Polity Mains 2017 Notes

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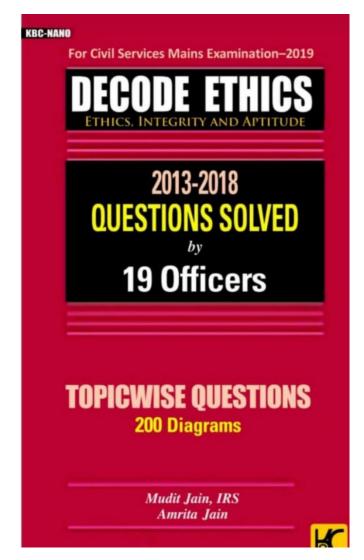
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Ethics Paper 2019 – References From "Decode Ethics" Book by Mudit Jain

Q 1. (a)	What are the basic principles of public life? Illustrate any three with suitable examples.
	Decode Ethics Book Page No: Public life page 76, principles page 81.
Q 1. (b)	What do you understand by the term 'public servant'? Reflect on the expected role of public servant.
	Decode Ethics Book Page No: Public servant page 294, roles page 82, values from code page 195
Q 2. (a)	Effective utilization of public finds is crucial to meet development goals. Critically examine the reasons for under- utilization and mis-utilization of public funds and their implications.
	Decode Ethics Book Page No: 331-333, sample question 2 page 334
Q_2. (b)	"Non-performance of duty by a public servant is a form of corruption". Do you agree with this view? Justify your answer
	Decode Ethics Book Page No: PoCA (forbearance) page 335, sample question 2 page 344
Q 3. (a)	What is meant by the term 'constitutional morality'? How does one uphold constitutional morality?
	Decode Ethics Book Page No: 195
Q 3. (b)	What is meant by 'crisis of conscience'? How does it manifest in the public domain?
	Decode Ethics Book Page No: 266-268
Q_4. (a)	Explain the basic principles of citizens' charter movement and bring out its importance.
	Decode Ethics Book Page No: 315-318

Q 4. (b)	There is a view that the official secrets act is an obstacle to the implementation of Rights to Information act. Do you agree with the view? Discuss
	Decode Ethics Book Page No: Confidentiality page 182, administrative secrecy page 257, RTI rejections page 300
Q 5. (a)	What do you understand by probity in governance? Based on your understanding of the term, suggest measures for ensuring probity in government.
	Decode Ethics Book Page No: 291, 292, sample question 2 page 294
Q 5. (b)	"Emotional Intelligence is the ability to make your emotions work for you instead of against you." Do. you agree with this view? Discuss.
	Decode Ethics Book Page No: Values-emotion page 96, definition page 200, quotes page 219, 220
Q 6. (a)	"An unexamined life is not worth living." – Socrates
	Decode Ethics Book Page No: Socrates ideal life page 222, Kierkegaard life page 239
Q_6 (b)	"A man is but the product of his thoughts. What he thinks, he becomes." – M.K.Gandhi
	Decode Ethics Book Page No: 109-111, 125-126, sample question 10 page 242
Q_6. (c)	"Where there is righteousness in the heart, there is beauty in the character. When there is beauty in the character, there is harmony in the home. When there is harmony in the home, there is order in the nation. When there is order in the nation, there is peace in the world." – A.P.J. Abdul Kalam
	Decode Ethics Book Page No: Kalam's quote in reverse page 123

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Thanks for your pro bono contributions.

Aadhaar and related

DBT in fertilizer sector

- Fertilizer sector has high leakages of about 40%.
- Biometrically Authenticated Physical Uptake (BAPU): certify identity using Aadhar and take subsidized goods.
- Pilot projects have been taken up in 16 districts.
- The subsidy would be given to the fertilizer companies rather than to the beneficiaries as given in DBT in LPG.
- Subsidy varies with different fertilizers and also from company to company.
- With respect to fertilizer subsidy, the beneficiaries and entitlements are not clearly defined.
- Before DBT, there is a need of reforming the subsidy structure in fertilizers
- Bringing urea under NBS compared to current practice of cost based subsidy

Aadhaar mandatory

- DOT directed all phone service providers to verify details for all existing subscribers through Aadhaar-based e-KYC
- Supreme Court approved govt's plan
- Banks or mobile operators have to become UIDAI's <u>authentication user agencies and authentication service agencies</u> to obtain e-KYC data of their customers from the UIDAI.
- Mandatory for MGNREGA, Employees' Pension Scheme, PMKVY, NFSA, Anganwadi workers, Scheme for Rehabilitation of Manual Scavengers, scholarships to meritorious students from EWS under 'National Means-cum-Merit Scholarship Scheme', link Aadhaar with the ration card and Atal Pension Yojana
- 139AA will ensure no individual can hold more than one PAN card to evade tax dues.
- Centre has identified 31 schemes where the Aadhaar number can be used as identification for providing benefits
- Ministry of Oil and Natural Gas has introduced DBT through which subsidy is transferred directly to the bank accounts of the beneficiaries, who purchase the PDS kerosene at non-subsidised rate.
- The government, amending PMLA, has made it mandatory to provide Aadhaar to open a bank account and to conduct a transaction of Rs. 50,000 or more whether conducted as a single transaction or several transactions that appear to be connected, or any international money transfer operations.
- While reiterating that no beneficiary of a welfare scheme shall be denied benefits for want of an Aadhaar number, SC said the government is free to "press" for Aadhaar for 'non-welfare' transactions or activities.

'A blatant violation of court order'

- Members of the Right to Food Campaign demanded that notification be revoked.
- These notifications make Aadhaar 'purely voluntary' till a final judgement is passed in the matter

Receiving more than Rs. 2lakh in cash to attract equal penalty

- In a bid to check generation of black money
- People with large sum of unaccounted money usually spend it on holidaying or buying luxury items like cars, watches and jewellery. The new cash curbs will mean that such spending avenues are curtailed
- Quoting PAN for any cash transaction above Rs. 2 lakh.
- Restrictions will not apply to the government, any banking company, post office savings bank or co-operative bank.

Now, Aadhaar required for death certificates

- To curb identity fraud of the deceased
- False declaration given by the applicant in this regard will be treated as an offence under the Aadhaar Act, 2016 and Registration of Birth and Death Act, 1969.

TB patients will need Aadhaar for cash benefits

- TB patients, hospitals and workers availing cash assistance from the govt will need to register with Aadhaar
- Since 2012, government requires that patients diagnosed with TB and availing treatment be registered with Nikshay, a web tool used by authorities to track funds, treatment outcomes and health providers connected to the RNTCP.
- It is being implemented via government and registered private health facilities across the country.
- Patients would not be denied diagnosis or treatment for want of an Aadhaar number.
- However, any "prospective cash benefits" given to patients would now be directed to the Aadhaar-linked accounts
- There were instances of the same people registered multiple times and Aadhaar would help avoid duplication.
- Aadhaar link could help hospitals better track their patients and help ensure that patients did not drop off midway

Aadhaar must for access to Survey of India maps

- Country's oldest scientific organisation (250 years) and official maker of maps, has set up a web portal called Nakshe that allows maps to be downloaded for free.
- The only caveat is that one would require an Aadhaar number for such access.
- SoI maps for defence and civil are considered a standard reference for the shape, extent and geographic features
- Aadhaar is to ensure that only Indians are able to access this portal
- SOI was developing a Geoid model of the country. This would make measurements of topography by satellite
- National Map policy envisages two series of maps
- Defence Series Maps for exclusive use for defence forces and authorized Government Departments. Their policy would be determined by the Ministry of Defence.
- Open series will be responsibility of SOI/DST. User can make value addition to these maps and can share the information after permission from SOI.

UIDAI FLAWS AND SAFETY CONTROLS

- Unauthorised transactions are being done by misusing stored biometrics.
- 135 million Aadhaar numbers and 100 million bank account numbers could have leaked from official portals according to Centre for Internet and Society
- Leaks of Aadhaar card details are not from the UIDAI, but at the State level, government told the SC
- UIDAI sent a notice to three firms for unauthorised authentication
- Data from Jharkhand and Rajasthan shows that up to 30% of beneficiaries are not being able to receive entitlements through the Aadhaar-linked biometric authentication system
- To prove that Aadhaar was not foolproof, 104% of the population is shown to have taken Aadhaar cards
- Biometric details and iris scans can be forged
- UIDAI has capability to inquire into any instance of misuse of biometrics, identity theft and initiate action. UIDAI uses one of the world's most advanced encryption technologies
- Any unauthorised use is a criminal offence under the Aadhaar Act
- The e-KYC data can be given by the UIDAI to user agencies only after they obtain consent of their customers and can be used only for the purpose for which it was obtained
- To address privacy and security concerns, government is in the process of educating agencies that sensitive data must not be made public, and is drafting amendments to IT Act

Govt. claim on Aadhaar card coverage 'puffery': petitioners

- Govt statistics in SC that 95.1% of the population is covered by Aadhaar is sheer "puffery" and includes dead too.
- Aadhaar enrolment has been open to residents rather than citizens
- Enrolment has been done on the back of coercive measures where people feared disruption in entitlements
- Enrolment has been over 110% of the recorded population in many States, giving concerns as to fraud

Rohingyas issue sets off alarm bells

- Alarmed by the large number of Rohingya Muslims in possession of Aadhaar cards in Jammu
- Aadhaar is only a proof of identity and not citizenship.
- Rohingya Muslims were not recognised by India as refugees and their stay here was illegal under the Foreigners Act.

BHIM-Aadhaar will be an economic giant: PM

- PM launched the BHIM-Aadhaar digital payment platform
- Now you don't even need a mobile phone for digital transactions. If your Aadhaar number is linked with your bank accounts, then your thumb impression is enough

Aadhaar-PAN

- Aadhaar enrolment numbers for new PAN card applications and linking UID to PAN card in order to file returns
- Existing PAN cardholders who fail to link their Aadhaar numbers will have the legal status of their PAN card revoked
- For those holding Aadhaar numbers, the court said the provision would apply in totality but held that PAN cards of those who do not have Aadhaar number cannot be held as invalid "for the time being."
- 139 AA (1) of the Income Tax Act requires quoting of Aadhaar for new PAN & filing returns.
- 139 AA (2) requires that the <u>Aadhaar linking with PAN.</u>

'A tool against black money'

Attorney-General Mukul Rohatgi defended the Centre's Aadhaar drive in the Supreme Court



SC puts critics of Aadhaar-PAN linkage in a spot

- Can a person who is part of a tax regime choose to say he will pay his taxes only in the certain way he wants to?
- Petitioners claimed that mandatory linking of Aadhaar to PAN is a "<u>direct invasion" by state</u> <u>into citizens' right to make free, voluntary consent</u>.
- Aadhaar-PAN linking a <u>Faustian bargain</u>: We are independent citizens who cannot be forced by the State to part with our fingerprints in exchange

for being able to file our income tax returns

- Contention that IT Act cannot make Aadhaar compulsory when Aadhaar Act makes enrolment in scheme voluntary.
- It held that Section 139AA (1) was not violative of the <u>right to trade and profession</u> under Article 19(1)(g)
- Linking of Aadhaar with PAN cannot be considered discriminatory merely because there are objectors who refuse to take the Aadhaar in the name of freedom of choice/privacy/FR, the government told SC
- Supreme Court has effectively held that policy goals override rights
- <u>Binoy Viswam v. UOI</u>, SC described the dispute over Section 139AA as falling within a category of what "Ronald Dworkin calls 'hard cases'".
- For Dworkin, "hard cases" are those disputes where "no settled rule dictates a decision", where there exists a controversy over deciding what the law really is
- Dworkin said, a judge must view "law as integrity", that "propositions of law are true if they are derived from principles of justice, fairness and procedural due process

Govt view

- Centre said that various e-governance initiatives of the government cannot be sacrificed at the altar of right to privacy of an "<u>elite" few</u> who have neither applied for nor want Aadhaar.
- <u>Human rights went beyond the right to privacy.</u>

- Government said <u>petitioners did not represent larger population</u> of India which had embraced Aadhaar (95.10 %).
- Aadhaar enforced the right to identity and was instrumental in fulfilment of several <u>fundamental rights of the poor</u>.
- Dismissing claims that mass Aadhaar enrolment was a precursor to a 'surveillance state', the government said that <u>UIDAI precludes itself from aggregating information arising from use of Aadhaar, tracking and profiling</u> individuals
- Aadhaar is designed on the basis of principles of minimal data, optimal ignorance, and federated database

Court order baffles income tax experts

- There is no way they can prove that you have both PAN and Aadhaar, since Aadhaar is not mandatory for PAN and PAN is not mandatory for Aadhaar
- The other issue is that the databases maintained by the Income Tax Department and UIDAI are both confidential, and so cannot be shared with each other

Towards a unique digital South Asian identity

- Should India's foreign policy planners deploy it abroad?
- Aadhaar could become central pillar of India's "neighbourhood first" policy with creation of a unique digital South Asian identity.
- A single, region-wide platform to authenticate residents of South Asia could integrate its markets, bring communities closer and allow governments to offer a wider range of governance services.
- Pakistan has the National Database and Registration Authority (NADRA), Sri Lanka's digital national identity scheme, Nepal intends to roll out biometrics-driven "national ID cards"
- Beyond collecting biometric data, however, South Asian governments have not been able to create digital ID-enabled applications. This is what Aadhaar has mastered
- The political and economic leverage India will accrue as a result of enabling such entrepreneurship will surpass fixed investments by China. This is another strategic reason

New data safety regime from TRAI by Diwali

- Centre informed Constitution Bench that TRAI is working on new regulatory regime to ensure online data protection
- Currently, India does not have a separate law for data protection and data privacy.
- <u>Reasonable Security Guidelines under Section 43A of the IT Act</u> is a toothless law and is never used.
- Some redress for misuse of personal data by commercial entities is also available under the <u>Consumer Protection Act</u>
- Law should create an independent parliamentary oversight for all government surveillance
- Data protection and privacy is all the more important now because the less literate use apps like BHIM and PayTM
- The AG explained the need for online privacy in the light of 'right to be forgotten' of an individual. This right, also called the 'right to be erased' deals with the person's right to wipe out his past demeanours for which he has already suffered punishment. The 'right to be forgotten' is practised in the U.K., the U.S. and the E.U.

Aadhaar: 9-judge Bench to consider whether privacy is a basic right

- Petitions contending that the Aadhaar scheme, is a violation of the citizens' right to privacy.
- The petitioners have argued that right to privacy is part of Article 21 and Article 19, though not explicitly stated
- M.P. Sharma 8-judge Bench in 1954 and Kharak Singh 1962 6-judge Bench had concluded that privacy was not a FR
- <u>Though smaller Supreme Court Benches have, over the years, differed and held that privacy is indeed FR, the</u> <u>arithmetical supremacy of the MP Sharma and Kharak Singh cases continues to hold fort.</u>
- 1962 judgment acknowledged that a citizen has privacy inside his home as "our home is our castle".
- Now, by forming a Bench of nine judges, Court has decided to determine once and for all
- CJI: "In a Republic founded on a written Constitution, it is difficult to accept there is no fundamental right to privacy

'Why is sharing data with state a problem?'

- If 99% of citizens are 'unconcerned' about sharing personal data with private players, how is it qualitatively different if the state has the same information, Supreme Court asked
- The government had not specified in a statutory law, where the data would be protectively stored.
- Right to privacy does not stand on the pedestal of secrecy, it holds forth from the pedestal of dignity: Petitioner

Privacy-govt's stand in court

- Privacy verdict's consequences for civil liberties are potentially enormous ex Aadhaar Act
- Govt argued that the Constitution's <u>framers never intended</u> to incorporate a right to privacy, and therefore, <u>to read</u> such a right as intrinsic under Article 21 would amount to a rewriting of the Constitution.
- It claimed that <u>since privacy, as a concept, was vague, amorphous</u>, and <u>incapable of precise definition</u>, it cannot be elevated to the status of a fundamental right.
- It contended that privacy was, at best, a <u>purely elitist concern</u>
- It said informational privacy did not exist before compelling State interests and was not an absolute right.
- On the first argument, the court recognises that much of the text of the Constitution, particularly of FR require interpretation for us to make sense of them. Constitution was not drafted for a specific time period or for a generation, it was drafted to stand firm, for eternity
- Privacy, as a concept, the court finds, involves <u>not merely a simple right to be left alone</u>, but extends to protecting person's most <u>intimate choices including</u> right to abort a foetus, rights of same-sex couples, procreation etc
- Now, the court in <u>Puttaswamy</u> has held that privacy is one such liberty, which is <u>fundamental to our very existence</u>.

Privacy is a fundamental but wholly qualified right: Centre

- Centre told SC that privacy was indeed a fundamental right, but a "wholly qualified"
- Not every aspect of it is a fundamental right. It depends on a case-to-case basis.
- Not a single, homogenous right but rather a "sub-species of 21"
- Some aspects of privacy were expressly defined in the Constitution, while some were not.
- The state could subject privacy to reasonable restrictions in order to preserve the right to life of the masses.
- "Privacy, security, confidentiality is non-negotiable under Section 28 Aadhaar Act," UIDAI said in SC
- It was in the State's interest to keep personal data secure as this would make Aadhaar acceptable to one and all

'Protection of personal data a right'

- Personal data is an integral part of one's dignity and life, the Centre told SC
- Any sharing of personal data by service providers or social media platforms, which impinges on Article 21 requires regulation, the government submitted before a five-judge Constitution Bench hearing a petition against contract entered into between Facebook and WhatsApp
- Stand taken by the Centre in the WhatsApp case does not gel with its position before a nine-judge Constitution Bench



Heart of the matter

Salient points:

 Privacy is a constitutionally protected right emerging primarily from the guarantee of life and liberty in Article 21 of the Constitution It includes the preservation of personal intimacles, sanctity of family life, marriage, procreation, the home and sexual orientation

 Privacy connotes a right to be left alone. It safeguards individual autonomy and recognises one's ability to control vitat aspects of his/ her life

 Privacy is not an absolute right, but any invasion legality, need and proportionality • Informational privacy is a facet of this right. Dangers to this can originate from both state and non-state actors • Government

must be based on

 Government must put in place a robust regime for data protection.
 It must bring about a balance between Individual interests and legitimate state concerns

Privacy is a fundamental right, declares SC

- <u>Unanimous</u> verdict, nine-judge Bench
- Privacy is a <u>natural right</u> that inheres in human beings because they are human.
- However, court held that <u>privacy is not an absolute</u> right. <u>Government can introduce law which "intrudes" into</u> <u>privacy for public and legitimate state reasons</u>.
 - But a person can challenge this law in courts
- When this happens, the <u>government has to prove</u> that the encroachment was a reasonable restriction

- Court would also test whether the law's invasion procedure is fair, just and reasonable.
- SC: "state is obliged to put a robust personal data protection mechanism in place in this digital age"
- Bench was deciding reference from 5-judge Bench, which is considering validity of <u>Aadhaar as breach of privacy</u>, <u>informational self-determination</u>, <u>bodily integrity</u>.
- Reconciles Indian laws with Article 12 of UDHR, Article 17 of ICCPR, Article 7 and 8 of Charter of FR of EU
- With this judgment the court has overruled a lot of early disastrous decisions.
- It makes it clear that sexual orientation is part of privacy and that the 2014 verdict upholding Section 377 of the Indian Penal Code is flawed
- The realm of privacy includes <u>women's reproductive choice</u> (bear a child or abort), choice of <u>food</u>, <u>faith</u>, <u>euthanasia</u>, bodily integrity, personal autonomy, informational self-determination, protection from state surveillance

Government, Congress spar over verdict

- Law Minister claimed it affirmed the government's position.
- Congress: judgment "strikes a blow to the government's arrogant attempts at curbing individual liberties."

Worried SC calls for robust data protection regime

- Noting that informational privacy is a facet of the right to privacy
- Aadhaar, NATGRID, CCTNS, RSYB, DNA profiling adds to the danger of data leakage.
- Dangers to personal data originate also from private players.
- B.N. Srikrishna panel to <u>identify "key data protection issues"</u> and <u>suggest a draft Data Protection Bill</u> similar to "technology-neutral" draft Privacy Bill submitted by AP Shah committee to PC in 2012.
- MEITY would work with the panel
- This could lend greater clarity on data privacy requirements that could be imposed on companies like Google

Nilekani moots law for individual's control over data

- <u>Data protection and empowerment law</u> to ensure that individuals have control over their data and can ask service providers to return their data stored with them.
- Backed China's approach of compelling companies to host Chinese users' data within the country
- <u>'Inverting the data'</u> by putting users in charge of their own data —will help defend privacy too.

Swiss happy with India's data security

- Hence entered into AEOI pact, which will open a continuous access to details about alleged black money hoarders
- Switzerland also took note of the U.S. IRS

Privacy in the digital age

- The current focus on the right to privacy is based on <u>new realities of the digital age</u>. <u>Personal spaces that were</u> <u>previously granted simply by physical separation are no longer protected</u>.
- SC voiced apprehension over the <u>possible misuse of personal data in public domain</u>, saying the race to maintain <u>privacy against the advent of technology was a losing battle</u>.
- It seems that for many, the right is basically against the state, and not so much the digital corporations.
- Excluding the state from data resources without similarly constraining private corporations will lead to a future where corporations become the key organising actors for society; threatening interests of weaker sections
- Bench highlighted the need to define privacy as India had become a "knowledge-based economy"
- India recently surpassing the United States in terms of the <u>number of Facebook users</u>.
- <u>Data-colonising companies</u> like these use the collected information in myriad ways. Individuals have limited control over how data collected from them are used

- Databases are also under constant risk of <u>cyberattacks</u>.
- EU is to implement the General Data Protection Regulation aimed at harmonising data privacy laws across Europe

Smartphones under govt. scanner

- Mobile phone users' contact lists, details and text messages being leaked to other countries, including China
- Government has asked all firms selling smartphone handsets in the country to share details of the processes they follow to ensure there is no possibility of data thefts or leakages from their devices.
- Embedded programmes such as the operating system, browser and pre-loaded applications.
- Mobile is central to the government's DI

A judgment for the ages

- The government had offered to enact a <u>data protection act</u> in lieu of the right to privacy.
- It can be repealed or amended, and other laws can be written to prevail over it. The government can exempt itself so that we have rights against private companies but not against the government.
- In contrast, the fundamental right to privacy cannot be taken away
- The argument that government access to our personal information is justified because Facebook has it is fallacious.
- Governments are far more powerful than Facebook, with their control of the police, the army etc

SC overrules Emergency-era habeas corpus verdict

- ADM Jabalpur case/habeas corpus case 1976 said citizens had no right to life and liberty during Emergency; upheld the Congress government's move to unlawfully detain citizens
- 9-judge Bench condemned decision as "seriously flawed."
- No civilized state can encroach upon life and personal liberty without the authority of law. Neither life nor liberty are bounties conferred by the state or Constitution. They have existed even before the advent of the Constitution
- <u>3 great dissents:</u> Justice Khanna's dissent in ADM case, Fazl Ali in Gopalan case on preventive detention, Subba Rao who upheld right to privacy.

SC rips apart its 2014 ruling on Section 377 IPC

- Delhi HC 2010 <u>Naz foundation case</u> found that 377 was targeting homosexuals as a class and amounted to a hostile discrimination on the grounds of sexual orientation violative of FR.
- 377 was upheld in Suresh Kumar Koushal (2013) saying that LGBT community constitutes only a minuscule minority
- 377 of IPC criminalises consensual sexual acts of adults in private.
- <u>New Bench: 377 poses a grave danger to sexual orientation, as an element of privacy, dignity.</u> FR of life, personal liberty, equality and gender discrimination.
- In a democratic Constitution founded on ROL, their rights are as sacred as those conferred on other citizens; "majoritarian concept" does not apply to constitutional rights.
- <u>NALSA</u>: Transgenders, even though insignificant in numbers, are entitled to human rights
- It advocated adoption of <u>Yogyakarta Principles</u> <u>norms on gender identity and sexual orientation</u> adopted by human rights experts in 2006 in Indonesia.
- But the new judgment stopped short of overruling the SC's previous order. It is for a five-judge bench, which is looking at the curative petition, to take a final call.

Animal laws

Jallikattu

- MHA gave its approval to draft ordinance proposed by TN to lift ban on Jallikattu which got presidential assent.
- Supreme Court's refusal to stay the new legislation passed by TN was a relief for jallikattu supporters
- If culture is what defined the Sangam period, then we have really missed the point. Tamil has had a continuously evolving literary tradition beyond Sangam poetry which was discovered only a few hundred years ago.
- Focussing on one "sport" where a terrified animal is set upon by groups of men doesn't seem to explain why so many young passionate individuals took to the streets
- The objections raised against Jallikattu relate to the violence and cruelty it inflicts on the bulls and men involved.
- The state is a culture-destroying institution in contrast, the nation is a culture-affirming institution.
- If indeed violence generated in the course of jallikattu is the real concern of the Supreme Court, it should intervene to stop slaughtering of all living creatures for human consumption.

Ordinance to lift ban on jallikattu issue

- Governor can promulgate ordinances only on those subjects on which the state legislature is competent to make laws.
- Prevention of cruelty to animals is in Concurrent List and the Parliament has enacted PCA 1960
- The proposed ordinance sought to amend this Act, that's why it needed approval of the President.

New cattle law

Cattle slaughter crackdown ripples through leather sector

- Banned trading cattle for slaughter, including not just cows but also buffalo, an animal used for meat and leather.
- Shoes, bags and belts including for big name brands such as Zara and Clarks.
- Much of India's meat and leather trade takes place in the informal economy, meaning the impact of the <u>closing of</u> <u>illegal abattoirs and ban on trading for slaughter</u> is hard to measure.
- The decline in production means fewer jobs and risks inflaming social tensions
- <u>Some large leather manufacturers support the State government's move</u>, arguing that allowing only licensed abattoirs to operate will clean the industry's image.
- Bigger exporters also say they have enough leather as they source hides widely, including from abroad.
- India is one of the world's top five producers of leather, with skins coming from cows that die of natural causes or from the legal slaughter of buffalo.
- Govt is targeting leather revenues of \$27 bn more than double today's level by 2020 as part of a job creation

SC seeks common law against cross-border cattle smuggling

• SC asked Centre to extend to Bangladesh border, the rules framed to counter cross-border cattle smuggling to Nepal.

- <u>Livestock Animals Rules</u> and <u>Case Property Animals Maintenance Rules</u> to prevent cattle-smuggling across the Nepal border, framed in December 2016 on the basis of the Supreme Court's orders
- The government said the rules would have far-reaching effect on the authorities' efforts to curb cattle-smuggling and envisaged joint action by paramilitary forces and the district administrations.
- Centre had proposed issuing "UID number" for cows and their progeny to protect them from cattle smuggling.

Debunking myths about the cattle rules

- <u>Gauri Maulekhi vs. UOI SC</u>: <u>frame guidelines</u> to prevent animals from being smuggled, <u>under Section 38</u> of the PCA.
- May 23 notification said <u>those who wished to sell cattle bulls, cows, buffaloes, steers, heifers and camels may</u> <u>do so only after they formally stated that the animals had not been "brought to the market for sale for slaughter</u>.
- <u>Buyers of cattle</u> at animal markets would have to verify they were <u>agriculturalists</u> and declare that they will <u>not sell</u> <u>the animal/s for a period of six months</u> from the date of purchase
- Animal markets wouldn't be allowed to function within 25 km of a State border and 50 km of an international border.
- They also prohibit cattle purchased from animal markets being sold outside the State, without permission.
- The <u>animal will be used only for farming</u>.
- <u>Monitoring committees</u> at the State and district levels will be set up
- Such <u>markets will be registered</u>; any new market that is set up will need the <u>approval of the District Animal Market</u> <u>Monitoring Committee</u>, which will be chaired by the Collector or District Magistrate.
- <u>90% of buffaloes are sourced from mandis for sale in slaughterhouses</u> against a mere 10% from farmers.
- Rules will go a long way in <u>weeding out "middlemen"</u> from the supply chain linking farm-heads to slaughter houses.
- This will improve traceability of zoonotic <u>diseases</u>, curb <u>illegitimate slaughter</u> and <u>smuggling</u> and put the onus on cattle-owners to dispose of their animals responsibly
- The notification also contains a slew of provisions to prevent the <u>cruel transport and treatment of animals</u>.
- <u>They do not ban slaughter</u> of cows or cattle; and these rules <u>do not prevent anyone from eating beef</u>.
- They seek to regulate the sale and slaughter of cattle and certain other animals.
- Not infringing on State laws, says Jaitley.
- Therefore the <u>purpose of these rules was not some sinister plot to push through a communal agenda</u> but merely to comply with directions of the Supreme Court in letter and spirit.
- Observing that there was absolutely no ban on slaughtering of cattle under the Rules, Kerala HC dismissed petition

Negatives

- The Prevention of Cruelty to Animals (Regulation of Livestock Market) Rules, 2017 lampooned on two grounds.
- First, that they are the product of a government with a divisive agenda.
- <u>Provisions of PCA have been used as a convenient peg</u>
- New rules are <u>perceived as imposing an indirect beef ban</u>
- Mind-boggling diversity of caste, creed, language, customs and culture. If there be attempts to disturb this harmony, stern retaliation is in order.
- <u>Meghalaya Assembly</u> passed a resolution opposing the rules it would "impact the <u>economy</u> of the State, <u>food</u> habit, rights of the state to regulate the items enlisted in the <u>State List</u>"
- <u>Madras High Court had stayed</u> for four weeks the enforcement
- <u>Protests in several States</u>, including Tamil Nadu, Kerala and Karnataka.
- SC has consistently said that <u>rules that contravene or rewrite the parent law</u> should be rendered invalid
- The 1960 Act only intends to prevent the infliction of unnecessary pain on animals. It does not ban slaughter for food.
- Rules take away the rights of the owner to even sell the carcass of an animal dying of "natural causes" in market.
- PCA 1960 does not impose any such restriction.

- Restriction on slaughter <u>would force farmers</u> to hold on to "useless" cattle. <u>M.H. Quareshi case</u>: "maintenance of useless cattle involves a wasteful drain on the nation's cattle feed".
- Curbs prescribed on the transport of cattle would also pose a <u>setback to the efforts by States to increase the cattle</u> <u>population and improve milk production</u>.
- Against its <u>parent act</u>, federalism, fundamental rights, rational basis, Cattle owner/farmer, Slaughter houses, Leather <u>& meat industry, Consumer, Exports</u>

Cow slaughter and the Constitution

• Prohibition of cow slaughter is not enforceable FR but DPSP; Art 48 says state shall organise animal husbandry on modern-scientific lines; take steps for prohibiting slaughter, of cows and calves and other milch and draught cattle.

Madras HC stays new curbs on cattle trade

- So far as slaughter of animals is concerned, it is exclusively in the State list. (PCA is concurrent)
- The <u>definition of the term 'animal market'</u> as found in the 2017 Rules was so wide that cattle could not be sold for slaughter at any place in the country.
- <u>Rule not introduced by parliament but executive.</u> Section 38A of PCA mandates that any rule made by the Centre under it ought to be laid before each House
- Why was it issued by MOEF and not the Animal Husbandry Department

States can enact laws to preserve cattle: Centre

- State legislatures have "exclusive" powers to enact laws for the preservation of cattle, government told Rajya Sabha
- Under Article 246(3) of the Constitution
- Rajasthan HC order 31.5.2017 advised that cow should be declared a national animal and directed Rajasthan to take steps for preservation and conservation

Court and animal rights

- Court has struggled for consistency in its judicial pronouncements regarding cattle, leaving it ultimately to the Centre and States to devise an appropriate policy.
- While it banned jallikattu as cruel, it refused to intervene with States to frame a uniform policy on cattle slaughter.

SC stays cattle sale rules across nation

• Government acquiesced that public outcry and objections from the States about the law's impact on livelihoods made it realise that the rules need "tweaking".

Law itself allows cattle slaughter, SC tells govt.

- If slaughtering cattle for food or religious sacrifice is allowed under PCA, why did the government ban the sale of cattle for these purposes in the new livestock market rules. SC asked
- This is an interference of FR to carry on trade
- It, however, clarified that there was no stay on the implementation of the act

Crack down on cow vigilantes, PM tells States

- Addressing all-party meeting Modi said States should take strict action against cow vigilantes indulging in violence
- Some anti-social elements have made cow protection a medium for spreading anarchy.
- Calling violence in the name of 'gau bhakti' antithetical to Mahatma Gandhi's views.

India rejects OIC move on vigilantism

- That had expressed concern about the recent attacks on people by cow-vigilante groups.
- MEA added, "the OIC has no locus standi on India's internal affairs. We strongly advise the OIC to refrain from making such references in future."

Govt. panel to study cow derivatives

- The government has set up a 19-member panel, including three members linked to the RSS and VHP, to carry out what it says will be scientifically validated research on cow derivatives including its urine, and their benefits
- Headed by Science and Technology Minister Harsh Vardhan, the committee will select projects that can help scientifically validate the <u>benefits of panchgavya</u> —dung, urine, milk, curd and ghee
- The government has given the project the acronym SVAROP, which stands for Scientific Validation and Research on Panchagavya, and says it is a "national programme" that's being conducted by DST, DBT, CSIR, academic institutions, research laboratories, voluntary organisations

Aviation and related

Overbooking of flights soars in India

- Airlines routinely deny boarding to thousands of passengers who had tickets
- Tend to issue confirmed bookings to more passengers than the number of seats available on a flight in anticipation of a few ticket cancellations. It was a legal practice globally
- Airlines haven't been deterred by DGCA directive, increasing the compensation carriers need to pay passengers
- Ministry has swung into action to crack down overbooking which rose by more than 60% in the last eight months
- Jet Airways accounted for the highest proportion of cases, 84%
- Airlines in India have typically offered refunds for the ticket, hotel accommodation, alternative flights and monetary compensation to passengers who have been denied boarding.
- Railways follows this concept by issuing reservation against cancellation (RAC)
- However, airlines are not liable to pay compensation, as per DGCA rules, in case another flight is arranged within an hour of the original scheduled departure.
- Penalties should not be so excessive that airlines find it cheaper to fly empty seats. Every empty seat comes at a cost. That cost will ultimately be recovered from passengers

AI proposes to impose fine of Rs. 5 to 15 lakh on unruly passengers

- For causing flight delays; formulating a <u>SOP to deal with unruly passengers</u>.
- AI proposed training its staff on dealing with unruly passengers.
- Employees will be required to report such incidents to the airport manager and the complaint will be forwarded to the chairman and managing director's office.

Centre moots 3 levels of ban on unruly flyers

- Air travellers should note that safety and security of passengers and crew is paramount priority.
- <u>'No-fly list'</u> a practice followed by airlines in Europe and the United States.
- Centre proposed guidelines allowing airlines to ban unruly passengers for a period of three months to a lifetime.
- Draft Civil Aviation Requirements on "Handling of unruly or disruptive passengers"

- 3 levels of ban— three months for disruptive behaviour such as physical gestures; six months for physically abusive behaviour such as pushing, kicking and sexual harassment; and two years or more for life threatening behaviour, including damage to aircraft systems.
- MHA can put individuals identified as "national security threat" on the proposed National No-Fly List.
- India would become the first country to frame a National No-Fly List related to aviation security
- Airlines will maintain a database of such passengers
- All <u>airlines need to form an internal panel of a retired District and Sessions Judge, a representative of different airline</u> and a representative of passengers' association.
- This committee will decide on the level of ban to be imposed by the airline within 10 days of receiving a complaint.
- <u>Passengers can appeal this ban to</u> the <u>government which will set up an appellate committee</u> comprising of a retired <u>judge of a High Court</u>, a representative of passenger association or consumer forum and a high-level airline executive.
- The passenger will not face a blanket ban by all airlines; however, the Centre has proposed empowering other airlines to also impose a similar ban on the passenger imposed by one airline.
- Passengers who become a part of the National No-Fly List after being identified as a threat by security agencies will not be able to appeal the decision

Flying to become paperless soon

- Government is working on a <u>DigiYatra plan</u> to allow paperless travel, including <u>digital boarding</u> passes at airports
- Centre is looking to make either Aadhaar or passport mandatory to book air tickets so that passengers needn't carry a printout of the ticket or document proof while entering the airport.

Security cost row hits UDAN's flight

- Inter-ministerial tussle over the cost of the security infrastructure for the project.
- MO Civil Aviation already owes 800 crore to MHA for deploying CISF and other central police forces at 59 airports.
- The addition of 43 airports under the UDAN scheme is going to add considerably to the cost.
- The Finance Ministry has suggested that the cost be passed on to passengers.
- Home Ministry however, disagreed with this suggestion, contending that it would lead to in air fare hike.
- Civil Aviation Ministry argued that since security is a sovereign function, the money should come from the CFI
- UDAN: trying to have a template of an <u>aircraft centric security</u>, rather than that of the entire airport so that it is secured at the time of <u>boarding and arrival</u>. Cannot afford to have over 100 security personnel for 30-40 passengers
- The cost of security forces is to be reimbursed by the airport operator.
- Only 15 of the 115 airports operated by AAI are making profit, one of the significant reasons for losses is security

In-flight Wi-Fi Net access soon

- <u>DoT has sent revised proposal</u> for consideration of Committee of Secretaries (home, communication and aviation)
- <u>Home Ministry had raised concerns about security agencies being able to monitor data and voice transmission</u> in the initial proposal floated by DoT
- However, the revised proposal has addressed the issue of <u>flight data monitoring</u>
- Centre will need to amend the <u>Telegraph Act and Indian Telegraphy Rules</u> to provide on-board Wi-Fi services.
- In-Flight Connectivity promises to substantially improve safety of airlines as it enables flight tracking; streaming of flight data recorder of the aircraft in real-time; and facilitating real time intervention for safety and security
- India was the only country other than North Korea to not allow Wi-Fi facility in aircraft
- Even international airlines flying over India have to switch off Wi-Fi when they travel over India

Regional air connectivity: Will UDAN fly?

- Prime Minister flagging off the Shimla-Delhi, Kadapa-Hyderabad and Nanded-Hyderabad air routes.
- To link <u>unserved and under-served airports in Tier-2 and Tier-3 cities</u> with major cities and with each other.

- The plan is to subsidise air tickets, making it affordable for passengers in smaller centres to fly, and offer VGF
- <u>80% of VGF will be financed by the levy imposed on air tickets</u>, the rest 20% will flow from respective state governments. The share will be 10% for North Eastern States and Union Territories.
- <u>Uniform levy of 5.000 per flight on major routes</u>, down from 7,500-8,500 it had ordered to charge earlier.
- Each passenger will have to bear about 30 as cess against about 50
- A reduction in levy is also seen as government's efforts to bring domestic airlines on board its UDAN scheme
- Airfares capped at 2.500 for an hour: up to 800 km
- Among the <u>commitments of the States</u> are land; security; and essential services at concessional rates for the airports
- <u>Infrastructure constraints</u>, increased <u>fleet maintenance costs</u>, <u>uncertain demand</u>, manpower costs, approvals, VGF commitment's implementation
- With big players such as Alliance Air, SpiceJet and IndiGo throwing their hat into the ring, UDAN seems to be on a promising flightpath.
- All routes which do not have flight services may become part of the Scheme. At present, only airports that are either unserved or underserved fall under Scheme.

IndiGo makes formal offer to buy Air India's international operations

- Tata group evincing interest in buying Air India
- Air India acquisition can help an airline become a very strong player.
- The <u>network</u> it brings to the table with a <u>multitude of connections</u>, <u>hangars</u>, <u>slots</u>, <u>real estate</u> can play a key role for the airline to get a huge market share in the <u>domestic as well as the international markets</u>
- Buying the international operations would mean getting the <u>Star Alliance tag</u> on a platter and <u>prime slots at airports</u> such as Heathrow and the <u>Boeing Dreamliner fleet</u> as well.
- For IndiGo, which commands a 41 per cent market share, acquiring Air India will increase its share to over 50%
- Civil Aviation Ministry is in favour of retaining Air India's brand name; "sentimental value attached to it."
- It would make economic sense to stay with the Air India brand

A welcome sale: Air India disinvestment

- Sixty-four years after the airline was nationalised
- <u>Private airlines already cater to well over 85%</u> of the air travel demand in the country.
- Government money that keeps Air India from going bankrupt would be used to fund social and infra programmes
- Air India has been surviving on <u>30,000-crore bailout package</u> and has a <u>debt of over 50,000 crore on its books</u>
- Government would do well to go for the sale of its entire stake, even if it is done in a gradual manner.
- Allow both domestic and foreign buyers to bid freely for stakes. For this, the govt will have to re-tune its FDI policy to allow foreign investors to buy a stake in Air India.
- <u>Ministry has made a case for the sale of non-core assets (ex real estate) first to pay off existing creditors, so that the airline becomes more attractive to private buyers.</u>
- Move includes forming SPV housing airline's assets and portion of its debt

v) Universe of

bidders

- <u>Air India's three profit-making subsidiaries</u>: its MRO unit Air India Engineering Services Ltd., ground handling arm Air India Transport Services Ltd. and Air India Charters
- Finding a way to deal with Air India's debt load will be the main challenge for Mr. Jaitley's Group of Ministers to

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 Cutting its losses
 Disinvestment decided as a way out for the debt-ridden flag carrier
 ii) Hiving a company;

 The Cabinet Committee on Economic Affairs, chalred by Prime Minister Narendra Modi, met on Wednesday. Decisions taken iii) Demeny;

 In-principle approval for strategic disinvestment of Air India and five of its subsidiaries
 iv) Quantu disinvestment of Air India

Constitution of an Air India-specific Alternative Mechanism to decide the following:

i) Treatment of unsustainable debt;

ii) Hiving off certain assets to a shell. company; iii) Demerger and strategic disinvestment of three profit-making subsidiaries; iv) Quantum of disinvestment "guide the process" of disinvestment in Air India and five of its subsidiaries.

The lowdown on divestment of Air India

• AI's unsuccessful efforts to restructure its debt spurred decision to pvt

- Aayog's recommendation on strategic disinvestment of CPSUs, including Air India, was the immediate trigger
- First proposed in 2000
- Carrier's eroding <u>market share</u>, continuous <u>losses</u> and a mountain of <u>debts</u>.
- GOM, headed by Jaitley, to decide the modalities of disinvestment, detailed proposal, if operations will be split into domestic and international before sell-off and whether subsidiaries will be divested simultaneously or separately.
- Deadline of early next year to get the sale process under way
- Air India has six subsidiaries three of which are loss-making
- It has an estimated \$1.24 billion worth of real estate, including two hotels

Centre may tweak airport tariff rules

- In a bid to make the <u>upcoming greenfield airports</u> attractive for global players, Ministry may amend its regulatory law, Airports Economic Regulatory Authority of India (AERA) Act 2008, to <u>fix airport charges in advance</u>, ensuring <u>assured returns to investors</u>
- <u>Proposed law would not impact the regulatory regime at existing airports.</u>
- In addition to land, service standards, airport design, bidding document will specify the <u>airport tariff which will be</u> <u>indexed "appropriately" to factor in inflation, foreign exchange and interest rates.</u>
- AERA is a statutory body to determine tariff in respect of airport services
- The charges allow operators to get adequate rate of ROI
- AERA revises tariff every 5 years, known as a control period, considering the investment and expenditure incurred by the airport operator. This leads to regulatory uncertainty and difficulty
- AERA, while determining tariff, keeps into account capital expenditure, service provided, cost of improving efficiency, economic and viable operations of major airports, revenue received from services such as food and beverages, duty-free shops, advertising and car parking, among others

AI shows interest in overhauling defence planes

- Aviation Ministry has written to DM asking them to facilitate the servicing of defence aircraft at AI's MRO facilities.
- Can maintain the defence aircraft at much cheaper cost and better time, as compared to OEMs abroad
- AIESL carries out MRO activities for commercial aircraft of various Boeing and Airbus fleet

DGCA braces for ICAO safety audit

- DGCA is bracing for a safety oversight audit by the U.N. body ICAO
- Embarrassment of the 2012 audit in which the ICAO had raised safety concerns about India's aviation system.
- The measures include hiring flight operation inspectors, aligning its rules with ICAO, certifying flight examiners
- The designated examiner will conduct instrument rating checks, pilot licensing, skill and proficiency checks
- ICAO conducts audit in areas related to <u>legislation</u>, <u>organisation</u>, <u>licensing</u>, <u>operation</u>, <u>airworthiness</u>, <u>accident</u> <u>investigation</u>, <u>air navigation and aerodromes</u>.

CBI law

Centre not in favour of new law for CBI

- <u>1978 L.P. Singh Committee</u> recommended enactment of a comprehensive central legislation
- PSC (2007) recommended that a separate Act
- Turned down the recommendation of PSC to replace the 70-year-old DSPE Act which governs the agency, stating that it might impinge on the <u>federal structure</u>/cooperative federalism.
- New CBI law will have to be passed by a constitutional amendment in State List relating to law and order
- With cases being referred by States and courts to the CBI for investigation, the Committee acknowledges the burden of load bestowed upon it. It is of view that the CBI turn to the State to plug the vacancy
- <u>Dopt should take holistic steps to hasten the part of recruitment</u> in consultation with the UPSC," said the panel

New CBI law

- Vineet Narain case gave reforms for making CBI independent.
- SC ruled that the Director of the CBI should be appointed on the recommendations of a committee headed by the <u>CVC</u>. Home Secretary and Secretary in Department of Personnel as members
- <u>Currently, vacancies in CBI have to be plugged through State or other Central forces. So, under a separate law, CBI could manage its cadre more efficiently.</u>
- CBI Director should be given the powers to allow direct reporting to the Minister of Personnel reducing the hassles in going through DoPT for even basic administrative issues.
- <u>Superintendence</u> of CBI rests with CVC in corruption cases and with DOPT in other matters.
- Currently the CBI is not <u>financially independent</u>, thus making it prone to being interfered by the government.
- CBI powers are misused for vested gains leading to poor transparency and accountability
- CBI is involved in multiple functions making it a large monolithic organization. New law will clearly define its roles.

- Functions of CBI include solving: <u>Corruption Cases and Economic Crimes</u> like financial frauds, narcotics
- During WWII, Government realised that the vast increase in expenditure had provided opportunities to unscrupulous elements to indulge in corruption. An executive order was therefore passed in 1941, setting up SPE
- CBI was set up by a resolution of Ministry of Home Affairs in 1963 after Santhanam committee recommendation.
- Presently it acts as an <u>attached office under DOPT</u>.
- Although DSPE Act gives legal power to CBI, <u>CBI is not a statutory body</u> as word 'CBI' is not mentioned in act
- Lokpal movement sought the delinking of the CBI from the administrative control of the government.
- There are instances of corrupt officers in the CBI who become pliable in the hands of the government.

Child issues

100 million for 100 million campaign by the Kailash Satvarthi

- The theme of Children's Day 2016 on 20th November was "Stop Violence Against Children"
- Campaign aims to <u>mobilise 100 million youth</u>, universities, student organisations and teachers associations for 100 <u>million underprivileged children across the world</u>, to end child <u>labour</u>, <u>child slavery</u>, <u>violence</u> and promote the right of every child to be safe and educated, over the next 5 years.
- The campaign would <u>use social media</u>
- <u>SDG goal 8</u> aims to prohibit and eliminate of the worst forms of <u>child labour</u>, including use of <u>child soldiers</u>.
- <u>"The Laureates and Leaders"</u> platform for the betterment of children by Satyarthi's foundation with support from other individuals and institutions

Notify HIV-hit children as disadvantaged group: SC

- Ordered State governments to consider issuing a notification under RTE to help them gain education
- <u>RTE mandates</u> <u>State governments to issue a notification that a child belongs to a disadvantaged group</u> based on reasons ranging from caste, social, cultural, linguistic, geographical, gender, etc.
- Bench ordered that those States which are "unwilling" to issue a notification under <u>Section 2 (d)</u> should file an affidavit "explaining why they consider it unnecessary"
- The order was based on a petition filed by <u>NGO Naz Foundation</u>

WCD National Action Plan for Children, 2016

• <u>4 key priority areas</u>; survival, health and nutrition; education and development; protection and participation.

- Focus on emerging concerns for children such as online <u>child abuse</u>, natural and man-made <u>disasters</u> and CC
- Roadmap towards achieving SDG through co-ordination and convergence with different stakeholders
- It links the 2013 Policy to actionable strategies under its priority areas.
- <u>2013 policy:</u> recognizes a child to be a person below the <u>age of 18 yrs.</u>
- It recognizes that children are not a homogenous group and require different responses.
- It aims to give a social safety net to family to help nurture child.

Supreme Court directed HCs to appoint independent public prosecutors in POCSO courts

- <u>Section 32</u> mandates appointment of IPP to try the accused
- Also <u>"child-friendly atmosphere</u>" under <u>Section 33</u> of the Act.
- Act mandates at least one POCSO court in each district.

