

Chanakya Mandal Pariwar

"Where Civil Service is service to People and Service to Nation"

MONTHLY MAGAZINE

SEPTEMBER 2020

Avinash Dharmadhikari

(Ex-IAS, 1986)

(Founder-Director-Teacher, Chanakya Mandal Pariwar)

Prepared By

Anand Bathia | Viraj Kothari | Girish Kotecha



सत्यमेव जयते

UPSC RESULTS 2019-20

140+

TOTAL SELECTIONS

Out of total 829 selected by UPSC this year. This is the highest number of selections in our history

7+

IN TOP 20 IN COUNTRY

This is also the highest number of selections in top 20 in our history

21+

IN TOP 100 IN COUNTRY

This is also the highest number of selections in top 100 in our history

19+

STATES to which our selected candidates belong

This shows our progress towards being a truly all-India organisation

||CHANAKYA MANDAL PARIWAR||



WHERE CIVIL SERVICE IS SERVICE TO PEOPLE,
SERVICE TO THE NATION

For admissions, call 9018189189

Index for the month of September

1. POLITY

1.1 MISSION KARMAYOGI	06
1.2 QUESTION HOUR AND ZERO HOUR	07
1.3 DIGITAL EDUCATION DIVIDE	09
1.4 GLOBAL INNOVATION INDEX 2020	10
1.5 GILGIT-BALTISTAN	11
1.6 IN-SPACE TO BE NEW SPACE INDUSTRY REGULATOR	12
1.7 THE FARMERS (EMPOWERMENT AND PROTECTION) AGREEMENT ON PRICE ASSURANCE AND FARM SERVICES BILL, 2020	13
1.8 THE FARMERS' PRODUCE TRADE AND COMMERCE (PROMOTION AND FACILITATION) BILL, 2020	16
1.9 THE ESSENTIAL COMMODITIES (AMENDMENT) BILL, 2020	17
1.10 SUSPENSION OF MP'S FROM HOUSE	18
1.11 THE FOREIGN CONTRIBUTION (REGULATION) AMENDMENT BILL, 2020	20
1.12 THE MAJOR PORT AUTHORITIES BILL, 2020	22
1.13 PRADHAN MANTRI YUVA YOJANA	23
1.14 JAMMU AND KASHMIR OFFICIAL LANGUAGES BILL, 2020	24
1.15 NATIONAL MEDICAL COMMISSION	25
1.16 HEALTH IN INDIA REPORT RELEASED BY MINISTRY OF STATISTICS AND PROGRAM IMPLEMENTATION (MOSPI)	27
1.17 ISSUES OF ALL NORTHEAST REBEL GROUPS WILL BE SETTLED BY 2024: UNION HOME MINISTER	28
1.18 DEFENCE ACQUISITION PROCEDURE (DAP) - 2020	29

2. ECONOMY

2.1 PM SVANidhi: MICRO CREDIT SCHEME FOR STREET VENDORS	32
2.2 NEW FDI POLICY IN DEFENCE SECTOR	33
2.3 INCREASED FISCAL DEFICIT	34
2.4 EASE OF DOING BUSINESS: RANKINGS OF STATES	35
2.5 AATMANIRBHAR BHARAT ARISE: ATAL NEW INDIA CHALLENGE	37
2.6 REVISED PRIORITY SECTOR LENDING GUIDELINES	39
2.7 GDP CONTRACTED BY 23.9% IN FIRST QUARTER	40
2.8 MULTI-CAP FUND	41
2.9 INFLATION STAT FOR THE MONTH OF AUGUST	42
2.10 MSP RAISED FOR RABI CROPS	44
2.11 CAG REPORT ON CESS AND LEVEIES	45

2.12 PRIVATISATION OF DISCOMS	46
2.13 VODAFONE WINS INTERNATIONAL ARBITRATION AGAINST INDIA IN RETROSPECTIVE TAX CASE	47
2.14 DOMESTIC SYSTEMICALLY IMPORTANT INSURERS (DSIIS)	48
2.15 FASTER ADOPTION AND MANUFACTURING OF HYBRID & ELECTRIC VEHICLES IN INDIA (FAME INDIA)	48
2.16 FACELESS APPEALS LAUNCHED BY CENTRAL BOARD OF DIRECT TAXATION (CBDT)	49
2.17 ESG FUNDS BECOMING POPULAR IN INDIA	49

3. INTERNATIONAL RELATIONS

3.1 INDO-PACIFIC TRILATERAL DIALOGUE	51
3.2 INDIAN GOVERNMENT BANNED 118 MORE APPS	52
3.3 INDIA-BANGLADESH RIVERINE TRADE ROUTE	54
3.4 G20 FOREIGN MINISTERS MEET	54
3.5 US-INDIA STRATEGIC PARTNERSHIP FORUM	55
3.6 UNSC REJECTS PAKISTANI ATTEMPTS TO DESIGNATE TWO INDIANS AS TERRORISTS	56
3.7 LOGISTICS AGREEMENT SIGNED BETWEEN INDIA-JAPAN	57
3.8 INTRA-AFGHAN TALKS	58
3.9 ABRAHAM ACCORD: ISRAEL, UAE AND BAHRAIN	59
3.10 DJIBOUTI CODE OF CONDUCT	61
3.11 INDIA-USA: BECA (BASIC EXCHANGE AND COOPERATION AGREEMENT)	63
3.12 NATIONAL SECURITY ADVISORS MEET: NSA	64
3.13 75 YEARS OF UN	65
3.14 SOUTH ASIAN ASSOCIATION FOR REGIONAL COOPERATION (SAARC)	69

4. ENVIRONMENT

4.1 PROJECT DOLPHIN	72
4.2 REVIEW OF NATIONAL FOREST POLICY	73
4.3 LAUNCH OF BAMBOO CLUSTERS	75
4.4 EARN, DON'T BURN THE PADDY STUBBLE	76
4.5 FRAME RULES FOR DISPOSAL OF CIGARETTE BUTTS: NGT	78
4.6 PRICING FOREST: NET PRESENT VALUE ASSESSED	79
4.7 LIVING PLANET REPORT	79
4.8 CONSERVATION OF WETLANDS	81
4.9 BLUE FLAG CERTIFICATION	83
4.10 ENVIRONMENT POLLUTION (PREVENTION AND CONTROL) AUTHORITY (EPCA)	84
4.11 CLIMATE CHANGE AND FOREST FIRE	85

5. SOCIAL ISSUES

5.1 KIRAN: MENTAL HEALTH REHABILITATION HELPLINE	88
5.2 HUMAN CAPITAL INDEX 2020	89
5.3 VISITING ADVANCED JOINT RESEARCH (VAJRA) FACULTY SCHEME	90
5.4 JNANPITH AWARD	90
5.5 TWO YEARS OF AYUSHMAN BHARAT SCHEME	90

6. SCIENCE AND TECHNOLOGY

6.1 HYPERSONIC TECHNOLOGY DEMONSTRATION VEHICLE	93
6.2 DATA EMPOWERMENT AND PROTECTION ARCHITECTURE	94
6.3 GIANT RADIO GALAXIES	96
6.4 BIOGENIC METHANE HYDRATE	97
6.5 'FELUDA' TEST FOR COVID-19	98
6.6 ABHYAS HIGH-SPEED EXPANDABLE AERIAL TARGET CONDUCTED	99
6.7 HYDROGEN FUEL CELLS-BASED VEHICLES	99
6.8 DATA SONIFICATION: NASA	101
6.9 NASA'S ARTEMIS PROGRAM	102
6.10 PRITHVI-2 MISSILE	103
6.11 BHARATI SCRIPT	104

7. TOPIC OF THE MONTH

7.1 BASIC STRUCTURE DOCTRINE: KESAVANANDA BHARATI CASE	105
7.2 WORLD TOURISM DAY 2020	107

1. POLITY

1.1 MISSION KARMAYOGI

WHY IN NEWS?

- **Recently**, the Union government has rolled out the long overdue reform of the Indian bureaucracy. **Mission Karmayogi** - the **National Programme for Civil Services Capacity Building (NPCSCB)** aims to transform capacity-building in the bureaucracy through institutional and process reforms.
- According to the government, 'Mission Karmayogi' envisages to **prepare Indian civil servants for the future** by making them more **creative, constructive, imaginative, innovative, proactive, professional, progressive, energetic, enabling, transparent and technology-enabled**.

AIM AND OBJECTIVES:

- It is aimed at building a future-ready civil service with the **right attitude, skills and knowledge, aligned to the vision of New India**.
- It aims to prepare Indian civil servants for the future by making them more **creative, constructive, imaginative, proactive, innovative, progressive, professional, energetic, transparent, and technology-enabled**.
- Comprehensive reform of the capacity building apparatus at the **individual, institutional and process levels** for efficient public service delivery.

RATIONALE BEHIND THE MISSION:

- At present bureaucracy is facing challenges like- **Rule orientation, political interference, inefficiency with promotions** and generalist and specialist conflict etc.
- To change the status quo of civil services and bring about the long pending **civil services reforms**.
- The capacity of Civil Services plays a vital role in rendering a wide **variety of services, implementing welfare programs and performing core governance functions**.

BENEFITS OF THE MISSION

- **Rule Based to Role Based:** The programme will support a **transition from rules-based to roles-based HR management**, so that work allocations can be done by matching an official's competencies to the requirements of the post.
- **Domain Training:** Apart from domain knowledge training, the scheme will focus on functional and behavioural competencies also.
 - It will provide an opportunity for civil servants to **continuously build and strengthen their Behavioral, Functional and Domain Competencies** in their self-driven and mandated learning paths.
- **Uniform Training Standard:** It will harmonise training standards across the country, so that there is a common understanding of India's aspirations and development goals.
- **Vision For New India:** Mission Karmayogi is aimed at building a future-ready civil service with the right attitude, skills and knowledge, aligned to the vision of New India.
- **On Site Learning:** It will emphasize on 'on-site learning' to complement the 'off-site' learning.
- **Adoption Of Best Practices:** It will encourage and partner with the best-in-class learning content creators including public training institutions, universities, start-tips and individual experts.

MISSION KARMAYOGI: SIX PILLARS OF THE NATIONAL PROGRAMME FOR CIVIL SERVICES CAPACITY BUILDING

Developing Competencies to Serve Citizens



iGOT- Karmayogi platform

- iGOT stands for Integrated Govt. Online training' (iGOT).
 - It is a portal on the Ministry of HRD's DIKSHA platform for the purpose of capacity building.
- iGOT-Karmayogi is a **continuous online training platform**, which would allow all government servants from assistant secretary to secretary level to undergo continuous training, depending on their domain areas.
- All kinds of Courses from international universities will be made available on the platform for officers to take.

CONCLUSION

To conclude, the **ultimate aim** of Mission Karmayogi is to ensure “**Ease of Living**” for the common man, “**Ease of Doing Business**” and **Citizen-Centricity** that is reducing the gap between the government and the citizens. This can only be achieved by regular and constructive involvement by the government and civil servants.

1.2 QUESTION HOUR AND ZERO HOUR

WHY IN NEWS?

- Recently, the Central government has decided to **suspend the Question Hour** and curtail **Zero Hour** for **Monsoon Session**. This has been done in view of the **Covid-19 pandemic**.

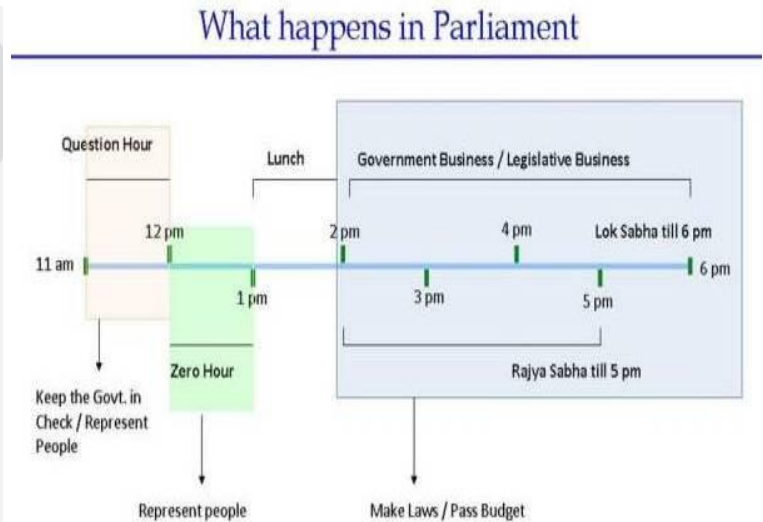
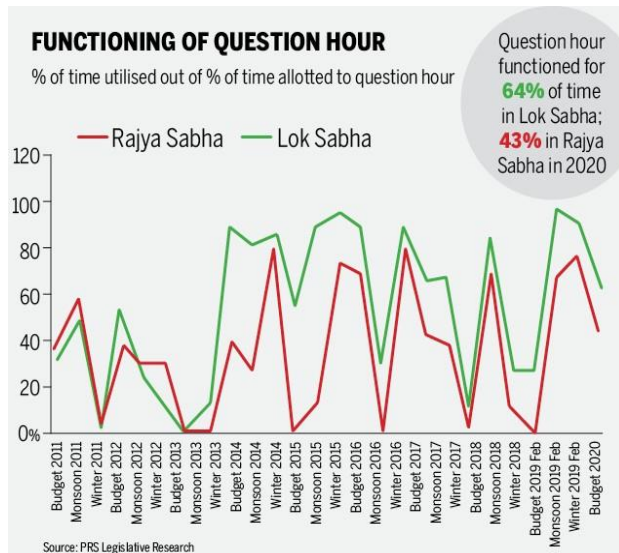
QUESTION HOUR:

- **Definition:** The **first hour of every parliamentary sitting** is slotted for the Question Hour. However, in 2014 the Question Hour was shifted in the **Rajya Sabha from 11 am to 12 noon**.
- During this one hour, Members of Parliament (MPs) ask **questions to ministers** and hold them accountable for the functioning of their ministries.
- The questions can also be asked to the **private members** (MPs who are not ministers).
- **Regulation:** It is regulated according to **parliamentary rules**.
- The **presiding officers of the both Houses** (Rajya Sabha and Lok Sabha) are the **final authority** with respect to the conduct of Question Hour.

KINDS OF QUESTIONS:

- There are three types of questions asked.
 - **Starred question** (distinguished by an asterisk)- this requires an **oral answer** and hence supplementary questions can follow.
 - **Unstarred question**- this requires a **written answer** and hence, supplementary questions cannot follow.
 - **Short notice question** is one that is asked by giving a **notice of less than ten days**. It is answered **orally**.

- **Frequency:** Question Hour in both Houses is held on all days of the session. But there are two days when an exception is made.
 - When the **President addresses MPs** from both Houses.
 - The President's speech takes place at the beginning of a new Lok Sabha and on the first day of a new Parliament year.
 - On the day the Finance Minister presents the **Budget**.



ZERO HOUR:

- Zero Hour is an **Indian parliamentary innovation**. It is not mentioned in the **parliamentary rules book**.
- Under this, MPs can raise matters **without any prior notice**.
- The zero hour starts immediately after the question hour and lasts until the agenda for the day (i.e. regular business of the House) is taken up.
 - In other words, the **time gap** between the question hour and the agenda is known as zero hour.

IMPACT:

- Over the last 70 years, MPs have successfully used the parliamentary device of 'Question Hour' to shine a light on government functioning.
- Their questions have **exposed financial irregularities** and brought data and information regarding government functioning to the **public domain**.
- Suspension of the Question Hour would mean that the **Opposition would lose the right to question the government**. Also, the **Ministers are not liable to reply to the issues raised during the Zero Hour**.
- This would mean that the **MPs would not be able to hold the government accountable** for its action. This will go **against the spirit of parliamentary democracy**.

CRITICISM OF GOVERNMENT'S MOVE:

- The right of parliamentarians to demand answers from the council of ministers is essential to **maintain parliamentary democracy**, which is premised on the accountability of the executive to the legislature.
- However, in the upcoming session, the question hour has been suspended, thereby **removing the only avenue which obliges ministers to immediately respond to queries from the MPs**.

- **Parliament** is the **beacon of legislative functioning** and its functioning will set the precedent for Vidhan sabhas to follow in the future.
- The rest of the business of Houses was tightly controlled and set by the government, leaving only Question Hour to hold the government accountable.
- Suspension of Question Hour is not good sign in democratic principles especially in a parliamentary democracy.
- The move to suspend Question Hour due to pandemic and to find alternate options was not discussed with leaders of political parties and groups.

CONCLUSION:

- The **test of a functioning democracy** is its ability to face crises – social, economic, political and seek **correctives premised on institutions of democracy**.
- A resort to what has been called ‘**the politics of avoidance**’ does not help the process. **Executive accountability** upfront cannot be allowed to become a thing of the past.

1.3 DIGITAL EDUCATION DIVIDE

WHY IN NEWS?

- A recent report on the latest **National Statistical Organisation (NSO)** survey shows the **stark digital divide across States, cities and villages, and income groups**.
- Schools across the country are **closed for six months** due to **Covid-19**. This means vastly different things for different people like many who have access to digital resources are getting online education, those who do not have such resources are devoid of education.

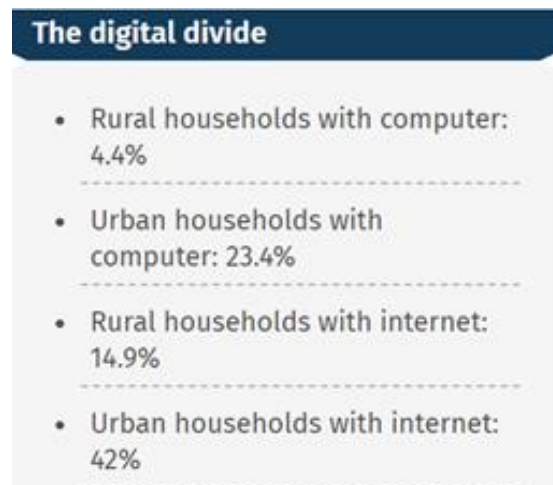
KEY POINTS

- **Access to Computers and Internet:**
 - Across India, **only one in ten households have a computer** – whether a desktop, laptop or tablet.

Almost **25% of all homes** have **Internet** facilities, accessed via a fixed or mobile network.

- **Urban-Rural Divide:**

Most of the Internet-enabled homes are located in **cities**, where **42% have Internet access**. In rural India, however, **only 15% are connected to the internet**.



- **Access and Utilization Gap:** 20% of Indians above the age of 5 years had basic digital literacy,

REGIONAL DISPARITY

- The **national capital** has the **highest Internet access**, with **55%** of homes having such facilities.
- **Himachal Pradesh and Kerala** are the only other States where more than half of all households have Internet.
- Odisha is at the bottom with **only one in ten homes** having Internet.
- There is less than 20% Internet penetration, even in States with software hubs such as Karnataka and Tamil Nadu.

DISPARITY DUE TO ECONOMIC STATUS:

- The **biggest divide** is by economic status, which the NSO marks by dividing the population into five equal groups, or **quintiles**, based on their usual monthly per capita expenditure.
- **Even in Odisha**, almost **63%** of homes in the **top urban quintile** have Internet facilities.
- In the poorest quintile of **rural Odisha**, however, that figure drops to an abysmal **2.4%**.

INTRA-STATE INEQUALITY:

- **Kerala** shows the **least inequality** with more than 39% of the poorest rural homes having Internet, in comparison to 67% of the richest urban homes.
- **Himachal Pradesh** also fares well, with 40% of the lowest rural quintile having Internet.
- **Assam** shows the **starkest inequality**, with almost 80% of the richest urban homes having the Internet access denied to 94% of those in the poorest rural homes in the State.

GOVERNMENT INITIATIVES:

- The Centre has directed State Education Departments to **map the online access available to all their students** in order to **adequately plan curriculum and teaching methods** that can reach such students.
- **New Education Policy: National Education Policy, 2020** aims at making “India a global knowledge superpower” by introducing several changes from the school to college level in the Indian education system with **special emphasis on digital education**.
- **DIKSHA (Digital Infrastructure for Knowledge Sharing) platform-** DIKSHA is the national platform for school education available for all states and the central government for grades 1 to 12 and was launched in September 2017.
 - As part of **PM eVidya** announced under the Atmanirbhar Bharat programme, DIKSHA is the ‘**one nation; one digital platform**’ for school education in India.
- **Swayam Prabha TV Channel-** To support and reach those who do not have access to the internet.
- **Online MOOC courses-** Online Massive Open Online Course MOOC courses relating to NIOS (grades 9 to 12 of open schooling) are uploaded on **SWAYAM portal**; around 92 courses have started and 1.5 crore students are enrolled.
- **On Air - Shiksha Vani, DAISY** by NIOS for differently-abled, **e-PathShala-** Radio broadcasting is being used for children in remote areas who are not online (especially for grades 1 to 5).

WAY FORWARD

To begin with, we need to **promote and ensure digital literacy** among the masses, primarily uninterrupted Internet connectivity and mobile network signals in rural areas.

1.4 GLOBAL INNOVATION INDEX 2020

WHY IN NEWS?

- Recently, the Global Innovation Index 2020 was released by the **World Intellectual Property Organisation (WIPO,HQ: Geneva)** in association with **Cornell University and INSEAD**
- India is at the 48th position in the list of top 50 innovative countries.
- India occupied the 52nd position in 2019 rankings.

ABOUT GII 2020:

- **Theme: Who will Finance Innovation?**
- **Switzerland, Sweden, the USA, the UK and Netherlands** are the top five countries.

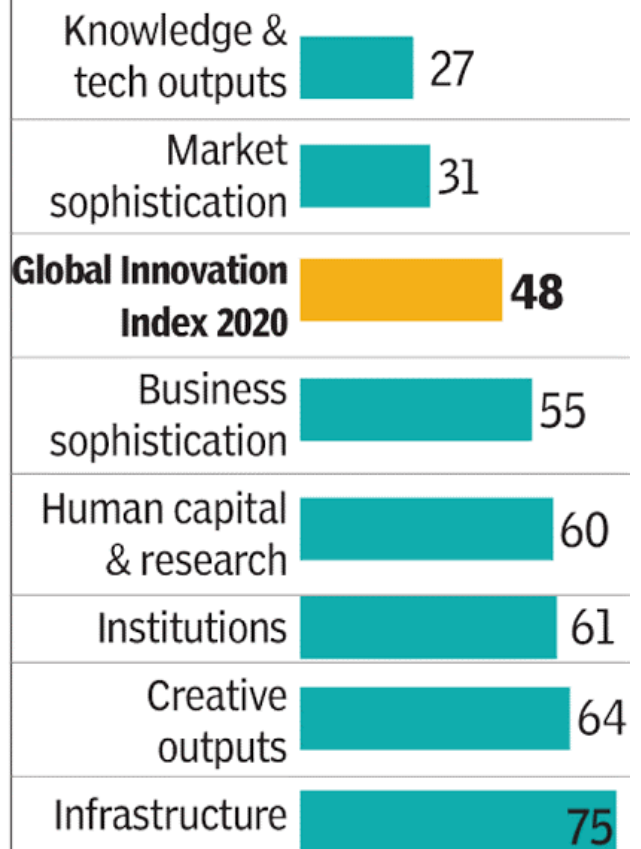
- With a group of Asian economies advancing up the rankings, the index indicates that "a gradual eastward shift in the locus of innovation" is underway.
- In Asian economies, **China, India, the Philippines and Vietnam** have made the most progress on the index in recent years, with all four now among the top 50.
- India is one of the leading innovation achievers in the central and southern Asian region, as it has shown a consistent improvement in its innovation ranking for the last 5 years.
- China, which is the only middle-income economy among the top 30, now holds the 14th position.

INDIA AND GII 2020:

- India has become the **third most innovative lower-middle-income economy** in the world.
- India ranks in the **top 15** in indicators such as the **Information and Communication Technology (ICT) services exports, government online services, graduates in science and engineering, and Research and Development-intensive global companies.**
- India improved the most in three pillars: **Institutions (61st), business sophistication (55th), and creative outputs (64th).**
- The consistent improvement in the index rankings is owing to the immense **knowledge capital, the vibrant startup ecosystem, and the amazing work done by the public and private research organisations.**
- The **India Innovation Index 2019** which was released by the **NITI Aayog**, has been widely accepted as the major step in the **direction of decentralisation of innovation across all the states of India.**

AHEAD IN KNOWLEDGE, LAGGING IN INFRA

India's rankings across categories



TOI FOR MORE INFOGRAPHICS DOWNLOAD **TIMES OF INDIA APP**   

1.5 GILGIT-BALTISTAN

WHY IN NEWS?

- Recently, Pakistan has decided to elevate Gilgit-Baltistan's status to that of a full-fledged province.
- Gilgit-Baltistan is one of the disputed territories of India.



HIGHLIGHTS:

CURRENT STATUS:

- It is an **autonomous region** now and with this elevation, it will become the **5th province of PAKISTAN**.
- Currently, Pakistan has four provinces namely Balochistan, Khyber Pakhtunkhwa, Punjab, and Sindh.

CHRONOLOGY:

- 1999: **Pakistan's Supreme Court** ruled that the people of Gilgit-Baltistan are Pakistani citizens and directed the federal government to start appropriate administrative and legislative measures.
- 2009: The **Gilgit-Baltistan Empowerment and Self-Governance Order** was introduced, whereby the Northern Areas were renamed as Gilgit-Baltistan and the region was given province-like status but without representation in Parliament.
- 2015: A committee constituted by the federal government proposed giving Gilgit-Baltistan the status of a province.
- 2018: A new order was introduced which transferred **all powers of the Gilgit-Baltistan council to its assembly**.

This elevation will lead to **adequate representation from the province on all constitutional bodies, including the National Assembly and the Senate**.

The Government will also start working on the **Moqpondass Special Economic Zone (SEZ) under the China Pakistan Economic Corridor (CPEC)**.

- SEZs work as an engine for economic growth supported by quality infrastructure complemented by an attractive fiscal package, both at the Centre and the State level, with the minimum possible regulations.
- Other Developments by China in Pakistan-occupied Kashmir under CPEC:
 - Diamer-Bhasha Dam.
 - Kohala hydropower Project and Azad Pattan Hydel Power Project.

CPEC

- Flagship project of China's ambitious ***Belt and Road Initiative (BRI)***.
- Intends to promote connectivity across Pakistan with a network of **highways, railways, and pipelines** accompanied by **energy, industrial and infrastructure** development projects.
- Originally valued at **USD 46 billion**, the projects were worth over **USD 60 billion** as of 2017.
- India has protested to China over the CPEC as it is being laid through **Pakistan-occupied Kashmir**.



1.6 IN-SPACE TO BE NEW SPACE INDUSTRY REGULATOR

WHY IN NEWS?

- Recently, the Government of India has created the Indian National Space Promotion and Authorization Center (IN-SPACe), an independent nodal agency under the Department of Space.

HIGHLIGHTS:

- IN-SPACe, the new entity of the Department of Space, will have its own chairperson and board, and regulate and promote building of routine satellites, rockets and commercial launch services through Indian industry and startups.
- IN-SPACe, or Indian Space Promotion and Authorisation Centre, is touted as the body that will ensure a level playing field for Indian industry in a fast-growing global space sector.
- It will function autonomously and parallel to ISRO.

FUNCTIONS:

- **Encourage, promote and handhold the private sector for their participation in the Space Sector.**
 - Currently, there are more than 500 private companies which partner with the Indian Space Research Organisation (ISRO) in carrying out various space activities.
 - They provide materials used in manufacturing, mechanical fabrication, electronic fabrication, system development, integration, etc.
- **Draw up an integrated launch manifest** considering the requirements for ISRO, **New Space India Limited (NSIL)** and private companies based on priorities and readiness level.
 - After these reforms are implemented fully, the role of NSIL would be to build launch vehicles, provide launch services, build satellites, provide space-based services, technology transfers, etc.
- **Work out a suitable mechanism to offer sharing of technology, expertise and facilities on free of cost wherever feasible or at reasonable cost basis to promote private companies.**
 - The government will allow utilising those infrastructures of ISRO which are otherwise not available elsewhere in India.

The decision of IN-SPACE shall be final and binding on all stakeholders including ISRO and private players will not be required to seek separate permission from ISRO.

1.7 THE FARMERS (EMPOWERMENT AND PROTECTION) AGREEMENT ON PRICE ASSURANCE AND FARM SERVICES BILL, 2020

CONTEXT:

- It replaces the Ordinance promulgated in June 2020. The Bill provides a framework for farmers to engage in contract farming, i.e. farming as per an agreement with the buyer before sowing, under which farmer sells produce to the buyer at a pre-determined price.

KEY FEATURES OF THE BILL:

- **Farming agreement:** The Bill provides for a farming agreement prior to the production or rearing of any farm produce, aimed at facilitating farmers in selling farm produce to sponsors. Such agreement may be between: (i) a farmer and a sponsor, or (ii) a farmer, a sponsor, and a third party.
- State governments may establish a registration authority to provide for the electronic registry of farming agreements.
- The agreement may provide for mutually agreed terms and conditions for supply, quality, standards, price of farming produce and farm services
- **Duration of agreement:** The minimum period of an agreement will be one crop season, or one production cycle of livestock. The maximum period will be five years
- **Pricing of farming produce:** The price to be paid for purchase of farming produce by the sponsor (including methods of determining any price) may be mentioned in the agreement. In case the price is **subject to variation**, the agreement **must include:** (i) a **guaranteed price** to be paid for such produce, and (ii) a **clear price reference** for any additional amount over and above the guaranteed price, including bonus or premium.
- **Payment:** In case of **seed production**, the Bill requires the sponsor to pay at least **two-third** of the **agreed amount at the time of delivery**. **The remaining amount** can be paid after due certification within **30 days from the date of delivery**. **For all other cases**, the entire agreed amount must be paid **at the time of delivery** and a receipt slip must be issued with the details of sales proceeds.
- **Dispute Settlement:** The Bill requires a farming agreement to provide for a conciliation board (comprising of representatives of parties to the agreement) and a conciliation process for settlement of disputes.
 - At first, all disputes must be referred to the board for resolution. If the dispute remains unresolved by the Board after thirty days, the Sub-Divisional Magistrate (SDM) may be approached for resolution.
 - Parties can appeal to an Appellate Authority (presided by collector or additional collector) against decisions of the SDM. Both SDM and Appellate Authority will be required to dispose a dispute within 30 days from the receipt of application.

2020 FARM ACTS

10 Ways The Laws Strengthen The Indian Agriculture



An ecosystem to develop where farmers and traders can **sell or purchase** of agri-produce freely

It will promote **barrier-free** inter-state and intra-state trade and commerce

The farmers will **not be charged** any cess or levy for sale of produce

Electronic trading transaction platform for farmers

Farmers will do **direct marketing** without intermediaries

Price assurance to farmers even before sowing of crops

Transfer the risk of market unpredictability from the farmer to the sponsor

Access to **modern technology**, better seed and other inputs

Effective dispute resolution mechanism

Scale up investments from private investors

MERITS OF THE BILL

- **Investments in agriculture** - investments in machinery, irrigation facilities, seeds etc. by contracting buyer.
- **Better technology** - farmers may get access to new technologies like genetic technology, improved sowing and harvesting methods etc.
- **Assured income** - farmers will get pre-determined (in contract) prices in cases of slump in prices of food and additional prices in times of market price rise.
- **Improved productivity** - productivity of food crops, especially high valued crops may increase due to better inputs and investments
- **Small and marginal farmers** - may benefit due to contracts. Earlier they were unable to market their product due to low quality and productivity.
- **Doubling farmer's income**- It may help in achieving the aim of doubling farmer's income by 2022-23.
- **Horticulture sector** - horticulture products like fruits may get boost as it requires high initial investment and infrastructure like cold processing.
- **Food processing sector** - development of food processing industries as farm produce may match industry requirement due to contracts.
- **Development of forward and backward linkages** - due to development of infrastructure and
- **Boost to rural economy**- rural economy is intricately linked to farmer's income which will increase due to contracts.
- **Easy access to loans**- farmers may get easy access to institutionalized loans on the basis of contracts.

CONCERNS RAISED OVER THE IMPACT OF BILL

- **Corporatisation of agriculture** - choice of food crops and quality will be dictated by corporates and industry choices rather than traditional eating habits, farmer's choice.
- **Farmers in weaker position** - Farmers will be in weaker position while negotiating with big companies and industries.
- **Dispute mechanism**- courts are not involved. Farmers especially small and marginal may not get proper representation before administration which act as dispute settlement platform.
- **Lack of bargaining power**- with big corporate especially small and marginal farmers. Farmers may also face issues in implementation and in cases of exploitation.
- **Pricing issues** - No mechanism for fixing price. There is apprehension that there may be exploitation of farmers at the hands of corporates.
- **Ecological concerns** - Contracts may force farmers in increasing productivity using excessive uses of fertilizer and genetic modified crops which may be harmful for soil qualities, biodiversity in long run.
- **Constitutional issues** - agriculture comes under state list. Parliament passing bill on state issue can be challenged in courts and is against spirit of federalism

WAY FORWARD

- While contract farming is good step in improving agriculture, government should ensure that farmers participate in contract as equal partners and some safeguards mechanism should be included so that farmers are not exploited.

1.8 THE FARMERS' PRODUCE TRADE AND COMMERCE (PROMOTION AND FACILITATION) BILL, 2020

WHY IN NEWS:

- It seeks to allow barrier-free trade of farmers' produce outside the physical premises of the markets notified under the various state **Agricultural Produce Marketing Committee laws (APMC Acts)**. The Bill will prevail over the APMC Acts in the area outside such markets.

