth can be achieved.
- We can produce food anywhere in the world at any time of the year as climate and light can be controlled. Food grown in this way is nutritionally superior.
- The risks of pests will reduce substantially.



- They use less water than traditional soil-based systems i.e only 20% of water that is used in conventional methods. Moreover, the water can be filtered, repopulated with nutrients, and fed back to plants. The same water can be used repeatedly. Overall, it reduces water dependence by as much as 90%.
- Global human population will reach 10 billion by 2050 and in 2019 about 124 million people will face acute food shortages from climate related events. Hence, it is seen as a sustainable solution towards food security.

## Being Petroleum-Independent

### Context

- Recently PM insisted on the need for clean sources of energy on account of increase in petrol and diesel price. The share of bioethanol in petrol has risen to nearly 8% by volume, under the 2018 National Policy on Biofuels. Faster Adoption and Manufacturing of Electric vehicles (FAME-II) now focus largely on Electric Vehicles, instead of Hybrids. Government has also provided several additional fiscal and non-fiscal incentives to encourage a transition to electric vehicles.

### Issues we are facing to reduce import dependence

- National Electric Mobility Mission Plan (NEMMP) was constituted to reduce import of petroleum products, but it primarily focused on hybrid electric vehicles.
- At present, the electric mobility initiative in India is driven largely by new entrants in the two and three-wheeler space.
- Two wheelers, which consume nearly 2/3rd of the petrol used in India, are not subjected to any fuel efficiency standards. Moreover India's 2022 fuel efficiency standard for passenger cars is 20% less stringent than the European Union's standards.

### Government Initiatives

 <b>India</b>	 <b>China</b>	 <b>Japan</b>
<b>INCENTIVES</b> through FAME 2 scheme with outlay of ₹10,000 cr from 2019-2022	<b>RESTRICTIONS</b> on investments in new petrol or diesel vehicle plants	<b>INCREASE</b> EVs on roads to reduce greenhouse emissions from vehicles by 80% by 2050
<b>TAX</b> rebates to buyers and makers of lithium batteries and solar charging stations	<b>TIGHTENING</b> of fuel-efficiency norms by 2025	<b>SUPPORT</b> for making lithium-ion batteries and exports
<b>REDUCTION</b> in import duty for critical parts like lithium-ion cells	<b>EV</b> quota of 10% for automakers by 2019, 12% by 2020	

### Suggestions

- The Government should formulate a Zero Emission Vehicle (ZEV) programme. This would require vehicle manufacturers to produce a certain number of electric vehicles.
- These are already implemented in China, certain states in the USA, British Columbiain Canada, and South Korea.
- The Government should also strengthen fuel efficiency requirements for new passenger cars and commercial vehicles.
- Recent analysis by International Council on Clean Transportation suggests that a standard requiring 50% reduction in fuel consumption by new two wheelers by 2030 will not only lead to Internal Combustion Engine

(ICE) efficiency related improvements, but also ensure that nearly 60% of all new two wheelers sold in India are electric driven.

- FAME scheme focused on two and three wheelers, taxis and buses. It should be extended not only to all passenger cars and commercial vehicles, but also to agricultural tractors.
- Extending fiscal incentives to all kinds of vehicles and stepping up investments in charging infrastructure are essential complementary policies.
- GST rates for all passenger vehicles should be made proportional to their fuel efficiency level instead of the present system that relies on vehicle length and engine size.

## Cryptocurrencies – Pros and Cons - A Critical Appraisal

### Context

- The Draft Cryptocurrency Bill has sparked a heated debate on the future of private currencies in India. However, the proposed bill does not have the words “banning of”, which was recommended by the inter-ministerial committee. The Cryptocurrencies are based on blockchain technology.

### Crypto Currency

- It is a digital currency backed by a secure network instead of any central bank
- It is a decentralized & protected by cryptographic encryption technologies like Blockchain
- Cryptocurrency is not controlled by any central authority: the very decentralized nature of the blockchain makes crypto currencies theoretically immune to the conventional methods of Government interventions.
- Cryptocurrencies can be sent directly between two parties via the use of private and public keys. These transfers can be done with minimal processing fees, allowing users to avoid the steep fees charged by traditional financial institutions.

### Dilemma with respect to crypto currencies in India

- **Regulation or Banning** - The Indian government has been skeptical of cryptocurrency, oscillating between wanting to regulate cryptocurrencies and banning.
- **Recovery of tax**- While the government wishes to actively encourage blockchain technology, it has been resisting popular usage of cryptocurrency because once the unit of account of one of these transaction changes from rupees to any cryptocurrencies, then the possibility of recovery of tax would become farcical
- **Recognize crypto currencies as unit of account** - So, if the government wishes to reap the revenues from blockchain transactions, it will have to recognize cryptocurrency, and not just INR, as a unit of account.

### Issues

- Govt. cannot allow the use of crypto tokens as currency for people and businesses to make and receive payments, substituting official fiat currency.
- Govt. cannot allow its citizens with imperfect knowledge of cryptocurrencies to get trapped in the asset bubble, that Bitcoin actually is at present.
- The monetary policy becomes ineffective if the cryptocurrencies are used for payments.
- Safe-haven for terrorists: With increasing law enforcement scrutiny on hawala transactions and formal banking systems, terrorists are likely to gravitate towards the anonymity of virtual currencies.
- Because of Anonymity, the Red flag indicators that the institutions use to detect money laundering and terrorism financing do not exist for illicit transactions in the BTC blockchain.
- Fake Crypto wallets: Crypto scammers also engage in creating fake crypto wallets or fake altcoins, which are not even genuine cryptocurrency.
- Example: Worldwide cryptocurrency scammers raked in \$4.3 billion worth of digital money in 2019.

### Recent scams

- Recently a scam of nearly Rs 1,000 crore involving cryptocurrency trading came into limelight.

- Between 2017 and 2019, Indian investors are estimated to have lost more than \$500 million in cryptocurrency scams. Actually, many initial coin offerings have turned out to be scams
- It was discovered that Delhi-based cryptocurrency platform Pluto Exchange, which had launched of India's first mobile application for transacting in virtual currencies with much fanfare in 2017, has duped as many as 43 investors of more than \$272,000 and the director of the company had collected more than \$6.8 million for the cryptocurrency business, besides shifting surreptitiously from India to Dubai without notifying its clients.

### Benefits of Cryptocurrency

- Digital currencies allow users more autonomy over their own money than fiat currencies do
- They are one-to-one affairs, taking place on a peer-to-peer networking structure that makes cutting out middleman a standard practice
- Crypto currency transactions have no intermediary institutions or government involvement; therefore, the costs of transacting are very low.
- The strong encryption techniques employed throughout the distributed ledger (blockchain) and cryptocurrency transaction processes are a safeguard against fraud and account tampering, and guarantors of consumer privacy.
- Faster way of transaction than conventional methods.
- Cryptocurrencies are theoretically available to populations of users without access to traditional banking systems, credit cards and other methods of payment. Hence better Accessibility

### Comments by different institutions

- Government of India:- Wary of Cryptocurrency, stand highlighted by Inter- Ministerial Committee
- Government is focusing on the distributed ledger system or blockchain technology that allows organisations to record and authenticate transactions without the need of intermediaries.
- RBI:- Seeing price volatility of cryptocurrency, central bank prohibited any entity from providing banking services to anyone dealing with virtual or cryptocurrencies in 2018. This ban was however removed by Supreme Court of India.
- Supreme Court:- A three-judge bench of the Supreme Court overturned the RBI ban, noting that the RBI had not presented any empirical evidence that virtual or cryptocurrencies have negatively impacted the banking sector or other regulated entities
- Popular Opinion:-Despite government efforts to control it, the popularity of cryptocurrencies has grown steadily In India. In fact, many international crypto exchanges are setting up establishments in India

### Suggestions

- As long as the internet is there, Crypto transactions are difficult to be stopped. Even if a ban is imposed, it will neither be monitorable nor enforceable.
- Legislation is the need of the hour rather than a blanket ban, with around 1.7 million Indians trading in digital assets, it is time to finally appreciate its potential for the economy and formulate appropriate legislation for its regulation, provisioning for consumer protection and for concerns about its usage in money laundering and terror financing.
- Legislation should ensure that effective levels of verification are processed to determine a crypto-transfer's money laundering or terrorism financing risk.
- In Countries where crypto is regulated, Crypto exchanges become anchor points for tracking the flow of funds, and they are following strict KYC norms like banks.
- Negative concerns associated with Bitcoin or other cryptocurrencies can then be properly comprehended and shaken off to make it more popularly accepted token in India.
- Cryptocurrencies carry huge potential to make the financial system genuinely global. Cryptocurrency has got the advantage in terms of both speed and price for the transfer of funds. It not only brings employment opportunities across the states, nations and boundaries, but brings other dimensions to finances, personal, professional, social and national.

## Restructuring Fiscal Federalism

### Context

- The tax sharing deal was modest when the 1st Finance Commission was appointed in 1951.
- States were assigned half the income tax collected by New Delhi. The 1st Finance Commission added a 40% share of union excise duties on three commodities. Subsequent Finance Commissions increased the share of States in income tax revenue as well as the number of commodities in the list of Union excise duties to be shared. In 2000, as a result of a Constitutional amendment, all taxes collected by the Union Government were made shareable with States.
- The Government of India Act 1919 and 1935 formalized the tenets of fiscal federalism and revenue sharing between the Centre and the states. Fiscal relations in India between the union and state governments have undergone significant changes in recent years. Three landmark changes in union-state fiscal relations since 2015-16 have been:
- The abolition of the Planning Commission on January 2015 and the subsequent creation of the NITI Aayog.
- Fundamental changes in the system of revenue transfers from the centre to the states by providing higher tax devolution to the states from the fiscal year 2015-16 onwards based on the recommendations of the Fourteenth Finance Commission (14th FC);
- The Constitutional amendment to introduce the Goods and Services Tax (GST) and the establishment of the GST Council for the central and state governments to deliberate and jointly take decisions

### Restructuring the Fiscal Federalism

- India's Fiscal Federalism needs to be restructured around the four pillars namely Finance Commission, NITI Aayog, GST and decentralization in order to eliminate the inadequacies of vertical and horizontal imbalances.
- Finance Commission must be relieved from the dual task of dealing with provision of basic public goods and services and capital deficits. It should be confined to focusing on removal of basic public goods imbalance
- NITI Aayog can serve as the second pillar for dealing in the realm of infrastructure and capital deficits. It should be engaged with the allocation of capital in a way different than that used by the Finance Commission with different parameters for allocation keeping regional imbalances in mind.
- Decentralization can serve as the third pillar of the new fiscal federalism by strengthening local finances and state finance commission
- Goods and Services Tax should be simplified in its structure and can serve as the fourth pillar of our fiscal federalism, by ensuring single rate GST.

### Suggestions

- The Country's inability to increase its share of taxes as a proportion of GDP over the past three decades means that Indian fiscal federalism has been reduced to a zero-sumgame.
- One player gains only at the expense of another, when it comes to sharing there sources.
- This is precisely the reason that the 15th Finance Commission has recommended as low of fiscal reforms to increase the tax to GDP ratio, especially through an overhaul of the Goods and Services Tax.
- Centre and States should contribute an equal proportion of their Central GST (CGST) and State GST (SGST) collections and send the money to the consolidated fund of the third tier.
- State Finance Commissions should be accorded the same status as the Union Finance Commission and the 3Fs of democratic decentralization (funds, functions, and functionaries) should be implemented properly

## Enabling the Business of Agriculture by the World Bank

### Context

- World Bank recently published Enabling the Business of Agriculture (EBA), 2019. Based on 8 indicators, the EBA measures the extent to which Government regulatory systems in 101 Countries worldwide make it easier for their farmers to operate agricultural activities. Among 101 countries covered, India ranked 49 on the EBA aggregate score.



## Key Points

- France, Croatia, and the Czech Republic are the three top-ranking countries
- Compared to BRICS countries, India has the weakest performance on five out of eight indicators.
- Inadequate access can cause productivity loss, higher cost of food production, and uncertainty.
- The regulatory processes that help farmers make appropriate decisions regarding the level of investment in irrigation are measured by this indicator
- Lower capacity of farmers and uncertainty makes farmers reluctant in accepting new opportunities and adapting new plant varieties.
- Regulatory system is essential for reducing the variability of farm output prices and incomes.
- It captures the quality of regulations affecting farmers' access to livestock farming inputs.
- It is incidental to note that the credit availability for the livestock sector is not up to the required level.
- The quality of legislation on Sanitary and Phytosanitary Measures (SPS) is captured through this. It facilitates not only human health protection, at the same time, it facilitates ease in exports.
- Gaining access to the global agricultural value Chain requires a sound regulatory framework on SPS.

## Suggestions

- Comparative score of India on supplying seed, trading food, and accessing finance indicators is high.
- A robust seed supply system is required for improving yield and adopting new crop varieties.
- A robust warehouse receipts system is required which enables the farmers to obtain the credit needed to invest in agriculture. By using warehouse receipts as collateral, farmers can receive credit.

## Conclusion

- The future of World Agriculture and food production is expected to depend on middle income countries like China, India, Brazil and Indonesia. Hence it is important to have a proper regulatory mechanism. This would make it easier for its farmers to conduct agricultural activities, thereby improving productivity, competitiveness and income.

# National Food Security Act, 2013 - High Time to Revisit the Provisions

## Context

- NITI Aayog, through a discussion paper, has recommended reducing the rural and urban coverage under the National Food Security Act (NFSA), 2013, to 60% and 40%, respectively. It has also proposed a revision of beneficiaries as per the latest population which is currently being done through Census- 2011.
- The annual food subsidy bill of the Centre is expected to be about Rs. 2.5 Lakh Cr. The quantity of food grains drawn by the states (annually) hovered around 60 to 66 million tonnes.

## Issues

- Even after several decades of poverty reduction in the country, we are still providing food grains to 2/3rd of the total population.
- It is incidental to note that, as per Rangarajan Committee formula in 2014, the share of people living below the poverty line in the 2011 population census was 29.5% (about 36 Cr).
- It is time the Centre had a re-look at the overall food subsidy system, including the pricing mechanism. Even though States have been allowed to frame criteria for the identification of Priority Households (PHH) cardholders, the Centre can nudge them into pruning the number of such beneficiaries.
- By keeping low prices for the absolutely needy people, we can ask other beneficiaries to pay a little more.

## Significance of the NITI Aayog's Recommendations

- If the rural-urban coverage ratio remains the same (67% of all population), then the total number of people covered will increase from the existing 81.35 crore to 89.52 crore - an increase of 8.17 crore (based on the projected 2020 population). This will result in an additional subsidy requirement of Rs. 14,800 crore.
- If the national coverage ratio is revised downward, the Centre can save up to Rs. 47,229 crore.
- This amount of savings can be utilized by the Government in other important areas of concern such as health and education
- HLC (High Level Committee) under Shanta Kumar had recommended reducing the coverage ratio from 67% of the population to 40%
- The Economic Survey- 2020-21 had recommended a revision of the Central Issue Prices (CIP) of food grains released from the central pool, which have remained unchanged for the past several years.

## Priority Sector Lending

### About

- Public sector lending (PSL) is mandated by the Reserve Bank of India (RBI), making it a requirement for domestic and foreign banks to offer loans to specific sectors and sub-sectors within the nation's economy.
- It requires all banks to offer a percentage of their loans to specific sectors, mostly those that tend to struggle or underperform, or those that benefit the country as a whole.
- Sectors that are specified by the RBI include (but are not limited to) lending for allied support, small and micro businesses, housing for the poor, education, and a host of other low-income groups that need financial assistance.
- As per the RBI circular released in 2016, there are eight broad categories of the Priority Sector Lending. They are: (1) Agriculture (2) Micro, Small and Medium Enterprises (3) Export Credit (4) Education (5) Housing (6) Social Infrastructure (7) Renewable Energy (8) Others.
- It also includes personal loans to weaker sections, loans to distressed persons, loans to state sponsored organizations for SC/ST.
- PSL is designed to promote the development of weaker sections within the country, thereby supporting the economy in India.
- The RBI mandates that PSL should account for nearly half (about 40%) of Adjusted Net Bank Credit (ANBC) or the credit equivalent amount of off-balance sheet exposure, depending on which percentage.
- Regional rural banks, co-operative banks and small finance banks have to allocate 75% of ANDC to PSL.
- The sub-target sectors of PSL include agriculture, which should account for 18% of the total (with a caveat that 8% of that goes to small farmers), and 7.5% should go to small businesses.

### PRIORITY SECTOR LENDING BY BANKS

Segment	Target	Public sector	Private	Foreign
Agriculture	18.0	18.0	16.2	16.7
Micro enterprises	7.5	6.4	7.9	4.2
Weaker sections	10.0	11.5	9.5	7.1
<b>Total</b>	<b>40.0</b>	<b>39.9</b>	<b>40.8</b>	<b>38.3</b>

Source: RBI

### Challenges with PSL

- Persons who borrow from the bank do not repay the loan. This increases the non-performing assets of the banks. Thus, priority sector credit has created fear among banks and discourages them to go slow in disbursement of credit.
- The concerns for achieving quantitative targets within stipulated time frame irrespective of assessed demand or potential have caused an erosion of the qualitative aspects of lending which have an effect on the viability of the lending institutions.
- Granting loans to this borrower segment with the high probability of NPAs creates corruption opportunities for bank managers and creates moral hazards for the identified beneficiaries.
- Banks are sometimes unable to fill up the mandated PSL credit due to dearth of banking networks in remote areas, elevated rates of default etc.

- One of the major problems of banks is that the government interferes in the working of the banks especially in public sector banks. Therefore, loans are delivered in the hands of the rich rather than weaker section of the society
- Sanctioning and monitoring of large numbers of small advances is time consuming and manpower intensive, thus adding to the transaction and administrative cost.

### RBI's new guidelines related to PSL

- The Reserve Bank of India (RBI) released revised priority sector lending (PSL) guidelines to augment funding for COVID-19 impacted companies.
- New guidelines align them with emerging national priorities and bring sharper focus on inclusive development, after having wide ranging discussions with all stakeholders.
- The revised guidelines will enable better credit penetration to credit deficient areas, increase lending to small and marginal farmers and weaker sections, boost credit to renewable energy, and health infrastructure
- Also, Bank finance for start-ups up to ₹50 crore, loans to farmers for installation of solar power plants for solarization of grid connected agriculture pumps and loans for setting up Compressed BioGas (CBG) plants
- The revised guidelines have been framed to address regional disparities in the flow of priority sector credit.
- Higher weightage has been assigned to incremental priority sector credit in 'identified districts' where priority sector credit flow is comparatively low.
- The targets prescribed for "small and marginal farmers" and "weaker sections" are being increased in a phased manner

### Suggestions

- Banks should ensure that loans extended under priority sector are for approved purposes and the end use is continuously monitored.
- To ensure continuous flow of credit to the priority sector, the compliance of banks should be monitored on a 'quarterly' basis. The data on priority sector advances has to be furnished by banks at quarterly and annual intervals as per revised reporting formats.
- Converting some part of PSL to a grant paid directly by the government can unlock large amounts of efficiency in the system, and dramatically increase the valuation of public sector banks also
- A register/ electronic record should be maintained by the bank, wherein the date of receipt, sanction/rejection/disbursement with reasons thereof, etc., should be recorded. The register/electronic record should be made available to all inspecting agencies.
- The scheme of PSL (the fixation of the targets and the sub-targets) must be structured according to the type of bank along with various other considerations such as branch availability and the willingness of the bank to lend to a particular sector.

## Environment Tax and related reforms

### About

- According to the OECD, an environmental tax is a tax whose tax base is a physical unit (or a proxy of it) that has a proven specific negative impact on the environment.
- Four subsets of environmental taxes are distinguished: energy taxes, transport taxes, pollution taxes and resources taxes.
- Environmental Taxes are a kind of economic instrument to address environmental problems. It is a duty charged on pollution-causing goods and services.
- They are designed to internalize environmental costs and provide economic incentives for people and businesses to promote ecologically sustainable activities
- The environment is affected by the existing production and consumption patterns. To address environmental problems, behavioral changes are needed which involve substantial economic costs and affecting labor, product and capital markets. The money collected from this tax helps governments in carrying out various ecological projects in the country

- Policy makers can use incentive-based tools to ensure that environmental solutions are found at least cost, for correcting externalities and/or for raising revenues for specific purposes.

### Pros

- They generate revenue for governments, allowing other taxes to be lowered or environmental projects to be carried out.
- This kind of tax motivate companies to innovate in sustainability and help them for proper utilization of resources
- Environmental taxes can serve to discourage behavior that is potentially damaging for the environment and can provide incentives to lessen the burden on the environment and to preserve it by 'getting the prices right'.
- It helps in promoting energy saving with the use of renewable sources.
- Increased or more effective use of environmentally related taxes can drive growth-oriented reform by shifting the tax burden away from more distortive taxes, e.g. on corporate or personal income, and contribute to fiscal consolidation.
- Emissions from energy use cause environmental and health damages and they also contribute to climate change.

### Cons

- Lack of connection towards the negative externalities that generated the tax.
- Environmental regulations may have significant costs on the private sector in the form of slow productivity growth and high cost of compliance, resulting in the possible increase in the prices of goods and services
- Lack of environmental consistency in the design due to not being based on environmental damage.
- Lack of consideration regarding the spatial scope of taxable events, subjecting technologies, and premises rather than damage and consumption.
- Rates too low to discourage the agents causing environmental damage.
- Coal taxes are often zero or almost non-existent, according to the OECD's 2018 Energy Tax report.
- The complexity and diversity of the taxes to which the most affected sector of all, the energy sector, is subjected.
- The lack of international or regional diversity in respect with environmental taxation leads to disparity in revenue collection.

### Suggestions

- The environmental tax rate ought to be equal to the marginal social cost arising from the negative externalities associated with the production, consumption or disposal of goods and services. This requires an evaluation of the damage to the environment based on scientific assessments
- The tax rate should be commensurate with the environmental damage caused and the tax must be credible and its rate predictable in order to motivate behaviors that help protect the environment.
- Better Targeting: In India, environmental taxes can target three main areas:
  - a. Differential taxation on vehicles in the transport sector purely oriented towards fuel efficiency and GPS-based congestion charges;
  - b. In the energy sector by taxing fuels which feed into energy generation;
  - c. Waste generation and use of natural resources
- Distributional impacts should be addressed through other policy instruments.
- Competitiveness concerns need to be carefully assessed, not to obstruct taxes but to offer the possibility of coordinating policies and establishing transitional relief periods.
- There is also a need to integrate environmental taxes in the Goods and Service Tax framework as highlighted by the Madras School of Economics in its studies.
- Green taxes shall have a deterrent effect, sensitizing the citizens about pollution control and management. Hence, this is the right time for India to adopt environmental fiscal reforms.



## Oil Seed Production

### Brief Introduction

- India is one of the major oilseeds grower and importer of edible oils. Because of diverse agro-ecological conditions in the country there are 9 annual oilseed crops, which include 7 edible oilseeds: groundnut, rapeseed & mustard, soybean, sunflower, sesame, safflower and Niger and 2 non-edible oilseeds: castor and linseed.
- In 2019, India imported around 15 million tons of edible oils worth approximately Rs.7,300 crores. India is the largest importer of palm oil in the world.
- Today, the oilseeds account for 13% of the cropped area in the country.
- India cultivated oilseeds on 25 million hectares of land, producing 32 million tons of oilseeds in 2018-19, with soybean, rapeseed and mustard and groundnut accounting for almost 90 per cent share in the area.
- According to the latest data, each Indian consumed 19.5 kg of edible oil every year on an average during 2015-16, up from 15.8 kg in 2012-13.
- The production of oilseeds during 2019-20 is higher by 4.54 million tonnes than the average oilseeds production.
- The production of oilseeds has increased from 27.51 million tonnes in 2014-15 to 37.31 million tonnes in 2020-21

### Issues

- Poor productivity and low gross production compel India to resort to frequent imports for meeting the domestic demand of pulses and oilseeds.
- Inefficient irrigation and rainwater management.
- Availability of quality seeds of improved varieties and hybrids is grossly inadequate and is one of the major constraints in enhancing the oil seed production.
- Low use of plant nutrients is one of the most important factors for low productivity of oil seeds.
- Lack of awareness among farmers of better techniques.
- Oilseeds face severe challenges in terms of climatic stresses and unfavorable farming conditions.
- Non-availability of hybrids in case of major oilseeds like groundnut and soybean are other limitations in increasing the productivity of these crops

### Govt. Interventions

- An ambitious plan for the free distribution of high yielding varieties of seeds to the farmers for the Kharif season 2021 in the form of mini-kits has been formulated for soybean and groundnut under the National Food Security Mission (Oil Seeds and Oil Palm).
- To increase domestic availability and reduce import dependency, a National Mission on Edible Oils (NMEO) is proposed for next five years (2020-21 to 2024-25)



### Suggestions

- India's oilseed production has got trapped at 31-32 million tonnes. It is essential to break this stagnation and aim to increase the output by at least 2 million tonnes a year, if not more

- Increasing the seed replacement ratio with focus on varietal replacement
- Intercropping with cereals/pulses/sugarcane. Productivity improvement and adoption of proven and climate-resilient technologies
- Supporting cluster demonstrations for the adoption of good agricultural practices
- Creation of 36 oilseed hubs with a focus on regional approach for larger availability of quality seeds
- Post-harvest management at farm and village level.
- Reducing speculative and excessive imports of vegetable oil will immediately have a positive effect on domestic oilseed prices and encourage growers
- Widen the scope of research, technology, diffusion and institutional intervention to re-energize the oil sector.
- Provide incentives to private sector participation in processing and value addition in oilseeds crops.
- Surely, achieving Atmanirbhar or self-sufficiency is a challenge. But India can become substantially self-reliant over the next 5 years or so

## Digital Inequality

### About

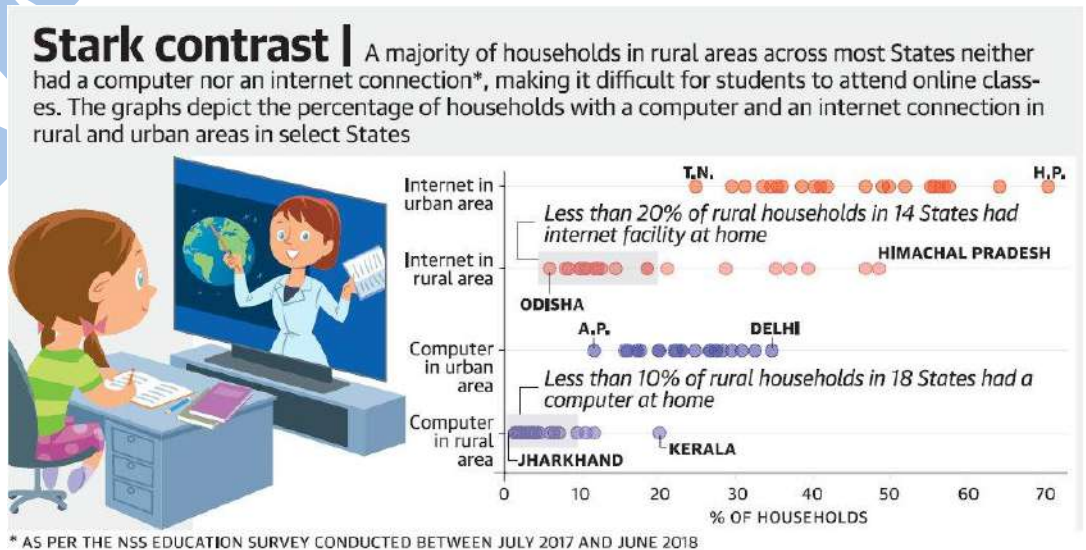
- Digital Inequality is the disparities in knowledge and ability of using digital and information technology among individuals with different demographics, socioeconomic backgrounds, and digital and information technology experience and competencies.
- These variations in digital experiences predict who is likely to benefit from access to the Internet, in terms of health, finances, political participation and interpersonal communication and support.
- Existing digital inequality may shape changes in digital communication during the COVID-19 pandemic along with disparities of socio demographics, personal living situations during lockdown, and Internet access and skills.
- Equality of Opportunity is one of the basic principles of the Indian Constitution. Shifting to a system that benefits only a section of people and leaves behind the neediest is in violation of constitutional ethos.

### Statistics related to Digital Divide

- Surveys by the NCERT, the Azim Premji Foundation, ASER and Oxfam suggest that between 27% and 60% could not access online classes for a range of reasons: lack of devices, shared devices, inability to buy "data packs", etc.
- Besides this, many lack a learning environment at home: a quiet space to study is a luxury for many.
- According to the NSSO conducted between July 2017 and June 2018, just 4.4 per cent rural households have a computer, against 14.4 per cent in an urban area.
- Many students have been robbed of peer learning opportunities due to online education.
- According to the Deloitte report, 'Digital India: Unlocking the Trillion Dollar Opportunity' in mid-2016, digital literacy in India was less than 10%.

- Even though the government has provided various e-services at grassroots through common service centers, without internet access and digital literacy, these are of no use.
- Transparency and accountability are dependent on digital connectivity.

The digital divide affects e-governance initiatives negatively.



## Govt. Initiatives to Bridge Divide

- Government has launched the Bharat Net programme, which aims to have an optical fiber network in all gram panchayats.
- National Digital Literacy Mission (NDLM) has been initiated with the vision to empower at least one person per household with crucial digital literacy skills by 2020.
- NDLM is an effort to complement the government's vision to transform one from each household as digitally literate. The project aims at helping adults with low technological literacy develop the skills they need to interact in an increasingly digital world
- Digital Mobile Library: In order to bridge the digital divide in a larger way the government of India, in collaboration with the Centre for Advanced Computing (C-DAC) based in Pune
- Unnati, is a project of Hindustan Petroleum Corporation Limited (HPCL) which strives to bridge the digital divide in schools by giving the rural students with poor economic and social background access to computer education.
- Common Service Centres: which enabled the digital reach to unreachable areas

## Suggestions

- Empirical research is needed both to expand our understanding of digital inequality and to inform effective policy making and intervention.
- The government should invest the resources saved by moving services online, to create Digital infrastructure. The promotion of indigenous ICT development under Atmanirbhar Abhiyan can play a significant role. The promotion of budget mobile phones is the key.
- The definition of digital literacy today must include the ability to access and act upon resources and information found online.
- Zero-rated services for mobile data access, could be an intermediate step to fully open and affordable Internet access for the poorest, provided that the choice of selecting services is transparent and inclusive.
- We should also explore migration to new technologies like 5G. It would resolve some of the bandwidth challenges
- The National Digital Literacy Mission should focus on introducing digital literacy at the primary school level in all government schools for basic content and in higher classes and colleges for advanced content
- MeitY will need to evolve a comprehensive cybersecurity framework for data security, safe digital transactions, and complaint redressal.
- Surely, technology has emerged as a savior, but there is another side of the coin too which sometimes fall disproportionately on the vulnerable. Hopefully, the pandemic will teach us to be more discerning about which digital technologies we embrace

## Government Public Sector Enterprises

### Introduction

- Section 617 of the Indian Companies Act clearly specifies that 'Government Company' means any company in which not less than fifty one percent of the paid up share capital is held by the Central Government.
- The public enterprises should either be wholly owned by the Central Government or State Government(s) or local authority or jointly owned by two more of them
- If the enterprise is owned by the government and private persons, the state must have the predominant share (at least 51%) in the ownership of such enterprises.
- As part of the 'AtmaNirbhar Bharat Abhiyan' package, the government in May 2020 had announced that there will be a maximum of four public sector companies in the strategic sectors, and state-owned firms in other segments will eventually be privatized.
- The remaining enterprises would be rationalized in terms of mergers, amalgamations, and privatization if feasible.
- Recent scenario of PSUs is that NITI Aayog will recommend PSUs for retention in strategic sectors and that should be considered for privatization, merger, or closure.



## Advantages of PSUs

- Public Enterprises (PEs) played an important part in the development of Indian industry and economy.
- The basic objectives of setting up of the PEs were to build infrastructure for economic development, create employment opportunities, and promote balanced regional development and to generate investable resources for development.
- Public enterprise provides goods and services to the public at a reasonable price
- Most of the Public Enterprises produce products which serve as inputs for other sectors of the economy

## Challenges with PSUs

- The level of profitability of some PSUs is very low which gives a chance of disinvestment.
- Most of the PSUs have inefficient pricing policy which fails to cover the cost.
- There is lack of investment in Research and Development in PSUs
- The PSUs projects take too much time in completion leading to cost escalations. Cost of completion is a high burden on Indian economy.
- Political Interference: -There is frequent interference from politicians and civil servants in the working of public enterprises. Such interference leaves little scope for initiative and freedom of action.
- There is also a lack of skill development of employees once they are appointed which could not match with current technology.
- In the absence of proper project planning, there is underutilization of capacity and wastage of national resources.

## Suggestions

- To provide greater autonomy to remaining public enterprises through the strengthening of the MOU (Memorandum of Understanding) system and by providing greater professional expertise in the Boards of these enterprises.
- The Boards of these PEs should be restructured by inducting at least three non-official Directors as the first step before the exercise of enhanced delegation of authority.
- To evaluate the performance of management through objective criteria.
- Performance based incentives for employees. This will provide better motivation to work efficiently.
- PSUs should work to maintain a sustained growth in productivity and to achieve optimum utilization of human resources.
- In order to improve the performance of inefficient units, the creation of a competitive market environment is absolutely essential.

# Banking Sector Reforms

## Introduction

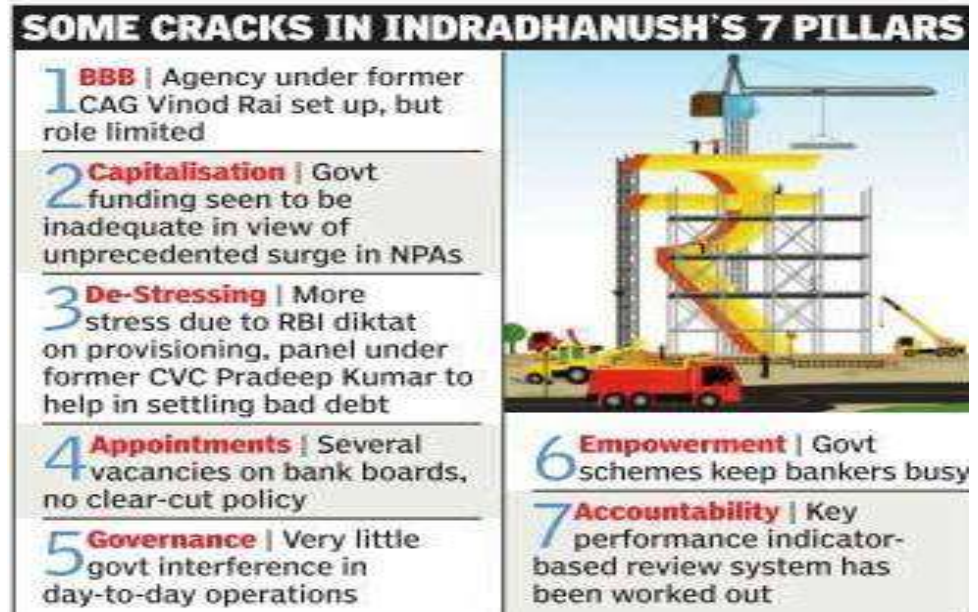
- The Banking Sector is an important part of the economy. It monitors and regulates the smooth functioning of the Indian economy.
- The banking sector reforms enacted to promote the efficiency and productivity of the banking system in India.
- They aim to increase growth and development. They also maintain stability and adequacy in the financial market.

## Reforms

- The Banking System of India has important acts and reforms from two phases.
  - The first phase revolves around basic policy and institutional frameworks: It was the first committee (1991) of India to suggest acts and reforms for an improved banking system.
  - M. Narasimham was the chairman of this committee. This committee was formed right after the economic crisis and suggested – Autonomy in Banking, Reforms in the role of RBI, Change in CRR and SLR, Recovery of Debts, Freedom of Operation, Local Area Banks, Prudential Norms, and Entry of Foreign Banks.
  - And the second phase (1998) revolves around structuring and developing the industry with advancements. This again was headed by M Narasimhan, the 13th governor of RBI. This committee is an extension of the first one.



- The idea was to overview the reforms introduced after the first committee. It suggested – Development Finance Institution, Stronger banking system, the idea of Non-performing assets, Capital adequacy and tightening of provisioning norms, and, Rural and Small Industrial Credits.
- There are many other committees followed – The Verma Committee, The Khan Committee, AK Bhuchar Committee, The Urjit Patel Committee, The Vaghul Committee etc.
- These banking reforms aim to remove the external restriction on banks like high-interest rates, reserve requirements (CRR and SLR), and frequent change in interest rates.
  - Banking sector reforms want to make the banking system more adaptive and flexible.
  - They are to smoothen the process of bank formation in India. It is to promote healthy competition for better productivity.
  - Foreign direct investment is another area they focus on to improve the economy.
  - The merging of banks across India is their focus again. It is done to improve efficiency and productivity. These reforms have improved the overall functioning of the banking system in the country.



