

Current Affairs ANALYST



Aadhar Bill 2016

An Analysis

in **focus**



Hydrocarbon Exploration & Licensing Policy

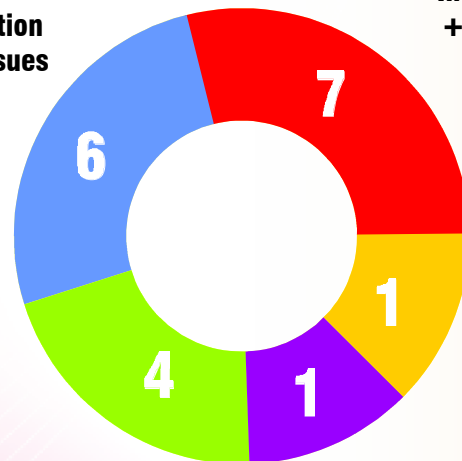
Polity
+ Constitution
+ Social Issues

Indian Economy
+ Programmes
& Schemes

IR + Security
+ Defence

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& Technology

Geography
+ Environment



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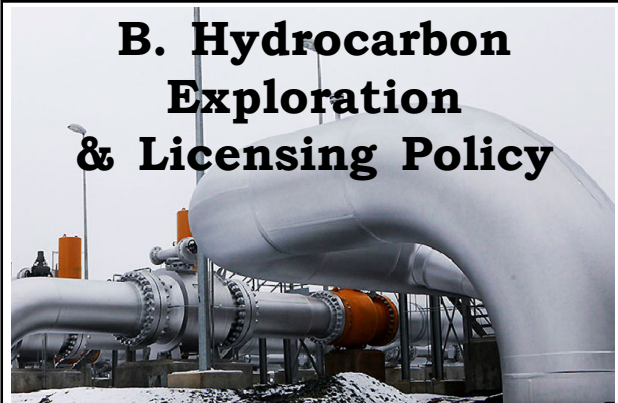
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FOCUS

A. Aadhar Bill 2016 An Analysis



B. Hydrocarbon Exploration & Licensing Policy



A. The Aadhaar (targeted delivery of financial and other subsidies, benefits and service), Bill 2016

Context:

Aadhaar Bill passed by Parliament

1. What is the Bill about?

- The Bill intends to provide for targeted delivery of subsidies and services to individuals residing in India by assigning them unique identity numbers, called Aadhaar numbers.

2. What is Aadhaar?

- It is a 12 digit individual identification number issued by UIDAI (Unique Identification Authority of India), on behalf of Government of India.
- It will serve as identity and address anywhere in India.

3. Features

- It is available in 2 forms, physical and electronic form (e-Aadhaar) to any Indian resident.
 - Information to be submitted:**
 - Biometric (photograph, finger print, iris scan)
 - Demographic (name, date of birth, address) information.

- At the time of enrollment, the individual will be informed of,
 - The manner in which the information will be used,
 - The nature of recipients with whom the information will be shared.

4. Use of Aadhaar Number:

- Aadhaar will be used for the purpose of authentication of the identity of a person receiving a subsidy or a service.
- Any public or private entity can accept the Aadhaar number as a proof of identity of the Aadhaar number holder, for any purpose. For example Ola cab can use it for authenticating the identity of cab drivers, PDS cardholders identity can be authenticated.
- If a person does not have an Aadhaar number then government will require them to apply for it, and in the meanwhile, provide an alternative means of identification.
- Aadhaar number cannot be a proof of citizenship or domicile.

5. Process of Authentication:

- The UID authority will authenticate the Aadhaar number of an individual, if an entity makes such a request. A requesting entity (an agency or person that wants to authenticate information of a person) has to obtain the consent of an individual before collecting his information.

6. Security Measures Taken To Maintain Privacy Are:

- Privacy: Only minimal data (Name, gender, email, residence, biometrics, Date of Birth, etc) is collected (on the recommendations of N. Vittal Committee). No data can be collected on religion, economic status, PAN, passport, etc.
- Strong security and data protection measures including highest level of encryption make it impossible to mine data from field computers.
- During the authentication stage UIDAI will only tell whether authentication was successful or not. No biometric information will be shared.
- UIDAI will record the entity requesting verification of a person's identity, the time of request and the response received by the entity.
- The purpose for which an individual's identity needs to be verified will not be maintained.
- All operators/supervisors are also mandated to have UID. In case of any lapse, they can be blacklisted.
- Electronic field audit enables traceability of operator.
- There are strict penalties for unauthorized access to the centralized data-base, including revealing any information stored in it and requesting and enrolling agencies can be punished for violation of rules.