KEY FEATURES OF BILL:

- **Barrier-free trade:** The Bill allows barrier-free intra-state and inter-state trade of farmers produce outside:
 - (i) The physical premises of market yards run by the state APMCs and
 - (ii) Other markets notified under the state APMC acts, such as private market yards and sub-yards, collection centers, and farmer-consumer markets.
- Under the Bill, the trade of farmers' produce can be undertaken **anywhere outside such markets**, such as in places of production, collection, and aggregation, including: (i) farm gates, (ii) factory premises, (iii) warehouses, (iv) silos, and (v) cold storages.
- **Farmer:** The Bill defines farmer as an individual who is engaged in the production of farmers' produce, by self or by hired labor, and includes an FPO (farmer producer organization). An FPO means an association or group of farmers: (i) registered under any law, or (ii) promoted under a central or state government scheme
- **Payment to farmers:** Traders transacting with farmers must make payments for scheduled farmers' produce on the same day, or within maximum three working days provided a receipt is given to farmers on the same day.
- **Electronic trading platforms:** The Bill provides for setting up of electronic trading platforms to facilitate direct and online buying and selling of farmers' produce, resulting in physical delivery of the produce
- The central government may prescribe modalities for such platforms
- **No fees to be levied by states:** The Bill prohibits the state governments and APMCs from levying any market fee, cess, or any other charge on the trade of scheduled farmers' produce outside the APMC notified markets.

POSITIVE IMPACT OF BILL

- **Single national market** - Barrier free intra and interstate trade will form single national agricultural market.
- **Better discovery of price** - Farmers will get better prices for their produce and will not be forced to sell their produce at prices decided by few traders at APMC mandis.
- **Investment in agriculture**- Better return for farm produce will in turn result in investment in agriculture and increase in productivity.
- **Doubling the farmers' income** - increased income of farmers may fulfill the aim of doubling the farmers' income by 2022-23.
- **Food processing industries** - Free access to farms produce to buyers outside APMC may increase inputs to food processing industries thus developing it and increase their export potential.
- **Decrease cost to consumers** - Taxes, charges currently levied in APMC will no longer be required. This will decrease cost of farm products to consumers and reduce food inflation and increase nutrition levels.
- **Elimination of intermediaries** - Intermediaries in APMC results in exploitation of farmers.
- **Empowering farmers** - It gives control over their produce and equal playing field with respect to buyers, aggregators, wholesalers etc.

POSSIBLE NEGATIVE IMPACT OF BILL

- **Direct encroachment of states' rights** - Since agriculture and markets are State subjects entry 14 and 28 respectively in List II, the Acts are seen as a direct encroachment upon the functions of the states and against the spirit of cooperative federalism enshrined in the Constitution.
- **Loss of states revenue** - Market fee, rural development fee, and Arhatiya's commission are large source of revenue for states. With states not permitted to levy market fee/ cess outside APMC states like Punjab and Haryana may lose Rs.3500crores and Rs.1600crore each year.
- **Dismantling of MSPs** - Farmers are apprehensive that these Acts would pave the way for dismantling of the minimum support price (MSP) system and leave the farming community at the mercy of big corporates.
- **Impact on electronic trading** - Electronic trading like in e-NAM uses physical mandis structure. In case of dismantling of mandis, future of electronic transaction is questionable.
- **Loss of employment** - Commission agents and other people connected with mandis may lose employment if farm trade move out of mandis.

WAY FORWARD:

- Government should consult stakeholders and state governments. Their concerns should be addressed. Farmers should assured regarding continuation of MSP and if possible should be included in the Act.

1.9 THE ESSENTIAL COMMODITIES (AMENDMENT) BILL, 2020

INTROUCTION:

- The Act empowers the central government to control the production, supply, distribution, storage, and trade of essential commodities.
- The Bill seeks to increase competition in the agriculture sector and enhance farmers' income.
- It seeks to provide that stock limits on agricultural produce can be applied only in extraordinary circumstances based on price rise.

KEY FEATURES:

- **Regulation of food items:** The Bill provides that the central government can regulate the supply of certain food items (as may be notified), including cereals, pulses, potato, onions, edible oilseeds, and oils, only under extraordinary circumstances.
Such circumstances include: (i) war, (ii) famine, (iii) extraordinary price rise, and (iv) natural calamity of grave nature.
- **Imposition of stock limit:** The Act empowers the central government to **regulate the stock of an essential commodity that a person can hold. The Bill specifies that stock limits should be imposed only based on price rise.**
 - A stock limit may be imposed on agricultural produce only if there is:
 - A 100% increase in the retail price in case of horticultural produce, or
 - A 50% increase in the retail price in case of non-perishable agricultural food items.
 - The increase will be calculated over the price prevailing twelve months ago, or the average retail price of the last five years, whichever is lower.
- **Exemption:** The Bill provides that any stock limit imposed on agricultural produce will not apply to a processor or value chain participant if the stock held by such person is less than:
 - the overall ceiling of installed processing capacity, or
 - Demand for export in case of an exporter.

- A value chain participant includes any person engaged in value addition to the produce at any stage, starting from production in the field to final consumption. These stages include processing, packaging, storage, transport, and distribution of agricultural produce.

POSITIVE IMPACT OF BILL

- **Reduce regulatory interferences** - It will remove fears of private investors of excessive regulatory interference in their business operations.
- **Freedom to trade** - the freedom to produce, hold, move, distribute and supply will lead to harnessing economies of scale.
- **Increase investments** - less regulations will attract private and foreign direct investments into the agricultural sector.
- **Improve infrastructure** - Investments in cold storages and modernization of the food supply chain.
- **Decrease wastages** - which occur due to lack of storage facilities.
- **Price stability** - it will help both farmers and consumers.
- **In sync with markets** - Essential commodities Act was passed when India faced shortages in food production. Now amendments were required as India produces excess of food grains.

POSSIBLE NEGATIVE IMPACT OF BILL

- **Infringe upon state power** - It is highly centralized law and infringe upon states power as they will not be able to regulate hoarding.
- **Black marketing and hoarding** - The stock limit relaxations under the ECA may lead to black marketing and hoarding rather than benefitting the producers.
- **Inflation** - unnecessary and excessive stocking may lead to inflation for consumers.
- **Monopoly of few** - Monopoly of large corporates by stocking large amount of produce thus controlling prices and dictating these prices to farmers.
- **Impact on PDS** - Excessive stocking and hoarding may dismantle PDS.
- **Unrealistic stock limits** - Stock limits are so high that they will hardly be invoked leaving Act toothless

1.10 SUSPENSION OF MP'S FROM HOUSE

WHY IN NEWS?

- Eight Rajya Sabha MPs were suspended for unruly behavior in the House. Reason for suspension was to maintain order so that the House can function smoothly.

POWER TO SUSPEND RAJYA SABHA MPS

- With regard to Lok Sabha Rule Number 373 of the Rules of Procedure and Conduct of Business says: "The Speaker, if is of the opinion that the conduct of any Member is grossly disorderly, may direct such Member to withdraw immediately from the House, and any Member so ordered to withdraw shall do so forthwith and shall remain absent during the remainder of the day's sitting."
- The Chairman of Rajya Sabha is empowered under **Rule Number 255** to "direct any Member whose **conduct is in his opinion** grossly disorderly to withdraw immediately" from the House.
- Unlike the Speaker, however, **the Rajya Sabha Chairman does not have the power to suspend a Member**. The House may, by another motion, terminate the suspension.

- The House may adopt a motion suspending the Member from the service of the House for a period not exceeding the remainder of the session.

SUBSTANTIVE REASONS FOR DISRUPTIONS

1. **Discussion on matters of controversy and public importance:** a number of disruptions in Parliament stem from discussions on either listed topics that are controversial, or unlisted matters that are of public importance.
2. **Grandstanding by the leaders and members of the opposition:** most disruptions to have been initiated by members of the opposition parties.
This is because the transaction of business in the Rajya Sabha and the Lok Sabha is, in some sense, as is only to be expected, driven by the government and subject to the interplay between various political groups and their associated ideologies.
3. **Privileging Party over Member:** The spate of large-scale disruptions may also be attributable to the privileging of the political party over the individual parliamentarian in the democratic setup.
Due to the application of the anti-defection law, an MP who, for instance, does not approve of disruptions on the floor of the House, may be compelled to toe the party line during parliamentary discussions, and be forced to tolerate or actively support disruptions by the leaders and other members of his party.
4. **Disruptions may help ruling party evade responsibility:** Such disruptions make it impossible for the Speaker/Chairman to conduct the Question Hour/Zero Hour, and, in some sense, allow governments to avoid answering questions that are posed to them

STRUCTURAL REASONS FOR DISRUPTIONS

1. **Lack of dedicated time for unlisted discussion:** disruptions also get triggered due to lack of adequate time for raising questions and objections in respect of matters that are not listed for discussion in a particular, or during a particular session, in general.
In this regard, it is also pertinent to mention that the increase in the number of parties in the House has led to a proportionate reduction in the amount of time available to each party for discussion.
2. **Scarce resort to disciplinary powers:** Another systemic reason why disruptions are not effectively prevented relates to the scarce resort to disciplinary powers by the Speaker of the Lok Sabha and the Chairman of the Rajya Sabha.
As a result, most members engaging in disorderly conduct are neither deterred nor restrained from engaging in such conduct.

WAY FORWARD

- **STRUCTURAL REFORMS**
 - **Composition of the Rajya Sabha:** A startling finding from the functioning of the parliamentary sessions studied was the high incidence of disruptions in the Rajya Sabha. This is attributable to a mismatch between the power of the Rajya Sabha in being able to check and balance government, and its composition, which is entirely political and delinked from federal interests.
 - The Rajya Sabha must be restored to its original function of espousing state interests at the federal level.
This can be effectively done if the residency requirements of MPs, who are elected, are strengthened such that persons are elected from states where they currently reside, or at least have resided in for a period of five years prior to their election.
 - **Inner Party Democracy**
 - **Provision for Opposition-led discussion in the House**
 - **Provision for Prime Minister's Questions**

- **Asymmetric structuring of sessions with sufficient flexibility**
- **SUBSTANTIVE REFORMS**
 - **Permission to intervene, and the expression of a divergent view:** While the Lok Sabha and Rajya Sabha Rules provide comprehensive guidance on parliamentary etiquette, they do not regulate parliamentary interruptions per se, which are an acceptable form of intervention during parliamentary deliberations. Furthermore, the terms ‘interruption’ and ‘disruption’, which are often used in the documents supplied by the Lok Sabha and the Rajya Sabha Secretariat, have not been defined under the Lok Sabha and the Rajya Sabha Rules. As a result, it is impossible for MPs to distinguish between the kinds of interventions that are acceptable, and that are not.
 - Careful Structuring of Sessions and Debates
 - Ethics Committee Reforms
 - Preparation of reports on disruptions
 - Periodic Review of the Ethics Committee
 - **Reduction of salaries of suspended Members as a deterrent against misbehavior.** The Rules of the National Assembly in South Africa also provide for reduction of salaries of suspended members.

1.11 THE FOREIGN CONTRIBUTION (REGULATION) AMENDMENT BILL, 2020

WHY IN NEWS?

- The Lok Sabha has passed the Foreign Contribution (Regulation) Amendment (FCRA) Bill 2020 regarding non-governmental organizations (NGOs).
- The Act regulates the acceptance and utilization of foreign contribution by individuals, associations and companies.
- Foreign contribution is the donation or transfer of any currency, security or article (of beyond a specified value) by a foreign source.

KEY PROVISIONS OF BILL

- **Prohibition to accept foreign contribution:** Under the Act, certain persons are prohibited to accept any foreign contribution. These include: election candidates, editor or publisher of a newspaper, judges, government servants, members of any legislature, and political parties, among others.
- **Transfer of foreign contribution:** Under the Act, foreign contribution cannot be transferred to any other person unless such person is also registered to accept foreign contribution (or has obtained prior permission under the Act to obtain foreign contribution).
- **Aadhaar for registration:** The Bill adds that any person seeking prior permission, registration or renewal of registration must provide the Aadhaar number of all its office bearers, directors or key functionaries, as an identification document. In case of a foreigner, they must provide a copy of the passport or the Overseas Citizen of India card for identification.
- **FCRA account:** Under the Act, a registered person must accept foreign contribution only in a single branch of a scheduled bank specified by them. However, they may open more accounts in other banks for utilization of the contribution.
- **Reduction in use of foreign contribution for administrative purposes:** Under the Act, a person who receives foreign contribution must use it only for the purpose for which the contribution is received.
- Further, they must not use more than 50% of the contribution for meeting administrative expenses. The Bill reduces this limit to 20%.
- **Surrender of certificate:** The Bill adds a provision allowing the central government to permit a person to surrender their registration certificate.

- The government may do so if, post an inquiry, it is satisfied that such person has not contravened any provisions of the Act, and the management of its foreign contribution (and related assets) has been vested in an authority prescribed by the government.
- **Suspension of registration:** Under the Act, the government may suspend the registration of a person for a period not exceeding 180 days. The Bill adds that such suspension may be extended up to an additional 180 days.

CRITICISM OF THE FCRA BILL, 2020

- The legislation may be used to target political opponents and religious minorities.
- **Cripples NGO Functioning:** Due to the 20% cap, many NGOs will shut shop and many people will become jobless.
- **Double Standards:** On one hand the government invites foreign funds, but when such funds come for educational and charitable purposes, it is prevented.
- **Licence-Raj on NGOs:** The Bill assumes that all NGOs receiving foreign grants are guilty and thus makes Aadhar of office bearers as mandatory requirement.
- **Open the doors for Bureaucratic Harassment:** There is a thin line between enforcing transparency and using rules to allow official interference and harassment in the sector. Much of the present bill crosses that line and introduces a questionable degree of micro-management.

SIGNIFICANCE OF NGOS IN DEMOCRACY

- **Interest Aggregators and Interest Articulators:** Non-profit organizations play vital role in mobilizing public attention to societal problems and needs. They are the principal vehicle through which communities can give voice to their concerns.
- **Complements Government Machinery:** NGOs implement and monitor the government's welfare policies, operating at the grassroots level where the official apparatus is often non-existent.
- **Hold Government Accountable:** NGOs broaden governments accountability by ensuring government is responsive to citizens at large rather than to narrow sectarian interests.
- **Constructive conflict resolution:** In the international arena Track II diplomacy (involving non-governmental bodies) plays a crucial role in creating an environment of trust and confidence.
- **Acts as Safety Valve:** NGOs also provide a voice for marginal groups and social movements, offering a safety valve that prevents the country's millions of local mutinies from becoming uprisings.
- **Enriches Democratic Functioning:** NGOs foster pluralism, diversity and freedom. They also perform the role of Capacity Builders - providing education, training and spreading awareness.



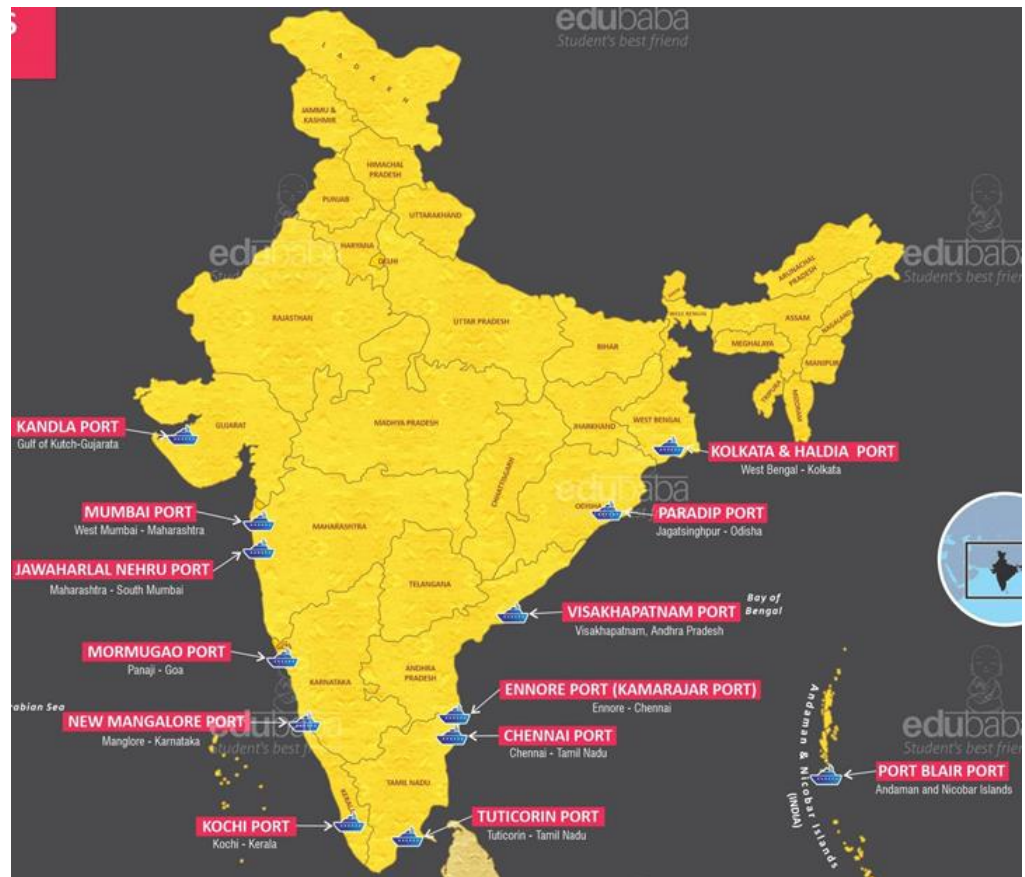
WAY FORWARD

- It is important for NGOs to achieve and maintain a high degree of transparency in not just their work but also their financials.
- NGOs need to keep their income and expenditure open to public scrutiny. However, credibility of an NGO cannot be decided against the touchstone of the source of funds, native or foreign.
- Also, the government must realise that seamless sharing of ideas and resources across national boundaries is essential to the functioning of a global community, and it should not be discouraged unless there is reason to believe the funds are being used to aid illegal activities.

1.12 THE MAJOR PORT AUTHORITIES BILL, 2020

CONTEXT

- The major port authorities bill, 2020 was passed by Lok Sabha which seeks to provide for regulation, operation and planning of major ports and provide greater autonomy to these ports. It will replace the Major Port Trusts Act, 1963.
- Bill aims at decentralizing decision making and to infuse professionalism in governance of major ports.



HIGHLIGHTS:

- **Application:** The Bill will apply to the major ports of Chennai, Cochin, Jawaharlal Nehru Port, Kandla, Kolkata, Mumbai, New Mangalore, Mormugao, Paradip, V.O. Chidambaranar, and Vishakhapatnam.
- **Major Port Authorities Board:** Under the 1963 Act, all major ports are managed by the respective Board of Port Trusts that have members appointed by the central government. The Bill provides for the creation of a Board of Major Port Authority for each major port. These Boards will replace the existing Port Trusts.
- **Composition of Board:** The Board will comprise of a Chairperson and a deputy Chairperson, both of whom will be appointed by the central government on the recommendation of a selection committee.
- Further, it will include one member each from (i) the respective state governments, (ii) the Railways Ministry, (iii) the Defence Ministry, and (iv) the Customs Department.

- **Powers of the Board:** The Bill allows the Board to use its property, assets and funds as deemed fit for the development of the major port. The Board can also make rules on: (i) declaring availability of port assets for port related activities and services, (ii) developing infrastructure facilities such as setting up new ports, jetties, and (iii) providing exemption or remission from payment of any charges on any goods or vessel
- **Fixing of rates:** Currently, the Tariff Authority for Major Ports, established under the 1963 Act, fixes the scale of rates for assets and services available at ports. Under the Bill, the Board or committees appointed by the Board will determine these rates.
- **Financial powers of the Board:** Under the 1963 Act, the Board has to seek prior sanction of the central government to raise any loan. Under the Bill, to meet its capital and working expenditure requirements, the Board may raise loans any financial institution
- Through this bill government seeks to reorient the governance model to **landlord port model** to bring transparency in operations of Major Ports.
 - In Landlord Port Model, ownership of the port remains with port authority.
 - Infrastructure is leased to private firms that provide and maintain their own superstructure and install their own equipment to handle cargo.
 - In return, landlord port gets a share of revenue from the private entity

CHALLENGES FOR SEAPORTS IN INDIA

- While India made great success in metro rails and airport infra, but shipping infrastructure has been neglected.
- We suffer from ageing fleet, manpower shortage, we do not have world class ports.
- Third-generation large sized ships are unable to enter our ports so their goods are first offloaded in Sri-lanka, then sent to India in smaller ships.
- Port congestion, delay in turnaround, takes lot of paperwork to load/unload cargo, customs clearance / inspection is slow, inadequate road and rail connectivity with the hinterland
- Privately owned minor ports are more efficient, whereas major ports suffer from labor unions and politicization of the Board of Directors.
- Problems of land acquisition and environmental clearances while setting up new ports.
- Indian Shipping companies buy / hire foreign ships at higher cost because domestic shipbuilding industry is underdeveloped. (Although shipping 'breaking' industry is well developed at Alang in Gujarat.)

CONCLUSION:

- Infrastructure is a critical determinant of economic growth. It has a direct bearing on investment, manufacturing sector, logistics and productivity. Aforementioned bill is important in that regards.

1.13 PRADHAN MANTRI YUVA YOJANA

WHY IN NEWS?

- Pradhan Mantri YUVA Yojana (Yuva Udyamita Vikas Abhiyan) is a centrally sponsored Scheme on entrepreneurship education and training being implemented by the Ministry of Skill Development and Entrepreneurship, Government of India.
- The Scheme aims at creating an enabling ecosystem for Entrepreneurship development through Entrepreneurship education and training; Advocacy and easy access to entrepreneurship support network and Promoting social enterprises for inclusive growth.

OBJECTIVES AND SPECIFIC DELIVERABLES

- Develop and deliver entrepreneurship education to all citizens free of charge through Massive Open On - line Courses (MOOCs) and other on - line programmes
- Design an assessment and certification mechanism.
- Connect entrepreneurs in enabling networks of peers, mentors, funds and business services
 - Create an "on - line market place" - a web based platform connecting entrepreneurs to each other for peer - to - peer networking and investors, financial institutions and business services such as legal, accounting, technology and HR services.
- Support entrepreneurs through Entrepreneurship Hubs (E - Hubs)
- Catalyze a culture shift to encourage entrepreneurship

1.14 JAMMU AND KASHMIR OFFICIAL LANGUAGES BILL, 2020

WHY IN NEWS?

- Bill seeks to include Kashmiri, Dogri and Hindi as the official languages in the newly created UT of Jammu and Kashmir.

HIGHLIGHTS

- The Bill will include Kashmiri, Dogri and Hindi as official languages in the newly-created Union Territory of Jammu and Kashmir.
- Only English and Urdu were official languages in the former State, which was bifurcated on 5th August 2019, with Ladakh becoming a separate Union Territory.
- The Bill not only fulfills a long-pending public demand of the region but also keeps with the spirit of equality.

CONSTITUTIONAL PROVISIONS

- Part XVII of the Indian Constitution deals with the official languages in Articles 343 to 351.
 - **Article 345:** Official language or languages of a State subject to the provisions of Article 346 and 347.
- The Constitutional provisions related to the Eighth Schedule are:
 - Article 344: Article 344(1) provides for the constitution of a Commission by the President on expiration of five years from the commencement of the Constitution and thereafter at the expiration of ten years from such commencement, which shall consist of a Chairman and such other members representing the different languages specified in the Eighth Schedule to make recommendations to the President for the progressive use of Hindi for official purposes of the Union.
 - Article 351: It provides for the spread of the Hindi language to develop it so that it may serve as a medium of expression for all the elements of the composite culture of India.

1.15 NATIONAL MEDICAL COMMISSION

WHY IN NEWS?

- **Recently, GoI National Medical Commission(NMC)**, constituted under NMC Act, 2019. Act, which would replace the Medical Council of India (MCI) as the country's medical education regulator.

ISSUES WITH MEDICAL COUNCIL OF INDIA (MCI)

- It has failed to create a **curriculum** that produces doctors suitable for Indian context, especially in rural / poor urban areas.

- It has failed to **maintain uniform standards** of medical education.
- There has been **devaluation of merit in admission**, particularly in the **private medical colleges**, due to prevalence of capitation fees in these colleges.
- There has been excessive focus on the infrastructure and human staff but without substantial evaluation of quality of teaching, training and imparting skills in medical institutions.
- MCI has failed to raise the **abysmally low doctor-population ratio**.
- It has failed to rationalize the setting up of Medical Colleges in the country as per **regional needs** and this has led to **geographical misdistribution** of the medical education resulting in concentration of institutes in some states while absence in others.
- In words of parliamentary committee, MCI had failed to *“produce a competent basic doctor. “MCI has put excessive focus on medical education at the cost of another mandate of upholding the ethical practice.”*
- Another issue concerns election as the mode selection for council seats. According to the IMC Act of 1956, “members of the Council shall be eligible for re-nomination or re-election.”
- The **regulation of ethics has fallen** off the MCI’s radar. Although the **Code of Ethics Regulations, 2002** outlines the proper **duties and responsibilities of physicians**, these responsibilities are **widely flouted**.
- One seldom-mentioned issue is that AYUSH-trained professionals administer allopathic treatments to patients even though the Code strictly states that “a person obtaining qualification in any other system of Medicine is not allowed to practice Modern system of Medicine in any form”.

ABOUT NMC

- NMC consists of a Chairperson; ten ex-officio members; and 22 part-time members who are appointed by the central government.
- Functions of NMC:
 - **Laying down policies** for regulating medical institutions and medical professionals.
 - **Assessing the requirements of human resources** and infrastructure in healthcare and medicines.
 - Ensuring **compliance by the State Medical Councils** with the regulations made under the Bill.
 - **Framing guidelines** for determination of fee for up to 50% of the seats in the private medical institutions.
 - The NMC will make guidelines for a new cadre of non-MBBS mid-level health service providers such as nurse practitioners and pharmacists with limited rights to prescribe Medicines.
 - NMC will work on modalities of **common final year exam after MBBS (NEXT- National Exit Test)**
- The commission consists of **four autonomous boards**:
 - Under-Graduate Medical Education Board (UGMEB),

- Post-Graduate Medical Education Board (PGMEB),
- Medical Assessment and Rating Board and
- Ethics and Medical Registration Board

Nursing a sick system back to health

With National Medical Commission (NMC) Act 2019 in force, an overarching body NMC has replaced the scam-tainted Medical Council of India. NMC will approve and assess medical colleges, conduct common MBBS entrance and exit examinations, and regulate medical course fees.

What NMC offers

PREVENT QUACKERY by punishing unqualified practitioners with imprisonment of up to one year with a fine of up to ₹5 lakh

REGULATE FEES and all other charges in 50% seats in private colleges and deemed-to-be universities

BRING TRANSPARENCY in medical education with four autonomous boards

REDUCE BURDEN on students with a common final-year MBBS exam—National Exit Test—for admission to PG courses and for getting licence to practice medicine

What NMC fails to address?

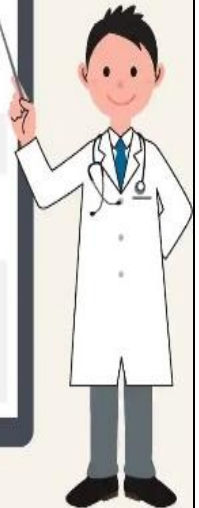
- ➡ **POSTGRADUATE** medical education
- ➡ **NO** guarantee of corruption-free education system
- ➡ **OVERCROWDING** of doctors in urban areas
- ➡ **NO** innovative ideas for improving the imparting of education
- ➡ **HEALTHCARE** infrastructure

Medical education: What the numbers say

479 Medical colleges in India	227 Government colleges	252 Private colleges
--	--------------------------------------	-----------------------------------



67,352 MBBS seats	31,415 Postgraduate seats
--------------------------------	--



CRITICISM OF NMC

- The constitution of the medical commission as proposed in the Act has issues of **subjugating federalism at multiple levels**. The nomination of important functionaries of the NMC will rest exclusively with the Centre
- The other contentious point in the NMC Act is the creation of a cadre of **Community Health Providers with the limited licence** to practice medicine at the mid-level. This will lead to compromise on the quality of health service in India. Also, there is ambiguity on which alternative health professionals will be allowed a licence.
- Besides failing to address people-centric issues like recommendations for retention of doctors in rural health services, the NMC Act appears to heavily favour private medical colleges.
- **The Act does not address the ills of postgraduate education at all**. Standard national curriculum and uniform teaching, surgical training and infrastructure standards for residency training, and a postgraduate board examination or a national exit examination to ensure uniform standards can be governed by the empowered subspecialty boards.
- **While the NMC has merely organizational differences from its predecessor MCI**, the provisions of the Act don't show a way of bringing in any fundamental change in the way the medical education in India is imparted

WAY FORWARD:

- The National Medical Commission Bill introduces much needed reform to the Indian accreditation system. This bill has the ability to revolutionize Indian Healthcare, and if above concerns are addressed then India can unlock its inner potential.

1.16 HEALTH IN INDIA REPORT RELEASED BY MINISTRY OF STATISTICS AND PROGRAM IMPLEMENTATION (MOSPI)

CONTEXT:

- The recently released 75th round report of the National Sample Survey focused on health issues including the status of the aged persons or elderly
- Report is based on data collected from July 2017 to June 2018, as part of 75th round of National Sample Survey.
- Total expenditure on health, by Centre and states, for FY20 was 1.29% of GDP. Of total public expenditure, Centre's share was 25%. Centre spends less as public health and sanitation are State subjects.

KEY FINDINGS

- Population availing treatment in **Public hospitals: About 42%** (46% in rural areas, 35% in urban areas).
- Population availing treatment in **Private hospitals (excl. charitable, NGO run): 55%** (52% in rural areas, 61% in urban areas).
- In rural areas, about 90% and in urban areas, about 96% childbirths were institutional (in Government/private hospitals).
- About 14% of the rural population and 19% of the urban population had health expenditure coverage.
- On an average, about Rs. 15,937 in rural India and Rs. 22,031 in urban India were spent as out-of-pocket medical expenditure (payments made directly by individuals) for hospitalization.
- **In rural India, about 72%** (52% male and 90% female) and in urban India 67% (43% male and 87% female) aged persons (60 and above) were **economically dependent on others**.
- **More 'Aged Women' living alone as compared to 'Aged Men'** - Gender wise distribution reveals that 7.2% of the aged women in rural areas and 5.5% of the aged women in urban areas are living alone
- **Ageing population is a cause of concern:** In India, the proportion of aged persons was around 6.7% in 1991 and has increased to 8.5% in 2011. In 2021, it is projected to increase further to 10%. Their increased proportion reduces the working age population, puts strain the health care system among other things. Governments will also be forced to spend more for aged persons as their proportion increases.

SHANTI SWARUP BHATNAGAR PRIZE

- It is given each year for outstanding **contributions to science and technology**.
- Disciplines covered are Biological Sciences, Chemical Sciences, Earth, Atmosphere, Ocean and Planetary Sciences, Engineering Sciences, Mathematical Sciences, Medical Sciences and Physical Sciences.
- **Eligibility:** Any citizen of India up to the age of 45 years. Overseas citizen of India and Persons of Indian Origin working in India are also eligible.
- The award is named after the founder Director of the Council of Scientific & Industrial Research.

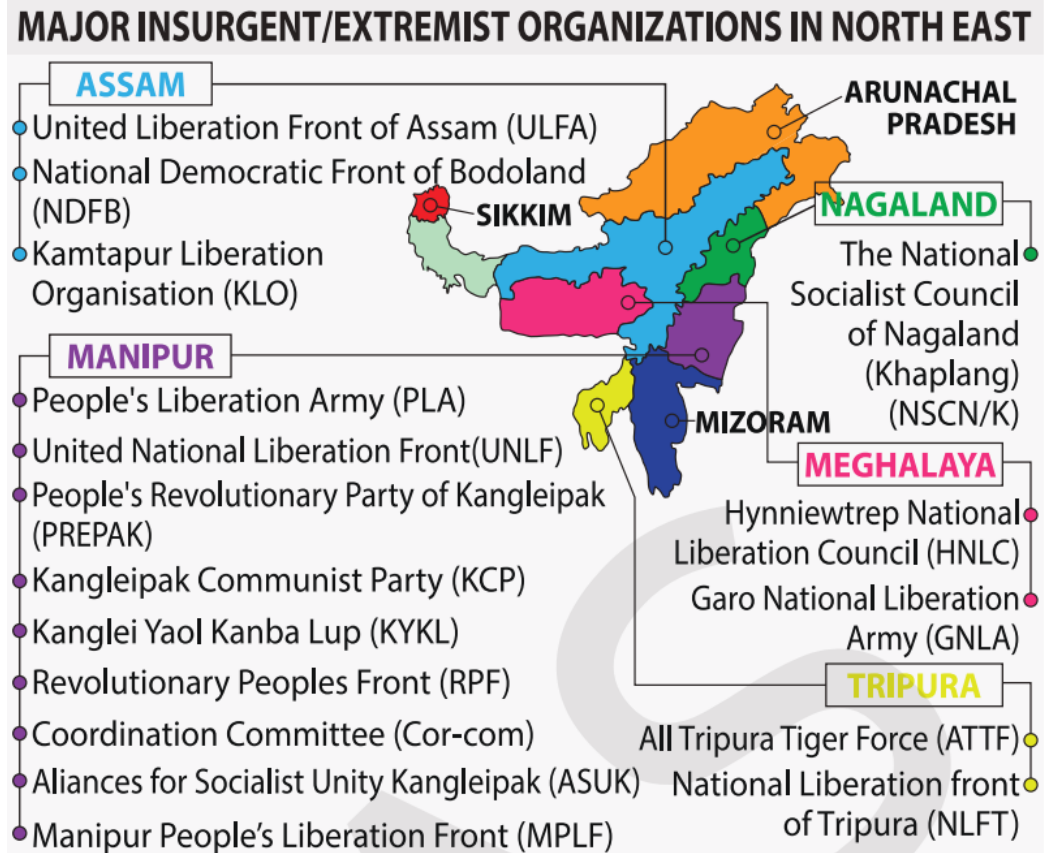
1.17 ISSUES OF ALL NORTHEAST REBEL GROUPS WILL BE SETTLED BY 2024: UNION HOME MINISTER

CONTEXT

- Recently, Union Home minister Amit Shah stated that insurgency in north east will be completely eliminated by 2024 due various efforts taken by union government.

