

CURRENT AFFAIRS SEPTEMBER 2020

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BENEFITS OF KAVISH MONTHLY MAGAZINE

- 1. One stop solution for all your important CA of the month
- 2. News are covered in a way that it would be of immense help to students in Mains Answer Writing
- 3. All important sources like Hindu, Indian Express, PIB and others have been used while making this document
- 4. Read it thoroughly and make notes of it to make best use it
- 5. If you missed out any news in a particular month our Monthly Magazine CURRENT AFFAIRS SCAN is your solution

POLITY AND GOVERNANCE

Paper II: This section is relevant to Polity and Governance Section of GS
Paper II



1.1 MISSION KARMYOGI

Why in News: The Union Cabinet on Wednesday cleared major changes in the way civil services officers will be skilled and trained across the country.

Background

- The Indian Administrative Service (IAS), the so-called steel frame of our bureaucracy has turned rusty.
- The government officials have acquired a reputation for laziness and corruption.
- Ever since economic liberalization, there has been a near consensus in the country—at least outside IAS circles—that our system of policy implementation needs an overhaul.
- The system focus needs to be role-specific rather than being rule-specific, coordination should prevail over battles for turf control, and IAS officers ought to be enablers instead of red-tape wrappers.
- Importantly, IAS cadres need to be held accountable for their work.

Mission Karmyogi or National Program for Civil Services Capacity Building (NPCSCB)

- Mission Karmayogi aims to prepare Civil Servants for the future by making them more creative, constructive & innovative through transparency and technology.
- This unique program will help to lay the foundation for civil servants in the country.
- There will be more focus on 'on-site learning' in complementing "off-site learning".

Objectives

- The stated aim of Mission Karmayogi is to provide a mechanism to continuously build capacity, update the talent pool, and provide equal opportunities for personal and professional growth and esteem of government officials at all levels.
- Karmayogi seeks to shift the focus from rule-specific to role-specific.
- The Mission will help training the officers to meet the challenges of the society.
- It aims at building future-ready civil service with the right attitude, skills & knowledge, aligned to the vision of New India.
- The Endeavour is also to end the culture of working in the silos and to overcome the multiplicity of training curriculum because of the institutions spread all over the country.

It will improve the Human Resource management practices in the Government and will use scale & state of the art infrastructure to augment the capacity of Civil Servants. **Executing Bodies**

It will be steered by four new bodies.

 The new entities will be a Prime Minister's Public Human Resources Council, a Capacity Building Commission, a Special Purpose Vehicle (SPV) that will own and operate the digital assets and technological platform for online training, and a Coordination Unit, which will be headed by the Cabinet Secretary.

Public Human Resources Council

- The Prime Minister's Public Human Resources Council will be headed by the PM, and will have select Union Ministers, Chief Ministers, eminent academics, HR practitioners, global thought leaders, and public service functionaries as members.
- It will be the top body that will provide strategic direction to the task of civil services reform and capacity building, and approve and monitor the capacity building plans.
- The proposed council will review reports of the Capacity Building Commission.

Capacity Building Commission

- It will ensure a uniform approach in managing and regulating the capacity-building ecosystem on collaborative and co-sharing basis thus, harmonising training standards.
- The commission will have shared faculty & resources.
- It will supervise all training institutions in the country, so that there's common understanding of India's aspirations & development goals.
- It will assist the PM's council to approve Annual Capacity Building Plans, and supervise the overall central training institutions dealing with civil services capacity-building.
- It will also be tasked with creating shared learning resources, give recommendations on standardisation of training and capacity building, pedagogy, and methodology, and set norms for common mid-career training program across all civil services.

Online Training Platform

- An Integrated Government Online Training (iGOT)-Karmayogi platform will be developed for the project.
- It will enable the transition to a role-based HR management & continuous learning.
- There will be more focus on e-learning.

Eligible Civil Servants

- The Mission will be available for all civil servants from the rank of assistant section officer to Secretary and across services.
- Mid-career training will not be restricted to senior officials, but will now be mandatory for all
 ranks of civil servants, and across the services.

• The project will cover around 46 lakh central government employees.

Funding of the Project

- It will be set up at a cost of Rs 500 crore over the next five years.
- Initial funding to the tune of \$50 million will come from multilateral agencies including the World Bank and Asian Development Bank.
- Also, all government departments will contribute Rs 431 annually for each civil servant working for them as subscription charge for the SPV.

Special Purpose Vehicle

- SPV will be set up as a not-for-profit company to own and manage the iGOT-Karmayogi platform.
- It will create and operationalise the content, and manage key business services of the platform relating to content validation, independent proctored assessments, and telemetry data availability.
- It will also own all Intellectual Property Rights on behalf of the Government of India.

Mission has potential to be groundbreaking

- Given the way our bureaucracy has operated for decades, Mission Karmayogi is likely to prove groundbreaking.
- Considering the fast pace of change around us, bureaucrats need to stay abreast of new developments in the field of governance.
- The idea of being subject to continuous evaluation by a central authority could drive those who are true "karmayogis".
- The mission could even help the IAS from being "generalists" to become "specialists".

India will benefit greatly if this succeeds

- Inadequate state capacity has long held the country back.
- At its core, this is an upskilling initiative for government officials that aim to fix and galvanize India's administration.
- Mission Karmayogi takes its name from a traditional archetype of a person dedicated to selfless duty, thus, has raised the hope of a national bureaucracy that is adequately responsive to the country's needs.
- If it succeeds, every citizen would probably be grateful.

1.2 NGO AND FCRA

Why in News: The home ministry has suspended the foreign funding license of 13 NGOs and associations for allegedly indulging in religious conversion in tribal-dominated areas in violation of provisions of the Foreign Contributions Regulation Act, 2010 (FCRA).

News Update

- The FCRA licenses of the 13 NGOs which were granted registration to receive foreign donations for "religious" purposes were suspended and their bank accounts were frozen.
- This was after intelligence reports pointed to their activities in tribal areas of some states, particularly Jharkhand, aimed at conversion of the locals to Christianity.
- Section 12(4) of the FCRA Act empowers authorities to suspend license of an NGO/association that has indulged in activities aimed at conversion through inducement or force, either directly or indirectly, from one religious faith to another.
- The 13 NGOs were served a show-cause notice pointing to the FCRA violations and asked to respond to the charges. However, they did not reply within the prescribed time-limit.
- Intelligence agencies are said to have pointed out the past record of these NGOs using foreign funds for religious conversion of tribals.
- Accordingly, a decision was taken to suspend the licenses of all the 13 entities under review.
- The 13 NGOs have been given six months to respond to the suspension notice and depending on their response, the FCRA license will be cancelled or reinstated.

Past Examples

In the past few years, some of the biggest foreign evangelical NGOs have seen action under Compassion International was put on prior permission list, effectively freezing its donations to Indian NGOs.

Foreign Contribution (Regulation) Act, 2010

- The Foreign Contribution (Regulation) Act, 2010aims to regulate the acceptance and utilisation of foreign contribution or foreign hospitality by certain individuals or associations or companies and to prohibit acceptance and utilisation of foreign contribution or foreign hospitality for any activities detrimental to the national interest.
- The Act is internal security legislation and therefore, falls under the purview of Home Ministry.
- Foreign contribution means currency, article other than gift for personal use and securities received from foreign source.
- Foreign hospitality refers to any offer from a foreign source to provide foreign travel, boarding, lodging, transportation or medical treatment cost.

Objective of FCRA

- The aim of the Act is to prevent use of foreign contribution or foreign hospitality for any activity detrimental to the national interest.
- The Act regulates the inflow to and usage of foreign contribution by NGOs by prescribing a mechanism to accept, use and report usage of the same.

Scope of FCRA

It has a very wide scope and is applicable to a natural person, body corporate, all other types of Indian entities (whether incorporated or not) as well as NRIs and overseas branches/subsidiaries of Indian companies and other entities formed or registered in India

Major Provisions

In order to achieve the above objective, the Act

- Prohibits acceptance and use of foreign contribution or foreign hospitality by a certain specified category of persons such as a candidate for election, judge, journalist, columnist, newspaper publication, cartoonist and others.
- Section 12(4) empowers FCRA authorities to suspend license of an NGO/association that has indulged in activities aimed at conversion through inducement or force, either directly or indirectly, from one religious faith to another.
- This section was invoked in the present case.

Acceptance of Foreign Funds

- The Act permits only NGOs having a definite cultural, economic, educational, religious or social program to accept foreign contribution, that too after such NGOs either obtain a certificate of registration or prior permission under the Act.
- The Supreme Court has expanded on a Hindu woman's right to be a joint legal heir and inherit ancestral property on terms equal to male heirs.

1.3 LEGISLATURE PRIVILEGES

Why in News: The Maharashtra Legislative Assembly has moved a breach of privilege motion against Republic TV's Managing Director Arnab Goswami.

A similar breach of privilege motion has been moved, in the Maharashtra Legislative Council, against film actor Kangana Ranaut, over her remarks comparing Mumbai to Pakistan occupied Kashmir (PoK).

Privileges of the legislature

- Privileges of the legislature refer to the rights and immunity given to legislatures.
- The powers, privileges and immunities of both the Houses of the Indian Parliament and of its members and committees are laid down in Article 105 of the Constitution.
- Article 194 deals with the powers, privileges and immunities of the State Legislatures, their members and their committees.
- These articles constitute various powers, privileges, etc., of the Houses of Legislatures and of
 the members and committees thereof. These include freedom of speech in the legislature,
 protection against civil or criminal prosecution for actions/ statements in the legislature etc.

Breach of privilege

- While the Constitution has given special privileges and powers to the legislators to maintain the dignity and authority of the Houses, these powers and privileges are not codified (i.e. not clearly mentioned).
- Thus, there are no clear, notified rules to decide what leads to a breach of privilege, and the punishment for such a breach.
- Generally, a breach of privilege is a violation of any of the privileges of legislators/legislature.
- Any act that obstructs either House of the legislature/any member or officer of the House from performing its functions is generally treated as breach of privilege.
- Among other things, any action 'casting reflections' on MPs, parliament or its committees;
 could be considered breach of privilege.
- Further, it could be seen as a breach of privilege and contempt of the House to make speeches or to print anything defamatory (damages the reputation) regarding the proceedings of the House or its Committees or any member of the House.

Procedure in cases of breach of the legislature's privilege

- The Legislative Assembly Speaker or Legislative Council Chairman first decides on the motions of breach of privileges.
- If the Speaker/Chairman feels that there was a breach of privilege, then he/she forwards it to the Privileges Committee.
- The Speaker/Chairman then constitutes the Privileges Committee consisting of 15 members in the Assembly, or 11 members in the Council, as the case may be.
- The members in the committee are nominated based on the party strength in the Houses.
- The house can ensure attendance of the offending person.

- The Committee seeks an explanation from all the concerned parties, conducts an inquiry and makes a recommendation based on the findings to the state legislature for its consideration.
- For example, in Arnab Goswami's case (current case), the Committee seeks to examine whether statements made by him had insulted the state legislature and its Members.

Criticism of privileges

- Breach of privilege laws allow politicians to become judges in their own cases, which raises concerns of conflict of interest and violates basic fair trial guarantees.
- There have been various cases where legislative privileges have been abused by politicians to seek protection from criticism, offences of bribery and defamation etc.

Court's stand on privileges

- The Supreme Court in the Searchlight case (1959) held that parliamentary privileges overpower the right to freedom speech and expression of the press.
- In its advisory opinion in 1965, the Supreme Court upheld the court's power to examine all privilege related cases and to correct mistakes resulting from mala fide (ill-intentioned) acts, and arbitrariness.

Way Ahead

- Since, the privileges have not been codified, there is still a lot of confusion and the scope of legislative privileges continues to remain unlimited.
- The Parliament and Legislative Assemblies could pass laws to codify the privileges, in order to clearly define them.
- Such codification would not only limit the arbitrary powers of the parliamentarians but would also provide greater autonomy to the press and media.
- It will also help to safeguard the right to freedom of speech and expression of the press and media.

1.4 MPLADS SCHEME

Why in News: In the Parliament, a united Opposition has asked the government to restore the Members of Parliament Local Area Development Scheme (MPLADS). But the government has not responded to their demand.

MPLADS Scheme

- Members of Parliament Local Area Development Scheme (MPLADS) is a scheme formulated by Government of India in December 1993.
- The objective of the scheme is to enable MPs to recommend works of developmental nature with emphasis on the creation of durable community assets based on the locally felt needs to be taken up in their Constituencies.

Ministry: The scheme was transferred to the Ministry of Statistics and Program Implementation in October 1994. Initially, the scheme was administered by Ministry of Rural Development.

Area of recommendation

- Lok Sabha Members can recommend works within their Constituencies in one or more districts and Elected Members of Rajya Sabha can recommend works within the State of Election in one or more districts.
- Nominated Members of both the Rajya Sabha and Lok Sabha can recommend works anywhere in the country.
- MPs can also recommend work of upto Rs. 25 lakhs per year outside their constituency or state of election to promote national unity, harmony and fraternity.

Natural Calamity: MPs can recommend work of upto 25 lakh for Natural Calamity in the state and upto Rs. 1 crore in the country in case of Calamity of Severe Nature (e.g. Tsunami, major cyclones and earthquakes).

SC/ST: MPs need to recommend work worth at least 15% and 7.5% of their funds to create assets in areas inhabited by Scheduled Castes (SCs) and Scheduled Tribes (STs) respectively.

Agencies

- The Ministry of Statistics and Program Implementation has been responsible for the policy formulation, release of funds and prescribing monitoring mechanism for implementation of the Scheme.
- A Department in each State/UT is designated as the Nodal Department with the overall responsibility of supervision, monitoring and coordination of the MPLADS implementation with the districts and other Line Departments.
- The Government of India informs the State Nodal Department about the MPLADS funds released to the District Authorities. The District Authorities report the status of MPLADS implementation to the Government of India and State Nodal Department.
- District authorities (DAs) sanction the work recommended by MPs; sanction funds; identify implementation agency and user agency, implement the work on ground, transfer assets to

user agency, and report back to ministry about status of MPLADS in the district.

Funding

- In 1993-94, when the Scheme was launched, an amount of Rs. 5 lakh per Member of Parliament was allotted which became Rupees 1 crore per annum per MP constituency from 1994-95. This was stepped up to Rs. 2 crore from 1998-99 and now it is Rs.5 crore from the financial year 2011-12.
- Funds are non-lapsable in nature i.e. in case of non-release of fund in a particular year, it is carried forward to the next year.

Fund Convergence

- Funds for MPLADS can be converged with Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) for creating more durable assets and with National Program for Development of Sports (Khelo India).
- MPLAD Scheme can be converged in individual/stand-alone projects of other Central and State Government schemes provided such works of Central/State Governments Schemes are eligible under MPLADS.
- Funds from local bodies can similarly also be pooled with MPLADS works. Wherever such pooling is done, funds from other scheme sources should be used first and the MPLADS funds should be released later, so that MPLADS fund results in completion of the project.

Type of recommended work

- Works which will serve greater public purpose and not purpose of few individuals need to be recommended. MPs make the recommendations about the spending of MPLADS, while the District Authority is in charge of the execution.
- Where the District Authority considers that a recommended work cannot be executed due to some reason, the District Authority shall inform the reasons to the MP concerned, as well as the state and central governments.
- Key priority sectors: Drinking water facility, education, electricity facility, non-conventional energy resources, healthcare and sanitation, irrigation facilities, railways, roads, pathways and bridges, sports, agriculture and allied activities, self-help group development, urban development.
- Works not permitted: Construction of office and residential buildings for public and private agencies, land acquisition or paying compensation, naming assets after individuals, grants or loans to state/central relief fund, assets for individual benefits, works on lands belonging to religious groups, execution of works in unauthorized colonies.

Suspension of MPLADS

- In the initial weeks of Covid pandemic, many MPs had contributed their MPLAD funds for COVID-19 related measures.
- So, instead of piecemeal efforts by MPs, in April 2020, the government decided to suspend MPLADS for 2020-2021 and 2021-2022 to consolidate the use of these funds.
- The amount saved from the scheme would be nearly Rs 8,000 crore, which would be directed to the Consolidated Fund of India to fight COVID-19.

News Update

- Recently, the Lok Sabha was legislating on the Salary, Allowances and Pension of Members of Parliament (Amendment) Bill, 2020, which seeks to cut salaries of MPs by 30% in light of the Covid pandemic damage to government finances.
- However, during the process, the debate in the House saw the entire Opposition uniting to ask for the restoration of the recently suspended Members of Parliament Local Area Development (MPLADs) funds.
- However, the government has not responded to their demand, and the MPLADS funds remains suspended

1.5 OFFICIAL SECRETS ACT

Why in News: The Delhi Police Special Cell has arrested a journalist under the Official Secrets Act (OSA). It has been alleged that he was found to be in possession of some defence-related secret documents.

Official Secrets Act (OSA)

- The Official Secrets Act was first enacted in 1923, and has been retained after Independence.
- The secrecy law broadly deals with two aspects:
 - Spying or espionage;
 - Disclosure (sharing) of secret information of the government
- It classifies spying, sharing 'secret' information, unauthorised use of uniforms, interference with the armed forces in prohibited/restricted areas etc. as punishable offences.
- The secret information can be any official code, password, sketch, plan, model, article, note, document or information.
- Under OSA, a person can be charged with the crime even if the action was unintentional and did not intend to endanger the security of the state.

Punishment under OSA

- Punishments under the Act range from three to fourteen years of imprisonment.
- Both the person communicating the information, and the person receiving the information, can be punished by the prosecuting agency.
- When a company is found as the offender under this Act, everyone involved with the management of the company, including the board of directors can be punished.
- In the case of a newspaper, everyone including the editor, publisher and the proprietor can be punished for the offence.

Criticism

- The law meant for ensuring secrecy in governance has often been used by authorities for refusing to share information.
- The Second Administrative Reforms Commission (SARC) report, 2006, had stated that the law leads to a culture of secrecy and creates a climate of mistrust.
- Since the classification of secret information is very broad, it is argued that OSA is in conflict with the Right to Information Act.
- However, in 2019, the Supreme Court had said that the Right to Information Act overrides the Official Secrets Act (OSA).
- Governments have also faced criticism for misusing the law against journalists and whistleblowers.

Reforms suggested

- The SARC report, 2006, had suggested that OSA should be substituted by a chapter in the National Security Act that includes the necessary provisions.
- The Union Ministry of Home Affairs, in July 2017, submitted a report to the Cabinet Secretariat to amend the Act to make it more transparent and in line with the Right to Information Act, 2005. However, no action has been taken on the report.

Similar laws in other countries

Several countries, including the United Kingdom, Malaysia, Myanmar, Singapore and New Zealand, use various legislations to protect state secrets

INTERNATIONAL RELATIONS

- **❖** Paper II (GS): All the Articles of this section are relevant to the following topics:
- India and its Neighbourhood Relations
- Bilateral, Regional and Global Groupings and Agreements involving India and / or affecting India's Interests
- ❖ Prelims Oriented Questions and Places in News for Maps/ Matching

2.1 G-20 PRINCIPLES ON CROSS-BORDER MOVEMENT

Why in News: External affairs minister S Jaishankar proposed the development of voluntary 'G20 Principles on Coordinated Cross-Border Movement of People' while maintaining the health safety protocols.

G-20 Foreign Ministers' Meeting

- The G-20 foreign ministers' meeting was held virtually on Thursday in the background of the Corona pandemic.
- The G20 Foreign Ministers' Extraordinary Meeting was convened by the current G20 Chair,
 Saudi Arabia.
- Minister of Foreign Affairs of Saudi Arabia, Prince Faisal Bin Farhan Al-Saud chaired the meeting.