7. Cases When Information May Be Revealed:

In 2 cases, information may be revealed:

- In the interest of national security, a Joint Secretary in the central government may issue a direction for revealing information.

Such a decision will be reviewed by an Oversight Committee (comprising Cabinet Secretary, Secretaries of Legal Affairs and Electronics and Information Technology) and will be valid for 6 months.

- On the order of a court, (i) An individual's Aadhaar number, (ii) Photograph, (iii) Demographic information, may be revealed.

8. Benefits of Aadhaar**a. Individual:**

- Easy hassle free access to services (banking, LPG, phone number, etc).
- Migrants: Provides identification to large number of migrant labours to avail services.
- Financial Inclusion: The identification enables easy opening of bank account leading to financial inclusion of rural folks and ease of operations for banks through Banking Correspondent.

b. Administrative:

- Online cost effective verification of beneficiaries leads to Good Governance (minimum government maximum Governance).
- Unique and robust platform to check duplication and ghost cards.
- Subsidy costs can be hugely reduced by cutting down intermediaries and eliminating ghost cards.

c. Reduction in fake identity

- As only one identity card is provided to a person (linked to individual biometrics), there is incentive to be genuine.

9. Issues

- Misuse of Data by government: The provision that access to information will be at very high Government level, there is an apprehension that this data can be misused (for mass surveillance -jean Dreze, for political vendetta)

• Mandatory nature of Aadhaar:

- Section (7) gives sweeping power to Government to make Aadhaar mandatory for wide range of services, which goes against the spirit of Supreme Court 2015 judgment that Aadhaar cannot be made mandatory to avail government services.
- Section (57) gives power to government to impose Aadhaar in any other context, putting concerns over individual privacy and rights.

- Aadhaar is not panacea for all kinds of leakages. As duplication and ghost card related losses make only one part of the bigger issues of pilferage and corruption (e.g- selection of beneficiary, coercion by local politicians). This cannot be considered as a silver bullet to the malice of corruption.

- Exclusion: Amartya Sen and Jean Dreze have repeatedly pointed out the instances of exclusion of beneficiaries for want of Aadhaar. For e.g. in Jharkhand, MGNREGA functionaries have cancelled job cards to arrive at 100% Aadhaar job seeding.

- Internet connectivity is essential for authentication, which is not available in India. So there are many a times problems in authentication.
- Passage as money bill: This has been considered by some to be an attempt to bypass debate (As Rajyasabha can only make recommendation but no amendments to a money bill and the present government enjoys majority to pass the bill in Loksabha)
 1. Some amendments proposed by Rajysa Sabha like a provision to allow a person to "opt out" of the Aadhaar system, even if already enrolled; to ensure that if a person chooses not to be part of the Aadhaar system, he/she would be provided "alternate and viable" means of identification for purposes of delivery of government subsidy, benefit or service and use of Aadhaar numbers only for targeting of government benefits or service and not for any other purpose were passed by the Rajya Sabha but rejected by Lok Sabha.
 2. This raises the issue that can the voice of the one House on such an important bill which is going to affect the lives of millions can be ignored like this. This also sets a wrong precedent wherein other important bills can be passed this way.
 3. It defeats the basic purpose of providing second thought to legislations by Rajya Sabha.

4. Such an attempt will result into legislations which may have flaws and their consequences will be brunt by the people

Conclusion

To serve 1.2 billion citizens in a time bound manner and to curb the menace of corruption in service delivery, technology platform like Aadhaar can act as a catalytic force to achieve the goal of Good Governance. However genuine concerns regarding privacy and data security must be addressed to through awareness building, discussions and democratic dialogues with all stake holders.

Important Events Related to Aadhaar

- o 2009 : UIDAI was established and process of collecting data started
- o 2012: Justice Puttaswamy files PIL in Supreme court asking for a stay on Aadhaar as it violates right to privacy and lacks legal backing
- o 2014: Supreme court restrains UIDAI from transferring bio-information to any other agency without individual consent
- o 2015: Supreme court (3 judge bench) restrains Government to make Aadhaar mandatory to avail services
- o Supreme court (5 judge bench) Allows extension of Aadhaar to MGNREGA, Jan Dhan Yojana and Employee provided fund)

B. Hydrocarbon Exploration & Licensing Policy

- The NDA government has announced a radical overhaul of the oil and gas exploration policy. It has launched Hydrocarbon exploration and licensing policy to replace the existing New Exploration Licensing Policy (NELP) which was introduced in 1999.