Mentally retarded adult not a child: SC

- A "mentally-retarded" adult cannot be considered a child and given refuge under the POCSO
- The case before the court was that of a rape victim, whose biological age is 38 though "mental age" is 6
- Woman's mother had moved SC to expand the <u>definition of the term 'child' in Section 2 (d)</u> of POCSO
- Section 2(d) includes only persons <u>below the biological age of 18</u>. The 2012 Act recognises the phenomenon of <u>"mental disability," but confines its ambit to only the mental disability of minors.</u>
- SC has shown due restraint in declining to apply the provisions of POCSO to mentally retarded adults
- It would have been compelling to acknowledge how similarly a child and an adult with inadequate intellectual growth are placed when it comes to sexual assault
- <u>It has ruled that it is outside its domain</u>. To extend it to adult victims based on mental age <u>would require determination</u> <u>of their mental competence</u>. This would <u>need statutory provisions and rules</u>; the <u>legislature</u> alone is competent
- Those with mild, moderate or borderline retardation are capable of living in normal social conditions.

'<u>Child artistes</u> can work only for <u>5 hours</u> a day'

- Labour Ministry draft rules for working conditions for child artistes and for employing children in family enterprises
- <u>Child "assisting" in a family business 3 hours after school and not between 7 p.m. and 8 a.m.</u>
- Such children will <u>not be allowed to engage in any production, supply or retail chain</u> which is "remunerative for the family and <u>hazardous</u> activities."
- A child cannot take part in a "street performance for monetary gain" as per the proposal.
- Under the proposed rules, <u>at least 20% of the income earned by the child artiste will be required to be deposited in a FD account "in a nationalised bank</u>". The money would be credited to the child after she turns 18.
- The <u>permission of DM</u> would be mandatory for engaging a <u>child artiste</u>.
- The production unit must nominate a person, who would be held responsible for the safety and security of the child

No time to work: On Child Labour Act

- India has ratified two key global conventions meant to keep children away from work
- <u>138 and 182 leave it to members to determine what constitutes acceptable or unacceptable work for children at different ages giving government room in adopting the international standards</u>
- ILO's Minimum Age Convention and Elimination of the worst forms of child labour.
- With roughly 90% of the workforce continuing to remain outside the ambit of the organised sector, protecting vulnerable children from exploitation and effective enforcement is difficult.
- Satyarthi supported the new framework, saying the fresh rules have addressed all the concerns.

Set up database of children in orphanages, SC tells govt.

- Database of children living in orphanages and child care institutions to ensure their safety and welfare.
- It asked the authorities concerned to ensure confidentiality and privacy in maintaining the database.
- SI and vocational training must be taken advantage of keeping in mind the need to rehabilitate such children.
- Bench also directed to set up '<u>Inspection Committees</u>' to conduct regular inspections and prepare reports so that the living conditions there undergo positive changes.

This formulation needs a second look

- The development and registration of a <u>child-friendly and heat-stable formulation of HIV drug lopinavir</u>/ritonavir by an Indian generic company will not only save lives but also ease procurement woes
- India ran out of Lopinavir syrup, a child-friendly HIV drug, in March after Cipla the sole manufacturer of the drug stopped production consequent to non-payment by the Health Ministry.
- <u>A 4-in-1 FDC of HIV medicines is in the pipeline</u>
- The lack of child-friendly HIV formulations is one of the major reasons why there is such a large treatment gap between adults and children, and is also why we consider paediatric HIV to be a 'neglected disease'
- Because appropriate formulations have not been available for young children we've had to treat them by crushing adult tablets or giving them syrups that are hard to store and foul-tasting.
- Financing and support from the highest level of the Indian government is urgently required.
- Policy on neglected disease innovation should be jointly developed by Ministries of Health and SNT

India has 31% of world's poor kids: report

- Oxford Poverty & Human Development Initiative, project grounded in economist Amartya Sen's capability approach
- A "multidimensionally poor" child is one who lacks at least one-third of ten indicators, grouped into three dimensions of poverty: <u>health, education and standard of living</u>.
- SDG Goal 1, the eradication of poverty in all its forms and dimensions.

Fortified food for thought

- <u>NGO Akshaya Patra Foundation</u> aims to serve five billion meals to children across India by 2020.
- We have tried many things, including offering them incentives and promotions, but nothing has worked.
- <u>Pilot programme in Uttarakhand that delivered highly nutritious ready-to-serve food packets showed amazing results</u> in reducing malnutrition
- The involvement of for-profit companies in child nutrition programmes is a recipe for disaster, as we saw in the case of Africa, where thousands of babies suffered death and illness
- Freshly cooked, hot meals is the best practice the world over for fighting child malnutrition

Goa invites views on new rules for juvenile offenders

- WCD has developed SOP for rehab of children in conflict with law to provide opportunities to such children to reintegrate with society, institutional care, after-care services, foster care and sponsorship.
- One of the main objectives behind introducing the SOP is <u>reducing jail time for juvenile offenders while protecting</u> <u>children from violence, abuse and exploitation.</u>

Adoption regulations 2017

- Government notified regulations framed by Central Adoption Resource Authority to replace the 2015 guidelines.
- While the 2015 guidelines had no legal powers, the 2017 regulations will have enforcement powers.
- Earlier legal adoption was available only to the Hindu community under <u>Hindu Adoptions and Maintenance Act 1956</u>. Other communities could only act as legal guardians under the Guardians and Wards Act 1890. JJ Act promoted uniform code for adoption for all communities.

- Regulations create an institutional mechanism to regulate the process of adoption and thus increase transparency
- <u>Timelines</u> for stakeholders to clear the adoption procedure
- Defines the step parent legally
- <u>Couples with more than three children shall not be eligible for adoption except in special needs.</u>
- <u>District Child protection Unit will maintain a panel of professionally qualified or trained social workers.</u>
- <u>CARA, statutory body of WCD under the JJ Act 2015, will facilitate adoptions through CARINGS</u>; Central Adoption Resource Information Guidance System, a centralized data bank of adoptable children and PAP.
- CARA deals with inter-country adoptions according to the Hague Convention on Inter-country Adoption, 1993.

Constitution

Can article 370 be revoked unilaterally?

- According to the <u>clause 3</u> of Article 370, President may declare that this article shall cease to be operative, 'provided that he receives the recommendation of the Constituent Assembly/State Assembly of the State
- Except for <u>defence</u>, <u>foreign affairs</u>, <u>finance and communications</u>, the Parliament needs the state government's concurrence for applying all other laws.
- <u>Article 35A</u> gives <u>special rights and privileges to permanent residents</u> of J&K, and empowers its legislature to frame any law <u>without attracting a challenge on grounds of violating the right to equality of people from other states</u>

Promotion of national song

- Supreme Court <u>rejected a plea to direct government to frame a national policy</u> under Article 51A to promote the National Anthem, the National Flag and a 'National Song'
- It also rejected making the National Anthem compulsory in offices, courts, legislative houses and Parliament.
- Court "kept alive" the plea that schools should play or sing National Anthem on working days.
- In Shyam Narayan Chouksey case Supreme Court directed cinema halls to play national anthem at start of movies.

- Fundamental Duties cannot be made compulsory. They are also not enforceable in courts.
- Court has pointed out that the National Song has not been mentioned in the Fundamental Duties
- By rejecting the idea of a policy court has avoided <u>national symbols becoming a tool of moral policing</u>.
- National Song 'Vande Matram', composed in Sanskrit by Bankimchandra was first sung at the 1896 session
- Anthem is the first stanza of Tagore's composition called 'Jana Gana Mana' originally composed in Sanskritized Bengali. It was translated to Hindi and Urdu by **Abid Ali** and first sung in **1911** convention of Congress.

Respecting national symbols:

- <u>Prevention of Insult to National Honour Act, 1971</u> deals with cases of insults to the <u>Constitution</u>, the national flag and <u>the national anthem</u> and provides for penal provision for insulting these symbols.
- Section 2 of the Act provides for a maximum imprisonment of 3 years with or without fine
- No section of this Act or IPC makes it mandatory for a citizen to stand up when national anthem is being played.
- <u>Flag Code of India, 2002 is not a law but a consolidation of executive instructions</u> issued by GOI from time to time and contains detailed instruction for observing such behaviour which will not disrespect the National Flag.

Anti defection law:

- Recent trends where MLA defected to party without being disqualified questions the viability of Anti-Defection-Law.
- There is <u>no mention of time frame for Speaker to take decision</u> regarding disqualification which is one of the main loophole in the law.
- Though there is provision of judicial review (Kihoto Hollohan case, 1993) still judiciary is by and large helpless at the pre-decisional stage as no clear role is mentioned in the anti-defection law.

Review of status of attorney general under RTI

- Delhi HC ruled that the office does not come under the ambit of RTI Act as it is not a public authority under act.
- The relationship between AG and GOI is of a <u>lawyer and client</u> as AG is appointed under article 76 to provide advice on legal matters to the government.
- AG does not occupy an office of profit and hence cannot be held to be a "public authority"
- Further AG cannot put in public domain his opinions or materials forwarded to him.
- Art <u>76, 88 and 105</u> deal with AG

Public accounts committee

- Urjit Patel appeared before the committee to brief it on the impact of demonetization.
- A controversy also arose over whether the PAC can summon PM.
- PAC was formed under GOI Act, 1919.
- It is <u>constituted by the Parliament each year</u> for parliamentary oversight over finances of the government.
- 15 members from Lok Sabha and 7 from Rajya Sabha
- Since 1967, its chairman by convention is selected from the Opposition parties.
- Government submits an Action Taken Report on the recommendations of the PAC which is laid before parliament.
- The <u>functions of PAC extend "beyond, the formality of expenditure to its wisdom, faithfulness and economy</u>" and thus the committee examines cases involving <u>losses</u>, <u>nugatory expenditure and financial irregularities</u>
- The work of the committee is more in the nature of a post-mortem exercise and is not effective in preventing losses.
- While other DPSC can adopt reports with dissent notes, the PAC must adopt all reports by consensus.
- It does not have suo moto powers of investigations.

Whose privilege?

• Karnataka Assembly has found two journalists guilty of breach of its privilege and sentenced them to jail.

- This followed certain articles written by the journalists which were alleged to defame some legislators.
- There is little merit in subjecting anyone, to penal action for allegedly breaching a legislator's privilege, <u>unless there</u> is a move to obstruct the functioning of either the House or its members.
- If the members felt defamed, they could have opted an appropriate judicial remedy in their individual capacity.
- The legislature used the power to take away the liberty of critics.
- Constitution specifies the powers and privileges in <u>Article 105 and in Article 194.</u>
- Parliament and State legislatures have not passed any law to codify their privileges. The <u>absence of codification gives</u> the House the freedom to decide when and how breach of privilege occurs.
- In the absence of a code, how does one know what constitutes privilege of the legislative bodies?
- <u>How does the privilege power sit with FR</u> of expression and personal liberty?
- Whether the legislature, through its Committee of Privileges, should be a judge in its own cause?
- Whether the legislature's power to punish for breach of privilege <u>extends to handing down a prison term?</u>
- In 2008, the Committee of Privileges of LS felt that there was no need for codification
- Legislators have been arguing that codification of privileges will harm the sovereignty of Parliament.
- Privileges have become a tool in the hands of the ruling party.
- Why shouldn't our legislators' freedom of speech be subject to the sovereignty and integrity of the nation, public order/Article 19(2)?
- Court's decision in M.S.M. Sharma (1958), giving primacy to the privileges over free speech
- <u>1967, the Supreme Court</u> was convinced that Parliament should not have absolute powers.
- Drafters of the Constitution committed mistake of putting Parliament on a par with the British House of Commons. Unlike England, in India the Constitution is supreme, not Parliament.
- <u>Codification of privileges is resisted because it would make the privileges subject to FR and hence to judicial scrutiny</u> and evolution of new privileges would not be possible.

Cutting tribunals to size

- Finance Bill 2017 included amendments to rationalise the functioning of multiple tribunals.
- What used to be 26 tribunals are now down to 19. EX, Competition Appellate Tribunal will be merged with NCLT
- The <u>qualifications</u>, tenure, COS, removal and emoluments of the chairpersons and members of these tribunals will all <u>be under the control of the Centre</u>
- Govt will have the <u>power to amend this list of Tribunals</u>, <u>through a notification</u> without prior parliamentary approval
- <u>SC in 2014</u> held that appellate tribunals have similar powers and functions as that of HC, and hence matters related to their members' appointment and reappointment must be free from executive involvement
- Doctrine of separation of powers and the independence of judicial bodies compromised by Finance Act.
- Many tribunals wrapped up had not much work load and can be shared by other tribunals.
- This rearrangement <u>will free infrastructure and staff</u> unused by the tribunals.
- Will ensure reduce the <u>pendency</u> of cases in tribunals
- Will improve ease of doing business and generate positive investor sentiments.

It's not sedition

- When discretion and judgment are required, we have a knack of ending up in extreme positions.
- 15 men who shouted pro-Pakistan slogans and let off firecrackers in MP were charged with sedition.
- <u>Celebrating your country's defeat may be distasteful and even offensive but it's not a crime/sedition.</u>
- The sensible thing would be to ignore such slogans and celebrations because, quite clearly, they're seeking a response.

Should the sedition law be scrapped?

• Branded as anti-national, thrown behind bars or lynched

- <u>124-A</u> only serves to give a legal veneer to the regime's criminalisation of dissent, persecution of voices
- 124-A protects constructive criticism of government
- The sedition law was incorporated into IPC in <u>1870</u> as fears of a possible uprising plagued the colonial authorities.
- <u>SC has repeatedly observed that mere possibility of misuse of a provision does not invalidate legislation.</u>
- <u>Kedar Nath v. Bihar (1962)</u>: a person using strong speech or vigorous words in writing, against the government, is outside the purview of the concerned Section. However this speech cannot become a licence for vilification of the government, which <u>incites violence</u>, excite hatred, contempt or has the tendency to create public disorder.
- Offences against the State, calls for violent revolutions seeking to overthrow the government
- Sedition should come into play only if the territorial integrity/sovereignty of the country are questioned

Protest organisers to pay for damage to public property: A.P. police chief

- Andhra Pradesh has taken the lead in <u>seeking legal undertakings from people who organise protest</u>, demonstration, agitation or a rally that the cost of any damage to public property caused in the process, would be borne by them.
- There is a Central law on the subject dating back to 1984, Prevention of Destruction of Public Property (PDPP) Act
- In 2015, MHA accepted the recommendations of committee headed by K.T. Thomas to make PDPP more effective
- Home Ministry has moved an amendment
- <u>2007. SC laid guidelines</u> to prevent destruction of public properties and provided for legal undertaking by organisers.
- The proposed amendments seek to deter the violators from destroying public property

Puducherry government demands more powers

- Fight between LG and Congress government; <u>Assembly passing a resolution urging the Union government to make</u> amendments in the UT Act to bestow more powers on the elected government and <u>curtail the role of the Lt</u>.
- Lt. Governor had made it clear that she was the "real administrator" and all files had to be sent to her for approval.
- <u>Government has accused her of blocking files</u> with the intent to tarnish the government's image.

Bid to remove Justice Reddy fails again

- Nine of the 54 members of RS, who had proposed the initiation of proceedings against him, have withdrawn their signatures. So, there is no motion for his removal
- Require an address to the President by a special majority of both Houses of Parliament, cannot be initiated without the signatures of at least 50 members of the Rajya Sabha or 100 members of the Lok Sabha.
- If such a motion gets admitted in a House, a three-member committee investigates the charges. If it finds the judge guilty of misbehaviour or incapacity, the House in which the motion was initiated, must pass it with a two-thirds majority, followed by a similar passage by the other House.
- If this happens, an address is made to the President for the removal of the judge.

A controversial inheritance

- PN Bhagwati was appointed to Supreme Court in 1973
- Penned successive reports proposing 'nyaya panchayats'; democratising access to courts could have been met through an expansion of legal aid.
- Instead the solution was seen as <u>creating parallel informal institutions</u>, <u>diluting judicial procedure</u> by short-circuiting basic principles of adjudication.
- Provided the basis for future developments such as <u>Lok Adalats</u> at the lowest level, <u>tribunals</u> at the intermediate level and Public Interest Litigation (<u>PIL</u>) at the highest level of the judiciary.
- Bhagwati was justly targeted for his role during the Emergency after the 1977 elections.

- He did another somersault after Mrs Gandhi returned to power in 1980. <u>He was the only judge in the Minerva Mills</u> <u>case to uphold her Emergency era amendment immunising any statute implementing DPSP from JR for violating</u> <u>Articles 14 and 19</u>
- Bhagwati is also <u>famous for his improvisations</u>. Based on the idea that 'arbitrariness is the antithesis of inequality', he <u>introduced a new test to examine violations of 'Right to Equality'</u>.
- Even more famous is his pioneering 'right to life jurisprudence' in the Maneka Gandhi case.

President election

- India's 14th President gets 65.6% of votes to beat joint Opposition candidate
- The total number of MPs and MLAs who cast their votes was 4851, bearing a combined value of 1090300.
- The value of each vote of an MP was 708.
- Among the States, each vote in Uttar Pradesh had the highest value of 208, while Sikkim had the lowest
- The polling was marked by cross-voting in various

Corruption

Combat black money, PM writes to CAs

- As a follow-up to his address to the Institute of Chartered Accountants of India (ICAI)
- CAs have a very important part to play in the creation of a New India, which is free from corruption

Regulator turns up heat on erring CAs

- ICAI said 4,445 complaints have been registered against CAs as on June 30 this year, and punishment has been awarded in 402 cases
- PM sought action against those involved in money laundering, including through shells, following demonetisation
- ICAI was pushing for amendments to the norms to help expedite action against wrongdoers in the profession.
- Centre had the power to amend the Rules including the Disciplinary Rules (framed under the CA Act).

Section-19 of prevention of corruption act

- SC upheld a past judgement that a court initiated investigation against a public servant would require previous sanction of government to take cognizance of an offence as per section 19 of the PC Act
- But as per Sec 19, there is no prohibition to start an investigation by lodging an FIR
- To protect honest officers from frivolous complaints.
- Letting the public servants take decisions for GG without fear or harassment.
- Previous sanction protects the corrupt public servants, which goes against transparency and accountability.
- Previous Sanction is given by Union if Union has power to remove the official, by State if State government has power. In case of other public servants, it is given by <u>competent authority</u>.
- Prevention of Corruption Amendment Bill 2016 prior approval will be extended to the retired officials too.

India in 88th place in money hoarded in Swiss banks

- India has slipped to the 88th place in terms of money parked by its citizens with Swiss banks, U.K. remains on top.
- India was placed at <u>75th position in 2015</u> though it used to be among top-50 countries till 2007.
- The funds are the official figures and do not indicate the quantum of black money.

New Bill to deter offenders' escape

- The government proposed 'Fugitive Economic Offenders Bill, 2017' that seeks to deter economic offenders from fleeing the country by <u>attaching and confiscating properties owned by them in India</u>.
- The absence of such offenders from Indian courts <u>hampers investigation</u> in criminal cases, wastes precious <u>time</u> of courts of law, undermines the <u>ROL</u>
- Bill makes provisions for a <u>PMLA court to declare a person a 'FEO' who has an arrest warrant issued and who has left India so as to avoid criminal prosecution, or refuses to return to India to face criminal prosecution.</u>
- Till now, In case of such absconders, the <u>general provision</u> pertaining to "<u>proclaimed offenders</u>" <u>under Section 82 of</u> <u>CRPC</u> only is used.
- This Bill would be a dedicated statutory backing for criminal prosecution of FEO.
- The proposed law will be applicable in cases <u>where value of offences is over Rs 100 crore</u>.
- The onus is on authorities to prove that an individual is a fugitive economic offender.
- <u>If prior to the declaration, the alleged FEO returns</u> to India and submits to the appropriate jurisdictional court, proceedings under this Act would cease by law.

Existing provisions to deal with issues of economic offences

- <u>RBI</u> has defined <u>'wilful default'</u> and has given deterrent measures like debarring a promoter from raising institutional finance for floating a new venture for 5 years.
- <u>SARAFAESI</u> Act is used to recover assets of financial institutions without involvement of courts.
- Under Recovery of Debts due to Banks and Financial Institutions Act, 1993
- Insolvency and Bankruptcy Code, 2016

Money laundering may be made separate criminal offence

- Central government is considering a proposal by SIT; to be investigated by ED, to facilitate quick action
- Under the current arrangement in India, the fate of money laundering cases depends on that of the probe and prosecutions in predicate offences pursued by primary agencies causing impediments
- United States has very stringent laws to check money laundering
- U.K.: based on enough circumstantial evidence, they have to just establish that the proceeds had a criminal origin

Transparency puts India on list for failing to curb corruption

- Berlin-based organisation used WB, WEF data to rank 176 countries by levels of corruption in public sector.
- The score runs from <u>zero, highly corrupt</u>, to 100, which is very clean.
- The index has placed <u>India on the watch list</u> for its inability to curb mega corruption scandals
- The index has placed India with Brazil and China in the <u>40th position</u>.
- India's score has <u>improved by two points</u> from 38 in 2015.
- New Zealand and Denmark joint first place with a score of 90
- <u>Somalia was ranked the most corrupt country</u>.
- Bangladesh, Pakistan and Nepal were slotted in the highly corrupt section

Tax guidelines to target shell companies notified

- <u>CBDT guidelines on 'place of effective management'</u>, POEM, of a company to determine its tax liability.
- POEM rules target companies that were set up abroad to retain income outside India but are controlled from India.
- POEM as per IT Act means "a place where key management and commercial decisions are made."
- Company will be deemed to be engaged in active business outside India if the <u>passive income</u> is less than 50% of its total income and less than 50% of its <u>total assets</u> are situated in India, less than 50% of the total <u>number of employees</u> are situated in India or are resident in India, and the <u>payroll expenses on such employees</u> is less than 50%
- These rules will not be applicable to firms with annual turnover of less than 50 crore.
- Modification to the existing norms was necessary as several companies skip tax liability by misusing guidelines.

Lokpal and the law

- Centre's reluctance to set up a statutory anti-corruption institution stands completely exposed after <u>SC made it clear</u> that the existing Lokpal and Lokayuktas Act. 2013 is workable on its own
- Delay on ground that <u>PSC report on proposed amendments is still under consideration</u>
- Govt claimed it was awaiting the passage of amendment related to the leader of the largest party in opposition
- The selection panel consists of <u>PM, Speaker, LOO, CJI or his nominee, and an eminent jurist</u> chosen by them.
- The court has noted that the Act provides for the selection committee to make appointments even when it is truncated due to a vacancy.
- Supreme Court judgment is in stark contrast to what the court had said in 2014.

Some important features of the Lokpal and Lokayuktas Act

- Constitution of <u>Lokpal at the Centre and Lokayukta in states</u> within 1year from the date of commencement of the Act.
- Nature and type of lokayuktas has been completely left on the state's discretion

- Lokpal will consist of a <u>chairperson and a maximum of eight members</u>, of which <u>50% shall be judicial members</u> and 50 per cent from <u>SC/ST/OBCs</u>, <u>minorities and women</u>.
- Jurisdiction <u>PM has been brought under the purview</u>. All entities receiving donations from foreign source in the context of <u>FCRA</u> in excess of Rs 10 lakh per year are brought under the jurisdiction of Lokpal.
- Lokpal will have power of <u>superintendence and direction over any investigation agency</u> including CBI
- Provisions for <u>attachment and confiscation of property</u> acquired by corrupt means, even while prosecution is pending.
- The act lays down <u>clear time lines</u> for preliminary enquiry, investigation and trial.
- Bill passed in 2016 has done away with statutory requirement of public disclosure of assets of public servants' spouses and dependent children.
- The <u>vesting of power of prior sanction with Lokpal has been almost nullified</u> with amendments in prevention of corruption act which strengthen the requirement to seek government's permission.

Guaranteeing time-bound services

- Right of Citizens for Time-bound Delivery of Goods and Services and Redressal of their Grievances Bill, 2011, was introduced in the Lok Sabha in 2011 but it lapsed
- Some States have such legislation but the Central law sought to provide an overarching framework.
- The essence of the proposed law was that every public authority will be required to publish a <u>citizens' charter</u>, <u>information and facilitation centres</u>, <u>grievance redress officers</u> and <u>State and Central Redressal Commissions</u>
- <u>Citizens could file complaints before these authorities</u> pertaining to any violation of the citizens' charter
- These grievances would have to be <u>remedied within 30 days</u>.
- Those aggrieved by the grievance redress officers' orders could appeal before a Designated Authority.
- Further appeals to the State and Central Commissions were provided for.
- Orders by these two Commissions could be appealed against before the Lokayukta and the Lokpal respectively.

Ex-Coal Secretary gets two years in jail

- Three IAS officers, including former coal secretary H.C. Gupta, who dealt with allocation of coal mines have been sentenced to a two-year term <u>under the IPC for criminal conspiracy/cheating and under POCA</u>
- Special court sentenced for causing loss to country by allocating coal block to pvt company in an illegal manner
- Court granted bail to all the accused to enable them to file appeals in the Delhi High Court
- <u>CBI had filed an FIR in 2012</u> for <u>misrepresentation of facts</u> and <u>presentation of inflated net worth of the company</u> to acquire the coal block but <u>later filed a closure report</u> in the case.
- <u>CBI: It was not certain if it could be proved beyond reasonable doubt that public servants had manipulated the system</u>
- However, the <u>court rejected the closure report</u>
- Only officers charged, exonerating ministers, the ultimate decision-makers
- CBI Court ruled that Coal Ministry officials <u>deliberately allowed an incomplete application</u> from an ineligible company to be taken up for consideration.
- Accused actually let all applications pass without any checking
- Officers said in their defence they could not verify applications for completeness and eligibility, as it was the job of the section concerned. The section says this is the job of the administrative ministry or the State government to which applications are forwarded.
- Other omissions include the <u>failure to evolve any criteria to decide eligibility</u>
- CAG had termed coal allocations inefficient, not corrupt. Parliamentary committee termed allocations unauthorised.
- The Supreme Court had cancelled the allocation of 214 coal blocks.
- <u>Section 13(1)(c)</u> of PCA relates to a public servant <u>dishonestly misappropriating</u> property
- <u>Section 13(1)(d)</u> relates to a public servant obtaining any <u>pecuniary advantage</u> without any public interest.

- <u>Amendment Bill</u> approved by parliamentary committees has replaced this section with a clearer definition of <u>'criminal</u> <u>misconduct by a public servant'</u>: <u>fraudulent misappropriation</u> of property and possession of <u>disproportionate assets</u>.
- The amendment is <u>in line with UNCAC</u>
- <u>Procedural errors and systemic failures might be described as negligence not criminal conduct</u>

Legalising gambling: law panel in moral quandary

- SC in BCCI Vs CA of Bihar asked LCI to study possibility of legalising betting in backdrop of IPL betting scandal.
- Lodha Committee report, too, recommends this course of action. Law Commission sought views from the public
- Business of sport betting exists, despite the ban & strict rules against betting and gambling are hardly a deterrent
- Lot of money is involved in illegal gambling business, creating almost a parallel economy, converting legally earned money into black money that is drained to gambling operators in other countries online
- PROS: help in curbing illegal activities (fixing); help government earn revenue and generate employment
- FICCI, in 2013, had said that the government stands to earn about Rs. 7,200 crore a year from taxes
- QUES: <u>morally correct</u>? <u>How people engaging in such activities can be safeguarded against bankruptcy</u>; should <u>foreign betting and gambling companies</u> be allowed
- Protection of the <u>poor sections of society</u>, who are more prone to indulge in gambling and betting for quick money
- If betting on cricket is legalized, it <u>could lead to unfair and unclean games</u>
- Gambling is covered under an archaic law, the <u>Public Gambling Act of 1867</u>.
- <u>Constitution has enabled the States to enact their own gambling legislation</u> and there is <u>no uniformity</u>
- Most of these laws pertain to physical gambling and not online which is seen to be a route to crime, corruption etc
- <u>U.K.</u> has a Gambling Commission, <u>Spain</u> has set a 25% tax rate on gambling and requires customers to provide their unique national identification numbers, names, and addresses before they can be registered to gamble.

Crime – police – prison reforms

Now, **<u>passport</u>** sans police verification

- Centre plans to connect the procedure with CCTNS
- Will check the antecedents of applicants at the click of a mouse
- CCTNS had been expanded by incorporating citizen-centric services like tenant verification, registration of FIR etc
- <u>Safety of DB: NCIIPC roped in for the task.</u>
- CCTNS national database has around 7 crore data records pertaining to past and current criminal cases.
- Interconnect about 15,398 police stations and 5,000 offices of supervisory police officers across the country.

Different offences cannot be boxed into one trial, rules SC

- A <u>general conspiracy</u> which gives birth to a <u>cascade of distinct offences</u> committed in various places spread over several years and involving different accused persons <u>cannot be boxed into one trial</u>.
- The court quoted precedent that a joint trial is an exception and the norm is separate trials
- In case there is only one trial for such conspiracy for separate offences, it would enable the accused person to go free

SC to plug loopholes in bail process

- The accused in criminal cases take anticipatory bail from SC/HC and use it to get regular bail from trial courts, taking advantage of the procedural labyrinth in criminal law.
- The fallout is that in future, even if the higher court cancels or decides not to renew the interim bail, the accused would remain on bail on the strength of the trial court's regular bail.

Bail or jail: on bail law reforms

- That <u>bail is the norm and jail the exception</u> is a principle limited in its application to the affluent and the powerful
- Law Commission, in its 268th Report, highlights this problem
- Report: decisions about custody/release should not be influenced by gender, race, ethnicity, financial or social status
- Recommends that those detained for an offence that would attract <u>up to 7 years' imprisonment be released on completing 1/3 of that period</u>, and those charged with longer jail term, after they complete half of that period.
- Commission <u>cautions the police against needless arrests and magistrates against mechanical remand orders</u>.
- It gives a list of conditions that could be imposed in lieu of bonds.
- However, as the report warns, bail law reform is not the panacea for all problems of the criminal justice system.
- 67% of the current prison population is made up of undertrials; Prison Statistics India 2015 report by NCRB
- Section <u>167 of the CRPC</u> mandates that judges can extend a detainee's custody for a period of 15 days at a time. Detainees have to be produced regularly before the courts. This rarely happens
- CRPC <u>Section 436A</u>;. Undertrial prisoner shall be released on own personal bond if he or she has undergone detention for a period extending to one half of the maximum period of imprisonment specified for that offence.
- Supreme Court bemoaned that <u>poverty</u> appears to be main reason for the <u>incarceration of many prisoners</u>
- <u>Solution lies in expediting the trial process</u>. For, in our justice system, delay remains the primary source of injustice.

• <u>The centre has asked all HC-CJ to "review" cases of undertrials who have been incarcerated for long and to "take suo motu action for their release".</u>

Protecting prisoners: Reforms must secure rights of inmates

- PROBS: Overcrowding, long incarceration, rights, health, legal aid, condition of women inmates and their children, authoritarian behaviour.
- <u>Maharashtra government had been directed by the Bombay HC</u> to <u>constitute empowered committee</u> to <u>undertake a</u> <u>comprehensive review of the conditions in three major prisons</u> in the State, in the light of <u>SC decisions</u>, the <u>Model</u> <u>Prison Manual of 2016</u> (MHA) and relevant <u>UN resolutions</u>.
- In particular, the panel was to suggest measures to create modern jails and modernise amenities.

Preventive detention - 'Goondas Act'

- Extraordinary discretionary powers on E to detain persons without bail for period that may extend to <u>1 year</u>
- Preventive detention associated with frequent misuse, for extraneous reasons, overtly political, affecting FRs
- Several States have a law known as 'Goondas Act' aimed at preventing activities of habitual offenders
- The power being <u>statutory</u> in nature, its exercise has to be within the limitations of the statute
- SC has <u>questioned the use of words such as "goonda" and "prejudicial to the maintenance of public order"</u> as a means to justify an arbitrary detention order.
- Preventive detention of a person after branding him a 'goonda' <u>merely because the normal legal process is ineffective</u> <u>and time-consuming</u> is illegal, the Supreme Court has held.
- It struck down the detention of a man who had allegedly sold spurious chilli seeds in Telangana, holding that the grounds of detention were extraneous to the Act.

Lessons for investigating terror

- Conviction of six of the accused, including Abu Salem Under sections of <u>TADA</u>, <u>IPC</u>, <u>Arms Act and Explosives Act</u> for terrorist acts, possession of unauthorised arms, criminal conspiracy.
- Complexity of combating and investigating terrorism.
- Sheer politicisation of terror matters and putting dedicated policemen in a state of discomfiture and danger.
- The common impression that units of a State police are hardly equipped to handle investigations of such epic proportions was for once proved wrong by the remarkable groundwork done by the Bombay Police.
- <u>NIA, December 2008, has somewhat filled in the gap in terror investigation</u> skills between State and Central agencies.

What is extradition?

- Extradition refers to the surrender of a <u>criminal to one country by another</u> regulated by treaties
- The crime done by the accused should fall in the category of <u>dual criminality</u>. This means that it should be a punishable offence according to the laws of both countries
- Persons charged for political reasons are generally not extradited.
- In India, the <u>Extradition Act</u>, <u>1962</u>, regulates the process.
- According to the act, <u>any offence punishable with a minimum one year</u> of imprisonment qualifies for an extradition
- Currently, India has extradition <u>treaties with 38 countries</u>.
- A lot <u>depends on the cooperation and coordination between authorities</u> of the two countries.
- <u>MLAT: wherein both countries agree to exchange information</u> in order to enforce criminal laws.

India set to extradite Bangladeshi to Britain

- Where he is accused of murdering his wife and children 10 years ago.
- A sign that the <u>India-UK Extradition Treaty</u>, which has been in place since 1992 is sufficient to deliver the kind of cooperation the two nations have sought, particularly with political backing.

SC dismisses TN's review plea on remission power

- 2015 Constitution Bench judgment that a State government has no power to remit sentences of persons convicted under a Central law and cases investigated by a Central agency like the CBI.
- The verdict was based on a challenge by the Centre to Tamil Nadu's move to remit the life sentence of seven convicts in the Rajiv Gandhi assassination case.
- Interpreting Section 435 (2) of the Cr.PC, the court had held that the word 'consultation' meant 'concurrence'.

Centre files curative plea on AFSPA

- The government asked SC to reconsider its <u>July 2016 verdict</u> which ripped open the cloak of immunity and secrecy provided by AFSPA to security forces for deaths caused during encounters in disturbed areas.
- Court had held that "there is <u>no concept of absolute immunity</u> from trial by a criminal court"
- Every death caused by security forces in a disturbed area, even if the victim was a dreaded criminal or a militant or a terrorist or an insurgent, should be thoroughly inquired for any allegation of use of excessive force.
- Judgment had become a fetter on security forces involved in <u>anti-militancy operations</u> dealing with militants and terrorist elements in a hostile and unstable terrain.
- By ordering an investigation by CBI into more than 80 cases of suspected extra-judicial killings in Manipur, the SC has reiterated the principle of accountability as an essential part of the rule of law.
- These cases involved either <u>suspected fake encounters or the use of excessive</u> or retaliatory force.

Assam, Manipur can now decide on AFSPA

- Home Ministry is set to give up its power to impose the 'disturbed areas' tag on Assam and Manipur
- As per Section 3 AFSPA, it can be invoked in places where "use of armed forces in aid of civil power is necessary."
- AFSPA empowers the Army and Central forces deployed in "disturbed areas" to <u>kill anyone breaking the law and</u> arrest and search any premises without warrant and shield the forces from prosecution.

Demonetization and after effects

Note ban dents RBI income

Costs incurred due to the exercise dented RBI income resulting in the central bank transferring less than half the funds
 — known as surplus — to the government compared with the previous year.

Was demonetisation in 2016 a cinch (an extremely easy task) compared to 1978?

- 1978 under High Denomination Bank Notes (Demonetisation) Ordinance, 1978
- 2016 one was later given statutory recognition under Specified Bank Notes (Cessation of Liabilities) Act.
- In 1978, no transactions with demonetised banknotes were allowed immediately on declaration of demonetization
- In the 1978 one, people were allowed OTC exchange of demonetised notes only if they did not have a bank account.
- But in the 2016 exercise, the public was allowed to do such exchanges up to a limit.
- In 2016 more types of banking establishments were allowed to exchange demonetised banknotes.
- 1978: six days to exchange demonetised notes whereas 51 days in 2016.
- The Bill also made it an offence to hold more than 10 pieces of the old notes (25 for research or numismatic).
- <u>Electronic media and social media</u> played a major part in disseminating information

Cashless + -

- If not for demonetization, economy would have taken three more years to achieve level of digitisation that it has since
- This would help prevent tax evasion, thus increasing tax revenue, and also help in dealing with criminal transactions.
- Majority of India is digitally illiterate, lacks access to banks.
- <u>Cash offers the easiest and cheapest way</u> to deal in many low-value transactions. It might, for instance, make no economic sense for small businesses to build the infrastructure required for digital payments

What is cashless and less cash economy?

- A cashless economy is one in which all the transactions are done using cards or digital means.
- When majority of them are done using digital means, then it is called a 'less' cash economy, more practical for India
- The ratio of cash to GDP is one of the highest in the world- 12.42%, compared with 9.47% in China or 4% in Brazil.
- RBI-"PSS in India: Vision 2018"- setting out a plan to encourage electronic payments and to enable cashless society
- Major ways of digital transactions: NEFT, RTGS, bank services, mobile wallet, UPI, debit/credit cards
- TV channel named <u>DigiShala</u>; '<u>Digidhan' campaign</u> which aims to spread awareness about digital transactions.
- <u>Vittiva Saksharata Abhivan (VISAKA)</u> by **HRD** to make people aware about cashless economic system.

- It appealed to faculty of higher institutions to make their respective campus cashless
- Ministry particularly appealed to youth, who can easily and quickly adapt to technology

Passage without scrutiny

- <u>In last 3 years, just 29% of Bills have been referred to committees</u>. This is in contrast to the 60% and 71% previously
- Enemy Property Bill vests the rights over enemy property with the Central government. This amendment has been made with <u>retrospective</u> effect and will affect all property that may have been sold (and resold) since then.
- The Bill also bars any court from hearing cases related to enemy property.

Centre's 'no' to SC appeal on old notes

- Centre said it took a conscious decision to not give any grace period for citizens to deposit their demonetised notes
- Doing so would have defeated the very purpose of demonetisation, the government said.
- Noting that people had over 51 days to deposit and exchange their old notes through multiple outlets

'Excess liquidity may be a concern'

- Estimated to be about 4LC and is likely to rise further when the government starts spending in the new fiscal year
- If the <u>rupee continues to appreciate</u>, <u>RBI will start buying dollars</u> or <u>raise CRR</u>
- <u>Standing deposit facility</u> drains surplus cash <u>at rate lower than repo</u> rate without need for any collateral.
- The implementation of SDF requires an amendment to the RBI Act.

Bharat-QR

Rule book

Legal provisions against persons with undisclosed offshore assets



 Assessment to determine tax evasion and consequent penalty up to 120%
 Prosecution for not

declaring overseas assets

PREVENTION OF MONEY LAUNDERING ACT Attachment of 100% assets of value Laundering money to create assets abroad FOREIGN EXCHANGE MANAGEMENT ACT • Penalty of up to 300% of the amount involved under the Act • Attachment of assets of equivalent

equivalent to that of

offshore assets

Prosecution for

- <u>World's first interoperable payment acceptance solution.</u> Even if the <u>merchant and customer are on different payment platforms</u>, BharatQR will enable payment. <u>Need to display only one OR code</u> instead of multiple ones for different platforms.
- Jointly developed by NPCI, MasterCard and Visa

• <u>Ouick Response</u> Code is <u>2-dimensional machine-readable</u> unique pattern that <u>contains information on a specific task</u>.

BHIM APP:

- Bharat Interface for Money named after Ambedkar.
- <u>UPI-based</u> digital payments app directly <u>linked to bank account</u>, developed by NPCI
- You can also send money via <u>IFSC</u> and <u>MMI</u> (Mobile Identifier Code)
- You can also generate a <u>OR code</u> for a specific amount.

value

- It is <u>not a mobile wallet</u> like PayTM or Mobikwik.
- BHIM app will support <u>Aadhaar-based</u> payments
- You can send up to Rs. 10,000 per transaction and Rs. 20,000 in any 24 hours.
- You can only use <u>one bank account</u> through one mobile number.

LUCKY GRAHAK YOJANA AND DIGI DHAN VYAPAR YOJANA:

- Lucky Grahak Yojana for consumers and Digi Dhan Vyapar Yojana for merchants
- NPCI will be the implementing agency.
- <u>To focus the scheme on small transactions</u>, incentives restricted to transactions in the range of Rs <u>50 3000</u>.
- Only those transactions that take place through RuPay Cards, USSD, UPI and AEPS are eligible.
- NPCI founded in 2008, it is NPO registered under section 25 of Companies act; It is promoted by RBI.
- It is an umbrella organization for all retail payment systems in India

Income Tax Department launches Operation Clean Money

- E-verification of large cash deposits made during 9th November to 30th December 2016.
- In the first batch, around 18 lakh persons have been identified in whose case, cash transactions do not appear to be in line with the tax payer's profile.

Note ban sucked cash like vacuum cleaner: IMF

- Demonetisation led to huge cash shortages affecting consumption
- <u>Potential build-up of NPAs</u> and elevated <u>corporate sector vulnerabilities</u> by the currency exchange initiative

Note ban credit positive as it will help cut tax avoidance and corruption: Moody's

• It <u>should result in efficiency gains</u> through greater **formalisation of financial activity**, which would help broaden the <u>tax base</u> and <u>expand usage of the financial system</u>.

CAG to undertake audit of demonetisation fallout

- Demonetisation per se is a banking and money supply issue and as such, outside the CAG's audit jurisdiction.
- But the CAG is well within its rights to seek <u>audit of fiscal impact of demonetisation, impact on tax revenues,</u> <u>expenditure on printing of notes, RBI dividend to Consolidated Fund</u>, data generated by banks-Tax Department

Deregistered firms to face money laundering probe

- Over one lakh companies had been struck off at one go under Section 248 of companies Act
- ED will be roped in to probe if companies deregistered have been involved in money laundering
- ED is empowered to take actions of attachment and confiscation of property
- Action against companies that <u>failed to start business within one year</u> of incorporation <u>or were not carrying on any</u> <u>business for 2 immediately preceding financial years or not applied for dormant status</u>.
- Section 252 of the Companies Act: persons aggrieved by order <u>may file an appeal to NCLT within 3 years</u>
- If NCLT finds that the removal of the company's name was unjustified, it may order its restoration in the register.
- Modi also hinted at tougher measures to crack down on those earning high incomes but not paying taxes, pointing to existence of 8 lakh doctors, nearly 8 lakh accountants, over 2 crore engineers and business school graduates and 2.18 crore Indians who went on an overseas holiday last year.
- <u>Registrar of Companies removed these companies.</u>
- <u>Companies are always given an opportunity to respond (30 days to submit their replies) before any action is taken against them</u>
- If not satisfied with the response, the entity's name can be struck off

1.16 lakh firms under ED scanner

- ED has received a databank of about 1.16 lakh companies from SFIO found to be indulging in money laundering.
- As per the existing PMLA, the ED cannot on its own proceed with ML investigations till any primary agency, let it be CBI, IT Department, the SFIO, institutes a case under provisions that are listed in the Act's schedule.
- SFIO, under MO Corporate Affairs, has collected information on these companies from sister agencies.
- On the instructions of PMO, a joint task force has been set up recently to take action against shell companies.

Digital India

Cabinet approves 'Pradhan Mantri Gramin Digital Saksharta Abhiyan' (PMGDISHA)

- To make <u>6C rural households digitally literate</u>.
- Each of the <u>2.5L Panchayats</u> would be expected to register an average of 200-300 candidates.
- Supervision of Ministry of Electronics and IT in active collaboration with States/uts District e-Governance Society

Arunachal Becomes First NE State to Implement e-Cabinet. Andhra first overall

- Using this system, the cabinet members can access the cabinet notes before the meeting.
- The entire business of the Cabinet can be conducted using the e-Cabinet solution.
- Implemented by the department of Information Technology and Communication
- The average length of the cabinet meetings will go down from 4-5 hours to just 30-90 minutes
- Government can also eliminate the need to print and deliver thousands of pages of documents.

Govt introduces bill for wage payment via e-mode, cheques

- <u>Payment of Wages (Amendment) Bill 2017</u> seeks to enable employers to pay wages to workers through cheque or crediting to their bank accounts without obtaining written authorisation of the employees.
- The bill provides that "Government may specify the establishment, the employer of which shall pay to every person employed only by cheque or by crediting the wages in his bank account".
- At present, with the written authorisation of an employee, wages can be given through cheque or transferred to his or her bank account.

Recommendations of Ratan Watal Committee:

- <u>Regulate lightly</u>: to protect <u>competition</u>. <u>European Model with tight regulation has evidently failed</u>
- Bridging the Digital divide by promoting <u>interoperability</u> and open <u>access</u> in payments.
- Greater use of Aadhaar and mobile numbers for making digital payments easy
- The payments terrain should be open to accommodate new kinds of participants in the system.
- Digital credit guarantee fund to resolve cases of insolvencies

- <u>Technical advisory body To advice RBI</u> about concerns and mechanism to regulate digital payment system.
- Digital Payment Operator shall be made liable in case of any cyber-attack

Proposed payment regulatory board

- RBI has differed on recommendation of new Payment Regulatory Board independent of RBI
- <u>Presently Board for Regulation and Supervision of Payment and Settlement Systems</u> overlooks the payment ecosystem in India. It is a sub-committee of Central Board of RBI. Statutory body set as per PSS act.
- Recent Budget has recommended that Payment Regulatory Board <u>would be setup in the RBI</u> with 6 members: 3 from RBI and 3 external members nominated from the centre. RBI Governor would remain the chairman. Deputy RBI Governor in charge of Payments and settlements would also be a member.
- Present <u>PSS Act 2007 restricts the reach of digital payments, thus promoting cash</u>
- It may be a threat to RBI's autonomy
- Separating banking and payments may create problems in coordination.

Ease of biz

'Help speed up resolution of commercial disputes'

- <u>Government has urged SC to provide necessary leadership</u> for resolution of commercial disputes in Delhi and <u>Mumbai</u> lower courts, through e-filing and e-service of summons
- Doing so will go a long way in providing timely and effective <u>enforcement of contracts</u>
- <u>Doing Business sub-indicators</u> include time taken to start business, to get construction permits, paying taxes and enforcing contracts
- <u>Enforcing Contract indicator measures the time and cost for resolving a commercial dispute</u> through a local court of first instance, which for the purpose of the ranking is the Delhi district court and Mumbai city civil court

Education issues and policies

No-detention policy to go from 2018

- The government has decided to do away with the no-detention policy for students from the next academic session
- States said the <u>standard of education had deteriorated</u> because of the policy.
- <u>Section 16 RTE</u>, 2009: no child admitted to a school will be held back in any Classes or expelled from school 1 to 8.
- After <u>CABE meeting</u>, <u>23 out of 28 states</u> suggested changes to the existing policy.
- <u>Students will now be tested twice in Classes V and VIII</u>. The students who fail to pass in the first attempt will have to re-appear for the examination. Subsequently, those failing to clear the second attempt will be detained
- Comprehensive and Continuous Evaluation (<u>CCE</u>) was started in 2009, but was recently scrapped.
- Sec 16 aimed at addressing drop-out rate due to students being forced to repeat a class.
- <u>Primary education is the foundation of a child's future the stronger the base, the stronger will be capabilities.</u>

Negatives

- It doesnt consider socio-eco factors and state's limitations in providing education, especially for weaker sections.
- Objective of <u>age appropriate admission</u> is to save humiliation and embarrassment of sitting with younger children.

Skill, don't detain

- India's elementary education system primarily emphasises competition, tests and scores.
- In spite of policy improvements, it has to contend with a significant dropout rate. In 2015, that figure stood at about 5% at the primary level and over 17% at the secondary level, with government schools affected more.
- Failure of school education system, teacher education, bad recruitment policies, and confusion over goals of schooling
- Raising the quality of classroom teaching, continuous monitoring of teacher attendance and introduction of free vocational and industrial skills training after elementary schooling should be the priority.

Untrained teachers get 2 years to qualify

- <u>Compulsory Education (Amendment) Bill</u>, 2017 <u>Amendment to RTE to offer untrained, in-service teachers in schools</u> <u>a window till March 2019 to acquire B.El. Ed</u> (Bachelor of Elementary Education) or <u>D. El. Ed.</u> (Diploma in Elementary Education)
- <u>NIOS</u>, an autonomous institution under the MHRD, will be the nodal agency for teacher training
- <u>To ensure better quality of education</u>. Many teachers did not have requisite degrees
- <u>With the Swayam portal</u> MOOC and <u>32 free DTH educational channels</u>, these teachers could acquire theoretical knowledge and then pass the exam to retain their jobs. State governments would also offer them annual training
- 90% untrained teachers are from eight States.

