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# **CURRENT AFFAIRS SEPTEMBER 2020**

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# 1. POLITY AND GOVERNANCE

## 1.1. MISSION KARMAYOGI

### Why in news?

Recently, the Cabinet approved "**Mission Karmayogi**"- National Programme for Civil Services Capacity Building (NPCSCB).

### Salient Features

- **Financial Allocation:** To cover around 46 lakh Central employees, a sum of **Rs.510.86 crore** will be spent over a period of 5 years from 2020-21 to 2024-25. The expenditure is **partly funded by multilateral assistance** to the tune of USD 50 million.
- The **core guiding principles** of the Programme will be-
  - **Transition from 'Rules based' to 'Roles based' Human Resource (HR) Management** by aligning work allocation of civil servants by matching their competencies to the requirements of the post.
  - **Emphasizing on 'on-site learning'** to complement the 'off-site' learning.
  - To create an ecosystem of **shared training infrastructure** including that of learning materials, institutions and personnel.
  - To calibrate all Civil Service positions to a **Framework of Roles, Activities and Competencies (FRACs)** approach.
  - To make available to all civil servants, an opportunity to continuously build and strengthen their **Behavioral, Functional and Domain Competencies**.
  - To enable all the Central Ministries and Departments to **directly invest their resources towards co-creation** of common ecosystem.
  - To encourage and partner with the **best-in-class learning content creators** including public training institutions, universities etc.
- The Programme will be delivered by setting up an **Integrated Government Online Training-iGOT Karmayogi Platform**. It will provide curated digital e-learning material for capacity building. Other service matters like confirmation after probation period, deployment, work assignment and notification of vacancies etc. would eventually be integrated with it.
  - An appropriate **monitoring and evaluation framework** will also be put in place for performance evaluation of all users of the iGOT-Karmayogi platform so as to generate a **dashboard view of Key Performance Indicators**.
- **Institutional framework:**
  - **Prime Minister's Public Human Resources (HR) Council:** It will serve as the apex body for providing strategic direction to the task of Civil Services Reform and capacity building under the **Chairmanship of Prime Minister**. It will consist of select Union Ministers, Chief Ministers, eminent public HR practitioners, thinkers, global thought leaders and Public Service functionaries.
  - **Capacity Building Commission:** The role of Commission will be –
    - To assist the PM Public Human Resources Council in approving the Annual Capacity Building Plans and coordinate and supervise the implementation of these plans with the stakeholder Departments.
    - To exercise functional **supervision over all Central Training Institutions** dealing with civil services capacity building.
    - To create shared learning resources, including internal and external faculty and resource centers.
    - To set norms for common mid-career training programs across all civil services.
    - To suggest policy interventions required in the areas of HR Management, training and Capacity Building to the Government.
  - **Special Purpose Vehicle:** It will be set up under Section 8 of the Companies Act, 2013 for owning and operating the digital assets and the **iGOT-Karmayog** platform for online training.
  - **Coordination Unit headed by the Cabinet Secretary**



## Intended Benefits

- **Ensuring efficient service delivery:** as work will be assigned to civil servants with specific role-competencies and appointing authorities will have readymade data available for choosing the right candidate for the right job.
- **Accountability and Transparency in Governance:** through real time evaluation and goal driven and constant training will ensure “Ease of Living” for common man and “Ease of Doing Business” for all.
- **Citizen-Centricity approach: 'On-site learning'** can reduce the gap between the government and the citizens.
- **Preparing the Indian Civil Servant for the future:** through technology driven learning and Standardization of training priorities and pedagogy across institutes, making him more innovative, professional, progressive and technology-enabled.
- **Collaborative and common ecosystem:** will end the culture of working in silos, reduce duplication of efforts and bring out a new work culture that will focus on individual as well as institutional capacity building.
- **Bridging the gap between generalization and specialization:** which exists due to lack of mid-level training at all levels.

## Concerns related to the programme

- **Challenges related to incentives-linked training:** Previous methodologies for performance assessment have not remained consistent, credible and transparent.
- **Over-centralization of the system:** A diverse public sector workforce needs a decentralised training and learning ecosystem.
- Distance self-learning can build supplementary skills and update knowledge at the frontlines but may not be well suited for **core knowledge development**.
- The whole **burden of self-learning may get transferred** to already **overloaded individuals** which can lead to a decline in overall motivation and morale.
- **Resistance:** Indian bureaucracy is largely status-quo and stands for conservatism. It resists reforms and innovations. Hence, a reform at this scale may face several resistances within the bureaucracy.

## Conclusion

The centralised institutional architecture of the proposed reform must be balanced by an understanding of the contexts and needs of diverse workers and learners. A framework for credible assessment with total transparency should be developed to link training and incentives successfully. Training must be supplemented with shared vision development, purposeful work and the empowerment of employees to improve organizational culture.

## 1.2. ELECTION COMMISSION TACKLING CRIMINALISATION OF POLITICS

### Why in news?

The Election Commission recently decided to revise the **timeline for publicity of criminal antecedents** by candidates concerned and by the political parties that nominate them for elections.

### More on the News

- As per the revised guidelines, the candidates as well as the political parties will publish the details of criminal antecedents, if any, in newspapers and television three times.
- **Uncontested winner candidates** as well as the political parties who nominate them shall also publicize the criminal antecedents, if any.
- This timeline will help the voters in exercising their choices in more informed manner.

### Other steps taken by Election Commission (EC) to De-Criminalize Indian Politics

Election Commission of India has consistently undertaken certain electoral reforms on its own as well as at the direction of Supreme Court.

### Criminalization of Politics

- It implies that the criminals are entering the election fray and contesting elections and even getting elected to the Parliament and state legislature.
- Post 2019 elections, **43% of Lok Sabha** members face criminal charges with 29% of them are facing serious criminal charges such as murder, rape and kidnapping, while 84% have self-declared assets worth more than Rs. 1 crore.
- **Reasons for Criminalization:** include- nexus between the criminals and politicians, use of money and muscle power in elections, delays in criminal justice system, lack of value-based politics, tolerance to criminal candidates, First Past the Post (FPTP) electoral system doesn't discourage criminals from contesting elections etc.
- **Impacts-** law-breakers get elected as law-makers, legislatures lose their credibility and legitimacy, increased circulation of unaccounted money or black money during and after elections, dilution in the probity in public life, increased levels of corruption, introduces a culture of violence in the society and sets a bad precedence for the youth to follow.

- In 1997, EC directed all the Returning Officers (ROs) to **reject the nomination papers of any candidate who stands convicted on the day of filing the nomination** papers even if his sentence is suspended.
- A **system of flying squads** has been introduced to seize black money during elections.
- It carried out a much more **intense voter awareness campaign** and even initiated a campaign using celebrities exhorting voters not to sell their vote.
- Currently, a candidate to any National or State Assembly elections is required to **furnish an affidavit, in the shape of Form 26** appended to The Conduct of Elections Rules, 1961, containing information regarding their **criminal antecedents**, if any, their assets, liabilities, and educational qualification.
  - EC amended Form 26 to comply with a Supreme Court order that required candidates to fill up forms provided by the Commission and state details of criminal cases pending against them.

#### Limitations of EC in tackling Criminalization

- **Need of Large-scale infrastructure to monitor and ensure compliance:** For example a Supreme Court order made it mandatory for political parties to upload on their website detailed information regarding individuals with pending criminal cases who have been selected as candidates, along with the reasons for such selection, as also as to why other individuals without criminal antecedents could not be selected as candidates. To ensure compliance of such directions, extensive human resources and robust digital systems are essential.
- **No power to disqualify candidates prior to conviction:** even if a person is facing several serious charges. Section 8 of the RPA, 1951 deals with disqualification only after a person is convicted for certain offences.
- **False affidavits:** Matters of election false affidavits can have extremely serious consequences as it affects the purity of elections. Lax punishments have not been able to deter this activity. Also false affidavit or suspension of material information in the affidavit is not included as grounds for challenging the election or for rejection of nomination papers section under RPA, 1951.
- **Misuse of religion for electoral gain:** While such practices are qualified as corrupt practices, they can be questioned only by way of an election petition and cannot be a subject of enquiry before the EC when the election is in progress.
  - Ironically these provisions will have application only during the period of election and there is no provision to challenge the corrupt practice of the candidate who lost the election.
  - Moreover, the **law enforcing authorities cannot proceed without a warrant** issued by a competent Magistrate to search or arrest any person even on specific information about the corruptive practice. These provide the violators an opportunity to evade legal action.

#### Way forward

Election Commission and Law Commission have made the following recommendations to the Union Government to be made into law in the form of electoral reforms for the decriminalization of politics:

- **Proposed Amendments to RPA, 1951:**
  - **Include conviction under section 125A as a ground of disqualification** under section 8(1)
  - Introduce **enhanced sentence for filing of false affidavits** of a minimum of two years under section 125A.
  - **Include the offence of filing false affidavit as a corrupt practice** under section 123.
- Set up an **independent method of verification of winners' affidavits** to check the incidence of false disclosures in a speedy fashion.
- **Barring persons charged with cognizable offence from contesting in the elections**, at the stage when the charges are framed by the competent court provided the offence is punishable by imprisonment of at least 5 years, and the case is led at least 6 months prior to the election in question.
- **Expediting trials in relevant courts** where a case is led against a sitting Members of Legislatures and to conduct the trial on a day-to-day basis with an **outer limit of completing the trial in one year**.
  - If the trial cannot be completed within the said time period or the charge is not quashed in the said period, the trial judge shall give reasons in writing to the relevant High Court.
  - Once the said period expires:
    - The person may be automatically disqualified at the end of the said time period.
    - The right to vote, remuneration and perquisites of office shall be suspended at the end of the said period up to the expiry of the House.

- **Retroactive application-** from the date the proposed amendments come into effect, all persons with criminal charges (punishable by more than 5 years) pending on that date are liable to be disqualified subject to certain safeguards.
- **Granting EC additional powers** to make recommendations to the appropriate authority to-
  - refer any matter for investigation to any agency specified by the Commission
  - Prosecute any person who has committed an electoral offence under RPA, 1951
  - appoint any special court for the trial of any offence or offences under RPA, 1951

### 1.3. KESAVANANDA BHARATI CASE

#### Why in news?

Recently, Kesavananda Bharati of landmark **Kesavananda Bharati Sripadagalvaru and Others v State of Kerala** case passed away.

#### About the Kesavananda Bharati Case

- The case dealt with a petition against the Kerala Government challenging the compulsory acquisition of his land by the Government under the **Kerala Land Reforms Act 1963**, as a violation of Fundamental Rights (FRs), as enshrined in - **Articles 25, 26 and 31** of the Constitution of India.
- The case was heard by a Bench of 13 judges — the largest formed in the Supreme Court (SC).
- As hearing proceeded, the scope of the case was expanded to address the following-
  - interpretation of **Golaknath case**
  - interpretation of the **Article 368** (Power of Parliament to amend the Constitution)
  - the validity of the **24th Constitutional Amendment Act, Section 2 and 3** of the **25th Constitutional Amendment Act** and **29th Constitutional Amendment Act**.

#### Background

- In the **Golaknath v. State of Punjab case**, SC had held that-
  - Article 368 merely laid down the amending procedure but **did not confer upon Parliament the power to amend the Constitution**.
  - There is no difference between the **amending power and legislative powers of Parliament** and any amendment of the Constitution must be deemed law as understood in Article 13 (2) (prohibits the state to make any law taking away or abridging FRs). This essentially meant that **FRs could not be amended by the parliament**.
  - To amend the FRs a new Constituent Assembly would be required.
- After the Golaknath case several constitutional amendments were made by the Parliament-
  - **24<sup>th</sup> Amendment:** It stated that-
    - ✓ the constitutional amendments are not 'law' under Article 13, thus Parliament has the power to amend any FRs.
    - ✓ the Parliament has the power to amend any provision of the Constitution of India.

#### Evolution of Doctrine of Basic Structure

The 'Basic Structure' doctrine finds no reference in the Constitution. It evolved through various court judgments-

- The SC in cases such as **Shankari Prasad Case (1951)** and **Sajjan Singh case (1965)** had earlier held that Parliament can amend any part of the Constitution including the FRs using Article 368.
- **Golaknath case (1967):** In this case SC held that FRs cannot be amended by the Parliament, implying that **some features of the Constitution lay at its core** and required much more than the usual procedures to change them. This laid the pathway for the '**Basic structure doctrine**'.
- **Kesavananda Bharati case (1973):** The SC held that Parliament can amend any part of the constitution including FRs, given that the "basic structure of the Constitution" is not disturbed.
- **Evolution on case to case basis:** The SC had since then strengthened and reaffirmed the doctrine and elaborated on the principles that constitute the 'Basic Structure' of Indian Constitution, in several judgments such as- **Indira Nehru Gandhi v. Raj Narain case (1975)**, **Minerva Mills case (1980)**, **S.R. Bommai case (1994)** etc.
- Some principles that are presently part of the 'Basic Structure' are stated below-
  - sovereignty of India
  - essential features of the individual freedoms secured to the citizens
  - mandate to build a welfare state
  - supremacy of the Constitution
  - republican and democratic form of government
  - secular and federal character of the Constitution
  - separation of powers between the legislature, executive and the judiciary
  - unity and integrity of the nation
  - power of Judicial review
  - harmony and balance between FRs and DPSPs etc.

- **25<sup>th</sup> Amendment:**
  - ✓ **Section 2** of the act curtailed the right to property, and permitted the acquisition of private property by the government for public use, on the payment of compensation which would be determined by the Parliament and not the courts.
  - ✓ **Section 3** gave precedence to 'Directive Principles of State Policy (DPSP)' over the FRs and **took away the scope of Judicial Review** for policies laid down under several DPSPs (Articles 39 (b) and 39 (c)).
- **29<sup>th</sup> Amendment:** It added two land reform legislations to the **Ninth Schedule** of the Constitution of India (list of central and state laws which cannot be challenged in courts).

#### Outcomes of Kesavananda Bharati Case

- **Upheld the validity of the 24th amendment:** SC held that **Parliament had the power to amend any or all provisions of the Constitution** (including FRs), with a condition that the amendments should not alter, damage or destroy the essential features or the fundamental principles of the Constitution. This came to be known as the "**Basic Structure Doctrine**".
- **Corrected judgments of the Golaknath case:** SC held that Article 368 contained both the power and the procedure for amending the Constitution and that **amending powers and legislative powers of Parliament were different**.
- **Other judgments:** SC upheld the 25<sup>th</sup> and 29<sup>th</sup> Amendments except for the parts that curtailed its power of judicial review and also asserted that the **Preamble is a part of the Constitution** and hence amendable.

#### Significance of the case

- It **expanded the scope of judicial review**, where the apex court was free to mould the 'Basic Structure' doctrine to strike down any constitutional amendment that attacks the very spirit of the Indian Democracy.
- Despite the large number of amendments made to the Indian Constitution, the 'Basic structure doctrine' helped in **preserving the integral philosophies of its framers**.
- It created a check on Parliament's endeavor to wipe out judicial review and strive for unconditional power to amend the Constitution (through Constitution (42nd Amendment) Act, 1976).
- Also, it clarified the distinction in amending and legislative powers of Parliament and gave the Preamble its righteous and integral position in the India constitution.

## 1.4. QUESTION HOUR

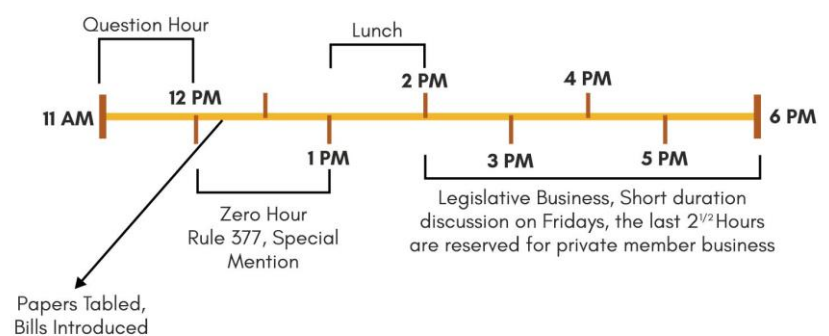
### Why in News?

In the wake of the ongoing COVID-19 pandemic, Lok Sabha and Rajya Sabha suspended question hour and private members' business during the last monsoon session of Parliament.

### More on News

- As per revised schedule,
  - Rajya Sabha would meet between 9 am and 1 pm and Lok Sabha between 3 pm and 7 pm.
  - **Zero hour has been cut short** to 30 minutes.
  - **No Question Hour** but MPs can ask Unstarred questions.
  - **Short notice questions** would be allowed with oral answers in case of urgency upon the discretion of the Speaker/Chairman.
  - **No Private Members' business**, hour set aside for bills put up by MPs.

### A DAY IN PARLIAMENT





## Question Hour

- This is first hour of a sitting. It is during this MPs ask questions to ministers and hold them accountable for functioning of their ministries.
- Both Houses of the Parliament follow their own set of rules which are formulated to govern themselves.
  - At the beginning of Parliament in 1952, **Lok Sabha rules provided for Question Hour to be held every day.**
  - **Rajya Sabha, on the other hand, had a provision for Question Hour for two days a week.** A few months later, this was changed to four days a week. Then from 1964, Question Hour was taking place in Rajya Sabha on every day of the session.
  - In 2014, Rajya Sabha Chairman Hamid Ansari shifted Question Hour in the House from 11 am to 12 noon to prevent disruption of Question Hour.
- Parliament has categorized questions asked in the parliament in different types and they are:
  - **Starred Questions:** The answers to these questions are desired to be given orally on the floor of the House during the Question Hour.
  - **Unstarred Questions:** The answers to these questions which are deemed to have been laid on the Table of the House are given by Ministers at the end of the Question Hour in a written form.
  - **Short Notice Questions:** These questions are asked orally in the House after the Question Hour or as the first item in the agenda where there is no Question Hour at a notice shorter than that prescribed for Starred and Unstarred Questions.
    - These must be generally of public importance to a subject-matter considered by the Speaker/ Chairman on an urgent basis.
  - **Questions to Private Members:** This Question is addressed to a Private Member (As per Rule 40 of the Rules of Procedure and Conduct of Business in Lok Sabha), provided that the subject matter of the question relates to some Bill, Resolution or other matter connected with the business of the House for which that Member is responsible.
- When a member feels that the answer given to a question, **Starred or Unstarred or Short Notice, is not complete or does not give the desired information** or needs elucidation on a matter of fact, he **may be allowed by the Speaker to raise a discussion** in the House for half an hour. The procedure is, therefore, **termed as 'Half-an-Hour Discussion'**.
- Before asking a question in the parliament, the **member has to give a 15-day notice to the Chairman/Speaker** in a prescribed manner. Such a period can be reduced at the discretion of the Chairman/Speaker.
- The permissible limit with respect to the question are only **five a day per member in Lok Sabha and seven per day in Rajya Sabha.**

### Zero Hour

- The time **immediately following the Question Hour has come to be known as "Zero Hour"**.
  - It starts at around 12 noon (hence the name).
- Typically, discussions on important Bills, the Budget, and other issues of national importance take place from 2pm onwards.
- Members wishing to raise matters during the "Zero Hour" need **to give notice to the Speaker prior to the start of the daily session.**
- Zero Hour is an Indian parliamentary innovation and unlike Question Hour it is **not mentioned in the Rules of Procedure.** Zero hour has been in existence since 1962.
  - It is not mandatory to have a Zero Hour every day during the session.

### Suspension of Question Hour in Past

Question hour was done away with in the years 1962, 1975, 1976, 1991, 2004 and 2009 for various reasons.

- Question Hour was first dispensed with was due to India-China war during the winter session of 1962. Similarly, in the 1971 winter session, it was suspended due to the war with Pakistan.
- During the Emergency, parliament functioned without the Question Hour for two sessions – monsoon session of 1975 and winter session of 1976.

## Significance of question hour

- **Fulfill the objectives of the parliamentary democracy:** Basic concept of the parliamentary governance is that it owes a collective responsibility towards the parliament. Question hour obliges the government to be responsible and accountable.
  - Question Hour gives space for MPs from both the ruling and opposition parties. MPs from all parties can ask questions.

- **Generate public awareness:** A question and discussion on an issue leads to greater public notice as the information reaches to the far ends of the nation.
- **Formulate public policy:** Government gets to know the short comings and flaws in the policy and also certain clarifications are also done and the reasoning and aim behind the policy or law is clarified by the government.
- **Limit judicial intervention:** Lack of parliamentary oversight has been compounded by judicial intervention in many policy issues. For example, the government's actions related to the lockdown and the hardships caused to migrants should have been questioned by Parliament. However, this was taken to the Supreme Court, which is not equipped to balance policy options.

## 1.5. ASPIRATIONAL DISTRICTS PROGRAMME

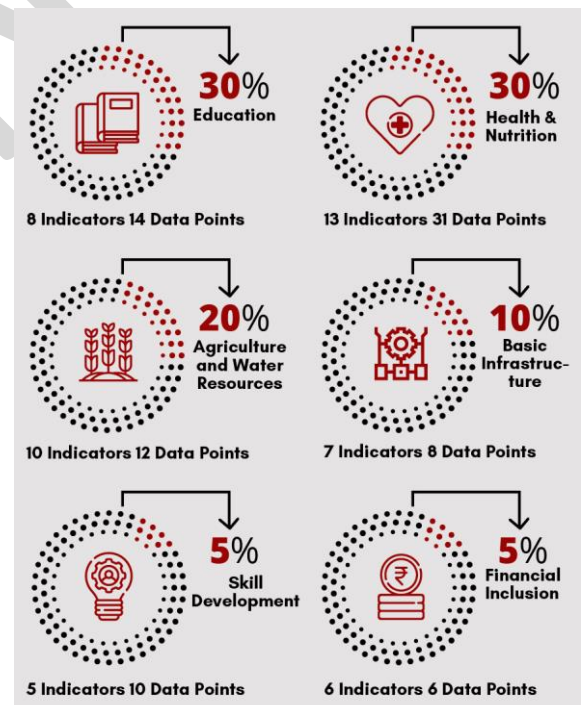
### Why in news?

Recently, an assessment report of **Aspirational Districts Programme** was released jointly by Institute for Competitiveness (IFC) and Social Progress Imperative.

### About Aspirational Districts Programme (ADP)

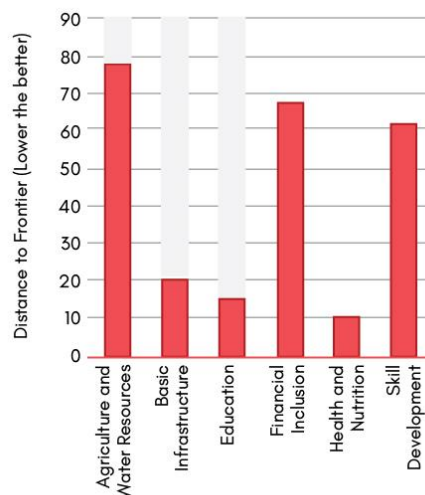
- ADP was launched by the GOI in January 2018 to **accelerate improvement in the socio-economic indicators of the most underdeveloped districts** of the country.
- Currently, the programme has been implemented in **112 of India's 739 districts** including 35 Left Wing Extremism (LWE) affected regions spread across the country.
- The programme is **driven by the following ideas** that signal a shift in the approach of the government towards policy and governance:
  - Moving Beyond Economic Measures of Success
  - Enabling Equitable Regional Development
  - Driving Change through Cooperative and Competitive Federalism
- The programme **focuses on practical and measurable social progress outcomes, in six main themes** that directly impact the quality of life as well as the economic productivity of citizens. These are- Health and Nutrition, Education, Agriculture and Water Resources, Financial Inclusion, Skill Development, and Basic Infrastructure. These are further broken down into 49 indicators.
- The programme is **based on three core principles, which are encapsulated in the 3Cs Approach** – **Convergence** (among State and Central Government initiatives at the district level), **Collaboration** (among citizens and functionaries of Central & State Governments including district teams), and **Competition** (among districts).
- **Basic Structure of the programme:**
  - **At the Central level, NITI Aayog** is anchoring the programme and individual Ministries have assumed responsibilities to drive the progress of the districts.
  - The **state governments are the main drivers of change**. Each state has formed a committee under their respective Chief Secretaries to implement as well as track the programme.
  - **For each district, a central Prabharhi Officer** of the rank of Additional Secretary/ Joint Secretary has been appointed to provide feedback and recommendations based on their local level findings.
- **Under the programme, NITI Aayog releases Delta Ranking** that ranks districts based on the monthly improvement achieved in the six focus areas through the Champions of Change dashboard (an online Dashboard).

- **Institute for Competitiveness, India** is an international initiative centred in India, dedicated to enlarging and purposeful disseminating of the body of research and knowledge on competition and strategy. It was the **knowledge partner of the NITI Aayog** in recently released India Innovation Index (III) 2019.
- **Social Progress Imperative** is a US-based non-profit organisation which publishes **The Social Progress Index (SPI)** that measures the extent to which countries provide for the social and environmental needs of their citizens.



## Findings of the report

- **Disparities across sectors are high:** Health and Education are the sectors in which the districts are closest to achieving their targets. While Agriculture and Financial Inclusion are the main areas of concern where most of the districts are 40-90 percent away from their targets.
- **ADP is generating economic as well as social impact:** In Health and Nutrition, for example, the economic impact of reducing Severe Acute Malnutrition (SAM) among children is felt through the effects on productivity and lifetime learning. The overall economic impact for all the states (only looking at Aspirational Districts) of reducing SAM is estimated to be a mammoth Rs.1.43 lakh cr.
- **Aligning the objectives of ADP with that of SDGs** is crucial to establish a time-bound assessment framework. The ADP and Sustainable Development Goals (SDGs) both emphasise on the provisioning of basic services through sustainable means to the most marginalised communities and people. The **objectives of ADP align with the spirit of SDG 10** to reduce various forms of inequalities.
- **Concrete best practices are emerging** from the programme: Three key areas of best practice have emerged from the ADP programme are **Awareness** (several districts have used awareness campaigns to reach out to populations which have been detached from the development process) **Collaboration** (between tiers and agencies of government and with the private and civil society sectors) and **Data-based interventions** (the use of data to measure impact, locate nodes for improvement, as well as to identify policies and interventions).



AVERAGE DISTANCE TO FRONTIER ACROSS SECTORS

### Existing challenges with ADP

- **Insufficient budgetary resources.**
- Multiple ministries leading to a **lack of coordination.**
- **Lack of high-quality administrative data** impacting implementation and design at the local level.
- The **Delta rankings are largely focused on assessing quantity** (that is, coverage of access) rather than quality.

### Best Practices across districts

- **Health and Nutrition:**
  - **Hailakandi (Assam): an innovative practice of gifting 5 saplings** (coconut, litchi, assam lemon, guava, amla) to the parents of a new born girl child. The rationale being that the fruit from the trees can be used to feed the child, which would help in building immunity and warding off malnutrition.
- **Education:**
  - **Rajnandgaon (Chattisgarh) has ensured access to sanitation facilities for every girl child**, for which toilets were installed in schools.
  - **Banka (Bihar) has launched a programme, 'Unnayan Banka – Reinventing Education using Technology'**, which is an effort to leverage technology to improve the learning environment.
- **Financial Inclusion domain:**
  - **Gajapati (Odisha): mini banks** have been opened under Odisha Livelihood Mission in panchayats that did not have banking facilities. These mini banks also functioned as common service centres and bank accounts of 27,463 SHG members were opened, while 23000 were linked with Adhaar.
- **Agriculture and water resources:**
  - **Kupwara (Jammu and Kashmir) introduced high density farming** to improve agricultural productivity and make optimum utilisation of resources. The traditional seedling-based orchards were converted into high density orchards. This gave the producers success in cultivation of crops such as apples and walnuts and increased the harvest by up to three times.
- **Skill Development:**
  - **Gajapati (Odisha) started enrolment of people for skill development under Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY).** As a result of the efforts, 11,600 candidates were mobilised, and over 450 were trained in different crafts.
- **Basic infrastructure:**
  - **Kupwara (Jammu and Kashmir), a network of 176 water-harvesting tanks** was strengthened that has aided in enhancing farmers income through water conservation.
  - **Dahod (Gujarat), installation of solar powered community tube wells** has benefitted a hundred households across five villages.

### Recommendations given by the study

- **Streamlining data collection and ensuring effective feedback loop:** a more real-time mechanism of data collection and dissemination is needed as currently, there is a gap of a few months between survey collection and accessibility of the data by districts.
- **Updating plan of action based on new learnings:** The districts can modify the learnings made from these best practices based on their local requirements across different parameters and assessment of districts should be done based on the standing of comparative peer groups.
- **Engaging in customised local level interventions:**
  - **Collaboration with the individual local functionaries** opens the door for the introduction of community-based intervention models, which facilitates stakeholder participation. For instance, women-driven institutions such as Self-Help Groups and Anganwadis have been particularly crucial in the delivery of schemes.
  - **Involving young professionals** within grass-root administration that promotes continuity of engagements.
- **Focused interventions** with higher degrees of intensity are required in the north eastern part of the country owing to its specific niche challenges.

### Conclusion

- Uneven distribution of economic gains across regions and individual citizens has only served to highlight the need for a broader agenda aimed at inclusive growth and social progress.
- By focusing on “what works” in advancing inclusive growth and social progress, ADP has the potential to serve as a model for India’s future economic and social development strategy.

## 1.6. IMPORTANT DATA - CRIME IN INDIA 2019 REPORT

### Why in news?

National Crime Record Bureau’s “Crime in India” 2019 report was released.

### Key findings

- **Crimes against women**
  - **Increased** 7.3 per cent from 2018 to 2019.
  - Majority of cases under crime against women were registered under ‘**cruelty by husband or his relatives**’.
  - **Highest number of crimes against women** were reported in **Uttar Pradesh (UP)**, followed by Rajasthan and Maharashtra.
  - **Highest rate of crime** (cases per lakh population) against women were reported in **Assam**, followed by Rajasthan and Haryana.
- **Caste based violence**
  - Crimes against **Scheduled Castes (SC)** went up 7.3% from 2018 to 2019.
  - **UP reported most cases against SCs** (accounting for 25.8% of the cases across the country) was followed by Rajasthan and Bihar.
  - **Highest rate of crimes against SCs** were reported in **Rajasthan** followed by MP and Bihar.
- **Offences against the state**
  - **Decreased** by 11.3% from 2018 to 2019.
  - Of these, 80.3% were registered under **Prevention of Damage to Public Property Act**, followed by Unlawful Activities (Prevention) Act.
- **Cybercrimes**
  - Registered a **63.5% jump over 2018** to 2019.
  - 60.4% of cybercrime cases registered were for the  **motive of fraud**, followed by sexual exploitation.
- **Crime against Scheduled Tribes** saw an increase of 26% from 2018 to 2019.
- **Crimes against children** increased by 4.5% from 2018 to 2019.
- There has been **1.6% increase in registration of cases** from 2018 to 2019.

#### About NCRB

- NCRB was set-up in 1986 to function as a **repository of information on crime and criminals** so as to assist the investigators in linking crime to the perpetrators.




- It was recommended by Tandon Committee, National Police Commission (1977-1981) and the MHA's Task force (1985).
- NCRB is entrusted with the responsibility for **monitoring, coordinating and implementing the Crime and Criminal Tracking Network & Systems (CCTNS)** project.
- NCRB is headquartered in New Delhi and is part of the **Ministry of Home Affairs**.
- The **first edition of 'Crime in India' pertains to the year 1953** and the latest edition of the report pertains to the year 2019.
  - This report captures **crimes registered under the Indian Penal Code and Special and Local Laws**.
- Its **publications include:**
  - Accidental Deaths & Suicides in India
  - Prison Statistics India
  - Finger Prints in India
  - Report on missing women and children in India

#### Key Objectives of NCRB

- To function as a **clearing house of information on crime and criminals** including those operating at National and International levels.
- To **store, coordinate and disseminate information** on inter-state and international criminals from and to respective States, national investigating agencies, courts and prosecutors in India.
- To **provide training facilities to personnel** of the Crime Records bureau.
- To function as the **National storehouse of fingerprint (FP)** records of convicted persons including FP records of foreign criminals.
- To **advise Central and State Governments on matters related to fingerprints and footprints**, and to conduct training courses for finger print experts.

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## 2. INTERNATIONAL RELATIONS

### 2.1. RISE OF THE MINILATERALS

#### Why in news?

India recently conducted a virtual **trilateral** dialogue with **France and Australia**.

#### More on the News

- The focus of the dialogue was on enhancing cooperation in the **Indo-Pacific Region**.
- **Topics of Discussion**
  - **Economic and geostrategic challenges and cooperation in the Indo-Pacific**, particularly in the context of the COVID-19 pandemic and domestic responses to COVID-19.
  - Cooperation on **Marine Global Commons** and potential areas for **practical cooperation at the trilateral and regional level**, including through regional organisations such as ASEAN, Indian Ocean Rim Association (IORA) and the Indian Ocean Commission.
  - Priorities, challenges and trends in regional and global multilateral institutions, including the best ways to **strengthen and reform multilateralism**.
- **Objective of the meeting:** Building on the strong bilateral relations that the three countries share with each other and synergising their respective strengths to ensure a peaceful, secure, prosperous and rules-based Indo-Pacific Region.
- The three sides **agreed to hold the dialogue on an annual basis**.

While bilateral and multilateral dialogues, such as India's 2+2 Dialogues with Australia, Japan, and the United States, Quad etc, are common phenomena in the Indo-Pacific, the recent times have seen emergence of 'minilaterals'. There is already an India-U.S.-Japan trilateral and also an India-Australia-Indonesia trilateral is taking shape.

#### Factors responsible for the rise of Minilaterals

- **Easier to strike convergence in interests:** Smaller partnerships can focus on specific mutual objectives and goals.
- **Strategic rationale:** The India-France-Australia trilateral is a natural fit for all three because of their stake in ensuring a free, open and inclusive Indo-Pacific order.
- **Moving beyond uncertainties created by certain partners:** Partners of larger groupings might find in their interest to move to smaller partnerships to overcome uncertainties created by specific partners. For example- unpredictability of American policies.
- **Seeking Informal dialogues:** Trilaterals are an effective way to discuss emerging issues in a flexible manner without establishing rigid commitments and going through lengthy formal negotiations.
- **Overcoming challenges pertaining to multilateralism and multilateral institutions:**
  - **Polarization and ideological infighting:** Multilateral institutions/groupings are often led by a few influential leaders. This increases the

#### About Indo- Pacific

- The Indo-Pacific is a **geopolitical construct** which represents an **integrated theatre that combines the Indian Ocean and the Pacific Ocean**, and the land masses that surround them.
- It has gained relevance in the recent times due reasons such as presence of important sea lines of communication, maritime security concerns, rise of Asian Economy and China's aggressive military and foreign policy.
- Several regional and extra regional countries like India, Japan, USA, Australia, France etc have released policies focused on the Indo-Pacific acknowledging the strategic shift towards the region.

#### Related News: Germany adopts an Indo-Pacific policy

- Germany recently adopted a policy for the Indo-Pacific centred round greater **security and economic cooperation**.
- Through its policy Germany aims to **strengthen relations and to expand cooperation with Indo-Pacific countries** in the areas of multilateralism, climate change mitigation, human rights, rules-based free trade, connectivity, the digital transformation and, in particular, security policy.

#### Indian Ocean Rim Association (IORA)

- The IORA is an inter-governmental organization of countries bordering the Indian Ocean.
- It consists of 22 Member States, **including India**, and 10 Dialogue Partners.

#### Indian Ocean Commission (IOC)

- It is an intergovernmental organization that links African Indian Ocean nations: Comoros, Madagascar, Mauritius, Réunion, and Seychelles.
- **India is an observer** at IOC.

probability of creating fissures on the lines of differences in ideologies or particular issues, which leaves little or no space for addressing individual standpoints.

- **Reverse globalization and rise in protectionist tendencies:** Countries have started looking inwards and find it difficult to cooperate on multilateral platforms beyond their national interests.
- **Institutional sclerosis:** It is a phenomenon where institutions fail to adapt and change at a sufficient pace. Existing Multilateral institutions are facing difficulties to address new and emerging global challenges such as climate change, data privacy, cyber security etc.