## Issues

- The slowdown in the economy in the last few years led to a rise in bad loans or non-performing assets (NPAs). These are loans which are not repaid back by the borrower. They are, thus, a loss for the bank.
- One of the very important committee that focused on improving Corporate governance in banking industry and provided Indradhanush Plan, PJ Nayak committee, faced various challenges on its every key pillars
- As pressure is mounted by the RBI to reduce NPAs, in the absence of effective debt-recovery, banks have no option except to pick up gilt-edged securities or highly rated investments rather than credit, thus choking credit delivery, particularly to medium and small-scale units.
- The policy of Fiscal activism has increased the fiscal deficit year after year. The policy of automatic monetization of the Fiscal deficit had inflationary tendencies and other negative impacts on the economy.
- The nationalization of Banks had given complete control over these banks to the government, which resulted in the limited role of market forces in the financial sector.
- In the last few years, gross NPAs of banks (as a percentage of total loans) have increase from 2.3% of total loans in 2008 to 9.3% in 2017
- Restructured assets too put pressure on a bank's profitability. These are just loans which are identified as stressed assets.

## Suggestions

- The regulatory/supervisory system should be strengthened by the setting up of a Board for Financial Supervision.
- Institutional strengthening should be undertaken to ensure the progressive development and integration of the securities, money and forex markets.

- RBI is encouraging banks to provide better service to customers by encouraging adoption of state-of-the art information technology.
- To enable faster clearing of cheques, MICR processing centres have been established in major centres of the country.
- While every effort needs to be made to improve the credit appraisal system and debt recovery tribunals have been established, the legal framework should perhaps be reviewed and revamped in a comprehensive manner to facilitate recovery.
- The measures that the RBI undertook aimed at preserving the stability of the banking system and warding off potential systemic risks. Risk management can be more specific, and the neo-banks can leverage the technology to further (digital) financial inclusion and finance higher growth of aspirational/new India.
- The government should tighten the loose ends by allowing them to build diversified loan portfolios, establishing sector-wise regulators, bestowing more powers to deal effectively with willful defaulters.
- Though the universal banking model has been widely preferred, there is a need for niche banking to cater to the specific and varied requirements of different customers and borrowers. Essentially, these specialized banks would ease the access to finance in areas such as RAM (retail, agriculture, MSMEs).
- Recently Government has announced some major banking sector reforms in her growth-oriented Budget 2021-22: The first is the setting up of a 'Bad Bank', in which banks can offload their non-performing assets (NPAs). The second is the much-awaited DFI (Development Finance Institution) for infrastructure financing, which will be set up with ₹27,000-crore equity and run by experts. And, third, is the privatizations of a couple of public sector banks (PSBs). This will surely usher a new wave of banking reforms in country.

## JAM Trinity

### Introduction

- JAM trinity acronym used for JAN DHAN YOJNA, AADHAAR, and mobile number of respective users. These aims provide a better mode of transfer subsidies and direct cash benefits to the bank account of the beneficiaries with minimum leakage and maximum accuracy & transparency.

### Benefits of JAM Trinity

- The JAM trinity has given a boost to the DBT programme and expanded its coverage from partial to ubiquitous. Aadhaar has facilitated legitimate databases while Jan-Dhan has offered bank accounts for all.
- In covid-19, the trinity has helped the Government to reach to the right beneficiary of subsidy through fast and secure mode.
- The aid that reached people during the pandemic under the PM Garib Kalyan package is a barometer of the success of the government's financial inclusion and digitization efforts
- Given the need for physical distancing to curtail the spread of COVID-19, JAM is promoting online transactions among the beneficiaries, use of ATMs and payment cards instead of physical visits to the banks.
- Its strong interlinkage with the mobile linked Aadhaar scheme has facilitated swift transfer of money into bank accounts of beneficiaries and helped to eliminate middlemen, frauds, and leakages due to corruption.
- By eliminating the need for middlemen or conduits, JAM has helped minimize avenues of corruption, irregularities, wrong-doings and pilferages. It has also therefore, promoted the ease of doing business.
- Amid the gloom of the Covid-19 pandemic. The trinity also digital payments in India are set to account for 71.7 percent of all payments by volume by the year 2025.

### Challenges

- Coverage by Aadhar is still only up to 70% hence many poor will be left out. Also, there have been apprehensions regarding privacy invasion due to biometric requirements for Aadhar.
- Privacy concerns related to bio identity requirements for Aadhar. E.g.: Supreme Court intervention in enrolment of Aadhar
- Distant location of ATMs will be another deterrent for people to withdraw cash subsidy.
- The major problem is Financial illiteracy among people, particularly laborers and workers.

- Poor penetration of financial institutions in rural areas
- Many of Indian villages till now don't even have electricity. There is a need for infrastructure like cellular towers, cheap mobile plans because without mobile connectivity JAM would be meaningless.
- Some concerns about the effectiveness of DBT to all schemes e.g., farmers are criticizing they it would be difficult to pay high upfront costs for fertilizer and then wait for payments through banks

### Suggestions

- Promotion of the usefulness of Aadhar, especially in villages. People wouldn't need multiple identification cards. Advertisements should also tell how it would not be a privacy invasion.
- Initiative like digital India, Bharat.Net, Project loon etc. will help for better infrastructure and internet connectivity.
- Banking Correspondent agents can be used to educate farmers not to fall into traps of moneylenders. This would result in people using more of their JanDhan account.
- Proper framework for monitoring the service quality benchmarks for digital financial Transactions should be formulated with the coordination of the Finance ministry, TRAI, UIDAI.
- There is a need for a proper framework and rules regarding biometric identification and its use. It can be done with help of passing pending bill of National Identification Authority of India (NIAI) Bill
- Financial literacy programs should be done with the help of financial institution, agents NGOs, SHGs especially in rural areas
- More fund allocation for PMJDY to banks and Programs like Indradhanush which helps PSUs to reduce financial burden.
- Addressing mobile data connectivity through setting up of more infrastructure and telecom towers in remote areas

## Corporate Social Responsibility

### Introduction

- CSR is a corporate initiative to assess and take responsibility for the company's effects on the environment and impact on social welfare. The projects are taken up to promote positive social and environmental change. CSR is governed by clause 135 of the Companies Act, 2013.
- Currently, the CSR rules apply to the companies with any of the following criteria:
  - a net worth of Rs 500 crore or more
  - a turnover of Rs 1,000 crore or more
  - net profit of Rs 5 crore or more
- These companies are required to spend at least 2 percent of their three-year annual average net profit towards CSR activities in a particular financial year.
- India is the first country in the world to mandate CSR spending along with a framework to identify potential CSR activities.
- The Government has instituted National Corporate Social Responsibility Awards (NCSRA) as an official recognition at the highest level for outstanding contribution made by companies through their CSR activities.
- Recently, Government has made changes to the CSR Rules and the recent amendments in the Companies (CSR Policy) Rules, 2013 have been notified on 22nd January 2021. The highlights of these amendments, inter-alia, includes:
  - Enhancing the role of board of the company in the utilization of CSR funds
  - Flexibility to board for spending as per project requirements,
  - Treatment of unspent as well as set-off of excess amount spent under CSR,
  - Impact assessment of CSR projects,
  - Creation and acquisition of capital assets through CSR and
  - Enhanced disclosure of CSR activities etc.
  - Transfer of unspent amount to government notified fund

## Issues with CSR

- **Lack of Community Participation in CSR Activities:** There is a lack of interest of the local community in participating and contributing to CSR activities of companies. This is largely attributable to the fact that there exists little or no knowledge about CSR within the local communities.
- **Need to Build Local Capacities:** There is a need for capacity building of the local non-governmental organizations as there is serious dearth of trained and efficient organizations that can effectively contribute to the ongoing CSR activities initiated by companies.
- **Issues of Transparency:** There is an expression by the companies that there exists lack of transparency on the part of the local implementing agencies as they do not make adequate efforts to disclose information on their programs, audit issues, impact assessment and utilization of funds.
- **Non-availability of Well Organized Non-governmental Organizations:** It is also reported that there is non-availability of well-organized non-governmental organizations in remote and rural areas that can assess and identify real needs of the community and work along with companies to ensure successful implementation of CSR activities.
- **Non-availability of Clear CSR Guidelines:** There are no clear cut statutory guidelines or policy directives to give a definitive direction to CSR initiatives of companies. It is found that the scale of CSR initiatives of companies should depend upon their business size and profile.
- **Lack of Consensus on Implementing CSR Issues:** There is a lack of consensus amongst local agencies regarding CSR projects. This lack of consensus often results in duplication of activities by corporate houses in areas of their intervention.

## Suggestions

- It is found that there is a need for creation of awareness about CSR amongst the general public to make CSR initiatives more effective.
- Steps should be undertaken to address the issue of building effective bridges amongst all important stakeholders for the successful implementation of CSR initiatives.
- A long term and sustainable perspective on CSR activities should be built into the existing and future strategies of all stakeholders involved in CSR initiatives.
- To address the issue of reaching out to wider geographical areas, the involvement of small and medium enterprises (SMEs) in the CSR domain will be essential.
- It is recommended that a campaign should be launched to both spread awareness on CSR issues amongst the general public as well as to involve SMEs to participate more actively in CSR initiatives.
- It is recommended that companies should also actively consider their interventions in rural areas on education, health, girl child and child labor as this will directly benefit rural people.
- Aim should be to strengthen the Corporate Social Responsibility ecosystem, by improving and strengthening disclosures and by simplifying compliances.

## Precision Farming

### Context

- As per FAO, Precision farming is based on the optimized management of inputs in a field according to actual crop needs. It involves data-based technologies, including satellite positioning systems like GPS, remote sensing etc.
- It is based on sustainable agriculture and healthy food production and it consists of profitability and increasing production, economic efficiency and the reduction of side effects on the environment.
- PA is also known as satellite agriculture, as-needed farming and site-specific crop management (SSCM).
- The approach includes accessing real-time data about the conditions of the crops, soil and ambient air, along with other relevant information such as hyper-local weather predictions, labor costs and equipment availability.
- The Global Precision Farming Market was valued at USD 3.58 billion in 2021 and is expected to reach a value of USD 7.30 billion by, at a CAGR of 12.61% over the forecast period.



- Today because of increasing input costs and decreasing commodity prices, the farmers are looking for new ways to increase efficiency and cut costs. Precision farming technology would be a viable alternate to improve profitability and productivity

### Benefits

- Precision farming can improve both yield and profits by using fewer resources, while at the same time making agriculture more sustainable and less polluting.
- Precision farming optimizes output by targeting the fine spatial differences in a farm.
- Reduces soil, water, and air pollution by decreasing the use of chemical fertilizers and pesticides.
- It builds up soil biodiversity and supports wildlife outside farms.
- It makes farming sustainable by reducing reliance on resources and water.
- It helps in reducing carbon emissions from the agriculture sector.
- All stages of agriculture can be optimized through precision farming, which will increase yield while keeping costs low.
- For instance, Geographical limitations like Rayalaseema Region of Andhra Pradesh which have low agro-productivity due to less rainfall can be overcome by adopting Precision farming.
- Due to the significant reduction in travel imposed by the COVID-19 pandemic, the virtual side of precision farming has been notably beneficial, and a continued trajectory of increased adoption rates is expected.

### Issues

- Lack of technical experts, funds, knowledgeable research in precision farming.
- High capital costs may discourage farmers to not adopt this method of farming.
- Precision agriculture techniques are still under development and require expert advice before actual implementation.
- It is an extremely difficult task particularly the collection and analysis of data.
- Lack of adequate monitoring equipment for crop production, soil properties, and environmental quality in order to understand the changes occurring due to the management practices
- Lack of access of power in remote regions like northeastern states

### Govt And Private Initiatives

- Niti Aayog has collaborated with IBM to develop precision agriculture using Artificial Intelligence in 10 aspirational districts across India. etc.
- The Indian Council of Agricultural Research (ICAR) and the Indian Agricultural Research Institute (IARI) have formulated a project entitled "SENSAGRI: SENSOR based Smart AGRiculture".
- The major objective is to develop indigenous prototypes for drone based crop and soil health monitoring systems using hyperspectral remote sensing (HRS) sensors.
- In August 2019, a technology called Soilsens, which is a low-cost smart soil monitoring system, has come as a potential help to farmers facing farming decision predicaments. The system is embedded with a soil moisture sensor, soil temperature sensor, ambient humidity sensor, and ambient temperature sensor. Based on these parameters, farmers are advised about optimum irrigation through a mobile app.
- Startups, such as Barton Breeze, have been doing hydroponic and other soil-less farming, and their farms continue to operate even in lockdown.
- The government also introduced the multilingual mobile app 'CHC-Farm Machinery,' that enables the farmers to rent farm machinery and implement it through a CHC in their area.

### Suggestions

- There is a need for the PPP model in agriculture to provide required technological support to farmers.
- More R&D in the field and on the concept is needed. For that, collaborations with global universities can be done for further excelling in education and research and capacity building.
- Development of indigenous low cost sensors with integrated platforms, robotics, IoTs and WSN for high throughput field phenotyping and soil and crop health monitoring and management.

## Global Minimum Corporate Tax

### Context

- Finance Ministers of the G7 advanced economies secured a landmark deal on taxing multinational companies by fixing a Global Minimum Corporate Tax Rate (GMCTR). The deal is aimed at modernizing the century-old international tax code and reducing the transatlantic tensions that threatened to spill into a trade war.
  - The Organization for Economic Cooperation and Development (OECD) has also been coordinating tax negotiations among 140 countries for years on rules for taxing cross-border digital services and curbing tax base erosion, including a global corporate minimum tax
  - The two-pillar solution will be delivered to the G20 Finance Ministers meeting in Washington D.C. on 13 October, then to the G20 Leaders Summit in Rome at the end of the October.



### Benefits

- A global minimum tax rate would ensure that companies would have to pay wherever they were registered, with revenues being apportioned according to the extent of their activity in the respective countries.
- This aims to stop giant companies from shifting their profits to low-tax havens via what are basically shell companies
- The landmark deal, agreed by 136 countries and jurisdictions representing more than 90% of global GDP, will also reallocate more than USD 125 billion of profits from around 100 of the world's largest and most profitable MNEs to countries worldwide, ensuring that these firms pay a fair share of tax wherever they operate and generate profits.
- If countries agree on a global minimum tax, governments could still set whatever local corporate tax rate they want. But if companies pay lower rates in a particular country, their home governments could "top-up" their taxes to the agreed minimum rate, eliminating the advantage of shifting profits to a tax haven.
- An IMF research paper estimated that \$12 trillion of global corporate investment was "just phantom investment" to avoid tax. This tax will help to curb such evasion.
- India's effective tax rate is still above the global minimum tax rate, it would not impact companies doing business in India.

### Challenges In Front of India

- MNCs are a source of foreign direct investment. These corporations help to generate demand with efficient utilization of resources and create employment in low-income countries. The global minimum tax rate will finish off every opportunity for such countries whose only weapon to attract these companies is lower taxes.
- In a world where there are income inequalities across geographies, a minimum global corporation tax rate could crowd out investment opportunities.
- India has already been proactively engaging with foreign governments in double taxation avoidance agreements, tax information exchange agreements, and multilateral conventions to plug loopholes. This proposal of a common tax rate, thereby, adds no further benefits.
- A lower tax rate is a tool for India to alternatively push economic activity. If the proposal comes into effect, India may experience a longer economic hangover than other developed nations with less ability to offer mega stimulus packages.

- Multilateralism will further stumble in such a tax policy. The policy will create haves and have-nots across the world.
- Another contentious issue is how to define the list of the “biggest and most profitable” enterprises, and how to resolve disputes if countries disagree over what share of their profits each can tax.
- Ireland has a 12.5% corporate tax rate and is among the countries whose approval is necessary for the G7 tax plan to take effect. But Ireland wants to retain its tax rate to offset the disadvantages of a small country in attracting foreign investment.
- Lack of clarification on the issue of digital taxation may be a further dissuasion to countries like India, who are not in the stage of development so as to not differentiate between distinct sectors and industries
- A minimum tax of 15 percent may not raise substantial revenues and there is a possibility that other countries may want a higher minimum global tax rate

### Suggestions

- The idea of fixing a GMCTR is good but it needs to be ensured that the way it is implemented is transparent so it doesn't involve people looking for leverage for different loopholes.
- A well-defined and structured metric plan is required. Until that is presented to the nations and approved by all, the final implementation of the tax system cannot be done
- There should be appropriate coordination between the application of the new international tax rules including the Digital Services Taxes. Any final agreement could have major repercussions for low-tax countries and tax havens.
- India shall take the opportunity that will be provided by this agreement as India's double tax avoidance agreements have not been signed by many countries in the west with which India has been negotiating for years

## Diversify India's Trade

### Introduction

- As the pandemic struck in early 2020, the need for export diversification in terms of products and markets emerged as a necessary strategy for building economic resilience against such shocks.
- The COVID-19 pandemic has exposed existing vulnerabilities associated with international trade, especially for developing countries that are heavily linked into existing global value chains (GVCs).
- In response to the pandemic, manufacturing firms began re-purposing production towards the manufacturing of personal protection equipment (PPE), medicines and other medicinal equipment. Also Mahindra and Mahindra and Maruti Suzuki, India's major automobile producers, started geared production towards the manufacturing of ventilators. Similarly, textile and garments manufacturing firms moved towards the production of masks and PPE.
- India exported merchandise worth \$32.21 billion in May 2021, 67% higher on a YOY basis and almost 8% more than May 2019's pre-pandemic shipment.
- India's highest trade deficit is with China followed by Iraq and Saudi Arabia during April-Nov 2020-21 and April-Nov 2019-20.
- India's average score on the EPI is 39 out of 100, which shows the tremendous potential India holds towards transforming into an export-based super economy.

### Issues

- The country's 'Make in India' campaign, launched in 2014, has failed to bring in the level of best-in-class manufacturing and pro-business agenda, the credibility of which is now in further question after the current wave of Covid.
- India's foreign policy decisions like growing convergence with the US have led to weakening its links with traditional friends like Russia and Iran.
- India's GDP and exports were significantly hit by supply and demand disruptions.
- Recently, India has opted out of the RCEP, this self-imposed isolation doesn't synergise with India's aspiration of becoming a global power.

- With India in a lockdown and a large chunk of its workforce, particularly those employed in MSMEs, back in the hinterlands, even if demand from existing export markets comes back, our exporters will still find it difficult to cater.
- India experienced a fall in its traditional export products like precious stones, spices, jewelry, cotton, tea, fabrics, clothing articles and leather
- Some of the drawbacks obstructing export preparedness in many states are poor trade support, gaps in export infrastructure, lack of basic trade support, lack of access to financial facilities and low export credit.

### Govt Initiatives for Improving Trade

- India announced the production linked incentive (PLI) scheme for large-scale electronics manufacturing, schemes for electronics manufacturing clusters (EMC) 2.0 and the promotion of manufacturing of electronics components and semiconductors.
- A separate PLI scheme introduced to attract large investments in domestic manufacturing of critical active pharmaceutical ingredients (APIs),
- APEDA and the National Small Industries Corporation Ltd. (NSIC) signed a MoU to ensure cooperation in a wide range of areas on the export potential of agricultural and processed food products manufactured by Micro, Small and Medium Enterprises (MSMEs).
- In March 2021, the central government announced plans to establish a new mechanism to increase import screening in order to protect domestic manufacturers
- The Government of India has been working on striking important deals with the Governments of Japan, Australia, and China to increase contribution towards the economic development of the country and growth in the global market.

### Way Forward

- With growing digitalization and amid the ongoing pandemic, India needs to reorient its trade policy with emphasis on developing its own GVCs and upgrading existing ones to accelerate its export diversification.
- Digital technologies have opened up new pathways for export diversification along the value chains for India.
- Digitalization and automation in manufacturing tasks can boost efficiency in the production process, leading to higher output and exports and more profits,
- At the macro-level, there is a need for policies to facilitate the ease of doing business, improve trade logistics, and address infrastructural challenges and last-mile connectivity to expand GVC linkages.
- The US-China trade war has proved beneficial for India since many big manufacturing companies have shifted their production and operations to the country. To improve this and help diversify investment, the country is likely to decrease corporate income tax rates, remove FDI caps in different sectors, and step up the production-linked incentive scheme.
- The operationalization of a "Green Corridor" and a Bilateral Investment Protection Arrangement are likely to encourage bilateral trade and investment
- For a long-term sustained economic growth, India needs to have a remarkable export performance. This will be driven by a set of interrelated factors viz. a high level of participation in GVCs; a high degree of specialization in labor-intensive production activities; large scale in the chosen sectors of specialization; and a high level of export penetration in traditional rich countries.

## Required GST Reforms

### Introduction

- Goods and Services Tax (GST) is a value-added tax levied on most goods and services sold for domestic consumption. The GST is paid by consumers, but it is remitted to the government by the businesses selling the goods and services. Goods and services Act was enacted through 101st constitutional amendment in 2017 introducing uniform indirect taxation throughout India replacing VAT, customs duty and several others. It introduced various slabs of taxation such as 5%, 12%, 18% and 28%.



## Achievements of GST

- The introduction of e-way bills coupled with the crackdown on fake invoicing has helped in bringing in a substantial portion of GST revenues, which were either being evaded or under-reported
- Various initiatives viz. linking the customs portal with GST portal for credit availability on imports, making available proper means for matching input tax credit, increased automation of the refund procedure to seamless operation of the Invoice Registry Portal, helped simplify tax compliance
- The GST Council made corrections to law, issued clarifications on complex issues, rationalized GST rates and introduced relaxations for dealing with the Covid-19 pandemic, which establishes that the GST Council structure has been very functional and agile

## Issues in current GST framework

- The GST Act assumed 14% year on year growth in state revenue but this was not achieved.
- The fundamental principles on which the GST law was built viz. seamless flow of input credits and ease of compliance has been impaired by IT glitches as GST network site face frequent shutdowns and glitches
- Products like alcohol for human consumption, petroleum products etc are out of its ambit which hinder one nation one indirect tax motive
- The 15th Finance Commission has highlighted several areas of concern in the GST regime relating to multiplicity of tax rates, shortfall in GST collections vis-à-vis the forecast, high volatility in GST collections, inconsistency in filing of returns, dependence of States on the compensation from Centre
- GST compensation not paid to states regularly.
- Different slabs like 5 pc, 12 pc and other slabs are not justified as it creates confusion.
- Fake issuance of bills to claim input tax credit.
- Despite GST, tax base not increased as expected as we facing low GDP to tax ratio.

## Reforms needed

- With oil prices skyrocketing across the country, the policymakers need to contemplate the inclusion of petroleum and related products within the GST net.
- Ensuring the uniform tax slabs and products are not changed from one slab to other frequently.
- Support to small businesses and MSME to deal with increased documentation.
- It is vital to finally constitute the GST Appellate Tribunal as it is obvious that all taxpayers do not have the finances or means to approach the High Court for every practical difficulty faced
- Setting up effective machinery to prevent issuance of fake bills.
- Improving digital infrastructure to deal with frequent website shutdowns.
- Increasing tax base by bringing small businesses under GST ambit.
- Recruiting skilled professionals and dedicated team for handling issues related to e-waybills and others.
- The law is still a 'work-in-progress' and the process of evolution, in such a complex journey, cannot be eliminated. The Government should continue to take measures to deliver on its promise of a 'Good & Simple Tax' in the times to come and introduce reforms frequently, otherwise GST would become a "lost cause"

## Middlemen in the Agricultural Sector

### Introduction

- Middlemen play the role in transferring the agricultural produce from farm to plate. They act as market agents, traders or distributors of agro products.
- Farmers do not have the mechanisms, tools, methods and infrastructure to sell the farm produce inefficient and lucrative market. They, therefore generally rely on the middlemen to sell their produce.
- The Government of India introduced the Agricultural Produce Market Committee (APMC) Act in 1963 with a linchpin focus on eliminating the exploitation of farmers by middlemen. However, the very purpose of the act has been made redundant, and arguably even counter-productive, over time.
- APMC Act was amended in 2003 to make marketing more transparent but it has actually given rise to a conflict of interest, as the APMC, which is the operator, is also the regulatory authority.

## Advantages

- Middlemen are a vital part of the farm economy and for thousands of farmers, the mainline of credit.
- The middlemen provide quick funds for seeds and fertilizers, and even for family emergencies.
- In the absence of organized wholesale markets, middlemen prevent farmers from resorting to fire sales.
- Middlemen help in the marketing of agro products of poor farmers who are unable to store or transport their products.

## Disadvantages

- Smaller farmers lack access to the storage facilities and sell their products earlier, in cash, to the middlemen at lower rates. Thus, entire profit went to Middlemen, keeping farmers eternally poor.
- Middlemen are one of the hurdles in achieving the envisioned goal of doubling farmer's income. They are involved in black marketing and hoarding the agro products (ex. Onion) thus creating an artificial crisis in the market which leads to inflation.
- Black marketers and hoarders are other dampeners of inefficient agricultural marketing by farmers. They buy the agricultural produce from farmers at very cheap prices and create artificial inflation, thereby making the consumers suffer as well.
- In absence of effective regulations, only one or few middlemen control the whole market. This leads to artificial pricing which affects both producers and consumers.
- In the absence of a direct link with the consumers, the farmers are at the mercy of the middlemen who occupy the entire space between the production and the ultimate sale of the produce.
- Illiterate or semi-literate farmers, who are not market savvy and cannot comprehend the multiplicity of taxes in place, are at the disposal of a cartel of middlemen and agents in these markets who have a license to operate.
- With only limited agents in an APMC, it's profitable for them to form a cartel and deliberately increasing the bids, pushing prices higher. Thus delinking the producers and consumers, deprives both- the farmers of better returns on their produces and the common people of fair pricing on their vegetables.
- High costs are usually passed down to the farmers, who end up benefiting very little and having to separately pay commission, marketing fee, and APMC cess.

## Suggestions

- Farmers need a conducive environment that allows them to have a say in the pricing of their produces in accordance with the demands of the consumers by interacting and trading directly in the market.
- A lesson can be learned from the success of the dairy sector in India. The major factor in the growth of the dairy sector in India is that this sector was granted much more autonomy compared to the agricultural sector.
- Co-operative marketing should be promoted as it increases the benefit of farmers by collective bargaining. The objectives of such committees are to ensure that farmers are getting paid sufficiently and judiciously without getting exploited.
- To combat the exploitation of farmers, we need to take active policy action to increase farm productivity, post-harvest technology, and better storage facilities.
- If we want the consumer to pay less and the farmer to gain more the role of private sector role has to be enhanced by setting up private mandis where farmers can come and sell their crops directly.
- Early implementation of e-NAM to develop a true pan India market for selling, purchasing, making transactions, comparing prices etc. of agricultural produce over the internet.
- Creation of local outlets at each village where the farmers sell their stocks directly to the consumers or the authorized buyers at fixed prices.

# Corporate Fraud in India

## Introduction

- Corporate fraud is the intentional misrepresentation of company financial information or activities designed to mislead the public and increase the profits of the company.

- Types of corporate fraud are bribery and corruption, misappropriation of assets, manipulation of financial statements, procedure-related frauds, corporate espionage, etc.
- Some major corporate frauds are the Satyam scandal, Harshad Mehta Scam, the ICICI-Videocon scam, the ILFS scam, etc.
- Industry survey showed that in 2017, 89 percent of the companies based in India were victims of at least one instance of fraud, 33 percent of them suffered revenue losses of more than seven percent due to this.
- Various legal provisions such as the Indian Contract Act 1872, Indian Penal Code, Prevention of Corruption Act, Prevention of Money Laundering Act, The Companies Act 1956 etc. deal with corporate fraud.
- The government had appointed various committees such as Kumar Mangalam Birla Committee (2000), Naresh Chandra Committee (2002), N.R. Narayana Murthy Committee (2003), J.J. Irani Committee (2005), Kotak Committee etc. to improve Corporate Governance.
- Experts believe that the current disruption caused by the coronavirus pandemic may lead to a rise in corporate fraud.

### Issues

- Destroy the confidence of investors in stock markets
- Prevent inflow of foreign investment.
- Results in enormous destruction in the wealth of investors
- Damage the reputation credibility of the affected company, its management and board of directors
- Corporate fraud results in reduced performance of the companies in the market.
- Erode the ability of the affected company to borrow and thus creating financial stress.
- Government intervention in case of fraud is inevitable. It affects the autonomy of the firms.
- Frauds add to non-performing assets in banks and lead to loss of banks and the economy.
- Frauds have a significant impact on the profitability and viability of Indian firms in the long run.

### Suggestions

- Companies should lay down strong systems, processes, corporate governance practices and a robust recruitment process to ensure that the right people with integrity and value systems are hired.
- Regulations should be regularly tightened to ensure monitoring, vigilance and disclosure mechanisms including whistle blowers' complaints.
- Development of detailed anti-corruption and bribery policies.
- It is also important to create awareness among employees through rigorous training mechanisms, as to areas exposed to fraud and ensure that frauds are impartially investigated and culprits are punished, in time.
- Regional and international initiatives provide a forum for the private sector, public sector, and civil society to come together with a common goal of reducing vulnerability to corruption
- Speedy trial and strict punishment for the person who is found guilty of corporate fraud.
- Attitudinal change is necessary. The quality of our thoughts equals the quality of our lives. We should work towards changing our attitude towards corruption.

### Corporate Governance in India

- In general, corporate governance corresponds to the fair, transparent and ethical administration of a corporation giving maximum benefits to the shareholders.
- Ethics is at the core of corporate governance, and management must reflect accountability for their actions on the global community scale.
- In India, corporate governance initiatives have been undertaken by the Ministry of Corporate Affairs (MCA) and the Securities and Exchange Board of India (SEBI).
- The first formal regulatory framework for listed companies specifically for corporate governance was established by the SEBI in February 2000, following the recommendations of Kumar Mangalam Birla Committee Report. It was enshrined as Clause 49 of the Listing Agreement.
- The Ministry of Corporate Affairs had appointed a Naresh Chandra Committee on Corporate Audit and Governance in 2002 in order to examine various corporate governance issues. It made recommendations in two

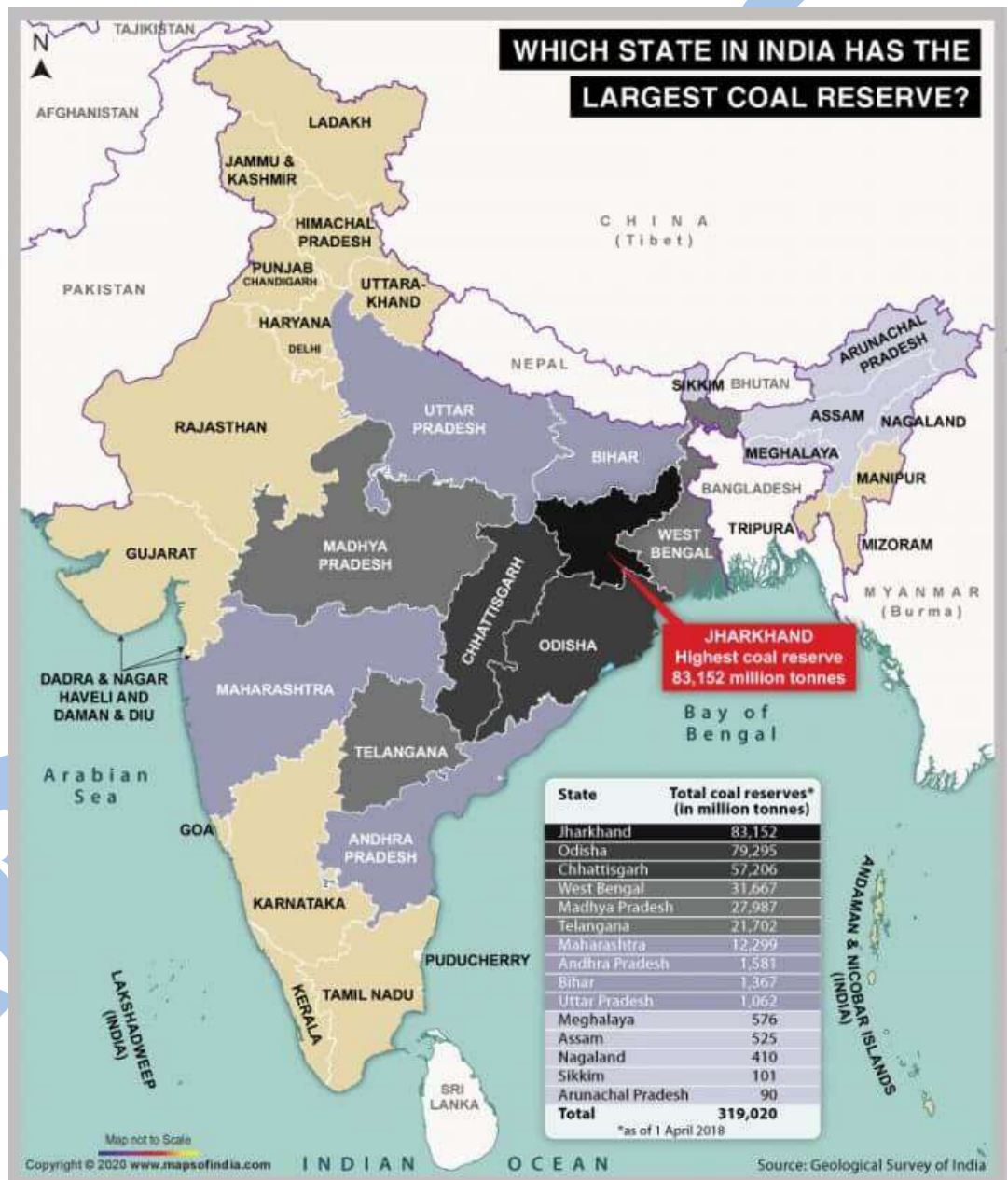
key aspects of corporate governance: financial and non-financial disclosures: an independent auditing and board oversight of management.

- With the goal of promoting better corporate governance practices in India, the Ministry of Corporate Affairs, Government of India, has set up National Foundation for Corporate Governance (NFCG) in partnership with Confederation of Indian Industry (CII), Institute of Company Secretaries of India (ICSI) and Institute of Chartered Accountants of India (ICAI).

## Coal Power in India

### Introduction

- According to the Central Electricity Authority (CEA), coal and lignite-based power plant account for 54.7% of total installed capacity as of March 2021.
- India's energy demand will increase more than that of any other country over the next two decades, as said by the International Energy Agency (IEA) in 2021.
- Energy use has doubled since 2000, with most of that demand met by coal and oil. This is set to grow about 35 percent until 2030, down from 50 percent before the coronavirus pandemic.
- India's use of coal may have peaked in 2018, according to a report by U.K.-based clean energy group Ember. That's sooner than many experts have forecast.
- Rapidly cutting coal consumption is necessary to meet climate goals set under the Paris Agreement, which strives to keep temperatures from rising more than 1.5 degrees Celsius from pre-industrial levels in order to avoid the worst effects of climate change.





### Positive aspects of using Coal power

- Coal's ability to supply power during peak demand either as base power or as off-peak power is greatly valued as a power plant fuel. It is with this fact that advanced pulverized coal-fired power plants are designed to support the grid system in avoiding blackouts.
- Coal is not an intermittent energy source. Coal, unlike solar, wind, or hydro, is around-the-clock energy source. It is never affected by snow or drought-like hydro; neither is it impacted by night like solar and it suffers less from seasonal fluctuations as the wind power does.
- Affordability: -The energy produced from coal-fired plants is cheaper and more affordable than other energy sources. Since coal is abundant, it is definitely cheap to produce power using this fuel.
- Abundance. With a great amount of coal available for use, coal-fired plants can be continuously fueled in many years to come.
- The production and use of coal as a fuel are well understood, and the technology required in producing it is constantly advancing. Moreover, coal-mining techniques are continuously enhanced to ensure that there is a constant supply of coal to produce power and energy.
- Coal output is controllable unlike wind and solar energy which are dependent on the external environment.
- Coal creates jobs as, in India, it is labor-intensive. That means it requires a huge number of people to operationalize and actualize it.
- In the event of an emergency, it is easier to mitigate the side effects as compared to nuclear or hydro power.

### Issues

- Despite large reserves of coal, India imports nearly 170 million tons of coal.
- The Plant Load Factor (PLF) in the country (Coal & Lignite based) has declined from 77.5% in 2009-10 to 53.37% in 2020-21. It means we have installed a huge capacity, most of which is redundant.
- Coal leaves behind harmful byproducts upon combustion that causes a lot of pollution and contributes to global warming. The increased carbon emissions further global warming which results in climate changes.
- The mining of coal not only results in the destruction of habitat and scenery, but it also displaces humans as well.
- Millions of tons of waste (ex. fly ash etc.) are generated from coal-fired plants. These waste products contribute to waste disposal problems, these also contain harmful substances.
- Coal-fired plants emit harmful substances to the environment. These include mercury, sulfur dioxide, carbon monoxide, mercury, selenium, and arsenic. These harmful substances not only cause acid rain but also are very harmful to humans as well.
- Coal is a non-renewable source of energy. Though we have abundant supply as of now, coal is, unfortunately, not a renewable source of energy. That means it shall cease to exist someday. Therefore we need a backup plan.

### Suggestions

- Despite the increased focus on renewable energy, coal will remain an important part of India's energy mix. Therefore a range of new technologies (like Coal gasification, SuperCritical power plant etc.) can be deployed to make coal-fired power plants more environmentally friendly.
- India should actively engage with developed countries to mobilize funds and technology for climate mitigation and adaptation.
- India can collaborate with the European Union which envisages achieving "carbon neutrality" by 2050 under a green climate deal.
- India could speed up the transition by placing a moratorium on new coal power plants and incentivizing the closure of old, inefficient facilities as the world is shifting toward greener and cleaner energy sources.
- India will be unlikely to achieve the renewable energy target 2022 (175GW). It should put all its energy and effort so that it doesn't miss the 2030 target (450GW) to reduce reliance on coal-based thermal power plants.