REASONS

- Ethnic conflict as most ethnic groups in the region resent federal control or dominance by bigger ethnic groups.
- Ethnic and cultural specificities were ignored during the process of delineation of state boundaries in the 1950s, giving rise to discontentment and assertion of one's identity
- Poverty, unemployment, lack of connectivity, inadequate health care and educational facilities, feelings of neglect and non-participation in governing their own affairs have contributed to the insurgency in the region.
- Governance deficit, public perceptions of widespread corruption and a lack of accountability have also contributed to the creation of feelings of alienation in large sections of the local population.
- Policies often do not reflect the local ground realities and do not adequately address local sensitivities and the implementation of whatever policies there are has been unsatisfactory.
- There is a worrisome lack of interest in the North-East, a lack of understanding of their problems and a lack of appreciation of their concerns in the general populace in the rest of the country.
- Migration of people from the plains posing economic, cultural and political threat to the tribals.
- Hostile neighbours extending moral and material support owing to porous international borders.
- Lack of good leadership and popular support.
- Deep sense of alienation due to human right violation and excesses by security forces.
- Difficult terrain and weak infrastructure facilitating insurgents involved in conflict.



GOVERNMENT MEASURES

- Constitutional protection in Sixth Schedule** which protected not only the tribal laws, customs and land rights; but also gave sufficient autonomy to the tribes to administer themselves with minimum outside interference.
- Protected Area Permit:** Due to security reasons, certain areas have been declared as Protected

- Area/Restricted Areas where no foreigner can enter or stay without obtaining permit from the competent authorities.
- **Act east policy** to enhance economic cooperation with South East Asian countries will benefit North East.
- **Mizoram peace accord and recent Naga peace accord** to bring lasting peace and attaining development in North east.
 - Naga Peace accord 2015: The framework agreement is based on the "unique" history of Nagas and recognising the universal principle that in a democracy sovereignty lies with the people.
 - NSCN has given up its demand for 'Greater Nagaland' and vowed allegiance to the constitution of India. The details of the accord are yet to come in public domain.
 - Government of India has also made clear that existing boundaries of states will not be altered
- Infrastructural development
 - **Kaladan Multimodal project** to provide connectivity of North East with rest of India through Mizoram.
 - **Trilateral highway (Manipur) -Mandalay - Thailand)** will facilitate north east trade with South East Asia.
 - **Vision Hydrocarbon 2030** to leverage the hydrocarbon potential for the development of north east.

WAY FORWARD

- **Multi-stakeholder approach:** A wider representation not just of civil society, scholars and others, but also of professionals is required at any forum addressing the concerns in the North-East.
- **Understanding emotional and psychological aspects of the problems of the different states of the North-East:** Any meaningful policy for the North-East should address the specifics of each state and region.
- **Economic development:** Opening up of economy of this region may be expedited making way for new investments, acquiring of productive assets, reaching potential in tourism etc.
- **Tackling illegal immigration from neighbouring countries:** Identity cards and work permits for those who come for work should be made mandatory.
- **Improving Governance and delivery mechanisms** of the government and administration
- **Stress on Dialogue** as an ongoing process to reach concrete solutions by involving all the stakeholders and not a single group. Rebel groups must also be more pragmatic by seeking greater autonomy within the constitutional mandate rather than demanding newer states and regions based on ever narrowing ethnic and linguistic identities, which are beyond acceptance.
- Coordinating operations with the neighboring countries and use of force only when needed.
- **Draconian laws like AFSPA should be repealed** as it is one of the causes for inflating insurgency in north east.

1.18 DEFENCE ACQUISITION PROCEDURE (DAP) - 2020

CONTEXT

- Recently, a new Defense Acquisition Procedure (DAP) (erstwhile Defense Procurement Procedure or DPP), 2020 was released by the Ministry of Defense (MoD).
- DAP 2020 has been aligned with vision of Atmanirbhar Bharat and empowering Indian domestic industry through Make in India initiative with the ultimate aim of turning India into a global manufacturing hub.
- DAP will cover all Capital Acquisitions undertaken by Ministry of Defense and Service Headquarters both from indigenous sources and ex-import, except for medical equipment.

KEY HIGHLIGHTS

- **Reservation in Categories for Indian Vendors:** The categories of Buy(Indian-IDDM), Make I, Make II, Production Agency in Design & Development, OFB/DPSU and SP model will be exclusively reserved for Indian Vendors meeting the criteria of Ownership and Control by resident Indian Citizens with FDI not more than 49%. This reservation will provide **exclusivity in participation to domestic Indian industry.**

ENHANCEMENT OF INDIGENOUS CONTENT

- **Overall Enhancement in Indigenous Content (IC).**
- **IC Verification:** A simple and practical verification process has been instituted and IC will now be calculated on 'Base Contract Price' i.e. Total Contract Price less taxes & duties.
- **Indigenous Military Material:** Promoting use of indigenous military material with provisions for examination of platforms and other equipment/ systems and reward for vendors for using indigenous raw material.
- **Indigenous Software:** Provision for exploring options for operating base applications like Fire Control System, Radars, Encryption, Communications etc on indigenous software in Buy (Indian- IDDM) & Buy (Indian) cases has been included.

Category	DPP 2016	DAP 2020
Buy (Indian-IDDM)	Min 40%	Min 50%
Buy (Indian)	Min 40%	Indigenous design - Min 50% Otherwise - Min 60%
Buy & Make (Indian)	Min 50% of Make	Min 50% of Make
Buy (Global - Manufacture in India)	-	Min 50% of Buy plus Make
Buy (Global)	-	Min 30% for Indian vendors

- **Rationalization of Trial and Testing Procedures** - Scope of trials will be restricted to physical evaluation of core operational parameters.
- **Ban on Import of Certain Items:** With a view to promote domestic and indigenous industry, the MoD will notify a list of weapons/platforms banned for import.
- **Indigenization of Imported Spares:** Steps to promote manufacturing of parts in India have been taken. This includes establishment of co-production facilities through Intergovernmental Agreements (IGA) achieving 'Import Substitution' and reducing Life Cycle Cost.
- **Offsets** - The Offset guidelines have been revised, wherein preference will be given to manufacture of complete defence products over components and various multipliers have been added to give incentivisation in discharge of Offsets.
- **To Develop India into Global Manufacturing Hub:**
 - **FDI in Defence Manufacturing:** Provisions have been incorporated like a new category 'Buy (Global - Manufacture in India)', to encourage foreign companies to set up manufacturing through its subsidiary in India.

What are defense offsets?

- The offset is an obligation by an international player to boost India's domestic defense industry if India is buying defense equipment from it. Since defense contracts are costly, the government wants part of that money either to benefit the Indian industry, or to allow the country to gain in terms of technology.
- mechanism generally established with the triple objectives of: (a) partially compensating for a significant outflow of a buyer country's resources in a large purchase of foreign goods (b) facilitating induction of technology and (c) adding capacities and capabilities of domestic industry
- The first offset contract was signed in 2007.

2. ECONOMY

2.1 PM SVANidhi: MICRO CREDIT SCHEME FOR STREET VENDORS

WHY IN NEWS?

- The Union Housing and Urban Affairs Ministry recently said over 5 lakh applications had been received under the PM Street Vendor's Atmanirbhar Nidhi (PM SVANidhi) scheme for street vendors since it started on July 2 and 1 lakh loans have been sanctioned already.

OVERVIEW OF THE SCHEME:

- It is a special micro-credit facility plan to provide affordable loan of up to ₹10,000 to more than 50 lakh street vendors, who had their businesses operational on or before 24 March 2020.
- The scheme is valid until March 2022.
- Small Industries Development Bank of India is the technical partner for implementation of this scheme.
- It will manage the credit guarantee to the lending institutions through Credit Guarantee Fund Trust for Micro and Small Enterprises.

IMPLEMENTING AGENCY:

- Ministry of Housing and Urban Affairs has signed MoU with Small Industries Development Bank of India (SIDBI) in order to engage SIDBI as the Implementation Agency for the scheme.
- SIDBI will manage the credit guarantee to the lending institutions through Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE).

LOANS UNDER THE SCHEME:

- Under the scheme, vendors can avail working capital loan of up to ₹10,000, which is repayable in monthly instalments within one year.
- On timely/early repayment of the loan, an interest subsidy of 7% per annum will be credited to the bank accounts of beneficiaries through Direct Benefit Transfer (DBT) on six-month basis.
- There will be no penalty on early repayment of loan.

ELIGIBILITY:

- The scheme is applicable to vendors, hawkers, thelewalas, rehriwalas, in different areas/contexts who supply goods and services. Street vendors belonging to the surrounding peri-urban/rural areas are also included.

WAY FORWARD

- The loans through the scheme would help to kick-start activity for vendors who have been left without any income due to the impact of Covid-19 and lockdown.
- Despite multiple schemes running for the street vendors, there are various gaps in implementation, identification, awareness and accessibility of various schemes which should be plugged in a timely manner.

SIDBI:

- Small Industries Development Bank of India (SIDBI) was set up on 2nd April 1990 under an Act of Parliament.
- It acts as the Principal Financial Institution for Promotion, Financing and Development of the Micro, Small and Medium Enterprise (MSME) sector as well as for co-ordination of functions of institutions engaged in similar activities.
- It publishes MSME Pulse Report.

2.2 NEW FDI POLICY IN DEFENCE SECTOR

WHY IN NEWS?

- Recently, the Union Cabinet approved a new **Foreign Direct Investment (FDI)** policy in the defence sector which allows the FDI through automatic approval to be increased from 49% to 74%.

BACKGROUND

- Earlier, the defense industry can bring FDI up to 49% under the **automatic route**, and above it **under government route**.
- However, the new policy has a '**National Security**' clause as a condition which has been proposed by the **Ministry of Commerce and Industry**.

HIGHLIGHTS

- **National Security Clause:** FDI in the defense sector shall be subject to scrutiny on the ground of **National Security** and the **Government reserves the right to review** any foreign investment in the defense sector that may affect national security.
- **Strengthening Indigenous Manufacturing:** Through more **liberalized FDI policy** the government is seeking to **attract foreign players** to set up manufacturing units in India.
 - It has been focusing on the **defense sector to act as an engine for boosting manufacturing in the country** and is **aiming** to achieve a turnover of Rs 1.75 lakh crore, including exports worth Rs 35,000 crore, by 2025.
 - As of 2019, the defense industry, along with the aerospace and shipbuilding industry, was estimated to be worth Rs.80,000 crore, of which the share of Public Sector Units (PSUs) was nearly 80%.
 - The government has brought a **draft Defence Production and Export Promotion Policy 2020 (DPEPP 2020)**, which **aims** to provide an overarching guiding document to provide a focused, structured and significant thrust to defence production capabilities of the country for self-reliance and exports.
 - The government has also brought a **negative imports list** for defence equipment and a dedicated budget for capital acquisition from the domestic industry.
 - The negative imports list **contains a list of weapons that will not be imported** and can only be purchased from within the country.
 - It was done with an aim to **reduce the defence import bill**.
 - The government has **inaugurated two defence industrial corridors**, in **Tamil Nadu and in Uttar Pradesh**, to boost the flagship 'Make in India' programme that in turn would attract investments as well as encourage employment generation.

WAY FORWARD

- The new FDI policy has the **potential to reduce dependency on imports** in the defence sector and boost manufacturing in India.
- It will also **provide employment and business opportunities to the Indian businesses** and boost self-dependency.

2.3 INCREASED FISCAL DEFICIT

WHY IN NEWS?


- As per the official data, the Centre's **fiscal deficit** for the first three months of fiscal 2020-21 (April-June) was **Rs.6.62 lakh crore**, which is **83% of the budgeted target** for the year (Rs.7.96 lakh crore).
- As per the economists, the fiscal deficit may end up as high as **8% of the Gross Domestic Product (GDP)**, far exceeding the budget's goal of **3.5%**.

DEEP CUT

Govt revenues, spending & deficit (₹ cr)

Apr-Jun'19 Apr-Jun'20 %chg

	Apr-Jun'19	Apr-Jun'20	%chg
Gross tax revenue	400,421	269,686	-32.6
Net tax revenue	251,411	134,822	-46.4
Corporate tax	70,640	54,212	-23.2
Income tax	96,927	62,123	-35.9
Central GST	116,805	55,047	-52.9
Customs	39,480	15,416	-61
Excise	36,951	35,347	-4.3
Total expenditure	721,705	815,944	13



Fall in Income Component:

- The Union government has received **Rs. 1.53 lakh crore** (in terms of tax, non-tax revenue and loan recoveries) from April to June 2020.
- This is **less than 7% of budget estimates** for the full year.
- When economic activity has been stopped because of the pandemic and lockdown, government revenues are also going to come down.
- The Centre has also **transferred Rs.1.34 lakh crore to States as their share of taxes**, which is **Rs.14,588 crore lower** than the previous year.

INCREASE IN EXPENDITURE:

- The Centre's total expenditure for April-June was **Rs.8.15 lakh crore**, almost **27% of budget estimates for the year**.
- Due to spending on free food grains and rural job programme for millions of migrant workers.
- There has been a **40% growth in the first quarter capital expenditure** to **Rs.88, 273 crore**.
- This is historically high (in comparison to data from the last 20 years), in terms of year-on-year percentage growth for the first quarter.
- Increased capital expenditure implies increased spending on creation of assets such as infrastructure.
- Borrowings:** The reduced collections have forced the government to raise the amount it's borrowing this fiscal to a record **Rs.12 lakh crore from earlier estimates of Rs.7.8 lakh crore** to meet spending needs.

WAY FORWARD

- Given the level of contraction in the economy, the fiscal deficit is expected to be higher this year. In the current scenario, the most important thing is **to bring back confidence among consumers as well as businesses**. This will help in fuelling the economic recovery.

FISCAL DEFICIT:

- The **government describes fiscal deficit of India** as “the excess of total disbursements from the **Consolidated Fund of India**, excluding repayment of the debt, over total receipts into the Fund (excluding the debt receipts) during a financial year”.
- In simple words, it is a **shortfall in a government's income compared with its spending**.
 - The government that has a fiscal deficit is spending beyond its means.
- It is **calculated as a percentage of Gross Domestic Product (GDP)**, or simply as total money spent in excess of income.
 - In either case, the income figure includes only taxes and other revenues and **excludes money borrowed to make up the shortfall**.

FORMULA:

- **Fiscal Deficit = Total expenditure of the government (capital and revenue expenditure) - Total income of the government (Revenue receipts + recovery of loans + other receipts).**
- **Expenditure component:** The government in its Budget allocates funds for several works, including payments of salaries, pensions, etc. (**revenue expenditure**) and creation of assets such as infrastructure, development, etc. (**capital expenditure**).
- **Income component:** The income component is made of two variables, **revenue generated from taxes** levied by the Centre and the **income generated from non-tax variables**.
 - The taxable income consists of the amount generated from corporation tax, income tax, Customs duties, excise duties, GST etc.
 - Meanwhile, the non-taxable income comes from external grants, interest receipts, dividends and profits, receipts from Union Territories, among others.
- It is **different from revenue deficit** which is only related to revenue expenditure and revenue receipts of the government.
- The government **meets the fiscal deficit by borrowing money**. In a way, the total borrowing requirements of the government in a financial year is equal to the fiscal deficit in that year.
- The **Fiscal Responsibility and Budget Management Act, 2003** provides that the Centre should take appropriate measures to limit the **fiscal deficit upto 3% of the GDP by 31st March 2021**.
- The **NK Singh committee (set up in 2016)** recommended that the government should target a fiscal deficit of 3% of the GDP in years up to March 31, 2020 cut it to 2.8% in 2020-21 and to 2.5% by 2023.

2.4 EASE OF DOING BUSINESS: RANKINGS OF STATES

WHY IN NEWS?

- Recently, the **Department for Promotion of Industry and Internal Trade (DPIIT)**, Ministry of Commerce and Industry released the 4th edition of Ease of Doing Business Rankings based on the **State Business Reform Action Plan (State BRAP)**.
- **Andhra Pradesh** has topped the rankings followed by **Uttar Pradesh, Telangana, Madhya Pradesh and Jharkhand**. Tripura, Sikkim, Odisha were among the worst performers.

SIGNIFICANCE:

- The exercise is aimed at promoting competition among States with a view to improving the business climate to attract domestic as well as foreign investments.
- Commerce and Industry Minister Piyush Goyal said these rankings reflect the efforts that States and UTs are doing to better their systems and processes.
- It is also a wake-up call for those States which have slipped in the ranking.
- This was the fourth edition of the report, which was first released in 2015.
- The Business Reform Action Plan 2018-19 includes 181 reform points covering 45 business regulatory areas such as access to information, single window system, labour, and environment.
- The DPIIT in collaboration with the World Bank conducts an annual reform exercise for all States/UTs under the Business Reform Action Plan (BRAP).

METHODOLOGY:

- The latest rankings released on September 5, 2020 are based on the performance of states on a wide ranging list of 181 reform points drawn up by the government.
- This covers 45 business regulatory areas which were used to assess the efficacy and energy of their reforms.
- These included single window system, inspection enablers, paying taxes, utility permits, and environment, among others.
- However, the biggest were access to information & transparency enablers, labor regulation-enablers and construction permit enablers.
- The final ranking is based on two separate scoring systems with the majority of the assessment conducted on the basis of states providing evidence of reforms in policies and procedures undertaken by them.
- Ranking this time gives full weightage to the feedback from more than 30,000 respondents at the ground level, who gave their opinion about the effectiveness of the reforms.

ONE PRODUCT ONE DISTRICT PROGRAMME (OPOD):

- A programme where every district in the country will be focusing all its energies to expand the outreach of their production of their special products not only to the length and breadth of India but to the entire world.

OBJECTIVES:

- Preserve and develop local crafts and promote traditional art
- Increase incomes and local employment which will in turn result in decline in migration for employment
- Improve product quality and develop local skills
- Transform local products in an artistic way through packaging, branding
- Connect production with tourism through live demos and sales outlets for gifts and souvenirs
- Resolve issues of economic difference and regional imbalance
- Take the idea of ODOP programme to national and international levels after successfully implementing it at the state level

It is envisaged that at least ₹20 lakh crore worth of manufacturing output in India can be added in the next five years. This ₹20 lakh crore manufacturing output will provide scores of job opportunities and expand economic activity in the country,

2.5 AATMANIRBHAR BHARAT ARISE: ATAL NEW INDIA CHALLENGE

WHY IN NEWS?

- The **Aatmanirbhar Bharat ARISE-Atal New India Challenge (ANIC)** Program, launched by the government, is a **national initiative** to promote **research & innovation** and increase **competitiveness** of Indian **startups** and **Micro, Small and Medium Enterprises (MSMEs)**.

OBJECTIVES:

- To proactively collaborate with Ministries and the associated industries to **catalyze research, innovation and facilitate innovative solutions** to sectorial problems.

ADMINISTRATION:

- The initiative will be carried under the **Atal Innovation Mission (AIM - an initiative by the NITI Aayog)**.
- The programme will be driven by **Indian Space Research Organization (ISRO)** and four ministries:
 - Ministry of Defence;
 - Ministry of Food Processing Industries;
 - Ministry of Health and Family Welfare; and
 - Ministry of Housing and Urban Affairs.

FEATURES:

- The initiative will help promote technopreneurs who deserve to be supported because of their immense potential of taking India forward.
- A total of 15 sector-specific challenges will be selected where **three challenges** are kept for **each ministry**.
- A grant-of-aid of up **Rs. 50 lakh** for a period of 9 to 12 months have been earmarked for startups to develop a **minimum usable prototype**.
- Innovators would also be attracted by using the **Mahatma Gandhi Challenge method**.
- On the 150th birth Anniversary of Mahatma Gandhi, 'the Gandhian Challenge' was launched.
- It provides a platform for **every child across India** to ideate innovative solutions for a sustainable India of their dreams, using Gandhi's principles.
- Broad categories in the challenge: **Art & Innovation and Science, Technology & Innovation**.

ROLE OF ISRO:

- ISRO is the leading organization to promote innovations and entrepreneurship across the length and breadth of our country.
- ISRO has extensively supported MSMEs and has also set up R&D labs across India to promote innovation and research in space science and technology.
- ISRO is planning to **adopt 100 Atal Tinkering Labs**, 3 each in each state and UTs.
- **Three thrust areas identified by ISRO:**
 - **Propulsion:** Green propellants, electric propulsion, and advanced air-breathing.
 - **Geo-spatial Information:** Using **Artificial Intelligence (AI)** for crop monitoring, weather forecasting and programme evaluation.
 - **AI and Robotics:** For supporting space exploration and outer space monitoring.

ATAL INNOVATION MISSION

- AIM is Government of India's **flagship initiative to promote a culture of innovation and entrepreneurship** in the country.



Atal Tinkering Labs: These are creating problem solving mindset across schools in India.

Atal Incubation Centers: Fostering world class startups and adding a new dimension to the incubator model.

Atal New India Challenges: Fostering product innovations and aligning them to the needs of various sectors/ministries.

Mentor India Campaign: A national mentor network in collaboration with the public sector, corporates and institutions, to support all the initiatives of the mission.

Atal Community Innovation Center: To stimulate community centric innovation and ideas in the **unserved/underserved regions of the country** including Tier 2 and Tier 3 cities.

IMPORTANCE OF MSMEs FOR INDIAN ECONOMY

- They are considered as the **engines of growth** in an economy.
- **Employment:** It is the second largest employment generating sector after agriculture. It provides employment to around 120 million persons in India.
- **Contribution to GDP:** With around 36.1 million units throughout the geographical expanse of the country, **MSMEs contribute around 6.11% of the manufacturing GDP and 24.63% of the GDP from service activities.**
 - MSME ministry has set a target to up its contribution to GDP to 50% by 2025 as India becomes a \$5 trillion economy.
- **Exports:** It contributes around **45% of the overall exports** from India.
- **Inclusive growth:** MSMEs promote inclusive growth by providing employment opportunities in rural areas especially to people belonging to weaker sections of the society.
- **Financial inclusion:** **Small industries and retail businesses in tier-II and tier-III cities** create opportunities for people to use banking services and products.

2.6 REVISED PRIORITY SECTOR LENDING GUIDELINES

WHY IN NEWS?

- Recently, the **Reserve Bank of India (RBI)** released revised **Priority Sector Lending (PSL)** guidelines, which align with emerging national priorities and also bring sharper focus on inclusive development.
- The PSL guidelines were last reviewed for **commercial banks in April 2015** and for **Urban Co-operative Banks (UCBs) in May 2018**.

REVISED GUIDELINES:

- **Fresh Categories:** Bank finance to **start-ups up to Rs.50 crore**, loans to farmers for installation of solar power plants for **solarisation of grid connected agriculture pumps** and loans for **setting up Compressed BioGas plants** have been included as fresh categories eligible for finance under priority sector.
- **Farmers' Related:** Higher credit limit has been specified for **Farmers Producers Organisations (FPOs)** undertaking farming with assured marketing of their produce at a predetermined price.
- Loans for these activities will be subject to an **aggregate limit of Rs.2 crore** per borrowing entity.
- The targets prescribed for **small and marginal farmers** and **weaker sections** will be increased in a phased manner.
- It has defined **farmers with land holding of up to one hectare** as **marginal farmers**, and farmers with a landholding of **more than one hectare and up to 2 hectares** as **small farmers**.
- **Boosting Credit:** The credit limits for renewable energy, health infrastructure, including the projects under '**Ayushman Bharat**', have been doubled.
- Bank loans up to a limit of **Rs.30 crore** to borrowers for purposes like solar-based and biomass-based power generators, windmills, non-conventional energy-based public utilities, etc. For individual households, the loan limit will be **Rs.10 lakh per borrower**.
- Bank loans up to a **limit of Rs.10 crore per borrower** for building healthcare facilities including under '**Ayushman Bharat**' in Tier II to Tier VI center, have been allowed.
- **Addresses Disparity:** It seeks to **address** the issues concerning **regional disparities** in the **flow of priority sector credit** at **district level** which includes:
 - Ranking districts on the basis of per capita credit flow to the priority sector.
 - **Building an incentive framework** for districts with comparatively low flow of credit and a **dis-incentive framework** for districts with comparatively high flow of priority sector credit.
 - Higher weightage has been assigned to priority sector credit in 'identified districts' where priority sector credit flow is comparatively low.

BENEFITS:

- Revised PSL guidelines will enable better credit penetration to credit deficient areas; increase the lending to small and marginal farmers and weaker sections; boost credit to renewable energy, and health infrastructure.

Priority Sector Lending

- The RBI mandates banks to lend a certain portion of their funds to **specified sectors**, like **agriculture, Micro, Small and Medium Enterprises (MSMEs), export credit, education, housing, social infrastructure, renewable energy** among others.
 - All **scheduled commercial banks** and **foreign banks** (with a sizable presence in India) are mandated to set aside **40% of their Adjusted Net Bank Credit (ANDC)** for lending to these sectors.
 - **Regional rural banks, co-operative banks** and **small finance banks** have to allocate **75% of ANDC** to PSL.
- To ensure that **adequate institutional credit** reaches some of the **vulnerable sectors of the economy**.

2.7 GDP CONTRACTED BY 23.9% IN FIRST QUARTER

WHY IN NEWS?

- According to the recent **National Statistical Office (NSO)** data, India's **Gross Domestic Product (GDP)** growth contracted by **23.9%** in the first (April-June) quarter of 2020 compared to the same period (April-June) in 2019.
- It is the sharpest contraction since India started reporting quarterly data in 1996.
- **Gross Value Added (GVA)** growth rate also declined by **22.8%** in the first quarter of this financial year.

HIGHLIGHTS:

QUARTERLY ESTIMATES OF GVA

INDUSTRY	CHANGE OVER PREVIOUS YEAR	
	April-June 2019-20	April-June 2020-21
Agriculture, forestry & fishing	3.0%	3.4%
Manufacturing	3.0%	-39.3%
Construction	5.2%	-50.3%
Trade, hotels, transport, communication & services related to broadcasting	3.5%	-47.0%
Public administration, defence & other services	7.7%	-10.3%
Gross Value Added (GVA)	4.8%	-22.8%
Gross Domestic Product (GDP)	5.2%	-23.9%

Sector Wise Data:

- **Construction, manufacturing, trade, hotels and other services and mining** were the worst-hit sectors, recording contractions of 50.3%, 39.3%, 47.0% and 23% respectively.
- This reflects the unprecedented suspension of economic activity in the first quarter of this fiscal due to the **pandemic** and the series of lockdowns.
- Only the **agriculture sector** showed a **positive growth** at 3.4%.

FACTORS OF GDP CONTRACTION:

- In any economy, the **GDP growth is generated from one of the four engines of growth**. i.e. **private consumption, demand generated by private sector businesses, demand generated by government and exports**.
- **Private consumption** has fallen by 27%. It is the biggest engine that drives the Indian economy.
- **Investment by private sector businesses** have fallen by 47%. It is the second biggest engine.
- **The net export demand** has turned positive in this first quarter because India's imports have crashed more than its exports.
- While on paper, this provides a boost to overall GDP, it also points to an economy where economic activity has plummeted.

IMPLICATIONS:

- **On Jobs:** The sectors which have contracted (e.g. construction, manufacturing etc.) are the sectors that create the maximum new jobs in the country.
- Therefore, in a scenario where each of these sectors are contracting, would lead to more and more people either losing jobs (decline in employment) or failing to get one (rise in unemployment).
- **On Informal Sector:** The real extent of the economic crisis is expected to be deeper given that the **small-scale sector and informal sector** is more affected than the organised sector, but is **not reflected in the quarterly GDP numbers**. In the informal sector, factory output figures are used to extrapolate the trends in the growth.
- **On Banks:** The looming defaults in the banking sector after the moratorium ends will add to the banking sector woes, impacting bank's lending.

- Also, there are **worries regarding household debt**, with incomes stagnating, salary cuts and job losses.
- **On Economy:** With GDP contracting by more than what most observers expected, it is now believed that the full-year GDP could also worsen.
- A fairly conservative estimate would be a contraction of 7% for the full financial year.

ABOUT GDP/GVA:

- GDP is a **measure of economic activity** in a country. It is the **total value** of a country's annual output of goods and services. It gives the **economic output from the consumers' side**.
- **GVA** is the sum of a country's GDP and net of subsidies and taxes in the economy.

2.8 MULTI-CAP FUND

WHY IN NEWS?

- Recently, the **Securities and Exchange Board of India (SEBI)** has imposed some limits on **multi-cap funds**.

WHAT IS MULTI-CAP FUND?

- Multi-cap funds are those that **diversify their investments** into all three categories (small, medium, and large-cap).
- These funds invest by **market capitalization of shares**.
 - **Market capitalization** is the aggregate valuation of the company based on its current share price and the total number of outstanding stocks.
 - It is calculated by multiplying the current market price of the company's share with the total outstanding shares of the company.
- **Large cap stocks:** Stocks of top 100 listed companies in terms of full market capitalisation.
- **Mid-cap stocks:** Stocks of top 101 to 250 companies in terms of full market capitalisation.
- **Small-cap stocks:** Stocks of companies above 251 in terms of full market capitalisation.

CHANGES INITIATED:

- A multi cap fund will be required to invest a **minimum of 75% of its total assets in equities and equity-related instruments**.
- At present, the rule is to invest a minimum of **65% in equities**.
- **Minimum investment of 75%** has to be allocated in **between large cap companies, mid cap companies and small cap companies**, with a **minimum share of 25% in each**.
- The rest 25% can be invested as per the investor's choice.
- Till now, fund managers of multi cap mutual funds were investing across market capitalization as per their choice.

RATIONAL FOR SUCH CHANGE:

- The changes have been done to **diversify the underlying investments** of multi-cap funds across the large-cap, mid-cap and small-cap companies and be true to the label.
- Currently, the portfolio of most multi cap funds is **biased towards large caps with 65% to 90%** of their portfolio in large cap stocks.

Securities and Exchange Board of India (SEBI)

- In April, 1988 the SEBI was constituted as the regulator of capital markets in India under a resolution of the Government of India.
- Initially SEBI was a non-statutory body.
- **SEBI is a statutory body** established on April 12, 1992 in accordance with the provisions of the **Securities and Exchange Board of India Act, 1992**.
- The basic functions of the Securities and Exchange Board of India is to **protect the interests of investors in securities and to promote and regulate the securities market**.
- SEBI is a **quasi-legislative and quasi-judicial body** which can draft regulations, conduct inquiries, pass rulings and impose penalties.
- By **Securities Laws (Amendment) Act, 2014**, SEBI is now able to regulate any money pooling scheme worth Rs. 100 cr. or more and attach assets in cases of non-compliance.
- SEBI Chairman has the authority to order "**search and seizure operations**". SEBI board can also seek information, such as telephone call data records, from any persons or entities in respect to any securities transaction being investigated by it.

2.9 INFLATION STAT FOR THE MONTH OF AUGUST

WHY IN NEWS?

- Recently, the inflation data for the month of August 2020 was released. The inflation data includes retail inflation and wholesale inflation data.
- The **retail inflation** is measured by the **Consumer Price Index (CPI)**.
- The **wholesale price-based inflation** is measured by Wholesale Price Index (WPI).

HIGHLIGHTS

RETAIL INFLATION:

- The retail inflation grew at 6.69% in the month of August. It was at 6.73% in July 2020.
- However, the retail inflation continued to grow beyond the **Reserve Bank of India's (RBI) upper margin of 6%**.
- The Central government has mandated the RBI to keep inflation within the range of 4±2%.
- **This inflation range (4% within a band of +/- 2%)** was recommended by the committee headed by **Urjit Patel** in 2014.
- The growth in retail inflation was primarily due to a **rise in meat and fish prices** that saw a 16.50% on-year rise in August.
- The **Consumer Food Price Index (CFPI)** or the inflation in the food basket eased to 9.05% in the month of August. It was at 9.27% in July 2020.

WHOLSALE INFLATION:

- The wholesale price-based inflation rose to **0.16% in August** as **food items and manufactured products turned costlier**.
- The **WPI inflation was in the negative territory** for four straight months – April (-) 1.57%, May (-) 3.37%, June (-) 1.81% and July (-) 0.58%.

- Inflation in food articles during August stood at 3.84%. However, fuel and power inflation fell 9.68% in August.

INFLATION:

- Inflation refers to the rise in the prices of most goods and services of daily or common use, such as food, clothing, housing, recreation, transport, consumer staples, etc.
- Inflation measures the average price change in a basket of commodities and services over time.
- Inflation is indicative of the decrease in the purchasing power of a unit of a country's currency. This could ultimately lead to a deceleration in economic growth.
- However, a moderate level of inflation is required in the economy to ensure that production is promoted.

