#### FEBRUARY 2020 CURRENT AFFAIRS MAGAZINE

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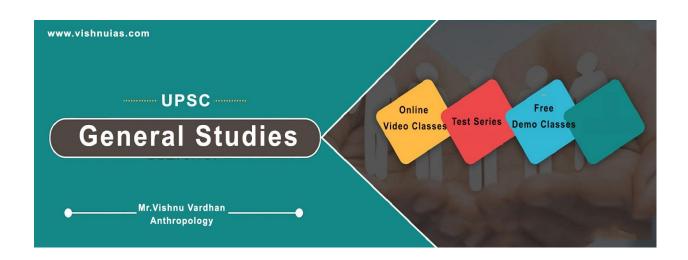
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# CURRENT AFFAIRS

A MAGAZINE FOR CIVIL SERVICES PREPARATION

## (Welcome To Vishnu IAS online)

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## GS 1: Heritage and culture, Geography of the World and Society

## 1. Experts' meet to discuss restoration of Sun temple

#### What's in News?

A plan to restore and preserve the nearly 800-year-old Konark Sun temple in Odisha would be drawn up soon.

## Konark Sun Temple:

- Konark Sun Temple is located in East Odisha near the sacred city of Puri.
- It is a 13th century temple and a UNESCO World Heritage Site.
- It was declared a UNESCO world heritage site in 1984.
- It had been filled with sand and sealed by the British authorities in 1903 to stabilise the structure.
- The temple is designed in the shape of a colossal chariot. Dedicated to the sun god, the temple marks the highest point of achievement of Kalinga architecture.

## 2. A marriage story for everyone

#### Introduction

Indian society has many religions and myriad castes. Most of the weddings in India are arranged on the basis of religion and caste as per the family norms and customs. People enter the sacred relationship of marriage within their communities. But with changing times and with constant changes in the social milieu, individuals would want to marry their loved ones from a different religion or caste. The Special Marriage Act deals with inter-caste and interreligion marriages.

The Special Marriage Act is, therefore, a special law enacted to provide for a unique form of marriage by **registration wherein the parties to the marriage do not have to renounce their religion**. It is a legislative tool for social change, an attempt to remove a social barrier to the exercise of individual autonomy.

## Special Marriage Act of 1954

 This Act covers marriages among Hindus, Muslims, Christians, Sikhs, Jains and Buddhists. • This Act applies not only to Indian citizens who belong to different castes and religions but also to Indian nationals who live abroad.

Supreme Court judgments on individual autonomy

Supreme Court has championed the cause of individual **autonomy in matters of love, sex and marriage**, in

- Shafin Jahan v. Asokan (2018) (Hadiya Case)
  - The SC said, "The right to marry a person of one's choice is integral to Article 21 (<u>right to life</u> and liberty) of the Constitution".
  - The absolute right of an individual to choose a life partner is not in the least affected by matters of faith.

## Shakti Vahini v. Union of India (2018)

- Any attempt by Khap Panchayats or any other assembly to scuttle or prevent two consenting adults from marrying is absolutely 'illegal'.
- It said "Liberty, taking the word in its concrete sense consists in the ability to choose." When the ability to choose is **crushed in the name of class honour** and the person's physical frame is treated with absolute indignity, a chilling effect dominates over the brains and bones of the society at large.

## Navtej Johar v. Union of India (2018).

• In Navtej Johar, not only did the Court hold <u>Section 377 of the IPC</u> to be unconstitutional, it explicitly recognised the rights of the LGBTQ+ community to express their individuality, sexual identity and love on par with heterosexuals, as fundamental to Articles 14 (right to equality), 19 (right to freedom), and 21 (right to life) of the Constitution.

#### Context

- A petition was recently filed in Kerala High Court by a male same-sex couple.
- They challenged the constitutionality of the Special Marriage Act on the ground that **it discriminates against same-sex couples** who want to formalize their relationship through marriage.
- In their plea, the couple stated that they were aggrieved by the provisions of the Special Marriage Act, 1954 whereby the law only permits a heterosexual (opposite sex) couple to get married and a homosexual couple like them is denied equal access to the institution of marriage.

• The text of the Act does not exclude homosexual unions from its ambit expressly, but carries a heterosexual undertone in its language.

#### **Issues**

- The Supreme Court in Navtej Johar had recognised the right of same-sex couples to express their sexual identity, right to privacy and non-interference in the conduct of their personal affairs, and the right to be recognized as full members of society.
- To refuse their plea under the Special Marriage Act would cause them very real, tangible damage, considering that marriage carries a range of legal rights and protections, available during the marriage as well as on its dissolution by divorce (the right to seek maintenance) or death (the right to inherit property).

## Why recognition matters?

- Marriage continues to be the cornerstone of **social legitimacy** and family in India. It leads to human **development and aspiration** which give meaning to their personal lives.
- The social purpose of marriage is to provide **stability**; financial, physical or emotional care and support; sexual intimacy and love to individuals; and to facilitate **procreation and child-rearing**.
  - Whether the couple should have children or not, is for the couple to decide.
  - They may opt for biological children or they may adopt children.
  - When rules for normal couples are not laid why have these rules on the homosexual couple is another argument.

Therefore, aside from procreation, **none of these objectives are dependent on the gender of the parties** concerned, so much as on the bond they share and their ability to make the relationship work.

#### Conclusion

- The petition before the Kerala High Court represents a unique opportunity

   a potential first step towards making marriage, as an institution, as a legal concept, more accessible and egalitarian, less arbitrary and exclusionary.
- It gives the High Court the chance to prioritize the fundamental and human rights of the petitioners over the abstract heteronormative

- tendency of the majority to deny legitimacy to relationships that challenge oppressive social structures and established hierarchies.
- In other words, its high time **love and logic are given a chance to triumph over homophobic tradition**.

## 3. Urban heat islands in India (GS-1/3)

#### Context

- There was a study that was conducted by IIT Kharagpur called "Anthropogenic forcing exacerbating the urban heat islands in India".
- According to the study, the **urban areas are comparatively warmer than** the suburbs.

#### **Details**

- The research was a detailed and careful analysis of urban heat islands in India.
- It studied the difference between urban and surrounding rural land surface temperatures, across all seasons in 44 major cities from 2001 to 2017.
- The study found evidence of mean daytime temperature of surface **Urban Heat Island (UHI Intensity)** going up to 2 degrees C for most cities, as analyzed from satellite temperature measurements in monsoon and postmonsoon periods.
- Researchers also noticed a similar rise in daytime temperatures in Delhi, Mumbai, Bengaluru, Hyderabad and Chennai.

## **Urban Heat Island (UHI)**

- Temperatures in the urban areas are often a few degrees warmer than the rural areas surrounding it. This temperature discrepancy is the result of a phenomenon known as the urban heat island effect.
- The heat gets trapped near the earth's surface as a result of a decline in green cover, rapid urbanisation, energy-intensive activities, and concrete structures.

#### **Reasons for UHIs**

The increased use of manmade materials and increased anthropogenic heat production are the main causes of the UHI.

- When houses, shops, and industrial buildings are constructed close together, it can create a UHI.
- Building materials are usually very good at insulating, or holding in heat. This insulation makes the areas around buildings warmer.
  - Materials used for pavements, roads and roofs, such as concrete, asphalt (tar) and bricks, which are opaque, do not transmit light but have a higher heat capacity and thermal conductivity than rural areas, which have more open space, trees and grass.
- Trees and plants are characterized by their 'evapotranspiration' —
   evaporation involves the movement of water to the surrounding air, and
   transpiration refers to the movement of water within a plant and a
   subsequent lot of water through the stomata (pores found on the leaf
   surface) in its leaves.
  - o Grass, plants and trees in the suburbs and rural areas do this.
  - The lack of such evapotranspiration in the city leads to the city experiencing a higher temperature than its surroundings.
- People and their tools, such as cars and factories, are always burning off energy.
  - UHI's thus decrease air quality in the cities, because of the pollution generated by industrial and automobile exhaust, higher extent of particulate matter and greater amounts of dust than in rural areas.
- Some species like lizards and geckos thrive in higher temperatures. Due to the increase of temperatures in the urban setup, their number increases.
  - Insects such as ants are more abundant here than in rural areas;
     these are referred to as ectotherms.
- Nighttime temperatures in UHIs remain high. This is because buildings, sidewalks, and parking lots block heat coming from the ground from rising into the cold night sky. Because the heat is trapped on lower levels, the temperature is warmer.

## **Effects of Urban Heat Island**

- This might impact the **health** of people living in urban areas **due to heat** waves apart from pollution.
- Cities tend to experience heat waves which affect human and animal health, leading to heat cramps, sleep deprivation and increased mortality rates.

- Water quality suffers. When warm water from the UHI ends up flowing into local streams, it stresses the native species that have adapted to life in a cooler aquatic environment.
- Increased temperatures during summer in cities **amplify energy demand** for air conditioning.
  - This means the increased demands for cooling or air-conditioning during summer contributes to higher energy bills.
  - Also, during exacerbated periods of urban heat islands, the resulting demand for air conditioning can overload systems which can lead to power outages and blackouts.

## Control of UHIs and mitigation

Industrialisation and economic development are vital to the country, but the control of UHIs and their fallouts are equally vital.

- The best way to make cities liveable is to contain sprawl and **increase the amount of vegetation**.
  - We need to plant as many trees and plants as possible.
  - Trees provide shade, absorb carbon dioxide, release oxygen and fresh air, and provide a cooling effect.
  - Deciduous trees are the best for urban areas because they provide a cooling effect in summer and they don't block warmth during winter.
- Building water-retentive pavements and **installing reflective roofs** can be adopted to combat surface heat.
  - Using light-coloured concrete (using limestone aggregates along with asphalt (or tar) making the road surface greyish or even pinkish (as some places in the US have done); these are 50% better than black, since they absorb less heat and reflect more sunlight.
- Green roofs present a great method of lessening the impacts of the urban heat island.
  - Green roofing is the practice of planting vegetations on a roof, just like they are planted in a garden.
- **Conservation of water bodies** in and around cities could be an effective strategy.
- The construction of buildings and infrastructure with **eco-friendly materials** could also prove to be crucial to mitigating the effects of heat islands.

#### Conclusion

• The need of the hour is to control urban sprawl and put in place stringent policies for sustainable urbanization.

## 4. Monsoon in Sunderbans likely to get longer, warn climate experts (GS-1)

#### **Context:**

The report titled **The Sunderbans and Climate Change** released during the ongoing **Convention on the Conservation of Migratory Species of Wild Animals.** 

#### **Details:**

- The fact sheet notes that as climate change progresses, the monsoon in Sunderbans is likely to last longer and get more intense over the coming years.
- Conversely, **drought conditions will also become more pronounced**, presenting further challenges for agricultural producers in particular and ecosystems in general.

#### **Concerns:**

## Risk of flooding:

- The fact sheet points out that large parts of Sunderbans, which are designated as 'Ramsar Sites', are **highly susceptible to flooding**.
- The inundation of seawater is going to dramatically affect the area.
  - Although mangroves demonstrate some degree of resistance to submersion in water, they are susceptible to tidal inundation which occurs too frequently or lasts too long.
  - Apart from the frequent storms and the rise of sea level, another concern is the **rise of salinity both in water and soil.** 
    - Excess levels of soil salinity can be damaging to ecosystems as salts can accumulate in the soil and **hinder plant growth** and also **threaten the health of freshwater aquatic life** such as fish and giant prawns.

## Bengal tiger:

• The report estimates the rise in the sea level at 3.2 mm per year currently. The report states that an estimated rise of 28 cm above the sea levels

- registered in the year 2000 would result in a 96 % decline of the habitat of the Bengal tiger (Panthera tigris tigris) in Bangladesh.
- The intense monsoon storm is also expected to **reduce the availability of prey for the Bengal Tiger in the region**, adversely affecting its sustainability in the region.

## Freshwater species:

- The convention discussions involved the Transboundary Conservation of Threatened Freshwater Fauna, including species like Indian River Terrapin (Batagur Baska), Hilsa (Tenualosa ilisha) and Ganges River Dolphin (Platanista gangetica).
- There is clear evidence of the habitat of all the three species extending to the Sunderbans in both India and Bangladesh.
- The risk of flooding in Sunderbans will adversely affect these freshwater species.

## Way forward:

- There is an urgent need for long term coastal planning to ensure that the critically important intertidal habitats with their unique flora and fauna and local inhabitants have a space to retreat inland in case of flooding and subsequent loss of natural habitat for these species.
- There is the need to protect the existing natural habitat and also enhance natural vegetation in the region to compensate for the impending loss of natural habitat.

## 5. Youth can be a clear advantage for India (GS-1)

#### Context

The demographic dividend is close to five-decade-long demographic opportunities that can be leveraged only with suitable policies and programmes

## The youngest population in the world

- Median age at 28 years: By 2022, the median age in India will be 28 years.
  - In comparison, it will be 37 in China and the United States.
  - 45 in western Europe, and 49 in Japan.

## The demographic dividend

- The working-age population more than non-working: India's working-age population has numerically outstripped its non-working age population.
- **An extraordinary opportunity:** A demographic dividend, said to have commenced around 2004-05, is available for close to five decades.

#### The two caveats

- The demographic dividend is an extraordinary opportunity. There are, however, two caveats.
- First: Dividend available in different states at different times.
  - India's population heterogeneity ensures that the window of demographic dividend becomes available at different times in different States.
  - Example of Kerala vs. Bihar: While Kerala's population is already ageing, in Bihar the working-age cohort is predicted to continue increasing till 2051.
  - **Decline in 11 major states by 2031**: By 2031, the overall size of our vast working-age population would have declined in 11 of the 22 major States.
- Second: Many factors that matter for harnessing the dividend
  - Factors that matter: Harnessing the demographic dividend will depend upon the-
  - Employability of the working-age population.
  - Health.
  - Education.
  - Vocational training and skill.
  - Besides appropriate land and labour policies, as well as good governance.
  - **Demography is not destiny:** India will gain from its demographic opportunity only if policies and programmes are aligned to this demographic shift. Demography is not destiny.

#### Need for skills

- **Need for the additional jobs:** The Economic Survey 2019 calls for additional jobs to keep pace with the projected annual increases in the working-age population.
- Lack of education and skills: UNICEF 2019 reports that at least 47% of Indian youth are not on track to have the education and skills necessary for employment in 2030.

- Possibility of demographic disaster: The projected demographic dividend would turn into a demographic disaster if an unskilled, under-utilised, and frustrated young population undermines social harmony and economic growth.
- **Poor learning outcomes:** While over 95% of India's children attend primary school, the National Family Health Surveys (completed up to 2015-16) confirm that poor infrastructure in government schools, malnutrition, and scarcity of trained teachers have ensured poor learning outcomes.

#### What needs to be done?

- Adopt a uniform school system: A coordinated incentive structure prompting
  States to adopt a broadly uniform public school system focusing on equity and
  quality will yield a knowledge society faster than privatising school education
  can accomplish.
- Ensure training in line with the market demand: Most districts now have excellent broadband connectivity-
  - Let geography not trump demography: Irrespective of a rural or urban setting, the public school system must ensure that every child completes high school education, and is pushed into appropriate skilling, training and vocational education in line with market demand.
- **Invest and modernise:** Modernise school curricula, systematically invest in teacher training so that they grow in their jobs to assume leadership roles while moving beyond the tyranny of the syllabus.
- Use of technology: Deploy new technology to accelerate the pace of building human capital by putting in place virtual classrooms together with massive open online courses (MOOCS) to help prepare this huge workforce for nextgeneration jobs.
  - Investing in open digital universities would further help yield a higher educated workforce.

#### Focus on women

- **Translating literacy into skill**: Growing female literacy is not translating into relevant and marketable skills.
  - A comprehensive approach is needed to improve their prospects vis-à-vis gainful employment.

- **Need of the flexible policies:** Flexible entry and exit policies for women into virtual classrooms, and into modules for open digital training, and vocational education would help them access contemporary vocations.
- **The need for equal pay**: Equal pay for women will make it worth their while to stay longer in the workforce.
- The deferred bonus: Economist Yogendra Alagh has written that the significance of this "deferred bonus" (women entering the workforce), could be higher than the immediate benefits of the dividend from shifts in population age structure.

#### Health care

- In India, population health is caught between the rising demand for health services and competition for scarce resources.
- **Impact of economy on rural health**: The National Sample Survey Office data on health (75th round, 2018), shows that a deep-rooted downturn in the rural economy is making quality health-care unaffordable.
  - People are availing of private hospitals less than they used to, and are moving towards public health systems.
  - Diverting public investment from However, central budget 2020-21 lays emphasis on private provisioning of health care which will necessarily divert public investment away from public health infrastructure.
- The Ayushman Bharat Yojana: It links demand to tertiary in-patient care.
  - This promotes earnings of under-utilised private hospitals, instead of modernising and up-grading public health systems in each district.
- We need to assign 70% of health sector budgets to integrate and strengthen primary and integrated public health-care services and systems up to district hospital levels.
  - Include out-patient department and diagnostic services in every health insurance model adopted, and-
  - Implement in 'mission mode' the **Report of the High-Level Group, 2019,** submitted to the XV Finance Commission.
- The elderly population in India is projected to double from 8.6% in 2011 to 16% in 2040.
  - This will sharply reduce the per capita availability of hospital beds in India across all major States unless investments in health systems address these infirmities.

#### Conclusion

The policies that we adopt and their effective implementation will ensure that our demographic dividend, a time-limited opportunity, becomes a boon for India.

## 6. In Rakhigarhi, anxiety trumps history (GS-1)

#### **Background:**

#### Iconic sites:

- The Union Budget proposes the development of **five archaeological sites** of Rakhigarhi in Haryana, Hastinapur in Uttar Pradesh, Shivsagar in Assam, Dholavira in Gujarat and Adichanallur in Tamil Nadu into iconic sites.
- Based on the above proposal, work has already been initiated to develop the Harappan site at **Haryana's Rakhigarhi village as an iconic site and set up a national museum**. This will help develop the site as a **tourist hub**.

## Rakhigarhi:

- Rakhigarhi is the site of a **pre-Indus Valley Civilization settlement** going back to about 6500 BCE. Later, it was also part of the **mature Indus Valley Civilization**, dating to 2600-1900 BCE. Interestingly, the site indicates **both early and mature Harappan phases**.
- The site is located in the Saraswati river plain, close to the seasonal Ghaggar river.
- Rakhigarhi encompasses a set of seven mounds, and there are many more settlement mounds in the immediate vicinity. Not all of them were occupied at the same time. In January 2014, the discovery of additional mounds resulted in it becoming the largest Indus Valley Civilization site, overtaking Mohenjodaro.
- The size and uniqueness of Rakhigarhi have drawn much attention of archaeologists all over the world. It indicates the spread of the Indus Valley Civilization east across North India.
- Notably, only about 5% of the Rakhigarhi site has been excavated so far by the ASI and Deccan College, Pune. Among the major findings from the site were a 4,600-year-old female skeleton, fortification and bricks.

#### **Details:**

- The site is currently under **Archaeological Survey of India's** protection and the ASI has started planning the project.
- The ASI has been able to get under its control just 83.5 acres of the 350-hectare site that spans 11 mounds, after first taking over the site in 1996, due to **encroachments** and pending court cases.
- As part of encroachment removal at the Rakhigarhi heritage site, 152 households are being shifted to flats.
- The proposal of the government has caused both excitement and concern among the residents of the two villages in Haryana's Hisar district — Rakhi Khas and Rakhi Shahpur — known as Rakhigarhi.
- **Villagers fear the loss of land**, as Centre moves to turn the Harappan site into a tourist hub. The concerns are mainly regarding the issues of rehabilitation of homes.

## 7. Summer to be hotter than usual, says IMD (GS-1)

#### **Context:**

Forecast by the India Meteorological Department (IMD)

#### **Details:**

## **Higher temperatures:**

- The forecast states that the **summer months from March to May will be hotter** than normal.
- The forecast indicates that the MAM (March-May) season averaged temperatures are likely to be at least half a degree hotter than normal over northwest, west and central India and some parts of south India.
- The season averaged maximum temperature is likely to be warmer than normal in Himachal Pradesh, Uttarakhand, West Rajasthan and Arunachal Pradesh.
- The other regions are likely to be warmer than normal by over 0.5C to <1C.

#### **Heatwave conditions:**

• Above normal heatwave conditions are also likely in the core heat wave zone during the MAM (March-May) season.

• The core heatwave zone covers the States of Punjab, Himachal Pradesh, Delhi, Uttarakhand, Haryana, Rajasthan, Uttar Pradesh, Gujarat, Madhya Pradesh, Bihar, Chhattisgarh, Jharkhand, West Bengal, Odisha and Telangana and parts of Maharashtra and coastal Andhra Pradesh.

#### **Monsoons:**

- Although a hot summer is a key factor to a timely monsoon. However, the impact of a warming ocean and its impact on the monsoon is likely to be more apparent around April when the IMD issues its first forecast for the monsoon.
- The southwest monsoon in 2019 (June to September) delivered rainfall 10% above average in the country which makes it the highest in 25 years.

## GS 2: Polity, Governance, International Relations

## 1. Agri Export Policy

#### Why in News

Recently, the **Agricultural and Processed Food Products Export Development Authority (APEDA)** along with State Government of Andhra Pradesh has dispatched the **first shipment** of high-quality bananas from Anantpur in Andhra Pradesh to Jawaharlal Nehru Port (JNPT) in Mumbai for **exports to international markets.** 

• The long-distance affects the viability of export shipments **due to high transport costs and quality losses.** Hence, this time efforts were made for reducing the transit time by using **refrigerated rail containers** (freight transport that is refrigerated for the transportation of temperature-sensitive cargo).

## **Agri Export Policy**

Keeping in mind the significance Indian agriculture holds, Government of India introduced Agri Export Policy in 2018.

## Objectives:

- Double Exports: To double agricultural exports from the present \$30 billion to \$60 billion by 2022 and reach \$100 billion in the next few years thereafter, with a stable trade policy regime.
- Diversification: To diversify the export basket, and boost high value and value-added agricultural exports including focus on perishables.
- Non-Traditional Agri Products Promotion: To promote novel, indigenous, organic, ethnic, traditional and non-traditional Agri products exports.
- Market Access: To provide an institutional mechanism for pursuing market access, tackling barriers and deal with sanitary and phytosanitary issues.
- Global Integration: To strive to double India's share in world agriexports by integrating with global value chain at the earliest.
- Benefit Farmers: Enable farmers to get benefit of export opportunities in the overseas market.
- **Vision:** Harness export potential of Indian agriculture, through suitable policy instruments, to make India a global power in agriculture and raise farmers income.
- Elements:

	Policy Measures	
Strategic	Infrastructure and Logistics Support	
	Holistic Approach to boost exports	
	Greater involvement of State Governments in Agri Exports	

	Focus on Clusters	
	Promoting Value added exports	
	Marketing and promotion of "Brand India"	
Operational	Attract private investments into production and processing	
	Establishment of Strong Quality Regimen	
	Research & Development	
	Miscellaneous	

## 2. A sneeze, a global cold and testing times for China

#### Context

The World Health Organization (WHO) has declared the coronavirus outbreak a global emergency, as the outbreak continues to spread outside China.

## Coronavirus outbreak and Chinese response

- What is coronavirus? Normally, coronavirus is a large family of viruses that are often the source of respiratory infections, including the common cold.
  - A small number of common infecting virus: Most of the viruses are common among animals and only a small number of them infect humans.
  - Mutation of animal base virus: Sometimes, an animal-based coronavirus mutates and successfully finds a human host.
- Dangers of rapid urbanisation: Rapid urbanisation that forces animals and humans into closer proximity (as in the "wet market" in Wuhan) creates a perfect petri dish from where such zoonotic outbreaks can originate.

#### Concern for India

- Reported case in Nepal and cause of concern for India: For India, the most critical is cases being reported in Nepal since India and Nepal share an open border though so far.
- All tests undertaken in India have been negative.
- A tweet by the Ministry of Health and Family Welfare on January 30 said that one positive case of a novel coronavirus patient

## Understanding the new virus

- The possible mode of transmission: According to the World Health Organization, during previous outbreaks due to other coronavirus, human-to-human transmission occurred through droplets, contact and fomites (objects or materials which are likely to carry infection, such as clothes, utensils, and furniture).
- This suggests that the transmission mode of the 2019-nCoV can be identical.

- The transmission even in incubation period: More significant is the new understanding that the virus is contagious even during incubation, that is even before a patient exhibits any symptoms.
  - This characteristic amplifies

## Experience from the past outbreaks

- **Comparison with SARS**: Comparisons are being drawn the Severe Acute Respiratory Syndrome) outbreak in 2002-03.
  - Zoonotic case: SARS is also a zoonotic case, part of the coronavirus family with clues pointing to horseshoe bats in China as the likely source.
  - Late reporting by China in SARS:
  - The first incidents were reported in Guangdong province in November 2002 but WHO was officially informed only after three months.
- **Different response this time: Comparison with SARS**: Comparisons are being drawn the Severe Acute Respiratory Syndrome) outbreak in 2002-03.
  - Zoonotic case: SARS is also a zoonotic case, part of the coronavirus family with clues pointing to horseshoe bats in China as the likely source.
  - Late reporting by China in SARS: The first incidents were reported in Guangdong province in November 2002 but WHO was officially informed only after three months.
  - Different response this time: This time around, the Chinese government has been more open but the question being asked is whether it has been open enough?
  - o The difference in time to develop vaccine: For SARS, it took 20 months from the genome sequencing to the first human vaccine trials; for the 2019-nCoV, authorities in the U.S. are working on a deadline of 90 days.

## Lessons from Kerala in Nipah outbreak

- **Managing an outbreak with few casualties**: Kerala managed to curtail the Nipah outbreak with few casualties.
  - Nipah is also zoonotic and made the jump from fruit bats to humans.
  - Though there were 17 deaths in India, effective quarantine measures by local authorities prevented the spread.

- Infectious disease on the rise: Infectious diseases including those of the zoonotic variety are on the rise in India.
  - In addition, regions in India suffer from seasonal outbreaks of dengue, malaria and influenza strains.
  - The nation-wide disease surveillance programme needs to be strengthened.

#### Conclusion

India should brace itself for the possible outbreak of infectious diseases and frame policies to deal with such outbreaks in fast and effective ways.

## 3. On diplomats firefighting negative references to India

#### Context

The European Union Parliament's discussion recently on **India's Citizenship** (Amendment) Act or CAA, is a cause of concern.

#### Reactions in the West over the act

- In the U.K. and the U.S.: Parliamentarians in the U.K. and U.S. Congressmen, including Democratic presidential contenders, have asked India to "reconsider" the law and to "engage" with the protesters.
- **Resolution in the EU parliament**: The EU parliamentarians went a step further.
  - Six critical resolutions: The EU parliament put out six different and extremely critical resolutions.
  - One of the six articles spoke of the possible risk by the CAA and the proposed National Register of Citizens, of creating "the largest statelessness crisis in the world".
  - A sixth less critical resolution, but which worried about the "brutal crackdown" on protesters, was dropped.

## Diplomatic outreach by India

- After India's intense diplomatic outreach, the parliamentarians agreed to put off voting on the resolution until after External Affairs Minister and the PM visit Brussels.
- The hope is that with the U.K. scheduled to leave the EU on January
   31, interest in the anti-CAA resolutions will wane.
- Finally, the government has held that the CAA is India's internal law.

#### India's Reaction

- The sovereign right of India: While the government is right about India's sovereign right, it would be deluding itself if it thinks any of these explanations are passing muster with the EU parliamentarians.
  - o **Dilution of case against foreign interference**: The government diluted its own case against foreign interference when it facilitated a visit by EU MEPs to Srinagar last year.
  - By engaging the EU MEPs to avoid a vote in the EU Parliament this week, and offering to explain the reasons behind CAA, the government is diluting it further.
- **Need to stop reference to Pakistan**: New Delhi must also consider the impact of its repeated reference to Pakistan as the sole mover of any motion against it at world legislatures and fora.
  - 626 MEPs of the total 751 were members of the groups that originally drafted the six resolutions, and it seems unlikely that Islamabad could have achieved such a majority.

## Diplomatic toll

- **Cumulative toll:** The government must reflect on the cumulative toll on its diplomatic heft following international alarm over the CAA, plans for an NRC and the dilution of Article 370.
- Instead of pushing a positive agenda for India or handling global challenges, Indian diplomats seem to be overwhelmed keeping out any negative references to India at official fora.

#### Conclusion

India must take steps to address the concerns raised at the global level over the act and also prepare itself for the possible impact of such actions.

## 4. 15th Finance Commission's interim report

#### Context

• The report of the 15<sup>th</sup> Finance Commission headed by N K Singh was tabled in Parliament

## The Finance Commission and its purpose

- The Finance Commission is a body set up under Article 280 of the Constitution, primarily to recommend measures and methods on how revenues, which the government earns through various taxes, need to be distributed the Centre and states.
  - The First Finance Commission was constituted in 1951 headed by KC Neogy.

With this the framers of the Constitution were seeking to address the **vertical imbalance** between the taxation powers and expenditure and responsibilities of the federal government and the states, and the **horizontal imbalance**, or inequality, between states that were at different stages of development.

Ensuring inclusiveness is, therefore, a key mandate of the Finance Commission. That means assigning weights to things like population, the fiscal distance between the top ranked states and the others, etc.

# Who appoints the Finance Commission and what are the qualifications for Members?

- The Finance Commission, which is headed by a Chairman and has four other members, is appointed by the President under Article 280 of the Constitution.
- As per the provisions contained in the **Finance Commission** [Miscellaneous Provisions] Act, 1951 and The Finance Commission (Salaries & Allowances) Rules, 1951, the chairman of the Commission is selected from among persons who have had experience in public affairs.
- The Finance Commission Rules, 1951, lay down the criteria for being members of the constitutional body: those having special knowledge of finance and accounts of government with wide knowledge and experience in financial matters and in administration, or with special knowledge of economics, and those who have been qualified to be appointed as a judge of a High Court.

## **Interim Report of 15th FC**

- The interim report of the 15th Finance Commission has largely preserved the devolution of its predecessor
- As part of an effort to balance the principles of fiscal needs, equity and performance as well as the need to ensure stability and predictability in transfers, the criteria for the horizontal sharing of taxes among States have been rearranged.

- A crucial new parameter, demographic performance, has been added to the mix.
- Having been mandated to adopt the population data from the 2011 Census, the commission has incorporated the additional criterion to ensure that States that have done well on demographic management are not unfairly disadvantaged.
- And since the norm also indirectly evaluates performance on the human capital outcomes of education and health, it has been assigned a weight of 12.5%.
- This should address the concerns voiced by several States over the switch to the 2011 Census from the 1971 data.

## Changes introduced by 15th FC

- The 15th Finance Commission has recommended reducing states share by 1% from Centre's divisible pool **to 41% in 2020-21 as against 42**%
  - The one percentage point cut has come on account of the reorganisation of the erstwhile State of Jammu & Kashmir.
  - While the former State's estimated share based on the parameters for horizontal devolution would have been about 0.85%, the commission has cited the security and other special needs of the two territories to enhance their aggregate share to 1%, which would be met by the Centre.

In its report, the FC has tweaked the criteria and weights under which funds are allocated to States.

- **Population of a State:** 15 per cent weight (down from 17.5 per cent allocated by the 14th Finance Commission) has been assigned
- Weight for demographic performance: It has been increased to 12.5 per cent (as against 10 per cent allocated by the 14th Finance Commission).
- Income Distance (difference of a state's per capita income from that of the state with the highest per capita income): It has reduced the weight for income distance from 50% to 45%.
- "Tax Effect": The 15th FC report has introduced a new criteria, the "tax effect", for states, with 2.5% weightage

#### **Local Bodies**

The commission's effort to improve the granularity in devolution to local bodies has generated some interesting results.

• Urban local bodies, especially municipalities in cities with populations of more than one million, are set to get a larger share of the pie.

#### Other Recommendations

- The Commission also suggested that the country needs an overarching fiscal framework for Centre as well as states, on the lines of the FRBM Act, which would lay down accounting, budgeting and auditing standards to be followed at all levels of the government.
- The commission has also been critical of the Union and State governments' tendency to finance spending through off-budget borrowings and via parastatals.
- It has done well to ask that such extra-budgetary liabilities be clearly earmarked and eliminated in a time-bound manner.

## Formula used by 14th FC

Criteria	13th Commission Weight(%)	14th Commission Weight (%)
Population 1971	25	17.5
Population 2011	0	10
Income Distance	47.5	50
Fiscal Discipline	15	0
Area	10	15
Forest Cover	0	7.5
Sum	100	100

#### The formula had five elements:

- Population as of 1971 with a weight of 17.5%;
- Demographic Change reflecting population shifts between 1971 and 2011 with a weight of 10%;
- Fiscal Capacity measured by the income distance method with a weight of 50%; and
- Area with a weight of 15%;
- Forest cover with a weight of 7.5%.

## 5. Towards cooperative federalism

#### **Context:**

• The article defends the state's right to oppose the Central laws and acts.

## **Background:**

- The states of West Bengal and Kerala, have stopped all work on the National Population Register (NPR).
- The Punjab Legislative Assembly has passed a resolution seeking amendments to the NPR form to ensure that it does not seek data that may be used for verification of citizenship.
- Chief Ministers of at least 11 States have expressed their unwillingness to implement the National Register of Citizens (NRC).

#### **Details:**

## Making of the NRC:

- The Citizenship (Registration of Citizens and Issue of National Identity Cards) Rules, 2003, provide for the process by which taluk level officers will prepare a National Register of Indian Citizens from the NPR.
- The stated process is **difficult to implement and is ridden with wide discretion** for the officers in charge.
- It involves, after the enumeration, procedures for citizenship verification and scrutiny, objections and appeals.
- Officers may identify citizens as "doubtful" without any just cause and demand evidence of their citizenship.
- The rules also permit any person to object to the inclusion of a name in the draft register.

## **Constitutional governance:**

- The Constitution provides more power to the Centre in order to enable the Union Government the power to bring errant States in line with the Constitution. The Constitution bars States from "impeding" the Union's work and requires them to comply with central laws.
- Article 355 entails that the government of every State is carried on in accordance with the provisions of the Constitution.

- The Union is empowered to temporarily declare **President's rule in the State under** <u>Article 356</u> for restoring constitutional governance in a State.
- The states are not empowered to hold the Union government accountable to its obligations under the Constitution.
- In the backdrop of State governments raising concerns about the NPR, the Union government has insisted that **States are under a constitutional duty to implement laws passed by Parliament.**

## State's right to oppose:

## Laws in line with constitutional provisions:

- The state's duty to obey laws passed by Parliament is dependent on whether the law is upholding the constitutional provisions or not. The states are well within their right to oppose central laws if they find it unconstitutional.
- All constitutional actors including the State and Union legislators, State and Union governments and judges in the higher judiciary are duty-bound to uphold the provisions of the Constitution of India, by way of their oath. Thus, the states are duty-bound to oppose any unconstitutional laws.

## **India as a "Union of States":**

- Article 1 of the Indian Constitution notes India's identity as a "Union of States". Thus, States, their legislatures and governments, are indispensable to the working of the Constitution of India.
- The landmark <u>S.R. Bommai judgment</u> notes that States are not mere "appendages" of the Centre. Given the State's exclusive and distinct legislative and administrative competences, they cannot be understood to be mere administrative agencies entrusted with enforcing Parliament's laws.

#### **Concerns:**

• The difference in opinions may lead to withholding cooperation in a federal scheme severely affecting the constitutional governance in India.

#### Way forward:

- **New institutional norms** can play an important role in enhancing federal relations. The Union must develop newer conventions to **foster cooperation.**
- The examples of countries that have **strengthened federalism by actively including the provinces or states in national policy** like Australia and Canada can act as guiding lights to India.
- The Union government can include States in how decisions are made and enforced. This will not only help consider the state's views and perspectives making it more representative, but will also aid in the successful implementation of the laws.