### Recent Coal crunch reasons

- Economy recovering from the Covid-19 pandemic coupled with supply issues have led to the current coal shortage.

- India is suffering from the impacts of a sharp surge in electricity demand, a squeeze on domestic mine output and surging prices of seaborne coal.
- Lower than normal stock accumulation by thermal power plants in the April-June period and continuous rainfall in coal bearing areas in August and September which led to lower production and fewer dispatches of coal from coal mines.
- A consistent move to lower imports coupled with high international prices of coal have also led to plants cutting imports

### Steps that need to be taken

- Rationing domestic power supplies, especially in rural and semi-urban areas, may emerge as one of India's easiest solutions
- India will need to amplify its imports despite the financial cost. From Indonesia for instance, the price rose from USD 60 per tonne in March to 200 per tonne in September
- In a desperate situation, the gas-powered fleet could help prevent any widespread power outages. State-run generator NTPC Ltd., for example, has idle capacity that can be fired up in around 30 minutes if needed and is connected to a gas grid.
- The same monsoon rains that have flooded coal mines are likely to boost hydro-power generation. Large hydro-electric projects on dams are India's major electricity source after coal and the sector performs at its peak around the rainy season which typically extends from June to October

## Gas Based Economy India

### Context

- Recently, the Government of India has allowed complete marketing freedom for natural gas produced from non-regulated fields.

### Introduction

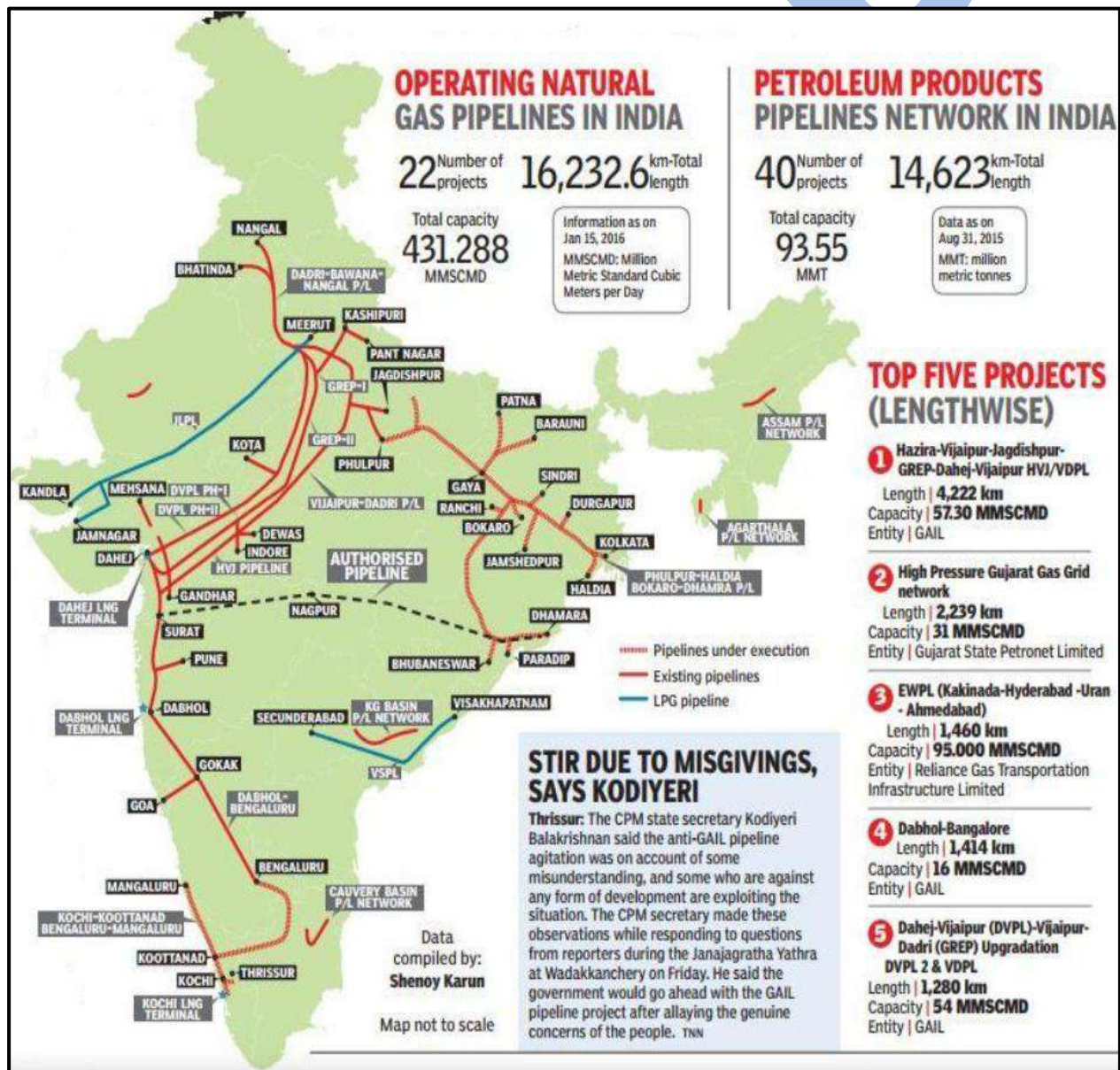
- Natural gas is the cleanest-burning hydrocarbon, odorless, colorless and non-toxic, consisting primarily of methane.
- NITI Aayog in its National Energy Policy highlights the importance of access to gas at an affordable price. It relates to the reduction of poverty, including energy poverty, and increasing access to electricity and clean cooking.
- The share of natural gas in India's energy basket is 6%. The government plans to increase this share to 15% by 2030.
- India's natural gas production capacity is around 32 billion cubic meters per year currently. Assam, Rajasthan, Gujarat, Tamilnadu and Andhra Pradesh are leading producers of natural gas in India.

### Government Initiatives

- The government has brought Hydrocarbon Exploration and Licensing Policy (HELP) by replacing New Exploration Licensing Policy (NELP) to expedite exploration and production of natural gas through revenue sharing model.
- The Open Acreage Licensing Policy (OALP) has increased substantial acreages in the country. This policy is an investor-driven acreage auction process.
- Govt. has approved a standard e-bidding procedure to discover the price of gas. The policy aims to provide standard procedure for sale of natural gas in a transparent and competitive manner to discover market price by issuing guidelines for sale by contractor through e-bidding
- The Union government had envisaged developing the National Gas Grid in 2019. Till January 2021, 16,788 km long natural gas pipeline is operational, and 14,239 km of pipelines are being developed to increase the availability of natural gas across the country, according to the government.

## Positives of Gas based economy

- Gas is the cleanest-burning hydrocarbon, producing around half the carbon dioxide(CO<sub>2</sub>) and just one-tenth of the air pollutants of coal when burnt to generate electricity. Hence, will help India to fight climate change and in completion of National Determined Contributions.
- The most efficient gas-fired plant has investment costs of \$1,100 per kilowatt, according to the IEA, compared with \$3,700 for the most efficient coal-fired plant. Hence, less cost to exchequer.
- Gas also has a growing number of uses. It is a lower-emission alternative to diesel and heavy fuel oil in transport.
- Increased reliance on gas will reduce India's dependence on crude oil imports by substituting the use of oil products in industrial, transportation and residential applications.
- It is 40 percent cheaper than liquefied petroleum gas. It is even cheaper than coal.
- A gas-fired power station takes much less time to start and stop than a coal-fired plant. This flexibility makes it a good partner to renewable sources of energy such as solar and wind, which are only available when the sun shines and the wind blows.
- Natural gas is abundant. If consumption remained at present levels, the International Energy Agency (IEA) estimates there are enough recoverable resources to last around 230 years.
- More employment opportunities will be there in the gas consuming sectors including MSMEs.





## Challenges

- Natural gas must be handled carefully because it is a highly combustible material.
- Like all fossil fuels, natural gas is not a renewable energy source.
- In India, 80% of natural gas produced by ONGC and Oil India Limited falls under Administered Price Mechanism (APM) which means the government controls its price
- The impediment is most of the gas coming from the nominated fields is going to fertilizers which is highly subsidized, hence the sector does not have its control over marketing and setting prices
- India is the world's third-highest emitting country. Therefore the questions are likely to be asked whether the commitment towards gas-based fossil fuels is compatible with the international climate goals laid out in the Paris Agreement, as it produces greenhouse gas.
- Natural gas resources are limited in India. 55% of the total needs is imported in the form of Liquefied Natural Gas (LNG) (which is costlier)
- The government's focus is on the existing sources of supply i.e. domestic gas and LNG. Progress on pipelines from other countries has largely been ignored.

## Suggestions

- Government should steadfastly be working to build infrastructure and increase connectivity to transport natural gas from the coasts to inland areas.
- There is the need for "one - nation-one - gas-grid" structure to enhance energy availability and accessibility
- Natural gas has a high tax burden currently. Centre for Science and Environment (CSE) has pointed out that the 'second clean fuel revolution was possible only with taxation and pricing reforms in favor of cleaner fuels.
- There is the need for aggressive policy-driven actions including coal cess and mandate to phase out old coal-based power plants.
- Policy reforms needed downstream to move from monopoly to competition. We must move to a marketplace where the consumer has multiple competing gas supply options to ensure that supply is available, affordable and sustainable.
- India needs to fully tap the global gas glut. This is the time to attract major gas players to come to India, invest and be part of the growth - similar to what is happening with the refining and fuels marketing business.
- No doubt natural gas is a cleaner fuel but cannot be called a green fuel. Therefore more focus should be on renewable sources of energy as compared to natural gas or any other fossil fuel.

## Calculation of MSP

### Context

- Amidst ongoing farmer protests the demand for legal backing to MSP is coming from various farmer organisations.

### Minimum Support Price (MSP) Brief introduction: -

- MSP as a term suggests, a tool which gives guarantee to the farmers, prior to the sowing season, that a fair amount of price is fixed for their upcoming crops. This protects Farmers from market volatility.
- The system was 1<sup>st</sup> introduced in 1966-67 for single crop- wheat and later expanded to include other essential food crops, which was then sold to the poor under subsidized rates under the public distribution system (PDS).
- Minimum Support Price (MSP) is a form of market intervention by the Government of India to encourage higher investment and production of agricultural commodities.
- Government announces MSP for 22 mandated crops (14- Kharif, 6- Rabi & 2 - Commercial crops) and fair and remunerative price (FRP) for sugarcane. Along with it, the MSPs of toria and de-husked coconut are fixed on the basis of the MSPs of rapeseed/mustard and copra, respectively.
- **Kharif Season Crops:** paddy, jowar, bajra, ragi, maize, tur, moong, urad, groundnut, sunflower, soyabean, sesamum, nigerseed and cotton.
- **Rabi Season Crops:** wheat, barley, chana, masur, mustard and safflower



### Determination of Minimum Support Price

- The MSP is fixed on the recommendations of the Commission for Agricultural Costs and Prices (CACP), though their recommendations are not binding on the Government.
- The CACP is a statutory body and submits separate reports recommending prices for Kharif and Rabi seasons.
- While recommending MSPs for crops, CACP considers the cost of production and other important factors such as demand and supply situation, trends in domestic and international prices, inter-crop price parity, terms of trade between agricultural and non-agricultural sectors and the likely impact of MSP on consumers and overall economy along with rational utilization of scarce natural resources like land and water
- The Central Government after considering the report and views of the State Governments and also keeping in view the overall demand and supply situation in the country, takes the final decision.

### Need For MSP

- The prices of agricultural Commodities are highly volatile, mainly due to fluctuations in their supply, lack of market integration and information asymmetry.
- A very good harvest in any year results in a sharp fall in the price of that commodity during that year which in turn will have an adverse impact on the future supply as farmers withdraw from sowing that crop in the next / following years.
- This then causes paucity of supply next year and hence, major price increase for consumers.
- To counter this, MSP for major agricultural products is fixed by the Government, each year.


### Benefits of MSP

- MSP give guaranteed price and assured market to the farmers.
- Protect farmers from the price fluctuations and market imperfections, especially in times of Globalization where world is highly connected.
- This assured price encourages higher investment and in adoption of modern farming practices.

### Negative Implications of MSP Policy

- Significant increase in Food Subsidy, affecting exchequer.
- MSP leads to lower availability of Grains in open market, leading to higher food inflation.
- Reduces India's Agriculture export potential as assured price discourage innovation & productivity.
- Results in Distorted Cropping pattern like we are seeing in Haryana & Punjab.
- Poor targeting, as highlighted by Shanta Kumar Committee, that almost all benefits are going to large farmers

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### Potential Alternative Reforms to MSP

- **Pradhan Mantri AnnadataAaySanrakshan Abhiyan (PM-AASHA)**
- The Umbrella Scheme, started in 2018, includes the mechanism of ensuring remunerative prices to the farmers , creating adequate procurement of crops not included in MSP policy ,and is comprised of :-

1. Price Support Scheme (PSS)( For oilseeds, pulses & copra)
  2. Price Deficiency Payment Scheme (PDPS) (Only for Oilseeds as of now)
  3. Pilot of Private Procurement & Stockist Scheme (PPPS). (Initially for oilseeds)
- **Price Deficiency Payments Scheme**
  - Bhavantar Bhugtan Yojana (BBY) initiated by Madhya Pradesh, later followed by Haryana as well . In this, the government, rather than procuring from farmers, compensates farmers with direct cash transfers when the market price falls below MSP.
  - Higher MSP for other crops to create a level playing field
  - Decentralised Procurement, that leads to lower transportation cost and better storage & Handling (Already initiated in MP, Tamil Nadu, etc.)

## RBI launches Digital Payments Index

### Context

- The Reserve Bank of India has constructed a composite digital payments index (DPI) to capture the extent of digitization of payments across the country.

### Digital Payments Index (DPI)

- Was part of the Sixth Bi-monthly Monetary Policy Statement for 2019-20.
- The RBI-DPI has been constructed with March 2018 as the base period, i.e., DPI score for March 2018 is set at 100.
- The DPI for March 2019 and March 2020 work out to 153.47 and 207.84 respectively, indicating appreciable growth.
- RBI-DPI is proposed to be published on RBI's website on a semi-annual basis from March 2021 onwards with a lag of 4 months.

### Parameters of DPI

- DPI comprises of 5 broad parameters. These parameters are:
  - Payment Enablers (weight 25%),
  - Payment Infrastructure – Demand-side factors (10%),
  - Payment Infrastructure – Supply-side factors (15%),
  - Payment Performance (45%) and
  - Consumer Centricity (5%).
- Each of these parameters have sub-parameters which, in turn, consist of various measurable indicators.

### Inspiration behind Digital Payment Index

- Nandan Nilekani Committee - RBI constituted a High-Level Committee on Deepening of Digital Payments under the Chairmanship of Shri Nandan Nilekani in January 2019. This committee recommended the setting up of Digital Payments Index.
- Payment Systems Vision 2019-21
- The recommendations of the Nandan Nilekani committee were incorporated in the Payment Systems Vision 2021 for implementation. To achieve the above, the Vision envisages four goalposts (4 Cs) – Competition, Cost, Convenience and Confidence.

### Way Forward

- Payments via digital modes are expected to make transactions more transparent and thereby prevent tax evasion.
- The banking regulator and the government have been working on facilitating adoption of cashless payment systems like digital wallets, internet banking, credit and debit cards.
- The government recently scrapped merchant discount rates (MDR) on payments made through Rupay debit cards and the Unified Payments Interface (UPI).

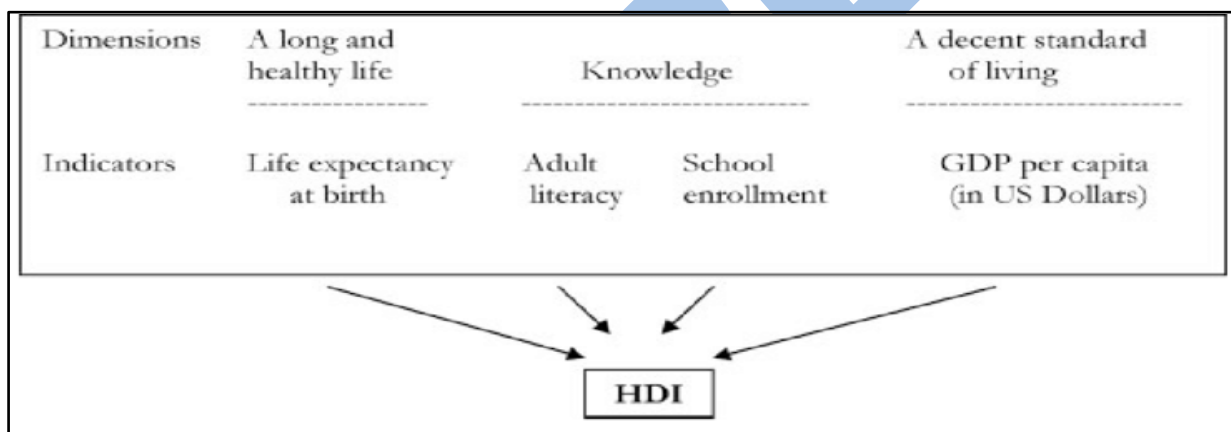
# Human Development Report 2020

## Context

- Human Development Report 2020 titled “The Next Frontier: Human Development and the Anthropocene” has been released by UNDP.

## Introduction

- Human Development as a concept is about all round development of population including Health, education, gender rights and also the more subjective concepts such as happiness, empowerment, sense of psychological well being
- The Human Development Report Office releases five composite indices each year.
  - Human Development Index (HDI)
  - Inequality-adjusted Human Development Index
  - Gender Development Index (GDI)
  - Gender Inequality Index (GII)
  - Multidimensional Poverty Index (MPI)
- The Human Development Index (HDI) was created in 1990 to emphasize that expanding human choices should be the ultimate criteria for assessing development results
- HDI measures achievement on three basic aspects of human development, life expectancy, education, and per capita income



## Major Highlights

- Out of 189 countries, India has ranked 131 on the Human Development Index 2020 prepared by the United Nations Development Programme (UNDP).
- According to report, since 1990, the HDI value of India has increased to 0.645 from 0.429, an increase of over 50%, the life expectancy at birth in India rose by nearly 12 years, while mean years of schooling witnessed an increase of 3.5 years and expected years of schooling also rose by 4.5 years. Moreover, during this period, GNI per capita of India also increased, registering a rise of nearly 274%.
- Ranking Topped by Norway.

## Planetary Pressures-Adjusted Human Development Index (PHDI)

- For the first time, the UNDP introduced a new metric to reflect the impact caused by each country’s per-capita carbon emissions and its material footprint, which measures the amount of fossil fuels, metals and other resources used to make the goods and services it consumes.
- It is an experimental index that adjusts the Human Development Index (HDI) for planetary pressures in the Anthropocene.
- If a country puts no pressure on the planet, its PHDI and HDI would be equal, but the PHDI falls below the HDI as pressure rises.

- India's rank will significantly improve by 8 places if PHDI is accounted for whereas countries like Norway will fall by 15 places, USA by 45 places and Norway by massive 72 places.

### Lessons for India from Report:-

- Failure in Expanding Health infrastructure, India ranks 155th among 167 countries on bed availability. Moreover, India has only 8.6 doctors per 10,000 population.
- Skilling Indian laborforce:- Barely one in five Indians in the labor force is "skilled". With the figure at 21.2%, India is 129th among 162 countries in terms of skilled labour.
- The report defines skilled labor as people who are 15 years or older and have "intermediate" or "advanced" level of education as classified by the UNESCO.
- The indigenous children in Cambodia, India and Thailand are showing more malnutrition-related issues such as stunting and wasting.

## Draft Electricity Amendment Bill

### Context

- An overhaul of The Electricity Act 2003 has been proposed with Draft Electricity Amendment Bill

### Highlights of new bill

- Focus on Renewable Energy: -Amendment seeks to promote a administrative eco-system which provides focus to renewable energy. Amendment Bill delegates the Central Government with the power to prepare and notify a National Renewable Energy Policy "for promotion of generation of electricity from renewable sources", in consultation with State Governments
- Establishment of Electricity Contract Enforcement Authority: - Amendment has inserted new provisions in the Act which prescribes the creation and functioning of the Electricity Contract Enforcement Authority. ECEA that has been proposed, will be given sole jurisdiction to adjudicate upon matters on performance of obligations under a contract regarding sale, purchase and transmission of electricity.
- Benefit related to subsidy will be direct i.e. to be granted directly to the consumer and the licensee shall charge the consumers as per the tariff determined by the Appropriate Commission
- Payment Security:- Lack of security mechanism in payments has created plethora of unpaid dues. To disrupt this trickle down in future, this Amendment proposes a mechanism wherein "no electricity shall be scheduled or dispatched under such contract unless adequate security of payment as agreed upon by the parties to the contract, has been provided.
- In addition to the focus on renewable energy, a substantial makeover in the market of the electricity sector revolves around cross border trade of electricity with essential power delegated to Centre Govt.

### Not in State's interest

Union Power Ministry has proposed Draft Electricity Amendment Bill 2020 to amend the Electricity Act of 2003 recently

- ❌ Commissions will declare tariff without taking into account the subsidy
- ❌ Subsidy will be given directly by the government to the consumers on the lines of LPG
- ❌ The Bill will vest the powers of distribution and subsidies in the hands of the Central government
- ❌ Experts say that Power Purchase Agreements are between the State and the power generating company and any interference will be detrimental to the State's interest
- ❌ Proposes one Selection Committee for selection of chiefs of and members of Central and State Commissions (ERCs) with no powers to States

**TS opposes the Bill saying it will hit State's flagship free power to farming sector and subsidies given to various sectors**



TS government has decided to oppose the Bill, and is writing to the Ministry concerned expressing its objections. CM K Chandrashekhhar Rao has already spelt out the government stand on the issue. Our line will be that of Chief Minister's statement at the media meeting after the Cabinet meeting.

— D PRABHAKAR RAO  
Transco and Genco CMD



## Need of Amendment

- World is moving from fossil fuels to cleaner renewable sources, therefore the power sector must be future-ready to handle the interplay of distributed energy resources, storage, electric vehicle (EV) charging requirements and other various emerging technologies
- India's rapid growth and urbanization will shoot up the per capita electricity demand, necessitating a stable, efficient and consumer-centric power sector.
- Unsustainably designed tariff structures coupled with collection and metering inefficiencies have proved disastrous for DISCOMS' cash flows, leading to their delaying payments to generators and also curtailing power purchase, both hampering investments in the sector

## Analysis of Bill

- Bill aims to help discoms by mandating **determination of tariffs purely on costs basis**, without taking into account subsidies, which would be directly paid to consumers. This will not only improve cash crunch issue of DISCOMS, but also promote investment in sector and bring transparency in sector
- Bill aims to strengthen the regulatory and dispute ecosystem in sector, which is a welcome step
- Bill encourage DBT in every aspect of financial transactions to reduce any inefficiencies.
- Bill promotes Private sector participation by allowing sub-licenses, improving service delivery.
- National Renewable Energy Policy is futuristic step in right direction.
- States feel that they are losing some authority.

## Way forward

- Cooperative Federalism is important to make this Bill a reality.
- In order to avoid any complexities, the jurisdictional boundaries of Electricity Regulatory Commission and the proposed Electricity Contract Enforcement Authority need to be clearly defined.
- government should consider an integrated National Clean Energy Policy focusing on resources and technologies including storage, energy efficiency, EVs and grid integration as a next suitable step
- Overall, The proposed reforms can infuse much-needed momentum into the power sector if properly implemented.

# National Policy for Blue Economy

## Context

- Ministry of Earth Sciences (MoES) has invited suggestions on the Draft Blue Economy Policy for India.

## Blue Economy

- Draft defined Blue Economy as a subset of the national economy comprising of the entire system of ocean resources and man-made economic infrastructure in marine, maritime and the onshore coastal zones within India's legal jurisdiction, which aid in the production of goods and services and have clear linkages with economic growth, environmental sustainability, and national security.
- It is in line with the Vision of New India by 2030 which highlighted blue economy as one of the ten core dimensions for national growth.
- The economic philosophy of the Blue Economy was first introduced in 1994 by Professor Gunter Pauli. Rio+20 in 2012 gave it a real voice when it focused on expanding the concept of Green Economy to include Blue Economy.
- SDG 14 mainly revolves around Blue economy.
- Countries like Australia, Brazil, U.K., U.S.A, Russia, etc have developed dedicated National ocean policies and it is about time that India also initiate a policy in this direction.

## Some Features of Draft Policy

- It recognizes seven thematic areas

- 1 National Accounting Framework for Blue Economy and Ocean Governance Priority Area
- 2 Coastal Marine Spatial Planning and Tourism
- 3 Marine Fisheries, Aquaculture and Fish Processing.
- 4 Manufacturing, Emerging Industries, Trade, Technology, Services and Skill Development
- 5 Logistics, Infrastructure and Shipping, including Trans-shipments
- 6 Coastal and Deep-Sea Mining and Offshore Energy
- 7 Security, Strategic Dimensions and International Engagement

- Creation of National Blue Economy Council (NBEC), Apex body that will integrate planning process between various stakeholders.
- Further, National Blue Economy Fund (NBEF) will be set up to implement various initiatives under NBEC.
- Expand the approach and implementation of Swachh Bharat to the concept of 'Swachh Prithvi, Swachh Sagar' to fight marine pollution. Plastic Elimination and National Marine Litter Policy can be developed.

### Need of Blue Economy Policy

- Harnessing India geographical advantage- India's has a coastline of nearly 7500 kilometers with 1,382 islands and nearly 199 ports, including 12 major ports that can handle nearly 1,400 million tons of cargo each Year.
- India's Exclusive Economic Zone of over 2 million square kilometers has significant living and non-living recoverable resources such as crude oil and natural gas.
- Coastal economy sustains over 4 million fisherfolk communities.
- Can provide better initiatives to preserve marine biodiversity.

### India's Initiatives for sustainable Blue economy

- Govt also launching Deep Ocean mission to explore Poly metallic Nodules in Deep seas .MoES has also signed contracts with the International Seabed Authority in this regard.
- India is connecting island territories to submarine optical fiber cables to ensure high-speed broadband connectivity in remote locations. Recently such project completed between Chennai and port Blair
- GoI launched Sagarmala project for port led development
- MoES has joined the United Nations on the "Clean Seas Programme" to fight marine pollution.
- India-Norway is forming a Task Force on Blue Economy for Sustainable Development
- India already has a National Fisheries policy for promoting 'Blue Growth Initiative' focusing on sustainable utilization of fisheries wealth from the marine resources.

## Production Linked Incentive for 10 more sectors

### Context

- Union Cabinet approved an expansion of the Production-Linked Incentive (PLI) scheme to include 10 more labour-intensive industry segments.

### What is Potential Linked Scheme?

- The Prime Minister's clarion call for an 'AatmaNirbhar Bharat' envisages policies for the promotion of an efficient, equitable and resilient manufacturing sector in the country. In this , Potential Linked Incentive Scheme plays a crucial role.
- In order to boost domestic manufacturing and cut down on import bills, the central government came out with a scheme that aims to give companies incentives on incremental sales from products manufactured in domestic

units. The scheme target both markets, foreign companies, by inviting them to set shop in India, and local companies, by encouraging them to set up or expand existing manufacturing units.

- The main objective is to make India more compliant with our WTO (World Trade Organization) commitments and also make it non-discriminatory and neutral with respect to domestic sales and exports.
- The need of PLI is important as the government cannot continue making investments in these capital-intensive sectors as they need longer times for start giving the returns.

### PLI Scheme approved Sectors

- The PLI scheme for these ten sectors will be operational for five years with a total estimated outlay of Rs 1.45 lakh crore. The total outlay on PLI schemes for the next five years would now effectively exceed Rs 2 lakh crore.

Cabinet approves PLI Scheme in 10 key Sectors					
Sectors	Implementing Ministry/Department	Approved financial outlay over a five-year period Rs.crore	Sectors	Implementing Ministry/Department	Approved financial outlay over a five-year period Rs.crore
Advance Chemistry Cell (ACC) Battery	NITI Aayog and Department of Heavy Industries	18100	Textile Products: MMF segment and technical textiles	Ministry of Textiles	10683
Electronic/Technology Products	Ministry of Electronics and Information Technology	5000	Food Products	Ministry of Food Processing Industries	10900
Automobiles & Auto Components	Department of Heavy Industries	57042	High Efficiency Solar PV Modules	Ministry of New and Renewable Energy	4500
Pharmaceuticals drugs	Department of Pharmaceuticals	15000	White Goods (ACs & LED)	Department for Promotion of Industry and Internal Trade	6238
Telecom & Networking Products	Department of Telecom	12195	Speciality Steel	Ministry of Steel	6322
Total					145980

### Working of the scheme

- PLI scheme will be implemented by the concerned ministries/departments and will be within the overall financial limits prescribed.
- The final proposals of PLI for individual sectors will be appraised by the Expenditure Finance Committee (EFC) and have to be approved by the Cabinet.
- Savings, if any, from one PLI scheme of an approved sector can be utilized to fund that of another approved sector by the Empowered Group of Secretaries.
- Any new sector for PLI will require fresh approval of the Cabinet.

### Benefits of PLI scheme

- Scheme is a crucial step towards efficient and resilient Manufacturing Sector in country.
- It will lead to overall growth and employment opportunities in economy.
- Can act as a catalyzer for Digital economy.
- Scheme will help manufacturing sector in creating conducive manufacturing ecosystem that is well connected with global supply chain and even MSME ecosystem in India.
- Scheme have potential to push Indian exports especially in pharma and steel sector.
- With involvement of foreign companies, local companies compete to sustain themselves, leading to better innovation ecosystem in country.

### Challenges in front of us

- Incompatibility with the WYO norms could arise if scheme is not in line with boosting global exports and value addition.
- Past trends in similar lines such as the three-decades-old Special Economic Zones (SEZ) experience dedicated to improving the value additions to the manufacturing products and services, have not yielded the result we expected.



- Even, Merchandise Export from India Scheme (MEIS), an export incentive scheme, were mired in procedural delays and failed to deliver its desired results.

## LIBOR Cessation by 2021

### Context

- RBI plans for new Indian benchmark as LIBOR set to cease by 2021.

### LIBOR

- It stands for London Interbank Offered Rate, a global benchmark for borrowings.
- It is an interest rate at which global banks lend to one another at international market for short term loans.
- It is administered by the Intercontinental exchange, which asks major global banks how much they would charge other banks for short term loans. The rate is published by Intercontinental exchange on per day basis.
- LIBOR is based on 5 currencies: - USD, Euro, Pound, Yen and Swiss Franc
- With the cessation of LIBOR, an alternate to MIFOR (Mumbai Interbank Forward Outright Rate) will also need to be developed.

### MIFOR

- The MIFOR benchmark is a synthetic benchmark, a composite rate with the US dollar LIBOR and USD rupee forward premia as its components. Essentially, the MIFOR represents the cost of borrowing in US dollars and swapping the same to the rupee, thus synthetically representing the domestic term interest rate.

### Downside of Using LIBOR rate

- Affect Returns on certain securities.
- Many Mutual Funds are attached to LIBOR, so their yields may drop as LIBOR fluctuates.

### Potential Alternatives of LIBOR

- It is still unclear what will replace LIBOR mechanism but there are some potential competitors.
- Working Group in the UK selected the Sterling Over Night Index Average (SONIA) as its proposed alternative benchmark in 2017.
- US based SOFR (the Secured Overnight Financing Rate) consider to be potential replacement. It is a benchmark interest rate used for USD denominated loans & contracts.
- The ICE Benchmark Administration, has proposed switching to the US Dollar ICE Bank Yield Index (IBYI), which competes with SOFR.

LIBOR VS. SOFR: A COMPARISON	
LIBOR	SOFR
■ Partially transaction- and partially judgment-based rate	■ Transaction-based rate
■ Unsecured rate (no collateral)	■ Secured rate (with treasuries as collateral)
■ Bank-to-bank commercial lending rate (includes credit risk)	■ Risk-free rate with little or no credit risk
■ Rate calculated based on roughly \$1 billion of daily transactions	■ Rate calculated based on roughly \$1 trillion of daily transactions
■ Has a term structure of interest rates	■ Has no true term structure of interest rates
■ Forward-looking rate: prospective	■ Historical-based rate: retrospective

### Way forward

- Related Accounting and tax issues need to be addressed.
- All contracts which will continue after LIBOR cessation needs to be renegotiated & replaced.
- Creation of Stakeholder awareness across financial market participants.
- Consensus should be created for Alternative benchmark across countries.

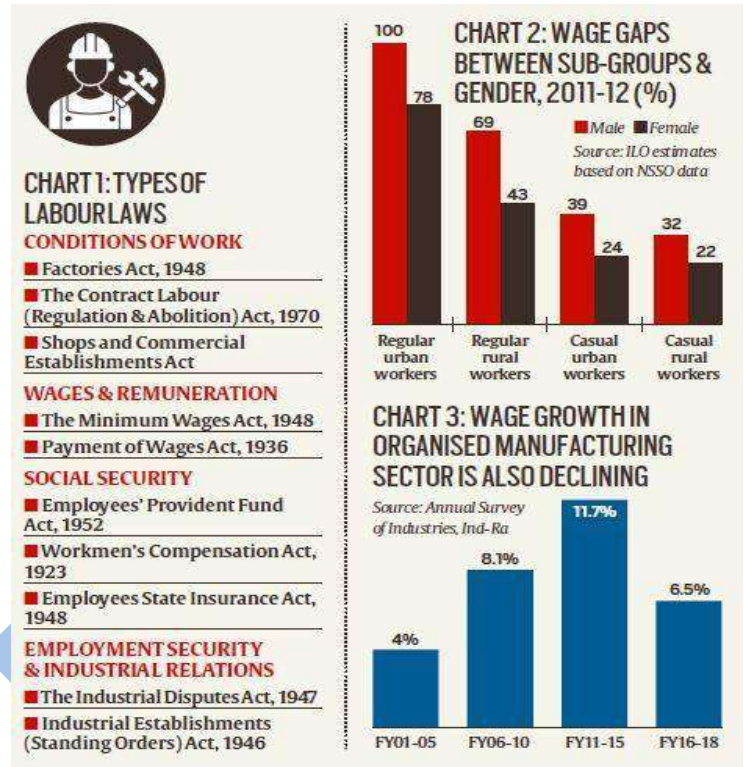


## Brief Writeup on Labour codes

- Government in an appreciable effort are trying to integrate existing labour laws in 4 labour codes to simplify and modernize labour regulation. It includes the following:

### (i) Code on Industrial Relations

- It aims to create better labour market flexibility and discipline in labour
- The code allows companies with up to 300 workers as against 100 workers earlier for firing employees and shutting down the plant or factory without prior government approval.
- It also introduces conditions on the rights of the workers to go on strike.
- It provides that 10% of worker shall apply for registering a trade union and union will be recognized as sole negotiating union only if it has support of 51 % or more of workers on muster roll. If not, then negotiating council will be formed with at least approval of 20% workers.



### (ii) Code on Social Security

- For the very first time, it extended social security benefits like maternity leave, disability insurance, gratuity, health insurance and old age protection to workers in the country's unorganized sector which was uncovered earlier.
- These include gig workers, platform workers, contract workers, freelancers and home-based workers.
- It also stipulates the gratuity benefits to fixed-term employees without any conditions on minimum service.
- The Code proposes the creation of a social security fund for extending these benefits to workers in the unorganized sector.
- Also introduced concept of 'wage ceiling' and 'income threshold'

### (iii) Code on Wages

- It makes provisions for minimum and timely payment of wages to all the workers in India for the time.
- It introduced the concept of floor wages to be fixed by the central government.
- The minimum rates of wages fixed by the State Government cannot be less than floor wages as determined by the Central Government.
- The Code applies to all the establishments (both organised and unorganised) irrespective of the number of employees working in the establishment.

### (iv) Code on the Occupational Safety, Health and Working Conditions

- It aims to regulate the safety, health and working conditions of workers employed in establishments including inter-state migrants, sales promotion employees and audio-visual workers.
- Annual health checkups to be made mandatory in factories.
- It also proposes to let inter-state migrant workers avail the benefits of the Public Distribution System in either their home state or the state of employment. Also, Journey allowance has been proposed for interstate migrant workers.
- Appointment letters for all workers
- National Occupational Safety & Health Advisory board to be set up at National & State level
- The maximum work hours should not exceed 12 hours a day unlike the previous provision of 9 hours a day.