Core Agenda of the Meeting

- The discussions centered on strengthening international cooperation across borders.
- The foreign ministers acknowledged the importance of opening borders, uniting families, and promoting measures to allow the economy to thrive in light of the protective measures given by health organizations and national regulation during the COVID-19 pandemic.

Impact of Covid-19 on International Borders

- It's been months, and the world is still grappling with the Corona Pandemic.
- Many health safety protocols, brought in to minimize the risk of spread of the COVID, like closed borders have now become a huge obstacle in running trade and businesses worldwide resulting in a crisis of life and livelihood for many.
- With borders closed now, foreign students who had returned to their home countries during the initial weeks of the global pandemic are now finding it difficult to rejoin their respective institutions.
- Similarly, the seafarers who have been stuck at sea for months and facing difficulties to go back to their families.

Significance of Opening Borders

- Reopening borders should be in accordance with all the protective measures and national regulations.
- It will help our economies to thrive, people to prosper, and will of course bring hope for humanity to have faith in cooperating to overcome the pandemic.

About 'G20 Principles on Coordinated Cross-Border Movement of People'

The EAM S.Jaishankar elaborated his proposal with three elements of:

- Standardisation of testing procedures and universal acceptability of test results
- Standardisation of 'Quarantine procedures'
- Standardisation of 'movement and transit' protocols
- EAM Jaishankar called on Governments around the world to ensure that the interests of foreign students are protected and the movement of stranded seafarers back to their home country is facilitated.
- At the meeting, EAM also exchanged national experiences and lessons learned from the cross-border management measures taken in response to the COVID-19 pandemics.
- He apprised the G20 Foreign Ministers about the steps taken by India including the Vande Bharat Mission and creation of 'travel bubbles' for the welfare and protection of foreign citizens stranded here as well as its own citizens abroad.

The Group of Twenty - G20

The Group of Twenty, or G20, is the premier forum for international cooperation on the most important aspects of the international economic and financial agenda.

Origin and Evolution of G20

- The G20 was created in response to both to the financial crises that arose in a number of emerging economies in the 1990s.
- There was a growing recognition back then that some of these countries were not adequately represented in global economic discussion and governance.
- In December 1999, the Finance Ministers and Central Bank Governors of advanced and emerging countries of systemic importance met for the first time in Berlin, Germany, for an informal dialogue on key issues for global economic stability.
- Since then, Finance Ministers and Central Bank Governors have met annually.
- India hosted a meeting of G20 finance ministers and central bank governors in 2002
- G20 was raised to the Summit level in 2008 to address the global financial and economic crisis
 of 2008.

Membership of G20

- It brings together the world's major advanced and emerging economies.
- The G20 Countries together represent around 90% of global GDP, 80% of global trade, and two thirds of the world's population.

Objectives

- Policy coordination between its members in order to achieve global economic stability, sustainable growth
- To promote financial regulations that reduce risks and prevent future financial crises
- To create a new international financial architecture.

Organizational Structure of G20

The G-20 operates without a permanent secretariat or staff.

G20 Chair

- The chair rotates annually among the members and is selected from a different regional grouping of countries.
- The chair is part of a revolving three-member management group of past, present and future chairs referred to as the Troika.

Sherpa & Finance Tracks

The preparatory process for the G20 Summit is conducted through the established Sherpa and Finance tracks that prepare and follow up on the issues and commitments adopted at the Summits.

Sherpas' Track

- It focuses on non-economic and financial issues, such as development, anti-corruption and food security, while addressing internal aspects such as procedural rules of the G20 process.
- The Sherpas carry out important planning, negotiation and implementation tasks continuously.

Finance Track

It focuses on economic and financial issues.

- The Sherpa and Finance tracks both rely on the technical and substantive work of a series of expert working groups.
- Additionally, the thematic agenda is developed through the organization of several Ministerial Meetings, such as the Joint Meeting of Finance and Development Ministers, and the Labour, Agriculture and Tourism Ministerial meetings.

India and G20: India's participation in the G20 process stems from the realization that as a major developing economy India has a vital stake in the stability of the international economic and financial system.

- India's agenda at the G20 Summits is driven by the need to bring in greater inclusivity in the financial system, to avoiding protectionist tendencies and above all for ensuring that growth prospects of developing countries do not suffer.
- India has strived to ensure that the focus of the global community remains on the need to ensure adequate flow of finances to emerging economies to meet their developmental needs.
- India has worked to maintain the dynamism and credibility of G20 deliberations for establishing a framework for strong, sustainable and balanced growth, strengthening international financial regulatory systems, reforming Bretton Woods's institutions, facilitating trade finance, pushing forward the Doha agenda.
- India remains committed to the G20 process for achieving a stable, inclusive and representative global economic and financial system.

2.2 INDIA BANGLADESH

Why in News: India and Bangladesh have operationalised a new riverine trade route on September 3, when a Bangladeshi vessel transported a cargo of cement to Tripura. This is as part of efforts to boost connectivity between the two countries.

Inland Waterways between India and Bangladesh

Inland Water Trade and Transit in 1972

- India and Bangladesh signed the Protocol for Inland Water Trade and Transit in 1972 for inland waterways connectivity between the two sides for bilateral trade and to improve connectivity to India's north-eastern states.
- During fiscal 2019-20, about 3.5 million metric tonnes of cargo were transported via the inland waterways.

2020 Agreement

- The protocol was expanded with the signing of a second addendum in May 2020 that added two new routes and five ports of call to takes the total number of routes to 10 and ports of call to 11.
- The objective of agreement is to boost riverine trade between the two countries.

- It will improve connectivity to India's north-eastern states and reduce transportation costs, besides being environment-friendly mode of transport.
- The new route will facilitate bilateral trade with improved reliability and cost effectiveness for the business community.

Riverine Trade Routes between Tripura & Bangladesh

Route Connecting Sonamura (Tripura) to Daudkhandi (Bangladesh)

- The route connecting Sonamura in (Sepahijala district) Tripura to Daudkandi in (Chittagong)
 Bangladesh is being operationalised under an agreement signed by the two sides in May
 2020.
- The Bangladeshi vessel MV Premier carried 50 metric tonnes of cement from Premier Cement Ltd of Bangladesh to Tripura via Gumti (Gomati) River.
- This will be the first ever export consignment from Bangladesh to Tripura through the inland waterway.

Riverine Trade Route Connecting Rajshahi to Dhulian

- The other new route Rajshahi-Dhulian-Rajshahi will help augment infrastructure in Bangladesh and reduce the cost of transporting goods such as stone chips to northern Bangladesh.
- It is also expected to decongest land customs stations on both sides.

Gumti (Gomati) River

- River Gomati is the largest and longest river of Tripura with cumulative length of 180 km.
- It is also considered a sacred river and devotees converge along its banks at Tirthmukh every Makar Sankranti.
- The river connects with Meghna in Bangladesh via a 90-km stretch of water from Sonamura till Daudkandi.

Dams on Gumti

- Gomati is also a regulated river.
- Due to the high altitude in its upper catchment and Dumbur dam built in 1974 as part of the Gumti hydro-electric power project, the river erodes a lot of sand and rocky particles in its upper segment.

- The flow slows down a lot after it reaches the plains and at Maharani barrage in Gomati district, a large volume of the water is extracted for irrigation and is held back for beautification of Dumbur dam as a tourist spot.
- A river needs at least 4-5 feet depth for goods carriers to navigate on a regular basis.

Navigability of Gumti

- Gumti riverbed remains navigable for less than four months a year, that too only during monsoon days.
- For rest of the year, scanty rainfall in the hills results in low volume while accumulating sediments raise the average riverbed, rendering Gumti even shallower.
- In comparison, the inland waterway route with Bangladesh at Karimganj in Assam operates small ships to large boats for nearly six months a year.

Tripura's Foreign Trade

- Tripura's cross-border trade commenced in 1995.
- Currently, the state exports a handful of goods and materials worth Rs 30 crore to Bangladesh annually, but imports good worth Rs 645 crore.
- This huge trade deficit is due to abnormally high import duty apparatus in Bangladesh and the absence of many commodities abundant in the state in the list of goods allowed for export as well as port restrictions.
- Consecutive state governments have nudged Dhaka to smoothen processes for flow of goods.
- Now, the State's CM has projected the imports to grow to Rs. 4,200 crore in five years with exports touching Rs 1,200 crore.

Upcoming Projects with Bangladesh

The upcoming projects include-

- Agartala-Akhaura rail project
- Indo-Bangla bridge over River Feni
- A second Integrated Check Post (ICP) at Sabroom

All three are also aimed at taking up the quantum of trade between the two sides.

Geopolitics

• India has been proactively working with Dhaka to provide impetus to ties, amid reports of a Chinese outreach to Bangladesh.

• Bangladesh was the first country foreign secretary Harsh Shringla visited since the Covid lockdown was implemented in March.

2.3 UNITED NATIONS

Why in News: The United Nations has completed 75 years this year.

- In order to commemorate the historic moment, world leaders virtually came together at a one-day high-level meeting of the UN General Assembly.
- The meeting is themed as "The Future We Want, the UN We Need: Reaffirming our Collective Commitment to Multilateralism".

United Nations (UN)

Origin of United Nations

Successor to the League of Nations

- The League of Nations was created in June 1919, after World War I, as part of the Treaty of Versailles.
- However, when the Second World War broke out in 1939, the League closed down and its headquarters in Geneva remained empty throughout the war.

Atlantic Charter

- Consequently, in August 1941, American president Franklin D. Roosevelt and British Prime Minister Winston Churchill held a secret meeting aboard naval ships in Placenta Bay, located in the southeast coast of Newfoundland, Canada.
- The heads of the two countries discussed the possibility of creating a body for international peace effort and a range of issues related to the war.
- Together they issued a statement that came to be called the Atlantic Charter.
- It was not a treaty, but only an affirmation that paved the way for the creation of the UN.
- It declared the realisation of "certain common principles in the national policies of their respective countries on which they based their hopes for a better future for the world."

Aftermaths Horrors of Second World War

 The United States joined the war in December 1941, and for the first time the term 'United Nations' was coined by president Roosevelt to identify those countries which were allied against the axis powers.

- On January 1, 1942, representatives of 26 allied nations met in Washington DC to sign the
 declaration of the United Nations, which basically spelled out the war objectives of the Allied
 powers.
- Over the next couple of years, several meetings took place among the Allied big four- The
 United States of America, the Soviet Union, the United Kingdom and China- to decide on the
 post-war charter that would describe the precise role of the United Nations.

Birth of UN

- The United Nations finally came into existence on October 24, 1945 after being ratified by 51 nations, which included five permanent members (France, the Republic of China, the Soviet Union, the UK and the US) and 46 other signatories.
- The first meeting of the General Assembly took place on January 10, 1946.

Goals of the UN

The four main goals of the UN included

- Maintaining international peace and security
- Developing friendly relations among nations
- Achieving international cooperation in solving international problems
- Being at the center for harmonising the actions of nations in the attainment of these common ends.

Members of UN

- While at the time of its formation, the UN consisted of only 51 member states, independence movements and de-colonisation in the subsequent years led to an expansion of its membership.
- At present, 193 countries are members of the UN.

Achievements of UN

The UN boasts of several significant achievements in the last 75 years. It has also expanded its scope to resolve over a large number of global issues such as health, environment, and women empowerment among others. Soon after its formation, it passed a resolution to commit to the elimination of nuclear weapons in 1946.

Failures of UN: Some of the major failures of United Nation

- The UN has also met with its share of criticisms.
- For instance, in 1994, the organisation failed to stop the Rwandan genocide.
- In 2005, UN peacekeeping missions were accused of sexual misconduct in the Republic of Congo, and similar allegations have also come from Cambodia and Haiti.
- In 2011, the UN peacekeeping mission in South Sudan was unsuccessful in eliminating the bloodshed caused in the civil war that broke out in 2013.

75th UNGA's Declaration

- The declaration adopted at the meeting looks back at the glorious years of the UN and remarked upon its achievements as well as failures.
- It also set out its goals for the next decade.
- The goals listed out for the next ten years include protection of the planet and environment, promoting peace, gender equality and women empowerment, digital cooperation, and sustainable financing.
- The goals become more important as the world builds back better from the COVID-19 pandemic.

India

- Prime Minister Narendra Modi said in his speech that the original aim with which the United Nations was built still remains incomplete as it needs 'reformed multilateralism' to address today's challenges. He also observed that without comprehensive reforms, the UN faces a crisis of confidence.
- PM Modi highlighted that India's own philosophies align with the goals of the United Nations.
 He also highlighted that India is one of the largest contributors to the UN Peacekeeping Missions. India has assigned over 200,000 troops in 50 of the 71 peacekeeping missions in the last 60 years.

USA

Delivering a campaign style speech to the UNGA 75th session, S. President Donald Trump said China must be held responsible for the COVID-19 pandemic.

China

 President Xi Jinping gave a robust defence of China's ambitions in a speech to the U.N., warning against the perils of a "clash of civilizations" during a pandemic and maintaining that the world must "oppose politicisation and stigmatisation" over COVID-19. • The U.S. and China are eyeballing each other over a raft of issues such as the origins of the coronavirus, trade and tech dominance, security and disputed seas.

2.4 G-4 AND UNSC

Why in News: Foreign Ministers from the Group of 4- India, Brazil, Japan and Germany met virtually on during UNGA's 75th.All countries were represented by their external affairs ministers.

G4

- G-4 is a group of four countries i.e. Brazil, Germany, India and Japan which support each other's bids for permanent seats on the United Nations Security Council (UNSC).
- G4 is seeking permanent membership of the UN Security Council (UNSC) and the meeting's purpose was to further their objective.
- The four countries stressed delivering concrete outcomes, in writing and within a time frame.

Highlights of G4 Meeting

- The Ministers reaffirmed their common resolve to finally take decisive steps towards the early and comprehensive reform of the Security Council that was envisaged in the 2005 World Summit.
- The G4 will work with other reform-minded countries and groups to start text-based negotiations (TBN) without delay and seek concrete outcomes during the 75th session of the UN General Assembly.
- G4 Ministers also reiterated support for each other's membership to the UNSC given the
 capacity and willingness to take on major responsibilities with regard to the maintenance of
 international peace and security.
- G4 also observed that Africa needs to be represented in both the permanent and nonpermanent categories of membership of a reformed and expanded Security Council to correct the historical injustice against this continent with regard to its under-representation in the Security Council.
- The Ministers expressed concern, that after two sessions on inter-governmental negotiations on UNSC in February and March, these were adjourned due to COVID-19, however, meetings could have progressed virtually and in writing.
- The progress should also have included a reflection of the Common African Position as enshrined in the Ezulwini Consensus and the Sirte Declaration.

Ezulwini Consensus

- It is a position on international relations and reform of the United Nations agreed by the African Union.
- It calls for a more representative and democratic Security Council, in which Africa, like all other world regions, is represented.

Sirte Declaration

- The Sirte Declaration was the resolution adopted by the Organisation of African Unity on 9 September 1999, at the fourth Extraordinary Session of the OAU Assembly of African Heads of State and Government held at Sirte, Libya.
- The Declaration announced decisions to establish the African Union.

United Nations Security Council

Purpose

- The UNSC is the body responsible for maintaining international peace and security.
- As per the UN charter's direction, the body can take actions on its behalf with regards to global peace.
- During disputes and threats to international peace and security, the body can ask to probe into issues, ask members to apply economic sanctions and take military action on the aggressor.
- UN peacekeeping operations are one of its major responsibilities.

Composition of UNSC

- The UNSC has five permanent members and ten non-permanent members.
- China, France, Russia, United Kingdom and United States form the five permanent members while the non-permanent members change every two years in order to provide representation to all continents in the world.

Reforms Proposed by India

- India has long sought a permanent seat at the UN Security Council.
- It is a proponent of other UNSC reforms, such as increasing the number of permanent (currently five) and non-permanent (currently 10) seats and ensuring greater representation for Africa.
- As per India, there is a clear need for an enhanced role of developing countries and of major contributors to the UN to make the Council more legitimate, effective and representative.

Text-Based Negotiations

- India is a proponent of text-based negotiations at the UN. For UNSC reforms, a negotiation-text with the positions and proposals of all UN members was adopted which is used for further discussions, has been unanimously accepted at 70th UNGA in 2015.
- Those more normally resistant to UNSC reform, including China, Russia and US, are hesitant to have TBN for inter-governmental negotiations on the grounds that the matter is too sensitive for text.

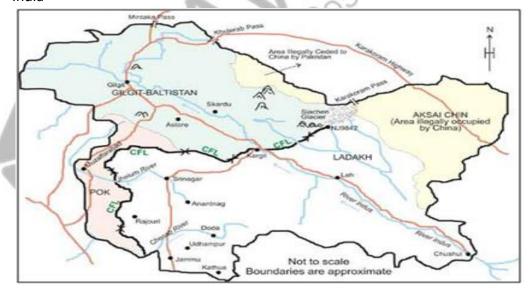
2.5 GILGIT -BALTISTAN REGION

Why in News: Pakistan's civil-military leadership has agreed to make Gilgit-Baltistan(GB) the 'fifth province' of the country. Pakistan's minister for Kashmir and Gilgit-Baltistan affairs said last week that PM Imran Khan make a formal announcement to elevate Gilgit-Baltistan to the status of a full-fledged province with all constitutional rights.

Gllgit-Baltistan

Geography

- Geographically, Gilgit-Baltistan is a high-altitude territory situated in the trans-Himalayan region on the north-western corner of the Kashmir Valley.
- This region was illegally occupied by Pakistan since it invaded the region after the partition of India



History Under Princely State

- Gilgit-Baltistan was part of the formerly princely state of Jammu and Kashmir (then identified as the state of Kashmir and Jammu).
- Under the Maharaja of Jammu and Kashmir, the princely state consisted of five regions-Jammu, Kashmir, Ladakh, Gilgit Wazarat and Gilgit Agency.

Under British Control

With changing equations in the early 20th century after the formation of the USSR in 1917, the British took Gilgit Agency on a 60-year-lease from the Maharaja of Jammu and Kashmir in 1935.

India's Partition

- At the time of partition, British gave the princely states the right to merge with either of the two provided their territory had geographical continuity with the nation they wished to accede to.
- The British also returned the Gilgit Agency to the Maharaja of Jammu and Kashmir 15 days after India attained independence.
- Gilgit again came under the direct rule of the Maharaja as a legal part of his state.
- After independence, the Maharaja of Jammu and Kashmir decided not to accede to either India or Pakistan.
- But, the situation soon changed as Pakistan invaded the princely state in October 1947.

Pakistan Occupied Gilgit-Baltistan by Treachery

- Pakistan captured a part of Kashmir by means of invasion and the entire Gilgit-Baltistan by the treachery of British military officer of the Maharaja.
- Under lease, Gilgit-Baltistan was protected by a British-controlled force called the Gilgit Scouts.
- After the British terminated the lease, they loaned two of their officers- Major W A Brown and Captain A S Mathieson, to the Maharaja for the purpose of looking after the defence of Gilgit-Baltistan till an alternative arrangement was found.
- But as Maharaja Hari Singh signed the Instrument of Accession on October 31 in 1947, Major Brown revolted and captured King's governor Brigadier Ghansara Singh.
- Major Brown then informed this former British boss stationed at Peshawar about his decision to accede to Pakistan.
- The British decision was influenced by their understanding of the reactions of the Arab nations with regard to formation of Pakistan.