#### 6. what is an ordinance?

Ordinances are laws that are promulgated by the President of India or governor of the state, which will have the same effect as an 'Act of Parliament' or 'Act of State Legislature'.

## Ordinance making power of the President

- a. Article 123 gives power of making Ordinance to the President
- **b.** If President is satisfied that circumstances exist which render it necessary for him to take immediate action, he may promulgate an Ordinance, only when **atleast** one House of Parliament is not in session.
- **c**. An Ordinance promulgated shall have the same force and effect as an Act of Parliament, but every such Ordinance
  - Shall be laid before both Houses of Parliament for approval
  - If no action is taken, then it shall cease to operate in 6 months.
  - Shall be ceased immediately if both the houses pass a resolution disapproving it
  - may be withdrawn at any time by the President
  - If approved, it becomes a Law
- **d.** The maximum validity of an ordinance is 6 months and 6 weeks (6 months being the maximum gap between the sessions and 6 weeks being it's expiry period)
- e. Limitations of Ordinance -
  - Can't issue on Amending the constitution

- Can issue only in the those subjects which Parliament can make laws
- Subjected to Constitutional limitations such as- it can't take away fundamental rights.

(Note - we can see that Ordinance comes under the term "Law" of Article 13)

- **f.** Satisfaction of President means satisfaction of Council of Ministers headed by Prime Minister (this is in line with Article 74)
- **g.** Ordinance can come into force from back date like other laws, i.e. can be retrospective

## Ordinance making power of the governor

All the points are same as president. But there are a few differences, they are-

- a. Article 213 gives power of making Ordinance to the Governor
- **b.** He can issue Ordnance only on the subjects in which State Legislature can make laws and has same limitations of State Legislature
- **c.** Satisfaction of Governor means satisfaction of Council of Ministers headed by Chief Minister (this is in line with Article 163)
- **d.** Governor cannot issue an Ordinance without instructions from the President in three cases where the assent of the President would have been required to pass a similar Bill i.e.
  - If a Bill containing the same provisions would have required the previous sanction of the President for introduction into the legislature
  - If the Governor would have deemed it necessary to reserve a Bill containing the same provisions for the consideration of the President
  - If an Act of the legislature containing the same provisions would have been invalid unless it received the assent of the President.

#### **Recent Ordinances**

- Companies (Amendment) Ordinance, 2019
- Central Educational Institutions (Reservation in Teachers' Cadre)
   Ordinance, 2019

## **Judgments on Ordinance**

- Cooper case (1970) SC held that President's satisfaction can be questioned in a court
- D.C.Wadhwa case (1987) successive repromulgation of same Ordinance with same text is considered as violation

## Scholar's opinion

B.R.Ambedkar said that Ordinance is a mechanism to enable Executive to deal with sudden situation when parliament is not in session.

#### Conclusion

According to Article 38 (DPSP), it is the duty of the state to secure social order and promote welfare of the people. To face unexpected situations, when parliament is not in session, ordinance is used by the Executive. This also shows that our Constitution is not water tight with regard to separation of powers. But this power of executive should not bypass the Legislature (which is will of the people)

## 7. Why no action on pleas on T.N. MLAs disqualification, asks SC

#### **Context:**

The Supreme Court has questioned the Tamil Nadu Speaker's inaction with respect to the disqualification petitions filed under the Tenth Schedule (anti-defection law) against Deputy Chief Minister O. Panneerselvam and 10 other AIADMK MLAs for voting against the confidence motion moved by Chief Minister Edappadi Palaniswami in February 2017.

## **Background:**

- Tenth Schedule petitions were filed against Mr. Panneerselvam and the 10 other MLAs, for defying the party whip on March 20, 2017.
- However, before the Speaker could proceed, the ECI recognised Mr. Panneerselvam's faction as a "separate group".
- Subsequently, the Panneerselvam and the Palaniswami (OPS-EPS) factions merged.
- In November 2017, the ECI declared the duo as the leaders of the AIADMK.

• Meanwhile, the DMK approached the High Court for the disqualification of the 11 MLAs. The writ petitions were dismissed, following which the DMK moved the Supreme Court in May 2018.

#### **Details:**

- Senior advocate Kapil Sibal, referred to a January 2020 judgment of a three-judge Supreme Court Bench led by Justice Rohinton Nariman that directed Speakers to decide anti-defection law petitions within a maximum of three months.
- A 2007 judgment by a Constitution Bench in Rajender Singh Rana case had laid down that the "failure of the Speaker to exercise his jurisdiction will attract judicial review".
- The Rana judgment has been highlighted and reiterated in the January 2020 verdict authored by Justice Nariman as the head of a three-judge Bench.

#### **Anti-Defection Law**

#### What is Defection?

Defection means having rejectcing one's own affiliation to a political party or political belief.

#### **Provisions**

The Tenth Schedule includes the following provisions with regard to the disqualification of MPs and MLAs on the ground of defection (Applies for both Centre and the state)

## Grounds for disqualification:

If an elected member gives up his membership of a political party voluntarily

If he votes or abstains from voting in such House, contrary to any direction issued by his political party.

If any member who is independently elected joins any party.

If any nominated member joins any political party after the end of 6 months.

## **Exceptions:**

In the situation where two-thirds of the legislators of a political party decide to merge into another party, neither the members who decide to merge, nor the ones who stay with the original party will face disqualification.

Any person elected as chairman or speaker can resign from his party, and rejoin the party if he demitted that post.

## Deciding Authority and Rule making power:

Any question regarding disqualification arising out of defection is to be decided by the presiding officer of the House.

The presiding officer of a House is authorized to frame rules to give effect to the provisions of the 10th Schedule.

All such rules must be placed before the House for thirty days.

The House may modify or approve or disapprove these rules. Further, he/she may direct that any willful contravention by any member of such rules may be dealt with in the same manner as a breach of privilege of the House.

According to the rules made so, the presiding officer can take up a defection case only when he/she receives a complaint from a member of the house. Before making the final decision, he/she must give the member (against whom the complaint has been made) an opportunity to submit an explanation regarding the matter.

## Historical development

- a. 52 nd amendment (1985): Inserted 10 th schedule and made changes in 4 Articles (101,102,190,191)
- b. KihotoZollohan v. Zachillhu (1993): The court held that while deciding a question under the 10<sup>th</sup> Schedule, the presiding officer function as a tribunal. Hence, his/her decision (like that of any other tribunal) was subject to judicial

review on the grounds of malafide, perversity, etc. But court said that it shouldn't intervene till the presiding officer gives a decision.

c. 91 st amendment (2003): Provision of "splitting of parties by 1/3 rd members" is removed. Defected member is restricted from joining as Minister nor allowed to hold any remunerative political post (this point was recommended by NCRWC).

#### **Merits**

- a. Increases stability in Government by making sure that members don't change sides.
- b. Members will stay loyal to their manifestos.
- c. Prevents bribery between political parties because now they can't chase money and change sides.

#### **Demerits**

- a. Against democracy- member can't argue against his party. Hence, he loses his freedom of expression
- b. Delays in disqualification- no specified time limit on deciding whether a person is disqualified or not
- c. Weakens the system of checks and balances- legislature is following the decisions taken by executive (council of ministers)
- d. Retail defection is wrong but wholesale defection is right (2/3 rd members wanting to change party)

#### Recommendations

Law Commission 170th Report:

Delete the exemption in case of splits and mergers.

Consider the pre-poll electoral fronts as one party under the 10th Schedule.

Parties should issue whips only to critical situations or votes.

#### **Election commission:**

Make the President/Governor the decision-maker with respect to disqualification subject to binding advice from the election commission on the line of disqualifications based on Representation of Peoples Act provisions regarding Office of Profit.

**NCRWC:** Whips to issue directions only in cases of vote of confidence, money bills and vote of thanks to the President

a "pre-poll coalition" or front of political parties should be treated as a "political party".

Propose legislation to break nexus between electoral politics, economic resources and criminal support

#### Conclusion

End of the day there are rules followed by loopholes in them. Betterment can happen when there is political will.

# 8. No rules were broken, says NCBS

# **Background:**

- The government had ordered an inquiry into a study conducted in Nagaland by researchers from the U.S., China and India on bats and humans carrying antibodies to deadly viruses like Ebola.
- The study came under the scanner as two of the 12 researchers belonged to the Wuhan Institute of Virology's Department of Emerging Infectious Diseases, and it was funded by the United States Department of Defense's Defense Threat Reduction Agency (DTRA). They would have required special permissions as foreign entities.
- Investigations were ordered as to how the scientists were allowed to access live samples of bats and bat hunters (humans) without due permissions.

#### **Details:**

• Under the scanner after the government ordered an inquiry into a study conducted in Nagaland by researchers from the U.S., China and India on bats and humans carrying antibodies to deadly viruses like Ebola, the

National Centre for Biological Sciences (NCBS) said researchers based at the NCBS collected samples of serum from bats and humans. These samples were tested at the NCBS with the technologies supplied by the Duke-National University of Singapore Medical School (Duke-NUS).

- The NCBS said its researchers have been studying bat antibodies in Nagaland since 2012.
- In 2017, the NCBS and Duke-NUS started a collaboration, in which researchers based at the NCBS collected samples of serum from bats and humans.
- The NCBS said researchers from the Wuhan Institute of Virology were not directly involved in the study. They were listed co-authors only because they supplied reagents, which is standard practice for scientific authorship.
- The published study, however, notes researchers from the Wuhan Institute of Virology contributed in writing review and editing.
- The NCBS statement further said it is not a direct recipient of research funds from the DTRA, which funded the study, and no biological samples or infectious agents were transferred into or out of India.

### What does the study suggest?

- The study, 'Filovirus-reactive antibodies in humans and bats in Northeast India imply Zoonotic spillover', published in PLOS Neglected Tropical Diseases states the researchers found "the presence of filovirus (e.g. ebolavirus, marburgvirus and dianlovirus) reactive antibodies in both human (e.g. bat hunters) and bat populations in Northeast India, a region with no historical record of Ebola virus disease.
- The Nagaland study suggests bats in South Asia act as a reservoir host of a diverse range of filoviruses, and filovirus spillover occurs through human exposure to these bats.

# How bats harbour several viruses yet not get sick?

- Bats serve as natural hosts for numerous viruses including the Ebola virus, Nipah virus, coronaviruses such as severe acute respiratory syndrome (SARS) and the Middle East respiratory syndrome (MERS) and the 2019 novel coronavirus.
- Even as these viruses cause harm in humans, they rarely if at all cause any harmful effects in bats. This is the case even when the viral load is extremely high in bats.

- A study published in the journal Nature Microbiology revealed the mechanism responsible for bats to harbour numerous viruses without themselves getting affected and also live long. Compared with terrestrial mammals, bats have a longer lifespan.
- The reason why bats can harbour these viruses without getting affected is simply that bats can avoid excessive virus-induced inflammation, which often causes severe diseases in animals and people infected with viruses.
- When pathogens infect humans and mice, the immune system gets activated and a typical inflammatory response to fight the microbes is seen. While controlled inflammatory response to fight infection helps keep humans healthy, it can contribute to the damage caused by infectious diseases, and also age-related diseases when the inflammatory response becomes excessive.
- In complete contrast, the researchers found that the inflammatory response is dampened in bats immaterial of the variety of viruses that are present and the viral load.
- The researchers found that significantly reduced inflammation in bats was because activation of an important protein NLRP3 that recognises both cellular stress and viral/bacterial infections was significantly dampened in bat immune cells.
- The researchers found that reduced activation of the NLRP3 protein was in turn due to impaired production of mRNA (transcript). Since mRNA production is impaired the NLRP3 protein production gets compromised leading to less amount of the protein being produced. But this was not the case with mice and humans — there was no impairment to mRNA production so the NLRP3 protein was unaffected.
- The NLRP3 protein is found as four variants in bats. The researchers found that the function of all the four variants in bats was dampened compared with human NLRP3.
- Further analysis comparing 10 bat and 17 non-bat mammalian NLRP3 gene sequences confirmed that these adaptations appear to be bat-specific.

#### **Conclusion:**

Given the widespread challenges from the newly discovered viruses, officials say they want to take no chance on their spread and will take action to ensure all medical studies in the country adhere to strict norms.

#### Steeped in secrecy Researchers from the U.S., China and India conducted the study on bats and humans carrying antibodies to deadly viruses like Ebola The study found the The study suggested presence of that bats in South Asia act as a reservoir host of a filovirus-reactive antibodies in human diverse range of filoviruses and bat populations in For the study done northeast India in 2017, 85 individuals Bats often carry Ebola, participating in an annual rabies, marburg and the bat harvest at Mimi,

• Bats often carry ebola, rabies, Marburg and the SARS coronavirus. Many high-profile epidemics have been traced to bats, and scientists are discovering new bat-borne viruses all the time. Ebola and Marburg viruses are known to cause severe hemorrhagic fevers, which affect many organs and damage the blood vessels, killing more than 50 percent of the people they infect, according to the World Health Organization.

Nagaland, were picked

# 9. A case of a maritime presence adrift

SARS coronavirus

#### Context

The International Maritime Organization (IMO), had mandated that merchant ships should not burn fuel with sulphur content greater than 0.5% beginning January 1.

# Why the new sulphur content limit matters?

- **The previous limit of 3.5** %: Before the ban, fuel had a comfortable sulphur content limit of 3.5%, which was applicable to most parts of the world.
- **Problem with low content fuel:** Many industry professionals feared that the new very-low-sulphur fuel would be incompatible with the engines and other vessel equipment.
- **Problems with past US limits:** Past mandates on sulphur limits in American waters had led to many technical problems. There have been instances of ships

having been stranded after fine particles separated out from the fuel, damaging equipment and clogging up devices.

### How such regulations matter for India?

- **Sulphur cap one of the many problems:** The global sulphur cap is only one of the many environment-related regulations that have been shaking up the shipping industry.
  - o The industry is generally **risk-averse** and **slow to accept changes**.
  - For instance, efforts are ongoing to reduce nitrogen oxides (NOx) and ozone-depleting gases.
- **IMO project to decarbonise shipping:** Further, the IMO has announced an ambitious project to decarbonise shipping in order to reduce carbon emissions.
- How it matters for India? These regulations are triggering massive technological, operational and structural changes.
  - They come at a price which will have to be borne to a large extent by developing countries such as India.
  - India among 10 countries: The IMO currently lists India as among the 10 states with the "largest interest in international seaborne trade".
  - Inadequate participation of India: But India's participation in the IMO to advance its national interests has been desultory and woefully inadequate.
- How it could matters: The sulphur cap, for instance-
  - Will reduce emissions.
  - Reduce the health impact on coastal populations but-
  - Ship operational costs are going up since the new fuel product is more expensive.
- **Refineries struggling to meet demand**: As refineries including those in India struggle to meet the demand, freight costs have started moving up, with a **cascading effect on retail prices**.

Significance of shipping and the role of IMO

- **Significance of shipping**: Shipping, which accounts for over **90**% **by volume** and **about 80**% **by value** of global trade.
  - Role of IMO: It is a highly regulated industry with a range of legislation promulgated by the IMO.
  - The IMO currently has 174 member states and three associate members; there are also scores of non-governmental and inter-governmental organizations.
  - The IMO's policies or conventions have a serious impact on every aspect of shipping including the cost of maritime trade.

#### How IMO functions

- The IMO, like any other **UN agency**, is primarily a secretariat, which facilitates decision-making processes on all maritime matters through meetings of member states.
- o **How treaties are made?** The binding instruments are brought in through the conventions -to which member states sign on to for compliance -as well as amendments to the same and related codes.
- Structure of IMO: Structurally, maritime matters are dealt with by the committees of the IMO –
- o The Maritime Safety Committee (MSC).
- o Marine Environment Protection Committee (MEPC).
- o Technical Cooperation Committee.
- o Legal Committee and the Facilitation Committee.
- Each committee is designated a separate aspect of shipping and supported by sub-committees. Working groups and correspondence groups support the subcommittees.
- **Role of subcommittees of IMO**: The subcommittees are the main working organs, where the proposals from a member state are parsed before they are forwarded to one of the main committees.
  - The main committees, thereafter, with the nod of the Assembly, put the approved proposal for enactment through the Convention, amendments, and codes or circulars.

# India's inadequate efforts at protecting the interest

- How other countries deal with the issues: To ensure that their maritime interests are protected, the European countries move their proposals in unison and voting or support are given en bloc.
  - Permanent representative: China, Japan, Singapore, Korea and a few others represent their interests through their permanent representative as well as ensuring that a large delegation takes part and intervenes in the meetings.
- **How India is falling short?** While these countries have fiercely protected their interests, India has not.
  - No permanent representative: For example, its permanent representative post at London has remained vacant for the last 25 years.
  - Representation at meetings is often through a skeletal delegation
  - o **India's presentation inadequate:** A review of IMO documents shows that the number of submissions made by India in the recent past **has been measly and not in proportion to India's stakes in global shipping.**
- "High-Risk Area" demarcation issue: The promulgation of "High-Risk Areas" when piracy was at its peak and dominated media headlines.
  - o **What happened in the issue?** The IMO's demarcation resulted in half the Arabian Sea and virtually the entire south-west coast of India being seen as piracy-infested, despite the presence of the Indian Navy and Coast Guard.
  - The "Enrica Lexie" shooting incident of 2012, off the coast of Kerala, was a direct fallout of the demarcation.
- What were the consequences of the demarcation issue?
  - o **Increase in insurance costs**: The "High-Risk Area" formulation led to a ballooning of insurance costs; it affected goods coming into or out of India.
  - It took great efforts to revoke the promulgation and negate the financial burden.
  - The episode highlighted India's apathy and inadequate representation at the IMO.
  - NavIC introduction difficulty: There was also great difficulty in introducing the indigenously designed NavIC (NAVigation with Indian Constellation) in the worldwide maritime navigation system.
- What could be the consequences in future?

- EU's documented procedure: In contrast, the European Union has a documented procedure on how to influence the IMO.
- Agenda driven by developed countries: New legislative mandates, fitment of new equipment and changes to ship structural designs being brought on have been driven by developed countries.
- Consequences for India: All the issues pushed by developed countries are not entirely pragmatic from the point of view of India's interests.
- Further, it will not be mere speculation to see them as efforts to push products and companies based in the West.

#### Conclusion

So far, India's presence and participation in the IMO has been at the individual level. India should now make its presence felt so that its national interests are served. It is time India regained its status as a major maritime power.

# 10. Surrogate mother need not be a close relative, Rajya Sabha committee recommends

#### **Context:**

15 major changes have been suggested in a report presented by the Select Committee on Surrogacy (Regulation) Bill.

# **Background:**

- The Bill was passed by the Lok Sabha in August 2019, but had to be referred for re-assessment to the select committee in November 2019, as several Rajya Sabha members found certain clauses contentious such as allowing only altruistic surrogacy with a near relative as a surrogate.
  - The bill provides to prohibit commercial surrogacy and allow only altruistic surrogacy.
- The committee held nine sittings for a detailed examination of the bill that included discussions with various key stakeholders such as the Department of Health Research, National Human Rights Commission, National Commission for Protection of Child Rights, etc.

#### **Details:**

 "Surrogacy per se and The Surrogacy (Regulation) Bill, 2019, in particular, is a unique amalgamation of social, ethical, moral, legal and scientific

- issues and it is necessary to harmonise the conflicting interests inherent in the process of surrogacy to ensure betterment of child while protecting rights of surrogate mother," the committee observed in its report.
- While commercial surrogacy ban has been endorsed, the committee has recommended keeping an option for compensating the surrogate mother beyond medical expenses and insurance coverage that includes taking care of her nutritional food requirements, maternity wear, etc. that is vital for the wellbeing and upkeep of the surrogate mother.
- The controversial clause of "close relative" has been done away with and instead the committee has recommended the term to be replaced with a "willing woman".
- Single women, including a widow and divorcee, between the ages of 35 and 45 years, should be able to opt for surrogacy, it said.
- It has suggested deleting the definition of 'infertility' as the inability to conceive after five years of unprotected intercourse on the ground that it was too long a period for a couple to wait for a child.
- Also suggested is, increasing insurance cover for the surrogate mother from the 16 months proposed in the Bill to 36 months.
- Meanwhile, in order to protect the interests of the child born through surrogacy, the Committee recommended that the order regarding the parentage and custody of the child, issued by a Magistrate, shall be the birth affidavit for the surrogate child.
- As a general recommendation, the Select Committee said that the Assisted Reproductive Technologies (Regulation) Bill (ART), which is awaiting Cabinet approval, may be taken up before the Surrogacy (Regulation) Bill, since the ART Bill primarily deals with technical, scientific and medical aspects, including the storage of embryos, gametes, oocytes, etc. as contained in the Surrogacy Bill.

# 11. Course correction for the Speaker's office

# Background

Article 93 of the Indian Constitution speaks about the Speaker and Deputy Speaker of the House of the People

• The House of the People (Lok Sabha) shall, as soon as may be, choose two members of the House to be respectively Speaker and Deputy Speaker thereof and, so often as the office of Speaker or Deputy Speaker becomes

vacant, the House shall choose another member to be Speaker or Deputy Speaker, as the case may be.

In the Lok Sabha, the Lower House of the Indian Parliament, both Presiding Officers—the Speaker and the Deputy Speaker – are **elected from among its members by a simple majority of members present and voting in the House**. As such, no specific qualifications are prescribed for being elected the Speaker.

### Functions performed by the Speaker

The speaker is guided by the provisions of the Constitution and the Rules of Procedure and Conduct of Business in Lok Sabha.

- The Speaker is benefitted from the Directions issued by the predecessors which are compiled periodically.
- The Speaker is assisted by the Secretary-General of the Lok Sabha and senior officers of the Secretariat on parliamentary activities and on matters of practice and procedure.

The office of the Speaker occupies a pivotal position in our parliamentary democracy. It has been said of the office of the Speaker that while the members of Parliament represent the individual constituencies, the Speaker represents the full authority of the House itself.

- The Speaker is the head of the Lok Sabha.
- The Speaker is the guardian of the rights and privileges of the House, its Committees and members.
  - The Speaker decides the duration of debates, can discipline members and even override decisions by committees.
- While facilitating the business of the House and to maintain decorum in the House, the Speaker has 'extensive functions to perform in matters regulatory, administrative and judicial, falling under their domain. The Speaker enjoys vast authority under the Constitution and the Rules, as well as inherently'.
- The Speaker is the ultimate interpreter and arbiter of those provisions which relate to the functioning of the House. The decisions taken by the Speaker is final and binding and ordinarily cannot be easily challenged.

Jawaharlal Nehru, one of the chief architects of India's freedom and a moving force behind its Constitution, describes the position as: "The Speaker represents the House. She represents the dignity of the House, the freedom of the House and because the House represents the nation, in a particular way, the Speaker becomes a symbol of the nation's freedom and liberty. Therefore, that should be an honored position, a free position and should be occupied always by persons of outstanding ability and impartiality."

The nature of duties of the Speaker, technically as an "arbiter" or a "quasi-judicial body" should not be limited exclusively to matters under the Tenth Schedule; rather, it extends to a range of its functions.

### Speaker's role has been questioned on the allegation of bias

- The Supreme Court has observed in **Jagjit Singh versus State of Haryana** that, "...Without meaning any disrespect for any particular Speaker in the country, but only going by some events of the recent past, certain **questions have been raised about the confidence in the matter of impartiality** on some issues having political overtones which are decided by the Speaker in his capacity as a Tribunal."
- As a minority view, **Justice J.S. Verma in KihotoHollohan vs Zachillhu and Others** observed: "The Speaker being an authority within the House and his tenure being dependent on the will of the majority therein, **likelihood of suspicion of bias could not be ruled out.**"

# Speakers as impartial and apolitical

- The role and impartiality of the Speaker currently resonates with his personal image and character.
- Even if the speaker wants to stay neutral, be apolitical and non-partisan, the structural issues in the system, the manner of appointment of the Speaker and tenure in office, will not allow the Speaker to completely dissociate from the party considerations as the electoral system and conventions in India have 'not developed to ensure protection to the office'.
- A member is appointed to the office of the Speaker if a motion nominating an individual is carried in the House.
  - Elections are not always by consensus and there have been cases when different parties have fielded their own candidates.
  - All political parties campaign in the constituency of the Speaker. Even if the Speaker is re-elected to the House, the office of the Speaker in India is still open for elections'.

- Therefore, what is required is **not merely incidental changes in the** powers of the Speaker; rather a major revamp in the structure of the office itself.
- It is suggested that a scheme should be brought wherein Speakers should renounce all political affiliations, membership and activity once they have been elected, both within the Assembly and in the country as a whole.

### **UK Model**

- In the UK Model, the Speaker resigns from the party and remains politically neutral. He abstains from expressing any political views and he never voices an opinion on party issues.
- As a result, they have developed a convention in which the Speaker is elected unopposed.
  - Political parties do not field their candidates against the Speaker in the general poll.
  - The major political parties usually at the time of general elections as a matter of convention, support the Speaker as an independent candidate.
- Thus he is re-elected as the Speaker of the House on account of strict impartiality and nonalignment to party politics.

But in India, usually, the Speaker is elected from the majority party. The Speaker's continuation or re-election in Parliament depends on the existence of the Government. Hence, the speaker owes his allegiance to the political party from which he was elected.

# **Conclusion**

- Impartiality, fairness and autonomy in decision-making are the hallmarks of a robust institution.
- It is the freedom from interference and pressures which provide the necessary atmosphere where one can work with an absolute commitment to the cause of neutrality as a constitutional value.
- At a time when India's fall in ranks in the latest Democracy Index has evoked concern, it is expected that Parliament will pay heed to the reasoning of the Supreme Court and take steps to strengthen the institution of the Speaker.

# 12. Senate acquits President Donald Trump

#### **Context:**

U.S. President Donald Trump, impeached by the House of Representatives, has been acquitted by the Senate, bringing to a close, the impeachment process.

#### **Details:**



- Trump is alleged to have tried to enlist a foreign country, Ukraine, on his side in a personal political battle with Joe Biden, the senior Democratic Party leader who was President Barack Obama's vice-president from 2009 to 2017.
- Biden is the frontrunner to be the Democratic party's nominee against Trump in the presidential election of 2020.
- In a telephone conversation two months ago, Trump is alleged to have pressured Ukrainian President Volodymyr Zelenskiy to open a corruption investigation in his country against Biden and his son Hunter Biden.
- Before this call, the President issued a personal order to freeze more than \$391 million of US aid to Ukraine.
- The announcement by Pelosi greatly increases the possibility that Trump will become the fourth individual in the 230-year history of the American presidency to face removal from office by impeachment.
- None of the previous three Andrew Johnson (1865-69), Richard Nixon (1969-74) and Bill Clinton (1993-2001) was removed as a result of impeachment.

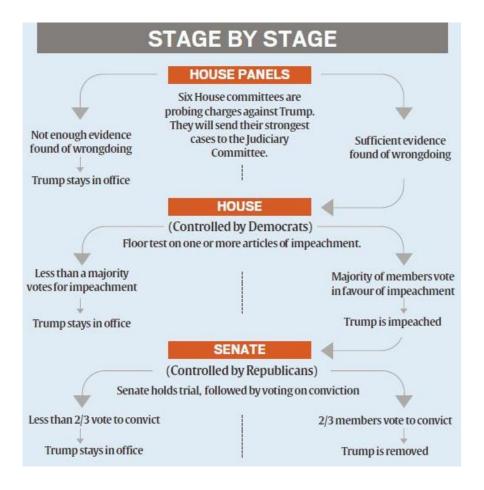
#### What it means?

- Impeachment is a provision that allows Congress to remove the President of the United States.
- Under the US Constitution, the House of Representatives (Lower House) has the "the sole power of impeachment" while the Senate (Upper House) has "the sole power to try all impeachments".
- The Chief Justice of the US Supreme Court has the duty of presiding over impeachment trials in the Senate.

# Grounds for impeachment

- The President can be removed from office for "treason, bribery, or other high crimes and misdemeanors".
- What constitutes these "high crimes" and "misdemeanors" (misdemeanors), however, is not clearly spelt out.
- The New York Times explained that the expression "high crimes and misdemeanors" came out of the British common law tradition.
- Essentially, it means an abuse of power by a high-level public official. This does not necessarily have to be a violation of an ordinary criminal statute.
- Historically, in the US, it has encompassed corruption and other abuses, including trying to obstruct judicial proceedings.

# Impeachment process:



#### 13. Custodial Deaths

"No one can truly know a nation until one has been inside the jail. A nation should not be judged by how it treats its highest citizen but its lowest ones" – Nelson Mandela

"Independent India must choose whether we will have a people's police or a ruler appointed police, or in other words whether the people should rule or whether the parties should rule. The Constitution has laid down that the people should rule, so the police must also be the people's police"- Khosla Commission

#### **Definition**

• Custodial death is the demise of an individual when he is detained or when he is under the custody of the Police Authorities.

# **Background**

- Pradeep Tomar, a resident of Uttar Pradesh, was called to the police station for questioning in connection with a murder case. He died hours later after the policemen allegedly assaulted him.
- He was accompanied by his son to the police station who claimed that Tomar was repeatedly kicked, punched, hit with planks of wood, given electric shocks and pierced with a screwdriver.

### Law in India

- As per the Seventh Schedule, 'Police' and 'Public Order' are State subjects under the Constitution.
  - So the primary responsibility of prevention, detection, registration, investigation and prosecution of crimes, lies with the State Governments.
- Most of the states in India have separate legislations dealing with the control of the police in that state.

#### **Stats**

 According to the National Crime Records Bureau, custodial deaths have been on the increase in recent years. They increased by 9% from 92 in 2016 to 100 in 2017.

### **Concerns**

Custodial deaths are amongst the worst crimes in any civilized society. It is a flagrant violation of human dignity. It strikes at the very roots of the rule of law.

- These incidents have brought into sharp focus the way Indian policemen torture and interrogate suspects in their custody leading to death.
- The policemen responsible for custodial deaths rarely get punished, they feel emboldened to continue using torture as the tool to get to the truth.

# Why the issue persists?

- The police play a major role in the administration of criminal justice. One of the reasons for custodial death is that the police feel that they have the power to manipulate evidence as the investigation is their prerogative and with such manipulated evidence, they feel they can bury the truth.
- Lack of accountability reflects the failure of the Government to keep a check on police forces.

- Close nexus between political masters and police helps them escape trial.
- There is a huge structural imbalance of power between the police and those who are tortured. The social and economically vulnerable status of most of the victims affects the chances of justice.
- In most cases even where there is evidence of custodial deaths, FIRs are not registered.
- Even if the FIR is filed and investigation takes place, since these enquiries are carried out by police officers after the custodial deaths, the results mostly favor the police.

### Way forward

- The Supreme Court in **Prakash Singh v. Union of India** had issued an order in 2006 on Police Reforms.
  - o It said that every State Government should set up an independent Police Complaints Authorities at the State and district levels to look into public complaints against police officers in cases of serious misconduct, including custodial death, grievous hurt or rape in police custody.
  - However, only a few states such as Kerala, Jharkhand, Haryana, Punjab and Maharashtra have implemented the order. Others have not taken the matter seriously.
- Judicial Enquiry has to be conducted and if charges of violation are proved, maximum punishment as prescribed by law has to be imposed on the Police Officers.
- Scientific tools along with proper legitimate interrogation techniques have to be used to reduce custodial deaths rather than using practices of thirddegree and torture.
- The government must re-educate the police, sensitize them and inculcate values of respect for the human being.
- Finally, to ensure that custodial deaths are avoided, CCTV cameras must be installed inside the lock-ups, which should be monitored by the senior police officials.

### Conclusion

• Therefore changes have to be introduced in the way the police operate by winning the support and confidence of the public and also by reorienting their style of functioning from brute force to one of service.

### 14. The high cost of raising trade walls

#### Introduction

India has recently sent out two indications which reflects, it turning inward and becoming protectionist.

- One, recent steps taken in the Budget
  - The Finance Minister spoke about the problems with Free Trade Agreements and Preferential Trade Agreements (FTAs and PTAs).
  - Tariffs on the import of more than 50 items were raised, and the Customs Act provisions were suitably amended to penalize imports suspected to originate from third countries.
  - The decision was taken to keep a check on growing imports which would have negative impact on Indian domestic Sector.
  - The Government through this move intends to devise stringent checks on the import.

Two, India did not attend the Association of Southeast Asian Nations (ASEAN)-led Regional Comprehensive Economic Partnership (RCEP) trade agreement meeting held at Bali.

• The government says it will now review all those agreements, in particular Trade Agreements (TAs) signed with the 10-nation ASEAN grouping, **Japan** (Comprehensive Economic Partnership Agreement, or CEPA) and **South Korea** (CEPA), and wants to "correct asymmetry" in negotiations with new partners.

# Bilateral and multilateral Agreements

- With India's absence in the Bali meeting, it has sent a clear signal that it does not want to engage on the multilateral front but deal with countries bilaterally.
  - But for other countries, since they are part of multilateral grouping, any bilateral meeting with India could take place only after the multilateral process is completed. This also means that the other countries may not offer anything substantial on the bilateral level to India as they would be bound by multilateral RCEP agreement.

**India and Australia** began Comprehensive Economic Cooperation Agreement (CECA) talks in 2011 but negotiations since then has not reached any consensus.

**India-United Kingdom** have initiated the FTA talks too. However, it is unlikely that the U.K. will actually be able to proceed with a dialog until U.K.'s full withdrawal from the European Union (EU) is completed.

India's talks with the EU for a Bilateral Trade and Investment Agreement (BTIA) is unlikely to make much headway.

The motive may be to protect Indian markets from dumping but the consequence of the changes will **put Indian importers on notice and discourage imports in general**.

#### Should Government reconsider its decision?

- The government has invoked the massive \$57-billion trade deficit with China to explain protectionist measures, but it forgets its own trade surpluses with smaller economies, particularly in the neighbourhood, where Indian exports form more than 80% of total trade with Nepal, Bangladesh, Bhutan and Sri Lanka, respectively.
- The world is now divided into regional FTAs, including
  - the North American Free Trade Agreement (NAFTA) for North America,
  - the Southern Common Market (MERCOSUR for its Spanish initials) for South America,
  - the Eurasian Economic Union (Russia and neighbours), the EU,
  - the African Continental Free Trade Agreement (AfCFTA),
  - the Gulf Cooperation Council (GCC) FTA in West Asia, and
  - The biggest of them all, RCEP, which minus India, represents a third of the world's population and just under a third of its GDP.

With the door to RCEP all but closed, and the South Asian Association for Regional Cooperation (SAARC) virtually abandoned, **India is not a part of any regional FTA**.

The trend across the world **does not favor trade in services** the way it does in goods, as most countries have turned migration-averse. India's strength in the services sector and its demand for more mobility for Indian employees, is **thus becoming another sticky point in FTA negotiations**.

The debate over trade is as much about India's leadership ambitions in the world, and the factors that could inhibit its rise. It would be hard to argue

that India can rise in Asia without closer trade links with the East or the backing of South Asia.

#### Conclusion

- India's demographic might is certainly attractive for international investors, but **only if that vast market has purchasing power** and is not riven by social unrest and instability.
- Historically, the decline of colonial powers and more ancient empires can be traced to times when they turned inward and disengaged from foreign trade.
- Therefore in this modern, economically interconnected and technologically inseparable world, India should have an open mind on trade.

### 15. 'Unparliamentary' — What MPs cannot say in the House

#### Context

• Parliament has witnessed heated arguments. This has brought back questions of what is "unparliamentary" speech and conduct.