CONSUMER PRICE INDEX (CPI)

- It measures price changes from the perspective of a retail buyer.
- The CPI has several sub-groups including food and beverages, fuel and light, housing and clothing, bedding and footwear. **Base Year for CPI is 2011-12.**
- Four types of CPI are as follows:
 - **CPI for Industrial Workers (IW)/ Agricultural Labourer (AL)/Rural Labourer**
 - **CPI (Rural/Urban/Combined).**
- Of these, the first three are compiled by the **Labour Bureau in the Ministry of Labour and Employment.** Fourth is compiled by the **National Statistical Office (NSO) in the Ministry of Statistics and Programme Implementation.**
- The **Monetary Policy Committee (MPC)** uses **CPI (COMBINED)** data to control inflation.

WHOLSALE PRICE OF INDIA (WPI)

- It measures the changes in the prices of goods sold and traded in bulk by wholesale businesses to other businesses.
- **Published by the Office of Economic Adviser, Ministry of Commerce and Industry.**
- The base year of All-India WPI has been revised from 2004-05 to 2011-12 in 2017.
- **WPI does not capture changes in the prices of services, which CPI does.**

UNDERSTANDING THE CPI-WPI DIVERGENCE

- While CPI inflation has always been higher than WPI inflation, the divergence has been growing. While the difference in 2012, 2013 and was only 2.2, 3.6 and 3.3 percentage points, it widened to **7.8 percentage points** during the period **January 2015 to October 2015.**
- While in this period, the CPI inflation remained positive, the WPI inflation turned **negative.**

Table 1

(in per cent)

Growing gap

A comparative picture of CPI inflation and WPI inflation

Year**	CPI food inflation	WPI food inflation	CPI non-food inflation	WPI non-food inflation	CPI total inflation	WPI total inflation
2012	10.2	8.1	9.5	7.4	9.8	7.5
2013	13	10.4	8	5.1	9.9	6.4
2014	7	5.1	7.3	3.5	7.2	3.9
2015 (Up to Oct)	5.2	3	4.6	-04.9	4.8	-3

** Calendar year basis—average inflation rate is the arithmetic average of the 12 months/10 months inflation rates, as applicable.

- A development that has attracted wide attention in the recent period has been the **growing divergence between inflation as reflected by the wholesale price index and that by the consumer price index.**
- The major reason for the CPI inflation being higher than WPI inflation has been that **food articles had a higher weight (54 per cent) in CPI than in WPI (22 per cent).**
- Food inflation in the last few years is being spurred more by items such as vegetables, pulses and eggs, meat and fish than cereals.
- Fuel and power category has a much bigger weight in WPI than in CPI.
- That is why in the recent period when crude prices fell, inflation in this category fell by more in WPI, whereas CPI inflation was positive.

2.10 MSP RAISED FOR RABI CROPS

CONTEXT

- Recently, the Cabinet Committee on Economic Affairs has marginally increased the Minimum Support Price (MSP) of six rabi crops for 2021-22.

MORE ABOUT THE NEWS

- MSP rates were hiked for wheat, barley, gram, masoor dal (lentil), safflower, and rapeseed and mustard.
- The increase in MSP is in line with the principle of fixing the MSPs at a level of at least 1.5 times of the All-India weighted average Cost of Production as announced in Union Budget 2018-19.

BASICS ABOUT MINIMUM SUPPORT PRICE

- Minimum Support Price (MSP) is a form of market intervention by the Government of India to insure agricultural producers against any sharp fall in farm prices.
- The minimum support prices are announced by the Government of India at the beginning of the sowing season for certain crops on the basis of the recommendations of the Commission for Agricultural Costs and Prices (CACP).
- MSP is price fixed by Government of India to protect the producer - farmers - against excessive fall in price during bumper production years.
- The minimum support prices are a guarantee price for their produce from the Government
- The major objectives are to support the farmers from distress sales and to procure food grains for public distribution
- In case the market price for the commodity falls below the announced minimum price due to bumper production and glut in the market, government agencies purchase the entire quantity offered by the farmers at the announced minimum price.
- There are total 23 crops for which government announces MSP and state government also announces State Advisory Prices(SAP)
- The Food Corporation of India, which is the nodal agency for procurement, along with State agencies, establishes purchase centres for procuring food grain under the price support scheme

METHOD OF CALCULATION

- There are 3 methods to calculate MSP and These are A2 method, A2+FL method and C2 method.
- A2 includes out-of-pocket expenses borne by farmers, such as term loans for machinery, fertilisers, fuel, irrigation, cost of hired labour and leasing land.

- The second metric, A2+FL, takes into account the imputed value of unpaid labour on the part of family members, in addition to the paid-out cost.
- The Comprehensive Cost (C2) is more reflective of the actual cost of production since it takes it accounts for rent and interest foregone on owned land and machinery, over and above the A2+FL rate.
- The government presently calculates the minimum support prices based on the A2+FL method. The Swaminathan Commission had stated that the MSP should be based on the comprehensive cost of production, which is the C2 method.

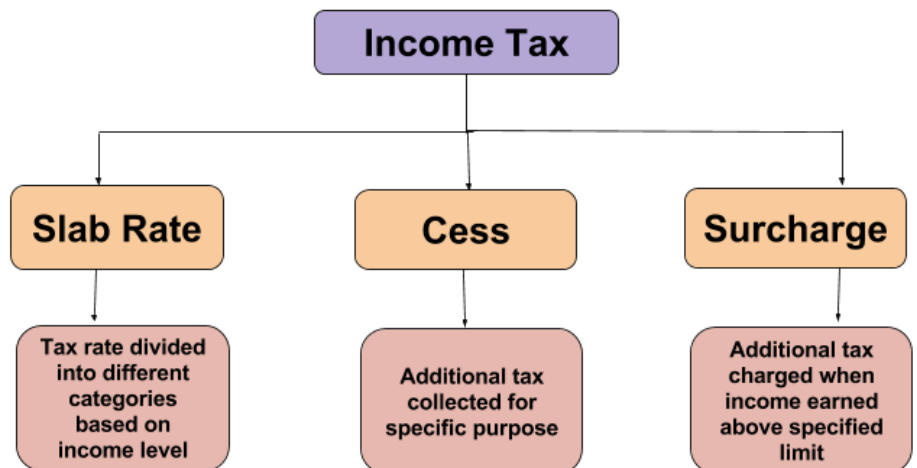
2.11 CAG REPORT ON CESS AND LEVIES

CONTEXT

- According to recent CAG report about 40% of cess receipts parked in Consolidated Fund of India instead of relevant reserve funds
- Comptroller and Auditor General of India (CAG) pointed out lack of transparency and disclosures, by centre, with regard to accounting of cesses and levies.
- The Centre retained in the **Consolidated Fund of India (CFI)** more than ₹1.1 lakh crore out of the almost ₹2.75 lakh crore collected in 2018-19 through various cesses, instead of transferring the receipts to the specified Reserve Funds that Parliament had approved for such levies, the Comptroller and Auditor General (CAG) of India observed in a report

WHAT IS CESS?

- The cess, an additional tax levied by the government, is collected by the central government under the Consolidated Fund of India (CFI).
- The collected fund is then transferred to the respective funds under different ministries, who utilise the funds for the specified purposes.
- Non-creation/non operation of Reserve Funds makes it difficult to ensure that cesses have been utilised for the specific purposes intended by the Parliament.
- Article 270 allows the Centre to levy cess which the Centre need not share with state governments.
- In recent years, the Centre's cess receipts have surged due to hike in rates and new imposts.
- This has helped it to cushion the blow from the higher transfers to the states (from 32% to 42%) from the divisible pool of taxes under the 14th Finance Commission recommendations.



DIFFERENCE BETWEEN TAX AND CESS?

- Cess is different from taxes such as income tax, GST, and excise duty etc as it is charged over and above the existing taxes.
- While all taxes go to the Consolidated Fund of India (CFI), cess may initially go to the CFI but has to be used for the purpose for which it was collected.
- If the cess collected in a particular year goes unspent, it cannot be allocated for other purposes. The amount gets carried over to the next year and can only be used for the cause it was meant for.

2.12 PRIVATISATION OF DISCOMS

CONTEXT

- Recently, under Atmanirbhar Bharat package, Centre announced that electricity distribution companies (discoms) in all UTs will be privatised to improve operations and finances of discoms

BACKGROUND

- Power sector follows a federal structure, wherein distribution is a state subject and the Centre has a guiding role. However, generation and transmission come under the central government.
- Currently, only a few cities such as Delhi, Mumbai, Ahmedabad, Agra, have private discoms

NEED FOR PRIVATIZATION OF DISCOMS

- Higher outstanding dues owed by distribution firms (Rs 1.33 lakh crore in June 2020).
- Operational inefficiencies due to huge technical and commercial losses (AT&C), which are primarily caused by power theft, poor payment collection procedures etc.
- Lack of progress in earlier initiatives such as UDAY.
- Privatization will help in reducing AT&C losses (reduced to 8% from 52% in Delhi), eliminating operational efficiency (such as payment delays, curtailment, power cuts), better services for consumers etc.
- **Privatization will lead to transparency in subsidies**
- Discoms have the important part to play to realize the nations dreams like “Har Ghar Bijli” or “24x7 Bijli” but today we live in a different reality where Discoms participation is too low to achieve the goals related to government schemes and programs and it’s because of poor network efficiency, high losses and skyrocketing debts of Discoms. Privatization can be a possible solution to overcome the sector’s deep stressed financial challenges and improve its efficiency.

WAY FORWARD

- Privatisation in Delhi has brought about a great deal of improvement in operational metrics of the discoms in the city-state.
- However, the privatisation model will offer little for large states by way of learning, primarily because the ability of private actors to manage the diverse consumer base in large states is not proven. Hence we need selective approach for privatization.

2.13 VODAFONE WINS INTERNATIONAL ARBITRATION AGAINST INDIA IN RETROSPECTIVE TAX CASE

CONTEXT:

- International Arbitration Tribunal at The Hague ruled that the tax liability on Vodafone is a breach of the Bilateral investment treaty (BIT) signed between India and Netherlands and also violation of arbitration rules of United Nations Commission on International Trade Law (UNCITRAL).

BACKGROUND OF THE CASE

- **Dispute stems from Vodafone's buyout of Hutchison Whampoa's stake in Hutchison Essar in 2007.**
- India sought to tax this deal as the underlying asset was in India, and asked Vodafone to pay capital gains tax.
- Vodafone challenged the demand notice and wins the case in Supreme court in 2012.
- **Later, the Finance Act was amended (2012) giving the Income Tax Department the power to retrospectively tax such deals.**
 - Government had introduced General Anti-Avoidance Rules (GAAR) to give more powers to the tax authorities.
 - It made a retrospective amendment to the IT Act to undo the SC judgment and make Vodafone liable for taxes.
- **Vodafone then initiated arbitration in 2014 invoking the Bilateral Investment Treaty signed between India and the Netherlands in 1995.**
- **Ruling:** The International Arbitration Tribunal at Permanent Court of Arbitration ruled that the government's demand is in breach of fair and equitable treatment.
- The government must **cease seeking the dues from Vodafone.**

SIGNIFICANCE

- Vodafone's win in the arbitration against the government in the retrospective taxation is very significant as it may cause other similarly placed companies to seek arbitral reliefs.
- India is entangled in more than a dozen such cases against companies over retrospective tax claims and cancellation of contracts. The exchequer could end up paying billions of dollars in damages if it loses
- The Vodafone case illustrated how policy hurdles come in the way of doing business in India, despite the tall talk of liberalisation and simplification of procedures.
- Tax regimes must be stable in order to attract foreign (or even domestic) investment. Such ad hoc retrospective changes will deter foreign investment in India

RETROSPECTIVE TAXATION

- It allows a country to pass a rule on taxing certain products, items or services and deals and charge **companies from a time behind the date on which the law is passed.**
- Countries use this route to correct any anomalies in their taxation policies that have, in the past, allowed companies to take advantage of such loopholes.
- Apart from India, many countries including US, UK, Netherlands etc have retrospectively taxed companies.

United Nations Commission on International Trade Law

- UNCITRAL was established in 1966 as a subsidiary body of the **United Nations General Assembly (UNGA).**
- It is the core legal body of the United Nations system in the field of international trade law.
- **Mandate:** To further the progressive harmonization and modernization of rules on international business and reform commercial laws.

2.14 DOMESTIC SYSTEMICALLY IMPORTANT INSURERS (DSIIS)

CONTEXT

- Insurance Regulatory and Development Authority of India (IRDAI) has identified Life Insurance Corporation of India (LIC), General Insurance Corporation of India (GIC) and The New India Assurance Co. as D-SIIs for 2020-21.

More about DSIIS

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

D-SIB: Domestic Systematic Important Banks

- In 2010, **G-20's brainchild Financial Stability board** (HQ: BASEL) asked countries to identify Systematically Important Financial institutions and put framework to reduce risk in them.
- Each year in August, RBI identifies banks** that 'too big to fail' (it means if they fail, it'll severely hurt the economy)' and labels them as Domestic Systematic Important Banks (D-SIB), & orders them keep additional equity capital against their Risk Weight Assets (RWA) & imposes other technical norms on them
- Presently, 3 D-SIBs in India: SBI, ICICI, HDFC(Latest)

2.15 FASTER ADOPTION AND MANUFACTURING OF HYBRID & ELECTRIC VEHICLES IN INDIA (FAME INDIA)

CONTEXT

- Government has sanctioned 670 Electric buses and 241 Charging Stations in various states/UTs under Phase-II of FAME India Scheme.

ABOUT FAME INDIA SCHEME PHASE II

- FAME India is a **part of the National Electric Mobility Mission Plan**. Main thrust of FAME is to encourage electric vehicles by providing subsidies.
- The FAME India Scheme is aimed at incentivising all vehicle segments.
- Two phases of the scheme:
 - Phase I: started in 2015 and was completed on 31st March, 2019
 - Phase II: started from April, 2019, will be completed by 31st March, 2022
- The scheme covers Hybrid & Electric technologies like Mild Hybrid, Strong Hybrid, Plug in Hybrid & Battery Electric Vehicles.
- Monitoring Authority:** Department of Heavy Industries, the Ministry of Heavy Industries and Public Enterprises.
- Fame India Scheme has four focus Areas:
 - Technology development
 - Demand Creation

- Pilot Projects
- Charging Infrastructure

SALIENT FEATURES OF PHASE II

- Emphasis on electrification of the public transportation that includes shared transport.
- This phase aims to support, through subsidies, approximately 7000 e-Buses, 5 lakh e-3 Wheelers, 55000 e-4 Wheeler Passenger Cars and 10 lakh e-2 Wheelers.
- In 3-Wheel (W) and 4-Wheel (W) segment incentives will be applicable mainly to vehicles used for public transport or registered for commercial purposes.
- In the 2-Wheel (W) segment, the focus will be on the private vehicles.
- To encourage advanced technologies, the benefits of incentives will be extended to only those vehicles which are fitted with advanced batteries like a **Lithium Ion battery and other new technology batteries**.
- Establishment of **Charging stations** are also proposed on major highways connecting major city clusters.
- On such highways, charging stations will be established on both sides of the road at an interval of about 25 km each.

2.16 FACELESS APPEALS LAUNCHED BY CENTRAL BOARD OF DIRECT TAXATION (CBDT)

CONTEXT:

- Under Faceless Appeals, all Income Tax appeals will be finalised in a faceless manner barring cases of major tax evasion, serious frauds, international tax and black money act.
- It will give great convenience to the taxpayer while ensuring just appeal orders and minimise litigations.
- It will also ensure greater transparency and accountability.
- Allocation of cases will be done through Data Analytics and AI.
- It has been launched as part of "Transparent Taxation - Honoring the Honest" initiative that was launched recently.

KEY TAKEAWAYS

- ▶ **I-T appeals right from allocation of appeal, communication of notice/questionnaire, verification/enquiry to hearing and finally communication of the order will be online**
- ▶ **Faceless appeals system will include allocation of cases through data analytics and artificial intelligence**
- ▶ **The commissioner of appeals will be allowed to take the help of technical units, comprising chief commissioner-level officers**
- ▶ **According to CBDT data, about 460,000 appeals are pending at the commissioner of appeals level as on date**

2.17 ESG FUNDS BECOMING POPULAR IN INDIA

CONTEXT:

- The ESG funds are increasingly becoming popular in the mutual fund industry in India. Recently, ICICI Prudential Mutual Fund has come out with its ESG fund.
- ESG fund factors in the environment, social responsibility and corporate governance aspects of a company during investment.

MEANING OF ESG FUNDS:

- ESG is a combination of three words i.e. **environment, social and governance**.

- It is a kind of **mutual fund**. Its investing is used synonymously with sustainable investing or socially responsible investing.
- Typically, a mutual fund looks for a good stock of a company that has potential earnings, management quality, cash flows, the business it operates in, competition etc.
- However, while selecting a stock for investment, **the ESG fund shortlists companies that score high on environment, social responsibility and corporate governance**, and then looks into financial factors.
- Therefore, the key difference between the ESG funds and other funds is 'conscience' i.e the ESG fund focuses on companies with environment-friendly practices, ethical business practices and an employee-friendly record.
- The fund is regulated by Securities and Exchange Board of India (SEBI).
- In India, the concept is new, but several big lenders have rolled out their ESG funds.
- The first ESG fund was launched by the State Bank of India - SBI Magnum Equity ESG Fund

UMANG (Unified Mobile Application for New-age Governance)

- UMANG provides a single platform for all Indian Citizens to access pan India e-Gov services ranging from Central to Local Government bodies and other citizen centric services.
- It is developed by Ministry of Electronics and Information Technology and National e-Governance Division to drive Mobile Governance in India.
- It is one of the key initiatives under the Digital India program to develop a common, unified platform and mobile app to facilitate a single point of access to all government services.

3. INTERNATIONAL RELATIONS

3.1 INDO-PACIFIC TRILATERAL DIALOGUE

WHY IN NEWS?

- Recently, **India, Australia and France** held a dialogue for the first time under a **trilateral framework**. The three sides have **agreed to hold the dialogue on an annual basis**.

KEY FOCUS ON:

- **Enhancing cooperation in the Indo-Pacific Region**. **Australia**, along with **France**, has emerged as a **major strategic partner for India** in the Indo-Pacific and Indian Ocean Region (IOR), especially in the maritime domain. For instance:
- India has **logistics agreements** with both countries. The logistics agreement provides for easier access to supplies of goods and services.
- There is significant cooperation in information exchange for **Maritime Domain Awareness**.
- France was the first country to deploy a Liaison Officer at the **Indian Navy's Information Fusion Centre (IFC-IOR)** as part of efforts to improve Maritime Domain Awareness (MDA).
- India conducted its **first joint patrols** with France in Reunion Island (western Indian ocean) in February 2020.

CHINESE FACTOR:

- The trilateral cooperation will help to take on China's aggressive behaviour in the Indo-Pacific region. Eg in South China Sea.
- This trilateral cooperation is an addition to the **Quad** which comprises the USA, Japan, Australia and India.
- It also adds diplomatic muscle to the global coalition that is shaping up to counter China's belligerence.

ISSUES DISCUSSED:

- Possibility of **enhancing maritime security cooperation** between the three countries in the Indo-Pacific region.
- It also includes areas of humanitarian assistance and disaster relief, maritime domain awareness, mutual logistics support and capacity-building of friendly countries.
- **Development cooperation in the Indo-Pacific region**, initiatives such as the **International Solar Alliance** and **Coalition for Disaster Resilient Infrastructure**, and the need for a **reformed multilateralism**.
- **Cooperation on marine global commons**: It includes **blue economy**, **marine biodiversity** and **environmental challenges** such as marine pollution.
- **Practical cooperation at the trilateral and regional level**, including through regional organisations such as **Association of Southeast Asian Nations (ASEAN)**, **Indian Ocean Rim Association (IORA)** and the **Indian Ocean Commission**.
- The increased salience of **resilient and reliable supply chains**.
- India, Australia and Japan recently inked an initiative to build resilient supply chains, which is named as **Supply Chain Resilience Initiative (SCRI)**. France may join this initiative too.

Significance of the Indo-Pacific Region

- In 2018 **Shangri-La Dialogue** India had clearly indicated the geographical reach of **India's idea of the Indo-Pacific**, which starts from **Africa to the America**, which covers both the Indian and Pacific Oceans, in tandem with that of Japan.
- It is a very **rich region in terms of natural resources** (fisheries, oil, gas) as well as mineral resources.
- **Trade of some of the major economies** like China, Japan, Korea or the west coast of the United States goes through this region.
- About 50% of **India's trade** is conducted through the South China Sea. India has been one of the major players in the region. **India conducts many naval exercises** with the United States, countries of ASEAN, Japan, Korea and Vietnam.

Indian Ocean Rim Association (IORA)

- It is a dynamic **inter-governmental organisation** aimed at **strengthening regional cooperation and sustainable development** within the Indian Ocean region.
- The members of the bloc include **Australia, Bangladesh, Comoros, India, Indonesia, Iran, Kenya, Madagascar, Malaysia, Maldives, Mauritius, Somalia, Mozambique, Oman, Seychelles, Singapore, South Africa, Sri Lanka, Tanzania, Thailand, United Arab Emirates and Yemen.**
- The **United Arab Emirates (UAE)** assumed the role of Chair since November 2019 - November 2021, followed by **Bangladesh.**

WAY FORWARD

- France and Australia are **India's key partners in the Indo-Pacific region.** The meeting provided a unique opportunity to build upon the progress that the three countries have achieved bilaterally in recent years.

3.2 INDIAN GOVERNMENT BANNED 118 MORE APPS

WHY IN NEWS?

- The government **banned 118 applications** – majority being Chinese, including popular ones such as PUBG, WeChat Work, Baidu, CamCard, Rise of Kingdoms: Lost Crusade and Alipay, stating that these were “prejudicial to sovereignty and integrity of India, defence of India, security of State and public order”.
- This is in addition to the ban on 59 Chinese applications, including TikTok, Shareit, Mi Video Call, Club Factory and Cam Scanner, in June.
- The **blocking** of a hundred more Chinese mobile applications suggests that the Indian government, wants to make it amply clear that it will not shy away from leveraging its position as a **massive market for technology** in dealing with potentially dangerous geopolitical issues.

WHY WERE THE CHINESE APPS BANNED?

- The Ministry said it had decided to block the apps to **safeguard the “sovereignty and integrity of India”**, invoking powers under **Section 69A of the Information Technology (IT) Act** read with the relevant provisions of the Information Technology (Procedure and Safeguards for Blocking of Access of Information by Public) Rules 2009.
- The government also said that several citizens had reportedly **raised concerns** in representations to the **Indian Computer Emergency Response Team (CERT-In)** regarding security of data and loss of privacy in using these apps.
- In addition, the Ministry said it had also received **“exhaustive recommendations”** from the **Home Ministry's Indian Cyber Crime Coordination Centre.**

Where's My Data Going

ET explains how data localisation will work on ground

WHAT HAPPENS NOW

You buy a smartphone using a credit card on an ecommerce portal...

Portal passes charge to credit card company



Card company verifies which bank issued card—ICICI, Citi, HDFC, SBI etc



Verified transaction complete—data stored in cloud network anywhere in the world (at present mostly in the US)



...When you use a RuPay card or Wallets to Pay...

Data passes through local entities that authenticate transaction. Data stored in local cloud networks

001
1001
1001
100

...Or when an Indian Travels Abroad

Indian shopper uses credit card issued by Citi, India, HDFC, ICICI, SBI, Axis etc



She buys shoes at Macy's at Herald Square, Manhattan



Macy's uses a swipe machine issued by Wells Fargo (swipes machines are issued by banks)



Card issuer places a charge before the bank in India and pays Wells Fargo



Card number goes to Wells Fargo, which sends it to the card issuer (Visa, Amex, etc) to identify that card is issued by a bank branch in Mumbai and asks it to authenticate the transaction and then gets an approval



Macy's gets paid by Wells Fargo



Transaction details are all in the US

© BCCL 2020. ALL RIGHTS RESERVED.

What will be the impact of Chinese apps ban?

- According to a report published by Paulson Institute, six of the top 10 most downloaded apps in India were from Chinese tech companies, compared with four from US companies.
- India has been the **biggest untapped market** for some of China's quirkiest social-media companies, which had been signing up hundreds of millions of consumers in the **world's second-most populous nation**, looking to capture users who weren't hooked on to US apps such as Facebook and Twitter.

WAY FORWARD

Data firewall: On need for a data protection law:

- The report by a German cybersecurity firm that medical details of millions of Indian patients were leaked and are freely available on the Internet is worrying.
- Ministry of Electronics and Information Technology (MeITY) in July 2017 constituted a **ten-member committee of experts headed by former Supreme Court Judge, Justice B.N. Srikrishna** to study various issues related to data protection in India and also to draft a Data Protection Law.
- The report has **cited Puttaswamy Judgment** and highlighted that sphere of privacy includes a right to protect one's identity.
- Yet, considering the manner in which **public data** are **being stored** and used by both the state and private entities, a **comprehensive Data Protection Act is the need of the hour**.
- The **data protection law**, a dire need in this age, is not yet there. All this does not bode well for a country with aspirations of **global leadership of tech**, an industry which thrives on global networks and rules.

Data privacy and security remains to be major challenges emanating from the ongoing digital revolution. Thus, a data protection law is long overdue.

3.3 INDIA-BANGLADESH RIVERINE TRADE ROUTE

WHY IN NEWS?

- India and Bangladesh operationalized a **new riverine trade route on September 3**, when a Bangladeshi vessel transported a cargo of cement to Tripura as part of efforts to **boost connectivity** between the two countries.
- The route connecting **Sonamura in Tripura to Daudkandi in Bangladesh** is operationalized under an agreement signed by the two sides in May to boost riverine trade by adding two new routes and five more ports in order to **improve connectivity to India's north-eastern states and reduce transportation costs**.

KEY POINTS

- **Sonamura-Daudkandi Route:** The inland waterway route **over river Gumati** was included in the list of **Indo-Bangla Protocol (IBP) routes** in May 2020.
 - It connects **Tripura with the National Waterways of India** through Bangladesh.
- **Benefit of the Route:**
 - It will improve the connectivity of Tripura and the adjoining States with Indian and Bangladesh's economic centers and will help the hinterland of both the countries.
 - It will open up new avenues for economic development in both the countries.
- **Protocol on Transit and Trade:** Bangladesh and India have a long standing and time-tested Protocol on Transit and Trade through **inland waterways**.
 - It provides inland waterways connectivity between the two countries, particularly with the North Eastern Region of India and also enhances bilateral trade.
 - This Protocol was first signed in 1972.
 - It was last renewed in for five years with a provision for its automatic renewal for a further period of five years.

3.4 G20 FOREIGN MINISTERS MEET

WHY IN NEWS?

- Recently, Saudi Arabia hosted the **G-20** foreign ministers meeting with focus on cross-border movement amid the **Covid-19 pandemic**.
- Currently, **Saudi Arabia holds the presidency** of G-20. It is the **first Arab nation** to take over the G20 Presidency.

ABOUT THE MEETING:

- The foreign ministers **acknowledged the importance of opening borders, and promoting measures to allow the economy to thrive** in light of the protective measures for the **Covid-19 pandemic**.
- Many health safety protocols were brought in to minimize the risk of spread of the Covid-19, like closed borders.
- However, they have now become a **huge obstacle** in running trade and businesses worldwide resulting in a crisis of life and livelihood for many.
- India apprised the G-20 foreign ministers about steps taken by India including **Vande Bharat Mission** and creation of **travel bubbles** for the welfare and protection of foreign citizens stranded in India as well as its own citizens abroad.

RECENT INITIATIVES TAKEN BY G20:

- Earlier, in the 3rd G-20 Finance Ministers and Central Bank Governors (FMCBG) meeting held in July 2020, G-20 came up with the **G20 Action Plan** to deal with the pandemic.
- The Action Plan includes a list of collective commitments under the pillars of Health Response, Economic Response, Strong and Sustainable Recovery and International Financial Coordination.
- The G-20 also organized a virtual meeting of **G-20 Digital Economy Ministers** to highlight the digital initiatives taken by the countries to deal with Covid-19.

INDIA'S PROPOSAL:

- Development of **voluntary 'G-20 Principles on Coordinated Cross-Border Movement of People'** with three elements:
 - **Standardization of testing procedures** and universal acceptability of test results.
 - Standardization of **Quarantine procedures**.
 - Standardization of **'movement and transit' protocols**.
- Governments around the world need to ensure that **interests of foreign students are protected** and **movement of stranded seafarers** back to their home country is facilitated.
- The education institutes around the globe have been shut for months due to pandemic. With borders closed now, foreign students who had returned to their home countries are now finding it difficult to rejoin their respective institutions.

G-20

- The G20 is an **informal group of 19 countries** and the **European Union**, with representatives of the **International Monetary Fund and the World Bank**.
- 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, and 80% of global investment and over 75% of global trade.
- 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.
- It does not have any **permanent secretariat** or headquarters.

3.5 US-INDIA STRATEGIC PARTNERSHIP FORUM

WHY IN NEWS?

- Recently, the Prime Minister of India delivered the keynote address at the 3rd Annual Leadership Summit of **US-India Strategic Partnership Forum (USISPF)**.

KEY POINTS

- **Established:** The USISPF is a **non-profit organization** established in 2017.
- **Objective:** Strengthening the **USA-India bilateral and strategic partnership**.
- **Aim:** Strengthening **economic and commercial ties** between the two countries through **policy advocacy** that will lead to driving economic growth, entrepreneurship, employment-creation, and innovation to create a more inclusive society.
 - Enabling business and governments to collaborate and create meaningful opportunities that can positively change the lives of citizens.
- **Theme for 2020:** US-India Navigating New Challenges.
- **Economic Relations:** In 2019, overall **USA-India bilateral trade** in goods and services reached **USD 149 billion**.

- USA energy exports are an important area of growth in the trade relationship.

3.6 UNSC REJECTS PAKISTANI ATTEMPTS TO DESIGNATE TWO INDIANS AS TERRORISTS

WHY IN NEWS?

- The **United Nations Security Council (UNSC)** has rejected all Pakistan's requests to list four Indians as designated terrorists under its **1267 Committee for Counterterrorism Sanctions**.
- The USA, UK, France, Germany and Belgium blocked Pakistan's requests due to **lack of evidence**.
- While the **USA, UK and France** are permanent members of the **UNSC**, Germany and Belgium are non-permanent members.

UNSC Resolution 1267 Sanctions Committee

- This committee oversees the implementation of sanctions pursuant to UNSC resolutions 1267 (1999) 1989 (2011) and 2253 (2015).
- It was adopted unanimously on 15th October 1999.
- It is one of the most important and active **UN subsidiary bodies working on efforts to combat terrorism**, particularly in relation to Al Qaeda, Taliban and the Islamic State group. It prepares a consolidated list of people associated with these organizations.
- It discusses UN efforts to **limit the movement of terrorists, especially those related to travel bans, the freezing of assets and arms embargoes for terrorism**.

KEY POINTS

- In September 2019, Pakistan had alleged that four Indians working in Afghanistan, formed an Afghanistan-based "Indian terror syndicate" that was organizing the banned terror groups **Tehreek-e-Taliban Pakistan (TTP)** and **Jamaat-Ul-Ahrar (JuA)** to carry out attacks in Pakistan.
- **Pakistan and China** also moved the joint proposal to declare one of these four, as a **sanctioned terrorist** with links to TTP and JuA.
 - This proposal received a **veto from the USA** in UNSC.
- In July 2020, Pakistan moved the **1267 Resolution Sanctions Committee** to designate the four Indians as **global terrorists**.

REASONS FOR PAKISTAN'S ACTIONS:

- The tension between India and Pakistan has escalated after the **abrogation of special status to Jammu and Kashmir under Article 370** in August 2019, which was heavily objected by Pakistan.
- **Pakistan released a new political map** that included all of Jammu & Kashmir, Ladakh, Sir Creek and Junagadh on the completion of one year of abrogation of Article 370.
- After repeated attempts (in 2009, 2016 and 2017) to list **Pakistan-based Jaish-e-Mohammad chief as "global terrorist"**, India finally **succeeded in getting him listed** in 2019. This move was not received well by Pakistan as it tainted its international image as a terrorism-supporter.
- Pakistan also received another **extension on the grey list of the Financial Action Task Force (FATF)** until October 2020.
- It also faced setbacks on other fronts like the **United States slamming its record on terrorism, including its failure to act against groups like the Lashkar-e-Taiba (LeT)**.
- Pakistan's requests to get Indians listed in the 1267 sanctions are also being seen as attempts to **target India ahead of January 2021, when India will join as a non-permanent member for a two year term at the UNSC**.
-

3.7 LOGISTICS AGREEMENT SIGNED BETWEEN INDIA-JAPAN

WHY IN NEWS?

- Recently, India and Japan signed a logistics agreement on “**Reciprocal Provision Supplies and Services**” that will allow armed forces of both sides to coordinate closely in services and supplies.
- The agreement is known as Acquisition and Cross-Servicing Agreement (ACSA).
- India has similar agreements with the USA, Australia, France, Oman and Singapore.



ABOUT THE AGREEMENT:

- It is aimed at greater maritime cooperation and can upgrade India-Japan naval exercises as both countries are expected to share maritime facilities for mutual benefit.
- It establishes the enabling framework for closer cooperation between the armed forces of both countries in reciprocal provision of supplies and services while engaged in bilateral training activities, United Nations Peacekeeping Operations, Humanitarian International Relief and other mutually agreed activities.
- The supplies and services include food, water, transportation, airlift, petroleum, clothing, communications and medical services etc.
- It will also enhance the interoperability, assist in maintaining regional security and further increase the bilateral defence engagements between the two countries.
- It will remain in force for 10 years and will be automatically extended for periods of 10 years unless one of the parties decides to end it.