- The British did not want to antagonise the oil-rich nations by apparently taking an anti-Muslim stand at a time when the fears of Soviet communism dominated the West.
- On hearing of Brown's coup in Gilgit, Sir George Cunningham, who had just been appointed governor of North-West Frontier Province, instructed him to restore order, giving Pakistan de facto control of the region.
- Major Brown defected on November 1 and the Pakistani forces occupied Gilgit-Baltistan on November 4.
- The region has been under Pakistan's administrative control since November 4, 1947, following the invasion of Kashmir by tribal militias and the Pakistan army.

Under Pakistan's Control

Nomenclature

- The region was renamed 'The Northern Areas of Pakistan', and put under the direct control of Islamabad.
- The Northern Areas were distinct from Pakistan-occupied Kashmir (PoK), the part of J&K that Pakistan calls Azad Kashmir.
- The Northern Areas are, however, more than six times the size of PoK.
- After the Pakistani government enacted the Gilgit-Baltistan Empowerment and Self-Governance Order in August 2009, the 'Northern Areas' came to be known as Gilgit-Baltistan.

Administration

- It has an elected Assembly with limited powers to frame laws and a Council headed by the Prime Minister of Pakistan.
- This Council wields all powers, and controls the resources and revenues from the region.
- The area does not find mention in the Constitution of Pakistan.
- It is neither independent, nor does it have provincial status.
- This helps Pakistan maintain ambiguity about the region, in the way it does with PoK

Changing Demography & Sectarian Conflicts

- Pakistan has been trying to change the demography of Gilgit-Baltistan for decades by allowing Sunni Muslims to settle down in the Shia-dominated Gilgit-Baltistan.
- In the 1970s, Zulfiqar Ali Bhutto abrogated the State Subject Rule (the law that until then protected the local demographic composition) to facilitate Pakistani Sunnis to acquire land and settle there.
- This order damaged the social fabric and provoked sectarian feuds that continue to simmer until today.

- Later, anti-Shia forces sponsored by Gen Zia-ul-Haq set about altering the ethnic composition of the region. With this, the number of Shias has since come down drastically. Shia-Sunni and Shia-Nurbakshi riots fomented by the Pakistani establishment caused extreme socio-political polarisation in Skardu in the early 1980s.
- A permanent trust deficit was created in May 1988 when tribal Lashkars, after receiving Zia's nod, abducted local women and massacred thousands of Shias in Gilgit.

India's Stand

- India sees Gilgit-Baltistan as part of Indian Territory illegally occupied by Pakistan.
- The unanimous parliamentary resolution of 1994 had reaffirmed that the region is a part of the State of Jammu and Kashmir, which is an integral part of India by virtue of its accession to it in 1947.

China's Role

- The China-Pakistan Economic Corridor (CPEC) has further changed the dynamics.
- Pakistan has already gifted a portion (about 5,000-8,000 sq km) of Gilgit-Baltistan in 1963, a year after the Indo-China war.

News Update

- The local leaders of Pakistan stand divided over making Gilgit-Baltistan as 5th Province. Some of them are demanding more autonomy while others pitching for the Himalayan region which is a part of Pak-occupied Kashmir to be merged as a full-fledged province of Pakistan.
- Since GB is a disputed region, some political observers believe that Islamabad needs to seek consent of the local population before any decision on their future and should be given a choice on what they stand for.

Indian government's demarche

- India hit out at Pakistan for the latter's proposed change in the status of Gilgit-Baltistan saying any such action will have no legal basis.
- Indian government reiterated that the entire territories of the UTs of Jammu & Kashmir and Ladakh have been and are an integral part of India and would remain so.
- Any action by Pakistan to alter the status of the militarily occupied so-called Gilgit-Baltistan has no legal basis whatsoever and is totally void ab-initio (from the beginning).

2.6 SAARC

Why in News: An informal meeting of SAARC foreign ministers took place on Thursday. The meeting, chaired by Nepal, was held in virtual mode and attended by all SAARC member states.

SAARC

- The South Asian Association of Regional Cooperation (SAARC) was created in 1985 as an expression of the region's collective decision to evolve a regional cooperative framework.
- The Headquarters and Secretariat of the Association are at Kathmandu, Nepal.

Members

- Presently, there are eight member countries in SAARC namely Afghanistan, Bangladesh, Bhutan, India, Nepal, Maldives, Pakistan and Sri Lanka.
- It also has nine Observers, namely China, EU, Iran, Republic of Korea, Australia, Japan, Mauritius, Myanmar and USA.

Objectives of SAARC

The objectives of the Association as outlined in the SAARC Charter are:

- To promote the welfare of the peoples of South Asia and to improve their quality of life.
- To accelerate economic growth, social progress and cultural development in the region and to provide all individuals the opportunity to live in dignity and to realize their full potentials.
- To promote and strengthen collective self-reliance among the countries of South Asia.
- To contribute to mutual trust, understanding and appreciation of one another's problems.
- To promote active collaboration and mutual assistance in the economic, social, cultural, technical and scientific fields.
- To strengthen cooperation with other developing countries.
- To strengthen cooperation among themselves in international forums on matters of common interests; and
- To cooperate with international and regional organizations with similar aims and purposes.
- Decisions at all levels are to be taken on the basis of unanimity; and bilateral and contentious issues are excluded from the deliberations of the Association.

Areas of Cooperation in SAARC

- Human Resource Development and Tourism
- Agriculture and Rural Development
- Environment, Natural Disasters and Biotechnology
- Economic, Trade and Finance
- Social Affairs

- Information and Poverty Alleviation
- Energy, Transport, Science and Technology
- Education, Security and Culture and Others

SAARC Summits

- The Meetings of the Heads of State or Government of Member States is the highest decision making authority under SAARC.
- Summits are usually held biennially hosted by a Member State in alphabetical order.
- The Member State hosting the Summit assumes the Chair of the Association.
- The key outcome of a SAARC Summit is a Declaration.
- The Summit Declaration contains decisions and directives of the Leaders to strengthen and consolidate regional cooperation in different areas being pursued under the auspices of SAARC.
- The Declaration is adopted by the Leaders at the concluding session of a Summit.

19th SAARC Summit

- India had pulled out of the 19th SAARC Summit which was scheduled in 2016 after the Uri attacks saying regional cooperation and terror don't go together.
- After that, Afghanistan, Bangladesh and Bhutan also declared that they will not be participating in the event which was scheduled to take place in Islamabad.
- The 19th SAARC Summit didn't happen and SAARC has been dormant since then.

India's Initiatives at SAARC during Pandemic

- India created an emergency corona virus disease (Covid-19) fund for Saarc states earlier this year.
- The fund has a commitment of \$10 million to the emergency fund for the region, the supply of essential drugs, medical consumables, and protection and test kits to the region, and a video conference of health professionals from the region to share information and best practices on the pandemic.
- India had also launched a Covid-19 Information Exchange Platform (COINEX) to facilitate exchange of specialised information.
- It helped the development of an innovative website by the SAARC Disaster Management Centre to provide reliable information and updates on the evolving situation.
- It also activated the SAARC Food Bank mechanism to mitigate the impact of the pandemic.

News Update

SAARC Ministerial Meeting

- India's External Affairs Minister S Jaishankar listed cross-border terrorism, blocking of connectivity and obstruction of trade as the key challenges confronting SAARC.
- He urged SAARC member states to collectively resolve to defeat terrorism, including the
 forces that nurture, support and encourage an environment of terror and conflict, which
 impede the objective of SAARC to realise its full potential for collective collaboration and
 prosperity across South Asia.
- One of the agenda items in the SAARC ministerial meeting was the 19th SAARC Summit, which was to be hosted by Pakistan.
- Most countries felt it was not an opportune time for the event considering that member states are preoccupied in dealing with the Covid-19 situation and the proposal fell through due to lack of consensus

2.7 ARMENIA-AZERBAIJAN CLASH

Why in News: Recently, tensions escalated at the border between the two countries of Azerbaijan and Armenia which resulted in the death of at least four Azerbaijani soldiers.

Nagorno-Karabakh Region

Significance of Nagorno-Karabakh

- Nagorno-Karabakh region is in the South Caucasus and is a very important corridor for pipelines transporting oil and gas to world markets.
- Pipelines shipping Caspian oil and natural gas from Azerbaijan to the world pass close to Nagorno-Karabakh.

Conflict between Armenia and Azerbaijan

- Territorial disputes and ethnic conflict between Armenia and Azerbaijan in Central Asia have impacted the Nagorno-Karabakh region in the South Caucasus for approximately four decades.
- Conflict in the Nagorno-Karabakh region began following the breakdown of the Soviet Union in the late 1980s and lasted till approximately 1994.
- Nagorno-Karabakh broke away from Azerbaijan in a conflict that broke out as the Soviet Union collapsed in 1991.

• Both Armenia and Azerbaijan claim this strategic territory of Nagorno-Karabakh. At that time, the enclave of Nagorno-Karabakh had held a referendum boycotted by Azerbaijan where the people chose independence over joining either of the two countries.

Ethnic Cleansing of 90s

- The conflict between ethnic Armenians and ethnic Azerbaijanis in Nagorno-Karabakh reached a particular low with Armenia and Azerbaijan accusing each other of having instigated ethnic cleansing.
- The situation worsened when the Nagorno-Karabakh Autonomous Oblast, an administrative unit, decided to vote to join Armenia given its large Armenian population.
- By 1992, the violence had increased and thousands of civilians had been displaced, compelling international bodies to take notice.

Ceasefire Mediated by Russia in 1994

- In May 1994, Russia mediated a ceasefire between Armenia and Azerbaijan.
- However, the conflict has continued for three decades, with instances of ceasefire violations and violence instigated from both sides.

Recent Tensions

- The border between Armenia and Azerbaijan has been tense since 2018, particularly after Azerbaijan moved troops into the area, close to its border with Georgia.
- In April 2016, the region was particularly tense because of violent fighting between the two countries in what came to be known as the Four-Day War.
- Since then, while there have been sporadic instances of flare-ups in the region, it came nowhere close to the situation in 2016.

International Reactions

Turkey released a statement saying that it would back Azerbaijan in its struggle to protect its territorial integrity. Any military escalation would draw regional powers like Turkey and Russia more deeply into the conflict, something which they do not prefer.

Way ahead

Observers believe an all-out war between Armenia and Azerbaijan is unlikely due to a number of factors. In this disputed region, there are hundreds of civilian settlements, residents of which would be directly impacted and potentially displaced if any large-scale war were to break out

SECURITY AND DEFENCE

- **Paper III: This section is relevant to the following topics:**
- Linkages between development and spread of extremism.
- Role of external state and non-state actors in creating challenges to internal security.
- Challenges to internal security through communication networks, role of media and social networking sites in internal security challenges, basics of cyber security; money-laundering and its prevention
- Security challenges and their management in border areas; linkages of organized crime with terrorism
- Various Security forces and agencies and their mandate
- Prelims Oriented Questions



3.1 NARCOTIC DRUGS and PHYSCOTROPIC SUBSTANCES (NDPS)

Why in News: An actress and few others have been booked under various sections of the Narcotic Drugs and Psychotropic Substances (NDPS) Act by the Narcotics Control Bureau (NCB). The NCB has alleged that she used to procure drugs, as well as manage finances for drug procurement. The accused in the case are booked under Sections 8 (c) along with section 20 (b) (ii), 22, 27A, 28, 29 and 30 of the NDPS Act.

Narcotic Drugs and Psychotropic Substances (NDPS)

- A narcotic drug is an addictive drug that reduces pain, induces sleep and may alter mood or behaviour.
- A psychotropic drug is a chemical substance that changes brain function and results in changes in perception, mood, consciousness or behaviour.
- Some categories of narcotic and psychoactive drugs, which have therapeutic value, are prescribed by physicians and other healthcare practitioners.
- These substances are also used illegally (without medical prescription) to improve performance or change one's consciousness.

Narcotic Drugs and Psychotropic Substances (NDPS) Act

- The NDPS Act, enacted in 1985, is the primary law for dealing with drugs and drug trafficking in the country. The Act has since been amended thrice in 1988, 2001 and 2014.
- Under the Act, a wide range of drugs and psychotropic substances, including cannabis, heroin and opium, are considered illegal. The law, however, does not apply to 'bhang'.
- The NDPS Act was passed to meet India's global treaty obligations under the Single Convention on Narcotic Drugs, Convention on Psychotropic Substances and United Nations' Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances.

Provisions under the NDPS Act

- Section 8(c) of the Act prohibits production, manufacture, sale, purchase, transportation and consumption of any narcotic drug or psychotropic substances.
- Section 20(b)(ii) of the law allows punishment for production, sale, purchase of cannabis.
- Section 21 provides for punishment of a person who possesses sells, purchases, transports or imports manufactured drugs.
- Section 22 of the Act, punishes possession, sale, purchase, transport or import of psychotropic substances.
- Section 27A provides punishment for financing illicit (illegal) trafficking of drugs and psychotropic substances.

- Sections 28 and 29 of the Act deal with attempts to commit offences, abetment (assist) and criminal conspiracy.
- The law makes a distinction between individual drug consumers and drug traffickers. Section 39 of the Act allows courts to release an addict for treatment if found guilty of consumption of drugs.

Punishment under the NDPS Act

- Anyone who violates the NDPS Act, will face punishment based on the quantity of the banned substance. The classification of the quantity varies from substance to substance.
- In case the violation involves a small quantity, the punishment involves rigorous imprisonment for a term which may extend to 1 year, or a fine or both (imprisonment and fine).
- In case the violation involves a quantity lesser than commercial quantity but greater than a small quantity, the punishment involves rigorous imprisonment for a term which may extend to 10 years and a fine.
- In case the violation involves a commercial quantity, the punishment involves rigorous imprisonment for a term which shall not be less than 10 years and may extend to 20 years along with a fine.
- The maximum punishment that can be given under this Act is the death penalty under Section 31A. However, death penalty can only be given to repeat offenders, on the discretion of a judge.

Criticisms of the NDPS Act

- As per a report in 2018 by Vidhi Center for Legal Policy, despite the changing nature and type
 of drugs consumed over the years, overall addiction and use of such substances has
 continued in the country.
- The report claims that the Act does not offer long-term solutions to deal with the problem of drug addiction.
- The law provides the same punishment for all forms of drugs, which allowed dealers to shift their focus to harder drugs (like heroin), where profits are far higher. This has led to increase in usage of harder drugs.
- Several human rights bodies have criticised India for being among the 33 countries in the world that have death penalty in drug-related crimes.
- Moreover, the Act has been criticised for putting the responsibility on the accused to prove his/her innocence.

• Unless the accused is proved innocent, it will be believed that the accused intentionally held the illicit drugs that were found in his/her possession, which is against the international human rights principles.

Narcotics Control Bureau (NCB)

- As per NDPS Act, the central government can form an authority to exercise its powers for preventing and dealing with abuse of and illicit trafficking of narcotic drugs.
- The government subsequently constituted the Narcotics Control Bureau in 1986, under the Ministry of Home Affairs.
- The agency is tasked with coordinating with the state governments and other authorities, under NDPS Act, Customs Act, Drugs and Cosmetics Act and any other law, for the enforcement of the provisions of the NDPS Act.
- The NCB also coordinates actions taken by other concerned ministries, departments and organisations in respect of matters relating to drug abuse.

3.2 DEFENCE ACQUISTION POLICY

Why in News: The Defence Ministry has removed the requirement of offset clause in procurement of defence equipment, in Inter-Governmental Agreements (IGA). The change has been announced in the Defence Acquisition Procedure (DAP), 2020 which comes into force from October 1, 2020, and replaces the Defence Procurement Procedure (DPP). DAP, 2020 seeks to empower the domestic defence industry through the Make in India initiative with the eventual aim of turning India into a global manufacturing hub.

Offsets are contracted obligations that are typically regulated by ministries of defense or government partners.

They can take one of two forms:

Direct offsets are agreements that are directly related to the defense products being sold.

For instance, as part of its bid, Dassault Aviation agreed to subcontract work locally and transfer certain forms of technology to the Indian defence manufacturers like DRDO to support the sale of jets.

Indirect offsets are agreements that are not related to the defense products being sold.

For instance, Sukhoi, one of Russia's major aircraft manufacturers, offers to sometimes transfer space technologies to various countries to fulfill obligations related to the sale of their fighter aircraft.

Offset clause

- The offset clause requires a foreign vendor to invest a part of the contract value in India.
- The objective of the offset clause is to transfer advanced technology to India, attract FDI and improve the defence industrial base in India.
- India adopted the Offset Policy for defence capital purchases above Rs 300 crore made through imports, in 2005. In such cases, the foreign vendor was required to invest in India at least 30 per cent of the value of the purchase.
- Then, in 2016, the government introduced a 50 per cent offset in the government-to-government deal for Rafale fighter jets. The deal to buy 36 Rafale fighter jets was signed as an IGA with the French government. Evidence suggests that foreign vendors generally add around 10 per cent to balance the offset costs. Thus, removing the offset clause is likely to bring down costs in such contracts.

Criticism of offset policy

- Recently, in a report tabled in Parliament, the Comptroller and Auditor General (CAG) was critical of the offset policy.
- The report noted that the foreign vendors made various offset commitments to qualify for the main supply contract, but do not fulfil these commitments later.
- It pointed that, as part of the offset deals, not a single foreign vendor has transferred high technology to the Indian industry.
- It further criticised French firms Dassault Aviation and MBDA for their failure to fulfil offsets obligations in offering high technology to India under Rafale deal.

Defence Acquisition Procedure (DAP), 2020

Revised offset guidelines:

- The offset clause has been removed in government-to-government deals, single vendor deals and Inter-Governmental Agreements (IGA).
- However, offsets will continue in deals that have a multi-vendor competition and bidding.
- As per the revised guidelines, preference will be given to manufacture of complete defence products in India, instead of manufacturing just components.

Other highlights of DAP, 2020

- With the recent decision to hike the FDI limit to 74% from the existing 49% in the defence production sector through the automatic clearance route, the DAP incorporates a new category called Buy (Global Manufacture in India).
- This will encourage foreign companies to set up manufacturing/maintenance entities through their subsidiaries in India, while enabling required protections to the domestic industry.
- Further, only companies that have more than 50 per cent Indian ownership will be allowed to participate in key Make in India categories, including strategic partnership policy.
- The new DAP also has a dedicated chapter to buy weapons and platforms designed by DRDO, ordnance factories and Defence PSUs.
- The chapter on Information Communication Technology looks at issues related to procurement of ICT intensive equipment. These include issues related to interoperability, enhanced security requirements and change management.

Lease of defence equipments

- The DAP provides for the option of leasing defence equipments in addition to the existing 'Buy' and 'Make' categories.
- This will be useful for military equipment not used in actual warfare like transport fleets, trainers, simulators, among others.
- It will significantly help in bringing the cost down in procurement of defence products.
- While India has leased military equipment in the past, it has generally been through the government-to-government route, but now the process will be more open. It will allow the government to hire equipment from either domestic or foreign vendors.
- India currently operates a Russian nuclear-powered attack submarine (SSN) on lease.

Time bound defence procurement

- The DAP also places greater emphasis on time-bound defence procurement processes through the setting up of a project management unit and framing of realistic and verifiable GSQRs (general staff qualitative requirements).
- The government has also tried to rationalise the trial and testing procedures, to reduce the defence procurement timelines.