College teachers may skip research

- Teachers in colleges will soon no longer require mandatory research for promotions
- Research requirement <u>will continue to be mandatory for teachers in university</u> departments for promotions.
- Making research compulsory for college teachers <u>harmed research</u>.
- The change is expected as a relief for college teachers, as their teaching load is generally higher than university faculty and many have been apprehensive that promotions would become tough as they would not have time to present well-researched publications for quality, peer-reviewed journals.

Scientists to turn teachers

• <u>Scientists of CSIR labs will double up as teachers and science demonstrators</u> to at least 50,000 school students to spark scientific curiosity among them and, hopefully, <u>attract them to careers in scientific research</u>.

- Jigyasa, a student-scientist connect programme
- CSIR scientists will also get incentive and time spent with students will count in their annual performance review

Education system dehumanised: HC

- The education system has become <u>"completely dehumanised" into a machine which is "mass-producing clones"</u> and frowning upon individuality, the <u>Delhi High Court</u>
- The contact between teacher and student is perfunctory. There is no connect

Institutions of eminence

- Building 20 world-class educational institutions, which will be termed Institutions of Eminence.
- To give <u>10 government and 10 private</u> institutions <u>complete autonomy</u> to decide the curricula, hire domestic and foreign faculty at variable pay, and fix a fee structure of their choice.
- These select institutions would be expected to break into the top 500 world rankings in a decade.
- <u>Search-cum-selection-committee</u> comprising Cabinet Secy, Secy (HE) and UGC chairman will be set up to choose an <u>expert committee</u> comprising prominent <u>scholars and eminent persons</u> to pick 20 institutions
- Plan to allow only those institutions that are <u>among the top 50 in the NIRF</u> rankings and have a <u>consistent A+ score in</u> <u>the NAAC grading</u>
- Features of such institutions: <u>multi-disciplinary</u>, <u>both teaching and research</u> focus, various <u>inter-disciplinary</u> courses, including in areas of <u>emerging technology</u>, mix of <u>domestic and foreign students</u>, <u>merit based admissions</u>
- The <u>faculty student ratio</u> should not be less than 1:10 after three years of declaration
- It should have student amenities comparable with that of globally reputed institutions.
- The Institution should have <u>reasonably large owned campus</u> with adequate space for expansion etc.
- UGC (Institutions of Eminence Deemed to be Universities) regulations, 2017 will govern all such institutions
- In the long run maintenance of such institutions with proper quality standards would be an issue.
- <u>UGC and AICTE will lose their powers to regulate</u> Institutions of Eminence.

Agency to fund higher education set to take off

- HEFA is set to take off soon, with MHRD asking <u>centrally funded HE institutions to send their project proposals to be</u> <u>financed by the agency</u>. HEFA Board will then assess and approve them
- Funding from HEFA is expected to boost infrastructure, especially state-of-the-art labs
- Centre has decided to divest UGC of its financial powers and delegate them to HRD
- <u>UGC will eventually function only as a certification body.</u>
- HRD <u>Ministry deal with Canara Bank</u> to set up a Higher Education Financing Agency

The HEERA conundrum

- Government plans to <u>dissolve AICTE and UGC and replace them with a single body</u>, tentatively titled Higher Education <u>Empowerment</u> Regulation Agency (HEERA).
- Having a single statutory body for higher education will simplify and consolidate regulations and compliances
- <u>NKC 2005 under Pitroda</u>, to recommend reforms in the education sector, found that there was a <u>multiplicity of</u> regulators prescribing standards for HE
- NKC recommended creation of an Independent Regulatory Authority for HE, which would accord degree-granting status to universities, set standards for HE and award licences to accreditation agencies.
- <u>Yashpal</u> Committee in 2009: "single, all-encompassing higher education authority"
- <u>UGC has two primary responsibilities</u>: (a) providing funds to educational institutions; and (b) coordinating, determining and maintaining standards in institutions of higher education.
- <u>AICTE</u> to govern technical education, promoting quality, co-ordination, development, regulation and standards
- Jurisdiction of AICTE and UGC often tends to overlap. Problem of multiplicity arises leading to lack of clarity

- Separation between the standards governing technical and non-technical education is seen as unnecessary
- The introduction of a unified regulator would minimise administrative delays, remove jurisdictional ambiguity, promote ease of development of institutions of higher learning.

Central Advisory Board of Education

• It is <u>highest advisory body</u> to advise Governments in the field of education headed by HRD minister and <u>consists of</u> nominated members in addition to elected members from Lok Sabha and Rajya Sabha

One nation, one school board?

- India continues to have the <u>largest number of children out of school</u> in any country.
- The twin issues of <u>accessibility and affordability</u> combine into a deadly double whammy
- <u>Centre has targeted to achieve a 30% enrolment in HE by 2020</u>, we need to create 40 million university seats.
- In TN, the State government decreed that as much as 85%
- AAP passed a resolution demanding that DU reserve 80% of its seats for students from Delhi.
- <u>Simple solution, of course, is to create adequate seats</u> so that everybody who wants a degree can get one.
- Graduates of these colleges are proving to be <u>unemployable</u> in the job market. So we need both quantity and quality

Unsurprising verdict: on TN's quota for medical students

- Legislation for an exemption from NEET not approved by the President. TN brought in reservation for State Board students. <u>Madras HC</u> struck down. SC did same. The last-minute NEET exemption to TN by centre. SC interfered. TN released the merit list for MBBS seats based on NEET rankings.
- Eleventh-hour changes in the basis for admission caused heartburn, uncertainty, confusion to students
- Last year it managed to convince the Centre to amend the law for a one-time exemption for UG courses, but <u>it did not</u> <u>utilise the time to prepare students</u> to master the demanding NEET syllabus.
- Tamil Nadu abolished entrance tests for professional courses in 2006
- <u>NEET would be insurmountable for students from rural and underprivileged backgrounds</u> those who cannot afford coaching centres is real.
- Government may not get committed doctors to serve in rural areas if most of the seats are cornered by CBSE students.
- <u>TN is able to run its network of hospitals efficiently mainly because of a recruitment policy</u> that gives weightage to service candidates in PG medical admissions.
- NEET may be an <u>answer to rampant commercialisation of education</u>, but it should not be at cost of socio-eco goals.

NEET

• Tamil Nadu must focus on upgrading academic standards

Clearing the confusion over NEET

- <u>National Eligibility cum Entrance Test is a common entrance test</u> for aspiring students, based on which they will be allotted <u>seats in UG medical and dental colleges</u>, <u>PG medical</u>; both in the <u>government and private</u> sector.
- The test is <u>conducted by the CBSE</u> and is now available <u>in many regional languages</u>.
- NEET was conceived by MCI in 2010 as a means of raising the quality of students being admitted to colleges
- Objections: <u>CBSE students would have an unfair advantage</u> as the test would be based on that board's syllabus.
- The test was conducted in 2013 before <u>SC declaring it illegal</u> and unconstitutional.
- In 2016, a <u>five-judge Bench recalled the judgment</u>, <u>NEET was conducted in 2016</u>, but a <u>one-time exemption</u> was given for UG admissions. <u>In 2017, NEET was conducted with no exceptions</u>.

Coming: direct to home coaching for students, IIT aspirants

- Centre will launch <u>Swayam Prabha</u> for <u>telecasting "high-quality educational programmes"</u> <u>through 32 DTH</u> channels
- <u>Curriculum-based course content</u> covering arts, science, commerce, performing arts etc of <u>Classes 9 to 12</u>
- The content would also include <u>IIT-PAL modules</u>, aimed at helping students of Classes 11 and 12 prepare for the IITs

Moderation system to end

- <u>Central and State school boards have decided</u> to discontinue the practice of raising marks through moderation.
- Spiking of marks by some boards was denying students across India a level playing field in admission to HE
- <u>Astronomical percentages</u> could be a thing of the past.

Marks and standards: the need for a better evaluation system

- Our school system needs a better evaluation mechanism for students
- The <u>use of moderation by CBSE while finalising Class 12 marks</u> <u>under a Delhi HC directive</u> poses the immediate question of how various State boards of education that have not adopted the practice will respond.
- Challenge of achieving comparability while assessing students for UG studies from different systems.
- Moderation of marks under the CBSE policy has been followed partly to offset the ambiguity of questions and any errors, and to achieve parity in the evaluation process and the annual pass percentage.
- CBSE recently decided to do away with the practice, in consultation with State boards, and sought the assistance of HRD to make a complete shift.
- Consensus among the States would eliminate litigation on grounds of uneven competition

Solve a problem, win 1 crore

- Scheme for students from HE institutions to volunteer to offer innovative, original and practical solutions to problems facing the country and get rewarded for their efforts.
- IDEAS or Innovations for Development of Efficient and Affordable Systems.

The degree disease

- The current outcry about UGC decision to curtail MPhil and PhD seats in universities
- We must recognise that while students enrol for research, some drop out due to reasons such as employment.
- There are also some departments in DU which have the dubious distinction of churning out dozens of mediocre PhDs

Linking nutrition with education at Anganwadis

- New linkages of nutrition with education have been formed at Anganwadi centres in Rajasthan, where an early childhood education (ECE) model was rolled out to promote development of children below 6 years of age
- Anganwadi centres, earlier used for feeding children, will now double up as learning centres: Anganwadi Pathshalas
- UNICEF has extended support to ICDS for evolving ECE model based on the national curriculum.
- Three categories of workbooks Kilkari, Umang and Tarang will be provided to children

Universities to compete with IITs, IIMs in HE rankings

- Central and State universities will have to compete with institutions like IIT and IIM
- National Institutional Ranking Framework was put in place by HRD, 2015
- <u>5 parameters</u> against which institutions are rated: <u>teaching and learning</u> resources; <u>research</u> and professional practice; <u>graduation outcome</u>; outreach and <u>inclusivity</u>, and <u>perception</u>.
- If students passing out from an institution end up doing nothing, there is some problem and that will reflect in scores
- As far as perception of an institution goes, 2.4-2.5 lakh people across India have been asked to rank institutions.

IISc tops national rankings, IIT-Madras comes second

- IISC Bengaluru, has been rated as per the first-ever overall ranking of institutions
- The seven top IITs, JNU and BHU figure in the top 10
- Government would give more grants to the institutions ranked higher.
- IIM have not performed too well
- There are separate lists within disciplines for engineering, management and pharmacy and for universities and coll.
- The rankings are of <u>only those colleges that participated</u>.

Will an India-centric ranking help?

- Whether the indigenous ranking system will help improve the quality of HE?
- The government <u>should make NIRF mandatory</u> for all higher education institutions.
- The data and information provided by the institutions that apply for ranking should be verified thoroughly
- MHRD should not hesitate to name and shame the institutions that provide false data.

For inclusive publishing

- The <u>challenge of accessibility</u> is formidable. <u>Expansion of inclusive publishing</u> is a way of overcoming it as <u>current</u> <u>predominant practice of conversion from print and other digital formats is cumbersome</u>.
- <u>EPUB3 guidelines</u> marked the proceedings of the third meeting of the Accessible Books Consortium (ABC)
- Following amendments to India's copyright law, texts may now be freely transcribed without prior clearances, solely to cater to the interests of targeted groups.
- Training and technical support for the conversion of print, and deploying high quality text-to-speech engines.
- Building capacity among students to learn the use of dedicated hardware such as daisy players and smartphones.
- MOSJE-NCERT has issued an advisory urging State governments to mandate textbook boards to produce accessible EPUB3 formats using unicode-based fonts.

Cabinet approves IIM Bill, 2017

- IIM would be declared as Institutions of National Importance enabling them to grant degrees to students.
- <u>Being societies, IIMs are not authorized to award degrees</u> and, hence, they have been awarding <u>PG Diploma</u>. The equivalence is <u>not universally acceptable</u>
- Bill provides for complete <u>autonomy</u> to the Institutions, <u>combined with adequate accountability</u>.
- Management would be Board driven having experts, alumni, women, SC/ST
- <u>Chairperson and Director</u> of an Institution will be selected by the Board.
- The Bill provides for periodic review of the performance of Institutions by independent agencies
- Annual Report of the Institutions will be placed in the <u>Parliament and CAG</u> will be auditing their accounts.

SC removes 25 years age cap for NEET

• In a relief to many students whose desire to become a doctor was thwarted by age limit, the Supreme Court removed the age cap of 25 years for aspirants who wish to appear for NEET-2017 for admission to MBBS and BDS courses.

Rashtriya uchchatar shiksha abhiyan (rusa)

- <u>CSS launched in 2013</u> which aims at providing <u>funding</u> to eligible <u>state higher educational institutions</u>.
- Ensure access, equity and excellence in higher education.
- Improve the overall quality, autonomy and governance in institutions.
- Correct regional imbalances in access to HE by setting up institutions in unserved & underserved areas
- HRD launched the unique portal and mobile app of RUSA

E-governance and E-commerce

WCO to unveil norms for e-commerce trade

- World Customs Organization guidelines on 'cross-border e-commerce' will focus on preventing illegal trade, addressing the challenges stemming from 'digital divide', strengthen information exchange between Customs dept, regulation, consumer protection, revenue collection and national security
- According to UNCTAD, the value of online trade jumped from <u>\$16 trillion to \$22 trillion between 2013-15</u>
- These questions require a common, broad approach by the international Customs community
- WCO said more sophisticated equipment was needed to combat illicit trading
- <u>Pre-arrival information on the consignment</u> and the consignee could be of great help
- Increase in the number of <u>trained staff</u>

New tech, old values: <u>European Commission's fine</u> on Google

- Imposition of a \$2.7 bn fine on Google for the company's abuse of its market position to give itself an unfair advantage in another market <u>comparison shopping services</u>.
- Google's comparison shopping service <u>disadvantaged competitors by placing them lower in its search results</u>, systematically giving Google's own services higher placement and greater visibility
- Impact on how Google does business is likely to be significant

India eyes \$1 trillion digital opportunity by 2022

- Centre had roped in consulting firm McKinsey to help draw a roadmap to achieve this target.
- <u>Currently</u> the digital economy in India, which includes sectors such as fintech, communications, e-commerce, cybersecurity and electronics, is estimated at about <u>\$270 billion</u>.
- Industry is an important partner in DI, MyGov, Digital Locker, e-Sign, Cloud Services, Government e-marketplace

TAMRA portal for transparent mining clearance

- TAMRA stands for <u>Transparency</u>, <u>Auction Monitoring and Resource Augmentation</u>; by the <u>ministry of Mines</u>.
- <u>To speed up mining activity</u> and <u>facilitate stakeholders to track status of statutory clearances</u> associated with blocks.
- In case of delay in obtaining any clearances, TAMRA will send out triggers to the authority concerned and mines ministry so that the remedial steps can be taken immediately.
- It will display <u>block-wise</u>, state-wise and <u>mineral-wise information of the blocks</u> to be auctioned.

ICC for freeze on e-commerce duties

- In a bid to boost global e-commerce, International Chamber of Commerce wants WTO members to make permanent in December 2017, the current moratorium on imposing customs duties on electronic transmissions.
- The ICC, the world's largest business organisation working to promote international trade, is led by Sunil Mittal.

- The moratorium was included in the 1998 'Declaration on Global E-commerce' adopted by the WTO
- The moratorium, which is currently temporary, is renewed at each MC.
- It would not be in the interest of developing countries to agree to a permanent moratorium.
- Soon, a larger share of cross-border global trade will happen through electronic transmissions, and a permanent moratorium will result in significant revenue leakage, devastation of domestic manufacturing sector and reduce negotiating leverage for developing countries to seek a permanent moratorium on Non-Violation Complaints
- As per NVC "a government can go to WTO Dispute Settlement Body even when agreement has not been violated."

Meeting set to review postal imports

- Surge in import of consumer goods through e-commerce
- Security issues following seizures of high-altitude drones, bullion and fake currency in such parcels.
- <u>CBEC measures include move to tighten security by upgrading x-ray machines for non-intrusive scanning</u>
- A recent PayPal-Ipsos report showed that <u>India spent about 58,000C shopping online from international websites</u>
- Several measures proposed in the Finance Bill 2017, including amendments in the Customs Act, 1962, to include Foreign Post Office and International Courier Terminal in the definition of a Customs Station, empower CBEC to notify FPO and ICT, make regulations to provide for the form and manner in which an entry may be made in respect of goods imported or to be exported by post, amendments in the Customs Tariff Act, 1975

Policy drags e-commerce exports

- Centre decided to provide incentives in FTP 2015-20 to promote exports of goods hosted on a website and dispatched through postal mode under Merchandise Export from India Scheme (MEIS).
- FTP incentives for e-commerce exports are <u>only for low-value goods</u>—handloom, books and periodicals, leather footwear, toys and customised fashion garments, having <u>free-on-board value up to 25,000 per consignment</u>
- There are more than two Lakh Indian B2C exporters, market opportunity of about \$5 billion in the near-term
- The rewards are in the form of freely transferable duty credit scrips

Farm loan waiver

Root cause

- Agrarian distress has risen even as agricultural output has grown.
- At the core is a distorted subsidy regime which has pushed cereals tempted by rising MSPs.
- Domestic demand for cereals isn't growing any more. This forces distress sales at below MSPs
- Poor marketing facilities, credit burden, increasing cost of inputs and frequent natural calamities.
- Failure of elected governments, local institutions such as community or social networks to find a lasting solution
- <u>Procurement of crops at MSP by the government has traditionally been low</u> for most crops, except rice and wheat.
- On most occasions the marketing season gets over by the time a bureaucratic decision on procurement is taken.
- Substantial proportion of crops are sold to local private traders and input dealers in lieu of credit.
- According to NSS data, over 40% of farmers still rely on non-institutional lenders
- Increase in credit flow actually accrued to agro-business firms/corporations and not directly to the farmers.

What states offered

- <u>Puniab</u> is most vulnerable to a fiscal shock from such debt write-offs
- While <u>AP and Telangana had announced farm loan waivers in 2014, TN, UP and Maharashtra have followed</u>
- <u>MP promised a special 0-interest loan</u> arrangement for defaulters of existing farm loans instead.
- Several States have emphasised that loans should be waived only up to a specified threshold limit

Impact of loan waivers

- <u>Sub-sovereign fiscal challenges</u> could eventually <u>affect national balance sheet</u>, RBI Governor
- If overall government borrowing went up, yields on govt bonds would also be impacted.
- In a cascading effect, this would crowd out private borrowers
- You will have <u>little money left for public investment</u>
- <u>NITI Aayog member said: they disincentive individuals from becoming self-reliant.</u>
- In 2009-10, the Centre had waived loans of farmers. It made no difference on agrarian stress

Govt's role/solutions

- Reiterated that the States going in for farm loan waivers will have to generate funds from their own resources.
- The government's mandate and responsibility to control the States' FD; means that it has the power to control their finances, loan waivers: FFC said

- Giving the States more fiscal powers actually brought a greater element of control.
- SOL: credit, <u>market reforms</u>, rural infrastructure, power supply, middlemen, price realization, irrigation, quality seeds, fertilisers, procurement during times of market glut and a social safety net during natural calamities.
- Yechury has <u>called for legislation to fix annual MSP for all agri products</u>, which should be <u>1.5 times production cost</u>.
- Revive MSP in accordance with <u>Swaminathan Commission recommendation</u>.
- <u>Mere increase in MSP will not benefit</u> most farmers in the country.
- The promotion of <u>traditional farming</u>

Why are farmers of Maharashtra on strike?

- Farmers have also asked for a cap on import of farm produce and an increase in import duty
- From 2013 to 2015, successive poor monsoons exacerbated farmer woes.
- <u>Demonetisation</u> and the resultant currency crunch meant that the <u>Rabi produce failed to earn profitable prices</u>.
- Demonetisation also hit district central cooperative banks, the backbone of the State's crop loan system
- Excise revenue has dropped by 7,000 crore after the Supreme Court's decision to ban liquor outlets near highways.
- Implementing the Seventh Pay Commission report for State government employees will cost 21,000 crore.
- Bringing over 31 lakh farmers back into the credit system would require 30,000 crore.

Maharashtra waives Rs. 34,000-cr. farm loans

- Fadnavis <u>announced a cash incentive for those farmers who had a good track record</u> of loan repayments.
- Maha would <u>waive farm loans of small and marginal</u> farmers, <u>increase power subsidies</u>, <u>hike the price for milk</u> <u>procurement</u>, and also <u>set up a State commission to look into matter of raising MSP</u>.
- He also promised that buying agricultural produce below their MSP would soon be made a criminal offence.
- Ministers and MLAs of BJP would <u>donate one month's emoluments</u> that they receive to finance the loan waiver.
- Governments have <u>also disbursed loans immediately for the next cropping cycle</u>

Cabinet clears 5% interest subvention for crop loans

- Scheme for 2017-18. Short-term crop loans up to 3 lakh will receive a subvention reducing the rate for farmers to 4%
- Implemented by NABARD and RBI
- Farmers unable to repay the short-term crop loans on time will receive an interest subvention of 2%.

Farm think tank's formula to redress agriculture distress

- Indian Council of Food and Agriculture has suggested to the Centre to consider its 7-point formula
- Recommendations of the National Commission on Farmers (Swaminathan Commission) on MSP
- Easily accessible procurement centres, infrastructure, knowledge of market demands
- Opening of domestic and international markets for free trade
- Operating <u>futures markets</u> across all farm produce
- Establishing network of <u>Panchayat level rural growth centres</u> that would create village-level agri-businesses and connect farmers with institutions, banks, technologies and markets.

Farm tax – agriculture tax

Should agricultural income be taxed?

- <u>Mughal</u> Empire, <u>East India Company</u> and <u>British government</u> pushed farmers into heavy debts
- <u>Ambedkar, Taxation Enquiry Commission 1953, K.N. Raj committee</u> 1972, <u>Fiscal policy 1985</u> favoured taxing agricultural income
- Kelkar task force report of 2002 estimated that 95% of the farmers were below the tax threshold.
- <u>NSSO</u>: <u>4LC Annual agricultural income</u> from cultivation and livestock
- To bring more people under the tax net and also <u>curb tax evasion</u> because income from other sources is shown as <u>agricultural income</u>
- We can <u>develop our GDP</u> only when our agriculture income is taxed.
- <u>Horticulture/plantations in some States continue to be taxed</u> as these are seen as commercial crops.
- It is this big inactive farmer who protests the most when it comes to taxing agricultural income.
- Evolve crop-specific norms while accommodating external shocks like droughts, floods or pests.
- Have a <u>slab of taxes</u> and let each pay according to his income from agriculture.
- The farmer with a <u>small landholding of less than 2-3 hectares should be exempted</u> from income tax. A majority of farmers in India nearly 60% are small farmers, with small

Problems of taxing agriculture

- This is a <u>State subject</u> and State governments must, once and for all, take the decision.
- Lawmakers cannot tax agriculture without <u>angering farmers and risking their vote bank</u>.
- <u>Acres have no meaning</u> in agriculture. That should not be the criterion to tax the farmer.
- Given the level of <u>informal occupation</u> prevalent in agriculture, implementing an agricultural tax will not be easy.
- It shall require administration to ensure exact estimate of crop productivity and realised sale price per crop harvested
- Lack of clarity on land titles and cropping patterns shall further introduce randomness
- Many farmers save seeds from one harvest for the next and the practice remains critical to running Indian agriculture proposals based on value of goods produced would end up taxing such sustainable practices as well.
- The tax rates for the same crop in different regions could be different
- Discouraging signals to large and medium farmers who seek to increase their produce

- A <u>tax on lucrative high value farm ventures</u>, which affects their ability to absorb labourers from low-value farming, could make life more difficult for farmers unable to make the cut in industry or services.
- A nation-state where a farmer can be moderately rich one year and marginally poor the other cannot in good conscience tax their income.

Rich farmers should be treated on par with other taxpayers

- Controversial proposal by <u>Bibek Debroy, NITI Aayog</u>, to tax agricultural income above a particular threshold
- Formal sectors of the economy are already overtaxed; it handicaps government spending on the social sector.
- According to Census figures, the size of the farm workforce increased by 29 million between 2001 and 2011.

MUDINA

GST Council clears draft laws

- SGST and UTGST laws, are replicas of the CGST law, with only minor differences
- SGST law will apply to all States and Union Territories with legislatures (Delhi and Puducherry)
- With President signing off on four enabling GST laws cleared by Parliament, the legislative action will shift to the Assemblies to pass the State GST laws.

GST rates

- Milk, cereals (unpackaged and unbranded), and jaggery will be exempt from any GST, while sugar, tea, coffee (except instant), and edible oil will be taxed at 5%.
- Common items such as soap, toothpaste, hair oil which currently attract a tax rate of 22-24%, will be taxed at 18%
- Coal, which is currently taxed at 11.7%, will attract a GST rate of 5%.
- Consumer durables will come under the 28% tax bracket, down from the current 30-32% rate.
- Capital goods and industrial intermediaries will be taxed at 18%.
- Council has set the tax rate on gold, silver, diamonds and other jewellery at 3%, while uncut diamonds will attract a <u>'notional' duty of 0.25%</u>; a credit can be claimed for exports of such diamonds; low rates on gold and diamond can dampen smuggling
- <u>Small petrol and diesel cars</u> will be taxed at 28% with small petrol cars cess of 1% and small diesel cars 3%.
- Luxury cars will attract a 15% cess in addition to 28% GST. 350 cc bikes will attract a cess of 3%.
- Of the over 1,200 items to be considered under GST, 7% have been put under the exempt list.
- 14% items will attract a tax rate of 5%, 17% of the items will be taxed at 12%, and <u>43% will be taxed at 18%.</u>
- <u>19% items will be in the 28% tax slab</u>

GST structure pro

- States and Centre have pooled their sovereignty. Council has two-thirds voting by the States
- GST Council has been given the power to <u>only make a recommendation regarding the model law in Article 279A</u>. Power to frame legislation can only be with Parliament or the state legislative assemblies
- <u>If there was only a single rate, then the GST regime would be a highly regressive</u> one as luxury goods would then be taxed at the same rate as necessities.
- Multi-rate structure is far simpler than India's existing federal and state taxes
- The four-slab structure of the GST regime gives it the look of a progressive tax code
- States' <u>revenue in 2015-16 will be used as the basis</u> for calculating the compensation, with an <u>assumption of 14%</u> revenue growth in the subsequent 5 years.
- GST's <u>anti-profiteering</u> penal provisions

GST structure cons

- A <u>peak 40% tax rate</u> in the GST Bills has set the cat among the pigeons.
- What started out as a <u>single tax, single market dream</u> for industry has now degenerated into five tax rates (0, 5, 12, 18, 28), a cess on luxury and sin goods on top, with additional uncertainty about tax rates.
- The cess could be replaced with a higher GST rate without fresh parliamentary approval.
- Disempowerment of Parliament in setting tax rates, the reduction in the fiscal autonomy of the States
- GST's <u>anti-profiteering penal provisions are far too vague and draconian</u>, and could discourage companies from making efficiency improvements in supply chains if they are required to pass on the entire benefit to consumers.
- Exemptions for critical sectors such as real estate, electricity, petroleum and alcohol make GST far from ONOT
- Challenge will be to prevent backdoor rigging of rates through additional levies that are completely discretionary.

GST

• Not surprisingly, <u>fresh demands for differential tax treatment have begun already</u>, including for bidis.

Confusion reigns on CAG audit of GST data

- The crucial question about how and where auditors should get access to GST data continues to hang fire
- Data pertaining to revenue that would accrue to States from alcohol and petrochemicals, both are outside GST
- Officials point out that the <u>GSTN is owned by a private company</u>, and thus cannot be audited by CAG.
- <u>CAG has pointed out that under the new Companies Act, GSTN can be counted as government-controlled company</u> since its strategic control will be with the government.
- Massive tax data from all over the country that GSTN's network will have
- Accessing the data at various points point of manufacture, point of sale etc. —would make the GST audit a complicated and almost impossible task
- There is no way out, other than auditors getting access to the entire GST data in a centralised location.

GST and economy

- <u>Single-biggest economic reform</u> since the economic liberalisation of 1991.
- Does away with the present system of <u>multiple Central and State taxes</u>
- <u>Tax on consumption replaces 'cascading' taxes in the production chain</u> that increases prices and distorts production
- Does away with the barriers to free trade within and between States turning India into a single free market
- GST will reduce many <u>inefficiencies</u> within the States
- Improve tax <u>compliance</u> from traders, economic <u>growth</u>, <u>Investors</u> should find it easier and attractive to do business, create a national market, broaden the <u>tax base</u> which in turn will <u>lower the overall taxes in the long-term</u>
- <u>Benefit exporters</u> by making goods and services competitive. Exports will be zero rated entirely unlike the present system where refund of some taxes is not allowed
- <u>All imported goods will be charged with IGST. This brings parity in taxation on local and imported products</u>
- There will be no <u>border check posts</u> after GST.
- The logistic sector will get benefits. And the efficiency in logistics would help the manufacturing process
- Number of taxes does not necessarily reflect the actual burden imposed on businesses by any tax system.
- GST reduces tax competition. Earlier, States which were keen to attract investment and labour had reason to cut taxes
- At a time when <u>consumer demand is tepid</u> at best, thanks to slowing economic growth, poor wage growth, and demonetisation, even a small increase in price is likely to encourage consumers to defer their purchases.

The pre-GST grand sale

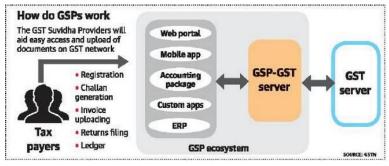
- Companies are quaking, fearing the huge increase in compliance costs and paperwork that GST will bring
- <u>Expectations of change in future prices</u>, stringency of government laws, <u>tax complexity</u>, fear government action against <u>profiteering</u> that is, benefiting from a reduction in tax rates that have not been passed on to customers; lack of <u>clarity on what will happen to the old stock</u>

National Anti-Profiteering Authority to have wide powers

- It would require firms to file at least 3 online tax returns monthly into GSTN, process up to 5 billion invoices a month.
- NAPA powers: issue notices, order a reduction in prices, penalty and cancel the registration of a company
- To be chaired by either a retired <u>HC judge</u> or a member of the Indian Legal Service
- Provides for the creation of a <u>standing committee</u>, which would receive written complaints, examine the accuracy and adequacy of the evidence provided in the application, refer matter to <u>DG of Safeguards (DGS) for detailed inquiry</u>
- DGS must complete its <u>investigation within three months</u> of receiving or furnish in writing reasons for a delay, which itself cannot exceed <u>three months more</u>.

- The authority will have <u>three months to issue its verdict</u> following the inquiry by DGS, which means the entire procedure, from investigation to verdict, <u>cannot exceed nine months</u>.
- Anti-profiteering clause makes no economic sense, distort business returns, discouraging new investment
- It assumes that lowering the tax rate on businesses will improve their profit margin
- Shortages are likely to follow as prices fall without a commensurate increase in supply.
- Bureaucrats with power to interfere in market will likely increase burden on businesses, corruption & inefficiency

GST interface not ready



• GST Suvidha Providers (GSPs), are <u>third-party</u> application providers to provide an additional channel for filing returns and <u>other compliances</u> relating to GST, <u>help taxpayers cope with transition</u> to new regime, <u>access-upload their documents etc</u>

• <u>Provide innovative and convenient methods</u> to taxpayers

• For those <u>whose invoices run into thousand</u> invoices, GSPs are the recommended route

Centre defers e-way bill (cleared now)

- Which requires movement of goods above 50,000 and over a distance>10km to be pre-registered online
- Council agreed to rope in NIC to work with GSTN to create e-way bill system in a short time-frame
- The introduction of an e-way bill will alter economics of moving goods within the country
- To facilitate <u>faster movement</u> of goods since <u>check-posts would disappear</u>
- Process is technology-driven, with the human interface kept to a minimum

Delayed on D-Day: e-waybills, date of filing returns

- <u>Tax collected at source by e-commerce companies</u> (1% for each transaction) & <u>dates of filing returns</u> delayed
- E-commerce companies would get the payment after the deduction of tax; direct impact on the sellers of marketplace

GST to boost India's export growth, says Sitharaman

- Commerce & Industry Ministry and NITI Aayog are in talks with the north-eastern states to soon bring out a new North East Industrial & Investment Promotion Policy (NEIIPP). NEIIPP 2007 had expired in March this year
- MEIS, SEIS and Interest Equalisation Scheme have helped in improving India's export performance.
- India's exports to relatively new markets including Latin America and Africa.

GST takes big bite out of business across Delhi

- Wheat in loose form is being sold without tax. If it is packed in bags by a certain company then it is taxable
- Purchasers and customers deciding to halt business for sometime
- Wholesale markets dried up due to lack of demand and supply.
- Everyone is trying to understand what to do with the stock they bought before the GST came into effect
- Traders have to register for Id Number (GSTIN) before they can conduct inter-State purchases or sell across country
- Not worried about the increase in taxes but are <u>apprehensive about the complexity</u> of the new tax regime

22 States abolish check posts after GST rollout

• State border <u>check posts scrutinize location based tax compliance</u>, resulting in delays in delivery of goods, besides causing environment pollution as trucks queue up for clearance.

• With the abolition of check posts, the long queues often witnessed at State borders will not be seen.

Close vigil on GST rollout progress

- The government is keeping a close watch on the day-to-day progress in the implementation of GST
- Government had asked all the <u>Departments to ensure that there was no shortage of goods</u> to keep a check on prices

GST positive for India's credit profile: Moody's

- It will contribute to <u>productivity gains</u>, GDP growth, revenue generation, improved tax compliance, unifying national market and enhancing India's attractiveness as investment destination
- <u>CII</u> said regime will contribute to ease of doing business and <u>accelerate new business ventures</u>.
- Improved tax compliance by: incentivisation of tax credit, ease of compliance, reduction in cost of compliance
- <u>CII has undertaken to hold about 100 GST clinics</u> across the country while also bringing out informative webinars

Gadkari for GST on petro products

- Said that State governments will mop up more revenue with inclusion of petroleum products under GST
- 5 petroleum products including crude petroleum, diesel, petrol, natural gas and ATF will not attract GST.

GST will curb tax avoidance ease inflation: Jaitley

- 17 transaction taxes in States and the Centre and 23 cesses would be subsumed in the GST.
- Extra resources will be used for welfare of poor and weaker section
- Constitution says India is a union of states. The union is strong if both Centre and states are strong. That is the real meaning of cooperative federalism.

How will the Centre ensure States' finances are not hurt?

- GST is a <u>destination-based tax</u> and as such is viewed as being to the <u>advantage of the consuming States</u> and to the <u>detriment of the producing States</u> like Maharashtra, Tamil Nadu, Gujarat, Haryana, and Karnataka.
- FFC advised Centre to provide 100% compensation for the first 3 years, fourth year would bring 75% and the fifth <u>vear 50% compensation</u>. States demanded full compensation for five years. Centre agreed
- GST Council decided to impose additional cesses for five years on certain goods over and above the highest tax bracket of 28%. These additional cesses, however, will be removed after five years

Uniquely Indian tax system: Pronab Sen

- Extremely complex because of the number of tax rates being levied
- Each State is being treated as a separate tax jurisdiction.
- If you are transacting in a large number of goods and services, then the system can get quite complex.
- GST regime is a '<u>Good and Simple Tax'</u> and its introduction is not just economic reform but a social reform
- It would end the spectre of <u>tax terrorism and "inspector raj"</u>

GST transition to pose hurdles: ADB

- <u>Termed GST as an important reform</u> but pose challenges—especially the <u>multiplicity of tax rates</u>.
- Arriving at an effective pricing strategy in the GST era would be the most critical challenge for businesses
- <u>Dual enforcement structure</u> India has adopted whereby both States and Centre would be in charge of enforcement could be problematic too
- ADB chief said India must put more energy into reforms of its labour, FDI and land acquisition laws

'War room' set up to deal with GST crises

• Equipped with multiple phone lines and computer systems and manned by tech-savvy youngsters, a "mini war room" has been set up in the finance ministry to deal with crises related to the implementation of GST

Public financial management system (pfms):

- As part of implementing GST, PFMS, administered by the <u>department of expenditure</u>, is being brought <u>to improve the</u> <u>financial management</u>, processing payments, tracking, monitoring, accounting and reporting CSS
- PFMS provides the government <u>real-time information on resource availability</u> and <u>utilisation</u> across schemes.
- Facilitates Just-in-Time Releases and monitor the usage of funds
- <u>Projects will not need a budget at the beginning of the year</u>, which then has no transparency of how it is used and how much is left. They will be <u>paid for only when payment is needed</u>.

GST: uncertainty persists for traders, exporters after 2 weeks of GST

- Lack of awareness, knowledge of users and software updates by service providers
- Ministry took almost a week to release the app on tax rates
- <u>Pay first and then claim input tax credit</u> later. <u>So raw material cost will go up by x% and that amount will be locked</u> <u>up as IGST input tax credit. The time-frame for a refund is 120-140 days.</u>

Data show new tax regime widely adopted

- GSTN has established <u>common and shared IT infrastructure between C-S</u>
- Movement of trucks has increased; time required to cover distances has come down and pollution levels
- Healthcare industry has sought that services be zero-rated rather than exempt so that providers can avail of input tax credit; hybrid vehicle manufacturers ask for 28% without cess

Profit petroleum may be exempt from levy of GST

- The oil and gas exploration and production business is likely to get a boost following the proposal
- Production sharing contracts require operators to pay a <u>pre-determined share of the surplus petroleum output</u> to the Centre <u>as a form of royalty</u>. Currently, such <u>profit petroleum</u> is subject to GST as it has been construed as a payment
- Levy of GST is not in sync with the PSCs signed under the NELP
- To be required to pay GST on what in itself is a levy paid to the government is inequitable
- Stance taken for existing NELP on the issue will also extend to the new HELP regime with RSC

Number of ITR filed goes up 24.7%

• Advance tax collections during that period has risen 41.8%, Result of demonetisation and 'Operation Clean Money,'

Taxing times for the States

- GST regime introduced by way of the <u>101st Constitutional Amendment</u>
- Incursion into the authority that India's States
- The <u>council's decisions will require a three-fourths majority</u>, <u>Central's votes will have a weightage of one-third</u> of the total votes cast, <u>according</u>, thereby, to the Union a virtual veto.

GST system is robust: Centre

- GST system is not exposed directly to the Internet and has a dedicated round-the-clock security operations command
- Any interaction with the system was only through APIs (application programming interfaces).
- M<u>ulti-layered security architecture</u>, operational segregation through use of a virtual LAN, segregation of duties, least privilege access principles, <u>IP filtering</u> and blocking of rogue IPs, <u>secure coding practices</u>, <u>encrypted</u> data transfer

- According to CERT-In 27,482 cybersecurity incidents were observed during 2017 (till June)
- The government has formulated a <u>Cyber Crisis Management Plan</u> for countering cyber attacks for implementation by all ministries and departments.

Login glitch: I-T returns date extended

- Complaints that the taxpayers are not being able to log on to the e-filing website of Income Tax Department or not being able to link Aadhaar with PAN because of different names reflected in PAN and Aadhaar database
- As late as May 2017, the government issued a notification saying that the PAN-Aadhaar link was not necessary for certain categories of people such as senior citizens, NRIs, foreigners, and citizens of North Eastern states
- But the return filing website is still asking for Aadhaar for senior citizens
- Governance Citizen Role

Indian democracy's 70 years a 50-50 success story: Ramachandra Guha

- As far as <u>political democracy</u> is concerned, India's greatest achievement has been <u>holding free and fair elections</u> whereas negative side is increasing <u>curbs on freedom of expression</u> and a <u>decline in autonomy of public institutions</u>
- Women and Dalits are still discriminated and exploited but are less unfree now
- Sustenance of linguistic pluralism is perhaps independent India's greatest achievement

The foreign façade

- The incoming head of the NITI Aayog said that India is subject to "foreign influences", especially in the economy
- Notion that anything "foreign" is taboo to our ecosystem is flawed thinking in an integrated modern economy.

Indian enterprise development service:

- In office of Development Commissioner under MSME
- It will be created <u>by absorbing 11 trades</u> in which recruitment had been done through different rules; result development was hindered.
- So, to boost the MSME, urgent need was there to have separate cadre for their development.

Indian skill development service MOSDE

- ISDS will be a <u>Group 'A' service</u> where induction will take place through <u>IES Examination</u> conducted by UPSC
- SI has the aim to raise <u>a 50cr skilled workforce by 2022</u>. <u>Skilled admins under ISDS would promote this goal</u>.
- <u>National Institute of Skill Development</u> will train the administrators under ISDS.
- Will help specialize the generalist bureaucracy in the MSDE.
- This will promote <u>better planning</u>, <u>better implementation and better targeting</u> of the future schemes.

Madhya Pradesh to devise Happiness Index

- Happiness considered the domain of philosophy, an ephemeral rather than tangible value.
- MP govt, however, has tasked IIT-Kharagpur with finding a quantifiable answer to what constitutes happiness
- The State government had set up the <u>Anand Mantralaya</u> or the Ministry of Happiness
- <u>Bhutan and Great Britain</u> have worked in this
- India logged in at a dismal <u>122nd spot</u> in the <u>World Happiness Report</u> for 2017, brought out by UN <u>down five points</u>
- IIT-KHP will first undertake a survey of all such indices the world over, devise questionnaire and include people's perceptions on issues related to governance and material things

New India Campaign by PM on twitter in form of poll in which 70% vowed to fight corruption

Reignite the spirit of 1942: PM ON 75th anniversary of QIM

- Sankalp se siddhi / new India movement / pledge (<u>17-22</u>): caste, clean, communalism, corruption, terror, poverty.
- <u>Farmer income</u> would double and <u>youth and women</u> would have opportunities
- Demonetisation, GST, digital economy as part of a movement leading to a corruption-free, transparent India.

Create an India that does not discriminate: President

- Kovind called for a <u>partnership between citizens and the government to create a new India</u> "that does not discriminate on <u>gender or religious background</u>"
- New India must include that integral humanist component that is in our DNA
- New India can be achieved only when disadvantaged sections like SC, ST, OBC are part of national development
- Senior citizens, differently-abled, poor and underprivileged should be part of a compassionate "society's thought and not an after thought".

Recasting the steel frame

- It is impossible to run a 21st century economy with a 19th century bureaucracy using 18th century rules.
- <u>The "New India" also needs independence from bad bureaucracy</u>
- PROBS: <u>nepotism</u>, <u>politicisation</u>, <u>lack of transparency and accountability</u>
- Services need to bring about 3 changes, some of which are already under way
- First, AIS and Conduct Rules have been invoked to sack officers on grounds of incompetence and/or corruption.
- The rules always existed in the rule book but this government has had the courage to use
- Second, <u>lateral entry</u> into the higher civil services should be welcomed but with some caveats.
- The third big step should be to infuse more and more technology

Small towns give Delhi a run for the money

- Modi held the all-India conference of top police officials in Guwahati (2014), Kutch (2015) and Hyderabad (2016)
- Combined Commanders' Conference has also been moved out of Delhi since 2015.
- Diplomatic meets too have been moved out of Delhi.
- Meeting with leaders of 14 Pacific islands in Jaipur
- <u>It is a way of claiming the entire country</u>. The far-flung areas, which in the past would hardly see much of Delhi's officialdom, have to now <u>spruce themselves up</u>
- It not only generates '<u>belongingness</u>' amongst the residents but also brings with it <u>direct and indirect benefits like</u> speedy execution of pending development work or resolution of local issues.

High-quality policy-making demands richer debates: CEA

The Modi paradigm

- New canvas is brushed with two broad strokes: a <u>new federalism (cooperative and competitive</u>) and <u>minimum</u> government, maximum governance.
- Delhi alone cannot transform India it needs a <u>partnership of the Union and States</u>
- For the first time, <u>States have a say in Union policy</u> <u>subcommittees of CMs have studied</u> GST, SI, Swachh Bharat, CSS and digital payments.
- Modi's version of minimum governance means that state retreats from spheres where it plays counterproductive role
- State cannot retreat altogether. However, it has to be more efficient in carrying out its activities
- The abolition of PC, rationalisation of CSS and greater devolution by FFC laid platform for the new paradigm

'Public procurement needs to be opened up'

• <u>To ensure greater competition</u>, Commerce Minister Nirmala Sitharaman said.

- Public procurement (procurement by government / its agencies for own consumption and **not for** commercial resale) in India is estimated to be about <u>30% of GDP</u>, with <u>defence</u>, <u>railways and telecom</u> accounting for a major portion of it
- <u>Collusive bidding and cartelization</u> in public procurement are serious issues.
- <u>CEA said privatisation per se will not lead to greater competition and referred to the case of Russia and China saying privatisation there has led to oligarchy.</u>

Public procurement order 2017

- GOI issued <u>Public Procurement (Preference to MII)</u>, <u>Order 2017</u> to encourage MII, manufacturing, flow of capital and technology into domestic manufacturing, goods and services, competitiveness, income and employment.
- Policy involves purchases of at least Rs 2 trillion a year
- <u>Defined local goods and services</u> as those where <u>at least 50% of value addition</u> is done in India. <u>For verification of local content</u>, <u>self certification would be necessary</u>.. False declarations can be debarred for upto 2 years.
- <u>Nodal Ministry may prescribe a higher or lower percentage</u> in respect of any particular item and may also prescribe the manner of calculation of local content.
- For procurement of goods of value < 50 lakhs by government, only local suppliers would be eligible.
- Bids would be invited for procurement of goods of value > 50 lakhs by the government
- <u>Procurement less than Rs 5 lakhs are exempted from this order.</u>
- A standing committee in <u>DIPP will oversee the implementation</u> of this order and issues arising there from
- <u>Entities from countries where Indian suppliers are not allowed</u> to participate or compete in bids for government procurement, may be restricted or excluded from public procurement tenders in India.
- It could be beneficial in the short term, but <u>restrictions and protectionism in the long terms can hurt efficiency</u>.
- <u>Political interference and bureaucratic red tape</u> in procurement may also hurt process

5 States, a UT sign pact with Centre on e-Marketplace

- In a spirit of cooperative federalism; to ensure that public procurement of goods and services is carried out through the online platform for transparency, efficiency, speed, eliminate corruption.
- GeM initiative to ensure that the tax payers' money is spent in a transparent manner.

Celebrities to face law for misleading ads

- Centre will soon introduce a <u>new consumer protection law</u> to impose punishment for misleading advertisements on <u>manufacturers</u>, celebrities endorsing products and publishers
- <u>ASCI has issued guidelines</u> encouraging celebrities to do due diligence of the claims made in the ads they endorse.
- <u>Advertisements must have warnings whenever required</u>

Citizens' forum to take up whistleblower complaints

- Disappointed by the government's track record in implementing anti-corruption measures, a group of eminent citizens has decided to take the initiative of setting up a forum to hear complaints of corruption from whistleblowers.
- <u>Citizens Whistleblowers Forum</u> would "act as a unique, credible platform to provide much-needed confidence to whistleblowers" to expose, without fear, "cases of corruption or wilful misuse of powers
- After scrutinising the information received, it would decide on a course of action
- This could include taking up the matter with the authorities concerned, filing PIL, and/or making the case public
- Need: notification of the Whistleblowers Protection Act, 2011, the framing of rules under the Act, dropping the proposed "retrograde amendment" to the Whistleblower Act, the immediate appointment of the Lokpal under the Lokpal and Lokayuktas Act, and placing the CBI under the administrative control of the Lokpal.