INDIA-JAPAN COOPERATION IN DEFENCE:

- Establishment of the **Information Fusion Center - Indian Ocean Region (IFC-IOR)** by India in December 2018 has been deemed an important step in this regard and Japan will have a liaison officer at the IFC-IOR.
- In 2019, India and Japan held the first-ever **ministerial-level 2+2 dialogue**. This dialogue involves the Defence and Foreign Ministers on both sides.

Military Exercises

SERVICE	EXERCISE	COMMENCED IN	FOCUS
Navy	JIMEX	2012; resumed in 2018 after a five-year gap; accompanied by regular air Anti-Submarine Warfare (ASW) exercises	ASW, Visit Board Search and Seizure (VBSS) drills, cross deck helicopter operations
	MALABAR	Held annually since 1992 (India-U.S.); permanent Japanese participation since 2015	Aircraft carrier operations, air defence, ASW, VBBS operations
Air Force	SHINYUU MAITRI	2018	Joint mobility, Humanitarian Assistance and Disaster Relief operations
Army	DHARMA GUARDIAN	2018	Counter Terrorism

- Both nations share a common vision of a free, open, inclusive and rules-based Indo-Pacific region in which the principles of sovereignty and territorial integrity are ensured.
- India and Japan defence forces organize a series of bilateral exercises namely, **JIMEX (naval exercise)**, **SHINYUU Maitri (air force exercise)**, and **Dharma Guardian (military exercise)**.
- Both countries also participate in **Malabar exercise** with the USA.
- Both the countries are also part of **Quadrilateral Security Dialogue (QUAD)**.

CONCLUSION:

- Both countries took share common goal of realizing the vision of a Free and Open Indo-Pacific and the Special Strategic and Global Partnership between Japan and India was elevated to greater heights.

3.8 INTRA-AFGHAN TALKS

WHY IN NEWS?

Recently, India has participated in the commencement ceremony of Intra-Afghan talks between the Afghanistan government and the Taliban in Doha, Qatar.

BACKGROUND:

- The Indian presence at the Intra-Afghan peace talks indicates that it has changed its position given the ground reality in Afghanistan and the changing power structure in Afghanistan.
- USA's withdrawal has given Pakistan a major role to play in Afghanistan directly or indirectly through its proxies.

INDIA'S STAND:

- India believes any peace process must be Afghan-led, Afghan-owned and Afghan-controlled. i.e.
- It has to respect the national sovereignty and territorial integrity of Afghanistan and promote human rights and democracy.
- It also needs to preserve the progress made in the establishment of a democratic Islamic Republic in Afghanistan.
- The interests of minorities, women and vulnerable sections of society must be preserved and the issue of violence across the country and its neighbourhood has to be effectively addressed.
- Indian interests, which include the Indian Embassy and Indian companies and workers in Afghanistan, should also be protected.

INDIA'S INTEREST IN AFGHANISTAN:

- Afghanistan is the gateway to Central Asia.
- India has a major stake in the stability of Afghanistan.
- India has invested considerable resources in Afghanistan's development. E.g. the Afghan Parliament, the Zaranj-Delaram Highway, Afghanistan-India Friendship Dam (Salma Dam) among others.



ISSUES INVOLVED:

- India is concerned about the Taliban's links with Pakistan's ISI and efforts by the latter to use the Haqqani network to target India's interests in Afghanistan.
- India's Afghanistan policy continues to be assessed vis-a-vis Pakistan, which opposes any security role for India in Afghanistan and sees India's presence there as detrimental to its interests.
- Taliban also has link with Jaish-e-Muhammad (JeM) and Laskar-e-Toiba (LeT) who are behind various terrorist activities against India.
- **India still does not recognize the Taliban.** However, if it considers the option of entering into direct talks with the Taliban, it would constitute a major departure from its consistent policy of dealing only with recognized governments.

3.9 ABRAHAM ACCORD: ISRAEL, UAE AND BAHRAIN

WHY IN NEWS?

- The Abraham Accord between Israel, the United Arab Emirates and Bahrain is mediated by the USA. It is the first Arab-Israeli peace deal in 26 years.

THE AGREEMENT:

- As per the agreements, the UAE and Bahrain will establish:
- Embassies and exchange ambassadors.
- Working together with Israel across a range of sectors, including tourism, trade, healthcare and security.

- The Abraham Accords also open the door for Muslims around the world to visit the historic sites in Israel and to peacefully pray at Al-Aqsa Mosque in Jerusalem, the third holiest site in Islam.
- In the Islamic tradition, the Kaaba in Mecca is considered the holiest site, followed by the Prophet's Mosque in Medina, and Al-Aqsa Mosque in Jerusalem.

REASON:

- Bringing Israel, the UAE and Bahrain together reflects their shared concern about Iran's rising influence in the region and development of ballistic missiles. Iran has been critical of both deals.

SIGNIFICANCE OF THE ACCORD:

- The agreement shows how the Arab countries are gradually decoupling themselves from the Palestine question.
- Palestine was among former Ottoman territories placed under UK administration by the League of Nations in 1922. All of these territories eventually became fully independent States, except Palestine.



- Full diplomatic ties will be established between Israel, the United Arab Emirates and Bahrain which will have a positive impact on the entire region.
- The deal buys UAE a lot of goodwill in the US, where its image has been tarnished by its involvement in the Yemen war.
- In South Asia, it will put Pakistan in a bind, whether to follow UAE's steps (will be seen as giving up Islamic cause of Palestine) or not to follow the UAE (since it is already in feud with the Saudis over not taking up the Kashmir case, Pakistan cannot afford another hostile Islamic Country).
- In the upcoming presidential election in the USA, the accord could help shore up support among pro-Israel Christian evangelical voters, an important part of current President's political base.

CONCERN:

- The Palestinians have not embraced the USA's vision. 86% of Palestinians believe the normalization agreement with the UAE serves only Israel's interests and not their own.
- There is a possibility that the Palestine quest is further ignored.
- Shia-Sunni rifts in the region may get wide and violent.
- Saudi Arabia (Sunni) and Iran (representing Shia) have a long history of enmity. For decades, one of the main sources of instability in West Asia has been the cold war between Saudi Arabia and Iran.

- The Sunni-Shiite schism may also provoke violence between Muslims in such places as Pakistan, Nigeria and Indonesia.

INDIA'S INTEREST IN WEST ASIA:

GEOPOLITICAL:

- West Asia occupies an important position in international relations due to its geographical location and proximity to continents and countries South Asia, China, Central Asia, Europe, and Africa.

ENERGY:

- The region is strategically significant due to its enormous energy resources, trade route links to different parts of the world.
- It is the world's largest oil-producing region accounting for 34% of world production, 45% of crude oil exports and 48% of oil proven reserves.

DIASPORA:

- Indian expatriates have constituted a substantial share of the regional labour market. Remittances from the region constitute a major chunk of total remittances to India

WAY FORWARD:

- A balance between Shia and Sunni, between Persian and Arab, is key to any sustainable peace.
- In recent years, China has indicated its willingness to play a larger role in this region, and is close to both UAE and Israel and, increasingly, Saudi Arabia.
- India should make its moves before this market and this extended neighbourhood come under the Chinese sphere of influence.
- A deal that could, if played right, open the doors for a changed geopolitical arrangement in the Middle East should have a stronger Indian footprint.

3.10 DJIBOUTI CODE OF CONDUCT

WHY IN NEWS?

India joined the Djibouti Code of Conduct (DCOC) as an observer as part of efforts aimed at enhancing maritime security in the Indian Ocean region.

MORE ABOUT CODE:

- It is also known as the **Code of Conduct concerning the Repression of Piracy and Armed Robbery against Ships in the Western Indian Ocean and the Gulf of Aden**.
- It was adopted on 29th January 2009.
- It was established under the **International Maritime Organization (IMO)**.



OBJECTIVES:

- Under the code, the signatories agreed to co-operate to the fullest possible extent in the repression of piracy and armed robbery against ships.

JEDDAH AMENDMENT:

- An amendment to DCOC was made in 2017 to cover other illicit maritime activities, including human trafficking and illegal, unreported and unregulated fishing and to build national and regional capacity to address wider maritime security issues, as a basis for sustainable development of the maritime sector.

SIGNATORIES:

- It has been signed by 20 countries including Djibouti, Ethiopia, Kenya, Madagascar, Maldives, Seychelles, Somalia, the United Republic of Tanzania, Yemen, Comoros, Egypt, Eritrea, Jordan, Mauritius, Mozambique, Oman, Saudi Arabia, South Africa, Sudan and the United Arab Emirates.
- The member states are located in areas adjoining the Red Sea, Gulf of Aden and the east coast of Africa and include island nations in the Indian Ocean.
- **Observers:** India, Japan, Norway, the UK and the USA.

SIGNIFICANCE:

- **Boosting its Indian Ocean Outreach:** As India is strengthening its position in the Indian Ocean and nearby waters as part of its overall Indo-Pacific policy.
- **Blue Economy:** Blue economy is one of the key areas of the Jeddah Amendment.
- It refers to the sustainable use of ocean resources for economic growth, improved livelihoods and jobs, and ocean ecosystem health.
- India has also focussed on the growth of the blue economy through its framework of Indian Ocean Rim Association and DCOC may be another step in that direction.
- China is modernising its military base at Djibouti.
- Given India's stakes in Indian Ocean and rising Indo-China conflicts, it is very significant for India to develop blue-water naval capabilities.

INDIA'S PRESENCE IN INDO-PACIFIC

Shangrila Dialogue:

- India has internationally emphasized on including the western Pacific and the Indian Ocean in the concept of Indo-Pacific, like at Shangrila Dialogue in 2018.
- In accordance, it also set up an Indo-Pacific division in the Ministry of External Affairs.

Quad:

- **Quadrilateral Security Dialogue (Quad)** refers to an ad hoc group including Australia, India, Japan, and the USA with a shared objective to ensure and support a "free, open and prosperous" Indo-Pacific region.
- India has signed reciprocal military logistics support agreements with Australia, USA and Japan to increase interoperability with the navies of those countries.

ASEAN:

- India has emphasized the centrality of ASEAN in its Indo-Pacific framework and India's Act East policy provides strategic direction to increase its cooperation with ASEAN members.

SAGAR:

- The Indian government introduced the concept of SAGAR (Security And Growth for All in the Region) in 2015 as its strategic vision for the Indian Ocean Region.
- Through SAGAR, India seeks to deepen economic and security cooperation with its maritime neighbours and assist in building their maritime security capabilities.
- India's other policies impacting the maritime domain include Project Sagarmala, Project Mausam, Information Fusion Centre (IFC) for the Indian Ocean Region (IOR), etc.
- India has also begun to focus on its strategic partners in the Western Indian Ocean. It has been accepted as an observer at Indian Ocean Commission.

3.11 INDIA-USA: BECA (BASIC EXCHANGE AND COOPERATION AGREEMENT)

WHY IN NEWS?

The USA is looking forward to India signing the **Basic Exchange and Cooperation Agreement for Geo-Spatial cooperation (BECA)**, at the next **India-USA 2+2** ministerial dialogue likely to be held in October, 2020.

ABOUT BECA:

- BECA will allow India to use the **geospatial maps of the USA** to get pinpoint military accuracy of automated hardware systems and weapons such as cruise and ballistic missiles.
- BECA is an important precursor to India **acquiring armed unmanned aerial vehicles such as the Predator-B** from the USA. Predator-B uses spatial data for accurate strikes on enemy targets.
- BECA is **one of the four foundational military communication agreements** between the two countries. The other three being **GSOMIA, LEMOA, CISMOA**.
- Initially, India had reservations to **geospatial mapping on the grounds of national security**, but they were later addressed by mutual dialogue and discussion between the two countries.

General Security of Military Information Agreement

- GSOMIA allows militaries to share the intelligence gathered by them.
- Signed by India in 2002.
- An extension to the GSOMIA, the Industrial Security Annex (ISA), was signed at the 2+2 dialogue in 2019.
- ISA provides a framework for exchange and protection of classified military information between the USA and Indian defence industries.

Logistics Exchange Memorandum of Agreement

- LEMOA allows both countries to have access to each other's designated military facilities for refuelling and replenishment.
- Signed by India in 2016.

Communications and Information Security Memorandum of Agreement

- COMCASA (Communications Compatibility and Security Agreement) is the India specific version of CISMOA.
- Valid for 10 years, COMCASA aims to provide a legal framework for the transfer of highly sensitive communication security equipment from the USA to India that will streamline and facilitate interoperability between their armed forces.
- Signed by India in 2018.

MARITIME INITIATIVES BETWEEN INDIA AND USA

- A maritime information agreement is also under active deliberation between **India and the USA**. Once concluded, India will have such arrangements with all Quad countries.
- **Quadrilateral Security Dialogue (Quad)** is the informal strategic dialogue between India, USA, Japan and Australia with a shared objective to ensure and support a free, open and prosperous Indo-Pacific region.
- In increasing military to military interactions, the USA has also posted a liaison officer at the Navy's **Information Fusion Centre for Indian Ocean Region (IFC-IOR)** meant to promote **Maritime Domain Awareness (MDA)**.
- The Information Fusion Centre serves countries that have **White Shipping Information Exchange** (White-shipping refers to commercial shipping information about the movement of cargo ships) agreements with India.
- MDA is defined by the International Maritime Organization as the effective understanding of anything associated with the maritime domain that could impact **the security, safety, economy, or environment of a country**.
- Recently, India posted a **liaison officer** at the USA Navy Central Command in Bahrain.

3.12 NATIONAL SECURITY ADVISORS MEET: NSA

WHY IN NEWS?

- Recently, Russia hosted virtual National Security Advisers (NSAs) meet of the Brazil-Russia-India-China-South Africa (BRICS) grouping.

HIGHLIGHTS:

Draft Anti-terrorism Plan:

- The group discussed a draft **anti-terrorism strategy** that is expected to be **approved at an upcoming summit**.
- The **anti-terrorism plan reflects fundamental aspects** of the BRICS states, such as **Respect for sovereignty and non-interference in internal affairs; Adherence to international law and recognition of the United Nation (UN)'s central role in security matters**.

Other Discussed Issues:

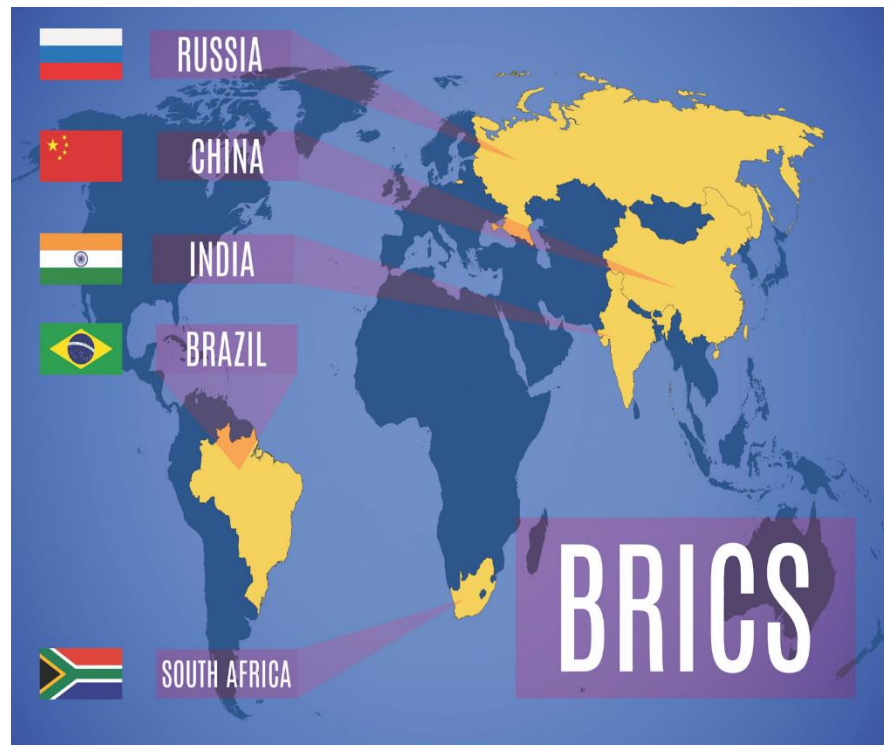
- Challenges and threats to global, regional and national security.
- Called for biological security cooperation and information and communications technology security.

- There was also a proposal to continue work on a system for countering security threats in the sphere of information.
- The Russian side criticised the deployment of weapons in space by the USA and the use of outer space for military operations.
- It also expressed concern over the escalation of tensions with the USA in Iran, Venezuela and Syria.
- It also proposed the creation of new mechanisms in the field of countering epidemiological threats and to conduct expert consultations on biosafety in the BRICS format.

The five countries are cooperating within the framework of building a **multi-polar system based on justice and equality**.

BRICS

- **BRICS** is an acronym for the grouping of the world's leading emerging economies, namely **Brazil, Russia, India, China, and South Africa**.
- In 2001, the British Economist Jim O'Neill coined the term **BRIC** to describe the four emerging economies of Brazil, Russia, India, and China.
- The grouping was formalised during the first meeting of **BRIC Foreign Ministers' in 2006**.



- **South Africa was invited to join BRIC in December 2010**, after which the group adopted the acronym **BRICS**.
- The chairmanship of the forum is rotated annually among the members, in accordance with the acronym **B-R-I-C-S**.
- During the **Sixth BRICS Summit in Fortaleza (Brazil) in 2014**, the leaders signed the **Agreement establishing the New Development Bank (NDB - Shanghai, China)**.
- They also signed the **BRICS Contingent Reserve Arrangement to provide short-term liquidity support to the members**.

3.13 UN @75

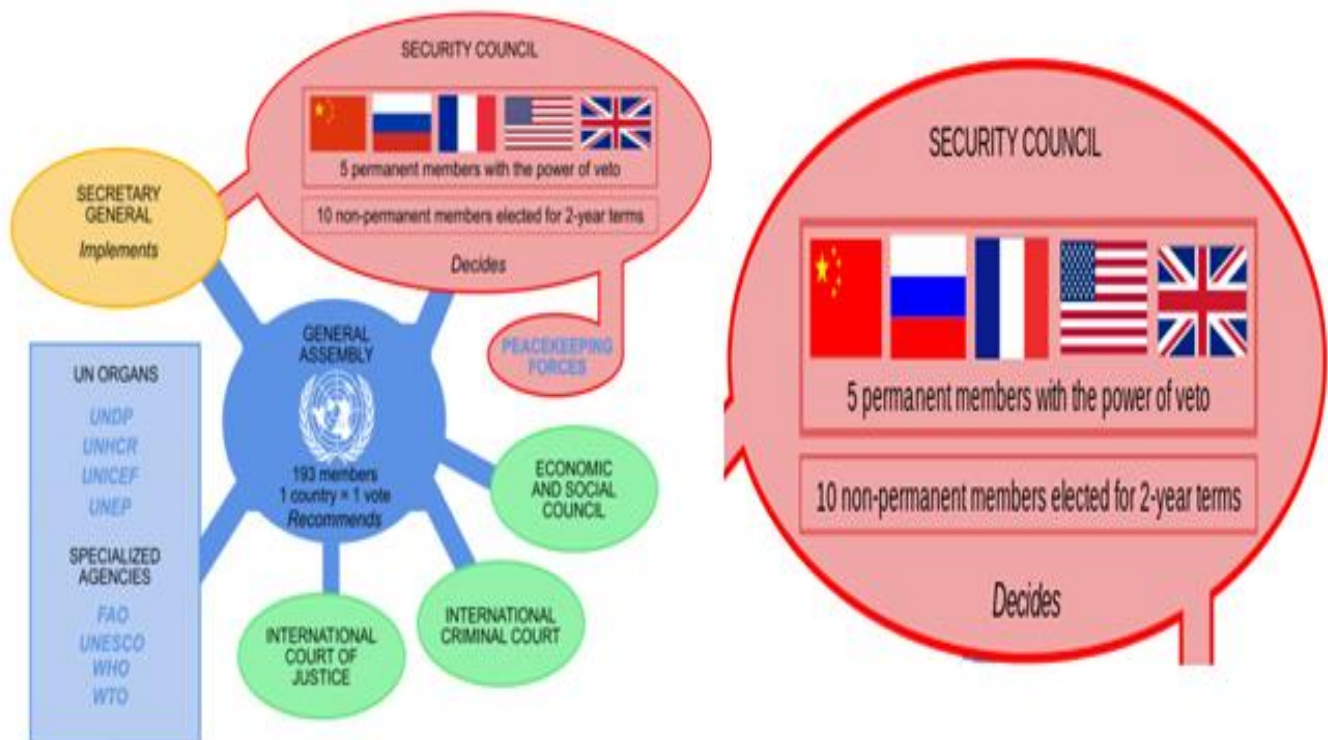
CONTEXT:

- The United Nations completed **75 years this year**. In order to commemorate the historic moment, world leaders come together, at a one-day high-level meeting of the UN General Assembly.
- The meeting, themed as “The Future We Want, the UN We Need: Reaffirming our Collective Commitment to Multilateralism”, is a landmark event, as for the first time in 75 years, the 193-member body would be holding the session virtually on account of the Covid-19 outbreak.

THE GENESIS OF THE UNITED NATIONS:

- The UN was born out of the ashes of yet another international organisation created with the intention of keeping war away.
- The League of Nations was created in June 1919, after World War I, as part of the Treaty of Versailles.
- The UN failed to prevent outbreak of World War 2. Consequently, in August 1941, American president Franklin D. Roosevelt and British Prime Minister Winston Churchill held a secret meeting. The heads of the two countries discussed the possibility of creating a body for international peace effort and a range of issues related to the war.
- Together they issued a statement that came to be called the **Atlantic Charter**. It was not a treaty, but only an affirmation that **paved the way for the creation of the UN**.

ACHIEVEMENTS OF THE UN OVER LAST 75 YEARS



- While at the time of its formation, the UN consisted of only **51 member states**, independence movements and de-colonization in the subsequent years led to an expansion of its membership. At present, **193 countries are members of the UN**.
- The U.N. has been involved in every major war and **international crisis** since its inception and has served as a catalyst for the prevention of others. It authorized the international coalitions that fought in the **Korean War (1950-53)** and the **Persian Gulf War (1991)**.
- It provided a forum for mediation in the **Arab-Israeli conflict** resulting in numerous peace accords and keeping the **conflict localized to the Middle East**.
- During the **Cuban Missile Crisis in 1962**, the U.N. was used as a podium by the United States to challenge the Soviet Union's placement of nuclear missiles in Cuba. The embarrassment of public indictment was instrumental in forcing the Soviets to remove the missiles.
- The U.N. has also made great strides in **raising the consciousness** of human rights beginning with the **"Universal Declaration of Human Rights"** adopted by the General Assembly in 1948. The U.N. Commission on Human Rights through its investigations and technical assistance in promoting free and fair elections has helped many countries in the transition to democracy.

- The U.N.'s intense attention to specific human rights abuses helped end apartheid in South Africa. In its **humanitarian efforts**, more than **30 million refugees** fleeing war, persecution, or famine have received aid from the U.N. High Commissioner for Refugees.
- Since the end of the Cold War, the U.N. has become **increasingly involved in providing humanitarian assistance and promoting improvements in the health of the world's peoples**.
- On a proactive level, the World Health Organization (WHO) and other U.N. affiliated groups have eliminated smallpox and are actively pursuing a battle against AIDS, tuberculosis, and malaria around the world. The WHO played a significant role in diagnosing and containing the spread of severe acute respiratory syndrome (SARS) in 2003.
- U.N. programs, like the **United Nations Children's Fund (UNICEF)** have saved and enriched the lives of the world's children **through immunization programs for polio, tetanus, measles, whooping cough, diphtheria and tuberculosis**. The lives of over 3 million children a year have been saved.
- **Promoting Arms Control:** The U.N. was founded with goals of promoting non-violence by means of nuclear weapons. The resolutions of disarmament proposed in U.N. General Assemblies and discussed by the five permanent members of the Security Council played **an instrumental role in the lead-up to the 1968 Treaty on Non-Proliferation of Nuclear Weapons**.

ISSUES IN UN

- **Wars have continued.** UN failed to stop USSR interventions in Hungary, Czech; US intervention in Iraq, Kuwait wars etc.
- Reluctance of members to commit **resources**. New US administration has openly criticized UN.
- Principle and provisions have become outdated. It still calls Germany and Japan as '**enemy states**'
- Lack of funds and functionaries
- UN bureaucracy is dominated by western countries
- **Cumbersome process of amendment:** Amendment of UN Charter requires 2/3rd majority and then it must be approved by P5 members
- Divergence in the working of UNSC (non-representative) and UNGA (decentralized).
- In 1994, the organization failed to stop the Rwandan genocide.
- In 2005, UN peacekeeping missions were accused of sexual misconduct in the Republic of Congo, and similar allegations have also come from Cambodia and Haiti.
- In 2011, the UN peacekeeping mission in South Sudan was unsuccessful in eliminating the bloodshed caused in the civil war that broke out in 2013.

SOME OF THE MAJOR REFORMS CAN BE DISCUSSED AS UNDER

- There is a need for the reforms in UN Charter Especially **Article 2 (7)** Is prohibits UN intervention in domestic affairs. In post-cold war, situation because of intra-state conflicts, there is a need for UN intervention in domestic affairs and so amendment of Art 2(7)
- Some verbal changes are required because UN charter still contains the reforms of "Enemy State"
- Institutional reforms
 - **General Assembly (UNGA)** - Not much reforms are required, However, there is need for better co-ordination between UNSC and UNGA
 - **UNSC Reforms - 1) membership reforms 2) Veto reforms 3) Procedural reforms**
 - **ECOSOC** - It has become unwieldy, there is a growth of organisations with overlapping mandate It needs to be streamlined.
 - **Trusteeship Council**- It has completed its work long back. At present it has no work to do either abolish the body or give new mandate e.g. can be given the task of governing the Global Convenors'
 - **Secretariat** - UN secretariat is dominated by the bureaucracy of western countries of global south should be in the secretariat. There is need for right sizing the democracy.

- **Peace keeping reforms-** Peace keeping needs greater budget for the capacity building, however unfortunately, Trump administration has announced a cut of \$ 600 million in peace keeping operations. There is a need for greater consultation with true contributing countries has proposed “Robust Peace Keeping”
- **Financial Reforms-** UN budget is not adequate in context of UN responsibilities. Countries do not pay their membership dues in time. USA is most frequent defaulter. Besides lack of adequate budget, there is huge conversion and insufficient utilisation of the funds. UN can be given some independent sources of funding. Eg- Right to impose Tobin Tax (tax on international financial transaction)

HOW REFORMS CAN BE DONE?

- Some reforms require **amendment of UN charter** e.g.- institutional reforms
- Certain reforms can be done **without amendment** e.g.- Secretariat related reforms. Peace keeping reforms, financial reforms.

HOW CHARTER CAN BE AMENDED?

- Amendment is ultimately rigid. **It is a 2 step process mentioned in Article 108 of UN Charter**
- **1st Step** - Any proposal for amendment has to be passed by 2/3rd majority in UNGA. This 2/3rd must include the consent of P-5 either they give context or abstain they should not be using veto.
- **2nd Step** - Once passed by UNGA, it has to be satisfied by 2/3 countries including P-5 according to their domestic requirement of satisfaction.

Reforms of UNSC and India’s request for permanent membership

Importance of UNSC

- It can be called as nucleus of the UN system. It is the only UN body with teeth to bite. It can be called as club of great powers.
- The main role of UN is protection of peace. The main responsibility for protection of peace is on UNSC.
- It is only body that can execute collective security operations united nation can use force, however force is not the first option.
- UNSC can take action in a proactive measure even when there is no actual threat and just a possibility of threat.
- UNSC can take following actions
 - Article 40, it can take provisional measures like declaration of ceasefire offering mediation
 - Article 41- punish measures like sanction, embargo
 - Article 42 - military action
- Charter also provides for action of military staff committee to make the forces available without delay (It has never been created)

KINDS OF REFORMS REQUIRED IN UNSC?

1. Membership reforms - the most important and politicized reforms UNSC has to set up 2 types of member
 - Permanent members
 - Non-permanent members (2 years) - They are not eligible for consecutive election
 - Original strength of UNSC - In 1945, the strength of assembly was 51 at that time, there was 5 permanent members and 6 non-permanent members
 - In 1963, the strength of UNGA was 113 and the number of non-permanent members was increased by 4 (Thus total 15 members)
 - At present strength of UNGA is 193, no change either in no of permanent or non-permanent members

2. Veto reforms
3. Procedure reforms

INDIA'S CASE IN FAVOUR FOR PERMANENT MEMBERSHIP IN UNSC

India's Historic Association with the UN System

- India is the **founding member** of the UN. Also, since its independence and even before that, India has been an active participant in all initiatives undertaken by the UN like **Millennium Development Goals, Sustainable development goals** and various UN summits, including on climate change.
- In the past, India's was offered to join the UNSC by both the superpowers, the US and the then Soviet Union in 1950 and in 1955 respectively, However, India denied the offer due to Cold war politics in that era.
- Today, most significantly, India has almost twice the number of peacekeepers deployed on the ground as much as by P5 countries.
- **India's Intrinsic Value**
 - India being the largest democracy and second-most populous country (soon to become most populous) in the world, are the primary reasons for India to be granted permanent membership in UNSC.
 - Also, India is now the 5th largest economy and one of the fastest-growing economies of the world.
 - India's acquired status of a **Nuclear Weapons State (NWS)** in May 1998 also makes India a natural claimant as a permanent member similar to the existing permanent members who are all Nuclear Weapon States.
- **Representing the developing World**
 - India is the undisputed leader of the Third world countries, as reflected by its leadership role in Non-Aligned Movement and G-77 grouping.
 - Therefore, India's inclusion in UNSC will strengthen India's stature as a 'moralistic force' for the developing states and help in making UNSC more democratic.

WAY FORWARD

- The United Nations was born out of the horrors of World War II. At the time of its foundation, it was primarily tasked with the goal of maintaining world peace and saving future generations from the evils of war
- The next 10 years, which have been designated as the decade of action and delivery for sustainable development, will be the most critical of our generation. It is even more important as we build back better from the COVID-19 pandemic.
- The goals listed out for the next ten years include protection of the planet and environment, promoting peace, gender equality and women empowerment, digital cooperation, and sustainable financing.

3.14 SOUTH ASIAN ASSOCIATION FOR REGIONAL COOPERATION (SAARC)

WHY IN NEWS?

- Recently, the Foreign Ministers' meetings of the South Asian Association for Regional Cooperation (SAARC) took place in a virtual manner.

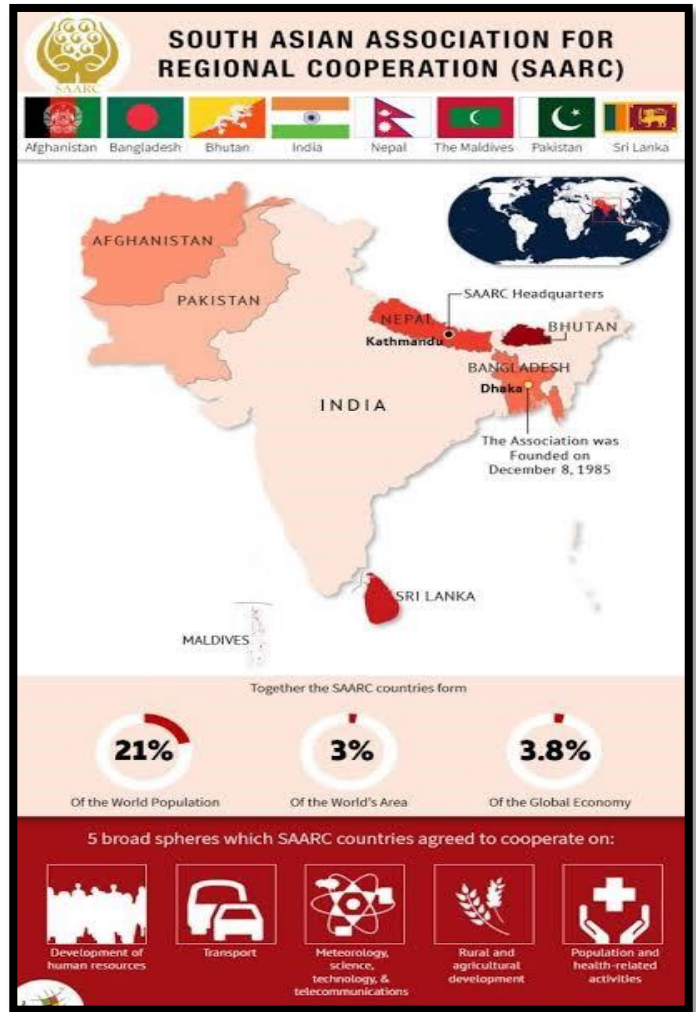
MORE ABOUT NEWS

- India called the SAARC countries to collectively resolve to defeat the scourge of terrorism, including the forces that nurture, support and encourage an environment of terror and conflict.
- India reaffirmed India's commitment to its '**Neighborhood First**' policy and towards building a **connected, integrated and prosperous South Asia**.

- **SAARC initiatives to combat Covid-19:** SAARC Covid-19 Information Exchange Platform (COINEX), SAARC Food Bank mechanism, SAARC Covid-19 Emergency Fund.