3.3 UNLAWFUL ACTIVITIES (PREVENTION) ACT, 1967

The UAPA (Unlawful Activities (Prevention) Act, 1967) is an Act to provide for the more effective prevention of certain unlawful activities of individuals and associations. It is also India's primary anti-terror law, dealing with terrorist activities.

- Amendments were brought in 2004, 2008, 2013 and 2019 to incorporate new provisions concerning various facets of terrorism. The 2004 amendment was to ban organisations for terrorist activities. The 2019 amendment was to designate individuals as terrorists.
- The Act provides for the more effective prevention of certain unlawful activities of individuals and associations, and for dealing with terrorist activities, and for matters connected therewith.
- The act has death penalty and life imprisonment as maximum punishment.
- Under the UAPA, the investigating agency can file a charge sheet in maximum 180 days after the arrests and the duration can be extended further after intimating the court.
- UAPA cases are tried by special courts.

Meaning of Unlawful Activity

"Unlawful activity" means any action taken by such individual/association (whether by committing an act or by spoken/written words or by visible representation or otherwise)

- Which is intended to bring about the cession (surrender) of a part of the territory of India or the secession (formal separation) of a part of the territory of India from the Union, or which incites any individual or group of individuals to bring about such cession or secession; or
- Which disclaims, questions, disrupts or is intended to disrupt the sovereignty and territorial integrity of India; or
- Which causes or is intended to cause disaffection against India

Key Sections

- Section 3 of the UAPA deals with the declaration of an association as unlawful. While issuing
 a notification with such a declaration, the government must specify the grounds on which it
 is issued.
- Section 7 gives the government power to prohibit the use of funds of an unlawful association.

Schedule-I

Organisations banned by the Ministry of Home Affairs (MHA) under Section 3 of the UAPA are listed in the First Schedule of the Act. There are about 42 entries in the First Schedule of UAPA.

2019 amendment to designate individuals as terrorists

- Before 2019, only an organisation could be designated under UAPA as a terror body thus making it liable for a ban.
- As per the 2109 amendment, an organisation or an individual shall be deemed to be involved in terrorism if such organisation or individual:

- commits or participates in acts of terrorism
- prepares for terrorism
- promotes terrorism
- is otherwise involved in terrorism

News Update

- Over the past few months, many people have been booked in cases relating to the violence in Delhi in February.
- The police have invoked provisions of the UAPA to investigate the alleged "larger conspiracy" behind the riots.

3.4 ASSAM RIFLE

Why in News: The Delhi High Court has granted 12 weeks to the Union government to decide on whether to end or retain the dual control structure for Assam Rifles.

Assam Rifles, the central paramilitary force, currently has a dual control structure - while it is under the administrative control of the Ministry of Home Affairs (MHA), the operational control lies with the Ministry of Defence (MoD).

Assam Rifles

- Assam Rifles is one of the six central armed police forces (CAPFs) under the administrative control of Ministry of Home Affairs (MHA).
- The Assam Rifles is deployed in the North East, and is tasked with the maintenance of law and order in the North East along with the Indian Army and also guards the Indo-Myanmar border in the region.
- It is fondly also referred to as "The Sentinel of the North-East" and "Friends of the Hill People".
- It has a sanctioned strength of over 63,000 personnel and has 46 battalions apart from administrative and training staff.
- It has its headquarters at Shillong.

Evolution

It was originally raised as Catchar Levy in 1835 - the oldest Central Para Military Force in India - to primarily protect British tea estates and their settlements against tribal raids.

- In 1917, they fought together with Rifle Regiments of the regular British Army, the name of the force was changed to 'Assam Rifles'.
- It took up conventional combat role during the Sino-India War 1962.

Role

- Today, Assam Rifles (AR) is not just a specialized force performing the role of a Border Guarding Force (BGF) like other BGFs like ITBP, BSF and SSB.
- AR is seen as India's "only central paramilitary force (CPMF)", as its operational duties and regimentation are on the lines of the Indian Army.
- It undertakes counter-insurgency operations in the north-east in conjunction with the Army, while also guarding the border with Myanmar like any BGF. Thus, it plays a dual role.
- It operates in formation of Company Operating Bases (COB) and not on Border Out Posts (BOP) basis as other BGFs do.
- COB requires more men than BOP and the inter-COB distance is large in comparison to BOP pattern. Further COBs are located far behind the international border.

Background:

Dual Control:

- Due to its dual role as a BGF and a counter insurgency force near the border areas, Assam Rifles (AR) is under the administrative control of the Ministry of Home Affairs (MHA), the operational control lies with the Ministry of Defence (MoD).
- This means that salaries and infrastructure for the force is provided by the MHA, but the deployment, posting, transfer and deputation of the personnel is decided by the Army.
- All its senior ranks, from DG to IG and sector headquarters, are manned by officers from the Army. The force is commanded by Lieutenant General from the Indian Army.
- However, its recruitment, perks, promotion of its personnel and retirement policies are governed according to the rules framed by the MHA for CAPFs.

Efforts to resolve dual control

- Earlier, a petition was filed by the Assam Rifles Ex-Servicemen Welfare Association in the Delhi High Court on the difficulties faced by the retired personnel of the force with regard to the payment of pension due to the dual control of the force.
- Later, the Ministry of Home Affairs moved the Cabinet Committee on Security (CCS) in March 2019 for resolving the issue of dual control over Assam Rifles.
- Both MHA and MoD have wanted full control of the force for a long time.

MHA wants complete control over AR

• The Union Home Ministry (MHA), which currently has administrative control over Assam Rifles, has been seeking a "complete control" over the force.

- The Union Ministry of Home Affairs (MHA) is in charge of India's internal security, and is also responsible for border management.
- MHA controls six central armed police forces (ITBP, BSF, CRPF, CISF, NSG and SSB) of which ITBP, BSF and SSB are Border Guarding Forces (BGF).
- MHA has argued that all the border guarding forces are under the operational control of the ministry and so Assam Rifles coming under MHA will give border guarding a comprehensive and integrated approach.
- The ministry would want to make guarding of the Indo-Myanmar border on the lines of other BGFs.

MoD want complete control over AR

- The Ministry of Defence (MoD) and Army are opposed to MHA having full control of AR.
- Assam Rifles (AR), which has around 65,000 personnel in 46 battalions, has 80% of its officers being drawn from the Army, and shares the Army's operational ethos and culture.
- As a result, the Army wants the MoD to have both administrative and operational control of Assam Rifles.
- A large section within the force wants to be under the administrative control of the MoD, as
 that would mean better perks and retirement benefits which are far higher compared to
 CAPFs under MHA. Army personnel also get one-rank-one-pension which is not available to
 CAPFs.
- A problem with giving full control to MoD is that, while most Army personnel retire early, at 35, the retirement age in CAPF is 60 years.
- Recently, the Indian Army has actually been pushing for not only total control of Assam Rifles but also operational control over ITBP, which guards the Sino-Indian border.

News Update

- The Delhi High Court has granted 12 weeks to the Union government to decide on whether to scrap or retain the dual control structure for Assam Rifles.
- The HC noted that the matter has been pending for almost three years.

ECONOMY

- **Paper III: The articles in this section are relevant to the following topics:**
- Indian Economy and issues relating to planning, mobilization of resources, growth, development and employment.
- Inclusive growth and issues arising from it.
- Government Budgeting.
- Effects of liberalization on the economy, changes in industrial policy and their effects on industrial growth.
- Infrastructure: Energy, Ports, Roads, Airports, Railways etc.
- Investment models.



4.1 FUGITIVE ECONOMIC OFFENDER

Why in News: A Delhi court has declared Nitin and Chetan Sandesara, the fugitiveGujarati businessmen and promoters of Sterling Biotech, as 'fugitive economic offenders.

News Update

- The brothers, promoters of Sterling Biotech, fled the country with their family members just before CBI and ED registered cases against them in 2017 for allegedly siphoning off loans of government banks worth Rs 15,000 crore.
- The court ordered confiscation of their assets in a development which is likely to help the Enforcement Directorate's effort to get hold of the two who have been shuttling between different countries to dodge arrest.

Fugitive Economic Offender (FEO)

- Economic offences relate to fraud, counterfeiting, money-laundering, tax evasion, etc.
- An FEO is defined by The Fugitive Economic Offenders (FEO) Act, 2018 as "any individual
 against whom a warrant for arrest in relation to a scheduled offence has been issued by any
 court in India, who
- has left India so as to avoid criminal prosecution; or
- Being abroad, refuses to return to India to face criminal prosecution."

Fugitive Economic Offender Act

The Fugitive Economic Offenders Act aims to provide for measures to deter fugitive economic offenders from evading the process of law in India by staying outside the jurisdiction of Indian courts, to preserve the sanctity of the rule of law in India.

Need for FEO Act

Inadequacy of Earlier Laws

- Among the laws available for prosecuting economic offences are The Prevention of Money-Laundering Act (PMLA), 2002, The Benami Properties Transactions Act, 1988, and The Companies Act, 2013.
- Sections of The Indian Penal Code, 1860 and The Code of Criminal Procedure, 1973, also cover offences such as forgery and cheating.
- In 2017, Finance Ministry released a draft Bill to address cases of high-value economic offenders fleeing the country to avoid prosecution.

• It observed that existing civil and criminal laws did not contain specific provisions to deal with such offenders, and that a new legal framework was needed to prosecute them.

Time-Consuming Procedures

As per the finance ministry, the procedures under existing laws were time-consuming which led to roadblocks in investigation and impacted the financial health of banks.

Rising Number of Such Offences

In March 2018, the Ministry of External Affairs stated that over 30 businessmen, under investigation by the CBI and the ED, had absconded to avoid facing prosecution before Indian courts.

Process of declaration of a Fugitive Economic Offender

- Under the FEO Act, an application must be filed in the special court asking that a particular individual may be declared an FEO.
- The application must be accompanied by reasons for the belief that an individual is a fugitive economic offender; any information available as to the whereabouts of the fugitive economic offender; a list of properties or the value of such properties believed to be the proceeds of crime, etc.
- The special court may then issue notice to the individual to appear at a specified place, and drop the proceedings if the individual complies.
- If, however, the special court is satisfied that an individual is an FEO, it may, record so in an order, along with reasons.
- The court may then order the confiscation of the properties of the accused individual in India or abroad.

4.2 CAG ON GST

Why in News: The Comptroller and Auditor General (CAG) has found that in the first two years of the GST implementation, the Union government had wrongly retained Rs 47,272 crore of GST compensation cess.

Cess Cess is a form of tax charged over and above the base tax. A cess is usually imposed additionally when the state or the central government looks to raise funds for specific purposes.

For example, the government imposes an education cess to generate additional revenue for funding primary, secondary, and higher education.

Compensation Cess under GST

- Under GST, a compensation cess ranging from 1-200% is imposed on sin and luxury goods like cigarettes, pan masala and certain categories of automobiles, over and above the topmost slab of 28%.
- For example, SUV vehicles (more than 4 meters) are charged 50 per cent GST, of which the GST tax rate is 28 per cent and the compensation cess is 22 per cent.
- Sin goods are goods which are considered harmful to society.

Reasons for introducing the compensation cess

- Compensation cess was introduced to compensate States for the loss in their revenue due to the implementation of GST.
- Thus, the GST (Compensation to States) Act guarantees all states an annual growth rate of 14
 per cent in their GST revenue in the first five years of implementation of GST beginning July
 2017.
- If a state's revenue grows slower than 14 per cent, it is supposed to be compensated by the Centre using the funds collected as compensation cess.
- The collected compensation cess goes to the Consolidated Fund of India (CFI), and is then transferred to the Public Account of India, where a GST compensation cess account has been created.
- States are compensated bi-monthly from the accumulated funds in this account

Recent issues with compensation cess

- In the recent past, the issue of compensation cess has led to differences between the Centre and states, as states have not been paid their promised compensation since the last fiscal year.
- As per the Centre, due to the slowdown in economy, the collection of money through Compensation Cess has reduced significantly.
- Following which, the Centre recently asked states to borrow for meeting the revenue shortfall. However, various states have opposed the option to borrow.
- As per the states, the Centre should borrow and give money to states, since states have given majority of their taxation powers to the Centre under GST regime introduced in July 2017.

In News

 The Comptroller and Auditor General (CAG) has found that in the first two years of the GST implementation, the Union government had wrongly retained Rs 47,272 crore of GST compensation cess.

- As per CAG, out of the Rs 62,612 crore GST Compensation Cess collected in 2017-18, Rs 56,146 crore was transferred to the GST Compensation Cess Fund (CCF).
- In the following year (2018-19), only Rs 54,275 crore out of Rs 95,081 crore collected was transferred to the fund.
- This amount was supposed to be used specifically to compensate states for loss of revenue, due to implementation of GST since 2017.
- According to CAG, this short-crediting (shortfall in transfer) was a violation of the GST Compensation Cess Act, 2017.
- The amount which was not transferred to the GST CCF, was retained in the Consolidated Fund of India, due to which it became available for "other purposes".
- This also helped the Centre to overstate (claim more than the actual amount) its revenue and understate (lower than the actual number) its fiscal deficit.

Violation of accounting procedure

- The CAG has also highlighted the violation of accounting procedure in respect of the GST compensation cess.
- As per the approved accounting procedure, GST compensation cess should be transferred to the Public Account by debit to Major Head '2047-Other fiscal services.
- However, the Ministry of Finance operated the Major Head '3601-Transfer of Grants in aid to States'.
- This wrongful operation has implications on the reporting of Grants in aid, as the GST Compensation Cess is the right of the States and is not a Grant in aid.

Grants-in-aid

- Grants-in-aid are payments which are generally for assistance, donations or are contributions made by one government to another government, body, institution or individual.
- Grants-in-aid are given by the Union Government to State Governments and/or Panchayati Raj Institutions.
- Similarly, the State Governments also give grants-in-aid to agencies, bodies and institutions such as universities, hospitals, co-operative institutions and others.

Non-transfer of other cess

- Apart from the GST compensation cess, the CAG mentioned instances of non-transfer of entire amounts of other cesses to their respective Reserve Funds.
- Some of these funds include, the Road and Infrastructure Cess, Cess on Crude Oil, Universal Service Levy, and National Mineral Trust Levy.

- Out of the Rs 2.75 lakh crore received from 35 cesses, levies and other charges in 2018-19, only Rs 1.6 lakh crore had been transferred to various Reserve Funds and the rest was retained in the CFI.
- This makes it difficult to ensure that money collected through these cesses had actually been utilised for the purpose they were collected for.

Future Outlook

According to CAG, the Finance Ministry has accepted the audit observation and has stated that the cess collected and not transferred to Public Account would be transferred in the next year.

4.3 AGRI REFORMS

Why in News: Three bills with impact on Indian agriculture, including two farm bill and one concerning the stocking of agriculture produce, were passed by the Parliament.

- The Farmers' Produce Trade and Commerce (Promotion and Facilitation) Bill, 2020
- The Farmers (Empowerment and Protection) Agreement of Price Assurance and Farm Services Bill, 2020
- The Essential Commodities (Amendment) Bill, 2020

The four fundamental changes proposed

Farmers' right to sell

A farmer will have the right to sell anywhere and to anyone who offers her the best price.

No compulsory mandi tax

There is no need for a farmer or a company to pay mandi tax if the mandis are not providing any additional services.

Enable investment in Agri infrastructure

- Companies will only invest in infrastructure and food processing if they are given the freedom to procure and store whatever inputs are required for their business.
- Ad hoc stock controls (which was the case under Essential Commodities Act) leads to uncertainty, and as a result, companies do not invest in infrastructure.

Enable contract farming

- Companies engaging farmers in contract farming and providing crop advisory, inputs and assured buy-back is boon for the farmers.
- To prevent any exploitation, the government can have a strong oversight on the way the companies engage with farmers and can anytime blacklist companies that are violating the prescribed norms.

Have been praised as transformative

- Several commentators have hailed the passing of the farm bills in Parliament as a historic, bold and transformative initiative taken by the government.
- They say that these reforms should be seen within the wider changes in the overall rural economy, demographic shifts, role of the state, advent of technology and critical shifts in post-Covid supply chains.

These Bills on agriculture come after decades of failure to reform APMCs

- Only a farmer in India cannot exercise her fundamental right to sell what she produces to anyone she wishes, while a person in any other profession can do so.
- The APMCs, a critical pillar to ensure fair play in the 1960s, have turn restrictive and regressive (in not allowing farmers to sell freely, to whomever they wished).
- Various governments at the centre have tried and failed to convince state governments to reform APMC Acts, despite promises and model APMC Acts.
- They failed with both the 'carrot' and the 'stick' approaches, trying to link financial support to agriculture based on reforms.
- The present crisis created the perfect window to usher in these transformative reforms.

Steps for Mandi boards in states benefitting from them

- Mandi boards play an important role in agriculture development, and they played a key role in procurement during the Covid lockdown is widely acknowledged.
- The central government can show some flexibility to compensate them for the loss of revenue or let FCI continue to pay mandi taxes for the next few years.
- This would help upgrade them into market exchanges for modern times.

Helping commission agents modernize

- With regards to the commission agents (arhatiyas), the governments should work on a clear roadmap to modernise them by facilitating them in providing value-added services.
- As most of these commission agents are well-off, they could be leveraged to set-up grading and sorting, warehousing, cold chains and food processing infrastructure.

• This way, it is a win-win-win for the state government, farmers and the commission agents

States should lead in agriculture transformation

- If the rice-wheat monoculture continues for long, climate change and depleting water tables may make agriculture in Punjab unviable.
- State governments should take the lead in developing a roadmap for agriculture transformation.

Steps for agriculture transformation

- States can invite the private sector to invest in agriculture infrastructure and food processing units.
- States can lead India's push to become the world's largest exporter of agriculture products and do better than small countries such as Israel and the Netherlands.

Engage in environment-friendly and climate-smart agriculture practices

- Soil health improvement and water conservation measures should be the top priority for the governments.
- Measures for the elimination of straw burning, the practice of zero tillage and conservation agriculture should be directly linked to farmer subsidies.

Research and Development

- States need to accelerate research and academic excellence to bring in the 'best in class' technologies which can double, or even triple, farmers' incomes compared to their incomes from rice and wheat system.
- More importantly, these institutions should have 10-15 years of vision in identifying threats posed by climate change and develop appropriate solutions.

Crop diversification

- Farmers should be encouraged to diversify to grow high-value commodities such as vegetables, nutri-cereals, oilseeds and pulses.
- By diversifying into high-value crops such as vegetables and fruit, India could become the food- processing hub for the world.

Way ahead

• With the short-term mindset of better incomes through unsustainable practices like ricewheat monoculture, India could lose the war on agriculture transformation.

- To ensure future generations see gainful, dignified opportunity in agriculture, the governments should lead farmers towards transforming agriculture.
- Farmers have to be made part of the entrepreneurial ecosystem (FaME—Farmers as Micro-Entrepreneurs).
- This will accelerate the application of science and technology in agriculture production, minimising farmers' risks and add value in the agriculture sector through the use of modern business practices.

4.4 MINIMUM SUPPORT PRICE (MSP)

Why in News: The Centre has announced increases in minimum support price (MSP) of six rabi crops.

Minimum Support Prices (MSP)

- Minimum Support Price (MSP) is a form of market intervention by the Government of India to insure agricultural producers against any sharp fall in farm prices.
- MSP is price fixed by Government of India to protect the producer farmers against excessive fall in price during bumper production years.
- The minimum support prices are a guarantee price or floor price for their produce from the Government.