Don't shoot the messenger

- More than 15 whistle-blowers have been murdered in India in the past three years.
- Parliament passed the Whistle Blowers Protection <u>Act in 2014</u> to protect people who bring to notice of authorities allegations of corruption, wilful misuse of power or commission of a criminal offence against a public servant.
- In defining who a whistle-blower is, the law goes beyond government officials & includes any other person or NGO
- <u>Provisions for concealing the identity</u> of a whistle-blower, if so desired, following cases such as Satyendra Dubey's, whose murder in 2003 led to demand for such legislation.
- <u>Law affords protection against victimisation</u> of the complainant or anyone who renders assistance in an inquiry.
- <u>Forms of victimisation</u> suspensions, withholding of promotions, threats of violence and attacks.
- The law empowers the competent authorities to accord them protection, which includes police protection and penalising those who victimise them.
- <u>Amendment</u>, which fundamentally dilutes the law, was introduced in Parliament in 2015; <u>to remove immunity</u> provided from prosecution under Official Secrets Act for disclosures made under the WBP law.
- Offences under the OSA are punishable by <u>imprisonment of up to 14 years</u>.
- Threat of such stringent penalties would deter even genuine whistle-blowers.
- Further, to bring the WBP Act in line with the RTI Act, the amendment says that complaints by whistle-blowers containing information which would prejudicially affect the sovereignty, integrity, security or economic interests of the state shall not be inquired into.
- In addition, <u>certain categories of information cannot form part of the disclosure made by a whistle-blower, unless the information has been obtained under the RTI Act.</u>
- Conflating the two laws is inappropriate and would preclude genuine whistle-blowing

Health issues

Healthcare problems: Baba Raghav Das Medical College

- IMA inquiry committee
- While UP government and its Ministers have claimed that they were not informed of the alleged irregularities in the BRD hospital, documents that have surfaced seem to indicate otherwise.
- Diversion of budgetary funds allocated for purchase of "surgical equipment" to buy bed sheets for "high commission"
- <u>Frail nature of rural health systems</u>, <u>extraordinary patient load</u>, death of several children
- <u>CAG on NRHM</u>: <u>inability to absorb the funds</u> allocated, <u>shortage of staff at PHC, CHC and district hospitals</u>, lack of essential <u>medicines</u>, broken-down <u>equipment</u> and unfilled <u>doctor vacancies</u>.
- In the case of UP, CAG found that about 50% of the PHCs it audited did not have a doctor

Healthcare solutions

- Centre has set ambitious goals for 2020 and is in process of deciding the financial outlay under NHM
- Require sustained investment, <u>monitoring</u>, <u>ensuring standard of access</u>, nursing resources, <u>scaling up reproductive and</u> <u>child health care</u>, <u>preventing the spread of infectious diseases</u>, equity in access to doctors, diagnostics and medicines
- It is imperative for the government to recognise the limitations of a market-led mechanism, as the NITI Aayog has pointed out in its action agenda for 2020

Pvt of district hospitals

- The potential of India's district hospital system to expand access to quality secondary and tertiary health care has never really been realised.
- <u>Proposal of NITI Aayog and Health Ministry</u> to allow private entities to use the premises of the district hospitals in <u>Tier-I and Tier-II towns</u> to provide treatment <u>for NCD</u> like cardiac and pulmonary diseases and cancer.
- They would be <u>free to charge full treatment costs from patients not covered by government schemes</u> (such as RSBY) and the providers would be reimbursed by the government for treating patients referred by the government
- Contracting out services in a virtually unregulated and commercial private system is fraught with risks.
- Need to ensure that the bulk of health spending goes into actual care provision, and not administrative expenditure
- Strong oversight is necessary to ensure that ethical and rational treatment protocols are followed
- Private providers will be able to cherry-pick the most lucrative districts where patients have a higher paying capacity.
- Just 12-13% of people are covered by public-funded insurance.
- The simple remedy could be to significantly enhance investment in public healthcare, training of health workers.
- <u>Represents a clear abdication of duty by the government.</u>

Most private hospitals evade tax: CAG

- Data on 'non-filers' of income tax was available only in three states West Bengal, Assam and Gujarat.
- Auditors found that <u>Delhi, Kerala, Rajasthan and TN had no process of identifying hospitals that were evading tax</u>.
- <u>Private sector accounts</u> for <u>80% of out patient</u> care and <u>60% of in patient</u> care in the country.
- Health sector attracted FDI of 23KC between April 2000 and September 2016.

Situation grim in Bihar as well

- <u>JE</u> is a mosquito-borne viral infection of the brain
- Gorakhpur in eastern Uttar Pradesh hit the headlines for the death of over 62 children in less than a week
- Gorakhpur is a nodal point not because there are more cases in the district but because the only tertiary care centre with 100 beds dedicated to JE is in Gorakhpur
- Bihar, too, more than 100 children have been falling prey to encephalitis every year.

- <u>Children aged 0-14 years</u> have proven to be most vulnerable to AES and JE.
- JE has claimed more than 10,000 lives in the State between <u>1978, the year of the first major outbreak</u>, and 2005.
- CAUSES: Children play barefoot in mud with dirty water all around, garbage piled up, insanitary conditions, mosquitoes, pigs and drinking dirty water.
- About 10% of AES cases are JE, which is spread by culex mosquitoes which breed in dirty water
- Scrub typhus, another cause of AES that is linked to lice, mites and fleas on the ground; responsible for 63% AES
- AES, caused by enterovirus (caused by virus found in pigs and birds), is linked to lack of sanitation
- Because of the <u>lack of reliable data & research</u>, intervention to curb JE cases has failed for decades.
- Lack of good <u>diagnostic facilities</u> hampers early treatment.
- <u>ICMR shared the guidelines for the treatment of scrub typhus (doxycycline antibiotic)</u>, which would have <u>prevented</u> <u>many children from progressing to AES</u> condition needing hospitalisation.
- There is vaccination for JE virus but no intervention has been implemented widely for scrub typhus
- AES and JE have come down as we conduct meetings and training sessions with doctors and para-medical staff.
- <u>Centre has a vaccination programme</u> in place and a stated commitment to build paediatric intensive care units

Why did it take so long to pinpoint scrub typhus?

- Because we were <u>too focused on JE</u> to look beyond them.
- <u>Administration wasn't listening to scientists</u>, who were finding that outbreak had changed over years.
- Once JE vaccinations began in 2007, incidence of this disease at the hospital fell to less than 20%
- Most patients go to private healthcare, many of whom aren't medically qualified

Family planning deaths must not go unpunished

- State government assisted the doctor by refusing to grant sanction for prosecution.
- <u>SC Devika Biswas' case</u> —criticised govt for manner in which <u>sterilisation camps</u> were run
- Court recorded the statement of the Union that such camps would be phased out.
- <u>In Ramakant Rai</u>, Court set out <u>directions</u> such as the <u>qualification of doctors</u>, <u>physical examination of women</u> prior to the operation, consent, <u>quality assurance</u> committees, <u>insurance</u> policy, <u>compensation and inquiry after death</u>.
- A <u>maximum of 30 sterilisations</u> a day <u>with one laparoscope</u>
- 97% of all sterilisation procedures were conducted on women and 85% of the family planning budget exclusively went towards female sterilisation. <u>Virtually no attention is paid to male sterilisation</u>.
- <u>Unrealistic targets resulting in forced sterilisations</u> including on physically-mentally challenged and young persons.

Sharpening the fight against tobacco

- <u>Commerce Ministry proposed a blanket ban on FDI in the tobacco</u> sector.
- Although <u>India banned FDI in tobacco manufacturing in 2010</u>, foreign tobacco <u>companies are allowed to invest</u> <u>through technology collaboration</u>, licensing agreements and by forming a trading company.
- Proposal has not gone down well with the <u>American tobacco giant</u>, PMI, which has invested in Indian tobacco market
- PMI has written letters to Commerce Minister and NITI Aayog arguing ban to be 'discriminatory' and 'protectionist'.
- Though PMI cannot bring a BIT case against India because there is no India-U.S. BIT, its Swiss affiliate could surely bring a claim under the India-Switzerland BIT
- <u>India should consider alternative regulatory measures</u>, which will achieve objective of reducing tobacco consumption and <u>be less investment-restrictive</u> as well.
- <u>FCTC</u> talks about countries adopting <u>packaging and labelling requirements</u> to create better awareness
- Another effective measure is to <u>increase taxes</u> on tobacco products.
- Despite notifying <u>85% packaging rule in October 2014</u>, the government didn't implement it because it was ostensibly red-flagged by Parliament's committee, which had the owner of a bidi empire as one of its members!

• This notification was finally <u>implemented from April 1, 2016</u> after the Supreme Court's intervention.

WHO lauds India for fight against tobacco

- India has emerged as a global leader in fighting tobacco use, says Global Adult Tobacco Survey (GATS)
- Tobacco use in the country has <u>fallen from 34.1% to 28.6% in 7 years; reduced by about 81 lakh</u>.
- India now has the <u>third largest pack warning labels</u> in the world
- Centre launched a <u>nation-wide tobacco cessation programme in Jan 2016</u> and national <u>toll-free quitline</u> in May 2016.
- <u>National Health Policy 2017</u> has set the target of "relative reduction in prevalence of current tobacco use by 15% by 2020 and 30% by 2025".

Breaking addiction

- U.S. FDA proposal to reduce the amount of nicotine in cigarettes to non-addictive levels. This is aimed at striking at the root of the problem of smokers getting addicted
- <u>Nicotine does not directly cause cancers</u> and other diseases that kill people, but is extremely addictive.
- Nicotine exposes them to nearly 7,000 chemicals, many of them deadly, every time they smoke.
- FDA has no plans to regulate nicotine content in e-cigarettes and other nicotine replacement products, which are seen to be alternatives to help smokers quit the habit.

Tobacco ads, inside and outside shops, illegal: Health Ministry/SC

- Tobacco companies were taking advantage of 'apparent silence' of amended COTPA on advertising inside shops
- <u>Health Ministry had banned in 2005</u> any display of brand names, pack images or promotional messages.
- Most vendors had no idea about the rules and were displaying these to make their shops look attractive.
- <u>SC had maintained</u> that "ADs will attract the younger generation and innocent minds, who are not aware of the grave and adverse consequences of consuming such products".

E-CIGARETTES

- It is a type of Electronic nicotine delivery systems (<u>ENDS</u>) or Electronic non-nicotine delivery system (<u>ENNDS</u>)
- WHO has termed both as 'vaping', a 'tobacco-free' version of cigarette in which liquid is inhaled through vaporiser.
- As e-cigarettes contain nicotine and not tobacco, these do not fall within ambit of COTPA 2003.

FSSAI constitutes panel to identify nutritional gaps

- Based on <u>diet surveys</u> and <u>scientific evidence</u>.
- <u>Food fortification</u> or enrichment is the process of <u>adding micronutrients</u> to food.
- <u>Bio-fortification</u> increases <u>nutrient levels in crops during plant growth</u>
- According to <u>NFHS 70% preschool children suffer</u> from <u>iron</u> deficiency anaemia and 57% have <u>Vit A</u> deficiency.
- FSSAI has also <u>unveiled a Logo for fortified foods</u>. It comprises of a square encompassing an F with a '+' sign with a ring around it. <u>Samporna poshan swasth jeevan</u>.
- In 2017, FSSAI also released the comprehensive <u>draft regulations on food fortification</u>
- It <u>defines both the minimum and the maximum</u> threshold of micronutrients to be added in food.
- It will help solve the problem of <u>hidden hunger</u> i.e. the absence of vital micronutrients in human body.
- <u>It will still not be mandatory for all essential foods to fortify food.</u>
- FSSAI is a statutory body as per Food Safety and Standards Act 2006 under the Ministry of Health

HIV law promises equality

- With Parliament passing HIV and AIDS (Prevention and Control) Bill, 2017
- Equal rights in medical treatment, education and jobs.

- Discrimination against HIV-positive persons and those living with them is prohibited in housing, public or private office, <u>insurance</u>, <u>movement</u>, <u>public facilities</u>, such as shops, restaurants, hotels, public entertainment venues
- It provides a broad <u>legislative framework for the response to HIV</u> and is the <u>first national HIV law in South Asia</u>.
- Prohibits any individual from <u>publishing information or advocating feelings of hatred</u> against HIV positive persons
- <u>2ND</u> largest Anti-Retroviral Therapy (ART) programme in the world, a <u>100% CSS</u>
- Bill places an <u>obligation on the State governments to provide treatment "as far as possible"</u>, making it weak
- The Bill comes at a time when the <u>national HIV programme has weakened due to budget cuts</u>, with India currently facing nationwide <u>stock-outs of diagnostic kits</u> and <u>pediatric formulations of anti-retrovirals</u> (ARTs).

AIDS control programme running blind without enough testing kits

- Health Ministry started a <u>'test and treat' policy for HIV patients</u> to entitle free treatment.
- India will soon develop a National Strategic Plan for HIV for next 7 years for ending AIDS.
- Government's testing capacity, as of 2016-17, was only for 14,341 patients
- Without regular testing, it is not possible to determine what level of treatment (first, second or third) a patient needs
- There are two HIV tests: the ELISA detects infection, and viral load test, the HIV's RNA in an infected person.
- Viral suppression (reducing viral load to an undetectable level) is the treatment goal.
- Government is unable to do viral load testing at the required scale due to a shortage of kits.

50% of HIV-infected get treatment now: UNAIDS

- For the first time since the global onset of the HIV/AIDS
- AIDS-related deaths have almost halved since 2005.
- India has <u>2.1 million people living with HIV</u>
- India is country where most new HIV infections are occurring in Asia-Pacific region.
- Emergence of HIV in some locations that were earlier considered 'not high-burden' areas is a cause for concern.
- Insufficient availability and poor affordability of essential medicines
- Actions focused on the intersections between IPR, innovation, and public health
- The idea behind the 90-90-90 target is to diagnose 90% of people who are HIV positive: get 90% of the diagnosed HIV+ people on ART and 90% of those on antiretrovirals should be virally suppressed.

The lowdown on India's plan to eliminate TB by 2025

- Number of <u>new cases every year has risen to 28L</u> and <u>mortality 5L</u>
- MoH, plan for TB elimination (2017-2025) "achieving a rapid decline in <u>burden of TB, morbidity and mortality</u>"
- <u>4 pillars: "Detect Treat Prevent Build" (DTPB).</u>
- Do <u>away with the strategy of waiting for patients</u> to walk in to get tested and instead <u>engage in detecting more cases</u>
- <u>Provide treatment</u> and <u>ensure they complete treatment</u>.
- Universal diagnosis and treatment were goals of national strategic plan 2012-17. But <u>RNTCP failed on both counts</u>
- <u>SDG</u> reducing the number of deaths by 90% and TB incidence by 80% compared with 2015.
- In 2013. India "achieved complete geographical coverage" for MDR-TB diagnosis and treatment
- <u>Bedaquiline drug</u> for people who do not respond to any anti-TB medicine
- By 2040 one in 10 cases could be drug-resistant (<u>MDR-TB</u> resistant to more than one of the <u>first-line drugs</u>) and <u>extensively drug-resistant</u> TB (XDR-TB, also resistant to <u>fluoroquinolones</u> and at least one of <u>second-line drugs</u>).
- <u>Contact screening</u> of family members and preventive treatment of all children below the age of five who have not developed the disease are already a <u>part of RNTCP but rarely done</u>. (WHO guideline)
- Developing more accurate, cheaper and effective <u>diagnostic</u> tests and <u>improved treatment</u>

• The <u>FDCs</u> are meant for treating children with drug-susceptible TB and cannot be used to treat children who require second-line drugs or who have MDR-TB.

Breaking the silence on depression

- World Health Organisation is focussing on the illness this World Health Day, April 7, "Depression: Let's Talk"
- Nearly five crore Indians have depression, and according to the latest WHO estimates
- Lack of support for people, fear of stigma, prevents many from accessing the treatment

New hepatitis figures show infection spike

- Hepatitis is <u>often symptom-free</u>, but types <u>B and C can trigger liver cirrhosis and cancer</u> if untreated.
- Hepatitis B spreads through bodily fluids such as blood and semen; Hepatitis C through blood, injections
- Hepatitis B is most acute in Western Pacific Region, which includes China, Malaysia and SEAsia. Second Africa
- An effective vaccine exists for hepatitis B. <u>Hepatitis C no vaccine</u>

Why do we see H1N1 cases every year?

- The spread of <u>influenza</u> virus <u>declines when the temperature shoots</u> up. <u>But this year</u>, despite the summer temperature crossing 40 degrees Celsius H1N1 cases have not stopped.
- H1N1, an airborne virus, spreads through airborne droplets from a sick person's sneeze or cough.
- Since its <u>first appearance in 2009-2010</u>, <u>influenza A H1N1</u> has become a part of the seasonal flu
- <u>H3N2 and Influenza B are the other two</u> to become the seasonal flu in India.
- While the <u>California strain</u> had been circulating across the world since the 2009 pandemic, during 2016 California strain and <u>Michigan strain</u> were circulating in India.
- An <u>antigenic shift</u>, a process in which two or more strains of a virus combine to form a new subtype, is observed at regular intervals which is mainly why there has been a <u>spurt in cases</u>.
- <u>Pre-existing immunity through exposure to the California strain is no longer effective</u>
- <u>41% of the total number of H1N1 deaths have been reported from Maharashtra.</u>
- Reasons poor hygiene, overcrowding, and the presence of a good surveillance system to track cases.
- Patients and doctors often fail to pick it up on time
- Timely treatment (Oseltamivir drug) and immediate isolation at home is the best way to tackle it
- There is no system in place to release data periodically and frequently.
- <u>Failure on the part of governments</u> to spread <u>awareness about prevention</u> strategies.
- Uptake of influenza <u>vaccination</u> by people has been extremely poor
- Guidelines for H1N1 vaccination of people belonging to <u>high-risk categories</u> such as pregnant women, very young and old people and those with certain underlying illnesses were released only last month by the Health Ministry

Crookery of clinical trials

- Legal battle over <u>collusion by MOH with international NGO</u> to <u>test experimental drugs on Indians</u> landed before a <u>Constitution Bench</u>
- In the last decade, on account of all clinical trials, nearly 2.800 patients are said to have died in India.
- Parliamentary panel report found gross ethical violations MOH, DCGI, ICMR and those who conducted trials.
- It found that commercial interests were influencing government policy
- In 2005, Drugs and Cosmetics Act allowed phase II trials the stage where efficacy and safety of drug is tested
- It allowed drugs discovered abroad to be tested on Indians
- NEED: <u>statutory</u> regimes, <u>disclosure</u> to the patient, right to <u>withdraw</u> at any stage, <u>insurance</u>, <u>monitoring</u> after administration of the drug for adverse effects, and <u>free access to the drug</u> when it is cleared for commercial use.

The heroes of drug development

- International Clinical Trials Day; ISCR theme of 'Patients First'
- <u>Acknowledges contribution of clinical trial patients</u> in bringing new drugs and new treatment to the market
- <u>All deaths occurring during a clinical trial are reported</u> to the regulatory authorities and are thoroughly analysed
- Regulations mandate free medical management for such injury and compensation
- In Phase II-IV studies, participants are reimbursed for expenses incurred in participating in a trial and provided free medical care and treatment but the <u>Indian Good Clinical Practice Guidelines clearly state that payments should not be</u> so large or the medical services so extensive so as to act as an inducement for a patient
- Informed Consent Process is now required to be recorded on video.

Time for a national policy on thalassaemia

- Thalassaemia is a <u>genetic blood disorder</u> characterised by the <u>abnormal production of haemoglobin in the body</u>. <u>improper oxygen transport</u> and <u>destruction of RBC</u>
- It has wide-ranging effects on the human body like iron overload, bone deformities and heart diseases.
- The disease has no cure, require regular blood transfusions, lab tests and iron chelation medicines
- <u>Bone marrow transplant</u> can be done only up to the age of 10. Our only hope is <u>gene therapy</u>
- India is the thalassaemia capital of the world with 40 million carriers
- There has been no move to put in place prevention and control programme at the national level.
- Effort to provide patients better health care is largely spearheaded by the private sector and NGOs
- Thalassaemia is now under the purview of the <u>Rights of PWD Act, 2016</u>
- Carrier screening and prenatal testing is consistent with the broad goals of the National Health Policy 2017

Policy boosts care for blood disorders

- People living with thalassaemia, sickle cell anaemia and other haemoglobin disorders <u>can now look forward to better</u> <u>screening and treatment</u>, <u>based on policy on the Prevention and Control of haemoglobinopathies</u> in India.
- Supported by <u>NHM, Blood Cell and Rashtriya Bal Swasthya Karyakram</u>, guidelines <u>provide for screening</u> of pregnant women during <u>antenatal check-up</u>, <u>pre-marital counselling</u> and one-time screening for variant anaemia in children.
- The policy aims at creating treatment SOP to improve the quality of life of patients.
- Using public <u>health awareness programmes</u> and <u>education</u>
- Guidelines include <u>creation of a national registry</u>. Registry will <u>collect useful data</u>, such as <u>location of patients</u> to identify <u>areas of high concentration</u>, <u>ethnicity</u>, <u>age distribution</u>, records of deaths and their cause.
- Free treatment is given in States such as Rajasthan, Uttar Pradesh, West Bengal, Odisha and Karnataka
- The policy, however, makes no reference to <u>carrier testing for relatives of patients</u>.

In NTD fight, the end in sight

- <u>17 diseases</u> affecting the <u>poorest people living in the least developed pockets of the world</u>; so ignored that term used to refer them is called neglected tropical diseases
- A disease is considered 'eliminated' when the prevalence rate is less than 1 case per 10,000 population size.
- Indian government has set itself the target of eliminating kala-azar and filariasis by 2017, and leprosy by 2018.
- Research, discovery of new facts about a disease, vaccines and drugs, new strategies, continued surveillance, data collection, partnerships with stakeholders, case detection, treatment and managing stigma associated with these diseases. Timely diagnosis, treatment access in unreached areas, nutrition, safe drinking water, sanitation and hygiene are essential in fast-tracking the ultimate goal of elimination.

Survival of newborns: India ranks lower than Somalia

- Newborns in India have a lesser chance of survival than babies born in Afghanistan and Somalia, according to GBD
- Failed to achieve targets, especially concerning neonatal disorders, maternal health, TB, and rheumatic heart disease.

Chikungunya:

- <u>Virus</u> is transmitted by the bites of infected <u>female mosquitoes</u>, commonly <u>Aedes aegypti and Aedes albopictus</u>.
- It is characterized by <u>fever and severe joint pain</u>
- The disease shares some clinical signs with dengue, and can be misdiagnosed
- <u>There is no cure for the disease</u>. Treatment is focused on relieving the symptoms.
- US researchers have developed a vaccine for chikungunya made from an insect-specific virus Eilat virus.

Health policy

Tele medicine

- A telemedicine project started by an Odisha entrepreneur is slowly going national after Centre adopted
- Involves training of local youth in e-medicine services and set up e-health centres in government-run PHC, CHC
- Created jobs, reached out to 5 lakh patients, offer testing facilities, patients get consultations with senior doctors, create a <u>DB of health records</u> of every patient
- WHO believes telemedicine to be particularly beneficial for rural and underserved communities

Mission indradhanush

- PMO had advance the deadline of <u>Mission Indradhanush</u> from 2020 to 2018.
- PMO will review the mission through <u>PRAGATI</u> (<u>Pro-Active Governance and Timely Implementation</u>) platform.
- Endeavour under UIP 1985; targets to immunize all children below two years of age
- PRAGATI is interactive platform aimed at addressing grievances and monitoring and reviewing programmes.
- It uses Digital data management, videoconferencing and geo-spatial technology.
- It is a three-tier system PMO, Secretaries, and Chief Secretaries of the States.

Rashtriya kishore swasthya karyakram

- MOH launched "<u>Saathiya Resource Kit</u>" and "<u>Saathiya Salah</u>" mobile app to help Peer Educators to communicate with adolescents and answer all their questions concerned with health at the grass root/village level.
- <u>Peer Educators</u> (1.6 lakhs) will be recognized as "<u>Saathiya</u>"
- Adolescent Health Programme launched in 2014 under NRHM

Indira gandhi matritva sahyog yojana

- Every pregnant woman would get Rs. 6000 not 4000 for hospital stay, vaccination and nutrition under IGMSY
- NFSA made its universal coverage compulsory.
- This cash transfer is applicable to pregnant and lactating women of age 19 and above for up to 2 living children.
- All pregnant women are eligible unless they have already received paid leave or maternity benefits
- WCD will be distributing the Rs. 6000 benefits <u>in 3 installments</u> for the first two live births.

Universal immunisation programme

- GoI is set to introduce two new vaccines: measles rubella and Pneumococcal Conjugate Vaccine (PCV) in the UIP
- Measles and Rubella (German measles) are viral
- Symptoms include cataract and deafness. It can also affect the heart and brain
- <u>PCV</u> is a mix of several <u>bacteria</u> of pneumococcal family.
- UIP was first launched <u>1985</u> and now includes <u>10 vaccines</u> which are: TB, diphtheria, pertussis (whopping cough), tetanus, polio, MR, Hepatitis B, Diarrhoea, JE and Pneumonia.

Draft medical council bill 2016

- IMC Bill to amend IMC Act 1956 based on reforms suggested by Arvind Panagariya committee
- A uniform exit test (<u>National Exit Test</u>) to be conducted <u>at UG level</u> to qualify for PG
- <u>Medical Officers who served at least 3 years in remote and difficult areas, would get up to 50% reservation by the States/UTs in PG</u> courses of Government Colleges.
- <u>After PG, Medical Officers can be mandated to serve for 3 years in remote areas</u> by the States/UTs concerned.
- It is aimed to provide a level-playing field to both government and private college students.
- It will add to the quality of the medical skilled workforce in India.
- Draft does not clarify on what happens if an MBBS student fails NEXT.
- Up to 50% reservation <u>compels students to pursue PG courses abroad</u>.
- Leaves 25 per cent seats for open category students

National index for performance of health outcomes:

- <u>NITI Aayog launched</u> the index developed with technical assistance from <u>World Bank</u>.
- It will help <u>rank the states</u> on the basis of their performance on health parameters.
- <u>SDG Goal 3</u> related to ensuring healthy lives and promoting the well- being for all at all ages.
- Indicators grouped into domains such as Health outcomes, Governance & Information and Key inputs/processes

Swasthya raksha programme:

- AYUSH ministry has launched in selected villages with a focus on traditional healthcare
- To organize Swasthya Rakshan OPDs, Swasthya Parikshan Camps
- Propagation of Ayurvedic concept of pathya-
- Nukkad Nataks focussing on personal, environmental and social hygiene

Make violence against docs a punishable offence: IMA

- Should be made a punishable, non-bailable offence with imprisonment of up to 14 years," president of the IMA.
- IMA estimates that over 75% of doctors in India have faced some form of violence during their career.
- The main reason reported behind such violence is "unnecessary investigations" or delay in attending to a patient.
- IMA's month-long initiative to raise awareness about issues being faced by medical professionals

Health policy

- National Health Policy proposes to raise public health expenditure from the current 1.15% to 2.5% by 2025.
- To provide "assured health services to all", preventive healthcare/wellness, engaging private sector
- To strengthen PHC and around one lakh sub centres will be transformed into wellness centres
- Increases the gambit of sectors covered in PHC like NCD
- It wants to increase the utilisation of public health facilities by 50% from the current levels by 2025.
- Advocates <u>2/3rd or more allocation of health budget for Primary Health Care</u>
- There is a mention of public hospitals and facilities being periodically measured and certified for quality.
- To provide secondary care at the district level and reduce the number of patients reaching tertiary hospitals.
- The <u>resource allocation</u> to individual States will be linked with their development indicators, absorptive capacity and financial indicators. There will be <u>higher weightage given to States with poor health indicators</u>
- It wants to <u>reduce out-of-pocket expenditure</u> by households by 25% from current levels by 2025.
- The Centre is working on <u>introducing a health card</u> an electronic health record of individuals
- 2017 as the deadline to eliminate kala-azar and lymphatic filariasis and 2018 in the case of leprosy.
- But the most ambitious target is providing access to <u>safe water and sanitation</u> to all by 2020.
- Early screening and diagnosis have been made a public responsibility

• Targets under NHP 2017: Increasing life expectancy to 70 years by 2025, Reduce IMR to 28 by 2019, reduce U5MR to 23 by 2025, TFR to 2.1, MMR to 100

Issues with NHP 2017

- It leaves too much to the states on maintaining standards.
- It does not talk of public health education; it just talks about medical education, paramedical education etc.
- Government had <u>fallen short of making health a fundamental right</u>

Mental health law

- The passage of the Mental Healthcare Bill in LS
- <u>0.3 psychiatrists for 100,000 people compared to China's 1.7.</u>
- National Mental Health Programme has not been sufficiently funded
- Neither has <u>capability</u> been built in most States to absorb the meagre allocation.
- <u>Provisions</u>: <u>right</u> to medical treatment, decriminalisation of <u>suicide</u>, <u>freedom to choose treatments</u>, prohibition of <u>discrimination</u> and <u>regulation of establishments</u>
- <u>Raising primary level coverage</u> of mental health services
- Emphasis on <u>rehabilitation within the community</u>, family support
- Prohibiting use of <u>electro-convulsive therapy</u> for minors.
- In adults, ECT can be given only after the use of anaesthesia or muscle relaxant.
- Bill has made it mandatory for <u>insurance</u> companies to cover hospitalisation due to mental disorders.
- <u>Advance directive</u> allows all citizens, not just persons with mental illness, to state their treatment choices in the event a future mental illness takes away their ability to make treatment-related decisions.
- Provision for individuals to appoint a <u>nominated representative</u> to make decisions on their behalf when they are unwell and cannot make decisions. If no such appointment is made, family members are the default NR.
- Provides access to legal services; and right to complain against coercion and cruelty.

A push for Advance Care Directives

- In India, the law is not clear as to when a person really dies.
- Section 46 of the Indian Penal Code defines 'death' as the 'death of a human being'.
- Section 2(b) of the <u>Registration of Births and Deaths Act</u>, 1969 <u>does not recognise brain deaths</u>.
- <u>Transplantation of Human Organs Act.</u> 1994 to donate organs, <u>brain stem death is certified and recognised.</u>

Govt. focus is on providing affordable healthcare: PM

- Health Ministry launched free drugs and diagnostics initiative to make healthcare affordable
- According to WHO, suicide is the leading cause of death among young people

A cry for help

- Blue whale challenge "killer game" compels normal teenagers into committing suicide.
- Youngsters seeking to play the game may already be prone to mental disorders such as depression or anxiety.
- <u>National Mental Health Survey 2015-16 NIMHANS</u> estimated that nearly <u>one in seven teenagers</u> growing up in India's metros could be suffering from mental health disorders.
- With <u>nuclear families and lesser interaction with peers</u>, children these days depend just on their parents, who may both be working and busy with their day-to-day lives
- <u>Subclinical depression</u> in which a person has symptoms which signify a chance of depression but does not meet the criteria for a depressive disorder.
- Adding to the cocktail is the ease with which this age group has <u>access to technology</u>.

• <u>Happy Blue Whale Challenge and The Pink Whale challenge</u> which help youngsters cope with depression

The 'public' in public health

- Inadequacy of budgetary <u>allocations for RSBY</u>, the world's largest publicly-funded health insurance scheme.
- Under the scheme, a <u>BPL family of five</u> is entitled to more than 700 treatments and procedures at government-set prices, for an <u>annual enrolment fee of 30.</u>
- However, even nine years after its implementation, it has failed to cover a large number of targeted families due to factors like discrimination against disadvantaged groups; a lack of mandate on insurance companies and an absence of oversight by government agencies.

Sharpening a pro-choice debate

- Bill to govern end-of-life medical care, <u>Treatment of Terminally III Patients Bill, 2016</u>
- Features: recognises validity of <u>advance directives</u>
- In <u>Aruna Shanbaug and Gian Kaur cases</u>, SC stated that law currently only permits <u>passive euthanasia</u>, i.e. withdrawal of life-saving treatment.
- The administration of a lethal drug dose by a physician (<u>active euthanasia</u>) or by the patient herself (<u>assisted suicide</u>) would constitute attempts to commit or abet suicide under the Indian Penal Code
- Court stated assisted suicide could be legalised if legislation was passed by Parliament to that effect.
- Bill recognises passive and assisted. It does not permit active euthanasia.
- Once the practitioner is satisfied that the patient is competent and has taken an informed decision, the <u>decision will be</u> <u>confirmed by a panel of three independent medical practitioners.</u>

Health – Zika

As Zika spreads, questions for India

- WHO categorised India as a site of active transmission of Zika ('Category-2' country for Zika risk)
- In India, dengue outbreaks are routine occurrences each year, so there is likelihood of a catastrophic epidemic of Zika
- Zika virus will be known six months later, after the birth of microcephalic infants.
- In the meantime, the <u>virus will have ample time to spread</u> through the population unless public health interventions to control mosquitoes are implemented on a warfooting.
- <u>Although govt. detected 260 cases of microcephaly in India</u> since February 2016, the <u>Health Ministry did not test</u> (Aetiology testing) the babies for the virus citing shortage of laboratory capacity.
- <u>Surveillance was set up at 55 centres</u> in the country in February 2016.

Phase I clinical trial of Zika vaccine to begin next month

- Bharat Biotech will start the Phase I clinical trial of Zika virus vaccine (MR 766)
- In the animal trials, two doses of the vaccine made using an African Zika virus strain conferred 100% protection

The lowdown on the Zika virus

- Occurs through the bite of several species of <u>Aedes mosquitoes</u>
- It can also be transmitted <u>sexually</u>, <u>blood transfusion</u>. It has also turned up in <u>urine</u>, <u>tears and saliva</u>, but it is not confirmed that it can spread through them.
- The virus was first isolated from a <u>rhesus monkey in Uganda</u> in the Zika forest in 1947
- While nearly 80% of the people infected with Zika did not have symptoms, the infection became dangerous if it occurred during the early stages of pregnancy.
- In some cases, if the virus attacked the brain tissue of the foetus, it led to microcephaly

India's protocol on Zika followed: Ministry

- Health Ministry in a statement said it had handled the cases as per India's existing protocol.
- Zika infection no longer constituted a PHEIC so govt. didn't disclose to avoid panic
- 3 laboratory <u>confirmed cases reported from Ahmedabad</u>.
- <u>Vibrant Gujarat Summit</u> "was a factor" in the decision
- The healthcare workers were divided into clusters of 20 to carry out <u>intensified intra domestic (ID) work that involves</u> <u>identifying mosquito-breeding spots and symptomatic patients.</u>
- The entire district, with population of close to six lakh people, was told that the screenings were for malaria.
- <u>ICMR said</u>: in general, for public health interventions, <u>it is best to take the community into confidence</u>. We need to <u>educate people</u> about the risks and present a factual and balanced view
- WHO: Government could not have known that the cases won't rise. It took 2 months to get data from government
- According to WHO Regulations, member states to brief WHO within 24 hours of identifying a case.
- The <u>4 criteria</u> in assessment of a public health event: <u>seriousness</u> of impact; <u>unusual nature of event</u>; risk of international disease <u>spread</u>; risk that <u>travel or trade restrictions</u> will be imposed by other countries.
- None of these precautions was taken by the Health Ministry
- Zika outbreaks, even if seen only in isolated cases, can lead to a public health disaster.
- India behaved as China did in the case of the severe acute respiratory syndrome (SARS) outbreak in 2003.
- By doing so, the Chinese government was arguably partly responsible for SARS spreading to other countries.
- That none of the three Zika-infected adults or their spouses or relatives had travelled to any country
- <u>Question of public trust</u>. <u>Transparency</u> in administration is the cornerstone of public health

Malaria drug shields foetus from Zika

• Hydroxyl-chloro-quine can effectively block the Zika virus from crossing the placenta to protect the developing foetus from disease-causing organisms.

Prepping for Ebola part 2

- WHO was criticised for responding too slowly to an outbreak in West Africa in 2014 that left 11,000 people dead
- Ebola virus causes fever, bleeding, vomiting and diarrhoea, and it spreads easily by contact with bodily fluids.
- The <u>death rate is high</u>, often surpassing 50%, particularly with the Zaire strain
- Response would involve a <u>"ring vaccination."</u> in which contacts of patients and health workers would be vaccinated. Health – drugs

PM Bhartiya Janaushadhi Pariyojana

- Department of Pharma to provide quality medicines at affordable prices to masses through Jan Aushadhi Kendra
- <u>Bureau of Pharma PSU of India (BPPI)</u> procures, supplies and markets generic drugs through PMBJK.
- All drugs procured under this scheme are tested for quality assurance at NABL
- State Governments provide space in Government Hospital premises

One time licensing for drugs:

- <u>Drugs Technical Advisory Board</u> recommended one-time licensing for manufacture and sales of drugs.
- <u>At present, the renewal of licenses for each formulation</u> rests with state regulators and <u>takes around three years</u>.
- DTAB is the highest statutory body under MOH on technical matters as per the Drugs and Cosmetics Act, 1940.

Regulating online sale of medicines

• <u>Sub-committee constituted by Drugs Consultative Committee</u> to examine online drugs sale submitted its report.

- It is a <u>statutory</u> body under DCA<u>1940</u>
- Create a <u>National Portal as platform to pharmacies of **both types**, transact and <u>monitor</u> online drug sale, prevent the sale of <u>fake and substandard drugs</u>.</u>
- Certain drugs prone to misuse like <u>Narcotics and Psychotropic drugs</u> etc. should be excluded from online sale.
- It has mandated that e-pharmacies must set up a "licensed brick and mortar facility"
- This <u>seems like an indirect way of delegitimising the business model of e-pharmacies</u>, rather than a regulation that aims to improve transparency
- While this has improved the accessibility of drugs to a wider population
- Pharma lobby <u>strikes, by AIOCD</u>, to highlight the cost that will be imposed by new regulations (portal)
- Their profit margins and market share have faced pressure in recent years from e-pharmacies
- AIOCD accused e-pharmacies of range of malpractices, including selling fake drugs and enabling self-medication.
- The AIOCD has opposed the portal, arguing that smaller pharmacies lack the necessary infrastructure

The case for rational access

- Every two years WHO releases a Essential Medicines List
- 2017 list has 30 new medicines for adults and 25 new medicines for children, bringing the EML total to 433 drugs.
- WHO <u>carried out revision of the antibiotics to curb AMR</u>, dividing antibiotics into 3 categories
- Antibiotics in the 'access' group should be available <u>for common infections</u>; '<u>watch</u>' includes antibiotics recommended as first- or second-choice treatments <u>for a small number of infections</u>.
- 'Reserve' category has last-resort antibiotics that "should be used only when all other alternatives have failed
- A large number of infants were dying due to infections that did not respond to treatment.
- Prescription of antibiotics is guided by patient demand, alternative treatment systems and financial incentives.
- Access to speedy and accurate diagnosis is equally important in order to deploy the correct antibiotic early.
- Medical community should be sensitised
- Policies on housing, sanitation and hygiene education to prevent new infections

Government efforts on AMR

- National Surveillance System, Schedule-H-1 to regulate sale of antibiotics, National Guidelines , 1 Health Approach
- One Health recognizes that <u>health of humans, animals and ecosystems are interconnected</u>. It involves applying <u>multidisciplinary cross sector approach</u> to <u>address risks that originate at the animal-human-ecosystems interface</u>

Reversing drug resistance made possible

- Indian Researchers have been able to reverse antibiotic resistance in E. coli
- H2S gas produced by bacteria protects them from antibiotics
- H2S gas counters oxygen generated by antibiotics to reduce efficacy of antibiotics.

Easy access to H1N1 drugs raises fears of resistance building up



Targeted treatment

- <u>Two years after WHO recommended that ART be initiated in people living with HIV irrespective of the CD4 (a type of white-blood cell) counts, India has aligned its policy with the guideline.</u>
- In 2002, WHO set CD4 count less than 200 cells per cubic millimetre as the threshold to begin ART treatment.
- In 2013, increased the threshold to less than 500 cells per cu. mm.
- Evidence that an earlier initiation of ART will help people with HIV live longer, healthier and reduce risk of them transmitting the virus to others.

In four doses

- WHO will begin pilot tests of the <u>injectable malaria vaccine RTS.S (or Mosquirix)</u> on children aged 5-17 months in <u>Ghana. Kenya and Malawi</u>; as they have settings with <u>moderate-to-high transmission of malaria</u>
- The vaccine has been successfully put through a Phase III trial, in which the drug is tested for safety and efficacy.
- The vaccine, given in four doses, protects against Plasmodium falciparum, most prevalent malaria parasite in Africa
- Unlike other vaccines, the less-than-optimum protection offered by this vaccine would mean that existing malaria intervention measures will have to be used in conjunction to reduce the incidence of the disease.

Doctors worry about quality as Centre pushes for generics

- According to a 2016 <u>amendment to IMC (Professional Conduct, Etiquette and Ethics) Regulations, 2002</u>, they are supposed to <u>prescribe drugs with generic names</u>.
- <u>WHO advocates generic prescribing</u> to ensure rational medical treatment
- <u>Any change in drug especially for patients with chronic illnesses and critical care may risk patients not getting</u> <u>the full benefit</u> of a particular drug.
- Factors: <u>bioavailability</u>, <u>bioequivalence</u>, potency, <u>efficacy</u> and <u>impurity</u> content.
- Besides, some of the branded drugs are available at a lower cost than generic drugs under NLEM.
- Bioavailability of a generic drug molecule is not assured by quality control or clinical trials
- <u>10s of companies manufacture the same generic drug and the final call will be taken by the chemist, who will use the opportunity of selling the drug for which he gets the highest margin</u>
- The doctors question who will be held responsible if any generic medicine has an adverse affect on the patient.
- The government has only around 1,800 drug inspectors for the entire country
- The government itself admits that less than 0.01% of the drugs produced in the country are tested for quality. Report on substandard and spurious drugs by CDSCO.
- In India, there are many barriers to rational prescribing. For example, <u>there are a bewildering number of fixed-dose</u> <u>combinations (FDCs)</u>. These FDCs account for about 45% of the market (about 45,000 crore).
- Bioavailability refers to the rate and extent to which the active ingredient of the drug becomes available at the site of action of the drug.

Generic medicines in a digital age

- U.S. and EU have ensured that generic drugs are therapeutically equal to innovator drug by making BE testing compulsory.
- <u>BE studies are much cheaper when compared to clinical trials</u>
- Even <u>WHO and MSF purchase only bioequivalent drugs</u> for their programmes.
- <u>Until earlier this month, India mandated BE studies for only those formulations seeking approval within four years of the innovator product getting approval</u>. As a result, most generic drug manufacturers sought marketing approval from the fifth year onwards, effectively evading the requirement of conducting BE studies.
- Ministry of Health amended Drugs & Cosmetics Rules to make BE testing of all highly soluble drugs compulsory.
- Even presuming successful BE studies, a drug can fail for a variety of reasons. It may lack stability

• <u>India has 36 drug regulators</u> — one for each State/Union Territory and the Central regulator. Each of them conducts periodic testing of samples drawn from pharmacies.

Single-dose Zika vaccine works in animals

- <u>Traditional viral vaccines contain a weakened or killed version of the virus</u>
- <u>New Zika vaccine uses M-RNA</u> that hold the genetic <u>codes for making viral proteins</u>.
- <u>Live virus vaccines</u> using <u>slow-replicating versions of the virus they are meant to protect against</u> tend to induce much more <u>powerful immune protection</u> but have serious <u>drawbacks including harmful infection</u> with the virus in people who have weakened immune systems.

Health Ministry Notifies Medical Devices Rules, 2017

- The new Rules have been framed in conformity with Global Harmonisation Task Force framework
- Rules seek to remove regulatory bottlenecks to MII, facilitate EOB while ensuring availability of better medical devices for patient care and safety.
- Only 15 categories of medical devices are, at present, regulated as drugs
- Devices will be classified into Class A (low risk), B (low moderate), C (moderate high) and D (high risk).
- System of '<u>Third Party Conformity Assessment and Certification</u>' through Notified Bodies is envisaged.

Price caps

- <u>NPPA slashed price of stents by 85%</u>. Price of <u>bare metal stents</u> 7K and <u>DES</u> at 31K; down from 45K and 1.21L
- It is valid for all stents sold within India whether domestic or imported.
- In 2016, Coronary stents were included in NLEM (MOH)
- Department of Pharma incorporated coronary stents in Schedule 1 of DPCO 2013 making it a 'scheduled formulation'.
- Price caps can reduce their supply as fixing price below their cost of production would offer no economic incentive
- 3 international manufacturers threatened to pull out of the market.
- <u>NPPA refused to approve the withdrawal shedding bad light on doing business</u> in India.
- Given the <u>dominance of private</u> institutions, correctives to bring about a balance are inevitable.
- Regulated prices will make stents accessible while also reducing incentive for unethical hospitals to use needlessly.
- NPPA revealed that there are 'huge unethical markups' in the supply chain.
- It would serve the cause of medical innovation if costing is transparent
- Stent manufacturers want the government to apply differential pricing for DES by classifying them on the basis of technology used to reward quality and innovation
- DES have a polymer coating over mesh that emits a drug which prevents blockage of arteries from recurring.

Prices of <u>orthopaedic implants</u> to be capped

- Implants can have huge margins, ranging from 200% to 500
- NPPA has had meetings with stakeholders to gather data on the costs of making the implants, landings costs, sale volumes, the number of surgeries of each type across the country.
- The sheer variety of implants makes this a very complex task.
- India, has the highest percentage of untreated arthritis patients in the world

National biopharma mission

- Program named Innovate in India (i3) i.e. National Biopharma Mission was recently launched
- Indian biopharma industry is <u>10-15 years behind their counterparts</u> in the developed countries and faces stiff competition from China, Korea and others.
- The lacuna: coordination, research, funding, product discovery

- AIMS: enabling ecosystem, entrepreneurship, indigenous manufacturing, holistic and integrated chain
- <u>Currently India has only 2.8% share in the global biopharmaceutical market, the program would elevate this to 5%</u>
- Implemented by Biotechnology Industry Research Assistance Council, a PSU of DBT

NUCIAN

Inclusive growth issues

Political freedoms necessary, rules SC

- Political freedoms such as the <u>right to dissent</u> is necessary to end the malaise of corruption and diversion of funds
- Lack of <u>free flow of information and criticism</u> has crippled the ability of the leadership to introspect on their actions
- An enabling atmosphere for citizens to dissent and scrutinise government measures add to the vibrancy of democracy.

Sumit bose panel submits report on secc to MORD

• It recommends replacing BPL by multidimensional SECC for different govt. schemes like mgnrega, PMAY

Socio-economic caste census, 2011

- Presently in India BPL is determined according to <u>Tendulkar</u> committee.
- While poverty line method identifies number of poors, SECC identifies who actually are the poor. Hence it is more targeted and precise and help in fine tuning the beneficiaries list by excluding undeserving
- Binary approach of BPL: however with SECC each household will be mapped on different deprivation factors
- For example <u>some households may be eligible for food subsidy while other may be eligible for LPG subsidy</u>. So SECC will help in eradicating not only poverty but also various deprivations.

Gender responsive budgeting/gender budgeting

- Gender equality is one of the 17 goals under SDG
- India was ranked <u>87</u> in terms of gender equality in <u>health. education. economy and political representation</u> by World Economic Forum's annual <u>Global Gender Gap Report</u> in 2016.
- <u>Gender Responsive Budgeting</u> was institutionalized in India in 2005.
- The annual budget issues a gender budget statement which has <u>two parts</u>. Part <u>A has "women specific schemes</u>" i.e schemes that have 100% fund allocation for women, Part <u>B has "Pro women schemes"</u> > 30% fund for women.
- Rather than just focusing on women centric schemes, gender-analysis must be carried out for all schemes.
- Greater involvement of women in the administrative and policy making procedure.

Disability bill passed:

- <u>SC</u> observed that "<u>employment is a key factor in the empowerment of people with disabilities</u>" in its judgment in UOI v. <u>National Federation of the Blind</u> (2013).
- Parliament repealed the 1995 Act and brought in Rights of PWDA 2016
- Inherent dignity, individual autonomy, role of local authorities, employment, education, justice, N & S funds, Creation of special courts, speedy trials and special public prosecutors
- The law also <u>makes private companies equally liable</u> for violating the Act.
- India is a signatory to <u>UNCRPD</u>. Negatives:
- Parliament is imposing legal and financial obligations on states with regard to disability, which is State subject
- Bill allows discrimination if it is a proportionate means of achieving a "legitimate aim".
- Provision for a Chief Commissioner of Disabilities, instead of National Commission as proposed in 2014

LGBT community:

- In <u>NALSA case</u> (2014), the Supreme Court held that transgenders should be treated as a <u>'third gender'</u>
- <u>Allahabad HC</u>: transgenders would be entitled to be treated as "<u>head of a household</u>" under NFSA
- Kochi Metro, followed by the Chennai Metro, hiring them in their workforce.
- <u>Transgender Persons (Protection of Rights) Bill, 2016</u> is still pending in Parliament.

- Bill seeks to define and provide <u>recognition</u> to transgender persons, prohibit <u>discrimination</u> against them, ensure inclusive <u>education</u>, obligation on public and private to provide them <u>employment</u> and recognises their <u>right to "self-perceived gender identity</u>", a <u>National Council</u> for Transgenders.
- Bill makes govet responsible for schemes which are "transgender sensitive, non-stigmatising and non-discriminatory".
- Recognises the rights of transgender persons to <u>live with their families</u>
- However, the Bill does not address the issue of Section 377 of the Indian Penal Code.
- Further, the <u>definition of a 'transgender person' is left vague</u>.

Supreme Court makes legal services affordable

- Introduced <u>Middle Income Group Scheme</u> for providing legal services to the middle and lower income groups.
- Provides legal services to citizens whose gross income is not exceeding <u>Rs.60, 000 per month or Rs. 7.5L per annum</u>
- If an advocate, who is appointed under the scheme, is found negligent in pursuing the case entrusted to him, he would be required to return the brief together with the fee which he may have received from the applicant under the scheme.
- A society will be created. CJI is Chief of society with AG its Vice President, Solicitor General its Honorary Secretary and other senior advocates of the apex court as its members.
- A case will be registered under the MIG Legal Aid Scheme and forwarded to Advocate-on-Record
- If AOR is satisfied that it is a fit case, then the society will consider that applicant is entitled to legal aid.
- The view expressed by Advocate-on Record will be final in determining eligibility of the applicant

Dalits, Adivasis, Muslims worst off, says Indian Exclusion Report

- In terms of exclusion from access to public goods, according to IXR by Centre for Equity Studies
- Report reviews exclusion with respect to: pensions, digital access, agricultural land, and legal justice for undertrials.