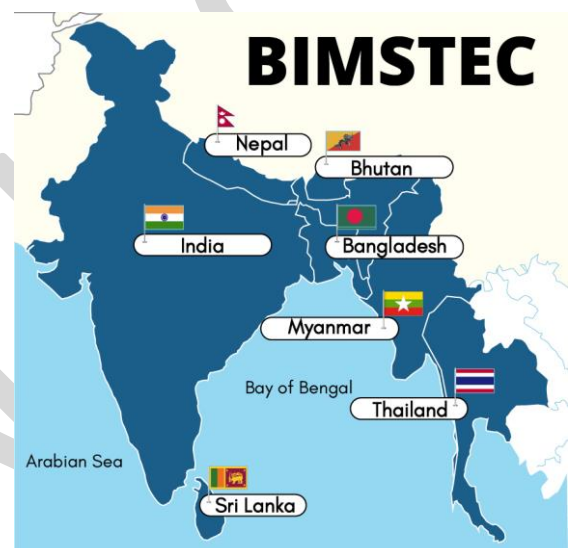
## 2.2. BAY OF BENGAL INITIATIVE FOR MULTI-SECTORAL TECHNICAL AND ECONOMIC COOPERATION (BIMSTEC)

### Why in News?

BIMSTEC Secretariat has finalized BIMSTEC charter after 23 years of its inception.

### More in News

- Charter is due to be signed in fifth summit, scheduled for January next year at Sri Lanka.
- Charter is expected to
  - **define a long-term vision and priorities for cooperation,**
  - clearly delineating roles and responsibilities of different layers of institutional structure and
  - define decision-making processes.
- In absence of a dedicated charter, BIMSTEC is **running with the spirit of Bangkok Declaration of 1997** which:
  - is not comprehensive in nature.
  - does not account for the changed geo-political scenario as it was signed way back in 1997..



### About BIMSTEC

- BIMSTEC was established in 1997 as BIST-EC with four countries: Bangladesh, India, Sri Lanka and Thailand.
- It was named BIMSTEC in 2004 after Myanmar (1997), Nepal (2004) and Bhutan (2004) joined it.
- 1st Summit meeting was held in Bangkok in 2004.
- Its Secretariat is located in Dhaka, Bangladesh.
- BIMSTEC region is home to around 1.5 billion people which make up for around 22% of the world's population. The region has a combined gross domestic product (GDP) of \$2.8 trillion.
- **Founding principles:** cooperation within BIMSTEC will be based on respect for the principle of sovereign equality, territorial integrity, political independence, non-interference in internal affairs, peaceful co-existence and mutual benefit.
- **Areas of Cooperation:** BIMSTEC has identified 14 priority areas where a member country takes lead.
  - **India is lead country for** Transport & Communication, Tourism, Environment & Disaster Management and Counter Terrorism & Transnational Crime.
  - The charter recategorizes the cooperation in 14 fields to 7 sectors:
    - ✓ Trade, Investment & Development,
    - ✓ Environment and Climate Change,
    - ✓ Security,
    - ✓ Agriculture and Food Security,
    - ✓ People-to-People Contact,
    - ✓ Science, technology & Innovation,
    - ✓ Connectivity.

### Significance of BIMSTEC for India

- **Economic:** BIMSTEC is fast becoming a significant trade bloc in Asia-Pacific. Its intra-regional trade is significantly higher than many other economic groupings in Asia-Pacific region except perhaps EAEG (East Asia Economic Grouping) and ASEAN (Association of South East Asian Nations).



- Bay of Bengal is the route for about 25 per cent of global trade and has huge untapped natural resources such as natural gas.
- **Accelerate integration of South Asia:** With SAARC proving to be a “dysfunctional” grouping due to the bilateral dispute between India and Pakistan, BIMSTEC as a subregional grouping of South Asia provides an opportunity for India to integrate South Asia without Pakistan.
  - South Asia is one of the most densely populated but poorly integrated regions in the world. Its intra-regional trade is less than 5% of the total trade of South Asian countries.
- **Connecting South Asia and Southeast Asia:** BIMSTEC is a bridge between South Asia and Southeast Asia. Leveraging BIMSTEC, India focus on connectivity projects in and around the Bay of Bengal region.
  - India has already invested in the India-Myanmar-Thailand Trilateral Highway, the Kaladan Multimodal Transit Transport Project and the BIMSTEC Motor Vehicle Agreement.
  - Physical connectivity with BIMSTEC would also help India integrate itself with ASEAN’s Master Plan of Connectivity 2025.
  - **All the members (except Sri Lanka) are connected by land**, providing a stronger potential for greater connectivity among them.
- **Development of North eastern region:** A successful BIMSTEC Free Trade Agreement (FTA) can be instrumental in developing India’s North Eastern region as a commercial and business hub for Southeast Asia.
  - The two Southeast Asian countries in the grouping, Myanmar and Thailand, have a crucial place for India’s ambitious connectivity plans for northeastern region.
  - Sittwe port in Myanmar is closer to the northeast region than Kolkata.
- **To counter Chinese influence:** China’s influence and presence in India’s neighbourhood has grown enormously through its Belt and Road Initiatives. India, through its economic engagement with Bay of Bengal littoral states will restrict Chinese influence in these countries.
- **Energy security:** BIMSTEC region has huge untapped reserve of natural gas, the future of power supply.
  - India, along with other BIMSTEC countries, is exploring energy opportunities at the Rakhine coast of Myanmar in the northern part of the Bay of Bengal.

#### Challenges with BIMSTEC

- **Lack of political will:** Dormancy that has beset the organisation for two decades is largely due to absence of effective and sustained political will among member countries.
  - Since 1997, BIMSTEC leaders met only four times at the summit level.
- **BIMSTEC FTA:** BIMSTEC adopted a framework to negotiate an FTA in 2004 and covered the following: (i) tariff concessions on trade in goods; (ii) Customs cooperation; (iii) trade in services; (iv) investment cooperation; and (v) dispute settlement. However, little progress was achieved in this regard.
- **Regional geopolitics:** There are concerns over regional geopolitics coming in the way of future projects.
  - This is evident from Nepal and Thailand not participating in the **first BIMSTEC anti-terror military exercise** conducted at Pune in India in 2018. The proximate reason for the non-participation of these countries was their reluctance to convey the impression to China that BIMSTEC might evolve into an anti-China military forum.
- **Perception of Indian hegemony:** Forum has the impression that it is an India-dominated bloc, a problem that India faced for a long time in SAARC too.
  - Bangladesh often fear that whenever India discusses connectivity, it means benefits only for India. Such fears & apprehensions question the basic fabric of BIMSTEC and foster mistrust, thus blighting any prospect of free movement of goods.
  - However, due to changing geo-economics, most of the smaller neighbours today are more willing to engage India due to its economic rise. **India needs to proactively engage them and show sensitivity to their concerns.**
- **Physical Infrastructure:** BIMSTEC region is marred by poor road and rail connectivity, insufficient last-mile links and cumbersome customs and clearance procedures which hamper trade. Physical infrastructure is essential for linking the region not only in terms of boosting connectivity and trade but also for facilitating people-to-people interactions.
- **Absence of strong institutional framework:** BIMSTEC Secretariat, established in 2014 at Dhaka, has been unable to adequately contribute to the development of the organisation, and its negligible budget affects its capacity to perform a basic convening function.



## Way Forward

- BIMSTEC should focus **less on geo-politics and more on common regional concerns** of economic and social development.
- Conclude FTA as early as possible. FTA can help in deepening cross-border production links among members and generate new value chains
- To make BIMSTEC further lucrative, there is **a need for increasing its membership base**. BIMSTEC should consider expanding its membership to Indonesia, Malaysia, and Singapore - the three major Asian powers
- **Prioritize sustained physical connectivity and high-quality infrastructure**, to facilitate greater regional flows of goods & services.
- **Empower the BIMSTEC secretariat with greater financial resources** enabling it to proactively drive the organization's agenda.

## 2.3. INTERNATIONAL CRIMINAL COURT

### Why in News?

Recently, US President has authorized economic sanctions against officials of the International Criminal Court (ICC) for their investigation into alleged war crimes by U.S. forces and the Central Intelligence Agency (CIA) in Afghanistan since 2003.

### About ICC

- ICC is a **permanent international court established to investigate, prosecute and try individuals** accused of committing the most serious crimes of concern to the international community as a whole, **namely the crime of genocide, crimes against humanity, war crimes and the crime of aggression**.
- It was **established by the Rome Statute of the International Criminal Court in 1998**.
  - Court has jurisdiction only over crimes committed after July 1, 2002, when the Rome Statute entered into force.
- There are **123 countries party to the Rome Statute**.
  - **Countries which never signed the treaty**: India, China, Iraq, North Korea, Saudi Arabia, Turkey etc
  - **Countries signed but not ratified the treaty**: includes Egypt, Iran, Israel, Russia, United States etc
  - Burundi and the Philippines joined the ICC but later withdrew.
- ICC does not replace national criminal justice systems; rather, it complements them.
- **Cases come before the court in following ways**:
  - a member country can refer a situation within its own territory to the court;
  - UN Security Council can refer a situation;
  - prosecutor can launch an investigation into a member state proprio motu, or "on one's own initiative."

### Limitation of ICC

- **Disproportionately targeting the African continent**: Of the court's more than two dozen cases, all have dealt with alleged crimes in African states.
  - In 2016, the African Union backed a proposal led by Kenya for a mass withdrawal.
- **Lack of participation by three permanent members of the UN Security council**:

#### Principal objections of India to the Rome Statute

- **Extraordinary privileges given to the UNSC** to make referrals to the Court.
  - This made the ICC subordinate to the UN Security Council, and thus in effect to its permanent members, and their political interference.
- **Blurred the legal distinction between normative customary law and treaty obligations**, particularly in respect of the definitions of crimes against humanity and their applicability to internal conflicts.
  - **India wanted a stricter complementarity regime** whereby the Court would complement national jurisdiction only in exceptional situations when the judicial system in a State was non-existent or unable to deal with crimes within the Court's jurisdiction.
- **Refused to designate the use of nuclear weapons and terrorism** among crimes within the purview of the ICC, as proposed by India
- **Power to initiate cases on his/her own volition** given to the ICC Chief Prosecutor.

China has not signed the Rome Statute, and neither the United States nor Russia has ratified it. This lack of participation hinders the ability to enforce the laws instituted by the court.

- **Imposition of certain principles:** ICC is criticised for attempting to transpose principles of liberal democracy to all states, and to impose 'one-size-fits-all' solutions in order to provide international justice.
- **Jurisdiction of the ICC over internal conflicts:** There is a concern that ICC could misuse its jurisdiction for political purposes
  - India wanted war crimes to not include acts committed in the context of an armed conflict not of an international character.
- **Lack of support:** Court has to face a lack of support from all states in the world, and the absence of systematic cooperation by states parties to its Statute.
  - **Court does not have its own police force.** Accordingly, it relies on State co-operation, which is essential to the arrest and surrender of suspects.
- **Biased character:** ICC has been accused of being a **tool of Western imperialism and biased in favour of powerful countries against weak states.**
  - Also, there are instances where court had targeted some individuals, but neglected others equally well known for their violence and crimes.
  - In the Democratic Republic of Congo (DRC) and Uganda, it has only acted against rebels or members of the opposition, whereas a UN envoy said that government troops in the DRC might have committed crimes.

ICC VS INTERNATIONAL COURT OF JUSTICE		
Feature	International Court of Justice (ICJ)	International Criminal Court (ICC)
Year Court Established	1946	2002
UN-Relationship	Official court of the U.N., commonly referred to as the "World Court."	Independent. May receive case referrals from the UN Security Council. Can initiate prosecutions without UN action or referral.
Location	Peace Palace , The Hague, The Netherlands	The Hague, The Netherlands
Jurisdiction	U.N. member-states (i.e. national governments)	Individuals
Types of Cases	(1) Contentious between parties, (2) Advisory opinions	Criminal prosecution of individuals
Subject Matter	Sovereignty, boundary disputes, maritime disputes, trade, natural resources, human rights, treaty violations, treaty interpretation, and more	Genocide, crimes against humanity, war crimes, crimes of aggression
Authorizing Legal Mechanism	States that ratify the U.N. Charter become parties to the ICJ Statute under Article 93. Non-UN member states can also become parties to the ICJ by ratifying the ICJ Statute. Each state must provide consent to any contentious case by explicit agreement, declaration, or treaty clause.	Rome Statute (India has not signed the Rome Statute)
Appeals	None. The ICJ decision in a contentious case is binding upon the parties. If a State fails to comply with the judgment, the issue may be taken to the UN Security Council, which has the authority to review, recommend, and decide upon enforcement.	Appeals Chamber. Article 80 of the Rome Statute allows retention of an acquitted defendant pending appeal.

### Way Forward

- The **court needs to expand its focus beyond Africa.**
- **ICC must focus on fairness, local justice and international social justice** in order to improve its legitimacy and work.
- In order to improve the impact of the ICC, its members have a crucial role to play in **supporting the Court to provide international justice**
- Prosecutor **must start pursuing party in positions of power in those countries that invite him** in or in which he chooses to investigate.
  - Government leaders shouldn't think that by calling in the ICC they can use it as a tool against their opponents, and avoid rigorous scrutiny themselves.
- To enhance its credibility the **court needs to broaden its ambit by including more permanent members of UN** and by strengthening of investigations and prosecutions.

## 2.4. AFGHAN PEACE PROCESS

### Why in news?

Recently, **intra-Afghan peace talks** held for the first time between Afghan government and Taliban in Qatar.

### About Afghan peace process

- The Afghan peace process comprises the **proposals and negotiations in a bid to end the ongoing war and conflict** involving the Taliban in Afghanistan.
- Negotiations and the **peace movement intensified in 2018** amid talks between the Taliban and the US.
- In February, 2020, **US president has struck a peace deal with the Taliban** on the issues of counterterrorism and the withdrawal of U.S. and international troops. The **intra-Afghan talks were part of the deal.**
- Though the deal was to be held in march-April 2020, it got delayed due to disagreement on mutual release of prisoners by both Taliban and Afghan Government.



### Background of Afghan-Taliban issue

- The **Taliban emerged in the early 1990s** following the withdrawal of Soviet troops from Afghanistan, before the demise of the Soviet Union.
- It **ruled Afghanistan from 1996 to 2001** imposing a brutal version of Sharia law that included public executions and amputations, and the banning of women from public life.
- Following the September 11 terrorist attacks on the United States (US) in 2001, the **U.S., together with its NATO allies led a military campaign against Al Qaeda and the Taliban government** in Afghanistan that harboured and supported it.
- The **US has about 14,000 troops in Afghanistan**, to train, advice and assist Afghan forces to oversee military operations in the country so as to prevent any resurgence of the Taliban group.
- **The US engagement has continued for nearly 20 years**, but without a clear victory over the Taliban. The war has become the longest-ever military engagement of the US involving heavy human and economic cost. The number of civilians, mostly women and children, killed or injured by airstrikes in Afghanistan has risen 39% year on year.
- **In the intervening time, an elected Afghan government has replaced the Taliban**, and most measures of human development have improved. But approximately a third of Afghanistan is still a "contested" area.

#### Four objectives of the US- Taliban Peace Deal

- An end to violence by declaring a ceasefire.
- An intra-Afghan dialogue for a lasting peace.
- The Taliban cut ties with terrorist organisations such as al Qaeda.
- U.S. troop withdrawal by April 2021.

### Concerns Ahead

US's current policy of withdrawing from Afghanistan also comes with apprehension that it may further embolden Taliban's aspirations for a bigger role in Afghan politics and may lead to more chaos in Afghanistan. The Taliban's inflexibility within Afghanistan over sharing power with other groups is a source of concern for regional actors.

- **Violence continuing unabated:** In the first six months of 2020, almost 1,300 civilians, including hundreds of children, and more than 3500 Afghan National Defense and Security Forces have been killed in Afghanistan, according to the United Nations.
- **Threat to human rights:** There are serious concerns considering the Taliban's track record in relation to human rights, especially violence against women and Shi'as and Hazaras was widespread under the Taliban regime.

- The Taliban wants to reimpose its version of Islamic law as the country's system of governance. The armed group has, however, given *vague comments on adopting a less strict stance* towards women and social equality than during their 1996-2001 rule.

### Way forward for India

- India reiterated its long-held support for an **“Afghan-led, Afghan-owned, and Afghan-controlled” peace process**. India's vision of a sovereign, united, stable, plural and democratic Afghanistan is one that is shared by a large constituency in Afghanistan, cutting across ethnic and provincial lines.
- It has been India's stated policy that it will not engage with the Taliban, as it continues to see the fundamentalist group as being aided by Pakistan. However, **India's engagement with an ascendant Taliban, is important** for a number of reasons:
  - **Growing international legitimacy and credibility of Taliban:** A noticeable change in the Taliban's external engagement can be seen in its links with Pakistan and also with its erstwhile adversaries, especially Iran and Russia, and its contact with China.
  - Establishing diplomatic contacts with a politically empowered Taliban will be **crucial to safeguard New Delhi's existing and future economic interests** in the country, including those linked with Central Asian energy markets and broader connectivity projects for example- Chabahar Port.
  - An amicable relationship with the Taliban **will provide India with some leverage over Afghanistan's future**, which it will use **to offset Pakistan's efforts** aimed at sabotaging Indian stakes in the country.
    - The **militant arm of the Taliban—the Haqqani network—continues to be staunchly anti-India** and maintains close ties with Pakistan's Inter-Services Intelligence, carrying out operations targeting Indian nationals in the region.
    - Another security threat has been the **growing presence of the Islamic State-Khorasan** in Afghanistan and surrounding areas, which may absorb splinter groups that emerge from a locally fractious Taliban and other groups.

#### The interests of different countries

**Pakistan:** Once the mainstay of the Taliban, in the aftermath of the 9/11 terrorist attacks Pakistan joined the US 'War on Terror', a U-turn from its previous position on the Taliban. While Pakistan did re-establish links with the Taliban in subsequent years, until recently, many of their dealings were covert.

**Russia and Iran:** Before 2001, Russia and Iran supported the National United Front, also known as the Northern Alliance, against the Taliban. Despite this, in recent years, the Taliban has initiated engagement with Russia and Iran. The Taliban has proven itself a capable force against the Islamic State-Khorasan Province (the Islamic State's Central Asian province known as IS-K), whose emergence is of concern to both Iran and Russia.

**China:** Engagement with China is critical for the Taliban to enhance its diplomatic reach in the region. The Afghan government has sought China's support to encourage the Taliban and Pakistan to engage in peace talks, but China's efforts for peace and intra-Afghan talks have failed to achieve substantive results.

### Conclusion

An inclusive peace process, involving the meaningful participation of women, youth and victims, upholding the human rights of every Afghan is the only path to peace. While each country seeks to align its engagement policy to its respective strategic objectives, the overarching goal for all is peace in Afghanistan. A consensus among major international stakeholders about how to deal with the Taliban is of utmost importance.

## 2.5. DATA FREE FLOW WITH TRUST (DFFT)

### Why in news?

India recently refused to become a signatory to the **Osaka declaration on digital economy** which proposes the concept of **Data Free Flow with Trust (DFFT)**.

### About DFFT

- It aims to **eliminate restrictions on cross-border transfer of information by electronic means**, including personal information, and storing data in foreign servers, for productivity, innovation and sustainable development.
- It also stresses on the importance of addressing challenges such as security, data protection and intellectual property that otherwise mar public trust in digital technologies.



## Need for DFFT

- **Lack of international framework to resolve cross-border data conflicts:** Recent times have seen a rise in conflicts arising over a myriad of issues related to data flows, such as free speech, intellectual property, privacy, cybercrime, consumer protection, taxation, commercial regulation, and others.
- **Impact on ease of doing business:** Regulatory conditions or requirements on transferring data, and data localization policies can force exporters to build or lease data centres in every country of operation. Doing so can impose prohibitively high compliance and entry costs.
- **Emergence of anticompetitive, trade-distorting actions by digital giants:** due to conflicting policies and lack of comprehensive frameworks for managing data flows.
- **Moving towards “Society 5.0”:** It underscores how digitalization could tackle today’s social challenges and usher in broader transformation by optimizing societal and welfare systems. For example-
  - Data reuse and sharing between government entities can **tackle ageing society and public health challenges** with more accurate preventive care, mitigating increasing costs.
  - Efficient and open access to data are essential for **tracking and enabling the delivery of many UN Sustainable Development Goals**.
- **Significance for digital economy:** Digital economy, supported by data flows, makes up a sizeable portion of global economic activity. Current data flow restrictions and data localization requirements of some countries lower their GDP by up to 0.4% and 1.7%, respectively, depending on the economy and severity of the measure.

### About Osaka Declaration on Digital Economy

- The declaration was signed at the sidelines of the **G20 summit in 2019**, by some G20 leaders and other countries who are currently participating in the informal plurilateral negotiations on e-commerce at the World Trade Organization.
- It announced the launch of the ‘**Osaka Track**’, a process that aims to intensify efforts on international rule-making on digital economy, especially on data flows and e-commerce, while promoting enhanced protections for intellectual property, personal information, and cybersecurity.
- The Osaka Track is inspired on the idea of ‘**Data Free Flow with Trust (DFFT)**’ proposed by former Japanese Prime Minister Shinzo Abe at the World Economic Forum 2019, aiming to eliminate restrictions on cross-border data flows.

## Concerns for India

- **Lack of Clarity:** Concept of DFFT is neither well-understood nor is comprehensive enough in the legislation of many countries.
- **Need to preserve the policy space of developing countries:** India, like many other developing countries, is still in the phase of preparing a legal and regulatory framework for its data protection and e-commerce laws. India needs a policy space to finalize laws around digital trade and data as it is a potent tool for development.
- **Implications on equitable access of data:** The existing regulations on which DFFT is sought to be premised, such as uninhibited cross-border flow of data, may be inadequate to address India’s concerns on data access and could further aggravate the digital divide between countries.
- **Apprehensions over discussions outside the World Trade Organization (WTO):** The Osaka Track could undermine multilateral and consensus-based talks on e-commerce taking place under the **WTO Work Program on Electronic Commerce**.
  - The WTO Work Programme on Electronic Commerce covers issues related to trade arising from global e-commerce. Some of these issues include the protection of privacy and public morals and prevention of fraud, access to and use of public telecommunications transport networks and services, rules of origin etc.
- **Impact on national policies and laws:** India finds Data localization significant on the ground of national security, to prevent foreign surveillance and attacks. India’s data localization rules could be undermined by the DFFT.
  - For instance, Reserve Bank of India directive requires payment companies to localise financial data. Also, the **Personal Data Protection Bill, 2019** places certain restrictions on transfer of data outside India.

## Way Forward

- **Encouraging engagements on WTO:** Any reforms related to data flows must be in accordance with the core WTO principles of consensus-based decision-making, multilateral agreed rules, and an impartial and independent functioning of the dispute settlement body.

- **Providing adequate support to developing nations:** Capacity constraints in developing countries need timely support of training, and creation of digital infrastructure for facilitating a level playing field in the digital economy and to take equitable advantage of data free flows.
- Some principles and policies that can be followed to strengthen existing data frameworks:
  - **Holding firms accountable for managing data they collect,** regardless of where it is stored or processed. It will enable local accountability and interoperability.
  - **Developing an accountability-based approach** to ensure that firms provide timely access to data in response to requests for data from financial regulatory authorities.
  - **Revising inefficient processes and outdated legal agreements** that govern law enforcement requests for access to data stored in another country's jurisdiction.
  - **Establishing international rules** for transparency, settling questions of jurisdiction, and increasing cooperation and coordination of cross-border requests from law enforcement.
  - **Developing legal and administrative frameworks for restricting illegal distribution and use of unlicensed content.**
  - **Supporting encryption for securing data flows and digital technologies**

### Conclusion

Given the critical role played by data, as an enabler of economic growth, development and social well-being, any reforms related to cross border data flows must preserve core values and fundamental principles such as non-discrimination, inclusiveness, recognition of special and differential treatment, and consensus-based decision making.

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# 3. ECONOMY

## 3.1. AGRICULTURAL REFORMS

### Why in news?

Recently, the Government of India passed three Acts with an aim to reform agriculture in India, namely- The Farmers' Produce Trade and Commerce (Promotion and Facilitation) Act, 2020, The Farmers (Empowerment and Protection) Agreement on Price Assurance and Farm Services Act, 2020 and The Essential Commodities (Amendment) Act, 2020.

### What was the need for these reforms?

- Unremunerative of farming:** The infographic highlights the trends of increasing indebtedness, stagnation of trade and migration patterns among others.
- Issues with APMCs:** The Standing Committee on Agriculture (2018-19) identified following issues:
  - Most APMCs have a limited number of traders operating, which leads to **cartelization and reduces competition**. Traders, commission agents, and other functionaries organize themselves into associations, which do not allow easy entry of new persons into market yards, stifling competition.
  - Undue deductions in the form of commission charges and market fees.**
  - The Acts are **highly restrictive in promotion of multiple channels of marketing** (such as more buyers, private markets, direct sale to businesses and retail consumers, and online transactions) and competition in the system.
- Other motivations:**
  - A High-Powered Committee of seven Chief Ministers recommended changes to the Essential Commodities Act, 1955** (which provides for control of production, supply, and trade of essential commodities) for attracting private investment in agricultural marketing and infrastructure.

### WHAT THE INDIAN FARMER OWNS, OWES AND EARNS

**CHART 1: THE FARM WORKFORCE**

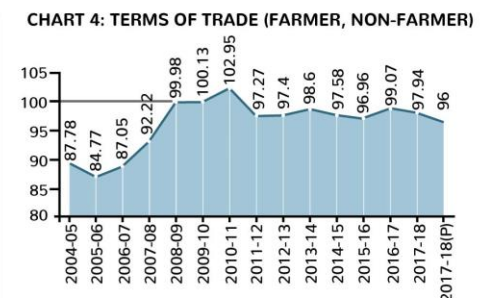
Year	Total engaged in agriculture (% of workforce)	Agricultural labourers (% of agricultural workforce)
1951	69.70%	28.10%
1961	69.50%	69.50%
1971	69.70%	37.80%
1981	60.50%	37.50%
1991	59%	40.30%
2001	58.20%	45.60%
2011	54.60%	54.90%

**CHART 2: INDEBTEDNESS BY LANDHOLDINGS (JULY 2012-JUNE 2013)**

Land owned (hectare)	Indebted farm household (lakhs)	Average loan amount (Rs.)
Up to 0.01	10.02	31100
0.01-0.40	135.97	23900
0.41-1.00	152.16	35400
1.01-2.00	86.11	54800
2.01-4.00	56.10	94900
4.01-10.00	25.21	182700
10 & above	2.92	290300
All India	468.48	47000

**CHART 3: INCOME AND INDEBTEDNESS**

State	Farm households indebted (%)	Monthly income per household (Rs)
Andhra Pradesh	92.9%	5979
Bihar	42.5%	3558
Punjab	53.2%	18059
West Bengal	51.5%	3980
All India	51.9%	6426



**CHART 5: PROCUREMENT & PRODUCTION, 2018-19**

RICE		
State	Produced (1000 tonnes)	% Procured at MSP
Punjab	16,050	70.62%
West Bengal	12,820	15.44%

WHEAT		
State	Produced (1000 tonnes)	% Procured at MSP
Punjab	32,750	38.75%
Bihar	18,240	0.10%

**CHART 6: MIGRATION OF FARMERS**

State	Out-migrants
Uttar Pradesh	1,29,94,674
Bihar	79,49,853
Rajasthan	39,49,277

**CHART 7: SHARE OF FOOD PROCESSING GVA IN TOTAL MANUFACTURING GVA(%)**

Country	Share
India(2017)	9.7
Indonesia (2018)	35.5
New Zealand (2013)	34.3
USA (2018)	11.4
France (2018)	16.2

### Why is there opposition to these reforms?

The opposition to the Acts has been coming from farmers as well as traders. Apart from the issues and apprehensions from the Acts (*they are mentioned alongside the analysis of the Bills*), there were other procedural issues with the implementation of the Bill also-

- Violating the federal spirit of the Constitution:** Various State Governments like Punjab and Haryana have objected that since Agriculture is a State subject, the passage of national laws, on a state subject, undermines India's federal consensus.
- Interfering in state subjects is administratively unwise:** The Constitution assigned jurisdiction over agriculture markets to states due to the very localized nature of farm production. The first sale between the farmer and



the trader is linked with the production process. This is location specific and it is **states who are best placed to determine the contours of production and sale** including, taxation, credit, building farmer producer organizations and physical markets.

- **Not inclusive of farm organizations:** Various organizations have stated that **no consultations were held** with major farm organizations.
- **Limited discussion in Parliament:** The opposition parties have been protesting the fact that very limited discussion happened on the Act and all political parties were not approached as part of the deliberations.

#### Other recent initiatives reforms taken by the Government

##### KRITAGYA Hackathon

- With an aim to promote **potential technology solutions for enhancing farm mechanization with special emphasis on women-friendly equipment**, the Indian Council of Agricultural Research (ICAR) has announced KRITAGYA (Krishi-Taknik-Gyan) hackathon under the **National Agricultural Higher Education Project (NAHEP)**.
  - NAHEP aims to develop resources and mechanism for supporting infrastructure, faculty and student advancement, and providing means for better governance and management of agricultural universities. The project is **proposed on 50:50 cost sharing basis between the World Bank and the Government of India**, implemented at the Education Division, ICAR, New Delhi.
- **Students, faculties, and innovators or entrepreneurs** from universities and technical institutions can apply and participate in the event in the form of a group.

##### Centralized Farm Machinery Performance Testing Portal

- The portal was launched by the Minister for Agriculture and Farmers Welfare. It was developed by the Department of Agriculture, Cooperation and Farmers Welfare to **improve services of farm machinery testing institutions and create transparency in the process of testing and evaluation of machines**.
- It will **facilitate manufacturers** in applying, communicating and monitoring the progress of testing of their machines in a seamless manner from any location.

### 3.1.1. THE FARMERS' PRODUCE TRADE AND COMMERCE (PROMOTION AND FACILITATION) ACT, 2020

#### Key features of the Act

- **Trade of farmers' produce:** The Act allows **intra-state and inter-state trade of farmers' produce outside:** (i) the physical premises of market yards run by market committees formed under the state APMC Acts and (ii) other markets notified under the state APMC Acts.
- **Electronic trading:** It permits the electronic trading of scheduled farmers' produce (agricultural produce regulated under any state APMC Act) in the specified trade area. An electronic trading and transaction platform may be set up to facilitate the direct and online buying and selling of such produce through electronic devices and internet.
  - The following entities may establish and operate such platforms: (i) companies, partnership firms, or registered societies, having permanent account number under the Income Tax Act, 1961 or any other document notified by the central government, and (ii) a **farmer producer organization** or agricultural cooperative society.
- **Market fee abolished:** The Act prohibits state governments from levying any market fee, cess or levy on farmers, traders, and electronic trading platforms for trade of farmers' produce conducted in an 'outside trade area'.

#### Intended benefits of the Act

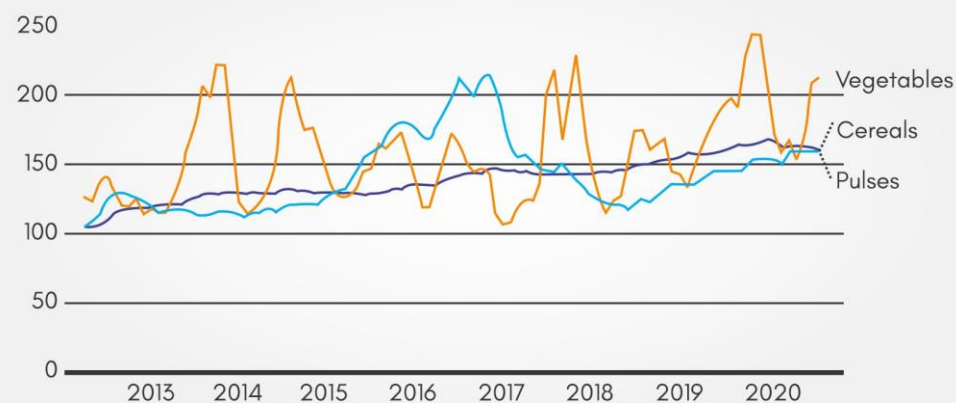
- **Reduced role of intermediaries:** The new legislation could create an ecosystem where the farmers and traders will enjoy **freedom of choice of sale and purchase** of agri-produce. Thus, ending the monopoly exercised by traders and other intermediaries resulting in full realization of the price.
  - For example, a turmeric farmer now could sell her produce to BigBasket in Delhi, without any mandi tax or trader commission, at a mutually agreed upon price.
- **Integrated Market:** Barrier-free inter-state and intra-state trade and commerce would enable **farm surplus to move freely from surplus to deficit regions**. It will advance the **idea of 'one Nation, one Agri-market'**.
  - Currently, the agricultural markets are very fragmented. For instance, the monthly average price of rice in 2019 ranged from ₹2,042 per quintal in Agra (Uttar Pradesh) to ₹5,102 in Gangtok (Sikkim). The variation is more pronounced in case of vegetables. (see infographic)



- **Encouraging APMC reforms:** Private markets could put pressure on APMC markets (**the Act does not repeal the APMC laws**) to infuse more **transparency and efficiency in their functioning**. The State governments have a significant role in reforming the APMC system:

- depoliticize the committees and make them more farmer friendly.
- to allow APMC markets to compete with private markets; the cess levied on market transactions can be waived.
- privatizing mandis that are not viable.

**Wholesale Price Index (WPI)**



#### Potential issues from the Act

- **Sudden changes** in market mechanisms **may not bode well** for the market. For instance, in 2006, Bihar repealed its APMC Act with an objective to attract private investment in the sector and gave charge of the markets to the concerned sub-divisional officers in that area. This resulted in:
  - Erosion of **the existing infrastructure over time due to poor upkeep**.
  - farmers facing issues such as **high transaction charges and lack of information on prices** and arrival of produce.
- The Act creates an **artificial distinction between “market areas”** (regulated by the mandi system under state governments) and **“trade areas”** (now under the central Acts), thus risking a problem of dual regulatory market.
  - Also, the **new unregulated market space** called the ‘trade area’ will have **no oversight and the government will have no information or intelligence** about who the players are, who is transacting with who for what quantities and at what prices.
- The newly created ‘trade areas’ would have a clear regulatory advantage over ‘market areas’ vis-à-vis the mandi tax. This could potentially lead to a **collapse of the APMC system** and initiatives like e-NAM which are riding on top of physical mandi structure in the country.
- The Act leaves a critical institutional space- **how state-specific implementation investments**, crucial for running efficient markets, **will be negotiated and managed**, if APMC are bypassed.
- **State Governments will lose mandi tax**, which is a major source of revenue for States like Punjab and Haryana.

### 3.1.2. THE FARMERS (EMPOWERMENT AND PROTECTION) AGREEMENT ON PRICE ASSURANCE AND FARM SERVICES ACT, 2020

#### Key features of the Act

- **Farming agreement:** The Act provides for a **farming agreement between a farmer and a buyer** prior to the production or rearing of any farm produce.
  - The minimum period of an agreement will be one crop season, or one production cycle of livestock. The maximum period is 5 years, unless the production cycle is more than 5 years.
- **Pricing of farming produce:** The price of farming produce should be mentioned in the agreement. For prices subjected to variation, a guaranteed price for the produce and a clear reference for any additional amount above the guaranteed price must be specified in the agreement.
  - Further, the process of price determination must also be mentioned in the agreement.
- **Dispute Settlement:** A farming agreement must provide for a conciliation board as well as a conciliation process for settlement of disputes. The Board should have a fair and balanced representation of parties to the agreement.

- At first, all disputes must be referred to the **board for resolution**. If the dispute remains unresolved by the Board after thirty days, parties may approach the Sub-divisional Magistrate for resolution. Parties will have a right to appeal to an Appellate Authority (presided by collector or additional collector) against decisions of the Magistrate.
- Both the Magistrate and Appellate Authority will be **required to dispose of a dispute within thirty days from the receipt of application**. The Magistrate or the Appellate Authority may impose certain penalties on the party contravening the agreement. However, **no action can be taken against the agricultural land of farmer for recovery of any dues**.