Objectives of MSP

- The major objectives are to support the farmers from distress sales and to procure food grains for public distribution.
- In case the market price for the commodity falls below the announced minimum price due to bumper production and glut in the market, government agencies purchase the entire quantity offered by the farmers at the announced minimum price.
- The MSP announcement gives a price signal to farmers ahead of the sowing season so that they can make the right choice of crop.

Crops Covered Under MSPs

Every year, MSPs are announced for 23 crops.

Kharif Season Crops These include 14 grown during the kharif/post-monsoon season. These include- paddy, jowar, bajra, ragi, maize, tur, moong, urad, groundnut, sunflower, soyabean, sesasum, nigerseed and cotton.

Rabi Season Crops MSPs are also announced for 6 crops in rabi/winter season. These includewheat, barley, chana, masur, mustard and safflower.

Other crops include sugarcane (covered through Fair and Remunerative Prices), jute and copra.

Recommendations for MSP

- The central government notifies MSPs based on the recommendations of the Commission for Agricultural Costs and Prices (CACP).
- These recommendations are made separately for the Kharif marketing season (KMS) and the Rabi marketing season (RMS).
- The recommendations made by CACP are then approved by the Cabinet Committee on Economic Affairs (CCEA).

Timing of Announcement

The minimum support prices are announced by the Government of India at the beginning of the sowing season for both rabi and kharif crops.

Determination of MSPs

- The CACP considers various factors such as
- Cost of cultivation and production
- Productivity of crops
- Demand situation for the commodity
- Market price trends (domestic and global) and parity vis-à-vis other crops
- Implications for consumers (inflation)
- Environment (soil and water use)

Recommendations by Swaminathan Committee

The National Commission on Farmers (Chair: Prof. M. S. Swaminathan) in 2006 had recommended that MSPs must be at least 50% more than the cost of production.

Costs of Production

- The CACP calculates cost of production at three levels- A2, A2+ FL and C2.
- 'A2' covers all paid-out costs of inputs directly incurred by the farmer, in cash and kind on seeds, fertilisers, pesticides, hired labour, leased-in land, fuel, irrigation, etc.
- 'A2+FL' includes A2 plus an imputed value of unpaid family labour (FL).

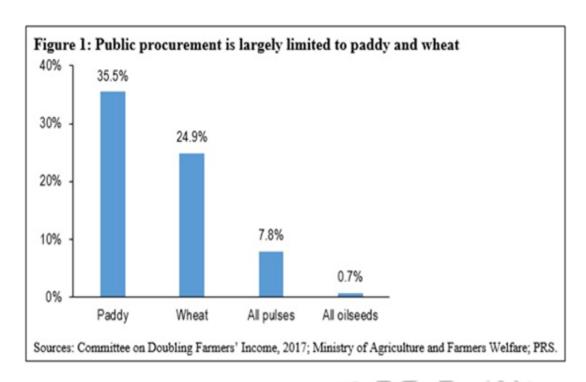
- 'C2' is a more comprehensive cost that factors in rentals and interest forgone on owned land and fixed capital assets, over and above A2+FL.
- In Union Budget 2018-19, the government announced fixing the MSPs at a level of at least 1.5 times of the All-India weighted average Cost of Production (CoP). This is equivalent to 'A2+FL'.

Calculation of Production Costs

- The CACP does not do any field-based cost estimates itself.
- It merely makes projections using state-wise, crop-specific production cost estimates provided by the Directorate of Economics & Statistics in the Agriculture Ministry.
- The latter are, however, generally available with a three-year lag.
- The CACP further projects three kinds of production cost for every crop, both at state and all-India average levels.

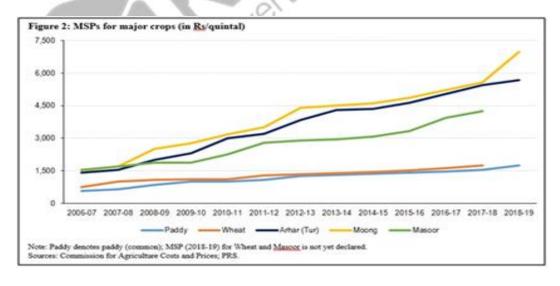
Limitations of MSP

- The public procurement is limited to a few crops such as paddy, wheat and, to a limited extent, pulses.
- The procurement is also limited to a few states.
- Three states which produce 49% of the national wheat output account for 93% of procurement. For paddy, six states with 40% production share have 77% share of the procurement.
- As a result, in these states, farmers focus on cultivating these crops over other crops such as pulses, oilseeds, and coarse grains. Due to limitations on the procurement side (both cropwise and state-wise), all farmers do not receive benefits of increase in MSPs.
- The CACP has noted in its 2018-19 price policy report that the inability of farmers to sell at MSPs is one of the key areas of concern. Farmers who are unable to sell their produce at MSPs have to sell it at market prices, which may be much lower than the MSPs.



Change in MSPs over Time

- Higher procurement of paddy and wheat, as compared to other crops at MSPs tilts the production cycle towards these crops.
- In order to balance this and encourage the production of pulses, there is a larger proportional increase in the MSPs of pulses over the years.
- In addition to this, it is also used as a measure to encourage farmers to shift from waterintensive crops such as paddy and wheat to pulses, which relatively require less water for irrigation.



Procurement of Crops

- The Food Corporation of India is the nodal agency for procurement.
- FCI along with State agencies establishes purchase centers for procuring food grain under the price support scheme.
- The State government decides on the location of these centers with the aiming of maximising purchases.

News Update

- MSP prices for rabi crops are generally announced in October or November and at times even in December.
- However, this year, the government has announced new MSP much ahead of the beginning of the rabi sowing season.
- The new MSP were approved by the Cabinet Committee on Economic Affairs, chaired by the Prime Minister.

Purpose of Early Announcement

- Early announcement is seen as an attempt by the government to allay doubts of farmers over the future of the MSP regime in the wake of the two farm bills.
- Some of the protesting farmers were fearing that MSP regime would be ended once the farm bills come into force.
- The government is saying that it is committed to continuation of the MSP-based procurement system.

Analysis of MSPs

Analysis of the new MSP shows the government's focus on pulses and oilseeds. The MSP for lentils (pulses) got the highest increase of 6.3% (from Rs 4,800 per quintal in 2019-20 to Rs 5,100 per quintal in 2020-21) followed by mustard (5.1%), barley (4.9%), gram (4.6%), wheat (2.6%) and safflower (2.1%).

Procurement on the basis of these MSP will be made in the marketing season of 2021-22, beginning April 1. The price signal for pulses and oilseeds is intended to reduce the traditional skew in favour of cereals which will still deliver highest returns.

4.5 INSOLVENCY AND BANKRUPTCY CODE

Why in News: The Parliament has passed the Insolvency and Bankruptcy Code (Second Amendment) Bill, 2020.

- It replaces the Insolvency and Bankruptcy Code (Amendment) Ordinance, 2020 promulgated in June this year. The ordinance came in response to the Covid-19 pandemic, which had created uncertainty and stress for businesses.
- The bill amends the Insolvency and Bankruptcy Code (IBC), 2016 which provides a time bound process for resolving insolvency in companies and also among individuals.
- Insolvency is a situation where individuals or companies are unable to repay their outstanding debt.

Insolvency and Bankruptcy Code (Second Amendment) Bill, 2020

Prohibition on the initiation of insolvency resolution process:

- When a default occurs, the IBC allows the creditors of the company or the company itself to initiate an insolvency resolution process by filing an application before the National Company Law Tribunal (NCLT).
- As per the bill, for defaults arising during the six months from March 25, 2020, insolvency proceedings can never be initiated by either the company or its creditors.
- The central government may extend this period to one year through notification.
- The Bill clarifies that during this period, insolvency proceedings can still be initiated for any defaults arising before March 25, 2020.

Liabilities for wrongful trading

- Under the IBC, a director or a partner of the corporate debtor (company) may be held liable to make personal contributions to the assets of the company in certain situations.
- This liability can occur if despite knowing that the insolvency proceedings cannot be avoided, the person did not try to minimise the potential loss to the creditors.
- The Resolution Professional may apply to the National Company Law Tribunal (NCLT) to hold such persons liable. The Resolution Professional is appointed to manage the resolution process.
- The Bill prohibits the Resolution Professional from filing such an application in relation to the
 defaults for which insolvency proceedings have been prohibited during the above mentioned
 period.

Issues with the Amendments

A complete suspension of insolvency proceedings may prevent an already stressed company's opportunity to initiate insolvency proceedings under the IBC framework.

- Thus, for certain companies, postponing the insolvency proceedings may increase their financial stress and loss in value.
- There may be certain defaults, which may not be due to Covid-19 related disruptions, but due to the stress in the company before the pandemic. Thus, there is no need to treat all the defaults in the specified period, in the same manner.

Prohibition of corporate debtor from initiating insolvency proceedings

- The current amendments prohibit the corporate debtor (the company) from initiating the insolvency proceedings.
- However, a corporate debtor may have a better idea on the need for initiating insolvency proceedings.
- A voluntary and timely initiation of insolvency proceedings could maximise the benefits for the debtor as well as creditors.

Prohibition of insolvency proceedings forever

- The Bill states that no insolvency proceedings can ever be initiated against defaults occurring during the specified period.
- This could result in a scenario where creditors are unable to hold the company responsible for these defaults even after the company's ability to repay has been restored.

Insolvency proceedings against the personal guarantor

- Under the IBC, insolvency proceedings can be initiated against the personal guarantor of a corporate debtor. The personal guarantor provides a guarantee for the debt of a corporate debtor.
- While the Bill prohibits insolvency proceedings against the corporate debtor for the defaults occurring during the specified period, it does not disallow such action against the personal guarantor.
- It does not sound logical that the personal guarantor should be held liable for defaults, when the original debtor's liability has been relaxed.

4.6 COMPANIES ACT (AMENDMENT BILL) 2020

Why in News: The Lok Sabha has passed the Companies Act (Amendment) Bill, 2020, which decriminalises a number of technical and filing-related corporate offences. The Bill seeks to amend the Companies Act, 2013.

Companies Act 2013

The Companies Act 2013 regulates incorporation of a company, responsibilities of a company, directors, dissolution of a company.

Compoundable Offence

- Any offence which is punishable with fine or penalty only under the specific section of the Companies Act, 2013 is compoundable offence.
- Note: Compoundable offences are those offences where, the complainant enters into a compromise, and agrees to have the charges dropped against the accused.

Non-Compoundable Offence

- Any offence which is punishable with imprisonment only or with imprisonment and fine or penalty only under the specific section of the Companies Act, 2013 is non-compoundable offence.
- There are some offences, the nature of which is considered grave enough, that compromise cannot be allowed. Full trail is held which ends with the acquittal or conviction of the offender, based on the evidence given

Background of rationalisation of punishments prescribed under the Companies Act

- The Companies Act 2013 was too stringent, criminalizing even the smaller offences.
- Since 2019, to facilitate ease of doing business in India, the Ministry of Corporate Affairs (MoCA) started making efforts to decriminalise the Companies Act, 2013.

Company Law Committee (CLC) / Injeti Srinivas Committee

In September 2019, the government constituted a 11-member company law committee, headed by corporate affairs secretary Injeti Srinivas.

Objective of the Committee was to analyse and examine

- Decriminalisation of certain offences under the Companies Act, 2013
- Improving corporate compliance and
- Other steps to improve the ease of doing business for law-abiding citizens.

Recommendations

The panel proposed decriminalising more than half of the existing compoundable offences under the companies law and lower monetary penalties for violations by startups, amid efforts to further improve the ease of doing business in the country. CLC also recommended dealing of compoundable offence by In-house Adjudication Mechanism (IAM) which is at the rank of Registrar of Companies (RoC) level officer.

News Update

- The government has in Parliament introduced the Companies Act (Amendment) Bill, 2020 to amend the Companies Act, 2013.
- The Bill, which decriminalises a number of technical and filing-related corporate offences, has been passed by the Lok Sabha.
- The union finance minister said that the decriminalisation of various provisions under the companies law will also help small companies by reducing litigation burden on them.
- It also looks to promote ease of doing business, by amending around 17 provisions.
- A new chapter on producer organisations was added, which will be particularly helpful for farmer producer organisations (FPOs).

Companies Act (Amendment) Bill, 2020

- Based on the recommendations of the Injeti Srinivas Committee, the Companies (Amendment) Bill, 2020 proposes to decriminalise a number of offences under the Act.
- Around 48 sections of the Companies Act, 2013 were amended to decriminalise various offences.
- Around 10 penal provisions have been removed, and currently there are around 124 penal provisions compared to 134 in 2013 Companies Act.
- However, there will be no relaxation for serious offences, including fraud and those that cause "injury to public interest or deceit". The number of "non-compoundable" offences under the Act remains the same at 35.

Changes introduced in the Companies Act:

Changes to offenses

- The bill removes the penalty, imprisonment for certain offenses, and reduces the amount of fine payable in certain cases. It removes the penalty for certain offences.
- For example, it removes the penalties which apply for any change in the rights of a class of shareholders made in violation of the Act. It removes imprisonment in certain offences. For example, it removes the imprisonment of three years applicable to a company for buying back its shares without complying with the Act.
- It reduces the amount of fine payable in certain offences. For example, it reduces the maximum fine for failure to file annual return with the Registrar of Companies from five lakh rupees to two lakh rupees.

Exclusion from listed companies

- The Bill empowers the Centre in consultation with the Sebi, to exclude companies issuing specified classes of securities from the definition of a "listed company".
- CSR: The Bill exempts companies with a CSR liability of up to Rs 50 lakh a year from setting up CSR Committees.
- Benches of NCLAT: The Bill seeks to establish benches of the National Company Law Appellate Tribunal in New Delhi.
- Direct listing in foreign jurisdictions: The Bill empowers the central government to allow certain classes of public companies to list classes of securities in foreign jurisdictions.

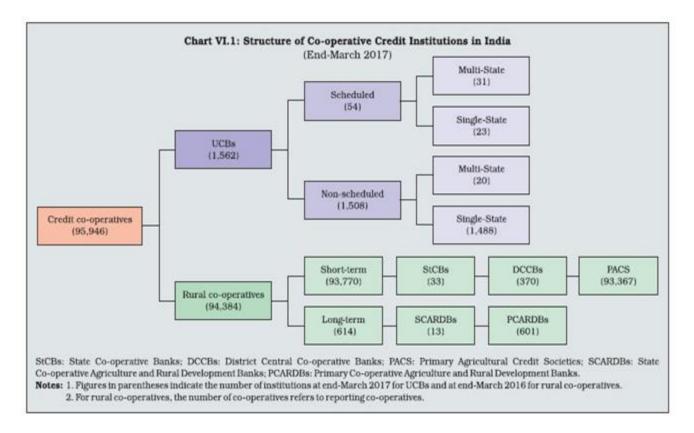
4.7 BANKING REGULATION (AMENDMENT) BILL 2020

Why in News: Considering the deteriorating condition of cooperative banks in the country, Lok Sabha passed the Banking Regulation (Amendment) Bill, 2020.

Co-operative banks

- Cooperative bank is an institution established on the cooperative basis and dealing in ordinary banking business. It belongs to its members, who are both owners and customers of their bank.
- The co-operative structure is designed on the principles of mutual help, democratic decision making and open membership.
- All Co operatives' works with the principle of "one member, one vote" and "no profit, no loss".
- The cooperative banking system came into being with the aim to promote saving and investment habits among people, especially in rural parts of the country.
- These banks provide a wide range of regular banking and financial services. Like other banks, the cooperative banks are founded by collecting funds through shares, they accept deposits and grant loans. However, there are some points where they differ from other banks.
- These banks have mostly been centred around communities and localities lending to small borrowers and businesses.
- With a wide network and extensive coverage, these institutions have played an important developmental role in enlarging the ambit of institutional credit by way of inculcating banking habits among the poor and those in remote areas.

Structure of co-operative banks in India The co-operative credit structure in the country can be divided into two broad segments: the Primary Co-operative Banks (commonly known as urban co-operative banks – UCBs), and the rural co-operative credit institutions.



Primary Agricultural Credit Societies (PACSs) are not banks but only societies.

Note: The States not having rural long-term co-operative credit entities are served by the State Co-operative Banks apart from being serviced by the branches of Regional Rural Banks (RRBs) and the rural/semi-urban branches of commercial banks.

Regulation of Co-operative Banks

- Cooperative Banks are registered under the Cooperative Societies Act.
- Banking laws were made applicable to cooperative societies in 1966.
- Since then, banking related functions are regulated by the RBI and management related functions are regulated by the Governments.

Governments: The co-operatives are under the control of State Governments in all matters relating to registration, membership, election, financial assistance, loaning powers, business operations, loan recovery and audit.

RBI: Reserve Bank of India (RBI) regulates and supervises the banking functions of Urban Cooperative Banks (UCBs) and Rural cooperatives like State Cooperative Banks (StCBs), District Central Cooperative Banks (DCCBs) and under various provisions of the Banking Regulations Act, 1949, and the Banking Laws (Co-operative Societies) Act, 1955.

However, Primary Agricultural Credit Societies fall outside the purview of the Banking Regulation Act, 1949 and hence are not regulated by the RBI.

NABARD: Regulation of rural co-operatives has been delegated to National Bank for Agricultural and Rural Development (NABARD).

Section 35(6) of the Banking Regulation Act, 1949 empowers NABARD to conduct inspection of State Cooperative Banks (StCBs), District Central Cooperative Banks (DCCBs) and Regional Rural Banks (RRBs).

In addition, NABARD has also been conducting periodic inspections of state level cooperative institutions such as State Cooperative Agriculture and Rural Development Banks (SCARDBs).

Note: In its Institutional Development (ID) initiatives, NABARD supports StCBs, DCCBs, PACs, SCARDBs, PCARDBs and RRBs.

Urban Co-operative Banks

- Urban Co-operative Banks (UCBs) play an important role as financial intermediaries in urban and semi-urban areas catering to the needs of the non-agricultural sector, particularly small borrowers.
- Primary Cooperative Banks, popularly known as Urban Cooperative Banks (UCBs) are registered as cooperative societies under the provisions of, either the State Cooperative Societies Act of the State concerned or the Multi State Cooperative Societies Act, 2002.
- The applicability of banking laws to cooperatives societies since 1966 ushered in 'duality of control' over UCBs.
- The banking related activities of UCBs are governed by the Reserve Bank.
- The registration and management related activities are governed by the Registrar of Cooperative Societies (RCS) in case of UCBs operating in single State and Central RCS (CRCS) in case of multi-State UCBs.
- The Reserve Bank regulates and supervises the banking functions of UCBs under the provisions of Banking regulation Act, 1949.
- As a regulator, the Reserve Bank has prescribed prudential norms in various areas, e.g. capital
 adequacy, income recognition, asset classification and provisioning, exposure to single/group

borrowers, exposures to sensitive sectors, loans and advances, investments, liquidity requirements, etc.

Background

- In India, including scheduled and non-scheduled, there are 1482 urban cooperatives banks and 58 multi-State cooperative banks.
- These banks have a depositor base of 8.6 crore, who have saved a huge amount of Rs 4.84 lakh crore with these banks.
- Over the past year, there have been instances of trouble in the cooperative banks, with many of them failing.
- For example, the RBI imposed restrictions on deposit withdrawal at the Punjab and Maharashtra (PMC) Cooperative Banks.
- In June, the union cabinet approved the ordinance to bring 1,482 urban and 58 multi-state cooperative banks under the supervision of the central bank.