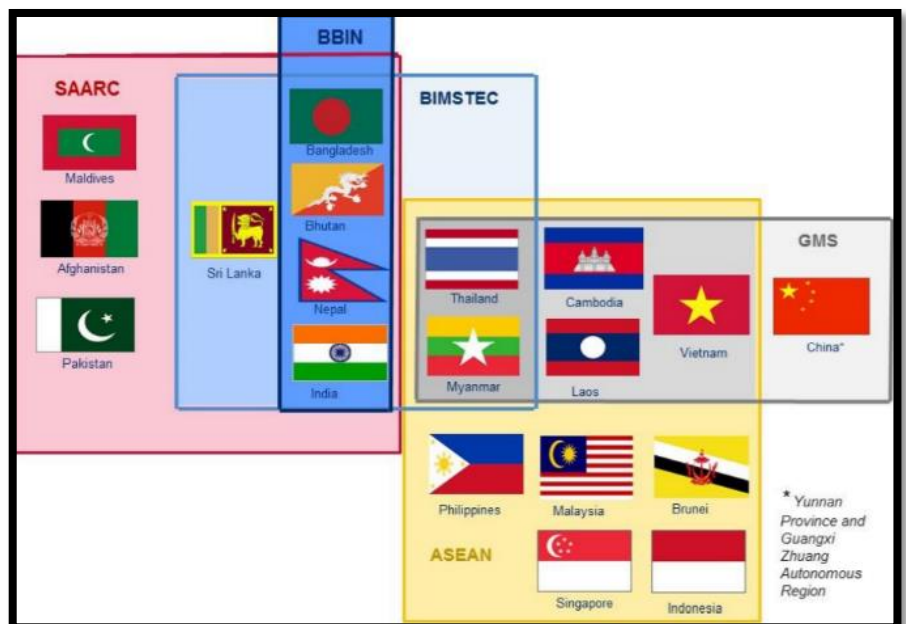
BACKGROUND OF SAARC

- South Asian Association for Regional Cooperation (SAARC) was established with the signing of the SAARC Charter in Dhaka on 8 December 1985.
- Afghanistan became the newest member of SAARC at the 13th annual summit in 2005.
- The Prime Minister of India had also refused to attend the 19th edition of the SAARC summit, due to be held in Islamabad in 2016, over the issue of Pakistan's continued support to terror groups in light of Uri attacks. Since then SAARC remained defunct with no Head of State level summit



ISSUES IN SAARC

- **Protectionism (35% tariffs)** within the region. Intra-regional trade (\$23 billion) is not beyond 5% of total trade (1% of SAARC's GDP- ASEAN trade is 10% of its GDP)
- **India-Pakistan conflict** has undermined SAARC. For India, Pakistan's use of terror as an instrument of foreign policy has made normal business impossible. Many countries use the platform to perpetuate their narrow national interests.
- **Huge asymmetry of power and economy between India and other nations.** Hence nations are apprehensive of each other. There is also absence of external balancer like China or USA which worked for other successful regional organizations like ASEAN and EU.
- According to Expert C. **Rajamohan:** Pakistan is the camel that slowed the SAARC caravan. It throws wet blanket on any new initiative. Ex. Connectivity projects.
- Dispute between Pakistan and Afghanistan over the Durand line, is also a reason.
- SAARC has become almost marginal to the regions' collective consciousness and other organisations such as the Bay of Bengal



Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) came into the forefront.

IS BIMSTEC AN ALTERNATIVE TO SAARC?

- Pakistan, Afghanistan and Maldives are left out in BIMSTEC. Moreover, while BIMSTEC is bridge in regional connectivity between South and South-East Asia, it cannot replace South Asia connectivity.

WAYS TO REVIVE SAARC

- With coming of China in Indo-Pacific, India cannot wait for Pakistan to accede to regional connectivity. Thus, more prudent option is to keep lines of dialogue open in SAARC and seek **other channels like BIMSTEC, BBIN**
- **Bringing other regional players like Japan, Australia into SAARC** to address concern of small states.
- SAARC should **meet more often to bridge trust deficit**. ASEAN meets 1000 times a year on various issues of common concern.
- India should be more **pragmatic when it comes to Pakistan and SAARC**. Bilateral differences should not trump regional prosperity.
- Smaller countries should be given lead as was done with Singapore in ASEAN
- **India to be leading force behind SAARC**

CONCLUSION:

- Given the historic integration of region, we should be reconnecting the region; SAARC is not history, it should be future.

4. ENVIRONMENT

4.1 PROJECT DOLPHIN

WHY IN NEWS?

The Prime Minister announced the **government's plan to launch a Project Dolphin** in his recent Independence Day Speech (15th August 2020).

- The proposed project is aimed at **saving both river and marine dolphins**.

KEY POINTS

- Project Dolphin will be **on the lines of Project Tiger**, which has helped increase the tiger population.
- Project **got in-principle approval** in December 2019, at the first meeting of the **National Ganga Council (NGC)**, headed by the Prime Minister.
- It is expected to be implemented by the **Ministry of Environment, Forest and Climate Change**.
 - Special Conservation program needs to be taken up for Gangetic Dolphin which is a **national aquatic animal** and also **indicator species** for the river Ganga spread over several states. As the Gangetic dolphin is at the top of the food chain, protecting the species and its habitat will ensure conservation of aquatic lives of the river.
 - So far, the **National Mission for Clean Ganga (NMCG)**, which implements the government's flagship scheme **Namami Gange**, has been taking some initiatives for saving dolphins.
- **Global Experience: The Rhine Action Plan (1987)** of the **International Commission for the Protection of the Rhine (ICPR)** – representing **Switzerland, France, Germany, Luxemburg and the Netherlands** – helped in conservation of the **salmon fish** (also an indicator species).

GANGETIC DOLPHIN

Scientific Name: *Platanista gangetica*

Features:

- These are generally **blind** and catch their prey in a unique manner. They emit an **ultrasonic sound** which reaches the prey.
- These are also called **susu**.

Location:

- It is found **mainly in the Indian subcontinent**, particularly in **Ganga-Brahmaputra-Meghna** and **Karnaphuli-Sangu** river systems.
- It is **also found in the Ganga's tributaries**.

Population:

- The **Gangetic dolphin census** suggests that the Gangetic dolphin population in India could be about **2,500-3,000**

PROJECT DOLPHIN
PRESERVING OUR UNDERWATER FRIENDS

- 10-YEAR PROJECT TO FOCUS ON BOTH RIVER AND SEA DOLPHINS
- AIM TO STRENGTHEN BIODIVERSITY, CREATE EMPLOYMENT OPPORTUNITIES AND ATTRACT TOURISM
- KILLING, HABITAT FRAGMENTATION BY DAMS AND BARRAGES AND INDISCRIMINATE FISHING HAS REDUCED THE GANGES RIVER DOLPHIN POPULATION FROM TENS OF THOUSANDS TO AROUND 3,700 OVER THE LAST CENTURY
- GANGES RIVER DOLPHIN, A SPECIES OF FRESHWATER DOLPHINS, IS PRIMARILY FOUND IN GANGA AND BRAHMAPUTRA RIVERS, AND THEIR TRIBUTARIES IN INDIA, BANGLADESH AND NEPAL
- IN INDIA, THESE DOLPHINS ARE SIGHTED IN DEEP RIVERS IN ASSAM, BIHAR, JHARKHAND, MADHYA PRADESH, RAJASTHAN, UTTAR PRADESH AND WEST BENGAL
- GANGES RIVER DOLPHIN, OFFICIALLY DISCOVERED IN 1801, CAN LIVE ONLY IN FRESHWATER

- As per Ministry of State for Environment, Forest and Climate Change there are about **1,272 dolphins in Uttar Pradesh** and **962 in Assam**.

Status of Conservation:

- In the **First Schedule of the Indian Wildlife (Protection), Act 1972**.
- **Endangered** by the **International Union for the Conservation of Nature (IUCN)**.
- **Appendix I** (most endangered) of the **Convention on International Trade in Endangered Species (CITES)**.
- **Appendix II** (migratory species that need conservation and management or would significantly benefit from international co-operation) of the **Convention on Migratory Species (CMS)**.

Conservation Efforts:

- **Wildlife Protection Act:** In 1986 after the launch of Ganga Action Plan in 1985, the government included Gangetic dolphins in the **First Schedule of the Indian Wildlife (Protection) Act 1972**.
- It means they have the highest degree of protection against hunting.
- This was aimed at checking hunting and providing conservation facilities such as wildlife sanctuaries.
- For instance, **Vikramshila Ganges Dolphin Sanctuary** was established in Bihar under this Act.

Conservation Plan:

- The Conservation Action Plan for the Ganges River Dolphin 2010-2020, which “identified threats to Gangetic Dolphins and impact of river traffic, irrigation canals and depletion of prey-base on Dolphins populations”.
- The **National Ganga River Basin Authority** (replaced by National Ganga Council) in 2009 and constituted a Working Group under the Patna University to prepare a Conservation Action Plan for the Gangetic Dolphin in 2009.
- **National Aquatic Animal:** In 2009, during the 1st meeting of the National Ganga River Basin Authority, the Gangetic river dolphin was declared as the national aquatic animal.
- The National Mission for Clean Ganga celebrates **5th October as National Ganga River Dolphin Day**.

4.2 REVIEW OF NATIONAL FOREST POLICY

WHY IN NEWS?

- Recently the Director General of Forests has advocated for the amendment of National Forest Policy, 1988.
- The recommendations are based on a research paper published in 2016 in the *Natural Resources Forum*, a **United Nations Sustainable Development Journal** which called for sustainable forest management based on certification and a policy characterised by restoration, conservation and production equally.

KEY POINTS

- **Data unavailability:** There is a lack of reliable data relating to growing stock, consumption and production of timber, which constrained forecast of supply and demand projections.
- **Focus on TOFs:** The potential of timber production from Trees Outside Forests (TOFs) i.e. grown outside government Recorded Forest Areas (RFAs) must be explored and tapped.

RECORDED FOREST AREA (RFA):

- Refers to all the geographic areas recorded as **forest** in government records. **Recorded forest** areas comprises **Reserved Forests (RF)** and **Protected Forests (PF)**, which have been constituted under the provisions of **Indian Forest Act, 1927**.

- According to **India State of Forest Report (2011)**, timber production from government forests is 3.17 million m³ and **potential timber production from TOFs** is 42.77 million m³. **India State of Forest Report (ISFR)** is a biennial publication of **Forest Survey of India (FSI)**, an organization under the Ministry of Environment Forest & Climate Change.
- Production forestry should focus on sustainable increase in forest productivity from TOFs and RFAs.
- To boost production through RFA States must devise working plans and demarcate **10% of the forests for plantations**.
- For TOFs, a synchronised nationwide policy could be developed.
- Increasing wood production will also **push carbon sequestration and help in mitigating effects of climate change**.
- Increasing timber production from TOFs can **revive the rural economy**.
- **Review of Import-Export Policy:** Since the domestic timber production has declined and imports have increased manifold, there is a need to review **Export-Import Policy**.
 - The domestic demand of timber has grown owing to increasing population and per capita GDP. Dependency on imports is not viable as **exporters worldwide are shifting to a conservation-based approach**.
 - **The Export Import Policy should be reviewed to rectify** the pricing in the market so that it is economically viable to grow trees on farmlands,
 - **Export Import Policy** or better known as **Exim Policy** is a set of guidelines and instructions related to the import and **export** of goods. The Government of **India** notifies the **Exim Policy** for a period of five years under the **Foreign Trade (Development and Regulation Act), 1992**.
- **Revision of Indian Forest Policy:** The paper emphasized on revising the Indian Forest Policy to **boost domestic production**.
 - The conservation policies must focus on **maintaining ecological balance and improving biodiversity** through protected area management.
 - The restoration policies must target **reclamation, rehabilitation and regeneration** of degraded landscapes and wastelands.

BACKGROUND

- India's forests are currently governed by the **National Forest Policy, 1988**
- It has environmental balance and livelihood at its centre.

SALIENT FEATURES AND GOALS:

- Maintenance of environmental stability through preservation and restoration of ecological balance.
- Conservation of Natural Heritage (existing).
- Checking Soil Erosion and Denudation in catchment areas of rivers, lakes, and reservoirs.
- Checking extension of sand dunes in desert areas of Rajasthan and along coastal tracts.
- Substantially increasing Forest/Tree Cover through Afforestation and Social Forestry.
- Taking steps to meet requirements of fuel, wood, fodder, minor forest produces, soil and timber of Rural and Tribal Population.
- Increasing the productivity of Forests to meet National Needs.
- Encouraging efficient utilization of Forest Produce and Optimum Use of Wood (Timber).
- Generation of Work Opportunities, the involvement of Women.

CRITICISM:

- It has not been updated in a long time while the situation of forests and climate has substantially changed.

- Key policies regarding forests and forest management are either missing, delayed or left open-ended.
- For example, at present, there is no clear definition of forest that is accepted nationally and states are left to determine their definition of forests.

FORESTRY IN INDIA

- According to **India State of Forest Report, 2019**, tree and forest cover together made up **24.56% (8,07,276 sq. km)** of India's area.
- In landmark **1996 Godavarman Case**, the Supreme Court **defined forests** as all areas that are forests in the dictionary meaning of the term irrespective of the nature of ownership and classification thereof.
- **Constitutional Provisions:**
 - Forests and Protection of Wild Animals and Birds are included in the **Concurrent List in the (Seventh Schedule)** of the Constitution of India.
 - Through the **42nd Amendment Act, 1976** Forests and Protection of Wild Animals and Birds were transferred from State to Concurrent List along with Education, Weights & Measures and Administration of Justice.
 - **Article 51 A (g)** of the Constitution states that it shall be the **fundamental duty** of every citizen to protect and improve the natural environment including forests and Wildlife.
 - **Article 48 A** in the **Directive Principles of State policy**, mandates that the State shall endeavor to protect and improve the environment and to safeguard the forests and wildlife of the country.

4.3 LAUNCH OF BAMBOO CLUSTERS

WHY IN NEWS?

- Union Minister for Agriculture and Farmers' Welfare has **virtually inaugurated 22 bamboo clusters in 9 states** viz. Gujarat, Madhya Pradesh, Maharashtra, Odisha, Assam, Nagaland, Tripura, Uttarakhand and Karnataka.
- A **logo for the National Bamboo Mission (NBM)** has also been released.

INITIATIVES TO PROMOTE BAMBOO:

- The **Indian Forest Act 1927** was amended in **2017** to remove bamboo for the category of trees.
- As a result, anyone can undertake cultivation and business in bamboo and its products without the need of a felling and transit permission.
- **Import policy** has also been modified to ensure the progress of the bamboo industry in the country.
- NBM supports local artisans through locally grown bamboo species, which will actualise the goal of **Vocal for Local** and help increase the income of farmers, reducing dependency on imports of raw material.
- **10 most important species** which are required by industry have been identified and **quality planting material is being made available** to farmers for plantations.
- Apart from the existing **Farmer Producer Organisations (FPOs)**, **10,000 new FPOs will be formed in 5 years**.
- Well-organized FPOs engage in providing a range of assistance to farmers like **imparting better farm practices, collectivisation of input purchases, transportation, linkage with markets, and better price realisation** as they do away with the intermediaries.
- **Common Facility Centres are being set up** close to the plantations which will reduce the cost of transportation and increase local entrepreneurship, moving to a zero-waste approach.

NATIONAL BAMBOO MISSION:

- The restructured NBM was **launched in 2018-19** for the holistic development of the complete value chain of the bamboo sector and is being implemented in a **hub (industry) and spoke model**.

OBJECTIVES:

- Connecting farmers to markets so as to enable farmer producers to get a ready market for the bamboo grown and to increase the supply of appropriate raw material to the domestic industry.
- It also **endeavours to upgrade skills of traditional bamboo craftsmen** as per the requirement of contemporary markets with a tie-up with enterprises and premier institutes.
- The **Sector Skill Councils** established under the **National Skill Development Agency (NSDA)** will impart skills and recognition of prior learning to traditional artisans, encouraging the youth to carry forward their family traditions.
- NSDA is an **autonomous body under the Ministry of Skill Development and Entrepreneurship** that anchors the National Skill Qualifications Framework and allied quality assurance mechanisms for synergizing skill initiatives in the country.

NEW LOGO:



- It portrays a bamboo culm in the centre of a circle composed of half an industrial wheel and half farmers, depicting the objectives of NBM appropriately.
- The **green and yellow colour** of the logo symbolise **bamboo often termed as green gold**.

WAY FORWARD

- States need to take forward the objectives of the National Bamboo Mission which would contribute to the **Aatmanirbhar Bharat Abhiyan** through an “Aatmanirbhar Krishi (self-reliant farming)”.
- With the abundance of bamboo and its rapidly growing industry, India should aim to establish herself in global markets for both engineered and handcrafted products by increasing the exports even further.

4.4 EARN, DON'T BURN THE PADDY STUBBLE

WHY IN NEWS?

- The Punjab Energy Development Agency (PEDA) in association with the Govt. of Punjab, is creating alternatives for paddy stubble utilization.
- High-decibel awareness campaigns on buses, posters, the media, jingles on FM stations, involvement of NGOs, development agencies, schools, pollution control boards helped the cause

ALTERNATIVES TO STUBBLE BURNING:

- **Biomass Power Plants:** PEDA has set up 11 biomass power plants where 97.50 megawatts (MW) of power is generated. In these plants, 8.80 lakh metric tons of paddy stubble is used annually to generate power.
- **Bio CNG:** India's largest Bio CNG project, which will produce 8,000 m cube biogas per day (equivalent to 33.23 tons of Bio CNG per day) is under execution at Lehragaga tehsil in Sangrur district.
- **Bioethanol Project:** A Bioethanol project of 100 kiloliter is being set up at Talwandi Sabo in Bathinda. This will require 2 lakh metric tons of paddy stubble annually.

- Bioethanol can be used to run vehicles after blending with diesel and petrol.

ADVANTAGES OF THESE PROJECTS:

After commissioning of all these projects, Punjab and Haryana will be able to utilise 27% of the total paddy stubble.

- **Farmers' income:** Farmers can benefit hugely if they can sell paddy stubble to the industry instead of burning it.
- **Environment benefits:** It will reduce the pollution caused by stubble burning and also preserve the fertility of the soil which is lost due to burning paddy stubble.
- **Entrepreneurship:** The youth, particularly engineers, graduates in science and technology can start such projects under the 'start-up' concept, which will create entrepreneurship among them.
- **Employment:** Educated unemployed youth in rural Punjab where such projects will be set up can get big job opportunities.

LIMITATION:

- Unfortunately, the stubble management campaign has been reduced to a 'Happy Seeder campaign'.
- The correct step would have been to leave it to the farmers to choose the technology or solution they wish to adopt, with the overall thrust on 'no burning'.
- Farmers face confusion about the solutions; most solutions they know of are not viable for them as the landholdings are very small.
- Non-availability of SMS-fitted harvester combines is another challenge. It is illegal to run a combine without the SMS (straw management system).
- Combine owners say the SMS attachment is too expensive. It increases the cost of harvesting, which they are unable to pass on to users.

SOLUTION:

- Policy should be flexible, the state should promote Happy Seeders wherein the SMS is not required and anchored straw is not an issue.
- Ploughing of crop residue into the soil is possible with the Reversible Mould Board (MB) plough.
- Adoption and promotion of the PAU (Punjab Agricultural University) of Happy Seeders is good however regarding the use, the final decision should be left to the farmer.

The Biochar way:

- **Biochar can be produced by burning rice straw in a kiln, in the absence of oxygen.**
- The process needs very little space and investment. Application of 2 tonnes of biochar per acre to wheat or rice reduces urea consumption by one-third, produces 10 per cent more green yield and improves soil health significantly after three years.
- Application of biochar increases the retention of nutrients like phosphorous and nitrogen in the soil.
- Aids in decreasing the leaching of nutrients of soil into the groundwater and helps in saving nutrients from erosion due to the surface water flow.
- Biochar helps to reduce environmental pollution by 60-70 per cent.

4.5 FRAME RULES FOR DISPOSAL OF CIGARETTE BUTTS: NGT

WHY IN NEWS?

- Following a report filed by the **Central Pollution Control Board (CPCB)**, the **National Green Tribunal (NGT)** has directed the board to lay down guidelines pertaining to disposal of cigarette and beedi butts within three months.
- NGT held that tobacco is undoubtedly harmful and it is mainly concerned with the manner of disposal of cigarette and beedi butts.

BACKGROUND:

- The Environment Ministry had said that cigarette butts were not listed as hazardous, the Health Ministry had maintained that they were not biodegradable.
- An NGO 'Doctors for You' sought instructions to regulate the disposal of cigarette and beedi butts apart from prohibiting the consumption of tobacco in public places.
- The analysis reflects that concentrations detected will not be toxic to human and environment. Cellulose acetate is a major component (95%) of the cigarette butts along with the wrapping paper and rayon.
- Cellulose acetate is a major component of the cigarette and beedi butts and its degradation studies show that it will persist for a longer duration.
- Recycling of cellulose acetate after recovery from cigarette butts may be suggested as one among the immediate solution to the problem until the degradation and safety data are generated.

STEPS TAKEN TO CONTROL TOBACCO CONSUMPTION:

WHO Framework Convention on Tobacco Control (WHO-FCTC):

- It is the first international treaty negotiated under the auspices of the World Health Organisation. India ratified it in 2004.

National Tobacco Control Programme:

- The Ministry of Health and Family Welfare launched the programme in 2007-08.
- It aims to facilitate the effective implementation of the Tobacco Control Law, to bring about greater awareness about the harmful effects of tobacco as well as to fulfil the obligations under the WHO-FCTC.

mCessation Programme:

- It is an initiative using mobile technology for tobacco cessation. India launched mCessation using text messages in 2016 as part of the government's Digital India initiative.

Cigarettes and other Tobacco Products (Packaging and Labelling) Amendment Rules, 2020

4.6 PRICING FOREST: NET PRESENT VALUE ASSESSED

WHY IN NEWS?

- The Ministry of Mines has requested the Forest Advisory Committee (Ministry of Environment, Forest and Climate Change) to exempt digging exploratory boreholes from Net Present Value (NPV).
- In 2018, the Ministry of Coal, the Ministry of Mines and the Ministry of Petroleum and Natural Gas had sought to be exempted from forest clearances for exploratory boreholes.

WHAT IS EXPLANATORY BOREHOLE?

- An exploratory borehole is drilled for the purpose of identifying **the characteristics, location, quantity and quality of a resource (coal, metal or petroleum)**.
- It is a part of prospecting a site for future use for mining and extraction activities..

WHAT IS NET PRESENT VALUE?

- It is a mandatory **one-time payment** that a user has to make for diverting forestland for non-forest use, under the **Forest (Conservation) Act, 1980**.
- It is calculated on the basis of the services and ecological value of the forests.
- It depends on the location and nature of the forest and the type of industrial enterprise that will replace a particular parcel of forest.
- In the **N. Godavarman Thirumulpad v. Union of India case, 2008**, the Supreme Court mandated the payment of NPV.
- The **Kanchan Gupta Committee** developed the concept of NPV after this case.
- These payments go to the **Compensatory Afforestation Fund (CAF)** and are used for afforestation and reforestation.
- The CAF is managed by the **Compensatory Afforestation Management and Planning Authority (CAMPA)**.
- The **Forest Advisory Committee** constituted by the Ministry of Environment, Forest and Climate Change (MoEF&CC) decides on whether forests can be diverted for projects and the NPV to be charged.
- It is a statutory body constituted by the Forest (Conservation) Act 1980.

Ministry of Mines states that all areas of exploration are not converted into mining. Only about 1% of cases are converted to mining. However the payment of NPV at a present rate of 2% or 5% NPV of the total forest area in the lease area is one of the major challenges which leads to delay in the exploration/ prospecting activities.

Forest Advisory Committee on its reply recommended, while it was not possible to do away with NPV, it recommended that the MoEF&CC may consider charging NPV on a per borehole basis instead of the present practice of charging 2 or 5%.

4.7 LIVING PLANET REPORT

WHY IN NEWS?

- According to the **Living Planet Report 2020** released by the **World Wide Fund for Nature**, the population of **vertebrate species** has largely declined in the past half- century.

WHAT ARE VERTEBRATES?

- Vertebrates are **animals that have backbones or vertebral columns**. They are also characterized by a **muscular system** consisting primarily of bilaterally paired masses and a central nervous system partly enclosed within the backbone.

HIGHLIGHTS OF THE REPORT:

METHODOLOGY:

- **Living Planet Index (LPI)**: It is a measure of the state of the world's biological diversity based on population trends of vertebrate species in terrestrial, freshwater and marine habitats.
- It is released by **Institute of Zoology (Zoological Society of London)**
- Founded in **1826**, **Zoological Society of London** is an international conservation charity working for wildlife conservation.
- LPI tracked almost 21,000 populations of more than 4,000 vertebrate species between 1970 and 2016.

FINDINGS:

- It shows an average **68%** decline in global vertebrate species populations, between 1970 and 2016. In the Asia Pacific the decline stands at 45%.
- **A 94% decline in the LPI for the tropical subregions of the Americas** is the largest fall observed in any part of the world.
- Freshwater species populations have reduced by **84%** on average since 1970.
- Freshwater species populations are being lost faster than terrestrial or marine species. According to the **International Union for Conservation of Nature (IUCN)**, almost **1/3rd of freshwater species** are now threatened with extinction.
- Wildlife populations in freshwater habitats suffered a decline of **84%**, equivalent to **4% per year**, particularly in **Latin America and the Caribbean**.
- Since 1970, our **Ecological Footprint** has exceeded the **Earth's rate of regeneration**.
 - Ecological Footprint measures the ecological assets that a given population requires to produce the natural resources it consumes and to absorb its waste, especially carbon emissions.
 - The human enterprise currently demands 1.56 times more than the amount that Earth can regenerate. It is like living off 1.56 Earths.

THREATS TO BIODIVERSITY:

1. Changes in Land and Sea Use, including Habitat Loss and Degradation
2. Species Overexploitation
3. Pollution
4. Invasive Species and Disease
5. Climate Change

WORLD WILDLIFE FUND FOR NATURE (WWF)

- It is the **world's leading conservation organization** and works in **more than 100 countries**.
- It was established in **1961** and is headquartered at **Gland, Switzerland**.
- Its mission is to conserve nature and reduce the most pressing threats to the **diversity of life on Earth**.



4.8 CONSERVATION OF WETLANDS

WHY IN NEWS?

- Rajasthan Government is **acting proactively to protect the wetland ecosystem** of the state with **52 wetlands earmarked for time-bound development**.
- In Rajasthan, **Sambhar Lake and Keoladeo Ghana National Park** have the prestigious tag of **'Wetland of International Importance'**, by the **Ramsar Convention on Wetlands**.

ABOUT WETLANDS

- Wetlands are defined as: "lands transitional between terrestrial and aquatic eco-systems where the water table is usually at or near the surface or the land is covered by shallow water".

IMPORTANCE

- Wetlands are highly productive ecosystems that provide the world with nearly **two-thirds of its fish harvest**.
- Wetlands play an integral role in the **ecology of the watershed**.
- They are ideal for the development of organisms that form the base of the **food web and feed many species of fish, amphibians, shellfish and insects**.
- Wetlands' microbes, plants and wildlife are part of **global cycles for water, nitrogen and sulphur**.
- Wetlands store carbon within their **plant communities and soil (carbon sequestration)** instead of releasing it to the atmosphere as carbon dioxide.
- They provide **habitat for animals and plants** and many contain a wide diversity of life, supporting plants and animals that are found nowhere else.
- They are also an **important source of ground water recharge**.
- More than **one billion people depend on them for a living**.
- Wetlands are a vital source for food, raw materials, genetic resources for medicines, and hydropower.
- Many wetlands are areas of **natural beauty and promote tourism** and many are important to **Aboriginal people**.
- Also, they help in **controlling the floods**.

THREATS TO WETLANDS

1. Urbanization:

- Wetlands near urban centres are under increasing developmental pressure for residential, industrial and commercial facilities.
- Urban wetlands are essential for preserving public water supplies.

2. Agriculture:

- Vast stretches of wetlands have been converted to paddy fields.
- Construction of a large number of reservoirs, canals and dams to provide for irrigation significantly altered the hydrology of the associated wetlands.

3. Pollution:

- Wetlands act as natural water filters.

- However, they can only clean up the fertilizers and pesticides from agricultural runoff but not mercury from industrial sources and other types of pollution.
- There is growing concern about the effect of industrial pollution on drinking water supplies and the biological diversity of wetlands.

4. Climate Change:

- Increased air temperature;
- Shifts in precipitation; increased frequency of storms, droughts, and floods;
- Increased atmospheric carbon dioxide concentration; and sea level rise could also affect wetlands.

5. Dredging and sand mining:

- That is the removal of material from a wetland or river bed. Dredging of streams lowers the surrounding water table and dries up adjacent wetlands.

6. Introduced Species:

- Indian wetlands are threatened by exotic introduced plant species such as water hyacinth and salvinia. They clog waterways and compete with native vegetation.

GLOBAL CONSERVATION EFFORTS:

RAMSAR CONVENTION:

- The Convention came into force in **1975** and is one of the oldest inter-governmental accord for preserving the ecological character of wetlands.
- The Convention's mission is "**the conservation and wise use of all wetlands through local and national actions and international cooperation**, as a contribution towards achieving sustainable development throughout the world".
- **India has 37 Ramsar Sites** which are the **Wetlands of International importance**.

MONTREUX RECORD:

- Montreux Record is a register of wetland sites on the List of Wetlands of International Importance where **changes in ecological character have occurred, are occurring, or are likely to occur** as a result of technological developments, pollution or other human interference.
- Wetlands of India that are in Montreux Record: **Keoladeo National Park (Rajasthan) and Loktak Lake (Manipur)**.
- **Chilka lake (Odisha) was placed in the record but was later removed from it.**

CONSERVATION EFFORTS BY INDIA:

National Plan for Conservation of Aquatic Ecosystems (NPCA):

- NPCA is a single conservation programme for both wetlands and lakes.
- It is a centrally sponsored scheme, currently being implemented by the Union Ministry of Environment and Forests and Climate Change.
- It was formulated in 2015 by merging of the National Lake Conservation Plan and the National Wetlands Conservation Programme.
- NPCA seeks to promote better synergy and avoid overlap of administrative functions.

Wetlands (Conservation and Management) Rules, 2017:

- Nodal authority: As per the Wetlands Rules, the Wetlands Authority within a state is the nodal authority for all wetland-specific authorities in a state/UT for the enforcement of the rules.

Prohibited activities:

- Setting up any industry and expansion of existing industries,
- Dumping solid waste or discharge of untreated wastes and effluents from industries and any human settlements, and
- Encroachment or conversion for non-wetlands uses.

Integrated Management Plan:

- The guidelines recommend that the state/UT administration prepare a plan for the management of each notified wetland by the respective governments.

Penalties:

- Undertaking any prohibited or regulated activities beyond the thresholds (defined by the state/UT administration) in the wetlands or its zone of influence, will be deemed violations under the Wetlands Rules.
- Violation of the Rules will attract penalties as per the Environment (Protection) Act, 1986.

4.9 BLUE FLAG CERTIFICATION

WHY IN NEWS?

- On the occasion of **International Coastal Clean-Up Day**, for the first time eight beaches of India are recommended for the coveted International eco-label, the **Blue flag certification**.

International Coastal Clean-Up Day is marked each year on the **third Saturday of September** as an initiative of the **Washington-based Ocean Conservancy**, a volunteer effort for ocean health.

BLUE FLAG CERTIFICATION:

- Blue Flag beaches are considered the cleanest beaches of the world.
- The Blue Flag is one of the world's **most recognized voluntary eco-labels awarded to beaches, marinas, and sustainable boating tourism operators**.
- In order to qualify for the Blue Flag, a series of **stringent environmental, educational, safety, and accessibility criteria must be met and maintained**.
- The Blue Flag Programme for beaches and marinas is run by the international, non-governmental, non-profit organization **FEE (the Foundation for Environmental Education)**.



BEAMS

- On this occasion, India has also launched India's own eco-label **BEAMS (Beach Environment & Aesthetics Management Services)** under **ICZM (Integrated Coastal Zone Management)** project.
- This is launched by the **Society of Integrated Coastal Management (SICOM)** and the **Union Ministry of Environment, Forest and Climate Change (MoEF&CC)**.

OBJECTIVES:

- Abate pollution in coastal waters,
- Promote sustainable development of beach facilities,
- Protect & conserve coastal ecosystems & natural resources,
- Strive and maintain high standards of cleanliness,
- Hygiene & safety for beachgoers in accordance with coastal environment & regulations.

INTEGRATED COASTAL ZONE MANAGEMENT PLAN

- **Integrated Coastal Zone Management Plan (ICZM)** is a process for the management of the coast using an integrated approach, regarding all aspects of the coastal zone, including geographical and political boundaries, in an attempt to achieve sustainability.
- The concept of ICZM was born in **1992 during the Earth Summit of Rio de Janeiro**.
- The specifics regarding ICZM is set out in the proceedings of the summit within **Agenda 21**.

IMPLEMENTATION

- It is a World Bank assisted project and is being implemented by the **Union Ministry of Environment, Forests and Climate Change (MoEFCC)**.
- The **National Centre for Sustainable Coastal Management (NCSCM)**, Chennai, is providing scientific and technical inputs.

4.10 ENVIRONMENT POLLUTION (PREVENTION AND CONTROL) AUTHORITY (EPCA)

WHY IN NEWS?

- EPCA comes out with parking management plan for Delhi. In report, agency flags free parking on public land, multiplicity of agencies to be key cause of congestion and parking menace.

ABOUT:

- EPCA was constituted with the objective of '**protecting and improving**' the quality of the environment and '**controlling environmental pollution**' in the **National Capital Region**. The EPCA also assists the apex court in various environment-related matters in the region.
- EPCA is **Supreme Court mandated body** tasked with taking various measures to tackle air pollution in the National Capital Region. It was notified in 1998 by Environment Ministry under Environment Protection Act, 1986.