Background

- India's offer of oil and gas exploration blocks under NELP since 1999 had limited success in terms of commercial discoveries and their monetisation. Of the 254 blocks auctioned in the nine NELP rounds, commercial production started in 3 blocks with total output of 0.4 million tonnes of crude oil and 26.11 million standard cubic metres of gas per day.
- The present New Exploration Licensing Policy (NELP) has are separate policies and licenses for

different hydrocarbons. Unconventional hydrocarbons (shale gas and shale oil) were unknown when NELP was framed 18 years ago. This fragmented policy framework is leading to inefficiencies in exploiting natural resources. For example, while exploring for one type of hydrocarbon, if a different one is found, it will need separate licensing, adding to cost.

- The NELP mechanism of profit-sharing where explorers first recovered their costs and then shared profits with the government was severely criticized by the Comptroller And Auditor General (CAG) during an audit of KG-D6 block operated by Reliance Industries. The CAG alleged that Reliance Industries Limited (RIL) is exaggerating the costs to lower the government's profit share.

Key Features of Hydrocarbon Exploration and Licensing Policy (HELP)

- A single license for exploration and production of all forms of hydrocarbons in blocks to firms offering the maximum revenue to the government would be given. Blocks would be allocated under the 'open acreage policy', wherein companies can submit bids for areas of their choice. Under open acreage policy companies can choose blocks from the designated area round the year without waiting for roadshows and auctions like in NELP.
- Production-sharing contract between government and contractors would henceforth be governed by a revenue-sharing model instead of a profit-sharing one.
- It provides for a common license for all hydrocarbons, including shale gas and coal bed methane, and does away with computing complex investment multiples and scrutinizing cost recoveries
- It also provides marketing and pricing freedom for the crude oil and natural gas produced.
- On the lines of NELP, cess and import duty will not be applicable on blocks awarded under the new policy.

Benefits of HELP

- In the NELP, contractors gold-plated their costs to artificially depress profits. This not only led to disputes and litigation but also caused project delays as government pored over each decision by the contractor to check for possible fraud. Such problems are less likely to occur under revenue-sharing. Under the new regime, the Government will not be concerned with the cost incurred and will receive a share of the gross revenue from the sale of oil, gas etc. This is in tune with Government's policy of "Ease of Doing Business".
- One of the reasons why domestic oil and gas exploration has suffered over the years despite the fact that India has a huge import dependence as over 3/4th of the domestic crude oil demand and about a 3rd of the domestic demand for gas are met by imports is the inability of companies to price the output in a profitable manner. Now, instead of pricing being determined by a formula set by a committee, Help will allow producers to charge a competitive market price for new production, subject to a ceiling determined by the landed price of alternative fuels, such as fuel oil, liquefied natural gas and naphtha. It would boost investment in the sector.

- HELP will also allow energy companies to produce whatever form of hydrocarbon is available from a licensed block-coal bed methane, shale gas/oil, tight gas and gas hydrates without seeking separate permission for producing each of the fuels.
- Under the new regime, there will not be yearly auction of a cluster of identified blocks. Instead, investors can access data about all the blocks available and would be encouraged to bid at any time of their choice under the open acreage principle.
- Recognising the higher risks and costs involved in exploration and production from offshore areas, lower royalty rates for such areas have been provided as compared to NELP royalty rates to encourage exploration and production. A graded system of royalty rates have been introduced, in which royalty rates decreases from shallow water to deepwater and ultra-deep water.
- It would increase transparency and would reduce government intervention in the sector since government would not face the burden of scrutinizing the cost of the firms involved in the sector. This is in tune with the government motto of 'Minimum Government Maximum Governance'.

Concerns Raised

- The costs involved in exploration is very high and it is also marked by uncertainty. The shift to revenue-sharing could prove to be a disincentive as the investment recovery period for producers gets prolonged since he has to share the revenue with the government from day 1.
- Blocks already under production aren't covered
- Banks may not give credit easily to such projects given their high gestation periods and the rising Non Performing Assets (NPAs)
- Since royalty rates over land is uniform, regions like North-east may be ignored by companies
- If the gas prices are set too high, sectors like power, fertilizers etc. may be affected.

Conclusion

- Overall, the policy is a step in the right direction. It will not only bring transparency in the energy sector but would also attract much needed investment in the sector; It should be tweaked in the future to ensure better implementation. If followed in its letter and spirit, the policy can help India achieve energy security in the long run.