# What is Unparliamentary language?

Debates and discussions are the essence of Parliamentary democracy. The Members of Parliament (MPs) and the Members of Legislative Assembly (MLAs) have the right to put across their views with respect to a law or a policy. But there are rules that are laid to prevent Legislator from using offensive and aggressive words.

Words and statements that are contrary to rules, regulations placed by the Parliament and the state Legislature that are deemed inappropriate are called "Unparliamentary Language".

 The Presiding Officers — Speaker of Lok Sabha and Chairperson of Rajya Sabha — have the job of keeping these bad words out of Parliament's records.

# Example

The Lok Sabha Secretariat has brought out report titled 'Unparliamentary Expressions'. The list contains several words and expressions that would probably be considered rude or offensive in most cultures; however, it also has stuff that is likely to be thought of as being fairly harmless or innocuous.

The state legislatures too are guided mainly by the same book, which also draws heavily from unparliamentary words and phrases used in the Vidhan Sabhas and Vidhan Parishads of India.

- If the Presiding Officer is a "lady", no MP can address her as "beloved Chairperson".
- Among the words and phrases that have been deemed unparliamentary are "scumbag", "shit", "badmashi", "bad" (as in "An MP is a bad man"), and "bandicoot".
- The government or another MP cannot be accused of "bluffing", "bribe", "blackmail", "bribery"; "thief", "thieves", "dacoits", "bucket of shit", "damn", "deceive", "degrade", and "darling", are all unparliamentary.
- The government can't be called "andhi-goongi", or one of "Ali Baba aur 40 chor". An illiterate MP can't be called "angootha chhaap", and it is unparliamentary to suggest that a member should be sent to the "ajayabghar" (museum).

### **Constitutional Angle**

Article 105 (2) of the Constitution of India provides that **no member of Parliament shall be liable to any proceedings in any court in respect of anything said** by the member in the Parliament or any committee thereof. What they say is subject only to the discipline of the Rules of Parliament, the good sense of the members and the control of proceedings by the Speaker.

 Freedom of speech enjoyed by members in Parliament may thus be said to be absolute; however, it does not give unrestricted freedom to a member to say anything against any individual or to use defamatory or indecent or undignified or unparliamentary words.

Power to expunge defamatory, indecent or unparliamentary words

- Under Rule 380 of the Rules of Procedure and Conduct of Business in Lok Sabha, the Speaker is vested with the power to order expunction of words which, in the opinion of the Speaker, are defamatory or indecent or unparliamentary or undignified from the proceedings of the House.
- Similarly, the Speaker may order expunction of words which are defamatory or insinuator in nature or levels allegation against a high dignitary or authority or organization.

# Why are these rules important?

- It is required so as maintain decency and dignity of the house
- It helps one to focus on real issues at hand and not target other legislators personally leading to ruckus in the house, disrupting the functioning of the house.
- Offensive, provocative or threatening language in the House could be strictly forbidden

#### Conclusion

- Words which may seem unparliamentary today may not be considered so in the near future. Codification thus may prove impractical as this has to be decided on a case to case basis depending on the context.
- If the presiding officer decides that words are indeed offensive suitable action as prescribed by law has to be initiated.

### 16. Upholding the fairness of the sentencing process

#### Introduction

• This article discusses the manner in which public opinion and "society's cry for justice" have played a huge role in the sentencing process at the trial as well as appellate levels of the judiciary, and the implications of this on the fair trial rights of the convicts.

# Bachan Singh v/s State of Punjab

- A Constitution Bench of the Supreme Court in Bachan Singh v/s State of Punjab (1980) said, while imposing Capital Punishment on the offender the courts should consider the **aggravating and mitigating circumstances** of the offence and the offender when deciding the question of punishment.
  - **Aggravating circumstances** refers to factors that increases the severity or culpability of a criminal act.
    - Heinous nature of Crime, brutal Killing of people, prior convictions of the accused, pre-planned cold blood murder.
  - A mitigating factor is the opposite of an aggravating circumstance, as a mitigating factor provides reasons as to why punishment for a criminal act's ought to be lessened.

- Not a pre-planned murder, act of crime committed in sudden rage and no criminal past of the accused.
- Death penalty could be imposed as a last option only when the court feels it would be travesty of Justice if death penalty is not awarded.
- The death sentence can only be imposed in exceptional cases involving extreme culpability.

# Trail and High court Judgment in Nirbhaya case

- The **trial court** commented upon the "extreme mental perversion of the accused", which was "not worthy of human condonation" and also reiterated elements of the crime to highlight their "beastly behaviour".
- The **High Court** elaborately discussed the exceptional nature of this case given the brutality involved to conclude that expecting society to demand anything other than the death penalty for the convicts would be "unnatural and ludicrous".
- A plain reading of the sentencing orders makes it very clear that the public clamour for "hanging the rapists" made its way into the judicial decisionmaking.

Irrespective of the brutal nature of the crime, the **circumstances of the convicts are crucial** to the sentencing exercise and have to inform the punitive outcome. Recognising these deficiencies in the sentencing hearings by lower courts, the **Supreme Court took it upon itself to appreciate mitigating evidence**.

- The Court allowed defence counsels **access to the convicts** and directed the defence counsel to file "necessary separate affidavits and **documents on mitigating circumstances**".
- The evidence on mitigation that was presented before the Court in the form of affidavits included material on the socio-economic circumstances of the convicts, their family background and some information on their previous occupation.
- The uncanny similarity between the mitigation affidavits of the defendants is itself a matter of concern, as it does not meaningfully present individual circumstances of the convicts, raising questions about the quality of legal representation.
  - However, of graver concern is the manner in which the court dismissed these circumstances as irrelevant, given the circumstances of the crime in the case.

Why life imprisonment as an option was not considered?

- Confirming the death sentences for all, two concurring opinions remarked that the crime was bound to "shock the collective conscience" and any punishment lesser than the death penalty would "shake the confidence of the public" in the criminal justice system.
- After an unreasoned dismissal of individual circumstances of the convicts, the Supreme Court also failed to sufficiently answer why life imprisonment was unquestionably foreclosed.
- The Court failed to discharge any of these burdens.
- At its core, imposition of death sentence to satisfy "collective conscience" is vengeance couched as retributive justice, captured by the phrase "an eye for an eye".
  - Modern penal systems consider this an outmoded concept, and even Bachan Singh had observed that retributive justice means punishment based on blameworthiness of the convict, and cannot be equated to "vindictiveness" (revenge).
  - However, the judgments in this case indicate a **strong influence of collective conscience** on the outcome.

In fact, the Supreme Court's approach suggests that society's cry for the death penalty justifies the imposition of the death penalty, without adequately dealing with the question of life imprisonment.

#### Conclusion

- The execution of the four convicts after exhaustion of their legal remedies may give their case a semblance of due process.
- While the public has very little patience to appreciate such nuances of the law, courts are duty-bound to maintain a high degree of fidelity to these processes.

# 17. Utilise shift in orders from virus-hit China, textile exporters urged (GS-2)

#### **Context:**

Opportunities for the **Indian textile business to expand** by catering to the demand in the international markets

# **Background:**

- Businesses in China have been affected due to the outbreak of coronavirus. China may take 3-4 more months to return to normalcy. China is a major exporter of textiles and the global supply chains of Textiles have been disrupted due to the coronavirus outbreak.
- As a result, Indian exporters are getting enquiries from importers in different countries.

#### **Details:**

- Higher orders for apparel and ready-made exports from India are expected.
- There are growing calls that the Indian textile and clothing sector should seize the available opportunity in global trade. Indian textile and clothing exporters should be aggressive and tap overseas orders that will shift from China.

### India's Strength:

- **Bangladesh** although have a healthy garment exports business, their potential to expand further is limited as it is **dependent on imported raw materials for the textile business.**
- Notably, for Indian exporters, the entire textile value chain is available domestically, allowing it to rapidly expand and capture the market opening.

# **Union Budget Provisions:**

- The recent Union Budget has abolished the anti-dumping duty on Purified terephthalic acid (PTA) imports. It is a raw material used in the production of polyester staple fibre and filaments.
- With the removal of the anti-dumping duty, the raw material for the production of MMF (man-made fibre) will be **available at the international prices now.**
- PTA is a **critical input for textile fibres and yarns**, and its easy availability at competitive prices is desirable to unlock immense potential in the textile sector, which is a significant **employment generator**. It will help reduce the production cost and **enhance the global competitiveness of Indian businesses and boost exports**.
- The move will encourage around 20-25% of textile mills to switch over to synthetic yarn production from cotton. **At present, cotton yarn production**

in India is higher than synthetic yarn. This will boost the entire manmade fibre textiles and clothing segment.

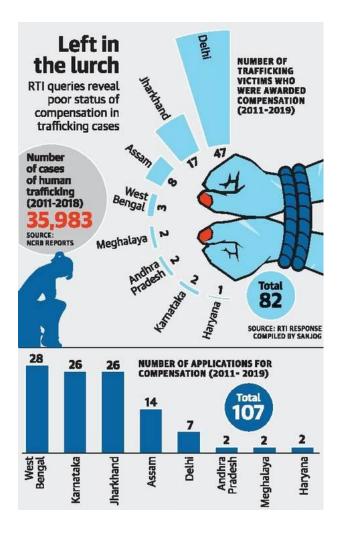
- Owing to its properties such as weathering resistance, strength, and flexibility, PTA's usage is growing across various end-use industries such as food and beverages, electronics, apparel, home textiles, carpets, and industrial fibre.
- According to industry officials, this move will help further the ministry of **textiles' vision to increase the textile business size** from the current level of around \$169 billion to \$350 billion by 2025 and to \$650 billion by 2030.

### 18. Poor Compensation Rate for Trafficking Survivors

# Why in News

Based on the data of the **NCRB**, a non-profit organisation released a report on compensation awarded to survivors of trafficking the country, which highlighted the poor status of compensation awarded during 2011- 2019.

• NCRB reports put the total number of cases of human trafficking at 35,983, but only 82 (0.2%) victims were awarded compensation.



# **Key Points**

- The report titled 'UNCOMPENSATE VICTIMS' was released by Sanjog, a technical resource organisation that works to combat trafficking and genderbased violence.
- Following the national outrage over the Nirbhaya gang-rape case (2012), the government had announced ₹1,000 crore fund to be used to combat sexual violence against persons children or adults.
- The amount of compensation to victims of trafficking varied from State to State, hence the Supreme Court had directed the National Legal Services Authority (NALSA) to frame a standardised victim compensation scheme.
- The study also reflects the number of trafficking survivors who applied for the victim compensation scheme to their respective legal services authority.

 While 107 individuals applied under the scheme, in 102 cases between 2011 and 2019, courts directed the authorities to release compensation.

### Reasons Behind the Low Rate of Compensation

- Lack of awareness
- A lack of information provided to survivors on victim compensation.
- Low investment on part of legal aid
- Role of Legal Services Authorities: The study suggests grave inconsistencies on the part of legal services authorities, which have provided the data.
- There is a lack of initiative on the part of legal services authorities.
- o Manipur's 2019 victim compensation scheme does **not** even have an entry in the schedule corresponding to human trafficking.
- Survivors were able to apply only when they were informed and a private lawyer was involved in assisting them in filing the application for victim compensation.
- Multiple Agencies: From their rescue till rehabilitation, the survivors are in touch with multiple agencies but none of them takes any steps to help them get compensation.
- District Legal Service Authority(DLSA) and State Legal Services Authority (SLSA)'s response to the claims has been slow, and they hold the survivors' claims with suspicion – often putting the burden of proof on the survivors themselves.

# **Central Victim Compensation Fund scheme**

- The Section 357-A of Code of Criminal Procedure (CrPC) has provisions to compensate victims who suffered because of a crime.
  - Section 357A: Every State Government in coordination with the Central Government shall prepare a scheme for providing funds for the purpose of compensation to the victim of crime.
- The government introduced the Central Victim Compensation Fund (CVCF) scheme to enable support to victims of rape, acid attacks, human trafficking and women killed or injured in the cross border firing.

- Compensation for Civilian victims of cross border firing, shelling or IED explosion, terrorism and Maoist violence
- It is also known as the Victim Compensation Scheme.
- So far 24 states and 7 UTs have formulated the Victim Compensation Scheme.

# Nirbhaya Fund

- The Nirbhaya Fund Framework provides for a non-lapsable corpus fund for the safety and security of women.
- It is administered by the Department of Economic Affairs (DEA) of the Ministry of Finance.
- It can be utilized for projects and initiatives related to women safety.
- Nirbhaya fund is being used in the Central Victim Compensation Fund (CVCF).

# 19. Seeking a more progressive abortion law

#### Context

The Medical Termination of Pregnancy Bill doesn't do enough to secure women's choices and interests.

# Deaths due to unsafe abortion and previous attempts to legislate

- Deaths due to unsafe abortions: Recent reports have shown that more than 10 women die every day due to unsafe abortions in India.
  - And backward abortion laws only contribute to women seeking illegal and unsafe options.
- The Cabinet has recently approved the Medical Termination of Pregnancy (Amendment) Bill, 2020 (MTP Bill, 2020) which will soon be tabled in Parliament.
  - It seeks to amend the **Medical Termination of Pregnancy Act, 1971 (MTP Act)** and follows the MTP Bills of 2014, 2017 and 2018, all of **which previously lapsed in Parliament.**

#### Provisions of the current law

- **Foetus-age based division:** The MTP Act divides its regulatory framework for allowing abortions into categories, according to the gestational age of the foetus.
  - Up to 12 weeks: Under Section 3, for foetuses that are aged up to 12 weeks-

- Only one medical practitioner's opinion is required to the effect that the continuance of the pregnancy would pose a risk to the life of the mother or cause grave injury to her physical or mental health.
- Or there is a substantial risk that if the child is born, it would suffer from such physical or mental abnormalities as to be seriously handicapped.
- **Between 12 weeks and 20 weeks:** But if the foetus is aged between 12 weeks and 20 weeks-
- At least two medical practitioners' opinions conforming to either of the two conditions are required.
- **What beyond 20 weeks?** Beyond 20 weeks, termination may be carried out where it is necessary to **save the life of the pregnant woman**.
- **Definition of grave injury**: The MTP Act also specifies that 'grave injury' may be explained as
  - The anguish caused by a pregnancy arising out of rape, or the anguish caused by an unwanted pregnancy arising out of the failure of a contraceptive used by a married woman or her husband.

#### What are the issues with the current law?

- Several issues arise from the current framework under the MTP Act.
- **First-Lac of autonomy of women:** At all stages of the pregnancy, the healthcare providers, rather than the women seeking an abortion, have the **final say** on whether the abortion can be carried out.
  - It is true that factors such as **failure of contraceptives** or **grave injury** are not required to be proved under the MTP Act.
  - However, to get the pregnancy terminated solely based on her will, the woman may be **compelled to lie or plead with the doctor.**
  - Thus, at present, **pregnant women lack autonomy** in making the decision to terminate their pregnancy and have to bear additional mental stress, as well as the financial burden of getting a doctor's approval.
  - On request abortion in 67 countries: Indian's law is unlike the abortion laws in 67 countries, including Iceland, France, Canada, South Africa and Uruguay, where a woman can get an abortion 'on request' with or without a specific gestational limit (which is usually 12 weeks).
- **Second-Prejudice against unmarried women**: The MTP Act embodies a clear prejudice against unmarried women.
  - According to 'Explanation 2' provided under Section 3(2) of the Act, where a
    pregnancy occurs due to failure of any birth control device or method used by
    any "married woman or her husband", the anguish caused is presumed to
    constitute a "grave injury" to the mental health of the pregnant woman.

- While the applicability of this provision to unmarried women is contested, there is always the danger of a more restrictive interpretation, especially when the final decision rests with the doctor and not the woman herself.
- Third-Restriction of 20 weeks' limit: Due to advancements in science, foetal abnormalities can now be detected even after 20 weeks.
  - Danger to mother's life only condition after 20 weeks: The MTP Act presently allows abortion post 20 weeks only where it is necessary to save the life of the mother.
  - Problem with this restriction: The above restriction means that even if a substantial foetal abnormality is detected and the mother doesn't want to bear life-long caregiving responsibilities and the mental agony associated with it, the law gives her no recourse unless there is a prospect of her death.

#### What does the bill fail to address?

- While the MTP Bill, 2020, is a step in the right direction, it still fails to address most of the **problems with the MTP**
- **First**, it doesn't allow abortion on request at any point after the pregnancy.
- **Second**, it doesn't take a step towards removing the prejudice against unmarried women by amending the relevant provision.
- And finally, it enhances the gestational limit for legal abortion from 20 to 24 weeks only for specific categories of women such as survivors of rape, victims of incest, and minors.
  - This means that a woman who does not fall into these categories would not be able to seek an **abortion beyond 20 weeks**, even if she suffers from a grave physical or mental injury due to the pregnancy.

# What are the provisions for the case of foetal abnormality in the bill?

- Limit irrelevant if the foetal abnormality is diagnosed by the Medical Board: The Bill does make the upper gestational limit irrelevant in procuring an abortion if there are substantial foetal abnormalities diagnosed by the Medical Board.
  - This means that even if there is no threat to the mother's life, she would be able to procure an abortion as soon as a substantial foetal abnormality comes to light.
  - While this is an important step and would have in the past helped many women who fought long battles in Court without recourse.
  - Rules against unnecessary delays: It is crucial that this provision is accompanied by appropriate rules for the Medical Boards that guard against

unnecessary delays, which only increase the risks associated with a late abortion.

#### Conclusion

- **Recognition of women's right:** The Supreme Court has recognised women's right to make reproductive choices and their decision to abort as a dimension of their personal liberty (in **X v. Union of India,2017**) and as falling within the realm of the fundamental right to privacy (in K.S. Puttaswamy v. Union of India, 2017). **Yet, current abortion laws fail to allow the exercise of this right**.
- The bill does not do enough: While it is hoped that MTP Bill, 2020 will not lapse in Parliament like its predecessors, it is evident that it does not do enough to secure women's interests, and there is still a long road ahead for progressive abortion laws.

### 20.Six years on, Lokpal is a non-starter (GS-2)

#### **Context:**

### **Background:**

- A nationwide public campaign in 2011 demanding an independent anticorruption ombudsman resulted in the passage of the Lokpal law in India.
- The Lokpal and Lokayuktas Act, 2013 had been enacted to ensure a prompt and fair investigation and prosecution, in cases of corruption against public servants.
- The Lokpal had been envisioned to be independent and was accorded a high stature and given extensive powers including the power to inquire, investigate and prosecute acts of corruption.

#### **Concerns:**

 More than six years after the Lokpal law received the President's assent, the institution of the Lokpal is yet to play any significant role in tackling corruption in the country.

# **Delay in appointments:**

• There had been a long delay in the appointment process of the chairperson and members of the Lokpal. The chairperson and members of the Lokpal were appointed only in March 2019 after a contempt petition was filed in the Supreme Court following the failure of the government to comply with the 2017 ruling of the court to initiate the process of making appointments.

#### Government's lack of intent:

- The government's argument for not appointing the chairperson and the members was that since no one could be recognized as the Leader of the Opposition (LoP) after the 2014 general election, the committee responsible for selecting members of the Lokpal could not be constituted.
- This despite the fact that the situation could have been easily remedied by either recognizing the leader of the single largest party in Opposition in the Lok Sabha as the LoP or by amending the Lokpal law to allow the leader of the largest opposition party to be a member of the committee in the absence of a recognized LoP. Such a course of action was adopted previously also in the case of the selection committee of the CBI Director.

# **Independence of the Lokpal:**

- A truncated selection committee, without the LoP, was set up. The eminent jurist considered for the selection committee was the previous Attorney General of India.
- The four-member selection committee, having a preponderance of representatives of the ruling party with an inherent bias towards recommending candidates favoured by the government, selected the Chair and members of the Lokpal.
- This has cast serious **doubts about the independence of the Lokpal** even before it has become operational.

# Key provisions still not in place:

- Almost six years after the Lokpal and Lokayuktas Act, 2013 was signed into law, several key provisions needed for the anti-corruption ombudsman to function have still not been operationalized.
- The Lokpal has not yet notified a **format for filing complaints**. The lack of this may lead to many complaints filed being dismissed.
- The Central government has also failed to **formulate rules regarding asset disclosure by public servants.**
- Despite the important enabling provision of setting up of the Lokpal's own
  inquiry wing headed by a Director of Inquiry and its own prosecution
  wing headed by a Director of Prosecution, the process of constituting the
  Lokpal's inquiry and prosecution wings has not yet begun.
- Further, regulations which the Lokpal was obligated to make under the law are yet to be made, including those **specifying the manner and procedure of conducting preliminary inquiry and investigation.**

### Failure to meet expectations:

- Without the requisite rules, regulations, and machinery in place, it is not surprising that the Lokpal has failed to meet expectations.
- The website of the Lokpal states that it has scrutinized 1,065 complaints received till September 2019, and disposed of 1,000 of them. Since necessary procedures to operationalize the law are yet to be put in place, the **legal veracity of the decisions of the Lokpal are questionable** and could potentially be challenged in a court of law.

### 21. A new approach on investment (GS-2)

#### **Context:**

India U.S. trade agreement negotiations.

### **Background:**

- India shedding its pre-1990 stance of non-alignment has moved decisively towards forging a better relationship with the USA. This is in line with the present global geopolitical atmosphere and India's immediate needs.
- Contrary to expectations that were generated after the Houston rally of the Indian Prime Minister and US President, India, and the United States failed to arrive at a trade deal then.
- However, the **first-ever trade agreement between India and the U.S.** is expected during the U.S. president's visit to India.

#### **Details:**

# Significance of the deal:

- Though the total value of the trade deal would not be comparable to other international trade deals, a U.S.-India trade deal will have historic significance.
- It is expected to usher in a period of **strong collaboration between the two countries to advance a shared bilateral trade agenda** and effectively resolve issues as they arise, instead of seeking a remedy from the WTO.
- The signing of the deal will allow the two sides to continue efforts to achieve incremental outcomes and possibly enable the start of negotiations on a **comprehensive free trade agreement (FTA)**.

### Way forward:

• There is tremendous potential in India-US trade relations. **Bilateral trade** between India and the US has almost touched \$150 billion and there has been a growth every year in the last few years. Realizing the growth potential of this relation will need some give and take from both countries.

#### **Incremental outcomes:**

- Given the possible **roadblocks to a comprehensive free trade agreement (FTA)**, the two countries should look at **incremental outcomes first**. At a later stage, when the two countries are prepared to negotiate a more comprehensive bilateral FTA, they can take up more complex issues for discussions.
- India and the U.S. should focus on what is doable.
- The relatively easier-to-solve issues of intellectual property rights (IPR), digital trade, and investment should be prioritized.
- IPR has historically been an area of contention between the two countries, but **discussions on IPR have progressed well in recent years** and there is the need to build on the progress made.

#### **Shared interests:**

- Given the **shared interests between India and the U.S**. in certain areas, the co-ordination and partnership in such areas can be **mutually beneficial** to both countries.
- **Investment is an important segment for both economies**. India invests in the U.S. and continues to seek U.S. investment in India. There is a need to encourage foreign direct investment (FDI).
- The two countries should negotiate an agreement on investment matters that can provide **greater transparency**, **predictability**, **and regulatory certainty** to investors from the other country.
- Given the Indian government and U.S. administration's scepticism towards 'BITs' (bilateral investment treaties), there is the need to look for newer options.
- A U.S.-India investment agreement could focus on fair treatment for investors from the other country, regulatory transparency and predictability, and approaches for resolving concerns short of investorstate dispute settlements.
- Both India and the U.S. are still trying to deal with the issue of appropriate scope and approach of **regulating electronic commerce issues in this**

**digital age**. Greater collaboration and sharing of each other's experiences can help strengthen the relationship.

# A new approach:

- India and the U.S. could **review their recent FTAs**, to come up with a new approach.
- The recently concluded **U.S.-Mexico-Canada Agreement** contains a novel approach on investment, notably its **abandonment of investor-state dispute settlement**.
- The <u>Regional Comprehensive Economic Partnership</u> also does not include investor-state dispute settlement.

### 22. First call (GS-2)

#### **Context:**

Sri Lankan Prime Minister's official visit to India.

### **Background:**

- India had traditionally enjoyed strong and close ties with Sri Lanka. But in the wake of victory over the LTTE and after successfully ending the island's decades-long ethnic war, Mahinda Rajapaksa had started leaning towards China, India's rival in the region.
- India-Sri Lanka ties underwent a strain for several reasons, while SL-China ties grew in strength.
- The recent elections in SL and the coming back to the power of the Rajapaksa brothers had led to apprehensions in India, casting doubts over the likely chances of SL drawing close to China, with **India having to cede strategic dominance in the region**.
- However, contrary to the concerns, by making New Delhi their first stop abroad, Sri Lanka's new President Gotabaya Rajapaksa's visit in November 2019, and Prime Minister Mahinda Rajapaksa's recent visit, have signaled hope for the beginning of a **new India-Sri Lanka bilateral relation.**

#### **Details:**

 Reciprocating Sri Lanka's desire for better bilateral ties, India too has indicated that it would like to strengthen the ties between the two countries.

### **Development Work:**

• India has proposed working on **development projects in SL**. There are also proposals for a **joint India-Japan project of the East Container Terminal at Colombo.** 

### **Line of credit:**

• SL has discussed extending the **\$400-million Line of Credit from India**, calling for India's enhanced assistance for nationwide housing in SL.

# **Improved connectivity:**

• The air connectivity to Sri Lanka's north and east from India has witnessed improvement in the recent past, with the already operational direct flight between India and SL and the proposed flight to Batticaloa.

### **Security ties:**

- Post-2019's Easter Sunday bombings in SL, India and SL have **enhanced intelligence sharing, and joint training between the security agencies**. India has also extended **a special \$50-million Line of Credit** post the Easter Sunday bombings in SL.
- There have been high-level talks with respect **to strengthening military ties** between the two countries.
- There have also been discussions regarding the setting up of a **joint** maritime research coordination centre.
- India, Sri Lanka, and the Maldives are expected to revive their trilateral on security, including joint maritime security talks and anti-terror cooperation.

#### **Economic ties:**

- India is Sri Lanka's largest trading partner and also one of the largest investors in the country. Sri Lanka is India's second-largest trading partner in SAARC.
- India is the largest contributor to the number of tourists visiting Sri Lanka. This is significant given the fact that tourism constitutes a major share of SL's economy and employment generation.

- Sri Lankans, of all economic strata, across racial and religious divides, come to India for **healthcare**, **education**, **and pilgrimage**.
- India and Sri Lanka signed FTA in 1998, which facilitated increased trade relations between the two countries.

### **Challenges:**

• Though India and Sri Lanka share good bilateral ties, there are certain **challenges and threats** to this bilateral relation.

#### **Tamil Issue:**

- India has a lot of stake in racial harmony in Sri Lanka and has contributed immensely in the past, in terms of resources and human lives to ensure Sri Lanka's integrity and racial harmony.
- During the recent visit of the SL Prime Minister, India raised the SL Tamil issue and stated that it hopes that the **expectations of the Tamil people for equality, justice, peace, and respect** would be met by the SL government. It has also called for greater devolution of powers to the provinces according to the **13th Amendment**.
- However, the visiting SL Prime Minister declined to comment on India's stand and **gave no commitment on the Tamil issue**, adding that though the present administration was in favour of the 13<sup>th</sup> Amendment, they would not accept any solution that would not be unacceptable to the majority [Sinhala] community.
- Notably, the Chinese have repeatedly backed SL in the Tamil issue, calling it Sri Lanka's internal matters. This is meant to strengthen China-SL ties and draw a wedge between India and SL.

#### The China factor:

- Chinese presence has only grown in SL over the last few years, as **Beijing** has adopted a more assertive policy towards the Indian Ocean region.
- Relations between Rajapaksa and the Indian leaders were seriously strained after Colombo allowed a Chinese nuclear submarine and a warship to be docked at the Colombo port in total disregard for India's concerns.
- In the end years of Mahinda's presidency, China invested heavily in Sri Lanka, which included major projects like the opening of the Hambantota Port and the expansion of the Colombo port.

• Sri Lanka is part of China's <u>Belt and Road Initiative</u>, under which it has received an estimated \$8 billion as loans, out of a total of around \$11 billion of Chinese investment in the country.

#### Indian investment in Sri Lanka:

- The present SL administration has ruled out taking forward the MoU signed by the previous government, allowing **Indian participation in energy and infrastructure projects in Trincomalee.**
- The previously proposed Indian involvement in the **Mattala airport** project also seems unlikely.
- India's absence in SL may lead to **ceding space to China**. In the past when India did not take up an offer to develop Hambantota port in SL, the project ended up with China.

#### Sri Lankan debt crisis:

- Sri Lanka has to deal with its debt crisis, which is nearly \$60-billion outstanding debt in foreign and domestic borrowings. SL will have to pay about \$5-billion a year in repayments.
- SL has asked for India's help in this regard and has **requested a three-year moratorium on repayments.**
- Given India's own economic woes, the likely consideration of the SL request seems unlikely. **Ignoring or rebuffing the new request could damage bilateral ties between India and Sri Lanka**.

# Way forward:

# The indispensability of the relation:

- Given the fact that **Sri Lanka is India's closest maritime neighbour** and India shares deep **historical and cultural ties with SL**, the bilateral relationship is indispensable for both the countries.
- Apart from the China factor, Indian interests in Sri Lanka are also driven by other important factors, including post-war reconciliation and respect for the dignity of the Tamil minority in Sri Lanka and its cultivation of ties in its **immediate neighborhood and the wider Indian Ocean.**
- If India has vital interests for which a partnership with Sri Lanka is critical, Sri Lanka, too, cannot become a **pivotal Indian Ocean power** without a substantive engagement with India.
- There is a need to consolidate the trust and confidence between the two sides and **deepen cooperation** in important areas.

### **Working on common interests:**

• Developmental work in SL and the **challenge posed by extremism** are **common concerns** for the two countries. Co-operation in these areas can help build mutual trust between the two countries. Security and intelligence-sharing should be enhanced.

### **Countering China:**

- Given the fact that India cannot match China's financial heft to make a difference to Colombo's developmental requirements, India is best advised to leverage its civilizational and cultural connection with Sri Lanka to strengthen ties.
- Though China will continue to be a key player in Sri Lanka's trade and infrastructure development, **SL must not do anything that undermines India's security.**

### **Involving like-minded strategic partners:**

- India should consider carving out a niche role for itself in some areas and also **partner with like-minded strategic partners like Japan** to make an economic and strategic difference in Sri Lanka.
- Given the U.S. interest in countering China in the region, India could consider involving the U.S. in developmental works and security cooperation between India and SL.

# 23. Riding on data for mobility (GS-2)

#### e-governance

E-governance and its significance

#### Introduction

- The development and advancement of digital technologies have revolutionized the governance approach. The technological change has made interactions between humans and machines, and among citizens, governments and businesses, seamless and efficient.
- Today, e-governance enables and empowers citizens to directly engage with the state, thereby eliminating barriers in the delivery of public services.

• This article speaks about how data can be used to deliver public services efficiently and can be used as a strategic asset in all aspects of policy planning, service delivery and operations of the government.

Let us take the example of the Transport sector where Data-based governance is expected to provide a solution to the ever-growing threat of congestion to urban economies.

### Loss due to Congestion

- Congestion caused an estimated loss of **\$87 billion to the U.S. economy** and \$24 billion to the four metro cities in India in 2018.
- Given the limited land resources available, the key to solving congestion lies in improving the efficiency of existing transportation systems.

#### How can we collect Data?

• Data can be collected from multiple sources such as CCTV cameras, automatic traffic counters, map services, and transportation service providers.

#### **Results from Global studies**

- A **study by Transport for London**, the local body responsible for transport in and around the U.K. capital, estimates that its open data initiative on sharing of real-time transit data has helped **add £130 million a year to London's economy** by improving productivity and efficiency.
- In China, an artificial intelligence-based traffic management platform developed by Alibaba has helped improve average speeds by 15%.

# **Examples**

# Hyderabad Open Transit Data

Hyderabad has become the first city in the country to make available its transport data for public use.

- It publishes datasets on bus stops, bus routes, metro routes, metro stations, schedules, fares, and frequency of public transit services.
- The objective is to empower start-ups and developers to **create useful mobility applications**. Using the datasets, app developers could integrate

the transit data with Google's own transit feed, thus giving a further boost to the public transport services.

- o It will come in handy for creating innovative tools for the public.
- Such applications can help save time for drivers and passengers every day using real-time intelligent monitoring of the vehicles, thereby improving customer experience.

# Memorandum of Understanding signed (MoU) between the Telangana Government and Ola Mobility Institute

The MoU will support the efforts of Telangana Govt. towards **strengthening the traffic infrastructure** in the city. This partnership will see Ola share intelligent insights that enable the Government to **implement smart solutions to enhance the mobility experience** in the city.

- Under this collaboration, Ola has developed a tool, **Ola City Sense**, to provide data-based insights that can monitor the quality of **Hyderabad's** roads and identify bad quality patches.
- This data will be provided to respective state government departments who monitor road conditions. The data is provided on a dashboard and updated every 2-3 weeks to capture the nature of potholes/roads.

# Advantages of Data based Governance

- The information given is useful not only for carrying out road repairs, but it also helps officials take initiatives to improve **road safety, monitor quality of construction, and study the role of bad roads** in causing congestion.
- The dashboard will help city officials plan the **pre-monsoon repair work** and budget for repairs.
- An efficient transportation system would help **ease congestion**, **reduce travel time and cost**, and provide greater convenience.
- It helps in analyzing data from multiple sources, which assists in better decision making for the Government thereby reducing project cost in the future.

#### Conclusion

• Governments, therefore, should make their departments data-centric by institutionalizing data collection, building technology platforms and

- helping the departments develop capacity to handle the insights generated from the data.
- Such interventions, however, also need to address genuine concerns around data security and privacy.

# 24. Nutrition and the Budget's fine print (GS-2)

#### Introduction

- In the 2019 Global Hunger Index, India ranked 102nd out of 117 countries. With a score of 30.3, India suffers from a level of hunger that is "serious".
- With many people in India suffering from malnutrition, the budget speech had references to Govt. schemes POSHAN Abhiyaan, the National Nutrition Mission with efforts to track the status of 10 crore households.
- Public provisioning for nutrition is important given the persistently high levels of malnutrition in India.

#### Plan and allocation

There are multiple dimensions of malnutrition that include calorific deficiency, protein hunger and micronutrient deficiency.

# 1. First is calorific deficiency:

- The Integrated Child Development Services (ICDS) scheme provides a package of services including supplementary nutrition, nutrition and health education, health check-ups and referral services addressing children, pregnant and lactating mothers and adolescent girls, key groups to address community malnutrition, and which also tackle calorific deficiency and beyond.
  - o For 2019-20, the allotment was ₹27,584.37 crore but revised estimates are ₹24,954.50 crore, which points to an underutilisation of resources.
  - The allocation for 2020 is marginally higher, but clearly, the emphasis needs to be on implementation.
- Another pathway to address hunger is the Mid-Day Meal Scheme, to enhance the nutrition of schoolchildren.
  - o Here too, the issue is **not with allocation but with expenditure**.

o The 2019-20 Budget allocation was ₹11,000 crores and revised estimates are only ₹9,912 crores.

### 2. The second is protein hunger:

- Pulses are a major contributor to address protein hunger.
- However, a scheme for State and Union Territories that aims to reach pulses into welfare schemes (Mid-Day Meal, Public Distribution System, ICDS) has revised estimates standing at just ₹370 crores against ₹800 crores allocation in the 2019-20 Budget.