#### Intended benefits of the Act

- **Promote Contract Farming:** Giving a legal framework to contract farming will ensure groups of **growers and entrepreneurs come together in a contractual relationship** which will provide a ready market for growers for their produce, and ready access to raw material for the entrepreneurs (sponsors).
  - The Act empowers farmers to engage with processors, aggregators, wholesalers, large retailers, exporters etc., on a level playing field without any fear of exploitation.
- **Lower risk for farmers:** It will **transfer the risk of market unpredictability from the farmer to the sponsor**. Due to prior price determination, farmers will be shielded from the rise and fall of market prices.
- **Improved inputs:** It may provide farmer access to high quality seeds, better technology, fertilizers and pesticides along with **impetus to research and new technology in agriculture sector**.
- **Attracting investments:** This Act will act as a catalyst to **attract private sector investment for building supply chains** for supply of Indian farm produce **to national and global markets**, and in agricultural infrastructure.
- **Reduced cost of marketing for farmers:** Since, after signing contract, farmer will not have to seek out traders. **The purchasing consumer will pick up the produce directly from the farm.**
- **Dispute Resolution:** The Act also **provides for effective dispute resolution mechanism** for clear timelines.

#### Potential Issues from the Act

- Farmers have expressed **apprehension** that once these Acts are passed, they would **pave the way for dismantling of the minimum support price (MSP) system** and leave the farming community at the "mercy" of big corporates.
  - As a corollary, the farmers feel that the proposed legislations will **suit big corporations more than farmers** who will subsequently dominate the market.
  - However, the Government has clarified that these Acts would **not have any impact on the Minimum Support Price (MSP) mechanism** which will continue.
- The Act, while offering protection to farmers against price exploitation, **does not prescribe the mechanism for price fixation or a methodology for regulatory oversight**.
- According to the Act, **companies are not required to have a written contract with the farmer**, making it difficult for farmers to prove terms.
  - As a result, if a farmer gets into a dispute regarding her/his contract with a private company, it will be **very difficult for the farmer to have the dispute settled in her/his favor**.
  - Also, in case of disputes, the **District Administration has been entrusted** with the responsibility to resolve; but it **may not be well equipped to settle disputes**.

### 3.1.3. THE ESSENTIAL COMMODITIES (AMENDMENT) ACT, 2020

#### Key features of the Act

- **Regulation of food items:** The Act provides that the central government may regulate the supply of certain food items including cereals, pulses, potatoes, onions, edible oilseeds, and oils, only under extraordinary circumstances. These include: (i) war, (ii) famine, (iii) extraordinary price rise and (iv) natural calamity of grave nature.
  - **The Essential Commodities Act, 1955** empowered the central government to designate certain commodities (such as food items, fertilizers, and petroleum products) as essential commodities. The central government may regulate or prohibit the production, supply, distribution, trade, and commerce of such essential commodities.

- **Stock limit:** The Act requires that imposition of any stock limit on agricultural produce must be based on price rise. A stock limit may be imposed only if there is: (i) a 100% increase in retail price of horticultural produce; and (ii) a 50% increase in the retail price of non-perishable agricultural food items.
  - The increase in price will be calculated over the price prevailing immediately preceding 12 months, or the average retail price of the last five years, whichever is lower.

#### Intended benefits of the Act

- **Ends harassment of Businessmen and traders:** Governments had restrictions on hoarding on food commodities and could seize any excess stocks maintained by the traders. This resulted in widespread harassment of traders and **rent-seeking behavior**. Now with the new Act, inventories can be managed without such interference.
- **Helps reduce wastage as storage facilities improve:** Despite India **losing a third of the agri. produce post-harvest**, businesses found it difficult to devise solutions to decrease that loss, mainly due to the regulation.
- **Likely to attract private investment in Cold Storage, warehouses and processing:** These reforms **may accelerate growth in the sector** through private sector investment in building infrastructure and supply chains for farm produce.
- **Will bring price stability and raise farm incomes:** Exempting selected commodities from ECA will improve the marketability of the crop for growers. Processors, exporters and traders will now be able to build inventory without fear of penal action.

#### Potential Issues from the Act

- Some experts fear that the Act **would effectively legalize hoarding**, as licenses will no longer be required to trade in these commodities.
  - Such a situation can lead to anti-competitive behavior by particular buyers in the food chains.
- Complete deregulation of these commodities could lead to **dangerous situation of food supply problems during extraordinary circumstances** as the Government will have no information on who the players are, and the levels of stocks are not clear.

## 3.2. LABOUR CODES

### Why in News?

**Parliament has passed the three Labour Code bills** – the Occupational Safety, Health and Working Conditions Code, 2020; the Industrial Relations Code, 2020; and the Code on Social Security, 2020 in a major boost to Labour reforms.

### Background

- In 2019, the Ministry of Labour and Employment introduced four Bills to consolidate 29 central laws. These Codes regulate: (i) Wages, (ii) Industrial Relations, (iii) Social Security, and (iv) Occupational Safety, Health and Working Conditions.
- While the Code on Wages, 2019 has been passed by Parliament, Bills on the other three areas were referred to the Standing Committee on Labour. The Standing Committee has submitted its report on all three Bills. The government has replaced these Bills with new ones in September, 2020.

### Labour Laws framework in India

- Labour is subject in the Concurrent List of the seventh schedule, thus allowing both the Centre and states to legislate on labour related issues.
- Currently, there are 44 labour laws under the purview of Central Government and more than 100 under State Governments, which deal with a host of labour issues.

#### 3.2.1. CODE ON INDUSTRIAL RELATIONS, 2020

- It combines the features of three erstwhile laws:
  - Trade Unions Act 1926,
  - Industrial Employment (Standing Orders) Act, 1946
  - Industrial Disputes Act, 1947

### Major provisions under the code:

- **Definition of worker:** It defines a 'worker' as any person who work for hire or reward. It excludes persons employed in a managerial or administrative capacity, or in a supervisory capacity with wages exceeding Rs 18,000.
- **Standing Orders:** All industrial establishment with 300 workers or more must prepare standing orders on the matters relating to:
  - classification of workers,
  - manner of informing workers about work hours, holidays, paydays, and wage rates
  - termination of employment, and
  - grievance redressal mechanisms for workers.
- **Prior permission of the government for closure, lay-off and retrenchment:** It is required for an establishment having at least 300 workers to seek prior permission of the government before closure, lay-off, or retrenchment. Central government is **empowered only to allow an increase in the threshold** through notification.
- **Negotiating Union and Council**
  - **Sole Negotiating Union:** If there are more than one registered trade union of workers functioning in an establishment, the trade union having more than 51% of the workers as members would be recognised as the sole negotiating union.
  - **Negotiation Council:** In case no trade union is eligible as sole negotiating union, then a negotiating council will be formed consisting of representatives of unions that have at least 20% of the workers as members.
- **Tribunals for settlement of disputes:** for the settlement of industrial disputes. Each Industrial Tribunal will consist of a Judicial member and an Administrative member.
  - The code **classifies any dispute** in relation to discharge, dismissal, retrenchment, or otherwise termination of the services of an individual worker to be an industrial dispute.
  - **In case of disputes relating to termination of individual worker**, the worker may apply to the Industrial Tribunal for adjudication of the dispute 45 days after the application for the conciliation of the dispute was made.
- **Fixed term employment:** Fixed term employment refers to workers employed for a fixed duration based on a contract signed between the worker and the employer. It may allow employers the flexibility to hire workers, reduce the role of a middleman such as an agency or contractor, and also benefit the worker and help improve the conditions of temporary workers in comparison with contract workers who may not be provided with such benefits.
- **Re-skilling fund:** To re skill those workers who are fired from their jobs. Contributions for the fund will be made from the employer of an industrial establishment amounting to fifteen days wages last drawn by the worker immediately before the retrenchment along with the contribution from such other sources.

**Lay-off** refers to an employer's inability to continue giving employment to a worker in the face of adverse business conditions.

**Retrenchment** refers to the termination of service of a worker for any reason other than disciplinary action.

### Key issues with the code

- **May impact ability of workers to strike & employers to lock out workers:**
  - The code has expanded to cover all industrial establishments for the required notice period and other conditions for a legal strike. A prior notice of 14 days is required before a strike or lock-out and prohibits strikes and lock-outs under certain conditions.
  - **Earlier these provisions were applicable only for public utility services** (railways, airlines, and establishments that provide water, electricity, and telephone service) under the Industrial Disputes Act, 1947. The **rationale for extending the provisions on notice to all establishments is unclear**.
  - The National Commission on Labour (2002) had justified the rationale of treating such industries differently, considering their impact on the lives of a vast majority of people.
- **Violation of the principle of separation of executive and judiciary:**
  - The code gives extensive **power to government to modify or reject tribunal awards through executive action and raises a question of conflict of interest**.



- It states that the awards passed by a Tribunal will be enforceable on the expiry of 30 days. However, the government can defer the enforcement of the award in certain circumstances on public grounds affecting national economy or social justice.
  - The Industrial Disputes Act, 1947 had similar provisions. In 2011, the Madras High Court struck down these provisions on constitutional grounds.
- **Impact on formation of trade unions:** It is unclear as to what will happen in case there are multiple registered trade unions which enjoy this support (of 10% of members) but no union has the required support of at least 20% workers to participate in the negotiating council.
- **Provisions on fixed term employment**
  - Power to renew such contracts lies with the employer. This **may result in job insecurity** for the employee and may deter him from raising issues about unfair work practices, such as extended work hours, or denial of wages or leaves.
  - Does not restrict the type of work in which fixed term workers may be hired. Therefore, they may be hired for roles offered to permanent workmen.
    - 2<sup>nd</sup> National Commission on Labour (2002) had recommended that no worker should be kept continuously as a casual or temporary worker against a permanent job for more than two years.
    - The Standing Committee on Labour also recommended the conditions under which, and areas where fixed term employment may be utilised should be clearly specified.
- **Certain terms not defined in the Code:** it does not define the terms 'manager', 'supervisor', 'contractor' and 'establishment' leaving them open to wider interpretation.

### 3.2.2. CODE ON SOCIAL SECURITY, 2020

The Code replaces nine laws related to social security. These include the Employees' Provident Fund Act, 1952, the Maternity Benefit Act, 1961, and the Unorganised Workers' Social Security Act, 2008 among others.

#### Major provisions of the code

- **Applicability:** The code is **applicable to any establishment** (subject to size-threshold as may be notified by the central government).
- **Social security fund:** The code states that the central government will set up such a fund **for unorganised workers, gig workers and platform workers**. Further, state governments will also set up and administer separate social security funds for unorganised workers.
- **Provisions for registration** of all three categories of workers - unorganised workers, gig workers and platform workers.
- **National Social Security Board:** for the purposes of welfare of above three categories of workers and recommend and monitor schemes for them. The Board will comprise of (i) five representatives of aggregators, nominated by the central government, (ii) five representatives of gig workers and platform workers, nominated by the central government, (iii) Director General of the ESIC, and (iv) five representatives of state governments.
- **Contribution for Schemes:** schemes for gig workers and platform workers may be funded through a combination of contributions from the central government, state governments, and aggregators.
- **Changes in definitions:** These include expanding the definitions of (i) 'employees' to include workers employed through contractors, (ii) "inter-state migrant workers" to include self-employed workers from another state, (iii) "platform worker" to additional categories of services or activities as may be notified by the government, (iv) audio-visual productions to include films, web-based serials, talk shows, reality shows and sports shows
- **Term of eligibility for gratuity for journalists:** The code reduces the gratuity period from five years to three years for working journalists.
- **Offences and penalties:** The code changes the penalties for certain offences. For example, the maximum imprisonment for obstructing an inspector from performing his duty has been reduced from one year to six months.

**Gig workers** refer to workers outside the traditional employer-employee relationship.

**Platform workers** are those who access organisations or individuals through an online platform and provide services or solve specific problems.

- **Additional powers during an epidemic:** The code adds new clauses which may become applicable in the cases of an epidemic. For example, the central government may defer or reduce the employer's or employee's contributions (under PF and ESI) for a period of up to three months in the case of a pandemic, endemic, or national disaster.

#### Key issues with the code

- **No Universal social security:**
  - Benefits, such as **pension and medical insurance, continue to be mandatory only for establishments with a minimum number of employees** (such as 10 or 20 employees). All other categories of workers (i.e., unorganised workers), such as those working in establishments with less than 10 employees and self-employed workers may be covered by discretionary schemes notified by the government. A large number of workers may continue to be excluded.
    - Periodic Labour Force Survey Report (2018-19) indicates that 70% of regular wage/salaried employees in the non-agricultural sector did not have a written contract, and 52% did not have any social security benefit.
  - The code **continues to treat employees within the same establishment differently** based on the amount of wages earned. For instance, provident fund, pension and medical insurance benefits are only mandatory to employees earning above a certain threshold (as may be notified by the government) in eligible establishments.
  - The code **continues to retain the existing fragmented set up for the delivery of social security benefits.** These include: (i) a Central Board of Trustees to administer the EPF, EPS and EDLI Schemes and (ii) an Employees State Insurance Corporation to administer the ESI Scheme.
- **Provisions on gig workers and platform workers are unclear :** The code introduces definitions for different categories of workers, however, **there may be some overlap between their definitions.** For example, a driver working for an app-based taxi aggregator is a gig worker, a platform worker and an unorganised worker at the same time due to his nature of job. With such overlap across definitions, it is unclear how schemes specific to these categories of workers will apply.
  - The Standing Committee on Labour recommended (i) expanding the definition of "unorganised workers" to include gig and platform workers, (ii) making the definition of "gig worker" more specific to avoid misinterpretation but it was not incorporated in the code.
- **Mandatory linking with Aadhaar may violate Supreme Court judgement:** The code mandates an employee or a worker (including an unorganised worker) to provide his Aadhaar number to receive social security benefits or to even avail services from a career centre. This may violate the Supreme Court's Puttaswamy judgement.
  - In its judgement, the Court had ruled that the Aadhaar card/number may only be made mandatory for expenditure on a subsidy, benefit or service incurred from the Consolidated Fund of India.

The National Commission on Labour (2002) (NCL) had emphasised the need for universal and comprehensive social security coverage to avoid deprivation of basic needs of workers

The Standing Committee on Labour (2020) had also made following recommendations in this regard that includes: (i) expanding the definition of "establishment" to include agricultural and own account enterprises, (ii) expanding definitions of "employees" to include Asha and Anganwadi workers, and "unorganised workers" to include agricultural workers and (iii) creating a separate fund for inter-state migrant workers.

### 3.2.3. CODE ON OCCUPATIONAL SAFETY, HEALTH AND WORKING CONDITIONS, 2020

It consolidates 13 existing acts regulating health, safety and working conditions. These include the Factories Act, 1948, the Mines Act, 1952, and the Contract Labour (Regulation and Abolition) Act, 1970.

#### Major provisions under the code:

- **Threshold for coverage of establishments**
  - **Factory:** It defines a factory as any premises where manufacturing process is carried out and it employs more than: (i) 20 workers, if the process is carried out using power, or (ii) 40 workers, if it is carried out without using power.

- **Establishments engaged in hazardous activity:** It includes all establishments where any hazardous activity is carried out **regardless of the number of workers.**
- **Contract workers:** Code will apply to establishments or contractors (including the offices of the central and state governments) employing 50 or more workers (on any day in the last one year) and prohibits contract labour in core activities (to be determined by the appropriate government). It also defines a list of non-core activities comprising 11 works including: (i) sanitation workers, (ii) security services, and (iii) any activity of intermittent nature.
- **Work hours and employment conditions**
  - **Daily work hour limit:** fixes the maximum limit at eight hours per day.
  - **Employment of women:** women will be **entitled to be employed in all establishments for all types of work.** In case they are required to work in hazardous or dangerous operations, the **government may require the employer to provide adequate safeguards** prior to their employment.
- **Exemption:** The code **empowers the state government to exempt any new factory** from the provisions of the Code in order to create more economic activity and employment.
- **Inter-state migrant workers**
  - **Definition of inter-state migrant worker:** any person who moves on his own to another state and obtains employment there and is earning a maximum of Rs 18,000 per month, or such higher amount which the central government may notify.
  - **Benefits for inter-state migrant workers:** include: (i) option to avail the benefits of the public distribution system either in the native state or the state of employment, (ii) availability of benefits under the building and other construction cess fund in the state of employment, and (iii) insurance and provident fund benefits available to other workers in the same establishment.
  - **The code removed the provision for Displacement allowance which was there in the 2019 bill** to pay a displacement allowance to inter-state migrant workers at the time of their recruitment, which was equivalent to 50% of the monthly wages.
  - **Database for inter-state migrant workers:** the central and state governments to maintain or record the details of inter-state migrant workers in a portal and the migrant worker can register himself on the portal on the basis of self-declaration and Aadhaar.
  - **Social Security Fund for the welfare of unorganised workers:** The amount collected from certain penalties under the Code will be credited to the Fund. The government may prescribe other sources as well for transferring money to the Fund.

#### Key Issues with the code:

- **Rationale for some special provisions unclear**
  - It contains general provisions which apply to all establishments. These include provisions on registration, filing of returns, and duties of employers. However, it also includes additional provisions that apply to specific type of workers such as those in factories and mines, or as audio-visual workers, journalists, sales promotion employees, contract labour and construction workers.
  - While special provisions for hazard-prone establishments such as factories and mines and categories of vulnerable workers such as contract labour seems justified, the **rationale for mandating special provisions for other workers is not clear.**
- **Civil Court barred from hearing matters under the Code**
  - Under the existing 13 health and safety laws, claims which affect the rights of workers such as wages, work hours, and leave, are heard by labour courts and industrial tribunals.
  - However, the code bars the jurisdiction of civil courts. The only recourse available would be to directly file a writ petition before the relevant High Court. It can be argued that the bar on civil courts may deny aggrieved persons an opportunity to challenge certain issues before a lower court.

*To know more on Labour Laws such as Role of labour laws in an economy, Evolution of labour laws in India and what can be the way forward to improve the labour law scenario in India, refer to our Weekly Focus document – “Reform and Codification of India’s Labour Laws”.*

### 3.3. AMENDMENTS TO PUBLIC PROCUREMENT ORDER, 2017

#### Why in news?

Recently, **Public Procurement (Preference to Make in India) Order, 2017** was amended to give more preference to local suppliers.

#### Key highlights of the amended order

- Enables nodal Ministries/ Departments to **notify higher minimum 'local content' requirement** for Class-I & Class-II local suppliers.
  - Earlier, Class-I local suppliers were defined as those having local content equal to or more than 50%, Class-II suppliers as having local content between 20 and 50%.
  - **Local content is defined** as the total value of the item procured less the value of imported content in the item as a proportion of the total value.
- Specifying **foreign certifications/ unreasonable technical specifications/ brands/ models** in the bid document is considered restrictive and discriminatory practice against local suppliers.
  - Foreign certification shall be stipulated **only with the approval** of Secretary of the Department concerned.
- Entities of **countries which do not allow Indian companies to participate in their government procurement for any item, shall not be allowed to participate** in government procurement in India for all items related to that nodal ministry or department, **except** for the list of items published by the ministry or department permitting their participation.
- All administrative Ministries/ Departments whose procurement exceeds Rs. 1000 Crore per annum shall **notify their procurement projections for the next 5 years** on their respective website.
- An **upper threshold value of procurement beyond which foreign companies shall enter** into a joint venture with an Indian company to participate in government tenders shall be notified.

#### About Public Procurement (Preference to Make in India), Order 2017

- It was issued under **General Financial Rules 2017** to promote domestic value addition in public procurement.
- Under this, as revised in June 2020, only Class-I and Class-II local suppliers are eligible to bid in procurement of all goods, services or works, and with estimated value of **purchases less than Rs. 200 crores.**

Global tender enquiry can be issued with the approval of the competent authority for purchases less than Rs. 200 crores.

- Global tender enquiry can be issued with the approval of the competent authority for purchases less than Rs. 200 crores.
- It is applicable on **procurement of goods, services and works (including turnkey works)** by a Central Ministry, Department, attached, subordinate offices, autonomous bodies controlled by the Government of India, Government companies, their Joint Ventures and Special Purpose Vehicles.
- For the verification of the local content, **self-certification would be necessary.** Nodal Ministries may also constitute committees with internal and external members for independent verifications of the self-declarations.

#### Other measures for promotion of local supplies in public procurement

- **Public Procurement Policy for Micro and Small Enterprises (MSEs) Order, 2018.**
  - It was notified under **Micro, Small and Medium Enterprises Development Act, 2006.**
  - **Under this**, every Central Ministry /Department / PSUs shall set an annual target for 25% procurement from MSE Sector.
  - A **sub-target of 4% and 3%** out of 25% is earmarked MSEs owned by **SC/ST and Women entrepreneurs** respectively.
  - 358 items are also reserved for **exclusive purchase from MSE sector.**
- **Government eMarketplace (GeM).**
  - GeM was launched in 2016 as an **end-to-end e-portal for procuring** common-use goods and services by Central and State Government Departments, PSUs, autonomous institutions and local bodies.
  - It aims to **bring in transparency, promote ease of doing business**, simplify the process of procurement.
  - The purchases through GeM by Government users have been **made mandatory** by Ministry of Finance.
- **Defence Acquisition Procedure (DPP) 2020**
  - It proposes **increasing the Indigenous Content (IC)** stipulated in various categories of procurement by about 10% to support the 'Make in India' initiative.
  - It also proposes, **New Category Buy (Global – Manufacture in India)** with minimum 50% IC on cost basis of total contract value.



- A committee in **Department for Promotion of Industry and Internal Trade** will oversee the implementation of this order.

#### Issues faced by local suppliers

- Some departments and PSUs **impose mandatory eligibility clauses**, such as a minimum turnover limit and the number of purchase orders previously executed for the procurement of materials.
- The **time, cost and effort required for the tendering process, inadequate opportunities for buyer-seller interactions**, inadequate information, complex vendor registration processes acts as obstacles to domestic suppliers.
- Many MSMEs complain that several **traders have become vendors through GeM platform**, which is hurting the interests of genuine MSEs.

#### Suggestions

Public procurement from MSE has been growing 3-4% year-on-year. From 23.11% in 2017-18, the procurement went up to 30.95% in 2019-20. Some suggestions to further improve this are:

- There needs to be a **digitised, easily-accessible central database of MSE vendors** across the country. Authorities must also **relax the qualification criteria of MSMEs** vis-a-vis their large corporate counterparts to level the playing field.
- The major procuring ministries must undertake measures for training MSE vendors as well as PSUs and their procurement officers to inculcate greater knowledge of the sector and markets amongst them to encourage better cooperation and efficiency.
- **Semi-independent testing labs** should be established in every state to ensure fair and quick testing of the products.
- A **feedback and grievance redressal portal**, as well as an on-ground team, shall be set up.

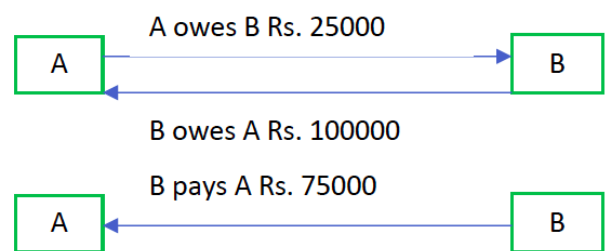
### 3.4. BILATERAL NETTING

#### Why in news?

Recently **Bilateral Netting of Qualified Financial Contracts Act, 2020** was enacted with an aim to ensure financial stability and promote competitiveness in Indian financial markets.

#### About Bilateral Netting

- A bilateral netting agreement enables **two counterparties in a financial contract to offset claims against each other** to determine a single net payment obligation due from one counterparty to the other.
  - **Netting** refers to offsetting of all claims arising from dealings between two parties, to determine a net amount payable or receivable from one party to other. (see infographic)
- Similarly, a **multilateral netting agreement allows counterparties** to offset claims against each other through a Central Counterparty (CCP) in a clearing house under the Payment and Settlement Systems (Amendment) Act (2015).
- Earlier, **Indian financial contract laws did not permit bilateral netting**, however, they did allow multi-lateral netting.
- In India, **Bilateral contracts constitute 40%** of total financial contracts, while multilateral contracts constitute 60%.



#### Important terms

- **Derivatives:** They are defined as the type of security in which the price of the security depends/is derived from the price of the underlying asset. The common types of derivatives include Options, Futures, Forwards, Warrants and Swaps.
- **Over the Counter (OTC) derivatives:** They are contracts traded between two parties (bilateral negotiation) without going through an exchange or any other intermediaries.
- **Qualified financial contracts (QFC):** QFC means any bilateral contract notified as a QFC between two qualified financial market participants where at least one party is an entity regulated by the relevant authority.

- **Netting is very common in advanced economies** where the settlement is based on net positions in bilateral or multilateral financial arrangements rather than by gross positions.
  - At present, major jurisdictions such as the **U.S., U.K., Australia, Canada, Japan, France, Germany, Singapore and Malaysia** have legal provisions in place for netting agreements.
  - Global regulatory bodies such as the **Financial Stability Board (FSB) and the Basel Committee on Banking Supervision** have supported the use of such netting.

#### About Bilateral Netting of Qualified Financial Contracts Act, 2020

- It seeks to provide a **legal framework for bilateral netting of qualified financial contracts (QFC)** which are over the counter derivatives (OTC) contracts.
- **Act seeks to provide**
  - **designation of any bilateral agreement** or contract or transaction, or type of contract, as qualified financial contract by the **Central Government or any of the regulatory authorities** namely:
    - Reserve Bank of India (RBI),
    - Securities and Exchange Board of India (SEBI),
    - Insurance Regulatory and Development Authority of India (IRDAI),
    - Pension Fund Regulatory and Development Authority (PFRDA)
    - International Financial Services Centres Authority (IFSCA).
  - **determination of the net amount payable** under the close-out netting in accordance with the terms of the netting agreement.
  - **imposing of certain limitations** on powers of administration practitioner.

#### Significance of this move

- **Reduce credit risk and regulatory capital burden** for banks, freeing up capital for other productive uses and also reduce systemic risk during defaults.
  - Without bilateral netting, Indian banks have had to set aside higher capital against their trades in the over-the-counter (OTC) market, which impacts their ability to participate in the market.
  - The capital saving would enable banks to provide price efficiency in offering hedging instruments to businesses in India, and catalyse the corporate bond market through developing the credit default swap (CDS) market.
- **Reduce hedging costs and liquidity needs** for banks, primary dealers and other market-makers, thereby encouraging participation in the OTC derivatives market to hedge against risk.
  - Increased market participation in the CDS market would also provide an impetus for corporate bond market development.
- **Establish an efficient recovery mechanism** for financial contracts under instances of default by a counterparty.
- **Adhere to India's G20 and FSB commitment** to implement global regulatory reforms in the OTC derivatives market.
  - A strong netting system generally gives rise to a thriving derivatives market, as it provides the most accurate picture of a company's financial position, solvency and liquidity risk.

### 3.5. COMPANIES (AMENDMENT) ACT, 2020

#### Why in News?

Recently, Companies (Amendment) Act, 2020 was.

#### Background

- The Companies (Amendment) Act, 2020 has been based on the Company Law Committee (CLC) which was set up under the **Chairmanship of Shri Injeti Srinivas** in September, 2019.
- The CLC was constituted with a view to **decriminalize offences and provide ease of doing business as part of the government Covid-19 relief package** to the corporates and other stakeholders.

#### About Companies Act 2013

- This law regulates **incorporation of a company, responsibilities of a company, directors**, dissolution of a company.
- It also introduced mandatory **Corporate social responsibility (CSR) contributions** for large companies.
- National Financial Reporting Authority (NFRA) and National Company Law Tribunal (NCLT) is established under this act.

## Key amendments made

- **Decriminalising offenses:** Amendment removes the penalty, imprisonment for 9 offenses which relate to non-compliance with orders of the national company law tribunal (NCLT), and reduces the amount of fine payable in certain cases.
  - However, there will be **no relaxation for serious offences, including fraud** and those that cause "injury to public interest or deceit"
  - Also under the Act, one-person companies or small companies are only liable to pay up to 50% of the penalty for certain offences.
    - Amendment extends this provision to all producer companies and start-up companies.
- **Exclusion from listed companies:** Amendment empowers the Centre in consultation with the SEBI, to exclude companies issuing specified classes of securities from the definition of a "listed company".
- **Producer companies:** Under the 2013 Act, certain provisions from the Companies Act, 1956 continue to apply to producer companies. These include provisions on their membership, conduct of meetings, and maintenance of accounts.
  - Amendment removes these provisions and adds a new chapter in the Act with similar provisions on producer companies which will particularly benefit to Farmers Producer companies.
  - Producer companies include companies which are engaged in the production, marketing and sale of agricultural produce, and sale of produce from cottage industries.
- **Corporate Social Responsibility (CSR):** Under 2013 Act, companies with net worth, turnover or profits above a specified amount are required to constitute CSR Committees and spend 2% of their average net profits in the last three financial years, towards its CSR policy.
  - Now, Amendment exempts companies with a CSR liability of up to Rs 50 lakh a year from setting up CSR Committees. Also, eligible companies under CSR provision will be allowed to set off any amount spent in excess of their CSR spending obligation in a particular financial year towards such obligation in subsequent financial years.
- **Benches of NCLAT:** Amendment seeks to establish benches of the National Company Law Appellate Tribunal in New Delhi.
- **Remuneration to non-executive directors:** Amendment extends special provisions for payment of remuneration to non-executive directors, including independent directors if the company has inadequate or no profits in a year.

### Related News

#### Insolvency and Bankruptcy Code (Second Amendment) Act, 2020

- Recently **Insolvency and Bankruptcy Code (Second Amendment) Act, 2020** was also enacted as a step to improve ease of doing business.
- It **amends the Insolvency and Bankruptcy Code, 2016** which provides a time bound process for resolving insolvency in companies and also among individuals.
- The legislation seeks to **temporarily suspend initiation of the corporate insolvency resolution process (CIRP)** under the Code.
  - It provides that for defaults arising during the six months from 25th of March this year, CIRP can never be initiated by either the company or its creditors.
  - Central government may extend this period to one year through notification.
  - **Insolvency** is a situation where individuals or companies are unable to repay their outstanding debt.
- It **replaces the Insolvency and Bankruptcy Code (Amendment) Ordinance, 2020** promulgated in June this year.
- Amendments were brought due to the Covid-19 situation to **give the immunity to the business from insolvency proceedings in this critical situation.**

#### Factoring Regulation (Amendment) Bill, 2020

- Recently, The Factoring Regulation (Amendment) Bill, 2020 was passed in Lok Sabha.
- Bill seeks to **amend the Factoring Regulation Act, 2011** to widen the scope of entities which can engage in factoring business.
- Bill seeks to help micro, small and medium enterprises by providing **additional avenues for getting credit facility**, especially through Trade Receivables Discounting System.
- 2011 Act was enacted to **provide for regulating the assignment of receivables to factors, registration of factors carrying on factoring business** and the rights and obligations of parties to the contract for assignment of receivables.
  - **Factoring business** is a business where an entity (referred as factor) acquires the receivables of another entity (referred as assignor) for an amount.

- **Receivables** is the total amount that is owed or yet to be paid by the customers (referred as the debtors) to the assignor for the use of any goods, services or facility.
- **Factor** can be a bank, a registered non-banking financial company or any company registered under the Companies Act.

### 3.6. BUSINESS REFORM ACTION PLAN- EASE OF DOING BUSINESS RANKING

#### Why in News?

Recently, Department of Industrial Promotion and Internal Trade (DPIIT) in collaboration with World Bank, released 4<sup>th</sup> edition of Business Reform Action Plan (BRAP) ranking of states.

#### About BRAP

- DPIIT has developed **BRAP for State Reforms since 2015** and circulated it with States/UTs for implementation. It is designed keeping in mind 2 factors viz. Measurability and Comparability across States.
- Under BRAP, **DPIIT provides a set of recommendations meant to reduce the time and effort spent by businesses on compliance with regulation.**
  - It also recommends all states have a **single-window system** that provides all necessary information on permits and licenses required for starting a business.
  - DPIIT recommends that the **duration of licenses be extended or that they be renewed automatically** based on self-certification or third-party verification.
  - A state is also rewarded if a **set of regulations (like labour or environment laws) are not applicable to it.**
- BRAP aims to achieve the larger **objective of attracting investments and increasing Ease of Doing Business (EoDB) in each State** by introducing an element of healthy competition through a system of ranking.
  - State rankings will help **attract investments, foster healthy competition** and increase EODB in each State

#### BRAP Report 2018-19

- **It includes 180 reform points covering 12 business regulatory areas** such as Access to Information, Single Window System, Labour, Environment, etc.
  - For the first time since its inception in 2015, the **BRAP rankings relied entirely on the feedback it received from the businesses** for whom these reforms were intended.
- States are required to submit proof of implementing each reform on the DPIIT's EoDB portal and submit a list of users of these reforms.
- **Ranking categorises states as:** Top Achievers (Above 95% compliance); Achievers (90 - 95%); Fast Movers (80 - 90%); Aspirers (Below 80%).
  - Uttar Pradesh from North India, Andhra Pradesh from South India, West Bengal from East India, Madhya Pradesh from West India and Assam from North East India topped the ranking. Among Union Territories, Delhi bagged top spot.

**TABLE 1: EASE OF DOING BUSINESS RANKS, TOP 10 IN 2019**

State	2015	2016	2017	2019
Andhra Pradesh	2	1	1	1
Uttar Pradesh	10	14	12	2
Telangana	13	1	2	3
Madhya Pradesh	5	5	7	4
Jharkhand	3	7	4	5
Chhattisgarh	4	4	6	6
Himachal	17	17	16	7
Rajasthan	6	8	9	8
West Bengal	11	15	10	9
Gujarat	1	3	5	10

Source: DPIIT

**TABLE 2: REFORMS, APPLICABLE/IMPLEMENTED**

State	Applicable	Implemented
Andhra Pradesh	187	187
Uttar Pradesh	186	184
Telangana	186	184
Madhya Pradesh	187	187
Jharkhand	187	186
Chhattisgarh	187	186
Himachal	185	175
Rajasthan	186	183
West Bengal	187	187
Gujarat	187	187

Source: DPIIT

**TABLE 3: SHARE (%) IN NEW INVESTMENTS ANNOUNCED**

State	2017-18	2018-19
Andhra Pradesh	6.56	16.29
Haryana	3.37	15.74
Tamil Nadu	4.01	9.32
Gujarat	6.76	7.74
Maharashtra	18.09	6.32
Karnataka	3.32	6.08
Rajasthan	2.01	3.04
Madhya Pradesh	2.87	2.73
Odisha	8.25	2.43
NCT Delhi	1.38	1.75

Source: CMIE



## 3.7. RESTRUCTURING OF LOANS

### Why in News?

Recently, Reserve Bank of India (RBI) appointed K V Kamath committee submitted its report on resolution framework for bank loans which were stressed on account of the COVID-19 pandemic.

### More about News

- Earlier, RBI announced “**Resolution Framework for COVID-19 related Stress**” as a **one-time restructuring scheme for lenders**.
- It will allow lenders to change repayment terms for their borrowers. Lenders will be able to consider **borrower’s account as standard** and will not have to tag them as defaulters or their account as a non-performing loan.
  - The **accounts** turn non-performing assets (NPAs) after 90 days of overdue in making payments. **The accounts are classified as standard before this 90-day period.**
- Kamath committee **was set up to make recommendations on the required financial parameters to be factored in the resolution plans**, along with sector specific benchmark ranges for such parameters.

### About Loan restructuring

- It is a process **used by companies and individuals facing financial distress or on the brink of insolvency** to lower and renegotiate their debts and restore liquidity so that companies can continue their business.
- Basically, loans are restructured to avoid the risk of default on existing debt. **The restructuring enables borrowers to** reschedule their loan payment, get a limited loan repayment holiday, or lower interest rates on their existing loans.