1. INDIAN ECONOMY + SCHEMES

Reserve Bank of India Revised Norms on Capital Recognition

- The Reserve Bank of India (RBI) revised norms on capital recognition; the move comes at a time when public sector banks are facing pressure on their profitability due to a sharp rise in non-performing assets, which is eroding their capital base.

Background

- Public sector banks are facing pressure on their profitability due to a sharp rise in non-performing assets, which is eroding their capital base. Many public sector banks reported huge losses for the quarter ended December 2015 after the RBI asked lenders to identify several stressed accounts as Non-performing.
- Banks expected increase in capital infusion this fiscal year to meet the requirements of Basel III, However capital infusion remained same this year.

Key Features Of The Revised Norms

- As per the new rules, banks will be allowed to recognize part of their real estate's assets, foreign currency assets and deferred tax assets as capital with suitable haircuts.
- The revisions introduced include recognition of revaluation reserves arising from change in the carrying amount of a bank's property consequent upon its revaluation as common equity tier-I capital instead of the earlier tier II capital,
- Banks can recognize foreign currency reserves arising due to translation of financial statements of foreign operations to the reporting currency as common equity tier-I (CET1) capital. Deferred Tax Assets arising due to timing differences may be recognised as CET1 capital up to 10% of a bank's CET1 capital,
- Deferred Tax Assets arising due to timing differences may be recognized as Tier 1 capital up to 10% of a bank's Tier 1 capital.

Implications of The Move

- The Reserve Bank of India's Amendments will help unlock up to Rs. 35,000 crore for state-run lenders impacted by asset quality troubles.
- The unlocking of additional capital will be of help to lenders who witnessed huge jump in bad assets in the December quarter on account of the Asset

Quality Review, where RBI gave them a list of accounts to be classified as NPAs and make provisions for those accordingly.

- It would compensate for the less than expected increase in the capital infusion in the recent budget.

Additional Information/Facts

(a) Basel III Norms

Basel III released in December, 2010 is the 3rd in the series of Basel Accords. These accords deal with risk management aspects for the banking sector. In a nut shell we can say that Basel III is the Global Regulatory Standard (agreed upon by the members of the Basel Committee on Banking Supervision) on bank capital adequacy, stress testing and market liquidity risk. (Basel I and Basel II are the earlier versions of the same, and were less stringent).

(b) Capital Adequacy Ratio

It is the measure of a bank's financial strength expressed by the ratio of its capital (Net worth and Subordinated debt) to its risk-weighted credit exposure (loans).

It is also called CRAR-Capital to Risk-weighted Assets Ratio. The Reserve Bank of India (RBI), currently prescribes a minimum capital of 9% of risk-weighted assets, which is higher than the internationally prescribed percentage of 8%.

Most banks in India have a capital adequacy of more than 12 %. A bank with a higher capital adequacy is considered safer because if its loans go bad, it can make up for it from its net worth.

(c) Tier 1 capital

Tier 1 capital is the core measure of a bank's financial strength from a regulator's point of view. It is composed of core capital, which consists primarily of common stock and disclosed reserves (or retained earnings), but may also include non-redeemable non-cumulative preferred stock.

(d) Tier 2 capital

Tier 2 capital is supplementary bank capital that includes items such as Revaluation Reserves, Undisclosed Reserves, Hybrid Instruments and Subordinated Term Debt. A bank's reserve requirements include its Tier 2 capital in its calculation, but it is considered less reliable than its Tier 1 capital.

Masala Bonds

Why in News?

- International Finance Corporation (IFC) launched its 1st Uridashi Masala Bonds (Japanese bonds) to mobilise Rs. 30 crore from Japanese retail investors. This proceed will be used to promote private sector development in India.
- The bonds will be settled in yen and each bond is denominated at Rs. 1,00,000. The bonds will be issued for a period of 3 year with an annual payout of 5.36%.

What Are Masala Bonds?

- Masala bonds are Rupee-Denominated Bonds (debt instruments) issued by Indian corporate for raising money from overseas investors.
- IFC has named these 'Masala' bonds as 'masala' is a globally recognized term that evokes the culture and cuisine of India. This is not the 1st time that a bond has been named after the food or culture of a country. Chinese bonds, for example, are called Dim sum bonds, and Japanese ones as Samurai bonds

Why Masal Bonds Are Attractive Than External Commercial Borrowings (ECBs)?