India slips in human development index

- India slipped down one place from 130 to 131 among the 188 countries, says the 2016 HDR released by UNDP
- HDI value of 0.624 puts it in the "medium human development" category, alongside countries such as Congo, Namibia and Pakistan. Lowest rank among BRIC nations.
- It is ranked <u>third among SAARC</u>, behind Sri Lanka (73) and Maldives (105)
- The world's top three countries in HDI are Norway (0.949), Australia (0.939) and Switzerland (0.939).
- India's public health expenditure was 1.4% of the GDP.
- The report <u>praised India's reservation policy</u>, observing that even <u>though it "has not remedied caste-based exclusions"</u> <u>it has "had substantial positive effects"</u>.
- However, its average annual growth in HDI (1990-2015) was higher than that of other medium HD countries.

INDIA SOCIAL DEVELOPMENT REPORT 2016:

• <u>Council of Social Development</u> theme of the report is "<u>Disability Rights Perspective</u>"

Panel to oversee progress in UN's SDG

- <u>Committee headed by Chief Statistician of India</u> with <u>technical support from UNDP</u>. <u>MOSPI has developed a list of</u> <u>indicators to measure progress of SDGs</u>.
- <u>Voluntary National Review Report</u> submitted to the <u>UN Forum on Sustainable Development</u>.
- Data collected by private agencies may be considered for monitoring the SDGs, particularly since a number of the goals are not directly linked to the Centre's provision of public services.
- <u>India will hold bi-annual reviews with the State governments</u> for identifying good practices and challenges.
- There is an emphasis on improving the availability of data and putting in place a transparent monitoring system
- <u>"Disaggregated data" was vital</u> as it would help formulate policies for specific disadvantaged groups and geog areas.

• Mechanisms to be established for generating a set of data that is broader and available at shorter intervals of time

The scale of progress, so far

- Since it's not binding on member nations, there is apprehension that it may end up becoming another of MDG
- <u>High-level Political Forum of the members meets every July</u> to review progress on Agenda 2030.
- This year, 44 nations including India have volunteered.
- In India, the process is led by NITI Aayog, RISDC think tank attached to MEA, and MOSPI
- Civil society is anxious as it wonders whether it will have a say in the official VNR report.
- Last year's VNR by nations gives impression that they presented only a rosy picture of their performance.

The government's review report on the SDGs presents an inaccurate picture

- The government <u>claims to have made substantial progress</u>
- Attributes sharp reduction of poverty from 45.3% in 1993-94 to 22% in 2011-12 to the economic growth after LPG

OXFAM REPORT ON INCOME DISPARITY 2017

- NGO Oxfam released a report <u>'An Economy for the 99%'</u>
- Income <u>Inequality is increasing</u>. This is a <u>failure of Trickle Down</u> theory.
- India's richest 1% holds 58% of the country's total wealth higher than the global figure of about 50%
- Wealth of the world's top-8 billionaires (6 from USA) together is more than that of bottom 50% of population

Innovation

India Innovation Index

- To make India an innovation-driven economy
- The index will rank states on Innovation through country's first online innovation index portal
- The index was launched by <u>NITI Aayog, DIPP and CII</u>.
- Will be based on GII indicators and India-centric parameters
- This initiative will be the point of reference for all international agencies to collect India's up to date data
- GII by WIPO, Cornell University and INSEAD with CII as a Knowledge Partner, ranking since 2007
- India currently ranks <u>66th</u> out of 128 countries on GII 2016.

- The pillars: <u>strength of institutions</u>, <u>capacity of human capital and research</u>, <u>supporting infra</u> and <u>level of business</u> <u>sophistication</u>, among others.
- Will identify and measure the grassroots issues that affect innovation capabilities and can help move India to an innovation-driven economy, growth of innovation in the innovation laggard states such as UP, Bihar, etc.

Intolerance

Soul of India is in tolerance: Pranab

- In his last address to the nation as President stressed the need for pluralism and tolerance
- He also made a strong pitch for freeing public discourse from violence, both "physical as well as verbal".
- Emphasising that <u>compassion and empathy</u> were the "true foundation" of India's civilization
- President also stressed the <u>need for financial inclusion</u> for an <u>equitable society</u>, quality <u>education</u>, <u>creative thinking</u>, innovation and scientific temper, environment and the people's right to lead happy lives through good governance, social inclusion and poverty eradication.

The boycott ban

- <u>Maharashtra's new law prohibiting the social boycott</u> of individuals, families or any community by informal village councils, caste panchayats or dominant sections is a step in the right direction
- <u>Maharashtra Protection of People from Social Boycott Act</u> may serve as template for similar law in other States.
- Imprisonment up to three years or a fine of Rs. 1 lakh or both.
- The practices it prohibits range from preventing the performance of a social or religious custom, denial of the right to perform funerals or marriages, cutting off someone's social or commercial ties to preventing access to educational or medical institutions or community halls and public facilities, or any form of social ostracism on any ground.
- The law recognises the human rights dimension to issues of social boycott
- Bombay enacted a law against excommunication in 1949, but it was struck down by SC in 1962 after the Dawoodi Bohra community argued that it violated the community's constitutional right to manage its own religious affairs.
- Article 17 and the Protection of Civil Rights Act outlaw untouchability, but these are legal protections intended for SCs. In reality, members of various castes and communities also require such protection from diktats

Fighting cow vigilantes is States' job: Centre

• Ending violence by cow protection groups or gau rakshaks is a <u>'State subject'</u> and the Centre has no role to play though it condemns all forms of vigilantism, the government told the Supreme Court

It's time to enact an <u>anti-lynching law</u>

- <u>National Campaign Against Mob Lynching</u> has initiated a campaign for a law against mob lynching.
- Also known as '<u>Masuka'</u>, short for <u>Manav Suraksha Kanoon</u>, a draft of the proposed legislation is on the Internet
- At present there is no law that criminalises mob killings.
- IPC has provisions for unlawful assembly, rioting, and murder but nothing that takes cognisance of a group of people coming together to kill (a lynch mob).
- <u>Section 223 (a) of CRPC</u>, to prosecute together two or more people accused of the same offence committed in the course of the "same transaction". This falls far short of an adequate legal framework for prosecuting lynch mobs.
- <u>Draft Protection from Lynching Act, 2017</u> defines, for the first time in Indian legal history, the terms '<u>lynching</u>', '<u>mob' and 'victim'</u> of mob lynching. It makes lynching a non-bailable offence, criminalises dereliction of duty by a policeman, criminalises incitement on social media, and stipulates that adequate compensation be paid

- It also guarantees a <u>speedy trial</u> and <u>witness protection</u>.
- <u>Negatives: potential for abuse, a generic law</u>
- In lynching of Maruti Suzuki's HR manager, police arrested 148 workers and charged all them with murder. Evidently, the state can act, if it wishes to, using the existing provisions
- <u>Anti-Communal Violence Bill was buried</u> because it was felt that it <u>threatened the autonomy of States</u> by mooting a parallel structure that undermined federalism.
- It fixed responsibility for communal incidents; recognised that targeted communal violence disproportionately victimises minorities; and a mechanism to insulate investigations of communal violence from political interference.
- Police reforms are vital, and a purely legislative approach to tackling anti-minority violence could prove ineffective.

States cold to stricter anti-racial law

- Since the proposed amendment fell under the concurrent list, the opinion of majority of the States was required
- Amendments were based on the <u>recommendations of the Bezbaruah Committee</u>, constituted by the Centre in February 2014 in the wake of a series of racial attacks on persons belonging to the northeast.
- <u>Draft 153 C IPC proposed</u> says, "whoever promotes or attempts to promote, on the ground of race, racial features, behaviour, culture, customs or way of living, any act which is prejudicial to human dignity or dignity of members belonging to particular race and uses criminal force or violence in furtherance of such act, or, participates in such act intending to use criminal force or violence or knowing that participants in such act is likely to use criminal force or violence against the member of a race or cause or likely to cause fear or feeling of insecurity amongst the members of such race, shall be punished with imprisonment for a term which may extend to five years and fine."
- <u>Section 509A IPC</u>, which makes making a word or gesture, punishable by three years, difficult to prove.

Dera will have to foot bill, warns HC

• If followers of Gurmeet Ram Rahim are found involved in causing loss to public and private properties, the damages will be recovered from Dera Sacha Sauda, the Punjab and Haryana High Court ruled

HC slams Khattar's 'surrender to vote bank'

- L&O concerns as a large number of people had reportedly entered the district, despite prohibitory orders.
- Asking how the State government had not taken notice of the build-up of Dera supporters in Panchkula

'Fortify democracy against hate speech'

- Hate speech has the potential to provoke society to commit acts of terrorism, genocides and ethnic cleansing.
- It is an "<u>incitement to hatred</u>" against a particular group of persons marginalised by their religious belief, sexual orientation, gender, etc.
- <u>Law Commission</u> laid out bare the danger of hate speech to the Central government in its <u>267th Report</u>
- It drafted new law, criminal law (amendment) bill 2017 inserting sections to fortify democracy against hate speech
- Hate speech is any word <u>written or spoken, signs, visible representations</u> within the hearing or sight of a person with the intention to <u>cause fear or alarm, or incitement to violence</u>
- Commission has proposed <u>Section 153C</u>, which <u>penalises incitement to hatred</u> and <u>Section 505A</u>, which for the first time makes 'causing fear, alarm, or provocation of violence in certain cases' a specific criminal offence.
- The SC in 2014 had referred to LCI for means to arm the Election Commission to crack down on hate speech.

Tale of two sections: On vexatious criminal prosecution

- SC has intervened to spare Dhoni the ordeal of facing a criminal trial for <u>allegedly insulting the Hindu religion</u> by being featured in the likeness of a deity on the cover of a business magazine under <u>Section 295A of IPC</u>
- Provision makes "<u>deliberate and malicious acts intended to outrage religious feelings</u>" a punishable offence.
- It only "punishes the aggravated form of insult to religion; with the deliberate and malicious intention.....

- <u>Section 295A is a disguised blasphemy law</u> the <u>only difference being that it is 'secular'</u>
- IPC 153A intends to punish those who promote enmity between different groups on grounds of religion, race
- This section has been employed to harass writers and artists and cast a chill on free expression.
- There is no guessing what causes insult/offence/hurt, leaving it open for such provisions to be misused.

Ansari warns of public despair fuelled by inequality

- Vice-Prez called attention to the <u>increasing economic inequality</u> worldwide, particularly in India with all its <u>social and</u> <u>political consequences</u>, and noted that <u>protest movements</u> globally are being fuelled by public despair.
- A conceptual framework is provided by <u>Amartya Sen</u> and others who see <u>human capabilities as capacity and freedom</u> to choose and to act; and calls for opportunities that give individuals the freedom

Right to access Internet cannot be curtailed, says SC

- Citizens have right to access Internet to gain information, wisdom and knowledge and their right cannot be curtailed unless it encroaches into boundary of illegality: SC
- <u>FR of expression includes "right to be informed, right to know</u> and <u>feeling of protection of expansive connectivity</u>" the Internet offers on the click of a button.
- The court clarified that a general prohibition on all online content about pre-natal sex determination will curtail the fundamental right to know of a genuine information-seeker.
- Prohibition should kick in only if the content found online is violative of Section 22 PCPNDT Act of 1994.
- <u>Microsoft. Google India and Yahoo gave assurances</u> to the Supreme Court that they would neither advertise nor sponsor advertisements violative of the PNPCDT Act.
- <u>Nodal officers had been appointed at State levels; they would communicate with the search engine's experts</u>, which would take it off within the next 36 hours of receiving the information.
- These experts would then follow it up by providing the nodal officers concerned with an action taken report.
- Supreme Court described the Internet as a "world which is invisible."
- Led the court to <u>order Internet companies to set up in-house expert bodies</u> to scour the Internet and remove objectionable and illegal content.
- 'Right to be left alone' in the virtual world is gaining prominence as a subject of litigation in the Supreme Court.

Jammu and Kashmir issues

Article 35A comes under scrutiny

- Inserted in Constitution through a "presidential order" not Parliament.
- Article 35A is ultra vires or not is likely to head before a five-judge Constitution Bench.
- 35A empowers JK to <u>frame any law without attracting a challenge on grounds of violating the Right to Equality of</u> <u>people from other States or any other right</u> under the Constitution.
- Article 14 says: "State shall not deny to any person EBL or EPL within the territory of India."
- The petition said Article <u>35A protects certain provisions of the J&K Constitution which denies property rights</u> to native women who marry from outside the State. The denial of these rights extend to her children also.
- <u>2002 order by the J&K High Court</u> said that such woman would not lose the status of permanent resident of J&K.
- <u>35A and 370 discriminatory against non-residents</u> as far as <u>government jobs</u>, education, <u>scholarships</u>, <u>public aid</u>, <u>welfare and real estate purchases</u> are concerned

The lowdown on Article 35A

- The controversial <u>Constitution Order of 1954</u> followed the <u>1952 Delhi Agreement</u> entered into between Nehru and the then Prime Minister of JK, which extended Indian citizenship to the 'State subjects' of JK
- <u>Presidential Order was issued under Article 370</u>. This provision allows the President to make certain "exceptions and modifications" to the Constitution for the benefit of 'State subjects' of JK
- <u>So Article 35A was added</u> to the Constitution
- Parliamentary route of lawmaking was bypassed but Article 368 empowers only Parliament to amend Constitution.
- <u>A five-judge Bench of SC in 1961 judgment in Puranlal Lakhanpal</u> vs. President observes that <u>President may modify</u> an existing provision in the Constitution under Article 370, the <u>judgment is silent</u> as to whether the President can, without the Parliament's knowledge, <u>introduce</u> a new Article.
- <u>NGO We the Citizens</u> challenges the validity of both Article 35A and Article 370.
- Article <u>370 was only a 'temporary provision'</u> & Constitution-makers did not intend Article 370 to be a tool to bring permanent amendments, like Article 35A
- Article <u>35 A is against the "very spirit of oneness of India"</u> as it creates a "class within a class of Indian citizens".
- BJP: Blaming 370 for creation of a 'separatist psyche'
- Both these Articles, instead of being beneficial to the people of the State, have hampered progress and development

Centre's reply sought on J&K special status

- Supreme Court asked the Centre to respond to a petition challenging the continuing validity of Article 370
- Petition filed by <u>Vijayalakshmi Jha</u> pointing out that Article 370 was a "temporary provision."
- If Article 370 was supposed to have lapsed automatically with the dissolution of the CA of JK on January 26, 1957.
- It argued that the <u>separate "Constitution of JK was never ratified by the President or the Parliament</u> or satisfies Article 1 or the Preamble of the Constitution."

Kashmir an internal affair: EU team

- Human rights 'violations' in JK must be resolved internally in India, says a visiting delegation of Members of European Parliament, accepting that the conflict in the State is an internal Indian matter.
- However delegation will take up two other thorny issues: India's denial of a visa to a member of their delegation, and recent Home Ministry action against NGOs in India.

9.2-km-long Chenani-Nashri all-weather longest tunnel

• Reduce the travel time between Srinagar and Jammu by two hours and bypass several landslide prone areas.

Lack of intelligence inputs hurting Army

- According to South Asia Terrorism Portal, 88 security forces personnel were killed in JK in 2016, highest since 2008
- Army says this is due to: increase in number of terrorists, limited intelligence inputs to conduct operations.
- With <u>elections scheduled</u>, the police were deployed for law-and-order duties, stymieing the flow of information
- The <u>constant protests</u> also affected this information flow
- Given the large number of Army camps along LOC and IB, it is not possible to upgrade each and every one
- There are issues such as terrain and location.

All-woman battalion to take on Kashmir women pelters of stones

- In a bid to counter the women who throw stones, government plans to raise an <u>all-woman India Reserve Battalion</u>
- Centre asked the State government to build <u>football fields and sports facilities</u> in rural Kashmir to engage the youth
- As part of the Rs. <u>80,000-crore development package</u> announced in 2015, around Rs. 19,500 crore was released
- An official said that as soon as they advertised for the 5,000 posts in the IRBs, more than 1.4 lakh people from the State, including 6,000 women, had applied. Nearly 40% of the applicants were from the Kashmir Valley.
- IRBs to provide jobs to local youths, 60% of the vacancies to be filled with candidates from the border districts.

'Plastic bullets' sent to Kashmir

- The first batch of less lethal 'plastic bullets' for CRPF were sent to the Kashmir Valley
- After the 2010 unrest, the Omar Abdullah government introduced anti-riot guns, which fired plastic bullets that disintegrated into 40 small projectiles after discharge.

Police forces feel 'neglected' by govt. in welfare measures

- In the wake of killing of six policemen, <u>officers questioned department's move to force all policemen to donate a</u> <u>day's salary for welfare of families of victims</u>
- A martyr lays his life for the state and it should be duty-bound to honour his family by supporting him

U.N. chief 'in touch' with PMs over LoC tensions

- U.N. officials normally tread cautiously on the issue, given India has always rejected "third party interventions"
- Conversations on Kashmir would have to be discussed bilaterally with Pakistan according to the text of the <u>Shimla</u> <u>Agreement of 1972 and the Lahore declaration of 1999.</u>
- A <u>number of countries have begun to express their concern</u> over rising violence at the LoC and ceasefire violations
- "Russia is interested in good neighbourly relations between India and Pakistan"
- Saudi Ambassador: "We hope to see that the comprehensive dialogue between India and Pakistan is resumed"
- China too has frequently made comments on the issue, pitching for India and Pakistan to resume dialogue
- MEA laid out three conditions: dialogue, only bilateral dialogue and that talks and terror cannot go together.

Hawala trail goes back decades

- The trail of <u>money transactions through hawala to fuel militancy- separatism</u> goes back to the early days of insurgency in the <u>1990s</u>, with overseas <u>conduits spread across Pak</u>. Dubai, Saudi, Nepal, UK and EU
- Between 200 crore and 400 crore pumped annually.
- <u>35% of hawala money is channelled through militant outfits</u>, <u>40% through overseas religious (Haj pilgrimage channel)</u> <u>and charity</u> organizations, rest comes through <u>businessmen and conduits</u>, with many spread in parts of India.
- A lot of money has been invested in <u>real estate and business houses</u>
- Inconsistencies in the accounts of several NGOs associated with the separatists
- The cross- LoC trade, which started in 2008, is believed to have fallen into the hands of money launderers

• <u>NIA has collected details of properties owned by separatists and asked them to explain the procurement.</u>

NIA arrests 7 J&K separatist leaders for 'creating unrest'

- Case of "terror funding", conspiracy to "keep the Valley burning over the last decade."
- Case under various sections of the <u>anti-terror UAPA</u>.

NIA unearths new Kashmir terror funding channels

- Some <u>travel agents</u> who send Indians on the Haj are hand in glove with associates of separatists based in Saudi-Pak.
- A part of the money collected from pilgrims is diverted for terror and separatist activities
- <u>NIA has found undervaluation of products that come from Pakistan, which are then sold at as much as triple value, generating cash surpluses.</u>

The commendation: On award to Major Leetul Gogoi

- There are two issues: timing risks a loss of confidence in the Court of Inquiry, ordered by the Army itself.
- Second issue relates to the <u>circumstances in which Major Gogoi resorted to the use</u> of a human shield
- Rules of conduct for men in uniform must be adhered to, despite the difficulties in doing so
- Use of human shields has been declared a war crime, human rights violation by Geneva Conventions
- Such shields has been perfected by terrorist organizations
- <u>NHRC and SHRC will hear two separate petitions</u> on the Army's move
- A separate petition, filed by International Forum for Justice and Human Rights, questions the Army move

Need innovations to fight dirty war: Rawat

- The <u>rules of engagements are there when the adversary comes face to face</u> and fights with you.
- <u>Army is facing a "dirty war" in JK</u> which has to be <u>fought in "innovative" ways</u>, Army chief said, defending the use of a Kashmiri as a 'human shield' by a young officer.
- Aim of awarding Major Leetul Gogoi, when a Court of Inquiry was finalising its probe into the incident, was to boost the morale of young officers operating in a very difficult environment in the State.
- Criticised by human rights activists, Kashmiri groups and a few retired Army generals.

'Soft approach' required to tackle Valley unrest

- A group of Kashmiri police officers have told Home Minister that a "softer administrative approach" was required to address the <u>school and college students</u> who were recently seen throwing stones at security forces.
- Also required were more number of juvenile homes
- "<u>National Security Strategy</u>," a first-of-its-kind meeting organised by IB provided a platform to various officers from across the country to deliberate <u>counter-terror</u>, terror funding. NE insurgency, LWE and cyber security.
- The officers also said that most terrorists operating in rural areas were "locals"
- Officials said that school children from only 4-5 institutions participated in throwing stones, media exaggerated
- Explored whether strict KYC norms by banks were pushing the suspicious transactions towards the hawala route
- Without changing the aggressive security posture, government needs to intervene politically

Stone-throwing decreasing: CRPF

- The <u>number of militants being killed has gone up</u> sharply and this has <u>led to desperate attacks on security forces</u>.
- Attacks on security forces by stone-throwing youth escalated in the Valley after Burhan Wani was killed
- Last year, around 1,600 incidents were reported when CRPF personnel were attacked with stones. This year, the number has fallen to fewer than half
- We <u>would bullet-proof all the vehicles</u> that are used for patrolling duties

• CRPF is also providing pre-induction training to jawans on how to handle the crowd through non-lethal means

Amarnath yatra attacked

- 7 persons died, shows the <u>vulnerability of civilians in spite of the dense security</u>
- <u>There had been intelligence warnings</u> about terrorists possibly targeting the Amarnath Yatra
- The <u>spike in militant activity</u>, increased street protests, public mobilisation to help militants escape and intimidatory <u>tactics such as burning of schools to bring normal life to a standstill</u>.

J&K welcomes Modi's remarks in his Independence Day speech

- PM's remark that "not bullets or abuse can resolve issues but by embracing people of Kashmir".
- Supreme Court, hearing a case on Article 35A

Jobs - jobless growth - skill development etc

Spike in clean energy jobs Digital offices on the rise

Impact assessment of DAY-NRLM

- Deen Dayal Antyodaya Yojana NRLM assessment by Institute of Rural Management
- Households covered have a <u>higher number of livestock</u> assets, save in & borrow from <u>formal institutions</u>, spend less on food more on <u>education</u>, <u>22% higher income</u>
- Mission has been successful in creating sensitive support structures right up to the block level.
- The objective to <u>organize all rural poor households in the country and continuously support them till they come out of abject poverty</u>. This was sought to be achieved through <u>SHGs</u>

NITI AAYOG thinking outside the manufacturing box

- <u>200 CEOs were invited to brainstorm solutions for making India a manufacturing hub</u> of the world.
- At the end of the '<u>Champions of Change' programme</u>, the CEOs were expected to come up with short presentations cutting across the <u>six themes:</u> MII, New India, Doubling Farmers' Incomes, creating Cities of Tomorrow, Reforming Financial Sector, and building World-Class Infrastructure
- Think of ways to create large numbers of productive, well-paid jobs.
- Manufacturing-led "take, make, dispose" model is simply unsustainable from both an economic and ecological point
- As the <u>focus necessarily shifts to a more circular</u>, "take, make, <u>refurbish</u>, <u>repair</u>, <u>reuse</u>" <u>model</u>, the manufacturing sector could look at how it can create jobs around the products it makes, rather than find ways to create more jobs making those products.

Task Force formed to study AI for development

• <u>Commerce and Industry</u> Minister constituted a Task Force <u>chaired by V. Kamakoti</u>

- The 'task force on <u>AI for India's Economic Transformation'</u>
- The task force will have participation from NITI Aayog, MEITY, DST, UIDAI and DRDO.

Artificial intelligence imperils India Inc. jobs

- <u>\$150 billion IT industry</u> employs about <u>4 million people</u>.
- With the advances in automation, one had to move towards <u>next-generation jobs and new areas of opportunities</u>.
- <u>Automation threatens 69% of the jobs in India</u>, while it's 77% in China, according to <u>WB</u>
- If it is not planned well and addressed holistically, it is a disaster in the making
- The new job roles are within digital domains such as big data, AI, IoT, cloud computing and cybersecurity
- The impact of automation in other areas such as <u>agriculture. EX aerial spraying on farms</u>.
- <u>Soft-robotics</u>: where instead of using traditional robots, <u>wearables and other techniques not to replace workers but to</u> <u>assist them.</u>
- <u>White House Report on AI</u> highlights the challenges that are coming ahead; displacement of jobs due to automation.
- A big component of that automation is <u>robotics</u>, <u>machine learning</u>, <u>deep learning</u>, <u>AI</u>-based type of technologies.

Mckinsey employment report

- "India's Labour Market: A new emphasis on gainful employment"; better work that promises more money
- Based on EUS carried out by NSSO, annual surveys of labour bureau.
- It <u>highlights structural shift</u> i.e. shifting <u>from agriculture to non-farm</u> sectors. Between 2011 and 2015, the number of agricultural jobs reduced by 26 million while the number of non-farm jobs rose by 33 million.
- <u>Independent work opportunities, government spending and increased entrepreneurial activity have created gainful employment</u> of 20-26 million people between 2014 and 2017. EX in <u>trade, hospitality, construction</u>
- Automation is unlikely to immediately affect jobs in India because automation would be lagging in India
- It suggests ways to create more gainful employment: More appropriate <u>statistical measurement</u> of employment, <u>Targeted programmes</u>, Removing hurdles that stand in the way of <u>investment and innovation</u>.

'Visas not the sole problem'

- Layoffs have sent alarm bells over the future of \$150-bn IT industry, which employs 4 million people.
- Muted growth forecast, low SW export, visa norms in the U.S., protectionism, Brexit, performance appraisal process, automation, macroeconomic uncertainties, focus on cost optimization, focus on newer skills, shift from traditional to non-linear models, innovation, cut-throat competition. Plain-vanilla skilled engineers would find it difficult

Software export growth set to slow: Nasscom

- The country's software export growth is set to slow to 7-8% this fiscal year, down from 8.6% a year earlier
- The domestic market was projected to grow faster than the export market
- Improvements in financial services and a high potential in digital businesses would be the key growth drivers.
- The number of people to be hired this year would be between 1.3 lakh and 1.5 lakh
- The demand will be for technology-skilled professionals and it was imperative for new and existing people to re-skill

'National Employment Policy this year'

- Centre will frame a new sector-wise National Employment Policy
- Fifth Annual EUS conducted by Labour Bureau showed unemployment rate rising to a five-year high of 5% in 15-16
- 92% of the workers are engaged in informal employment those who are not covered by any social security law.

'Skill councils have conflict of interests'

- A board member of a skilling agency is also a promoter of a skill council. The son of the chairman of a sectoral skill council is a co-promoter of a training firm
- 40 sectoral skill councils set up under the aegis of the National Skills Development Corporation (NSDC).
- Sharada Prasad Committee, by MOSDE to review functioning of SSC, termed them 'hotbed of crony capitalism'
- NSDC is 100% govt-funded but accountable to board that consists of majority of pvt sector
- It was kept away from Parliamentary oversight, audit by CAG and supervision by RBI," the panel said
- Highlighted the lacunae in the governance of the National Skill Development Fund (NSDF) set up in 2009
- The NSDF is required to oversee the work of NSDC. How can the supervisory body consist of head of the supervised body as a member? Chairman of NSDC should be excluded from NSDF
- NSDC is a public private partnership for promoting skill development launched in 2008.
- Committee has recommended that the Centre scrap all existing skill councils; replaced by just 21 councils; and introduce an oversight mechanism on the NSDC, preferably from the central bank, as it is registered as NBFC

Sector Skill Councils

- SSC are industry led bodies mandated to ensure that skill development efforts being made by all the stake holders are in accordance with the actual needs of the industry.
- They develop National Occupational Standards/Competency Standards and Qualification Packs (QPs).
- They have two basic objectives providing skills and employment.

Review skill missions under NDA

- Skill development portfolio was upped to the status of a full-fledged Ministry, with its own Minister, Secretary et al.
- SI, PMKVY launched, with the status of a 'flagship scheme', which meant adequate budgetary support.
- Two years on, India's ambitious plan of becoming the world's supplier of skilled workers lies in tatters.
- Many of the initial loans doled out by the NSDC turning into NPAs
- Core function of training itself has been outsourced in majority of places with a rent-seeking attitude of provider
- Just 4.69% of India's total workforce has undergone formal skill training, compared with 52% in the U.S., 75% in Germany, 80% in Japan and 96% in South Korea
- Even those who are being skilled (or reskilled) are finding it difficult to get jobs.

Public spending and economic policy need to be more attuned to employment creation

- India added just 1.35 lakh jobs in eight labour-intensive sectors in 2015, compared to the 9.3 lakh jobs in 2011
- Focus on shifting jobs from the informal to the formal manufacturing and service sector.
- High-level task force headed by NITI Aayog VC to obtain reliable data on employment trends to aid policymaking
- The only official job data available painted a gloomy picture on new jobs
- The trouble with current official data on labour and employment is that they fail to capture informal and unorganised nature of economy; not amenable to find what is really happening to employment thanks to its sample size and design
- Niti Aayog member Bibek Debroy flagged a dramatic rise in voluntary unemployment across the country, where people choose not to work below a certain income level after 'investing' in education.

Needs WRT data collection

- Need to reduce the time lag between the survey and release of data
- Need to conduct short-term surveys for quick assessment of the impact of different policies on employment.
- Data on district-level employment for decentralised planning, data on circular migrant workers; the working and living conditions of women labour.
- Time use surveys, which collect comprehensive information on how people spend their time on different activities, are likely to capture even scattered, sporadic and irregular informal work of people.

• Task force should also take note of Resolution by ILO (2013) which intends to set new standards for work statistics

Periodic Labour Force Survey

- MOSPI'S New Periodic Labour Force Survey to track employment trends more swiftly, generate quarterly reports for urban India and annual data for rural India. Earlier such data was available only every 5 years
- MOSPI is developing a fact sheet on economy, incorporating inputs from all important ministries on 100 indicators.
- The data will be collected from large and small enterprises to measure informal sector as well.
- The present Labour Bureau survey covers firms employing more than 10 workers.
- Will incorporate a Computer Assisted Personal Interviewing (CAPI) method, with field operators using tablets to enter the data. This would generate more accurate and timely information
- Will also use proxies such as vehicle registrations in the country in a year to determine informal job creation. The idea is to try and use some unorthodox methods that can give us data on jobs
- Centre would also use data from social security schemes to determine formalisation of workforce in a year
- It is also considering an Annual Survey of Services, along the lines of the Annual Survey of Industries
- Centre could use lakhs of firms registered under GST as the sample frame to capture employment
- Called for a fresh definition of formal employment to include any person who gets a Form 16, workers covered under any one of the The Employees' State Insurance Act, 1948 or EPF and miscellaneous Provision Act 1952
- EUS conducted by NSSO till 2011-12 at an interval of five years; annual and sub-annual EUS by the Labour Bureau since 2011-12; the Census of India; an Economic Census conducted for agricultural or non-agricultural sectors

'India's labour laws are anti-employment': Singapore's Deputy PM

- Terming jobs as the country's biggest challenge
- He suggested giving real authority to cities and states to 'move the boundaries' of labour and land legislations.
- Education system has not prepared people for the needs of the modern economy
- Warning that the window of opportunity for labour-intensive economic activity is narrowing, he said the pace of adoption of AI and robots in the manufacturing process will accelerate

Centre mulls changing minimum wages formula

- Cabinet is expected to approve a bill that, among other things, empowers the Centre to set a minimum wage to help poor, unskilled workers earn more.
- Minimum wage would hurt workers by increasing unemployment, except when it is set below the market price for labour; or only marginally higher
- Companies instead of firing workers, may employ them for fewer hours
- Central Advisory Committee on Minimum Wages, headed by Labour Minister decided to constitute a committee
- Committee would deliberate upon the following factors— number of units per family, inclusion of dependant parents and "treatment of women and children at par with the male family member."
- Norms today are based on recommendations of the Indian Labour Conference in 1957.
- Minimum wage level for industries is fixed based on 2,700 calories of food per person, 72 yards clothes, minimum housing rent and education and light and fuel.

Partha mukhopadhyay working group on migration

- Recommended welfare measures and administrative actions for migrants.
- Census 2011 highlighted that migrants constitute 30 percent of national population as well as total working force.
- Migrants could not get the benefits of welfare schemes if they migrate to other states for example around 45 percent of total migrants excluded from PDS, financial inclusion and SSA
- States should move away from the requirement of domicile status to prevent any discrimination

- Post Offices, banking system and Payment Banks, need to be strengthened to reduce the cost of transfer of money and to avoid informal remittances channels.
- Underutilized Construction Workers Welfare Cess Fund should be used for the benefits of migrants.

The great Indian migration

- The proportion of the elderly started increasing in the southern States several years ago. Now, the phenomenon has extended to the western, extreme northern and eastern States. They will require young workforce, likely to be met by people from the youthful north
- The socio-economic implications of young people heading south, leaving the children and elderly behind
- The challenges of moving into new communities that speak different languages and have different cultures
- Along with the migrants, the issues of the locals must also be appreciated.
- States need to work together to provide portability of identity proof and entitlements

Vision zero conference: occupational safety and health

- GOI with Germany organised world first Global conference on theme of 'Vision Zero conference on Occupational safety and health' for achieving the Zero-Accident at workplace.
- Providing safety and protective environment to worker is mandated by ILO
- 4 fundamental principles, viz., Life is non-negotiable, human are fallible, tolerable limits are defined by human physical resistance, people are entitle to safe workplace.
- Parliament has cleared Employee Compensation (Amendment) Bill, 2016 (amends EC Act, 1923); for compensation to employees and their dependents in case of injury by industrial accidents, including occupational diseases.
- Dispute related to an employee's compensation are heard by a Commissioner (with powers of a civil court). Appeals from the Commissioner's order lie before the High Court.
- Duty to inform employee for right to compensation
- Penalty for failure to inform- enhanced the amount from 5000 to between 50,000 and 100,000

What is EPFO (Employee Provident Fund Organisation) and Employee State Insurance Corporation?

- It is statutory body under ministry of Labour and Employment implementing retirement benefit scheme
- It is administered by Central Board of Trustees headed by Labour Minister.
- It has representation from government, employers and employees.
- ESIC: statutory, under ministry of Labour; implements medical and cash benefits to employee of organised sector against the events of sickness, maternity, disablement, death due to employment injury.

Revamped bonded labour scheme, 2016:

- Government has revamped the CSS for Rehabilitation of Bonded Labourers
- <u>State Govt is not required to pay any</u> matching contribution for the purpose of cash rehabilitation assistance.
- 4.50 lakh will be provided per district for survey of bonded labourers.
- Financial assistance: One lakh per adult male beneficiary, 2 lakh for special category beneficiaries, 3 lakh in cases of bonded or forced labour involving extreme cases of deprivation or marginalization such as trans-genders.
- Bonded Labour Rehabilitation Fund will be created at District level by each State with a permanent corpus of at least Rs. 10 lakh at the disposal of the District Magistrate
- As per Global slavery Index 2016 by Walk free foundation of Australia, India has the highest number of modern slavery in the world in absolute numbers totaling 18.35 million.

Labour participation rate of women in India visibly low, says World Bank study

- **ILO** ranks India's female labour force participation rate at 121 out of 131 countries in 2013, lowest in South Asia, with the exception of Pakistan. Globally, only parts of the Arab world held a lower FLFP rates than India.
- In 2013, FLFP per cent for India was 27 against China's 63.9, and it was 56.3% in the U.S., 79.9% in Nepal
- <u>Approximately 53 per cent of drop occurred in rural India, among those aged between 15 to 24 years.</u>
- An increase in educational enrolment, attainment of socio-economic status, household composition, stability in family income, increasing share of regular wage earners and declining share of casual labour largely contributed to the drop

Centre puts onus on States to set factories' threshold limit

- Centre is now proposing an enabling provision that lets State governments <u>decide the threshold over which a unit will</u> <u>be considered a factory</u> for the purpose of the law.
- Earlier, the Centre had proposed that the Factories Law be applicable to all factories that employ at least 40 workers a move that was strongly opposed by the central trade unions.
- The present Factories Act 1948 applies to establishments with 10 or more workers, if the premise is using power and to establishments with 20 or more workers, without electricity connection.
- Factories with less than 40 workers were to be covered under a new law for small factories.

Plan to allow larger firms to shut shop sans govt. nod

- Labour Ministry has proposed that factories with up to **500** workers be allowed to lay off workers or shut shop without seeking government permission, in a bid to give firms flexibility in hiring and firing employees.
- At present, factories with up to 100 workers are allowed, according to the Industrial Disputes Act, 1947.
- In May 2015, Ministry had proposed 300
- 99% of a total of 4.53 crore non-agricultural establishments employed less than 100 workers in 2013-14
- Law on prior permission has a chilling effect on new investors with tougher exit norms

Centre may expand social security net

- EPFO central board of trustees to consider extending social security to volunteers under anganwadi, MDM and ASHA
- Proposed lower contributory rate of 10% of income towards EPF be allowed for scheme workers as against 12% for the organised workers.
- Centre can issue a notification to cover any class of establishments with lower contributory rate under EPF Act 1952.
- This will only be applicable to scheme workers in organisations employing at least 20 workers.

Centre may execute proposed social security law in phases

- Labour Ministry may implement its proposed social security law in a phased manner <u>exempting small factories</u>, <u>employing up to 10 workers</u>, from its ambit initially.
- SME had raised concerns over the government's proposal as the financial implication of such a move would be huge
- The provident fund and pension contribution is mandatory only for factories employing at least 20 workers at present.
- 98.62% of the total establishments employ less than 10 workers

Draft Social Security Code raises doubts about efficacy

- Consolidating as many as 44 labour laws, has created doubts about its efficacy
- <u>Retained drawbacks</u> of earlier legislations and is evasive about benefits accruing to workers in <u>unorganised</u> sector
- Activists said the code was a "<u>complicated set of rules</u>" and it did not address the concern of labourers in the domains of wages, welfare, industrial relations, safety and work conditions.
- Fate of important institutions such as EPFO and ESIC would be unclear if the new code was adopted.
- There seemed to be a move to privatise the management of funds collected for workers' social security.

- There were some States where social security for workers was even more advanced than the Central laws. If the new laws came into force, the progress made in some States would be defeated
- Domestic workers, who do not get certificate of work by their employers, would be out of the social security net.

Domestic labour

- <u>1971 Census recorded only 67,000 domestic workers.</u>
- The 1991 Census (LPG) recorded 10 lakh domestic workers. <u>NSSO 2004-05 recorded 47 lakh</u>; 30 lakh, were women.
- Large number of these workers are <u>inter-State migrant labourers</u> from impoverished districts
- Nexus between the police, employers, politicians
- Indian unwillingness to ratify <u>ILO Convention 189</u> on Decent Work for <u>Domestic Workers</u>, and thereby, to modify labour laws so as to bring domestic work under the purview of state regulation.
- Employer-dominated, low, stagnant wage rates, irregular payment of wages, extraction of more work than agreed upon at the start of employment, and the practice of arbitrarily reducing wages
- The lack of redressal machinery for workers is compelling workers to resort to violent forms of agitation (Noida)

Unclaimed PF to fund medical costs

- Savings remaining unclaimed in dormant EPF accounts for <u>seven years</u> will be used to fund a new scheme for providing <u>medical benefits to pensioners under EPF scheme</u>, according to Labour Ministry sources.
- <u>Scheme will be contributory</u> in nature with EPF pensioners contributing a portion of their income towards the medical scheme and rest flowing from inoperative accounts of the EPFO.
- <u>Under the ESI Act</u>, workers drawing salary of up to 15,000 per month are entitled to medical benefits
- Act applies to factories with 10 or more workers and also to shops, hotels, restaurants, cinemas and road transport
- Government had framed a law last year wherein unclaimed money under EPF, PPF and small saving schemes such as post office savings accounts for a period of seven years will be diverted to set up a senior citizens' welfare fund.
- The trade unions had strongly protested the move to divert EPF money for setting up a fund for the elderly.
- Labour Minister wrote to Finance Ministry to not divert unclaimed EPF money for other purposes.
- Now the unclaimed EPF money will be diverted for EPF pensioners only.

Labour code to provide social security cover to all workers

- Including <u>self-employed</u> and <u>agricultural</u> workers.
- Even households employing domestic help will also have to contribute according to draft code on Social Security
- <u>Factories employing even a single worker</u> will have to contribute towards social security benefits
- <u>National Social Security Council, chaired by PM, has been proposed</u>. Other members would include: FM, Labour Minister, MOH Minister along with employer and employees' representatives.
- The council will <u>streamline and make policy</u> on social security related to all the Ministries<u>. co-ordinate between C-S</u>, <u>monitor the implementation</u>, <u>regulate funds collected</u> under various social security schemes
- Total contribution to be made by employers towards EPF & ESIC is proposed to be capped at 30% of income.
- All the entities -factories or households will have to register their workers through Aadhaar-based registration

Flexible pension for informal staff mooted

- Workers from the informal economy and the agricultural sector should be allowed flexible contributions and withdrawals from pension plans due to the vagaries of their incomes and the risk of disasters, PFRDA said
- Recommended a specific pension scheme for young women along the lines of the government's Sukanya Samriddhi Scheme for young girls.

Legal – court random

No case for an all India judicial service

- The proposal to create AIJS was first mooted by LCI in 1950s.
- Disagreements within the judiciary, government and Bar over its necessity and desirability.
- Fresh move to implement it and <u>nine High Courts expressing their disapproval</u>.
- AIJS does not solve even a single problem faced by the Indian judiciary.
- District judges will be recruited centrally through an all-India examination and allocated to each State
- This will ensure a transparent and efficient method of recruitment to attract the best talent
- Actual issues: What exactly is holding back the smartest and the best from the judiciary?
- BCI has mismanaged legal education.
- SC <u>order for uniformity in pay scales across States</u> in All India Judges' Association case; it is <u>still abysmally low</u> when compared to that in the private sector
- Lower pay would also be acceptable, as with civil services, if the position was accompanied by sufficiently good <u>terms and conditions of service</u>, and a defined <u>career progression</u>.
- Trial court judges face problem in the case of transfers
- AIJS addresses neither the problem of low pay nor the lack of career advancement, district judge representation in HC
- <u>"National exam" risks shutting out those from less privileged backgrounds</u> from being able to enter judicial services.
- It may also end up not taking into account <u>local laws</u>, <u>practices and customs</u> which vary widely across States, vastly increasing the <u>costs of training for judges</u>

Food security: SC raps Centre, States (Swaraj Abhiyan case)

- Criticised the governments of drought-hit States for not appointing State food commissions under NFSA.
- SC noted on how SFC, set up in Haryana, MP, Karnataka, AP etc sit jobless and without proper infrastructure
- SC said the Centre cannot look the other way, passing the buck on to the States for not implementing the law.
- <u>Referring to Article 256</u> of Constitution, SC said "Govt cannot plead helplessness in requiring State Governments to implement parliamentary laws".
- Asked to focus on the spirit of co-operative federalism
- Directed the government to frame rules and designate independent officials for grievance redressal mechanism

- Directed the States to set up SFC, vigilance committees & social audit machinery. (sec 14 15 16)
- System should have in-built mechanisms to allow for the entry of new households that suddenly find themselves in financial distress, while others can exit it based on changed circumstances. (need sec 14 15 16)

Leila Seth, Delhi High Court's first woman judge, passes away

- Leila Seth, the first woman judge of the Delhi high court and member of the Justice J. S. Verma committee
- First woman to top the London Bar exam, first female judge of Delhi HC, first woman CJHC (Himachal Pradesh).
- She was a member of the 15th Law Commission of India from 1997 to 2000.
- She was also the Chair of the Commonwealth Human Rights Initiative (CHRI) for several years.
- She was responsible for studying the effects of the television serial, Shaktiman on children.
- Responsible for amendments to Hindu Succession Act that gave equal rights to daughters in joint family property.

SC cracks down on judicial delays

- <u>Non-performers among judges should be weeded out, the Supreme Court held.</u>
- SC fixed a <u>time-bound hearing and disposing of criminal cases</u>, <u>especially in bail</u> applications. Suggested that bail applications be decided in a <u>week by subordinate courts</u>, <u>month by HC</u>.
- The court said magisterial trials concluded within six months and sessions trials within two years.
- Court asked HC to ensure that subordinate courts dispose of cases pending for five years by the end of 2017.
- Liberal adjournments of cases must be avoided and witnesses once produced must be examined on consecutive dates.

Filling HC vacancies on war footing: Khehar

- Discussions on the MoP centred around <u>clause of national security</u>, with the <u>government proposing that it wanted to</u> retain the power to veto a judicial name
- <u>Collegium has reserved the right to reiterate a judicial name</u> in case it is not satisfied with the government's veto

Lack of timely legal help affects judicial credibility: CJI

- The credibility of the legal system and ROL have come under "severe strain" in the absence of timely help to poor
- Para Legal Volunteers (PLV), according to him, enabled ordinary and helpless people to access the legal system.
- These volunteers trained under the 2009 PLV scheme act as filters relating to disputes that need to be formally dealt with by the legal services.
- Para legal volunteers save time and money of the poor

Two cases of contempt

- SC provided <u>Vijay Mallya</u> an opportunity to appear in person before the court and address it on the "proposed punishment" for contempt, <u>Justice C.S. Karnan</u>, a judge of the Calcutta HC, was not afforded this chance
- <u>Article 129 and Article 142 (2)</u> enables SC to issue notice and punish anyone <u>for its contempt or contempt of any</u> <u>subordinate courts.</u>
- Contempt of Court proceedings have the effect of muzzling free speech guaranteed under Article 19
- <u>Article 19(2) includes 'contempt of court' as a reasonable restriction</u> on free speech
- It sentenced him to six months' imprisonment, to be "executed forthwith".
- Section 235 (2) of CRPC mandates that a judge shall hear the accused; though <u>SC as a court of record may not be</u> bound by CrPC

Jailing a judge: On Justice Karnan arrest

- Justice Karnan's imprisonment should have been avoided to keep the judiciary's dignity
- Karnan was due to retire and it would have been sufficient if he was allowed to do so under a dark cloud of dishonor

- Non-allotment of judicial work and transfer to another High Court were measures available
- Recommending his impeachment was a possibility
- There is no defence of Karnan's disdainful refusal to answer the contempt charge or going into hiding to avoid arrest
- It is also time for some introspection within the judiciary on the manner in which judges are chosen.
- The absence of a mechanism to <u>discipline recalcitrant judges</u> is another glaring lacuna in the existing system.
- Embarrassment caused by Karnan has triggered a call within SC to reconsider efficacy of recently revived system
- What appropriate mechanism would be suitable for <u>assessing the personality of the candidate</u>?
- He alleged against innumerable judges of the Supreme Court, Chief Justices of the High Courts and other judges.
- Karnan sentenced all the seven judges on the Bench to five years' imprisonment.

Fishermen deaths raise questions over who enforces the law at sea

- A Panama-flagged cargo vessel rammed fishing boat killing two people 30NM northwest of Kochi coast.
- UNCLOS says 12 nautical miles constitutes territorial waters of a country. From 12 to 24 nautical miles, it will be considered contiguous waters. Beyond that, up to 200 miles is a country's EEZ
- In Enrica Lexie case, Court ruled that Kerala did not have jurisdiction in contiguous waters and only Union had acc to Indian Maritime Zone Act, 1976
- In June 2016, the Union government decided to extend the jurisdiction of selected police stations on land from 12 nautical miles to 200 nautical miles into the high seas.
- Now as per Indian law, the Kerala coastal police can proceed with the investigations.

Liquor ban

Patna HC sets aside ban on ENA

- Patna High Court set aside the Bihar government's decision to ban production of Extra Neutral Alcohol
- The petitioners submitted they had been given the licence to produce ENA, <u>also known as industrial alcohol</u>
- Court observed that the government had no right to ban production of ENA as it is used in various other industries

Liquor drives State Highways to turn local

- A PIL was filed by <u>NGO Arrive Safe</u> in SC
- <u>States are now re-classifying State Highways</u> into local roads following Court order on the ban of liquor outlets located within 500m of National and State highways
- Classification of major district roads and State Highways is the States' prerogative.
- However, once it gets classified as a NH, the de-notification can only come from the Central government
- The maintenance responsibility in such cases will shift to the States, which lack the capacity in some cases
- Collateral consequences: lost livelihoods and a substantial hit in tourism for States such as Goa
- Banning alcohol and managing distance from highways is policymaking and SC has indulged in "judicial overreach".
- <u>Court referred to a number of government policy documents</u> that drew a correlation between alcohol consumption and road accidents. It also <u>referred to the fact that government had issued circulars "advising" State governments not to grant any new licences to liquor shops along the highways</u>.
- The court observed that it was not fashioning its own policy but enforcing the <u>right to life</u> under Article 21
- It may be argued that <u>Article 21 is not merely a right against state action but also against state inaction \</u>
- <u>Indian Road Congress notification</u> 1983 states that Highways become arterial, sub-arterial or Collector's (district) roads when they enter or pass through urban localities. The industry might get relief if the government deems it valid.