Cooperative banks under financial stress

- The union finance minister said that the financial health of many of the cooperative societies, which are also performing as banks, was becoming very delicate. The financial state of affairs of 277 urban cooperative banks is weak and they are reporting loss.
- 105 cooperative banks are unable to meet the minimum regulatory capital requirement.
- 47 banks have net worth is negative.
- 328 urban cooperative banks have more than 15 per cent gross NPA ratio.
- Moreover, in March 2020, the stress in cooperative banks increased due to pandemic and gross ratios of urban cooperative banks increased from 7.7 per cent in March 2019 to over 10 per cent in March 2020.

News Update

- In order to protect the interests of crore of depositors, the Lok Sabha has passed the Banking Regulation (Amendment) Bill, 2020. The Bill proposes amendments to the Banking Regulation Act. 1949.
- With this new Bill, the central government aims to bring cooperative banks under the supervision of the Reserve Bank of India (RBI). However, the amendment is not for central Govt to take over the cooperative banks.
- The amendments will make certain provisions applicable on cooperative banks which currently apply on commercial banks so that the cooperative banks are equally subjected to better governance and sound banking regulations through the RBI.

RBI gets more powers vis-a-vis cooperative banks

- All urban and multi-state cooperative banks will now be brought under RBI supervision process, which is currently only applicable to scheduled banks.
- This empowers the central bank to regulate these on the lines of commercial banks.
- Till now, unlike in the case of commercial banks, the RBI till now had no powers to draw up an enforceable scheme of reconstruction of a co-operative bank (if such banks are struggling).
- Prior to this amendment, RBI had only the powers to put a stressed cooperative bank under moratorium, like in the case of Punjab and Maharashtra (PMC) Cooperative Bank.
- If a lender was put under the moratorium, it not only capped the withdrawals by depositors, but also barred a bank's lending operations.
- But now, with the amendments, RBI will be able undertake a scheme for reconstruction or amalgamation (merging) of a bank without placing it under moratorium.
- For example, amendments to section 45 will enable the RBI to make a scheme of reconstruction and amalgamation for cooperative banks, similar to the way in which Yes Bank (private commercial bank) reconstruction happened recently to protect the interest of depositors.

Not applicable to PACS

The amendments do not apply to Primary Agricultural Credit Societies (PACS) or co-operative societies whose primary object and principal business is long-term finance for agricultural development, and which do not use the words "bank", "banker" or "banking".

4.7 SINGAPORE CONVENTION

Why in News: The Singapore Convention on Mediation came into force on 12th September, which marks a significant development in international commercial dispute resolution through mediation.

Mediation as a tool for dispute resolution

- Mediation has always been recognised as a tool for dispute resolution. It is a way to resolve
 disagreements by minimising conflicts, as it encourages the two parties to reach an
 agreement by finding common solutions.
- Often, corporate find themselves in a situation where they have multiple dealings with one another, and do not want to spoil the relationship due to a disagreement in a particular transaction.

- In such situations mediation is the best tool for dispute resolutions, as it helps to preserve business relationships.
- In commercial disputes, mediation often proves to be the cheapest, quickest and the most confidential mode for dispute resolution.
- It also gives the parties greater control over the outcome, leading to a commercially balanced resolution.

Singapore Convention on Mediation

Background

- Until the introduction of the Singapore Convention a challenge to the use of mediation was the lack of an efficient framework for cross-border enforcement of settlement agreements resulting from mediation.
- It was in response to this need that the Singapore Convention was developed and adopted by the United Nations.

Evolution

- Also known as the United Nations Convention on International Settlement Agreements Resulting from Mediation, this is the first UN treaty to be named after Singapore.
- The United Nations General Assembly had adopted the Convention in December 2018, and the Convention opened for signature in August, 2019. As on September 1, 2020, the Convention has 53 signatories, including India, China and the U.S.
- Six countries have ratified the Convention till now, which include, Ecuador, Singapore, Fiji,
 Qatar, Saudi Arabia and Belarus.

Singapore Convention on Mediation

The Singapore Convention on Mediation applies to international settlement agreements resulting from mediation, concluded by parties to resolve a commercial dispute.

The primary goals of the Convention are

- To facilitate international trade; and
- To promote the use of mediation for the resolution of cross-border commercial disputes.
- It ensures that a settlement reached by parties through mediation becomes binding and allows for direct enforcement of mediated settlement agreements.

With the Convention in force, businesses seeking enforcement of a mediated settlement agreement across borders can do so by applying directly to the courts of countries that have signed and ratified the treaty.

The Singapore Convention can only be applicable in cases of an international commercial dispute, and specifically excludes disputes arising from personal, family, and inheritance or employment matters.

The convention also does not apply to settlement agreements that have been approved by a court or concluded in the course of court proceedings, and are to be enforced as a judgment.

Impact

- Businesses in India and around the world will now have greater certainty in resolving crossborder disputes through mediation.
- Thus, the Convention significantly strengthens the international dispute resolution enforcement framework.
- The simplified enforcement framework under the Convention will lead to savings in time and legal costs, which is important for businesses in times of uncertainty, such as during the current COVID-19 pandemic.
- The relative peaceful nature of mediation as a process of dispute resolution will also help to preserve commercial relationships despite the disputes.
- It will boost India's ease of doing business status and facilitate international trade and commerce.

4.8 MATSYA SAMPADA SCHEME

Why in News: The Prime Minister has launched the Pradhan Mantri Matsya Sampada Yojana (PMMSY) which aims to double fish exports in three-four years. The scheme was launched via video-conference in 21 states across the country. Under the scheme, several facilities have been inaugurated in Patna, Purnia, Sitamarhi, Madhepura, Kishanganj and Samastipur.

Pradhan Mantri Matsya Sampada Yojana (PMMSY)

- PMMSY is a flagship scheme for focused and sustainable development of fisheries sector in the country.
- This is the first such comprehensive plan to promote fisheries in the country.

Estimated Investment under PMMSY

- It has an estimated investment of Rs. 20,050 crores for its implementation during a period of 5 years from FY 2020-21 to FY 2024-25 in all States/Union Territories, as a part of AatmaNirbhar Bharat Package.
- The investment of Rs. 20,050 crores under PMMSY is the highest ever in the fisheries sector.
- Out of this, an investment of about Rs 12340 crores is proposed for beneficiary-oriented activities in Marine, Inland fisheries and Aquaculture and about Rs 7710 crores investment for Fisheries Infrastructure.

What the Scheme targets

- PMMSY aims at enhancing fish production by an additional 70 lakh tonne by 2024-25.
- This in turn will increase fisheries export earnings to Rs.1, 00,000 crore by 2024-25.
- The goal is to double fish exports in the coming 3-4 years.

Other objectives of the scheme

- Doubling of incomes of fishers and fish farmers
- Reducing post-harvest losses from 20-25% to about 10%
- Generation of additional 55 lakhs direct and indirect gainful employment opportunities in fisheries sector and allied activities.

PMMSY is designed to address critical gaps in fish production and productivity, quality, technology, post-harvest infrastructure and management, modernization and strengthening of value chain, traceability, establishing a robust fisheries management framework and fishers' welfare.

Benefits for Farmers

- Under the new scheme, over Rs 20,000 crore will be spent in the next 4-5 years.
- Fish producers will get new infrastructure, modern equipment, and new markets will be provided.
- This will increase earning opportunities through farming as well as other means.
- The scheme will boost fish, milk and honey production, paving the way for blue, white and sweet revolutions.
- Special focus will be given for employment generation activities such as seaweed and ornamental fish cultivation.

Cluster approach

• The scheme primarily focuses on adopting 'Cluster or Area based approaches' and creation of Fisheries clusters through backward and forward linkages.

• It emphasizes on interventions for quality brood, seed and feed, special focus on species diversification, critical infrastructure, marketing networks etc.

e-GOPALA App

- The app will provide information related to cattle care, from productivity to its health and diet.
- The app will enable cattle owners to buy and sell animals.



SCIENCE AND TECHNOLOGY

- **Paper III: The articles in this section are relevant to the following topics:**
- Science and Technology- developments and their applications and effects in everyday life
- Achievements of Indians in science & technology; indigenization of technology and developing new technology.
- Awareness in the fields of IT, Space, Computers, robotics, Nano-technology, bio-technology and issues relating to intellectual property rights.

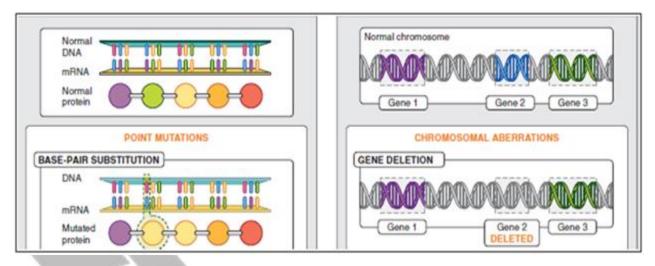
5.1 FELUDA and CRISPR GENE-EDITING TECHNOLOGY

Why in News: CSIR's Institute of Genomics and Integrative Biology, along with the Tata Group, has developed a new test to detect SARS-CoV-2 virus (that causes Covid-19).

The test named Feluda uses the cutting-edge CRISPR gene-editing technology.

Gene Editing

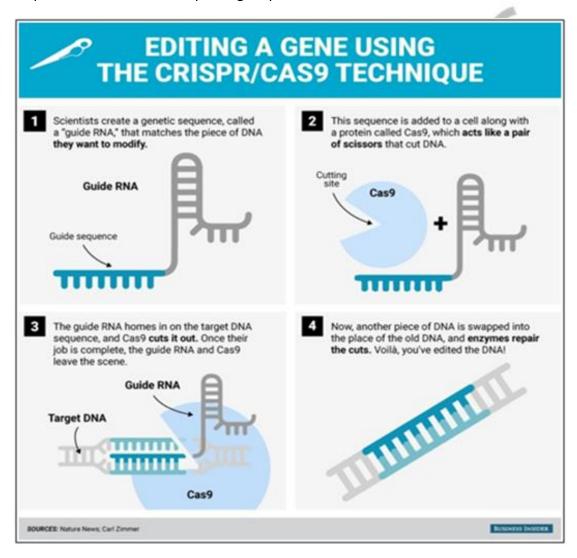
- Gene editing (also called genome editing) is a method that gives scientists the ability to change the DNA of an organism.
- Gene editing involves genetic material to be added, removed, or altered at particular locations in the genome. These edits are made to ensure that intended characteristics can be brought about in the genome.
- Several approaches to genome editing have been developed, with the most recent and exciting technology known as CRISPR-Cas9.
- Gene Editing enable disabling of faulty genes, correcting a harmful mutation, inserting a missing gene or changing the activity of specific genes in living organisms.

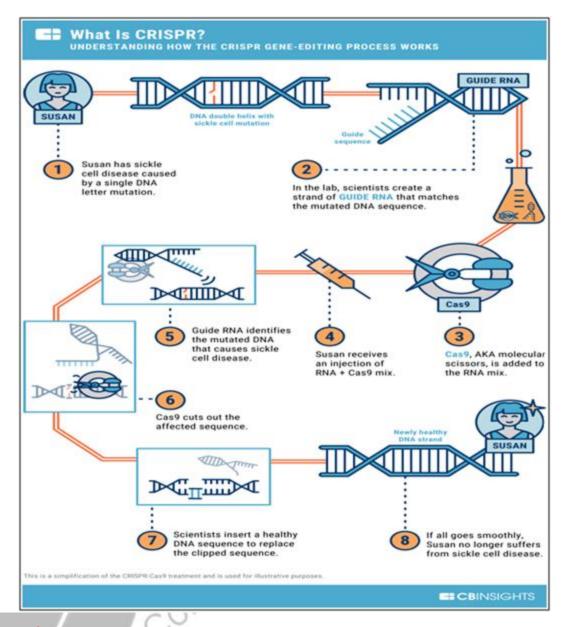


CRISPR

- CRISPR stands for "Clustered Regularly Interspaced Short Palindromic Repeats".
- It is a unique technology that enables geneticists and medical researchers to edit parts of the genome by removing, adding or altering sections of the DNA sequence.
- It is currently the simplest, most versatile and precise method of genetic manipulation.

- An enzyme called Cas9 acts as a pair of 'molecular scissors' that can cut the two strands of DNA at a specific location in the genome so that bits of DNA can then be added or removed.
- Some bacteria have a similar, built-in, gene editing system to the CRISPR-Cas9 system.
- Scientists adapted this system so that it could be used in other cells from animals, including mice and humans.
- Its many potential applications include correcting genetic defects, treating and preventing the spread of diseases and improving crops.





News Update

- CSIR's Institute of Genomics and Integrative Biology (IGIB), along with the Tata Group, has developed a new paper-strip based test to detect SARS-CoV-2 virus (that causes Covid-19).
- The test named Feluda, using the cutting-edge CRISPR gene-editing technology, can detect the SARS-CoV-2 virus accurately, cheaply and quickly (in two hours).
- Feluda is the acronym for FNCAS9 Editor Linked Uniform Detection Assay.
- It is similar to a pregnancy test, containing a strip of paper that changes colour on detection of virus in the sample.

How it works

- It uses indigenously developed CRISPR gene-editing technology to identify and target the genetic material of SARS-CoV2, the virus that causes Covid-19.
- It deploys a specially adapted Cas9 protein to successfully detect the virus causing Covid-19.
- The Cas9 protein is bar-coded to interact with the SARS-CoV2 sequence in the patient's genetic material.
- The Cas9-SARS-CoV2 complex is then put on the paper strip, where using two lines (one control, one test) makes it possible to determine if the test sample was infected with Covid-19.

Highly accurate

- The union ministry of science and technology said the test has 96% sensitivity (ability of a test
 to correctly identify those with the disease or true positive rate) and 98% specificity (ability
 of the test to correctly identify those without the disease true negative rate) for detecting
 the novel coronavirus.
- The test matches accuracy levels of RT-PCR tests, considered the gold standard in the diagnosis of Covid-19, has a quicker turnaround time and requires less expensive equipment.
- The test has got the approval for commercial launch from the Drugs Controller General of India (DCGI).

Way ahead

- Accuracy shows by the test in lab settings is better than antigen-based kits, but has to be checked in a clinical setting.
- Approval for this Tata CRISPR test for Covid-19 will give a boost to the country's efforts in fighting Covid

5.2 SOLAR CYCLE 25

Why in News: Scientists from NASA have announced their predictions about the new solar cycle, called Solar Cycle 25, which they believe has begun.

News Update

- The Solar Cycle 25 Prediction Panel, an international group of experts co-sponsored by NASA, announced that solar minimum occurred in December 2019, marking the start of a new solar cycle.
- Because our Sun is so variable, it can take months after the fact to declare this event.
- Scientists use sunspots to track solar cycle progress.

• With solar minimum having already occurred at the end of 2019, scientists expect the Sun's activity to ramp up toward the next predicted solar maximum in July 2025.

Solar cycle

- The Sun's magnetic field goes through a cycle approximately every 11 years, called the solar cycle.
- After about every 11 years, at the end of a solar cycle, the Sun's magnetic field completely flips. This means that the Sun's north and south poles switch places.
- The amount of solar activity changes with the stages in the solar cycle, and this means the number of Sunspots increases and decreases.
- The beginning of a solar cycle is a solar minimum, or when the Sun has the least sunspots. Over time, solar activity—and the number of sunspots—increases.
- The middle of the solar cycle is the solar maximum, or when the Sun has the most sunspots. As the cycle ends, it fades back to the solar minimum and then a new cycle begins.
- Solar activity can have effects here on Earth, so scientists closely monitor solar activity every day. One way to track the solar cycle is by counting the number of sunspots.

Sunspots and Solar flares

Sun's surface

- The surface of the Sun is a very busy place.
- It has electrically charged gases that generate areas of powerful magnetic forces called magnetic fields.
- The Sun's gases are constantly moving, which stretches and twists the magnetic fields. This motion creates a lot of activity on the Sun's surface, called solar activity.
- A solar wind composed of charged particles carries the magnetic field away from the sun's surface and through the solar system.
- The sun's magnetic influence extends well past the planets and into interstellar space. This region, called the heliosphere, acts as a magnetic shield against charged particles from deep space called cosmic rays.

Sunspots

Sunspots are areas that appear dark on the surface of the Sun. Some of these spots are as large. These spots are the visible markers of the Sun's magnetic field, which forms a blanket that protects the solar system from harmful cosmic radiation.

- On the photosphere, Sunspots are the areas where the star's magnetic field is the strongest; around 2,500 times more than the Earth's magnetic field.
- Photosphere is the outer surface of the Sun which radiates heat and light.
- Sunspots are associated with solar activity, often as the origins for giant explosions such
 as solar flares or coronal mass ejections which can spew light, energy, and solar material
 into space.

Why Sunspots appear dark

- They appear dark because they are cooler than other parts of the Sun's surface.
- It's because they form at areas where magnetic fields are particularly strong. These magnetic fields are so strong that they keep some of the heat within the Sun from reaching the surface.
- Due to this, the temperatures of Sunspots are thousands of degrees lower than the surrounding photosphere (which has a temperature of 5,800 degrees Kelvin). Sunspots temperatures are around 3,800 degrees Kelvin.
- They typically consist of a dark region called the 'umbra', which is surrounded by a lighter region called the 'penumbra'.

Solar flares

- The magnetic field lines near Sunspots often tangle, cross, and reorganize. This can cause a sudden explosion of energy called a solar flare.
- Solar flares release a lot of radiation into space.
- In August 2020, a massive Sunspot group, AR2770, which emitted a few minor solar flares, was observed.

Coronal Mass Ejections

- At times, solar flares are accompanied by Coronal Mass Ejections (CME).
- CMEs are huge bubbles of radiation and particles from the Sun. They explode into space at very high speed when the Sun's magnetic field lines suddenly reorganize.

Importance of studying Solar activity

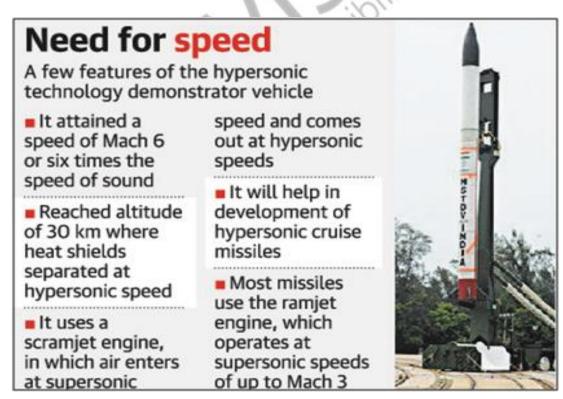
- If a solar flare is very intense, the radiation it releases can interfere with our radio communications here on Earth, and impact satellites.
- When charged particles from a Coronal Mass Ejection (CME) reach areas near Earth, they can trigger intense lights in the sky, called auroras.
- When particularly strong, a CME can also interfere in power utility grids, which at their worst can cause electricity shortages and power outages.

- Forecasting of the solar cycle can help scientists protect our radio communications on Earth, and help keep satellites and astronauts safe, too.
- Surveying the space environment is the first step to understanding and mitigating astronaut exposure to space radiation.

5.3 HYPERSONIC TECHNOLOGY DEMONSTRATOR VEHICLE

Why in News: The Defence Research and Development Organisation (DRDO) has successfully tested a Hypersonic Technology Demonstrator Vehicle (HSTDV), powered by a scramjet engine.