### 3. Next is Micronutrient Deficiency.

- Micronutrients are dietary components, often referred to as vitamins and minerals, which, although **only required by the body in small amounts**, **are vital to development.**
- The Horticulture Mission can be one of the ways to address micronutrient deficiency effectively, but here too implementation is low.
- In 2018-19, the Government of India launched a **National Millet Mission** which included renaming millets as "nutri-cereals", also launched a Year of Millets in 2018-19 to promote nutritious cereals in a campaign mode across the country.
  - This could have been further emphasised in the Budget as well as in the National Food Security Mission (NFSM) which includes millets.
  - As millets have the potential to address micronutrient deficiencies, the momentum given to these cereals needs to be sustained.

#### Concerns

- When it comes to POSHAN Abhiyaan, the National Nutrition Mission, about 72% of total expenditure goes into "Information and Communication Technology enabled Real Time Monitoring for development and setting up Common Application Software and expenditure on components under behavioral change"
- This means that the focus of the bulk of the funding has been on technology, whereas, actually, it is a convergence that is crucial to address nutrition.

# So how can we bring about better nutrition in India?

- Focus on nutrition-related interventions, beyond digitization;
- Intensify the convergence component of POSHAN Abhiyaan, using the platform to **bring all departments in one place to address nutrition**;
- Promotion of **youth schemes** to be directed to nutrition-agriculture link activities in rural areas;
- Give explicit emphasis and fund allocation to agriculture-nutrition linked schemes;
- Ensure early disbursement of funds and optimum utilization of schemes linked to nutrition.

### Conclusion

- The <u>Economic Survey</u> notes that "Food is not just an end in itself but also an essential ingredient in the growth of human capital and therefore important for national wealth creation".
- Malnutrition affects **cognitive ability, workforce days and health,** causes **health issues** like stunted growth, diabetes and heart disease impacting as much as 16% of GDP (World Food Programme and World Bank).
- Nutrition goes beyond just food, with economic, health, water sanitation, gender perspectives and social norms contributing to better nutrition. This is why the **implementation** of multiple schemes can contribute to better nutrition.
- An inadequate diet can also lead to a person having a deficiency of one, or more, vitamins, minerals, or other essential substances. Therefore better allocation of finances and effective implementation of the nutrition schemes will build a healthier and wealthier nation.

# 25. A marriage story for everyone

#### Introduction

Indian society has many religions and myriad castes. Most of the weddings in India are arranged on the basis of religion and caste as per the family norms and customs. People enter the sacred relationship of marriage within their communities. But with changing times and with constant changes in the social milieu, individuals would want to marry their loved ones from a different religion or caste. The Special Marriage Act deals with inter-caste and interreligion marriages.

The Special Marriage Act is, therefore, a special law enacted to provide for a unique form of marriage by **registration wherein the parties to the marriage do** 

**not have to renounce their religion**. It is a legislative tool for social change, an attempt to remove a social barrier to the exercise of individual autonomy.

Special Marriage Act of 1954

- This Act covers marriages among Hindus, Muslims, Christians, Sikhs, Jains and Buddhists.
- This Act applies not only to Indian citizens who belong to different castes and religions but also to Indian nationals who live abroad.

Supreme Court judgments on individual autonomy

Supreme Court has championed the cause of individual **autonomy in matters of love**, **sex and marriage**, in

- Shafin Jahan v. Asokan (2018) (Hadiya Case)
  - The SC said, "The right to marry a person of one's choice is integral to Article 21 (<u>right to life</u> and liberty) of the Constitution".
  - The absolute right of an individual to choose a life partner is not in the least affected by matters of faith.

### Shakti Vahini v. Union of India (2018)

- Any attempt by Khap Panchayats or any other assembly to scuttle or prevent two consenting adults from marrying is absolutely 'illegal'.
- It said "Liberty, taking the word in its concrete sense consists in the ability to choose." When the ability to choose is **crushed in the name of class honour** and the person's physical frame is treated with absolute indignity, a chilling effect dominates over the brains and bones of the society at large.

# Navtej Johar v. Union of India (2018).

• In Navtej Johar, not only did the Court hold <u>Section 377 of the IPC</u> to be unconstitutional, it explicitly recognised the rights of the LGBTQ+ community to express their individuality, sexual identity and love on par with heterosexuals, as fundamental to Articles 14 (right to equality), 19 (right to freedom), and 21 (right to life) of the Constitution.

#### Context

• A petition was recently filed in Kerala High Court by a male same-sex couple.

- They challenged the constitutionality of the Special Marriage Act on the ground that **it discriminates against same-sex couples** who want to formalize their relationship through marriage.
- In their plea, the couple stated that they were aggrieved by the provisions of the Special Marriage Act, 1954 whereby the law only permits a heterosexual (opposite sex) couple to get married and a homosexual couple like them is denied equal access to the institution of marriage.
  - The text of the Act does not exclude homosexual unions from its ambit expressly, but carries a heterosexual undertone in its language.

#### Issues

- The Supreme Court in Navtej Johar had recognised the right of same-sex couples to express their sexual identity, right to privacy and non-interference in the conduct of their personal affairs, and the right to be recognized as full members of society.
- To refuse their plea under the Special Marriage Act would cause them very real, tangible damage, considering that marriage carries a range of legal rights and protections, available during the marriage as well as on its dissolution by divorce (the right to seek maintenance) or death (the right to inherit property).

# Why recognition matters?

- Marriage continues to be the cornerstone of social legitimacy and family in India. It leads to human development and aspiration which give meaning to their personal lives.
- The social purpose of marriage is to provide **stability**; financial, physical or emotional care and support; sexual intimacy and love to individuals; and to facilitate **procreation and child-rearing**.
  - Whether the couple should have children or not, is for the couple to decide.
  - They may opt for biological children or they may adopt children.
  - When rules for normal couples are not laid why have these rules on the homosexual couple is another argument.

Therefore, aside from procreation, **none of these objectives are dependent on the gender of the parties** concerned, so much as on the bond they share and their ability to make the relationship work.

#### Conclusion

- The petition before the Kerala High Court represents a unique opportunity

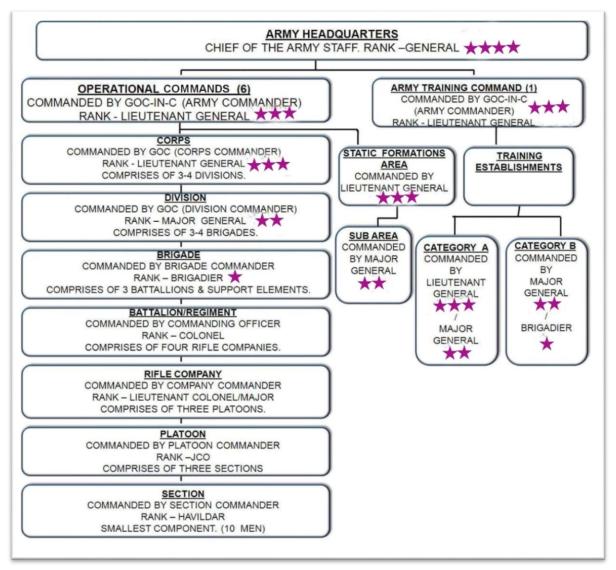
   a potential first step towards making marriage, as an institution, as a legal concept, more accessible and egalitarian, less arbitrary and exclusionary.
- It gives the High Court the chance to prioritize the fundamental and human rights of the petitioners over the abstract heteronormative tendency of the majority to deny legitimacy to relationships that challenge oppressive social structures and established hierarchies.
- In other words, its high time love and logic are given a chance to triumph over homophobic tradition.

# 26. Should women be given command posts in the Army?

### Background

• The Supreme Court (SC) was hearing a petition which demanded permanent commission for women in the Army.

#### Structure



#### What is the issue?

• The Indian Army is what is called a **command-oriented Army**. That is, anyone who has to be given further positions up the chain of command has to first be experienced in command at the level of a full Colonel, a unit command. So far, this was denied to women. That is the main issue.

# Arguments put forward by the Govt.

- The central government told the SC that "motherhood, childcare, psychological limitations" have a bearing on the employment of women officers in the Army.
  - Family separation, career prospects of spouses, education of children, prolonged absence due to pregnancy, motherhood were a greater challenge for women to meet the exigencies of service.

Physical Standards: Soldiers will be asked to work in difficult terrains, isolated posts and adverse climate conditions. Officers have to lead from the front. They should be in prime physical condition to undertake combat tasks. The Govt. said women were not fit to serve in ground combat roles.

Army units were a "unique all-male environment". The presence of women officers would require "moderated behaviour".

• The male troop predominantly comes from a rural background and may not be in a position to accept commands from a female leader.

The government further said it is also keeping in mind the "greater family demands and danger of them being taken as prisoners of war".

• Both male and female prisoners are at risk of torture and rape, but misogynistic societies may be more willing to abuse woman prisoners.

Arguments in government affidavit against commanding posts for women in the Army are wrong and discriminatory

- A quick look at the past records reveals, all the arguments put forth against giving women more responsibility have been answered by the armed forces by giving women greater responsibility in uniform the IAF has allowed women to become **fighter pilots**, and the Army has sent them to tough UN peacekeeping missions globally.
- The current case in the Supreme Court is not about granting a role to women in combat arms but about the denial of equal opportunity in their existing roles for promotion to higher commands.
  - Women officers are already commanding platoons, companies and second in command successfully, with male soldiers accepting orders from them as part of a professional force.
    - Now they are being excluded from commanding a unit, only on the basis that they are women. This argument doesn't hold water.
  - A professional force does not discriminate on the basis of gender, it works because of training, norms and culture.

Denying women the posts will be an "extremely retrograde step" and "will inflict irreparable injury" to their dignity.

# Way forward

- There is a **board of officers** to decide whether promotions to the rank of Colonel can take place or not for a particular officer. It's not as if all male officers get automatically promoted as Colonels.
  - In some cases, in some services, less than 30% of male officers are promoted to the rank of Colonel. The decision is made by a board of officers.
  - Let the same board of officers decide whether a woman officer is fit to command a unit.

Women should be judged on the basis of their professionalism and on the basis of merit.

#### Conclusion

- There is no need to give women any special dispensations but the **government cannot promote discrimination on the basis of gender**.
- It must move towards gender mainstreaming in the army, and further achieve gender equality by establishing professional standards and adhering to them without any bias.
- Whether man or woman, if someone has demonstrated capability and leadership qualities, their orders will have to be accepted. Soldiers respect professionalism, good leadership, irrespective of whether it is demonstrated by a male or a female officer. In the Army, soldiers are trained to do that.

#### 27. In news: Two-child Norm

A Rajya Sabha MP has introduced a Private Member's Bill on two-child norms.

# Key propositions of the Bill

- Essentially, the Bill aims to amend the Constitution in order to incentivise limiting families to two children by offering tax concessions, priority in social benefit schemes and school admissions, among other things.
- It proposes incentives in taxation, education and employment for people who limit their family size to two children.

#### Article 47A

- The Bill has sought the incorporation of a new provision, **Article 47A** in Part IV of the Constitution, to withdraw all concessions from people who fail to adhere to the "small-family" norm.
- Article 47A says the following:

"47A. The State shall promote small family norms by offering incentives in taxes, employment, education etc. to its people who keep their family limited to two children and shall withdraw every concession from and deprive such incentives to those not adhering to small family norm, to keep the growing population under control."

**Note:** Article 47 of the Indian Constitution is one of the DPSP which directs the State to raise the level of nutrition and the standard of living and to improve public health as among its primary duties and, in particular, the State shall endeavour to bring about prohibition of intoxicating drinks and drugs which are injurious to health.

### Why such Bill?

- The Bill's Statement of Object and Reasons states that the fact that India's population has already crossed 125 crore is "really frightening".
- It goes on to say that India's population has doubled in the last 40 years and that it is expected to unseat China as the world's most populous nation in the next couple of decades.
- Despite the fact that we have framed a National Population Control Policy, we are the second most populous country in the world.
- Further, the population explosion will cause "many problems" for our future generations.
- The Bill also makes a reference to "overburdened" natural resources that are overexploited because of overpopulation.

# Statewide policies relating to two-child norms

**Assam** Cabinet has recently decided that those with more than two children will be ineligible for government jobs from 2021. Other states with similar norms:

**Rajasthan:** For government jobs, candidates who have more than two children are not eligible for appointment.

**Madhya Pradesh:** The state follows the two-child norm since 2001. Under Madhya Pradesh Civil Services (General Condition of Services) Rules, if the third child was born on or after January 26, 2001, one becomes ineligible for government service. The rule also applies to higher judicial services.

**Telangana:** Under Section 19 (3) read with Sections 156 (2) and 184 (2) of Telangana Panchayat Raj Act, 1994, a person with more than two children shall be disqualified from contesting election. However, if a person had more than two children before May 30, 1994, he or she will not be disqualified. The same sections in the **Andhra Pradesh:** AP Panchayat Raj Act, 1994, apply to Andhra Pradesh, where a person having more than two children shall be disqualified from contesting election.

**Gujarat:** In 2005, the government amended the Gujarat Local Authorities Act. The amendment disqualifies anyone with more than two children from contesting elections for bodies of local self-governance — panchayats, municipalities and municipal corporations.

**Maharashtra:** The Maharashtra Zilla Parishads And Panchayat Samitis Act disqualifies people who have more than two children from contesting local body elections (gram panchayats to municipal corporations). The Maharashtra Civil Services Rules, 2005 states that a person having more than two children is disqualified from holding a post in the state government. Women with more than two children are also not allowed to benefit from the Public Distribution System.

**Karnataka:** The Karnataka (Gram Swaraj and Panchayat Raj) Act, 1993 does not bar individuals with more than two children from contesting elections to local bodies like the gram panchayat. The law, however, says that a person is ineligible to contest "if he does not have a sanitary latrine for the use of the members of his family".

**Odisha:** The Odisha Zilla Parishad Act bars those individuals with more than two children from contesting.

### 28. Fighting a virus, yet again

#### **Context:**

Kerala is drawing from its experience in controlling the 2018 Nipah virus outbreak to prepare for a potential COVID-19 spread. The health experts opine that, while the government's efforts are commendable, it's too soon to rejoice.

### Kerala's surveillance strategy and emergency preparedness:

In December 2019, when news about the mystery Chinese virus trickled in and as the number of patients with COVID-19 steadily grew, in Kerala, surveillance and emergency preparedness measures began to be launched.

- As soon as the World Health Organization (WHO) sent out a notification on the disease all those who are part of the Integrated Disease Surveillance Programme and the district surveillance teams were alerted.
- They were told that increased surveillance of all SARS (Severe Acute Respiratory Syndrome) and influenza-like illnesses was required.
- WHO guidelines and clinical protocols were circulated to all the districts.
- Kerala was especially at risk as hundreds of Malayali students, who were pursuing undergraduate medical courses or nursing courses in China, were on their way home.
- The airport-based surveillance was also launched.
  - Anyone with mild symptoms of flu was directly sent to the isolation wards of selected hospitals in districts.
  - Those without any symptoms were sent home with instructions that they strictly quarantine themselves at home.
  - When it became evident that all the COVID-19 cases imported to other nations were linked to Wuhan, all those returning from Wuhan, whether they showed symptoms of the disease or not, were placed in isolation.

The State Control Cell for COVID-19 was set up at the Directorate of Health Services in the capital.

Multidisciplinary teams were set up for monitoring field surveillance, hospital admissions, logistics, etc.

Expert teams prepared guidelines for surveillance, lab testing and clinical management, and disseminated them to all the districts.

The Health Department's 24X7 helpline, Disha, was publicised as the first point of contact for the public to clarify any doubts regarding COVID-19 and related issues.

Considering the fact that asymptomatic transmission could have been a game changer, an aggressive surveillance and quarantine strategy had been evolved following reports that even asymptomatic patients could spread the disease.

 As the debate about possible asymptomatic transmission raged, Kerala authorities decided to collect test samples from everyone who had returned from Wuhan.

The approach may not have been evidence-based, but the situation called for the State to always be one step ahead.

The guidelines prepared by the team of clinicians were more elaborate and stringent than those of the WHO. The guidelines were also constantly revised.

• While the Centre suggested an incubation period of 14 days, the State extended it to 28 days.

#### **Hurdles faced:**

- Additional Director of Health Services, Public Health highlights that in the initial days, it was difficult to conduct surveillance and impose quarantine, as most people thought that the state's response was exaggerated.
- People were trying to evade surveillance so that they would not be forced into quarantine.
- However, response changed with the first positive case of COVID-19. Suddenly self-reporting increased and the helplines were inundated with calls.
- Surveillance officers also had to undertake the painstaking exercise of contact tracing. The list of contacts was endless.
  - For the first positive case in Thrissur, 82 contacts were identified.
  - For the infected person in Alappuzha, 52 contacts were traced.

# Banking on the Nipah experience:

The entire framework of Kerala's response to the threat of a possible public health emergency due to COVID-19 is based on its experience in managing the Nipah outbreak.

- The Nipah outbreak took the State health system by surprise. With a high case fatality rate of 88.9%, the virus created a lot of panic. By the time the outbreak was contained, 17 people had died.
- Following this there was a heightened sense of awareness in hospitals that simple infection-control measures such as washing hands and using personal protective equipment could ensure the safety of healthcare personnel.
- As part of improving disease surveillance, outbreak monitoring units were set up in all the medical colleges in the State. These units scrutinised patients in emergency wings and isolated those with acute respiratory symptoms as soon as they come in.
- When Nipah struck again in 2019, the health authorities managed to immediately spot the index case, isolate him, and treat him. No one else was infected.
- When the COVID-19 alert was sounded, all these baseline preparations fell into place. The rest of the measures concerned logistics and management, which the State health administration managed well.
  - Overnight, the State Control Cell set up 18 sub-divisions (for surveillance, training and awareness, sample tracing, transportation and ambulance, etc.), charted out the roles and responsibilities of each team, and micromanaged nearly everything, right down to roping in local self-government bodies for assistance and ensuring that families quarantined at home had adequate food and supplies delivered to them.

# Stigma and fear:

- The families of those who had tested positive went though trying times.
- Soon after he tested positive, the boy's image in a family photograph began to circulate on social media. The patient's relative's grocery store was avoided causing him big losses in business.
  - The police have since arrested two persons in connection with the social ostracism the family faced.

However, the antagonism displayed by the local community towards the family only died down when the Health Department began organising awareness campaigns at the grassroots.

News about the virus has also affected local businesses.

The department also mobilised its district mental health teams to offer psycho-social support over the phone to the stressed families that had been quarantined for 28 days.

COVID-19 has also spelled bad news for Kerala tourism, already impacted by two consecutive floods and the Nipah outbreaks. There were mass cancellations of tour packages.

### Way forward:

- No surveillance is ever fool-proof. The State must account for the gaps in surveillance and be ready with a Plan B if the scenario changes and local transmission of the disease does happen.
- Kerala has a very responsive health system which has jumped into firefighting mode. It has mobilised all its resources to detect and contain
  COVID-19. But this is not a sustainable model; it is believed that the
  system will soon wear itself out.
- The real strength of a health system is in its ability to keep its regular disease surveillance system alive and active through the year, pick up unusual disease trends and undiagnosed deaths, and analyse data meticulously so that it is equipped to deal with surprises without taxing the entire system.
- Both the Nipah episodes in Kerala were not picked up by the Integrated Disease Surveillance Programme, which means that the State has a long way to go.
- In China, the outbreak was picked up only when a sudden cluster of viral pneumonia cases appeared in hospitals.
- The next step for Kerala would be to set up a surveillance mechanism for detecting viral pneumonia clusters, especially among older individuals, in hospitals.
  - Testing all X-ray-positive viral pneumonia cases in hospitals for COVID-19 would help the State pick up the first case of the viral illness if the virus is active in the community.

The expert, who led the epidemiological investigation that unravelled Kerala's first Nipah encounter, cautions the State against relying too much on its Nipah strategy while dealing with COVID-19.

• Drawing upon the experience of fighting Nipah is fine, but it is crucial to understand that Nipah and COVID-19 do not share the same epidemiology. The surveillance and control strategies for each are different.

• Nipah is not capable of sustained transmission and disappears when the virus runs its natural course. But COVID-19 is a multi-focal outbreak with a potential for sustained transmission.

Also, because of the mild nature of the illness caused by COVID-19, it is unlikely that the system will pick up low-level community transmission of the virus right now.

The odds that it is going to be a long-term problem requiring long-term engagement are quite high. Kerala would do well to be prepared for it.

### 29. Protecting children's right to protest (GS-2)

#### **Context:**

 The article offers a critique of the Supreme Court's observations on the right of children to protest.

#### **Background:**

 Following the death of an infant during the demonstrations in Shaheen Bagh in Delhi, the Supreme Court considered it parental negligence worthy of court intervention and has taken suo motu cognisance of children taking part in the demonstrations.

#### **Concerns:**

• There are many **legal and social difficulties** involved in the Supreme Court's move.

# Mothers' right to protest:

- Indian mothers, especially from poor households, given the lack of a support system at home or lack of access to creches or daycare centres have to carry their children wherever they go.
- If the women are not allowed to take their children to protests, it effectively **limits women's own mobility and pushes them back into their homes.**

# Children's right to protest:

# **Constitutional provisions:**

• Implicit in the <u>freedom of speech</u> and the freedom to assemble peaceably and without arms under Article 19 of the Constitution is the right to protest. This right is guaranteed to all citizens of India regardless of age.

### The United Nations Convention on the Rights of the Child (CRC):

- The United Nations Convention on the Rights of the Child (CRC), which has been ratified by India, expressly recognizes in Article 13 the freedom of expression of the child.
- The CRC, in Article 5, recognizes the "evolving capacities" of children. This means that as children acquire enhanced competencies, they have a greater capacity to take responsibility for decisions affecting their lives. The law recognizes that with age, children are capable of exercising their rights and that the law must facilitate the same.
- **Article 12 of the CRC** provides that member states should assure to the child who is capable of forming his or her own views **the right to express those views freely.** Therefore, there can be no restriction on a child's right to protest without hearing the child.
- Notably, both the **Indian Constitution and the CRC state that no restriction may be placed on the children's freedoms** except for the purposes of safeguarding the sovereignty, integrity, and security of the state, friendly relations with foreign states, public order, decency or morality or in relation to contempt of court, defamation or incitement to an offence. Even these restrictions **must pass the test of reasonableness.**
- There can be **no blanket restrictions imposed on children's right to protest**.
- The child's right to participate in or witness a protest might be in jeopardy because of the Court's observations.

# Past precedents:

- In the recent past, there has been the **participation of children in protests**, **most notably in the anti-pollution protests in Delhi**. Notably, the petitioner in the case against increasing pollution levels in New Delhi is herself a child.
- This was considered a valid exercise of the child's agency, whereas the children's participation in Shaheen Bagh is being questioned.

### 30. Women-at-arms (GS-2)

#### **Context:**

• The Supreme Court has ruled that **Short Service Commission (SSC)** women officers are eligible for permanent commission and command posts in the Army irrespective of their years of service.

### Background:

 Though women are absorbed into the Short Service Commission, they are presently denied a permanent commission in most branches of the Indian Army.

#### **Details:**

- The Court noted a number of contradictions inherent in the government's arguments against granting permanent commission to women.
  - The government argued that the deployment of women officers was not advisable in conflict zones because of the lack of sufficient facilities for habitat and hygiene. Yet, the government itself admitted to the Court that 30% of the total number of women officers are deputed to conflict areas.
- The Supreme Court has ordered the government to adhere to its own stated policy on granting permanent commission to women in the Short Service Commission (SSC).

# Significance:

# **Demolishing gender stereotypes:**

- The Supreme Court dismissed the **Union government's submissions that** women are physiologically weaker than men as a "sex stereotype".
- In allowing women permanent commission, the **court has demolished gender stereotypes**.
- Notably, the judgment observed that as long as society holds strong beliefs about gender roles there will not be a change of mindsets, thus stressing the need for change in beliefs about gender roles.

# Upholding constitutional provisions:

• The present judgment helps in furthering the **principle of equality and non-discrimination enshrined in the Constitution.** It helps provide equal opportunities for women.

# Acknowledgment of Women's Role in National security:

• In directing the government to **grant permanent commission to those women who opt for it, in 10 branches of the SSC**, the Court has forced acknowledgment of the crucial role women have played and continue to play in the security of the nation.

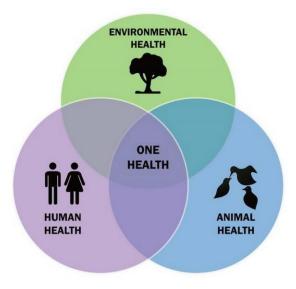
#### Need of the hour:

- The Indian Army experiences a shortfall of officers by about 10,000. The SC judgment will help close this gap to an extent.
- According to official statistics, there are only a mere 1653 women officers out of a total of 40,825 officers.

#### Other provisions:

- Notably, the SC has also made important recommendations to the government. It has asked the government to correct the anomalies in other aspects related to woman officers in the army, like the **issue of pensions**.
- The court has also set a deadline of three months for the implementation of the court's orders.

### 31. Explained: One Health Concept



The concept of 'One Health' is gaining importance as most of the contagious diseases affecting humans are zoonotic (animal to man origin) in nature. It can be effectively implemented for reducing incidence of emerging zoonotic threats like COVID-19.

# The One Health concept

- The World Organization of Animal Health, commonly known as OIE (an abbreviation of its French title), summarizes the One Health concept.
- It says that as "human health and animal health are interdependent and bound to the health of the ecosystems in which they exist".
- Circa 400 BC, Hippocrates in his treatise On Airs, Waters and Places had urged physicians that all aspects of patients' lives need to be considered including their environment; disease was a result of imbalance between man and environment.
- So One Health is not a new concept, though it is of late that it has been formalized in health governance systems.

### Why accept this model?

- Of the contagious diseases affecting humans, more than 65% are of zoonotic or animal to man origin.
- One Health model is a globally accepted model for research on epidemiology, diagnosis and control of zoonotic diseases.
- One Health model facilitates interdisciplinary approach in disease control so as to control emerging and existing zoonotic threats.
- Increasing stress on animals due to loss of their habitat would increase scope of zoonotic diseases.

### Why corona is so deadly?

- Current outbreak of COVID-19 still could not find out the actual source of virus.
- Even though genomics of the virus has been published ambiguity still exists whether it was from bats, snakes, pangolin, etc.

### Frequent Outbreaks of Zoonotic Diseases

- Not so long ago, the widespread prevalence of avian influenza in poultry, or bird flu as it commonly became known, created nationwide panic resulting in the culling of millions of poultry birds.
- It was concern for human health that prompted the extreme reaction and subsequent establishment of protocols; containment of avian influenza is managed quite effectively now.
- Similarly in 2003, SARS or Severe Acute Respiratory Syndrome emanated suddenly in China and vanished soon.

# Followed by hues and panic

- These outbreaks culminated emergency response that included extreme measures like travel bans and restrictions.
- In both cases, panic spread much faster than the virus.
- Besides drawing a response from governments, these events also brought forth the hitherto forgotten philosophy of One Health.
- This idea recognizes inter-connectivity among human health, the health of animals, and the environment.

# Why rise in zoonotic outbreaks?

- As human populations expand, it results in greater contact with domestic and wild animals, providing more opportunities for diseases to pass from one to the other.
- Climate change, deforestation and intensive farming further disrupt environment characteristics, while increased trade and travel result in closer and more frequent interaction, thus increasing the possibility of transmission of diseases.

### Need for a robust animal health system

- Private sector presence in veterinary services is close to being nonexistent.
- Unlike a physician, a veterinarian is always on a house call on account of the logistic challenge of transporting livestock to the hospital, unless they are domestic pets.
- There could not be a stronger case for reinventing the entire animal husbandry sector to be able to reach every livestock farmer, not only for disease treatment but for prevention and surveillance to minimize the threat to human health.
- Early detection at animal source can prevent disease transmission to humans and introduction of pathogens into the food chain. So a robust animal health system is the first and a crucial step in human health.

#### Conclusion

- Developing countries like India have a much greater stake in strong One Health systems on account of agricultural systems resulting in uncomfortably close proximity of animals and humans.
- This builds a strong case for strengthening veterinary institutions and services.
- Further delay may pave way for emergence of new communicable diseases.

# Way Forward

- The most effective and economical approach is to control zoonotic pathogens at their animal source.
- It calls not only for close collaboration at local, regional and global levels among veterinary, health and environmental governance, but also for greater investment in animal health infrastructure.
- Need of the hour is to scale up such a model across the country and to establish meaningful research collaborations across the world.
- Health, veterinary, agriculture and life science research institutions and universities can play a lead role.

### 32. In U.S. trade action, an Indian counter-strategy

#### Context

The United States's annual exercise of designating developing, and least developed countries has assumed importance for India this year: it has been dropped from the list of developing countries.

### 'Developing' or 'developed' country designation by the US

- Last week, the United States officially designated developing and leastdeveloped countries for the purposes of implementing the countervailing measures.
  - The division is provided by the Agreement on Subsidies and Countervailing Measures (ASCM) of the World Trade Organisation (WTO).
- Why the designation matters?
  - The higher level of subsidies allowed: According to the ASCM, developing countries are allowed to grant higher levels of subsidies as compared to the developed countries before countervailing duties (CVD) can be imposed.
  - What are the limits? The maximum limit of the subsidy is-
  - **For developed country**: Limit is **maximum 1**% of the import value of the investigated product.
  - **For developing country:** Limit is a **maximum 2**% of the import value of the investigated product.
  - If the limit is breached the importing country can impose a countervailing duty on the product.

# India as a target by the US

- Provision of self-designation: Under the WTO rules, any country can "self-designate" itself as a developing country.
- No criteria specified by the WTO: The WTO does not lay down any specific
  criteria for making a distinction between a developed and a developing country
  member, unlike in the World Bank where per capita incomes are used to
  classify countries.
- **Arbitrary criteria used to designate India**: Despite this clearly laid down criterion in the WTO rules, the United States Trade Representative (USTR) employed an arbitrary methodology that took into consideration-
  - "Economic, trade, and other factors, including the level of economic development of a country (based on a review of the country's per capita GNI)

- and a **country's share of world trade**" to exclude India from list of designated developing countries.
- **Second such instance after denying GSP:** Excluding India from the lists of developing countries for the purposes of using **countervailing** measures or **denying benefits of GSP** are but two of the more recent initiatives that the U.S. has taken to challenge India's status as a developing country in the WTO.

### What would the impact on India?

- Loss of Special and Differential Treatment (S&DT): India would lose the ability to use the special and differential treatment (S&DT) to which every developing country member of the WTO has a right.
  - What is S&DT? In short, S&DT lessens the burden of adjustment that
    developing countries have to make while acceding to the various agreements
    under the WTO.
  - How S&DT benefited India?S&DT has been particularly beneficial for India
    in two critical areas: one, implementation of the disciplines on agricultural
    subsidies and, two, opening up the markets for both agricultural and nonagricultural products.
- **Limits on subsidies**: The **WTO Agreement on Agriculture**(AoA) provides an elaborate discipline on subsidies.
  - Subsidies are classified into three categories, but two of these are virtually
    outside the discipline since the WTO does not limit spending on these
    categories of subsidies.
  - **Limits on price support measures**: The discipline exists in case of price support measures (**minimum support price**) and **input subsidies** which is the more common form of subsidies for most developing countries, including in India.
  - Limits on spending on prices support measures: For **developing countries**, spending on price support measures and input subsidies taken together cannot exceed **10**% of the total value of agricultural production.
  - In contrast, developed countries are allowed to spend **only 5% of their value of agricultural production.**

# **Shifting to DBT**

 Why shifting to DBT necessary? India is a major user of price support measures and input subsidies.

- And given the constraints imposed by the AoA, the government has spoken
  about its intention to move into the system of direct benefit transfer (DBT) for
  supporting farmers.
- **No limit on spending through DBT**: A shift to DBT is attractive for India since there **are no limits on spending**, unlike in case of price support measures and input subsidies.
- **Rework subsidies' programme:** Faced with on-going farm distress, the government has had to rework its subsidies' programme in order to extend greater benefits, especially to small and marginal farmers.
- Challenges in the implementation of DBT
  - Implementation of DBT in agriculture has several insurmountable problems.
  - **Difficulty in identifying the beneficiary:** Targeting potential beneficiaries of DBT seems difficult at this juncture for a number of reasons, including **inadequate records of ownership of agricultural land** on the one hand, and the **presence of agricultural labour and tenants on the other.**
  - This implies that in the foreseeable future, India would **continue to depend on price support measures and input subsidies.**
  - **How it matters:** Given this scenario, the government needs the policy space to provide adequate levels of subsidies to a crisis-ridden agricultural sector.
  - And therefore it is imperative that continues to enjoy the benefits as a developing country member of the WTO.

#### Issue of tariffs

- The issue of market access, or the use of import tariffs, is one of the important trade policy instruments.
- **Provision of no reciprocal tariff cuts**: It has some key provisions on S&DT, which the developing countries can benefit from. The most important among these is the undertaking from the developed countries that they would not demand reciprocal tariff cuts.
  - Over the past two years, the government of India has been extensively using import tariffs for protecting Indian businesses from import competition.
  - With the increasing use of tariffs, almost across the board, India's average tariffs have increased from about 13% in 2017-18 to above 17% at present.
- Why it matters? Developed country members of the WTO have generally maintained very low levels of tariffs, and, therefore, India's interests of maintaining a reasonable level of tariff protection would be well served through its continued access to S&DT, by remaining as a developing country member of the WTO.

#### Conclusion

With the changing stance of the US towards India, the government must ensure its international trade and agriculture at home is not adversely impacted.

### 33. GoM meet discusses Juvenile Justice Act

### Why in News

Recently, a **Group of Ministers (GoM)** chaired by the Home Minister met to discuss **proposed amendments** to the **Juvenile Justice (Care and Protection of Children)** (JJ) Act, 2015.

- The GoM meeting was convened to create greater synergy between ministries on the Juvenile Justice (Care and Protection of Children) Amendment Bill, 2018
   Juvenile Justice (Care and Protection of Children) Act, 2015
- Improvement Over the Act of 2000:
  - The Juvenile Justice (Care and Protection of Children) Act, 2015 replaced the Juvenile Justice (Care and Protection of Children) Act, 2000 to comprehensively address children in conflict with law and children in need of care and protection.

# • Change in Nomenclature:

- o The Act changes the nomenclature from 'juvenile' to 'child' or 'child in conflict with law'. Also, it removes the negative connotation associated with the word "juvenile".
- It also includes several new and clear definitions such as orphaned, abandoned and surrendered children; and petty, serious and heinous offences committed by children
- Special Provisions for Age 16-18 years:
  - o Included special provisions to tackle child offenders committing heinous offences in the **age group of 16-18 years.**
- Mandatory Constitution of the JJ Board:

 It mandates setting up Juvenile Justice Boards and Child Welfare Committees in every district. Both must have at least one woman member each.

### Adoption Related Clauses:

- A separate new chapter on Adoption to streamline adoption procedures for an orphan, abandoned and surrendered children,
- Also, the **Central Adoption Resource Authority (CARA)** was granted the status of a statutory body to enable it to perform its function more effectively.
- The Act states that the adoption of a child is final on the issuance of an adoption order by the court. Currently, there are 629 adoption cases pending in various courts.

#### **Inclusion of New Offences:**

o The Act included several new offences committed against children (like, illegal adoptions, use of child by militant groups, offences against disabled children, etc) which are **not adequately covered under any other law.** 

### Child Care Institutions (CCI):

o All Child Care Institutions, whether run by State Government or by voluntary or non-governmental organisations are to be **mandatorily registered** under the Act **within 6 months** from the date of commencement of the Act.

The Juvenile Justice (Care and Protection of Children) Amendment Bill, 2018

- The Bill provides that instead of the court, the district magistrate will issue adoption orders to address the high pendency of adoption cases.
- The Bill also seeks to transfer all pending matters related to adoption before any court to the district magistrate having jurisdiction over the area.
- The proposed amendments intend to expedite proceedings.