Kerala adopts liberal policy on bars

- Kerala's new liquor policy has empowered the authorities to grant bar licences to any hotel with 3,4,5 star rating
- Revitalising the hotel and tourism industries, generating employment, and replenishing revenues.
- It would also shut illicit liquor saloons.

Punjab amends law for liquor sale near highways

- Punjab has become the first State to take the amendment route to make way for liquor sale near highways
- Allowed to serve alcohol to customers for consumption within their premises to secure the livelihood
- However, sale of liquor for takeaway purposes shall be permitted only through licensed vends which shall not be located within 500 metres from the outer range of the National or State Highway

SC shows States a way out of liquor ban

- Chandigarh administration's move to de-notify highways as "major district roads" did not find any objection
- <u>CJI reasoned that judgment making 500m alongside National and State Highways liquor-free zones is only applicable as long as a road remains a highway, no more.</u>
- Khehar remarked that traffic inside city limits is usually slow and stretches de-notified fall within city limits.
- The goal of the liquor ban was to prevent drunken driving in fast-moving traffic.

NUN

Make in India

Manufacturing PMI at 47.9, records steepest contraction since Feb. '09

- According to the Nikkei Manufacturing <u>Purchasing Managers' Index</u>, due almost entirely to the introduction of <u>GST</u>
- A score above 50 implies an expansion of activity while one below 50 denotes a contraction.
- New orders and output decreased for the first time since the demonetisation-related downturn

Apple told to follow localisation roadmap

- Centre has asked Apple to follow official localisation roadmap, drawn by MEITY in consultation with the industry, which will end the need for additional concessions for making its phones in India.
- Apple had requested that it be allowed duty free imports of certain components for a 15-year period.
- <u>Foreign investment up to 100% is permitted</u> for a company engaged in the business of manufacturing mobile phones.
- Government received representations seeking concessions on 30% local sourcing of components
- In case of <u>"state-of-art" and "cutting-edge technology"</u>, sourcing norms could be relaxed subject to government for 3 <u>vears</u> from the opening of the first store

Success, the 'ZED' way

- Supply side interventions under MII: FDI, EOB, infra and competitive federalism
- ZED focus is not only the most arduous to achieve but also most durable in its impact on overall competitiveness.
- 'Made in Germany' products were perceived as the best. China was ranked last (49th) India at 42nd
- While low-cost manufacturing is important for India, a comprehensive policy on value-addition is needed
- The initiatives under ZED, National Productivity Council and QCI need to be amplified multi-fold

'Assess impact of MII plan'

- <u>Parliamentary panel chaired by Bhupinder Yadav</u> has sought assessment <u>if MII has helped MSME</u>, seized opportunity of <u>demographic dividend</u>, job creation and <u>FDI inflows</u>, whether agencies are meeting the <u>deadlines</u>.
- 'MII Action Plan' had set short-term (one year) and medium-term (3 years) targets
- MII initiative covers <u>25 focus sectors</u> ranging from automobiles to wellness.
- On industrial development of backward and remote areas, the panel said, "possibility of giving suitable subsidy may be explored for industries investing high capital, which may be 500 crore or above in select sectors like food processing and other employment generating industries congenial to the region."
- <u>Interest Equalisation Scheme</u> would enable greater coverage and help augment export competitiveness (interest equalisation of 3% to all exports of MSME)
- Share of manufacturing in India's GDP has stagnated at 15%-16% since 1980 while the share of comparable economies in Asia is much higher at 25%-34%.
- According to IBEF, "manufacturing sector has the potential to touch \$1 trillion by 2025, account for 25-30% of GDP and create up to 90 million domestic jobs".

Casting a hopeful eye to the future

- \$18 billion Indian foundry/casting industry is looking to double growth rates.
- Growth in the <u>auto industry</u>, agriculture sector and earth moving industry has given new hopes.
- India is the world's third-largest casting producer after China and U.S.
- Challenges: technology, manpower, price realization, cost of fuel and power in India is almost double that in China, perception on the foundry industry, wages.
- Coimbatore is the largest foundry cluster in India having 300 to 400 foundries. Second comes the Kolhapur
- A majority of the foundries in India are SME foundries. These are very small and very valuable.

Modified special incentive package scheme (MSIPS)

- To achieve <u>net zero imports in the electronics sector by 2020</u>.
- M-SIPS policy was launched in 2012 for a three year period by MeitY.
- Its primary objective was to encourage investments in Electronics System Design and Manufacturing (ESDM) Sector
- The policy encourages companies to produce domestically by providing them <u>20-25% subsidy on capital expenditure</u>.
- National Policy On Electronics' vision is to create a <u>globally competitive ESDM industry</u>
- attracting investment of <u>\$100 Billion</u> and generating employment for <u>28 Million</u>

Draft national steel policy ministry of steel

- The policy proposes setting up <u>Greenfield Steel Plants along the Indian coastline under the Sagarmala Project to tap</u> cheap imported raw materials such as coking coal and export the output without incurring huge cost burden.
- The policy has also proposed the idea of gas-based steel plants, production of 300 million tonnes by 2030-31.
- India <u>currently imports around 70% of coking coal</u> requirement. It aims at <u>raising the availability of washed coking</u> coal to <u>reduce import dependence on coking coal by 50% by 2030-31</u>
- India is the third largest producer of finished steel in the world coming after China and Japan.
- <u>Preference to domestically manufactured iron & steel products (minimum value addition of 15%) in Government procurement to accomplish MII</u>
- <u>There are provisions for waivers to all such procurements</u>, where <u>quality or quantities</u> as per demand of project cannot be met through domestic sources.
- It may reduce the inclination to use low quality low cost imported steel in govt projects; dumping of steel in India

Industrial policy, clusters for manufacturing on anvil

- The process for formulation of a new industrial policy has been initiated
- Government is also preparing a national plan for manufacturing clusters with an aim to bring about convergence in development of industrial areas by central and state governments.

'Make In India' yet to spur manufacturing, says PSC on Commerce

- Questioned the country's low manufacturing growth despite MII, Startup India and FDI reforms
- Manufacturing growth averaging just 1.6% in the five years

Minority issues

Hindi being 'promoted' as per Act: Rijiju

- Faced with criticism that the Central government is unfairly imposing Hindi on non-Hindi-speaking States
- Under the <u>Official Languages Act 1963</u>, <u>Committee of Parliament on OL</u>(20+10) <u>reviews Progressive use of Hindi in</u> <u>the Central government offices every 10 years</u>
- Though the <u>recommendations were not mandatory</u>, the government can write to States and government departments.
- The committee discussed the issue of non-publication of official documents and reports in Hindi
- Those holding top government posts should give their speeches/statements in Hindi, especially those who can
- Government officials should use "simple Hindi" to encourage the spread of language among the masses.
- Option for students to write their exams in Hindi, <u>minimum knowledge of Hindi must for government jobs</u> and <u>mandatory announcements in Hindi at railway stations</u> in non-Hindi speaking States
- It may sow the seeds for another anti-Hindi agitation.
- Article <u>120 and 210</u> regarding <u>language to be used in parliament and state legislature</u>
- Article 343 gives power to parliament to decide languages to be used for official work
- Article <u>344</u> provides for constitution of parliamentary <u>committee every 10 years</u>
- Article <u>351</u>: It shall be the duty of the Union to promote the spread of the Hindi language

Hindi may become must till Class X in CBSE schools

- Students of schools affiliated to <u>CBSE and KV</u> may have to compulsorily study Hindi till Class X with recommendations of a parliamentary panel in this regard getting the President's nod.
- HRD has been instructed to form policy in consultation with State governments
- <u>CBSE had recommended 3-language formula Eng and 2 Indian languages</u> to be expanded to Classes IX and X.

The appeasement of none

- PIL in SC alleging that the <u>rights of religious and linguistic minorities in JK</u> are being "siphoned off illegally and arbitrarily" and subsequent affidavits by Central and JK governments give us a chance to look again into the secularism versus communalism
- Supreme Court <u>TMA Pai Foundation v. State of Karnataka</u>, held that the unit for the <u>purpose of determining the</u> <u>definition of minority would be the State, not the whole of India.</u>
- National Commission for Minorities Act was passed in 1992 to give a statutory backing
- It extends to the whole of India except Jammu and Kashmir
- As per Section 2 (iii), 'minority' means a community notified as such by the Central government.
- Though the Act nowhere makes it mandatory for States to have a Minorities Commission of their own, 18 do.
- However, the question is whether minorities get the benefits of being so in all the States where they are in minority. In Punjab, for instance, Hindus are only 38.4% of the population, but they have not been notified as a minority
- <u>SC in Bal Patil v. UOI</u> had said National and State Minorities Commissions should direct their activities to maintain the unity and integrity of India by gradually eliminating the minority and majority classes.

NITI AAYOG

NITI Aayog to present new approach

- <u>3-year policy action plan, 7-year strategy, 15-year vision</u> document to replace the old system of FYP
- Without the larger strategy and vision in place, the three-year action plan is likely to be more of an abstract wish list
- To make cooperative federalism truly effective, <u>the Council</u>, <u>or Team India must meet more often</u> a nearly twoyear gap in doing so is a recipe for communication breakdown. <u>3 year action agenda:</u>



scientist to coordinate with SNT departments and private sector bodies and deliberate on national issues and recommend interventions

Niti Aayog's action agenda has great potential: Jaitley

- Niti Aayog's three-year action agenda has the potential to trigger economic activity and development
- Therefore, the chances of a massive cut in poverty rate in the upcoming decade are excellent
- Aayog recommended a massive increase in outlays on healthcare, defence, railways and road sectors.

NITI Aayog for less teaching, more research in world class universities

- To ensure that investments in research better translate to more products and bolster "innovation and development"
- Universities ought to be <u>allowed to recruit research staff from abroad</u> and be encouraged to <u>compete for research</u> <u>projects from industry</u>.

Niti Aayog for abolishing 2% duty on mobile phone circuits

- Budget had imposed a 2% special additional duty on imports of PCBs used for mobile phones, to push MII of PCBs
- Mobile phones could become cheaper if the government accepts a Niti Aayog proposal
- Government must ensure that industries are not built behind 'a wall of protection.'
- Though India has the potential to become a large electronics manufacturer and exporter due to its large labour force, a growing domestic market and proximity to other economies, the sector accounted for just 3% of India's merchandise exports in 2015
- An aggressive export strategy is essential to credibly prepare ourselves for the fourth Industrial Revolution.
- Must address high costs of inputs, reduce administrative burden and provide appropriate incentives to producers

Judicial performance index mooted by NITI

- JPI will entail 'non-mandatory time frames for different types of cases to benchmark when a case has been delayed.'
- JPI could help HC keep track of the performance and processes at subordinate levels for reducing delay

- This could also spur competitive reform of the judiciary in States
- Also mooted changes in criminal justice and procedural laws, a repeal of all irrelevant legislation by March 2019 and reforms in land ownership laws which account for 67% of litigants in civil suits.
- Asked MHA to create a task force to identify 'non-core functions' that can be outsourced to private agents in order to reduce workload of police. (serving court summons, address verification for passport applications or job verifications)
- India's police to population ratio should reach UN norms of 222 per lakh population, over the next seven years, from the <u>current level of 137</u>.

Reorient social sector subsidies: NITI Aayog

- So that beneficiaries don't become dependent on them
- Subsidies have tended to crowd out socially productive expenditures such as those on education and health
- Scope for better <u>targeting through the use of SECC and DBT</u>

Minority status only if trusts enrol on NITI site

- Educational trusts and societies seeking minority status will now be required to register as NGO with NITI Aayog, whether they are seeking government aid or not.
- The registration with the NITI <u>Aayog portal Darpan</u> is likely to put all the financial transactions of the trust and its office-bearers under government scanner as details such as PAN and Aadhaar will be required for the enrolment.
- Will not be applicable to institutions run by individuals.
- Minority status permits schools and colleges to have a say in reservation quantum and limits interference from govt
- The government had last year made it mandatory for NGOs to register with Aayog portal to enable them to apply for grants. However, the trusts and NGOs not seeking government funding were not required to do so.

Non government organizations

FCRA, 2010:

- It prohibits the acceptance and utilization of foreign contribution by individuals or associations or companies for activities <u>detrimental to national interest</u>.
- Funds can be collected only for research, training, awareness, rehabilitation and relief for victims of man-made and natural calamities, maintenance of buildings and real estate for philanthropic activities.
- India is a party to ICCPR and FCRA is in violation of this, as <u>restrictions in name of "public interest" and "economic interest" are too vague</u>

Foreign funds surge under NDA rule

- As per <u>MHA</u>, which regulates the flow of foreign funds to NGO in India, 15-16 fiscal saw a flow of <u>17,208C</u> the <u>highest in five years</u>.
- 33,000 NGOs registered under FCRA are required to file annual returns with MHA

- MHA new rules require NGOs to give an undertaking that foreign fund is not likely to prejudicially affect the "sovereignty and integrity of India or friendly relations with foreign states and does not disrupt communal harmony".
- Home Ministry has cancelled the registration of over 10,000 NGOs in 2015 for not complying with the norms.
- The registration of GI was cancelled on the premise that it compromised the country's "economic security".

Centre hands over to SC accreditation guidelines for NGOs, VOs which receive grant

- Court had directed govt to audit nearly <u>30 lakh NGOs which received public funds</u> but failed to explain how they spent the money
- CBI records filed in 2016 in SC had shown show that only 2.9L NGOs file annual financial statements
- MORD guidelines: manner in which VOs/NGOs, which are recipient of grants, would maintain accounts, procedure for audit, procedure to initiate action for recovering of grants in case of misappropriation and criminal action
- <u>NITI Aayog/darpan is nodal agency</u> for DB, registration and accreditation of VOs/NGOs seeking funding
- SC suggested that the government ought to frame a statutory law as guidelines might not prove sufficient

U.S., Germany slam India for new funding norms

- NGOs must abide by India's laws, AG told <u>UNHRC at the 5-yearly review of India's record</u>, as the government faced a <u>tough "peer review" over FCRA</u>, AFSPA, homosexuality, minorities, Convention Against Torture, Attacks on Africans and marital rape
- The attack on the FCRA act came from nearly a dozen countries, mostly from Europe & US

Panel calls for 'light regulation' of NGOs

- Committee, S. Vijay Kumar, appointed by govt on order of SC recommended "light regulation" to reduce harassment.
- Details of NGOs should be available as searchable database information.
- Recommended that <u>registration procedures be modernised</u>
- Reduce the need for a physical interface between NGOs and public officials acting under IT Act and FCRA
- A nodal body to oversee the various interfaces between NGOs and the government
- <u>Recommended a separate law</u> for VO engaged in activities of a charitable or "public good" nature to enable more effective and efficient regulation of the sector.
- Recommended an overarching legislation that would replace various State-level and existing Central laws.

Northeast issues

Northeast a major gateway, says Modi

- Govt aims to make <u>NE a gateway to SEA</u> and is making investments for development, connectivity and tourism
- Investment of Rs. 40,000 crore to improve the road infra in region, 19 big railway projects, small airports

New bridge will spur a revolution: Modi

- Modi inaugurated <u>country's longest bridge</u> over the <u>Lohit river</u> in Assam.
- <u>9.15 km-long bridge</u>, named after Dadasaheb Phalke awardee and legendary lyricist-singer <u>Bhupen Hazarika</u>
- Bridge will save money, reduce travel time and comes as foundation for beginning of new economic revolution.

- It is on the two tracks of physical infrastructure and social infrastructure that complete development is achieved
- With importance accorded to quick movement of military, bridge has been designed to allow movement of tanks

GJM pulls out of Gorkhaland Territorial Administration

- <u>Sikkim gifted Darjeeling to the East India Company</u> in 1835
- In 1907 "on behalf of the hill people" of Darjeeling, "a separate administrative unit" was demanded.
- <u>Gorkhaland</u> separate State within India for Nepali-speaking Indian citizens popularized by <u>Subhash Ghising in 1980s</u>
- West Bengal government and Subhash Ghising signed an <u>agreement on an autonomous DGHC in 1988.</u>
- Pulled out of <u>GTA an autonomous body, created after an agreement signed by GJM, WB and Centre in 2011.</u>
- Urged the State to reconsider its <u>policy of making Bengali a compulsory language in all schools</u>
- Argument that imposing Bengali acted as a trigger may be too severe, as movement was "simmering inside"
- <u>TMC made inroads in the hills and won Mirik</u>, one of the four municipalities that went to the polls recently.
- <u>Bimal Gurung</u> realised that this "simmering" angst could have led to him being replaced had the GJM not relaunched the Gorkhaland movement. He needed an issue and this was when imposition of Bengali cropped up.
- <u>GJM believes that the GTA is just a stepping stone for the creation of a separate State.</u>
- <u>GTA departments are controlled by elected representatives of the GJM</u>, so what is the problem? The idea of <u>regional</u> <u>autonomy did not succeed</u>.
- State government did not let the GTA function according to the letter and the spirit of the 2011 agreement
- The major departments were not transferred to the GTA. Like, land, tea gardens, information and culture.
- GJM too has been guilty of lackadaisical administration.
- West Bengal government has alleged that GJM had "links to Northeast-based militant groups".
- GJM is an ally of the BJP at the Centre.
- State govt must reach out to the GJM and work out a way to transfer powers to the GTA as was promised in 2011.

Gorkhaland

- Gorkhaland is a desire for the recognition, respect, and integration of Gorkha peoples in the Indian nation-state.
- Movement is <u>neither separatist nor anti-nationalist;</u> it is about inclusion and belonging in India.
- Gorkhas prob: low employment, while <u>outsiders own the tea industry</u>, meaning its profits flow out of the hills.

Is Darjeeling stir killing tea and tourism?

- Tea and tourism are twin pillars of economy of Darjeeling. It also has some horticulture, floriculture, spice
- <u>87 operating tea gardens in Darjeeling</u> indirectly employ over a lakh people and directly around 60,000 people
- Not only is <u>productivity being affected</u> due to the closure but the <u>movement of inputs</u> to the gardens
- This may lead to <u>closure of many</u> gardens even after return to normalcy.

Changing contours of the Darjeeling agitation

- Now the fledgling district of <u>Kalimpong</u>, is in striking contrast to previous agitations in the region.
- This has impacted the very dynamics of popular support for the agitation
- Common refrain of the rank is that they should not settle for autonomous bodies as was the case in the past.

Talks to end economic blockade in Manipur fail

- Tripartite talks to end over three-month-long economic blockade of a crucial highway in Manipur failed to make any headway with <u>Naga group refusing to relent from its position of not allowing 7 new districts to be carved out</u> in the hill areas of the State dominated by the Nagas
- MHA. State government and United Naga Council participated.
- The economic blockade in Manipur has led to a shortage of essential commodities in the State

- Indefinite strike called by the United Naga Council and the blockade of national highways.
- UNC operates under the patronage of the National Socialist Council of Nagaland (Isak-Muivah)

Arunachal gets a security package

- MHA special package for <u>strengthening security in 3 eastern districts to tackle the insurgency</u> problem there.
- Package for <u>Tirap</u>, <u>Changlang and Longding</u> will include <u>creation of new posts</u>, <u>purchase of vehicles and equipment</u> <u>for police</u>. <u>Arunachal Pradesh set to acquire all-weather connectivity</u>.
- <u>50,000 crore project for roads and bridges</u> in the State.
- <u>Railway line to Pasighat</u> would be laid soon, commercial <u>airport in Tezu</u>
- To boost telecom and IT connectivity, work on band line for 5035 km is on.
- Commercial flights will be made operational from Pasighat Advance Landing Ground (ALG) soon
- New bridges and commercial airport will smoothen transport to several high-altitude districts
- Airport, the first in the State, will be equipped with night-landing facility.
- The route to Tezu is critical from a strategic point of view as the Himalayan range, which became famous as 'the hump' during World War II, can be accessed only through the mountain roads that begin at Tezu.
- Tezu is the nearest town to Walong, where a legendary battle between Indian and Chinese soldiers took place

'Naming Arunachal towns our right'

- China defended its decision to "standardise" the names of six towns, reinforcing its claims over territory
- Names have been used by <u>ethnic Momba and Tibetan Chinese</u> who have lived here for generations.

Nagaland cabinet step up pressure on Centre in revisiting schedule IX -A

- Experts say, Part IX (A) which <u>pertains specifically to municipalities</u> is not applicable to the state of Nagaland.
- Part IX (A) does not embrace a state which it is wholly tribal.
- Article 371(A) accords special provisions to the state of Nagaland. Part IXA clashes with 371 (A)
- 371(A) states that "No Act of Parliament in respect of: (i) religious or social practices of the Nagas, (ii) Naga customary law and procedure, (iii) administration of civil and criminal justice involving decisions according to Naga customary law, (iv) ownership and transfer of land and its resources, shall apply to the State of Nagaland <u>unless the LA of Nagaland by a resolution so decides."</u>
- <u>Naga traditions preclude women from inheriting land and participating in the decision-making process</u>, which is exactly what Article 371(A) protects.
- <u>Male tribal bodies have been against the 33% reservation for women in ULB</u> in Nagaland on grounds that reservation for women in ulbs would violate Article 371(A) and <u>infringe on Naga culture</u>, traditions and customary laws
- Nagaland government enacted the <u>Nagaland Municipal Act in 2006</u>
- Spearheaded by Naga Mothers' Association (<u>NMA</u>). <u>Naga women filed a writ petition challenging the State</u> government's refusal to hold municipal elections
- In October 2011 <u>HC upheld the petition</u> and directed the government to hold elections
- <u>But Nagaland government filed an appeal</u> before a Division Bench of HC which stayed the previous ruling.
- One argument put forward by Nagaland government was that implementing it would 'upset peace' in Nagaland.
- Nagaland Assembly adopted a resolution rejecting women's reservation in ulbs on the ground that it infringes 371A
- Joint Action Committee on Women Reservation then moved a SLP in SC which upheld the Oct 2011 ruling
- Nagaland government enacted the Municipal Bill 2016, which paved the way for women's reservation in ulbs.
- The <u>tribal bodies protested</u> as soon as the elections were announced and threatened candidates, enforced bandh
- Nagaland government declared the elections 'null and void': decided to write to the Centre demanding that Nagaland be exempted from Part IX A. Article 243T for 33% women reservation in ulbs
- Ulbs are not traditional institutions but constitutional over which Naga traditional bodies have no mandate.

Framework agreement with the Nagas

- 2 years since R.N. Ravi signed a framework agreement on behalf of Union with NSCN-IM to end insurgency
- A joint intelligence chief (JIC) with the Government of India, he is the chief interlocutor for the Naga peace talks.
- Ravi came under <u>criticism for holding a dialogue only with the NSCN-IM and not other groups</u>. When asked, he said the NSCN-IM was the largest group representing the Nagas and the <u>others did not come for the meetings</u>.
- <u>80 rounds of negotiations spanned 16 years</u> with first <u>breakthrough in 1997 when a ceasefire agreement was sealed</u>.
- NSCN-IM has been fighting for '<u>Greater Nagaland' or Nagalim</u> it wants to <u>extend Nagaland's borders by</u> <u>including Naga-dominated areas in neighbouring Assam, Manipur and Arunachal</u>
- There has been little progress in talks, particularly after the death of Isak Swu, one of two leaders of NSCN-IM.
- Ravi was fielded to allay Manipur's fears that the agreement would compromise its territorial integrity.

DONER launches hill area development programme

- <u>Ministry for DoNER</u> launched <u>HADP</u> in the hilly districts of <u>Manipur</u>.
- 3 NE districts which ranked lowest in the <u>Composite District Infrastructure Index</u> belonged to Manipur.
- As a result of topography, there is wide gap between hill and valley districts wrt infrastructure, roads, health, edu etc
- The approach of the Government is two fold: one is equitable development of every area, society and tribe; second is to bring NER at par with rest of India.
- CDII by MDoNER to help in better targeting of schemes and projects within NER to reduce intra-regional disparity.
- Based on <u>7 broad indicators</u> Transport, Energy, Water supply, Education, Health, Communication, Banking
- The index is also expected to serve as a useful guide in formulation of various development policies by GOI

Other backward classes

Rajasthan Jats call off quota agitation

- The agitation by members of the Jat community demanding reservation in OBC category was called off after the State government assured them of considering their inclusion in the OBC list.
- State OBC Commission's report on the subject would be placed before the Cabinet

BC Commission set to get constitutional status

- <u>102nd CA Bill</u> for <u>National Commission for socially and educationally Backward Classes</u> to accord <u>constitutional</u> <u>status</u> to BC Commission, which <u>now has only statutory powers</u>.
- LS cleared. RS referred the Bill to a Select Committee.
- <u>Indira Sawhney</u> (Mandal Commission) case \rightarrow NCBC as a statutory body in 1993.
- Seen as part of <u>BJP's outreach to politically crucial OBCs</u>

- 123rd says the <u>President may by public notification specify socially and educationally backward classes in relation to</u> <u>State or UT. In respect of States, it will be done after consultation with the Governor</u>.
- This will give <u>powers to Parliament to designate castes as OBCs</u>. Addition to the Central list of OBC will have to be <u>cleared through Parliament</u>.
- The proposed commission will have a <u>chairperson</u>, vice-chairperson and 3 members
- Will hear the grievances of backward classes, a function discharged so far by SC commission, Will summon officials given its powers as a civil court, issue directions and have the right to be consulted on policy matters related to BCs
- <u>Present functions</u>: <u>examining the requests for inclusion</u> as a backward class and hear <u>complaints of over-inclusion or</u> <u>under-inclusion and advise the Central government</u>
- The Bill will require the support of two-thirds of the members of the House for its passage.

A solution in search of a problem

- The new insertion into the Constitution (Article 338B) is identical to the Articles 338 and 338A
- The amendment also brings about <u>changes to Articles 342 and 366.</u>
- PROS: Transparency, decrease political opportunism, constitutional authority
- CONS: NCBC 1993 provided that the chairman should be a <u>former judge and member secretary</u> should be a former secretary level officer, one member should be a <u>social scientist</u>, and two <u>persons with special knowlsedge</u> of the socially backward classes. This <u>feature of expert body is not provided for in bill</u>
- Fears expressed by opposition parties on Centre's encroachment on the rights of State government
- Recommendations of new NCBC still not binding.
- There is a possibility of <u>definition of OBCs going beyond its current social and educational criteria</u>.
- Government has brought BCs in league with the SC/STs. It lacks historical justification
- It cannot address the current challenge of well-off castes' demands to be included as BCs.

Govt. left red-faced in Upper House

- MPs from BJP were missing when a Bill granting constitutional status to OBC Commission came up for amendment.
- Congress moved an amendment to Clause III that a <u>woman from the backward community and a member from the</u> <u>minority community be included in the OBC Commission</u>.

Slicing the OBC quota pie: who gains and who loses

- Cabinet has set up of committee to report on the extent of inequalities within OBCs on the Central list and find out scientific ways of sub-categorising the most backward among them.
- This will pave the way for the provision of <u>sub-quotas for the most backward castes within the OBCs.</u>
- Most backward OBC groups will compete among themselves for jobs, educational seats, fellowships and so on
- At present, there is a single Central OBC list, with entries from each State.
- <u>Nine States have already sub-categorised OBCs.</u>
- Politically, this can be seen as an attempt by the government to reach out to the most backward castes among OBCs.
- Advanced OBC castes corner the lion's share of the benefits
- It <u>may adversely affect more advanced castes</u> among OBCs as quotas at the Centre cannot exceed the present 27%.
- <u>Concept of 'creamy layer'</u> was perceived to limit the benefits of reservation too most needy
- Properly implemented, it could have had the effect of allowing a more equitable spread of the benefits
- Large sections of the creamy layer still taking advantage of the quota system
- <u>Cabinet decided to raise the ceiling for creamy layer (8 lakh per annum)</u>. This is at cross-purposes with the move toward sub-categorisation, allowing those with higher earnings to enjoy reservation benefits.
- The effort is to make other caste groups see dominant castes such as Yadavs as competitors

OBC list to be sub-categorised

- Committee has a 3-point mandate. Examine extent of inequitable distribution of benefits of reservation among OBCs
- Work out the mechanism, criteria and parameters for the actual sub-categorisation.
- Bringing order to the Central list of OBCs by removing any repetitions.
- National Commission for Backward Classes had recommended it in 2011 and a standing committee too had

Polity

Jairam takes Money Bill row to Supreme Court

- Challenge to passing of Aadhaar as Money Bill; government said Speaker was final authority
- A money bill is defined by <u>Article 110</u>, contains only provisions that <u>deal with all or any of the matters such as tax:</u> borrowing by GOI; the withdrawal of money from CFI
- <u>Aadhaar</u> Bill concerned the linkage of Aadhaar facility to various welfare schemes for which <u>money was withdrawn</u> from the Consolidated Fund.
- Aadhaar Act as a money bill rendering redundant any opposition in RS
- Speaker's decision is beyond JR finds support in SC judgment Saeed Siddiqui v. State of UP (2014).
- It brushes aside the verdict of a Constitution Bench in <u>Raja Ram Pal (2007)</u>, where the court had ruled that clauses that attach finality to a determination of an issue do not altogether oust the court's jurisdiction.
- A simple reading of the Aadhaar Act would show us that its contents go far beyond the features enumerated in 110.

Governor not 'duty-bound' by popular will, says SC

- Governor has come under intense <u>scrutiny for not inviting AIADMK interim general secretary Sasikala</u> to form the government <u>despite the fact that her faction commanded a majority</u> in the Legislative Assembly.
- Support of elected representatives in Legislature reflects "will of the people"
- However, a 2001 SC precedent holds that Governor should not always be swayed by "popular will"
- Constitution empowers the Governor to use his discretion to ensure a stable government.
- Governor kept Sasikala's appointment in abeyance while SC had already indicated that its judgment in the DA case involving Sasikala was due in a week.
- In appointing Sasikala as CM, the State would have courted another round of political crisis following the Supreme Court judgment upholding her conviction for corruption and criminal conspiracy

The Governor's options

- The Governor did not consult the single largest party, the Congress, before giving Mr. Parrikar the green signal.
- The SC, in turn, said the Congress did wrong by not staking its claim to form the government.
- The debacle exposes the fact that there are <u>no specific guidelines in the Constitution on who the Governor should</u> <u>invite to form a government in a State where rival parties with narrow majorities engage in a face-off.</u>
- <u>Convention of inviting the single largest party in the case of a fractured mandate has been outlined by the Sarkaria</u> <u>Commission</u>, which were affirmed by a Constitution Bench of the <u>SC in Rameshwar Prasad</u>
- It provided the order of preference the Governor should follow in selecting a Chief Minister in a **fluid** situation: (1) A pre poll alliance. (2) largest party staking a claim (3) post-electoral coalition. (4) A post-electoral alliance including independents, supporting from outside

• If there is a fractured mandate, then Governor should select a leader who, in his/her judgement, is most likely to command a majority in the Assembly.

Inter state council-states pan 'politicisation' of governor's role

- ISC discussed the discretionary powers of the Governor during government formation; tenure of governors
- <u>States wanted a cooling-off period for retired bureaucrats and judges before they are appointed Governors.</u>
- Many States felt that a Governor should be qualified, non-partisan and not to have a say in politics.
- The meeting of ISC, held after a gap of 12 years
- On another controversial issue of granting prosecution sanction against a member of COM under Section 197 CrPC, seven States, including UP and Punjab, contested the Punchhi Commission's recommendation that Governor should follow Supreme Court interpretation that a Governor is not bound by the advice of the Council

Rolling back Ordinance Raj

- SC Krishna Kumar Singh: re-promulgation of ordinances is fraud on Constitution, subversion of legislative process which is the primary source of law-making
- SC gave verdict in this case while examining validity of Bihar ordinance which was re-promulgated 7 times
- Though it was talking about a state ordinance, this judgment will be binding on ordinances by the president as well.
- The temptation to use the power vested in the <u>President and the Governors under Articles 123 and 213</u> of the Constitution is generally a result of one of the following three reasons: reluctance to face the legislature, fear of defeat in the Upper House, and the need to overcome an impasse in the legislature caused by wilful disruption
- Open legislative debate provides a sunshine which separates secrecy of ordinance from transparent lawmaking.
- Court had already declared in 1986 D.C. Wadhwa that repeated re-promulgation of ordinances was unconstitutional.
- <u>Judgment widens scope of JR of ordinances</u>. Court can go into whether President or Governor had any material to arrive at satisfaction that an ordinance was necessary and to examine whether there was any oblique motive.
- SC has pointed out, power to issue an ordinance is essentially an emergency power, used in extraordinary situations.

Ordinances should be last resort: Pranab

- Parliament was for "debate, discussion and dissent."
- <u>Disruptions hurt the Opposition</u> as it took away from it the opportunity to raise people's concerns.

Should NOTA be an option in a State Assembly vote for RS

- "NOTA" available on the ballot paper in Gujarat RS election
- BJP, Congress sought to convince SC and EC that MLAs should not have this option.
- SC refused to stay, saying that provision in place since April 2014 after direction by EC
- PR, STV, open ballots are used in RS elections.
- In RS elections, if an MLA chooses NOTA, the vote is rendered ineffective, acts as protest vote against party without having to choose candidates from opposing parties.
- Party can issue a whip, but anti-defection law provisions do not apply, and a defiant MLA is not disqualified (SC Kuldip Nayar case). Parties have worries about keeping control of their flock in RS elections.
- Parties would be better off <u>relearning the art of floor management</u>.
- Negatives: NOTA <u>makes the system of PR-STV nugatory</u>
- Positive: Impact of NOTA will be like <u>abstention only not defection</u>

Unseemly contest

- With <u>2 votes declared invalid by EC</u>, required votes came down from 45 to 44.
- EC demonstrated independence and institutional strength amidst tremendous pressure.

- It passed a clear order on sound legal grounds to invalidate the votes of two Congress MLAs, who had voted for the BJP, for showing their ballots to persons not authorised to see them.
- Open ballot system under Rule 39AA of Conduct of Election Rules of 1961.
- <u>Voter may show marked ballot paper to authorised representative of his political party before dropping in ballot box.</u>
- EC: <u>The provision of open voting at RS does not mean that the principle of secrecy of vote has been given a complete go bye</u> and that the ballot paper of an elector can be shown to, or be seen by, any person present in the place of poll
- <u>SC in Kuldip Nayar (2006): open ballot system was "essential as electors were resorting to cross voting</u> under the garb of conscience voting, flouting party discipline in the name of secrecy of voting".

EXIT POLLS

- FIRs were filed in UP against the editor of Dainik Jagran after they let publish the results of an exit poll online.
- It is alleged that <u>Paid news</u>, opinion polls and exit polls hinder free and fair elections. Voters also have a fundamental right to information through exit and opinion polls.
- Supreme Court in PUCL case (2013) acknowledged the importance of free and fair elections.
- <u>EC guidelines under Article 324</u>: While carrying the results of exit and opinion polls, newspapers and channels shall <u>disclose-Sample size</u>, polling methodology, Margin of error
- Guidelines were challenged by media and a <u>Constitutional Bench said that ECI cannot enforce guidelines in the absence of statutory sanction. Therefore ECI took them down</u>.
- In 2010, restrictions were imposed on exit polls through the introduction of Section 126(A) in the ROP Act 1951.
- Exit poll results cannot be published till the last round of elections is over. It covers even other states when polls are being held in more than one. <u>EC bans exit polls from the time the poll begins till half-an-hour after the polling ends</u>.
- <u>Results of any opinion poll is prohibited during the period 48 hours, including the hour fixed for conclusion of voting</u> in each of the phases in connection with the elections

SPOILS SYSTEM

- It is also called <u>patronage system</u>. Under this, a <u>winning political party rewards its campaign workers and supporters</u> by appointing them to government posts or by other favours.
- <u>11 appointments made by Governor to the Tamil Nadu PSC were set aside by the Madras High Court</u>
- In <u>Upendra Narayan (2009), SC</u> observed that the Public Service Commissions are becoming victims of spoils system.
- SC observed that employment based on the basis of past political loyalties violates Article 14 and 16
- Spoils system creates a conflict of interest, lack of transparency and accountability, it is against meritocracy
- 2nd ARC recommends laying down certain principles for administrative recruitments to avoid spoils system.
- These are: merit-based recruitment, wide publicity for recruitment

SECTION 123(3) OF REPRESENATION OF PEOPLE ACT, 1951

- SC ruled under RPA123(3) that "<u>religion, race, caste, community or language</u> would not be allowed to play any role in the electoral process"
- <u>Section 123(3) deals with abiding to "corrupt practices"</u> for canvassing votes in an election.
- Section 123(3) declares a corrupt practice if <u>appeal by a candidate or his agent or by any other person to vote or</u> refrain from voting for any person on ground of his RRCCL.
- The dissenting judges on other the hand believed that Section 123(3) does not require such a broad interpretation and the word "his" does not include the elector/voter.
- The dissenting judges remarked that markers such as religion are deeply rooted in the structure of the Indian society.
- <u>It is difficult to define what kind of an appeal is religious appeal.</u>

Simultaneous polls' ifs and buts

- President and PM have made a strong pitch for holding LS and Assembly elections simultaneously.
- EC believes this is do-able, provided certain legislative changes are made and infrastructure strengthened.
- Massive <u>expenditure</u> is currently incurred for the conduct of separate elections. •
- Policy paralysis results from the imposition of MCC •
- Impact on delivery of essential services. •
- Burden on crucial manpower that is deployed during election time. •
- But, why it is difficult to go for simultaneous elections? The biggest challenge is achieving political consensus • because there is a tendency for voters to vote the same party in state and at Centre in case elections are held together.
- <u>NITI Aavog has debated the key challenges</u>: Would it be feasible to extend or curtail the existing terms of some SLA? • What would happen in case the ruling party or coalition loses majority between terms, in LS or SLA? Should the term of the Lok Sabha and Assemblies be fixed? Is it feasible for the EC to conduct elections on such a massive scale?

Can't ban MPs from other professions: SC

- A Bench, led by CJI dismissed a petition filed by advocate Ashwini Upadhyay •
- This is a serious conflict of interest. There are politicians who sign at Parliament and come here to appear for private • clients. They get salaries as parliamentarians, why should they come as lawyers, Mr. Upadhyay argued.
- CJI said he had a valid point, but the court could not frame policies. .
- Call for uniform policy relating to conflict of interest and restricting legislators from practising other professions as • similar to the restriction imposed on public servants

Parties should keep election promises: CJI

- CJI said political parties should be held accountable for unfulfilled promises made in their manifestos. •
- President said it was time delimitation of Parliamentary constituencies were reviewed wrt population growth. •
- The freeze has been extended till 2026 by the Constitution (Eighty-Fourth Amendment) Act, 2001. .
- Whereas our population has increased manifold in the recent decades. This gives rise to an anomalous situation • wherein today, India has over 800 million voters and 543 Lok Sabha constituencies represent 1.28 billion people
- To give true expression to the will of the people, it is time we looked at the legal provisions on the delimitation .

EC ignored advice on Srinagar and Anantnag: Centre

- EC said that it was not bound to consult MHA before holding any election •
- Elections in Anantnag have since been deferred. Srinagar saw the lowest ever turnout of 7.14 % •

Centre promises election reforms

- Govt told SC that it constituted task force to frame road map for implementation of LCI recommendations on CP-PC
- PIL petition seeking debarring of convicts for life from contesting polls •
- Law Ministry said that disqualification period specified under RPA was a policy decision •
- Judiciary may step in to fill gaps only where there is a statutory vacuum •
- On the issue of setting up special courts for MPs or MLAs for disposal of criminal cases, the Ministry said such a • prayer was "unwarranted" as long as cases are disposed of within a year.

Should elections be state-funded?

- State funding of elections should be considered as recommended by Dinesh Goswami committee (1990). •
- The funds of the political party should be audited by an independent auditor •
- State funding is part of a solution, though by itself will not do away with the nexus of black money and elections. •
- Conceptually, state funding of elections is based on the presumption that there would be then no private funding. EC • simply does not have the wherewithal to ensure that.

- MHA said that all political parties have been sent notices to disclose the foreign funds received by them.
- Over a five-year period, across one round of parliamentary and Assembly elections, <u>it would cost around 5,000 crore</u>. That is about <u>0.05% of the Central government's Budget</u> for five years.
- <u>Under existing rules, candidates are obligated only to reveal their spending and keep it within limits prescribed by EC</u>, a ceiling routinely violated
- They are under <u>no obligation to disclose how much money they have collected and where it has come from.</u>
- <u>ADR report: 69%</u> of the income of political parties between 2004-05 and 2014-15 <u>came from unknown sources</u>.
- Section 13 (A) IT Act exempts political parties from even keeping a record of the source of donations below 20,000.
- Finance Minister says in his Budget speech that it would be brought down to 2,000.
- <u>Section 29 (C) of RPA</u> provides the legal architecture for opacity in electoral financing processes.

At Rs. 706 crore, BJP gets lion's share of corporate donations, says report

- Between 2012-13 and 2015-16, the five national parties received 1KC via voluntary contributions above Rs. 20,000.
- Of this, <u>90% was from corporate and business houses</u> according to ADR
- As per the records, the <u>BSP did not receive any donation of above Rs. 20,000</u> during this period.
- They have to provide the donor's name, address, PAN, mode of payment and the amount contributed.
- PAN and address details missing in many

How to curb 'invisible money'

- The statement by FM that EC has failed to curb 'invisible money' in polls is remarkable.
- The power to frame rules under RPA has not been given to EC
- Most of the <u>reform proposals by the EC have not been acted upon</u> including for Election expenses, election petitions, Election campaign, advertisements, Reforms relating to political parties.
- <u>Outgoing CEC had expressed misgivings about electoral bonds.</u>
- Law Commission issued report 255th wherein it devoted 64 pages to "Election finance reform".

Government introduces electoral bonds

- Announced measures in the Budget to bring in greater transparency in funding of political parties.
- Introduction of electoral bonds will need an amendment to the **RBI Act** and authorization under IT act
- Electoral bonds will be made available ahead of the elections and would remain valid for a few days.
- RBI will issue such bonds on behalf of the government to a donor.
- Later, the bonds can be given to any political party, which will be able to redeem these securities at its bank account.
- These are redeemable in only one account of that party, registered with EC
- Bearer's identity is unlikely to be revealed in the books of the party and party will also remain unknown. (anonymity)
- The proposal does not disrupt the flow of illicit political donations but only channels it differently
- Can be used by corporate houses to fund political parties to develop nexus with party
- India will be the first country in the world
- Every political party would have to file its return within time prescribed in accordance with the provision of IT Act. The existing exemption to the political parties from payment of income-tax would be available only subject to the fulfillment of this condition.

Cloak of invisibility

- Till now, companies could only contribute up to 7.5% of their average net profits in the past 3 financial years
- They were required to disclose in their accounts the <u>amount</u> and the <u>names of political parties</u>
- The <u>ceiling has now been dropped</u>. No longer have to name their preferred parties.
- Companies would <u>still have to reveal the amount</u>

- For the sake of argument, one could say the 7.5% limit was arbitrary and restricted willing and able corporate donors'
- This would open up new opportunities in <u>crony capitalism</u>.
- Pressure could be exerted on a company awaiting government clearances, or a loan restructuring

Electoral reforms-political funding (old loopholes):

- Political Parties are required to disclose details of donations which are above 20000 only as per section 29C of RPA
- Political Parties are not bound to submit their ITR under Section <u>13A of Income Tax Act</u>, 1961.
- Section 13A provides <u>tax exemption to Political Parties for income from house property</u>, voluntary contribution, <u>capital gains and other sources</u>. <u>Only income from salaries</u>, <u>business or profession is taxed</u>.
- Case may occur where Political Parties may be formed only for the sake of avoiding income tax
- EC suggesting that tax waiver should be provided only to those political parties which contest and win seats in Lok Sabha or Assembly polls.

Funds to parties: Govt. may amend FCRA again

- <u>RPA and the FCRA bar political parties from receiving foreign funds.</u>
- Last year government amended FCRA which allowed foreign origin companies to fund political parties
- It only <u>made valid the foreign donations received after 2010</u>
- Congress and BJP charged with illegally receiving foreign funds for political activities from <u>Vedanta from 04-12</u>
- Original FCRA provision, declared that any company with over 50% FDI was foreign entity, inconsistent with view of govt, which treated companies based in India, having Indian directors and employees as Indian subsidiaries.

Larger Bench on anti-defection case

- Will the anti-defection law apply to MPs and MLAs expelled from their parties?
- 21 years ago, <u>SC concluded in G. Viswanathan</u> case that a <u>legislator expelled from his party shall be deemed to have</u> <u>"voluntarily given up" his membership of that party</u>
- The court held that <u>he would not cease to be member of party</u> that had set him up as a candidate for the election.
- This legal fiction makes him vulnerable to disqualification under the Tenth Schedule

Bribe voters and go out of fray

- EC will ask Law Ministry, seeking changes in RPA, to disqualify for 5 years candidates charge sheeted for bribing
- The move comes after the EC found out <u>"innovative ways" used for luring voters in a Tamil Nadu byelection</u>.
- Innovative forms like tokens, prepaid phone recharge coupons, newspaper subscription, milk tokens etc
- <u>EC asked government to give it power under the election law to countermand an election where money power</u> is used. At present, the EC can countermand an election for use of <u>muscle power</u>.
- It <u>can use its constitutional powers under Article 324</u> to countermand a poll over use of money power but <u>it does not</u> <u>want to use its constitutional powers too frequently</u>.

Unwise proposal: On EC seeking contempt powers

- Permanent laws cannot be made in response to transient trends, especially to create a power that is open to abuse.
- <u>Proposal to the Law Ministry that it be armed with the power to punish for contempt</u>
- <u>Accusations of partisan functioning from political parties</u> that had lost in the electoral arena.
- Even courts, empowered to act under the Contempt of Courts Act, 1971, are often advised to use it only sparingly.
- <u>Civil contempt</u>: <u>wilful disobedience of orders and giving ECI power to enforce its orders</u>
- However, it will be harmful to free speech and criticism
- There is no reason to believe that <u>public confidence in the ECI</u> will be shaken or <u>its superintendence</u>, <u>direction and</u> <u>control over the election process undermined by criticism</u>

• Reforms such as the introduction of a verifiable paper trail came about only because somebody voiced criticism

Only 5 MPs clock 100% attendance in Lok Sabha

- Only five of the 545 members clocked 100%
- 22 attended only half the sittings or fewer.

EC disqualifies M.P. Minister Narottam Mishra for 3 years

- For filing wrong accounts of election expenditure under section 10A of RPA to be read with Sections 77 and 78
- EC also took cognisance of a report by the PCI Committee on Paid News that examined this case.
- Mishra had paid for favourable coverage in newspapers but had failed to mention expenses incurred for the same.
- MP HC issued a notice to EC on a plea filed by Minister
- <u>Mishra maintained that as there was no proof that he had paid money for publication of news</u>
- <u>Paid news is not an electoral offence yet</u>, but EC has recommended to the government that RPA be amended to make the publishing, or abetting of paid news to further a candidate's prospects or prejudicially affect another's an offence.
- Until this is done, contestants who use paid news can only be hauled up for failing to include the expenses
- <u>Candidates cannot simply claim that reports were not authorised by them</u>. As long as intention to boost someone's prospects was clear, and there was no objection from candidate, EC can rule that there was '<u>implied authorisation</u>'.
- Enormous delay in adjudicating such questions is often created by candidates approaching the courts to stall inquiries.
- A legal framework in which electoral issues are expeditiously adjudicated must also be put in place
- Delhi High Court upheld his disqualification.