## Certain Gaps remain in the new codes

- **Lack of data on migrant workers**
  - India's labour laws were applicable to around 80 million workers in the formal sector, leaving the rest of the 500 million-strong workforce out of these benefits.
  - The Centre and state governments hardly have any updated records on who is a migrant worker and where exactly he/she is working at present.
  - The provisions of the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979, have been subsumed into the Occupational Safety, Health and Working Conditions Act which is completely silent about those migrants who move within state borders or intra-state migrants.
- **Definition of interstate migrants**
  - It needs to be acknowledged that the definition of inter-state migrant workers as per the new Act does widen the ambit beyond those who are recruited by contractors alone. It now includes any worker who has migrated on their own to another state, including self-employed workers. The Act provides for their registration on a portal that the Central government and the state governments have been mandated to set up.
  - However, the exact mechanism through which this will be implemented and how the responsibilities related to registration would be done between the various governments have not been clarified.
  - There is still no clarity on how the database will accommodate the heterogeneity of internal labour migration.
- **Code on Social Security – 2020**
  - Code continues to drive the wedge between formal and informal sector protections. For instance, under the Maternity Benefit Act, organised workers are entitled to 26 weeks of paid maternity leave at full wages. Along with it, protection from dismissal and provision for a worksite crèche
  - Under the Code on Social Security, however, maternity benefits only apply to registered factories, mines, plantations, and shops and establishments, which mostly have thresholds of 10 workers.
  - As a result, unorganised sector workers, who are often found at smaller units and worksites, would be excluded from these benefits, having to rely instead on schemes like the Matrutva Vandana Yojana, which provides Rs 5,000 in cash but no protections from arbitrary dismissal or provision for paid leave.
  - Even the protections specifically put into place for migrant workers – minuscule as they are – only apply to establishments employing ten or more inter-state migrants.
- **Ambiguity about reskilling Fund:** The Code lacks clarity on the substantive and procedural aspects of reskilling Fund which will fizzle out like the National Renewal Fund in the 1990s.
- **Occupational Safety, Health and Working Conditions**
  - While the 2019 version of the Occupational Safety, Health and Working Conditions Code stipulated that protections like displacement allowance, equality of working conditions, accommodation, medical facilities and evaluation would be provided independent of the number of migrant workers onsite, the 2020 version does away with this exemption, even for the portability of Public Distribution System (ration card) benefits.
  - Regardless of the threshold magnitude, such categorizations are arbitrary and disconnected from reality.
  - For instance, a mapping by Aajeevika Bureau of an industrial suburb of Mumbai revealed that the manufacturing units there employ six workers on average, and the employers, who also performed manual labour on the shopfloor, are migrants themselves.
  - The government's own data from the sixth Economic Census of 2013-'14 suggests that only 30% of India's employment is in establishments of six or more employees.

## Way Forward

- The migrant worker crisis during the lockdown was rooted in the lack of systematic labour protections for hundreds of millions of informal workers over the last three decades of India's economic growth.
- India is projected to have the largest working population in the world between 2022 and 2034, with 10 million youth entering the workforce every year.
- Unorganised workers require an exclusive labour law instead of being boxed into the new Code dedicated to the organised sector. It is because, the wage structures, employer-employee relationships, and required protections and securities are different for all these groups that cannot be addressed through a single imagination of data.

# Eyeing faster resolution, govt may amend IBC to bring in pre-packs

## Context

- Ministry of Corporate Affairs has invited comments from public on Pre-packaged Insolvency Resolution Process (PPIRP) under Insolvency and Bankruptcy Code, 2016.

## Background

- The government, in June, against the backdrop of the pandemic, issued an Ordinance preventing initiation of insolvency proceedings against companies for defaults in the six-month period starting March 25 under the IBC and, subsequently, extended the suspension till March 24, 2021.

## MS Sahoo Committee

- The Corporate Affairs Ministry, in June 2020, formed a sub-committee of Insolvency Law Committee (ILC) led by MS Sahoo, chairperson of the Insolvency and Bankruptcy Board of India, to look into including pre-packs as a resolution mechanism under the IBC.
- The sub-committee has designed a pre-pack framework within the basic structure of the Insolvency and Bankruptcy Code, 2016, for the Indian market.
- It has recommended that all pre-pack agreements in which operational creditors are set to receive less than a full recovery be open to a swiss challenge, under which any eligible third party would be permitted to offer an improved bid.
- The initial bidder would, in such cases, have the option to match the improved bid to get approval for the pre-packaged agreement.

## Insolvency Regime

- Insolvency and Bankruptcy Code, 2016 has brought an altogether new insolvency regime that is proactive, incentive compliant, market led, and time-bound.
- It is a beneficial legislation which puts the corporate debtor (CD) back on its feet.
- The Government is continuing its drive to improve 'resolving insolvency' and 'ease of doing business' further by enriching the insolvency regime with innovative options and features, with primary focus on time bound rescue of businesses.
- Consequently, India's rank moved up from 136 to 52 in terms of 'resolving insolvency' in the last three years in the World Bank Group's Doing Business Reports.
- In the Global Innovation Index, India's rank improved from 111 in 2017 to 47 in 2020 in 'Ease of Resolving Insolvency'.

## What is Pre-Pack Resolution

- A pre-pack is an agreement for a distressed company's debt resolution between secured creditors and investors instead of a public bidding process, as under the Corporate Insolvency Resolution Process (CIRP) of the IBC.

## Rationale behind Pre-Packs

- Non-adherence of prescribed timelines under the IBC is a key criticism that the government is seeking to address through the inclusion of pre-packs under the IBC, with 1,442 of a total 1,942 ongoing insolvency proceedings having passed the 270-day mark.

## Objectives of Pre-pack

- The first and foremost objective is reorganisation and insolvency resolution of Corporate Debtor.
- To maximise value of assets of the company.
- Other objectives can be to promote entrepreneurship, availability of credit and balancing the interests of all stakeholders.

## Benefits of Pre-Pack

- **Quick Resolution:** It is difficult to keep a company going on in a stressful state for long. If stress is not resolved quickly, its value may erode and ultimately disappear making resolution difficult. Pre-pack, which enables a faster resolution, preserves and maximises value and increases the possibility of resolution. A pre-pack sale in the UK could be completed in matter of hours.
- **Cost Effective:** Since the process takes less time, the cost of process linked to time becomes less.
- **Value Maximization:** A distressed asset has a life cycle and the longer it stays in a state of stress, the more value depletion it suffers. Its value depletes further by the costs associated with a longer resolution period. Pre-pack preserves value by cutting down these elements of the formal process. Early initiation and closure of the process as compared to the formal process, minimises the possibility of liquidation and thereby destruction of economic value in case of otherwise viable businesses.
- **Job preservation:** Since a pre-pack may commence at the earliest sign of distress, it facilitates continuity of its operations without any job loss. It ensures a company keeps going, in contrast to a more protracted formal insolvency process which risks losing customers and employees.
- **Group resolution:** In the absence of any mechanism to effectively deal with insolvency of a group of companies in most jurisdictions, prepacks have proved to be very helpful.
- **Lighter on Courts:** A pre-pack has the potential to reduce litigation, due to its informal and consensual nature. It does not require involvement of the court during the informal part of the process and requires minimum role of courts during formal process. Hence, it reduces litigation cost and delays and helps to decongest the overburdened courts.

## Concerns Regarding Pre-Packs

- **Transparency:** The nature of pre-pack administrations leads to a lack of transparency before the sale as the parties work to secure the future of the business without risking the confidence of creditors, customers and employees. Unsecured creditors feel disenfranchised by this secrecy, particularly where the purchaser is connected to the insolvent company.
- **Marketing of pre-pack companies for sale is insufficient:** The quality of marketing of businesses that intend to pre-pack needs to improve.
- **No consideration is given to the future viability of the new company.**

## Indian Economy seeing V- shaped Recovery

### Context

- With Domestic activity gradually to pre-covid levels, RBI sees a phoenix- like recovery for the Indian economy.

### What is V-shaped recovery

- It is the scenario in which the nation's economy quickly covers lost ground and gets back to the normal growth trend-line. In this type of recovery, incomes and jobs are not permanently lost, and the economic growth recovers sharply and returns to the path it was following before the disruption.

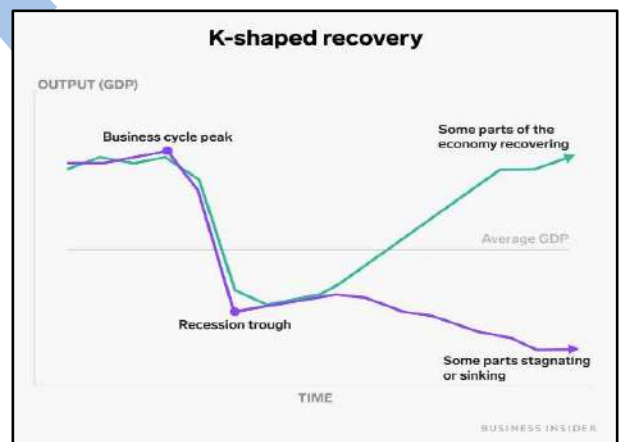
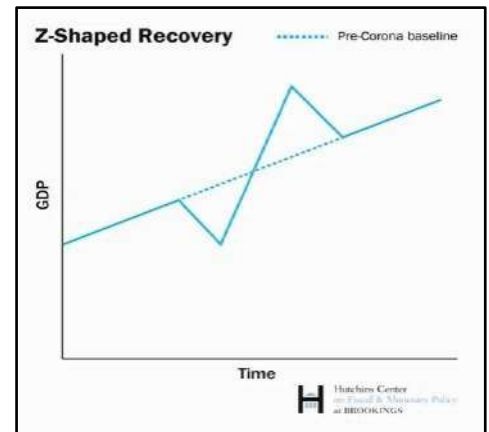
### India showing V-shaped recovery

- According to RBI's monthly bulletin, V-shaped recovery reflects the resilience and robustness of the Indian economy. The fundamentals of the economy remain strong and along with the astute support of Atmanirbhar Bharat Mission, Indian economy is firmly on the path of recovery.
- Growth drivers have obtained the largest support from agriculture followed by construction and manufacturing.
- Increase in Rabi coverage with adequately filled irrigation reservoirs bodies is good for the growth of agricultural output in 2020-21.
- The additional allocation of Rs 10,000 crore in the latest package for Pradhan Mantri Garib Kalyan Rozgar Yojana gave a further boost to job creation in the rural sector and supplement rural incomes which was crucial for phoenix shaped recovery.



## Types of recovery

- There are various factors that determine the shape of recovery. These include the overall duration of the pandemic, the effect on jobs and household incomes, the extent of fiscal stimulus provided by the government etc and shapes vary among nations according to these factors.
- Z-shaped recovery:** It is the most-optimistic scenario in which the economy quickly rises after an economic crash. It makes up more than for lost ground before settling back to the normal trend-line, thus forming a Z-shaped chart.
  - V-shaped recovery:** It is the scenario in which the nation's economy quickly covers lost ground and gets back to the normal growth trend-line. It is the next best scenario after Z-shaped recovery. India is currently witnessing it.
  - U-shaped recovery:** It is a scenario in which the economy, after falling, struggles around a low growth rate for some time, before rising gradually to usual levels. In this scenario several jobs can be lost and if it stays for a long time, it can seriously damage the economy.
  - W-shaped recovery:** A W-shaped recovery is a dangerous scenario which is expected by many European nations owing to second wave of COVID-19. In this, growth falls and rises, but falls again before recovering, thus forming a W-like chart.
  - L-shaped recovery:** In this, the economy fails to regain the level of GDP even after years go by. The shape shows that there is a permanent loss to the economy's ability to produce. It is considered as a worst-case scenario.
  - K-shaped recovery:** Such scenario happens when different sections of an economy recover at starkly different rates. Some Households which have their incomes largely protected act as a 'fuel in the tank' to drive future consumption. Meanwhile, households at the bottom are likely to have witnessed permanent hits to jobs and incomes. For example Passenger vehicle registrations (proxying upper-end consumption) have grown about 4 per cent since October while two-wheelers have contracted 15 per cent.



## Farm Laws and Protests related to it

### Context

- Recently, there have been strong protests from farmers, especially from the states of Punjab and Haryana against three farm laws.
- These laws sought to bring much needed reforms in the agricultural marketing system such as removing restrictions of private stock holding of agricultural produce or creating trading areas free of middlemen and take the market to the farmer.

### Highlights of 3 Farm laws

- Essential Commodities (Amendment) Act, 2020:**

- It removes cereals, pulses, oilseeds, edible oils, onions and potatoes from the list of essential commodities. It will deregulate the production, storage, movement and distribution of these food commodities.
  - It will also remove stockholding limits on such items except under “extraordinary circumstances”, like supply during war, famine, extraordinary price rise and natural calamity of grave nature and annual retail price rise exceeding 100% in horticultural produce (basically onions and potatoes) and 50% for non-perishables (cereals, pulses and edible oils), while providing exemptions for exporters and processors and other ‘value chain participants’ at such times as well.
- 2. Farmers (Empowerment and Protection) Agreement on Price Assurance and Farm Services Act, 2020:**
- It creates a national framework for contract farming. It provides a legal framework for farmers to enter into written contracts with companies and produce for them.
  - Such agreements between companies and farmers are already operational in crops of particular processing grades (the potatoes used by beverages and snacks giant PepsiCo for its Lay’s and Uncle Chips wafers) or dedicated for exports (gherkins)
  - It also defines a dispute resolution mechanism. The Act provides for a three-level dispute settlement mechanism—Conciliation Board, Sub-Divisional Magistrate and Appellate Authority.
  - The contract cultivation is voluntary in nature and largely for crops not amenable to trading in regular APMC (agricultural produce market committee) mandis.
- 3. The Farmers’ Produce Trade and Commerce (Promotion and Facilitation) Act, 2020:**
- The act aims at opening up agricultural sale outside the notified Agricultural Produce Market Committee (APMC) mandis for farmers, removes barriers to inter-State trade and provides a framework for electronic trading of agricultural produce.
  - It expands the scope of trade areas of farmers’ produce from select areas to “any place of production, collection, aggregation”.
  - This trade of farm produces will be free of mandi tax imposed by the state governments
  - The act seeks to break the monopoly of government-regulated mandis and allow farmers to sell directly to private buyers.

### Benefits of these laws

- The acts are being hailed as a watershed moment in the history of Indian agriculture that could initiate a complete transformation of agriculture industry
- The laws are trying to remove government interference in agricultural trade by creating trading areas free of middlemen and government taxes. Thus, it will help farmers to garner more income.
- ECA amendment will boost private investment in large storage warehousing and marketing infrastructure.
- They promote the creation of Farmer Producer Organisations (FPO) on a large scale and will help in creating a farmer-friendly environment for contract farming where small players can benefit. Govt. has also put target of creating 30000 FPOs in a decade.
- Contract farming will help small and marginal farmers transfer the risk of market unpredictability from the farmer to the sponsor.
- A combined effect of these laws will help in creating a ‘One Nation, One Market’ for agricultural produce and push Govt agenda of Doubling Farmers income.

### So why the protests?

- Some of the farmer organizations especially in Green Revolution belt called the acts corporate-friendly and anti-farmer and have expressed the fear that the new acts may hurt the farmers’ interests.

### Issues with the Acts are

- Farmers fear that the new system will end the MSP regime. The encouragement of tax-free private trade outside the APMC mandis will make these notified markets unviable, which could lead to a reduction in government procurement itself.
- Lack of statutory support in the acts for the MSP is a major point of concern, especially for farmers from Punjab and Haryana, where 65% of wheat (2019) is procured at MSP.

- The creation of private mandis will drive agriculture business towards private mandis, eventually ending APMCs. In a scenario where more and more trading moves out of the APMCs, these regulated market yards will lose revenues. As a result, big corporate houses will overtake markets, thereby procuring farm produce at incidental rates.
- The deregulation of the sugar industry in 1998, which paved the way for private establishments, did not result in a significant improvement in farmers' productivity or incomes.
- The inability of the small and marginal farmers to understand the terms of the contract may lead to the exploitation of such farmers. The lack of bargaining power of farmers with big companies is also a major concern
- Acts also raised federal angle where States felt that centre are encroaching on their rights as matters of trade and agriculture being the part of subjects on the State list. Article 246 of the Constitution places "agriculture" in entry 14 and "markets and fairs" in entry 28 of the State List
- Also, the new farm laws expressly exclude the jurisdiction of the civil court, leaving the farmers remediless and with no independent medium of dispute redressal mechanism.

### What can be done

- Consensus building should be the priority for the government. the Centre should reach out to those opposing the laws as much as they can, including farmers, and explain to them the need for reform, and get them on board. Government already met with stakeholders through various rounds of talk and hopefully we will see a consensus is nearby future.
- The government has made it clear that procurement at MSP will continue and also that the mandis will not stop functioning. This should be propagated in a right manner so that negative forces not able to confuse farmers.
- The method of determining prices, including guaranteed price and additional amount, should be provided in the agreement as annexures. The government must ensure suitable provisions to ensure that the prices are not below the MSP.
- Along with this, the govt should also focus on empowering farmers through State Farmers Commissions recommended by the National Commission for Farmers, to bring about a speedy government response to issues and time bound redressal of grievances.
- Govt should improve existing Agricultural Infrastructure to Strengthen Competition.

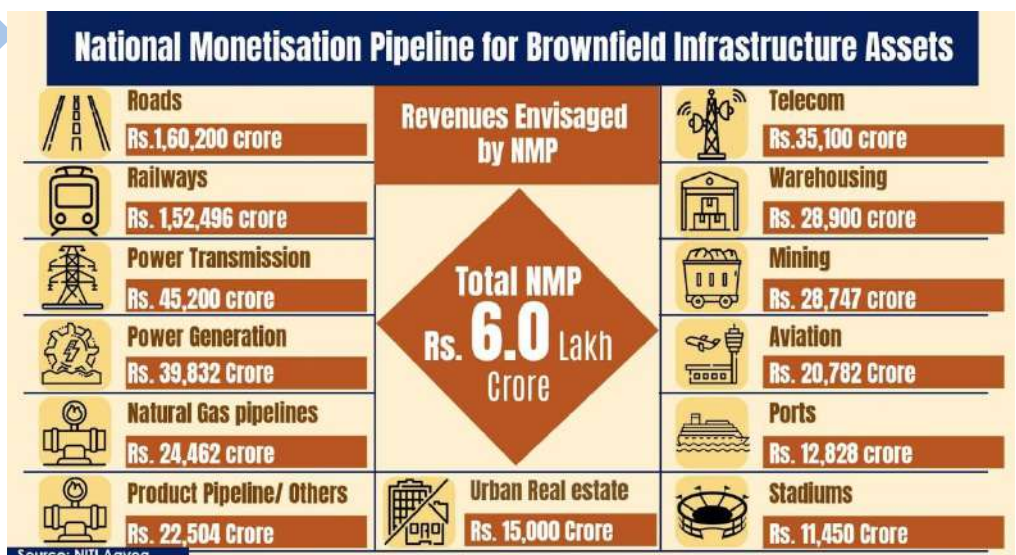
## National Monetization Pipeline

### Context

- The government has unveiled a four-year National Monetisation Pipeline worth an estimated Rs 6 lakh crore over a four-year period, from FY 2022 to FY 2025.

### Introduction

- It aims to unlock value in brownfield projects by engaging the private sector, transferring to them revenue rights and not ownership in the projects, and using the funds generated for infrastructure creation across the country
- Union Budget 2021-22 has identified monetisation of operating public infrastructure assets as a key means for sustainable



infrastructure financing.

- Currently, only assets of central government line ministries and Central Public Sector Enterprises (CPSEs) in infrastructure sectors have been included.
- The NMP will run co-terminus with the Rs 100 lakh crore National Infrastructure Pipeline (NIP) announced in December 2019.
- In India, the concept was first suggested by a committee led by Vijay Kelkar on the roadmap for fiscal consolidation in 2012
- An empowered committee under Cabinet Secretary has been constituted to implement and monitor the Asset Monetization program.

### Benefits

- Govt. as well as NITI Aayog has stressed that these assets have been “de-risked” from execution risks, hence will provide better returns for Govt, hence improving fiscal structure for them.
- In other words, It will help the authorities ease fiscal constraints and free up balance sheets for more greenfield infrastructure creation
- Entire process will encourage private investment in country.
- It could also provide States with the additional resources needed to sustain public investment during this period of stressed public finances.
- Will usher positive energy of Cooperative Federalism in country

### Challenges

- Structuring the monetisation transactions, providing a balance risk profile of assets, and effective execution of the NMP will be key challenges.
- Another challenge is creating a regulatory framework to deal with a monopoly, which is something that could happen in the railway projects under NMP.
- Lack of identifiable revenue streams in various assets.
- Proper maintenance of asset register and title and encroachment may adversely affect the monetization plan
- Less-than-encouraging bids in the recently launched PPP initiative in trains indicate that attracting private investors' interest is not that easy.
- There are asset specific challenges as well, like Low Level of capacity utilisation in gas and petroleum pipeline networks, Low interest among investors in national highways below four lanes, etc.

### Way Forward

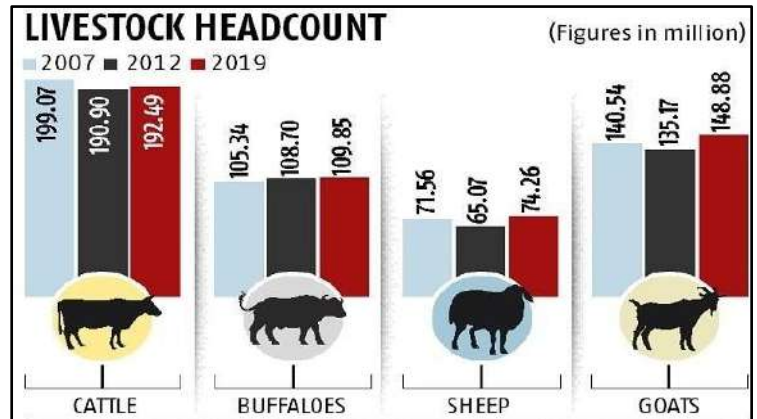
- While the government has tried to address many challenges, owing to infrastructure development in the NMP framework, execution of the plan remains key to its success.
- The sharing of risk and rewards between the public and private partners needs to be weighed carefully for each sector. Checks and balances are needed for actual infrastructure usage versus projections at the time of bidding.
- Multi-Stakeholder Approach: The success of the infrastructure expansion plan would depend on other stakeholders playing their due role. These include State governments and their public sector enterprises and the private sector.
- Further, there is a need for an efficient dispute resolution mechanism.
- It would be important for the government to get the first few projects in each sector right to start things in the right direction. Hence, achieving the first-year target of Rs 0.8 trillion is very important to build confidence in the market. Eventually like any other project, its success depends on proper execution and monitoring.



## Livestock Sector and Govt. initiatives related to it

### Introduction

- Livestock plays an important role in Indian economy. About 20.5 million people depend upon livestock for their livelihood.
- It also provides employment to about 8.8 % of the population in India. Livestock sector contributes 4.11% GDP and 25.6% of total Agriculture GDP
- India has vast livestock resources. According to 20<sup>th</sup> Livestock census, total Livestock population is 535.78 million in the country showing an increase of 4.6% over Livestock Census-2012. India is First in the total buffalo population in the world, 2<sup>nd</sup> in goats, poultry, 3<sup>rd</sup> in sheep and 5<sup>th</sup> in chicken.



### Contribution of Livestock and sector

- The livestock provides food items such as Milk, Meat and Eggs for human consumption, providing food security to the country.
- The livestock also contributes to the production of wool, hair, hides, and pelts. Leather is the most important product which has a very high export potential.
- Bullocks are the backbone of Indian agriculture. Despite lot of advancements in the use of mechanical power in Indian agricultural operations, the Indian farmer especially in rural areas still depend upon bullocks for various agricultural operations
- Dung and other animal wastes serve as very good farmyard manure. In addition, it is also used as fuel (biogas, dung cakes), and for construction as poor man's cement (dung).
- Livestock are also used as biological control of brush, plants and weeds.
- Sector has contributed significantly to the empowerment of women and has increased their income and role in society.
- Animals offers a sense of social security in rural areas, especially landless farmers who own more livestock are better placed than others.
- It is at the center of poverty alleviation programs from equity and livelihood standpoints.
- Livestock productivity has been identified as one of the seven sources of income growth by the Inter-Ministerial Committee under the government's target of doubling farmers' income by the year 2022

### Challenges

- Non-availability of superior quality breeding bulls
- Absence of field-oriented conservation strategy for indigenous breeds.
- Contributor to Greenhouse gases: Across the world, the livestock sector contributes to 14.5% of human-induced greenhouse gas emissions, whereas in India livestock sector contributes to 58% of agricultural emissions (as per 2012 estimates).
- Funding issues: The livestock sector received only 12% of total expenditure on agriculture and allied sector. Which is very less as per its size and contribution to GDP?
- Lack of quality checking and standardization of animal products leading to poor quality exports and returning of exports by other countries under sanitary and phytosanitary.
- Lack of skills and quality services to farmers for improving productivity and improper infrastructure to support the sector
- Shortage of fodder resources and ineffective control of animal diseases
- About half of the meat production comes from the unregistered slaughterhouses which are leading to poor price realization to farmers.

### Govt. initiatives to boost the sector

- Rashtriya Gokul Mission was launched to develop and conserve indigenous breeds of bovine population.
- National Livestock Mission launched in the year 2014-15 to ensure quantitative and qualitative improvement in livestock production systems and capacity building of all stakeholders
- National Animal Disease Control Programme launched from Mathura to tackle Foot and Mouth Disease (FMD) and Brucellosis in cattle, buffalo, sheep, goat and pig population.
- Animal Husbandry Infrastructure Development Fund (AHIDF) was launched in June 2020 to support private investment in Dairy Processing, value addition and cattle feed infrastructure.

### Way forward

- Following NITI Aayog recommendations like establishing village-level procurement systems for better supply chain management, breeding indigenous cattle with exotic breeds to enhance productivity, Capacity building for farmers and fish breeders with new technology penetration etc will help not only livestock sector but entire economy.
- Institutional strengthening to provide better credit and insurance coverage to the livestock farmers.
- Boosting infrastructure by establishing cold chains and storage facilities as livestock products are perishable in nature.
- Public spending needs to be increased to re-energize the livestock sector
- India should strictly follow the sanitary and phytosanitary standards as laid down by Codex Alimentarius Commission which is formed by FAO and WHO
- Macro benefits regarding climate change and employment are linked to the Animal Husbandry sector and enhanced infrastructure can make processing units more energy-efficient and help mitigate their carbon footprint.

## Growth of Logistics sector in India

### Introduction

- Today, the Indian logistics sector is a sunshine industry and is going through a phase of transformation. The worth of Indian logistics market would be around US\$ 215 billion in next two years compared to about US\$ 160 billion currently.
- The logistics industry in India is evolving rapidly and it is the interplay of infrastructure, technology and new types of service providers that will define whether the industry is able to help its customers reduce their logistics costs and provide effective services.

### Importance of effective Logistics sector

- The presence of a robust logistics-related infrastructure and an effective logistics management system facilitates seamless movement of goods from the point of origin to that of consumption and aids an economy's movement to prosperity.
- The progress of logistics sector holds an immense value for Indian economy as well; as such advancement would increase exports, generate employment, and give the country a significant place in the global supply chain.
- Indian logistics sector provides livelihood to 22 million-plus people and improving the sector would facilitate a 10% decrease in indirect logistics cost, leading to a growth of 5-8% in exports.

### Challenges in the sector

- High Logistics cost despite several interventions by Govt. If the Logistics costs in India are reduced by just 2%, it can generate an additional revenue of \$50 billion annually.
- Movement of goods is done by road transportation, which proves to be quite inefficient, because of poor road infrastructure, multiple checkpoints, and congestion.
- Due to high turnaround times for ships because of overcrowded berths and delay in cargo evacuation unloaded at berths, logistics companies in India suffer unreasonably
- The poor state of warehousing and their restricting locations are one of the few major concerns of this industry.

- In India, automation of processes is still in the embryonic stage and non-standardization in the industry due to its fragmentation further slows down the progress.
- Government Regulations Carriers face significant compliance regulations imposed by government of state and other authorities

### Govt. initiatives

- There is a target to reduce the logistics cost in India from the present 14% of GDP to less than 10% of it, by 2022. A national committee headed by Cabinet Secretary is in place to develop the pan-India roadmap for trade facilitation.
- To help cut Logistics costs, the Prime Minister called for a “new direction” to infrastructure development.
- To provide better connectivity, Govt investing heavily in Bharatmala and Sagarmala projects.
- Multi-modal transport centre has been created to provide better transportation connectivity.
- Logistics sector has been given status of Infrastructure by Ministry of Commerce thus, providing better access to credit. The inclusion also makes it easier for logistics companies to access larger amounts of funds as External Commercial Borrowings (ECB)
- Logistics division in the Commerce department has been created. The division has been tasked with developing cold chain infrastructure especially suited for Horticultural products and Pharmaceuticals.
- The GST regime is certain to expedite faster conversion of informal logistics setups to formal ones and speed up freight movement at interstate borders due to dismantling of check posts.
- The logistics sector now finds a place in the Harmonized Master List of Infrastructure Subsector. This inclusion is set to benefit the logistics industry as it will now have access to cheaper and long-term credit

### Suggestions

- Requiring Government and other regulatory mechanisms in the country to provide an enabling environment for value propositions in logistics services.
- Improvement in logistics it is critical that tax regimes need to be simplified and reduced to a one- window/one-time levy across regions so that administrative processes do not hinder physical free flow of movement.
- Creating an environment for graduating the Indian logistics market to provide value propositions in logistics solutions.
- Acceptance and adoption of technological advancements like RFID, tracking, warehouse management system, etc. can resolve the issues between domain requirement and IT.
- Besides this, there is lack of quality workforce in this sector, and the available skill set needs to be upgraded urgently.
- The need of the hour is to formulate an integrated logistics policy. Today the stakeholders must deal with multiple government agencies at the union, state and local levels, which result into avoidable delays. The integrated logistics policy could go a long way in streamlining and consolidating multidepartment requirements, besides facilitating corrective action, effective monitoring, and prompt grievance redressal.

## Direct Monetization of Fiscal Deficit

### Context

- Various agencies like SBI, CRISIL, etc. has recommended direct monetization as a possible way of funding the Centre's deficit at lower rates, without increasing inflation and affecting debt sustainability

### Introduction

- In simple terms, monetizing the deficit is equal to the central bank creating money to help the government meet its expenditure.
- In layman's language, this means printing more money, which is direct monetization. In other way, deficit monetization happens when the RBI buys government securities directly from the primary market to fund government's expenses.

- Until 1997, the government used to sell securities directly to the RBI. However, this practice was stopped over its inflationary impact and in favor of fiscal prudence.
- However, entire process is different from the “indirect” monetization that RBI does when it conducts the Open Market Operations (OMOs) and/or purchases bonds in the secondary market.

### Need of Direct Monetization

- Most banks are unwilling to extend new loans as they are risk averse. The government’s finances were already overextended going into this crisis, with its fiscal deficit way over the permissible limit.
- SBI in its report argued that bringing growth back is more important to debt sustainability as compared to fiscal conservatism (which involves lower levels of public spending, lower taxes, and lower government debt).
- Fiscal Responsibility and Budget Management (FRBM) Act, 2003 also allows direct monetization of deficit in certain exceptional circumstances, the Covid-19 pandemic being one such
- Other countries are doing it to counter the economic crisis like United Kingdom (UK) on April 9, 2020, the Bank of England extended direct monetization facility to the UK government in the wake of COVID-19.

### How it is different from OMOs

- Using Open market operations (OMOs) is an indirect monetization.
- OMOs are conducted by the RBI by way of sale and purchase of G-Secs to and from the market with an objective to adjust the rupee liquidity conditions in the market on a durable basis. It is a monetary policy tool with the RBI deciding on the amount of liquidity to be injected in and when to
- In contrast, in direct monetization, the quantum and timing of money supply is determined by the government’s borrowing rather than the RBI’s monetary policy, to fund the fiscal deficit.

### Issues

- Ideally, the direct monetization provides an opportunity for the government to boost overall demand at the time when private demand has fallen, thus, fueling inflation in economy, which is good to an extent. But higher inflation and higher government debt provide grounds for macroeconomic instability.
- Bad Previous examples: Earlier, the direct monetization led to the balance of payments crisis in 1991, and a near-crisis in 2013.
- Also, the governments are generally considered inefficient and corrupt in their spending choices – for example, whom to help and to what extent.
- Though OMO and monetization both leads to inflation, the issues with monetization have far-reaching consequences. Also, the situation we are in doesn’t yet warrant monetization which should be seen as a last resort.

## MICE Tourism

### Context

- Recently, Gujarat CM has announced the tourism policy for 2021-25. It seeks to make Gujarat a hub of “MICE” tourism.

### Introduction

- The “MICE” is an acronym that stands for “Meetings, Incentives, Conferences and Exhibitions”. It is a version of business tourism that draws domestic and international business tourists to a destination.
- In the recent years India has emerged as one of the most sought-after MICE destinations.
- India has consistently improved its rank in World Bank Ease of Doing Business and WEF Travel and Tourism Competitiveness Rank.
- MICE is also known as ‘Meetings industry’ or ‘Events industry’.

### Significance

- MICE events are major tourism generators, and there is significant scope to tap into it.



- Not only does events industry provide high-quality jobs, but it also enhances investment in India, accelerates development.
- Many businesses engaged in the service sectors such as airlines, hotels, surface transportation, etc. grows with the growth of them.

### Bottlenecks

- Lack of focused approach on MICE as an industry.
- MICE industry in India is not campaigned like other tourism counterparts. There is lack of any online marketing or branding related to it.
- Deficiencies in infrastructure and inadequate connectivity hamper tourist visits.
- Information centers are poorly managed, making it difficult for domestic and foreign tourists to access information with ease.
- A limited number of multilingual trained guides, and the limited local awareness and understanding of the benefits and responsibilities associated with industry growth.

### Govt initiatives

- "Meet in India" Brand for promoting MICE Industry.
- The government is providing financial support for developing international convention centers and tourism related infrastructure
- Govt also gave Infrastructure status for better financing of MICE infrastructure.
- Skill development for the MICE industry.
- Gujarat State focusing on MICE tourism by promising 15% capital subsidy on the eligible capital investment for building big convention center. For domestic events, the policy promises financial assistance of Rs 2 lakh per event, capped at three events per organizer per year.

## Rail Kaushal Vikas Yojana

### Context

- Govt. (Ministry of Railways) launched Rail Kaushal Vikas Yojana (RKVY) under Pradhan Mantri Kaushal Vikas Yojana (PMKVY).

### Introduction

- This is a skill development programme, where training will be provided to 50000 youth over next 3 years with a special focus on jobs that are relevant to the Railways. The main aim is to bring qualitative improvement
- The training will be provided in four trades viz. Electrician, Welder, Machinist and Fitter and other trades will be added by zonal railways and Production units based on regional demands and needs assessment.
- However, Participants in the scheme shall however have no claim to seek employment in Railways based on this training.

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## Benefits

- Will bridge the skill gap which is creating difficulty for India in harnessing Demographic dividend.
- This will contribute towards objectives of Skill India Mission.
- The scheme will not only improve the employability of the youth but also upgrade the skills of self-employed and those who are working with contractors through reskilling and up-skilling.
- Training will be provided free of cost. Hence there is no extra economic burden for trainees.

## PMKVY

- It is a flagship program of the Ministry of Skill Development and Entrepreneurship (MSDE).
- Launched in 2015, PM Kaushal Vikas yojana aims to increase productivity of the youth and align the training and certification to the needs of the country.
- Due to success of PMKVY 1.0 wherein more than 19 lakh students were trained, the scheme was relaunched as PMKVY 2.0 with an allocated budget of Rs. 12000 Crores that aimed to train 10 million youth by the year 2020.
- And further PMKVY 3.0 was launched in 2021, in a bid to empower India's youth with employable skills by making over 300 skill courses available to them.

### KEY COMPONENTS OF THE SCHEME



## PM GATI Shakti

### Context

- Government has launched the ambitious Gati Shakti scheme or National Master Plan for multi-modal connectivity plan.

### Introduction

- The objective is to ensure integrated planning and implementation of infrastructure projects in the next four years, with focus on expediting works on the ground, saving costs and creating jobs.
- The Gati Shakti scheme will subsume the Rs 110 lakh crore National Infrastructure Pipeline that was launched in 2019.

### Key points

- It will create 11 industrial corridors and two new defense corridors – one in Tamil Nadu and other in Uttar Pradesh. Adding 17,000 kms to the gas pipeline network is also being planned.

**Gati Shakti | myGov**

**Pragati Bharat Ki Gati Shakti**

**Connecting Pillars of New India**

- To cover infrastructure initiatives like Bharatmala, Sagarmala, Ports, UDAN, Economic Zones, Railways etc
- Social infrastructure such as hospitals, universities to be integrated in the next phase
- To develop new possibilities for the creation of future economic zones

**Making India the hub of world-class infra**

- Comprehensive master plan mapping all existing/planned initiatives of Ministries
- Guide the creation of economic zones & connectivity infrastructure
- Help remove regional & sectoral imbalances in infrastructure & connectivity
- Aid faster growth of key sectors, employment generation & spearheading growth

- The master plan will also cover economic zones such as pharmaceutical clusters, textile clusters, electronic parks, fishing clusters, and Agri zones.
- Gati Shakti Digital Platform will be created as a common umbrella platform through which infrastructure projects can be planned and implemented in an efficacious manner by way of coordination between various ministries/departments on a real-time basis.
- The scheme is in synergy with the National Monetization Pipeline (NMP).

### Significance

- The plan will significantly cut logistics costs, putting India closer to Logistics cut target. According to a study, the logistical cost in India is about 13% of GDP, which is higher than developed countries.
- The scheme will increase cargo handling capacity and will reduce the turnaround time at ports. This will boost trade to a great extent.
- It intends to bring together 16 infrastructure related Ministries. This will help in removing long-standing issues such as disjointed planning, lack of standardization, problems with clearances, and timely creation and utilization of infrastructure capacities.
- A holistic and integrated transport connectivity strategy will greatly support Make in India and integrate different modes of transport, proving last-mile connectivity.
- The digital plan will provide the entire data at one place with GIS-based spatial planning and analytical tools having 200+ layers, enabling better visibility to the executing agency.
- This will boost infrastructure in Indian economy, and Infrastructure spending has a multiplier effect. Apart from the direct benefits such as employment generation, demand for raw materials for construction, etc., there would also be indirect benefits to the economy.