### **Group of Ministers**

- Groups of Ministers (GoMs) have been constituted from time to time to look into different issues/subjects.
- These are **ad hoc bodies** formed to **give recommendations** to the cabinet on certain emergent issues and critical problem areas.

- Ministers heading the concerned ministries are inducted into the relevant GoMs and when the advice is crystallised they are disbanded.
- Some of these GoMs have been also empowered to take decisions on behalf of the Cabinet known as Empowered Groups of Ministers (EGoMs).
- But with time the constitution of a large number of GoMs has resulted in many GoMs not being able to meet regularly to complete their work thus leading to significant delays on many major issues. Thus, all the Groups of Ministers (GoMs) and Empowered Groups of Ministers (EGoMs) were abolished in 2014.
- Further in **2015**, **16 informal** Groups of Ministers (GoMs) were formed to discuss key issues of the country.

### 34. Youth can be a clear advantage for India

#### Context

The demographic dividend is close to five-decade-long demographic opportunities that can be leveraged only with suitable policies and programmes

### The youngest population in the world

- Median age at 28 years: By 2022, the median age in India will be 28 years.
  - In comparison, it will be 37 in China and the United States.
  - 45 in western Europe, and 49 in Japan.
- The demographic dividend
  - The working-age population more than non-working: India's working-age population has numerically outstripped its non-working age population.
  - **An extraordinary opportunity:** A demographic dividend, said to have commenced around 2004-05, is available for close to five decades.

#### The two caveats

- The demographic dividend is an extraordinary opportunity. There are, however, two caveats.
- First: Dividend available in different states at different times.
  - India's population heterogeneity ensures that the window of demographic dividend becomes available at different times in different States.

- Example of Kerala vs. Bihar: While Kerala's population is already ageing, in Bihar the working-age cohort is predicted to continue increasing till 2051.
- **Decline in 11 major states by 2031**: By 2031, the overall size of our vast working-age population would have declined in 11 of the 22 major States.
- Second: Many factors that matter for harnessing the dividend
  - Factors that matter: Harnessing the demographic dividend will depend upon the-
  - Employability of the working-age population.
  - Health.
  - Education.
  - Vocational training and skill.
  - Besides appropriate land and labour policies, as well as good governance.
  - **Demography is not destiny:** India will gain from its demographic opportunity only if policies and programmes are aligned to this demographic shift. Demography is not destiny.

#### Need for skills

- **Need for the additional jobs:** The Economic Survey 2019 calls for additional jobs to keep pace with the projected annual increases in the working-age population.
- Lack of education and skills: UNICEF 2019 reports that at least 47% of Indian youth are not on track to have the education and skills necessary for employment in 2030.
  - Possibility of demographic disaster: The projected demographic dividend would turn into a demographic disaster if an unskilled, under-utilised, and frustrated young population undermines social harmony and economic growth.
- **Poor learning outcomes:** While over 95% of India's children attend primary school, the National Family Health Surveys (completed up to 2015-16) confirm that poor infrastructure in government schools, malnutrition, and scarcity of trained teachers have ensured poor learning outcomes.

#### What needs to be done?

• Adopt a uniform school system: A coordinated incentive structure prompting States to adopt a broadly uniform public school system focusing on equity and

**quality** will yield a knowledge society faster than privatising school education can accomplish.

- Ensure training in line with the market demand: Most districts now have excellent broadband connectivity-
  - Let geography not trump demography: Irrespective of a rural or urban setting, the public school system must ensure that every child completes high school education, and is pushed into appropriate skilling, training and vocational education in line with market demand.
- **Invest and modernise:**Modernise school curricula, systematically invest in teacher training so that they grow in their jobs to assume leadership roles while moving beyond the tyranny of the syllabus.
- Use of technology: Deploy new technology to accelerate the pace of building human capital by putting in place virtual classrooms together with massive open online courses (MOOCS) to help prepare this huge workforce for nextgeneration jobs.
  - Investing in open digital universities would further help yield a higher educated workforce.

#### Focus on women

- **Translating literacy into skill**: Growing female literacy is not translating into relevant and marketable skills.
  - A comprehensive approach is needed to improve their prospects *vis-à-vis* gainful employment.
  - **Need of the flexible policies:** Flexible entry and exit policies for women into virtual classrooms, and into modules for open digital training, and vocational education would help them access contemporary vocations.
- **The need for equal pay**: Equal pay for women will make it worth their while to stay longer in the workforce.
- The deferred bonus: Economist Yogendra Alagh has written that the significance of this "deferred bonus" (women entering the workforce), could be higher than the immediate benefits of the dividend from shifts in population age structure.

#### Health care

• In India, population health is caught between the rising demand for health services and competition for scarce resources.

- **Impact of economy on rural health**: The National Sample Survey Office data on health (75th round, 2018), shows that a deep-rooted downturn in the rural economy is making quality health-care unaffordable.
  - People are availing of private hospitals less than they used to, and are moving towards public health systems.
  - Diverting public investment from However, central budget 2020-21 lays emphasis on private provisioning of health care which will necessarily divert public investment away from public health infrastructure.
- The Ayushman Bharat Yojana: It links demand to tertiary in-patient care.
  - This promotes earnings of under-utilised private hospitals, instead of modernising and up-grading public health systems in each district.
- We need to assign 70% of health sector budgets to integrate and strengthen primary and integrated public health-care services and systems up to district hospital levels.
  - Include out-patient department and diagnostic services in every health insurance model adopted, and-
  - Implement in 'mission mode' the **Report of the High-Level Group, 2019,** submitted to the XV Finance Commission.
- The elderly population in India is projected to double from 8.6% in 2011 to 16% in 2040.
  - This will sharply reduce the per capita availability of hospital beds in India across all major States unless investments in health systems address these infirmities.

#### Conclusion

The policies that we adopt and their effective implementation will ensure that our demographic dividend, a time-limited opportunity, becomes a boon for India.

# 35.G20 Meeting in Saudi Arabia

# Why in News

Recently, the ministers and central bankers from the world's largest economies participated in **G20 meeting** held in **Riyadh (Saudi Arabia)**.

• It was presided by Saudi Arabia. Saudi Arabia is the first Arab nation to hold the G20 presidency.

• The 2020 G20 Presidency will focus discussions, forums, working groups and Ministerial Meetings under the theme of "Realizing Opportunities of the 21st Century for All".

### **Key Points**

### Global Economy:

- o The global economic growth **remains slow** and downside risks due to the geopolitical and remaining trade tensions, and policy uncertainty.
- o Though the economic growth is **expected to increase in 2020 and 2021** due toloose monetary policy and an easing of trade tensions.

# IMF' Views at the Meeting:

- It projects a "V-shaped, rapid recovery" for the global economy, but it warns about the uncertainty around the spread of the coronavirus (COVID 19).
- The IMF also warned about other risks including rising debt levels in some countries as well as <u>climate change</u>.

# Demand for Global Taxation System:

- It discussed ways to achieve consensus on a global taxation system for the digital era by the end of 2020.
- It aims to allow governments to tax digital companies where they do business, rather than where they are registered for tax purposes.
  - India has also demanded closer collaboration between international revenue agencies to investigate tax affairs of offenders who cross borders for escaping tax investigation.

G-20

#### About

- o TheG20is an informal group of 19 countries and the European Union, with representatives of the International Monetary Fund and the World Bank.
- o The G20 membership comprises a mix of the world's largest advanced and emerging economies, representing about two-thirds of the world's population, 85% of global gross domestic product, 80% of global investment and over 75% of global trade.

# Headquarter

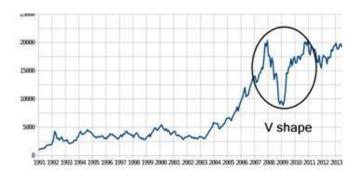
o The G20 operates **as a forum and not as an organisation.** Therefore, it does not have any permanent secretariat or management and administrative structure.

# Origin

- 1997-1999 Asian Financial Crisis: This was a ministerial-level forum which emerged after G7 invited both developed and developing economies. The finance ministers and central bank governors began meeting in 1999.
- o Amid **2008 Financial Crisis** the world saw the need for a new consensus-building at the highest political level. It was decided that the G20 leaders would begin meeting once annually.

#### Members

- The members of the G20 are Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Republic of Korea, Mexico, Russia, Saudi Arabia, South Africa, Turkey, the United Kingdom, the United States, and the European Union.
- o One nation holds the **Chair every year**, known as **'G20 Presidency'**. Argentina chaired the G20 summit of 2018 and Japan for 2019.



# V-Shaped Recovery

- A V-shaped recovery is characterized by a sharp economic decline followed by a quick and sustained recovery.
- The recession of 1953 is an example of a V-shaped recovery.
- A V-shaped recovery is different from an L-shaped recovery, in which the economy stays in a slump for a prolonged period of time.

# 36. A U.S. strategy only meant to isolate China (GS-2)

#### Context

Since 2017, the United States government has released a few reports and fact sheets on its new Indo-Pacific strategy. Buried in these documents is a much deeper agenda of the U.S. government: to use three large Asian states — **Australia, India, and Japan** — **to isolate China**. There is nothing else to it.

# The scale of BRI and the US objections

- **Objections to BRI**: The U.S. government has made it clear that what it finds most objectionable is China's Belt and Road Initiative (BRI), which has signed on more than 70 countries in the world.
- What BRI aims to achieve? Adopted in 2013, the BRI is intended as a mechanism to-
- Development of new markets: BRI aims to end China's reliance upon the markets of the West and to develop new markets in other continents.
- **Building infra:** It is also intended to use China's massive surpluses to build infrastructure in key parts of Africa, Asia, and Latin America.
- **Investment of \$ 1.3 trillion**: By 2027, according to estimates by Morgan Stanley, China will spend about \$1.3 trillion on this ambitious construction project.
- **Involvement of Saudi Arabia**: Even Saudi Arabia, a close ally of the U.S., has made the BRI one of the cornerstones of its Saudi Vision 2030 plan.
- **Involvement of Pakistan**: While China has invested \$68 billion to build the China-Pakistan Economic Corridor from Xinjiang to Pakistan's Gwadar Port.
- Saudi Arabia has agreed to invest \$10 billion in the port itself.

# Significance of the BRI and comparison with the US spending

- **Staggering scale and participation:** The scale of Chinese investment, and the participation of a range of countries with different political identities in the BRI, is staggering.
- Loss of appetite in the US to spend: At the Indo-Pacific Business Forum in July 2018 the U.S. said that it has spent \$2.9 billion through the Department of State and the USAID (United States Agency for International Development).

- It has lined up hundreds of millions of dollars more through its U.S. Millennium Challenge Corporation (MCC) and the Overseas Private Investment Corporation.
- **Inadequate US spending**: If one adds up all the money that the U.S. intends to spend for economic projects, it is still a **fraction of the amount spent by China**.
- 'America First' attitude: There is no appetite in Washington, D.C., with its 'America First' attitude, to funnel more money towards investments in the region currently being built by the BRI.

# Military Claims of the US and investment

- **US investment with military presence**: It appears as if U.S. investments will come only with military claims.
- The case of Nepal: A few years ago, Nepal discovered a large amount of uranium in Mustang, near the Nepal-China border; this has certainly motivated U.S. interest in Nepal's economy.
- If the U.S. money comes with U.S. military presence, this will create a serious flashpoint in the Himalayas.

# Raising human right and transparency issue against China

- The argument of human rights and transparency
- **Rhetorical argument**: Unable to outspend the Chinese, the U.S. government is making a rhetorical argument that it has more respect for "transparency, human rights, and democratic values" than China, which "practices repression at home and abroad".
- The argument of transparency and the debt trap
- **Debt trap used by the US:** It is hard to imagine the U.S. being "transparent" with its trade deals. It is equally hard to imagine the U.S. being able to argue that it would **not put countries into debt.**
- **Debt crisis created by the US in the 1980s**: The U.S. government enabled a massive Third World debt crisis in the 1980s, which was then used by the U.S.-driven International Monetary Fund's Structural Adjustment Programs to strangle countries in Africa, Asia, and Latin America.
- This history is alive, and it makes a mockery of the U.S.'s attempt to say that its own approach is superior to that of China's.

#### US withdrawal from multilateralism

- Apart from that, the U.S. government has already indicated that it is uninterested in multilateral deals.
- **Withdrawal from TPP:** The US withdrew from the Trans-Pacific Partnership in 2017, for instance.
- **Australia and Japan shrugged,** and then put their energy into the Regional Comprehensive Economic Partnership, which sidelines the U.S.

# The claim of free and open Indo-Pacific

- **Renaming the Pacific Command**: In May 2018, the U.S. military's Pacific Command was renamed the Indo-Pacific Command, a symbolic gesture that provides a military aspect to the Indo-Pacific Strategy.
- What free and open mean to the US? The U.S. government has made it clear that for all its talk of a "free and open Indo-Pacific", what it actually wants is an Indo-Pacific with fewer Chinese ships and more U.S. warships.
- Just before this renaming, the U.S. National Security Strategy of 2017 noted that "China seeks to displace the United States in the Indo-Pacific region", and so the Indo-Pacific Strategy intends for the **S. to fight for its dominance in the Pacific Ocean**, the Indian Ocean, and in the Asian rim.
- This is a very dangerous war that the U.S. seeks to impose on Asia.

# India adopting the US project of Indo-Pacific

- Australia and Japan moving away: As the military aspect of the Strategy increased, both Australia and Japan edged away from full-scale adoption of the U.S. project.
- Japan has begun to use the term "Indo-Pacific" without the word "Strategy".
- Australia has signed onto a "comprehensive strategic partnership" with China.
- Only India adopting the project: Only India remains loyal to the agenda set by U.S. President Donald Trump.
- **No US strategy to contain China**: In all the documents released by the U.S. government and in all the speeches by officials, there is no discussion of the strategy to contain China.
- There is only rhetoric that skates into the belligerent territory.

#### Conclusion

India would be advised to study the U.S. project rather than jump into it eagerly. Room for an independent foreign policy for India is already narrowed, and room for independent trade policy is equally suffocated. To remain the

subordinate ally of the U.S. suggests that India will miss an opportunity to be part of a reshaped Asia.

# 37. Guns, gas and technology (GS-2)

#### **Context:**

U.S. President's first official visit to India.

# **Background:**

There have been **regular and sustained engagements between the U.S. President and Indian Prime Minister** on the sidelines of forums such as the G7, the G20, and the United Nations General Assembly.

#### **Details:**

### Defence and security cooperation:

- India and the U.S. have been collaborating on issues ranging from maritime security to international terrorism.
- The two countries have recently signed a number of agreements, including the Logistics Exchange Memorandum of Agreement (LEMOA) and the Communications Compatibility and Security Agreement (COMCASA), to increase the levels of strategic collaboration.
- Recently, the U.S. has **categorised India as a 'Major Defense Partner'** and granted it the **'Strategic Trade Authorisation-1'** status.

#### **Economic ties:**

#### Trade:

- The trade between the two countries has reached a new high.
- Total two-way trade flows increased to \$142.3 billion in 2018, with 2019 figures estimated to be even higher given that India has increased purchase of liquefied natural gas (LNG) from the U.S. and has also agreed to buy naval helicopters from the U.S.

#### **Investment:**

• The U.S. is the fifth-largest source of Foreign Direct Investment (FDI) to India, with a cumulative capital stock of \$28 billion. Steady inflows of capital from the U.S. point to India's attractiveness as an investment destination for American companies.

- The presence of U.S. companies is found **across diverse sectors of the Indian economy** including defence and aviation, agriculture, health, education, and insurance.
- Indian companies are also expanding their investments in the U.S. with the CII's data reflecting historic rates of investment and job creation, in the U.S.

# \$500 billion intra-country trade goal:

- The goal of \$500 billion in two-way trade between India and the U.S. is within sight.
- CII research notes that with an improved trade scenario, the \$500 billion target could be reached as early as 2030.
- Businesses from both sides must come together to explore joint strategies and opportunities to resolve issues and facilitate further business.

### Way forward:

• There are many **prospective areas of cooperation between the U.S. and India** which could be harnessed to reach the set goal of \$500 billion trade.

# **Energy sector:**

- Given India's policy to shift to a gas-based economy, India would continue to rely on U.S. liquefied natural gas imports. India is the sixth-largest buyer of U.S. LNG.
- Indian companies have invested \$4 billion in the shale gas sector in the U.S.
- Given the fact that **four working groups have been set up for oil and gas, energy efficiency, renewable energy and sustainable development**, the energy partnership is set to improve further.

#### **Defence sector:**

- In the defence sector, India has increased its sourcing of defence equipment and technology from the U.S.
- The recent 2+2 dialogue between India and the U.S. led to the signing of three agreements under the Defence Technology and Trade Initiative to codevelop and co-produce critical technologies.
- With India's aspiration to invite FDI in its nascent defence production sector,
   U.S. companies will have good options for tie-ups with Indian businesses.

# Partnerships in technology:

- While defence and energy sectors will continue to dominate the India-U.S. bilateral relationship, an aspirational knowledge economy can be envisioned as the way ahead for the partnership.
- The prospective areas of cooperation could involve **robotics**, **artificial intelligence** (AI), **electric vehicles**, **and other emerging sectors**.
- Many companies from the U.S. have established research and product development centres in India, gaining from the **competitive talent available** in India.

**Start-up collaborations** between two of the most vibrant and dynamic new entrepreneurship hubs can be identified for areas such as agriculture, healthcare and education.

# 38. The issues around data localisation (GS-2)

#### Context

The contentious clauses on local data storage in the revised Personal Data Protection Bill need re-examination.

#### What Personal Data Protection Bill contains?

- **Greater control to an individual:** The draft law is a comprehensive piece of legislation that seeks to give individuals greater control over how their personal data is collected, stored and used.
- The promise of improvement over the current privacy law: Once passed, the law promises a huge improvement on current Indian privacy law, which is both inadequate and improperly enforced.
- Criticism of the bill: The proposed bill has attracted criticism on various grounds such as-
  - The exceptions created for the state.
  - The limited checks imposed on state surveillance, and-
  - Regarding various deficiencies in the structures and processes of the proposed Data Protection Authority.

#### The issue over the "data localisation"

- **Data within the country**: The phrase, which can refer to any restrictions on cross-border transfer of data, has largely come to refer to the need to physically locate data within the country.
- **Provisions for the transfer of personal data outside India:** The PDP Bill enables the transfer of personal data outside India, with the sub-category of sensitive personal data have to be mirrored in the country (e. a copy will have to be kept in the country).
  - Ban on transfer of critical data outside the country: Data processing/collecting entities will, however, be barred from transferring critical personal data (a category that the government can notify at a subsequent stage) outside the country.
  - **Different from Justice Srikrishna committee report**: These above provisions have been changed from the earlier version of the draft Bill, released by **the Justice Srikrishna Committee in 2018**.
  - The 2018 draft imposed more stringent measures that required both personal and sensitive personal data to be mirrored in the country (subject to different conditions).
  - **Welcome move**: The move to liberalise the provisions in the 2019 version of the Bill is undoubtedly welcome, particularly for businesses and users.

# How removing the restriction matters?

- Reduction in cost to business:Liberalised requirements will limit costs to business and ensure users have greater flexibility in choosing where to store their data.
- More proportionate approach: The changes in the 2019 draft reflect a more proportionate approach to the issue as they implement a tiered system for cross-border data transfer, ostensibly based on the sensitivity/vulnerability of the data.
- Move-in accordance with the right to privacy: This seems in accord with the Supreme Court's dicta in the 2017 Puttaswamy case.
- Conditions for interference in privacy: The Court had made it clear that interference in the fundamental right to privacy would only be permissible if *inter alia* deemed necessary and proportionate.

# Test of proportionality in the bill

• On closer examination, it appears that even the revised law may not actually stand the test of proportionality.

- The three-argument for imposing norms: There are broadly three sets of arguments advanced in favour of imposing stringent data localisation norms:
  - Sovereignty and government functions. Referring to the need to recognise Indian data as a resource to be used to further national interest (economically and strategically), and-
  - To enable enforcement of Indian law and state functions.
  - Accruing benefits to the local industry: The second claim is that economic benefits will accrue to local industry in terms of creating local infrastructure, employment and contributions to the AI ecosystem.
  - **Protection of civil liberties:** Regarding the protection of civil liberties, the argument is that local hosting of data will enhance its privacy and security by ensuring Indian law applies to the data and users can access local remedies.
- Contradiction in the claim of protection? If data protection was required for the above purposes, it would make sense to ensure that local copies were retained of all the categories of personal data provided for in the Bill (as was the case with the previous draft of the law).
  - **Sectoral obligations:** In the alternative, sectoral obligations would also suffice as is currently the case with sectors such as digital payments data, certain types of telecom data, government data, etc.
- Will data localisation lead to privacy protection? We note that the security of data is determined more by the technical measures, skills, cybersecurity protocols, etc. put in place rather than its mere location.
  - Localisation may make it easier for domestic surveillance over citizens.
  - Enabler of better exercise of privacy by citizens: It may also enable the better exercise of privacy rights by Indian citizens against any form of unauthorised access to data, including by foreign intelligence.
  - **Effectiveness matters**: The degree of protection afforded to data will depend on the effectiveness of the applicable data protection regime.
- **Protecting privacy through less intrusive measures:** Insofar as privacy is concerned, this could be equally protected through less intrusive, suitable and equally effective measures such as requirements for contractual conditions and using adequacy tests for the jurisdiction of the transfer.

- Such conditions are already provided for in the PDP Bill as a set of secondary conditions.
- The European Union's General Data Protection Regulation too uses a similar framework.
- Extra-territorial operation: The extraterritorial application of the PDP Bill also ensures that the data protection obligations under the law continue to exist even if the data is transferred outside the country.
- **Giving an individual a choice**: If privacy protection is the real consideration, individuals ought to be able to choose to store their data in any location which afford them the strongest privacy protections.
  - It is arguable that data of Indians will continue to be more secure if stored and processed in the European Union or California.
  - These two jurisdictions have strong data protection laws and advanced technical ecosystems.

# Way forward

- **Identification of the issues**: The joint parliamentary committee ought to, ideally, identify the need, purpose and practicality of putting in place even the (relatively liberal) measures contained in the PDP Bill.
- **Broader thinking at policy level:** Further, in order forlocalisation-related norms to bear fruit, either in terms of protecting citizen rights, enabling law enforcement access to data or enabling the development of the local economy, there has to be broader thinking at the policy level.
  - This may include for instance-
  - Reforming surveillance-related laws.
  - Entering into more detailed and up-to-date mutual legal assistance treaties.
  - Enabling the development of sufficient digital infrastructure, and
  - Creating appropriate data-sharing policies that preserve privacy and other third party rights, while enabling data to be used for socially useful purposes.

# 39. Rights, duties and the Constitution (GS-2)

#### **Context:**

In the recently held International Judicial Conference 2020, the Chief Justice
of India, drew attention to the Constitution's Fundamental Duties chapter
and stressed on the importance of citizens duties by citing Gandhi's Hind
Swaraj, which quotes that "real rights are a result of [the] performance of
duty."

# **Background:**

- During the **18-month period state of emergency declared between 1975 and 1977**, the government of the time enacted sweeping changes to the Constitution, through the 42nd Amendment.
- The chapter on Fundamental duties was introduced into the Indian constitution via the 42<sup>nd</sup>
- The Amendment's Statement of Objects and Reasons stated that the amendments also proposed to specify the fundamental duties of the citizens and make special provisions for dealing with anti-national activities. One of the most notable aspects was that the government of the day tried to interlink two completely different aspects of Fundamental Duties and anti-national activities. The author of the article expresses concerns over the genesis of the idea of fundamental duties in such a condition.

#### **Details:**

• The author of the article states that though on the outset the interrelationship between duties and rights may seem reasonable, the **merging of the ideas of rights and duties ought to be resisted.** The author in the given article makes several arguments to justify his stand.

# Portrays a negative image of the citizenry:

- The idea that rights would only be granted subsequent to the performance of one's duty seems to portray the citizens as being ungrateful and selfish, intent on only enjoying the benefits and unwilling to contribute to the cause of nation-building.
- This stands contrary to the contributions of many Indians in nation-building. This negative image of the citizens needs to be guarded against.

# **Existing Web of duties:**

- As citizens, there already exists a **wide range of duties that binds everyone in everyday life**. Citizens owe this duty to both the state, and to other individuals.
- Citizens are bound by the **legal duty to pay one's taxes**, **Citizens are bound to follow the laws enacted by the parliament**. The criminal law of the land refrains the citizens from committing violence against the fellow-citizens.
- The breach of the legal duties triggers financial consequences in the form of fines, or even internment in serious cases.
- Hence, at any given point of time, the citizens are already following a number of duties, which guides and constrains how one behaves. This is based on the principle that peaceful co-existence requires a degree of selfsacrifice, and that if necessary, this must be enforced through a set of legal and binding sanctions.
- There is no need for a separate chapter on fundamental duties.

# The logic of rights:

- Unlike duties, rights follow a different logic entirely. This could be best understood by understanding the evolution of the fundamental rights in the Indian context.
- During the framing of the Indian Constitution and its chapter on Fundamental Rights, there were two important concerns in the constituent assembly. The twin principles of anti-dehumanization and anti-hierarchy were the transformative purpose of the fundamental rights chapter in the Indian constitution.

#### **Anti-dehumanization:**

- **Under the colonial regime**, Indians had been treated as passive subjects. The Indian interests did not count, their voices went unheard, and were treated inhumanely in many instances.
- The framers of the constitution had firsthand experience of the **long and brutal history of colonialism** and had also witnessed the horrors of the Holocaust.
- The fundamental rights were therefore envisaged to stand as a defence against the dehumanization of the citizens.
- Every human being irrespective of one's gender, language, caste, religion, region, class have a claim to basic dignity and equality that the state cannot

take away even in extreme situations. The non-performance of one's duty could not be grounds for rejection of rights.

# Anti-hierarchy:

- At the time of independence, India was inheriting a deeply divided society along the lines of religion, caste, language and class. Apart from the oppression of the colonial regime, the people had also to bear the oppression imposed by the axes of gender, caste and religion over a long period of time. This oppression had kept large masses of individuals in subordinated and degraded conditions.
- The fundamental rights were also envisaged to stand against the existing hierarchy in Indian society at the time of its independence.
- Hence the fundamental rights chapter had exclusive provisions against forced labour, untouchability, against discriminatory access to public spaces.
- The fundamental rights were meant to play an equalizing and democratizing role in society and aimed to guard the individuals against the discriminations.
- Fundamental rights were based on the understanding that ensuring basic dignity and equality to all individuals alone could ensure true democracy.
  Only with these basic guarantees could an individual rise from the status of a subject to that of the citizen. The question of duties could arise only after the fulfilment of these basic rights.

# The problem with interlinking rights and duties:

- It is worth noting that, the argument that rights should precede duties does not in any way mean that duties are unimportant.
- The major issue is when there is an interlinking between rights and duties.
- The noted professor of History, Samuel Moyn observes in his article in The Boston Review that the rhetoric of duties has often been deployed by some with the intention to ensure the societies return to **old traditions which are based primarily on the interests of the collective and on limiting the rights of individuals**. In this context, it is very critical to remember Dr B.R. Ambedkar's words in the Constituent Assembly where he held that the **fundamental unit of the Constitution remains the individual**.
- There are concerns that the emphasis on duties over rights may lead to unpleasant consequences. The unnecessary emphasis on duties over rights can end up further deepening the existing power structures. The already

vulnerable and marginalized sections will have to bear the heavier burden of having to fulfil one's duties without access to basic rights.

#### **Conclusion:**

- While determining the precedence of duties or rights it is very important to consider the position of the individual in the constitutional scheme of things and the Constitution's commitment to combating hierarchy.
- The author of the article believes that since the **Indian Constitution**, is looked upon as **a charter of liberation**, it is fundamentally about rights.
- Only the full guarantee of humanity, dignity, equality, and freedom promised by the Constitution, will enable the state to question the citizens on the fulfilment of their duties.
- The author calls for the rephrasing of the quote used by the CJI from the Hind Swaraj to make it more suitable for the constitutional age. "Real duties are the result of the fulfilment of rights."

# 40. More psychological than an empowering voter option (GS-2)

#### **Context:**

The recently-concluded Delhi Assembly elections.

# **Background:**

- A writ petition was filed by **People's Union for Civil Liberties (PUCL)** in the Supreme Court. The Supreme Court of India directed the Election Commission to provide the option of the "None of the Above" (NOTA) vote in EVMs so that the voters, who come to the polling booth and decide not to vote for any of the candidates in the fray, are **able to exercise their right not to vote while maintaining their right of secrecy.**
- NOTA was first used in India in 2009. Chhattisgarh was the first state in India to give the option of NOTA to the voters in the local government elections.
- NOTA button made its debut in Assembly elections in 2013 in four States
   Chhattisgarh, Mizoram, Rajasthan and Madhya Pradesh and the National Capital Territory, Delhi.
- India became the 14th country to institute negative voting through NOTA.

# Significance of NOTA:

- NOTA provides **democratic means to express resentment anonymously** rather than boycotting the polls outright. By expressing a preference for none of the above, a citizen can choose not to vote for any candidates who are contesting the elections.
- Given the fact that it is essential that people of high moral and ethical values
  are chosen as people's representatives for proper governance of the country,
  NOTA option is critical in this respect given the fact that it can compel
  political parties to nominate a sound candidate.
- The 2017 book, "The Dramatic Decade: Landmark Cases of Modern India' by InduBhan quotes several positive examples of NOTA.
- A group of women activists in Kerala had run road campaigns urging people not to elect any candidate if no woman was present in the fray.
- A youth group in Tamil Nadu that campaigned for NOTA as a protest vote against corruption.

#### Lacunae's in NOTA:

- NOTA in the Indian context is not a "right to reject" given the fact that the NOTA vote does not hold any electoral value as even if a majority of votes were cast for NOTA, the candidate with the largest vote share would still be the winner.
- NOTA in India remains **a toothless option** as noted by former Chief Election Commissioner of India S.Y. Quraishi.

# Attempts to improve:

- There have been pleas to extend the scope of NOTA.
- In 2018, the former CEC, T.S. Krishnamurthy, recommended holding elections again in those constituencies where the victory margin was less than the total numbers of NOTA.
- A PIL has been filed in Madras High Court seeking the full right to reject in place of NOTA.
- Positively, in June 2018, the Maharashtra State Election Commission (SEC) issued an order stating that in a scenario where the NOTA had received the highest number of valid votes, the said election for that particular seat shall be countermanded and a fresh election shall be held for such a post.
- In November 2018, the SEC of Haryana further improvising issued an order that from December 2018, NOTA would be treated like a "fictional candidate" in municipal polls. If NOTA gets the maximum vote, the

elections will be cancelled and held afresh. The candidates securing votes less than NOTA would be barred from contesting in that re-election.

#### **Statistics:**

- The Delhi Assembly elections were the 45th Assembly polls since the inception of the NOTA option. Delhi has had five elections with the NOTA option: three Assembly (2013, 2015, 2020), and two Lok Sabha (2014, 2019).
- Though Delhi's preference to NOTA is less than the national average, the data shows that roughly one in 200 voters of Delhi opted for NOTA in the last six to seven years, with relatively larger support for NOTA in reserved constituencies.
- Interestingly, in the 2017 Gujarat Assembly elections, despite being 8%, NOTA got more votes than any political party other than the Indian National Congress and the Bharatiya Janata Party (except the Independents).
- Again, in the 2019 Maharashtra Assembly election, NOTA became a runnerup in two constituencies — Latur (Rural) and Palus-Kadegaon.

# Concerns with respect to the effectiveness of NOTA:

- While introducing NOTA, the Supreme Court anticipated that there would be a systemic change and the political parties would be forced to accept the will of the people and field candidates who are known for their integrity.
- Accordingly, the NOTA vote percentage should either increase to enforce
  the political parties to field candidates with integrity or should consistently
  decrease if the electorates feel that the system has achieved the desired level
  of cleansing.
- However, the share of NOTA votes in India has remained around a meagre level of 1% on an average. It was 1.11% in the 2014 Lok Sabha, and is 1.08% in 2019, considering constituency-wise averages.
- These statistics perhaps represents a confused state of mind of the Indian electorate.

# Way forward:

# **Empowering the NOTA option:**

• If the **ECI empowers NOTA** with more powers in the lines of the moves of the State Election Commission of Haryana, it could help make the NOTA more effective in securing its intended outcome.

# NOTB ('none of the below') instead of NOTA:

 The author notes the psychological issue of placing the NOTA as the last button of all EVMs in the country. Quoting the works of noted academicians of political science the author calls for using NOTB ('none of the below') option instead of NOTA. The author believes that with such an option as the first on the electronic voting machine may produce a significantly different outcome

# 41. Signs and substance (GS-2)

#### **Context:**

The U.S. President's visit to India.

#### **Details:**

• The U.S. President's visit to India has been described as a historic visit that will open a **new phase in the bilateral relationship** between India and the U.S.

#### Positives:

- The U.S. President's recent visit to India has catalyzed progress on outcomes in defence, security and energy cooperation. Both sides have signalled more cooperation in defence, military exercises and technology sharing.
- India would be purchasing \$3-billion worth of U.S. military equipment in the form of **Apache and MH-60 Romeo helicopters.**
- On security cooperation, the countries have stated the desire to improve coordination between the two in terms of joint military exercises and interoperability, as well as in **fighting international crimes** such as drug trafficking, narco-terrorism, human trafficking, organized crime and violent extremism.
- India is also set to significantly increase its **energy imports from the U.S.**, particularly LNG after **ExxonMobil signed a deal to improve India's natural gas distribution network.**

#### Concerns:

- Though the visit has aided U.S.-India ties, there have been some concerns over the fact that the visit's concrete outcomes have not been substantive.
- The External Affairs Ministry had earlier claimed that at least five MoUs would be ready for signing during the visit. However, only three were ready by the visit. The signed MOUs dealt with health care and cooperation on LNG pipeline infrastructure in India.
- A few of the major deals that had been expected could not be completed during the visit. This included the conversion of an MoU for Petronet to invest in American gas company Tellurian into an agreement, as well as a commercial agreement for Westinghouse to build six nuclear reactors in Andhra Pradesh.
- Though both the leaders of India and the U.S. have time and again expressed concerns over China's hegemony in the South China Sea as well as China's <u>Belt and Road Initiative</u>, both have **failed to outline the future course of action in their Indo-Pacific partnership.**
- On the trade front, despite the long term negotiations, even a limited trade deal could not be finalized.

#### **Conclusion:**

- The trade sector is one such area where the **full potential for bilateral cooperation has not been realized.** With the political backing of the leaders of the two countries, negotiators must move towards finalizing the much anticipated yet elusive trade deal.
- Several noted economists have noted that **more economic openness would be to the benefit of not only India's trading partners but India also.** The Indian government needs to acknowledge this and take appropriate steps.
- Given the ongoing slowdown in the Indian economy, **meaningful reforms** that improve the efficiency of land and labour allocation, that make investments in infrastructure attractive, and emphasize job creation, will help keep India on a strong footing vis-à-vis its strategic partners.
- The often tried and successful approach which involves a steady upward trajectory in mutual engagement by **capitalizing on synergies and cleverly sidestepping roadblocks** needs to be employed.
- The two governments must now strive to complete the unfinished agreements and set the course for their newly designated 'Comprehensive Strategic Global Partnership'.

# GS 3: Economy, Science and Technology, Environment

# 43. Debating water quality (GS-3)

#### **Context:**

• The controversy surrounding the **Bureau of Indian Standards (BIS) report** of November 2019 on drinking water status has **politically prioritised the issue of water quality in India**.