### Key Findings/Suggestions made by the Committee

- It recognizes that COVID-19 pandemic has affected the best of companies, these businesses were otherwise viable under pre-COVID-19 scenario, its impact is pervasive across several sectors but with varying severity – mild, moderate and severe.
  - A segmented approach of **bucketing these accounts under mild, moderate and severe stress, may ensure quick turnaround.**
- **About 70% of banking sector loans have been impacted** due to the COVID-19 pandemic, adding that about 45% were stressed even before the pandemic, and only 30% is impacted due to COVID-19 and the consequent lockdown.
- The Committee identified financial ratios related to solvency, liquidity, and coverage for assessment of resolution plans.
  - **Solvency ratios** (such as total debt to earnings before interest, depreciation and tax ratio) denote the ability of a company to meet long-term financial obligations.
  - **Liquidity ratio** or current ratio denotes the ability to meet short-term obligations.
  - **Coverage ratio** (such as debt service coverage ratio) denotes the extent to which cash flow can cover debt payments (in a given time period).
- Based on the outstanding and the severity impact, the **Committee selected 26 sectors including power, construction, NBFCs and real estate**, for the purpose of recommending financial parameters to be factored in the Resolution plan.

## 3.8. REVISED PRIORITY SECTOR LENDING (PSL) GUIDELINES

### Why in news?

The Reserve Bank of India (RBI) revised priority sector lending (PSL) guidelines to include entrepreneurship and renewable resources, in line with emerging national priorities.

### What is Priority Sector Lending (PSL) and how it works?

The concept of ‘Priority sector lending’ focuses on the **idea of increasing the lending of the banks towards few specified sectors** and activities in the economy. The banks are mandated to encourage the growth of such sectors with adequate and timely credit.

Following are the key features of PSL methodology:

- **The rate of interest on bank loans** is as per directives issued by the Department of Banking Regulation of RBI, from time to time. **Priority sector guidelines do not lay down any preferential rate** of interest for priority sector loans.
- The provisions of PSL apply to every **Commercial Bank** [including **Regional Rural Bank (RRB), Small Finance Bank (SFB), Local Area Bank**] and **Primary (Urban) Co-operative Bank (UCB)** other than Salary Earners' Bank licensed to operate in India by the Reserve Bank of India.
  - **All scheduled commercial banks and foreign banks** (with a sizable presence in India) are mandated to set aside **40% of their Adjusted Net Bank Credit (ANDC)** for lending to these sectors.
  - **Regional rural banks, co-operative banks and small finance banks** have to **allocate 75% of ANDC to PSL**.
    - ✓ Total PSL target for urban cooperative banks will also be increased from present 40% of their adjusted net bank credit (ANBC) to 75% by 31 March 2024.
- To ensure continuous flow of credit to priority sector, the **compliance of banks is monitored on 'quarterly' basis**.
- Shortfall on PSL targets:
  - Banks having any shortfall in lending to priority sector are allocated amounts for **contribution to the Rural Infrastructure Development Fund (RIDF)** established with NABARD and other funds with NABARD/NHB/SIDBI/ MUDRA Ltd., as decided by the Reserve Bank from time to time.
  - Non-achievement of priority sector targets and sub-targets is also taken into account while granting **regulatory clearances/approvals** for various purposes.

**Priority Sector includes the following categories:**

- (i) Agriculture
- (ii) Micro, Small and Medium Enterprises
- (iii) Export Credit
- (iv) Education
- (v) Housing
- (vi) Social Infrastructure
- (vii) Renewable Energy
- (viii) Others

#### **Priority Sector Lending Certificates (PLSCs)**

- Under the **PSLC mechanism**, the **seller sells fulfilment of priority sector obligation** and the buyer buys the obligation with no transfer of risk or loan assets.
- This **enables banks to achieve the priority sector lending target and sub-targets** by purchase of these instruments in the event of shortfall.
- This also **incentivizes surplus banks** as it allows them to sell their excess achievement over targets thereby enhancing lending to the categories under priority sector.

#### **What has been changed in the revised PSL guidelines?**

For this review, RBI considered the recommendations made by the **UK Sinha-led expert committee on Micro, Small and Medium Enterprises** and the **MK Jain led Internal Working Group to Review Agriculture Credit** apart from discussions with all stakeholders. Some of the salient features of revised PSL guidelines are:

- **Fresh categories included** in the PSL category:
  - bank finance of up to ₹50 crore to **start-ups**.
  - **loans to farmers both for installation of solar power plants** for solarisation of grid-connected agriculture pumps.
  - for **setting up compressed biogas (CBG) plants**.
- **Higher weightage** has been assigned to incremental priority sector credit in 'identified districts' where **priority sector credit flow is comparatively low**.
  - Accordingly, from FY 2021-22, a higher weight (125%) would be assigned to the incremental priority sector credit in the identified districts where the credit flow is comparatively lower and a lower weight (90%) would be assigned for incremental priority sector credit in the identified districts where the credit flow is comparatively higher.
- **The targets prescribed for 'small and marginal farmers' and 'weaker sections' are being increased** in a phased manner.
- **Higher credit limit** has been specified for **farmer producer organisations (FPOs)/farmers producers companies (FPCs)** undertaking farming with assured marketing of their produce at a pre-determined price.
- **Loan limits for renewable energy** have been **doubled**.
- For improvement of health infrastructure, **credit limit for health infrastructure** (including those under 'Ayushman Bharat') has been **doubled**.

### What are potential benefits from this revision?

- **Provide support to farmers:** Provisions like support for installation of solar power plants and support to small and marginal farmers **provide the requisite financial support farmers**, thus encouraging the agricultural sector.
  - Also, higher credit limit to FPOs/FPCs would encourage development of such institutions.
- **Address regional disparities:** New guidelines have the **potential to address the regional disparities** in the flow of priority sector credit via the new **'identified districts' methodology**.
- **Create environmentally friendly lending policies:** Encouragement to sectors like renewable energy and development of Biogas Plants also aim to encourage and support environment friendly lending policies to help achieve Sustainable Development Goals (SDGs).
- **Health Infrastructure:** The revision in PSL guidelines will incentivise credit flow towards health infrastructure thus providing increased financial space to developing agencies in COVID and post-COVID financial scenario.

## 3.9. BANKING REGULATION (AMENDMENT) BILL, 2020

### Why in News?

Recently, parliament passed the Banking Regulation (Amendment) Bill 2020 that seeks to **protect depositors of cooperative banks and empower the Reserve Bank of India (RBI) to regulate banking activities** of cooperative societies.

### More in News

- Bill comes in the **backdrop of the Punjab & Maharashtra Co-operative Bank Scam and seeks to strengthen cooperative banks** by increasing their professionalism, enabling access to capital, improving governance and ensuring sound banking through the RBI.
  - As of March 2019, as many as 277 Urban cooperative banks are reporting losses; 105 UCBs are unable to meet minimum regulatory capital requirements; 47 are having negative net worth and 328 UCB having more than 15% Gross NPA ratio.
- **Bill will replace the Banking Regulation (Amendment) Ordinance, 2020.**
  - In June, the union cabinet approved the ordinance to bring 1,482 urban and 58 multi-state cooperative banks under the supervision of the RBI.
  - The Ordinance sought to amend the Banking Regulation Act, 1949 (Act), which regulates the functioning of banks and provides details on various aspects such as licensing, management, and operations of banks.

### Key Feature of the bill

- **Issuance of shares and securities by cooperative banks:** Cooperative bank may issue equity shares, preference shares, or special shares on face value or at a premium to its members or to any other person residing within its area of operation. Further, it may issue unsecured debentures or bonds or similar securities with maturity of ten or more years to such persons.
  - Such issuance will be subject to the prior approval of the Reserve Bank of India (RBI), and any other conditions as may be specified by RBI.
- **Power to exempt cooperative banks:** RBI may exempt a cooperative bank or a class of cooperative banks from certain provisions of the Act through notification. These provisions are related to employment, the qualification of the board of directors and, the appointment of a chairman.
- **Supersession of Board of Directors:** RBI may supersede the Board of Directors of a multi-state cooperative bank for up to five years under certain conditions. These conditions include cases where it is in the public interest for RBI to supersede the Board, and to protect depositors.
  - In case of a co-operative bank registered with the Registrar of Co-operative Societies of a state, the RBI will supersede the Board of Directors after consultation with the concerned state government, and within such period as specified by it.
- **Bill allows the central bank to initiate a scheme for reconstruction or amalgamation** of a bank without placing it under moratorium.
  - If the central bank imposes moratorium on a bank, the lender cannot grant any loans or make investments in any credit instruments during the moratorium tenure.

- **Exclusions:** The Act does not apply to certain cooperative societies. These are:
  - primary agricultural credit societies (PACS),
  - cooperative land mortgage banks, and
  - any other cooperative societies (except those specified in the Act).

#### Significance of the bill

- **Address management issue:** By bringing co-operative banks under the regulatory framework of RBI, it will address issues concerning poor management of cooperatives.
- **Increase capital Base:** The provision to allow cooperative banks to raise capital through securities will help increase capital base for cooperative banks.
- **Boost public confidence in cooperatives:** By allowing RBI to prepare a reconstruction scheme without having to first make an order of moratorium on barring deposit withdrawals would reduce disruption in the financial system and increase confidence in the banking system among the public.
  - At present, when the RBI finds something wrong in a bank, it has to impose a moratorium and appoint an administrator.

#### Challenges that still persist for UCBs

- **Small rural cooperative bank:** Bill excludes Small rural cooperative bank, though the problem of misgovernance and frauds are more in smaller co-operative banks since these entities are largely run by local politicians. Often, these banks don't follow processes and engage in dubious transactions.
- **Dual regulation:** In the past, the biggest issue faced by the co-operative banking sector was the issue of dual regulation. Bill only strengthen supervisory power of RBI, but doesn't address the issue of dual regulation holistically.
- **Structural issues:** Most UCBs are single branch banks and have the problem of correlated asset risk. This means the entire bank can come down if there is a local problem of significant scale.
- **Operational issues:** UCBs face stiff competition from other financial institutions such as small finance banks, payment banks, NBFCs and so on. As a result, they offer unreasonably high interest rates to depositors.
- **Poor Salary & Wage Structure:** Highly professional staff is not eager to work in the UCBs due to their poor Wage Structure. This blocks the development of professional attitude and approach among them.
- **Debt Waiver Schemes:** Because of the various Debt Waiver & Relief Schemes by Central & State Governments, UCBs continue to face recovery problems, in the belief that fresh package/incentive would be provided to them, which ultimately increases its NPA.

#### Way Forward

- **Budgetary Support:** Government can provide budgetary support for weak and sick UCBs.
- **Salary of Staff:** The Government can fix Salary & Wages of Urban Banks staff at par with State Government salaries. This will boost the morale and efficiency of the working staff and they will give better service to the banks' customers.

#### About Cooperative Banks

- Co-operative banks are **financial entities established on a co-operative basis** and belonging to their members. This means that the customers of a co-operative bank are also its owners.
- Broadly, co-operative banks in India are **divided into two categories - urban and rural.**
  - **Rural cooperative credit institutions could either be short-term or long-term in nature.**
    - **short-term cooperative credit institutions are further sub-divided** into State Co-operative Banks, District Central Co-operative Banks, Primary Agricultural Credit Societies.
    - **Long-term institutions are** either State Cooperative Agriculture and Rural Development Banks (SCARDBs) or Primary Cooperative Agriculture and Rural Development Banks (PCARDBs).
  - **Urban Co-operative Banks (UCBs) are either scheduled or non-scheduled.** Scheduled and non-scheduled UCBs are again of two kinds- multi-state and those operating in single state.
- Urban Cooperative Banks (UCBs) are **registered as cooperative societies** under the provisions of, either the **State Cooperative Societies Act of the State concerned or the Multi State Cooperative Societies Act, 2002.**
- **Regulation of UCBs is split between RBI and centre/state-governments**, while that of smaller co-operative banks is divided between National Bank for Agriculture and Rural Development (NABARD) and state governments.
- **Registration and management related activities are governed by the Registrar of Cooperative Societies (RCS)** in case of UCBs operating in single State and Central RCS (CRCS) in case of multi-State UCBs.



- **Single Regulator:** single control of RBI would bring qualitative improvement in the working of UCBs.
- **Exchange of Information & Experience:** There is need for an exchange of information and experience between the various UCBs working in the area, and the promotion and creation of co-operative and banking related projects in a co-ordinated manner.
- **Separate Laws for UCBs:** The Government should frame separate laws for UCBs which will help them to recover loans and advances from the borrowers without any scope for wilful defaulters.

### 3.10. INNOVATION ECOSYSTEM: WHAT, WHY AND HOW?

#### Why in News?

Recently, India's rank improved in the **Global Innovation Index (GII)** by four places to 48<sup>th</sup> place in 2020 from 52<sup>nd</sup> position last year.

#### About GI

- It has been **developed by the World Intellectual Property Organization (WIPO)** together with top business universities like Cornell University, INSEAD etc.
- It measures the **innovative capacity and outputs** of 131 economies, using **80 indicators** ranging from standard measurements such as research and development investments and patent and trademark filings, to mobile-phone app creation and high-tech net exports.

#### Key Findings of the document

- **COVID-19 crisis will impact innovation**, leaders need to act as they move from containment to recovery.
  - The **pharmaceuticals and biotechnology** sector are likely to **experience R&D growth**. Other key sectors, such as transport, will have to adapt faster as the quest for clean energy is receiving renewed interest.
- The financial system is sound so far but **money to fund innovative ventures is drying up**. Venture Capital deals are in sharp decline across North America, Asia, and Europe.
- **Geography of innovation is continuing to shift**, as evidenced by the GI rankings. Over the years, **China, Vietnam, India, and the Philippines are the economies with the most significant progress** in their GI innovation ranking over time. All four are now in the top 50.
- Despite some innovation catch-up, **regional divides exist with respect to national innovation performance:** Northern America and Europe lead, followed by South East Asia, East Asia and Oceania, and more distantly by Northern Africa and Western Asia, Latin America and the Caribbean, Central and Southern Asia, and Sub-Saharan Africa, respectively.
- For the first time, the **GII 2020 presents the top 100 clusters ranked by their S&T intensity**—that is, the sum of their patent and scientific publication shares divided by population.
  - **The top 100 clusters are located in 26 economies**, of which 6— Brazil, China, India, Iran, Turkey, and the Russian Federation— are in middle-income economies. The U.S. continues to host the largest number of clusters (25), followed by China (17), Germany (10), and Japan (5).

#### What is an Innovation Ecosystem?

- An innovation ecosystem refers to a loosely **interconnected network of companies and other entities** that co-evolve capabilities **around a shared set of technologies, knowledge, or skills**, and work cooperatively and competitively to develop new products and services.
  - It is **made up of different actors, relationships and resources** who all play a role in taking a great idea to transformative impact at scale.
  - The effectiveness of **each part is moderated by other parts of the system** (e.g. entrepreneurs depend on being able to access financing).
  - **A change to one part leads to changes in other parts** of the innovation ecosystem (e.g. an increase in internet connectivity will accelerate the design and testing of new technologies).
- **The three defining characteristics of an innovation ecosystem** are the dependencies established among the members, a common set of goals and objectives and a shared set of knowledge and skills.

#### Why innovation ecosystems are important?

- Innovation ecosystems create an **active flow of information and resources for ideas to transform into reality**. It can develop and launch solutions to solve real-world problems, faster.

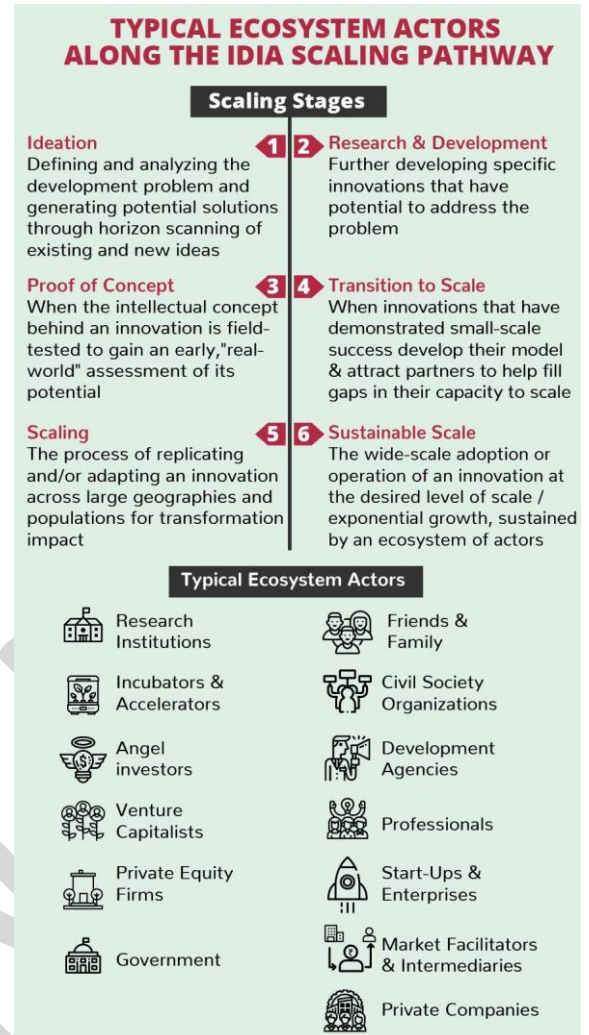
- Technological innovation is considered as a **major source of economic growth**. It increases productivity and generate greater output with the same input.
- Countries depend on innovation as new digital technologies and innovative solutions create huge **opportunities to fight sickness, poverty and hunger**.
- An effective innovation ecosystem enables entrepreneurs, companies, universities, research organisations, investors and government agencies to interact effectively to **maximise the economic impact and potential of their research and innovation**.
- Innovation is a **key driver for sustenance and prosperity** of start-ups, conglomerates, governments by helping them improve their service delivery and performance.

### What are the challenges faced by innovation ecosystems in India?

- Indian innovations are **invariably incremental and not disruptive**- They are often 'first to India' and not 'first to the world'.
- **Lack of Scalability**- to create **competitive marketable products** with speed, scale and sustainability.
- **Slower progress** - Even though India is within touching distance of breaking into the top-50 innovator countries in the world, it is still quite far from a China, which filed, for instance, 53,345 patent applications with the WIPO in 2018 versus India's 2,013.
- **Weak university research**: India is an odd juxtaposition of stellar successes like the Chandrayaan and digital payments and a large number of unemployable engineering graduates and institutes that have very limited autonomy. Moreover, while our top-rung universities and institutes (IITs Delhi & Mumbai, IISc) do well regionally, they have consistently remained out of the global 100.
- **Quality of the STEM talent pool**- the gross enrollment ratio at the tertiary education level in India is a low 26% meaning, a vast reserve of potential research talent is lost.

### Steps taken to improve the innovation ecosystem

- **The India Innovation Growth Programme (IIGP) 2.0** is a unique tripartite initiative of the Department of Science and Technology (DST), Government of India, Lockheed Martin and Tata Trusts which enables innovators and entrepreneurs through the stages of ideation, innovation and acceleration, to develop technology-based solutions for tomorrow.
- **Fiscal incentives by Government's Department of Scientific and Industrial Research (DSIR)** for R&D activities performed by institutions, academia, and industry for supporting, nurturing, and leading their innovations towards fruition.
- **SIDBI manages the India Innovation Fund**—a registered venture capital fund that invests in innovation-led, early-stage Indian firms.
- **Innovate India**: It is a unique platform to display, promote and recognize innovations happening across the nation. It has been launched in collaboration with AIM-NITI Aayog and MyGov. Citizens from all parts of the country are eligible to share the innovation on the platform.
- **Technology Development Board (TDB)** provides soft loans and promotes the equity of Indian industry through the development and commercialization of indigenous technology and by adapting imported technology for domestic applications.
- **Accelerating Growth of New India's Innovations (AGNIi)**: It aims to support the ongoing efforts to boost the **innovation** ecosystem in the country by connecting innovators across industry, individuals and the grassroots to the market and helping commercialize their innovative solutions.



- **Various schemes** such as Ramanujan Fellowship Scheme, the Innovation in Science Pursuit for Inspired Research (**INSPIRE**) Faculty scheme and the Ramalingaswami Re-entry Fellowship, Visiting Advanced Joint Research Faculty Scheme (**VAJRA**), Knowledge Involvement in Research Advancement through Nurturing (**KIRAN**), ATAL Innovation Mission (**AIM**), Self-Employment and Talent Utilization (**SETU**) etc.

### Conclusion

India has the potential to boost its innovation ecosystem if it can **tap all its ecosystem stakeholders simultaneously** i.e. sectors like the government, industry, academia and society will have to work in tandem. The synergy created by simultaneous action will automatically provide the **much-desired link between industry, academia and the research institutions**. This link will also increase investments and encourage private sector participation in the ecosystem.

## 3.11. RESULTS OF RANKING OF STATES ON SUPPORT TO STARTUP ECOSYSTEMS

### Why in news?

The **Department for Promotion of Industry and Internal Trade (DPIIT)** recently conducted the second edition of the **States' Startup Ranking Exercise**.

### What is a Startup?

An entity will be considered a startup if it fulfills the conditions mentioned below:

- **Entity Type:** Incorporated as a **private limited company** (as defined in the Companies Act, 2013) or Registered as a **partnership firm** (under the Partnership Act, 1932) or Registered as a **limited liability partnership** (under the Limited Liability Partnership Act, 2008) in India
- **Turnover:** Must not exceed 100 crore rupees in any fiscal year
- **Age:** Below 10 years from date of incorporation
- **Nature of Activity:** Given that the entity is working towards – Innovation, Development or improvement of products/processes/services, Scalability, Job Creation or Wealth Creation.

### Status of Startups in India

- India is the **3rd largest startup ecosystem** in the world.
- Around 28,000 startups are recognized by DPIIT.
- India is home to **32 unicorns** (startups with valuation greater than \$1 billion) with a combined valuation of more than \$100 billion.
- The entire startup ecosystem raised \$50 billion funding between 2014 and 2019.
- **Leading sectors** that pervade the Indian startup landscape are: Fintech, E-Commerce, Logistics, Enterprises, Health-Tech.

### About States' Startup Ranking Framework 2019

- A total of **22 States and 3 Union Territories participated** in the exercise.
- The framework has **7 broad reform areas consisting of 30 action points** ranging from Institutional Support, Easing Compliances, Relaxation in Public Procurement norms, Incubation support, etc.
- To establish uniformity and ensure standardization in the ranking process, States and UTs have been divided into two groups-
  - **Category 'Y'**- with UTs except Delhi and all States in North East India except Assam
  - **Category 'X'**- All other States and UT of Delhi
- For ranking, **States are classified into 5 Categories:** Best Performers, Top Performers, Leaders, Aspiring Leaders and Emerging Startup Ecosystems.

### Significance of Startups in India

- **Boosts employment:** The startup ecosystem, tangibly adds to job creation in the nation. On an average 12 jobs created per startup totaling up to more than 3.5 Lakh jobs.
- **High potential for growth:** It is estimated that the number of unicorns in India will increase by three times, to 95 in 2025 with a cumulative valuation of approximately \$390 billion.
- **Fulfilling societal needs:** Startups hold the key to address the critical needs of the country in areas like affordable healthcare, education, financial inclusion, etc.
- **Fostering a culture of innovation and technology:** Startups work in an environment of changing technology and try to maximize profits by innovation. This also induces backward and forward linkages which stimulate the process of economic development in the country.
- **Attracting foreign investment and stimulating domestic investment:** Indigenous startups have the potential to grow into large multinational firms and enterprises and thus can initiate an attractive and flourishing investment environment.

## Rankings

- **Category X:** Best Performer- Gujarat and Top Performers- Karnataka and Kerala
- **Category Y:** Best Performer- Andaman and Nicobar Islands and Leader- Chandigarh
- **Leaders across 7 Reform Areas-**
  - **Karnataka** for reforms in areas of Institutional Leaders, Regulatory Change Champions and Procurement Leaders
  - **Gujarat** for reforms in areas of Incubation Hubs, Awareness and Outreach Champions and Scaling Innovations Leaders
  - **Bihar** for reforms in areas of Seeding Innovation Leaders.

## 3.12. PANDEMIC RISK POOL

### Why in news?

A working group of IRDAI has recommended setting up of an Indian Pandemic Risk Pool with public-private-government participation to provide coverage for losses resulting from pandemics like COVID-19 in future.

### What is pandemic risk pool?

- A pool refers to the practice of **insurance companies coming together and committing funds to meet claims** arising out of any particular insured risk in proportion to the business they do. In this manner, claim pay-out is shared among all pool participants.
- This method is followed **when there is too much uncertainty about the risk** for any insurer to take a call, like in nuclear risks, or when the losses are high and companies are reluctant to issue policies.
- Currently, it was suggested in the backdrop of COVID-19, which has **affected not just health but all sectors of the economy**, including but not limited to manufacturing, aviation, tourism, transportation, construction, services, agriculture and many others
- Thus, a risk pool could **offer protection for business interruption without material damage, loss of income and livelihood** and other related pandemic related losses **currently not insured in India**.
- Thus, IRDAI has proposed the mechanism of a Pandemic Risk Pool and setup a committee to recommend the **structure and operating model for the pool**.
- Similar **pandemic pool proposals across the world**, including in the US, France and Germany, are in various stages of approval.

### Key recommendations of the committee

- **Formation and Structure:** Risk pooling mechanism with **public-private-government participation** would be more appropriate as the quantum of loss due to an epidemic/pandemic risk event is huge and hence is **beyond the capacity of public and/or private companies and/or government alone**.
- **Administration:** **General Insurance Corporation of India (GIC Re)**, which has experience of managing the **Indian Terrorism Pool and Indian Nuclear pool** shall be administrator for the proposed pandemic pool.
- **Size and Financial capacity:** Suggested setting up of a **pandemic risk pool with a Rs 75,000 crore backstop (as security) guarantee from the government** in the initial stages, with a view to help MSME workers and migrant labourers facing loss of income.
  - In the subsequent phases, the pandemic **coverage will be extended to other lines of business**, then the exposure will go up and the government backstop requirement will peak up to Rs 1,25,000 crore and then it will start gradually reducing.

#### General Insurance Corporation of India (GIC Re)

- GIC Re was **setup in 1972**, under the Companies Act, 1956.
- It was formed for the purpose of superintending, controlling and **carrying on the business of general insurance**.

#### Indian Terrorism Pool

- India has **created a Pool for Terrorism in 2002**, that covers loss, damage, cost or expense directly caused by, resulting from or in connection with any action taken in suppressing, controlling, preventing or minimizing the consequences of an act of terrorism by the duly empowered government or military authority.
- The Pool is **administered by GIC Re**.

#### Indian Nuclear Pool

- **Indian Nuclear Insurance Pool** was created in 2015 by GIC-Re, along with several other Indian Insurance Companies.
- It has a capacity of ₹1500 crore to provide insurance to cover the liability as prescribed under **Civil Liability for Nuclear Damage Act, 2010**.



## Advantages of Pool Structure

- **Affordability of coverage:** With **pooling a large share of country's exposure** to an event like pandemic, aggregate cost of coverage would be lower than individual insurers could achieve on their own.
- **Risk diversification:** A single pool providing coverage for all the MSME's of a country on mandatory basis would create a more diversified portfolio of risks and reduce the anti-selection.
- **Reduced cost of reinsurance:** The cost of reinsurance tends to decline as the level of participation from the government increases so the cost to reinsure a single and diversified pool of risks with public participation would be lower.
- **Maximizing the role of private insurers:** The objective of pandemic pool should be to maximize the contribution of private markets to providing coverage over a period of time.
- **Anti-selection:** A compulsory cover through pandemic pool can eliminate the possibility of anti-selection. Anti-Selection occurs when an employee or group of employees purchase or select coverages with a greater than likely loss at the expense of an insurance company.

## 3.13. GREEN TERM AHEAD MARKET

### Why in News?

Recently, Central Electricity Regulatory Commission (CERC) approved Green term ahead market (GTAM) contracts on the Indian Energy Exchange (IEX) platform.

### More on news

- This step comes after **Real Time Market (RTM) trading was approved in power exchanges in June 2020.**
- **IEX currently trades through following models:**
  - **Day Ahead Market (DAM)**, where transactions in electricity are allowed for a day in advance;
  - **Term Ahead Market (TAM)**, where electricity is traded the same day to up to 11 days in advance;
  - **Renewable Energy Certificate (REC)**, where green energy attributes of electricity are traded; and
  - **Real time Market (RTM)**, where auction sessions are conducted at even time blocks on the hour, and delivery commences one hour after the trade session is closed.
- Though the renewable penetration in the country is increasing, the **participation of renewable energy in the existing DAM and TAM segment has remained negligible (less than 1%)** as there has been no segregation between conventional power and green power by the system. To overcome this issue, an alternative new model, namely GTAM was introduced.

### About Indian Energy Exchange (IEX)

- IEX is the **first and largest energy exchange in India** providing a nationwide, automated trading platform for physical delivery of electricity, Renewable Energy Certificates and Energy Saving Certificates.
- IEX is **regulated by Central Electricity Regulatory Commission.**

### Mechanism of G-TAM Trading



### About GTAM

- GTAM has been specifically introduced for **selling off the power by the renewable developers in the open market** without getting into long term Power Purchase Agreements (PPAs).
- GTAM will provide an **exclusive platform for short-term trading of Renewable Energy.**
- **Key features of GTAM:**
  - Energy scheduled through GTAM contract shall be **considered as deemed RPO** compliance of the buyer.
    - ✓ Earlier, buyer of power from wind or a solar company **could not claim that he had met RPO.**
  - Also, transactions through GTAM will be bilateral in nature with clear identification of corresponding buyers and sellers, there will not be any difficulty in accounting for **Renewable Purchase Obligations (RPO).**
  - There will be **separate contracts for both Solar and Non-Solar energy** to facilitate Solar and Non-Solar RPO fulfillment.
  - It will have **Green Intraday (Ten Hourly Contracts for Same Day), Day Ahead Contingency (Hourly Contracts for Next Day), Daily (All or a block of Hours in a single day) and Weekly Contracts (Monday to Sunday).**
  - Price discovery will take place on a continuous basis i.e. price time priority basis.

## Potential Benefits

- It would **lessen the burden on RE-rich States** and incentivize them to develop RE capacity beyond their own RPO.
- This, along with the recently launched real-time trading in electricity will **support seamless integration of RE power**
- It would **enable Obligated entities to procure renewable power at competitive prices** to meet their RPO.
- **Promote RE merchant capacity addition** and help in achieving RE capacity addition targets of the country.
- GTAM platform will lead to **increase in number of participants in RE sector. Buyers of RE** through competitive prices and transparent and flexible procurement and **RE sellers** by providing access to pan- India market
  - GTAM witnessed an encouraging response since its launch and has **registered trade of three million units (MU) in the first 11 days.**
- It will provide a **platform to environmentally conscious open access consumers** and utilities to buy green power.

## About Renewable purchase obligation (RPO)

- RPO is a mechanism by which the obligated entities are obliged to **purchase certain percentage of electricity from Renewable Energy sources**, as a percentage of the total consumption of electricity.
  - Obligated Entities include Discoms, Open Access Consumers and Captive power producers.
- RPOs are **categorized as Solar and Non Solar RPO.**
- RPOs are provided under Electricity Act 2003 and the National Tariff Policy 2006.

# फाउंडेशन कोर्स सामान्य अध्ययन

## प्रारंभिक एवं मुख्य परीक्षा 2021

### इनोवेटिव क्लासरूम प्रोग्राम

- प्रारंभिक परीक्षा, मुख्य परीक्षा और निबंध के लिए महत्वपूर्ण सभी टॉपिक का विस्तृत कवरेज
- मौलिक अवधारणाओं की समझ के विकास एवं विश्लेषणात्मक क्षमता निर्माण पर विशेष ध्यान
- एनीमेशन, पॉवर प्वाइंट, वीडियो जैसी तकनीकी सुविधाओं का प्रयोग
- अंतर - विषयक समझ विकसित करने का प्रयास
- योजनाबद्ध तैयारी हेतु करेंट ओरिएंटेड अप्रोच
- नियमित क्लास टेस्ट एवं व्यक्तिगत मूल्यांकन
- सीसेट कक्षाएं
- PT 365 कक्षाएं
- MAINS 365 कक्षाएं
- PT टेस्ट सीरीज
- मुख्य परीक्षा टेस्ट सीरीज
- निबंध टेस्ट सीरीज
- सीसेट टेस्ट सीरीज
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# 4. SECURITY

## 4.1. DEFENCE ACQUISITION PROCEDURE, 2020

### Why in News?

Recently Defence Ministry unveiled Defence Acquisition Procedure, 2020 (erstwhile Defence Procurement Procedure (DPP)).

### Salient features of Policy

- DAP has been aligned with the **vision of the government's 'Aatmanirbhar Bharat' (self-reliant India) initiative and to empower Indian domestic industry** through 'Make in India' projects with the ultimate aim of turning India into a global manufacturing hub.
  - It **aims to implement 'Ease of Doing Business'** with emphasis on Simplification, Delegation, Reduced Timelines and making the process as Industry friendly as possible.
- It has come into effect from October 1, 2020 and will **supersede the Defence Procurement Procedure (DPP) of 2016.**
  - The first DPP was promulgated in the year 2002 and has since been revised periodically to provide impetus to the growing domestic industry.
- Earlier in Aug 2019, Defence Ministry had constituted **Committee under Apurva Chandra** for preparation of DAP-2020.
- DAP will **ensure timely acquisition of military equipment, systems and platforms as required by the Armed Forces** in terms of performance, capabilities and quality standards, through optimum utilisation of allocated budgetary resources.
- DAP will **cover all Capital Acquisitions** other than Works and Land undertaken by the Ministry of Defence (MoD) and Service Headquarters (SHQ) both from indigenous sources and ex-import, **except for medical equipment.**

### Key points in policy

- **Offset policy revised:** Government has changed 15-year old policy by removing the clause for offsets for inter-government agreement (IGA), government-to-government defence deals and single-vendor contracts for the procurement of arms and military platforms for the armed forces.
  - The offset guidelines have also been revised, wherein **preference will be given to manufacture of complete defence products over components and various multipliers** have been added to give incentivisation in discharge of offsets.
- **Notify a List of Weapons/Platforms for Ban on Import:** This is done to ensure that no equipment as mentioned in the list is procured through import post timelines notified.
- **For Indigenisation of Imported Spares:**
  - **New Category of Buy (Global – Manufacture in India):** It has been incorporated in line with new FDI Policy and to encourage foreign original equipment manufacturers (OEMs) to setup 'manufacturing or maintenance entities' through its subsidiary in India while enabling requisite protections to domestic industry.

#### Significance of policy

- **Reduce dependence on imports:** India is one of the top defence hardware purchasers in the world, spending billions of dollars each year according to various estimates.
- **Boost overall economy:** Government aims for a turnover of ₹1.75 lakh crore in defence manufacturing by 2025 with the sector identified as having the potential to boost the overall economy.
- **Improve capabilities of the Armed Forces:** DAP 2020 provides impetus to indigenisation and facilitates technology infusion to enhance future capabilities of the Armed Forces.
- **Defined role for Private sector:** Private investment will be a major contributor to the 'Make in India' initiative, accelerate manufacturing-led industrial growth and for capital and technology advancement.

#### What is offset?

- Under the offset policy, the foreign defence entities were mandated to **spend at least 30% of the total contract value in India** through procurement of components, transfer of technologies or setting up of research and development facilities.
- This condition was for all contracts worth **more than Rs 2,000 crore.**
- It was meant to **improve the domestic defence manufacturing.**



- Recently there was enhancement of FDI through automatic route from 49% to 74% in defence.
- **Request For Information(RFI):** RFI stage will explore willingness of the prospective foreign vendors to progressively undertake manufacture and setup an indigenous eco system at the spares/sub component level.
- **Reservation in Categories for Indian Vendors:** The categories of Buy(Indian-IDDM), Make I, Make II, Production Agency in Design &Development, Ordnance Factory Board/DPSU and SP model will be exclusively reserved for Indian Vendors meeting the criteria of Ownership and Control by resident Indian Citizens with FDI not more than 49%.
- **Other proposed measures:** These includes making after sales support part of capital acquisition contract, higher indigenous content in acquisitions and incentives for local material and software and emphasis on product export under offsets.