### Potential Challenges

- In the post-Covid-19 scenario, there is a lack of private demand and investment demand which can affect entire plan.
- Although the government had taken up 'strong' banking sector reforms and the Insolvency and Bankruptcy Code had yielded about Rs. 2.4 lakh crore of recoveries on bad loans, there are concerns about declining credit offtake trends.
- Due to land acquisition delays and litigation issues, the rate of implementation of projects is very slow on global standards.
- Getting approval is also a difficult task.
- With the pandemic and its associated challenges, the state governments don't have enough finances to invest such large amounts. This will delay the implementation of the master plan.
- The plan is a step in the right direction. However, it needs to address structural and macroeconomic stability concerns, emanating from high public expenditure. Thus, it is imperative that this initiative is underpinned by a stable and predictable regulatory and institutional framework.

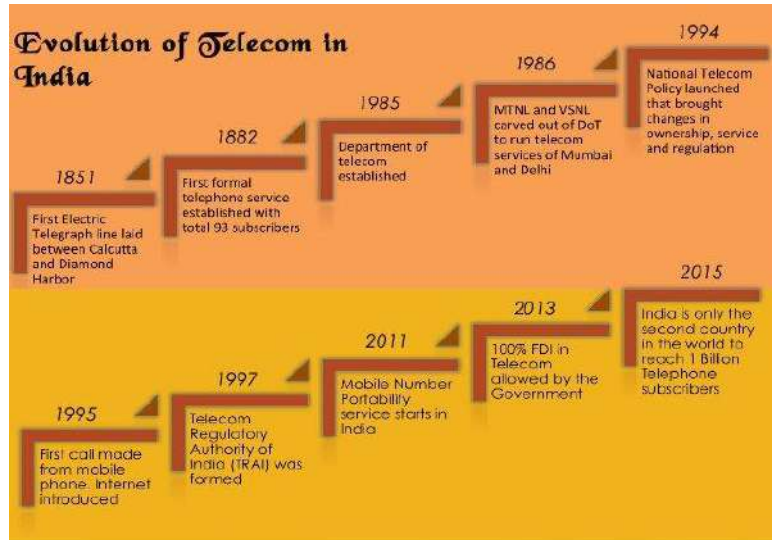
## Telecom sector in India and Reforms

### Introduction

- India is the world's second-largest telecommunications market with a subscriber base of 1.16 billion and has registered strong growth in the last decade.
- The liberal and reformist policies of the Government of India have been instrumental along with strong consumer demand in the rapid growth in the Indian telecom sector.
- India ranks as the world's second-largest market in terms of total internet users. The number of internet subscribers in the country increased at a Compound Annual Growth Rate (CAGR) of 21.36% from FY16 to FY20 to reach 743.19 million in FY20.
- Gross revenue of the telecom sector stood at Rs. 68,228 crore (US\$ 9.35 billion) in the third quarter of FY 2020-2021. Telecom is the second highest revenue earner for the government, after income tax.



- FDI inflow into the telecom sector during April 2000 – December 2020 totaled US\$ 37.62 billion according to the data released by the Department for Promotion of Industry and Internal Trade (DPIIT).
- The rise in mobile phone penetration and decline in data costs will add 500 million new internet users, especially in rural India, creating opportunities for new businesses.
- Based on the data available from GSMA, this sector will create close to 4 million additional jobs by 2021.
- The Indian mobile economy is growing rapidly and will contribute substantially to India's GDP according to a report prepared by GSM Association (GSMA) with Boston Consulting Group (BCG).



### Issues in Sector

- Gross revenue has dropped by 15% to 20% for the year 2017-18 over the preceding year for the incumbents and overall sector revenue has dropped
- High Right-of-Way (ROW) cost: Sometimes, state governments charge a huge amount for permitting the laying of fiber, etc.
- Only around 25% of Towers in India are connected with fiber networks, whereas in developed nations, it is in excess of 70%.
- The license fee of eight per cent of the Adjusted Gross Revenue including five per cent as Universal Service Levy (USL) is one of the highest in the world.
- Declining Average Revenue Per User (ARPU): ARPU decline now is sharp and steady, which, combined with falling profits and in some cases serious losses, is prompting the Indian telecom industry to look at consolidation as the only way to boost revenues.
- Limited Spectrum Availability: Available spectrum is less than 40% as compared to European nations and 50% as compared to China.
- Government have withdrawn a lot of things to benefit telecom sector but by the time it gets executed to the market, it becomes too late.
- Lack of Telecom Infrastructure in Semi-rural and Rural areas

### Relief and reforms

- Rationalisation of Adjusted Gross Revenue: Non-telecom revenue will be excluded on prospective basis from the definition of AGR
- Huge reduction in Bank Guarantee (BG) requirements (80%) against licence fee and other similar levies. No requirements for multiple BGs in different Licenced Service Areas (LSAs) regions in the country. Instead, one BG will be enough
- From October 1, 2021, delayed payments of licence fee (LF)/Spectrum Usage Charge (SUC) will attract interest rate of SBI's MCLR plus 2% instead of MCLR plus 4%; interest compounded annually instead of monthly; penalty and interest on penalty removed
- For auctions held henceforth, no BGs will be required to secure instalment payments
- In future auctions, tenure of spectrum increased from 20 to 30 years
- Surrender of spectrum will be permitted after 10 years for spectrum acquired in the future auctions
- No Spectrum Usage Charge (SUC) for spectrum acquired in future spectrum auctions
- Additional SUC of 0.5% for spectrum sharing removed
- To encourage investment, 100% FDI under automatic route permitted in telecom sector. All safeguards will apply

### Reforms and Initiatives by Govt

- Spectrum Related Reforms: Spectrum auctions will be normally held in the last quarter of every financial year
- Recently, the Union Cabinet approved a relief package for the telecom sector which includes a four-year moratorium on payment of statutory dues by telecom companies as well as allowing 100% foreign investment through the automatic route.



- Govt tried to reduce burden of AGR over telecoms as companies have to pay a pre-fixed percentage of AGR (excluding non-telecom revenues) to the government as statutory levies, but this will apply prospectively.
- AGR is a fee-sharing mechanism between the government and the telcos who shifted to the 'revenue-sharing fee' model in 1999, from the 'fixed license fee' model. Under this, mobile telephone operators were required to share a percentage of their AGR with the government as annual License Fee (LF) and Spectrum Usage Charges (SUC).
- A new National Digital Communications Policy - 2018 (NDCP-2018) was unveiled in Oct 2018, to replace National Telecom Policy-2012, to cater to the modern needs of the digital communications sector of India
- The interest which is compounded monthly on the Spectrum Usage Charges (SUC) will now be compounded annually and also the interest rate will be lowered, based on MCLR + 2% instead of MCLR + 4%.
- The Department of Information Technology intends to set up over 1 million internet-enabled common service centers across India as per the National e-Governance Plan.

### Way Forward

- The need of the hour is for the government to see the sector as an essential service and not a revenue generator
- The removal of non-telecom revenues from the definition of AGR and the removal of penalty is a much-needed change that has been brought in.
- There is a need for the government's intervention in setting sustainable telecom floor tariffs, as it has done in the civil aviation sector to protect competition.
- Available spectrum is less than 40% Hence, it is imperative that spectrum auctioning at sustainable prices is the need of the hour
- Explore the option of revenue sharing agreement between Internet players and telecommunication companies.
- Outsourcing non-core functions such as network maintenance, IT operations and customer service.
- Divestment of tower assets into separate companies will enable curb costs and focus on core operations.
- Introduce new and efficient technologies
- New Infrastructure on shareable basis just like the way telecom service providers share the cost of towers is need of the hour.
- The government needs to prepare a ground for easy right-of-way permissions and lower cost of rights-of-way.
- The telecom sector in India has to deal with various challenges, a proactive and facilitatory government role regarding telecom sector is the need of the hour given the huge opportunities provided by the sector

## SCIENCE & TECHNOLOGY

### Global Antitrust and the Challenge of Big Tech

- With the Internet playing a central role in determining how humans live and work, a few big technology companies have gathered remarkable clout. Big Tech firms, also known as GAFA (Amazon, Apple, Google, Facebook), are the largest and most dominant companies in the information technology industry of the United States
- There are ongoing investigations worldwide, including in the European Union and the United States of America, on the abuse of monopolistic power by the Big Tech firms, especially Facebook and Google. Many compare this with the earlier antitrust investigations in the U.S. on the telecom industry. Ultimately it resulted in the break-up of the AT&T dictated by the Department of Justice in its Modified Final Judgment in 1982.

### Benefits provided by Big Techs

- We cannot do without google maps for our day-to-day commuting.
- Google searches are indispensable in our quest for information and news.
- Google Scholar is a necessary tool for academicians to explore relevant research artifacts.
- Google Maps Application Program Interface is being used by almost all logistic and transport companies.
- Facebook APIs are being used for advertisement by almost all firms across the industry.

- Google recently announced that its Search is being expanded to provide accurate and timely information on vaccine distribution to enable quick recovery from the COVID-19 pandemic.

### Issues with Big tech firms

- Big tech firms' market power is built at individuals' expense through the unscrupulous collection and processing of user data and forcing certain products on consumers.
- There is a lack of transparency in how tech companies process user data, which has raised serious and pressing privacy concerns
- Due to rapid innovation and advancement by the Big Tech firms, the regulators are only able to react, not be in readiness. In India, Big Tech companies can operate in a regulatory vacuum.

### Suggestions

- One option is tax subsidy to these internet firms in return for their orderly behavior in the marketplace.
- Another aspect could be that the Govts. can mandate sharing of Non-Personal Data (NPD) owned by these firms, for societal and economic wellbeing.
- At the same time, public pressure as in the case of Free Basics of Facebook as well as sharing of personal information between WhatsApp and Facebook, which were shelved because of huge public outcry.
- Internet firms should adhere to core ethical principles in conducting their businesses.
- The other way to control any abusive behavior of the Internet firms is to use the power of public voice.
- Lessons from the Enron scandal and collusions between large banks and financial institutions during the 2008 financial crisis indicate that firms that aim at super monopoly profits and are greedy often end up in the ditch.
- The question before the policy makers is how to regulate these internet firms from abusing their monopoly power, while at the same time encouraging the positive externalities and consumer surplus they create. Given the size and impact of the Indian market, all regulatory action in India is bound to be closely monitored and can have a far-reaching effect elsewhere in the world.

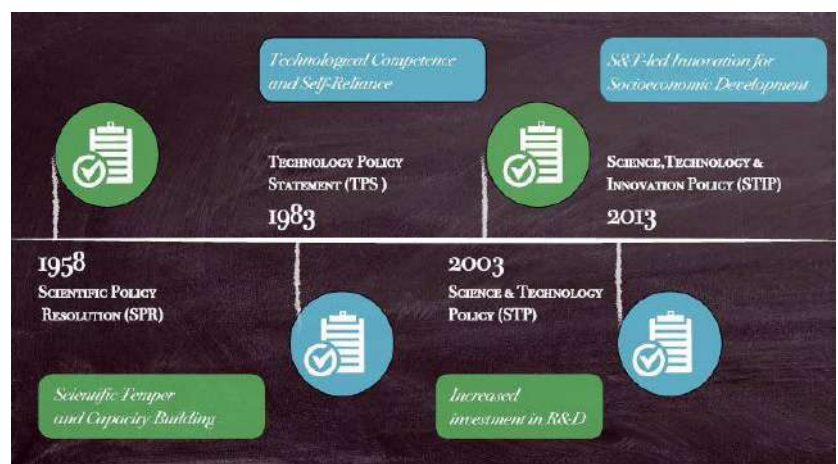
## Science, Technology and Innovation Policy (STIP) 2020

### Context

- Recently, the draft of the 5th National Science Technology and Innovation Policy (STIP) has been uploaded by the Department of Science and Technology (DST), which will replace Science Technology and Innovation Policy of 2013.

### Introduction

- On March 4, 1958, under the leadership of Jawaharlal Nehru, for the first time in the history of independent India, Parliament passed a resolution on science policy. The new policy envisaged technological self-reliance and aims to position India among the top three scientific superpowers. Policy also aims to identify and address strengths and weaknesses of the Indian Science Technology and Innovation (STI) ecosystem to catalyze socio-economic development of the country and also make the Indian STI ecosystem globally competitive.



## Key Points

- The draft policy visualizes “a decentralized institutional mechanism balancing top-down and bottom-up approaches, focusing on administrative and financial management, research governance, data and regulatory frameworks and system interconnectedness, for a robust STI Governance”.
- It proposes that at least 30% representation be ensured for women in all decision-making bodies, as well as “spousal benefits” be provided to partners of scientists belonging to the Lesbian, Gay, Bisexual, Transgender, Queer (LGBTQ+) community.
- Child-care benefits are proposed to be made gender-neutral, and flexible work timings and adequate parental leave are to be offered to cater to maternity, childbirth and childcare.
- For age-related cut-offs in matters relating to selection, promotion, awards or grants, the “academic age” and not the biological age would be considered.
- STIP will lead to the establishment of a National STI Observatory that will act as a central repository for all kinds of data related to and generated from the STI ecosystem
- To make scientific knowledge and data available to all, the government has proposed to buy bulk subscriptions of all important scientific journals across the world and provide everyone in India free access to them.
- Opportunities for foreign MNCs to invest in the country’s STI landscape will be strengthened and made more accessible
- Research and Innovation Excellence Frameworks (RIEF) will be developed to enhance the quality of research along with the promotion of engagements with the relevant stakeholders.
- Govt. to set up Infrastructure to boost local Research and Development capabilities and reduce large scale import in selected sectors of domestic importance such as electronic hardware for home appliances, railways, defense, etc.

## Issues

- Increasing the private sector's contribution is being talked about for several years but common sense informs us that the private sector cannot be expected to pay for basic research. This is because the return on investment in basic research takes too long from a private sector perspective.
- Several new authorities and centers have been proposed and this goes against the policies of decentralized mechanisms, and this is expected to end up further fattening of bureaucracy.
- The document talks about tackling discrimination on gender, caste, religion etc. and mentions more representation of women / LGBTQ communities but it is silent on how we are to achieve their proportionate representation.
- The document talks about developing a scientific temper, humanism and spirit of inquiry and reform and it is not understood how this can be ensured when pseudoscience tendencies are being promoted.
- Our belief systems, values and attitudes have an impact on the quality of research. Only a dissenting mind can think out of the box and our ecosystem is not promoting this.

## Suggestions

- A Science Technology and Innovation development bank should be created to direct long-term investments in select strategic areas for large scale mission mode programmes.
- When the draft policy takes the shape of the actual procedure, it must acknowledge the cluster-based approach and incorporate it.
- A Strategic Export Policy to enable private players to thrive in the international markets is also on the cards.
- One way to increase R&D spend in the country is to make it attractive for companies to invest. In this regard, reformed bureaucracy, tax benefits and market access for the infant companies should also be considered
- Appropriate institutional mechanisms are to be created to dip into the untapped potential of the high skilled Indian scientific diaspora.
- There will be opportunities for them to return or to contribute from wherever they are based.
- STIP Diplomacy: An engagement portal exclusively to bring together Indian scientists and technocrats world-wide and to engage with Indian researchers should be planned.
- India’s STI growth trajectory over recent years has been impressive. Our entry into the club of the top 50 countries in the global innovation Index speaks volumes for our potential. To continue this feat, the draft Science,

Technology and Innovation Policy contains progressive proposals that could be game changers for the scientific research community and the way ordinary Indians interact with science.

## Hyperloop

### Introduction

- Hyper loop, a futuristic high-speed transportation system, envisages moving passengers at speeds of 750 miles per hour through low-pressure tubes, to reduce friction. Inside these tubes, specialized pod-like structures will carry passengers. The technology will be able to propel trains faster than the existing methods such as the Maglev.

### Potential of Hyperloop

- It can decrease the transportation time between the two cities. One can travel a distance of 200 KM in 10 minutes.
- It will run on the self-produced electricity through solar panels, thereby no addition in carbon footprints and can be a key to Sustainable Development.
- India does not have a high-speed transportation system, and Hyperloop is a futuristic technology, which can be used.
- It works on a multi-modal transport system and can be integrated with present railway and metro networks.
- In India, the cost will be less due to lowlands prices and manufacturing cost, superior engineering talent and favorable regulatory environment.

### Technological Hurdles

- Many scientists think that it is nothing short of sci-fi fantasy.
- There is also the problem with thermal expansion which threatens to buckle any large structure without proper thermal expansion capabilities.
- Before the Hyperloop becomes operational, the transportation tubes that will stretch hundreds of kilometers and will support the entire weight of the atmosphere above it, a small compromise in the structure of the tube would result in a catastrophic implosion.
- If the tube will get punctured for any reason, outside air would violently enter the tube as it attempts to equalize the pressure gradient with explosive force until the pressure equalizes or until it slams into an object - most likely, into the train capsules.
- Decompression is a dire problem that could and likely would be fatal in a vacuum train system.
- Throughout the year, the temperature changes a substantial amount across most of the world. The change of heat would cause the Hyperloop tube to physically alter its size due to the inherent property of steel.
- Therefore, any policy about the introduction of Hyperloop depends upon the success of this technology in some parts of the world as all the available technologies are tested in a prototype mode. Indian policymakers should bear in mind the need for such costly technology, proven alternatives available, and the quality of the development of technological capacity. That is why NITI Aayog has formed a high-level panel to explore the technological and commercial viability of the Hyperloop technology for ultrahigh speed travel in India.

## Lack of Diversity in Genomics research

- A success of genetic research has raised a lot of hope for diagnosis and treatment of diseases. For a doctor to use genetic information of a patient, to decide about the specific drug to prescribe, has now become a reality. Recent discussions on Equity, Diversity and Inclusion have resulted in highlighting that lack of diversity and inclusivity has resulted in huge constraints on scientific inference and application. Selection of persons is at the heart of all such association studies. This is where we have failed.

### Challenges

- Past research selection lacked diversity. For example, It was found in 2009 that 95% of the genomic studies conducted involved only people of European descent. Though situation improved a little in 2016 i.e., from 95% to 81%, still there is a huge deficit of representation of global ethnic and geographic diversity in these studies.



- The lack of diversity in genomic research can result in erroneous understanding of the relationships between genes and disease in unstudied populations.
- Another example would be CYP2D6 Gene, which is involved in the metabolism of the many commonly prescribed drugs, including Tamoxifen, which is used to treat Breast Cancer. Unless research is inclusive of the diversity of peoples, the results of research are likely to be of limited value, probably wasteful and harmful.

### Suggestions

- The Government of India has initiated some major population level research projects on Genomics.
- Bio banks (Repositories of blood samples/cancer tissues etc.) are being created for use in genetic and other research to understand diseases of importance in India.
- Inclusion of diverse ethnic populations is of paramount importance in genome research and bio banks.
- A culture shift is required at every level. It is ideal that such research be conducted by investigators of concordant ethnic background, and in partnership with institutions trusted by those groups.
- Funding agencies should provide incentives to create ethnically diverse cohorts of study participants and biobanks. One effective way would be to prioritize funding requests that propose investigations in a set of ethnically diverse populations.
- If scientists, governments and health systems want to better serve their communities, genetic studies must include a far better representation of people with diverse genetic backgrounds, including marginalized and hard to reach groups. Failure to do this will lead to greater non-applicability of results of scientific inquiries that are mostly publicly funded and also higher inequities in healthcare.

## Guidelines to the OTT Platforms

### Context

- Recently, for very 1<sup>st</sup> time, Government brought in detailed guidelines for digital content on both digital media and Over-The-Top (OTT) platforms, while giving overriding powers to the Government to step-in.

### Introduction

- The Union government notified the 'The Information Technology (Guidelines for Intermediaries and Digital Media Ethics Code) Rules, 2021' in February 2021 and provided a three-month compliance window.
- The genesis of these rules lies in the Prajwala case v/s union of India, the Supreme Court (SC) ordered the government to frame the necessary guidelines/Standard Operating Procedure (SOP).
- OTT or Over-the-Top platforms are audio and video hosting and streaming services such as Netflix, Amazon Prime Video, Hotstar etc, which started out as content hosting platforms but soon branched out into the production and release of short movies, feature films, documentaries and web series themselves
- India is currently the world's fastest growing OTT (over-the-top streaming) market and is all set to emerge as the world's sixth largest by 2024. At present, the OTT platform's valuation stands at 35 billion INR, with nearly 500 million internet users, expected to grow at 8% per year.

### Key points in Guidelines

- The New IT Rules pertain to OTT platforms, social media as well as digital news media organizations
- The guidelines call upon the categories of social media intermediaries: Regular Social Media Intermediaries (RSMIs) and Significant Social Media Intermediaries (SSMIs)[ SSMIs are the intermediaries having more than 5 million users.]
- SSMIs are required to appoint Chief Compliance Officer, Nodal Contact Officer

SOCIAL MEDIA	DIGITAL MEDIA & OTT PLATFORMS
<p><b>Rules Seek To Empower Users Of Digital Platforms &amp; Ensure Accountability</b></p> <p><b>1]</b> Tighter timelines to take down unlawful content, assist law enforcement</p> <p><b>2]</b> Identify first originator of a message that causes identified offence</p> <p><b>3]</b> Stricter rules for bigger platforms, including local presence</p> <p><b>4]</b> Voluntary user verification mechanism</p>	<p><b>Seek to address concerns over digital content through....</b></p> <p><b>1]</b> Self regulation &amp; self-classification of content – universal, adult etc</p> <p><b>2]</b> Code of ethics – To follow prescribed guidelines</p> <p><b>3]</b> Three-tier grievance redressal mechanism</p> <p><b>4]</b> Subjects digital news media to same laws as traditional media</p> <p><b>IN CASE OF NON COMPLIANCE...</b></p> <p><b>Intermediary will</b> lose its safe harbour from user content</p> <p><b>Liable to</b> punishment under IT Act or IPC</p>

who should be available 24\*7 and a Resident Grievance Officer, all of whom shall be the residents of India.

- The guidelines ask the social media platforms to have a grievance redressal mechanism so that any content shared violates the public order or is not regulatory, a complaint regarding the same can be lodged to the Grievance Redressal Officer.
- The SSIMs are also required to publish a monthly report mentioning the number of complaints received and the actions taken in response.
- Non-compliance of these laws can result for the SSIMs in losing the 'safe harbor' protection offered under the Section 79 of the IT Act.
- Social media platforms are also required to have a voluntary verification mechanism like Twitter offers a blue-tick mechanism for verified users.

### Need of such Guidelines

- There have been widespread concerns about digital content, especially on OTT Platforms.
- The digital media platforms have no monitoring mechanism like TV News media or the Print media. TV has to follow the code under the Cable Television Networks (Regulation) Act, 1995 and Print media is regulated by the Press Council of India.
- There is a Censor Board for the Films, but OTT Platforms have no such mechanism, thus promoting various objectionable content like child pornography, etc.
- Despite the Ministry's request, OTT platforms have not come up with a satisfactory self-regulatory mechanism.

### Issues Associated

- Originator traceability mandate in end-to-end encrypted platforms could end up weakening the security architecture of the platform. This could render the entire citizenry susceptible to cyberattacks by hostile actors
- Traceability of content originator and content infringes upon the users' fundamental Rights to privacy under Article 21 of Constitution.
- Rules Introduced Without Proper Legislation and public consultation: - These new rules are not based on any parliamentary approval and have been "arbitrarily made" using Section 79 of the IT Act.
- These rules lead to an erosion of the 'safe harbor' protection given to intermediaries under Section 79 of the IT Act
- In a country where the citizens still do not have a Data Protection Law to guard themselves against excesses committed by any party, such rules can do more harm than good.

### Way forward

- Since some platforms even have about 50 crore Indian users and have their reach even in hinterlands. The guidelines, seeing from a positive aspect, will help in holding these platforms accountable for ensuring the prevention of any crime
- The move will lead to consolidation in the OTT industry or shutting down of Nicheapps, which have relied on obscene content. The players and creators will have to probably re-look at the kind of content they want to make, since these ratings will directly impact the commercials involved.
- In order to secure the right of privacy of the citizens and for making the IT rules serve their ultimate purpose, there is a need to expedite the passing of the Personal Data Protection Bill, 2019.
- The guidelines, ultimately, are about the end users of social media platforms, the growth of the latter depends upon the former. Moreover, there is a strong need to have a law & order in place to curb the falsehoods of the information but also ensure that the privacy of the citizens is not compromised.

## DNA Technology (Use and Application) Regulation Bill, 2019

### Context

- Recently, the parliamentary committee on science and technology submitted its report on the DNA Technology (Use and Application) Regulation Bill, 2019. The purpose of the bill is to regulate the use of DNA information for establishing the identity of people. These profiles are then meant to guide law enforcement agencies in investigations.

## Provisions of the Bill

- As per the Bill, national and regional DNA data banks will be set up for maintaining a national database for identification of victims, suspects in cases, undertrials, missing persons and unidentified human remains.
- Punishment:** Those leaking the DNA profile information to people or entities who are not entitled to have it, will be punished with a jail term of up to three years and a fine of up to Rs. 1 lakh.
- Usage:** As per the bill, all DNA data, including DNA profiles, DNA samples and records, will only be used for identification of the person and not for “any other purpose”.
- The bill’s provisions will enable the cross-matching between persons who have been reported missing on the one hand and unidentified dead bodies found in various parts of the country on the other, and also for establishing the identity of victims in mass disasters.
- The Bill establishes a DNA Regulatory Board to accredit the DNA laboratories that analyses DNA samples to establish the identity of an individual.

## Need for such Bill

- Countries having such legislation like the USA, have proved a significant increase in conviction rate.
- Bill will come in handy during the parental disputes’ resolution. The Bill can also establish the identity of missing children and baby-swapping cases in hospitals.
- Accurate and faster investigation of crime is feasible. Since the Bill maintains a database for convicts and suspects, the crime scene investigation will completely be based on scientific principles.
- The Bill will help in research works in DNA and also create employment opportunities for skilled manpower and other non-skilled jobs.
- Although DNA technology can help law enforcement agencies, in solving crimes, the government must assuage apprehensions over the use of the DNA Technology Bill, 2019.

## Associated Issues with the Bill

- The Schedule lists civil matters where DNA profiling can be used. This includes “issues relating to establishment of individual identity.” DNA testing carried out in medical, or research laboratories can be used to identify an individual. It is unclear if the Bill intends to regulate such laboratories.
- The Bill requires consent of the individual when DNA profiling is used in criminal investigations and identifying missing persons. However, consent requirements have not been specified in case of DNA profiling for civil matters.
- DNA laboratories are required to share DNA data with the Data Banks. It is unclear whether DNA profiles for civil matters will also be stored in the Data Banks. Storage of these profiles in the Data Banks may violate the right to privacy.
- The standing committee pointed out that the DNA profiles can reveal extremely sensitive information of an individual & hence could be misused for caste/community-based profiling
- The law would be better implemented if the Data Protection Bill based on the Sri Krishna Committee is passed first. Since the Data Protection Bill fixes the privacy of data protection. DNA regulation Bill is a much-needed legislation. If implemented clearly then there going to be the voluntary submission of DNA. Therefore, there is the need for creating an enabling ecosystem to ensure that such profiling is done according to the letter and spirit of the Constitution.

### EVIDENCE VS. RIGHT TO PRIVACY

Scientists vouch for DNA Bill, but privacy activists fear it will lead to gross violation of human rights

**1985:** Indian courts accept DNA as evidence in criminal investigation

**2003:** Work begins to draft Bill to regulate use of DNA samples in probes

**2005:** Code of Criminal Procedure amended, includes use of DNA profiling

**Government says Bill will be useful in**

- Crime scene investigation
- Maintaining database of convicts and

**Activists claim that the Bill could lead to**

- Racial and communal profiling
- Violation of privacy
- Longer trial period
- Errant testing and conviction

**suspects**

- Verification of missing persons
- Investigation of unidentified bodies
- Research work



## COVAX Facility

### Introduction

- It is COVID-19 vaccine's global access facility. It is a vaccine sharing scheme. It is led by the World Health Organization, GAVI and the Coalition for Epidemic Preparedness Innovations (CEPI). GAVI is a public private vaccine promoting alliance. CEPI is a foundation that finances research into vaccines for pandemics. COVAX is one of three pillars of the Access to COVID-19 Tools (ACT) Accelerator, which was launched in April 2020 by the World Health Organization (WHO), the European Commission and France in response to the Covid-19 pandemic. Ghana has become the first country in the world to receive a shipment of coronavirus vaccines under the COVAX program.

### Case of Swine flu and vaccine distribution

- In 2009, an outbreak of swine flu (Influenza A H1N1) killed thousands of people worldwide.
- Vaccines were developed within months. They first became available in high income countries, where most doses have been secured through bilateral agreements with drug firms.
- After shortages and production delays, developing countries found themselves pushed to the back of the queue.
- By the time vaccines are available for them three months later, the epidemic has peaked, and the vaccines were less useful.

### Challenges

- Supply constraints affecting the COVAX Facility will impact the availability of doses to the Humanitarian Buffer
- COVAX have to overcome Vaccine nationalism, practiced by High income nations. When a country manages to secure doses of vaccines for its own citizens or residents and prioritizes its own domestic markets before they are made available in other countries it is known as 'vaccine nationalism'. This is done through pre-purchase agreements between a government and a vaccine manufacturer.
- Priority to less developed nations will be difficult as developed nations still not able to vaccinate themselves entirely.
- Limited vaccine manufactures affecting supply chain.
- Shipments for humanitarian agencies, including UN organizations, Red Cross and Red Crescent, International and national non-governmental and civil society organizations, are subject to successful conclusion of contracts with manufacturers, including on indemnity and liability-related arrangements.

### Way Forward

- COVAX was established to prevent a repeat of swine flu type instances.
- One of the scheme's motivations can be considered as humanitarian. Another is to hinder the emergence of new variant's resistance to vaccines.
- The point to note here is the more widely a virus spreads, the more likely it is to mutate. Hence, containing the spread through vaccination in the initial stages becomes essential.
- UN Children's Fund - UNICEF, which will take the leading role in delivering vaccines is preparing to distribute up to 850 tons of vaccines per month or more than double the average weight of vaccines it usually transports.

## Red Echo and Emerging Cyber Threats

### Context

- A Cyber security firm Recorded Future reported malware attacks by a Chinese group "RedEcho" on large swathes of India's power sector in the past few months. The Ministry of Power confirmed it was aware of this. It also said that there was no data breach and no connection to the October 12 blackout in Mumbai.
- Cyfirma, another cyber security group claimed Chinese hackers had targeted Bharat Biotech and Serum Institute of India. Recorded Future also claimed that Chinese hackers had targeted 10 entities of India's power grid plus two maritime ports, when the company first notified the CERT on February 10 of the hacking.

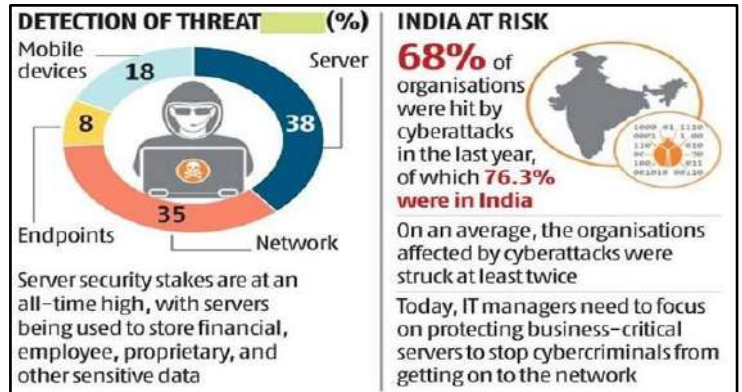


## Objective of Red Echo

- Recorded Future, a U.S.-based cybersecurity firm, says that Red Echo has minimal espionage possibilities.
- They pose significant concerns over potential pre-positioning of network access to support Chinese strategic objectives.

## Cybercrime

- Cybercrime is defined as a crime where a computer is the object of the crime or is used as a tool to commit an offense. Cybercriminals may use a device to access a user's personal information, confidential business information, government information, or disable a device. It is also a cybercrime to sell or elicit the above information online

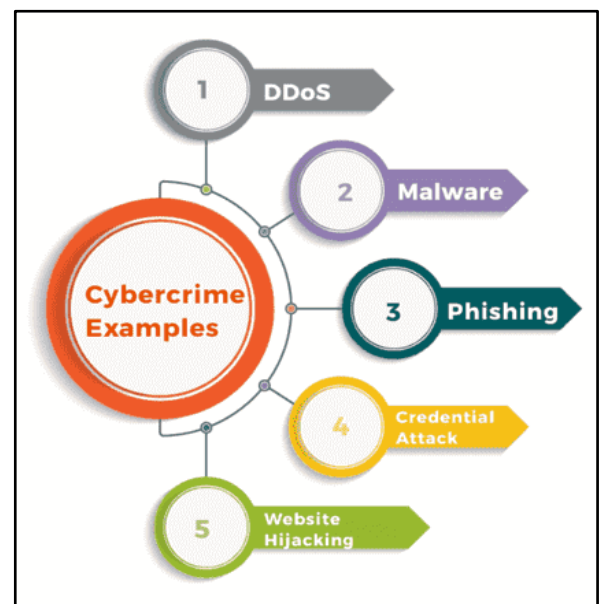


## Recent Data breaches

- According to Kaspersky's telemetry, when the world went into lockdown in March 2020, the total number of brute force attacks against remote desktop protocol (RDP) jumped from 93.1 million worldwide in February 2020 to 277.4 million in March—a 197 per cent increase.
- The numbers in India went from 1.3 million in February 2020 to 3.3 million in March 2020.
- A data breach, irrespective of the modus operandi, has grown many folds in India.
- However, the disturbing trend in India has been firms' failure to acknowledge that a breach has happened, which then makes individual users wonder if their data is safe at all.
- According to a study by IBM Security, the average total cost of a data breach in India touched Rs 14 crore in 2020 (an increase of 9.4 per cent from last year) as the average time to contain a data breach increased from 77 to 83 days.
- The cost comes to Rs 5,522 for a single lost or stolen record, an increase of 10 per cent from 2019.

## Government initiatives and infrastructure to tackle Cyber threats

- The National Security Council chaired by the National Security Advisor plays a key role in shaping India's Cyber policy ecosystem.
- The NSA also chairs the National Information Board, which is the apex body for cross-ministry coordination on cyber security policy making.
- National Critical Information Infrastructure Protection Centre (NCIIPC) established under the National Technical Research Organization (technical intelligence Agency under NSA) in 2014 was mandated to facilitate the protection of critical information infrastructure.
- In 2015, the Prime Minister established the office of the National Cyber Security Coordinator, who advises the Prime Minister on strategic cyber security issues.
- Computer Emergency Response Team (CERT-In), which is the nodal agency corresponding to various cyber security threats to non-critical infrastructure comes under MeitY.
- The Ministry of Defense recently upgraded the Defense Information Assurance and Research Agency to establish the Defense Cyber Agency.
- The Ministry of Home Affairs oversees multiple similarly named coordination centers and focus on law enforcement efforts to address cybercrime, espionage and terrorism.



- The Ministry of External Affairs coordinates India's cyber diplomacy push both bilaterally with other countries and at the international forums like United Nations.

### Challenges

- Lack of Cybersecurity Workforce: The Indian military, central police organizations, law enforcement agencies and others are deficient in manpower, for software and hardware aspects integral to this field. According to Kaspersky, there is a need for at least three million cybersecurity professionals today.
- India doesn't have the 'active cyber defense' like the EU's General Data Protection Regulation (GDPR) or US' Clarifying Lawful Overseas Use of Data (CLOUD) Act.
- India lacks indigenization in hardware as well as software cybersecurity tools. This makes India's cyberspace vulnerable to cyberattacks motivated by state and non-state actors.
- Unlike the US, Singapore, and the UK where there is a single umbrella organization dealing in cybersecurity, India has several central bodies that deal with cyber issues, and each has a different reporting structure.
- Challenges such as growing Chinese influence in Indian telecom space, social media is becoming a powerful tool for dissemination of "information" making it difficult to differentiate fact from fake news.

### Suggestions

- At present, there are concerns around effective coordination, overlapping responsibilities and lack of clear institutional boundaries and accountability. This needs to be clarified in India's National Cyber Security Strategy, which is the update of National Cyber Security Policy, 2013.
- India is yet to articulate a doctrine that holistically captures its approach to cyber conflict. There is no crystal-clear doctrine, and we need one such just like No First Use doctrine for Nuclear weapons use.
- India should contribute to global crafting norms for responsible state behaviour in cyberspace.
- Precise articulation of how International Law applies to cyberspace, which could mould the global governance debate, is the need of the hour. It should include positioning on non-binding norms, but also legal obligations on redlines with respect to cyber space targets.
- With countries resorting to digital warfare and hackers targeting business organizations and government processes, India has to create awareness that not a single person or institution is immune to it.
- Coordination is needed between the Government and the private sector, as well as within the Government itself and at the national and state levels.
- A clear public posture on Cyber defense and warfare boosts citizen confidence, helps build trust among allies. It also clearly signals intent to potential adversaries enabling a more stable and secure cyber ecosystem.
- National cybersecurity projects such as the National Cyber Coordination Centre (NCCC), National Critical Information Infrastructure Protection Centre (NCIIPC) and the Computer Emergency Response Team (CERT) need to be strengthened manifold and reviewed.
- Promoting Indigenization: There is a need to create opportunities for developing software to safeguard cyber security and digital communications
- Given the future of technology under Industrial Revolution 4.0, India requires a strong cybersecurity framework based on the 4D principles i.e. Deter, Detect, Destroy and Document so that it can subvert all attempts towards any cyber challenges.