- The HSTDV tests the indigenously developed hypersonic air-breathing scramjet technology.
- This makes India only the fourth country in the world after the US, China and Russia to develop and test the technology, that will lead to the development of missiles that will travel at six times the speed of sound.
- The vehicle was launched using the solid rocket motor of Agni missile and was taken to an altitude of 30 km. After separation from the missile, the cruise vehicle separated and attained a speed of Mach 6, or six times the speed of sound, for over 20 seconds.
- The DRDO started on the development of the engine in early 2010 and had conducted a similar test in June 2019, however, that test had not met all the parameters.



The hypersonic vehicle and its scramjet engine

- The scramjets are a variant of a category of jet engines called the air breathing engines. The
 ability of engines to handle airflows of speeds in multiples of speed of sound, gives it a
 capability of operating at those speeds.
- A scramjet engine is an improvement over the ramjet engine because scramjets operate efficiently at hypersonic speeds.
- Ramjets, in contrast, operate well at supersonic speeds at around Mach 3, but their efficiency drops at hypersonic speeds. Supersonic travel is a rate of travel of an object that exceeds the speed of sound (Mach 1).
- Hypersonic speeds are those which are five times or more than the speed of sound. Thus, hypersonic missiles can travel at speeds faster than Mach 5, much faster than other ballistic and cruise missiles.
- The unit tested by the DRDO can achieve upto six times the speed of sound or Mach 6, which is well over 7000 kilometers per hour or around two kilometers per second.
- At hypersonic speeds, the system has to handle very high temperatures (in the range of 2500 degrees celsius), as well as high air speed, and thus, development of the material is one of the main challenges, among other complex technologies.

Significance of the development

- The successful test of the HSDTV is a major technological success in the country and will lead to the development of more critical technologies and materials.
- It will serve as the building block for next generation Hypersonic vehicles in partnership with industry.
- The applications include extended air defence, surveillance (unmanned aerial vehicles) and developing missiles with virtually global targeting range.
- Further, it will also help in the development of energy-efficient, low-cost and reusable satellite launch vehicles.

Future outlook

The next phase will be to develop long-range hypersonic cruise missiles, which according to DRDO would be possible in the next five to six years. Cheaper and more maneuverable (ability to move/guide something) than ballistic missiles, these future weapons will be significantly more powerful that the current range of cruise missiles like the Brahmos.

Scientists believe that while the successful test is a major milestone, many more rounds of tests will have to be done to achieve the level of technology that countries like the US, Russia and China have.

ECOLOGY and ENVIRONMENT

- **Paper III: The articles in this section are relevant to the following topics:**
- Conservation, environmental pollution and degradation, environmental impact assessment
- Disaster and disaster management.
- Prelims Oriented Questions

6.1 WORLD OZONE DAY 2020

Why in News: Recently, World Ozone Day was observed on **16th September.** It is celebrated to spread awareness among people about the depletion of the Ozone Layer and to search for possible solutions to preserve it.

- In December, 1994, the United Nations General Assembly proclaimed September 16 as the International Day for the Preservation of the Ozone Layer.
- This was done to commemorate the date, in 1987, on which the Montreal Protocol on Substances that Deplete the Ozone Layer was signed.
- This year the slogan for World Ozone Day is 'Ozone For Life'. The slogan is a reminder that ozone is crucial for life on Earth and the world must continue to protect the ozone layer for future generations also.

Ozone

- Ozone (chemically, a molecule of three oxygen atoms) is a pale blue gas that is explosive and toxic, even at low concentrations.
- It occurs naturally in small amounts in the Earth's stratosphere, whereas, near-surface ozone often results from interactions between certain pollutants such as nitrogen oxides and volatile organic compounds, strong sunlight, and hot weather.
- It is one of the primary ingredients in photochemical smog, a phenomenon that affects many urban and suburban areas around the world, especially during the summer months.
- Ozone is a powerful oxidant and has many industrial and consumer applications related to oxidation.
- This same high oxidizing potential, however, causes ozone to damage mucous and respiratory tissues in animals, and also tissues in plants, above concentrations of about 0.1 ppm.

Ozone layer

- Ozone is found mainly in the upper atmosphere, an area called the stratosphere, between 10 and 50 km from the earth's surface.
- Although it is called a layer, ozone is present in the atmosphere in rather low concentrations.
 Even at places where this layer is thickest, there are not more than a few molecules of ozone for every million air molecules.
- The thickness of the ozone layer varies worldwide and is generally thinner near the equator and thicker near the poles.

- Thickness refers to how much ozone is in a column over a given area and varies from season to season. The reasons for these variations are due to atmospheric circulation patterns and solar intensity.
- By absorbing the harmful ultraviolet (UV) radiations from the sun, the ozone molecules eliminate a big threat to life forms on earth, as UV rays can cause skin cancer and other diseases and deformities in plants and animals.

Ozone hole

- The 'ozone hole' refers to a region in the stratosphere where the concentration of ozone becomes extremely low in certain months.
- The ozone holes most commonly talked about are the reductions over Antarctica, forming each year in the months of September, October and November, due to a set of special meteorological and chemical conditions that arise at the South Pole.
- Such holes are also spotted over the North Pole, but due to warmer temperatures than the South Pole, the depletions here are much smaller in size.
- The main cause of ozone depletion, that leads to the creation of ozone hole is manufactured chemicals, especially chlorofluorocarbons (CFCs), hydrochlorofluorocarbons (HCFCs) and halons.
- These chemicals are generally found in refrigerants, solvents, propellants, and foam- blowing agents.

Vienna Convention for the Protection of the Ozone Layer

- The scientific confirmation of the depletion of the ozone layer prompted the international community to establish a mechanism for cooperation to take action to protect the ozone layer.
- Thus, to address this issue, the Vienna Convention for the Protection of the Ozone Layer, was adopted and signed by 28 countries, in 1985. It entered into force in 1988.
- The Vienna Convention provided the framework necessary to create regulatory measures in the form of the Montreal Protocol.

Montreal Protocol

- The Montreal Protocol on Substances that Deplete the Ozone Layer, is an international treaty
 planned to protect ozone layer by reducing the production of substances that are responsible
 for ozone layer depletion.
- It was signed on September 16, 1987 and entered into force in January, 1989.

- The Montreal Protocol reduces the consumption and production of the different ozone depleting substances (ODS) in a step-wise manner, with different timetables for developed and developing countries.
- Under this treaty, all parties have specific responsibilities related to the phase out of the different groups of ODS, control of ODS trade, annual reporting of data, national licensing systems to control ODS imports and exports, and other matters.

Kigali Amendment

- The Kigali Amendment to the Montreal Protocol is an international agreement to gradually reduce the consumption and production of hydrofluorocarbons (HFCs).
- The amendment was agreed upon by the parties to the Montreal Protocol, in 2016, in Kigali, Rwanda.

Impact of the measures to protect ozone layer

- According to the UN, the Montreal Protocol has led to the phase-out of 99% of ozonedepleting chemicals in refrigerators, air-conditioners and many other products.
- Part of the ozone layer have recovered at a rate of 1-3% per decade since 2000, and it is expected to return to pre-1980 levels by 2050.

6.2 LIVING PLANNET REPORT

Why in News: The World Wide Fund for Nature (WWF) recently released the Living Planet Report 2020.

Living Planet Report

- The Living Planet Report is based on a Living Planet Index (LPI) and has been published every two years by WWF since 1998.
- The Living Planet Index (LPI) is a measure of the state of the world's biological diversity based on population trends of species from terrestrial, freshwater and marine habitats.
- In LPI 2020, about 21,000 populations of more than 4,000 species of mammals, birds, fish, reptiles and amphibians, were tracked for the period 1970-2016.
- The focus of the report is to stress on the need for urgent action that is required to protect and restore nature and biodiversity.

Highlights

- The report has found that the monitored population sizes of mammals, fish, birds, reptiles, and amphibians have globally declined an average of 68% between 1970 and 2016.
- One of the most threatened biodiversity globally has been freshwater biodiversity, which has been declining faster than that in oceans or forests.
- Wildlife populations found in freshwater habitats have suffered a decline of 84 per cent, which is equivalent to a decline of 4 per cent per year since 1970.
- The largest wildlife population loss, has been in Latin America at 94 per cent. Latin America is followed by Asia Pacific, which saw a 45% drop in biodiversity.
- The report also found that 75 per cent of the Earth's ice-free land surface has already been significantly altered, most of the oceans are polluted, and more than 85% of the area of wetlands has been lost during this period.
- The report highlighted that even as the origins of Covid-19 remain uncertain, 60% of infectious diseases come from animals, and nearly 75% of these are from wild animals.
- This was the case for Nipah in Malaysia in 1998, SARS in China in 2003, Ebola in West Africa in 2013-16 and many others.

Causes of decline in biodiversity

- As per the report, the main causes of the drop in the population of various species on land are habitat loss and degradation, including deforestation, driven by expansion of agricultural land and greater food production.
- Overfishing and hunting, emerging diseases, increasing population and climate change have also been considered as key drivers of the decline in the world's wildlife and biodiversity.

Highlights from India

- India, a "mega diverse country" with over 45,000 species of plants in only 2.4 per cent of the world's land area, has already lost six plant species to extinction, according to the IUCN Red List.
- Further, over 12% wild mammals and 3% bird species face the threat of extinction, while 19% amphibians are threatened or critically endangered.
- Freshwater biodiversity is under threat in India also.
- As per the report, India has lost nearly one-third of its natural wetlands to urbanisation, agricultural expansion and pollution over the last four decades.
- 14 out of 20 river basins in India are already water stressed and will be moving to extreme water scarcity by 2050.
- A river basin is the portion of land drained by a river and its tributaries.

Way Ahead

- Continued human abuse of the planet may lead to collapse of the natural systems and resources that allowed global civilization and modern societies to develop.
- Thus, the world needs stronger conservation efforts to reverse the decline in forests, natural wetlands, and marine biodiversity.
- By changing what the world eats, and how it produces the food it consumes, nations can reduce the expected biodiversity loss by half.
- The measures include expanding conservation, increasing agricultural yields, eliminating food waste, and reducing the global meat intake by half.
- According to a recent study, it would cost 260 billion dollars over ten years to prevent future pandemics. This would be a fraction of the cost if compared to the economic cost of a pandemic. Thus the world should work towards investing in such measures.
- Only an integrated approach, bringing together diverse stakeholders including governments, businesses, communities, schools, media and civil society will succeed in restoring the balance of nature.

WWF

- The World Wide Fund for Nature (WWF) is an international non-governmental organization founded in 1961. It was earlier known as the World Wildlife Fund.
- It aims to stop the degradation of the planet's natural environment and to build a future in which humans live in harmony with nature.
- It works to help local communities conserve the natural resources they depend upon; transform markets and policies toward sustainability; and protect and restore species and their habitats.
- It is the world's largest conservation organization, working in more than 100 countries and supporting around 3,000 conservation and environmental projects.

6.3 PROJECT DOLPHIN

Why in News: In his Independence Day Speech this year, the Prime Minister has announced the government's plan to launch a 'Project Dolphin'. The proposed project is aimed at saving both river and marine dolphins. The work is going on towards this.

Gangetic Dolphin

 Dolphins are one of the oldest creatures in the world along with some species of turtles, crocodiles and sharks.

- The Ganges river dolphin was officially discovered in 1801.
- The Gangetic dolphin is one of five species of river dolphin found around the world.
- Its common name is Susu.

Habitat & Distribution

- It is found mainly in the Indian subcontinent, particularly in Ganga-Brahmaputra-Meghna and Karnaphuli-Sangu river systems.
- Ganges river dolphins prefer deep waters, in and around the confluence of rivers.
- The distribution range of the Ganges river dolphins in India covers seven states namely, Assam, Uttar Pradesh, Madhya Pradesh, Rajasthan, Bihar, Jharkhand and West Bengal.
- The upper Ganga River (in Uttar Pradesh), Chambal River (Madhya Pradesh and Uttar Pradesh), Ghaghra and Gandak Rivers (Bihar and Uttar Pradesh), Ganga River, from Varanasi to Patna (Uttar Pradesh and Bihar), Son and Kosi rivers (Bihar), Brahmaputra from Sadia (foothills of Arunachal Pradesh) upto Dhubri (on the Bangladesh border) and Kulsi River, a tributary of the Brahmaputra River, form ideal habitats for the Ganges river dolphin.

Features

- The Ganges river dolphin can only live in freshwater and is essentially blind.
- They hunt by emitting ultrasonic sounds, which bounces off of fish and other prey, enabling them to see an image in their mind.
- Male dolphins are about 2-2.2 meters long and females as a little longer at 2.4-2.6 m.
- An adult dolphin could weigh between 70 kg and 90 kg.
- The breeding season of the Gangetic dolphin extends from January to June. They feed on several species of fishes, invertebrates etc.

Population Numbers

- While no exact count of Gangetic Dolphin is available, various estimates suggest that its population in India could be about 2,500-3,000.
- However, Minister of State for Environment, Forest and Climate Change (Babul Supriyo) had told Lok Sabha last year that there were about 1,272 dolphins in Uttar Pradesh and 962 in Assam.

Major Threats

- Habitat fragmentation by construction of dams and barrages
- Increasing pollution in Ganga

- Direct killing during the last century
- Indiscriminate fishing

IUCN Status

The Gangetic dolphin remains listed as endangered by the International Union for the Conservation of Nature.

Project Dolphin

- Project Dolphin will be on the lines of Project Tiger, which has helped increase the tiger population.
- Such an initiative got in-principle approval in December last year itself, at the first meeting of the National Ganga Council (NGC), headed by the Prime Minister.
- So far, the National Mission for Clean Ganga (NMCG), which implements the government's flagship scheme Namami Gange, has been taking some initiatives for saving dolphins.
- Now, Project Dolphin is expected to be implemented by the Ministry of Environment, Forest and Climate Change.

Aim of Project Dolphin

The proposed project is a 10 year project aimed at saving both river and marine dolphins.

Need for Project Dolphin

Increase in Threats and Decrease in Population

- There was a time when Gangetic dolphins could be spotted in the Ganga at several places, from its delta in the Bay of Bengal to upstream in the Himalayan foothills. It was also found in the Ganga's tributaries.
- Some experts have reported that during the 19th century, dolphins were seen in the Yamuna up to as far as Delhi. However, their populations have dwindled drastically due to human pressures over the years.

Indicator Species for Riverine Ecosystems

Aquatic life is an indicator of the health of river ecosystems. As the Gangetic dolphin is at the top of the food chain, protecting the species and its habitat will ensure conservation of aquatic lives of the river. Special conservation program needs to be taken up for Gangetic Dolphin which is national aquatic animal and also indicator species for the river Ganga spread over several states

SOCIAL ISSUES

- **Paper I:** The articles in this section are relevant to the following topics:
- Salient features of Indian Society, Diversity of India.
- Role of women and women's organization, population and associated issues, poverty and developmental issues, urbanization, their problems and their remedies.
- **Effects of globalization on Indian society**
- Social empowerment, communalism, regionalism & secularism.

7.1 NSO ON LITERACY RATE

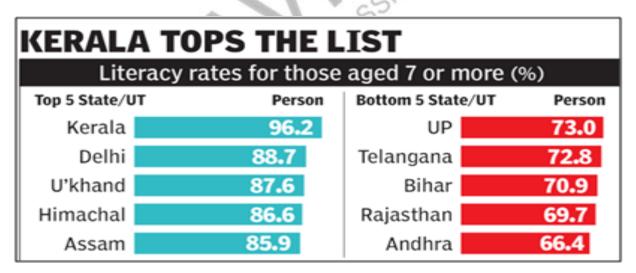
Why in News: The National Statistical Office (NSO) has released a report on education, which covers the literacy rates in the country. The data in the report is for the year 2017-18 and covers individuals aged 7 or more.

Literacy Rate

- According to the 2011 Census, any person aged seven and above, who has the ability to read
 and write, with understanding in any language, is considered literate. A person, who can only
 read but cannot write, is not literate.
- Further, a person need not receive any formal education or acquire any minimum qualification to be treated as literate.
- Literacy rate is defined as the proportion of literates in the population of age seven years and above.

Highlights of the report

- With a literacy rate of 96.2%, Kerala is the most literate state in India, followed by national capital Delhi at 89%.
- Assam and Uttarakhand shared the top four positions with literacy rates of 85.9% and 87.6%, respectively, after Kerala and Delhi among the major states and Union Territories.



- It is generally believed that literacy rates of South Indian states is higher than North Indian states, however, the data shows that this belief is not true.
- The southern state of Andhra Pradesh with a literacy rate of 66.4% is ranked the worst among all states in India, significantly lower than Bihar's literacy rate of 70.9%.

• Similarly, Telangana's literacy rate of 72.8% is well below the national average of 77.7%, while Karnataka has a literacy rate of 77.2%.

Gap between male and female literacy

- The gap between male and female literacy at the all-India level is 14.4 percentage points with male literacy at 84.7% and female literacy at 70.3%.
- Among states, Kerala has the smallest gap between male and female literacy at 2.2%.

KERALA REMAINS AT THE TOP					
Literacy rates State/UT	Male	Female	d 7 or more (%) Person	Gender Gap (% pts)	
Kerala	97.4	95.2	96.2	2.2	
Delhi	93.7	82.4	88.7	11.3	
Uttarakhand	94.3	80.7	87.6	13.6	
Himachal	92.9	80.5	86.6	12.4	
Assam	90.1	81.2	85.9	8.9	
Maharashtra	90.7	78.4	84.8	12.3	
Punjab	88.5	78.5	83.7	10	
Tamil Nadu	87.9	77.9	82.9	10	
Gujarat	89.5	74.8	82.4	14.7	
West Bengal	84.8	76.1	80.5	8.7	
Haryana	88	71.3	80.4	16.7	
Chhattisgarh	85.4	68.7	77.3	16.7	
J&K	85.7	68	77.3	17.7	
Odisha	84	70.3	77.3	13.7	
Karnataka	83.4	70.5	77.2	12.9	
Jharkhand	83	64.7	74.3	18.3	
MP	81.2	65.5	73.7	15.7	
Uttar Pradesh	81.8	63.4	73	18.4	
Telangana	80.5	65.1	72.8	15.4	
Bihar	79.7	60.5	70.9	19.2	
Rajasthan	80.8	57.6	69.7	23.2	
Andhra	73.4	59.5	66.4	13.9	
India	84.7	70.3	77.7	14.4	

• Generally, states with relatively low literacy rates also tend to have the highest gender gaps in literacy, but that is not always true.

• Andhra Pradesh, for instance, has a gap between male and female literacy rates of only 13.9 percentage points, while Rajasthan (23.2), Bihar (19.2) and UP (18.4) have significant gaps despite having better overall literacy rates.

Gap between urban and rural literacy

- Once again, Kerala has the lowest gap between urban and rural literacy rates with 1.9 percentage points.
- The worst in this regard are the states of Telangana, where urban literacy is 23.4 percentage points higher than rural literacy, and Andhra Pradesh, where the difference is 19.2 percentage points.

Urban male vs. rural female

- The difference between urban male literacy and rural female literacy is an alarming 27.2 percentage points at the national level.
- The male urban literacy is under 90% in only four major states and below 85% in none of the States.
- However, the rural female literacy is below 70% in 13 of the 22 major states and in four of these states, it is below 60%.

7.2 ASPIRATIONAL DISTRICT PROGRAM

Why in News: A new study has found that targeted policy interventions through Aspirational District program has helped the country's 112 backward or aspirational districts reap significant economic benefits.