● **For Time Bound Defence Procurement Process, Faster Decision Making and Ease of Doing Business:**

- **Setting up of project management unit (PMU):** It will facilitate obtaining advisory and consultancy support in specified areas to streamline the acquisition process and support contract management.
- **Simplification of Trial Procedures:** DAP 2020 emphasises the need to conduct trials with an objective to nurture competition based on the principles of transparency, fairness and equal opportunities to all and not as a process of elimination.
- The policy also provides for a **single stage accord of AoN (Acceptance of Necessity)** in all cases up to ₹500 crore to avoid delays in approval of acquisition proposals.

Overall Enhancement in Indigenous Content (IC)			
Ser No	Category	DPP 2016	DAP 2020
1	Buy (Indian-IDDM)	Min 40%	Min 50%
2	Buy (Indian)	Min 40%	Indigenous design - Min 50% Otherwise - Min 60%
3	Buy & Make (Indian)	Min 50% of Make	Min 50% of Make
4	Buy (Global - Manufacture in India)	—	Min 50% of Buy plus Make
5	Buy (Global)	—	Min 30% for Indian vendors

- **Leasing:** It has been introduced as a new category for acquisition in addition to the existing 'Buy' and 'Make' categories to substitute huge initial capital outlays with periodical rental payments.
  - This will be useful for military equipment not used in actual warfare like transport fleets, trainers, simulators, among others.
- **Strategic Partnership Model (SPM):** Acquisitions under the Strategic Partnership model refer to participation of private Indian firms along with foreign OEM in 'Make in India' in defence and play the role of a System Integrator by building an extensive eco-system comprising development partners, specialised vendors and suppliers, in particular, those from the MSME sector.
  - Strategic Partnerships will seek to enhance indigenous defence manufacturing capabilities through the private sector over and above the existing production base.

## 4.2. PIRACY IN THE INDIAN OCEAN REGION

### Why in news?

Recently, India has joined **Djibouti Code of Conduct/ Jeddah Amendment (DCOC/JA)** as an Observer.

### More on news

- The DCOC, **established in 2009 under International Maritime Organization**, is aimed at **repression of piracy and armed robbery against ships** in the Western Indian Ocean Region, the Gulf of Aden and the Red Sea.
  - Jeddah Amendment significantly **broadened the scope of the Djibouti Code** when it was adopted at a high-level meeting in Jeddah, Saudi Arabia in 2017. It covers measures for suppressing a range of illicit activities, including piracy, arms trafficking, trafficking in narcotics, illegal trade in wildlife, illegal oil bunkering, crude oil theft, human trafficking, human smuggling, and illegal dumping of toxic waste.
  - The members also cooperate in the **investigation, arrest and prosecution** of persons suspected of having committed acts of piracy, the **interdiction and seizure** of suspect ships, the **rescue of ships and people** subject to piracy and armed robbery, and the **conduct of joint operations**.
- It is a grouping on **comprising 18 member states** adjoining **the Red Sea, Gulf of Aden, the East Coast of Africa and Island countries** in the Indian Ocean Region.
- As an observer, India will be looking forward to working together with DCOC/JA member states towards **coordinating and contributing to enhanced maritime security** in the Indian Ocean Region.



## What is piracy, its associated threats and status in the Indian Ocean Region?

Under article 101 of UN Convention on the Law of the Sea, piracy is defined as: “Any acts of **violence, detention, or depredation committed on the high seas** by the crew or passengers of a private ship or aircraft against another ship, aircraft, persons, or property in a place outside the jurisdiction of any state for private ends.”

**Rich pickings at sea, political instability, the lack of law enforcement and poverty** on land are major factors which have contributed to the increase in piracy. The issue of piracy manifests in the form of **hijacking of ships, with a focus on kidnapping and ransom payments**. This generates several threats such as-

- Threat to **national and regional economies** in the form of trade hinderance. For example, Africa’s key maritime routes (Sea Lanes of Communications) are affected adversely as over 90% of Africa’s imports and exports are moved by sea.
- Most of the **piracy intended attacks** have been against ships involved in **oil and gas transportation**, such as tankers, bulk carriers and tugs. Apart from that, **commercial ships** from smaller countries and **fishing vessels** have also been targeted by the pirates. For example, The coastline off Nigeria saw the most attacks in 2018. This is partly because of “**petro-piracy**”, **targeting tankers from Nigeria's rich oil and gas fields**.

The piracy threat in the Indian Ocean region was **primarily recognized in 2008 by United Nations Security Council (UNSC) resolution for counter-piracy operations**. At the time, piracy was considered a major threat to both local and global peace and security. Since then, following developments have happened:

- The threat of piracy **peaked around 2011** when close to **160 major incidents were reported**.
- **Since 2013**, the number of **attacks and hijackings have significantly dropped**. For instance, in 2019, only two attacks were reported in the region.
- As a consequence of these decreased instances, the geographic boundaries of the ‘**High Risk Area (HRA) for piracy in the Indian Ocean have been reduced**.
  - The High Risk Area reflects the area where the threat from piracy exists.
  - The HRA is set by industry group of shipping and oil industry organisations – (BIMCO, International Chamber of Shipping (ICS), INTERCARGO, INTERTANKO and the Oil Companies International Marine Forum (OCIMF)).
  - The purple area referred in the infographic, earlier part of HRA, now comes under the Voluntary Reporting Area (VRA).
- Among the **seafarers affected from piracy** in this region, around **half are from the Philippines, followed by India, Ukraine and Nigeria**.



### Global Situation vis-a-vis piracy: One Earth Future Report

**One Earth Future** produces a report stating the global annual State of Maritime Piracy. The 2019 report states that – “While attacks have been falling substantially in some regions of the world, in West Africa they've been on the rise and are now more frequent than anywhere else.”

- In 2018, there were **112 piracy incidents in West African waters**.
- **In Asia, the Malacca Strait**, between Malaysia and Indonesia, **experienced a high number of attacks** in 2015. Concerted action by regional naval forces has reduced the problem there, but piracy still persists.
- **Attacks against shipping in the Caribbean and off the coast of Latin American have risen**. Venezuela in particular has become a hotspot for piracy particularly due to economic and political instability.

### Piracy and armed robbery at sea 2018



### What are the efforts made by the Indian Government to counter piracy in the region?

A large percentage of **India's trade, including oil and fertilisers**, passes through the Gulf of Aden. The estimates suggest that, **Indian imports** through the Gulf of Aden route valued in the **order of USD 50 Billion and exports at USD 60 Billion**. The safety and unhindered continuity of maritime trade, through ships that use this route, is a primary national concern as it directly impacts our economy. In the light of this, following steps have been taken by the Government:

- **Escort and protection:** The Indian Navy commenced anti-piracy patrols in the Gulf of Aden from 2008.
  - **Indian Naval and Coast Guard ships have also been deployed** in piracy prone areas nearer the Indian coast. **Around 1000 plus ships of various nationalities have been escorted** and more than 40 piracy attacks prevented by Indian forces till date.
  - The Director General Shipping has launched a **web-based registration service** where merchant ships can register with DG Shipping in order **to avail of the escort facility** provided by Indian Naval ships in the Gulf of Aden.
- **Global coordination:** By participating in the multilateral for a setup to combat piracy.
  - India is an active participant of various mechanisms like **"Shared Awareness and De-confliction (SHADE)"** that have been established to **facilitate sharing of information**.
  - **India, Japan and China** (all three nations operate independently) have agreed to **coordinate patrols** thereby ensuring an effective and **optimum use of the combined maritime assets to escort ships**, especially in the Internationally Recommended Transit Corridor established for use by all merchant ships in the Gulf of Aden.

### What are the efforts made by the International community to counter piracy in the region?

- **Contact Group on Piracy off the Coast of Somalia:** It was established in 2009 as a voluntary, ad hoc international forum to coordinate international efforts in the fight against piracy off the coast of Somalia.
  - As of now, **over 60 nations and international organizations participate in the CGPCS**.
- **Maritime Security Programme (MASE):** It is a European Union-funded programme to promote Maritime Security in Eastern and Southern Africa and Indian Ocean. Under MASE, the Indian Ocean Commission (IOC) has established a mechanism for surveillance and control of the Western Indian Ocean with two regional centres in Madagascar and Seychelles.
- **Maritime Crime Programme (MCP) - Indian Ocean:** The Indian Ocean team within the **United Nations Office on Drugs and Crime's (UNODC) Maritime Crime Programme** assists states in the Indian Ocean region to enhance and coordinate their efforts to combat maritime crime, with a **focus on criminal justice capacity building**. Following can be cited as its key facets:
  - **Regional "Piracy Prosecution Model":** It provides a 'legal finish' to counter-piracy operations. Under this model, willing prosecuting States are first required to ensure they have the necessary legislation in place to prosecute piracy domestically. Prosecuting States then formalize transfer agreements with naval forces operating counter-piracy patrols in the Indian Ocean region.
  - **Piracy Prisoner Transfer Programme:** It aims to facilitate the transfer of consenting persons convicted of piracy in regional States to UNODC supported prisons in Somalia to serve the remainder of their sentences.
  - **Activities beyond counter-piracy support:** MCP Indian Ocean programme continues to work with regional States to enhance their capacity to combat a wide range of maritime crimes like drug trafficking.
- **Other important regional efforts:**
  - **African Union's Lomé Charter:** The African Charter on Maritime Security, Safety and Development in Africa, also known as the Lomé Charter, was signed in 2016 by **heads of state and governments of African Union (AU) member states**.
  - **Yaoundé Code of Conduct:** The document brings together **signatory nations from West and Central Africa** with an intention to cooperate to the fullest possible extent in the repression of **transnational organized crime in the maritime domain, maritime terrorism, IUU fishing, and other illegal activities**.

### Addressing the root cause: The way forward

In the recent past, there have been notable successes in counter-piracy efforts in the Indian Ocean Region. But the **root cause of piracy problem** i.e. poverty, lack of employment opportunities in Somalia's coastal communities, as well as a lack of legal, governance and maritime infrastructure **have not been adequately addressed**.





# 5. ENVIRONMENT

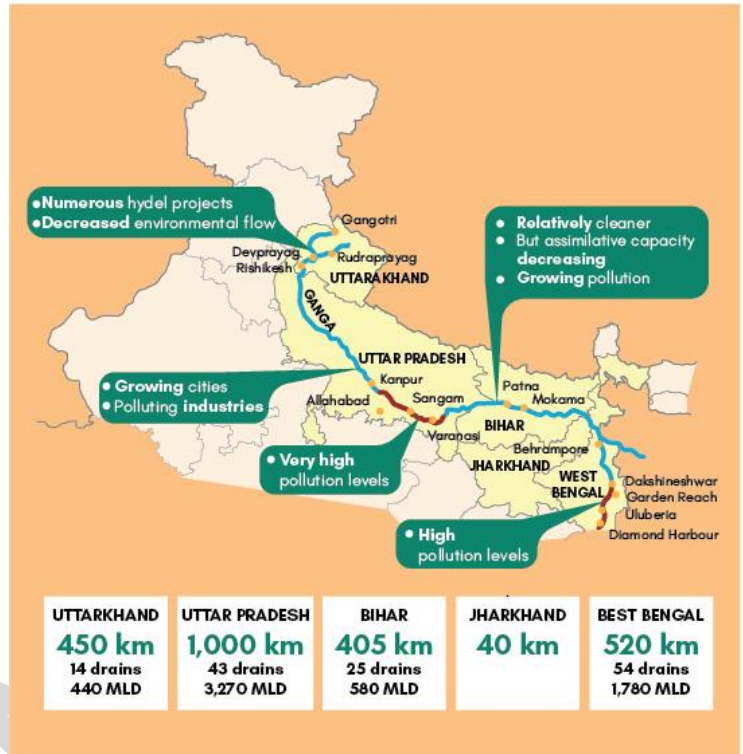
## 5.1. NAMAMI GANGE MISSION

### Why in news?

Prime Minister recently inaugurated 6 mega development projects in Uttarakhand under the **Namami Gange Mission**.

### More about news

- **Six sewage treatment plants** were inaugurated at Haridwar, Rishikesh, Muni-ki-Reti and Badrinath worth over Rs 500 crore.
  - Haridwar-Rishikesh zone contributes about 80% wastewater load into the River Ganga.
- **Ganga Avalokan Museum** was also inaugurated which is the first of its kind on the River Ganga at Haridwar.
  - Museum would be a special attraction to pilgrims and it would further enhance the understanding of the heritage associated with Ganga



### About Namami Gange Mission

- It is an **Integrated Conservation Mission for river Ganga**, approved as ‘Flagship Programme’ by the Union Government in 2014 with budget outlay of Rs.20,000 Crore.
- It is being **implemented by the National Mission for Clean Ganga (NMCG)**, and its state counterparts—State Programme Management Groups.
  - NMCG is registered as a society under the Societies Registration Act 1860. It acts as implementation arm of National Council for Rejuvenation, Protection and Management of River Ganga (referred as National Ganga Council).
  - The **aims and objectives** of NMCG is to accomplish the mandate of National Ganga River Basin Authority (NGRBA)
    - ✓ To **ensure effective abatement of pollution and rejuvenation of the river Ganga** by adopting a river basin approach to promote inter-sectoral co-ordination for comprehensive planning and management and
    - ✓ To **maintain minimum ecological flows in the river Ganga** with the aim of ensuring water quality and environmentally sustainable development.
- Under the Environment (Protection) Act, 1986, a **five-tier structure** has been envisaged at national, state and district level to take measures for prevention, control and abatement of environmental pollution in Ganga
  - **National Ganga Council** under chairmanship of Prime Minister (replaced National Ganga River Basin Authority).
    - ✓ NGC would have on board the chief ministers of five Ganga basin states—Uttarakhand, Uttar Pradesh (UP), Bihar, Jharkhand and West Bengal—besides several Union ministers and it is supposed to meet once every year.
  - **Empowered Task Force (ETF)** on river Ganga under chairmanship of Union Minister of Jal Shakti.
  - **National Mission for Clean Ganga (NMCG)**.

**Status of Namami Gange Mission**

- National Mission for Clean Ganga (NMCG) has so far managed to spend just 29% of the sanctioned budget to complete 37% of the projects.
- A bulk of the projects sanctioned, 152, pertain to putting in place sewage infrastructure, like sewage treatment plants (STPs) — one of the most crucial components to keep the river clean.
  - Of these 152 STPs, only 46 have been completed as of January, 2020.



- **State Ganga Committees** which would be the nodal agency to implement the programmes in a state. Besides, these committees would conduct safety audits of the river and take remedial measures.
- **District Ganga Committees** in every specified district abutting river Ganga and its tributaries in the states
- **Implementation of the program has been divided** into entry-level activities (for immediate visible impact), medium term activities (to be implemented within 5 years of time frame), and, long-term activities (to be implemented within 10 years)
  - **Entry-level activities** includes river surface cleaning to address the floating solid wastes; rural sanitation to arrest the pollution (solid & liquid) entering through rural sewage drains and construction of toilets; etc.
  - **Medium-term activities** will focus on arresting the municipal and industrial pollution entering into the river.
  - **Under the long-term**, providing adequate flow to the river is envisioned through determination of e-flow, increased water-use efficiency, and improved efficiency of surface irrigation.
- **Main pillars of the mission are:**
  - River front development
  - Conservation of Aquatic life and biodiversity
  - Improvement of coverage of sewerage infrastructure in habitations on banks of Ganga.
  - River Surface cleaning for collection of floating solid waste from the surface of the Ghats and River
  - Afforestation
  - Industrial Effluent Monitoring
  - Development of Ganga Gram
    - ✓ To develop model village, that will exhibit itself as comprehensive and harmonious package of economic, historic, cultural and sanitized unit, on banks of Ganga, which is self –sustaining.
  - Creating Public Awareness
- **Ganga River Basin Management Plan:** The Plan is being prepared with the objectives of taking comprehensive measures for restoration of the wholesomeness of the Ganga ecosystem and improvement of its ecological health, with due regard to the issue of competing water uses in the river basin.
  - The wholesomeness of the river can be grasped in terms of four defining concepts: “Aviral Dhara” (Continuous Flow), “Nirmal Dhara”(“Unpolluted Flow”), Geologic Entity, and Ecological Entity.
- **4-battalion Ganga EcoTask Force** has been created to spread awareness about pollution and protecting the river.

#### Issues faced in cleaning ganga river

- **Inadequate Sewage treatment:** In the Ganga basin approximately 12,000 million litres per day (mld) sewage is generated, for which presently there is a treatment capacity of only around 4,000 mld.
- **Decreased ecological flow:** E-flow or Environmental Flow refers to the minimum flow of water considered necessary for protecting the structure and function of an ecosystem and its dependent species
  - Due to restrictions and decrease in flow, the velocity of water decreases and siltation increases and therefore minerals of the water settle down at the riverbed.
  - The decrease in flow has led to an increase in groundwater extraction for various uses.
- **Sludge control:** About 180 mld sludge would be generated in five Ganga basin states when they become ODF and if proper faecal sludge management is not in place, it would invariably pollute the Ganga.
- **Cost overruns:** An IIT report predicted the cost of treating sewerage to be about 1 paisa per litre at 2010 price levels. However, the cost would escalate due to the fact that deadlines are not met.
  - Clean Ganga fund is a fund under which entities or a commoner can contribute for the Ganga clean up. However, NMCG could not utilise any amount out of the Clean Ganga Fund and the entire amount was lying in banks due to non-finalisation of action plan.
- **Lack of coordination:** The cleaning of the Ganga requires seamless coordination between the agencies responsible for carrying out different tasks. Jal Shakti ministry signed MOUS with 10 ministries for better implementation of Namami Gange. However, till date no detail is available as to how these ministries are functioning for better convergence.

## Way Forward

- **Organic agriculture:** The cumulative use of pesticides has doubled in the last one decade and most of it runs off in our rivers. Agriculture along the entire riverbed should be organic.
- **Integration of strategies:** Many of the strategies (river-linking, riverfront development projects, access to toilets, making villages open defecation free, piped water supply in rural areas, to name a few) need to integrate long-term ecological and sustainability goals.
- **Promote decentralised sewage treatment plants (dSTP)** at the colony level. Reuse treated wastewater for irrigation and empty into natural drains. For all upcoming cities, smart cities and for those, whose master plans are not in place, earmark land for dSTPs.
- **Develop and restore local storages** (ponds, lakes, wetlands) as permanent solutions to both floods and droughts. Only 10 per cent of water received during monsoon rainfall is harvested. Restoration of ponds, lakes and wetlands should be an integral part of river restoration and conservation strategy
- **Restoring lower order streams** and smaller tributaries in the Ganga Basin.
- **Restore base flows through groundwater recharge:** There is a need to have robust planning and regulation of withdrawal and recharge of groundwater across all orders of the river streams to make rivers perennial.

## 5.2. GROUNDWATER EXTRACTION IN INDIA

### Why in News?

The Central Ground Water Authority (CGWA) under the Jal Shakti Ministry recently issued the latest guidelines to regulate the extraction of groundwater.

### Background

- New groundwater guidelines were necessitated because the guidelines issued by the Centre on December 12, 2018 were struck down by the National Green Tribunal in January 2019.
  - Since then, there were no guidelines under which No Objection Certificate (NOC) for groundwater withdrawal can be issued.
- The revised guidelines are an improvement over the 2018 norms, which did not ban granting NOC to industries for extracting groundwater in over-exploited areas, did not levy environment compensation and hefty penalty for violations.
- New Guidelines have pan India applicability.

### New Guidelines

- **No objection certificate (NoC):** It is mandatory for new and existing industries, group housing societies, infrastructure projects, mining projects and bulk water suppliers abstracting groundwater to get a no objection certificate (NOC) for withdrawal of groundwater.
- **Over exploited areas:** NoCs in 'over-exploited' areas will only be granted to micro, small and medium enterprises (MSME).
  - 'Over-exploited' areas as those where the groundwater development is more than 100%, that is, the annual groundwater consumption is more than its recharge, according to the Central Ground Water Board (CGWB).
- **Exemption from getting NoC:** The guidelines have exempted 5 categories from getting an NOC:
  - individual domestic consumers in both rural and urban areas for drinking water and domestic uses.
  - rural drinking water supply schemes;
  - Armed Forces Establishments and Central Armed Police Forces establishments in both rural and urban areas;
  - agricultural activities;
  - micro and small enterprises drawing groundwater less than 10 cubic m/day.

### Groundwater usage in India

- **India uses the most groundwater in the world**, extracting 253 bcm (billion cubic metres) per year. This is approximately 25% of the global groundwater extraction.
- Out of the total 6,881 assessment units, **17% have been categorised as 'over-exploited'**, 5% as 'critical', 14% as 'semi-critical' units and 63% as 'safe'.
  - **Majority of the over-exploited units** are concentrated in parts of **Punjab, Haryana, Delhi**, western UP, Rajasthan, Gujarat, Karnataka, Andhra Pradesh, Telangana and Tamil Nadu.
- According to the country's minor irrigation census 2013-14, **87.86% of groundwater wells are owned by marginal, small and semi-medium farmers** having land holding up to four hectares.

- **Abstraction and restoration charges:** Under the new conditions, such NOC holders will now have to pay groundwater “abstraction and restoration charges” based on the quantum of extraction unlike old provision where they had to just pay a nominal lumpsum amount.
- **Residential societies** will have to install sewage treatment plants (STPs) for getting NOCs if their groundwater requirement is more than 20 cubic m /day.
  - Under the condition, water from STPs will be utilised for toilet flushing, car washing, gardening, etc
- **Annual water audits:** It makes annual water audits compulsory for industrial users apart from mandating impact assessment for granting no-objection certificates (NOCs) for groundwater extraction.
- **Registration of Drilling Rigs:** State/UT Governments shall be responsible for registering drilling rigs operating within their jurisdiction and for maintaining the database of wells drilled by them.
- **Abstraction of Saline ground water would be encouraged:** Such industries shall be exempted from paying ground water abstraction charges.
- **Protection of Wetland Areas:** Projects falling within 500 m. from the periphery of demarcated wetland areas shall mandatorily submit a detailed proposal indicating that any ground water abstraction by the project proponent does not affect the protected wetland areas.
  - Furthermore, before seeking permission from CGWA, the projects shall take consent/approval from the appropriate Wetland Authorities to establish their projects in the area.
- **Environmental Compensation:** Extraction of groundwater for commercial use by industries, infrastructure units and mining projects without a valid NOC will be considered illegal and they will be liable to pay Environmental Compensation for groundwater extracted.
  - The minimum compensation will be at least Rs 1 lakh.
- **Penalty:** Non-compliance of NOC conditions may attract a penalty between Rs 50,000 and Rs 10 lakh.
  - Guidelines authorise district authorities to take enforcement measures like sealing of abstraction structures and prosecuting those violating the NOC conditions.
- **Time period:** The NOC issued under the new guidelines will be valid for 2-5 years depending on the entity.
- States/UTs are advised to review their free/subsidized electricity policy to farmers, bring suitable water pricing policy and may work further towards crop rotation/diversification/other initiatives to reduce overdependence on groundwater.

#### Concerns in Guidelines

- **Exemption of the agriculture sector:** As per official data, 90% of groundwater is used for irrigation and 10% by domestic and industrial consumers. Excluding agriculture sector is bigger concern.
- **Conflict between state and centre:** Water is a state subject; the guideline is expected to generate contestation at a time when the statutory power between states and the Centre is already under great strain.
- **Implementation issues:** The implementation would be difficult as it will raise conflict with single-window clearance of applications for establishing new industries.

#### Related bodies

- **Central Ground Water Authority (CGWA):** It has been constituted under Environment (Protection) Act, 1986 to regulate and control development and management of ground water resources in the country.
- **Central Water Commission (CWC):** It is an attached office of the Ministry of Jal Shakti. The Commission is entrusted with the general responsibilities of initiating, coordinating and furthering in consultation of the State Governments concerned, schemes for control, conservation and utilization of water resources throughout the country, for purpose of Flood Control, Irrigation, Navigation, Drinking Water Supply and Water Power Development.

#### Other initiatives

- **National Water Policy 2012** which proposes a framework for creation of a system of laws and institutions and for a plan of action with a unified national perspective.
- **National Aquifer Mapping and Management Programme:** It was initiated as a part of the Ground Water Management and Regulation scheme to delineate and characterize the aquifers to develop plans for ground water management.
- **Atal Jal Yojana:** It aims to conserve groundwater in seven states facing the biggest declines in aquifer levels mainly due to over-extraction for water-intensive crops.
  - These are Maharashtra, Haryana, Karnataka, Rajasthan, Madhya Pradesh, Uttar Pradesh and Gujarat.
- **Paani Bacho, Paise Kamao” (save water, earn money) scheme:** It was launched by Punjab State Power Corporation Limited (PSPCL) to provide direct benefit transfer for electricity to agricultural consumers. Farmers get Rs 4 as direct benefit for each unit of electricity saved.

- **Impact of mining projects:** Mining projects are counted in the regulatory bill and are required to pay a nominal groundwater abstraction fees. Negative hydrological impacts of mining are far more serious than industries and should have been categorised separately with detailed guidelines.
- **Not addressing depletion of groundwater:** It will not stop further depletion of groundwater as uninterrupted use of groundwater in 'critical' and 'semi-critical' areas after paying 'abstraction and restoration' charges will defeat the purpose of conservation.

#### Way forward

- **Incentivize:** Incentivise investors to use bulk volumes of rejected groundwater (grey water, black water) available in urban, semi-urban areas for recycling and reuse.
  - An incentive for not pumping groundwater to enhance the intrinsic value of land, improving ecological balance and overall valuation is a distinction that needs serious evaluation.
- **Increase water recycling:** Water-recycling, especially through the reclamation of waste-water, needs to be done on the front-foot.
  - While Israel recycles nearly 90% of its water, India's recycling capacity stands at just 30%. The problem is worse at the household level, where not even 5% of the water used is recycled.
- **Real time data:** The groundwater estimates need to be dumped and migrated to real time modelling.
  - The first step in this direction is a **national well census** that covers all wells adopting crowd-sourcing technology. Based on the authenticated well census, the monitoring networks recalibrate supported high-frequency data generation.
- **Capping water use:** Abuse of groundwater for irrigation can no more be pushed under the carpet and needs to be addressed upfront by defining the maximum water footprint for various crops.

## 5.3. GLOBAL BIODIVERSITY OUTLOOK

#### Why in News?

Recently, Fifth Global Biodiversity Outlook (GBO-5) report was released.

#### About GBO

- It is a flagship **publication of the Convention on Biological Diversity (CBD)**.
- It is a periodic report that **summarizes the latest data on the status and trends of biodiversity** and draws conclusions relevant to the further implementation of the CBD.
- **GBO-5 provides global summary of progress towards the Aichi Biodiversity Targets** and is based on a range of indicators, research studies and assessments as well as the national reports provided by countries on their implementation of the CBD.
- **Progress made in Aichi Biodiversity Targets in past decade:** At the global level **none of the 20 targets have been fully achieved**, though six targets have been partially achieved (Targets 9, 11, 16, 17, 19 and 20).

#### About Convention on Biological Diversity (CBD)

- It entered into force in 1993. **It has 3 main objectives:**
  - The conservation of biological diversity
  - The sustainable use of the components of biological diversity
  - The fair and equitable sharing of the benefits arising out of the utilization of genetic resources
- It has been ratified by 196 nations, including India.
- **CBD has two supplementary agreements, or protocols –**
  - **Cartagena Protocol on Biosafety** governing the movements of Living Modified Organisms.
  - **Nagoya Protocol** on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from their Utilization (ABS).

#### Suggestion to achieve 2050 Vision for Biodiversity:

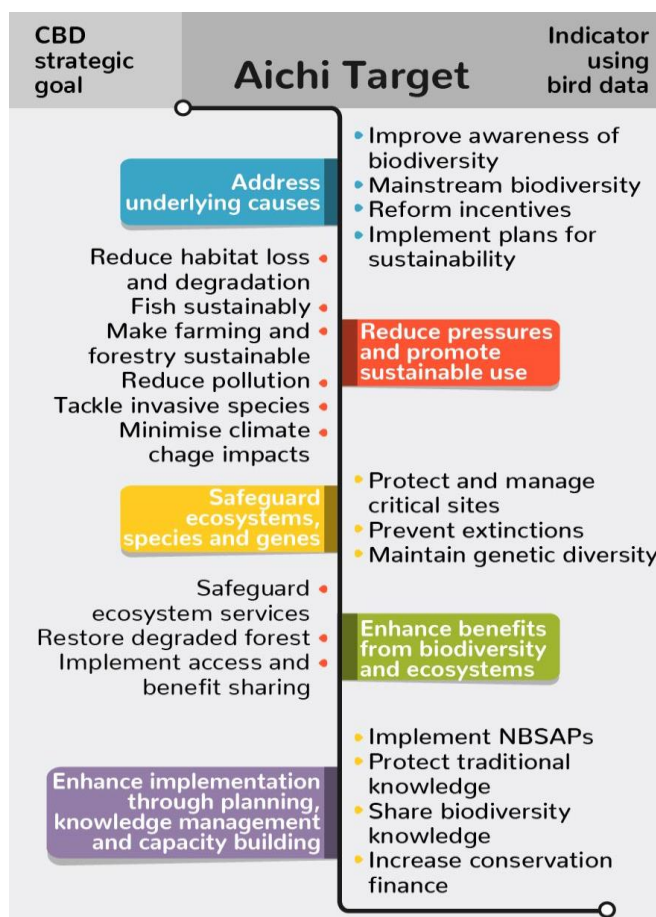
- **Land and forests transition:** It involves conserving of intact ecosystems, restoring ecosystems, combating and reversing degradation, and employing landscape level spatial planning to avoid, reduce and mitigate land-use change.
- **Sustainable freshwater transition:** An integrated approach guaranteeing the water flows, improving water quality, protecting critical habitats, controlling invasive species and safeguarding connectivity to allow the recovery of freshwater systems from mountains to coasts.



- **Sustainable fisheries and oceans transition:** Protecting and restoring marine and coastal ecosystems, rebuilding fisheries and managing aquaculture and other uses of the oceans to ensure sustainability, and to enhance food security and livelihoods.
- **Sustainable agriculture transition:** Redesigning agricultural systems through agroecological and other innovative approaches to enhance productivity while minimizing negative impacts on biodiversity.
- **Sustainable food systems transition:** With a greater emphasis on a diversity of foods, mostly plant-based, and more moderate consumption of meat and fish, as well as dramatic cuts in the waste involved in food supply and consumption.
- **Cities and infrastructure transition:** Deploying 'green infrastructure' and making space for nature within built landscapes to improve the health and quality of life for citizens and to reduce the environmental footprint of cities and infrastructure.
- **Sustainable climate action transition:** Employing nature-based solutions, alongside a rapid phase-out of fossil fuel use, to reduce the scale and impacts of climate change.
- **Biodiversity-inclusive One Health transition:** Managing ecosystems, including agricultural and urban ecosystems, as well as the use of wildlife, through an integrated approach, to promote healthy ecosystems and healthy people.

#### About Aichi Biodiversity Targets

- In 2010, at Nagoya, Parties to the Convention on Biological Diversity (CBD) **adopted the Strategic Plan for Biodiversity 2011–2020**, a ten-year framework for action by all countries and stakeholders to safeguard biodiversity and the benefits it provides to people.
- **As part of the Strategic Plan 20 ambitious but realistic targets, known as the Aichi Biodiversity Targets, were adopted.**



- The **2050 Vision for Biodiversity** was adopted as part of the Strategic Plan for Biodiversity 2011-2020.
- The vision of this Strategic Plan is a world of "Living in harmony with nature" where "**By 2050, biodiversity is valued, conserved, restored and wisely used**, maintaining ecosystem services, sustaining a healthy planet and delivering benefits essential for all people.

## 5.4. THE LIVING PLANET REPORT 2020 (LPR)

### Why in News?

Recently, World Wildlife Fund (WWF), a leading **organization in wildlife conservation and endangered species**, released The Living Planet Report 2020 (LPR) along with the Living Planet index (LPI).

### About Living Planet Report

- LPR, released every two years, is a **comprehensive study of trends in global biodiversity and health of the planet.**

- **Key Findings**

- It shows an average 68% decrease in population sizes of mammals, birds, amphibians, reptiles and fish between 1970 and 2016.
- Since the industrial revolution, human activities have increasingly destroyed and degraded forests, grasslands, wetlands and other important ecosystems, threatening human well-being
  - ✓ 75% of Earth's ice-free land surface has been significantly altered.
  - ✓ More than 85% of global wetlands have been lost. India has lost nearly one-third of its natural wetlands
  - ✓ The 3,741 monitored populations – representing 944 species of mammals, birds, amphibians, reptiles and fishes – in the Freshwater Living Planet Index have declined by an average of 84%.
- Destruction of ecosystems has led to 1 million species (500,000 animals and plants and 500,000 insects) being threatened with extinction.
- Most important direct driver of biodiversity loss in terrestrial systems has been land-use change, primarily the conversion of pristine native habitats (forests, grasslands and mangroves) into agricultural systems; while much of the oceans have been overfished.
- Largest wildlife population loss has been in Latin America at an alarming rate of 94%.
- Since 1970, our Ecological Footprint has exceeded the Earth's rate of regeneration.

**About Living Planet Index (LPI)**

- LPI is a measure of the state of global biological diversity based on population trends of vertebrate species from around the world.
- LPI has been adopted by the Convention of Biological Diversity (CBD) as an indicator of progress towards its 2011-2020 target to 'take effective and urgent action to halt the loss of biodiversity.'
- The LPI tracks the abundance of almost 21,000 populations of mammals, birds, fish, reptiles and amphibians around the world.
- The LPI includes data for threatened and non-threatened species.
- The LPI doesn't show numbers of species lost or extinctions.

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## 6. SOCIAL ISSUES

### 6.1. THE HUMAN CAPITAL INDEX 2020

#### Why in news?

The World Bank has recently released the report titled '**The Human Capital Index 2020 Update: Human Capital in the Time of COVID-19**'.

#### About the report

- The 2020 Human Capital Index update includes health and education data for **174 countries** (additional 17 countries relative to the 2018 edition) — covering 98 per cent of the world's population — up to March 2020.
- Since the cutoff date for the 2020 update is March 2020, before the consequences of COVID-19, the HCI 2020 can be a baseline to track some of the **effects of COVID-19 on human capital**.

#### What is Human Capital?

- Human capital consists of the knowledge, skills, and health that people accumulate over their lives, enabling them to realize their potential as productive members of society.
- Human capital is **intangible** and is endogenously built in the body and mind of its owner. Only the services of the human capital are sold.
- **Sources of human capital formation include-** Expenditure on education Health, on the job training, study programmes for adults, Migration in search of jobs with better salaries, expenditure on information relating to the labour market and other markets etc.
- **Significance of Human Capital**
  - **For individuals and families**
    - **Higher earnings and improved standard of living**
    - **Generational returns:** Benefits of human capital transcend private returns, extending to others and across generations.
  - **For societies**
    - **Building social capital:** Investing in human capital enhances social cohesion and equity while strengthening people's trust in institutions. Its yield productive outcomes in all aspects of society, **for example-**
      - ✓ An educated person can effectively take part in a democratic process and surveys typically find that more educated people are more trusting of others.
      - ✓ A healthy person, by maintaining personal hygiene and sanitation, stops the spread of contagious diseases and epidemics.
    - **Incremental results on Human Capital:** Societies need sufficient human capital in the form of competent people who have themselves been educated and trained as professors and other professionals to produce other human capital.
  - **For countries**
    - **Human capital complements physical capital** in the production process as people with higher human capital can use the physical capital more effectively and adapt faster to technological change.
    - Education provides knowledge to understand changes in society and scientific advancements, thus, **facilitate inventions and innovations**.
    - People are more productive when they are healthier and appropriately trained. This **enhanced productivity** of human beings contributes substantially towards increasing labour productivity and economic growth of a nation.
    - It is a central driver of **sustainable growth and poverty reduction**.

#### Key findings

- **Global HCI:** Globally, a child could expect to attain an average of **56 percent** of her potential productivity as a future worker.
- **Considerable variation across regions and economies:** For instance, a child born in a low-income country has an HCI of 0.37 as compared to 0.7 in a high-income country.