## Cyber Crime Volunteers Programme - Horizontal Surveillance is Dangerous

- Indian Cyber Crime Coordination Centre (I4C) launched Cyber Crime Volunteers Programme. I4C is under the Ministry of Home Affairs. It allows citizens to register themselves as Cybercrime volunteers. They will be in the role of unlawful content flaggers. As per the official website of National Cyber Crime Reporting Portal, it will help law enforcement agencies in identifying, reporting and in the removal of illegal, unlawful online content.
- The programme will be launched all over the country and it will have its test run in Jammu & Kashmir and Tripura. I4C aims to bring together citizens with passion to serve the nation on a single platform and contribute to

fight against Cyber Crime. The programme targets to rope in around 500 persons to flag unlawful content on the Internet.

### Issues

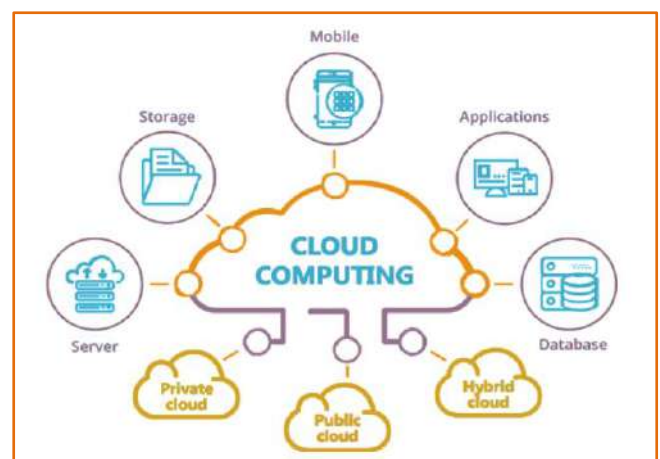
- State sponsored lateral surveillance is harmful as it creates a culture of hate, fear and constant suspicion against an enemy.
- It violates the Fundamental Right to Privacy, and hence, consequently, the unfettered expression of free speech and behavior.
- There is no information available on how the Ministry will ensure that the program is not misused by certain elements to extract misguided personal or political vendettas
- This culture places a duty on people to “keep an eye-out” for their own safety and this heightens the fear of crime in society
- The Ministry has failed to clearly define unlawful content and content which would relate to “anti-national” activities. This could allow the volunteers to exercise far more discretion than is necessary and report on citizens who are well within their rights to post content which is critical of the State.
- This is not the first time that the State sponsored lateral surveillance has been implemented in India. C-Plan app in Uttar Pradesh launched for keeping a tab on anti-social elements. It is designed to receive inputs from certain identified individuals in villages across the State.
- These individuals have been given the responsibility to solve local problems such as providing information about simmering communal tensions or land disputes taking place in their respective villages through the mobile application.

## Cloud Computing

- Cloud computing is the delivery of computing services including servers, storage, databases, networking, software, analytics, and intelligence over the Internet ("the cloud") to offer faster innovation, flexible resources, and economies of scale.
- Cloud computing is the on-demand delivery of computer system resources, especially data storage (cloud storage) and computing power, without direct user or direct active management
- Clouds may be limited to a single organization (enterprise clouds), or be available to multiple organizations (public cloud). Cloud computing relies on sharing of resources to achieve coherence and economies of scale.

### Merits

- It saves the capital expenditure of buying hardware and software and setting up and running on-site data centers, the round-the-clock electricity for power and cooling, the IT experts for managing the infrastructure.
- On-site data centers typically require a lot of hardware setup, software patching, and other time-consuming IT management chores. IT teams can spend time on achieving more important business goals.
- Most cloud computing services are provided self service and on demand, so even vast amounts of computing resources can be provisioned in minutes, typically with just a few mouse clicks, giving businesses a lot of flexibility and taking the pressure off capacity planning.
- Cloud computing makes data backup, disaster recovery and business continuity easier and less expensive. Because data can be mirrored at multiple redundant sites on the cloud provider's network.



## Challenges

- Achieving effective server consolidation (i.e., utilizing the remote servers to the maximum level to reduce energy usage) without affecting application performance is a primary challenge.
- For cloud-based services, consistent internet connection is important because if any one of the cloud-based service providers loses connectivity, then the company will be out of business until that internet connection returns.
- While the upfront or capital cost for the cloud-based server is very low compared to traditional hosting, the cloud server requires the same amount to be paid each month to maintain both servers as well as data.
- Companies with highly sensitive data may need their own IT department to keep data secure because when the data is stored in the cloud, the company is trusting a third party to keep it safe.

## Government using Cloud Computing

- E-Gram Panchayat: To improve governance quality, the Indian government initiated an e-governance scheme known as ePanchayat to simplify and enhance internal government operations.
- Kisan Suvidha: The Indian government came up with portal Kisan Suvidha to help farmers with the relevant information instantly. It delivers farmers with detailed knowledge on weather, market prices, seeds, fertilizers, pesticides, agriculture machinery, dealers, agro advisories, plant protection and Integrated Pest Management (IPM) practices.
- DigiLocker: Digi Locker is the public cloud-based storage. It is much more than an online drive to upload your documents to be accessed depending on your convenience. The documents are digitally verified and signed with an authentic seal of DigiLocker verification.
- MeghRaj: Its focus is to accelerate delivery of e-services in the country while optimizing ICT spending of the Government.
- Some common applications of Cloud Computing in the manufacturing sector are CRM (Customer Relationships Management), supply chain applications, data warehousing, information security, green IT, Human Machine Interface (HMI), and so on.

## Privacy issues with Apps

### Introduction

- Recently, WhatsApp has announced its new privacy policy for India. As a result of this privacy update, WhatsApp will get permission to share with Facebook the metadata of users and their messages with business accounts.
- The Ministry of Information Technology has received many complaints from various sources including several reports about misuse of some mobile apps available on Android and iOS platforms for stealing and surreptitiously transmitting users' data in an unauthorized manner to servers which have locations outside India.
- Recently, the Government also under section 69A of the Information Technology Act blocking access to 43 mobile apps.
- This action was taken based on the inputs regarding these apps for engaging in activities which are prejudicial to sovereignty and integrity of India, defense of India, security of state and public order.

### WhatsApp Privacy policy

- It requires users to consent to sharing transaction data, mobile device information, IP address, and data on how they interact with businesses with Facebook group companies.
- The policy allows WhatsApp and Facebook to share user information with businesses and third-party service providers that transact on these platforms.
- Besides the technical front, even on the analytics front the consent has been asked to share details such as the login details and the locational details.
- WhatsApp's end-to-end encryption clause still remains intact, but this only ensures that it won't be able to see or share the users' messages.



## Issues

- New smart phones will come with the app pre-installed. The app can be used only on a smartphone. It gathers huge amounts of critical private data.
- The Computer Emergency Response Team (CERT-IN) has also received many representations from citizens regarding security of data and breach of privacy impacting upon public order issues.
- Almost 75% of cybercrimes such as child sexual abuse, terrorist radicalization or financial crime or disturbance of law and order with fake news, start with either phishing or social engineering attack through these messaging apps or social media.
- The issue has once again raised questions about what constitutes legitimate uses of data and how businesses, governments and political parties can and cannot use data.
- Being a surveillance app, it could gather vast amounts of data far beyond what is required for the stated narrow purpose of contact tracing.
- On the data retention part, the app's privacy policy specifies only the data available on the app and does not specify for how long the Government of India will retain server-side data.
- The alleged data breach around Facebook and Cambridge Analytica has alerted people to the challenges of protecting data in a hyper-digitized environment.
- India did not have specific laws on data protection even though India did not implement the Personal Data Protection Bill; there is no control over how user data will be processed by companies.

## Way forward

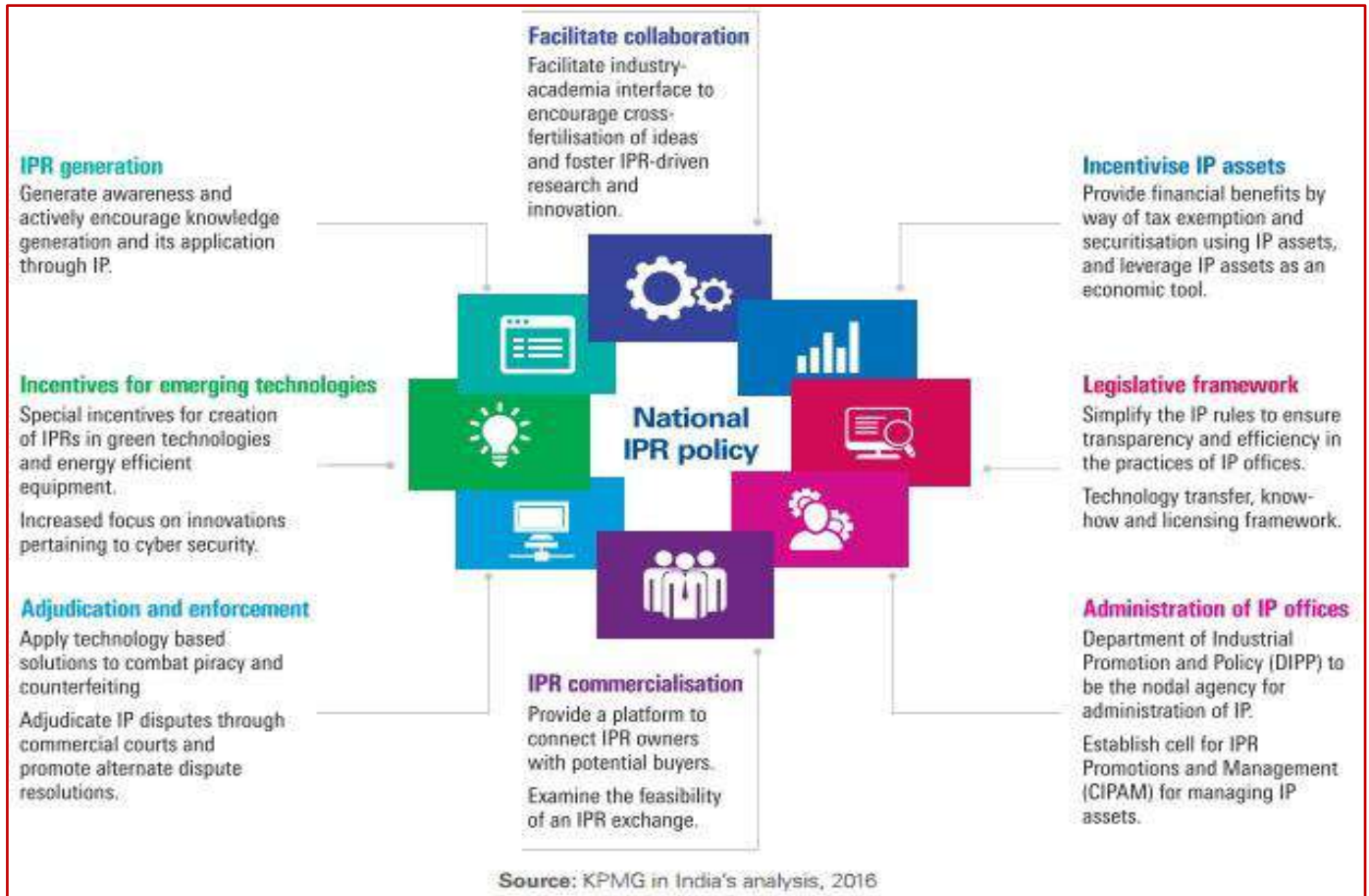
- According to the Supreme Court in the Puttaswamy judgement (2017), the right to privacy is a fundamental right and it is necessary to protect personal data as an essential facet of informational privacy.
- Government of India has decided to disallow the usage of certain Apps, used in both mobile and non-mobile Internet enabled devices and giving boost to indigenous apps under AtmaNirbhar Bharat
- The Indian Cyber Crime Coordination Centre, Ministry of Home Affairs has also sent an exhaustive recommendation for blocking the malicious apps
- Personal data protection bills as well as Draft intermediary guidelines need to move on soon.
- Personal messages should be protected by end-to-end encryption and will continue to be so.
- No data from groups should be shared with Facebook for ad purposes and all the communication within should be end-to-end encrypted.
- Governments should undertake structural reforms and bring transparency and openness in the process of commissioning and executing its surveillance projects and build a mechanism of judicial oversight over surveillance requests.
- Government should order the authorities to demonstrate great care and sensitivity in dealing with personal information of its citizens.
- It requires to legislate a transformative, rights-oriented data protection law that holds all powerful entities that deal with citizens' personal data (data controllers), including the state, accountable.

## IPR Policy

### Introduction

- According to the government, the National IPR Policy is a vision document that aims to create and exploit synergies between all forms of intellectual property (IP), concerned statutes and agencies. It sets in place an institutional mechanism for implementation, monitoring and review.
- Intellectual property rights (IPR) are the rights given to persons over the creations of their minds: inventions, literary and artistic works, and symbols, names and images used in commerce. They usually give the creator an exclusive right over the use of his/her creation for a certain period of time.
- The importance of intellectual property was first recognized in the Paris Convention for the Protection of Industrial Property (1883) and the Berne Convention for the Protection of Literary and Artistic Works (1886). Both treaties are administered by the World Intellectual Property Organization (WIPO).

## Objectives



## Need of such policy

- Global drug brands led by US companies have been pushing for changes to India's intellectual property rules for quite some time now. They have often complained about India's price controls and marketing restrictions.
- Also, an IPR policy is important for the government to formulate incentives in the form of tax concessions to encourage research and development (R&D). It is also critical to strengthen the Make in India, Startup and Digital India schemes.
- The IPR policy comes at a time when India and other emerging countries faces fresh challenges from the developed world and mega regional trade agreements such as the Trans-Pacific Partnership (TPP).

## Benefits of policy

- The new policy will try to safeguard the interests of rights owners with the wider public interest, while combating infringements of intellectual property rights.
- It also seeks to promote R&D through tax benefits available under various laws and simplification of procedures for availing direct and indirect tax benefits.
- Unlike earlier where copyright was accorded to only books and publications, the recast regime will cover films, music and industrial drawings. A host of laws will also be streamlined – on semiconductors, designs, geographical indications, trademarks and patents.
- The policy also puts a premium on enhancing access to healthcare, food security and environmental protection
- Policy will provide both domestic and foreign investors a stable IPR framework in the country. This will promote a holistic and conducive ecosystem to catalyze the full potential of intellectual property for India's growth and socio-cultural development while protecting public interest.

## Achievements under IPR policy

- India's rank in the Global Innovation Index (GII) issued by WIPO has significantly improved since 2015.

- Augmentation of technical manpower by the government, has resulted in drastic reduction in pendency in IP applications.
- Patent filings have increased by nearly 7% in the first 8 months of 2018-19 vis-à-vis the corresponding period of 2017-18. Trademark filings have increased by nearly 28% in this duration.
- IPR Awareness programs have been conducted in academic institutions, including rural schools through satellite communication, and for industry, police, customs and judiciary.

### Way Forward

- Promoting an environment of innovations in schools. The academic curricula need to be rebooted.
- A proper resolution mechanism for resolving IPR related issues is needed.
- India will be unable to take full advantage of the transformative benefits of a strong IP system unless and until it addresses gaps in its IP laws and regulations.
- Government's effort to strengthen National IPR policy, IP appellate tribunal, e-governance and commitment to abide by the TRIPS agreement of WTO in letter and spirit will help in improving perception of India globally. An efficient and equitable intellectual property system can help all countries to realize intellectual property's potential as a catalyst for economic development and social & cultural well-being.

## Women in Science and Technology

### Introduction

- There is a growing concern among policy makers regarding the entry and retention of **women in science and technology**.
- Only 15 per cent of the Indian research and development workforce are women, while the global average is 30 percent, says the National Task Force on women in science report.
- According to DST figures, the share of women involved in scientific R&D increased from 13% to 29% from 2000-2001 to 2014-15 & it decreased to 14.71% in 2015-16.
- Eminent women leaders in science and technology underlined the need for a change in the mindset of people to end stereotyping of women and give them due respect and recognition.
- Also, the outbreak of the COVID-19 pandemic has clearly demonstrated the critical role of women researchers in different stages of the fight against COVID-19, from advancing the knowledge on the virus, to developing techniques for testing, and finally to creating the vaccine against the virus.
- Recently, the 6th International Day of Women and Girls in Science Assembly theme will be Beyond the Borders: Equality in Science for Society, with a special focus on the value of the social aspects and cultural dimensions in Science, Technology and Innovation to enhance sustainable development programmes.

### Contribution of some Indian Women in S&T field

- **Kadambini (Basu) Ganguly:** She was the first female graduates of the British Empire. She was also the first female physicians of South Asia to be trained in western medicine. She studied medicine at the Calcutta Medical College, Calcutta and graduated in 1886.
- **Anandi Gopal Joshi:** She graduated from Women's Medical College in Philadelphia, USA and thus became first Indian to study medicine from abroad.
- **Anna Mani:** She made significant contributions in the field of meteorological instrumentation. She conducted research and published numerous papers on solar radiation, ozone and wind energy measurements. She authored The Handbook for Solar Radiation data for India in 1980 and Solar Radiation over India in 1981.
- **Rajeswari Chatterjee:** She was the first Woman Scientist to pioneer the Field of Microwave Engineering and Antennae Engineering in India. She was the only woman on the faculty in the Indian Institute of Science. She retired as Professor and Chairperson of the Department of Electro-Communication Engineering, Indian Institute of Science, Bangalore
- **Dr. Indira Hinduja:** She was pioneered of the Gamete Intra Fallopian Transfer (GIFT) technique resulting in the birth of India's first GIFT baby in 1988. She is also credited for developing an oocyte donation technique for menopausal and premature ovarian failure patients.

- **Kiran Mazumdar Shaw:** She is the Chairman & Managing Director, Biocon Limited a biotechnology company based at Bangalore. Biocon produces drugs for cancer, diabetes and auto-immune diseases
- **Dr. Suman Sahai:** She is the founder of the Gene Campaign in India. Dr Sahai is the brains and the brawn behind the patent campaign for Azadirachta indica (Neem) and Turmeric (Haldi). She believes that 'nature's technology can meet the needs of humanity'
- **Kalpana Chawla:** She was the first Indian American astronaut and first Indian woman in space. She first flew on Space Shuttle Columbia in 1997 as a mission specialist and primary robotic arm operator. The NASA chief called her a "Terrific astronaut".

## Issues

- A major factor responsible for this is the mindset that boys are better at science and girls are not.
- Only 11% of colleges in India which are exclusively for women, majority of which offer arts and commerce rather than science.
- India tops world rankings in producing female graduates in STEM with 43% but employs only 14% of them. In comparison, Sweden produces 35% female STEM graduates and employs 34% of them.
- The few women who decide to pursue careers in science and technology are also paid less for their work compared to men and experience huge difficulties in advancing in their careers.
- When the question of pursuing a career in science, the entrenched patriarchy in society holds women back. There are patriarchal attitudes in hiring practices or awarding fellowships and grants etc.
- A male-dominated work environment and gender insensitivity are additional burdens for women scientists.
- With the rapid digitization transforming global societies at an unprecedented scale, the under-representation of women in science and technology puts them at the high risk of being displaced by technology.
- Only 25 women have won a Nobel Prize in Physics, Chemistry, Medicine and Economics since its inception in 1901 – a distressing disparity that reflects deeply ingrained gender stereotypes, biases and male-dominated cultures.
- UNESCO said that women account for only one third of the world's researchers and hold fewer senior positions than men at top universities, which has led to "a lower publication rate, less visibility, less recognition and, critically, less funding".

## Govt. initiatives to boost women participation

- Knowledge Involvement in Research Advancement through Nurturing (KIRAN) – This was launched with the mandate of bringing in gender parity. This program primarily deals with the issues relating to break in scientific career due to relocation, due to family responsibilities etc.
- Women Scientist Scheme-A (WOS-A) – The objective is to help women pursue research in basic or applied sciences in the areas of science and engineering.
- Science & Technology for Women (S&T for women) – This program comes under the KIRAN scheme. Focus was to improve gender equality and empower women in science
- Consolidation of University Research for Innovation and Excellence in Women (CURIE) – This program was launched in 2009. The objective of this mission was to strengthen the Research and Development (R&D) infrastructure of women only universities. This has led to an increase in the number of quality research papers in the reputed journals.
- Vigyan Jyothi – The aim was to increase the interaction of girl students with the women scientists working in premier institutes like IIT and other institutes of repute.

## Suggestions

- The scientific community should facilitate women's participation as both colleagues and leaders. Along with legislative cushions like the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, Maternity Benefit Act, social sensitization towards the issues of women is important
- Leadership development programmes, changes in curriculum to attract girls and policy for gender balance in research are some of the ways that could help increase the number of women in STEM (Science, Technology, Engineering and Mathematics),



- To create an environment where academia, industry, and R&D labs provide confidence and opportunity to women, encourage women in innovation, start-ups and help them explore their full potential
- The Gender Advancement for Transforming Institutions (GATI) will develop a comprehensive Charter and a framework for assessing Gender Equality in STEM
- According to the All-India Survey on Higher Education (AISHE) report 2018-19, the gender gap in the country narrowed as compared to the previous year, i.e., 2017-18.
- Initiatives like She-box are ensuring workplace safety and boost better participation of women in all areas of economy
- Govt has to ensure that girls are not left out of the new information technology revolution and that programmes are devised specifically to familiarize girls with computers
- Encourage teachers to invite parents to information meetings aimed at overcoming the prejudices often found in families which tend to discourage girls from choosing a career in science and technology.
- Ensure a greater male/female balance on examination boards, recruitment panels for teachers and university researchers and, where applicants are of equal merit, ensure preferential treatment for the under-represented sex.
- The fight against gender disparity in science and technology must be fought by all - families, educational institutions, companies and governments, as women's representation in science and technology is essential to design inclusive and sustainable societies.


## Nobel Prize Winners

### Medicine

- David Julius and Ardem Patapoutian, 2 US based scientist, have been awarded the 2021 Nobel Prize for Physiology/Medicine for their discoveries of receptors for temperature and touch.
- The work of the scientists is focused on the field of somatosensation. Somatosensation is the ability of specialized organs such as eyes, ears and skin to see, hear and feel.
- The impressions of temperature, touch and movement are feelings relying on somatosensation. Somatosensation information continuously flows from the skin and other deep tissues.
- David Julius: - He discovered TRPV1, a heat-sensing receptor. His findings on the skin's sense of temperature were based on how certain cells react to capsaicin, the molecule that makes chili peppers spicy, by simulating a false sensation of heat.
- Ardem Patapoutian: - He discovered two mechanosensitive ion channels known as the Piezo channels. Cultured mechanosensitive cells were used to identify Piezo1, an ion channel activated by mechanical force
- He is credited for finding the cellular mechanism and the underlying gene that translates a mechanical force on our skin into an electric nerve signal.

# THE IAS GAZETTE

A Journal that stands apart!

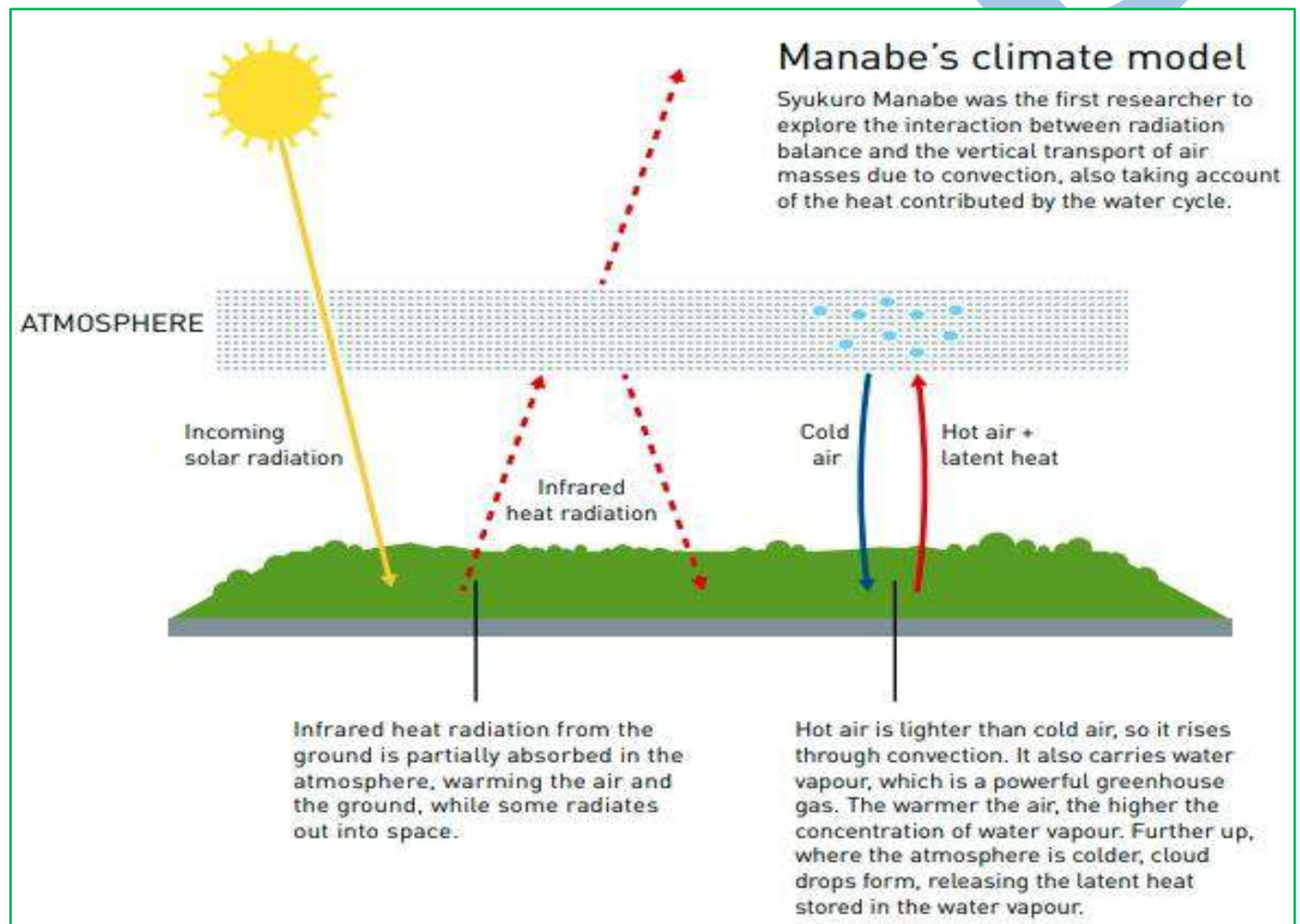


### Importance of discoveries:

- The findings have allowed us to understand how heat, cold and mechanical force can initiate the nerve impulses that allow us to perceive and adapt to the world around us.
- This knowledge is being used to develop treatments for a wide range of disease conditions, including chronic pain

### Physics

- The Nobel Prize in Physics was awarded with one half jointly to Syukuro Manabe, Klaus Hasselmann for modelling earth's climate and reliably predicting global warming and the other half to Giorgio Parisi for groundbreaking contributions to our understanding of complex systems.
- Manabe and Hasselmann:- They demonstrated how increases in the amount of carbon dioxide in the atmosphere would increase global temperatures, laying the foundations for current climate models, and quantifying variability and reliably predicting global warming.



- This would be the first-time climate scientists (Manabe and Hasselmann) have been awarded the Physics Nobel.
- Parisi: Awarded for "the discovery of the interplay of disorder and fluctuations in physical systems from atomic to planetary scales." He "built a deep physical and mathematical model" that made it possible to understand complex systems in fields such as mathematics, biology, neuroscience and machine learning
- Complex systems are systems composed of many components which may interact with each other. They are characterized by randomness and disorder and are difficult to understand.
- Most important examples are Earth's global climate, organisms, the human brain, etc.,
- They have laid the foundation of our knowledge of the Earth's climate and how humanity influences it. They have revolutionized the theory of disordered materials and random processes

## Chemistry

- The Nobel Prize in Chemistry 2021 was awarded jointly to Benjamin List and David W.C. MacMillan for the development of Asymmetric Organocatalysis
- They have developed a new and ingenious tool for molecule building: organocatalysis.
- In Organocatalysis, organic catalysts are used to drive multitudes of the chemical reactions.
- The rapid expansion in the use of organic catalysts is primarily due to their ability to drive asymmetric catalysis.
- In asymmetric catalysis, two different molecules are built, in which each molecule is a mirror image of the other one. Using Organocatalysis, researchers can now more efficiently construct anything from new pharmaceuticals to molecules that can capture light in solar cells.
- Organocatalysts allow several steps in a production process to be performed in an unbroken sequence, considerably reducing waste in chemical manufacturing
- According to researchers, there were just two types of catalysts available: metals and enzymes. Catalysts are any substance that increases the rate of a reaction without itself being consumed. In 2000, they, independent of each other, developed a third type of catalysis. It is called asymmetric organocatalysis and builds upon small organic molecules.
- This discovery will usher more research into new pharmaceuticals, and it will also help make chemistry greener.

## Big Tech Regulations

### Introduction

- India will be one of the largest bases of internet and data users in the world.
- Today, the Big Tech firms are leveraging their capital base and thereby engaging in predatory pricing and driving out competitors. They are erecting entry barriers by refusing to interconnect and interoperate with competing firms.
- These firms are also amassing data on the citizens and using this information for their commercial interest by targeted advertisements.
- Recently the US House of Representatives panel submitted the report of a bipartisan investigation into the working of Big Techs.
- Also, Australia has launched the new News Media and Digital Platforms Mandatory Bargaining Code. The code intends to force big tech firms like Facebook and Google to pay local media outlets and publishers to link their content in news feeds or search results.
- Similarly, the Indian government also announced a sweeping array of rules reining-in social media. Specifically, social media platforms are required to become “more responsible and more accountable” for the content they carry.
- Recently, Indian government issued a notice to twitter after it restored more than 250suspended accounts. On January 31st Twitter suspended these accounts as per the government’s order. Because these accounts were allegedly promoting misinformation about the farmer’s protests.
- But regulating these platforms has its own issues like effect on free speech, hindering their role as an enabler and being the voice of the voiceless, etc.
- The Indian Ministry of Electronics and Information Technology released the Information Technology (Guidelines for Intermediaries and Digital Media Ethics Code) Rules, 2021
- The rules replace the original rules from 2011 and are promulgated under the Information Technology Act, 2000.

### Need of Regulation

- Nowadays technology is linked with remote working and studying, public transport, shopping, telemedicine, on-demand music, and video streaming etc. Tech giants with their presence in digital space created a monopoly in essential services.
- There is a suspicion that big tech companies were acquiring more monopoly power leading to lack of free competition.
- The tech giants with their power to influence the market, society, and governments are involved in unethical trade practices and antitrust activities all over the world.



- There is a lack of transparency in the way tech companies process user data. This has raised serious privacy concerns and also created antitrust investigations by various governments
- Now, the big techs are the foremost medium of fake news, hate speech, etc. These were seen as un-democratic activities by countries.
- Users of Facebook and Google can't sign in and access services over food, grocery delivery, and various other companies. This can be used to mine the accounts of users. This creates a challenge to regulate the tech giants alone.

### Issues Involved in Regulation

- Big Tech firms send tremendous value to small publishers or self-financed entrepreneurs. This will be affected after regulation.
- In an effort, controlling these platforms, the international human rights standards for freedom of expression and opinion is sometimes compromised.
- According to recent guidelines for social media platform in India, if any post threatens "the unity, integrity, defense, security or sovereignty of India, friendly relations with foreign states, or public order, or causes incitement to the commission of any cognizable offense or prevents investigation of any offense or is insulting any foreign States" can be put down. However, such terms are broad, and it may give rise to the Government interfering with the fundamental rights of freedom of speech and expression.
- Big Tech proponents contend that the companies are getting smarter about the risks of allowing offensive content on their systems and will inevitably find it in their self-interest to pre-emptively remove such content.

### Suggestions

- To regulate tech, governments first need to determine the appropriate regulatory scope for the industry. It must provide clarity for both individuals and companies on what is protected and what is not.
- The Supreme Court in suo-moto writ petition (Prajawala case) vide order had observed that the Government of India may frame necessary guidelines to eliminate child pornography, rape and gangrape imageries, videos and sites in content hosting platforms and other applications.
- The Supreme Court vide order had directed the Ministry of Electronics and Information Technology to apprise the timeline in respect of completing the process of notifying the new rules.
- Also, the Ad-hoc committee of the Rajya Sabha laid its report after studying the alarming issue of pornography on social media and its effect on children and society as a whole and recommended for enabling identification of the first originator of such contents.
- For a national tech regulator to be effective, it would need to adopt regulations and new supervision methods capable of staying ahead of the potential threats posed by accelerating technological change.
- With a standards-based approach, regulators can introduce new guidelines to encourage sensible innovation or, conversely, swiftly hold tech companies accountable when unforeseen risks arise.
- Regulators can play a key role in preventing risks from materializing by forming structured partnerships to work with tech companies to identify and address emerging risks with new regulations as quickly and efficiently as possible
- The new Rules empower ordinary users of social media, embodying a mechanism for redressal and timely resolution of their grievances.
- Rules about digital media and OTT focuses more on in house and self-regulation mechanisms whereby a robust grievance redressal mechanism has been provided while upholding journalistic and creative freedom.
- It seeks to address peoples' varied concerns while removing any misapprehension about curbing creativity and freedom of speech and expression.
- The new guidelines have been framed keeping in mind the difference between viewership in a theatre and television as compared to watching it on the Internet.
- The rules go beyond internet platforms to also cover digital news organizations and video-streaming platforms like Netflix or JioTV, giving the government much more power to intervene, censor and re-classify online material.



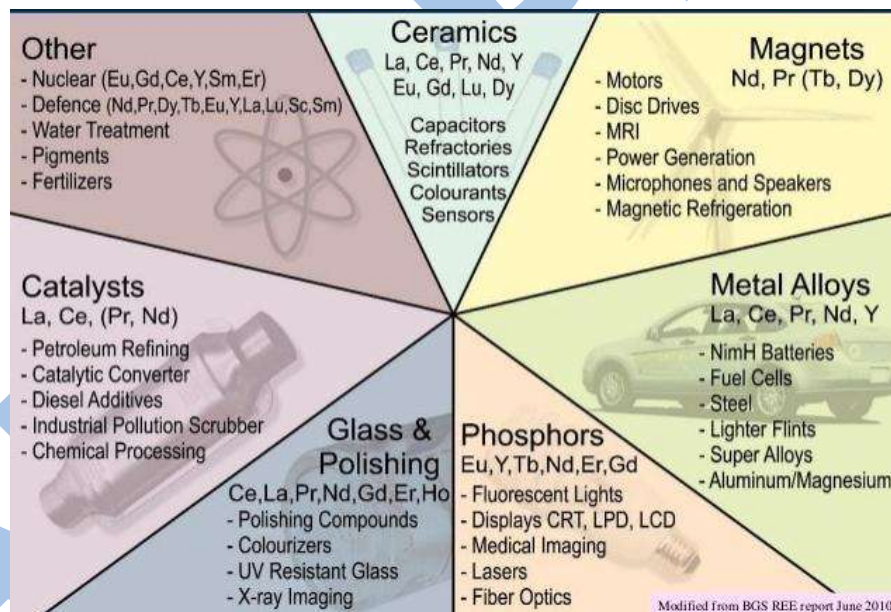
- Today, the world has now entered in the new era of global diplomacy. It isn't just countries competing with other states; there are gigantic tech companies that have geopolitical implications. Thus, there is a need to recognize the new dynamic of bargaining power between State and Big Tech firms.

## Rare Earth Metals

### Introduction

- They are a set of seventeen metallic elements. These include the fifteen lanthanides on the periodic table in addition to scandium and yttrium that show similar physical and chemical properties to the lanthanides.
- The 17 Rare Earths are cerium (Ce), dysprosium (Dy), erbium (Er), europium (Eu), gadolinium (Gd), holmium (Ho), lanthanum (La), lutetium (Lu), neodymium (Nd), praseodymium (Pr), promethium (Pm), samarium (Sm), scandium (Sc), terbium (Tb), thulium (Tm), ytterbium (Yb), and yttrium (Y)
- These minerals have unique magnetic, luminescent, and electrochemical properties and thus are used in many modern technologies, including consumer electronics, computers and networks, communications, health care, national defense, etc.
- They are called 'rare earth' because earlier it was difficult to extract them from their oxides forms technologically. They are not rare in quantity, in fact, some of them are very abundant in earth's crust for example cerium is more abundant than copper and lead. However, their extraction is very difficult.
- China has over time acquired global domination over rare earths, even at one point, it produced 90% of the rare earths the world needs. Today, however, it has come down to 60% and the remaining is produced by other countries, including the Quad (Australia, India, Japan and United States).

### Applications



### India's current scenario over rare earths

- India has the world's fifth-largest reserves of rare earth elements, nearly twice as much as Australia, but it imports most of its rare earth needs in finished form from China.
- Exploration in India has been conducted by the Bureau of Mines and the Department of Atomic Energy. Mining and processing have been performed by some minor private players in the past but is today concentrated in the hands of IREL (India) Limited (formerly Indian Rare Earths Limited), a Public Sector Undertaking under the Department of Atomic Energy.
- IREL produces rare earth oxides (low-cost, low-reward "upstream processes"), selling these to foreign firms that extract the metals and manufacture end products (high-cost, high-reward "downstream processes") elsewhere.
- IREL's focus is to provide thorium – extracted from monazite – to the Department of Atomic Energy.