# **Background:**

- The 'Jal Jeevan Mission', aims to provide safe piped water to all households by 2024.
- Supply of potable water obviously requires, first the compilation of information on the existing status.
- Bureau of Indian Standards (BIS) report on drinking water status in India was released in November 2019. **The BIS report for 21 major Indian cities noted that the drinking water in Delhi was ranked the most unsafe**, as the samples failed in 19 out of 28 parameters.
- This was challenged by the Government of Delhi and the Delhi Jal Board (DJB).

#### **Details:**

- India is on the verge of a severe water crisis.
- India has witnessed a **gradual reduction in per capita availability of water** due to the rising population on the one hand, and also the reducing availability of potable water, on the other hand, owing to rising and unchecked pollution in the country's rivers and water bodies.
- A 2018 Report of the NITI Aayog has observed that currently, 600 million Indians face high to extreme water stress.
- By 2030, the country's water demand is projected to be twice the available supply, implying severe water scarcity for hundreds of millions of people.

### Pollution of Indian rivers and water bodies:

• The Central Pollution Control Board estimates that India has a treatment capacity of only about 30% of sewage generated in the major cities. In

- other urban and rural areas, the sewage is mostly dumped in local water bodies or rivers without treatment.
- The pollution of water bodies will lead to the pollution of groundwater resources **impacting the quality of water available for humans.**

# The capital's high pollutant load:

- Though Delhi constitutes less than 1% of the total catchment of the Yamuna, it contributes to more than 50% of the total pollutant load in the river. As of now, there are 18 major drains carrying sewage, garbage and industrial effluents into the Yamuna. This apart from the contribution of the population in unauthorised and even regularised colonies and rural areas with no sewerage system.
- Apart from the untreated sewage water and industrial effluents, even solid wastes and construction material are being discharged by individuals, companies and municipal bodies into the Yamuna.

### Public health concern:

- There are multiple threats to human health due to poor water quality. Though some are more visible and appear as an epidemic, most are largely imperceptible. The consumption of polluted water subjects the population to health problems.
- A 2018 Report of the NITI Aayog has observed that about two lakh people die every year due to inadequate access to safe water.

# Conventional treatment methods:

- Given the lack of resources and facilities and the increasing demand, a large proportion of water supplied continues to be untreated water.
- Even in big cities like Delhi, only 75.20% of the households are supplied treated water.
- The treatment method is also mere conventional, involving sedimentation, filtration and disinfection through chlorine and chloramine. There is no effort to improve the method given the increased pollution load on the water sources.
- The tri-chloromethane that may be produced during the disinfection process using chlorine is highly carcinogenic. The effect may surface on human health not immediately but over a period of time.

#### Conclusion:

• Water should be treated as an urgent concern for public health and the ecosystem of the country.

Notably, the Jal Jeevan Mission has begun the important work of gathering information on the scale and scope of the problem and making it available in an open and transparent manner and there is the need to further **enhance technical knowledge on measurement and regulation of water quality in India.** 

# 44. Still no finality, the third time round (GS-1/3)

# **Background:**

- The Ministry of Home Affairs, Assam Government and Bodo groups including the All Bodo Students' Union, United Bodo People's Organisation and all the four factions of the insurgent outfit- National Democratic Front of Bodoland (NDFB) signed an agreement on January 27, 2020.
- The new Accord promises more legislative, executive and administrative autonomy under the Sixth Schedule to Bodoland Territorial Council (BTC) and expansion of the BTC territory in lieu of statehood.
- The Bodoland Territorial Area District (BTAD), the autonomous region governed by BTC, will be known as **Bodoland Territorial Region (BTR)** after demarcation of the augmented territory.

#### **Concerns:**

- The provisions of power-sharing and governance under the Sixth Schedule of the Indian Constitution was expected to be the panacea of the ethno-nationalist identity questions in the Northeastern States.
- However, the mixed reaction to the new accord with euphoria as well as anger, reflect the complexities of such ethnocentric power-sharing and governance model.

# Autonomy only in letter not in spirit:

• The previous Bodo Accord signed in 2003 led to the creation of the BTC as a new experiment of territorial autonomy under the Sixth Schedule. However, the constitutionally mandated legislative power of the BTC has

- been reduced to a farce as the Assam Governor has not given assent to any of the legislation passed by the BTC Legislative Assembly.
- There are doubts over the true effectiveness of the newer provisions in truly empowering the BTR.

# **Activating faultlines:**

#### New demands:

- Though subsequent to the new accord Bodo groups have suspended their statehood movement, the new Accord has also triggered the intensification of the movement for Kamatapur State by organisations of the Koch-Rajbongshi community.
- The territory of the demanded Kamatapur State overlaps with the proposed BTR.

# Identity-based political mobilization:

- Deeper ethnic faultlines in an ethnocentric power-sharing model will become more obvious when the **Koch-Rajbongshis and the Adivasis are granted ST status**.
- The reservation of seats of BTC is for the STs and not exclusively for the Bodos and hence, the Bodoland People's Front is also worried that there might be newer claimants to power in the upcoming council elections.
- A shift in the political equilibrium in the BTC resulting from a likely expansion of the ST list in Assam has the potential to keep the Bodos out of power in the BTC and push Bodo organizations to revive their homeland demand.

# Lack of proper representation of the non-bodos:

- Like in nine other autonomous councils under the Sixth Schedule in Assam, Meghalaya, Mizoram and Tripura, the ST populations are an overwhelming majority in BTAD. In BTAD, the ST communities account for 33.50% of the total population and the Bodos account for over 90% of the ST population in the BTAD.
- There have been concerns that the **present model of elections and** reservations allows the minorities to govern the majorities.
- This demographic composition in the BTAD has allowed the space for political mobilization of other non-Bodo communities. The organizations

of these communities have been demanding exclusion of villages with less than 50% Bodo population from the BTAD.

# The difficulty of ensuring a contiguous area for BTR:

- The new accord promises to appoint a commission by the Assam government to look into the demands for inclusion of villages with ST majority and contiguous to the BTAD, and exclusion of villages which are contiguous to non-Sixth Schedule areas and have majority non-ST population.
- Despite the clearly laid out guidelines, the core area of the BTAD will continue to have many villages with majority non-ST population which were included for contiguity.

### Way forward:

• Notably, the framers of the Constitution perceived such complexities and have prescribed **constitutional provisions** after an elaborate debate in the Constituent Assembly on the Sixth Schedule.

# **Setting up of autonomous regions:**

- The Sixth Schedule notes that if there are different Scheduled Tribes in an autonomous district, the Governor may, by public notification, divide the area or areas inhabited by them into **autonomous regions**.
- The provision of setting up **regional autonomous councils under the Sixth Schedule** can be explored to create the space for communities aggrieved by exclusion from the power-sharing model of BTC.

# **Inclusive solutions:**

• There is a need to ensure that a Bodo solution does not create a non-Bodo problem. Peace will continue to be fragile in Assam's Bodo heartland until an all-inclusive power-sharing and governance model is evolved under the provisions of the Sixth Schedule.

# 45. Mauritius FPIs can continue to invest in India, says SEBI (GS-3)

#### **Context:**

The Securities and Exchange Board of India (SEBI) has clarified that foreign portfolio investors (FPIs) from Mauritius will continue to be eligible for registration as foreign investors in India but subject to increased monitoring.

# Why was the regulatory clarification needed?

- Recently, Mauritius was placed on the "grey list" by the Financial Action Task Force (FATF).
- The island nation being placed in the grey list led to apprehensions that the Mauritius-based FPIs will not be able to trade in the Indian capital market.
- Following the FATF notice, some fund managers approached SEBI, raising concerns over the validity of FPI registration done through the tax haven.
- Hence, the regulatory clarification was necessitated after the country was placed in the list of 'jurisdictions under increased monitoring' – commonly referred to as the grey list.

# **FATF Grey List:**

- What is commonly referred to as the "FATF grey list" is formally called "Other monitored jurisdictions".
- Jurisdictions under the 'grey list' face increased monitoring.
- When the FATF places a jurisdiction under increased monitoring, the country has to resolve swiftly the identified strategic deficiencies within agreed timeframes and is subject to increased monitoring.
- Currently, there are 18 jurisdictions identified as having strategic deficiencies, including Mauritius and Pakistan, as per the FATF.

# Why was Mauritius placed on the FATF grey list?

- Mauritius has been a tax haven for foreign investors for the past three decades to bet on Indian stocks.
- For several years, there have been apprehensions about Mauritius being a money-laundering route for FPIs due to its limited regulatory oversight.
- But, the Indian Ocean island nation has been taking several steps in recent years to address the concerns.

• The country will work actively with the FATF to address strategic deficiencies in the regime to counter money laundering, terrorist financing, and proliferation financing.

# Why are FPIs worried about FATF grey listing Mauritius?

- A significant percentage of foreign portfolio investors (FPIs) investing in the Indian market is registered in Mauritius.
- This assumes significance since Mauritius accounts for the second-largest chunk of foreign investments (after the United States), as per data from the National Securities Depository Limited (NSDL).

# What are SEBI's views on the status of Mauritius-registered FPI?

- SEBI, in its release, said: "The FATF does not call for the application of enhanced due diligence to be applied to these jurisdictions, but encourages its members to take into account this information in their risk analysis."
- However, SEBI further clarified that the FATF website mentions that when
  a jurisdiction is placed under increased monitoring, it reads that the
  country has committed to swiftly resolve the identified strategic
  deficiencies within agreed time frames and "is subject to increased
  monitoring".

# 46. Benched by the Bar

#### Context

• Increasing instances of Bar Associations issuing directives to the Advocates not to take up cases.

Advocates' associations in Karnataka have passed resolutions preventing any legal representation

• First, was in Mysuru, when a student who was participating in an anti-CAA protest, holding a poster stating "Free Kashmir", and many others were charged with sedition. • The Mysuru District Bar Association, passed a resolution directing all lawyers not to file a vakalath and appear for this student, labelling her as "anti-national".

• The Bar Association went even further and attached a copy of the resolution at multiple locations in the Mysuru City Court Complex and sent messages through print/electronic media to all its member advocates not to represent her.

Second, when Kashmiri students were charged with sedition

- The Hubli Bar Association passed a resolution ordering lawyers not to appear for these students and represent them.
- Despite directions from the Karnataka High Court permitting lawyers to represent them and directing that there should be police protection provided

What does the law say?

- Under the rule of law, no citizen can be denied the right to consult and to be defended by a legal practitioner of her choice.
- As per the code of conduct framed by the Bar Council of India, every advocate, on his/her being approached by a litigant, is bound to offer his/her services to him/her unless he has justifiable reason to refuse his/her services.
- An advocate has to justify the special circumstances for refusing a particular brief.

Further, the Supreme Court of India has restrained the advocates' associations from interfering with the decision of an advocate to appear before the courts and the advocates who violate such calls could not be removed from their membership of that association. Cab Rank Rule

- The rule generally followed in Indian courts is what is called the "Cab Rank Rule". This, simply put, states that a lawyer cannot deny any person legal assistance who approaches him or her.
- The "Cab Rank Rule" finds mention in the Bar Council of India Rules. The inherent logic behind providing representation to every person is based on the standard rule of thumb that every person is presumed innocent until proven guilty. If a person is not provided legal representation and is not allowed to present his case in the court of law, then his right to fair hearing is impeded and the entire judicial system suffers as a result.

# Violation of Fundamental Right

Such actions are not only illegal, it is also a violation of a fundamental right to legal representation guaranteed to all accused persons.

- Article 22 (1) of our Constitution guarantees that no person who is arrested shall be detained in custody without being informed, as soon as may be, of the grounds for such arrest nor shall he be denied the right to consult, and to be defended by, a legal practitioner of their choice.
- The Supreme Court has also held that it is only a lawyer who is conversant with law and can properly defend an accused in a criminal case and if a criminal case (whether a trial or appeal/revision) is decided against an accused in the absence of a counsel, there will be a violation of the accused's right to life and liberty under Article 21 of the Constitution.
- Hence, every accused has a fundamental right to legal representation.

# Why advocates resist from taking cases if directives are issued by Bar Associations?

- Bar associations passing resolutions asking lawyers to not represent the accused, coupled with violence in the court premises, is completely illegal.
- These resolutions have no binding effect of, but the violence in the court premises would deter any lawyer engaged by the accused to appear for them, or put such lawyers' life in danger.
- It would certainly ensure that any local lawyer from the district bar would not dare to appear for them. The dilemma facing lawyers is that despite the Supreme Court and various high courts striking down such resolutions, lawyers who agree to represent the accused in highprofile cases are generally treated shabbily by their Bar colleagues as if they were criminals themselves. In number of cases in which advocates are victims, there have been instances of the local bar passing resolution banning advocates from appearing for the accused Precedents
- The Supreme Court in the case of Sukur Ali v. State of Assam (2011) held that in a criminal case, even if the counsel engaged for the accused does not appear for any reason, the court should not decide a criminal case against the accused in the absence of his/her counsel and in such a situation the court should appoint another counsel as amicus curiae to defend the accused.

- This is because the liberty of a person is the most important feature of our Constitution and it cannot be taken away without giving the accused a proper trial which means a trial with legal representation.
- A hearing without a lawyer representing an accused would be one without due process in the constitutional sense. "Every person, however wicked, depraved, vile, degenerate, perverted, loathsome, execrable, vicious or repulsive he may be regarded by society has a right to be defended in a court of law and correspondingly it is the duty of the lawyer to defend him," Justice Markandey Katju wrote in a 2010 judgment of the Supreme Court. In A S Mohammed Rafi vs State Of Tamil Nadu, the Hon'ble Supreme Court called the resolution passed by the Coimbatore Bar Council to not represent certain accused "wholly illegal and against all traditions of the Bar."
- Further, it is stated that the said resolution has resulted in the creation of an atmosphere of fear and intimidation due to which none of the Advocates feel safe and secure to appear before the Hon'ble Court and this has had a chilling effect on advocates coming forward to represent the accused. The courts in the past have interfered and even ordered the transfer of cases from one jurisdiction to another, so that the undue influence of the local bars would be erased and the trial of the case would go on without any hindrance and the rights of all the accused are protected. Conclusion
- Hence it is the duty of lawyers to uphold and protect the legal and constitutional rights of all.
- There can be no situation under any circumstance where the right to legal representation of any accused can be denied

# 47. 12% GST: one rate that fits all is best stimulus (GS-3)

#### **Context:**

Economist's views expressed at a session of The Huddle titled "Rebooting the economy: what needs to be done and how we go about it".

#### Goods and Services Tax:

Tax rate:

- There is the need to converge on a **single lower single tax rate of 12**% **for <u>GST</u>**.
  - This would help **simplify the GST system** and ensure easier implementation.
  - The lower tax rates will help increase the disposable income in the hands of the people and hence serve as a big fiscal stimulus to the economy.
  - Given the fact that a **progressive Tax regime** recommends higher direct taxes and lower indirect taxes, a higher GST rate also points to the failure to adopt a progressive tax regime.

# **Expanding the net of GST:**

• Given the fact that a large part of the GDP is still not in the GST tax net, with areas like **electricity**, **petroleum**, **etc. still not coming under the GST**, there is the need to expand the GST tax net.

#### **Direct Tax:**

- The Central Board of Direct Taxes had recently stated that only 5.78 crore individuals filed returns disclosing income for the financial year 2018-19.
- India's direct tax-to-GDP ratio is among the lowest in the world.
- Given the fact that the main concern that India is largely a **tax non-compliant society**, there is the need to take appropriate steps to address this lacuna.
- Widening the direct tax base should be a key priority for the government. The government needs to consider tracking the consumption pattern of people to help clamp down on those who are not paying taxes.

# **Agriculture:**

- There is a link between the poorest in the country and those working in the agriculture sector, pointing to the criticality of the agricultural sector in ensuring equitable growth.
- India has roughly 50% of the population in agriculture while in developed countries it is in the range of 2-4%.
- There is a rise in rural unemployment because of the stress in agriculture.
- The government could consider setting up **training agencies and provide opportunities in other non-agricultural areas.** There is a need to get farmers off the land and get them jobs.

• Higher funds should be allocated to village panchayats and local administrations in a transparent manner.

#### **Economic slowdown:**

• The economic slowdown could be attributable to both structural and cyclical factors.

### Women's role in the economy:

- India has one of the lowest levels of women's participation in the economy.
- If women are empowered to **transition from informal to formal work**, it will help boost GDP growth in India.

# 48. Gold jumps to 7-year high on fears virus will hit global growth

### Why in News

According to the Global Health Security (GHS) Index, 2019, national health security is "fundamentally weak" around the world. The report gains significance in the context of the recent **Coronavirus** (COVID19) outbreak.

#### **About the Index**

- The **Global Health Security (GHS) Index**, a report from the Nuclear Threat Initiative, the Johns Hopkins Center for Health Security and the Economist Intelligence Unit, was released in October 2019.
- The GHS Index is the first comprehensive assessment and benchmarking of health security and related capabilities across the 195 countries that make up the States Parties to the International Health Regulations (IHR, 2005).
  - The IHR, 2005 represents an agreement between 196 countries including all the World Health Organization (WHO) Member States to work together for global health security.
- The GHS Index assesses countries' health security and capabilities across **six categories**, 34 indicators, and 85 sub-indicators. The six categories are as follow:
  - o **Prevention:** Prevention of the emergence or release of pathogens.

- Detection and Reporting: Early detection and reporting for epidemics of potential international concern.
- Rapid Response: Rapid response to and mitigation of the spread of an epidemic.
- Health System: Sufficient and robust health system to treat the sick and protect health workers.
- o **Compliance with International Norms:** Commitments to improving national capacity, financing plans to address gaps, and adhering to global norms.
- Risk Environment: Overall risk environment and country vulnerability to biological threats.
- The index **measures countries' capabilities from 0-100**, with 100 representing the highest level of preparedness. The GHS Index **scoring system** includes three tiers.
  - Low Scores: Countries that score between 0 and 33.3 are in the bottom tier.
  - Moderate Scores: Countries that score between 33.4 and 66.6 are in the middle tier and
  - High Scores: Countries that score between 66.7 and 100 are in the upper or "top" tier.

# **Key Findings**

# International Preparedness

- The GHS Index analysis finds that no country is fully prepared for epidemics or pandemics. Collectively, international preparedness is weak.
- The average overall GHS Index score among all 195 countries assessed is 40.2 of a possible score of 100.
- Overall, the GHS Index finds severe weaknesses in country abilities to prevent, detect, and respond to health emergencies; severe gaps in health systems; vulnerabilities to political, socioeconomic, and environmental risks that can hamper outbreak preparedness and response; and a lack of adherence to international norms.

# Ranking of Different Countries

- o The **US** is the "most prepared" nation (scoring 83.5), with the UK (77.9), the Netherlands (75.6), Australia (75.5) and Canada (75.3) behind it. **Thailand is ranked sixth in the Index** the highest ranking for an Asian country.
- Much of Europe, Russia, the Middle East, Asia and Central and South America are described as "more prepared," with scores between 66 and 34.3, while the majority of countries ranked "least prepared" are in Africa.
- o **India is ranked 57**th with a score of 46.5, falling in the middle tier.
- o North Korea (17.5), Somalia (16.6) and Equatorial Guinea (16.2) are listed in the index's bottom three.
- China which is at the centre of the recent coronavirus outbreak is at the 51st place, scoring 48.2.

#### Recommendations

 Global Response: The UN Secretary-General should convene a global summit by 2021 on biological threats including a focus on financing and emergency response.

#### National Commitment

- National governments should commit to take action to address health security risks.
- Countries should test their health security capacities and publish afteraction reviews, at least annually.
- Financing Mechanism: New financing mechanisms should be established to fill preparedness gaps, such as a new multilateral global health security matching fund and expansion of World Bank International Development Association allocations to include preparedness.
- Institutional Approach: A separate and permanent facilitator or unit for highconsequence biological events, should be designated at the earliest.
- Capacity Development: Governments and donors should take into account countries' political and security risk factors when supporting health security capacity development.

# India's Response to Health Emergencies

- **Underprepared:** The influenza A (H1N1) outbreaks since 2009 in Rajasthan, Maharashtra, Tamil Nadu and other States have acutely underscored the need for better detection, awareness of symptoms and quarantining.
- Low Expenditure: Health expenditure by the government in India is less than 1.5% of Gross Domestic Product, which is low for a middle-income country.
- Availability of Health Professionals: India has a low availability of health professionals. According to the WHO, India has only 80 doctors per 1,00,000 people.
- Impact of Climate Change: India's health status is being worsened by climate shocks. An HSBC study of 67 countries ranks India as the most climate-vulnerable one because of the impact of severe temperature increases and declines in rainfalls.

### Way Forward

- Each State in India needs to **expose crucial gaps** in areas such as adequacy and supply of diagnostic equipment, health facilities, hygienic practices, and prevention and treatment protocols.
- **Separate funding** for dealing with a health catastrophe.
- Investing in health and education
  - Kerala's experience in 2018 with the deadly **Nipah virus** shows the value of investing in education and health over the long term. Kerala's government efforts kept the mortality rate from the Nipah virus relatively low.

# Protecting Biodiversity

- Nearly two-thirds of known pathogens and three-quarters of newly emerging pathogens are spread from animals to humans (recent example - SARS-CoV-2).
- Reasons for the same can be traced to increased human encroachment on wildlife territory; land-use changes that increase the rate of human-wildlife and wildlife-livestock interactions; and climate change.

# 49. The missing piece in India's defence jigsaw puzzle

#### Context

The country needs a clearly articulated white paper on its defence needs which sets out its strategic concerns.

# India's defence deals in the pipeline

- The first lot of Rafale fighter jets are expected shortly.
- The final deal on the 200 Kamov Ka-226 light utility helicopters from Russia is in advanced stages and expected to be signed soon.
- In October 2018, India and Russia had signed a \$5.4-billion mega-deal for the S-400 Triumf Air Defence System.
- Under contemplation today are yet another set of high-value U.S. defence deals, including additional purchases of P-8I Maritime Reconnaissance Aircraft and Apache Attack Helicopters.
- NASAMS-II: Speculation is rife that India and the U.S. would sign a deal for the National Advanced Surface to Air Missile System (NASAMS-II).
  - Which is intended as part of a multi-layered missile shield to protect Delhi.
- The U.S. side is also hoping for two more mega defence deals, worth \$3.5-billion to be signed for 24 MH-60 Romeo Multi-Mission Helicopters for the Navy and an additional six AH-64E Apache Attack Helicopters for the Army.

# Need for the white paper

- Given India's rising global profile, and with two major adversaries on its borders, India needs to be fully prepared.
- A missing piece: What is lacking in the defence jigsaw puzzle is a well-considered and clearly articulated white paper on India's defence needs.
  - The white paper would deal with?
  - It sets out its strategic concerns.
  - How it is positioning itself to meet these challenges.
  - The putative costs of meeting the country's defence needs.
- **Explain the Pakistan threat:** In the case of Pakistan, the threat motif is, no doubt, obvious.
- India's political and defence establishment are on record that India can easily defeatPakistan, even if a "weaker" Pakistan possesses "nuclear teeth".
  - What is needed? A great deal of effort is called for to-

- Explain to the public, the true nature of the threat posed by Pakistan.
- And why India is so confident of beating back the Pakistani challenge.
- **Explaining the China threat:** Meeting the military, strategic and economic challenge from China is an entirely different matter.
  - **Understanding the nature of the threat:** China is not Pakistan.
  - While China and Pakistan may have established an axis to keep India in check, explaining the nature of the threat posed by China to India is a complex task that needs to be undertaken with care and caution.

#### The China threat

- **Is China an existential threat for India?:** There are many experts who express doubts as to whether China intends today to pursue its 19th Century agenda, or revert to its belief in 'Tian Xia'.
  - Undoubtedly China aims to be a great power and an assertive one at that.
  - India's defence planners should, however, carefully assess whether there are degrees of "assertiveness" in China's behavioural patterns.
  - There is little doubt that regarding its claim to areas falling within the 'nine-dash lines' (the first island chain), China is unwilling to make compromises.
  - Whether this applies to other regions of Asia and the Indo-Pacific, calls for an in-depth study.
- The analysis is needed: It would be premature for India without undertaking such an analysis, to adhere to a common perception that China is intent on enforcing a **Sino-centric world order** in which India and other countries would necessarily have to play a secondary role.
- What after analysis? If after undertaking such an "analysis", it appears that China does not pose a direct threat to India's existence, strategic and military planners need to come up with a different set of alternatives.
- Western influence over thinking about China: In recent years, much of India's strategic thinking regarding China's aggressive behaviourhas been coloured by that of the U.S. and the West.
  - Though it is a proven fact that China has not used lethal military force abroad since the 1980s.
- Concerns over BRI: China's Belt and Road Initiative (BRI) does convey an impression that China seeks to put itself at the centre of the world.

- The speed with which many of the steps to progress the BRI are being taken again conveys an impression that China is intent on shrinking the physical and psychological distance between Europe and East Asia.
- **No intention of confrontation:** This does not, however, necessarily mean that China is preparing to confront individual countries in Asia, such as India, which do not subscribe to the BRI.

## What would the white paper explain?

- **Answer to whether China is a threat to India?** A defence white paper would provide a more definitive answer to such issues.
  - A detailed exercise to assess whether China is indeed a threat, rather than a challenge, to India should prove invaluable.
  - It is possible that a detailed study may indicate that **China understands** that there are limits to its strength and capabilities.
- China's weaknesses: Several instances of late have shown the frailties in China's policies –Hong Kong, Taiwan, and even Xinjiang are instances that indicate that China has its own Achilles heel.
  - Consequently, China may not be ready, for quite some time at least, to seek a direct confrontation with India.
- Conflict or furthering the influence? A defence white paper may also indicate that rather than a "conflict-prone" role, China is more intent on an "influence-peddling" one.
  - This is important from India's point of view.
  - Converting economic heft into strategic influence: Already there is one school of thought that believes that Beijing is better at converting its economic heft into strategic influence, rather than employing force beyond certain prescribed areas.
- Coming to understanding over the respective sphere of influence: If the above view is espoused by a defence white paper then, despite the vexed border dispute between India and China, the two countries could try and arrive at a subliminal understanding about respective spheres of influence.
  - What is India's major concern? Today, one of India's major concerns is that China is attempting to intrude into its sphere of influence in South

- Asia, and the first and second concentric circles of India's interest areas, such as Afghanistan and parts of West Asia.
- The peaceful co-existence: The defence white paper might well provide a strategic paradigm, in which India and China agree to peacefully co-exist in many areas, leaving aside conflict zones of critical importance to either, thus ensuring a more durable peace between them.
- Is geo-economics is the primary arena of competition: One other outcome that the defence white paper could attempt is: whether China views geo-economics as the primary arena of competition today.
  - Avenue for cooperation: China has invested heavily in artificial intelligence, robotics and biotechnology, and perhaps, India needs to recognise that rather than blacklisting Chinese technology Tech firms, (which could prove counter-productive) there exist avenues for cooperation, paving the way for better state-to-state relations.

#### Conclusion

The defence white paper needs to underscore that a country's domestic politics are an important pointer to a stable foreign policy. There could be different schools of thoughts within a nation, but equilibrium needs to be maintained if it is not to adversely impact a nation's foreign policy imperatives. An impression that the country is facing internal strains could encourage an adversary, to exploit our weaknesses. This is a critical point that the defence white paper needs to lay stress on.

## 50. India's bird population suffers long-term decline (GS-3)

#### **Context:**

State of India's Birds 2020 (SoIB) assessment, a new scientific report jointly released by 10 organisations has said:

- Over a fifth of India's bird diversity has suffered strong long-term declines over a 25-year period.
- More recent annual trends point to a drastic 80% loss among several common birds.

## State of India's Birds 2020 (SoIB) assessment:

- The SoIB was produced using a base of 867 species.
- It is analysed with the help of data uploaded by birdwatchers to the online platform, eBird.
- Adequate data on how birds fared over a period of over 25 years (long-term trend) are available only for 261 species.
- Current annual trends are calculated over a five-year period.

# Bird watching

Over three-fourths of the 146 bird species whose populations were tracked over the last five years declined in numbers, according to The State of India's Birds 2020 report. Interestingly, seven of the top 10 such species were labelled as being of "least concern" (not a focus of species conservation) by the International Union for Conservation of Nature. Over half of the 261 bird species whose populations were tracked over the last 25 years declined in numbers. By **The Hindu Data Team** 

Long-term decrease | The table lists the top five species whose populations have declined the most in the last 25 years. For instance, for every 100 White-rumped Vultures spotted 25 years ago, only three could be spotted in 2020



Short-term decrease   The table lists the				
five species whose populations have				
declined the most in the last five years. For				
instance, for every 100 Singing Bushlarks				
that could be spotted five years ago, only 76				
could be spotted in 2020				
_				

Common Name



**IUCN** status

Common name	Currently spotted
White-rumped Vulture	3 for every 100
Richard's Pipit	7
Indian Vulture	10
Large-billed Leaf Warbler	11
Pacific Golden Plover	12

Long-term increase | The table lists the five species whose populations have increased the most in the last 25 years. For instance, for every 100 Rosy Starlings that could be spotted 25 years ago, 271 could be spotted in 2020



271 for every 100

244 240

221 205

	Nilgiri Pipit	77	Vulnerable		
	White-tailed Robin	80	Least concern		
	Lesser Cuckoo	82	Least concern		
	Red-headed Vulture	82	Critically endangere		
Short-term increase   The table lists the					

Short-term increase | The table lists the five species that have seen the maximum increase in their populations in the last five years. For instance, for every 100 Rain Quails that could be spotted five years ago, 133 could be spotted in 2020



Common Name	Currently spotted
Rain Quail	133 for every 100
Ferruginous Duck	133
Greater Crested Tern	124
Hume's Leaf Warbler	117
White-spotted Fantail	116
	Pictures: Wikimedia commons

## Key findings:

Common Name

Rosy Starling

Rock Pigeon

Glossy Ibis Plain Prinia

Ashy Prinia

- The State of India's Birds 2020 (SoIB) assessment raises the alarm that several spectacular birds, many of them endemic to the sub-continent, face a growing threat from loss of habitat due to:
  - Human activity.
  - o The widespread presence of toxins, including pesticides.
  - Hunting and trapping for the pet trade.

- It is highlighted that, for every bird species that was found to be increasing in numbers over the long term, 11 have suffered losses, some catastrophically.
- 101 species have been categorised as being of High Conservation Concern.
  - 59 are based on range and abundance.
  - Rest are included from high-risk birds on the IUCN (International Union for Conservation of Nature) Red List.
- Endemics such as the Rufous-fronted Prinia, Nilgiri Thrush, Nilgiri Pipit and Indian vulture have been confirmed as suffering a current decline.
- All except 13 had a restricted or highly restricted range, indicating greater vulnerability to man-made threats.
- Among widely known species, the common sparrow, long seen as declining in urban spaces, has a stable population overall.
- The analysis concludes that raptors overall are in decline, with 'open country' species such as the Pallid and Montagu Harriers, White-bellied Sea Eagle and Red-necked Falcon suffering the most.
- The severe long-term decline of vultures is underscored by the report.
- Migratory shorebirds, along with gulls and terns, seem to have declined the most among waterbirds.

## Forward-looking actions suggested by the report:

- An update to the Red List of endangered species published by IUCN using the SoIB.
- Collaborative research by scientists and citizens. A targeted research to pinpoint causes of decline.
- Urgent emphasis on habitats of species of high concern, notably grasslands, scrublands, wetlands and the Western Ghats.

## 51. A royal mess (GS-3)

#### **Context:**

Stress in the **telecom industry of India.** 

## **Background:**

- The Supreme Court of India in October 2019, upholding the Department of Telecom (DoT)'s interpretation of "adjusted gross revenue" (AGR), had ordered the telecom companies to pay an estimated ₹1.4 lakh crore to the government.
- None of the telecom companies have been able to pay up fully the stated amounts. The telecom companies have sought more time to pay up.
- The SC is scheduled to hear the case next in mid-march 2020.

#### **Details:**

## Mistakes by the telecom companies:

- The telecom companies have only themselves to blame for their present situation:
  - The companies failed to pay up their annual dues over the years even though they could afford to pay, given their turnovers. Instead, they decided to wait until all the litigation processes were completed.
  - Given the accumulated amount and also the need to pay interest and penalties as per the SC verdict, the total amount comes to a very large amount. Notably, the interests and penalties are even higher than the actual annual dues.
  - The telecom companies also **failed to have provided for the liability in their balance sheets as a contingency action plan.**

#### **Concerns:**

- Given the already precarious financial state of Vodafone, and the SC and government's insistence on full payment of dues, it is very likely that Vodafone might have to close down. There are major concerns with respect to such a scenario.
  - In the scenario of Vodafone shutting down, the telecom industry will be reduced to a duopoly. This would bring with it the attendant consequences for customers, like reduced choices and likely higher costs.
  - The closing down of Vodafone will also lead to loss of about 15,000 direct jobs and several thousand indirect jobs.
  - The consequences of Vodafone closing down would also lead to the cascading effect being felt across the economy as lenders would

- have to face the consequences of the company going bankrupt and subsequently the non-performing assets will rise.
- Telecom equipment suppliers may also face issues due to the nonpayment of their dues from Vodafone.
- o **The 212 million Vodafone subscribers** would be affected given the doubts of whether only two telecom companies would be able to absorb such a large number of customers in a short frame of time.
- o The telecom industry is critical to the **government's plans for a digital economy**. The turmoil in the telecom industry might have an adverse impact on the government's vision.
- The government is also likely to face a shortfall in its revenue collections from the telecom service providers and can expect lower bids for the upcoming 5G spectrum auctions.

## Way forward:

- While the telecom companies will have to pay their dues to the
  government, there is the need to ensure that this does not create further
  stress in the sector and the economy at large. The need of the hour is to be
  practical and cautious with a long term vision for the crucial telecom
  sector.
- The government has to examine what it can do to save the situation without disrespecting the Court's verdict. The government has to choose between revenue considerations and respecting SC's verdict on one hand and also ensuring the long term viability of the companies and the sector at large.
  - One of the major suggestions being made includes the framing of legislation that offers a staggered payment schedule to the telecom companies that ensures that the net present value of future payments is equal to the present dues. This would help ensure the financial viability of the companies.
  - There needs to be consultation with the telecom industry as well to come up with other options, like reducing the adjusted gross revenue-based licence fees and spectrum usage charges to reduce the financial burden on the companies.
  - The government will have to get the Court on its side at the next hearing due in mid-march 2020.

## **52.** May the Force be strengthened (GS-3)

## **Background:**

#### **Transition to CRPF:**

• The retention of the **Crown Representative Police (CRP)** became a contentious issue in the wake of independence. Since the **Constitution designated 'law and order' as a State subject,** the relevance of having a **central police force** was questioned by everyone.

## Post-independence:

- Starting with just two battalions as the CRP, the Central Reserve Police Force (<u>CRPF</u>) has now expanded to being a three-and-a-half lakh-strong force. No other security force of the country has seen expansion at such a rapid rate.
- CRPF is the largest paramilitary force in the world.
- The CRPF consists of specialist wings like the Rapid Action Force, the COBRA (Commando Battalion for Resolute Action), and the Special Duty Group.

## **Paramilitary forces:**

- Resolving certain conflicts requires immediate solutions for which regular armed forces cannot be deployed. Therein lies the importance or necessity of paramilitary forces, because of their **flexibility and versatility**.
- Given the fact that **providing integrated security to a large and diverse country like India** is not an easy task, CRPF has done commendably well.

#### **Concerns:**

#### Casualties:

- The glowing track record of CRPF and its contributions to the security of the nation pales into insignificance when one considers the mass casualties CRPF has had to suffer.
- In April 2010, at least 75 members of the CRPF were killed by Maoists, in Dantewada. In 2019, the Pulwama attack claimed the lives of many CRPF members.