- **Measuring Learning Poverty:** It is the share of 10-year-olds who cannot read and understand a simple story. Around 53 percent of children in low- and middle-income countries suffer from learning poverty.
- **Disaggregation of the HCI by gender:** Human capital is slightly higher among girls than boys in most countries.
- **Underutilization of Human capital among women:** The gender gap in employment rates (a basic measure of utilization) is 20 percentage points on average worldwide, but exceeds 40 percentage points in South Asia and the Middle East and North Africa.
  - **Underutilization** means that future worker may not be able to find a job, and even if she can, it might not be a job where she can fully use her skills and cognitive abilities to increase her productivity.
  - This suggests that, while gender gaps in human capital in childhood and adolescence have closed (especially for education), major challenges remain to translate these gains into opportunities for women.
- **Human capital gains in the previous decade:** On average, the HCI increased by 2.6 points between 2010 and 2020.
- **India Specific findings**
  - India ranked at **116th from among 174** countries as compared to 115 out of 157 countries in 2018.
  - India's **HCI score increased to 0.49 from 0.44 in 2018.**
  - India is among the only two countries (other being Tonga), where **child survival rates are higher for girls than for boys.**
  - India experienced a **13-percentage-point decline in stunting rates for children under 5** from 48 percent in 2010 to 35 percent in 2020.

#### About Human Capital Index (HCI)

- HCI is an international metric that benchmarks key components of human capital across countries.
- It was launched in **2018 by the World Bank** as part of the **Human Capital Project (HCP).**
- The index measures the **human capital that a child born today can expect to attain by her 18th birthday**, highlighting how current health and education outcomes shape the productivity of the next generation of workers.
- The HCI consists of **three components:**
  - **Survival:** from birth to school age, measured using **under-5 mortality rates;**
  - **School:** measured using **learning-adjusted years of school** which combines a measure of two factors-
    - **the number of years of school a child born today can expect to attain by age 18** given prevailing enrollment rates
    - **the quality of education** based on international student achievement tests
  - **Health:** captured by two proxies-
    - **adult survival rates**, defined as the fraction of 15-year-olds who survive until age 60, and
    - **the rate of stunting for children under age 5**
- HCI ranges from **zero to one**, and an HCI value of, for instance, 0.5 implies that a child born today will only be 50% as productive as a future worker as she would be if she enjoyed complete education and full health.

## 6.2. AYUSHMAN BHARAT- PRADHAN MANTRI JAN AROGYA YOJANA (PMJAY)

### Why in News?

Centre's flagship Ayushman Bharat health insurance programme has completed two years.

### About Ayushman Bharat

- It was launched in 2018 as recommended by the National Health Policy 2017, to achieve the vision of Universal Health Coverage (UHC).
- It is an attempt to move from **sectoral and segmented approach of health service delivery to a comprehensive need-based health care service.**
- This scheme aims to undertake path breaking interventions to holistically address the healthcare system (covering prevention, promotion and ambulatory care) at the primary, secondary and tertiary level.
- It comprising of two inter-related components, which are –
  - **Health and Wellness Centres (HWCs)**
  - **Pradhan Mantri Jan Arogya Yojana (PM-JAY)**

### Health and Wellness Centres (HWCs)

- In February 2018, the Government of India **announced the creation of 1,50,000 HWCs by transforming the existing Sub Centres and Primary Health Centres.**



- These centres are to **deliver Comprehensive Primary Health Care (CPHC)** bringing healthcare closer to the homes of people.
- They cover both, maternal and child health services and non-communicable diseases, including free essential drugs and diagnostic services.

#### **Pradhan Mantri Jan Arogya Yojana (PM-JAY)**

- PM-JAY is the largest health assurance scheme in the world which aims at **providing a health cover of Rs. 5 lakhs per family per year for secondary and tertiary care hospitalization** to over 10.74 crores poor and vulnerable families (approximately 50 crore beneficiaries) that form the bottom 40% of the Indian population.
  - PM-JAY was earlier known as the National Health Protection Scheme (NHPS) before being rechristened. It **subsumed the then existing Rashtriya Swasthya Bima Yojana (RSBY)** which had been launched in 2008.
  - The benefits of INR 5,00,000 are on a **family floater basis** which means that it can be used by one or all members of the family.
- The households included are **based on the deprivation and occupational criteria of Socio-Economic Caste Census 2011 (SECC 2011)** for rural and urban areas respectively.
- PMJAY **provides cashless and paperless access to services for the beneficiary at the point of service** in any (both public and private) empanelled hospitals across India.
  - Beneficiaries get an e-card that can be used to **avail cashless services at an empaneled hospital (public or private), anywhere in the country.**
  - It **covers up to 3 days of pre-hospitalization and 15 days post-hospitalization expenses** such as diagnostics and medicines.
  - There is **no restriction on the family size, age or gender.**
  - **Public hospitals are reimbursed for the healthcare services** at par with the private hospitals.
- PM-JAY is **fully funded by the Government and cost of implementation is shared between the Central and State Governments.**
  - States are free to choose the modalities for implementation. They can implement the scheme through insurance company or directly through the Trust/ Society or mixed model.
- At National level, National Health Authority (NHA) has been set up to implement the scheme.
- Treatment for COVID-19 can be availed free of cost by eligible beneficiaries.

#### **Universal health coverage (UHC)?**

- Universal health coverage (UHC) is about ensuring that people have access to the health care they need without suffering financial hardship. UHC embodies three related objectives:
  - **Equity in access to health services** - everyone who needs services should get them, not only those who can pay for them;
  - The **quality of health services** should be good enough to improve the health of those receiving services;
  - People should be **protected against financial-risk**, ensuring that the cost of using services does not put people at risk of financial harm.
- It is a **catalyst for socio-economic development** and a key contributor to equity, social justice inclusive economic growth and ending extreme poverty.
- It has an **important impact on other SDGs.** For example, Goal 1 (end poverty), Goal 4 (quality education), Goal 5 (gender equality), Goal 8 (decent work and economic growth), Goal 9 (infrastructure), Goal 10 (reduce inequality), Goal 16 (justice and peace), and Goal 17 (partnerships).

#### **Achievements of Ayushman Bharat PM-JAY in two years**

- 32 States and UT implemented the scheme.
- 1.26 crore hospital treatments (52% provided by private hospitals)
- 23,311 hospitals empaneled (45% private)
- 12.6 crore e-cards issued
- 1,25,454 portability cases

#### **Significance of PMJAY**

- **Help India progressively achieve Universal Health Coverage (UHC)** and Sustainable Development Goals (SDG).
- **Ensure improved access and affordability, of quality secondary and tertiary care services** through a combination of public hospitals and well measured strategic purchasing of services in health care deficit areas, from private care providers, especially the not-for profit providers.
- Significantly **reduce out of pocket expenditure for hospitalization.** Mitigate financial risk arising out of catastrophic health episodes and consequent impoverishment for poor and vulnerable families.
- **Strengthen public health care systems** through infusion of insurance revenues.
- Enable **creation of new health infrastructure** in rural, remote and under-served areas.
- **Improvement in population-level productivity** and efficiency thus leading to improvement in quality of life.

## Issues with PMJAY

- **Absence of Private Healthcare Infrastructure:** Registry of Hospitals in Network of Insurance (ROHINI) data suggests that only 3% of private hospitals are eligible for the Ayushman Bharat scheme.
  - On average, there are only 1.28 empanelled hospitals per one lakh population that can provide healthcare to patients under the scheme. Further, empanelled hospitals lack the infrastructure required to treat patients.
- **A Push towards the Privatisation of Healthcare:** Ayushman Bharat brings a fundamental transformation in the existing healthcare system which favour privatisation. Private sector is expected to provide all types of care and treatments while government's role would be minimal, to provide financial protection.
- **Corruption:** Profit motive and corruption at private hospital emerge as an implementation challenge for the scheme.
  - In many cases, private hospitals involve in enrolment of ghost beneficiaries, conversion of OPD patient into an IPD patient, deliberate blocking of higher priced package, treatment of diseases for which a hospital is not equipped for, doctors performing unnecessary procedures, hospitals charging fees even though it's a cashless scheme.
- **Biased against poor state:** Poor states lack a network of good private hospitals where the poor can easily go to avail free tertiary care. Also, these states cannot provide for their share of funds (40% of the total expenditure), which keeps them deprived of the money allocated by the Union government.
- **Widening inequity:** There is a concern that in the long run, the health infrastructure in the better performing states will get further boost utilizing resources from the poor-performing states, thus widening the inequity between states.
- **Policy framework:** It has been noted that the AB-PMJAY scheme provides coverage of medicines post discharge up to 15 days only. A large number of patients, particularly cancer patients, require long-term medication on an outpatient basis.
- **Budgetary allocation and utilisation of funds:** PM-JAY received ₹6,400 crore in FY 2020-21 from the Centre. In 2019-20, too, the same amount was allocated.
  - Allocation for the PM-JAY scheme has not increased because the Centre is unable to spend the allocated amount last year.

## Way forward

- Government needs to ensure that **benefits of Ayushman Bharat are distributed equitably** between well-off and poorer states who may need it the most.
- Government **should exclude public hospital from PMJAY** as services there are already free of cost.
- **Strict action should be taken against hospitals indulging in unethical practices**
- **Continuous Quality Improvement efforts to be undertaken** in PM-JAY network hospitals, so as to ensure that appropriate and consistent quality services are delivered to the beneficiaries.
- **Real time data should be available in the public domain** for researchers to analyse, and make recommendations to plug gaps in the scheme. Similarly, state-level data on the status of health and wellness centres needs to be in the public domain too.

## 6.3. NATIONAL MEDICAL COMMISSION

### Why in news?

Recently, National Medical Commission (NMC) was constituted which replaces Medical Council of India (MCI).

### About National Medical Commission (NMC)

- NMC has been setup under **National Medical Commission Act (NMC Act), 2019** which repealed the Indian Medical Council Act, 1956.
  - It was **recommended by Prof. Ranjit Roy Chaudhury committee (2015)**.
- **Composition:** NMC will consist of 25 members, appointed by the central government. A Search Committee will recommend names to the central government for the post of Chairperson, and the part time members.
- **Members of NMC**
  - Chairperson (must be a medical practitioner),
  - Presidents of the Under-Graduate and Post-Graduate Medical Education Boards,
  - Director General of Health Services, Directorate General of Health Services,

- Director General, Indian Council of Medical Research, and
- five members (part-time) to be elected by the registered medical practitioners from amongst themselves from states and union territories for a period of two years.

- **Functions of NMC**

- framing policies for regulating medical institutions and medical professionals,
- assessing the requirements of healthcare related human resources and infrastructure,
- ensuring compliance by the State Medical Councils of the regulations made under the Act,
- framing guidelines for determination of fees for up to 50% of the seats in private medical institutions and deemed universities which are regulated under the Act.

- It supervises following autonomous boards setup under the Act.

- **Under-Graduate Medical Education Board and Post-Graduate Medical Education Board** to set standards and regulate medical education at undergraduate level and postgraduate level respectively.
- **Medical Assessment and Rating Board** for inspections and rating of medical institutions and
- **Ethics and Medical Registration Board** to regulate and promote professional conduct and medical ethics and also maintain national registers of (a) licensed medical practitioners and (b) Community Health Providers (CHPs).

- NMC may grant a **limited license to certain mid-level practitioners** who may prescribe specified medicines in primary and preventive healthcare.

### Positive aspects of NMC

- **Transparency:** Members of NMC will have to **declare their assets** at the time of assuming office and when they leave. They will also have to submit a conflict of interest declaration.
- **Independence in working:** Members will have to **serve a two-year cooling-off period** after their tenure. This could be waived by the government if required. MCI members could be re-nominated or re-elected. NMC chairperson and others members nominated **cannot be renominated**.
- **Separation of functions:** Unlike MCI which has been criticised for **concentration and centralisation of all regulatory functions** in one single body, NMC has four autonomous boards under it.
- **Non-opaque functioning:** Medical Assessment and Rating Board under NMC will give rating to all medical colleges which will be available in public domain. This will prevent opaque functioning under MCI.

### Concerns with NMC

- **Lesser elected representatives:** Compared to the 70% figure of elected representatives in the MCI, only 20% members of the NMC will be elected representatives.
- **Against federal setup:** MCI's decisions were **not binding on state medical councils**, NMC's ethics board exercises jurisdiction over state medical councils on compliance related to ethical issues.
- **Limited representation of states:** Previously, all the State governments had representation in MCI while in the NMC, **only few States in rotation will have representation**. States' representation is primarily in the medical advisory council which is only advisory body.
- **Greater control of executive:** While action could be taken against the MCI president only on the direction of a court, NMC Act **enables the central government to remove the chairperson or any other member** of the NMC.

### Other key features of NMC Act

- **Act seeks to provide for a medical education system which ensures:**
  - availability of adequate and high-quality medical professionals,
  - adoption of the latest medical research by medical professionals,
  - periodic assessment of medical institutions, and
  - an effective grievance redressal mechanism
- Under the Act, central government will constitute a **Medical Advisory Council**. It will be the primary platform through which the states/union territories can put forth their views and concerns before the NMC.
- There will be a **uniform National Eligibility-cum-Entrance Test for admission to under-graduate and post-graduate super-speciality medical education** in all medical institutions regulated under the Act.
- There would be a **common final year undergraduate examination called the National Exit Test** for the students graduating from medical institutions to obtain the license for practice. This test will also serve as the basis for admission into post-graduate courses at medical institutions under the Act.

- **Absence of independent appellate body:** Central government is the appellate authority for almost all decisions taken by the commission and also, Centre has the **power to give the commission and boards policy directions**.
- **Absence of diverse stakeholders:** Two-thirds of the members in the NMC are medical practitioners. Expert committees have recommended that the regulator should consist of **more diverse stakeholders** in order to reduce the influence of medical practitioners in regulating medical education and practice.
- **Fee regulation:** MCI had no powers to regulate fees. NMC will be “framing guidelines” for determining fees on 50% of seats in private colleges. NITI Aayog Committee (2016) was of the opinion that a **fee cap would discourage the entry of private colleges**, thus, limiting the expansion of medical education in the country.

### Conclusion

Despite limitations, NMC is a step forward, considering MCI was grappling with allegations of corruption, opaque functioning, conflict of interest, lack of emphasis on medical ethics. Also, it failed to achieve objective of ensuring adequate healthcare professionals and controlling cost of medical education. NMC is expected to **ensure probity in medical education, simplify procedures, enhance quality education and provide wider access** to people for quality healthcare.

## 6.4. VACCINE HESITANCY

### Why in news?

Recently, in a study published in The Lancet, **India ranked the highest among countries where people believed vaccines to be effective** with 84.26 per cent believing so in 2019.

### Key findings of the survey

- **The trend of vaccine hesitancy has increased** in many countries between 2015 and 2019.
- **Albania ranked the lowest with regard to vaccine effectiveness**, with only 14.2 per cent people believing vaccines were effective.
- **Confidence in vaccines:** The trend towards confidence in vaccines was **decreasing** in several countries overall but most sharply in Afghanistan, Indonesia, Pakistan, the Philippines and South Korea.

### About Vaccine Hesitancy

- As per **WHO**, Vaccine Hesitancy is defined as “reluctance or refusal to vaccinate despite the availability of vaccines” and is influenced by factors such as complacency, convenience and confidence.
- In January 2019, the World Health Organization (**WHO**) **listed vaccine hesitancy as among the top 10 threats to global health**.
- **Implications:**
  - **Some deadly diseases are making a comeback**, decades after scientists had largely eliminated them with vaccines. Recent outbreaks of the oldest vaccine-preventable diseases such as measles, pertussis, diphtheria and polio in developed and developing countries call for global vigilance on immunisation programmes.
  - There were **risks of vaccines against COVID-19 never reaching their potential**, due to a continued inability to quickly and effectively respond to public vaccine safety concerns, real or otherwise.

### Vaccine Hesitancy in India

- Although India has been ranked highest with regard to people’s perception towards effectiveness of vaccines, **vaccine hesitancy has been a concern in India**.
- **Reasons:**
  - One major objection is **lack of parental consent before the vaccine is given** to children at schools.
  - **Interpretation of common side effects** after immunization also shapes community perceptions. Post-immunization adverse events, especially the rare occurrence of a child’s death, trigger apprehensions about vaccine quality and safety.
  - The **inadequacy and inequities of the public health system** resulting in reduced community trust.
- India commissioned a study on vaccine hesitancy after diseases long prevented by vaccines, such as diphtheria, resurfaced in parts of the country.



- Influenced by **religious suspicions and rumors**, mass community resistance surfaced in India's northern region of Uttar Pradesh and Bihar states even **during polio campaigns** before the country eradicated the disease in 2014.
- With the measles and rubella campaign underway in India, **reports of parents refusing to vaccinate their children have surfaced.**
  - Although almost all children in India are vaccinated against tuberculosis, and receive their birth dose of polio vaccine, **two out of five children (40%) do not complete their immunisation programme**, according to the **'Health in India' report recently published by the National Statistical Organisation (NSO).**

#### Measures needed to tackle Vaccine Hesitancy

- **Systematic assessment of the factors affecting uptake:** WHO is developing a set of tools to support programmes and partners to measure and address the reasons for under-vaccination, and to track consistent and comparable data over time.
  - In November 2018, a global expert group called 'Measuring Behavioural and Social Drivers of Vaccination' (BeSD) was established by WHO, in collaboration with core partners, to oversee development of these tools, which is expected to be finalized in late 2020.
- **Improving and sustaining uptake:** In most cases, interventions should be dialogue based and directly targeted to a specific under-vaccinated population group.
  - **By engaging collaboratively** with health workers, caregivers/parents, and their families and communities, one can generate the insights to develop better quality health services, systems, policies, and communication strategies that support and enable recommended vaccination behaviours.
  - Communities also need to be at the centre of drives to improve the quality of immunization and health services, access and equity.
- **Need to address misinformation:** With social media playing a crucial role in spreading vaccine disinformation, the commitment by Facebook to "reduce distribution" of vaccine misinformation might be helpful against vaccine deniers.

#### Related News- Health in India report

- Released by National Statistical Organisation, the report is based on the 75th round of the National Sample Survey (July 2017-June 2018) on household social consumption related to health.
- The **main objective of this survey** was to gather basic quantitative information on the health sector: morbidity, profile of ailments, role of government and private facilities in providing healthcare, expenditure on hospitalisation, maternity and childbirth, the condition of the aged, etc.
- **Key findings of the survey:**
  - **Profile of ailments:** About 31% of the hospitalised cases had infectious diseases followed by injuries (around 11%), cardio-vascular (around 10%) and gastro-intestinal (around 9%).
  - **Population with health insurance coverage:** About 14% of the rural population and 19% of the urban population had health expenditure coverage.
  - **Source of hospitalisation expenditure:** Rural households primarily depended on their 'household income/savings' (80%) and on 'borrowings' (13%) for financing expenditure on hospitalisation. The figure is 84% and 9% respectively for Urban households.
  - **Institutional deliveries:** In rural areas, about 90% childbirths were institutional (in Government/private hospitals) and in urban areas it was about 96%.
  - **Pre and Post Natal Care:** Among women in the age-group 15-49 years, about 97% of women took pre-natal care and about 88% of women took post-natal care.
  - **Economic independence of aged persons (60 & above):** In rural India, about 28% of aged persons and in urban India 33% aged persons were economically independent.
  - **Immunisation among children aged 0-5 years:**
    - About 97% of children across the country received at least one vaccination — mostly BCG and/or the first dose of OPV at birth.
    - Among States, Manipur (75%), Andhra Pradesh (73.6%) and Mizoram (73.4%) recorded the highest rates of full immunisation.
    - In Nagaland, only 12% of children received all vaccinations, followed by Puducherry (34%) and Tripura (39.6%).

## 6.5. EPIDEMIC DISEASES (AMENDMENT) BILL, 2020

### Why in news?

Epidemic Diseases (Amendment) Bill, 2020 was passed by parliament which amends the Epidemic Diseases Act, 1897. It repeals the **Epidemic Diseases (Amendment) Ordinance** that was promulgated in April 2020.

## Key features of the amendments

- It seeks to provide protections to **healthcare service personnel who are at risk of contracting the epidemic disease** while carrying out duties related to the epidemic.
  - They include doctors, nurses, other persons designated by the state government and any person empowered under the Act to take measures to prevent the outbreak of the disease.
- It **defines ‘act of violence’ committed against a healthcare service personnel**, which include, harassment, harm, injury, hurt, or danger to life, obstruction in discharge of duties, and **loss or damage to the property** or documents.
- Act of violence or loss to any property are **punishable with imprisonment** between three months and five years, and a fine between Rs 50,000 and two lakh rupees.
- In case, act of violence causes grievous harm, it is punishable with **imprisonment between six months and seven years**, and a fine between one lakh rupees and five lakh rupees.
  - These **offences are cognizable and non-bailable**.
- Persons convicted of offences will be **liable to pay compensation** to the healthcare service personnel whom they have hurt.
- Expands the **powers of the central government to regulate the inspection** of any bus, train, goods vehicle, ship, vessel, or aircraft leaving or arriving at any land port, port, or aerodrome. Earlier, it was applicable only to inspection of any ship or vessel leaving or arriving at any port.

### The Epidemic Diseases Act 1897

- The Act **came into effect amidst the outbreak of the bubonic plague in Bombay** in the 1890s.
- It is India’s solitary law that has been historically used as a **framework for containing the spread of various diseases** including cholera and malaria.
- The law **authorises the Central and state governments** to take “exceptional measures and prescribe regulations” to be observed by the citizens to contain the spread of a disease.
  - Section 2 of the Act states that **State Government may take measures and prescribe regulations** for the inspection of persons travelling.
- It also provides **penalties for disobeying** any regulation or order made under the Act.
- However, it **does not define** “dangerous”, “infectious”, or “contagious diseases”, and an “epidemic”.
- This Act was **applied by states to impose lockdowns** during COVID-19 pandemic.

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# 7. SCIENCE AND TECHNOLOGY

## 7.1. DATA EMPOWERMENT AND PROTECTION ARCHITECTURE

### Why in news?

Recently, **NITI Aayog** sought suggestions and comments on the 'Data Empowerment and Protection Architecture (DEPA)' draft.

### More on news

- Along with NITI Aayog, the policy involves four regulators across banking, securities, insurance, and pensions - **RBI, SEBI, IRDAI, PFRDA** - and the **Ministry of Finance** coming together to implement this model.
- The policy is envisaged to be released by 2020 and the **report has been prepared by iSPIRT, not-for-profit think tank.**

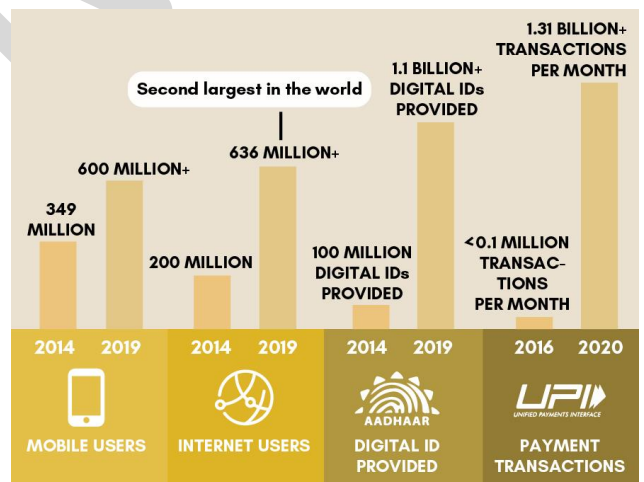
### What is the current framework for Data Protection in India?

- **Information Technology (Reasonable Security Practices and Sensitive Personal Data or Information) Rules, 2011** is referred to, for **general application** with regard to privacy laws.
- **Collection of Government Data** is governed by Aadhaar (Targeted Delivery of Financial and other Subsidies, Benefits and Services) Act, 2016 and **Aadhaar (Data Security) Regulations, 2016.**
- **Data related to the Banking Sector** is regulated under Credit Information Companies (Regulation) Act, 2005, Credit Information Companies Regulations, 2006, circulars of Reserve Bank of India including KYC circulars, Master Circulars on credit cards and Customer Services and Code of Bank's commitment to Customers.
- Data related to the **healthcare sector** is regulated by **Clinical Establishments (Central Government) Rules, 2012** and **Indian Medical Council (Professional Conduct, Etiquette and Ethics) Regulations, 2002.**

As part of potential reforms with regard to the Data Protection regime, **Personal Data Protection Bill, 2019** (currently referred to the standing committee), **Non-Personal Data Governance Framework** and **National Digital Health Mission** among others have been envisaged.

### Why data protection should be complimented with data empowerment?

- **Prevent Financial Exclusion:** A large number of India's rural and urban poor population face significant exclusion from accessing appropriate financial products for themselves and their enterprises - partly due to a **lack of trust and asymmetry of data.** For instance, a well-designed pool of data-driven financial products could be instrumental in pulling individuals out of poverty traps and stimulating the growth of micro, small, and medium enterprises (MSMEs).
- **Utilization of emerging large-scale data:** Across platforms such as Aadhaar and UPI, as well as through increasing mobile connectivity, tele-density and internet usage, huge amount of data is being generated. This data if used appropriately could generate information that is useful for policymakers, industries and entrepreneurs.
- **Prevent data from remaining in Silos:** The current custodian-centric data protection regime does not incentivize data sharing from data fiduciaries, resulting in new data becoming confined to respective silos. This approach deters the economic potential created by increasing digitization and creation of data protection institutions.



### What are salient features of the draft Data Protection and Empowerment Architecture (DEPA)?

DEPA envisions that individuals should have **control over how their personal data is used and shared** and such an agency of their personal data could **empower them to newer opportunities.**

- **DEPA will act as final layer of India Stack:** It aims to act as a layer of secure digital data sharing through consent thus providing the final layer of India Stack. (Over and above Identity layer and Payments layer.)



- India Stack is a privately-owned bouquet of proprietary software or APIs powering Aadhaar-based applications, and UPI based digital transactions. It allows government, businesses to use India's digital infrastructure to deliver private services.

Data empowerment is the **process where people**, on their own or with the help of intermediaries, **take control** or gain the power to take control of **their data** to **promote their and their society's wellbeing**. For this, people need to

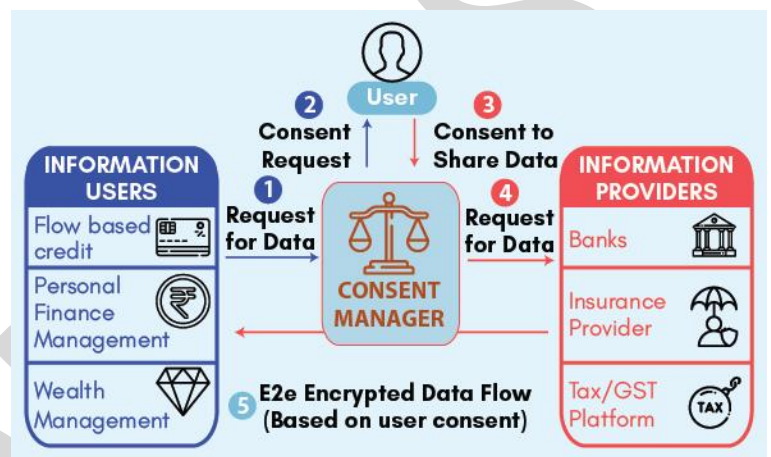
- **be aware of how their data is used**
- have a **right to privacy** and able to exercise it
- be able to **demand disclosure of data** about key issues of interest, and use it to **hold institutions accountable**.
- have the **right to create and produce data**, and use it for the common good.

- **Organization-centric system to individual centric system:** The policy

aims to work on the ideology that **individuals themselves are the best judges of the 'right' uses of their personal data**. In this line they create a consent-based data sharing mechanism. For example, a bank needs the individuals consent to share her data with a credit company or a tax/GST platform.

- This allows business to use that personal data of individuals to derive value from it which could, in turn, provide benefits to individuals in terms of loans, insurance.

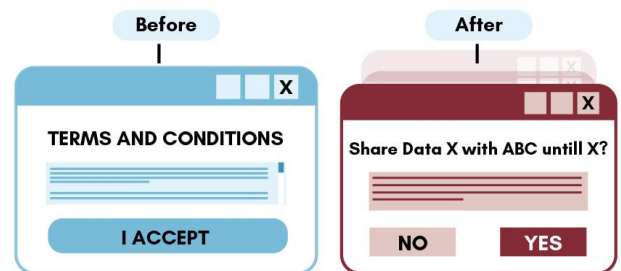
- **Consent Managers:** In view of the treatment of personal data as an economic good, the policy advocates for the creation of "a new class of institutions" called 'consent managers' that will act as a conduit between individuals (data principals), institutions in possession of the individual's personal data (data fiduciary) and a business that seeks access to that personal data.



- These Consent Managers in the financial sector will be known as Account Aggregators. A non-profit collective or alliance of these players will be created called the **DigiSahamati Foundation ('Sahamati')**.

- **Technological Architecture:** It creates interoperable, secure, and privacy preserving digital framework for data sharing through-

- **The Consent Artefact:** It is a technology Standard for programmable consent to replace the all-permissive terms and conditions forms.



- **Open APIs for Data Sharing** and creation of clearer **Financial Information Standards**.

## 7.2. ALTERNATIVE MEDICINES

### Why in news?

Recently, **Parliament passed three Bills related to alternative medicine** viz. The National Commission for Indian System of Medicine (NCISM) Act, 2020, The National Commission for Homoeopathy (NCH) Act, 2020 and The Institute of Teaching and Research in Ayurveda (ITRA) Act, 2020.

### Alternative Medicine System in India

- Alternative medicine is **any practice that aims to achieve the healing effects of medicine, but which lacks biological plausibility and is untested, untestable or proven ineffective**. It is also known by different names such as Traditional Medicine, Complementary medicine (CM), integrated medicine or integrative medicine (IM). **In India, it is known by the name Indian System of Medicine (ISM)**.
- ISM is the system of medicines which are considered to be **Indian in origin or which have come to India from outside and got assimilated into Indian culture**. ISM mainly comprises the **AYUSH streams** (Ayurveda, Unani, Yoga, Naturopathy, Siddha, and Homeopathy), are fast gaining traction and popularity in India.



- These systems are **based on definite medical philosophies and represent a way of healthy living** with established concepts on prevention of diseases and promotion of health. The basic approach of all these systems on health, disease and treatment are holistic.
- There is **great curiosity to understand the principles and practice** of Ayurveda, Homeopathy, Siddha and Unani especially **due to growing challenges in medicine** in Non Communicable Diseases (NCDs), Life style disorders, long term diseases, multi drug resistant diseases, emergence of new diseases etc.
- The **Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH)** was formed in November 2014 **to ensure the optimal development and propagation of AYUSH systems of healthcare.**
- Currently there are eight lakh registered AYUSH doctors in India. Of these, 56% of doctors belong to Ayurveda, 6.4% to Unani, and 1.4% to Siddha and Naturopathy. But there are several challenges which has prevented successful integration of AYUSH in India's mainstream healthcare.

#### Other Steps taken by the Government to promote Indian system of medicine

- **Centrally Sponsored Scheme of National AYUSH Mission** and the strategy of **mainstreaming of AYUSH under National Health Mission and National Health Policy-2017** are implemented for promoting and strengthening AYUSH sector. Under it, AYUSH facilities are being set up in PHCs, CHCs and District hospitals.
- **For promotion of AYUSH systems across the globe,** Ministry of AYUSH has signed Country to Country MoUs for cooperation in field of Traditional Medicine and Homeopathy, Collaborative Research/ Academic collaboration and for setting up AYUSH Academic Chairs in foreign Universities. Further, 31 AYUSH Information Cell have been set up in 28 countries to disseminate authentic information about AYUSH systems.
- **Under Ayushman Bharat** ,10% of the Sub- centres are to be upgraded as Health and Wellness Centres (HWCs) which will be developed by the Ministry of AYUSH to provide comprehensive Health care to the needy community.

#### Issues related to it

- **Lack of scientific reliability and trust** amongst end-users that these practices do provide proper cure for a range of conditions by helping in maintaining overall fitness.
  - Recent Health in India report by NSO also highlighted higher preference towards allopathy treatment (around 95%) in both the public and private sector hospitals.
- **Issues with the quality of medicines:** Ayurvedic preparations have been found to contain lead, mercury, and arsenic, substances known to be harmful to humans. In a 2008 study, close to 21% of U.S. and Indian-manufactured patent Ayurvedic medicines sold through the Internet were found to contain toxic levels of these heavy metals.
- **Quality of research** has been substandard, and drugs have been launched without any rigorous pharmacological studies and meaningful clinical trial.
- **Ethical concerns** have been raised about various schemes that increasingly compel rural populace into accepting AYUSH based healthcare; which often leads to disbursal of incompetent healthcare services by unqualified practitioners.
  - Ayushman Bharat has been noted to increase privatization of state healthcare facilities and compel rural populace into preferentially choosing alternative medicine, raising concerns about ethics.

### 7.2.1. THE NATIONAL COMMISSION FOR INDIAN SYSTEM OF MEDICINE ACT (NCISM), 2020

#### Key provisions of the act

- The Act **seeks to repeal the Indian Medicine Central Council Act, 1970** and to provide for a medical education system which ensures:
  - availability of adequate and high-quality medical professionals of Indian System of Medicine
  - adoption of the latest medical research by medical professionals
  - periodic assessment of medical institutions and an effective grievance redressal mechanism.
- **Constitution of National Commission for Indian System of Medicine (NCISM) and State Medical Councils.** NCISM would have the following responsibilities:
  - **To frame policies for the regulation of medical professionals and institutions** for Indian System of Medicine

- To **assess the human resources and infrastructure** required in relation to healthcare
- To **ensure that the State Medical Councils of Indian System of Medicine adhered to the regulations** laid down by the Act
- To **ensure that the autonomous boards set up under the Act worked in coordination** with each other.
- **Autonomous boards:** It sets up certain autonomous boards under the supervision of the NCISM. These boards are:
  - The Board of Ayurveda and the Board of Unani, Siddha, and Sowa-Rigpa
  - The Medical Assessment and Rating Board for Indian System of Medicine
  - The Ethics and Medical Registration Board
- **Advisory Council for Indian System of Medicine:** will be constituted by the central government and will be the **primary platform through which the states/union territories can put forth their views and concerns** before the NCISM. Further, the Council **will advise the NCISM** on measures to determine and maintain the minimum standards of medical education.
- **Entrance examinations: uniform National Eligibility-cum-Entrance Test** for admission to under-graduate education in each of the disciplines of the Indian System of Medicine in all medical institutions regulated by the Act. A **common final year National Exit Test** for the students graduating from medical institutions to obtain the license for practice. Further, there will be a **uniform post-graduate National Entrance Test** for admission into post-graduate courses in each of the disciplines of the Indian System of Medicine in all medical institutions.
- **National Teachers' Eligibility Test** for postgraduates of each discipline of Indian System of Medicine who wish to take up teaching that particular discipline as a profession.

### 7.2.2. THE NATIONAL COMMISSION FOR HOMOEOPATHY (NCH) ACT, 2020

#### Key Provisions

- The Act **seeks to repeal the Homoeopathy Central Council Act, 1973** and provide for a medical education system which ensures availability of adequate and high quality homoeopathic medical professionals, etc.
- **Constitution of the National Commission for Homoeopathy (NCH) and State Medical Councils for Homoeopathy**
- **Functions of (NCH):** same as of NCISM but with regards to homeopathy
- **Autonomous boards:** The Act sets up certain autonomous boards under the supervision of the NCH. These are:
  - Homoeopathy Education Board:
  - Medical Assessment and Rating Board for Homoeopathy
  - Board of Ethics and Medical Registration for
- **Advisory Council for Homoeopathy**
- **Entrance examinations for UG, PG and license for practice.**
- **National Teachers' Eligibility Test**
- **Appeal on matters related to professional and ethical misconduct:** The State Medical Councils and the Board of Ethics and Medical Registration for Homoeopathy have the power to take disciplinary action against the medical practitioner including imposing a monetary penalty. If the medical practitioner is aggrieved of the decision of the Board, he can approach the NCH to appeal against the decision. Appeal of the decision of the NCH lies with the central government.