Multi phase polls

- CEC has said that multiple-phase elections will continue
- Single phase election may be hard to monitor and may lead to unfair election practices.
- Conduct of elections involves <u>elaborate security management</u>, <u>manpower</u>, <u>monitoring and coordination</u> between agencies conducting election.
- Multi-phase polls reaches maximum amount of voter population
- Negatives: Undermine the authority of Police in L&O because of the preference given to the Central police forces.
- Even if election campaigning stops in one area, it still continues in other area. This indirectly influences the voter of the other constituencies, thus violating the spirit of the law.
- <u>Model Code of Conduct is extended over a larger period</u> of time in multi-phase poll. This causes hurdles

Life time ban of convicted lawmakers

- EC has supported a PIL in SC demanding a life time ban on convicted politicians
- EC is of the view that such a uniform ban is in spirit of FR including Right to Equality.
- Under <u>Section 8 (1), (2)</u> of the Act if any of the lawmakers are convicted of crimes like rape; murder will be <u>disqualified for a minimum period of six years</u>.
- Moreover any lawmaker convicted of any other offence under section <u>8(3)</u> and sentenced to imprisonment for not less than two years, he/she will be disqualified from date of conviction and further six years from the time released.
- <u>8(4) had provisions for convicted lawmakers to hold on to their seats if they filed an appeal in higher court within 3</u> months of their conviction against the order of lower court. In 2013 <u>Lily Thomas</u> vs. UOI, SC struck down 8(4)
- <u>Henceforth there is automatic disqualification</u> of any lawmakers if they are convicted under sections 8 (1), 8 (2), 8 (3).
- This will be <u>help in Decriminalization</u> of politics.
- It will <u>act as a deterrent</u> factor in future for candidate to not indulge in criminal activities.
- More faith in Political system thereby <u>strengthening the roots of Democracy</u>.
- Life-long punishment may seem disproportionate in minor crimes

• Leaders may deceitfully frame their rival leaders

Minimum qualifications for coop. societies' polls

- <u>Rajasthan</u> has become first State to lay down the <u>minimum educational qualifications for contesting elections</u>
- State Cooperative Societies Rules, 2003, were amended for the purpose
- The benefit of education will accrue to the societies with their management going to expert hands

For a more representative House

- Parliament is supposed to be a union of exemplary orators, with a grass-roots touch. Unfortunately, one is rarely inspired by the <u>quality of parliamentary debates</u> nowadays.
- <u>Attendance</u> by our MPs and <u>disruptions</u> marking the proceedings
- Each minute of running Parliament in sessions costs 2.5 lakh, which is utilised poorly.
- Its productivity in the 2016 winter session was 14%, while that of the Rajya Sabha was 20%.
- It should have a minimum mandated number of days to meet, NCRWC recommending 120 and 100 days for LS & RS
- Odisha has already shown the way, mandating a minimum of 60 days for the State Assembly to sit.
- Meanwhile, political power <u>continues to be a male bastion</u>.
- Parliamentary <u>legislation is often criticised for being hastily drafted</u> and being rushed through
- <u>As highlighted by the Law Ministry, we require a constitution committee</u>. Instead of <u>constitutional amendments</u> being presented to Parliament it would be desirable to have the <u>committee conduct an appropriate priori scrutiny</u>
- Individual voting record of MPs remains unknown to distinguish individual progressive or conservative nature
- <u>Anti-Defection Act</u> needs to be recast, and used only in the most exceptional circumstances
- Other parliaments offer funds to hire research teams for MPs.
- We also need to raise the quality and rigour associated with the <u>budget scrutiny process</u>.

Selection of ECs must be transparent, SC tells Centre

• Legitimate expectation that they should be selected <u>through "most transparent and just process</u>" formalised in a law <u>enacted by Parliament</u>, SC advised Centre

Parliamentary Budget Office (PBO)

- PBO is an independent and impartial body linked directly to Parliament
- Its core functions include <u>Budget approval, scrutiny of its implementation, and holding government to account</u>.
- <u>Parliament lacks the capability to perform such functions effectively</u> → arbitrary taxation policy, FD, inequitable allocation of public resources
- Need <u>L-E balance of power in budgetary governance</u>.
- Establishing a PBO within Parliament is necessary for promoting accountability, generate quality debate on Budget
- There is a growing trend within the OECD countries to establish specialised Budget research units.
- <u>PBO is different from general finance committees and PAC, comprised of independent and specialised staff, analysts, economists, public finance experts</u>.

Evicting unauthorised VIP occupants

- Unauthorised occupants of public property should realise that overstaying infringes the right of another
- Public Premises (eviction of unauthorised occupants) act 1971; proved ineffective with resistance, years of litigation.
- <u>Amendment Bill, introduced in LS</u>, comes up with an answer for this problem.
- It proposes to insert a new sub-section (3A) in Section 7 of Act: if an unauthorised occupant goes to court against an eviction order, he/she will be bound to pay "damages" for every month of his/ her stay

- <u>1971 Act provides for summary eviction proceedings but it is not applicable to residential accommodations</u>. This <u>loophole</u> in the existing 1971 Act has been exploited
- Bill has proposed new Section 3B to extend summary eviction procedure to residential accommodations too.

MPs shouldn't hike their own salaries: Varun

- Questioning the power of MPs to hike their own salaries, sought the setting up of an external statutory body
- Number of sittings in the Lok Sabha had dropped from 123 days a year in 1952 to 75 in 2016.
- The Winter Session of 2016 hit a low point of <u>16%.</u>
- Taxation bills, as significant as Aadhaar, were passed within two weeks without being referred to a committee
- India paid <u>2.7 lakh a month</u>, which includes salaries and expenses, to every Member of Parliament in 2015.
- Mature democracies typically have separate independent bodies to establish parliamentary salaries; such as the <u>Remuneration Tribunal in Australia or in South Africa</u>.
- Such allowances should be in proportion to the services that they have rendered
- Linking salaries to performance would be difficult given varying interpretations of "performance".
- <u>Linking salaries to a minimum attendance</u> of parliamentary sessions.

The dilemmas of delimitation

- Lifting of the <u>freeze imposed by Constitution (42ND) Act</u>, 1976, is due in 2026.
- How these <u>additional seats will be allocated to States</u>, and <u>how to address concerns which necessitated freezing</u> seats on the basis of the 1971 Census figures.
- Art 81: seats allotted to each State in LS in manner that ratio b/w seats and population of State is same for all States.
- "Population" for the purposes of Article 81 means the population as ascertained at the last preceding Census
- States which took a lead in population control faced the prospect of their number of seats getting reduced
- To allay this, Section 15 of 42CAA effected a freeze on the population figure with reference to the 1971 Census
- <u>Basing the 1971 Census figure of 54.81 crore to represent today's population presents a distorted version</u> of our democratic polity and is <u>contrary to what is mandated under Article 81</u> of the Constitution.
- So when the first Census figure will be available after 2026 that is, in 2031 a fresh delimitation will have to be done which will dramatically alter the present arrangement of seat allocation to the States
- How the Presiding Officers of the Houses/Legislatures will deal with such a large number of members
- If we do not start a debate now on how to deal with the problems that are likely to arise, we will be forced to postpone the lifting of the freeze to a future date as was done in 2001.

Perform, Modi tells civil servants

- Modi said <u>anonymity was one of the greatest strengths of civil services</u>, cautioning government officials that the use of social media should not lead to a decline in this strength, even as social media and mobile governance were leveraged for connecting people to benefits and government schemes.
- Responsibilities of government officials had increased in terms of the challenges, not the scope of work.
- Sooner the attitude change from a regulator to an enabler, faster the competition would turn into an opportunity.
- Urged senior officials to ensure that experience did not become a burden stifling the innovation of younger officials.
- Performance part must come from civil servants and that "transformation" was enabled by people's participation.

Don't be 'yes men', officials told

- Home Minister asked bureaucrats not to be afraid of the "political executive." They should not sign illegal orders
- Bureaucrats should not become "yes men" and should tell political executive that demands were not legally tenable.
- Mr. Singh said civil servants should be impartial and show "no hesitation" in taking decisions.

A red light to privilege

- Red beacons are synonymous with "Raj mentality" and "antithesis of concept of Republic", SC held in 2013
- Decision to curb use of beacons is a move to change the perception of functionaries from rulers to public servants
- <u>UPA had defended the use of red beacons in Abhay Singh v. UOI</u> that "certain dignitaries and officials constitute a <u>class by themselves</u>". They said red lights were "<u>essential for effective discharge of their duties</u>".
- Vehicles on <u>emergency services</u>, <u>ambulances</u>, <u>fire</u>, <u>police</u>, <u>defence-paramilitary</u> forces, <u>disaster management</u> will be permitted beacon <u>multi coloured</u> red, blue and white light
- The multi-coloured light shall not be put to use when the vehicle is not on the designated duty
- <u>Central Motor Vehicles Rules of 1989 are to be amended</u>, so that the Central and State governments lose the power to nominate categories of persons for the red-beacon distinction.

Reinstatement of DGP

- <u>SC for the first time in history</u>; ordered the reinstatement of ousted <u>Kerala DGP Senkumar</u>, sending out a clear message that <u>police officers cannot be made "scapegoats" by politicians</u> in power.
- Senkumar had approached SC after failing in his bid to get a favourable order from <u>CAT and HC.</u>
- Supreme Court ordered his reinstatement, saying government had acted "unfairly" and "arbitrarily."
- Later Senkumar filed a contempt of court petition against the State government for <u>delaying his reinstatement</u>.
- On the day the Supreme Court was to hear the petition, the govt passed an order to reinstate Mr. Senkumar.
- <u>SC ruling in Prakash Singh that DGP should have fixed tenure of 2 years</u>, Police must be <u>answerable to ROL and not</u> to political masters.
- Government's 'subjective satisfaction' about the state of affairs must be based on "cogent and rational material"
- <u>Every State should set up a State Security Commission</u> to both guide the police and decide on <u>top police appointments</u> <u>and transfers</u>.
- In paragraph 76 of its verdict, court states that Chief Secretary can be removed impromptu but not State police chief.

1,800 IAS officers fail to disclose asset details

- Not submitted details of their <u>immovable assets</u> to the government within the stipulated time-frame this year.
- As per norms, civil services officers are also supposed to give details of their assets and liabilities to the government.
- Officers need to take prior permission from the Central government before accepting gifts worth more than 5,000.
- They also need to inform government if they accept gifts of over 25,000 from their relatives or friends

EVM crap

How an EVM works:

- An Electronic Voting Machine consists of two units - a Control Unit and a Balloting Unit - joined by a five-meter cable. The Control Unit is with the polling officer and the Balloting Unit is placed inside the voting compartment
- Once the voter is ready, the polling officer in-charge of the Control Unit presses the Ballot button. This enables the voter to cast his/her vote by pressing the blue button on the Balloting Unit against the candidate and symbol of his choice

 As soon as a particular button on the Balloting Unit is pressed, the vote is recorded for that particular candidate and the machine gets locked. Even if one presses that button further, or any other button, no vote will be recorded. This way the EVMs ensure the principle of "one man, one vote"

- Questions: <u>tampering by introduction of trojans</u> that could override the logic embedded in chip, <u>replacing chip</u>, <u>manipulating communication</u> lines
 - Indian manufacturers have supplied EVMs to Namibia, Nepal and Bhutan.
 - Australia, Russia, Afghanistan, Nigeria and Bulgaria, have also shown interest

Trust the EVMs

•

- Complaints about security of EVMs have been <u>raised over a decade</u> in courts, and <u>EC has repeatedly demonstrated how EVMs cannot be compromised</u>.
- Indian EVMs, <u>unlike online voting machines discontinued in some western</u> <u>countries</u>, are <u>standalone</u>, <u>independent</u> units thus <u>preventing any hacking</u>.
 - Do not have any frequency receiver or data decoder for wireless signalling.
 - They record and lock votes only after being trigger-enabled
- <u>One-time programmable chip disallows manipulation</u>, time stamping of every <u>key pressed</u> allows for monitoring
 - Since 2006, use of <u>upgraded Model 2 EVM</u>, with security features such as

dynamic coding and transfer messages to control unit in an encrypted manner.

- Model 3 EVM produced after 2013 have features such as tamper detection.
- Due to digital signatures of manufacturers on the components, they cannot be changed without getting noticed. •
- EC has laid down procedural rules of locking and storing EVMs before and after polling, functional checks and tests • in the presence of political parties.
- EC checks: first-level checks after manufacture, randomised deployment, sealed strong rooms, conduct mock polls. •
- Subramanian Swamy vs EC, 2013, SC held <u>VVPAT is "indispensable for free and fair elections</u>" and had directed the EC to introduce VVPAT in a phased manner.
- VVPAT helps in corroborating results from machine, EC expects its full implementation by the 2019 LS election. •
- Indigenously produced; only the microchip is manufactured outside.
- Before EVM became universal in 2004, ballot-based polling had seen a high incidence of invalid voting. •
- EVMs PRO: elimination of invalid votes, quicker and easier tallying, reduced human error, difficult to commit malpractices such as rigging/stuffing of ballot boxes, allow for only 5 votes/min, allowed greater voter participation
- Reverting to the older paper ballot system will be regressive, need VVPAT
- Uttarakhan HC said: "Systematic campaign has been launched by the political parties to tarnish the image of the • constitutional body EC, which has successfully held free and fair elections. Uncalled-for criticism of the functioning of EC has a <u>deleterious effect</u> on its functioning and the same may result in <u>lowering its morale</u>"

BEL, ECIL public sector undertakings to make VVPAT machines

- EC has issued a letter of intent for buying 16.15 lakh VVPAT machines; estimated cost of 3,173.47 crore
- Manufactured only as per design based on recommendations of Technical Experts Committee on EVMs, constituted • by EC. The committee comprises eminent Professors from IIT

Why is the Centre going for VVPAT machines?

- VVPAT is EVM-connected verification printer machine. It allows voters to verify if their vote has indeed gone to the intended candidate by leaving a paper trail of the vote cast.
- The slip is visible to the voter for 7 seconds. After this it is cut and dropped into sealed drop box in the VVPAT
- Possible for the RO to corroborate machine readings of the vote if there is a dispute •

•

'Use restraint in using Article 142'

To bring complete justice to various deprived sections, protect environment, Cleaning Taj, Union Carbide case

An unfettered power

In calling for a joint trial of separate cases in the Babri Masjid issue, the Supreme Court used its extraordinary powers under Art. 142

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Article 142: The Supreme Court may pass such decree or order as is necessary for doing complete justice in any cause or matter pending before it

The recent highway liquor ban was imposed by the Supreme Court under Article 142

 In 2011, a bench of Justice A.K. Ganguly and Justice Deepak Verma had said on Article 142:"...no fetter is imposed on the court's jurisdiction except of course any 90 express provision of the

Two sets: There were two sets of cases relating to the demolition of the disputed structure on December 6, 1992 The first involved unnamed

law to the contrarv

'karsevaks', whose trial is taking place in a Lucknow court

The second set of cases in a Rae Bareli court relates to the VVIPs accused of "inflammatory speeches", in which the CBI is pressing for restoration of "conspiracy" charge against the accused

Use of Article 142 should be in accordance with due process of law as guaranteed in Article 21.

Bar Association v. UOI said article could not be used to supplant existing law, but only to supplement

- Recourse to 142 is not apt where statutory law is available.
- SC has been foraying into areas which had been forbidden by • 'separation of powers', which is part of the basic structure
 - Causes of concern: Unlimited power, Affects rights of citizen,

Way out: Cases invoking Article 142 should be referred to a • Constitution Bench of at least 5 judges to decrease uncertainty

Where the court invokes Article 142, the government must bring out a white paper to study effects of the judgment

While central government prohibited liquor stores along NH only, SC added 500m clause & extended the ban to SH by invoking 142.

Railways

ITI-DKD-Y CORRIDOR

- Indian Railways is going to run a <u>trans-continental container train full of goods</u> from <u>Dhaka to Istanbul</u>, which would cover a 6,000-km journey across <u>five countries</u> <u>Bangladesh, India, Pakistan, Iran and Turkey</u>. (<u>BIPIT</u>)
- India already has connectivity with Bangladesh and Pakistan.
- This proposed "Trans-Asian Railway" or "ITI-DKD" (Istanbul-Tehran-Islamabad: Delhi-Kolkata-Dhaka)
- There is also a proposal to extend this corridor to Yangon (Myanmar).
- The feasibility studies by UNESCAP

National rail plan 2030:

- Website of NRP 2030 will be used by all stakeholders to give inputs in order to develop NRP 2030.
- <u>Presently Railway planning is not based on an integrated plan</u>
- The national plan will take into account <u>connectivity to backward region</u>, <u>regional imbalances</u>, <u>congestion</u>, <u>Industrial corridors</u>, <u>long term planning</u>, <u>integrated transport for seamless network</u>, <u>cost optimization</u>, easy <u>movement of freight</u> and passengers and <u>access to services</u> with reliability, safety, stimulating <u>economic growth by creating rail infrastructure</u>, meet <u>strategic requirement along IB</u>

Rail Development Authority

- Railways Act. 1989 will be amended to insert a new chapter related to the RDA with an initial corpus of Rs. 50 crore
- An independent, empowered regulator could be the paradigm shift.
- For <u>recommending</u> passenger <u>fares</u>, setting <u>performance standards</u>, creating a level playing policy for <u>private sector</u> <u>participation</u>, reforms to <u>infrastructure</u> system, <u>resolve disputes</u> related to concession agreements, collect, analyse and disseminate <u>information and statistics concerning the rail sector</u>, <u>Resources utilization</u>, overcoming <u>inefficiencies</u>, <u>regulatory and management</u> functions of railways
- The regulator will not involve itself in policy making, operations, maintenance, compliance of safety standards
- Need for a regulator has been emphasised by <u>Debroy Committee</u>, <u>National Transport Development Policy Committee</u> and Expert Group under <u>Rakesh Mohan</u>
- NTDPC noted centralisation of all functions in Railway Board has proved detrimental to organisation's growth
- Rail reform is complex and <u>separating infrastructure from operations</u>, is an interesting model
- Authority will work within the parameters of the Railways Act, 1989. Railway Ministry which will take a final call
- One of the big challenges before the Centre is to facilitate higher non-budgetary investment in the railways.

Rail regulator gets green light

- The move will improve the services, comfort to investors, enhance transparency and accountability
- <u>Chairman and three members</u> with a <u>fixed term of five years</u> and will be allowed to <u>engage experts</u>
- The <u>independence</u> is ensured through <u>separate budget</u>, <u>appointment and removal process</u>

- Appointed by a <u>Search and Selection Committee</u> headed by the Cabinet Secretary with members including the Railway Board Chairman, DOPT Secretary and Chairman of any regulatory body of the Central Government nominated by the Cabinet Secretary.
- Chairman along with <u>3 members each for tariff, PPP and standards</u>.

Railways seek aid for unviable routes

- Railway Ministry has sought compensation for operating railway lines of <u>strategic</u>, <u>uneconomic</u>, <u>border area projects</u> <u>and national importance</u> a practice <u>discontinued following the merger of Budgets</u>
- The Railway Ministry's proposal has already faced opposition from the Finance Ministry
- Considering the role of Railways in nation building, <u>reimbursement to Railways on their operating losses on strategic</u> <u>lines is justifiable, the Standing Committee on Railways said</u> in a report.

Indian Railways' draft policy aims at boosting tourism

• Railways plans to introduce <u>dedicated train services</u>, PPP, differential tariff for domestic and international tourists, <u>rope in service providers</u> to manage services such as <u>accommodation and sightseeing</u>, <u>reserve special coaches for</u> tourists, increase frequency of hill tourist trains, reviving steam trains, 'Bharat Darshan Trains' "for the masses"

Special Freight Train Operations Scheme

- Railway Ministry's plans to allow private companies to run freight trains may lead to faster evacuation of cargo
- Poor past experience: Private Container Terminal Operators (CTOs), Multi Modal Logistics Parks
- Companies that transport bulk of their produce through the railway network would be allowed to set up their own private terminals from where their own trains would ply to delivery centres.
- Operations of the trains will remain with the railways.
- It will also help in multi modal infrastructure development and speed up investment in infrastructure
- <u>Two-third of tracks handle passenger traffic which account for one-third of the revenues</u>
- Freight, which accounts for two-third revenues, is given the least priority.
- When the DFC comes up, major trunk routes will operate on DFC so that other tracks are freed for passenger traffic

Railway Ministry moots safety cess on tickets

- <u>Plagued by repeated derailments, the Railways is considering imposing safety cess</u> to be utilised for strengthening accident prevention measures.
- Railways will have to generate additional revenue of Rs. 5.000 crore

The union budget 2017-18 made following announcements for rail safety

- For passenger safety, a <u>Rashtriva Rail Sanraksha Kosh</u> will be created with a corpus of <u>1LC</u>(capital from the Government, from railways' own revenues/CESS)
- Unmanned level crossings on Broad Gauge lines will be eliminated by 2020

Transport tunnels under Hooghly set a record

- Kolkata Metro Rail Corporation completed the construction of India's first set of underwater transportation tunnels.
- The two tunnels link the two banks of the Hooghly river
- Dense <u>concrete layer</u> with neoprene main gasket <u>used to seal tunnel</u> and prevent seepage of water

Indian railways launch first non-fare revenue policies

- Advertising hoardings and billboards, Wi-Fi on stations and on trains, Leasing out spaces at platforms to ATMs
- <u>Train branding policy</u> would allow advertising of <u>vinyl wraps</u> on train exteriors and interiors on a 10 year contract

Rail cadre management

- A senior team of bureaucrats have recently argued <u>against the idea of a single unified cadre</u>
- Presently Railways cadres are organized as 5 cadres Traffic, Civil, Mechanical, Electrical and Signaling.
- <u>Vinod Rai committee suggested constituting a single Senior Management Cadre as there have been interdepartmental</u> <u>conflicts</u> due to less exposure of other department's working in Indian Railways.

CAG Audit slams Railways on food quality

- Food items "<u>unfit for human consumption</u>", <u>unpurified tap water used</u> for food preparation, food being left unprotected from <u>insects and rats</u>, <u>Bills were not provided</u>; food <u>quantity</u>; <u>unapproved packaged drinking water was</u> <u>sold</u>; <u>Weights and prices of the items</u> sold at railway stations were different from the open market
- <u>Private sector participation in food supply did not reduce problems</u> linked to departmental catering.
- It is unlikely, therefore, that the recently unveiled catering policy will make a big difference unless the process of identifying caterers, fixing prices, and ensuring quality control is transparent and is monitored by <u>external auditors</u>.

Random laws

LS passed Admiralty bill 2016

- Deals with cases of <u>accidents in navigable waters</u> or <u>contracts</u> related to commerce on such waters.
- <u>Admiralty laws were enacted in colonial era when India had only three major ports</u> and under the existing legislation, <u>matters related to admiralty could be decided only by HC of Bombay, Calcutta and Madras</u>.
- <u>Bill seeks to consolidate admiralty jurisdiction of HC located in coastal states up to EEZ, proceedings on maritime claims and arrest of ships</u>.
- Law would be <u>applicable on every vessel except warships</u>, naval auxiliary, vessels used for non-commercial purposes.

Judicial Activism

- It implies going beyond the normal constraints applied to jurists and the Constitution, which gives jurists the right to strike down or make any legislation or rule against the precedent if it goes against the Constitution.
- Judges assume role as independent policy makers that goes beyond their traditional role as interpreters of Constitution
- It forces the other organs of government to discharge their assigned constitutional functions
- Judicial <u>Overreach refers to an extreme form of judicial activism</u> where <u>unreasonable</u>, <u>arbitrary and frequent</u> <u>interventions are made by judiciary into the legislature's domain</u>.
- It is often done with the intention of <u>disrupting the balance of powers</u>

Corporate social responsibility

- Indian companies spent <u>9KC on CSR</u> in 15-16, which was <u>163 crore more than the amount required by law</u>
- Companies under CSR have increased their profit as it results in brand building, employee engagement and PR
- Two schedules: combating diseases and promotion of education accounted for 44% of total CSR

- <u>More than 25% of all CSR spending happens in 5 states</u> like Maharashtra, Gujarat, AP, Rajasthan, Tamil Nadu while <u>north east states are mostly neglected</u>
- A company who may be voluntarily spending more than 2% of their profit may now just spend just 2% to meet obligation and vice versa.
- <u>CSR law can be seen as an indirect way to increase corporate tax</u> which not only makes Indian firms less competitive in international market but also <u>hampers foreign investments</u> in India.
- <u>CSR law enlists only few genres of works.</u>
- <u>Does not talk about enforcement mechanism or penalties</u> in case of noncompliance.
- Applicable to companies with at least 5 crore net profit or 1000 cr turnover or 500 cr net worth.
- Companies will have to spend 2% of their 3 year average annual net profit
- Companies can overcome their duplication issue by pooling their efforts into for CSR

Supreme Court plans to go paperless: ICMIS

- Will take it to becoming a <u>digital court</u>.
- Integrated Case Management Information System <u>will allow a litigant to digitally file a case, watch its progress on a real-time basis, access and retrieve information online.</u>
- CJI proposed to integrate the system with all HC and subordinate courts.
- It would help usher in transparency, reduce manipulation

Right to vote

- SC requested the government's views on a PIL seeking to impose a lifetime ban on contesting elections for those sentenced to imprisonment for more than two years.
- Proposal, which is supported by EC, would effectively end the electoral career of many prominent political leaders.
- In 2013, it endorsed Patna HC view that candidates with criminal records pollute the electoral process, affect the sanctity of elections and taint democracy.
- Whether the right to vote is a constitutional right or merely a statutory privilege is still a matter of contestation.
- Article 326 provides for universal adult suffrage, but does not specifically mention the right to vote.
- Court has refused to recognise the right to vote as constitutional right, holding that it is a privilege that can be taken away as easily as it is granted.
- It makes it easier to impose restrictions on who can exercise that right and the circumstances in which they may do so.
- Ex. embargo on voting rights of prisoners regardless of seriousness of offences or length of sentences

Online Film Certification System of CBFC

- IB Minister launched; on the lines of vision of EOB and DI, making the entire process transparent and efficient.
- Under it, for short films, promos or trailers of less than 10 minutes, the producer can submit their creations online.
- For films longer than 10 minutes, the applicant will have to show the film at the examining theatre
- <u>Will not be required to visit CBFC offices</u>, except for collecting certificates.
- The applicants will be informed through text message or e-mail about the status of their applications
- It will eliminate corruption, facilitate easy access to the services
- <u>Film Facilitation Office</u>, established by the Ministry in November 2015, provided single-window clearance to <u>facilitate film shootings by foreign filmmakers in India.</u>
- On issues related to certification, recommendations of Shyam Benegal and Mudgal panel were under consideration.

'Euphoric over Lipstick clearance'

- Film Certification Appellate Tribunal directed CBFC to grant an 'A' certificate to movie.
- The board had earlier refused certification to the film

• It won an award at the Tokyo International Film Festival last year and aired at the MAMI Mumbai Film Festival

Respond to Palekar's plea: SC

- SC asked Centre and CBFC to respond on a <u>petition that pre-censorship of films is a violation of FR to freedom of</u> <u>speech and expression of both film-makers and the public</u>.
- <u>Benegal panel recommendation that the Censor Board's role should be confined to certification of films alone.</u>
- The petition said <u>pre-censorship of films was irrelevant in the Internet era</u>.
- Palekar argued that <u>social fabric and means of communication have undergone a sea change since SC passed an order</u> in 1970, validating censorship in films on ground that cinema was the most influential media of mass communication.
- When content on <u>television and Internet is free of censorship</u>, the same content being altered, cut or deleted before being shown in a cinema hall is an <u>attack on our right to equality</u>
- Absence of a member with a legal background in CBFC often leads board to repeatedly violate film-makers' FR

Recommendations of the Shyam Benegal Committee

- The current system of suggesting modifications should be stopped and only certification should be done.
- <u>Artistic expression and creative freedom of filmmakers</u> protected through objective parameters
- Audiences are empowered to make informed viewing decisions
- Process of certification is responsive to social change.
- Recommended a <u>new "Adult with Caution" category</u> and two <u>classifications under U/A rating- U/A 12+ and U/A 15+</u>.
- CBFC should confine itself to <u>submission of an annual report to the central government</u>, reviewing the work of regional cinema, <u>periodically review guidelines for certification</u>

Pre-censorship to regulate media

- Supreme Court rejected a PIL for pre censorship of media by court
- It said that role of a court or a statutory body will come <u>only after a complaint is made when the content is published</u>.
- Earlier in Romesh Thapar case, SC expressed that there could not be any kind of restriction on the freedom of speech and expression other than those mentioned in Article 19(2).
- The <u>electronic media in India is mostly self-regulated</u>. <u>Government also may step in and punish the channels</u>
- Regulatory bodies like <u>NBSA</u>, ASCI lack force of law

News broadcast by private FM radios

- PIL filed before the SC accuses the government of retaining sole control over dissemination of news though radio
- Court asked Centre whether private FM radio stations and community radio services can broadcast their own news.
- Presently FM and community radio stations <u>can only re-transmit unedited AIR news</u>.
- There is monopoly of the Prasar Bharati Corporation, which owns and operates All India Radio
- These guidelines violate FR of freedom of speech and expression
- The government has permitted private television channels to broadcast news
- Given diversity and internal security concerns, allowing the private radio to broadcast news has security implications
- Radio has a different audience and different kind of reach.

The autonomy façade

- Prasar Bharati, an <u>autonomous corporation by act</u>, is so only in name as <u>neither employees nor government want to let</u> go of the 'government's premier broadcaster' tag.
- <u>Corporation had issued an order to its news divisions asking them to subscribe to RSS-backed Hindustan Samachar</u> <u>news agency</u> after terminating its long-standing subscriptions of PTI and UNI news services.
- Debate whether the government needs a channel of its own.

• TRAI ruled that State governments cannot have channels of their own.

The Enemy Property (Amendment and Validation) Ordinance

- Enemy property refers to any property belonging to, held or managed on behalf of an enemy
- The recent promulgation of the Enemy Property Ordinance was the 5th
- After the wars in 1962, 1965 and 1971, property belonging to the nationals of these two countries was taken over by Union under Defence of India Acts.
- Later, the Enemy Property Act, 1968 was passed to vest all such immovable and movable property in a 'Custodian'.
- The son of a person whose property in India had been taken over after he emigrated to Pakistan wanted it to be returned to him on the ground that he was a citizen of India, and the property concerned was no more enemy property after his father's death.
- <u>Supreme Court ruled in 2005 that the Custodian did not have any title to the property</u> and <u>legal heirs of erstwhile</u> <u>owners of enemy property</u>, if they were Indian citizens, could get it back.
- <u>Centre promulgated an ordinance</u> in 2010 so that valuable property worth thousands of crores of rupees, would continue to be with the Custodian.

Lodha Committee's key recommendations include

• 1 state-1 vote, age limit of 70 years for administrators, <u>9-member Apex council</u> r/t working committee, 9-year tenure for administrators with cooling period after every 3-year term, 3-member selection committee to pick Indian team.

Last wicket stand

- SC's appointed CoA to govern and reform cricket was expected to end conflicts of interest and lapses in ethics
- <u>CoA is making news for the wrong reasons</u>, controversy between coach and captain, <u>resignations</u>
- <u>CIC has urged CoA to bring BCCI under RTI</u>
- For whom Lodha reforms were set into motion players and former players ironically may be worse off.
- <u>Staunchly resisted by BCCI, players' association is expected to come into being shortly</u>, but logistics and its actual purpose will be far more complicated
- <u>Whether or not it will be supported, financially and practically</u>, by the BCCI and the State associations.
- <u>CoA deciding not to increase the remuneration % for domestic cricketers from 26% of BCCI's revenue.</u>
- SC mulling a <u>petition across numerous sports</u>, asking for Lodha Committee reforms to be adopted across federations.
- Endless delays will also stall the momentum of revised national sports code and national sports law

Supreme Court bars Srinivasan from SGM

- Bench asked the members to comply with all the Lodha recommendations except certain <u>contentious issues raised by</u> <u>BCCI members like OSOV, memberships</u>
- <u>SC ready to revisit Lodha reforms</u>, EX capping of the number of members of the senior selection committee at three

Committee for national sports code

- Demand for revision of National Sports Code for other sport bodies is picking up.
- <u>Sports bodies in India are largely run by political strongmen</u> rather than former athletes and marred with corruption.
- GoI has constituted a 9-member committee headed by Sports Secretary to draft National Sports Code

CIC says BCCI, a NSF, should come under the RTI Act

- In April 2010, the government had declared all the NSF receiving a grant of 10 lakh or more as a Public Authority
- Sports Minister had told LS in 2012 that BCCI received thousands of crores towards tax concessions

National Lok Adalat settles over 6 lakh cases in one day

- 2.92 lakh cases were settled even before they could be filed in courts.
- The cases ranged from matrimonial disputes, civil matters, cheque bounce, motor accident claims etc.
- The award of a Lok Adalat is final
- Settlement in a Lok Adalat comes with an added incentive of refund of court fee to the party
- With a view to facilitate easier access to information NALSA will set up State Legal Services Authorities' offices
- <u>'Legal Assistance Establishments' or Nyaya Sanyog will cater to poor litigants and the families of undertrials</u>
- Enable litigants to access court documents, case status and connect to advocates online and dedicated phone numbers

No big fat weddings here

- Number of dishes, size of the guest list in weddings in JK will now have to be as per government rules.
- Asked people to "cook only 7 non-vegetarian and 7 vegetarian dishes in marriages with 2 stalls of sweets or fruits."
- The bride's family may invite a maximum of 500 guests, while groom's family should stop at 400.
- For functions like the ring ceremony and other small events, the number of guests can top 100
- Big gatherings often block roads due to wrong parking and create jams
- Representations from civil organisations regarding <u>injudicious use of essential commodities and expenditures</u>
- The government has also directed that <u>leftover</u>, <u>uncooked or surplus food should be provided to the needy</u>.
- Ban on use of big generator set, high pitch loudspeakers, decks, profuse lighting, and bursting of crackers
- Also banned the popular practice of sending dry fruit boxes to guests along with wedding invitations.

CJI pitches for zero govt. role in arbitration process

- To promote confidence of the business community in international arbitration available here.
- Supreme Court also adopted practice of providing arbitrators from a neutral country.
- India was moving exponentially forward in arbitration but it lacked equipment and software required for the process.
- India's potential for ICA was set to increase as more foreign investment was coming here.

Cost arbitrage a major pull for Indian GICs (OFFSHORE OFFICES): report

- Cost arbitrage and skilled talent remain biggest influencers for operating Indian Global In-house Centres
- At least one new facility is opening every fortnight, according to Nasscom
- GICs are expected to play a more active role in driving investment priorities in the next 3-5 years
- Indian GICs needed to invest in six key areas to become GICs of the future. These include analytics, traditional IT, digital-age IT, domain expertise, leadership quality and cost savings.

Rs. 3,045 cr. in rural scheme wages yet to be disbursed

- Delays in payment of MGNREGA wages have mounted acc to MGNREGA Sangharsh Morcha platform
- As per Schedule II of Act, an MGNREGA worker must be paid within 15 days of completing his allocated tasks.
- A delay in payment, for which the worker must be <u>compensated</u>, has to be calculated from the 16th day
- MGNREGA MIS does not capture this delay denying them compensation.
- It takes, on an average, up to 25 days for the payment to reach the worker

'Incredible India 2.0 campaign' on anvil

- The government is revamping its strategy to market India as a preferred destination for both <u>foreign-domestic tourists</u>, with an <u>eye on doubling traffic from both segments</u>.
- An interactive <u>new website on India's tourism hotspots</u> will act as one-stop solution for information
- Also looking at <u>crowd-sourcing content</u>, <u>blogs</u>, <u>comments</u>, <u>including on social networking sites</u>, about a particular place will be also put up on the site

DRAFT RTI RULES, 2017 by DOPT

- Will replace the existing RTI Rules 2012 if approved.
- <u>Provisions for dealing with non-compliance of orders</u> and directives of CIC were missing in the 2012 rules.
- Non-compliance cases of public interest <u>shall be put before larger benches of the CIC</u>.
- <u>Separate Format for complains and appeals</u> This implies that an appellant/complainant cannot merge an appeal and complaint into one making the entire procedure lengthier.
- Withdrawal of an appeal if an appellant makes a written request. Activists can be pressurised to withdraw
- It is up to CIC to decide whether an appeal is fit for trial This is being seen as a draconian measure.
- <u>Complainant is required to submit an advance copy of all documents and written submissions to the public authority</u> prior to submitting the complaint to CIC - This is standard court procedure but totally uncalled for in the case of CIC.

Real estate

'Reforms restrain realty, hopes linger'

- Measures like demonetisation, RERA, Benami Transactions (Prohibition) Amendment Act and GST have pushed the already sluggish residential market into a corner
- The reforms, however, hold potential for long-term gains in the sector.
- New residential projects were at their lowest in seven years and sales volume had shrunk 11% year-on-year
- The first half of 2017 saw the revival of the sub-50 lakh segment due to strategies taken by the government

Law may make your home less hazy

- Private equity investments into real estate jumped 62% to Rs 38,000 crore in 2016, largely helped by RERA and GST
- RERA requires any project that has <u>8 dwelling units or is at least 500 sq m</u> to be registered with authority.
- <u>Builder gets a login and password</u> using which he goes on to <u>fill in details of the project, include clearances obtained</u>, such as highway- and environment-clearances. This is meant for <u>consumer to review and evaluate</u>.
- Not permitted to advertise, book or sell in any form prior to registration with RERA
- The promotional material will have to carry details of the projects registration as also the website of the regulator.
- Builder is eligible to receive only 10% of the money as advance before the agreement with the consumer is inked.
- Obligation to place funds for a project in an account meant only for that project.
- Every six months, an audit of structural strength of building is to done
- Consumer protection across all major fronts; compliance, title deeds and quality of construction
- If the buyer is not happy with the compliance or progress, he/she can approach the <u>appellate tribunal for relief</u>.
- Rules to be notified by the State governments, as real estate is a State subject \rightarrow regulations differing across States
- Centre's rules say that projects <u>under construction would have to comply</u>. While Karnataka's rules follow the same line, rules formulated by Gujarat hold otherwise.
- Also, in terms of punitive provisions, there are differences.
- Act will bring on a common platform buyers, sellers and intermediaries engaged in the sector.

- There is provision for revoking registration and imposition of penalties.
- Until now, consumers were protected by a State's consumer protection measures, where getting justice was a long and arduous process

River sharing issues

Inter-state river water disputes (amendment) bill, 2017

- To streamline the adjudication of disputes and make the present legal and institutional architecture robust.
- The Inter State Water Dispute Act, 1956 suffers from many drawbacks
- Under this Act, a separate Tribunal has to be established for each Inter State River Water Dispute.
- <u>Only three out of eight Tribunals have given awards</u> accepted by the States.
- <u>No time limit</u> for adjudication by a Tribunal, <u>no upper age limit for the Chairman</u> or the <u>Members</u>
- BILL: <u>Proposes to resolve dispute by negotiations</u>, through a <u>Dispute Resolution Committee</u> to be established by the Central Government <u>consisting of relevant experts</u>, before such dispute is referred to the tribunal.
- The <u>Committee</u> would strive to settle the dispute <u>within a period of one year</u>, which may be <u>extended by 6 months</u>.
- Bill proposes a <u>Single permanent Tribunal (with multiple benches)</u> instead of existing multiple tribunals.
- Chairperson, one Vice-Chairperson and not more than six Members
- The term of Chairperson: five year or till he attains the age of 70 years, whichever is earlier
- <u>Term of Vice Chair and other member shall be co-terminus with the adjudication of the water dispute.</u>
- The tribunal should settle a dispute in <u>4.5 years</u>.
- The decision of the Tribunal shall be <u>final and binding</u>.
- <u>An agency to collect and maintain all relevant water data</u>, like rainfall, water flow and irrigation area, in each of the river basins of the country, is also proposed to be created.

Review of bill

- Recently, dispute over Mahadayi river between Karnataka, Goa and Maharashtra
- Benefits: Speedier adjudication, availability of relevant and updated data by specialized agency
- Benches of Permanent Tribunals are proposed to be created as and when need arise. Thus it is not clear how these temporary benches will be different from present system.
- Water disputes should be depoliticized

Odisha rejects panel on Mahanadi

- According to the Odisha government, the <u>committee is not in accordance with the provisions of Sec 4(1) of the Inter-</u> <u>State River Water Dispute Act of 1956 and its composition is arbitrary</u>.
- The provisions of the ISRWD put responsibility on the central government functionaries namely PM or Union minister for water to conduct negotiations with the chief ministers of the riparian states rather than appointing a committee headed by an officer of the subordinate office namely Central Water Commission.
- 850km length of the Mahanadi river is divided almost equally between Chhattisgarh

Yettinahole project karnataka

- Envisages <u>pumping about 24 tmc ft of water from Yettinahole</u>, a tributary of River Netravathi.
- The project envisages diverting the water to drought prone Chikkaballapur, Kolur, Tumkur
- Diversion of river basins from their natural course of opposite direction is fundamentally unscientific and would greatly disturb the very pattern of landscape ecology. This will result in problems like uneven percolation pattern, seepage problems, opening up of ground water sources in higher altitudes etc.

Punjab, J&K to resume work on dam across Ravi

• <u>Shahpur Kandi Dam across the Ravi</u>, which had been stalled by JK since 2014 saying there was no agreement for sharing of waters and power from the project.

Ken-Betwa link hits green hurdle

- India's apex forest advisory body, Forest Advisory Committee, has imposed tough conditions
- <u>It clears requests for diverting forest land</u> for projects, rejects or recommends a proposal, sometimes with conditions
- FAC's recommendations are passed on to the environment minister, who can abide by them or reject them.
- 18,000 crore project requires 4,141 hectares of forest (Panna Tiger reserve) to build a dam and a 230-km canal to transfer water to Bundelkhand.
- As compensation for the pristine tiger habitat that would be inundated by the project, the <u>Water Ministry had agreed</u> to acquire about 8.000 hectares of forest land from MP government and revive them as forest.
- <u>FAC said this land was not good enough as it was fragmented</u>, and, to meaningfully revive a forest that is part of tiger habitat, the <u>land acquired ought to be contiguous</u>.

Road issues

Logistics Data Bank project to expand to South India

- Unveiled in July 2016 to make India's logistics sector more efficient through IT
- So far, it had covered only the western logistics corridor.
- <u>Every container is attached to a RFID tag and then tracked</u> through RFID readers aids importers and exporters in tracking their goods in transit. This has <u>cut time and costs</u>, <u>boosting EOB</u>, <u>trade and transparency</u>.
- Integrates information available across supply chain to provide detailed, real-time info within a single window.
- The LDB is being implemented through SPV called Delhi Mumbai Industrial Corridor Development Corporation Logistics Data Services Ltd. (DLDSL)

India to learn from London public transport system

- Sharing expertise on the mobility, <u>efficiency</u>, <u>logistical issues</u>, planning, delivery, <u>ticketing</u>, information, financing and <u>infrastructure maintenance</u>, promotion of the use of public transport
- Launch of <u>NHAI's first masala bond on LSE</u>, through which they hope to raise up to RBI mandated limit of 5,000 crore to help fund investment in key transport infrastructure.

India's road to seamless commutes waits for rules

- <u>Technology-driven efforts to modernise public transport</u> are being pursued in Delhi, where <u>Metro, DTC, urban rail</u> <u>and the cluster bus</u> are in consultations on how to offer a seamless travel experience.
- The proposal for a common mobility card is in the works.
- Must enable sharing of fares, and connect buses, trains and feeder transport networks in one integrated model
- <u>MOUD has come out with a Transit Oriented Development (TOD) Policy. (integrate land use planning-transportation)</u>
- It enables people to live within walking or cycling distance from transit corridors like the Metros, Monorail etc
- The city <u>densification will be promoted along mass transit corridors through vertical building construction</u>
- It is proposed to be financed by <u>Betterment Levies and Value Capture Financing</u>
- <u>Under new Metro Policy, TOD has been made mandatory</u> while under Green Urban Mobility Scheme, TOD is recommended as an essential reform

Modi launches new projects in Kutch, Gujarat

- Modi said Gujarat's Kandla Port will soon be connected with Chabahar port in Iran
- Kandla Port Trust is the largest cargo handling port in the country for more than two decades.
- Govt was working on developing <u>multi-modal transport system to connect ports with railway</u> for seamless movements of cargo. It's of no use to modernise your ports if there are bottlenecks in cargo movement away from ports.

Motor Vehicles (Amendment) Bill: In a safer lane

- Centre will introduce guidelines that bind State governments in <u>creating a framework for taxicab aggregators</u>, financing <u>insurance to treat the injured</u>, <u>compensate families</u> of the dead in hit-and-run cases, prescribing standards for <u>electronically monitoring highways and urban roads</u>, learner's licences online, recording address changes through online app, and <u>electronic service delivery</u>
- The amendments to the MV Act enhanced penalties for several offences, notably drunken driving, speeding etc
- Protection from harassment for good samaritans
- National Road Safety Board (decade old road safety Sundar committee) to be notified by central government.
- <u>Contractor responsible for design, construction, or maintenance of roads would be held responsible through penalty</u> <u>for road accidents instead of bad drivers.</u>
- PROB: Act overly emphasises the concurrent jurisdiction of the Centre at the cost of State powers

One Ministry for transport proposed

- Centre is planning to establish a single unified transport ministry to ensure EOB and boost India's trade.
- Inter-ministerial discussions have started establishing a 'Logistics and Integrated Transport Board' as a nodal body
- Board will work on improving inter-ministerial co-ordination
- Board likely to be chaired by a Cabinet minister or a Secretary <u>will include top officials from other ministries</u> such as Finance, Commerce, External Affairs and Home, senior representatives from industry and legal experts
- Centre is considering the report of the <u>National Transport Development Policy Committee</u>, chaired by Rakesh Mohan.
- The report, submitted to the then PM Manmohan had pointed out that "<u>nearly all of the 100 largest economies have a</u> <u>Ministry of Transport or similar integrated equivalent</u>

MAJOR PORTS AUTHORITY BILL, 2016:

- Will replace Major Ports Trusts Act, 1963.
- <u>Issues with the ports: not leasing out the land to Private operators in time, Multiple agencies in decision making, no independent board to look into disputes</u> between stakeholders, <u>tender process is not followed</u>
- It proposes to <u>simplify composition of Board of Port Authority</u> comprising of only 11 members including 3-4 independent directors from present 17-19 members.

- <u>Bill propose to divest Tariff Authority of Major Ports (TAMP) of its power to regulate tariffs and delegate to BPA</u> to fix tariff which will act as a reference tariff for purpose of bidding PPP projects.
- BPA will be empowered to lease land for port related use for upto 40 years and for non-port related use upto 20
- Bill propose to introduce internal audit of Central Ports, CSR and development of infrastructure by port authority.
- <u>Independent Review Board</u> to look into disputes between port and PPP concessionaires, review stressed projects and suggest measures
- The bill would give more autonomy and flexibility to major ports & help in faster, independent decision
- <u>India has been following long obsolete service port model</u>. While <u>globally landlord port model is followed</u> consistent with market oriented economy
- Landlord port model: <u>Ownership of the port remains with port authority</u>. <u>Infrastructure is leased</u> to private firms. <u>Port gets a share of the revenue from the private entity</u>.
- Service port model: <u>Port authority owns land, all assets and performs all regulatory and port functions</u>. The port trust is both landlord and the cargo terminal operator.

Sanitation – swachh bharat

A pit stop to change attitudes

- Ambedkar and Gandhi encouraged upper castes to deal with their own waste.
- <u>Problem of pit emptying must become central to India's efforts to eliminate open defecation.</u>
- Studies find that many rural Indians associate emptying a latrine pit by hand with manual scavenging, work that Dalits have traditionally been compelled to do.
- Indian government's response to the problem of pit emptying is to promote affordable latrines with two pits.
- Having a second pit allows the contents of a full pit to decompose before being emptied.
- According to Manual Scavengers Act, which made the employment of manual scavengers illegal, <u>emptying human</u> waste that has decomposed in a latrine pit is not considered manual scavenging, and is therefore not illegal.

Kerala, Haryana top sanitation survey

- Almost all rural households in Kerala and Haryana had access to a toilet while Bihar (30) fared worst
- Ministry of Drinking Water and Sanitation & OCI
- <u>NE States of Sikkim, Manipur and Nagaland were top performers</u> with 95% rural households covered by toilets.
- To instil a competitive spirit at the ground level, Ministry would now start ranking districts
- Ministry has drawn up a plan to <u>celebrate a "Freedom from ODF Week."</u>

Indore is the most Swachh city, Gonda the dirtiest

- Indore and Bhopal; cleanest cities as per Swachh Survekshan-2017 by the Ouality Council of India & MOUD
- The <u>dirtiest city is Gonda</u> in Uttar Pradesh.
- <u>Gujarat has the maximum of 12 cities among the top 50</u>, MP 11 and AP 8.

- <u>In some cases, it was not the 'independent observation' score that dragged score down, but the 'public feedback'</u> <u>score. For others, though, the reverse was true.</u>
- Factors/Sol: WoW (<u>Well-being out of Waste</u>), <u>door-to-door waste collection</u>, waste <u>segregation</u>, placing <u>litter bins</u> at commercial complexes and using <u>GPS-fitted dumpers</u>, starting a <u>biogas plant</u>.