FUNCTIONS:

- To protect and improve quality of environment and prevent and control environmental pollution in National Capital Region.
- To enforce Graded Response Action Plan (GRAP) in NCR as per the pollution levels.

4.11 CLIMATE CHANGE AND FOREST FIRE

CONTEXT:

- Scientists note that **human-induced climate change promotes the conditions** on which wildfires depend, enhancing their likelihood and challenging suppression efforts.
- Further, the scientist note that climate change **increases the frequency and severity** of fire weather around the world and
- **Land management alone cannot explain recent increases** in wildfire because increased fire weather from climate change amplifies fire risk where fuels remain available.

BASICS ABOUT FOREST FIRES:

- Forest fires are a natural element of many, but not of all forest ecosystems.
- In cold or dry climates with limited decomposition of litter and accumulation of humus through soil microorganisms, forest fires ensure that future generations of trees are supplied with nutrients.
- Some tree species like pine or the sequoias need the heat from a forest fire as an impulse for their cones to open and release seeds for new tree generations.
- In many regions, forest fires are as integral to sustaining the natural flora and fauna as sunshine and rain.
- Typical fire landscapes are the taiga, the African savannahs, and the monsoon and dry forests of South Asia.
- But increased incidents of forest fires have been identified as one of the most significant threats to global biodiversity.

CAUSES OF FOREST FIRES:

- **NATURAL CAUSES**
 - **Weather conditions** can directly contribute to the occurrence of wildfires through lightning strikes or indirectly by an **extended dry spell or drought**
 - **Lightning strikes** the earth over 100,000 times a day. 10 to 20% of these lightning strikes can cause fire
 - Wildfires can be caused by an **accumulation of dead matter** (leaves, twigs, and trees) that can create enough heat in some instances to spontaneously combust and ignite the surrounding area
 - **El Niño:** In Southeast Asia and Australia, this causes droughts and destructive wildfires. In South America west of the Andes, torrential rains cause flooding while the Amazon region east of the Andes remains dry.
- **MANMADE CAUSES**
 - The most common direct human causes of wildfire ignition include arson, discarded cigarettes, power-lines arcs (as detected by arc mapping), and sparks from equipment.
 - Wildfires can also be started in communities experiencing **shifting cultivation**, where land is cleared quickly and farmed until the soil loses fertility, and slash and burn clearing
 - Forested areas **cleared by logging encourage the dominance of flammable grasses**, and abandoned logging roads overgrown by vegetation may act as fire corridors.
 - **Human-induced Climate Change:** Increases in greenhouse gases resulting from human activities have led to a net effect of warming of the climate system leading to direct impacts including increased air and ocean temperatures, widespread melting of snow and ice and rising global average sea level.

Temperatures are rising

Average annual temperatures in the Western US have increased 1.9°F since 1970.



Snow melts sooner

Winter snowpack melts up to 4 weeks earlier than in previous decades.

Climate change is fueling wildfires. Here's how.

Fires are getting worse

Wildfires are larger and costlier than ever before, and their emissions are worsening global warming.



Forests are drier, longer

Ecosystems are primed for wildfires to ignite and spread.

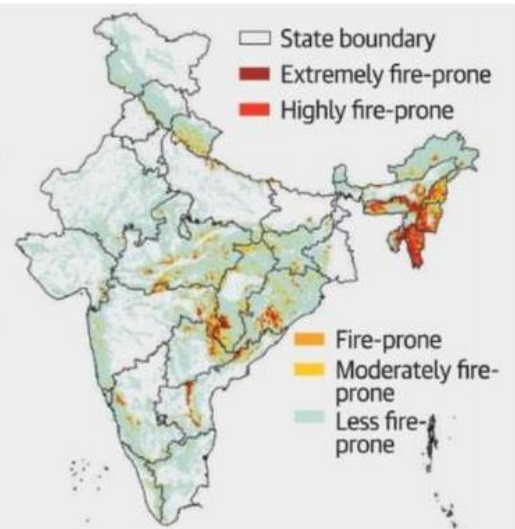
- **Factors Identified by the IPCC: The Fifth Assessment Report** of the Intergovernmental Panel on Climate Change (IPCC), published in 2013, identified a few factors that could influence the way wildfires play out.
- These include:
 - **Global increase in average temperatures.**
 - **Global increases in the frequency, intensity and extent of heatwaves** (breaching of historically extreme temperature thresholds).
 - **Regional increases in the frequency, duration and intensity of droughts.**

INDIAN SCENARIO:

- Due to increasing population pressure, this exemplary land ecosystem of the world is struggling for its survival. Increasing human interference in the natural forest ecosystem has also tremendously increased the forest fire incidences.
- According to the India State of Forest Report (ISFR) 2015, the estimated fire prone areas under heavy, moderate and mild fire are 2.40 per cent, 7.49 per cent and 54.40 per cent respectively, making the total forest fire prone area as 64.29 percent of the total Recorded Forest Area.

In the line of fire

The forests in the north-eastern and central parts of India have more fire-prone areas in the country. Close to 30% forest cover in Mizoram are under "extremely fire-prone category" – highest in the country. Map shows India's fire-prone forest areas



INDIA'S INITIATIVES TO TACKLE FOREST FIRE:

- **National Action Plan on Forest Fires, 2018**
 - MoEF&CC, has come up with the National Action Plan on Forest Fires, 2018 to revamp forest fire management in the country.
 - **Objectives:** Informing, Enabling and empowering forest fringe communities and incentivizing them to work in tandem with the State Forest Departments (SFDs).
 - The plan proposes nine strategies to address the issue, including establishment of a “Centre of Excellence on Forest Fire Management” at **Forest Survey of India (FSI)**.
- **Forest Fire Prevention and Management Scheme:**
 - The Forest Fire Prevention and Management Scheme (FPM) is the only centrally funded program specifically dedicated to assist the states in dealing with forest fires.
 - The FPM replaced the Intensification of Forest Management Scheme (IFMS) in 2017.
 - Funds allocated under the FPM are according to a center-state cost-sharing formula, with a 90:10 ratios of central to state funding in the Northeast and Western Himalayan regions and a 60:40 ratios for all other states.
 - It also provides the states the flexibility to direct a portion of the **National Afforestation Program and Mission for Green India** funding toward forest fire work.

SOLUTIONS

- **Prevention**
 - Prevention is the most important pillar of a successful fire management system.
 - Forestry should always take the role of fire into consideration. This means avoiding clear-cutting or planting non-native species like eucalyptus when this increases forest fire risk.
 - Public awareness of fire risk and appropriate behavior should be strengthened by sensitization and educational activities.
 - Forest fire hazard should be more strongly integrated into spatial planning. New settlements should not be permitted in high-risk zones, and infrastructures like railway and power lines should be adapted accordingly to reduce risk.
 - All relevant laws should integrate the aspect of fire risk.
- **Preparation**
 - Responsibilities for forest fire prevention should be clearly assigned and effective coordination between the different authorities should be guaranteed.
 - Sufficient financial means should be made available for forest fire monitoring, so that fires can be detected in time and suppressed at an early stage.
 - A calculation of all immediate and follow-up costs of forest fires can provide a strong political argument for fire prevention as a more cost-effective alternative.
- **Reaction**
 - In the case of a fire, reaction should be quick and tactically well thought out, in order to be able to extinguish fire sources in their early stages before they can develop into conflagrations.
- **Restoration**
 - Whenever possible, the natural regenerative capacity of ecosystems should be harnessed.
 - Reforestation should be oriented towards natural forest stands. Monocultures and homogeneous forest stand structures should be avoided, as they increase the risk of further fires

5. SOCIAL ISSUES

5.1 KIRAN: MENTAL HEALTH REHABILITATION HELPLINE

WHY IN NEWS?

- The **Ministry of Social Justice and Empowerment** has launched a **24/7 toll-free helpline 'Kiran'** to provide **support to people facing anxiety, stress, depression, suicidal thoughts and other mental health concerns.**
- Earlier, the **Ministry of Education** had launched the **'Manodarpan'** initiative to provide **psycho-social support and counselling to students** for their mental health and well-being.

ABOUT THE HELPLINE:

- It will **cater to** - People in Distress, pandemic induced psychological issues and Mental Health Emergency.
- It will **offer mental health rehabilitation services** with the objective of early screening, first-aid, psychological support, distress management, promoting positive behaviours, etc.
- It will be **available in 13 languages** and has **660 clinical/rehabilitation psychologists** and **668 psychiatrists** as volunteers.
- It is being **coordinated** by the **National Institute for the Empowerment of Persons with Multiple Disabilities (NIEPMD)**, Chennai (Tamil Nadu) and **National Institute of Mental Health Rehabilitation (NIMHR)**, Sehore (Madhya Pradesh).
- NIEPMD and NIMHR are under the **Ministry of Social Justice and Empowerment.**
- Helpline operators had been sensitised **not to ask the caller for name or any identification details.**

NEED:

- **Mental Illness:** There was a **shortage of qualified mental health professionals** while **10.6% of adults** and **7.3% of adolescents** faced mental illness, according to a **NIMHANS survey in 2015-2016.** Greater prevalence is amongst persons living in Urban Metros.
- **Treatment Gap ranges from 70% to 92%.**
- The treatment gap is the number of people with an illness, disease, or disorder who need treatment but do not get it (expressed as a percentage).
- It can be used as an outcome measure in health care.
- **Suicide was the leading cause of death in India in 2016** for those aged 15-39 years; **71.2% of the suicide deaths among women** and **57.7% among men** were in this age group.
- As per **WHO global health report 2019**, out of every four persons, one person will have some mental problem at a given point of time in their lives. **Mental illness is among the leading causes of disability and ill- health** in the world.

STEPS TAKEN BY GOVERNMENT:

- **National Mental Health Program (NMHP):**
 - To address the huge burden of mental disorders and shortage of qualified professionals in the field of mental health, the government has been implementing the National Mental Health Program (NMHP) since **1982.**
 - The Program was **re-strategized in 2003** to include two schemes, viz. Modernization of State Mental Hospitals and Up-gradation of Psychiatric Wings of Medical Colleges/General Hospitals.
- **Mental HealthCare Act 2017:**
 - It guarantees every affected person access to mental healthcare and treatment from services run or funded by the government.

- It has **significantly reduced the scope for the use of Section 309 IPC** and made the attempt to commit suicide punishable only as an exception.

WAY FORWARD

- Mental health needs to be a priority, from immediate crisis intervention and helplines to focusing on preventive mental health and reducing stigma around help seeking. It's time the government advocates for mental health outcomes, strives for early identification and treatment, and uses the digital transformation (**National Digital Health Mission**) to provide mental health care to all.
- The need of the hour is to provoke masses to learn about mental health through campaigns like **Swachh Mansikta Abhiyan**.
- Further, spending on mental health care needs to be increased. **India has spent only 0.05% of its health budget annually on mental health over the last few years**, much lower than even the average spending of low-income countries, which comes to about 0.5% of their healthcare budgets.

5.2 HUMAN CAPITAL INDEX 2020

WHY IN NEWS?

- Recently, the World Bank released the Human Capital Index (HCI) report for 2020. The index benchmarks key components of human capital across countries.
- India has been ranked at the 116th position in the HCI 2020.

HIGHLIGHTS:

- Human Capital: It consists of the knowledge, skills, and health that people accumulate over their lives, enabling them to realize their potential as productive members of society.
- It covers 98% of the world's population.

India Specific Data:

- Last year India was ranked 115 out of 157 countries. This year India finds itself at 116th from among 174 countries. However, India's score increased to 0.49 in 2020 from 0.44 in 2018.

Outcome: The HCI 2020 shows that pre-pandemic, most countries had made steady progress in building human capital of children, with the biggest strides made in low-income countries.

COMPONENTS OF HCI:

1. **Survival:** measured by under-5 mortality rates
2. Expected years of Quality-Adjusted School which combines information on the quantity and quality of education:
 - quality is measured by harmonizing test scores from major international student achievement testing programs
 - quantity from the number of years of school that a child can expect to obtain by age 18 given the prevailing pattern of enrolment rates across grades in respective countries
3. **Health environment** is measured by
 - adult survival rates
 - the rate of stunting for children under age 5

5.3 VISITING ADVANCED JOINT RESEARCH (VAJRA) FACULTY SCHEME

CONTEXT:

- Launched by the Science and Engineering Research Board (SERB), a Statutory body of the Department of Science and Technology (DST).
- VAJRA Faculty Scheme is to bring a strong international connect to the R&D ecosystem of India.

MORE ABOUT VAJRA:

- The scheme offers adjunct / visiting faculty assignments to overseas scientists, faculty members and R&D professionals including Non-resident Indians (NRI) and Overseas Citizen of India (OCI) to undertake high quality collaborative research in Public funded academic and research Institutions of India.
- VAJRA Faculty will engage in collaborative research in cutting edge areas of science and technology including interdisciplinary areas of priority such as energy, water, health, security, nutrition, materials and manufacturing, etc. with one or more Indian Collaborators
- VAJRA Faculty is expected to co-guide research students and may also be involved in technology development, innovation, startups, etc.
- The scheme is open to overseas scientists, faculty members and R&D professionals including Non-resident Indians (NRI) and Overseas Citizen of India (OCI).
- The overseas scientist or faculty should be an active researcher working in a leading academic / research / industrial organization with significant accomplishments in research and development.
- Indian Collaborator(s) should be a regular faculty/researcher in public-funded academic/research institutions with significant ongoing research in the area of VAJRA Faculty.

5.4 JNANPITH AWARD

CONTEXT

- Renowned Malayalam poet Akkitham Achuthan Namboothiri was conferred the 55th edition of the Jnanpith Award.

ABOUT AWARD:

- Jnanpith Award is an Indian literary award presented annually by cultural organisation the **Bharatiya Jnanpith** to an author for their "outstanding contribution towards literature"
- Instituted in 1961, the award is bestowed **only on Indian writers writing in Indian languages included in the Eighth Schedule to the Constitution of India and English**, with no posthumous conferral.
- The prize carries a cash award of Rs. 11 lakhs, a citation, and a bronze replica of Vagdevi (Saraswati), the goddess of learning.
- The Bharatiya Jnanpith, a research and cultural institute founded in 1944 by industrialist Sahu Shanti Prasad Jain of the Sahu Jain family, conceived an idea in May 1961. Sahu Jain Family own Bennett, Coleman & Co. Ltd. (commonly known as **The Times Group**).

5.5 TWO YEARS OF AYUSHMAN BHARAT SCHEME

CONTEXT:

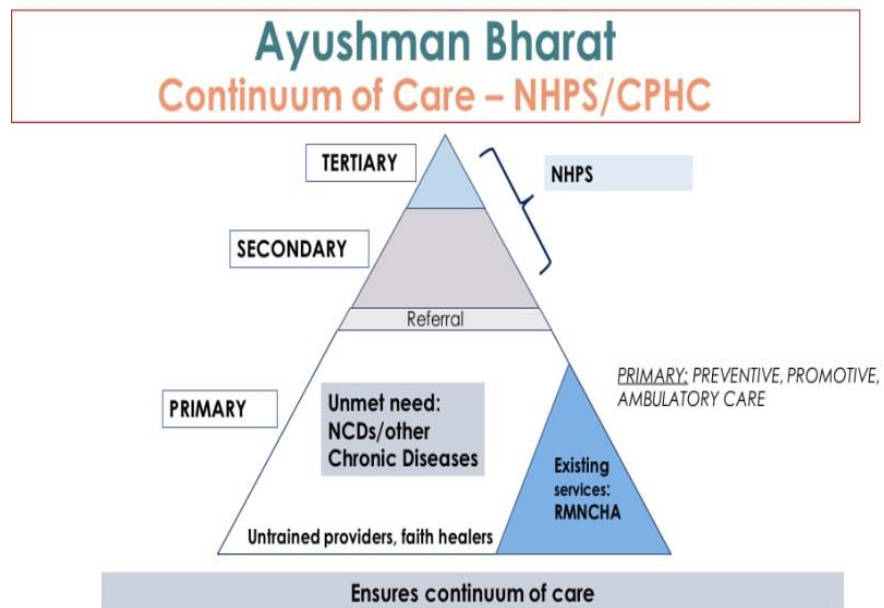
- AB was launched in 2018, as recommended by National Health Policy 2017, to achieve Universal Health Coverage (UHC).

MORE ABOUT AYUSHMAN BHARAT (AB) SCHEME

- It is a health insurance scheme for BPL families and workers in the unorganized sector
- Beneficiaries to be identified on the basis of SECC- 2011

FEATURES:

- It subsumes the centrally sponsored schemes - Rashtriya Swasthya Bima Yojana (RSBY) and the Senior Citizen Health Insurance Scheme (SCHIS).
- **Using JAM:** It would be a cashless and Aadhaar enabled for better targeting of beneficiary
- It will be portable across the country and a beneficiary covered under the scheme will be allowed to take cashless benefits from any public/private empanelled hospitals across the country.
- The scheme is creating a cadre of certified frontline health service professionals called **Pradhan Mantri Aarogya Mitras (PMAMs)** who will be primary point of facilitation for the beneficiaries to avail treatment at the hospital and thus, act as a support system to streamline health service delivery.
- Along with NHPS Ayushman Bharat programme has another component viz, **Health and Wellness Centre**.
- Health and Wellness Centre were envisioned under National Health Policy, 2017. Under this 1.5 lakh centres will bring health care system closer to the homes of people. These centres will provide comprehensive health care, including for non-communicable diseases and maternal and child health services.
- **National Health Protection Scheme (Pradhan Mantri Jan Arogya Yojana):** covers over 10 crore poor and vulnerable families (approximately 50 crore beneficiaries selected on the basis of SECC data) providing coverage up to 5 lakh rupees per family per year for secondary and tertiary care hospitalization.
- **National Health Authority (NHA):** set up to manage NHPS.
- **National portability:** beneficiaries will be able to move across state borders and access services across the country through the provider network seamlessly
- The States will have the option of implementing this scheme through a Trust model or Insurance Company based model, though the Trust model will be preferred. So far 33 states and UTs are implementing the scheme.
- School Health Ambassador Initiative was recently launched under it. In this, two teachers in every school are to be made as Health and Wellness ambassador to foster the growth, development and educational achievement



ISSUES WITH AB

- Several states have their ongoing schemes and they do not gain much by joining AB-PMJAY
- There is a concern that the private sector is poorly regulated and therefore the government should first focus on strengthening regulations and ensuring they are enforced.
- The lack of supply to match the demand generated by AB-PMJAY.
- Empanelled hospitals say that their package rates are inadequate and need to be reviewed and fixed on a scientific basis to make them financially viable;
- The scheme covers only hospitalization and not outpatient care, which is to be borne out-of-pocket, but the poor, for whom the scheme is meant, can't afford this.

- **It is a technology-based programme** right from beneficiary identification to transfer of paperless data and claims settlement. Thus, it presents immense difficulties due to inadequate adoption of digital technology in rural, far-flung areas of the country.
- **Fudging of beneficiary data** have been noticed by the anti-fraud unit of the National Health Agency (NHA)—the nodal agency for the scheme
- Other types of **frauds committed by hospitals**. These include a single doctor conducting surgeries in four districts on the same day; multiple surgeries on a single day late in the night; patients charged for expensive procedures not conducted on them; and performing hysterectomies

CONCLUSION:

- Ayushman Bharat has put India on an irreversible path towards universal healthcare. The scheme will keep evolving, taking into account the experience of evidence generated from its implementation. Aforementioned issues need to be addressed to fulfil SDG 3 of good health and wellbeing.

6. SCIENCE AND TECHNOLOGY

6.1 HYPERSONIC TECHNOLOGY DEMONSTRATION VEHICLE

WHY IN NEWS?

- Recently, the **Defence Research and Development Organization (DRDO)** successfully flight tested the **Hypersonic Technology Demonstrator Vehicle (HSTDV)**. India has become the **fourth country** after the United States, Russia and China to develop and successfully test hypersonic technology.

ABOUT HSTDV:

- HSTDV is an unmanned scramjet demonstration aircraft that can travel at **hypersonic speed**.
- It uses **hypersonic air-breathing scramjet technology**.
- The vehicle travelled its desired flight path at a velocity of six times the speed of sound i.e. **Mach 6**.
- **Mach number:** It describes an aircraft's speed compared with the speed of sound in air, with **Mach 1 equating to the speed of sound i.e. 343 meter per second**.
- **Conducted at:** The test was conducted from **Dr. APJ Abdul Kalam Launch Complex** at APJ Abdul Kalam Island off the coast of Odisha.

IMPLICATIONS:

- India became the fourth country to have demonstrated this technology after the **USA, Russia and China**.
- China successfully tested its first **wave rider hypersonic flight vehicle** in 2018.

ADVANTAGES:

- The indigenous development of the technology will boost the **development of the systems built with hypersonic vehicles** at its core.
- It can be developed as a carrier vehicle for **long range cruise missiles** in the defence sector. This includes both **offensive and defensive hypersonic cruise missile systems**,
- Due to its high speed, most RADARs will be **unable to detect** it. It will also be able to **penetrate most missile defence systems**.
- This technology will be helpful in the space sector in **development of low-cost, high efficiency reusable satellites**.

BACKGROUND:

- The DRDO started on the development of the HSTDV engine in early 2010s.
- The **Indian Space Research Organization (ISRO)** has also worked on the development of the technology and successfully tested a system in 2016.
- DRDO conducted a test of this system in **June 2019** also.

WAY FORWARD

- The successful demonstration is certainly a significant milestone towards **Atmanirbhar Bharat**. DRDO with this mission, has demonstrated capabilities for highly complex technology that will serve as the **building block for NextGen Hypersonic vehicles in partnership** with industries.
- While the successful test is a major milestone, **many more rounds of tests** will have to be done to achieve the level of technology with countries like the US, Russia and China.

Going hypersonic

India on Monday successfully flight-tested the indigenously developed hypersonic technology demonstrator vehicle that is expected to power long-range missile systems.

WHY IS THE SUCCESSFUL FLIGHT TEST OF THE VEHICLE SIGNIFICANT?

It paves the way for India to develop hypersonic weapons that can travel six times faster than the speed of sound (Mach 6). The weapon will be integrated into the hypersonic vehicle.

WHICH OTHER COUNTRIES HAVE DEVELOPED HYPERSONIC TECHNOLOGY?

Only the US, Russia and China have developed technologies to field hypersonic weapons that fly at lower altitudes and are extremely hard to track and intercept. India could develop hypersonic missiles in four years.

WHAT WILL THE DEVELOPMENT OF HYPERSONIC MISSILES ENTAIL?

In Monday's test, the cruise vehicle continued on its flight path at Mach 6 speeds or nearly 2 km/second for more than 20 seconds. The next challenge for India will be to ensure the cruise vehicle can travel at those speeds for a few hundred seconds for the weapon to strike its target.

WHAT ARE THE MAIN CHALLENGES FOR HYPERSONIC FLIGHTS?

Extremely high temperatures and aerodynamic forces make hypersonic flights tricky. The successful flight test proved several critical technologies including aerodynamic configuration for hypersonic maneuvers, use of scramjet propulsion for ignition and separation mechanism at speeds in excess of Mach 6.

WHY ARE HYPERSONIC VEHICLES POWERED BY SCRAMJET ENGINES?

An improvement over the ramjet technology, the scramjet engine operates efficiently at hypersonic speeds and allows supersonic combustion. Ramjet engines are efficient at supersonic speeds of around Mach 3 but their performance drops when the vehicle hits hypersonic speeds.



Air Breathing Engine

- Air-breathing engines use oxygen from the atmosphere in the combustion of fuel. They include the **turbojet, turboprop, ramjet, and pulse-jet.**
- This system is **lighter, efficient and cost-effective** than other systems in use.

Types of Air Breathing Engines:

- **Ramjet:** A ramjet is a form of air-breathing jet engine that uses the vehicle's forward motion to compress incoming air for combustion without a rotating compressor.

Ramjets work most efficiently at supersonic speeds, but they are not efficient at hypersonic speeds.

- **Scramjet:** A scramjet engine is an improvement over the ramjet engine as it efficiently operates at hypersonic speeds and allows supersonic combustion.

6.2 DATA EMPOWERMENT AND PROTECTION ARCHITECTURE

WHY IN NEWS?

- Recently, the NITI Aayog has released **draft Data Empowerment and Protection Architecture (DEPA)** which aims to promote greater user control on data sharing.

FEATURES:

- DEPA will be empowering individuals with control over their personal data, by operationalising a **regulatory, institutional, and technology design for secure data sharing.**
- DEPA is designed as an **evolvable and agile framework** for good data governance.

- DEPA empowers people to **seamlessly and securely access their data and share it with third party institutions.**
- The consent given under DEPA will be **free, informed, specific, clear, and revocable.**

CONSENT MANAGERS:

- DEPA’s Institutional Architecture will involve the creation of **new market players** known as User Consent Managers.
- These will ensure that individuals can provide consent as per an innovative digital standard for every data shared. These Consent Managers will also work to protect data rights.
- **Reserve Bank of India (RBI)** issued a Master Directive creating Consent Managers in the financial sector to be known as **Account Aggregators (AAs).**
- A non-profit collective or alliance of these players is created called the **DigiSahamati Foundation.**

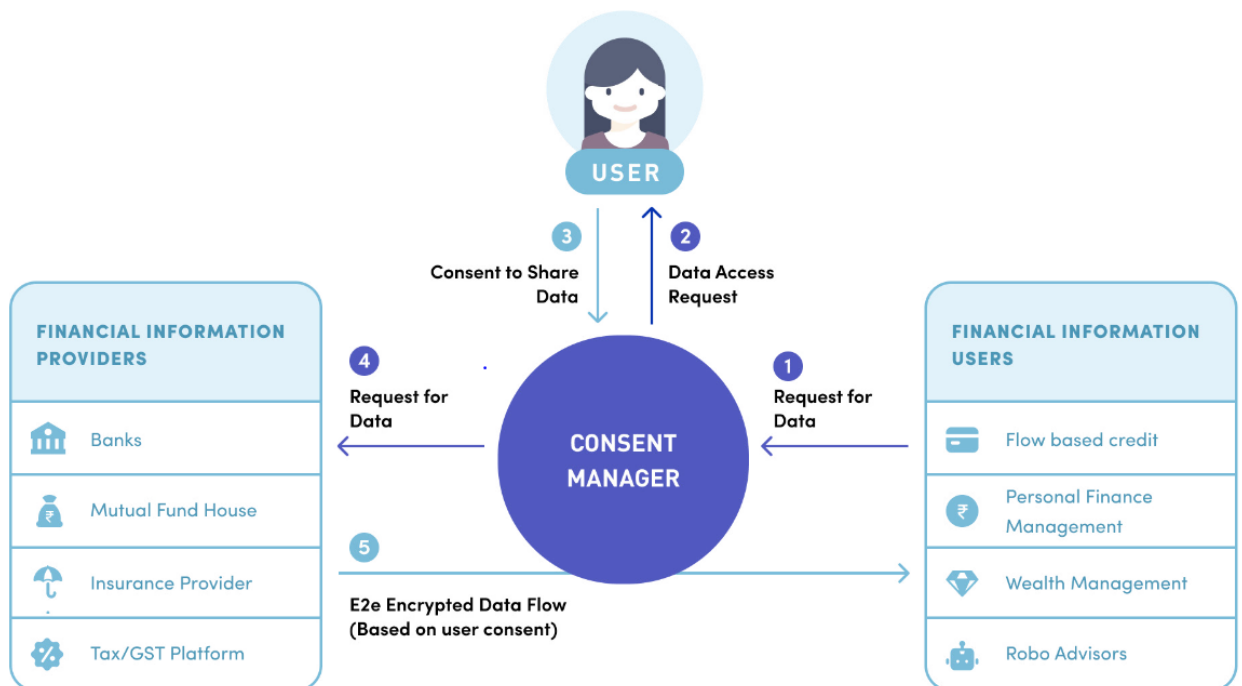
OPEN APIs:

- Open **Application Programming Interfaces (APIs)** enable **seamless and encrypted flow of data** between data providers and data users through a consent manager.
- **Implementation:** RBI, SEBI, IRDAI, PFRDA and the Ministry of Finance will implement this model. This regulatory foundation is also expected to evolve with time (eg. with the forthcoming **Data Protection Authority** envisaged under **Personal Data Protection Bill, 2019**).

BACKGROUND:

- Regulatory direction on data privacy, protection, consent, and the new financial institutions required for DEPA’s application in the financial sector was provided through Supreme Court Judgment on the fundamental **Right to Privacy** in 2017.
- **Personal Data Protection Bill (PDP), 2019.**
- **Justice Srikrishna Committee Report, 2018.**
- **RBI Master Direction on NBFC-Account Aggregators, 2016** (for the financial sector).
- Recently, a government committee headed by Infosys co-founder **Kris Gopalakrishnan** has suggested that **non-personal data** generated in India **be allowed to be harnessed by various domestic companies and entities.**

DEPA Institutional Architecture



APPLICATIONS

- **Financial sector:**
 - Using DEPA, individuals and Micro, Small and Medium Enterprises (MSMEs) can use their **digital footprints to access not just affordable loans, but also insurance, savings, and better financial management products.**
 - The framework is **expected to become functional for the financial sector starting fall 2020.**
 - It will help in **greater financial inclusion and economic growth.**
 - **Flow based lending:** If **portability and control of data** could allow an MSME owner to digitally share proof of the business' regular tax (GST) payments or receivables invoices easily, a bank could design and offer **working capital loans based on demonstrated ability to repay** (known as flow based lending) rather than only offering bank loans backed by assets or collateral.
- **Telecom Sector:** DEPA is also being launched in the telecom sector following a **Telecom Regulatory Authority of India (TRAI) consultation report on privacy** released in July 2018.
- **Government Departments:** The first major government department to become a Government Information Provider will be **Goods and Services Tax (GST).**
- **Healthcare:** National Health Authority which has been tasked with implementing the **National Digital Health Mission**, is piloting the DEPA architecture for **healthcare data.**
- **Skilling:** The Ministry of Skill Development and Entrepreneurship is encouraging adoption of a **digital skill credential** that could be used to address low data portability in employment by sharing **verified information on work experience or educational training.**

6.3 GIANT RADIO GALAXIES

WHY IN NEWS?

- Indian Researchers working on giant radio galaxies (GRG) at Inter-University Centre for Astronomy and Astrophysics (IUCAA) Pune, India and Leiden University, Netherlands, have found nearly 400 new GRGs.
- GRGs are large single structures in the universe.

RADIO GALAXIES

- The universe has **billions of galaxies** and almost all have **supermassive black holes** at the center. Some of these black holes are active and produce jets travelling almost at the speed of light.
- A **black hole** is a **place in space where gravity pulls so much that even light cannot get out.** The gravity is so strong because matter has been squeezed into a tiny space. This can happen **when a star is dying.**
- These jets are visible in radio light or at radio wavelengths of the electromagnetic spectrum.
- Such galaxies, which have **active black holes shooting high-speed jets, are called radio galaxies.**

GIANT RADIO GALAXIES

- When some of these **radio galaxies grow to enormous sizes, bigger than 33 lakh light years across, they are called giant radio galaxies (GRGs).**
- GRGs were discovered in 1974 and until 2016, only about 300 GRGs were known. The latest findings indicate that they are over 800.

- It is not clearly understood how some objects grow to such large scales and what is the fuel of their respective black holes.
- The length of jets indicates how powerful and active a black hole is as well as about the environment density of black holes.

The study of GRGs gives important clues to unveiling how **these massive black holes accrete mass** and the efficiency with which they produce the magnificent jets.

6.4 BIOGENIC METHANE HYDRATE

WHY IN NEWS?

- Recently, a study on **biogenic methane hydrate in the Krishna-Godavari (KG) Basin** was conducted by the researchers at the **Agharkar Research Institute (ARI)**, an autonomous institute of the Department of Science and Technology, Government of India.

HIGHLIGHTS:

BIOGENIC METHANE:

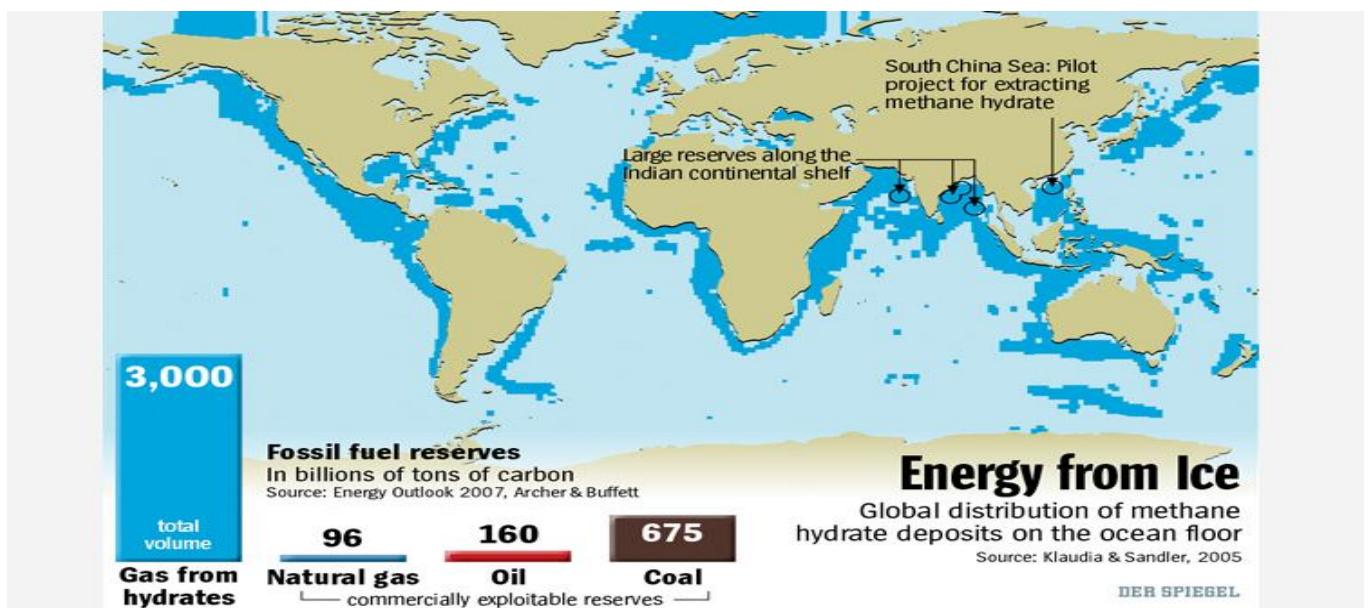
- It is the methane produced from the metabolic activities of living organisms. The research team has identified the methanogens that produced the biogenic methane trapped as methane hydrate, which can be a significant source of energy.