Aspirational District Program

- Despite powering forward economically, India remains lagging in human development indices. Also, there are inter-state and intra-state disparities, with few backward districts particularly lagging in terms of human and economic development.
- To address this, the Aspirational Districts program was launched by the Prime Minister in 2018 under its think tank NITI Aayog.
- The program aims at transforming selected backward districts (referring to them as "Aspirational Districts"), which have shown relatively less progress in key development sectors.
- About 115 districts were identified from 28 states, under the program

SELECTION OF DISTRICTS

115 districts have been identified on the basis of transparent criteria. A composite index comprising challenges faced by the districts in terms of poverty of their citizens, relatively poor health and nutrition, education status and deficient infrastructure. These districts include 35 of those affected by Left Wing Extremism which were selected by Ministry of Home Affairs.

Implementation

- The program heavily relies upon the States as the main drivers.
- At central government level, this program is anchored in NITI Aayog.
- In addition, different ministries have been given responsibility of districts.
- An empowered committee under CEO, Niti Aayog will ensure convergence in schemes.

Use of real time data to transform aspirational districts

- NITI Aayog has created a dashboard for monitoring the real-time progress of the districts.
- It ranks the Aspirational Districts improved performance a few developmental areas:
- Health and Nutrition
- Education
- Agriculture and Water Resources
- Financial Inclusion and Skill Development
- Basic Infrastructure

In these six areas, 49 key performance indicators have been chosen to measure progress of the districts.

Thematic Area	Weightage	No. of Indicators
Health & Nutrition	30%	13
Education	30%	08
Agriculture & Allied	20%	10
Financial Inclusion &		
Skill Development	10%	11
Basic Infrastructure	10%	07
Composite Index	100%	49

- When the program was launched, the government collected baseline statistics on these 49 indicators for each district. These data provide an initial benchmark for the districts.
- With this as baseline, progress is measured and monitored.

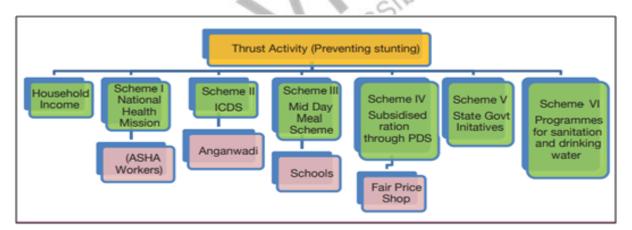
CORE STRATEGY

The core strategy in the program may be summarised as:

- States as main drivers.
- Work on the strength of each district.
- Make development a mass movement in these districts.
- Identify low hanging fruits by identifying the strength of the districts so that this can work as a catalyst for development.
- · Measure progress and rank districts to spur a sense of competition.
- Districts to aspire: from becoming States' best to Nation's best.

Convergence of Initiatives of the Central and State Governments

- A major approach under this program is to ensure convergence between different government schemes.
- To achieve this, the action plan prepared by the District Collectors of the aspirational districts will identify the thrust activity, map the existing schemes and their respective implementation agencies, and then set targets for rapid improvement.



Funding

- No specific funding has been allocated for the program.
- It seeks to aggregate the assistance at the district-level from different sources, and then apply
 the principle of convergence to a particular activity (like addressing malnutrition in a district).
- The program relies on convergence of existing schemes for its funding.

- In addition, funds and other resources made available by the private sector under Corporate Social Responsibility (CSR), and some local funds like the District Mineral Funds (DMF) are to be utilised for critical gap funding.
- Key Central Ministries have also prioritised these districts in their respective programs.

News Update

- A new study has highlighted how the targeted policy intervention under the Aspirational Districts Program (ADP) has helped the country's 115 backward or aspirational districts reap significant economic benefits.
- The study has estimated the impact of reducing severe acute malnutrition for states at Rs 1.43 lakh crore and providing households latrines at Rs 400 crore.
- The study says the economic benefits can provide a strong rationale for the government in investing in programs directed towards social benefits.

Best practices highlighted

The study highlighted three areas of best practices which had emerged from the aspirational districts program. These include:

Awareness: Several districts have used awareness campaigns to reach out to the population which have been detached from the development process.

Collaboration

Data based interventions: The use of data to measure impact, locate nodes for improvement and identify policy and interventions that are driving change is critical to the success of the program.

7.3 CAG SURVEY ON SCHOOL TOILETS

Why in News: The Comptroller and Auditor General of India (CAG) have found irregularities in the construction of toilets in schools in an audit report tabled before Parliament.

- Public sector units claimed to have constructed 1.4 lakh toilets in government schools as part
 of a Right to Education project, but almost 40% of those surveyed by the Comptroller and
 Auditor General of India (CAG) were found to be non-existent, partially constructed, or
 unused.
- In an audit report presented in Parliament, the CAG said over 70% did not have running water facilities in the toilets, while 75% were not being maintained hygienically.

• Lack of dedicated funds, poor maintenance and poor water availability in toilets were identified as major challenges, and central public sector enterprises (CPSEs) were roped in to bridge the gap over a one year period.

The Swachh Vidyalaya Abhiyan

- The Swachh Vidyalaya Abhiyan was launched by the Ministry of Human Resource Development in September 2014 to meet the Right to Education Act's mandate that all schools must have separate toilets for boys and girls.
- It is the national campaign driving 'Clean India: Clean Schools'. A key feature of the campaign is to ensure that every school in India has a set of functioning and well maintained water, sanitation and hygiene facilities.
- Water, sanitation and hygiene in schools refers to a combination of technical and human development components that are necessary to produce a healthy school environment and to develop or support appropriate health and hygiene behaviours.
- The technical components include drinking water, hand washing, toilet and soap facilities in the school compound for use by children and teachers. The human development components are the activities that promote conditions within the school and the practices of children that help to prevent water, hygiene and sanitation related diseases.

Physical survey

- There are 10.8 lakh government schools in the country. Overall, more than 1.4 lakh toilets
 were built by 53 CPSEs, with significant support coming from power, coal and oil companies.
 The CAG audit conducted a physical survey of a sample of 2,695 toilets built by these
 companies in 15 States.
- Out of that sample, CPSEs identified but did not construct 83. Another 200 toilets were reported to be constructed, but were non-existent, while 86 toilets were only partially constructed.
- Another 691 toilets "were found not in use mainly due to lack of running water, lack of cleaning arrangements, damages to the toilets and other reasons like use of toilets for other purposes, toilets locked up, etc," said the audit report. Thus, almost 40% of toilets were nonexistent, partially completed or unused.

No functional toilets

• Out of the 1,967 coeducational schools surveyed, 99 schools had no functional toilets while 436 had only one functional toilet, meaning that the objective of providing separate toilets for boys and girls was not fulfilled in 27% of the schools, said the CAG.

- In order to effectively change the behaviour of students, the project norms required the CPSEs to build toilets with running water and hand washing facilities, and to maintain the toilets for three to five years while charging the annual expenses to their CSR budgets.
- However, the survey found that 72% of constructed toilets had no running water facilities inside, while 55% had no hand washing facilities at all. The audit also noticed "cases of defective construction of toilets, non-provision of foundation/ramp/staircase and damaged/overflowed leach pit, which led to ineffective use of toilets," said the report.
- With regard to maintenance and sanitation, 75% of toilets did not follow the norm for daily cleaning at least once a day. The survey found that 715 toilets were not being cleaned at all, while 1,097 were being cleaned with a frequency of twice a week to once a month. "Cases of non-provision of soap, bucket, cleaning agents and disinfectants in toilets and inadequate cleanliness of pathway were also noticed," said the report.

The benefits of water sanitation and hygiene to school children

- Children who are healthy and well-nourished can fully participate in school and get the most from the education. Hygiene education in schools helps promote those practices that would prevent water and sanitation related diseases as well as encourage healthy behaviour in future generations of adults.
- Girls are particularly vulnerable to dropping out of school, partly because many are reluctant
 to continue their education when toilets and washing facilities are not private, not safe or
 simply not available.
- When schools have appropriate, gender-separated facilities, an obstacle to attendance is removed. Thus having gender segregated toilets in schools particularly matters for girls. Gender norms and physiology make privacy more important for girls than boys, and biological realities mean that girls need adequate sanitary facilities at school to manage menstruation.
- Basic facilities that provide for good hygiene and privacy, along with sensitive health promotion assist girls to stay in school and complete their education.
- Hygiene in school also supports school nutrition. The simple act of washing hands with soap before eating the school mid day meal assists to break disease transmission routes. Children get the nutritional benefits intended, rather than ingesting bacteria, germs and viruses.
- Studies show that when hand washing becomes part of a child's daily routine the benefits to health are evident and the practice does not easily fade. School is therefore an ideal setting for teaching good hygiene behaviours that children can also carry home.
- Having safe water, toilet and hygiene facilities in schools promotes equity. All children are
 equal in their right to access to safe drinking water, sanitation and hygiene facilities, and all
 children gain benefits through the improved hygiene practices promoted in schools.

- By providing gender-segregated toilets, students are assured of privacy and dignity, a
 particularly important factor for girls' school attendance. By providing inclusive and
 accessible facilities, children with special needs are able to attend school and further
 contribute to the development of their society.
- Having a clean school fosters a child's pride in his or her school and community. It enables
 every child become an agent of change for improving water, sanitation and hygiene practices
 in their families and within their community. School water and sanitation clubs encourage
 students to participate in taking care of latrines and hand washing stations, and in providing
 safe water where necessary.
- Club members create rotating lists of responsibilities, sharing sanitation- and water-related chores among both boys and girls. This also fosters pride and ownership, and it counteracts the belief that these tasks are only for women and girls or particular social groups.
- Children with disabilities are also vulnerable to dropping out of school. Accessible school
 facilities are a key to school attendance for children with disabilities. An effective water,
 sanitation and hygiene programs seeks to remove barriers by promoting inclusive design –
 user-friendly, child-friendly facilities that benefit all users, including adolescent girls, small
 children and children who are sick or disabled.

Conclusion

The provision of water, sanitation and hygiene facilities in school secures a healthy school environment and protects children from illness and exclusion. It is a first step towards a healthy physical learning environment, benefiting both learning and health. Hence the government should take proactive measures to implement the recommendations of the CAG.



MISCELLANEOUS and SCHEMES

❖ GLOBAL INNOVATION INDEX

- (Source: The Hindu)
- The Global Innovation Index (GII) is co-published by the World Intellectual Property Organization (WIPO), Cornell University and INSEAD Business School.
- Launched in 2007, the index, presents the latest global innovation trends and annual innovation ranking of various economies.
- The aim of GII is to provide data on innovation and assist policymakers to evaluate their innovation performance and to make informed innovation policy decisions.
- GII 2020 includes 131 countries/economies, which represent 93.5% of the world's population and 97.4% of the world's GDP.

Evaluation Framework

GII is computed by taking an average of the scores in two sub-indices:

- The Innovation Input Index
- Innovation Output Index

The Innovation Input Sub-Index considers elements of the national economy that enable innovative activities. It includes five pillars:

- Institutions
- Human capital and research
- Infrastructure
- Market sophistication
- Business sophistication

Global findings of GII 2020

- The top-performing economies in GII, 2020, are still from the high-income group. Switzerland continues to be the most innovative nation in the world, followed by Sweden, US, UK and Netherlands.
- From Asia, Korea became the second country to move into the top 10, pushing Israel down by one rank to the 11th position. Singapore maintained its 8th rank.
- China at the 14th position is the only middle-income country in the GII top 30. Malaysia is the second-most innovative middle-income economy with a ranking of 33.

- The data shows a gradual eastward shift (geographically) in innovation, as a group of Asian economies notably China, India, the Philippines and Vietnam have improved considerably in the innovation ranking over the years.
- The US continues to have the largest number of Science & Technology clusters (25), followed by China (17), Germany (10) and Japan (5). Tokyo-Yokohama, continues to remain the top-performing cluster in the world.

Findings from India

- India has moved ahead by four positions from the last year and is ranked at the 48th position. This is the first time India has moved in the list of top 50 innovative countries.
- With this, India has also become the third most innovative lower middle-income economy in the world.
- Further, three clusters Bangalore, Delhi and Mumbai feature in the top 100 science & technology hotspots.
- India ranked in the top 15 in indicators such as ICT services exports, government online services, graduates in science and engineering and research & development intensive global companies.
- Based on its level of development, India has consistently outperformed in innovation for 10 years in a row.
- The consistent improvement in rankings is due to the immense knowledge capital, the vibrant start-up ecosystem, and the work done by the public and private research organizations.

World Intellectual Property Organization (WIPO)

- The World Intellectual Property Organization is one of the 15 specialized agencies of the United Nations (UN).
- It acts as the global forum for intellectual property (IP) services, policy, information and cooperation.
- It was created in 1967 with a mission to lead the development of a balanced and effective international IP system that enables innovation and creativity for the benefit of all.
- WIPO currently has 192 member states, administers 26 international treaties and is headquartered in Geneva, Switzerland.
- The predecessor to WIPO was the United International Bureau for the Protection of Intellectual Property, which had been established in 1893.

❖ GLOBAL BIODIVERSITY OUTLOOK (Source: PIB)

The UN Convention on Biological Diversity has released its fifth Global Biodiversity Outlook report.

- It is a periodic report that shares the latest data on the status and trends of biodiversity and provides a global summary of the progress towards the Aichi Biodiversity Targets.
- The report is based on a range of indicators, research studies and assessments as well as national reports provided by countries on their implementation of the CBD.

Highlights from the report

- On the progress of the 20 global biodiversity targets, the report concludes that the world has "not achieved" 14 targets and has only "partially achieved" six of the targets within the deadline.
- Habitat loss and degradation remains high, especially in forests and tropical regions. Wildlife
 populations dropped by more than two thirds since 1970, and have continued to decline in
 the past decade.
- Global wetlands and rivers are declining, which pose a critical threat to freshwater diversity.
 Further, pollution levels in oceans continue to remain high and more than 60 percent of the world's coral reefs are under threat.
- The annual funding available (estimated \$78 to \$91 billion) for projects to work toward the Aichi targets is significantly less than what is required (hundreds of billions of dollars).
- The current state may push the world towards more disasters like Covid-19 pandemic, a zoonotic disease transmitted between animals and humans, massive wildfires and water crisis.
- The report underlined that the world would now require more than one 'earths' (1.7) to regenerate the biological resources used by humanity from 2011 to 2016.

❖ NEW START TREATY

 Russia has noted that there are minimal chances of extending the New START treaty with the United States - their last major nuclear arms pact - as it does not accept conditions set out by the US.

(Source: The Hindu)

- The New START treaty, which limits the number of US and Russian nuclear warheads, was signed by the U.S. and Russian Presidents in Prague in 2010.
- The treaty will expire in 2021.

START Treaties

START I:

- START I (Strategic Arms Reduction Treaty) was a bilateral treaty between the US and the USSR (Union of Soviet Socialist Republics or Soviet, in short) on the reduction and limitation of strategic offensive arms.
- The treaty barred its signatories from deploying more than 6,000 nuclear warheads atop a total of 1,600 inter-continental ballistic missiles (ICBMs) and bombers.
- It had a duration of 15 years. Reductions mandated by the treaty were to be completed no later than 7 years after its entry into force, and parties were then obligated to maintain those limits during the next 8 years.
- START includes an intrusive verification regime consisting of a detailed data exchange, extensive notifications, 12 types of on-site inspection, and continuous monitoring activities designed to help verify that signatories are complying with their treaty obligations.
- It was signed in 1991, and entered into force in 1994 (delay in enforcement was due to break up of the Soviet Union).

Significance

- Start-I played an indispensable role in ensuring the predictability and stability of the strategic balance and serving as a framework for even deeper reductions.
- By the time of the treaty's expiration, the US and Russian strategic nuclear arsenals were significantly below those stipulated in the treaty.

Issues

START I proved to be excessively complicated, cumbersome and expensive to continue, which eventually led the United States and Russia to replace it with a new treaty in 2010.

New START

- The New Strategic Arms Reduction Treaty (New START) was signed in 2010 in Prague and entered into force in 2011.
- The treaty capped deployed strategic nuclear warheads and bombs at 1,550 while the deployed missiles and heavy bombers assigned to nuclear missions were limited to 700.
- Both Russia and the United States announced that they met New START limitations by 2018, meeting the due date set by the treaty.

- New START does not limit the number of non-deployed ICBMs and SLBMs, but it does monitor
 them and provide for continuous information on their locations and on-site inspections to
 confirm that they are not added to the deployed force.
- Non-deployed missiles must be located at specified facilities away from deployment sites and labeled with "unique identifiers" to reduce concerns about hidden missile stocks.
- New START's verification regime includes relevant parts of START I as well as new provisions to cover items not previously monitored.
- The treaty's duration is ten years from entry into force (2021) unless it is superseded by a subsequent agreement and can be extended for an additional five years.

❖ PRITHVI-II N MISSILE

- India has successfully conducted the night trial of the indigenously developed nuclear-capable Prithvi-II ballistic missile from the Interim test range, Balasore in Odisha.
- The trial was conducted by the Strategic Forces Command of the Indian Army.
- The test was described as a routine, periodic exercise carried out by the Strategic Forces Command (SFC). The missile achieved all targeting and technical parameters.

Ballistic missiles

- A ballistic missile is a missile with a high, arching trajectory (path in the form of an arc), which is initially powered and guided, but falls under gravity on to its target.
- Thus these weapons are not guided for the entire duration of their flight and most of the flight is unpowered.
- These weapons are in a distinct category from cruise missiles, which are guided in a powered flight.

Prithvi missile

- Prithvi is a surface-to-surface short-range ballistic missile (SRBM) developed by Defence Research and Development Organisation (DRDO).
- It was developed under the Integrated Guided Missile Development Program (IGMDP) and is deployed by India's Strategic Forces Command.
- Developed as a battlefield missile, Prithvi can carry a nuclear warhead in its role as a tactical nuclear weapon.

Prithvi I

Prithvi I is a single-stage liquid-fuelled surface-to-surface ballistic missile. It has a maximum warhead carrying capability of 1,000 kg, with a range of 150 km. This class of Prithvi missile was inducted into the Indian Army in 1994.

Prithvi II

Prithvi II is also a single-stage liquid-fuelled missile. It is capable of carrying 500 to 1,000 kg of warheads, with an extended range of 350 km. The state-of-the-art missile uses an advanced inertial guidance system, that helps to maneuver (guide) its trajectory, to hit its target. It has been inducted into India's Strategic Forces Command in 2003.

Prithvi III

- Prithvi III is a two-stage surface-to-surface missile, with a solid fuelled first stage and liquid fuelled second stage.
- The missile can carry a 1,000 kg warhead to a distance of 350 km and a 500 kg warhead to a distance of 600 km and a 250 kg warhead up to a distance of 750 km.

Integrated Guided Missile Development Program (IGMDP)

- India launched the Integrated Guided Missile Development Program in 1983 to achieve self-sufficiency in the development and production of a wide range of missiles.
- The main agencies responsible for development of this program were Defence Research Development Organization (DRDO) and Ordnance Factories.
- IGMDP has developed five missiles and their variants: Prithvi, Agni, Akash, Trishul, and Nag.
- The DRDO formally announced the successful completion of IGMDP in 2008.

Strategic Forces Command (SFC)

- The Strategic Forces Command (SFC), also called as the Strategic Nuclear Command, forms part of India's Nuclear Command Authority (NCA).
- Created in 2003, it is responsible for the management and administration of the country's tactical and strategic nuclear weapons stockpile.
- The SFC exercises complete command and control over nuclear assets, and creates plans as needed to fulfill the required tasks.
- It is the responsibility of the Strategic Forces Command to operationalize the directives of the NCA.

Nuclear Command Authority

The Nuclear Command Authority of India is the authority responsible for command, control and operational decisions regarding India's nuclear weapons program.