- Before Masala bonds, corporates have had to rely on avenues such as external commercial borrowings (ECBs). The challenge with the likes of ECBs is the entity raising money is faced with a currency risk - They have to be raised and repaid in dollar terms. Volatile currency makes the ECBs more riskier.
- However in Masala Bonds suppose a corporate could issue Rs. 10 billion worth of bonds with the promise of paying back Rs. 11 billion in one year. But as the Indian rupee has limited convertibility, the investors will lend the dollar equivalent of the Rs. 10 billion. After one year, the Indian corporate needs to pay back the dollar equivalent of Rs. 11 billion. The currency risk is with the investor.
- For issuers is the access to cheaper funding than what's available in the domestic markets and would lower the cost of capital over a period of time - The cost remains one of the highest in Asia.
- As Indian banks are reluctant to lend to sectors facing weak demand and heavy debt, these bonds would provide a alternate fund raising option.

Reserve Bank of India Regulation on Masala Bonds:

- The Reserve Bank of India has issued guidelines allowing Indian companies, non-banking finance companies (HDFC, India Bulls Housing Finance are examples of such companies) and infrastructure investment trusts and real investment trusts

(investment vehicles that pool money from various investors and invest in Infrastructure and Real Estate Sectors) to issue Rupee-denominated bond overseas.

- The rules put the issue limit to \$750 million and also have a pricing cap for various tenures of issue.
- The move to permit Masala bonds is an attempt to increase the international status of rupee and is also a step toward full currency convertibility (the freedom to convert Indian currency into other internationally accepted currency without any restrictions).

Benefits for Investors:

- The Finance Ministry has cut the withholding tax (a tax deducted at source on residents outside the country) on interest income of such bonds to 5% from 20%, making it attractive for investors.
- Also, capital gains from rupee appreciation are exempted from tax. Due to weak economic conditions globally & lack of investment options, these bonds offers a advantageous option to both big institutional & retail investors.

About International Finance Corporation (IFC):

IFC, a member of the World Bank Group, is the largest global development institution focused exclusively on the private sector in developing countries.

IFC is headquartered in Washington, D.C., United States. It was established in 1956 as the private sector arm of the World Bank Group to advance economic development by investing in strictly for-profit and commercial projects that purport to reduce poverty and promote development.

The IFC's stated aim is to create opportunities for people to escape poverty and achieve better living standards by mobilizing financial resources for private enterprise, promoting accessible and competitive markets, supporting businesses and other private sector entities, and creating jobs and delivering necessary services to those who are poverty-stricken or otherwise vulnerable.

It utilize and leverage products and services of its own & of other institutions in the World Bank Group- to provide development solutions customized to meet clients' needs.

Does India Need Resolution Corporation

Why in News?

Finance Minister in his Budget speech has said that, Resolution Corporation for the financial sector will be setup. Earlier the Financial Sector Legislative Reform Commission (FSLRC) has also recommended it.

Why Resolution Corporation is Needed?

Resolution Corporation helps in tackling the cases of stress in financial institutions. It ensures stability in the financial sector with early identification and resolution of the stress which otherwise may affect the whole sector.

At present Indian financial institutions, especially banks are facing crisis in the wake of Non-Performing Assets (NPA) issue. Therefore there is need for an institutional setup to handle any kind of financial instability in any institution.

In the US, this is routine. The Federal Deposit Insurance Corporation or FDIC handled 8 bank failures in 2015 - and as many as 157 in 2010.

New Zealand has an Open Bank Resolution, under which creditors and shareholders must bear the losses so there is no government bailout of failed banks.

India has a Deposit Insurance and Credit Guarantee Corporation under the Reserve Bank of India, which is expected to evolve as a strong resolution corporation with the powers to identify firms in the financial sector that could be potential threats to financial stability, supervise or monitor them, and take prompt action.

What will be the benefits?

- It will help in early resolution of stress in financial institutions like banks, insurance companies.
- It will prevent the contagion spreading into the whole system.
- It will strengthen the stability of the system and ensure investor confidence.

What will be the challenges?

- A resolution corporation will succeed only if it is empowered to take swift action, without its order on winding up or dissolving of a firm facing legal challenges. That would mean incorporating changes in other laws such as the Bank Nationalisation Act, SBI Act and LIC Act. That won't be easy, especially considering hurdles in getting laws approved in Parliament.
- Defining the type or size of entities to be covered could pose a challenge too. Should Co-operative banks, many of whom are under the jurisdiction of state governments, or large Non Banking Financial Company's (NBFCs) be covered?
- There is a case for covering co-operative banks, given that a good part of the Deposit Insurance Corporation's payout is for deposit holders of co-operative banks that have been shut in many parts of the country.
- Again, once the resolution mechanism is in place, how will the government deal with a troubled state-owned bank? Can its ownership be transferred to a private investor or entities without triggering the

law on government ownership which mandates a minimum equity-holding of 51%, or without conflict with the 10% restriction on voting rights?