### 7.2.3. THE INSTITUTE OF TEACHING AND RESEARCH IN AYURVEDA (ITRA) ACT, 2020

#### Key Provisions

- It **seeks to merge three Ayurveda institutes into one institution** by the name of Institute of Teaching and Research in Ayurveda (ITRA). The proposed Institute will be situated in the campus of Gujarat Ayurveda University, Jamnagar and **will be an institution of National Importance.**
  - The existing institutes which will be merged into the Institute are: (i) the Institute of Post Graduate Teaching and Research in Ayurveda, Jamnagar, (ii) Shree Gulabkunverba Ayurveda Mahavidyalaya, Jamnagar, and, (iii) the Indian Institute of Ayurvedic Pharmaceutical Sciences, Jamnagar.

- **Objectives of the Institute:**
  - **develop patterns of teaching** in medical education in Ayurveda and pharmacy,
  - **bring together educational facilities for training of personnel** in all branches of Ayurveda,
  - **attain self-sufficiency** in postgraduate education to meet the need for specialists and medical teachers in Ayurveda, and
  - **make an in-depth study and research in the field of Ayurveda.**
- **Composition of Institute:** Institute will consist of 15 members including the Minister of AYUSH, Director-General, Central Council for Research in Ayurveda, three experts in Ayurveda with expertise in education, industry and research, and three Members of Parliament.
- **Functions of Institute:**
  - **provide for undergraduate and postgraduate teaching** in Ayurveda (including pharmacy),
  - **prescribe courses and curricula and hold examinations and grant degrees,** diplomas and other distinctions and titles in education in Ayurveda and pharmacy
  - **provide facilities for research** in the various branches of Ayurveda,
  - **maintain well-equipped colleges and hospitals for Ayurveda** supporting staffs such as nurses and pharmacists.

#### Institute of National Importance (INI)

- As per MHRD, Institute of National Importance (INI) is a **status that may be conferred on a premier public higher education institution** in India which serves as a pivotal player in developing highly skilled personnel within the specified region of the country/state’.
- The status is **granted by an act of Parliament of India.**
- As of 2020, **there are 159 institutes, declared as Institutes of National Importance** under a distinct Act of Parliament that includes IITs, AIIMs, IIMs, NITs, IIITs, Indian Institutes of Science Education and Research (IISER), Schools of Planning and Architecture (SPA), National Institutes of Design (NID) etc.
- **ITRA will be the first institution with INI status in the AYUSH Sector,** and will enable the institution to be independent and innovative in the matter deciding course content and pedagogy.

#### Conclusion

True integration would require a concerted strategy for facilitating meaningful cross learning and collaboration between the modern and traditional systems on equal terms. This will help address the subservient status of AYUSH and to foster its legitimate inclusion into mainstream health care.

### 7.3. ASSISTED REPRODUCTIVE TECHNOLOGY

#### Why in news?

Recently, Assisted Reproductive Technology (ART) (Regulation) Bill, 2020, was introduced in the Lok Sabha.

#### More on news

- **Objective** of the bill is to **standardise protocols of the growing fertility industry and to provide for the regulation of ART services** in the country.
- This is the **third proposed legislation to protect the reproductive rights of women** after the Surrogacy Regulation Bill, 2019, and the Medical Termination of Pregnancy Amendment Bill, 2020.

#### Key provisions of the bill

- **Assisted Reproductive Technology (ART):** The Bill defines ART to include all techniques that seek to obtain a pregnancy by handling the sperm or the oocyte (immature egg cell) outside the human body and transferring the gamete or the embryo into the reproductive system of a woman. Examples of ART services include **gamete (sperm or oocyte) donation, in-vitro-fertilisation** (fertilising an egg in the lab), and **gestational surrogacy** (the child is not biologically related to surrogate mother). ART services will be provided through:
  - **ART clinics,** which offer ART related treatments and procedures, and
  - **ART banks,** which store and supply gametes.
- **Regulation of ART clinics and banks:** Every ART clinic and bank must be registered under the **National Registry of Banks and Clinics of India.**
- **Conditions for gamete donation and supply, offering ART services** have also been prescribed.

- **Rights of a child born through ART:** A child born through ART will be deemed to be a **biological child of the commissioning couple** and will be entitled to the rights and privileges available to a natural child of the commissioning couple. **A donor will not have any parental rights over the child.**
- **National and State Boards:** The National and State Boards for Surrogacy constituted under the Bill, will regulate of ART services. The State Boards will coordinate enforcement of the policies and guidelines for ART as per the recommendations, policies, and regulations of the National Board.
- **Offences and penalties:** Bill includes various offences under its purview such as (i) abandoning, or exploiting children born through ART, (ii) selling, purchasing, trading, or importing human embryos or gametes, (iii) using intermediates to obtain donors, (iv) exploiting commissioning couple, woman, or the gamete donor in any form, and (v) transferring the human embryo into a male or an animal.

#### Need for the bill

- **High demand and growth of ART:** India is among countries that have seen the highest growth in the number of ART centres and ART cycles performed every year.
  - According to a 2015 Ernst and Young study, around 27.5 million couples in the reproductive age group are infertile and about 1% (about 2,70,000 infertile couples) seek infertility evaluation. Of the people seeking remedy for infertility, 20-25% undergo IVF treatment and of that small group, one percent may require surrogacy.
    - **India has become one of the major centres of the global fertility industry (ART),** with reproductive medical tourism becoming a significant activity. This has also introduced a plethora of legal, ethical and social issues; yet, there is **no standardisation of protocols** and reporting is still very inadequate.
    - **Facilitating effective implementation of other laws:** Without registration and a proper database of medical institutions and clinics providing such services, it is impossible to regulate services like surrogacy and abortion under **the Surrogacy Regulation Bill, 2019** and Medical Termination of Pregnancy (Amendment) Bill, 2020.

#### Types of ARTs

- **In Vitro Fertilization:** It is the most common form of ART that is used by maximum patients. In this, woman's eggs are combined with man's sperm in a laboratory. The fertilised egg is then placed inside the woman's uterus in a procedure called embryo transfer.
- **Gamete intrafallopian transfer (GIFT):** The man's sperm and a woman's egg are made to combine in a lab. Then the eggs are implanted into the fallopian tubes and the fertilization occurs inside a woman's body.
- **Intrauterine insemination (IUI):** Also known as artificial insemination, it involves insertion of the male partner's (or a donor's) sperm into a woman's uterus at or just before the time of ovulation by long narrow tube.
- **Gestational Surrogacy:** In this, the embryo is created via IVF, using the eggs and sperm of the intended parents or donors, and is then transferred to the surrogate. The child is thus not biologically related to the surrogate mother, who is often referred to as a gestational carrier.

## 7.4. TRANS FATS

### Why in news?

World Health Organization (WHO) released progress report on trans-fat elimination titled "Countdown to 2023: Global Trans Fats Elimination 2020".

### Background

- In May 2018, WHO called for the global elimination of industrially produced TFA by 2023.
- In May 2019, WHO released REPLACE action framework which is a roadmap for countries to implement the prompt, complete and sustained elimination of industrially produced TFA from the food supply.
- **Under REPLACE framework, the six areas of action include:**
  - Review dietary sources of industrially-produced transfat and the landscape for required policy change.
  - Promote the replacement of industrially-produced trans fat with healthier fats and oils.
  - Legislate or enact regulatory actions to eliminate industrially-produced trans fat.
  - Assess and monitor trans fat content in the food supply and changes in trans fat consumption in the population.
  - Create awareness of the negative health impact of trans fat among policy-makers, producers, suppliers, and the public.



- Enforce compliance with policies and regulations.

### Highlights of the 2020 report

- **58 countries so far have introduced laws** that will protect 3.2 billion people from the harmful substance by the end of 2021. But **more than 100 countries still need to take actions** to remove these harmful substances from their food supplies.
- **Fifteen countries account for approximately two thirds of the worldwide deaths.** Of these, four (Canada, Latvia, Slovenia, United States of America) have implemented WHO-recommended best-practice policies, either by setting mandatory limits for industrially produced trans fats to 2% of oils and fats in all foods or banning partially hydrogenated oils (PHO).
- But the **remaining 11 countries** (Azerbaijan, Bangladesh, Bhutan, Ecuador, Egypt, **India**, Iran, Mexico, Nepal, Pakistan, Republic of Korea) still **need to take urgent action.**
- To meet the 2023 target, WHO recommends that countries take the following actions in the coming year.
  - **Develop and implement best-practice policies** to set TFA limits or to ban PHO.
  - **Invest in monitoring mechanisms**, such as laboratory capacity to measure TFA content in foods.
  - Advocate for **regional or subregional regulations** to expand the benefits of TFA policies.

### About trans fat

- Trans fat, or trans-fatty acids, are **unsaturated fatty acids** that come from either natural or industrial sources:
  - **Naturally occurring trans-fat** come from ruminants (cows and sheep).
  - **Industrially produced trans-fat** are formed in an industrial process that adds hydrogen to vegetable oil converting the liquid into a solid, resulting in “partially hydrogenated” oil (PHO).
- Industrially produced trans-fats are found in hardened vegetable fats such as margarine and *ghee* (clarified butter) and are often present in snack foods, baked goods and fried foods.
- Manufacturers often use them as they **have a longer shelf life and are cheaper than other fats.**
- They are **more unhealthy than Saturated fats** as they increases LDL (“bad”) cholesterol levels while lowering HDL (“good”) cholesterol levels.
- Approximately **540,000 deaths each year** can be attributed to intake of industrially produced trans-fatty acids and in **India the figure reaches to 60,000 number.**
- **WHO recommends that trans-fat intake** be limited to **less than 1% of total energy intake** i.e. **less than 2.2 g/day** with a 2,000-calorie diet.

### Steps taken by India against Trans fats

- India has set targets to reduce the industrially **produced trans-fat to less than 2% by the year 2022** in a phased manner, a year ahead of the WHO target. Currently, the Food Safety and Standards Authority of India (**FSSAI**) **limits trans-fat content in fats and oils to 5 per cent.**
- To achieve the target, the Food Safety and Standards Authority of India (FSSAI) launched two initiatives:
  - **Eat Right Movement** is built on two broad pillars of ‘Eat Healthy’ and ‘Eat Safe’. It aims to cut down on salt, sugar and oil consumption by 30% in three years by educating customers.
  - **Heart Attack Rewind campaign** to warn citizens about the health hazards of consuming trans fats and offer strategies to avoid them through healthier alternatives.
- **Trans Fat Free logo:** Food establishments which use trans-fat free fats/oil and do not have industrial trans-fat more than 0.2g/100g of food, can display "Trans-fat free" logo in their outlets and on their food products.

## 7.5. MARS ORBITER MISSION

### Why in news?

Indian Space Research Organisation’s (ISRO) Mars Orbiter Mission completed six years of orbiting Mars.

### About Mars Orbiter Mission (MOM)

- MOM was the **first interplanetary mission** of ISRO, **launched in 2013 by PSLV-C25** and got inserted into Martian orbit in 2014 in its first attempt.
- Its **scientific objectives** include **exploration of Mars surface features**, morphology, mineralogy and Martian atmosphere by indigenous scientific instruments.
- **Technological objectives** included deep space communication, navigation, mission planning and management.

- Mars Orbiter Mission carried five payloads to accomplish its scientific objectives.
  - Methane Sensor for Mars: It is designed to **measure Methane (CH<sub>4</sub>) in the Martian atmosphere** and map its sources.
  - **Mars Color Camera (MCC)**: Tri-color MCC gives images & information about the surface features and composition of Martian surface.
  - **Lyman Alpha Photometer**: It **measures the relative abundance of deuterium and hydrogen** from Lyman-alpha emission in the Martian upper atmosphere. Measurement of D/H (Deuterium to Hydrogen abundance Ratio) helps to understand the **loss process of water from the planet**.
  - **Mars Exospheric Neutral Composition Analyser (MENCA)**: It is a quadruple mass spectrometer capable of analysing the neutral composition in the range of 1 to 300 amu with unit mass resolution.
  - **Thermal Infrared Imaging Spectrometer (TIS)**: It **measures the thermal emission** and can be operated during both day and night. Many minerals and soil types have characteristic spectra in TIR region. TIS can map surface composition and mineralogy of Mars.

#### How MOM has helped so far?

- Helped prepare a **Martian Atlas** based on the images provided by the orbiter.
- **Phobos and Deimos**, the two moons of Mars, were also imaged from close distances by the Mars Colour Camera.
- It made a finding that **dust storms on the Mars** can rise up to hundreds of kilometres.
- **Albedo map of Mars** has been prepared using MOM will be useful to **study the surface properties of Mars**.
  - Albedo is the fraction of solar energy reflected from planetary surface back into space.

#### Other missions to Mars in news

- **ExoMars 2022: joint programme of European Space Agency (ESA) and the Russian space agency**. It comprises two missions: First, Trace Gas Orbiter – launched in 2016 and, second, comprising a rover and surface platform, is planned for 2022.
- **Mars 2020 Rover**: Under this, NASA's **Perseverance rover** will seek signs of ancient life and collect rock and soil samples for possible return to Earth. It was launched in 2020.
- **Hope Mission**: Launched by UAE in 2020, it is **Arab world's first mission to Mars**.
- **Tianwen-1: It is China's first Mars exploration mission**, launched in 2020.

## 7.6. HYPERSONIC TECHNOLOGY DEMONSTRATION VEHICLE (HSTDV)

### Why in news?

Recently, India successfully tested the hypersonic technology demonstration vehicle.

### More on news

- The test was performed by **Defence Research and Development Organisation (DRDO)**.
- The test flight **took off from the APJ Abdul Kalam Launch Complex (at Wheeler Island)**, off the Odisha coast, and, after separating from its launch vehicle at an altitude of 30 km, **flew at Mach 6 for more than 22 seconds**.
  - The launch vehicle used for this flight was the **ISRO's Advanced Technology Vehicle (ATV)**.
- Apart from India, **only three countries** have flown a vehicle at hypersonic speeds in the atmosphere- **Russia, USA and China**.

### About HSTDV

- HSTDV is an **unmanned demonstration aircraft** used for hypersonic flight test.
- The primary aim of the demonstration vehicle was to test the indigenously developed propulsion system- **air-breathing Scramjet engine**.
- The Hypersonic flight posed two major challenges:
  - Air being rammed into the engine at high speeds makes it **difficult to simultaneously inject fuel and burn the mixture** without the flame being extinguished by the air blast.
    - This was overcome by developing technologies like **hypersonic air intake system** and **supersonic combustor**.

### Mach Number

- Mach number expresses the **speed of an object in air relative to the speed of sound**. For example, Mach number 6 here implies that the vehicle was moving at **six times the speed of sound**.
- Velocity zones according to Mach numbers:

Velocity Zone	Mach number
Subsonic	Mach < 1.0
Transonic	Mach ~ 1.0
Supersonic	Mach > 1.0
Hypersonic	Mach > 5.0

- To ensure that the **skin of the vehicle remains cool** during the hypersonic phase of the flight. (The skin generally heats up due friction in the atmosphere.)
  - This was overcome by developing **materials which can withstand high temperatures** and creating **computational tools to simulate the hypersonic flow** and temperature profile.

#### **Air-breathing engines: How they work?**

- The basic difference between air-breathing systems and others is the **material that plays the role of oxidiser**.
- Generally, launch vehicles use combustion of propellants consisting of oxidiser and fuel for deriving the energy. **Air breathing propulsion systems use atmospheric oxygen**, which is available up to about 50 km of earth's surface to burn the fuel stored on-board thereby making the system much lighter, more efficient and cost effective.

#### **Types of air-breathing systems: Ramjet, Scramjet and Dual Mode Ramjet (DMRJ)**

- **Ramjet Engine:** A ramjet is a form of air-breathing jet engine that uses the vehicle's forward motion to compress incoming air for combustion **without a rotating compressor**. Fuel is injected in the combustion chamber where it mixes with the hot compressed air and ignites.
  - A ramjet-powered vehicle **requires an assisted take-off** like a rocket assist to accelerate it to a speed where it begins to produce thrust.
  - Ramjets work most efficiently at **supersonic speeds around Mach 3**. However, the ramjet efficiency starts to drop when the vehicle reaches hypersonic speeds.
- **Scramjet Engine:** A scramjet engine is an improvement over the ramjet engine as it efficiently operates at hypersonic speeds and allows supersonic combustion. Thus it is known as Supersonic Combustion Ramjet, or Scramjet.
  - The Scramjet engine designed by ISRO uses Hydrogen as fuel and the Oxygen from the atmospheric air as the oxidiser.
- **Dual mode ramjet (DMRJ):** It is a type of jet engine where a ramjet transforms into scramjet over Mach 4-8 range, which means it can efficiently operate both in subsonic and supersonic combustor modes.

#### **What is the technological significance of a successful hypersonic flight demonstration?**

- **Reduces the overall fuel need for satellite missions:** Nearly 70% of the propellant (fuel-oxidiser combination) carried by today's launch vehicles consists of oxidiser. Therefore, using atmospheric oxygen would considerably reduce the overall propellant required to place the satellite in the orbit.
- **Potential for reusing launch vehicles:** Air breathing propulsion systems enable a **powered return cruise flight** for launch vehicles, thus making them reusable. The possibility of reusing the launch vehicle will significantly **reduce the cost of launching the satellites**.
- **Testing of ancillary technologies:** A successful demonstration proved the efficacy of many other critical technologies (apart from the scramjet engine) such as **aerodynamic configuration of hypersonic manoeuvres** and **separation mechanism at hypersonic velocities**.
- **Faster civilian air transportation:** Further development of Scramjet and Dual Mode Ramjet technology could improve the fuel efficiency and peak speeds for civilian transportation.
- **Faster and long range cruise missiles:** The HSTDV is capable of **powering missiles to attain a speed of around Mach 6**. Most cruise missiles fly today at sub-sonic speeds. This renders them vulnerable to interception by the enemy's supersonic fighter jets before they strike their targets. However, a hypersonic cruise missile, flying faster than any fighter, would strike its target well before it can be intercepted.
  - Also, a hypersonic missile is a "**quick reaction missile**" which can be **used to intercept incoming missiles** in the outer atmosphere or in the inner atmosphere.

# 8. CULTURE

## 8.1. KAKATIYA DYNASTY

### Why in news?

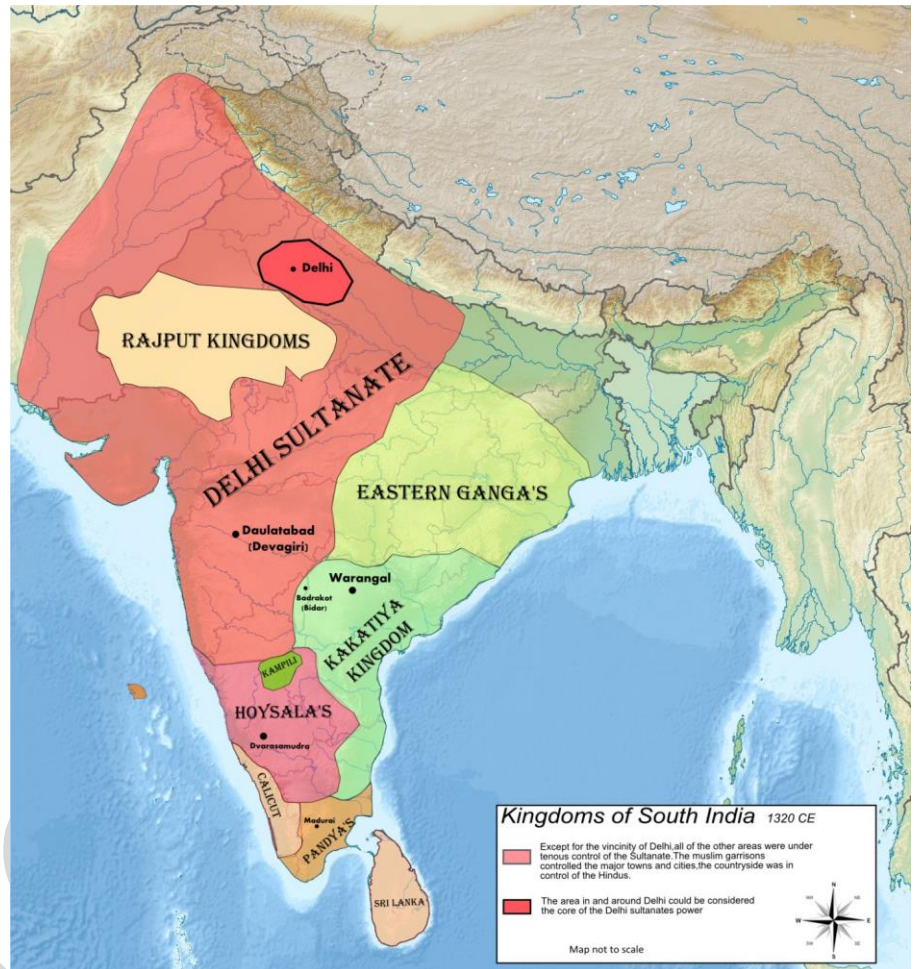
A temple constructed by **Kakatiya ruler**, in **Andhra Pradesh's capital Amaravathi** has been converted into an abode of local goddess **Balusulamma (Goddess Durga)**.

### More on news

- The temple was constructed by **emperor Ganapati Deva**, a mighty ruler of **Kakatiya dynasty**.
- The presiding deity at this **13th century temple** was **Kakati Devi**, the deity of **Kakatiya rulers**.

### About Kakatiya dynasty

- They were earlier **feudatories of Western Chalukyas**. All three contemporary dynasties of Deccan i.e. Hoysalas, Yadavas and Kakatiyas were feudatories of Western Chalukyas.
- The independent dynasty was established when **Rudradeva (Prataparudra I)** became first independent ruler of Kakatiya dynasty in 1158AD.
- **Warangal** was the **capital** of Kakatiyas.
- They faced **Islamic invasion from 1310 (by Alauddin Khilji)** and ultimately came under control of **Delhi Sultanate in 1323 (invasion by Sultan Ghiyasuddin Tughlaq)**.
- **Prominent rulers:**
  - **Ganapatideva's** reign was the **longest amongst all the Kakatiya rulers**, starting from **1199 till 1262 CE** during which he expanded his kingdom from the coastal Bay of Bengal in the east to Kanchipuram in the south.
  - **Rani Rudrama Devi (1262-89)** was one of the few queens in Indian history belonged to Kakatiya dynasty.
- **Socio-Economic history:**
  - **Motupalli** was the **famous trading seaport of the Kakatiyas**.
  - **Marco Polo**- the famous Venetian traveler **visited Kakatiya kingdom** through this port and wrote about the **prosperity and power** in Andhras in his travelogue.
  - Kakatiya dynasties were famous for the construction of large tanks and used the **sluice-weir device** in it to **boost crop production**.
  - **The Koh-i-noor diamond** was mined during Kakatiya rule from the Golconda mines
- **Architecture:**
  - **Rudreswara Temple:** also known as VeyyisthambalaGudi (**Thousand pillars temple**) in Telugu is one of the earliest structures of Kakatiya architecture.
    - It was built by Rudra Deva in 1163 AD.
    - The temple is known for its richly carved pillars, perforated screens, special icons like rock-cut elephants and monolithic Nandi.





- The temple was desecrated by the rulers of Tughlaq dynasty during their invasion of the Deccan region.
- **Rammappa Temple:** It is the **only temple in India known by the name of the sculptor** who built it, rather than after the presiding deity
  - It was built on behalf of the king, Kakati Ganapathi Deva by his chief commander Rudra Samani.
  - The sculptural work of dance postures in the temple were great inspiration for the famous work 'Nritya Ratnavali', by Jayapa Senani.
- **Warangal Fort:** Warangal fort was built by King Ganapathi in 13th century and completed by his daughter Rudrama Devi, in 1261 A.D.
  - The fort has four paths with decorative and lofty gateways known as **Keerthi Thorana or Hamsa Thorana**.
- Warangal Fort, Thousand Pillar Temple, and Ramappa Temple of this region have been added to the tentative list of UNESCO's World Heritage sites.

## 8.2. BAGH PRINT

### Why in news?

Local tribals in **Barwani, Madhya Pradesh** are being trained in the **Bagh, Maheshwari and Chanderi** textile crafts by **TRIFED** to ensure continuous livelihoods.

### More on news

- Barwani in Madhya Pradesh is an **aspirational district** due its poor socio-economic development conditions.
- There are **no traditional crafts in Barwani**, however, in the surrounding districts of **Khargone** and **Dhar**, tribal artisans are engaged in **Bagh printing** and traditional weaving of textiles in the **Maheshwari** style.

### About Bagh Print

- It is a **traditional hand block print with natural colours**, practised in Dhar district in Madhya Pradesh.
- Its name is derived from the **village Bagh** on the banks of **the Bagh River**.
- In this printing technique the **cotton and silk cloth** are subject to treatment of a **blend of corroded iron fillings, alum and Alizarin (organic red dye)**.
- On completion of the printing process, the **printed fabric is subject to repeated washing in the flowing waters of the river** and then **dried in the sun for a specific period** to obtain the **fine lustre**.
- Usually **geometric and floral compositions** with **vegetable colours of red and black over a white background** are found in this style.
- Bagh printing received the Geographical Indication (GI) tag in 2008.

### About Maheshwari fabrics

- Maheshwari fabrics are **cotton and silk fabric woven with zari or brocade** in varied designs **primarily used to make sarees**.
- The Maheshwari saree, comes from **Maheshwar** (located on banks of **Narmada**) in **Khargone** district of Madhya Pradesh.
- The **grandeur of the forts in Madhya Pradesh** and their designs played an important role in **inspiring the technique, weaves and motifs** on the Maheshwari fabrics.
- Some of these popular designs include the **Mat pattern (chattai)**, **Jasmine pattern (Chameli)**, **Brick pattern (Eent)** and **Diamond pattern (Heera)**.

### Tribal Cooperative Marketing Development Federation of India (TRIFED)

- It was established in **1987** under the **Cooperative Societies Act, 1984** by the Government of India as a **National level Cooperative body**.
- It falls under **Ministry of Tribal Welfare**.
- TRIFED is **mandated to ringing about socio-economic development of tribals** of the country by **institutionalising the trade of Minor Forest Produce (MFP) & Surplus Agricultural Produce (SAP)** collected/ cultivated by them.
- It plays the dual role of both a market developer and a service provider.
- **TRIBES India** is the brand under which **the sourced handcrafted products from the tribal people are sold**.
  - There are **120 brick-and-mortar TRIBES India outlets** across India.

- There are 5 major categories of sarees woven out of Maheshwari fabric which are namely - **Chandrakala, Baingani Chandrakala, Chandratara, Beli and Parbi**. These sarees are **glossy and light weight**.
- Maheshwari sarees **were patronized by royal family of Holkars** and are said to be created by **Rani Ahilya Bai Holkar** herself.

#### About Chanderi fabrics

- It is a traditional ethnic fabric characterized by its **lightweight, sheer texture and fine luxurious feel**.
- It is produced by **weaving in silk and golden Zari in the traditional cotton yarn** that results in the creation of the shimmering texture.
- The fabric borrowed its name from the small town **Chanderi in Madhya Pradesh** and can be classified into 3 types – **Chanderi silk cotton, pure silk and Chanderi cotton**.
- Chanderi sarees were **patronized by the royal family of Scindias**.



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# 9. ETHICS

## 9.1. BEYOND GROWTH: TOWARDS A NEW ECONOMIC APPROACH

### Context

We, as a society are facing a series of converging challenges linked to the environment, economy, and our social and political systems. The issues range from climate change, rapid technological change to emergence of new patterns of globalization. But, is our economic policy ready for these challenges? Will economic growth be enough or do we need something more? In this context, OECD released a report- 'Beyond Growth: Towards a new economic approach'.

### Is there a need to think beyond economic growth?

Economic growth has been the primary goal of economic policies, and the principal measure of an economy's success. In these years, economic growth facilitated employment growth, reduced poverty rates, and provided finance for higher government spending. But alongside these benefits, it has also generated significant issues:

- GDP growth is now **widely associated with rising inequalities**. In almost all major countries, the last forty years have seen a **declining share of national income going to wages and salaries** (labour), with a rising share going to the owners of capital.
- GDP growth is **no longer correlated with improvements in wellbeing**. Income is important, particularly for those whose incomes are low. But we now understand that people's sense of a fulfilled and flourishing life comes also from a wide variety of other factors: from the **security and satisfaction they experience in work**; their **physical and mental health**, social networks and **personal and family relationships**, trust in society etc.
  - None of these factors are automatically improved simply by higher GDP, and can often be harmed by the ways in which GDP is generated.
- Severe **environmental degradation** has forced a recognition that today's **patterns of economic growth are undermining our capacity to maintain current standards of living**.
- Further, there is a need to **re-evaluate the nature of economic factors like-**
  - **Economic behaviour**: The **evidence based economic psychology** is considered more appropriate in **understanding economic behaviour** compared to the homogenous model of a rational 'homo economicus'. People have strong attachments and moral views which lead to various forms of caring, co-operative and altruistic behaviour, as well as conformity to social norms. Such behaviours may not be subject to a calculative or individualistic logic at all: they suggest a '**social**' **human being as an important economic agent**.
  - **Value of currently unpaid work**: Studies have highlighted how unpaid and hence undervalued work plays a critical role in sustaining the social fabric. For example, the unpaid work of raising children, very largely done by women, plays a major role in maintaining the processes and structures of society. The current models fail to recognize this contribution and as a result **systematically ignore it in mainstream economic accounting and analysis**.

### Components of new objectives going forward

The issues identified above **do not imply that economic growth should be abandoned** as a goal of economic policy. Rather, they suggest that **GDP growth should be complimented with a wider set of objectives** for measuring of economic and social progress:

- **Environmental sustainability** - path of rapidly declining greenhouse gas emissions and environmental degradation, consistent with avoiding catastrophic damage and achieving a stable and healthy level of ecosystem services.
- **Rising wellbeing** - a rising sense of improvement in the quality of life and condition of individual and society as a whole.
- **Falling inequality** - reduction in the gap between the incomes and wealth of the richest and poorest groups in society and rising incomes and opportunities for those experiencing systematic disadvantage.
- **System resilience** - understood as the economy's ability to withstand financial, environmental or other shocks without catastrophic and system-wide effects.

### Is it possible to improve growth and the new objectives simultaneously?

It used to be **widely thought that there is permanent trade-off between GDP growth and these wider objectives**. For instance, inequality was considered as an inevitable price of growth. It is certainly true that such trade-offs can exist. But it is also true that these goals can be achieved together if **structures are made to encourage synergy between them**. For example-

- **Inequality vs. Growth: People on low incomes** tend to spend a higher proportion of their income than the wealthy, who are more likely to save. So, **improving the earnings of poorer people has a much larger impact on consumption and aggregate demand**, and therefore growth.
- **Environmental sustainability vs. Growth:** Cutting greenhouse gas emissions, for example, will require investments in energy efficiency and renewable energy. In some circumstances, these investments can act as a form of **economic stimulus, generating both jobs and incomes**.

### Way forward

- **Goals should be integrated in structures itself:** If we are to achieve the new economic goals we have set out, these need to be built into the structures of the economy from the outset, not simply hoped for as a by-product, or added after the event. For example, as the processes of both automation and decarbonisation have the effect of redistributing employment opportunities, the role of government 'job guarantees' becomes important to smooth the transition.
  - The report suggests the idea of '**Flexicurity**' welfare policies, which combine **flexibility for employers with income security for workers**.
- **Integrated approach towards policymaking:** Multiple objectives can only be achieved if economic and social policymaking moves out of its traditional silos and seeks out the synergies as well as trade-offs between different policy areas. We cannot, for example-
  - Achieve environmental sustainability in ways which simply exacerbate inequalities.
  - Reform financial system to reduce systemic risk but not distribute wealth more broadly.
- **Broader social partnership and public consultation:** To ensure a broader set of objectives, **consumption patterns** will have to be altered, efforts from **multiple stakeholders** will be needed and **unpopular choices** will have to be made. To make choices of these kinds, governments will need to engage in deeper forms of sectoral planning, social partnership and public consultation.
  - For example, **sustainability and decarbonisation policy** will have to make consumption patterns more sustainable, explore several technological options with the industry and policies like subsidy on fossil fuels will have to cease.
- **Increasing resilience in the economy:** This includes addressing the fragile nature of the financial sector and addressing the monopolistic and oligopolistic role played by some corporations.
  - Financial sector stability could be ensured through- **stricter regulation** of the types of assets which financial institutions can hold and **incentivising long-term investment in productive sectors of the economy**.

### Conclusion

These recommendations provide us with an idea of how economic policies can be shaped in a complex, dynamic and interconnected global economy. The model suggested here may not be the most optimal model or a universally applicable model, but it captures the idea that the growth needs to move beyond to a developmental realm.



# 10. SCHEMES IN NEWS

## 10.1. START-UP VILLAGE ENTREPRENEURSHIP PROGRAMME (SVEP)

### Why in News?

Recently, SVEP has extended business support services and capital infusion to 153 blocks of 23 states.

Objective	Salient Features
<ul style="list-style-type: none"> <li>To enable rural poor to set up their enterprises, in its proof of concept phase, by developing a sustainable model for Village Entrepreneurship promotion through               <ul style="list-style-type: none"> <li>integrated ICT techniques and tools for training and capacity building,</li> <li>enterprise advisory services and</li> <li>to provide loans from banks/SHG &amp; federations.</li> </ul> </li> <li>Handhold the rural entrepreneurs/enterprises in the initial six months of start-up, with visits from community resource persons – enterprise promotion (CRP-EP) supported by guidance from an advisory panel of experts for the relevant enterprise.</li> </ul>	<ul style="list-style-type: none"> <li>SVEP is a sub component of Deendayal Antyodaya Yojana – National Rural Livelihoods Mission (DAY-NRLM) of the Ministry of Rural Development.</li> <li>SVEP aims to support entrepreneurs in rural areas to set up local enterprises.               <ul style="list-style-type: none"> <li>The programmatic intervention will address all three missing ecosystems – Knowledge, advisory and finance ecosystems.</li> </ul> </li> </ul> <p><b>Beneficiaries:</b></p> <ul style="list-style-type: none"> <li>Any Rural poor who is willing to be entrepreneurial and self-reliant is eligible to be part of this programme.               <ul style="list-style-type: none"> <li>Highly vulnerable beneficiaries under MGNREGA, marginalized sections, women, SC and ST communities and rural artisans will be given specific preference in selection, as part of this programme.</li> </ul> </li> <li>Key elements of the programme               <ul style="list-style-type: none"> <li>Implementation of SVEP shall be managed by NRLM through the State Rural Livelihood Missions.</li> <li>Ensure convergence with clusters identified under RURBAN mission</li> <li>Help enterprises get bank finance using tablet-based software for making the business feasibility plan, doing credit appraisal and tracking business performance.</li> <li>Use the Community Investment Fund (CIF) to provide seed capital for starting the business till it reaches a size where bank finance is needed.</li> </ul> </li> </ul> <p><b>Benefits:</b></p> <ul style="list-style-type: none"> <li>It shall help rural people specially the marginalized sections, women, SC and ST communities to gain a sense of dignity and self-reliance leading to great social change.</li> <li>Wealth generated in local economy shall have a multiplier effect resulting in strengthening the local economy and reduction in distress migration.</li> <li>Promote enterprise in the field of sanitation, drinking water, renewable energy.</li> <li>Offer more economic opportunity for the rural areas and bring people out of poverty</li> </ul>

## 10.2. PRADHAN MANTRI JAN VIKAS KARYAKRAM (PMJVK)

### Why in News?

Recently, areas under PMJVK have been increased from 90 Districts originally to 308 Districts of the country.