#### Pressure on soldiers:

- CRPF is the main agency **dealing with conflicts in different territorial zones**. Soldiers end up performing a **high-risk job** till the last day of his service in CRPF.
- The **frequent movements of the forces** are taking its toll on its members.
- The anguish caused because of **prolonged periods of duty away from one's family members** adds to the pressure experienced by the soldiers. Though the government is keen on ensuring that CRPF jawans would get to spend 100 days with their families every year, considering the **present levels of workload and the personnel available**, 100 days of leave seems not possible.
- There are increasing cases of suicides and fratricides being reported in CRPF.

## Way forward:

• Given the fact that CRPF remains the most formidable in internal security matters, the functioning of the CRPF needs to be revisited.

## Changes in the recruitment process of the Central Police Forces:

- Given the fact that CRPF shares a large burden of the work allocated for the Central Paramilitary Forces, experts have been suggesting that there is an urgent need to revisit the government's decision on tasking specific Central Paramilitary Forces exclusively with certain operations.
- The government can consider making it compulsory for recruits to all Central Police Forces to be deployed to anti-insurgency roles during their first 15 years of service, when they are newly trained and fighting fit. They can be shifted, in the next 10 years, to border duties. The last phase of their career should be in static duties.
- This would help reduce the workload on the members of the CRPF.

## Rehabilitation of retired personnel:

- Given the high risk and workload in CRPF, many personnel are taking voluntary retirement.
- Worryingly, there is no **appropriate rehabilitation policy**. The creation of a **Welfare and Rehabilitation Board** has not made any impact.

• The welfare and morale of the soldiers need to be taken good care of. Consideration of One Rank, One Pension scheme, and other appropriate support mechanisms needs to be prioritized.

## Home-grown leadership:

- Currently, the top leadership of CRPF consists of IPS officers on deputation.
- Given the fact that elements like healthy work culture, ethos and regimentation are very crucial for any armed force and they are best guarded by officers born on the cadre, it is high time CRPF **develops** home-grown leadership.

## 53. BIMSTEC Disaster Management Exercise -2020

## Why in News

The 2<sup>nd</sup> Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) Disaster Management Exercise was conducted (11-13 February, 2020) in Bhubaneswar, Odisha.

- The focus of the **2**<sup>nd</sup> **edition of Exercise** is on **heritage structures' protection**.
- The first edition of the BIMSTEC DMEx was also hosted by India in 2017 with the focus on testing the region's preparedness and resilience towards effective activation of inter-Governmental interaction/dialogue/agreements for immediate deployment of regional resources for disaster response.

## **Key Points**

- The exercise seeks to provide a platform for member states to evaluate existing capabilities, share best emergency response practices, **improve emergency preparedness** and **strengthen regional response mechanisms**, **to conduct risk assessment** in the context of **cultural heritage sites at the time of disasters and to test the multi-stakeholders' coordination** in a disaster scenario **involving international**, **national**, **state**, **district** and **local agencies**.
- Participants in the exercise include BIMSTEC members except Bhutan and Thailand along with other global institutions like United Nations Development Programme (UNDP), International Search and Rescue Advisory Group (INSARAG), International Centre for the Study of the Preservation and Restoration Cultural Property (ICCROM) etc.

- The **National Disaster Response Force (NDRF)** is building the capacity of its forces to play the role of **first responder** at heritage sites, which are vulnerable to disasters such as **earthquake**, **floods**, **cyclones** and **tsunami** across India.
- Reasons for Focus on the Heritage Sites: In the backdrop of recent losses suffered in an earthquake in Nepal(2015), damages to Heritage Sites in Gujarat earthquake (2001), the need was felt to protect the Heritage Sites during disasters and build the capacity of NDRF personnel.
- According to Indian National Trust for Art and Cultural Heritage (INTACH) in India, there could be 11 lakh sites in towns and villages out of which close to 10,000 sites and buildings are protected and about 70,000 sites have heritage value.

# International Centre for the Study of the Preservation and Restoration Cultural Property

- The creation of the International Centre for the Study of the Preservation and Restoration Cultural Property (ICCROM) took place as a result of a proposal at the UNESCO General Conference held in New Delhi, in 1956.
- In 1959, the Centre was established in Rome, Italy.
- India is a member (1961).
- It is an intergovernmental organization which works with its members to promote the conservation of all forms of cultural heritage, in every region of the world.
- It operates in the spirit of the UNESCO Universal Declaration on Cultural Diversity (2001).
  - Declaration states that "Respect for the diversity of cultures, tolerance, dialogue and cooperation, in a climate of mutual trust and understanding are among the best guarantees of international peace and security."

## International Search and Rescue Advisory Group (INSARAG)

- The International Search and Rescue Advisory Group (INSARAG) was established in 1991.
- It is a global network of more than 90 countries and organisations under the **United Nations** umbrella.

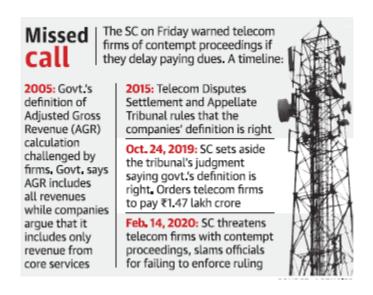
• INSARAG deals with **Urban Search and Rescue (USAR)** related issues, aiming to establish minimum international standards for international coordination in earthquake response based on its Guidelines.

## **India and Disaster Management**

- Coalition for Disaster Resilient Infrastructure (CDRI): Recently, the Union Cabinet approved the establishment of an International Coalition for Disaster Resilient Infrastructure (CDRI) in New Delhi.
- The National Institute of Disaster Management (NIDM) organized the 1st International Conference on "Landslides Risk Reduction and Resilience" in November, 2019 in New Delhi.
- India has been at the forefront of Disaster Risk Reduction (DRR) efforts by hosting the South Asian Annual Disaster Management Exercise (SAADMEx) and the Asian Ministerial Conference for Disaster Risk Reduction (AMCDRR).
- India has also offered its expertise and capabilities in DRR such as the South Asia satellite, GSAT-9, and the Tsunami Early Warning Centre to other countries.
- Disaster Management was one of the important Agenda items the BIMSTEC leaders deliberated upon during the Goa BRICS Summit in October
   2016 where BIMSTEC leaders were the Special Invitees.

## 54. Following SC rap, telcos asked to pay AGR dues immediately

## Background



#### Context

• The Supreme Court has pulled up telecom companies like Bharti Airtel and Vodafone Idea for not paying their Adjusted Gross Revenue (AGR) dues to the government.

#### **Details**

- The SC had earlier directed that all AGR related dues had to be paid by January 23, 2020.
- A three-judge Bench, called the non-compliance with the judgment a "very disturbing scenario".
- It also initiated contempt proceedings against the telecom companies for not paying the AGR dues.
- The court also asked **DoT to immediately withdraw the notification** which said that there would be no coercive action against telcos.

## What exactly did the government notification say?

- The Licensing Finance Policy Wing of the DoT on January 23, 2020 directed all government departments to not take any action against telecom operators if they failed to clear AGR-related dues as per the Supreme Court's order.
- The order came as a huge relief for operators mainly Bharti Airtel and Vodafone Idea that would have otherwise faced possible contempt action for not paying dues by the deadline.
- While there was no change in the amount they had to pay, **it did buy them time as they hoped for relief from the Supreme Court**, which was to then hear their plea seeking permission to negotiate the timeline for payment of dues with the DoT.

## Where does the government stand in this situation?

- The payout by telecom and non-telecom companies is likely to **lead to** windfall gains for the central government, which could help it close some of the fiscal deficit gap for the current financial situation.
- At the same time, the government will be under pressure to ensure that the telecom market does not turn into a duopoly if Vodafone Idea does indeed decide to shut shop.

## Duopoly

- It is a situation in the market where two **service providers/ suppliers**, of **service/commodity**, dominate or have exclusive control.
  - Vodafone Idea chairman Kumar Mangalam Birla had warned the struggling telco would be **forced to shut shop if no government relief is coming forth on its AGR-linked statutory dues**.

At present there are three private players in the Indian mobile market – **Bharti Airtel, Vodafone Idea and Reliance Jio** – besides the **state-owned operators BSNL/MTNL.** 

• If the Vodafone Idea does exit, an Airtel-Jio duopoly will be created. But the Govt of India can ill afford a Vodafone Idea collapse, as it would badly hurt India's image among foreign investors and lead to huge job losses.

#### Vodafone Idea exit may not be an issue

- First, telecom tends to be a natural monopoly, and in most major markets, there are only two or three big players. In the US, AT&T and Verizon control more than 70 per cent of the wireless market, and the two weaker players T Mobile and Sprint are considered to be potential merger partners.
  - In short, the US may be headed for a three-player market in the foreseeable future.

Second, the scenario in India has changed after the Modi government decided to pump Rs 56,000 crore to revive and revamp a large state sector player for strategic reasons.

- Bharat Sanchar Nigam Limited (BSNL) and Mahanagar Telephone Nigam Limited (MTNL) are to be merged.
- The merged entity will be given spectrum for a 4G rollout. If **BSNL** becomes a strong third player, India will continue to have three large players even if Vodafone Idea exits.

#### What does this situation mean for customers and lenders?

- It could lead to bigger bills, considering it was the cut-throat competition in the sector that made mobile telephony and Internet almost universally affordable.
- The AGR issue has **triggered panic** in the banking industry, given that the telecom sector is highly leveraged. Vodafone Idea alone has a debt of Rs

- 2.2 lakh crore that it has used to expand infrastructure and fund spectrum payments over the years.
- The **mutual fund industry** has an exposure of around Rs 4,000 crore to Vodafone Idea.

## 55. To help her work

#### Context

When it came to allocating funds, the budget relegates women's economic participation to secondary importance.

#### The current status of women in India

- Lack of Equality: India continues to struggle to provide its women with equal opportunity.
- A low score on international measures: On international measures of gender equality.
  - India scores low on women's **overall health and survival and ability** to access economic opportunities.
- Why it matters? Since the woman's economic engagement is related to her own
  and her family's well-being, the continuing decline in rural women's labour force
  participation is a cause for concern, and both affects and reflects these worrying
  gender gaps.

## Why female labour force participation matters beyond social cause?

- **Source of economic growth**: Ignoring India's declining female labour force participation at a time of economic distress is a mistake.
  - Not just a social cause: Involving women in the economy is not a social cause
     it is a source of efficiency gains and economic growth.
- **Missing out on many things**: In a country where young women's education is now at par with men's, ignoring that half of the population isn't participating equally in the economy means we are missing out on many things, like-
  - Innovation.
  - Entrepreneurship.
  - And productivity gains.
- Large potential to increase in GDP: The large potential increases in GDP that could accrue to India and countries around the world, if they could only close their labour force gender gaps, are often cited.

- **60**% **increase in GDP**: A report by McKinsey Global Institute suggests that if women participated in the Indian economy at the level men do, annual GDP could be increased by 60 per cent above its projected GDP by 2025.
- **Underlying conclusion:** The underlying conclusion is that **women's potential to contribute to GDP is huge.**
- Gain larger than any other region: The same analysis also suggested that India's potential GDP gains through achieving economic gender parity were larger than gains in any of the other regions they studied.

## How can the state be responsive to women?

It can be ensured in the following two ways-

- **1.MGNREGA-Important focus:** An important focus could be a smarter policy and gender-intentional implementation.
  - A key example comes from **MGNREGA**, a programme whose official policy has long been to pay individual workers in their own bank accounts.
  - It is observed that this policy was typically not implemented and that women's wages were usually being paid into the bank account of the woman's husband.
- Why paying wages in women's account matters?
  - Giving women digital control of her wage:
  - This seemingly small change giving a woman digital control of her wages had a big impact.
  - Working women more outside their home: Women who received digital accounts plus training worked more outside their homes, not only for MGNREGA but also in private employment.
- Higher economic engagement and lessening patriarchy
  - Importantly, women from especially conservative households reported higher economic engagement and an **improved ability to move about their communities unaccompanied.**
  - **Lessening of patriarchal norms:** Surveys conducted showed that the payment in account also began to influence restrictive patriarchal norms.
- 2.Need to move beyond MGNREGA
  - Ease of doing business and reform in labour market reforms: Continuing to improve ease of doing business and addressing rigid labour market regulations can also draw more women into high-potential sectors.
  - Such as those supported under Assemble in India.

- **Potential in manufacturing:** Rural women's relative participation in manufacturing has grown compared to men's, and manufacturing stands out as a promising means to pull young women, in particular, into the economy.
- **Potential in SMEs:** Ensuring better support to small and medium-sized enterprises can help new businesses.

#### Conclusion

- Attune schemes to the aspiration of women: Ensuring that these programmes are attuned to the needs and aspirations of women is not expensive. But it makes a much difference.
  - **Review of policy and programme:** It requires a review of individual policies and programme implementation.
- **Increase the funding:** The government needs to increase funding to programmes targeting women. Until then, the policy can build on the fact that pulling women into the economy isn't just a function of budget allocations or social sector programmes. It's also a matter of thoughtful policy design and political will.

## 56. USTR takes India off developing country list

#### **Context:**

The Office of the United States Trade Representative (USTR) has published a notice, amending lists of developing and least-developed countries that are eligible for preferential treatment with respect to CVD investigations.

#### **Details:**

- To harmonise U.S. law with the World Trade Organization's (WTO) Subsidies and Countervailing Measures (SCM) Agreement, the USTR had, in 1998, come up with lists of countries classified as per their level of development.
  - These lists were used to determine whether they were potentially subject to U.S. countervailing duties.

The 1998 rule is now "obsolete" as per the USTR notice.

Countries not given special consideration have lower levels of protection against a CVD investigation.

A CVD investigation must be terminated if the offending subsidy is de minimis (too small to warrant concern) or if import volumes are negligible.

• The de minimis thresholds and import volume allowance are more relaxed for developing and least-developed countries.



#### **Criterion:**

The USTR used the following criteria to determine whether a country was eligible for the 2% de minimis standard.

- (1) Per capita Gross National Income or GNI
- (2) Share of world trade
- (3) Other factors such as Organisation for Economic Co-operation and Development (OECD) membership or application for membership, EU membership, and Group of Twenty (G20) membership.

#### Concerns:

- The U.S. government has changed an administrative rule, making it easier for it to impose countervailing duties (CVDs) on goods from India and certain other countries.
- The new lists consist of 36 developing countries and 44 least developed countries.
- India was, until February 2020, on the developing country list and therefore eligible for these more relaxed standards. It has now been taken off of that list.

- India, along with Brazil, Indonesia, Malaysia, Thailand and Vietnam were taken off the list since they each have at least a 0.5% share of the global trade, despite having less than \$12, 375 GNI (the World Bank threshold separating high-income countries from others).
- India was taken off the list also because like Argentina, Brazil, Indonesia and South Africa it is part of the G20.

## 57.The Future of Earth, 2020 Report

## Why in News

The South Asia Future Earth Regional Office, the Divecha Centre for Climate Change and the Indian Institute of Science have released "The Future of Earth, 2020" report.

• The report has been prepared with the aim of reducing carbon footprint and halting global warming below 2 degree Celsius by 2050.

#### **Key Findings**

- Five Global Risks
  - Climate change
  - Extreme weather
  - Biodiversity loss
  - Food crisis
  - Water crisis

## Example of Interrelation between different Global Risks

- Extreme heat waves can accelerate global warming by releasing large amounts of stored carbon from affected ecosystems, and at the same time intensify water crises and/ or food scarcity.
- o The loss of biodiversity weakens the capacity of natural and agricultural systems to cope with climate extremes, thus increasing vulnerability to food crises.
- Strains on food production are expected to increase, as a result of various forces including climate change, biodiversity loss, and a global population on the rise.

#### Greenhouse Gas Emissions

- Despite declarations of a climate crisis or climate emergency by the leaders of more than 700 cities, states and governments, the concentration of carbon dioxide in the atmosphere during 2019 reached more than 415 parts per million (ppm).
- o The five years from 2014 to 2018 were the warmest recorded over land and ocean since 1880.

## Decline in Biodiversity

- o Humans have significantly altered 75% of the planet's land area. About a quarter of species in assessed plant and animal groups are threatened.
- o In 2018, the world's last male northern **white rhino** died in his Kenyan enclosure, while the Brazillian blue parrot, Spix's Macaw, was declared extinct in the wild.

## Trends Highlighted

- Right-wing populism, a breed of politics that exploits people's fears during times of economic decline and growing inequality, and that focuses on nationalist tendencies to clamp down on borders and reject immigrants, is on the rise around the world. This often leads to a denial of climate change facts or impacts.
- o The digital platforms such as social media, search engines and e-commerce algorithms, tend to favour the spread of information designed to engage with emotion over reason, which can cause the propagation of "fake news", and can lead to social harms like an erosion of trust in vaccines.

## Suggestions

- Reversing the trends of loss of life on the planet will require some new ways of thinking about conservation.
- Humans are now the main driver behind planetary change, thus human systems should be targeted. This means addressing societal systems including populism, finance, and information transmission, alongside the practices and technologies that emit greenhouse gases, from fossil-fuel burning to food production.

- Bolstering financial resilience should go hand in hand with increasing the resilience of the communities.
- Negative impact of migration can be avoided with pragmatic planning that anticipates inevitable demographic change, and accommodates human movements with infrastructure and targeted social inclusion programmes.

## South Asia Future Earth Regional Office

- South Asia Future Earth Regional Office is hosted by the Divecha Centre for Climate Change, Bengaluru, India. The office plays a key role in promoting solution-oriented research on environmental sustainability in the south Asian region.
- Future Earth, established in 2015, is an international sustainability research network.
- o The Divecha Centre for Climate Change was established at Indian Institute of Science in January 2009. The primary goal of this centre is to understand climate variability and climate change and its impact on the environment.

#### 58. 'Economy revival is around the corner'

#### **Context:**

Vedanta Resources Chairman's views on the Indian Economy and the recent Union Budget

## **Background:**

• India's **economy is under pressure amid the slowdown**.

#### **Details:**

## Reducing tax litigation:

• The Union Budget's focus on transparency and reducing tax litigation is a welcome move. The government's willingness to settle tax disputes and create a conducive environment for business will give India a big push with regard to ease of doing business and making it a \$5 trillion economy.

#### **Disinvestment:**

• The government's thrust on disinvestment is a welcome move since allowing independence for the public sector companies and banks will increase their productivity.

## Promoting entrepreneurship:

- The government's recognition of the **role of entrepreneurs in nation-building** is laudable given that they would play a leading role not only in **economic growth** but also act as **employment generators.**
- The government's move to create an **ecosystem for sound business ideas to grow** and the focus on **transparency** is a big boost for the younger generation.

## Oil exploration:

- India has huge oil reserves. Despite the reserves, there is only one private-sector oil producer in India. There is a need for more private oil producers in India to cater to the large demand. A higher number of companies will help increase competition in this price-sensitive sector.
- The **higher domestic production** will also help **India reduce its dependence on oil imports**. Given the unstable west Asian region and the possibility of a major crisis in the Gulf, India is bound to be affected through the disruption of oil supply chains to India. It is important that India produces at least 50% of its oil requirements.
- The government should facilitate private sector participation by bringing in a **regime of self-certification** wherein companies can start off with exploration activities once they get the environmental clearance. It is important that explorers and producers get the **international price for their output** to ensure the economic viability of the companies.

## 59. West Bengal growing arsenic-resistant rice (GS-3)

#### **Context:**

Development and commercialization of rice resistant to arsenic.

## **Background:**

## Arsenic poisoning:

- Arsenic is a naturally occurring trace element found in rocks, soils, and water.
- World Health Organization's provisional guideline value for **arsenic in drinking water is 0.01 mg/l (10 μg/l)**. The permissible limit of arsenic in India in the absence of an alternative source is 0.05 mg/l (50 μg/l).
- Absorption of arsenic through the skin is minimal and thus hand-washing, bathing, laundry, etc. with water containing arsenic do not pose human health risks. According to the World Health Organization, long-term exposure to arsenic occurs mainly through drinking water and food.
- Arsenic beyond permissible levels has been recognized as a toxic element and is considered a **human health hazard**.
  - Long-term intake of arsenic-contaminated water leads to arsenic poisoning or arsenicosis, with cancer of skin, bladder, kidney or lung or diseases of the skin (colour changes, and hard patches on palms and soles), or blood vessels of legs and feet.
  - Fresh evidence indicates a possible association between the intake of contaminated water to the onset of diabetes, hypertension and reproductive disorders.

#### Affected areas:

- West Bengal has a high concentration of arsenic in groundwater, with 83 blocks across seven districts having higher arsenic levels than permissible limits.
- Apart from West Bengal, Arsenic contamination in groundwater has been recorded in the states of Assam, Bihar, Chhattisgarh, Haryana, Jharkhand, Karnataka, Punjab and Uttar Pradesh. The occurrence of Arsenic in the states of Bihar, West Bengal and Uttar Pradesh is in alluvial formations but in the state of Chhattisgarh, it is in the volcanic rocks.
- According to government sources, about 239 million people across 153 districts in 21 states drink water that contains unacceptably high levels of arsenic, adding up to 19% of India's population.
- The occurrence of Arsenic in groundwater is mainly in the aquifers up to 100 m depth. The deeper aquifers are free from Arsenic contamination.

#### **Details:**

• The new rice variety, **Muktoshri**, **also called IET 21845** is resistant to arsenic.

- It was developed jointly by the Rice Research Station at Chinsurah, coming under West Bengal's Agriculture Department and the National Botanical Research Institute, Lucknow.
- Post-development and **multi-locational trials and validation across different seasons**, the seeds have been made available for cultivation.
- Since numerous scientific studies have shown that arsenic from groundwater and the soil can enter the food chain through paddy, the development of arsenic resistant rice variety marks a significant development in addressing arsenic poisoning in India.
- During the trials, it was found that this variety absorbs a lesser amount of arsenic from soil and water than the other varieties of rice. The yields across the seasons have also found to be satisfactory. Additionally, the rice was also aromatic making it attractive even in areas where arsenic contamination is not a problem.

#### 60. Credit, debit card details of 4 lakh Indians up for sale

#### **Context:**

Revelations by the Singapore-based cybersecurity company, Group-IB.

#### **Details:**

- A total of 4,61,976 card payment details has been put up for sale on Joker's Stash, one of the most secretive portals on the darknet for buying such information.
- 98% of this sensitive credit and debit card details are of Indian customers.

## Modus operandi:

- The data is suspected to have been collected from **phishing rackets**, which are on the rise in India over the last few years. Apart from phishing, **malware or JavaScript sniffers** could also have been used to amass the bank card data.
  - **Phishing** is a fraudulent attempt to obtain sensitive information such as usernames, passwords, and credit card details by **disguising oneself as a trustworthy entity in an electronic communication.**

- Malware is any software, intentionally designed to cause damage to a computer, server, client, or computer network. A type of these malware includes spyware which is a software that aims to gather information about a person or organization, without their knowledge and sends such information to another entity without the consumer's consent.
- JavaScript or JS-Sniffers are programmes used for stealing credit and debit card information from e-commerce websites.

#### **Concerns:**

## **Growing sophistication:**

- Previously, the type of information leak included information contained in the card's magnetic stripe often referred to as card dumps, which generally used to be stolen through the compromise of offline POS terminals.
- The new leaked details are comprehensive in nature and include card numbers, expiration dates, CVV/CVC codes and, in this case, some additional information such as cardholders' full names, their emails, phone numbers and addresses. This is referred to as fullz.

## **Increasing frequency:**

- The recent revelation is the second major leak of cards relating to Indian banks detected by Group-IB Threat Intelligence team in the past several months.
- In October 2019, Group-IB Threat Intelligence team had detected the first such database of over 1.3 million credit and debit card records, mostly of Indian customers.

## Way forward:

#### **Short term measures:**

- With the **Indian Computer Emergency Response Team (CERT-In)** having been alerted about the stolen data being offered for sale on the darknet, there is the need for necessary steps to **prevent misuse of the data.**
- The administration is likely to **issue an advisory** in this regard.

## **Long term measures:**

• With increasing digitization and the growing frequency, sophistication, and threat of cybersecurity, there is a need for some long term measures.

• This should include deterrent legislation, user training, better public awareness, and technical security measures that frequently exploit weaknesses in current web security.

## 61. Rates to fall despite RBI's status quo

#### **Context:**

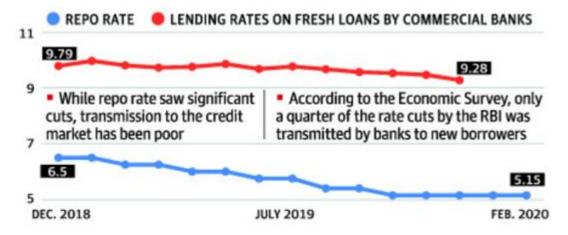
The **Monetary Policy Committee (MPC)** of the Reserve Bank of India (RBI) has decided to keep the interest rates unchanged in the wake of a rise in inflation, but emphasised that there would be space for a rate reduction.

#### **Details:**

- This is the second straight policy review meeting where the rates have been kept unchanged.
- The RBI Governor asserted that it has to be kept in mind that RBI has several instruments that can be deployed to address the challenges that the economy faces in terms of the sluggishness in the growth momentum.
- The central bank took two measures that could ease lending rates further.
  - 1. It opened a window to extend Rs. 1 lakh crore to the commercial banks at the repo rate, which is 5.15%.
  - 2. Banks have been exempted from maintaining the **Cash Reserve Ratio** (**CRR**) which is 4% of the net demand and time liabilities now for home, auto and MSME loans that are extended from January 31 to July 31, 2020.
    - It is believed that CRR exemption for incremental lending to auto, housing and MSMEs is a good way to channelize credit to areas where demand has not met commensurate supply.
- RBI said they will conduct Long Term Repo Operation (LTRO) from the fortnight beginning on February 15, at the policy rate.
  - Under LTRO, RBI will conduct term repos of one-year and three-year tenors of appropriate sizes for up to a total amount of Rs 1 lakh crore at the policy repo rate.
  - o It is a measure that market participants expect will bring down shortterm rates and also boost investment in corporate bonds. These new measures coupled with RBI's earlier introduced 'Operation Twist' are an attempt by the central bank to manage bond yields and push transmission of earlier rate cuts.

- While the RBI has decided to keep rates unchanged during the sixth bimonthly review of the monetary policy, it has taken steps to lower interest rates in the economy.
  - 1. The RBI reduced the rates by 135 bps between February and October 2019. Banks have so far cut rates by 69 basis points following RBI's 135-bps reduction.
  - 2. The Reserve Bank is actively engaged in revitalising the flow of bank credit to productive sectors having multiplier effects to support impulses of growth.
  - 3. Since June 2019, the RBI has ensured that comfortable liquidity is available in the system in order to facilitate the transmission of monetary policy actions and the flow of credit to the economy.

The graph shows the change in repo rate and lending rates on fresh loans by commercial banks.



#### **Conclusion:**

- The RBI's statement that it would maintain an accommodative stance "as long as necessary to revive growth" clearly signals its commitment to growth. By explicitly saying that there is "policy space available for future action", the RBI has signalled that there could be at least one more cut in the months ahead in this rate-easing cycle.
- Whether banks really do what the RBI has signalled to them (transmit lower rates to borrowers) depends on various factors, not the least of which is demand for credit.
- The decision to extend the one-time restructuring of MSME loans, linking pricing of loans to medium enterprises to an external benchmark, and the nod for permitting extension of date of commencement of commercial

- operations for loans to commercial real estate are all welcome measures that raise questions of excessive forbearance but will certainly help the industry.
- The projected GDP growth of 6% for 2020-21 appears achievable, assuming that the nascent signs of recovery sustain. The RBI has gone on the front foot to boost growth in this policy. It is to be hoped that these steps will change the sentiment in the economy.

#### 62. Omar Abdullah, Mehbooba Mufti booked under Public Safety Act

#### **Context:**

The Jammu and Kashmir administration has booked former Chief Ministers Mehbooba Mufti and Omar Abdullah under the Public Safety Act (PSA).

#### **Details:**

- This is the first time that a former chief minister of Jammu and Kashmir has been booked under the PSA.
- The charges against Abdullah were framed on a day the Supreme Court heard a petition challenging his illegal detention.

## What is Jammu and Kashmir's Public Safety Act?

- The Jammu & Kashmir Public Safety Act, 1978 is a preventive detention law.
- Under the Act, a person is taken into custody to prevent him or her from acting in any manner that is prejudicial to "the security of the state or the maintenance of the public order".
- It is very similar to the National Security Act that is used by other state governments for preventive detention.
- By definition, preventive detention is meant to be preventive, not punitive.
- It comes into force by an administrative order passed either by Divisional Commissioner or by the District Magistrate and not by a detention order by police based on specific allegations or for specific violation of laws.
- In 2015 new rules were notified and some authority was given to the Home Department to issue such orders that were earlier done by the Divisional Commissioner or District Magistrate.

## Why is it considered draconian?

• The PSA allows for detention of a person without a formal charge and without trial.

- It can be slapped on a person already in police custody; on someone immediately after being granted bail by a court; or even on a person acquitted by the court.
- Detention can be up to two years.
- Unlike in police custody, a person who is detained under the PSA need not be produced before a magistrate within 24 hours of the detention.
- The detained person does not have the right to move a bail application before a criminal court, and cannot engage any lawyer to represent him or her before the detaining authority.
- The only way this administrative preventive detention order can be challenged is through a habeas corpus petition filed by relatives of the detained person.
- The High Court and the Supreme Court have the jurisdiction to hear such petitions and pass a final order seeking quashing of the PSA.
- However, if the order is quashed, there in no bar on the government passing another detention order under the PSA and detaining the person again.
- The District Magistrate who has passed the detention order has protection under the Act, which states that the order is considered "done in good faith". Therefore, there can no be prosecution or any legal proceeding against the official who has passed the order.
- Also, a recent amendment by the Governor, persons detained under the PSA in Jammu & Kashmir can now be detained in jails outside the state.
- As per the latest order, the issuing authority cannot mention the period of detention in the order, which earlier used to be six month- one year.
- The default is 12 days detention now, after that the Home department has to ratify the notification and present the case before the Advisory Board.
- If the department concurs he could be released after 12 days or can be kept in detention for minimum three months. Beyond that, the department will have to seek the permission of the advisory board.

## What happens once the PSA is slapped?

- Generally, when a person is detained under the PSA, the DM communicates to the person within five days (ten days in exceptional circumstances), in writing, the reason for the detention.
- This communication is important because it is on the basis of it that the
  detained person gets an opportunity of making a representation against the
  order.

- However, the DM also has the discretion not to disclose all the facts on the basis of which the detention is ordered, if he or she thinks that these facts are against "public interest".
- The DM has to place the detention order within four weeks before an advisory board, consisting of three members including a chairperson who is a former judge of the High Court.
- The DM also has to place the representation made by the detained person. The detained person too can make a representation before this advisory board.
- Within eight week from the date of detention, the board submits its report to the government, which will determine if the detention is in public interest.
- This report is binding on the government.

## What constitutional safeguards are guaranteed to a person so detained?

- Article 22(a) of the Constitution states that no person who is arrested shall be detained in custody without being informed, of the grounds for such arrest, nor shall he be denied the right to consult, and to be defended by, a legal practitioner of his choice.
- Article 22(b) states that every person arrested and detained shall be produced before the nearest magistrate within a period of 24 hours (excluding the time necessary for the journey from the place of arrest to the court) and no such person shall be detained beyond this period without the authority of a magistrate.
- However, Article 22(3)(b) allows for preventive detention and restriction on personal liberty for reasons of state security and public order.
- The Supreme Court has held that in order to prevent "misuse of this potentially dangerous power, the law of preventive detention has to be strictly construed and meticulous compliance with the procedural safeguards is mandatory and vital".
- Therefore, the DM has to show that the detention order follows the procedure established by law; any violation of these procedural safeguards is to be termed violation of constitutional rights.

## 63. Listening to the call of the informal

#### Introduction

• This article discusses the formal sector and the informal sector in the economy.

- It speaks about how the Govt is focusing more on the formal sector and also plans to bring the chain of informal sector participants into the fold of the formal sector.
- This idea of formalizing the informal could impact the growth, reveals papers published by
  - Economist Seema Jayachandran for National Bureau of Economic Research.
    - She argues that there is no strong evidence from studies conducted in many developing countries that formalisation improves business outcomes.
  - Economist Santosh Mehrotra for the International LabourOrganisation (ILO).
    - He calls formalisation an evolutionary process during which small, informal enterprises learn the capabilities required to operate in a more formal, global economy. He says they cannot be forced to formalise.

## **Advantages of Formalization**

- Formalisation reduces the last-mile expenses for the banks.
  - It also leads to more money in the banking sector which lower interest rates and brighten prospects of more lending by banks.
- With formality, tax collection and monitoring of firms become easy.
  - o Thus it increases revenue for the Govt.

However, the process can also produce adverse outcomes for informal sector firms.

## Disadvantages of excessive formalization

- A forced shift from the informal to the formal sector can lead to job losses.
  - o This sector accounts for 40 per cent of the Indian economy and provides employment to 75 per cent of its labour force.
  - Any attempt to squeeze the sector is fraught with unwelcome consequences because this is where the bulk of our low skilled workers find employment.
- The unemployment crisis which we are currently witnessing in India can be reduced, as opportunities are provided in the informal sector to earn their wages.

- Rules laid by the Govt for formalization has helped the Govt but has increased the cost of operation for the informal sector that outweighs the benefits of formalisation.
  - If firms actually comply with all the regulation, their costs are too high to offer competitive prices to the customers.
  - Customers look elsewhere and the firms go out of business.

In fact, informal firms are able to improve their ability to do business in various ways.

- For example, small entrepreneurs gain from **forming effective associations** with their peers.
  - They benefit greatly from 'mentoring'.
- Skills of small entrepreneurs and their employees are best developed on-thejob. This is because they cannot afford the loss of income by taking time off for training.
- 'Soft' skills, to form associations, manage enterprises, matter as much for the success of the enterprises as 'hard' resources of finance and facilities. In fact, the productivity of enterprises depends on their soft skills.

#### **Future course of action**

- **First**, the government and its policy advisers must stop demeaning the informal sector and resist the temptation to reduce its size.
- **Second**, the development of an economy, from agriculture to the production of more complex products in the industry, **is a process of learning**.
  - Informal enterprises provide the transition space for people who have insufficient skills and assets to join the formal sector.
  - Large schemes to provide enterprises with hard resources such as money and buildings, which the government finds easier to organise, are not sufficient for the growth of small enterprises.
    - Policymakers must learn how to speed up the process of learning within informal enterprises.
  - Third, policymakers must learn to support informal enterprises on their own terms. And they should not impose their own versions of formality on them for their own convenience.
    - Making it easy for MNCs and large companies to invest will not increase the growth of the economy if enterprises and incomes at the bottom of the pyramid do not grow.

- Voice of rural entrepreneurs should also be considered by the Govt for drafting policies.
- Fourth, networks and clusters of small enterprises must be strengthened.
  - They improve the efficiency of small firms by enabling sharing of resources;
  - They give them more clout to improve the terms of trade in their favor within supply chains;
  - They reduce the 'last mile costs' for agencies and providers of finance.
- o **Fifth**, there is an urgent need for labour reforms where
  - Laws should be simplified.
  - Administration improved.
  - Improve the conditions of workers.
  - The purpose of 'labour reforms' must be changed to provide safety nets, rather than make the workers' lives even more precarious with misdirected attempts to increase flexibility.
- Finally, the social security framework for all citizens must be strengthened, especially for those who have to scramble for work in the informal sector.
  - Health insurance and availability of health services must be improved, and disability benefits and old-age pensions must be enhanced.