METHANOGENS:

- These are microorganisms that produce methane as a metabolic by-product in hypoxic (low levels of oxygen) conditions.

METHANE HYDRATE

- Methane hydrate is a **crystalline solid** that consists of a methane molecule surrounded by a cage of interlocking water molecules.
- Methane hydrate is an "ice" that **occurs naturally in subsurface deposits where temperature and pressure conditions are favourable for its formation.**
- Methane hydrate is formed when **hydrogen-bonded water and methane gas come into contact at high pressures and low temperatures such as in oceans.**



Japan extracts gas from methane hydrate in world first

Japan says it has successfully extracted natural gas from frozen methane hydrate off its central coast, in a world first.

Methane hydrates, or clathrates, are a type of frozen "cage" of molecules of methane and water.

The gas field is about 50km away from Japan's main island, in the Nankai Trough.

Researchers say it could provide an alternative energy source for Japan which imports all its energy needs.



Methane hydrate is also known as burnable or flammable ice

6.5 'FELUDA' TEST FOR COVID-19

CONTEXT:

- A new indigenously developed COVID-19 test, named the 'Feluda' test, received approval from the Drugs Controller General of India and will be rolled out in coming days

MORE ABOUT FELUDA test:

- Feluda test is India's first low-cost paper-based test which employs a paper strip in the detection of COVID-19.
- It is similar to a pregnancy test strip that changes color upon detection of the virus. The test can be administered in a simple pathological lab.
- It will give result within 30 mins
- The test has been developed by a research team of the Council of Scientific and Industrial Research (CSIR), in collaboration with the Tata Group.

HOW DOES THE FELUDA TEST WORK?

- The test employs indigenously developed CRISPR gene-editing technology to identify and target the genetic material of the novel coronavirus.
- CRISPR, or Clustered Regularly Interspaced Short Palindromic Repeats, is a gene editing technology used in the treatment and prevention of diseases.
- The CRISPR technology can detect specific sequences of DNA within a gene, and is capable of altering it with the aid of enzyme-based molecular scissors in order to correct genetic defects.
- Feluda is also the world's first diagnostic test to deploy a specially adapted Cas9 protein to successfully detect the SARS-CoV-2 virus.
- The Cas9 protein is barcoded to interact with the SARS-CoV-2 sequence in the patient's genetic material. The Cas9-SARS-CoV2 complex is then transmitted to the paper strip, where using two lines (one control, one test) makes it possible to determine if the test sample is infected with COVID-19.

BRUCELLOSIS

- Brucellosis is a bacterial disease caused by various Brucella species, which mainly infect cattle, swine, goats, sheep and dogs.

- Humans generally acquire the disease through direct contact with infected animals, by eating or drinking contaminated animal products or by inhaling airborne agents.
- Most cases are caused by ingesting unpasteurized milk or cheese from infected goats or sheep.
- Brucellosis is one of the most widespread zoonoses transmitted by animals and in endemic areas, human brucellosis has serious public health consequences
- Expansion of animal industries and urbanization, and the lack of hygienic measures in animal husbandry and in food handling, partly account for brucellosis remaining a public health hazard.

WHO IS AT RISK?

- The disease is also considered an occupational hazard for people who work in the livestock sector.
- People who work with animals and are in contact with blood, placenta, fetuses and uterine secretions have an increased risk of contracting the disease.
- This method of transmission primarily affects farmers, butchers, hunters, veterinarians and laboratory personnel.

6.6 ABHYAS HIGH-SPEED EXPANDABLE AERIAL TARGET CONDUCTED

WHY IN NEWS?

- Recently, successful flight-tests of the indigenously-designed Abhyas High-speed Expendable Aerial Target (HEAT) in Balasore (Odisha) were conducted.



MORE ABOUT ABHYAS

- Abhyas is drone involving designed for autonomous flight with the help of an autopilot.
- If this system was available before the Balakote strikes, this drone could have been sent to fly near the border.
- Its Radar Cross Section is increased 50 times to imitate a fighter jet. It also has a potential to be converted into a high speed subsonic missile.
- It can act as a decoy and also function as a jammer platform.

KRITAGYA HACKATHON

- It is planned to promote potential technology solutions for enhancing farm mechanization with special emphasis on women friendly equipments.
- It has been planned by the Indian Council of Agricultural Research (ICAR) under National Agricultural Higher Education Project (NAHEP).
- NAHEP is to support participating agricultural universities and ICAR in providing more relevant and higher quality education to Agricultural University students.

6.7 HYDROGEN FUEL CELLS-BASED VEHICLES

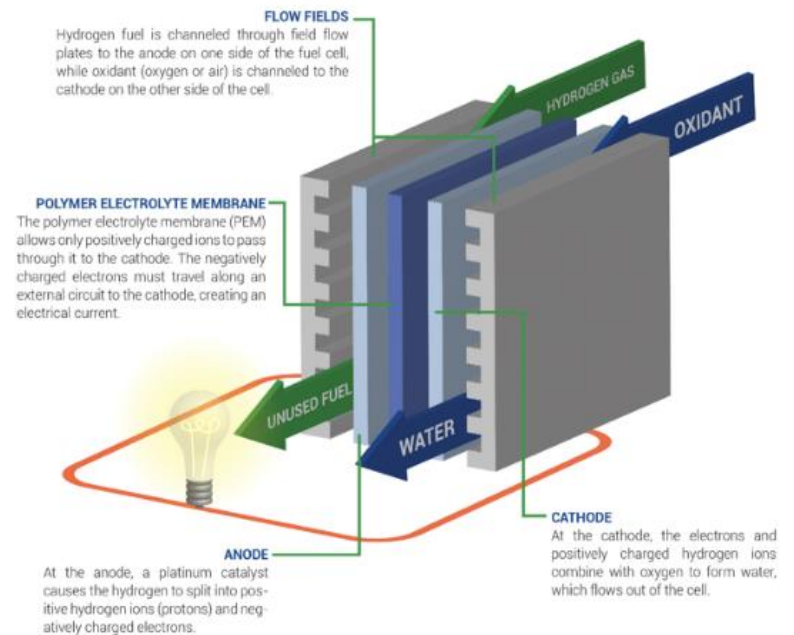
CONTEXT:

- Road transport and highways ministry notified standards for safety evaluation of hydrogen fuel cells-based vehicles. It would facilitate the promotion of hydrogen fuel cell (HCF) based vehicles which are energy efficient and environment friendly

Fuel Cell Basics

- A fuel cell is composed of an anode, a cathode, and an electrolyte membrane.
- A fuel cell works by passing hydrogen through the anode of a fuel cell and oxygen through the cathode.
- At the anode site, the hydrogen molecules are split into electrons and protons
- The protons pass through the electrolyte membrane, while the electrons are forced through a circuit, generating an electric current and excess heat.
- At the cathode, the protons, electrons, and oxygen combine to produce water molecules

HOW DO HYDROGEN FUEL CELLS WORK?



HYDROGEN ENERGY BASICS:

- Hydrogen (when used as a fuel), like electricity, is an **energy carrier rather than an energy resource**.
- Both electricity and hydrogen can be produced from all energy resources available (including, natural gas, petroleum products, coal, solar and wind electrolysis, biomass, and others).
- Hydrogen fuel cells **generate electricity through an electrochemical reaction, not combustion**, providing clean, efficient, and reliable off-grid power

ADVANTAGES OF FUEL CELLS:

- Due to their chemistry, fuel cells are very clean. Fuel cells that use pure hydrogen fuel are **completely carbon-free**, with their only **byproducts being electricity, heat, and water**.
- Because fuel cells generate electricity through chemistry rather than combustion, they can achieve much **higher efficiencies than traditional energy production** methods such as steam turbines and internal combustion engines.
- To push the efficiency even higher, a fuel cell can be coupled with a combined heat and power system that uses the cell's waste heat for heating or cooling applications.
- Fuel cells are also **scalable**. This means that individual fuel cells can be joined with one another to form stacks. In turn, these stacks can be combined into larger systems.
- Fuel cell **systems vary greatly in size and power**, from combustion engine replacements for electric vehicles to large-scale, multi-megawatt installations providing electricity directly to the utility grid
- Fuel Cells are used in both stationary and motive(moving) power applications

LIMITATIONS OF HFC

- Expensive to manufacture due the high cost of catalysts (platinum)
- **It is difficult to store:** Hydrogen is very hard to move around. When speaking about oil, that element can be sent though pipelines. When discussing coal, that can be easily carried off on the back of trucks. When talking about hydrogen, just moving even small amounts is a very expensive matter.
- **It is not easy to replace existing infrastructure:** Gasoline is still being widely used to this day. And as of the moment, there just isn't any infrastructure that can support hydrogen as fuel. This is why it becomes highly expensive to just think about replacing gasoline.

- **A lot of the currently available fuel cell technology is in the prototype stage and not yet validated.**
- **Fossil fuels are often used to produce it:** Although hydrogen energy is renewable and has minimal environmental impact, other non-renewable sources such as coal, oil and natural gas are often used to separate it from oxygen. While the point of switching to hydrogen is to get rid of using fossil fuels, fossil fuels are often still used to produce hydrogen fuel. Renewable energy like solar and wind can be used to generate hydrogen energy, and is a greener choice.

CONCLUSION

- Hydrogen and fuel cell technology have advanced considerably over the last fifteen years.
- Policy makers have included hydrogen and fuel cell on the map of future energy strategies and have already taken into account the fact that fuel cells have great real potential and can successfully meet the technical, social, economic and environmental objectives in the context of the multidisciplinary concept of sustainable development.

6.9 DATA SONIFICATION: NASA

CONTEXT:

- While telescopes offer glimpses of outer space by translating digital data into stunning images, NASA's Chandra X-Ray Center (CXC) has gone a step further by unveiling a **new 'sonification' project that transforms data from astronomical images into audio.**

WHAT IS DATA SONIFICATION?

- Data sonification refers to the use of sound values to represent real data. Simply put, it is the auditory version of data visualisation.
- In NASA's Chandra (sonification) project, for instance, data is represented using a number of musical notes.
- With this data sonification project, users can now experience different phenomena captured in astronomical images as an aural experience. The birth of a star, a cloud of dust or even a black hole can now be 'heard' as a high or low pitched sound.

HOW DID NASA TRANSLATE ASTRONOMICAL IMAGES INTO SOUND?

- NASA's distant telescopes in space collect inherently digital data, **in the form of ones and zeroes**, before converting them into images.
- The images are essentially **visual representations of light and radiation of different wavelengths in space**, that can't be seen by the human eye.
- **The Chandra project** has created a celestial concert of sorts by translating the same data into sound.
- Pitch and volume are used to denote the brightness and position of a celestial object or phenomenon
 - Pitch is related to frequency of sound waves. Changing the number of vibrations per second changes the pitch.
 - Volume, or loudness, is related to the strength, intensity, pressure, or power of the sound. Bigger/amplified vibrations result in bigger/louder sounds.
- So far, the astronomers behind Project Chandra have released three examples made using data collected from some of the most distinct features in the sky – the Galactic Centre, Cassiopeia A, and Pillars of Creation Nebula.
- **The Galactic Centre**
 - It is the rotational centre of the Milky Way galaxy.
- It comprises a collection of celestial objects – Neutron and white dwarf stars, Clouds of dust and gas, a supermassive black hole called Sagittarius A*(weighs four million times the mass of the sun).
- **Cassiopeia A**

- Cassiopeia A is a well-known remnant of a once-massive star that was destroyed by a supernova explosion around 325 years ago.
- **The Pillars of Creation**
 - The iconic Pillars of Creation is located in the centre of the **Eagle Nebula** (it is a constellation of stars), which is also known as Messier 16.

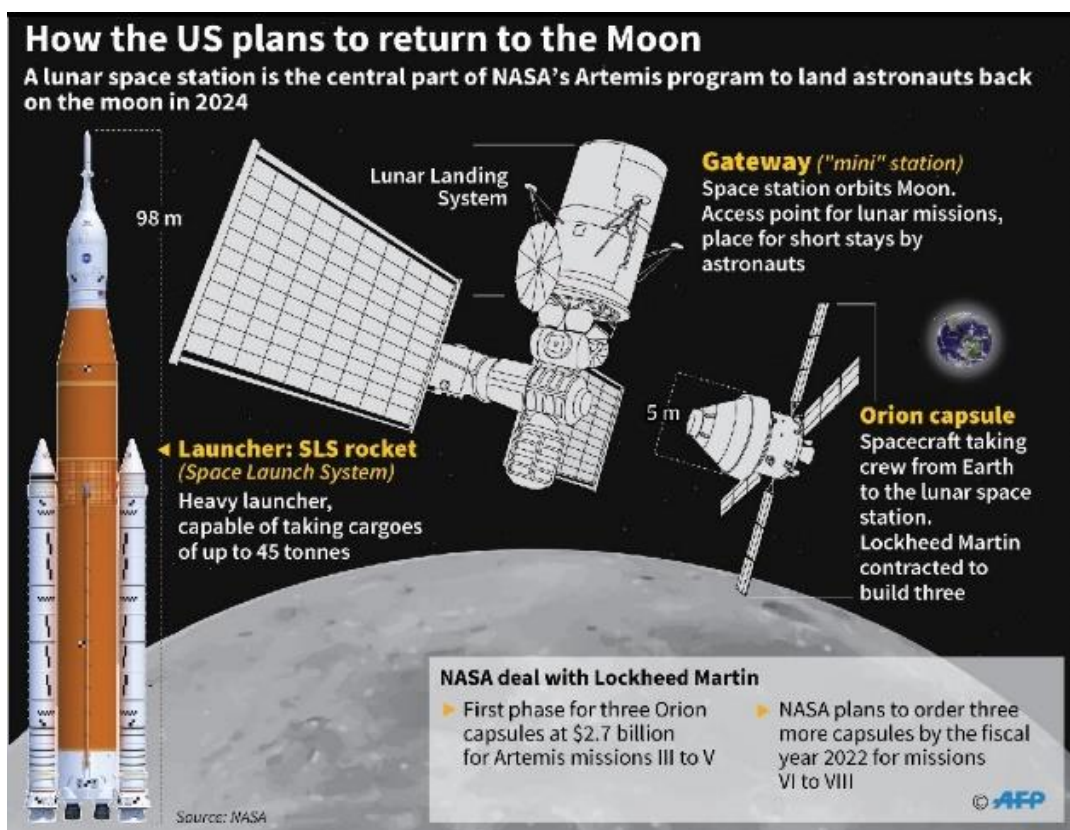
CHANDRA X-RAY PROJECT

- The Chandra X-ray Observatory was launched by Space Shuttle Columbia in 1999.
- The Chandra X-ray Observatory is part of NASA's fleet of "Great Observatories" along with the Hubble Space Telescope, the Spitzer Space Telescope.
- The "X-ray universe" refers to the universe as observed with telescopes designed to **detect X-rays**. X-rays are produced in the cosmos when matter is heated to millions of degrees. Such temperatures occur where **high magnetic fields, or extreme gravity, or explosive forces** exist in space.
- The telescope is named after the Nobel Prize-winning Indian astrophysicist Subrahmanyan Chandrasekhar.

6.10 NASA'S ARTEMIS PROGRAM

CONTEXT

- Recently, NASA published the outline for its Artemis program, which plans to send the next man and first woman to the lunar surface by the year 2024. The last time NASA sent humans to the Moon was in 1972, during the Apollo lunar mission.



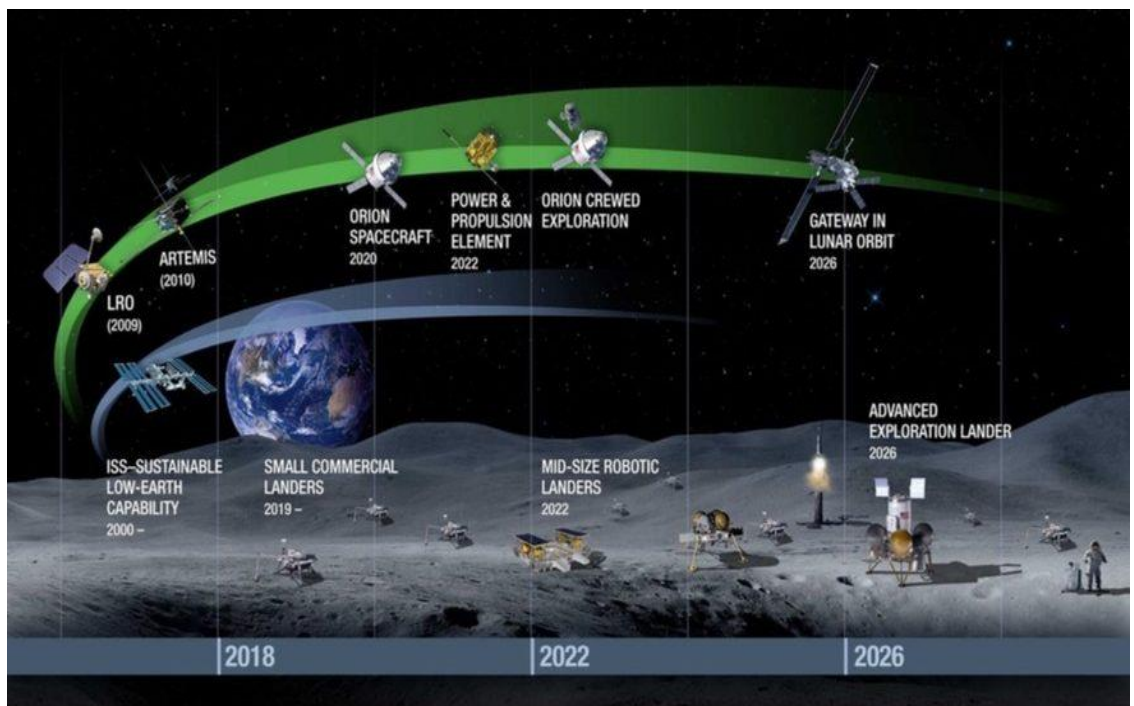
ABOUT ARTEMIS PROGRAM

- With the Artemis program, NASA wishes to demonstrate new technologies, capabilities and business approaches that will ultimately be needed for the future exploration of Mars.
- The program is divided into three parts, the first called Artemis I is most likely to be launched next year and involves an uncrewed flight to test the **SLS and Orion spacecraft**.
- Artemis II will be the first crewed flight test and is targetted for 2023. **Artemis III will land astronauts on the Moon's South Pole in 2024.**
- For NASA, going to the moon involves various elements such as:
 - The exploration ground systems (the structures on the ground that are required to support the launch)

- The Space Launch System (SLS) and **Orion** (the spacecraft for lunar missions).
- NASA's new rocket called SLS will send astronauts aboard the Orion spacecraft.
- **Gateway** (the lunar outpost around the Moon),
- **Lunar landers** (modern human landing systems),
- Once the astronauts dock Orion at the **Gateway** – which is a small spaceship in orbit around the moon – they will be able to live and work around the Moon, and from the spaceship, will take expeditions to the surface of the Moon.

HISTORY OF MOON MISSIONS

- The US began trying to put people in space as early as 1961. Eight years later, on **July 20, 1969**, **Neil Armstrong** became the first human to step on the Moon as part of the **Apollo 11 mission**
- In 1959, the Soviet Union's uncrewed Luna 1 and 2 became the first rover to visit the Moon. Since then, seven nations have followed suit.
- After July 1969, 12 American astronauts walked on the surface of the Moon until 1972.
- In 2011, NASA began the **ARTEMIS** (Acceleration, Reconnection, Turbulence, and Electrodynamics of the Moon's Interaction with the Sun) mission using a pair of repurposed spacecraft.
- **Apart from the US, the European Space Agency, Japan, China, and India have sent missions to explore the Moon.** China landed two rovers on the surface, which includes the first-ever landing on the Moon's far side in 2019.



6.11 PRITHVI-2 MISSILE

WHY IN NEWS?

- Recently India conducted a successful night test fire of its indigenously developed nuclear capable surface-to-surface Prithvi-II missile.

ABOUT PRITHVI-2

- Prithvi-II is capable of carrying 500 to 1,000 kg of warheads.
- Prithvi missile have been developed by DRDO under the Integrated Guided Missile Development Programme (IGMDP).
- Other missile systems developed under IGMDP: Agni, Akash, Trishul and Nag.

6.12 BHARATI SCRIPT

WHY IN NEWS?

- Bharati script is designed to be a common script that can express all the major Indian languages.

MORE ABOUT BHARATI SCRIPT:

- **Developed by:** Srinivasa Chakravathy's team at IIT Madras.
- Bharati is a simple and **unified script** which can be used to write most major Indian languages.
- It is designed using simplest shapes, often borrowing simple characters from various Indian languages/scripts and English.
- Scripts supported are: Hindi/Marathi (Devanagari), Tamil, Telugu, Gujarati, Punjabi (Gurmukhi), Bengali, Oriya, Kannada and Malayalam.

SIGNIFICANCE:

- It is in line with 'One Nation, One Script'.
- The **Roman script** is used as a **common script for many European languages** (English, French, German, Italian etc.), which **facilitates communication across nations** that speak and write those languages. Likewise, a common (Bharati) script for the entire country is hoped to bring down many communication barriers in India.
- It **can help the next generation** of Indians to easily read in Indian languages.
- It is an **ideal script for languages like Konkani or Tulu** that don't have their own script.
- It can serve as a **writing system for the innumerable tribal languages** of India, and languages of the Northeast.
- It can **act as a link script for migrant Indians** who move out of their native state for work
- It can **connect the millions of Non Resident Indian (NRI) children** back to Indian literature.
- It can **lead to a new system of Braille** (for blind persons) for Indian languages and even a fingerspelling system for the hearing-impaired.
- It can **shorten the duration of adult literacy programs** from 6 months to a few weeks, as the script is easy to learn.

7. TOPICS OF THE MONTH

7.1 BASIC STRUCTURE DOCTRINE: KESAVANANDA BHARATI CASE

WHY IN NEWS?

- Main petitioner, **Kesavananda Bharati**, of *Kesavananda Bharati Sripadagalvaru and Ors v State of Kerala Case*, 1973 (known for the **basic structure doctrine** of the Supreme Court), passed away.
- By a 7-6 verdict, a 13-judge Constitution Bench ruled that the **‘basic structure’ of the Constitution is inviolable and could not be amended by Parliament**. The basic structure doctrine has since been regarded as a **tenet of Indian constitutional law**.

BACKGROUND OF THE CASE

- All this effort was to answer just one main question: **was the power of Parliament to amend the Constitution unlimited?**
- In other words, could Parliament alter, amend, abrogate any part of the Constitution even to the extent of taking away all fundamental rights?
- In the early 1970s, the government of then Prime Minister Indira Gandhi had enacted **major amendments to the Constitution (the 24th, 25th, 26th and 29th) to get over the judgments of the Supreme Court in RC Cooper (1970), Madhavrao Scindia (1970) and the earlier mentioned Golaknath.**
- In *RC Cooper*, the court had struck down Indira Gandhi’s bank nationalisation policy, and in *Madhavrao Scindia* it had annulled the abolition of privy purses of former rulers.
- All the four amendments, as well as the *Golaknath* judgment, came under challenge in the *Kesavananda Bharati* case- where relief was sought by the religious figure Swami Kesavananda Bharati against the Kerala government vis-à-vis two state land reform laws.

WHAT CONSTITUTES BASIC STRUCTURE?

- There is **no mention of the term “Basic Structure” anywhere in the Indian Constitution.**
- The Constitutional Bench ruled by a 7-6 verdict that **Parliament should be restrained from altering the ‘basic structure’ of the Constitution.**
- The court held that under **Article 368**, which provides Parliament amending powers, **something must remain of the original Constitution that the new amendment would change.**
- **In India**, the basic structure doctrine has formed the **bedrock of judicial review** of all laws passed by Parliament.
- No law can impinge on the basic structure. What the basic structure is, however, has been a continued deliberation.
- **The court did not define the ‘basic structure’**, and only listed a few principles – federalism, secularism, democracy – as being its part. **Since then, the court has been adding new features to this concept.**

EVOLUTION OF BASIC STRUCTURE

The concept of the basic structure of the constitution evolved over time. In this section, we shall discuss this evolution with the help of some landmark judgement related to this doctrine.

- **Shankari Prasad Case (1951)**
 - SC contended that the **Parliament’s power of amending the Constitution under Article 368 included the power to amend the Fundamental Rights guaranteed in Part III as well.**

- **Sajjan Singh case (1965)**
 - In this case also, the SC held that the Parliament can amend any part of the Constitution including the Fundamental Rights.
 - It is noteworthy to point out that two dissenting judges, in this case, remarked whether the fundamental rights of citizens could become a plaything of the majority party in Parliament.

- **Golaknath case (1967)**
 - In this case, the court reversed its earlier stance that the Fundamental Rights can be amended.
 - It said that Fundamental Rights are not amenable to the Parliamentary restriction as stated in Article 13 and that to amend the Fundamental rights a new Constituent Assembly would be required.
 - Article 368 gives the procedure to amend the Constitution but does not confer on Parliament the power to amend the Constitution.
 - The majority judgement called upon the concept of implied limitations on the power of the Parliament to amend the Constitution. As per this view, the Constitution gives a place of permanence to the fundamental freedoms of the citizens.
 - In giving to themselves the Constitution, the people had reserved these rights for themselves.

- **Kesavananda Bharati case (1973)**
 - This was a landmark case in defining the concept of the basic structure doctrine.
 - The SC held that although no part of the Constitution, including Fundamental Rights, was beyond the Parliament's amending power, the "basic structure of the Constitution could not be abrogated even by constitutional amendment."
 - The judgement implied that the parliament can only amend the constitution and not rewrite it. The power to amend is not a power to destroy.
 - This is the basis in Indian law in which the judiciary can strike down any amendment passed by Parliament that is in conflict with the basic structure of the Constitution.

- **Minerva Mills case (1980)**
 - This case again strengthens the Basic Structure doctrine. The judgement struck down 2 changes made to the Constitution by the 42nd Amendment Act 1976, declaring them to be violative of the basic structure.
 - The judgement makes it clear that the Constitution, and not the Parliament is supreme.
 - In this case, the Court added two features to the list of basic structure features. They were - judicial review and balance between Fundamental Rights and DPSP.
 - The judges ruled that a limited amending power itself is a basic feature of the Constitution.

SIGNIFICANCE IN STRENGTHENING DEMOCRACY

- **Protection from authoritarian regime:** It certainly saved Indian democracy from degenerating into authoritarian regime.
- **Independence of judiciary:** It strengthens our democracy by delineating a true separation of power where Judiciary is independent of other two organs. It has also given immense untold unbridled power to Supreme Court and made it the most powerful court in the world
- **Citizenship rights:** It, by restraining the amending powers of legislative organ of State, provides basic Rights to Citizens which no organ of State can overrule. These rights are called Fundamental Rights.
- Being dynamic in nature, it is more progressive and open to changes in time unlike the rigid nature of earlier judgements.

'BASIC STRUCTURE' SINCE KESVANANDA BHARATI CASE:

- The 'basic structure' doctrine has since been interpreted to include the supremacy of the Constitution, the rule of law, Independence of the judiciary, doctrine of separation of powers, federalism, secularism, sovereign democratic republic, the parliamentary system of government, the principle of free and fair elections, welfare state, etc.

7.2 WORLD TOURISM DAY 2020

CONTEXT:

- 27th September has been celebrated as World Tourism Day since 1980. It was on this day in 1970 when the Statutes of the United Nations World Tourism Organization (UNWTO) were adopted which are considered a milestone in global tourism.
- **Theme for 2020:** 'Tourism and Rural Development'.
- The World Tourism Day highlights the unique role of the tourism sector in preserving cultural and natural heritage all around the world. It acts as an auxiliary in safeguarding habitat and endangered species.
- It addresses the importance of the tourism sector in providing jobs and opportunities, mostly for women and youth, in rural as well as big cities.

Economic Impacts of Tourism

POSITIVE

1. Foreign exchange earnings
2. Contribution to government revenues
3. Generation of employment
4. Balance of payment / trade account balance
5. Stimulation of infrastructure investment
6. Contribution to local economies

NEGATIVE

1. Inflation
2. Opportunity costs
3. Dependency
4. Seasonality
5. Leakage
6. Enclave tourism
7. Seasonal character of jobs
8. Prostitution and the underground economy

- **Covid-19 Impact:** As per the data of the UNWTO, about 100 to 120 million jobs in the tourism industry are at risk directly.

FACTS/STATISTICS RELATED WITH TOURISM

- The international tourism industry --- **\$1.4 trillion**
- Worldwide revenues have nearly **doubled between 2000 and 2018.**
- The Federation of Indian Chambers of Commerce in India (FICCI) and investment bank Yes Bank found in a study that the average trip travel spent by a tourist in India is almost 2.8 times the travel time spent in Singapore, 4.5 times that in Malaysia and 6.5 times in China. Yet, the contribution of the tourism industry to the gross domestic product, or GDP, is less than that of China, Malaysia and Singapore.

CHALLENGES FACING TOURISM IN INDIA

- **Infrastructure roadblocks**
- **Environmental concerns** - The quality of the environment, both natural and man-made, is essential to tourism. Tourism's relationship with the environment is complex. It involves many activities that can have adverse environmental effects. The negative impact of tourism development can gradually destroy the environmental resources on which it depends
- **Resources concern** - Lack of professionals who can cater to the needs of the tourists.
 - India has thousands of incredible archaeological sites that need restoration and maintenance
- **Fragmented Policy and Programs** - Failure to have a comprehensive Tourism policy on board, programs are run by several ministries also, there is tussle between state and centre over subject of tourism.
- **Socio-economic concerns** -
 - **Violence:** Tourist is often attacked and this has become a repellent. Recent inhumane violence on Africans in India is a grisly reminder. This especially is true for women safety (German girl killed in Goa and subsequent litigation)
 - **Health Standards:** Poor sanitation standards serve as a big deterrent for tourist. Recently an US female citizen died of a superbug she infected when in India
- As identified by the United Nations Environment Programme the negative social impacts of tourism include:
 - Change or loss of indigenous identity and values
 - Culture clashes
 - Physical causes of social stress (increased demand for resources)
 - Ethical issues (increase in sex tourism or the exploitation of child workers)

Example

"Responsible Tourism - The Gandhian Way"

- Live Gandhi For A While' a tourist programme, conceived and developed by travel agent Nischal Barot and launched on October 2016, at Kochrab ashram (Ahmedabad).
- It was named as Responsible Tourism as it is against the destination based tourism based on commercial interests.
- The participants are expected to live in the ashram in an austere way, for a minimum of five days, like a true Gandhi ashram inmate: wearing the hand-spun cloth, doing physical labour, practising truth, chastity, non-violence, etc.
- Mahatma Gandhi was probably the first responsible traveller who travelled across the country, connected with communities, walked down villages, stayed in their homes, tried helping them, solving their problems with minimal impact on the environment".

- Regulation: Stringent visa norms and movement viz a viz other countries (e.g. Schengen region in Europe) are also a roadblock in promoting tourism.

INDIA'S RECENT STEPS IN PROMOTION OF TOURISM

- **Swadesh Darshan:** Include development of 15 thematic circuits like North East Circuit, Buddhist Circuit, Himalayan Circuit, etc. having tourist potential in a planned and prioritized manner, integrated development of infrastructure in identified circuits, promote cultural heritage of country, developing world-class infrastructure in circuit destination, pro-poor tourism approach, promote local arts, handicrafts, cuisine, generate employment.
- **National Mission on Pilgrimage rejuvenation and Augmentation Drive, PRASAD:** Aims to promote sustainable pilgrimage tourism in the country, to strengthen measures for safety, security and proving the quality tourism services in pilgrim cities, etc.
- **ADOPT A HERITAGE scheme** - The project plans to entrust heritage sites/monuments and other tourist sites to private sector companies, public sector companies and individuals for the development of tourist amenities. They would become 'Monument Mitras' and adopt the sites. The basic and advanced amenities of the tourist destinations would be provided by them. They would also look after the operations and the maintenance of the amenities.
- **Iconic Tourist Sites:** The government is developing 17 "Iconic Tourist Sites" in the country as world class tourist destinations which in turn would serve as a model for other tourism sites. It is aimed at enhancing India's soft power.

WAY FORWARD:

- Tourism is a complex set of industries including **accommodation, recreation and entertainment, food and beverage services, transportation, and travel services.**
- It encompasses domestic, inbound, and outbound travel for business, leisure, or other purposes. And because of this large scope, tourism development requires participation from all walks of life, including private business, governmental agencies, educational institutions, communities, and citizens.
- Hence, we can say India is trying to grow its peripheral vision apart from various Industry to tourism Industry which also income generating and also being a part of those league of nation who have better tourism infrastructure.

EMERGING TOURISM AND HOSPITALITY SEGMENTS