## Challenges

- REMs are found in a variety of minerals, but not all are equally suitable for economic development. REMs are generally found in concentrations below what is economically viable for extraction at current prices using available technology
- Extraction and mining of rare earth metals involves similar land-use exploitation, environmental damage and ecological burden as any other mining operation.
- China remains virtually the only producer of the valued heavy REMs. China imposed export restrictions on REE between 2010 and 2014, resulting in dramatic increases in REE prices during those years. This leads to uneconomical trends in other countries for rare earth extraction.

## India's opportunity over rare earths

- A study, conducted by the think-tank Council on Energy Environment and Water, identifies 12 minerals out of 49 that were evaluated as 'most critical' for India's manufacturing sector by 2030. These are beryllium, chromium, germanium, limestone, niobium, graphite, rare earth, rhenium, strontium, tantalum and zirconium
- India is 100 percent import-dependent for seven out of 12 identified critical minerals.
- India should create the new Department for Rare Earths (DRE) under the Ministry of Petroleum & Natural Gas which could secure access to Rare Earth Elements (REEs) of strategic importance by offering viability gap funding to companies to set up facilities in the upstream sector.
- Alternatively, it could focus on downstream processes and applications, such as manufacturing rare earth magnets and batteries.
- Finally, it could coordinate with other agencies to partner directly with groupings such as the Quad, building up a strategic reserve as a buffer against global supply crises.

## Way forward

- Recycling of these rare earth metals for continuous usage for various technologies is a good option that can be considered.
- Diversifying the supply chain of Rare Earth Metals around the world, especially focusing on the same in India.
- Rare earths have become indispensable and, in many cases, irreplaceable components of materials that are essential in modern life. Thus, the usage of these metals, which form a critical part of the renewable energy revolution should be handled with careful, sincere and cleaner measures if the way forward has to be greener and environment-friendly

# Robotics in Agriculture

## Introduction

- An agricultural robot is a robot deployed for agricultural purposes. Agricultural robots automate slow, repetitive and dull tasks for farmers, allowing them to focus more on improving overall production yields
- Many agricultural robotic advancements use machine vision technology to avoid hazards, identify crops, and even determine if they are ready to be harvested.

## Applications

- Weeding: Combatting weeds and making sure crops have room to grow is a constant struggle for farmers. For example, using computer vision and a variety of mechanical tools, the robot plucks out individual weeds instead of using chemicals.
- A flying robot monitors the growing condition of the crops over farmlands, it can fly autonomously and apply fertilizer independently.
- Sophisticated systems can even identify specific plants and activate only the relevant application nozzles. This means less waste, reduced herbicide resistance, and more efficient application across fields.
- Automated drone seeders are mostly used in forestry industries right now. They are also able to plant much more efficiently with a team of two operators and ten drones capable of planting 400,000 trees a day.

- Other applications: Nursery planting, crop analysis, animal husbandry, dairy farming, drone service, harsh terrain resilient farming etc.
- PAAMA Agrico under Made-in-India Agri-Equipment has designed the world-class soil tilling blades used in rotovators and cultivators. It enables a robot to weld blades enabling the precision function ensuring uniformity in production while facilitating repeatability function each time.

## Challenges

- It will also reshape the definition of farm workers Substitution of technology may put farmers out of their jobs and render difficulties to the already suffering state of unemployment.
- The capital-intensive nature of Robotics. And high cost of procuring imported hardware components as well as training personnel.
- It may further increase Inequality among small and large landowners.
- Loss of various traditional, yet effectively resilient methods suitable for Indian agriculture.
- Embracing new technologies like robotic will be a key factor in the changing face of Indian agriculture. Therefore, any policy measure on this front needs to be carefully designed and implemented. It is important to consider all stakeholders and have collaborated measures in making robotics and other technologies in agriculture affordable sustainable and properly understood by the end users and the farmer.

## GM Crops

### Context

- The Food Safety and Standards Authority of India (FSSAI) in a recent order has set 1% threshold for Genetically Modified Organisms (GMO) in food crops imported into India.
- Also recently, world's first GM rubber plant was planted in Assam.

### Introduction

- Genetically modified crops simply mean altering genetic composition of crops and introducing some different genes using lab technologies to bring certain traits in crops.
- In India, Genetic Engineering Appraisal Committee (GEAC) regulated GM crops. Use of the unapproved GM variant can attract a jail term of 5 years and fine of Rs. 1 lakh under the Environment Protection Act, 1986.
- Bt cotton is the only Genetically Modified (GM) crop that is allowed in India. It has alien genes from the soil bacterium *Bacillus thuringiensis* (Bt) that allows the crop to develop a protein toxic to the common pest pink bollworm.

### Some other non-approved GM crops in India

- Herbicide Tolerant Bt (HtBt) cotton is derived with the insertion of an additional gene, from another soil bacterium, which allows the plant to resist the common herbicide glyphosate.
- In Bt brinjal, a gene allows the plant to resist attacks of fruit and shoot borers.
- In DMH-11 mustard, genetic modification allows cross-pollination in a crop that self-pollinates in nature.

### Merits

- Reduced need for pesticide treatment.
- Increased crop yields
- Increased resistance, productivity, hardness, and feed efficiency
- Enhanced nutritional value of crop
- Reduced cost of food or drug production.
- Food security for world population
- Medical benefits to world's growing population.




## Demerits

- Potential environmental impact: unintended transfer of transgenes through crosspollination, unknown effects on other organisms (e.g., soil microbes) and loss of flora and fauna biodiversity.
- Can further threaten sustenance of other crops
- Tampering with nature by mixing genes among species.
- Threat to farmers as overproduction might lead to reduced prices and no profit to farmers
- Various health concerns such as antibiotic resistance.
- Environmental concerns such as decrease in species diversity
- Introduction of GM crops is a costly and time-consuming process.

**Not sustainable**  
*Arguments raised by P.C. Kesavan and M. S. Swaminathan in their paper:*

- Mutations and natural selection are the predominant evolutionary mechanisms to induce variations in flowering plants
- In r-DNA technology (Genetic Engineering or GE) all the molecular and cellular events which are triggered with the insertion of 'exogenous DNA', are not precisely understood
- Since cost of GE seeds and inputs as in Bt Cotton are exorbitant, small farmers are unable to withstand crop losses
- The site of a gene's insertion is not controllable, and health concerns from unintended effects



**THE CONTEXT**

- Bt cotton occupies greater than 95% of India's cotton acreage
- Yields have stagnated at around 500 kg/ha (lower than yields in China and Egypt)
- Bt Brinjal was cleared by the Genetic Engineering Appraisal Committee but was put on a moratorium by the UPA government
- DMH-11, or GE mustard developed by Delhi University was cleared by the GEAC, but later it was withdrawn

have been raised

- Precautionary principle has been done away with in India and no rigorous biosafety protocols and evaluation of GM crops are in place
- Bt cotton in India failed to live up to promises in 10 years, on high yields from

pest resistance and reduction in insecticide use

- Huge socio-economic cost is borne by farmers from hybrids in Bt cotton
- Bt cotton farmers are asked to revert to traditional pest management, displaying failure of Bollgard II cotton

## GM Rubber

- GM rubber plant, which is the first of its kind developed specifically for the northeast and is expected to flourish in the region's climatic conditions.
- With additional copies of the gene MnSOD (manganese-containing superoxide dismutase) inserted in it, GM rubber plant is expected to tide over the severe cold conditions during winter which is a major factor affecting the growth of young rubber plants.
- The MnSOD gene has the ability to protect plants from the adverse effects of severe environmental stresses such as cold and drought.
- It is developed by the Kerala-based Rubber Research Institute of India.

## Way forward

- Establishment of national biotechnology regulatory authority as recommended by taskforce under MS Swaminathan
- Extensive research so that low input and high output can be achieved
- Decision only after convincing all stakeholders such as farmers and consumers.
- Strict check on illegal and unapproved GM crops production.



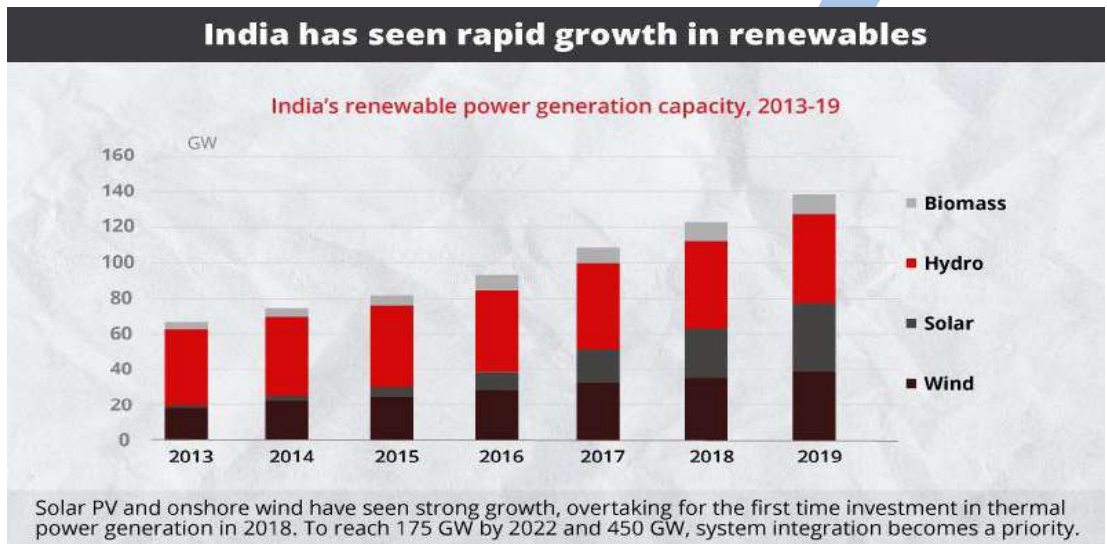
# Renewable Energy Promotion

## Context

- International Energy Agency Report praises India's effort towards Renewable Energy promotion
- According to India Energy Outlook 2021 India is the only nation in the G-20 which is 2 degrees compliant in keeping with NDCs presented in Paris. (Also seconded by Climate Action Tracker)
- India has taken numerous decisive actions, in fighting Climate Change, not only at the government level but even at the individual and community level.

## India's Actions on Improving Renewable energy

- India's renewable energy currently stands at 89 GW, making it 4th highest in the world in terms of total renewable energy installed
- India is targeting 175 GW of renewable power by 2022 which is aiming for 450 GW in coming future
- As per Inc42Plus, to meet the charging requirement for 20 Lakh electric cars, India needs about 4 Lakh charging stations installed by 2026. For that, Govt Plans to Set Up 69,000 EV Charging Stations Across India under Phase -2 of FAME scheme
- Various States have come up with their individual targets for adoption of EVs
- Prices of e- vehicles have been slashed through GST Reduction
- Battery swapping policy has also been adopted.



## One Sun, One World, One Grid

- According to the draft plan by Ministry of New Renewable Energy, the mega OSOWOG will connect 140 countries through a common grid that will be used to transfer solar power. With India at the fulcrum, the solar spectrum can be divided into 2 broad zones viz. far East that include countries of ASEAN & far West which could cover the Middle East and the Africa Region," The mega plan is divided into three phases:
  - **First phase:** this will connect the Indian grid with the Middle East, South Asia and South-East Asian grids to share solar and other renewable energy resources.
  - **Second phase:** connect the first phase nations with the Africa.
  - **Third phase:** This will be the concluding step of global interconnection.

## Way forward

- The IEA report lays stress, on how Governments have an outsized role to play in supporting transitions towards existing infrastructure and technologies.
- Markets have to be strengthened for technologies at an early stage of adoption.
- Infrastructure has to be developed and upgraded that enables technology deployment.
- Increase role of Research & development in the field
- International technology collaboration has to be promoted.

# Vaccine Diplomacy and Vaccine Nationalism

## Context

- India has begun dispatching millions of doses of its indigenously manufactured COVID-19 vaccines to its South Asian neighbors and key partner countries, thus starting Vaccine Diplomacy.

## Introduction

- It is global health diplomatic tool that uses vaccines to increase country's diplomatic influence and goodwill over other countries. It serves as an important means of Humanitarian intervention.
- India is moving with this kind of diplomacy on 2 fronts, first as the manufacturer and distributor of vaccines (Pharmacy of the world) and second wrt research related by investing financial & technical expertise in initiatives like GAVI, COVAX, etc.
- India meets 62 percent of the global demand for vaccines.

## Significance of Vaccine Diplomacy

- Earning long term goodwill: By sending shipments to cash-strapped neighboring countries, India will earn the long-term goodwill of its immediate neighbors and across Indian ocean countries.
- In keeping with its "Neighborhood First" initiative, the first consignments of the Covishield vaccine and Covaxin, have gone to our immediate neighbors, Bangladesh, Bhutan, Maldives, Myanmar, and Nepal, and to key Indian Ocean partners, Mauritius and Seychelles.
- This Moral goodwill will also improve Indian stand on international forums.
- India's Vaccine Maitri initiative will help ease to some extent the "vaccine inequality" in the world by making COVID-19 vaccines more accessible to developing and least developed countries.
- This helps dispel the perception amongst neighborhood that India is hegemonic and a "Big Brother". Instead, it shows that India is a "Responsible Power".
- Such shipment from India could help counter China's vaccine and mask diplomacy in neighborhood.
- Beyond India's immediate neighbors, countries like Brazil, South Korea, Bahrain, Saudi Arabia, Republic of South Africa, etc. have shown inclinations to purchase vaccines from India. This will help India to make a global supply chain in health sector.
- This will boost pharma manufacturing in India, increase R&D in sector and will eventually help country in reviving the economy.
- Fights and hinders Vaccine nationalism.

## Vaccine Nationalism

- When a country manages to secure doses of vaccines for its own citizens and prioritizes its own domestic markets before they are made available in other countries it is known as 'vaccine nationalism'. Recently we saw USA and EU indulging in vaccine Nationalism.
- A similar situation happened in 2009 during the H1N1 flu pandemic with Australia as a vaccine center and other developed countries acting as Vaccine nationalists.
- It was only when the H1N1 pandemic began to recede that developed countries offered to donate vaccine doses to least developed countries.
- Such kind of Nationalism deepens the Inequality, making vaccines unaffordable and inaccessible for majority of population, thus slowing down Global economic recovery.

# Chandrayaan-2

## Context

- Recently, Indian Space Research Organization (ISRO) released the information gathered by the scientific payloads of Chandrayaan-2 till now, some of which were still to be analyzed and assessed. The data which is already analyzed is now being released for the wider public use through the PRADAN portal hosted by Indian Space Science Data Centre (ISSDC).

## Introduction

- Chandrayaan-2 is an integrated 3-in-1 spacecraft of around 3,877 kg consisting of an Orbiter of the Moon, Vikram (after Vikram Sarabhai) - the lander and Pragyan (wisdom) - the rover, all equipped with scientific instruments to study the moon.
- The Chandrayaan-2 was India's first attempt to land on the lunar surface.
- The objective was to study the extent and distribution of water on the Moon along with study of topography, seismography, composition of lunar surface and the lunar atmosphere.
- However, it failed to make a soft-landing on the lunar surface. The lander and rover malfunctioned in the final moments and crash-landed, getting destroyed in the process.
- Despite the crash-landing, the mission's orbiter and other parts have been functioning normally, gathering information for further analysis and usage.

## Key Information

- Using far more sensitive instruments, the Imaging Infra-Red Spectrometer (IIRS) on board Chandrayaan-2 has been able to distinguish between hydroxyl and water molecules and found unique signatures of both. This is the most precise information about the presence of H<sub>2</sub>O molecules on the Moon till date.
- Chandrayaan-2 has now found signatures of water at all latitudes, although its abundance varies from place to place
- Chromium, manganese and Sodium have been detected for the first time through remote sensing. The finding can lay the path for understanding magmatic evolution on the Moon
- CLASS, a Large Area Soft X-Ray Spectrometer, has mapped nearly 95% of the lunar surface in X-rays for the first time.
- A large number of microflares outside the active region have been observed for the first time, and according to ISRO, this "has great implications on the understanding of the mechanism behind heating of the solar corona", which has been an open problem for many decades.
- ISRO is planning mission Chandrayaan-3 in late 2021 or early 2022.



## What we missed due to crash landing

- The most obvious miss has been the opportunity to demonstrate the technology to make a soft-landing in outer space.



- ISRO scientists maintain that the accident was caused by a relatively small error that has been identified and corrected. But, to demonstrate this technology all over again, ISRO would have to send a fresh mission, Chandrayaan-3, planned for next year. It is expected to have only a lander and rover, and no Orbiter.
- The lander Vikram and rover Pragyaan were supposed to pick up additional information about the terrain, and composition and mineralogy. While the instruments on board the Orbiter are making “global” observations, those on the lander and rover would have provided much more local information. The two diverse sets of data could have helped prepare a more composite picture of the Moon.

## Deepfakes

### Introduction

- Deepfakes are synthetic media (including images, audio and video) that are either manipulated or wholly generated by Artificial Intelligence
- Deep fakes first came into notice in 2017 when a Reddit user posted explicit videos of celebrities.
- These are done so convincingly that it is hard to detect what is fake and what is real.
- They are used to tarnish reputations, create mistrust, question facts, and spread propaganda.

### India Specific

- So far, India has not enacted any specific legislation to deal with deepfakes.
- However, there are some provisions in the Indian Penal Code that criminalize certain forms of online/social media content manipulation. The Information Technology Act, 2000 covers certain cybercrimes.
- But this law and the Information Technology Intermediary Guidelines (Amendment) Rules, 2018 are inadequate to deal with content manipulation on digital platforms.

### Challenges related to deepfakes

- A deepfake can aid in altering the democratic discourse and undermine trust in institutions and impair diplomacy. False information about institutions, public policy, and politicians powered by a deepfake can be exploited to spin the story and manipulate belief.
- Falsity is profitable and goes viral more than the truth on social platforms. Combined with distrust, the existing biases and political disagreement can help create echo chambers and filter bubbles, creating discord in society.
- The malicious use of a deepfake can be seen in pornography, inflicting emotional, reputational, and in some cases, violence towards the individual.
- Nation-state actors with geopolitical aspirations, ideological believers, violent extremists, and economically motivated enterprises can manipulate media narratives using deepfakes. It can be used by insurgent groups and terrorist organizations, to represent their adversaries as making inflammatory speeches or engaging in provocative actions to stir up anti-state sentiments among people.
- Deepfakes can cause short- and long-term social harm and accelerate the already declining trust in news media. Such an erosion can contribute to a culture of factual relativism.

### Way forward

- Media literacy for consumers and journalists is the most effective tool to combat disinformation and deep fakes. As consumers of media, they must have the ability to decipher, understand, translate, and use the information.
- Even a short intervention with media understanding, learning the motivations and context, can lessen the damage
- Meaningful regulations with a collaborative discussion with the technology industry, civil society, and policymakers can facilitate disincentivizing the creation and distribution of malicious deep fakes.
- We also need easy-to-use and accessible technology solutions to detect deepfakes, authenticate media, and amplify authoritative sources
- To counter the menace of deepfakes, we all must take the responsibility to be a critical consumer of media on the Internet, think and pause before we share on social media, and be part of the solution to this infodemic. Collaborative actions and collective techniques across legislative regulations, platform policies, technology



intervention, and media literacy can provide effective and ethical countermeasures to mitigate the threat of malicious deep fakes.

## Data Protection in India

### Context

- BN Srikrishna committee prepared a draft data protection bill ensuring the individual privacy and individual's control over data and at the same time ensuring the data driven economy to develop at a sustainable pace. Recent Whatsapp new privacy policy brought the issue of data protection once again to limelight.
- Data protection is the process of safeguarding important information from corruption, compromise or loss. The importance of data protection increases as the amount of data created and stored continues to grow at unprecedented rates.

### Key points of Bill

- The Bill trifurcates data into **Personal Data** i.e., Data from which an individual can be identified like name, address etc.; **Critical personal data** i.e., Anything that the government at any time can deem critical, such as military or national security data and **Sensitive personal Data** like financial, health, sexual orientation, biometric, genetic, transgender status, caste, religious belief, etc.
- The Bill removes the requirement of data mirroring (in case of personal data). Only individual consent for data transfer abroad is required.
- The Bill mandates fiduciaries to provide the government any non-personal data when demanded. Non-personal data refers to anonymous data, such as traffic patterns or demographic data.
- The Bill calls for the creation of an independent regulator Data Protection Authority, which will oversee assessments and audits and definition making
- The Bill proposes "Purpose limitation" and "Collection limitation" clause, which limit the collection of data to what is needed for "clear, specific, and lawful" purposes.
- It also grants individuals the right to data portability and the ability to access and transfer one's own data. It also grants individuals the right to data portability, and the ability to access and transfer one's own data.
- Finally, it legislates on the right to be forgotten. With historical roots in European Union law, General Data Protection Regulation (GDPR), this right allows an individual to remove consent for data collection and disclosure.

### Decoding the data protection bill

#### WHAT IT MEANS FOR CONSUMERS

- **DATA** can be processed or shared by any entity only after consent.
- **SAFEGUARDS**, including penalties, introduced to prevent misuse of personal data.
- **ALL** data to be categorized under three heads—general, sensitive and critical.

#### THE GOVERNMENT & REGULATORY ROLE

- **GOVT** will have the power to obtain any user's non-personal data from companies.
- **THE** bill mandates that all financial and critical data has to be stored in India.
- **SENSITIVE** data has to be stored in India but can be processed outside with consent.

#### WHAT COMPANIES HAVE TO DO

- **SOCIAL** media firms to formulate a voluntary verification process for users.
- **SHARING** data without consent will entail a fine of ₹15 crore or 4% of global turnover.
- **DATA** breach or inaction will entail a fine of ₹5 crore or 2% of global turnover.

Source: Mint research

### Benefits of this law

- Data localization can help law-enforcement agencies access data for investigations and enforcement.
- Instances of cyber-attacks and surveillance will be checked.
- Data localization will also increase the ability of the Indian government to tax Internet giants.
- A strong data protection legislation will also help to enforce data sovereignty.

### Issues with the bill

- The bill is like a two-sided sword. While it protects the personal data of Indians by empowering them with data principal rights, on the other hand, it gives the central government with exemptions which are against the principles of processing personal data.
- National security or reasonable purposes are an open-ended term, this may lead to intrusion of state into the private lives of citizens

- Also, it may backfire on India's own young startups that are attempting global growth, or on larger firms that process foreign data in India.

### Suggestions

- In this digital age, data is a valuable resource that should not be left unregulated. In this context, the time is ripe for India to have a robust data protection regime. This could be done by enacting law for personal data protection as soon as possible.
- Ensuring the judicious balance between data principal and principal companies.
- The government would also have to respect the privacy of the citizens while strengthening the right to information
- Giving right to forgotten to data principal as done by European Union.
- Framing international agreement and ensuring the protection of data of developing countries.
- Ensuring the strict adherence to data localization and making sure that foreign companies follow it.

## Microchip manufacturing in India

### Context

- The government recently unveiled three schemes with an outlay of about ₹48,000 crore to promote electronics manufacturing in India.

### Introduction

- Microchip is a set of electronic circuits on one small flat piece of semiconductor material that is normally silicon.
- The Indian electronics sector is witnessing tremendous growth, as the demand is poised to cross \$400 billion by 2023-24. In fact, domestic production has grown from \$29 billion in 2014-15 to nearly \$70 billion in 2019-20 (CAGR of 25 per cent).
- The government has unveiled three schemes with an outlay of about ₹48,000 crore to promote electronics manufacturing in India. These schemes are:
  - Production Linked Incentive (PLI) Scheme.
  - Modified electronic manufacturing cluster.
  - Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPecs).
- Most of the production takes place in the final assembly units located in India and focusing on assembly units, would eventually help develop deep backward linkages, thus inducing industrialization.
- The Economic Survey 2019-20 also promotes this by suggesting "assembly in India for the world", especially in "networked products", in a bid to create four crore well-paid jobs by 2025 and eight crore jobs by 2030.
- IIT Madras and Mumbai have developed indigenous microchip designs like Shakti and Ajit respectively.

### Need of microchip industry in India

- An even greater value addition takes place at a stage prior to component building, that is, the production of microchips or semiconductor integrated chips. These microchips are produced in units called semiconductor fabrication plants (also called fabs or foundries), which turn silicon into microchips.
- There are about 170 commercial foundries globally, yet there isn't a single one in India. This is because chip manufacturers like Intel, TSMC, and Samsung, citing uncertain domestic demand and poor cost efficiencies in India, choose other countries to produce microchips.
- According to a recent report, a single foundry can offset imports worth \$8 billion over a projected period and have a further multiplier effect of \$15 billion on the GDP
- In order to realize these benefits, the government launched the SPECS scheme, providing a 25 per cent incentive on capital expenditure for semiconductor manufacturing among other core components. However, the total outlay must be increased from the present ₹3,300 crore, in order to attract the microchip giants.

## Challenges

- While India has state-of-the-art R&D centers focusing on chip design, it has a limited number of fabless start-ups and companies. Industry experts cite the lack of fabrication facilities as contributing to low R&D in this sector in India, which results in poor talent retention and eventually 'brain drain'.
- Chip manufacturers like Intel, TSMC, and Samsung, cite uncertain domestic demand and poor cost efficiencies in India therefore choose other countries to produce microchips.
- Establishment of fabrication facilities will require huge investment. Setting up these plants requires massive capital expenditure to the tune of \$2 billion and more. Also, foundries are required to adopt newer technologies and processes almost every 18 months to ensure competitiveness. This means high capital depreciation, which often accounts for 50-60 per cent of the production cost.
- Despite the impressive growth of electronic production in India, the net value addition is very low. It is in the range of \$7-10 billion out of a global market of \$2.1 trillion.
- High imports reliance. Nearly constitute 80 per cent of these components, with approximately 67 per cent of the imports coming from China alone at a cheaper rate.
- It is expected that electronics imports will soon overtake crude oil as India's largest import commodity thus further widening current account deficit.
- Though ISRO and DRDO have their own fabs, their use is restricted for space and defense systems only.

## Suggestions

- Government should stop viewing each private sector proposal with extreme suspicion. It should act as a facilitator.
- The total outlay of Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECS) scheme must be increased from the present ₹3,300 crore, in order to attract the microchip giants.
- SPECS was launched to provide a 25 per cent incentive on capital expenditure for semiconductor manufacturing among other core components.
- Companies in China and Taiwan have had a lot of government support over the last couple of decades to foster an effective ecosystem, which consists of materials, machinery, manufacturing, testing, packaging, and sales.
- ISRO and DRDO, through technology transfer, can help new start-ups to establish new fabrication facilities.
- Government can provide special packages to facilitate manufacturing of indigenous microchips such as Shakti and Ajit under AtmaNirbhar Bharat.
- Several MNCs have decided to shift a part of their production out of China, it is imperative for us to act, and act fast to attract this outgoing investment. The need of the hour is, thus, to promote semiconductor manufacturing alongside assembly units in India
- It is only through such actions can we hope to realize the dream of being a truly indigenous electronic ecosystem encompassing all aspects of electronics industry, thus allowing India to be truly self-sufficient.

## Monoclonal Antibodies for Covid-19

### Context

- Recently, the International AIDS Vaccine Initiative (IAVI) and Serum Institute of India (SII), Pune announced an agreement with Merck, a science and technology company, to develop SARS-CoV-2 neutralizing monoclonal antibodies (mAbs), which will be used to address the Covid-19 pandemic.

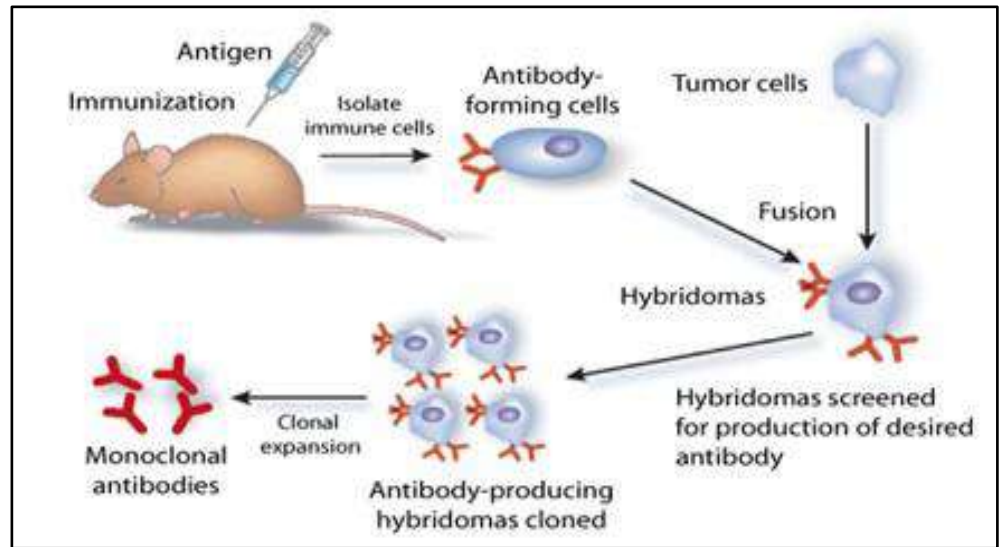
### Introduction

- To fight a viral infection, our bodies create proteins known as antibodies. Monoclonal antibodies are artificial antibodies that mimic the activity of our immune systems. They are produced through a process that involves extracting specific antibodies from human blood and then cloning them.
- These monoclonal antibodies are designed to target a virus or a specific part of one — for instance, REGEN-COV2 is a cocktail of two monoclonal antibodies developed to target the SARS-CoV-2 spike protein
- They are designed to perform many roles, like they can be used to carry drugs, toxins, or radioactive substances directly to affected cells.

- Besides Covid-19, monoclonal antibodies have been used in the treatment of cancers as well as Ebola and HIV.

### Scope in COVID-19 treatment

- They are widely considered to be promising candidates for Covid-19 treatment and prevention.
- Encouraging results for Covid-19 antibody treatment have emerged from preclinical research and from initial clinical trials
- Monoclonal antibodies reduced their risk of developing an infection with symptoms by 80%.
- Research suggests that certain monoclonal antibodies can reduce the risk of hospitalization and death in people with asymptomatic or mild COVID-19.
- The 'pandemic fatigue' was clearly evident due to overstretching of work during the second wave of Covid in India. Monoclonal therapy would be of great help as the burden on hospitals and healthcare staff would be reduced.



### Way forward

- Investing in innovative technologies that could lower down production costs
- More research into concept so that no loose ends remain in treatment.
- Create new business models that enable different market approaches in low-, middle- and high-income countries
- Establish collaborations between public, private and philanthropic organizations to focus on the needs of the developing countries
- Millions of people around the world could benefit from existing monoclonal antibody treatments and those in development – including the ones for Covid-19, which could help bring the pandemic to an end.

## National Hydrogen Energy Mission

### Context

- Recently in Union Budget for 2021-22, Government announced a National Hydrogen Energy Mission (NHM) that will draw up a road map for using hydrogen as an energy source.

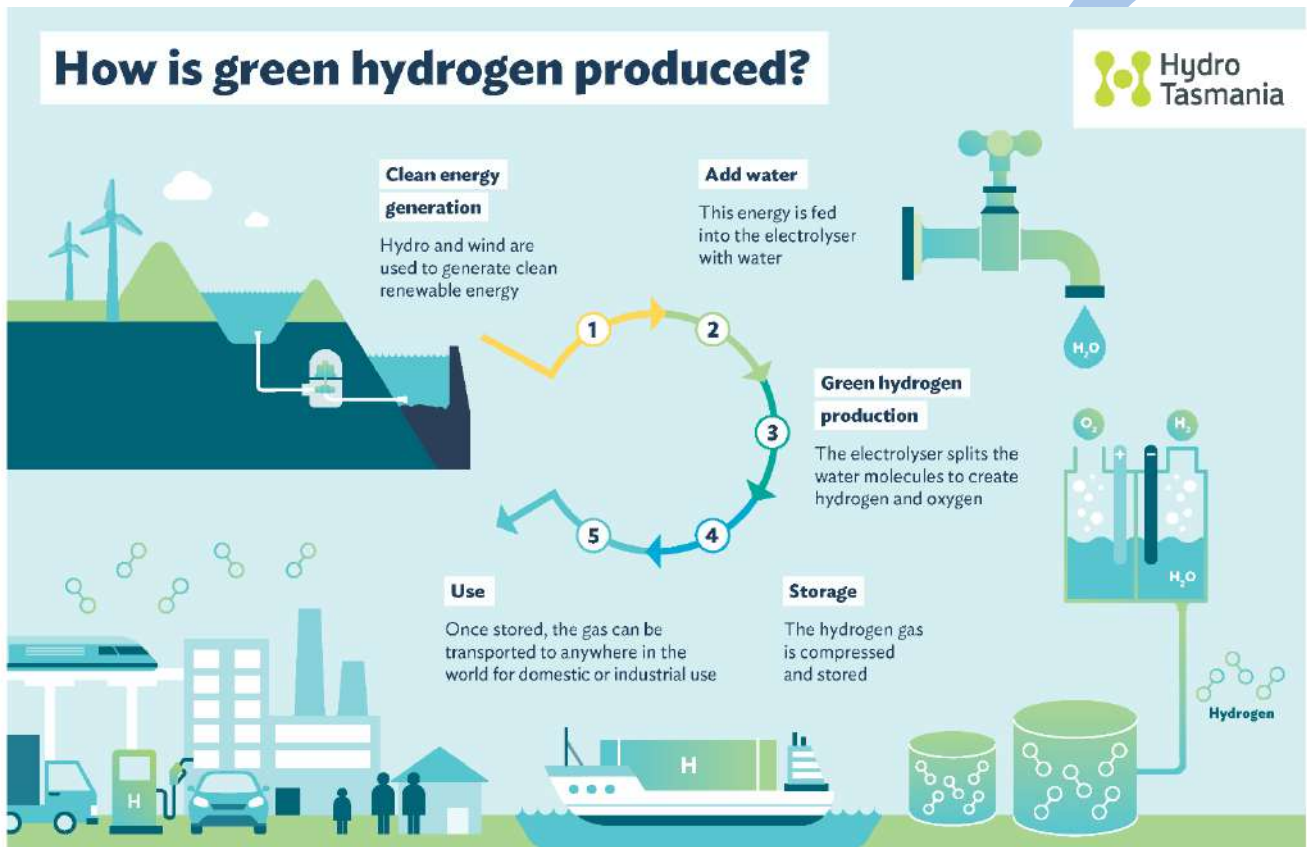
### Introduction

- The hydrogen economy is an envisioned future where hydrogen is used as fuel for vehicles, energy storage and long-distance transport of energy. The different pathways to use hydrogen economy includes hydrogen production, storage, transport and utilization.
- In this regard, A National Hydrogen Energy Mission (NHEM) to transform transportation in India was announced during Union Budget 2021-22.
- Hydrogen is the lightest and first element on the periodic table. Since the weight of hydrogen is less than air, it rises in the atmosphere and is therefore rarely found in its pure form, H<sub>2</sub>.
- Hydrogen fuel is a zero-emission fuel burned with oxygen. It can be used in fuel cells or internal combustion engines. It is also used as a fuel for spacecraft propulsion.



## Benefits of Hydrogen in Energy

- Hydrogen fuel cell cars have a near-zero carbon footprint.
- The usage of hydrogen will not only help India in achieving its emission goals under the Paris Agreement, but will also reduce import dependency on fossil fuels
- It can be produced from renewable sources of energy such as solar and wind. Renewable energy that cannot be stored or used by the grid can be channeled to produce hydrogen
- Hydrogen can also bridge the gap between supply and demand, in both a centralized or decentralized manner, thereby enhancing the overall energy system flexibility.
- Hydrogen can be used to meet both seasonal and daily supply-demand mismatch in the case of renewables



- It can be manufactured by Electrolysis of water by using direct current, or even using Natural gas or process of Fermentation.
- It is then stored after mixing or converting to ammonia or synthetic gas for easy liquefaction and transport.

## Challenges

- One of the biggest challenges faced by the industry for using hydrogen commercially is the economic sustainability of extracting green or blue hydrogen. The technology used in production is at nascent stage and are expensive which in turn increases the cost of production of hydrogen.
- A big barrier to the adoption of hydrogen fuel cell vehicles has been a lack of fueling station infrastructure
- Maintenance costs for fuel cells post-completion of a plant can be costly.
- Hydrogen in gaseous form is highly inflammable and difficult to transport. Safety is seen as a concern
- Hydrogen lacks smell, which makes any leak detection almost impossible thus increasing the potential dangers.
- The commercial usage of hydrogen as a fuel and in industries requires mammoth investment in R&D.

## Indian Initiatives

- The National Hydrogen Mission has created a roadmap for achieving 175GW renewable energy target, and pilot projects on blue hydrogen, green hydrogen and hydrogen compressed natural gas (CNG) have been initiated.

- The proposed introduction of green hydrogen consumption obligations for fertilizer and petroleum refining industry, indicate the country's resolve to transition towards an economy fueled by green hydrogen.
- The government has given impetus in scaling up the gas pipeline infrastructure across the length and breadth of the country, and has introduced reforms for the power grid, including the introduction of smart grids.
- In October 2020, Delhi became the first Indian city to operate Hydrogen-enriched CNG (H-CNG) buses in a six-month pilot project. H-CNG is 18% hydrogen in CNG
- Renewable Energy Limited (REL), a 100% subsidiary of National Thermal Power Corporation (NTPC), signed an MoU with the UT of Ladakh, to set up the country's first green Hydrogen Mobility project by plying hydrogen buses and setting up solar plant and green hydrogen generation unit in Leh.