Vizag billed the cleanest rail station

- Visakhapatnam railway station is the cleanest, followed by Secunderabad and Jammu Tawi, among 75 major stations
- Survey by the Quality Control of India (QCI) and released by Railway Minister
- Darbhanga in Bihar is the dirtiest
- QCI evaluated cleanliness at 407 railway stations' parking, main entry area, main platform and waiting room.
- Passenger feedback was also factored in.
- The survey is part of its 'Swachh Rail' campaign.

Swachh Bharat Mission

- Coverage now extends to 62% of households, up from 39% in 2014.
- Among these households, nearly 92% of people who have access actually use the toilets.
- Led to reduced stress for women, gains to public health
- Probs: disuse because many rural <u>households did not have a water source</u>, <u>Dalit houses tend to have lower coverage</u>, <u>no comprehensive waste management plan</u>

Get real on Swachh: on manual scavenging

- Despite the most stringent penal provisions in the law against manual scavenging, it continues in parts of India.
- <u>Madras HC asking Centre and TN government to ensure the strict enforcement</u> of the Manual Scavengers Act, 2013, in the wake of the <u>death of 30 people engaged in the activity</u>
- Manual scavenging persists mainly because of the <u>continued presence of insanitary latrines</u>
- <u>National campaign for rehab</u> has been <u>unable to break governmental indifference</u>. Central government, which runs <u>self-employment scheme for rehabilitation</u> of these workers, has <u>reduced funds from 448crore to 5crore this year</u>.
- Aga Khan Foundation bags FICCI-India Sanitation Coalition prize

SEBI and related policies

Shades of gray

- <u>Schedule IV of Companies Act 2013 and Clause 49 of the Listing Agreement</u> have caused trepidation by mandating that the <u>independent directors of a Company must hold at least one meeting a year without attendance of non-independent directors to review the performance of directors, the chairman</u>
- Independent directors <u>meet at board meetings once a quarter for a few hours</u> and then do not meet. <u>How can they</u> <u>determine whether the person is able to function effectively</u>
- Determining whether the person has contributed effectively to the entity and in board meetings is very ambiguous.
- In many cases, the <u>chairman is also a majority shareholder and it is through him that the independent director has been</u> <u>invited to the Board</u> leading to conflict later

Market manipulation probes by SEBI hit a new high

- SEBI's <u>order barring Reliance Industries and 12 others from equity derivatives segment for one year</u> and directing them to <u>disgorge almost 1,000 crore</u> featured the word 'manipulation' 15 times.
- This was also the first time that the number of such cases had exceeded 100 in a fiscal (174).
- SEBI's <u>increased monitoring</u> in matters relating to <u>market manipulation</u>, <u>price rigging</u>, <u>insider trading</u>, <u>takeovers</u>, <u>CIS</u>, <u>misuse of LTCG and algo trading</u> led to the increase

SEBI targets participatory note norms

- SEBI plans to further tighten norms for issuance of ODIs and PNs by <u>levying a regulatory fee of \$1,000 on every FPI</u> that issues ODIs or PNs; once every three years for each of their ODI subscribers.
- It will discourage the ODI subscribers from taking ODI route and encourage to directly take registration as an FPI
- PN route is used by foreign entities who want exposure to Indian equity without getting registered with SEBI.
- So, SEBI-registered FPIs buy shares on behalf of such entities
- Last year SEBI issued instructions on KYC norms for ODI subscribers, transferability of ODIs, reporting of suspicious transactions and periodic review of systems.

Start-ups

Start-up funding may come under SEBI lens

- Start-ups are being <u>funded through unregulated entities</u> and SEBI is examining the manner in which <u>alternative fund-</u> <u>raising platforms</u> and <u>crowd-funding ventures</u> can be regulated
- Panel under Mohandas Pai to look into this issue, investor protection and market integrity.
- <u>Committee on Financial and Regulatory Technologies</u> will deliberate on financial technology solutions including peer to peer lending and equity crowd-funding.
- SEBI has a provision under <u>Section 28 of Securities Contracts Regulation Act</u> that allows it to recognise such alternative investment platforms.

Startup India virtual hub by MOC

- <u>Common online platform for all stakeholders</u> of ecosystem like startups, investors, mentors, academia, incubators, accelerators, corporates, Government bodies in India, etc. to discover, connect and engage with each other.
- Solves problem of info asymmetry, access to knowledge, tools, experts, funding especially in Tier II and III towns
- Hub comes under Invest India, the official Investment Promotion and Facilitation Agency of the Government

Startup India's slow pace worries Govt.

- Centre is concerned about the <u>minuscule number of start-ups becoming eligible for tax benefits</u>, just 39, even 18 <u>months after the flagship initiative</u> was introduced
- In order to obtain tax benefits, <u>start-up should be pvt limited company</u> or <u>limited liability partnership incorporated on</u> <u>or after</u> April 1, 2016
- The recent relaxations: doing away with the requirement of 'letter of recommendation' from an incubator/industry

- <u>Broadening the scope of definition</u> of start-ups to <u>include 'scalability</u> of business model with potential of employment generation or wealth creation'
- <u>Venture capital funding has bounced back</u> after a slowdown last year.
- But there is not going to be a flood of funds like 'spray and pray' model in the past

Centre mulls modifying definition of start-up

- For the purpose of claiming the benefits of the government schemes, 'start-up' means an entity, incorporated or registered in India: (a) not prior to 5 years (b) annual turnover not exceeding 25 crore (c) working towards innovation, development, deployment or commercialisation of new products, processes or services driven by technology or intellectual property.
- Maybe there is a <u>need to have different time period and different turnover for different sectors</u>
- Suggestions that instead of 'turnover.' the policy should consider the number of employees or investment in plant
- The mechanism of the Inter-Ministerial Board considering the applications is transparent
- Also mooted the establishment of a single window clearance for obtaining approvals

Why are there shake-ups in the start-up sector?

- A<u>rrest of Stayzilla co-founder</u> and <u>staff layoffs</u> in e-commerce majors Snapdeal, Yepme and Craftsvilla.
- In the last five years 97,000 crore, has been invested in this sector.
- While big players face a <u>funds crunch</u>, smaller entities are being <u>forced to shut shop</u>.
- It is <u>almost a given that about 70% of the new ideas fail</u>, and a few start-ups succeed, and investors accept it as reality.

Telecom issues

TRAI told to review tariff plans

- <u>Telecom Commission asked regulator TRAI</u> to review <u>tariff plans</u> offered by telecoms, including <u>promotional offers</u>.
- The highest decision making body in DoT, asked TRAI to ensure implementation of its 2008 amendments to the Telecom Tariff Orders
- Industry has been facing severe <u>headwinds since the introduction of Reliance Jio</u>
- <u>Centre earns revenue from the telecom operators through spectrum usage and license fees</u>. This is the first time revenue of sector has declined.
- Impact on operators' capacity to meet their commitment towards spectrum charges and installments
- Promotional offers amounted to 'predatory pricing'.
- In reply <u>TRAI said Consumer interest is prime & cannot be substituted by revenue maximization</u>, tariff regulatory regime has <u>promoted competition</u> in the sector, low tariff <u>help in penetration</u> in the rural and remote areas

Floor price for voice, data not 'workable', says TRAI

• TRAI said that the industry had reached a consensus that <u>fixing of floor price for voice and data services was not a</u> <u>"workable idea" at the moment, and the current regime of tariff would continue.</u>

TRAI defends decision to impose penalty on 3 firms

- Incumbent operators were "intentionally denying and delaying" providing adequate points of interconnection to Jio
- Penalty for violation of licence norms under the TRAI Act, 1997.
- <u>Consumers were suffering</u> due to blatant and wilful violation of the licence terms
- Non-compliance of terms and conditions of the license warrants recommendations for the revocation of the license.

Centre mulls 'One Nation, One Licence' in new telecom policy

- Centre will consider including ONOL regime in the new telecom policy that is set to come out next year
- To remove the distinction between local and STD calls, as service providers will not need separate licences for operations in various parts of the country.
- Would enhance the ease of doing business.

Revised semiconductor policy on anvil

- Earlier policy failed to attract electronic chip makers to invest & set up semiconductor wafer manufacturing units
- Setting up of <u>fab unit is a critical pillar required to promote ESDM</u>
- Indian ESDM market is expected to grow from \$31.6 billion in 2015 to <u>\$400 billion by 2020</u>.

'Six private telcos shortchanged govt.'

- Six leading private telecom players understated their revenues by 61KC, depriving the exchequer of 7KC: CAG
- CAG <u>questioned DoT for failing to take "proactive steps</u> to ensure that the licencees disclosed their revenue as stipulated in the licence agreements."
- In its response to the audit, <u>DoT pointed out that the basic definition of gross revenue and adjusted gross revenue was challenged by the operators in 2002-03.</u>
- Telecom players <u>suppressed revenues through accounting adjustments</u>, <u>excluding forex gains</u>, <u>interest income</u>, <u>sale of investment</u>, <u>profit on sale of fixed assets</u>

Jio tips feature phone to woo 50 crore users

- RIL unveiled a <u>4G-enabled</u> feature phone that comes at an '<u>effective' price of zero.</u>
- Buyers of the new phone will have to pay a deposit of Rs. 1,500 and after three years, if the user chooses to return the phone, the money would be refunded.
- With an eye on becoming India's largest mobile service provider, the <u>company aims to bring into its fold 50 crore</u> <u>Indians who are unable to afford smartphones</u>. Named the JioPhone, the product <u>will offer voice services free</u>.
- Jio's network coverage reaching 99% of India's population
- India's mobile data usage having crossed the U.S.' and China's
- Jio's proposition of connecting the phone to the television has affected the stock prices of DTH service providers
- Cheaper phones as well as data are essential to bring online the next 100-200 million people.
- <u>Govt must rationalise multiple statutory levies on TSPs</u>, which have been flagged as major stress points for sector.

'Apple's curbs on user data a serious problem'

- <u>TRAI chairman has red-flagged the inability of iPhone users to share their call or data speed logs with any one</u>, including the telecom regulator, thanks to the terms laid down by Apple
- So, for example, TRAI made an application for monitoring data speeds or reporting unwanted commercial calls. They said you can't have access to your own phone logs or SMS logs

Textile policy

Going beyond cultural heritage

- Increase awareness about handloom, make them things of aspiration for customers
- 'Hand-made' products allow the <u>design to be unique to suit individual image</u>.
- Equating handlooms with a culture has become part of policy and provides a legitimate basis for the state support
- But when we promote handloom as a traditional industry, large sections of population choose to ignore it.
- Handloom should be revived as a skilled occupation that offers livelihood

Before the colours fade away

- <u>Textile and clothing exports increased by a mere 0.9%</u>
- India has second-largest integrated textile manufacturing facility globally, next to China
- <u>Bangladesh and Vietnam</u> have seen exports rising.
- <u>China enjoys about 35% share</u> in the world textile exports while <u>India</u>, 2ND, has a mere 4.89% share.
- Almost <u>75% of the units in the country are in the unorganised sector</u>. These units have to adapt to the new tax system and that might take time.
- <u>Why exports have fallen</u>: slow down in global demand, <u>strengthening of rupee</u>, competitiveness issue, infrastructure challenges, costs, preferential tariffs that Pak, SL, and Bang enjoy with EU markets and the China factor
- Weaving and processing are weak links, fluctuations in prices and demand
- Last year, Government announced <u>6.000 crore special package</u> for the sector
- What is needed is a focused scheme to have at least 30 or 40 large-scale, high-technology processing units
- Need for better road connectivity, operation of vessels to key international destinations and power among others
- Push in apparel exports can be an engine of growth for the other segments
- The policies meant for the domestic industry should not impede exports.
- Industries need to be encouraged to re-invest their profits in textile value chain rather than hedging in other sectors

Govt. to train SC handicraft workers

- <u>NIOS</u> will train <u>1500 handicraft workers belonging to SC</u> as part of a scheme to be <u>funded by the Ministry of Textiles</u>.
- NIOS will set up the first Skill Training Centre in Varanasi

POWERTEX INDIA - New scheme for powerlooms unveiled

- A three-year Comprehensive Scheme for Powerloom Sector aims to boost infrastructure and modernization
- 2 new schemes are: PM <u>Credit Scheme</u> for weavers and <u>solar energy</u> scheme for powerlooms.
- Powerloom units with maximum 8 looms each will be eligible for 50 % subsidy for going in for solar energy
- 2ND FYP encouraged expansion of weaving capacity and <u>by 1990s many handlooms were converted to powerlooms</u>.
- Powerlooms are spread over most states except a few in eastern India which still relies more on handlooms.
- It has 9 major components like Group Workshed Scheme, Yarn Bank Scheme, Common Facility Centre
- Other Government Schemes: <u>A-TUFS. In-situ Up-gradation Scheme</u> for Plain Powerlooms

Fortified by coir geotextiles

- Kerala government to use coir geo-textiles to protect and conserve streams and ponds
- Coir geo-textiles refer to loosely woven coir mats that can be used to strengthen the walls of rainwater harvesting pits
- Plan is to use coir geo-textiles on a large scale as part of its green mission, titled 'Haritha Keralam'

• <u>Replacing the concrete with geo-textiles</u> would <u>facilitate growth of grass on the banks</u>, resulting in a natural strengthening process, which would be <u>environment friendly</u>, providing a long-lasting solution to soil erosion

Centre to promote use of technical textiles

- <u>Technical textiles or functional textiles</u>, considered <u>sunrise sector</u> in the country <u>EX</u>. agro textiles.
- It can be <u>used in infrastructure</u> projects, including ports, roads, and railways, and in sectors such as <u>agriculture</u>.
- <u>Geo textiles</u>, for example, <u>are permeable fabrics</u> that are used <u>in association with soil</u> and have the <u>ability to separate</u> <u>and filter</u>, while agro-textiles are used in shading and in weed and insect control.
- <u>Smart textiles (sensor embedded</u> textiles) is another potential area
- Technical textiles is a fragmented sector with several small and medium-scale industries

TOURISM SECTOR

- <u>PRASAD Scheme</u>: development of tourism infrastructure in and around famous religious and pilgrimage cities.
- <u>Swadesh Darshan Scheme</u> aims at the development of a complete <u>circuit on a specific theme</u>.
- <u>E-visa process simplified;</u> covering nationals of <u>161 countries</u> and allowing visits for business and medical treatment.
- <u>Incredible India Tourist Helpline</u> was launched (2016) to provide assistance and information to tourists in 12 languages of the world including Hindi & English
- Ministry of Tourism has launched a <u>'Welcome Card'- free SIM Card with pre-loaded talk-time and data to all tourists</u> <u>arriving in India on the e-Tourist Visa.</u>
- <u>A task force for Cruise Tourism</u> and a <u>Medical and Wellness Tourism Promotion Board was set up</u>.

Ministry forms panel for cruise tourism

- <u>Shipping Ministry</u> has set up a committee to examine cruise tourism reforms.
- <u>Ministry hired a global consultant</u> \rightarrow <u>shortlisted almost a dozen proposals given</u> by it \rightarrow <u>asked the committee to "work</u> <u>out the modalities"</u> for implementing these recommendations in a time-bound manner.
- The committee <u>will consider a single window system for cruise requirements</u>, <u>dedicated approach road</u> for cruise terminals, <u>reducing security layer for passengers</u>, <u>customer-friendly and hassle-free logistics process</u>
- Proposal for joint collaboration between the Bureau of Immigration and CISF to ensure that passengers are frisked by security personnel only once while entering a cruise.
- <u>Segregating cargo and passenger flow at ports is another area</u> which will be examined by the committee

Torture law

SC for broad anti-torture legislation

- India may be <u>finding it tough to secure extraditions</u> because there is a fear within the international community that the accused persons would be subject to torture here, the Supreme Court said
- The "tough" peer review India faced at UNHRC, CJI cautioning against delay
- India had signed the UN Convention against torture way back in 1997, had still not ratified it. Convention defines torture as a criminal offence.

- <u>Lapsed Prevention of Torture Bill of 2010.</u> Govt must consider <u>promulgating a standalone, comprehensive law</u> to define and punish torture as mandate of <u>Article 21</u> and India's <u>international obligations</u>.
- <u>NHRC kept count of incidents of custodial torture only if it led to death</u> and not otherwise. So a majority of cases simply went unreported.
- Provisions relating to <u>causing hurt for extracting confession</u>, <u>criminal intimidation and wrongful confinement already</u> <u>exist in IPC</u>. However stand-alone law is more tangible way of expressing commitment to eliminating torture.
- The government now says it has <u>referred the matter to LCI</u> for an authoritative view.

Key provision of Prevention of torture bill 2010

- The bill penalizes the guilty public servant with <u>imprisonment upto 10 years</u>.
- It defines torture as "grievous hurt" or danger to life, limb and health.
- <u>Complaints against torture have to be made within 6 months.</u>
- <u>Sanction of appropriate government is required</u> before court can entertain a complaint.
- Issues: <u>definition of torture</u> is narrow as it doesn't include mental pain, intention of accused; <u>6 months' time limit</u> dilutes existing laws; <u>no independent authority for investigation</u>; <u>no provision for compensation</u> to victims.

Trade and investment issues

'India will remain among top 3 investment destinations till '19'

- India will be behind only the U.S. and China according to UNCTAD World Investment Report 2017
- India ranked 10th in terms of FDI inflows in 2016, with \$44 billion coming in

The flow of funds in India

- Morris Copeland's, Flow of Funds is accounting system, to capture the pattern of money flows, understanding the current and likely future trajectories of an economy.
- India examines flows across 6 sectors households, government, pvt, banks, other financial institutions and ROW
- <u>Government sector is the largest net deficit sector</u> while the <u>household sector is the largest net creditor</u>.
- Private corporate sector is running larger deficits as a fraction of GDP
- <u>Since LPG there is a lot more volatility</u> in financial positions
- Rest of the world has moved from being quite unimportant to becoming the second largest net surplus sector
- Banking has seen an influx of funds from ROW

DGFT may come under Revenue dept.

- <u>CBEC was getting complaints</u> from foreign trade sector saying the current <u>division of trade facilitation-related work</u> between DoC and DoR was resulting in 'red tapism' and delays
- Centre is considering a <u>proposal by CBEC in the DoR</u>; to shift DGFT office to DOR from DoC
- The suggestion will simplify processes relating to export and import, trade facilitation, EOB
- CBEC currently houses the Secretariat of National Committee on Trade Facilitation
- <u>DGFT's role includes FTP formulation and implementation</u>. It is manned mainly by <u>ITS</u>. <u>If the proposal is accepted</u> <u>DGFT will be staffed by IRS</u>
- This is to better <u>utilise the DoC's resources (including ITS) in 'core focus areas' such as India's trade negotiations</u>.
- The shifting of DGFT office would require amendments in Foreign Trade Act and the Customs Act.

Commerce Ministry to redefine focus

- DoC has sought to <u>shed areas including FTP implementation & administrative control over certain PSU</u> to better utilise the ministry's resources in '<u>core focus areas'</u>
- Also keen to transfer to the Agriculture Ministry the administrative control it has over the commodity boards (Coffee Board, Tea Board, Rubber Board, Spices Board, and Tobacco Board)
- Commerce Ministry has begun work to merge the various plantation commodity boards into a single organisation.
- FIEO said target for exports of \$900bn by 2019-20 is unlikely to be achieved & should be scaled down to \$700-750bn

Commerce Dept. Special arm may drive foreign trade policy

- India's future trade model <u>should have Commerce Department at helm, supported by FM-MEA</u>, while a <u>'transformed'</u> <u>DGFT should be the apex body for all trade promotion activities</u>, according to a government-commissioned report.
- The report prepared by the <u>global consultancy firm Frost & Sullivan makes a strong case for a higher profile for ITS</u> in matters of trade policies & systems.
- At present, the officials belonging to IAS, IFS and IRS evidently have a relatively superior role
- The report proposed a dedicated ministerial arm under Department of Commerce

WCO lauds India's trade facilitation plan

- India's National Trade Facilitation Action Plan (17-20), which <u>aims to cut cargo release time for exports and imports</u> as part of measures to <u>boost goods trade</u>, has been <u>described by WCO as a 'best practice' other nations can adopt</u>.
- <u>51 of 76 activities mentioned in NTFAP "go beyond" requirements of WTO TFA</u>
- Part of India's efforts to improve its EOB ranking. (<u>144/190 in 'Trading Across Borders' category</u>)
- <u>WCO international body supporting the uniform implementation of TFA across globe</u> has 182 member nations that manage more than 98% of world trade.
- As per the WTO, "the full implementation of the TFA could boost global trade by up to \$1 trillion per year."
- Infrastructure and technology augmentation, Time Release Study, Post Clearance Audit and Authorised Economic
 Operator scheme belong to TFA Plus category

'Investment pact system needs review'

- International Investment Agreements (IIA), including ISDS, which is costly for host countries, needs to be reviewed
- Direct access to international mechanisms should be allowed only when there are no local remedies
- IIA regime <u>should incorporate different socio-economic conditions of host countries</u>, <u>measures for welfare must not</u> <u>be compromised</u>
- IIA system currently has a pro-investor bias with an aim to protect only capital and not labour
- There is little empirical evidence establishing a link between the existence of BITs and FDI flows.

India's model draft on BIT

- <u>Enterprises based</u> definition of investment- <u>Investors who do not set up an enterprise in India to carry business cannot</u> <u>seek protection under BIT</u>.
- List of subject exceptions where provisions of BIT would be invalid are <u>health</u>, environment etc.

The art of the free trade agreement

- Modi and Merkel agreed to resume <u>India-EU FTA talks covering trade, investment and IPR</u> that have remained deadlocked since 2013.
- The recent <u>unilateral termination of BITs by India with many EU countries</u> including Germany has complicated things
- India, Brazil, Argentina rejected attempt by EU and Canada to work towards a global investment agreement at WTO
- European Commission negotiated an FTA with Singapore including ISDS
- <u>EU-Canada FTA</u> reveals the EU's preference for <u>ISDS</u>.

- ISDS provision gives investors a choice between bringing a dispute before court of host and international arbitration.
- EU may negotiate FTAs where disputes between investors and states would be resolved using the <u>state-state dispute</u> <u>settlement (SSDS)</u>. <u>India might be happy with this</u> but it is unlikely that the EU would totally abandon the ISDS
- In its FTA with Canada, has moved away from arbitration to a bilateral investment court system
- India will have to think about its ISDS negotiating strategy on three fronts:
- First, will <u>India allow foreign investors to submit cases to international tribunals</u> without resorting to domestic courts? The 2016 Indian Model BIT requires a foreign investor to litigate in national courts for at least five years
- Second, is India prepared to accept the proposal of setting up a MIC and submit to the jurisdiction of such a court?
- Will India accept the creation of a bilateral investment court system?
- Dispute resolution in the Indian Model BIT is based on ad hoc arbitration

INDIA-SINGAPORE DTAA (also with Cyprus):

- India-Singapore DTAA at present provides for residence-based taxation of capital gains of shares
- The Third Protocol amends the DTAA with effect from April, 2017 to provide for source based taxation
- It will allow India to levy capital gains tax on investments coming from Singapore.
- The tax rate will be half the prevailing Indian rate
- For first 2 years, India and Singapore will share the taxes on such gains equally and from third year onwards, all such taxes will accrue to India.
- This amendment effectively closes one route of laundering domestic black money by "round-tripping".
- This is a taxpayer friendly measure and is in line with India's commitments under BEPS to meet the minimum standard of providing Mutual Agreement Procedure (MAP) access in transfer pricing cases.
- A DTAA is a tax treaty signed between two or more countries. Its key objective is that tax-payers in these countries can avoid being taxed twice for the same income.
- A DTAA applies in cases where a tax-payer resides in one country and earns income in another.

Tribal issues

VANJEEVAN:

- MOTA, UNDP and National ST Finance and Development Corporation launched "Vanjeevan" National Resource Centre to identify livelihood issues, provide skill training, entrepreneurship and employment among tribal people.
- NRC will serve as an apex central institution within Ministry of Tribal Affairs
- The centre will also have a knowledge hub that will give special emphasis on traditional tribal knowledge and make a sync with new business models and employment opportunities.
- NSTFDC set up in 2001 is non-profit company under ministry of Tribal Affairs
- It provides financial assistance at concessional rates of interest for undertaking viable income generating activities to the Scheduled Tribes up to double the poverty line.

PVTG

- In 1973, the Dhebar Commission created Primitive Tribal Groups as a separate category, who are less developed among the tribal groups. They were later renamed as PVTG.
- Scheme for Development of PVTG 2008 identifies 75 PVTGs & gives state gov flexibility in planning initiatives.

- A long term Conservation-cum-Development plan for five years for each PVTG to be established by States.
- States/UTs submit proposals to MOTA for identification of PVTGs.
- Some characteristics of PVTGs are: homogenous, small population, isolated, primitive Social institutions, Absence of written language, livelihood depends on food gathering, Non Timber Forest Produce, hunting, livestock rearing, shifting cultivation and artisan works.
- Activities covered include housing, land distribution and development, agriculture, roads, energy, etc.
- Anthropological Survey of India (AnSI) study revealed that no base line surveys have been conducted for more than half of PVTGs in India.
- Base line surveys help identify the habitat and socio-economic status, so that development initiatives are implemented
- The highest number of PVTGs are found in Odisha (13) followed by Andhra Pradesh (12)
- All the four tribal groups in Andaman and one in Nicobar Islands are PVTGs.
- There are regional and State-specific variations in welfare schemes for PVTGs
- Literacy rate has gone up from single digit to 30 to 40 % in some PVTGs.
- Female literacy rate is still considerably lower compared to male counterpart.
- There has been a considerable increase in the age of marriage among PVTGs

Urban development

What is NHB Residex?

- NHB Residex from the National Housing Bank, designed by a technical advisory committee comprising Government representatives, lenders and property market players, is a set of benchmarks that aims to track housing price indicators across Indian cities.
- Flagged off in July 2007, the index was discontinued in 2015 and was refurbished and re-introduced
- It now sports enhanced city coverage (rising from 26 to 50, to be eventually raised to 100), a new base year (2012-13) and new data sources (with data from banks and home finance companies and market surveys).

Ahmedabad becomes India's first World Heritage City by UNESCO World Heritage Committee

- Walled City of Ahmedabad, founded by Sultan Ahmed Shah in the 15th century
- 5.5 km walled city area with an approximate population of four lakh, living in century old wooden residences in around 600 pols or neighbourhoods, is regarded as a living heritage.
- Sabarmati river, Bhadra citadel, the walls and gates of the Fort city, mosques and tombs, Hindu and Jain temples
- There are 2600 heritage sites and over two dozen ASI protected monuments and sites in the walled city.
- Huge boost to tourism after the UNESCO's declaration

Ministry of urban development: new reform matrix

- To enable State and City Governments to implement reforms over the next three years for urban governance
- The present system requires verification first and then issuing approval. Instead trust needs to be reposed in the citizens and approvals may be accorded first and to be verified later.
- Enactment of Land Titling Laws and their implementation in a specific time frame.

- <u>Municipal Bonds</u> for meeting the capital expenditure needs of cities
- <u>Professionals in city governments should be inducted by encouraging lateral induction</u> and filling top positions in cities through open competition

'URBAN PLUS' APPROACH:

- The sixth edition of Asia Pacific Ministerial Conference on Housing and Urban Development was held in New Delhi.
- Declaration has strongly advocated planning for urban and adjoining rural areas in an integrated manner
- Formulation of new policies to promote <u>New Urban Agenda</u> adopted at <u>UN Conference on Housing and Sustainable</u> <u>Development</u> in Quito, Ecuador in October 2016.
- Declaration stressed on the <u>need for effective governance structures in urban areas</u>.
- National Human Settlement Policies to promote inclusive, safe, resilient and sustainable city
- <u>Integration of land use and transportation planning</u>

Centre announces 30 more Smart Cities

- Taking the total number of cities to 90. 23 States and 4UT have been included in the Mission.
- Cities were <u>picked on the basis of the proposals they submitted for the Smart Cities Challenge</u>.
- MOUD City Liveability Index, to rank 116 cities in terms of the guality of life they offer residents.
- Include the ones selected for the Smart Cities Mission, capitals and those with a population of over 10 lakh.
- The cities would be assessed on <u>79 parameters</u> such as governance, identity and culture, education, health, water supply and reduced pollution.

Thiruvananthapuram tops with core city plan

- Kerala's capital, which topped in the second round of the Smart City Challenge, will attempt to solve its core city problems using the special funding under the scheme.
- Thiruvananthapuram Municipal Corporation drew up the area development plan for the Smart City Mission after a month-long campaign that used road shows, Facebook and WhatsApp.

Less than 3% of projects under mission completed

- Nearly two years after the Smart Cities Mission was launched
- Second anniversary of two other Central government schemes for urban development, AMRUT and PMAY

City planning

- <u>ULB still have limited influence</u> over how the city is planned.
- <u>Urban planning</u>, regulation of <u>land use</u> and <u>planning for economic and social development</u> are functions listed under the <u>12th Schedule</u> and hence <u>States are expected to devolve these tasks to Municipal Corporation</u>.
- <u>74th mandates creation of MPC</u> which will integrate plans prepared by local bodies within metropolitan area
- <u>Ward Committees</u> to carry out municipal functions within the ward.
- Though government in 1996 issued a Model Law, which requires Municipal Corporations to prepare local plans and MPC regional plans, most States have failed to incorporate these provisions in their planning legislations.
- Planning <u>continues to be a top-down</u> bureaucratic exercise, <u>disconnected from local democracy</u>
- Planning regime is still based on the outmoded practice of static, land use based master plans.
- Master plans are <u>restricted to zoning areas</u> into various categories: residential, commercial, industrial, agricultural, etc.
- Our planning legislations do not require the master plan to design the transport, water and energy networks of the city.
- NEED: <u>dynamic planning</u>, responsive to the needs of the people, periodic review of plans, inter-sectoral coordination

Using municipal bonds to bolster city finances

- A municipal bond is a bond issued by a local government, or their agencies.
- Bangalore Municipal Corporation was the first municipal corporation to issue a municipal bond
- <u>Pune is getting ready</u> to launch the biggest Indian municipal bond issue
- <u>Cities depend heavily on money passed to them from either the national or the state governments.</u>
- There is massive investment need in municipal infrastructure
- By creating opportunities for citizens to invest in tangible public causes in their cities, these bonds can also build strong bonds of trust between municipalities and citizens
- Measures such as making municipal bond tax-free, making investments by banks part of their PSL and encouraging PF and insurance companies to participate in municipal bond issuances need to be put into place
- Municipal bonds should be seen as only one part of a larger package to strengthen city finances.
- Cities need to generate more revenue as well

PMAY-Urban MHUPA

- To address the <u>housing requirement of urban poor</u> through: <u>Slum rehabilitation</u> with <u>participation of pvt</u> developers. <u>Affordable Housing for weaker section</u> through <u>credit linked subsidy</u> (beneficiaries are <u>poor, EWS and LIG</u>)
- The scheme is divided into three phases.
- Interest subsidy of 6.5% on housing loans which can be availed by beneficiaries for 15 years from start of loan date.
- The government will grant Rs 1 lakh to all the beneficiaries of the scheme.
- In addition, 1.5 lakh will be given to all eligible urban poor who want to construct their houses in urban areas or plan to go for renovation in their existing houses.
- One can also avail loans under this scheme to build toilets in existing houses.
- Midway through PMAY, which promises housing for all by 2022, MOUD has cut down required target to 1.2 crore
- By 2017-18, the government was to construct 12 lakh houses, only 1.5 lakh constructed.
- Ministry will hold an "<u>India Housing Construction Technology Challenge</u>" calling worldwide bids. The firm that offers a cost-effective technology that is adaptable to Indian climatic conditions will be selected.

Being smart about Smart Cities Mission

- <u>'Managed urbanisation' approach in chosen cities</u>, with the <u>powers of municipal councils delegated to SPV</u>, under the Companies Act, that will act in its own wisdom.
- Centre must present a status report on what the SPVs have achieved so far.
- <u>Sensors on Chicago streets</u> let people download data on air quality, transport, pedestrian movement
- Making street-level data public would lead to a heat map of the worst sites
- Vibrant life of cities depends on variety and enabling environments, rather than a mere technology-led vision.
- Pollution-free commons, walk-ability and easy mobility, with a base of reliable civic services, is the smart way to go.

Revenue source of Municipalities

- Tax revenue- property tax, Octroi, Advertisement tax, etc.
- Non-tax revenue- municipal fees, lease amounts
- Grants in aid and Loans
- Shared revenue- entertainment tax, surcharge on stamp duty, profession tax
- Other receipts- sundry receipts, lapsed deposits, fines

Women issues

Eve-teasing leads to restrictions on women's mobility

- <u>IHDS</u> of over <u>42,000 households</u>, organised by the <u>University of Maryland and NCAER</u>, shows that in 33% of the households, all the food shopping was done by men, and <u>22% of the women did not go to a local kirana shop alone</u>.
- 2017-18 Budget committed to setting up Mahila Shakti Kendras in rural India.

Pursued by danger

- The issue of women's safety comes under the national limelight with shameful regularity.
- The recent incident of a woman being pursued at night by men in a car in Chandigarh
- <u>354D of IPC pertains to stalking</u>, is a <u>bailable</u> offence. Criticism that the police did not invoke stringent provisions.
- The use of a particular section depends on whether the ingredients of the offence are present in actions of accused.
- Stalking is far too often dismissed as harmless. However, it is important to understand how traumatic it is
- There are times when stalking contains the seed for a bigger, often violent crime.
- Became an independent offence in 2013, when the country's criminal law was amended

Should triple talaq be outlawed?

- Noting that <u>only practices fundamental</u>/ essential to religion are protected under the Constitution, <u>Court asked Muslim</u> bodies how it can be both essential as well as 'sinful.'
- Triple talaq is a violation of the Koran tenets of justice. Gender justice and fairness.
- Any talk of reform in personal law is brushed aside as interference in religious matters.
- Muslim women are subject to Muslim Personal Law, 1937 which is silent on triple talaq, nikah halala and polygamy.
- Triple talaq, in fact, was banned in 2002 by SC

AIMPLB stand

- AIMPLB informed the court that <u>it intended to arm Muslim brides with an option to lay down a condition in</u> <u>their nikahnama</u> forbidding their prospective husbands from pronouncing instant talaq on them.
- AIMPLB counsel said the board was against the practice of instant talaq.
- AIMPLB: <u>Reform should start within the community</u> and <u>legislation by Parliament</u>. Once the legislature had passed a law, the court could test it on the principle of constitutional morality
- Sibal reiterated his warning to the court <u>not to go down the "dangerous and slippery slope" of declaring what was "essential" and what was "sinful" in Islam.</u>

Looking for answers to the triple talaq conundrum in the debates of Constituent Assembly

- Supreme Court and the government are engaged in a slanging match on who should bell the cat.
- The government wants the court to strike down all 3 forms of triple talaq
- The court, however, wants the state to first legislate.
- Founding fathers did not contemplate a role for courts in introducing reform to a community's personal laws
- <u>Ambedkar said it is the state which has the power to legislate and remove inequities</u> in personal laws of communities.
- <u>Santhanam</u>, said Article <u>25 is "not an article on religious freedom, but religious toleration</u>". Parliament <u>can encroach</u> <u>into personal law practices and legislate</u> if they are found to be violative of "public order, morality and health"

The lowdown on triple talaq

• 3 forms of talaq: <u>Ahsan, Hasan and Biddat</u> (<u>triple</u> or instant talaq). Ahsan and Hasan are revocable.

- <u>Polygamy and nikah halala</u> (where a Muslim divorcee marries a man and divorces him to get re-married to her former husband) <u>violate women's dignity</u>.
- Court missed opportunity to address question of gender inequality in both the Shah Bano and Danial Latifi cases.
- In the Shah Bano case, the court merely goaded the government to frame UCC
- In the Latifi case, it upheld the right of Muslim women to maintenance till re-marriage.
- Gov: Muslim marriage and divorce is codified under Shariat Act 1937 and came within ambit of 'law'/Article 13.
- Hearings also saw court toy with the idea of making Muslim Dissolution of Marriage Act of 1939 gender neutral.

Muslim sisters should get justice: PM

- Not questioning validity of triple talaq to create conflict within community but want to highlight need for justice, gender equality and dignity of women
- AIMPLB: government's concern for gender justice is just an excuse to meddle with personal laws of the community.

Polygamy is not a religious practice, government tells Supreme Court

- Polygamy is not a religious practice but a social custom or usage, which the <u>State can interfere</u> with to ensure FR
- This is true also of nikah halala and triple talaq.
- <u>AIMPLB: triple talaq was a 1,400-year-old practice and neither SC nor government should dictate reform to Islam.</u>
- The hallmark of a secular court is to start reform without waiting for a legislation.
- If there is clash b/w personal law practices and FR, personal law practices should give way
- Bombay HC in State of Bombay vs Mali had held that personal law is not 'law' under Article 13.
- Ahmedabad Women Action Group versus UOI, Court was asked to consider if unilateral divorce by talaq and polygamy were violative of Articles 14 and 15. The court rejected, saying it was for the legislature to determine.

MAJORITY VIEW

- A historic <u>3:2 majority</u> judgment by <u>multi-faith Constitution Bench</u>, set aside instant talaq as "<u>manifestly arbitrary</u>" practice <u>not protected by Article 25</u>
- Instant talaq given by a Muslim man "<u>capriciously and whimsically</u>," without an attempt at reconciliation, was violative of Article 14
- An attempt for reconciliation and if it succeeds, then revocation are the Koranic essential steps before talaq
- Section 2 of the Muslim Personal Law Application Act of 1937 has already recognised triple talaq as a <u>statutory right</u> and not a FR. Instant talaq was <u>no longer a personal law</u> to remain free from the rigours of the fundamental rights as it <u>comes under the ambit of Article 13</u>
- Merely because a practice has continued for long (over 1,400 years), that by itself cannot make it valid

MINORITY VIEW

- By CJI and Justice S. Abdul Nazeer: talaq-e-biddat, as a personal law practice, was an integral part of Article 25
- <u>90% of Muslims in India follow practice</u>. It was in vogue for <u>over 1.400 years</u>, and this made instant talaq a "<u>matter of religious faith</u>," which cannot be tested on the touchstone of Article 14.
- Even judges in minority have <u>had to concede that their reasoning is based mainly on fact that this is a personal law</u>, and therefore entitled to constitutional protection. <u>Called for parliament law</u>
- CJI said social evils such as sati, infanticide and devadasi were cast out by way of legislation and not courts.
- CJI employed 142 to injunct Muslim husbands from divorcing their wives for the next six months

NET EFFECT

- Clear message that <u>personal law can no longer be privileged over fundamental rights</u> (14-15).
- Triple talaq violates gender equality and perpetuates patriarchy

- <u>Door is open for legislature to discuss the legality of the other two forms</u> ahasan and hasan.
- <u>Some muslim women</u>: We will continue to practice what has been prevalent throughout these years. It is ultimately a matter of our faith and we are the ones who have the right to take a decision about it
- These women are misinformed to a great extent. It is this ignorance which leads to injustice
- Organisations such as the MPLBs should now proactively work towards educating society
- It is just the first step. Only calling it unlawful will not eradicate it from the society.

Call of conscience may have cascading effect: CJI

- In his minority judgment CJI expressed apprehension about the inroads "rationalists" may make into other "personal law" practices, and advises judges to exercise absolute restraint, and not activism, in matters of religious faith.
- Conscience traversing into every nook and corner of religious practices and personal law.
- Religion and 'personal law' must be perceived, as it is accepted, by the followers of the faith.

The right to choice

- Supreme Court declined a woman's plea to abort her 26-week-old foetus detected with Down's Syndrome.
- It said the <u>Medical Termination of Pregnancy Act of 1971 places a 20-week ceiling</u> on termination of pregnancy.
- Court said the <u>foetus posed no danger to the woman's life</u>.
- Under the 1971 Act, even pregnant rape victims cannot abort after 20 weeks, compelling them to move court.
- <u>Conclusive determination of foetal abnormality is possible in most cases after the 20th week</u> of gestational age.
- Draft Medical Termination of Pregnancy (Amendment) Bill of 2014 amends Section 3 of Act of 1971 to provide that "length of pregnancy shall not apply" to abort a foetus diagnosed with "substantial abnormalities".
- Besides <u>increasing the legal limit for abortion from 20 weeks to 24 weeks</u>, the draft Bill <u>allows a woman to take an</u> <u>independent decision</u> in consultation with a registered health-care provider.
- The <u>earlier act was guided by the objective of population control</u> and <u>preventing high mortality related to pregnancy</u>; whereas, the <u>new amended law</u> would take into consideration a <u>woman's choice and autonomy</u>
- WHO: Laws and policies that facilitate access to safe abortion do not increase the rate or number of abortions.

Court's orders have been on a case-to-case basis

- The primary factor that has guided its decisions has been the <u>expert opinion of a court-appointed medical board on the</u> risk it poses to the mother and the child or life-threatening for the mother or the baby
- Woman's right to make reproductive choices, procreate, abstain from procreating, bodily integrity is a dimension of personal liberty under Article 21

Paid maternity leave extended to 26 weeks

- Parliament nod to the Maternity Benefit (Amendment) Bill, 2016 amending Maternity Benefit Act of 1961
- Women working in the <u>organised sector</u> will now be entitled to <u>paid maternity leave of 26 weeks</u>, <u>up from 12 weeks</u>.
- The bill will <u>benefit about 1.8 million</u> women.
- Will <u>apply to all establishments employing 10 or more</u> people and applies only up to the <u>first two children</u>.
- Covers women employees in various sectors except who are covered under Employees' State Insurance Act, 1948.
- <u>For the third child</u>, the maternity leave entitlement will only be for 12 weeks.
- Takes India to the third position after Canada and Norway, where it is 50 weeks and 44 weeks, respectively.
- Maternity leave of <u>12 weeks is also available to mothers adopting a child below the age of three months as well as to the commissioning mothers</u>
- Bill defines '<u>commissioning mother</u>' as biological mother who uses her egg to create embryo planted in other woman.

The lowdown on the Bill to regulate surrogacy

- <u>Surrogacy (Regulation) Bill</u> was introduced in Parliament in <u>November 2016</u>.
- Bill <u>allows 'altruistic surrogacy'</u> wherein <u>only medical expenses and insurance cover</u> is provided by the couple to the surrogate mother during pregnancy. <u>No other monetary consideration</u> will be allowed.
- The 'intending couple' will be eligible if they have a 'certificate of essentiality' and a 'certificate of eligibility' issued by the appropriate authority.
- Essentiality's <u>3 conditions</u>: <u>certificate of infertility</u>, <u>order of parentage/custody</u>, <u>insurance cover</u> for surrogate
- An <u>eligibility certificate</u>: <u>Indian citizens</u>, <u>married for at least five years</u>; the female 23 and 50 years and the male 26 and 55 years; and they <u>cannot have any surviving child</u> (biological, adopted or surrogate). However, this would not include a '<u>child who is mentally or physically challenged</u> or suffers from life threatening disorder or fatal illness.'
- <u>Only a close relative</u> of the couple, who is able to provide a medical fitness certificate, can be a surrogate mother. She should have been <u>married</u>, with a <u>child of her own</u>, between 25 and 35 years, but can be a <u>surrogate mother only once</u>.
- It does not allow single women or men or gay couples to go in for surrogacy.
- <u>States would have to draw up their rules and regulations for the implementation.</u>

Centre plans 2,000-crore push for women engineers

- DST 2,000-crore initiative to encourage girls and women to take up careers in domain of science and engineering
- Pilot programme covering 100,000 girls and women, from school-going children to those interested in research
- When compared to U.S., EU, and several Asian countries, <u>India fared reasonably well when it comes to enrolment of</u> women in science and engineering, which stood at around 35%.
- But the proportion of women in the science and engineering workforce was an abysmal 12%.
- The current initiative, called <u>Vigyan Jyoti</u>, <u>envisages 500 contractual faculty positions</u> for five years in universities and research organisations, and <u>special scholarships for school girls</u>.

TEJASWINI PROJECT

- World Bank to provide \$63 million loan to empower adolescent girls and young women between 14-24 years in Jharkhand with basic life skills, secondary education and market driven skills.
- This is the first World Bank project in India that is solely focused on the welfare of adolescent girls
- It has 3 main components: Expanding socio-eco-edu opportunities, service delivery, State capacity-building and implementation support

Women to get combat role in Army

- A gender barrier broken by only a few countries.
- Women are now <u>allowed in a number of select areas including in medical, legal, educational, signals and engineering</u> wings of the Army but combat roles are off limits for them due to <u>operational concerns and logistical issues</u>.
- Only countries such as Germany, Australia, Canada, the U.S., Britain, Denmark, Finland, France, Norway, Sweden and Israel have allowed women in combat roles.
- The roles of military police include policing the cantonments and Army establishments, prevent breach of rules and regulations by soldiers, maintaining movement of soldiers as well as logistics during peace and war, handling prisoners of war and extending aid to the civil police whenever required.

Punishing the victims

- SC in Rajesh Sharma vs U.P. dealt punishing blow to what has become a toothless anti-dowry law 1961
- Law sought to protect women from being killed or tortured in their marital homes by greedy husbands and in-laws.
- <u>498A of IPC</u>, makes the offence of dowry harassment <u>cognisable and non-bailable</u>
- <u>2014 judgment of SC mandated a nine-point checklist before any arrests</u> could be made under Section 498A.
- Latest SC judgment has almost diluted 498A

- This judgment mandates a <u>family welfare committee in every district</u> to scrutinise dowry harassment cases. Members of this committee can be <u>social workers or "anyone interested in the subject</u>"
- The <u>police are expected to consider the recommendations of this committee before making any arrest</u>. It is not difficult to predict how such committees will operate in our male-dominated districts.
- Exempt only cases involving "tangible physical injuries or death" from being referred to such committee
- Mental torture and abuse and infliction of physical violence, which may not be evident, has not been considered
- Also done away with need for accused to make a personal appearance in court
- The judges observe that women who ought to use Section 498A as a shield are actually <u>using it as a weapon against</u> their unfortunate in-laws. Complaints are filed in the heat of the moment, over trivial issues
- In 2012 two lakh arrests were made under Section 498A. Although chargesheets were filed in 93.6% of the cases, the conviction rate was only 14.4%.
- 14.4% is more an indictment of judicial process, which is time-consuming and drains women of their resources
- Cases of misuse of this law should not endanger the huge number of women who are in genuine distress.

Youth affairs

Extensive changes proposed in University-level sports

- The eight-member committee, appointed by MoSnYA headed by Olympian Labh Singh
- <u>Comprehensive National University Sports Tournament and Development Framework</u>
- Dismay over the manner in which sports management is conducted currently by Association of Indian Universities
- <u>Number of disciplines</u> in which competitions are conducted at University-level currently has left system overloaded.
- <u>Mooted University Sports Federation of India</u>, pruning of number of disciplines in the all-India Universities calendar, <u>special league tournaments</u>, <u>enhanced honours</u>, <u>cash</u> awards, <u>scholarships</u> and <u>grace marks</u>, digitisation of the sports data repository and the development of LNIPE, Gwalior as a mother institute for university sports.
- <u>To realise the dream of more Olympic medals</u>, 9 disciplines athletics, archery, badminton, boxing, hockey, shooting, tennis, weightlifting and wrestling should be treated as high priority.
- As against having tournaments across four zones and at the all-India level, the committee says the proliferation in number of universities in the country over the years justified the need to increase the zonal tournaments to eight.
- <u>Called for implementation of the National University Games under the 'Khelo India' project</u>

Rashtriya yuva sashaktikaran karyakaram

- Ministry of Youth Affairs and Sports has integrated 8 of its schemes under one umbrella scheme
- The scheme will benefit age group of <u>15-29 years</u> as per the definition of "youth" in National Youth Policy, 2014.
- Two schemes under the ministry have been kept out of this umbrella scheme. They are National Service Scheme (NSS) and Rajiv Gandhi National Institute of Youth Development (RGNIYD).

KHELO INDIA SCHEME

• <u>Khelo India National Level Competitions</u> under the Ministry of Youth Affairs and Sports

- Ministry of Youth Affairs and Sports is set to start off <u>rural games as "Grameen Khel Mahakumbh</u>" under Khelo India Scheme, a national programme which aims to develop grassroots level talent
- Khelo India Scheme is based on Gujarat's model of "Khel Mahakumbh

MGNREGA Design features

- Guaranteed Employment <u>Any adult member of a rural household</u> applying for work
- Every rural household is entitled to <u>not more than 100 days</u> of employment.
- <u>Wages are to be paid on a weekly basis</u> and not beyond a fortnight.
- <u>If work is not provided within 15 days</u> of applying, the state is expected to pay an unemployment allowance which is one- fourth of the wage rate.
- Work is to be provided within a 5km radius of the applicant's village, else compensation of 10 per cent extra wage
- Men and women are entitled to equal payment of wages. One- third of the beneficiaries are supposed to be women.
- All MGNREGA- related accounts and records documents have to be available for public scrutiny.

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