#### Conclusion

- The thrust of the Indian government's policies should not be to reduce the size of the informal sector. Rather, it must be to improve working conditions for the citizens who earn incomes in the sector.
- Their safety at work, their dignity, and their fair treatment by employers must be the thrust of any reform.
- Indeed, even in developed industrial countries, the informal sector is growing with advances in technologies, the emergence of new business models, and growth of the gig economy.

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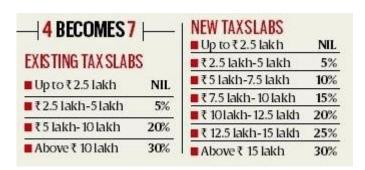
### 65. Complicating the tax regime further

#### Context

- Finance Minister Nirmala Sitharaman announced a new optional income tax regime in Budget 2020-21.
- This new system is optional and will co-exist with the old one with three slabs and various exemptions and deductions available to the taxpayer.

#### **Details**

- The budget 2020 has given taxpayers the option to **choose between the existing income tax regime** (which allows availing existing income tax exemptions and deductions) and **a new tax regime** with slashed income tax rates and new income tax slabs but no tax exemptions and deductions.
- The new tax regime offers lower tax rates and new tax slabs and simultaneously removes tax exemptions/deductions and will result in lower tax outgo for taxpayers.



### **Benefits**

- The new income tax rate is beneficial for people with low investments in policy schemes. It offers seven lower tax slabs. Anyone paying taxes without claiming exemptions under the existing system can benefit from paying a lower upfront rate of tax.
- Another benefit of switching over to the new optional regime is not having to worry about **complex filings**, hence fewer mistakes in filing.
- It's an optional scheme so people have the **flexibility** to switch over from one system to after evaluation for the previous year is complete. However, a taxpayer can only switch from the old system to the new one if he/she has no income from a business or businesses. This offers better flexibility to taxpayers to choose a different tax regime as per their requirements.

- 70 out of 100 exemptions, including common ones such as standard deduction and tax-saving policies under Section 80C, 80D and 80EE of the Income Tax Act, will not apply to the optional income tax regime.
  - o The exclusion of exemptions helps in **containing income tax frauds**.
  - There are many cases where people have inflated their return filing for claiming more tax refunds. However, with a majority of exemptions gone under the new system, the scope of misusing exemption rules also reduces.

#### Concerns

- It is good for people with low investments, but people who already invest a fair amount in tax-free savings schemes like PPF, NPS and claim deductions on them will suffer. Even if they move to the new system with a lower tax rate, they will pay more tax as there are no exemptions for them to claim.
- Some experts said that the new income tax structure could also discourage
  investments in the real estate sector. It may be noted that investment in
  housing property is a major tax saver for Indian households and making the
  full use of it can earn very high tax deductions. However, with no such
  exemptions under the new tax structure, the real estate sector could
  encounter falling demand.
- The insurance sector will also suffer as it will have to put more effort and money on advertisements to attract people to invest. The new income tax structure, therefore, may lead to reduced business for insurance companies.
- Another factor complicating the taxpayers' filing process is that it isn't clear which exemption will be scrapped in the near term and which one will continue in the long term.

### Conclusion

- Which tax regime -old or new-would be beneficial and result in lower tax payable for each individual is likely to depend on his/her income composition and the investments done.
- Each individual will have to do his/her own income calculations to figure out which tax regime suits more.

### 66. Govt. reviewing dividend tax rules for real estate, infra investment trusts

#### **Context:**

The government is reviewing the negative implications of the scrapping of the Dividend Distribution Tax, announced in the Union Budget 2020-21, for investors in real estate investment trusts and infrastructure investment trusts, also known as REITs and InvITs.

#### **Details:**

- Dividend income was tax-free in the hands of REIT and InvIT investors so far, making it attractive for high-net worth investors to put money in these trusts.
- Now, the dividend income will be rendered taxable in the hands of the investors.

#### **Concerns:**

- Over the last several union budgets, the government has been incentivizing InvITs and REITs while acknowledging the need to rationalise the tax regime for them and developing a new investment asset class.
- It is believed that the recent move will likely hit both global investment inflow into these assets and local retail investors' participation.
- It has been pointed out that InvITs and REITs are mandated by the capital
  market regulator Securities & Exchange Board of India (SEBI) to pay out
  90% of net distributable cash flows as dividends to unitholders. Hence,
  unlike all the other listed companies, they don't have the option to retain
  surplus income for growth of their portfolio instead of distributing it as
  dividend, which would now be subject to tax and reduce the yield to
  investors.

Also, the analysts claim that the move could result in multiple stage taxation of these instruments.

### What are REITs and InvITs?

• Real estate investment trusts (REITs) and infrastructure investment trusts (InvITs) are innovative vehicles that allow developers to monetise revenue-generating real estate and infrastructure assets, while enabling

investors or unit holders to invest in these assets without actually owning them.

- REITs are securities linked to real estate that can be traded on stock exchanges once they get listed. The structure of REITs is similar to that of a mutual fund.
  - Just like mutual funds, there are sponsors, trustees, fund managers and unit holders in REITs.
  - However, unlike mutual funds, where the underlying asset is bonds, stocks and gold, REITs invest in physical real estate.
  - o The money collected is deployed in income-generating real estate.
  - o This income gets distributed among the unit holders.
  - Besides regular income from rents and leases, gains from capital appreciation of real estate also form an income for the unit holders.
- An Infrastructure Investment Trust (InvITs) is a Collective Investment Scheme similar to a mutual fund, which enables direct investment of money from individuals and institutional investors in infrastructure projects to earn a small portion of the income as returns.
- India has four listed InvITs two public ones listed in 2017 and two
  privately placed ones listed last year and one REIT listed in April 2019,
  which have attracted investments from both domestic investors and global
  institutional investors.

### 67. Fashioning the framework of a New India

#### Context

As the Indian economy is going through a severe crisis, a major solution to the present economic crisis is to go in for **inclusive growth**; it also means shared prosperity.

Where India stands on poverty and how the slowdown is impacting the poor.

- **Bottom 30-40% adversely impacted:** The slowing economy has had an adverse impact on the bottom 30%-40% of the population.
  - **Absolute poverty on the rise:** The incidence of absolute poverty, which has been falling since 1972-73, has increased to **30**% (4% jump).

- 44% population below the multi-dimensional Poverty line: The Human Development Report (2019) has shown, more than 44% of the Indian population is under the multi-dimensional poverty line.
- **Rising inequality:** The poorest 50% population at present owns only 4.1% of the national wealth.
  - While the richest 10% of people own 73% of the total wealth in India (Suisse Credit 2019).
- Rampant malnourishment: India has 15.2% population malnourished (women 15%) as against 9.3% in China.
  - And 50% of the malnourished children in the world are in India.
- **At 112**<sup>th</sup> **position on global hunger:** India's global hunger rank has gone up to 112 while Brazil is 18, China is 25 and South Africa, 59.
- **Dismal performance on education:** In the field of education as per a **UN report** (2015), overall literacy in India is 74.04% (more than the 25% are totally illiterate) against 94.3% in South Africa, 96.6% in China and 92.6% in Brazil.
  - Almost 40-45% population is either illiterate or has studied up to standard 4.
- **Poor quality of education**: Given the quality of education in India, the overall population is very poorly educated, with the share of 'educated unemployment' rising by leaps and bounds.

#### What needs to be realised?

- **Focus on domestic demand:** It needs to be realised that when **exports are declining**, the economy will have to depend on domestic demand for growth.
  - It is no more feasible for the top 20-25% population to continue growing without depending on the demand from the bottom 40-45% population.
- **Demand by the bottom 40% a must:** There is thus a strong reason now for the economy to **increase effective demand of this bottom 40-45% population** at least to continue growing-to reach a \$5-trillion economy by 2024.

## What is wrong with the growth process?

• **Bottom 40**% **not getting the fair share of growth:** A major reason for the crisis is that the growth process has **marginalised** the bottom 40-plus% of the population.

- It is in the sense that they do not get a fair share of the economic growth, and are more or less deprived of productive employment with a decent income.
- They have not been used as active participants in the growth process. Their potential has not been promoted.
- Less spending for the poor and its consequences: Though the bottom population depends on the government for basic health and elementary education (and also for access to higher educational opportunities)-
  - The government spends just 4% of GDP on health (against the norm of 4-6% of GDP) and 3% of GDP on education (against the norm of 6-8% of GDP).
  - How this dismal spending affects the poor: As a result of this below norm spending, these people are left hardly literate and sick, with poor nutrition and high morbidity.
  - They are incapable of acquiring any meaningful skills or participating actively when new technology is spreading in the rest of the economy.
- The sub-optimal use of labour force: This sub-optimal use of the labour force in the economy is not likely to enable India to achieve optimal growth with proper use of the national resources -the labour force.

## Inclusive growth- a solution to the present economic crisis

- **Inclusive growth also includes shared prosperity**: Here, inclusive growth does not mean only including all sections of the population in the growth process as producers and beneficiaries; it also means "shared prosperity".
  - Since India has already committed to sustainable and inclusive growth at the UN General Assembly, India is definitely obliged to implement inclusive growth.
  - This should be our "New India".
- What "New India" would involve?
  - Improve the capability and opportunities: To start with, to improve the capabilities of the masses as well as their well-being by expanding productive employment opportunities for them.

- What expanding productive employment mean? The main steps to expand productive employment for all in the economy should be made up of-
- A process of inclusion.
- Expanding the quality of basic health for all.
- And ensuring quality education to all.

### How will "New India" help?

- Which will by itself generate large-scale employment in the government.
- Having a well-educated and healthy labour force will ensure high employability.
- Such people will be able to participate actively in the development process.
- The cycle of more productive employment: Having a well-educated labour force will help start-ups and MSMEs, in turn triggering a cycle of more productive employment in the economy.
- Global competitiveness increase: This will also improve the global competitiveness of our production units.
- Labour absorption potential of MGNREGA: Employment guarantee schemes such as the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) will also increase employment.
- Assets generated under MGNREGA will expand capital formation in the economy, thereby raising the labour-absorbing capacity of the mainstream economy.

# Why this strategy is advantageous?

- Such a strategy has multiple advantages:
- **First** it will raise incomes and the well-being of those who need it most urgently.
- **Second** it will raise effective demand rapidly, which is so badly needed in the economy today to raise economic growth.
- Third- growth will be equitable and sustainable.

# Way forward

- Finally, how does one raise resources to increase new public investments in the selected sectors?
- **Raise direct taxes**: One major strategy is to raise direct taxes, both capital tax and wealth tax.

- **Past growth has failed to reach the poor**: Growth led by providing tax cut and extra incentives, but this growth does not much **percolate to the poor**.
- Consequently, taxing the rich has to be a major strategy to raise government revenue.
- Treat public expenditure as an investment: The public expenditure on raising capabilities should be treated as social investment rather than social welfare, policymakers will be willing to spend on this capital formation.
- Let the fiscal deficit slip: Finally, there was no sound economic reason to control fiscal deficit ratio. Sound macroeconomics never supports this.

### 68. Reverse Osmosis (RO) water filters

#### Context

The Central government has drawn up plans to ban the use of Membrane-based Water Purification Systems (MWPS) – primarily Reverse Osmosis (RO) systems in areas where the water supplied meets the Bureau of Indian Standards norms.

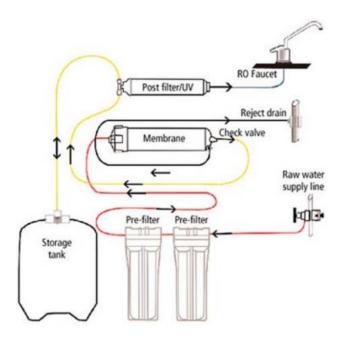
### Background

- The National Green Tribunal (NGT) prohibited the use of RO purifiers in areas where **Total Dissolved Solids (TDS)** levels are below 500 mg per litre.
- NGT sought a ban on RO filters because they waste water and in the process of removing salts, "they often deprived drinking water of essential salts".
  - $_{\circ}$   $\,$  Home filters waste nearly 80% of the water during treatment.
  - Some research has shown that the process can cut the levels of calcium and magnesium, which are vital nutrients.

## **RO** process

- Reverse Osmosis (RO) is a water treatment process that removes contaminants from water.
  - It uses pressure to force water through a membrane that retains the contaminants on one side and allows the pure water to pass to the other side.
  - RO purification units involve two processes. The unit consists of two filters:
    - A carbon or sediment filter, also called Pre-Filter and

- A semi-permeable membrane.
- The **Pre-Filter** removes large particles from the water before it passes through the semi-permeable membrane.
- The **Membrane** allows water to pass through but traps pollutants and bacteria in its porous surface.
- In RO, the TDS in water which covers trace chemicals, **certain viruses**, **bacteria and salts** can be reduced, to meet potable water standards.
- **Issues with the system:** The storage tank must be cleaned periodically.
  - Damaged membranes are not easily detected, so it is hard to tell if the system is functioning normally and safely.



## Purpose of the draft

The government's draft notification prohibits RO purifiers in areas where water quality meets BIS standards.

- The aim is to ensure that after 2022, no more than 25% of water being treated is wasted.
- For residential complexes to reuse the residual waste water for other activities, including gardening.

- Once the rules are finalized, RO machine manufacturers will have to tweak their designs to meet the new parameters so that the system does not discharge water beyond the prescribed limit during the purification process.
- As far as monitoring and enforcement are concerned, the draft left it for BIS
  to develop a system to monitor, assess and certify in consultation with the
  Central Pollution Control Board (CPCB) within six months of final
  notification.
- Enforcement will largely be the responsibility of CPCB and State Pollution Control Boards (SPCBs).

The notification thus implies these filters are **only prohibited if the home gets** water supply that conforms to the Bureau of Indian Standards (BIS) for drinking water.

#### Concerns

- Although several **State and city water boards claim BIS standards**, the water at homes falls short of the test parameters.
  - The BIS in 2019, ranked several cities on official water supply quality.
  - Delhi was last on the list and only Mumbai met all the standards.
  - o In the 28 test parameters, Delhi failed 19, Chennai 9, and Kolkata 10. The **BIS norms are voluntary for public agencies** that supply piped water but are mandatory for bottled water producers.
  - Moreover, most of the country does not have the luxury of piped water.
- The Composite Water Management Index (CWMI) of NITI Aayog says that 70% of water supply is contaminated. India is ranked 120th among 122 countries in an NGO, Water Aid's quality index.
- The case for restricting people's choices on the means they employ to ensure potable water is thus weak.

### Conclusion

- The government can come up with changes in the method of water purification but it must delay the crackdown on ROs in so-called "safe supply" areas until consistent evidence through regular and well-publicized water quality tests can convince the skeptical public.
- Therefore, the need is to first reassure public about water quality, then regulate the use of RO purifiers.

### 69. India able to deter terror groups: Rajnath

#### **Context:**

The Defence Minister's address to the third conference of defence attachés (DAs).

### **Background:**

### **Security scenario for India:**

- In the backdrop of the continued presence of terrorist infrastructure and state support to terrorists in the neighbouring country, India has to remain vigilant. India should develop capabilities to secure its interests and to disrupt and deter the activities of terrorist groups and their patrons.
- India needs to increase defence and security cooperation with the Indian Ocean rim countries so as to create a stable maritime environment.

### **Concept of Defence Attaches:**

- Defence Attaches (DAs) are deputed by the Ministry of Defence (MOD) to various Indian Embassies and are responsible for various aspects of bilateral military and defence relations between India and the respective country.
- The Defence Attache is expected to maintain a complete and detailed knowledge and awareness of the host country's defence activities and requirements.

# **Defence Production Policy:**

• India is emerging as a manufacturing hub for defence production and Defence Production Policy 2018 envisages an export target of Rs 35,000 crore by 2025.

## **Efforts by the government:**

• Defence industrial corridors have been proposed in Tamil Nadu and Uttar Pradesh. This is expected to increase defence manufacturing and exports from India.

- India has also offered **defence lines of credit (LOC) to friendly countries** to allow Indian defence exports and increase their presence in the global market.
- The government has also introduced a **scheme to promote defence exports through DAs** to their respective countries. Under the scheme, funds have been allocated for export promotion to 34 countries. The scheme will play a catalytic role in addressing interventions required for **exploring new markets and promoting export-oriented activities.**

#### **Details:**

- Recognizing the fact that India should not restrict its defence cooperation
  to a few countries, efforts are being made to expand the number of
  countries with which India is engaged in defence cooperation. This will
  further strengthen India's defence diplomacy.
- The Defence Minister has announced the creation of 10 new defence wings which will result in the **appointment of 10 more DAs**.
- The Defence Minister has called upon the DAs to work to **increase India's defence exports.** 
  - Defence attachés deputed across the world, therefore, play a pivotal role in **showcasing India's capabilities in defence product manufacturing** and promoting export of defence products.
  - There is a lot of scope for DAs to work and attract FDI (foreign direct investment) in the defence industrial corridors proposed in India.

### **70. BOOSTER SHORT**

#### **Context:**

The article deals with important highlights of the Union Budget 2020-2021.

#### **Taxation:**

## **Opt-in Income tax scheme:**

• The budget proposes a new income tax structure for individuals willing to **forego exemptions and deductions**. It would be an **opt-in income tax scheme**. There has been a restructuring of tax slabs, with a personal

income tax regime with reduced rates for those earning up to 15 lakh and income up to 5 lakh remaining exempt from tax.

- This is aimed at **spurring consumption demand** and offering relief to taxpayers, especially those from the middle class.
- Taxpayers can, however, opt for the new rates only if they give up almost all tax exemptions and deductions they enjoy under the current regime. Most exemptions used by salaried employees on account of leave travel allowance, house rent allowance, housing loan repayments, savings instruments such as PPF and LIC, as well as the standard deduction will cease to be available.
- Those opting for the lower rates will **retain tax benefits on payouts at the time of retirement** such as gratuity, employees' PF and NPS accumulations, employers' contributions to EPFO, the National Pension System or superannuation payments (up to 7.5 lakh), and amounts received on VRS (up to 5 lakh).
- The Finance Minister has claimed that the new opt-in tax schemes could result in savings of 78,000 for a person earning 15 lakh.
- Certain tax practitioners have noted that the new regime would only be attractive for non-salaried taxpayers or those who don't avail of any exemptions as of now.
- There are concerns that the removal of tax exemptions that spur financial savings could further decrease the already falling savings rate.

## Abolishing the Dividend Distribution Tax:

- The budget announced the abolishing of the Dividend Distribution Tax payable by the companies. This will avoid double taxation applicable to dividends.
- Currently, companies are required to pay a 15% tax plus applicable surcharge and cess on the dividends. Further, investors who receive more than 10 lakh as a dividend in a financial year have to pay a 10% tax on such income.
- Centre has removed 15% tax plus applicable surcharge and cess on dividends, currently paid by companies. **The dividend will now be taxed only in the hands of the investors.**
- This would come as a relief for companies and capital market participants. This will help **increase the attractiveness of the Indian equity market.**
- The removal of DDT would lead to an estimated annual revenue forgone of Rs.25,000 crore.

### Taxpayer's Charter:

- The Finance Minister proposed a **new 'taxpayer's charter'** aimed at boosting trust between citizens and authorities, in order to **improve the efficiency of tax administration.**
- Taking a step in this direction, there is a proposal to **amend the provisions of the Income Tax Act** to mandate the Central Board of Direct Taxes to adopt a Taxpayers' Charter, wherein the taxpayer's rights are clearly laid out.
- This will help reassure taxpayers that the tax administration remains committed to taking measures to ensure that citizens are free from harassment.
- The Budget also proposed several other steps to **smoothen the** administration of the IT regime, including enhancing the use of technology.
- A provision for e-appeal has also been included as part of the drive to impart greater efficiency, transparency, and accountability to the assessment process.

### Tax relief:

- The Budget deferred tax payment on income earned from Employee Stock Option Plans (ESOPs). This will allow the employees to own shares in the employer without having to worry about organizing cash to pay taxes.
- Notably, the proposal **applies only to start-ups set up post-April 2016**.
- Considering the fact that ESOP is a significant component of compensation and during formative years, start-ups take this route to attract and retain talent, the move will give a boost to the start-up ecosystem in India.

# **Preventing Tax abuse:**

- The Finance Bill also proposed major changes to **prevent tax abuse** by citizens who don't pay taxes anywhere in the world.
  - There has been a reduction in the number of days that an Indian citizen can be granted non-resident status for tax purposes from 182 to 120.
  - Citizens who don't pay taxes anywhere will be deemed to be a resident of India.
  - The definition of 'not ordinary resident' has been tightened.

- The budget also proposes tax being imposed on Indian citizens abroad if they are not taxable in their home country.
- There are some **challenges in implementing** the above changes. For example in the case of UAE, where people are technically taxed but the tax rate is zero, it is still not clear if these Indian ex-pats working in the UAE would be taxed.

### **Customs Duty:**

- Customs duty on a range of articles like household goods, electrical appliances, auto parts, footwear, furniture, and some mobile phone parts has been raised in the Union Budget.
- The move is aimed to **keep uncontrolled dumping in check.** This will help uphold the interests of the MSME segment.

#### Tax on e-commerce transactions:

- The budget proposed a new tax levy on e-commerce transactions as part of measures to widen the tax base.
- E-com platforms will have to **deduct TDS** on all payments or credits to e-commerce participants at the rate of 1% in PAN/Aadhaar cases and 5% in non-PAN/Aadhaar cases.
- The scheme, however, provides an exemption to small businessmen, individuals and HUF who receive less than ₹5 lakh and furnish PAN/Aadhaar.

## **Fiscal management:**

- The slow growth rate in India poses challenges to fiscal consolidation.
- Given the government intends to provide stimulus to the slowing economy through tax cuts, it will further affect fiscal deficit management.
- The central government has proposed, taking a 0.5% deviation from fiscal deficit targets under the Fiscal Responsibility and Budget Management law to end 2019-20 with a 3.8% deficit. It has proposed to attain a 3.5% deficit in the 2020-21 fiscal year.
- Section 4 (2) of the Fiscal Responsibility and Budget Management (FRBM) Act provides for a trigger mechanism for a deviation from the estimated fiscal deficit on account of structural reforms in the economy "with unanticipated fiscal implications".
- The scope for an interest rate reduction is now ruled out with a higher fiscal deficit number.

• An increase in the fiscal deficit will put further pressure on inflation, which is on the rise. The scope for interest rate reduction by the RBI will not have much scope.

### **Deposit Insurance scheme:**

- The budget has proposed to increase the deposit insurance coverage for bank deposits to ₹5 lakh from ₹1 lakh.
- This move will give a big comfort to depositors amid the ongoing crisis in the financial system of India and specifically in the NBFCs.
- The Deposit Insurance and Credit Guarantee Corporation (DICGC) had proposed to increase the deposit insurance limit to the ₹3-5 lakh range following the crisis at PMC Bank.
- The DICGC Act will have to be amended to increase the deposit cover.
- Notably, the increase in deposit cover will increase the cost for the banks.

### **Disinvestment:**

- The budget proposes a massive target of ₹2.1 lakh crore for the financial year 2020-21, as compared to a target of ₹1.5 lakh crore in the current financial year.
- The plan is to raise ₹90,000 crores by selling a stake in public sector banks and financial institutions, and the remaining by selling a stake in central public sector enterprises.
- As part of the disinvestment process, the government is planning to sell a part of its stake in the Life Insurance Corporation of India through an initial public offering.
- This would require the government to amend the LIC Act since the act states that the capital of the LIC will be wholly subscribed by the Government of India.

#### **Infrastructure:**

• 1.7 lakh crore had been provided for transport infrastructure in 2020-21.

## Digital connectivity:

• The budget has allocated ₹6,000 crores under **the BharatNet program** to enhance broadband connectivity in rural areas. There is also the proposal

for a new policy to allow **private players to set up data parks** in the country.

### Air transport:

• 100 more airports will be developed by 2025 to support the UDAN scheme, aimed at better regional connectivity.

### Roadways:

• The Road Transport and Highways Ministry saw an increase of 10% in its budgetary allocation, but a large chunk of it is through **monetization of national highways by the NHAI.** 

### **Shipping:**

- The government proposes to make seaports more efficient through the use of technology.
- The budget announces that at least **one major port would be corporatized** and then listed on the stock exchanges. The allocation for the Ministry of Shipping has seen an increase of 18%.

## Railways:

• The budget emphasizes increasing private participation in Indian railways. As part of this, it proposes 150 trains under the public-private partnership (PPP) mode and the redevelopment of four stations with the help of the private sector.

## Power and Renewable energy:

- The Union Budget has allocated ₹22,000 crores to the power and renewable energy sector in 2020-21, aiming to improve the financial health of power distribution firms.
- The proposals for **prepaid smart metering and freedom to choose power suppliers** will lay the ground to bring competition in the sector and give consumers a choice. This will increase the efficiency of the whole system.
- The Budget provisions have given impetus to clean energy and power.
  - o The budget proposes **expansion of the national gas grid** from the present 16,200 km to 27,000 km. Reforms would be undertaken to

- facilitate transparent price discovery and ease of transaction for natural gas.
- The proposal for the building of solar power capacity along railway tracks in railway-owned land and support to farmers to set up solar power facilities connected to the grid will help boost solar power production in India.
- The budget announces a concessional income tax rate of 15% for new power companies. This will help new investments in renewable power.

### **Social Sector:**

### Healthcare:

- The government has announced an outlay of about ₹69,000 crores for the health sector in the 2020-2021 Budget with ₹6,400 crores earmarked for the Centre's flagship health insurance scheme, Prime Minister Jan Arogya Yojana (PMJAY).
- Centre will provide viability gap funding to set up hospitals in PPP mode under Ayushman Bharat.
- The budget also proposes the **expansion of the Jan Aushadhi Kendra** Scheme to all districts.
- The government has proposed setting up of medical colleges in existing district hospitals under the Public-Private Partnership (PPP) model to address the shortage of qualified doctors.

#### **Education:**

• The budget proposes **enabling external commercial borrowings and FDI** in higher education.

## 71. Rail, flight services to transport farm produce

## Agriculture, Irrigation and Rural Development

- o The govt has announced 16 point agenda
  - Comprehensive measures for 100 water-stressed districts proposed
  - Blue Economy

- Fisheries exports worth Rs. 1 lakh Cr by 2024-25.
- 200 lakh tonnes of fish production by 2022-23.
- 3477 Sagar Mithras and 500 Fish Farmer Producer Organisation.

### Railways

- Kisan Rail to be setup by Indian Railways through PPP.
- To build a seamless national cold supply chain for perishables (milk, meat, fish,etc).
- Express and Freight trains to have refrigerated coaches.

### Civil aviation

- Krishi Udaan to be launched by the Ministry of Civil Aviation.
- Both international and national routes to be covered.
- One-Product One-District
  - Will help in better marketing and export in the Horticulture sector.
- Balanced use of all kinds of fertilizers traditional organic and innovative fertilizers
- Measures for organic, natural, and integrated farming
  - Organic products market to be strengthened through Jaivik Kheti Portal.
  - Zero-Budget Natural Farming to be included.
  - Integrated Farming Systems in rain-fed areas to be expanded.
  - Multi-tier cropping, bee-keeping, solar pumps, solar energy production in non-cropping season to be added.
- Expansion of PM-KUSUM
  - 20 lakh farmers to be provided for setting up standalone solar pumps.
  - Another 15 lakh farmers to be helped to solarise their grid-connected pump sets.
  - Scheme to enable farmers to set up solar power generation capacity on their fallow/barren lands and to sell it to the grid.
- Village Storage Scheme

- Will be run by the SHGs to provide farmers a good holding capacity and reduce their logistics cost.
- NABARD to map and geo-tag agri-warehouses, cold storages, reefer van facilities, etc.
- Viability Gap Funding for setting up such efficient warehouses at the block/taluk level.
- Food Corporation of India (FCI) and Central Warehousing Corporation (CWC) to undertake such warehouse building.
- Financing on Negotiable Warehousing Receipts (e-NWR) to be integrated with e-NAM.
- State governments who undertake implementation of model laws (issued by the Central government) to be encouraged.
  - Model Agricultural Land Leasing Act, 2016.
  - Model Agricultural Produce and Livestock Marketing (Promotion and Facilitation) Act, 2017.
  - Model Agricultural Produce and Livestock Contract Farming and Services (Promotion and Facilitation) Act, 2018.
- Livestock Doubling of milk processing capacity to 108 MMT from 53.5 MMT by 2025.

## 72. Removal of DDT will boost investments: CBDT

#### Context

Union Budget 2020-21.

## Background

- The budget proposed the removal of the Dividend Distribution Tax (DDT) payable by the companies.
- Currently, companies are required to pay a 15% tax plus applicable surcharge and cess on the dividends. Further, investors who receive more than ₹10 lakh as a dividend in a financial year have to pay a 10% tax on such income.

• Centre has removed 15% tax plus applicable surcharge and cess on dividends, currently paid by companies. The dividend will now be taxed only in the hands of the investors.

### Significance

### The benefit to the non-residents:

- Currently, non-residents are being taxed at a higher rate than the treaty rate with the possibility of no tax credit in the home country.
- With dividend now being proposed to be taxed in the hands of the investors at their applicable slab rate, non-residents would get some relief with respect to the tax payable.
- This would help increase the attractiveness of the Indian equity market.

### Addressing inequity in dividend taxation:

- While the DDT is applicable at a rate of 15%, the **effective rate reaches 20.56% due to surcharge and cess**. Additionally, individuals were required to pay another 10% plus surcharge if the dividend income exceeded 10 lakh in a fiscal.
- A single rate of taxation is always unfair and morally wrong as it favours taxpayers who are in higher tax brackets and works against those who are in lower tax brackets, thus leading to inequity in dividend taxation.
- The government believes that the new regime would encourage individuals in the low-income bracket to invest in the capital market as the tax incidence would drop significantly. A person with an income up to 5 lakh will not have to pay tax on dividend income as against 20.56% paid by them indirectly.
- The taxpayers in the low-income budget would benefit from the abolition of the DDT as the tax to be paid by them on their dividend income would be less than what they were earlier paying indirectly through it.

#### **Increase investments:**

- The proposal will make more investors look at **debt mutual fund products** since, under the prevailing framework, the effective DDT on such products was between 38% and 50%.
- The proposed move which will avoid double taxation applicable to dividends and bring down effective rates will help **increase investments**.

### 73. Falling short of aspirations

#### Introduction

This article analyses the budget on four important aspects:

- Skill development allocation
- On flagship welfare schemes
- Getting private investment
- Bonds and startups

### 1. Skill development allocation

- According to the Finance minister India is in need of skilled labour and there is demand for teachers, paramedical staff and caregivers.
- Industry is looking for candidates who are talented, well-educated and is ready to pay them well, but it requires candidates with quality education and skills
- The Indian Youth fail on both fronts due to the poor quality of education and lack of opportunities to acquire practical skills

Still, the Finance Minister has allocated a paltry ₹3,000 crore for skill development.

- Skilling will require massive investment and concerted efforts.
- The Budget could have **given tax incentives to companies** to provide internships and on-site vocational training to unemployed youth.
- The country cannot afford to let the world's largest workforce waste this way.

## 2. on flagship welfare schemes

The **Budget falls well short of expectations when it comes to boosting demand**. Budgetary allocations for the Pradhan Mantri KIsanSAmman Nidhi (PM-KISAN) and the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) are disappointing.

• The **MGNREGA** is allocated 61,500 crore (2020-21), which is less than 71,000 crore for the current fiscal year (2019-20).

- In current times when the levels of unemployment are at their peak, the demand for employment under the MGNREGA will only increase.
- All of this would require much higher allocations for the scheme, which are entirely justified as the MGNREGA expenditure is also known to have high multiplier effects through boosting consumption demand in rural areas.

Going by the 2019, disbursement under the **PM-KISAN** will also be less than budgeted, unless the beneficiary base is expanded. This is unfortunate.

These two schemes are **good instruments for income transfers to small and marginal farmers**, landless labour who spend most of their income and generate demand for a wide range of goods and services.

Budgetary allocations for health and education are also well below what is needed.

Higher disbursement under these schemes would have benefited most sectors of the economy.

### On the positive side

- Focus of schemes such as **micro irrigation schemes** for 100 water-stressed districts is welcome
- The allocation of ₹1.7 lakh crore for **transportation infrastructure** is also a welcome step.

#### Recommendation

- Rural roads, cold storage, and logistical chains are crucial for the growth of income and employment in rural India, as the multiplier effects of rural infrastructure investment on growth and employment are large and extensive.
- There is need of investment in these segments and one should also monitor where the money is invested and how it is spent.
- If it materializes it will lend credence to the government's stated commitment to revive the investment cycle to spur job-creating growth

## 3. Getting private investment

• The Budget has taken steps in a hope of private infrastructure investment through public-private partnership (PPP) and external sovereign wealth funds by giving 100% tax exceptions in the Budget.

- But private investment depends on the cost of capital along with the certainty of returns.
- Many projects have been stalled in contractual disputes with government departments and various regulatory hurdles.
- All these factors make infrastructure investment unnecessarily risky and render these projects unattractive for investors.

### 4. Bonds and startups

#### a. Bonds

- The fundamental problem of infrastructure finance is the asset-liability mismatch which can be addressed only by developing a vibrant 'corporate bond market. However, the focus of the Budget is the multiple schemes for government bonds mainly through additional room for foreign portfolio investors and exchange traded funds in government bonds. These are welcome moves but are not enough'.
- A well-developed bond market should **draw upon domestic insurance funds**, pension funds and mutual funds which are capable of investing in corporate bonds across different schemes.

### b. Start ups

# 1. Employee Stock Option Plan (ESOP)

It is an employee benefit scheme which enables employees of a company to purchase a certain number of shares of that company.

- The price of the stock, referred to as Exercise Price, is either pre-decided at a lower rate than their existing market value or an employee is offered a certain percentage of his/her monthly stipend in the form of company's stocks.
- It is an efficient tool that improves remuneration mechanism and employee retention.

# **Budget 2020 on ESOP**

• At present, ESOPs are taxable as perquisites at the time of exercise, which leads to cash-flow problems for employees who do not sell the shares immediately and continue to hold the same for the long term.

- Budget 2020 has proposed to defer ESOP taxation in the hands of the employees of Startup companies.
  - Employees will now have to pay tax not at the time of allotment of securities but at the time of exit from the company or selling the shares or for a period of 5 years whichever is earlier

### 2. Angel tax

- An Angel Investment is an investment made by an angel investor. An Angel investor, more often than not, invests only in startups or new companies that are yet to get great recognition. Such investors identify promising startups and invest heavily in them in return of ownership, equity or convertible debt.
- Angel tax in India is a unique tax where a startup has to pay a certain percentage of the angel investment they receive to the Government of India, under specified conditions.
- But the Budget has not abolished the angel tax that results in harassment of start-ups and their investors is unfathomable.

### Other important initiatives

- Another welcome feature is the scheme to allow the non-banking financial companies into the Trade Receivables Discounting System (TReDS) an ecosystem that aims to facilitate the financing and settling of trade-related transactions of small entities with corporate and other buyers, including government departments and public sector undertakings.
- To reduce the compliance burden on small retailers, traders and shopkeepers who comprise the Small and Medium-sized Enterprises (SMEs) sector, the threshold for audit of the accounts has been increased from ₹1 crore to ₹5 crore for those entities that carry out less than 5% of their business transactions in cash.
- The Finance Minister has recognized the need to revive the dying spirit of the private sector. Accordingly, she has assured decriminalization of several civil offences by firms under the Companies Act.
  - The abolition of dividend distribution tax, and the assurance that tax-related disputes will be considered with compassion might deliver the expected results provided these promises are fulfilled in letter and spirit.

#### **Conclusion:**

• Everything considered, the future of the economy will turn on whether the government walks the talk in terms of public investment and the promises made to different sections of society including the taxpayer and companies.