### Way Forward

- A robust policy framework akin to the one that guided the country's solar revolution could lead to an increase in production and demand of this green fuel
- Having a clear mid-term and long-term target inspires confidence in the private sector to make their investments in a new energy source.
- Tax benefits that solar and wind receive should be extended to all players in the green hydrogen ecosystem
- India should ramp up international collaborations for more effortless transfer of technology and resources related to hydrogen.
- At this juncture, with a calibrated approach, India can uniquely position itself to take advantage with increasing investment in R&D, capacity building, compatible legislation, and the opportunity for creation of demand among its vast population. Such initiatives can propel India to become the most favored nation by exporting hydrogen to its neighbors and beyond.

## Space Junk

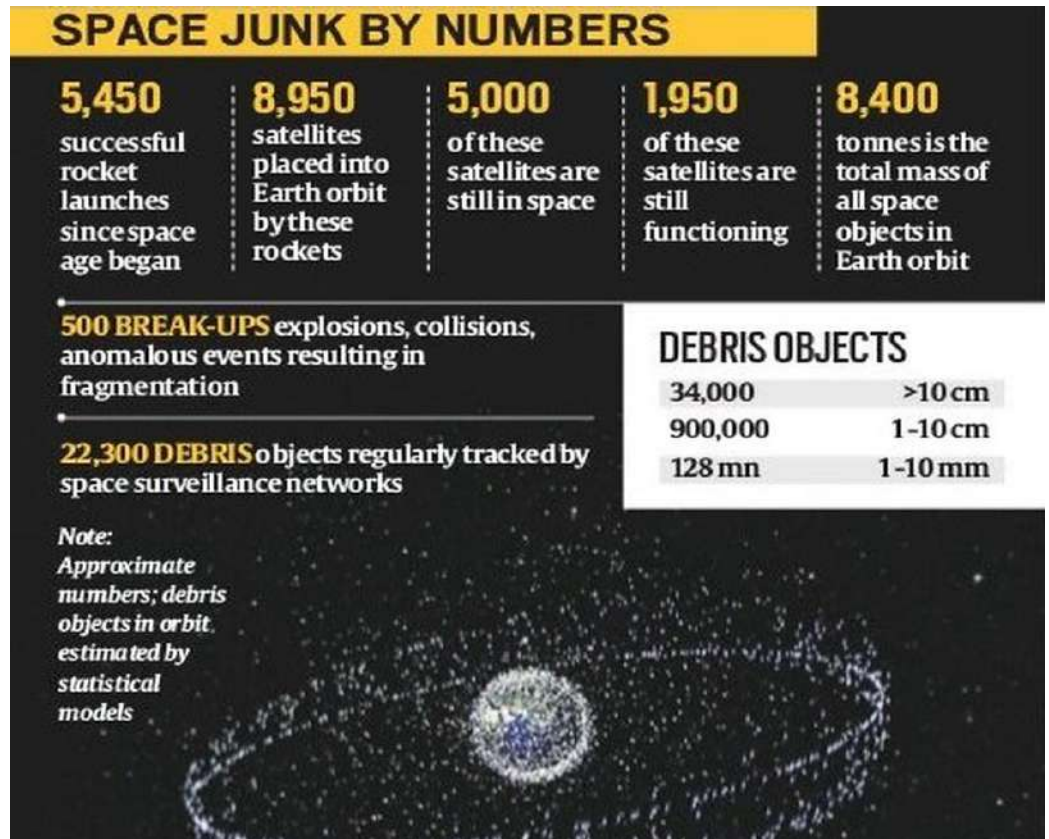
### Introduction

- Space junk (also known as space debris, space pollution, space waste, space trash, or space garbage) is defunct human-made objects in space, principally in Earth orbit, which no longer serve a useful function.
- Space junk comprises human-generated objects, such as pieces of spacecraft, tiny flecks of paint from a spacecraft, parts of rockets, satellites that are no longer working, or explosions of objects in orbit flying around in space at high speeds.
- There are about 2,000 active satellites orbiting Earth and also 3,000 dead ones littering space. What's more, there are around 34,000 pieces of space junk bigger than 10centimeters in size and millions of smaller pieces that could nonetheless prove disastrous if they hit something else.
- Computer simulations of the next 200 years suggest that the junk between 4 inches and 8inches is expected to multiply 3.2 times and debris less than 4 inches will grow by a factor of 13 to 20.
- It has been found that even a single grain of sand can cause serious damage to the heat shield of a space shuttle, at high speed.
- In 2006, for example, a tiny piece of space junk collided with the International Space Station, taking a chip out of the heavily reinforced window.
- LEO (Low Earth Orbit) is an orbital space junkyard with millions of pieces of space junk.

### Issues

- Most space junk is moving very fast and can reach speeds of 18,000 miles per hour. Due to the rate of speed and volume of debris in LEO, current and future space-based services, explorations, and operations pose a safety risk to people and property in space and on Earth.
- At the moment, NASA estimates there are hundreds of thousands of untraceable pieces of junk in orbit around the Earth that threaten operational satellites and even people in space.
- The International Space Station (ISS) is constantly at risk from space debris

- Experts have warned of Kessler syndrome. The Kessler syndrome is a scenario in which the density of objects in Low Earth Orbit (LEO) is high enough that collisions between objects could cause a cascade that increases the likelihood of further collisions
- Questions around liability and responsibility for cleaning up orbit remain, and the technology still needs to prove effective in real-life scenarios
- There are no international space laws to clean up debris in our LEO. LEO is now viewed as the World's largest garbage dump.



- It is expensive to remove space debris from space because the problem of space junk is huge. There are close to 6,000 tons of materials in low Earth orbit.
- The anti-satellite system, and its test and use, created debris. Ex. According to NASA, out of the 101 pieces of debris (big enough to be tracked) created by India's Anti-satellite system test, 49 continued to remain in orbit.
- Trackers are seeing more and more close calls between satellites, as companies work to deploy constellations of hundreds to thousands of small spacecrafts, adding to fears that those small satellites could become junk themselves.

### World's initiatives to remove Space Junk

- Orbital Debris Program Office was set up by NASA which issued the world's first set of debris-mitigation guidelines in 1995
- In August 2020, NETRA Project was initiated by ISRO which is an early warning system to protect the satellites from space debris and other hazards of Space. Only the US, Russia and Europe have similar facilities in place to track space objects and share collision warnings.
- Europe plans ClearSpace-1, Earth's first space debris removal mission in 2025
- Researchers from Purdue University are test-launching a first-of-its-kind Spinnaker3 drag sail to low-earth orbit, in an effort to clean up space debris
- Japanese startup Astro scale launched a satellite that retrieves used satellites and other space junk.

### Suggestions

- Every space program should look for ways to create fewer orbital debris, and design equipment to track and remove the debris already in space.
- Deploy Mission Extension Vehicle (MEV) which dock with a satellite in orbit, in order to extend its life and keep it from becoming space junk faster.
- Deploying technological fixes like removing space debris from orbit with nets, harpoons, or lasers. The laser could vaporize or redirect junks back to earth.
- Managerial fixes like deorbiting the satellite after the end of its life.



- Cleaning up junk requires finding new ways to remove it from orbit and experts say regulations and policy need to be clarified to prevent more from accumulating.
- Reports now suggest that in order to keep certain orbits around Earth safe for new satellites in the coming years, there will need to be active clean-up, with companies and countries removing debris.
- Space junk is no one countries' responsibility, but the responsibility of every space faring country. The problem of managing space debris is both an international challenge and an opportunity to preserve the space environment for future space exploration missions.

## Space Tourism

### Context

- Several private companies are developing plans to take paying customers to space on a regular basis leading to a rapid growth in space tourism industry. Also, Billionaire Jeff Bezos has made a short journey to space, in the first crewed flight of his rocket ship, New Shephard.

### Introduction

- Space tourism is space travel for recreational, leisure or business purposes. There are several different types of space tourism, including orbital, suborbital and lunar space tourism.
- To date, orbital space tourism has been performed only by the Russian Aviation and Space Agency known as the Roscosmos State Corporation for Space Activities or Roscosmos. Several private spaceflight companies are now working towards developing suborbital space tourism vehicles to take paying customers to space
- The space tourism market is forecast to reach \$1.3bn by 2025, growing at a CAGR 12.4% during forecast period, 2020-2025.
- While the bulk of space tourism industry activities is centered in the United States, several countries are looking to tap into the market.
- The total cost of a trip into space has reduced significantly from the initial price level of about \$600 000 to \$250,000 estimated to decline further to \$2000 per kilogram over coming years.

### Merits

- **Boost to economy:** Space tourism will increase the commercial activity in the time of poor state of world economy.
- **Generate Employment:** Space tourism will give employment to thousands of people. Manufacturing of new and better spacecraft will give employment to many skilled people.
- **Draw Investors:** It will renew interest in space exploration. This will draw more investors for more financial backing to support more innovations in the industry.
- **Pave ways to protect Earth:** It would also help in identifying potential hazards dangerous for our planet.
- **Technological advancement:** Opens avenues for advanced technology which can be applied to other domains apart from space missions.
- **Adventure Tourism:** Open a new avenue for adventure tourists.

### Demerits

- Space travel technology at the nascent stage can make entering space a dangerous venture. Space travelers are likely to get exposed to harmful radiations from the sun.
- **Health:** Spending long hours in zero gravity condition can be dangerous for the person's cardiovascular and musculoskeletal system. If people accidentally get exposed to high-energy ionizing cosmic rays, it may lead to cancer.
- **Exposure to harmful organisms:** We may unwittingly introduce some harmful microorganism from space into the atmosphere of Earth.
- **Poor Regulation:** Lack of proper regulation and inadequate safety protocols can make space travel extremely dangerous.



- **Commercialization:** Companies engaged in this form of travel may fail to stick to safety measures in a spree to gather more customers.
- **Waste of Resources:** Experimentation and unsuccessful ventures may cause an unnecessary waste of resources. Developing space programs and spacecrafts need a lot of money. That money can be utilized for alleviation of poverty.
- **Inequity:** Space tourism is meant for the super-rich only. For example, a single 2 ½ hour flight ticket in Virgin Galactic's upcoming spaceship costs \$ 250,000.
- **Not environment friendly:** Several natural resources are wasted in flying the fuel guzzling rockets. It pollutes the atmosphere as well. Thus, space program is bad for our environment.
- **Authorization issues:** To send a vehicle to space, it is compulsory for the national and international space law to authorize it according to Article VI of the Outer Space Treaty. However, the national and international legislations and regulations are reticent on the subject of authorization of space travel with tourists aboard
- With the space tourism industry inching closer to launch every day, there emerges a dire need to formulate laws and legislations that shall regulate issues of space tourism including the regulation of private players. The role of the government includes a legal responsibility to authorize and supervise private activities in space, while ensuring that it gives the private sector enough levy to develop technologically and commercially and enhance their growth.

## High Altitude Pseudo Satellite

### Context

- HAL project to build pseudo satellite set to get approval for govt funds. Public sector undertaking Hindustan Aeronautics Limited (HAL) is hoping to get approval soon for government funding for what is now a self-financed project to develop an indigenous High Altitude Pseudo Satellite (HAPS) as part of a drone warfare programme for the defense forces.

### Introduction

- HAPS are advanced unmanned flying systems, which operate in the stratosphere at an altitude of 70,000 feet continuously for 2-3 months, to maintain surveillance on the ground below.
- The solar energized system is designed to act as a bridge between Unmanned Aerial Vehicles (UAVs) and conventional satellites.
- The futuristic project has not been designed by any other country yet.
- The project is being implemented by HAL in collaboration with a Bengaluru-based start-up and the National Aerospace Laboratories (NAL).

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## Application of HAPS

- HAPS are cost-effective and are easier to launch. These satellites can be controlled from anywhere using Beyond Line of Sight (BLOS) technology and comprises applications such as telecommunication and remote sensing for both civilian as well as military purposes.
- HAPS is particularly useful in providing communication in remote locations or in deep seas.
- These unmanned aircraft may be airplanes, airships, or balloons and are stationed at a fixed place to enable versatile intelligence, surveillance, and reconnaissance (ISR) options
- It can be used in Humanitarian Assistance Disaster Relief (HADR) operations as well during natural disasters.
- Compared to ground-based communication networks, HAPS can cover larger areas with less interference. They could also help ease data transfer when used as an intermediate conduit between a satellite and ground based telecom networks.
- Although the development of these unmanned stratospheric vehicles has been underway since the 1990s, the latest advancements in technologies have spurred the momentum with the latest iterations reaching advanced stages in terms of payloads, operations, and capabilities. This development of High-Altitude Pseudo Satellites (HAPS) platforms, which are among the latest aerospace technologies could revolutionize near-space operations.

## UNESCO Science Report 2021

### Context

- UNESCO Science Report 2021 “The Race Against Time for Smarter Development” Released
- The first report in this series was published in 1993 by the name of World Science Report
- The report concludes that countries will need to invest more in research and innovation if they are to succeed in their dual digital and green transition.

### Key points

- Report monitors trends in science governance worldwide and explores how countries are using science to realize a digitally and ecologically smart future.
- Eight out of ten countries still devote less than 1% of GDP to research; they remain largely recipients of foreign scientific expertise and technology
- Of all the SDGs related to economic growth, it is those focusing on industry, innovation, and infrastructure (SDG9) and sustainable cities and communities (SDG11) which received the most official development assistance between 2000 and 2013.
- In India, Average gross domestic expenditure on research and development (GERD) over past two decades is 0.75% of GDP, lowest among BRICS
  - The share of Indians with a bank account rose from 53% to 80% between 2014 and 2017. These developments have taken place against a backdrop of sharp growth in access to the Internet, which has fueled the digital economy, including e-commerce
  - Number of start-ups is almost doubling each year since 2016
  - Employability increased from 34% in 2014 to almost 47% in 2019, meaning that one out of two graduates is still not employable.
  - In 2018, investment in renewable sources exceeded that in fossil fuels
- The report states that the COVID-19 pandemic has energized knowledge production systems. The pandemic has exacted a heavy human and economic toll, but it has also energized knowledge production systems
- A number of countries have deployed robots and drones to help curb the spread of Covid-19
- Online payments have become a particularly attractive option in India and elsewhere during the Covid-19 crisis as a means of respecting physical distancing for financial transactions
- Today's challenges such as climate change, biodiversity loss, a decline of ocean health, and pandemics are all global. This is why countries must mobilize scientists and researchers from all over the world for development in the field of science.

## Security of Telecommunications Infrastructure in India

- India is the world's second-largest telecommunications market with a subscriber base of 1.16 billion and has registered strong growth in the last decade.
- India ranks as the world's second-largest market in terms of total internet users. The number of internet subscribers in the country increased at a Compound Annual Growth Rate (CAGR) of 21.36% from FY16 to FY20 to reach 743.19 million in FY20.
- Gross revenue of the telecom sector stood at Rs. 68,228 crore (US\$ 9.35 billion) in the third quarter of FY 2020-2021.
- FDI inflow into the telecom sector during April 2000 – December 2020 totaled US\$37.62 billion according to the data released by the Department for Promotion of Industry and Internal Trade (DPIIT).
- The rise in mobile phone penetration and decline in data costs will add 500 million new internet users, especially in rural India, creating opportunities for new businesses.
- Based on the data available from GSMA, this sector will create close to 4 million additional jobs by 2021.
- The Indian mobile economy is growing rapidly and will contribute substantially to India's GDP according to a report prepared by GSM Association (GSMA) with Boston Consulting Group (BCG).
- Now, Government is more conscious about security due to the fast-changing realization around the criticality of telecom networks and vulnerability to backdoor bugs and state and non-state hacking syndicates.
- There are growing concerns in the government over "meddling by Chinese elements" into India's critical infrastructure.

### Issues

- Telecom companies are more susceptible to security concerns because of their interconnected nature and the necessity to rely on international operational standards.
- The telecommunication sector builds and operates complex networks and stores voluminous amounts of sensitive data associated with individuals and corporate. There are issues related to data breaches.
- Cyber-attacks disrupt telecom service providers. The cost of such attacks is surging overtime. There is a huge cost associated with developing a secure cyber infrastructure.
- Poor technology, inadequate safety net and ineffective policy framework make our telecommunication infrastructure highly vulnerable.
- Inadequate focus on human capital, lack of R&D, a smaller number of IPR and over-reliance on import of equipment and technologies, especially from China, enhance the insecurity of this critical infrastructure.
- Due to high digital illiteracy and ignorance on our part, the confidence of malicious players who use our behavioral data to impersonate us to carry out the illicit activity boosts. With IoT gaining a foothold, this will complicate matters substantially.
- Frequent Distributed Denial-of-Service (DDoS) attacks have the potential to overwhelm the network with irrelevant data and make network resources unavailable.
- Poor security strategy of telecom industries. Only 50% of the corporates in the telecom space have a mobile security strategy in place and one out of three have security management software.
- Lack of Telecom Infrastructure in Semi-rural and Rural areas: Service providers have to incur huge initial fixed cost to enter semi-rural and rural areas. Key reasons behind these costs are lack of basic infrastructure like power and roads, resulting in delays in rolling out the infrastructure.

### Suggestions

- Embracing a holistic cybersecurity approach including prevention measures, threat detection, incident response methods and others. Telecommunication companies can dodge cyber risks posed by the security vulnerabilities inherent to their industry.
- In a move to restrict the business of top Chinese vendors such as Huawei and ZTE in 4G expansion and the upcoming 5G, to secure the mobile ecosystem, the government made amendments to the license rules, mandating that equipment can be procured only from 'trusted' sources that have been approved by a Designated Authority.

- Give a policy boost to domestic electronic manufacturing in the country in the context of Digital India policy and Atma Nirbhar Bharat strategy through production-linked incentive scheme and other benefits.
- Strengthen institutional frameworks such as the Computers Emergency Response Team and National Critical Information Infrastructure Protection Center. They play a vital role in securing Telecommunication infrastructure.
- Harden network nodes by implementing better firewall configuration.
- Conduct regular network security assessments and penetration tests.
- Invest in the promotion of digital literacy and awareness.
- Investment in research and development of modern and secure technology (ex. Quantum computing)
- Lower License fee: The license fee of eight per cent of the Adjusted Gross Revenue including five per cent as Universal Service Levy (USL) is one of the highest in the world

## Autosomal DNA

### Context

- A technique based on 'autosomal DNA' has been used for the first time to identify the great-grandson and closest living relative of Sitting Bull, a prominent 19th century Native American leader.

### Introduction

- Autosomal DNA is a term used in genetic genealogy to describe DNA which is inherited from the autosomal chromosomes.
- An autosome is any of the numbered chromosomes, as opposed to the sex chromosomes.
- Humans have 22 pairs of autosomes and one pair of sex chromosomes (the X chromosome and the Y chromosome). In other words, X and Y chromosomes are part of the 23rd pair of chromosomes which determine what biological sex a person is born with. The rest of the 22 pairs are called autosomal chromosomes
- Autosomes are numbered roughly in relation to their sizes.

### Benefits of the technique

- Autosomal DNA tests can tell us a lot about our ancestry with a very high level of accuracy.
- It can be used even when very limited genetic data are available.
- The technique could also be used to answer important questions based on old human DNA that might previously have been considered too degraded to analyze — for example in forensic investigations.
- Experts have expressed hope that it could be used in the future to identify living descendants of other long-dead historical figures.
- However, Y-DNA and mitochondrial DNA (mtDNA) testing, which cannot provide as much information about close relatives or recent ancestry, yield more genetic information than autosomal DNA tests.

## Science Technology and Innovation (STI) Hubs

### Context

- **Government** will set up 75 Science Technology and Innovation (STI) Hubs in different parts of the country, exclusively for Scheduled Castes (SCs) and Scheduled Tribes (STs).

### Introduction

- Science Technology and Innovation (STI) Hubs are being established by the Department of Science and Technology (DST).
- They aim to develop, nurture and ensure the delivery of appropriate and relevant technologies for inclusive socio-economic development through creation of sustainable livelihoods for the SC and ST population in tune to their growing aspirations.
- STI hubs will have mainly three-fold objectives:
  - To address the weakest linkages in the predominant livelihood systems through Science & Technology (S&T) interventions.



- Creation of social enterprises based on the strengths in livelihood systems; and
- To improve the Indigenous Knowledge Systems (IKS) through inputs of S&T for strengthening the livelihoods.

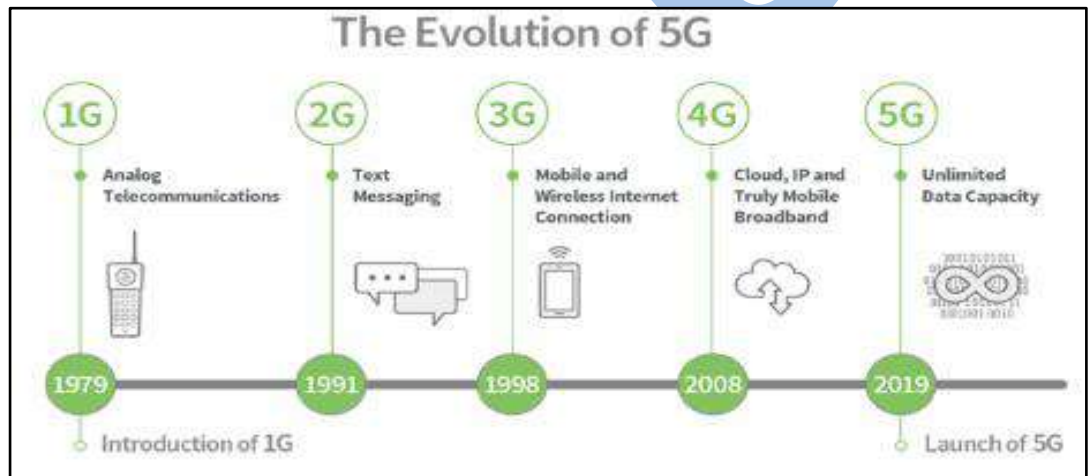
## Significance of Hubs

- This will not only promote scientific talent but also contribute to socio-economic development of these communities.
- The training and skill development programmes under the STI Hubs will build the Science Technology and Innovation (STI) Capacities and Capabilities among SC/ST population.
- In the last two years, 20 STI Hubs (13 for SCs and 7 for STs) have already been established by DST which is directly benefit 20,000 SC and ST population.
- The STI Hubs will also improve the Indigenous Knowledge Systems (IKS) through inputs of S&T and converting them to appropriate technologies for creating better livelihood options.

## 5G Technology

### Introduction

- 5G is the fifth generation of cellular technology. It is a new global wireless standard after 1G, 2G, 3G, and 4G networks.
- "G" stands for "GENERATION". Each generation of wireless broadband is defined as a set of telephone network



standards that describe the technological implementation of the system.

- 5G enables a new kind of network that is designed to connect virtually everyone and everything together including machines, objects, and devices.
- 5G is based on OFDM (Orthogonal frequency-division multiplexing), a method of modulating a digital signal across several different channels to reduce interference.
- 5G wireless technology is meant to deliver higher multi-Gbps peak data speeds, ultra-low latency, more reliability, massive network capacity, increased availability, and a more uniform user experience to more users. Higher performance and improved efficiency, empower new user experiences and connect new industries.

### Features

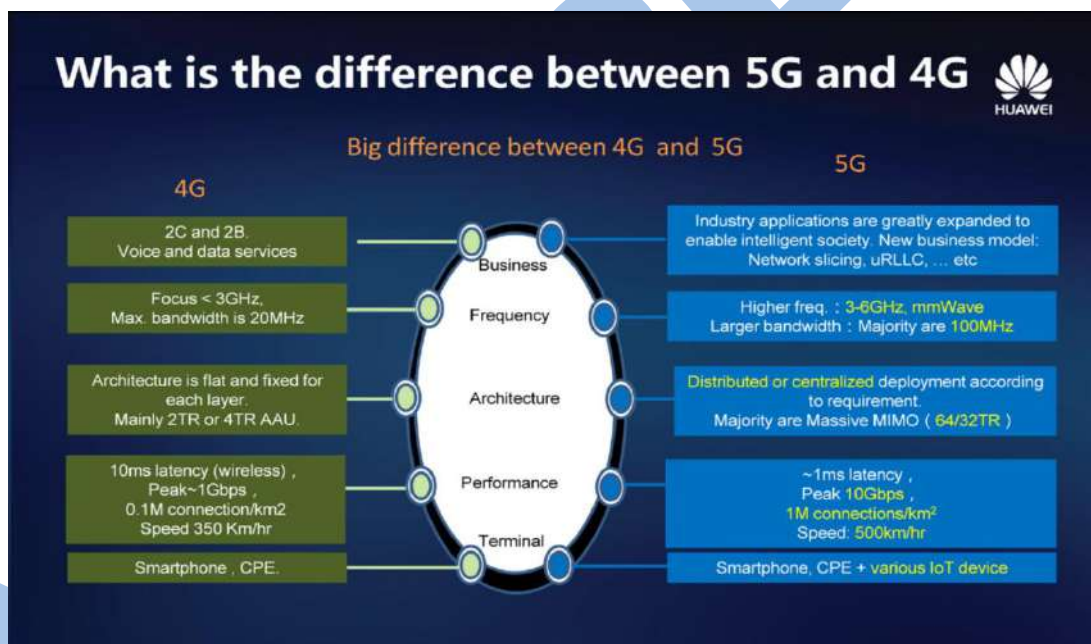
- **Low latency:** It enables real time data access with very minimal delay. Note: Latency is a measure of delay. In a network, latency measures the time it takes for some data to get to its destination across the network.
- Better flexibility in data delivery.
- **Capacity:** 100 times increase in traffic capacity & network efficiency.
- **Speed:** In the high-band spectrum of 5G, internet speeds have been tested to be as high as 20 Gbps (gigabits per second)
- **Spectrum usage:** usage of every bit of spectrum.
- **Capability:** faster broadband, IoT.
- 5G can operate in both lower bands (e.g., sub-6 GHz) as well as mm Wave (e.g., 24 GHz and up), which will bring extreme capacity, multi-Gbps throughput, and low latency.

- 5G is designed to not only deliver faster, better mobile broadband services compared to 4G LTE, but can also expand into new service areas such as mission-critical communications and connecting the massive IoT-factory, the connected car, or the smart energy grid.

### Challenges in India

- Incompetent technological support in almost 80% of cell sites is causing high latency and limited capacity utilization of current spectrums like 4G.
- Replacement of existing phones with 5G phones is costlier. 5G modems are still not available on a wider scale due to the 5G spectrum's low deployment. The cost burden falls on both mobile manufacturers and customers.
- Deployment of 5G infrastructure in India is also costly. It will require the upgradation of existing towers, skill development of the workforce. The companies will also require maintaining 4G towers to support older devices. It will add extra cost to companies.
- Spectrum prices in India are one of the highest in India. Lack of flow of cash and adequate capital with the suitable telecom companies (like Bharti Airtel and Vodafone Idea) is delaying the 5G spectrum allocation.
- With the deployment of 5G, India's digital economy will get the push, but it will also increase cybersecurity threat.
- Voices are being raised against the potential impact of electromagnetic fields on the health of humans, birds, and wildlife.

### Difference between 4G and 5G



### Way Forward

- Combined with IoT, cloud, big data, AI, and edge computing, 5G could be a critical enabler of the fourth industrial revolution.
- Bridging the Rural-urban Gap: 5G can be deployed at different band spectrums and at the low band spectrum, the range is much longer which is helpful for the rural areas.
- For widespread 5G deployment, it needs to become financially viable otherwise rural integration will remain a pipe dream.
- 5G networks could improve the accessibility of services such as mobile banking and healthcare and enable exponential growth in opportunities for unemployed or underemployed people to engage in fulfilling and productive work.
- Better implementation of National Digital Communication Policy 2018 which highlighted the importance of 5G.

- 5G technology will spur leaps in the coverage, capacity and density of wireless networks. It will power a surge in IoT technology and usher in a new era of technological capabilities.

## Draft Drone Rules, 2021

### Context


- Ministry of Civil Aviation has unveiled the Draft Drone Rules, 2021 based on “trust, self-certification and non-intrusive monitoring”. The new rules would replace the existing Unmanned Aircraft System (UAS) Rules, notified in March 2021.

### Key Highlights

- Several approvals abolished like Unique authorization number, unique prototype identification number, certificate of manufacturing and airworthiness, certificate of conformance, etc.
- Number of forms reduced from 25 to 5.
- Types of fees reduced from 72 to 4.
- The rules also reduced the airport perimeter from 45 km to 12 km.
- The government will be developing a digital sky platform that will have an interactive airspace map dividing the country into green, yellow, and red zones.
- Quantum of fee reduced to nominal levels and there will no linkage with size of drone. For instance, the fee for a remote pilot license fee has been reduced from INR 3000 (for large drone) to INR 100 for all categories of drones; and is valid for 10 years.
- No pilot license would be needed for micro drones for non-commercial use, nano drones and for R&D organizations. Furthermore, there would be no restriction on drone operations by foreign-owned companies registered in India.
- The coverage has been increased from 300 kg to 500 kg and will cover drone taxis, while the Issuance of Certificate of Airworthiness has been delegated to Quality Council of India.
- Maximum penalty under Drone Rules, 2021 reduced to INR 1 lakh.

### Benefits of Drones

- Drone system can be used as a symmetric weapon against terrorist attacks.
- The drone technology in the SVAMITVA scheme launched by the Government of India, within less than a year, has helped about half a million village residents to get their property cards by mapping out the abadi areas.
- In the agriculture sector, micronutrients can be spread with the help of drones.
- Drones are also significant for the law enforcement agencies, the fire and emergency services wherever human intervention is not safe and the healthcare services.



**USE OF DRONES**

- **Sept 2019** | A consignments of arms, ammunition, explosives and fake Indian currency notes were smuggled into the Indian territory via drones originating from across the border in Pakistan
- **Dec 2020** | Police seized 11 Austrian grenades which were airdropped in Salach village near Dorangala town of Gurdaspur. Police also recovered an AK-47 rifle and ammunition from a field in Wazirpur village which was also believed to be airdropped by drones originating from Pak soil
- **June 14, 2021** | BSF had spotted a Pakistani drone flying close to the international border near Amritsar

**“Cross-border militants, who enjoy the backing of ISI, were capable of acquiring and flying drones which could be used as a distraction also. They could even send a drone to divert the attention of BSF and help militants infiltrate into India from some other place**

**J S Saran** | FORMER DEPUTY INSPECTOR GENERAL, BSF



## Issues with Drones

- Operation of drones without any adequate legal backing can pose several security threats. Incidents of arms being dropped by drones are also there such as the recent Jammu drone attacks.
- Drones are relatively cheaper in comparison to conventional weapons and yet can achieve far more destructive results which is the primary reason for increased number of drone attacks.

## Significance of Rules

- Even after the recent drone incidents in Jammu region, the government showed bold approach to promote the use of the drone and focus on the development of counter-drone technology to address the threat posed by rogue drones.
- The rules are based on the premise of trust and self-certification.
- The Rules will tremendously help start-ups and our youth working in this sector. It will open up new possibilities for innovation & business.
- It will help leverage India's strengths in innovation, technology & engineering to make India a drone hub.

## Way forward

- We need to ensure that the guidelines are in such a manner that the security concerns are not at all compromised, but the drone technology is also used to the maximum of its advantages
- There has to be training programs for drone pilots.
- India needs to invest in its own Unmanned Aerial Vehicle (UAV) systems and counter-drone technology to detect and track threats, especially around critical assets.
- The current draft is a welcome move and will go a long way in facilitating investments in drone technology in India. The security concerns should be dealt with judiciously and not just be allowed to restrict us from adopting the technology.

# National Digital Health Mission

## Context

- The Ayushman Bharat Digital Mission, aka National Digital Health Mission was recently launched by PM. The mission will provide a digital health ID to the people who will hold their health records.

## Introduction

- The Mission was launched by PM on 15th Aug 2020 to create the backbone of an integrated healthcare system.
- Currently, the programme is being implemented in the pilot phase in six union territories (Chandigarh, Ladakh, Dadra and Nagar Haveli and Daman and Diu, Puducherry, Andaman and Nicobar Islands and Lakshadweep).
- Aim is to create a national digital health ecosystem that supports universal health coverage in an efficient, accessible, inclusive, affordable, timely and safe manner. And at the same time ensure the security, confidentiality, and privacy of health-related personal information.
- NHA is the Implementing body which is also the apex body for implementation of Ayushman Bharat- Pradhan Mantri Jan Arogya Yojana (AB-PMJAY)

PARTICIPATION IN SYSTEM TO BE VOLUNTARY		
AIMS TO		KEY BUILDING BLOCKS
<ul style="list-style-type: none"> <li>➤ Establish <b>digital health systems</b> and managing health data</li> <li>➤ Improve <b>quality</b> of health data collection, storage and dissemination</li> <li>➤ Provide a <b>platform</b> for interoperability of healthcare data</li> <li>➤ <b>Fast-track creation</b> of updated and accurate health registries for the entire country</li> </ul>	<ul style="list-style-type: none"> <li>● Health ID ● Personal health records ● Digi Doctor ● Health facility registry ● Telemedicine ● e-Pharmacy</li> </ul>	
	GUIDING PRINCIPLES	
	<ul style="list-style-type: none"> <li>● Voluntary participation</li> <li>● Privacy and security by design ● Inclusivity</li> <li>● Seamless portability</li> </ul>	



## Building Blocks of NDHM

- **Health ID:** - Health ID is created by using basic details and mobile number or Aadhaar number and it will be unique to a person. Health ID will be used to uniquely identify persons, authenticate them, and threading their health records (only with the informed consent of the patient) across multiple systems and stakeholders.
  - Each Health ID will be linked to a health data consent manager (such as NDHM) which will be used to seek the patient's consent and allow for seamless flow of health information from the personal health records module.
- **Digi- Doctor:** - It is a comprehensive repository of all doctors practicing or teaching modern/ traditional systems of medicine. Enrolling on Digi-Doctor is completely voluntary and enables doctors to get connected to India's digital health ecosystem.
- **Health Facility Registry:** - It is a comprehensive repository of health facilities of the country, whether public or private, across different systems of medicine.
- **Personal Health Records:** - PHR is an electronic record of health-related information of an individual that conforms to nationally recognized interoperability standards and that can be drawn from multiple sources while being managed, shared, and controlled by the individual
- **Electronic Medical Records:** - EMR is a digital version of a patient's treatment history from a single facility



## Benefits of NDHM

- The implementation of NDHM is expected to significantly improve the efficiency, effectiveness, and transparency of health service delivery overall.
- Patients will be able to securely store and access their medical records (such as prescriptions, diagnostic reports, and discharge summaries), and share them with health care providers to ensure appropriate treatment and follow-up.
- People will also have access to more accurate information on health facilities and service providers. Further, they will have the option to access health services remotely through tele-consultation and e-pharmacy. ( E- pharmacy will start at later stage)
- NDHM will provide choice to individuals to access both public and private health services, facilitate compliance with laid down guidelines and protocols, and ensure transparency in the pricing of services and accountability for the health services being rendered.
- The integrated ecosystem will also enable a better continuum of care.
- NDHM will help digitize the claims process and enable faster reimbursement.
- Policymakers and programme managers will have better access to data, enabling more informed decision making by the Government.
- Better quality of macro and micro-level data will enable advanced analytics, usage of health-biomarkers and better preventive healthcare. It will also enable geography and demography-based monitoring and appropriate decision making to form design and strengthen implementation of health programmes and policies.
- Researchers will greatly benefit from the availability of such aggregated information as they will be able to study and evaluate the effectiveness of various programmes and interventions.
- NDHM would facilitate a comprehensive feedback loop between researchers, policymakers, and providers.

## Challenges

- Federal nature of healthcare requires ultimate cooperation among center and states.
- Pandemic has worsened Digital divide and these digital systems can lead to exclusion of digitally illiterate and unconnected remote and tribal areas.
- Inadequate Digital infrastructure in the country will create hindrance.
- NDHM requires big pool of skilled labor in areas of cybersecurity, business analysis, software development, etc.
- Providing unique ID and encoding data for the use of medical professionals along with developing and securing data network is an expensive process.
- There is also a privacy, security and sovereignty issues. With involvement of private players across nation and world, safeguarding of medical data will become essential

## Way forward

- NDHM will mark a new beginning for the Indian digital healthcare ecosystem, enabling more effective delivery of healthcare services and moving towards health to all.
- The NDHM still does not recognize 'Health' as a justiciable right. There should be a push draft at making health a right, as prescribed in the draft National Health Policy, 2015.
- One of the biggest concerns is regarding data security and privacy of patients. It must be ensured that the health records of the patients remain entirely confidential and secure.
- To increase acceptance of new technology and user confidence, Govt has to ensure transparency.
- We have to maintain technical sovereignty for better data privacy.
- In addition, the failure of a similar National Health Service (NHS) in the United Kingdom must be learnt lessons from and the technical and implementation-related deficiencies must be proactively addressed prior to launching the mission on a pan India scale.
- The standardization of NDHM architecture across the country will need to find ways to accommodate state-specific rules. It also needs to be in sync with government schemes like Ayushman Bharat Yojana and other IT-enabled schemes like Reproductive Child Health Care and NIKSHAY etc.

## Other Ministry Digital health initiatives

- E-Sanjeevani platform: - it enables 2 types of telemedicine services: Doctor- to-doctor & Patient-to-doctor.
- e-Hospital
- MeraAspatal for patient feedback system
- e-Shushrut: - It is a hospital MIS developed by C-DAC
- National health profile
- Electronic Vaccine Intelligence network (eVIN)

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