Objective	Salient feature
<ul style="list-style-type: none"> <li>It seeks to provide better socio-economic infrastructure facilities to the minority communities particularly in the field of education, health &amp; skill development.</li> <li>It aims to lessening of the gap between</li> </ul>	<ul style="list-style-type: none"> <li>It is being implemented by Ministry of Minority Affairs.</li> <li>In the year 2008-09, Government conceived the Multi-sectoral Development Programme (MsDP), a Centrally Sponsored Scheme.               <ul style="list-style-type: none"> <li>Initially, the MsDP scheme was launched in the 90 Minority Concentration Districts of the country.</li> <li>To sharpen the focus on the targeted communities, the scheme was restructured during 2013-14 and the unit of planning for implementation was changed to Minority Concentration Blocks (MCB), Minority Concentration Towns (MCT) and Clusters of Minority Concentration Villages (COV).</li> </ul> </li> <li>Since 2018, scheme has been restructured and renamed as PMJVK for effective implementation.               <ul style="list-style-type: none"> <li>A new area for implementation of PMJVK has been included namely Minority Concentration District Headquarters (MCD Hq) along with MCB, MCT and COV.</li> </ul> </li> </ul>

the national average and the minority communities with regard to backwardness parameters.

- identified areas namely MCBs, MCTs, MCD Hqs and COVs for implementation of PMJVK will be known as **Minority Concentration Areas (MCA)**.
- To ensure holistic development of the Minority Communities, **80% of the resources under this programme would be utilized for projects related to education, health and Skill** of which atleast 33-40% will be earmarked for creation of assets/facilities for women/girls.
- **Karyakram will be implemented through State/Central agencies.**
- PMJVK has **used the selected socio-economic, basic amenities and population data of Census 2011** and have identified MCBs, MCTs and MCD Hqs.

#### Beneficiaries of PMJVK

- Communities **notified as minority communities under Section 2 (c) of the National Commission for Minorities Act, 1992** would be taken as Minority Communities.
  - At present Six communities namely Muslims, Sikhs, Christians, Buddhists, Zoroastrians (Parsis) and Jains have been notified.

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# 11. NEWS IN SHORTS

## 11.1. SINGAPORE CONVENTION ON MEDIATION COMES INTO FORCE

- The Convention, also known as **United Nations (UN) Convention on International Settlement Agreements Resulting from Mediation**, is the first UN treaty to be named after Singapore.
- Convention **applies to international settlement agreements resulting from mediation**, concluded by parties to resolve a commercial dispute.
  - It will allow businesses to **seek enforcement of a mediated settlement agreement across borders** by applying directly to courts of countries that have signed and ratified the treaty.
  - Currently, **Convention has 53 signatories, including India, China, and US.**
- **Significance of the Convention**
  - It **will facilitate international trade and commerce** by enabling disputing parties to easily enforce and invoke settlement agreements across borders.
  - Businesses will benefit from **mediation as an additional dispute resolution (ADR) option** to litigation and arbitration in settling cross-border disputes.
  - It helps to **save time and legal costs** of companies.
- **Benefits for India:** will boost ease of doing business credentials by enabling swift mediated settlements, provide a positive signal to foreign investors about India's commitment to adhere to international practice on ADR.



## 11.2. A- WEB

- Recently, ECI completed one-year chairmanship of A-WEB and organized an international webinar on "Issues, Challenges and Protocols for Conducting Elections during Covid-19".

- Association of World Election Bodies (A-WEB) is **largest association of Election Management Bodies (EMBs) worldwide**. At present A-WEB has 115 EMBs as Members & 16 Regional Associations/Organisations as Associate Members.
  - Last year **India had taken over as Chair of A-WEB for 2019-2021.**
  - An **India A-WEB Centre** has been established at New Delhi, for documentation, research and training for sharing the best practices and capacity building of officials of A-WEB members.
- **Issues faced during COVID 19**
  - Countries are facing dilemma of **whether to conduct or postpone scheduled elections.**
  - **Changes in political campaigning** to reduce human-to-human contact.
  - Party in power, armed with enhanced authority to enforce 'lockdowns' and other restrictions, **is more likely to misuse the power to its benefit.**
- **Steps taken in India**
  - Election Commission proposed a **10% increase in the campaign expenditure limit.**
  - **Separate polling arrangements** for suspected/confirmed COVID- 19 cases among electors.
  - There shall be **maximum 1000 electors instead of 1500** in a polling station.
  - Specific **guidelines for door to door campaigns and road shows** by political parties/contesting candidates.

## 11.3. E-GRAMSWARAJ PORTAL

- Ministry of Panchayati Raj has launched this portal to **strengthen e-Governance in Panchayati Raj Institutions** across the country.
- It aims to bring in **better transparency in the decentralised planning, progress reporting and work-based accounting.**
- It provides a single window for capturing Panchayat information with the complete Profile of the Panchayat, details of Panchayat finances, asset details, activities taken up through Gram Panchayat Development Plan (GPDP) etc.
  - For 2020-21, around **2.43 lakh Gram Panchayats have finalized their GPDP on e-Gramswaraj.**



#### 11.4. INDIA PROPOSES VOLUNTARY 'G-20 PRINCIPLES ON COORDINATED CROSS-BORDER MOVEMENT OF PEOPLE'

- It was **proposed in G-20 foreign ministers' meeting** with focus on cross-border movement amid the COVID-19 pandemic.
- **3 elements of the principles include Standardisation of:**
  - Testing procedures and universal acceptability of test results.
  - Quarantine procedures.
  - Movement and transit protocols.
- India also called governments around the world to ensure that **interests of foreign students are protected and movement of stranded seafarers back to their home country is facilitated.**
  - Number of **Indians living abroad is 175 lakh in 2019** making India the leading country of origin for international migrants.
- **Steps taken by India**
  - Initiated **Vande Bharat Mission**, India's **largest repatriation operation** to bring home Indian nationals stranded abroad due to COVID-19 lockdown.
  - Created **travel bubbles for the welfare and protection** of citizens stranded in India and abroad.
- G20 is an **international forum for the governments and central bank governors** from 19 countries and the European Union.
  - Collectively, G20 members represent **around 80% of the world's economic output, two-thirds of global population and three-quarters of international trade.**

#### 11.5. FINANCE MINISTER UNVEILS DOORSTEP BANKING SERVICES AND DECLARES EASE 2.0 INDEX RESULTS

- **Doorstep Banking Services** is envisaged as part of EASE (**Enhanced Access and Service Excellence**) Reforms to provide convenience of banking services to customers at their door step.
  - This is provided through universal touch points of Call Centre, Web Portal or Mobile App.
  - Customers can also track their service request through these channels.
- **EASE reform agenda for public sector banks (PSB)** was launched in 2018. It aims at **institutionalizing clean and smart banking.**
  - **Capital infusion in PSBs** was dependent on PSB performance on these reform themes.

- **EASE is based on 6 themes:**
- EASE 2.0 **builds on the foundation of EASE 1.0** and introduces new reform Action Points across six themes to make reforms journey **irreversible, strengthen processes and systems, and drive outcomes.**
- EASE reforms index **measures the performance of each PSB** on 120+ objective metrics across six themes. It provides all PSBs a comparative evaluation vis-à-vis benchmarks and peers on the Reforms Agenda.

- **Customer Responsiveness:** EASE for customer comfort
- **Responsible Banking:** Financial stability, governance for ensuring outcomes, and EASE for clean & commercially prudent business
- **Credit Off-take:** EASE for the borrower and proactive delivery of credit
- **PSBs as UdyamiMitra:** EASE of financing and bill discounting for MSMEs
- **Deepening Financial Inclusion & Digitalisation:** EASE through near-home banking, microinsurance and digitalisation
- **Ensuring outcomes – HR:** Developing personnel for Brand PSB

#### 11.6. DOMESTIC SYSTEMICALLY IMPORTANT INSURERS (DSIIS)

- **Insurance Regulatory and Development Authority of India (IRDAI)** has identified Life Insurance Corporation of India (LIC), General Insurance Corporation of India (GIC) and The New India Assurance Co.as **D-SIIs for 2020-21.**
- **D-SIIs** refer to insurers of such size, market importance and domestic and global interconnectedness **whose distress or failure would cause a significant dislocation in the domestic financial system.** Thus, they are perceived as insurers that are **too big or too important to fail.**
  - Size in terms of total revenue, including premium underwritten and the value of assets under management are among the parameters on which the insurers are identified.
- IRDAI will list D-SIIs on annual basis.
- **Conditionality's imposed on D-SII's:** Raising their level of corporate governance, identifying all relevant risks and promoting a sound risk management culture.
  - They will also be subjected to **enhanced regulatory supervision by IRDAI.**
- Similar to DSII, **RBI announce domestic systemically important bank (D-SIBs).**
  - SBI, ICICI Bank, and HDFC Bank identified as D-SIBs



### 11.7. ANIC-ARISE (ATAL NEW INDIA CHALLENGES IN APPLIED RESEARCH AND INNOVATION FOR MEDIUM AND SMALL ENTERPRISES) LAUNCHED

- It is a program launched by Atal Innovation Mission to promote research & innovation and increase competitiveness of Indian startups and MSMEs.
  - It provides funding support of up to Rs 50 lakh for speedy development of the proposed technology solution and/or product.
- It will be driven by **Indian Space Research Organization (ISRO), four ministries**—Ministry of Defence; Ministry of Food Processing Industries; Ministry of Health and Family Welfare; and Ministry of Housing and Urban Affairs—and associated industries.

### 11.8. ENTREPRENEURSHIP DEVELOPMENT INSTITUTE OF INDIA (EDII)

- EDII, an autonomous and not-for-profit institute, set up in 1983, is sponsored by apex financial institutions - IDBI Bank Ltd., IFCI Ltd., ICICI Bank Ltd. and State Bank of India.
- It aims to promote entrepreneurship, augment the pool of entrepreneurs in different sectors, assist in capacity building and training in entrepreneurship etc.
- EDII is a nodal institution as a part of Government of Gujarat promoted Start-up Policy.
- EDII has been selected by Ministry of Education to establish Institution Innovation Council with an aim to systematically foster the culture of Innovation.

### 11.9. SAROD-PORTS (SOCIETY FOR AFFORDABLE REDRESSAL OF DISPUTES-PORTS)

- It will help in settlement of disputes through arbitrations in maritime sector, including ports and shipping sector in Major Port Trusts, Non-major Ports, including private ports, jetties, terminals and harbours.
- It is established under Societies Registration Act, 1860 with following objectives:
  - Affordable and timely resolution of disputes in fair manner.
  - Enrichment of Dispute Resolution Mechanism with panel of technical experts as arbitrators.
- It will also cover disputes between granting authority and Licensee/ Concessionaire/ Contractor and also disputes between Licensee/Concessionaire and their contractors

### 11.10. GLOBAL ECONOMIC FREEDOM INDEX

- It is released by Centre for Civil Society in conjunction with Canada's Fraser Institute.
- It measures economic freedom, or ability of individuals to make their own economic decisions in a country, by analysing policies and institutions of these countries.
  - It does so by looking at indicators like regulation, freedom to trade internationally, size of government, property rights, government spending and taxation.
- India is ranked 105<sup>th</sup> (79<sup>th</sup> in 2018) among 162 countries. Hongkong topped the index followed by Singapore.

### 11.11. GLOBAL SMART CITY INDEX (SCI)

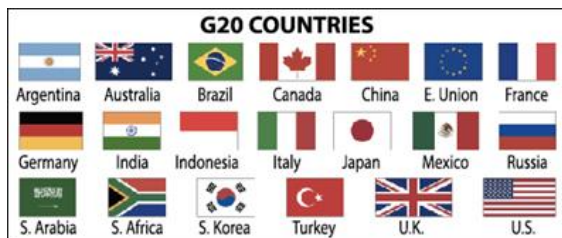
- Index is released by Institute for Management Development, in collaboration with Singapore University for Technology and Design.
  - Smart city is described as an urban setting that applies technology to enhance the benefits and diminish the shortcomings of urbanization.
- 2020 SCI is topped by Singapore, followed by Helsinki and Zurich in the second and the third place respectively.
- Hyderabad was placed at the 85th position and New Delhi at 86th position.

### 11.12. GLOBAL INITIATIVE TO REDUCE LAND DEGRADATION AND CORAL REEF PROGRAM LAUNCHED

- Initiatives were launched at Environment Ministerial Meeting of the G20 countries.
- **Global Initiative on Reducing Land Degradation:** aims to strengthen the implementation of existing frameworks to prevent, halt, and reverse land degradation within G20 member states and globally. It will take into account possible implications on the achievement of other SDGs.
  - In India about 29% of the land is undergoing degradation.
  - India is signatory to the United Nations Convention to Combat Desertification.
  - India's goal is to achieve land degradation neutral status by 2030, whereby increases in land degradation would be offset by gains in land reclamation.
- **Global Coral Reef research and development (R&D) Accelerator Platform:** aims at creating a global R&D program to advance research, innovation and capacity building in all facets of

coral reef conservation, restoration, and adaptation.

- Coral reefs are some of the most **bio diverse and productive ecosystems**.
- **They act as natural barriers to shorelines**, protecting them damage and flooding from storms, hurricanes, and cyclones.
- They absorb CO<sub>2</sub>.
- In India, Coral reefs are present in the areas of **Gulf of Kutch, Gulf of Mannar, Andaman & Nicobar, Lakshadweep Islands and Malvan (Maharashtra)**.



### 11.13. CLIMATE SMART CITIES ASSESSMENT FRAMEWORK (CSCAF 2.0) AND STREETS FOR PEOPLE CHALLENGE LAUNCHED

- CSCAF is a **first-of-its-kind assessment framework** on climate relevant parameters launched in 2019 by Ministry of State for Housing and Urban Affairs (MoHUA).
- Its objective is to **provide a clear roadmap for Indian cities towards combating climate change** while planning their actions within city including investments.
  - It intends to **inculcate a climate-sensitive approach** to urban planning and development.
- Framework has 28 indicators across **five categories**: Energy and Green Buildings, Urban Planning, Green Cover & Biodiversity, Mobility and Air Quality, Water Management and Waste Management.
- **Climate Centre for Cities** under National Institute of Urban Affairs is supporting MoHUA in implementation of CSCAF.

#### CSCAF 2.0

- Improved indicators with feedback from cities and thematic experts
- Simplified for easy understanding
- Alignment with Swachh Survekshan & Ease of Living
- Standard evidence templates and data input templates to support in data collection
- Centralized portal for data entry with dashboard to view real time updates

#### Streets for People Challenge

- It is an initiative of **Smart Cities Mission (SCM)** that aims to **inspire cities to create walking-friendly**

**and vibrant streets** through quick, innovative, and low-cost measures.

- Challenge requires **each city to test at least one flagship walking project** and enhance liveability in one neighbourhood.
  - Streets with high footfall zones can be considered as potential locations for flagship project.
- Fit India Mission along with India program of Institute for Transport Development and Policy have partnered with SCM to support the challenge.

### 11.14. PANTANAL, BRAZIL

- It is **World's Largest Wetland and sprawls over more than 150,000 sq km in Brazil** and also extends into Bolivia and Paraguay.
- It is burning as **vegetation compacted under the marshy flood water** during the wet season dries out as ponds and lagoons evaporate, **leaving flammable deposits underground**.

### 11.15. MEDICANES

- Recently a medicane named Ianos made landfall along the coast of Greece.
- Medicanes (MEDiterranean hurriCANES) refer to tropical stormlike cyclone observed **across the Mediterranean Sea**.
  - Medicanes **occur more in colder waters than tropical cyclones**, hurricanes and typhoons. Hence, the **cores of these storms are colder in comparison to the warm cores of tropical cyclones**.
  - Since warmer cores tend to carry more moisture (hence rainfall), are bigger in size and have swifter winds, **medicane are weaker and smaller in size** than the tropical cyclones.
  - Like tropical storms, medicanes have a symmetric structure and a clearly visible eye.
- The Mediterranean is a generally dry, evaporative sea and cyclonic storms don't grow as much. According to a study published in 2011, only one or two medicanes occur per year.
- However, recent studies have shown that **medicane are likely to become a bigger problem** as the planet warms due to **climate change**.
  - Warmer sea surface temperatures in the Mediterranean can allow the storms to take on more tropical appearances and characteristics, increasing the wind speeds and making the storms more intense -- with stronger winds and heavier rainfall.
- **Impact of La Niña**: La Niña is characterised by the unusual cooling of the central and east-central equatorial Pacific Ocean.

- A La Niña produces more rain in the central eastern part, where most of the Mediterranean cyclones develop. The slopes and the convection rising from sea waters can combine to spin off these cyclonic storms that become a Mediane.

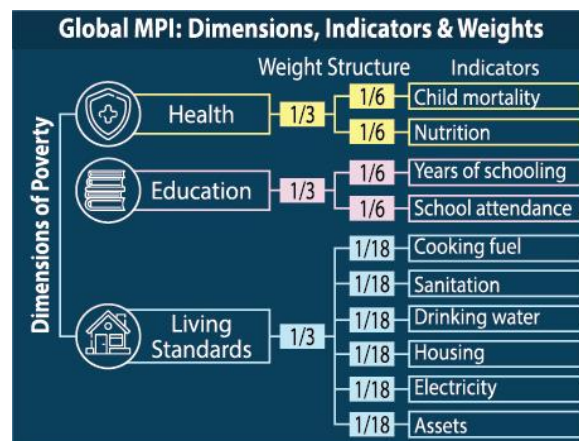
### 11.16. STATE DISASTER RELIEF FUND (SDRF)

- Prime Minister announced that **States can spend 50% of SDRF for COVID-19 relief, earlier limit was 35%.**
- SDRF, constituted under Disaster Management Act, 2005, **can be used only for meeting expenditure for providing immediate relief to victims during any notified disaster.**
  - Home ministry had decided to treat **Covid-19 as a “notified disaster”** for purpose of providing assistance under SDRF.

### 11.17. NITI AAYOG TO LEVERAGE MONITORING MECHANISM OF GLOBAL MULTIDIMENSIONAL POVERTY INDEX (MPI)

- Government has decided to **monitor the performance of country in 29 select Global Indices** through “GlobalIndices to Drive Reforms and Growth (GIRG)” exercise.
  - Global MPI is part of this and NITI Aayog as the nodal agency of MPI has been assigned the responsibility of leveraging monitoring mechanism of MPI to drive reforms.
  - It has also set up **MPI Coordination Committee (MPICC)** in this regard.
- **Objective of GIRG** exercise is to
  - Measure and monitor **India’s performance on various important social and economic parameters.**
  - Use these indices for self-improvement, bring about **reforms in policies, improving last-mile implementation of government schemes** etc.
- **About Global MPI**
  - It is an international measure of multidimensional poverty covering 107 developing countries. It identifies both who is poor and how they are poor.
  - It is computed by **scoring each surveyed household on 10 parameters** in three equally weighted dimensions- health, education and standard of living (**see infographic**).
    - It utilises the National Family Health Survey (NFHS).
  - According to Global MPI 2020, **India is ranked 62<sup>nd</sup>** and also accounted for **largest reduction**

**in multidimensional poverty between 2005/2006–2015/2016.**



### 11.18. LEVELS AND TRENDS IN CHILD MORTALITY REPORT 2020 BY UNICEF

- Report shows child mortality rates, from newborns to adolescents, as well as progress made toward meeting SDG targets by 2030.
- **Key Findings:**
  - Under-five mortality rates (**U5MR**) **have declined by almost 60% since 1990**, from 93 to 38 in 2019. Sub-Saharan Africa has the highest U5MR.
    - **Nigeria and India account for almost a third.**
  - **Newborn mortality is not decreasing as quickly** as mortality among children aged 1 to 59 months.
    - In 2019, 47 % of all under-five deaths occurred in the neonatal period (40% in 1990).
  - **Adolescent mortality has declined** by nearly 40% since 1990
  - In 2019, **122 countries had achieved U5MR below SDG target** of 25 or fewer deaths per 1,000 live births.
  - **India witnessed a decrease in neonatal mortality rates** between 1990 and 2019 from 57 to 22.
    - Sex-specific U5MR in 1990 stood at 122 males and 131 females. It has declined to 34 males and 35 females in 2019.
- **Access to life saving interventions is critical** to ensuring steady mortality declines in low- and middle-income countries.

- **Under-five mortality rate:** It is probability of dying between birth and exactly 5 years of age, expressed per 1,000 live births.
- **Neonatal mortality rate:** Probability of dying between birth and 28 days of age, expressed per 1,000 live births.

- **Adolescent (ages 10–19) mortality rate:** Probability of dying between 10 and 19 years of age, expressed per 1,000 children aged 10.

### 11.19. POSHAN MAAH

- Month of September every year is celebrated as **Rashtriya Poshan Maah**.
- During this month **activities related to nutrition awareness and POSHAN Abhiyaan** will be carried out by all the states/UTs up to the grass root level.
- **POSHAN Abhiyaan** (National Nutrition Mission) is India's flagship programme, launched in 2018 to improve nutritional status of **children, adolescent girls, pregnant women and lactating mothers**.

### 11.20. MINISTRY OF SOCIAL JUSTICE AND EMPOWERMENT FRAMES TRANSGENDER PERSONS (PROTECTION OF RIGHTS) RULES, 2020

- Rules are issued under **Transgender Persons (Protection of Rights) Act, 2019**. Act aims to protect the rights of transgender persons by granting them recognition and making welfare provisions for them.
  - Earlier, Centre had constituted the **National Council for Transgender Persons** under the act.
- **Key Features are:**
  - **District Magistrate (DM) will certify the gender of a person based on an affidavit** by the applicant, **without any medical or physical examination**.
  - State governments to **constitute welfare boards for transgender persons** to protect their rights and interests, and facilitate access to schemes and welfare measures framed by the Centre.
  - Provides for **review of all existing educational, social security, health schemes, welfare measures** etc. to include transgender persons.
  - **State governments are required to take steps to prohibit discrimination of transgender persons** in any government or private organisation, or private and public educational institution under their purview
  - **Transgender-sensitive infrastructure** such as separate wards in hospitals and washrooms be constructed within two years of the Rules being notified.
  - State governments have to set up **Transgender Protection Cell** to monitor cases of offences against transgender persons.

### 11.21. MINISTRY FOR SOCIAL JUSTICE AND EMPOWERMENT (MOSJE) LAUNCHES AMBEDKAR SOCIAL INNOVATION & INCUBATION MISSION (ASIIM)

- **ASIIM is launched under Venture Capital Fund for SCs (VCF-SC)** to promote innovation and enterprise among Scheduled Castes (SC) students studying in higher educational institutions (HEI).
  - VCF-SC (by MoSJE) is **for developing entrepreneurship amongst SC and Divyang youth**, by providing concessional finance to entities of SC entrepreneurs, and enabling them to become Job-Givers.
- Under ASIIM, **1,000 initiatives of SC youth would be identified** and funded up to Rs. 30 lakhs in three year as equity.
- **Objectives of ASIIM are:**
  - **Promoting entrepreneurship** among SC Youth with special preference to Divyangs.
  - **Supporting (1,000) innovative ideas till 2024** through Technology Business Incubators (TBIs)
    - TBIs are set up by Department of Science and Technology in HEI.
  - **Support, promote, hand-hold the start-up ideas** till they reach commercial stage by providing liberal equity support;
  - Incentivise students with innovative mind-set to take to **entrepreneurship with confidence**.
- **Other initiatives for economic development of SCs**
  - **Stand-up India** scheme for financing SC/Stand/or women entrepreneurs.
  - **National Scheduled Castes Finance & Development Corporation** to financing income generating activities of SCs.
  - **Credit Enhancement Guarantee Scheme for SCs** to support entrepreneurs.

### 11.22. KIRAN

- It is a **24x7 Toll-Free Mental Health Rehabilitation Helpline** to provide support for issues like early screening, first-aid, psychological support, distress management, mental well-being etc.
- It will offer services in **13 languages**.
- It was launched by **Department of Empowerment of Persons with Disabilities** under Ministry of Social Justice & Empowerment.

### 11.23. INDIA POST LAUNCHES FIVE STAR VILLAGES SCHEME

- It aims to **ensure universal coverage of flagship postal schemes in rural areas** of the country.
  - **Schemes covered under this include:** Savings Bank accounts, Sukanya Samridhi Accounts/



PPF Accounts, Postal Life Insurance Policy/  
Rural Postal Life Insurance Policy etc.

- It seeks to **bridge the gaps in public awareness and reach of postal products and services**, especially in interior villages.
- If a village attains **universal coverage for four schemes from the above list, then that village gets four-star status**; if a village completes three schemes, then that village get three-star status and so on.

#### 11.24. DEFENCE INDIA STARTUP CHALLENGE-4 (DISC 4)

- DISC 4 is aimed at expanding the horizons of **Innovations for Defence Excellence (iDEX) ecosystem**.
  - iDEX initiative was launched in 2018 with the **objective to encourage and nurture innovations and to develop an effective defence Startup ecosystem** in the country
- Under Defence DISC 4, **eleven challenges from Armed forces were thrown open to prospective startups, innovators and MSMEs** to provide innovative ideas

#### 11.25. SUCCESSFUL FLIGHT TEST OF ABHYAS

- Abhyas is a High-speed Expendable Aerial Target (HEAT) which is designed and developed by Aeronautical Development Establishment under DRDO..
- It is an unmanned aerial vehicle based on microelectromechanical systems (MEMS) navigation system.
- It uses indigenously developed MEMS-based navigation system for its navigation and guidance.

#### 11.26. SPECIAL FRONTIER FORCE (SFF)

- According to some reports SFF, referred to as Vikas Battalion, **has been instrumental in occupying some key heights on Line of Actual Control (LAC)** with China in Ladakh.
- SFF was **raised in the immediate aftermath of the 1962 Sino-India war**. It was a covert outfit which recruited Tibetans (now it has a mixture of Tibetans and Gorkhas).
  - It falls **under the purview of the Cabinet Secretariat**.
  - It is nicknamed Establishment 22
- SFF units are **not part of the Army** but they function under operational control of the Army.

#### 11.27. INDRA NAVY

- It is a biennial **bilateral maritime exercise between Indian Navy and Russian Navy**. It is scheduled in the Bay of Bengal from 04 to 05 September 2020.
- Exercise is aimed at **enhancing interoperability, improving understanding and imbibing best practices** between the two navies.
- It would involve **surface and anti-aircraft drills, firing exercises, helicopter operations, seamanship evolutions** etc.

#### 11.28. PASSAGE EXERCISE (PASSEX)

- **Indian Navy and the Royal Australian Navy conducted PASSEX** in Eastern Indian Ocean Region (IOR).
  - PASSEXs are regularly conducted by the Indian Navy with units of friendly foreign navies
- It is aimed at **enhancing interoperability, improving understanding and imbibing best practices from each other**.
- It comes in the backdrop of growing activities by the Chinese navy in the IOR.
- **Other military exercises with Australia:** Ex AUSTRAL HIND, Ex AUSINDEX, EX PITCH BLACK

#### 11.29. JIMEX 20

- It is a bilateral exercise which is **conducted biennially between the Indian Navy and Japanese Maritime Self-Defense Force**. It will be held in North Arabian Sea from 26 to 28 September 2020.
  - **JIMEX commenced in 2012** with special focus on maritime security cooperation.
- JIMEX 20 **will showcase high degree of interoperability and joint operational skills** through conduct of a multitude of advanced exercises, across the spectrum of maritime operations.
- **Other military exercise between India and Japan:** Ex DHARMA GUARDIAN

#### 11.30. HIMALAYAN CHANDRA TELESCOPE

- Recently, a workshop was conducted to mark 20 years of Himalayan Chandra Telescope.
- The **optical-infrared telescope** that aims to **study solar system bodies and star formation in external galaxies**.
- It is installed at **Indian Astronomical Observatory (IAO), Ladakh**.
- It is remotely operated using a dedicated satellite communication link from the Centre for Research & Education in Science & Technology, Indian Institute of Astrophysics (IIA).

- It is named after India-born Nobel laureate Subrahmanyam Chandrasekhar.
  - Subrahmanyam Chandrasekhar was one of the first scientists to couple the study of physics with the study of astronomy.
  - He proved that there was an upper limit to the mass of a white dwarf. This limit, known as the **Chandra limit**, showed that stars more massive than the Sun would explode or form black holes as they died.
  - In 1983 he was awarded the Nobel Prize in Physics for his work on the physical processes involved in the structure and evolution of stars.
- **Significance:**
  - The telescope has been used in many coordinated **international campaigns** to monitor stellar explosions, comets, and exoplanets, and has contributed significantly to these studies.
  - The building, maintaining, and effective scientific use of the Himalayan Chandra Telescope has given observational astronomy community experience and confidence to be the creators and international partners in the best of next-gen optical telescopes.

### 11.31. INDIA'S SECOND ROCKET LAUNCH PAD

- India's second rocket launch pad is being setup in **Thoothukudi** (formerly known as **Tuticorin**) district in **Tamil Nadu**.
- The project will house one launch pad exclusively for **small satellite launch vehicles (SSLV)**.
- India presently has one rocket port at **Sriharikota** in **Andhra Pradesh** with **two launch pads**.
- **Why was Thoothukudi chosen?**
  - **Geostrategic Location:** In polar missions, the PSLV from Sriharikota must perform a **dogleg manoeuvre (deviation of rocket from straight flight path)** to avoid flying over Sri Lanka, to protect it from rocket debris.
    - Rockets launched from Thoothukudi don't require this manoeuvre as there is no landmass along the flight path in the southward direction. It will also **save the rocket's fuel** as well as **improve the payload capability**.
  - **Proximity to critical infrastructure:** Thoothukudi is around **70-100 kms** away from ISRO's **Liquid Propulsion Systems Centre (LPSC) in Tirunelveli**. This will **save time and cost of transportation** as compared to Sriharikota launch pad.

### 11.32. SUN HAS BEGUN A NEW SOLAR CYCLE

- NASA and the National Oceanic and Atmospheric Administration announced their **predictions about the new solar cycle, called Solar Cycle 25**. It started in December 2019.
- Sun is a huge ball of electrically-charged hot gas. This charged gas moves, generating a powerful magnetic field. The **Sun's magnetic field goes through a cycle, called the solar cycle**.
  - **Every 11 years or so, Sun's magnetic field completely flips.** This means that the Sun's north and south poles switch places.
- **Scientists track a solar cycle by using sunspots.** A Sunspot is **an area on the Sun that appears dark** on the surface as they are **relatively cooler** than surrounding parts.
  - **Beginning of a solar cycle is a solar minimum**, or when the Sun has the least sunspots. Over time, solar activity, and the number of sunspots, increases.
- During a solar cycle, giant eruptions on the Sun, such as **solar flares and coronal mass ejections also increases**.
  - Eruptions can have a major effect on **radio communications, Global Positioning Systems (GPS) connectivity, power grids, and satellites**.

### 11.33. SCIENTIFIC AND USEFUL PROFOUND RESEARCH ADVANCEMENT (SUPRA) SCHEME

- It seeks to **explore new scientific breakthroughs**, with long-term impact on fundamental scientific understanding, and offer disruptive technologies at the cutting edge.
- **Important measures of the scheme are:** Quantum of advances, Ability of research outcomes in enhancing scientific knowledge, Global impact, outstanding publications etc.
- It is designed by **Science and Engineering Research Board (SERB)**.
  - SERB is a **statutory body under the Department of Science and Technology** to

promote basic research in Science and Engineering and to provide financial assistance to persons engaged in such research.

- The submissions under SERB-SUPRA can only be made against call for proposals, with public announcement through SERB online portal and social media.
- The **funding** will be provided normally for a **period of three years**, which could be **extended to 2 years** (5 years total).

#### 11.34. UNITED NATIONS CHILDREN'S FUND (UNICEF) TO LEAD GLOBAL PROCUREMENT, SUPPLY OF COVID VACCINES

- UNICEF will lead this effort on behalf of **COVAX Facility** for 92 low- and lower middle-income countries. It will also serve as **procurement coordinator to support 80 higher-income economies**.
  - COVAX is a global initiative to ensure **COVID-19 vaccines are available worldwide** to both higher-income and lower-income countries.
- UNICEF is the **world's largest single vaccine buyer**, procuring more than 2 billion doses of various vaccines annually for routine immunisation and outbreak response on behalf of nearly 100 countries.

#### 11.35. GHAR TAK FIBRE SCHEME

- Recently, '**Ghar tak Fibre**' Scheme was inaugurated by the Prime Minister.
- Ghar Tak Fibre scheme will connect all 45,945 villages of **Bihar** through **optical fibre internet service**.
- The project will lead digital services including **e-Education, e-Agriculture, Tele-Medicine, Tele-law and other social security schemes** in Bihar ensuring easy access to all state natives.
- It will entail implementation of **1 wi-fi and 5 free of cost connections to government institutions including primary schools, Anganwadi Centres, Aasha workers and Jeevika Didi**.
- The project will be jointly executed by **Department of Telecommunications CSC e-Governance Services Ltd., an SPV of Ministry of Electronics & IT**.

#### 11.36. SHANTI SWARUP BHATNAGAR (SSB) PRIZE

- It is given **each year for outstanding contributions to science and technology**.
- **Disciplines covered** are Biological Sciences, Chemical Sciences, Earth, Atmosphere, Ocean and

Planetary Sciences, Engineering Sciences, Mathematical Sciences, Medical Sciences and Physical Sciences.

- **Eligibility:** Any citizen of India up to the age of 45 years. Overseas citizen of India and Persons of Indian Origin working in India are also eligible.
- The award is **named after the founder Director of the Council of Scientific & Industrial Research**.

#### 11.37. SAATHI INITIATIVE

- **Ministry of Tourism** has partnered with the **Quality Council of India (QCI)**, to assist the **Hospitality Industry** through an initiative called **SAATHI (System for Assessment, Awareness and Training for Hospitality Industry)**.
- **It seeks to:**
  - sensitize the industry on the COVID regulations by the government
  - instill confidence amongst the staff and guests that the hospitality unit has exhibited intent towards ensuring safety and hygiene at the workplace.
- This initiative is in 3 phases:
  - **Self Certification** by the hotels
  - **Webinars** to build capacities on the guidelines issued.
  - **Site-assessment (optional)** through QCI accredited agencies
- **United Nations World Tourism Organisation (UNWTO)** has designated 2020 as the **Year of Tourism and Rural Development**.

#### 11.38. 25TH BIRTH ANNIVERSARY OF SRI VISWANATHA SATYANARAYANA

- He was a **Telugu writer** whose works included poetry, novels, drama, short stories and speeches,
- In 1971 he was awarded with **Jnanpith Award for his book "Ramayana Kalpavriksham"**. He was the **first telugu writer** to receive Jnanpith Award.
  - Jnanpith Award is presented by the Bharatiya Jnanpith (a literary and research organisation) to an author for their outstanding contribution towards literature.
- His '**Veyipadagalu**' was translated into Hindi by former Prime Minister PV Narasimha Rao as **Sahasraphan**.
- Some of his **poems and novels have been translated** into English, Hindi, Tamil, Malayalam, Urdu and Sanskrit.

### 11.39. RARE RENATI CHOL INSCRIPTION UNEARTHED

- Inscription was **unearthed in Kadapa district of Andhra Pradesh**. It is written in archaic Telugu language.
  - It **shows record of a gift of six Marttus (a measuring unit) of land** gifted to a Brahmin
- It was **assigned to 8th Century A.D.**, when region was under the **rule of Chola Maharaja of Renadu**.
  - Telugu Cholas of Renadu (also called as Renati Cholas) **ruled over Renadu region, present day Cuddapah district**.

- They were originally independent, later forced to suzerainty of Eastern Chalukyas.

### 11.40. DESTINATION NORTH EAST-2020'

- It is an **annual festival organised by the Ministry of Development of North Eastern Region**.
- Objective is to take **the north-eastern region to other parts of the country and bringing them closer together in order to strengthen national integration**.
- For this year, theme is **The Emerging Delightful Destinations**.

# NEWS TODAY

- ✍ Daily Current Affairs news bulletin covered in 2 pages.
- ✍ Primary sources of news: The Hindu, Indian Express and PIB. Other sources includes News on AIR, the Mint, Economic Times etc.
- ✍ Focus is to provide the primary level of information to get an idea of the different things that are going around
- ✍ Two types of approaches followed:
  - Primary News of the Day: - Covers main news items of the day in less than 180 words.
  - Also in News:- These are basically one-liners appearing in news. The word limit here will be 80 words.
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