- The resolution corporation must be well capitalised, so that it is in a position to insure and pay off the liabilities of depositors when a bank or financial firm is wound up, or engage in a holding operation until a buyer is found or assets sold. How it will be capitalized?
- If it is capitalized using tax payers money than again it will use of public money to bail out banks which have suffered because of private mismanagement.
- Initial fiscal costs may be high, but this could help prevent contagion in the financial sector which relies on public deposits and involves leverage.

Conclusion:

Such an institution should be based on strong legal footing and function in close co-operation with all other regulators and banks. All issues related to what should be the trigger conditions, what should be criteria to select financial institutions to take for resolution etc should be clearly defined. The selection of the leadership of such institutions should be based on merit and competition only.

The concern over bad loans of banks in India could have been addressed by a strong insolvency law permitting swift sale of assets, change of promoters, mergers or closures without a separate law for financial firms. A resolution mechanism for financial firms can certainly complement the insolvency law.

Foreign Direct Investment (FDI) Increased by 40% in First 9 Months

Introduction

- Foreign Direct Investment (FDI) into the country increased by 40% to \$29.44 billion (Rs. 2.02 lakh crore) during April-December in the current fiscal. The foreign investment inflows were at \$21.04 billion (Rs.1.45 lakh crore) in the same period of previous fiscal.

Details of FDI Inflow

(a) Sectors witnessing Highest FDI inflow

- Among the sectors, computer hardware and software segment attracted the highest FDI of \$5.30 billion (Rs. 36,426.9 crore) during the period.
- Followed by services sector (\$4.25 billion, or Rs. 29,210.25 crore) and trading business (\$2.71 billion, or Rs. 18,625.8 crore).
- Automobile industry attracted FDI of \$1.78 billion (Rs 12,233.9 crore), while chemicals sector

cornered \$1.19 billion (Rs 8,178.87 crore) foreign equity investment in April-December 2015.

(b) Sources of FDI inflow

- Singapore replaced Mauritius as the top FDI source for India during the period.
- India received \$10.98 billion (Rs. 75,465.5 crore) overseas inflows from Singapore, followed by Mauritius (\$6.10 billion, or Rs. 41,925.3 crore), the US (\$3.51 billion or Rs. 24,124.2 crore), the Netherlands (\$2.14 billion, or Rs. 14,708.22 crore), and Japan (\$1.08 billion, or Rs. 7,422.8 crore).

(c) Destination of FDI inflow

- A state-wise analysis of FDI inflows by the Economic Survey shows that Delhi, Haryana, Maharashtra, Karnataka, Tamil Nadu, Gujarat and Andhra Pradesh together attracted more than 70% of total FDI inflows to India during the last 15 years.
- States with vast natural resources like Jharkhand, Bihar, Madhya Pradesh, Chhattisgarh and Odisha have lagged behind.

Factors Behind Rise In FDI Inflow

- Government eased norms for FDI in many important areas like Insurance, defense, Film TV, Pension and railways etc. which has played an important role in the increase in the inflow of FDI.
- The Economic Survey 2015-16 has said that, a favorable policy regime and sound business environment have facilitated increase in FDI flows into the country. Specially make in India initiative has given boost to FDI inflow in India.
- Another major reason for increased FDI inflow in India is the ongoing slowdown that has gripped rest of the world, primarily China and other emerging economies. The world is therefore finding India as an important alternative, when others aren't doing well, Thanks to the strong economic fundamentals of the country and its huge untapped potential.
- The Make in India initiatives of the Government and its outreach to all investors have made a positive investment climate for India which has attracted FDI inflow to India. Under the programme, the government has awarded 56 defense manufacturing permits to private sector entities in the past one year, after allowing 49% FDI in the defense sector in August 2014, compared with 47 granted in the preceding three years.

Some Concerns

- Though FDI has increased in last 2 years, some sceptics believe that these recent figures are an exaggeration since FDI inflows from smaller countries including Singapore and Mauritius are

very large and they point out that domestic investments are being routed from these countries only to take advantage of Double Taxation Avoidance Agreements (DTAA).

Importance of FDI for India

- Domestic direct investment in India is inadequate and foreign investment is required. On the domestic front, commercial banks in India, especially the public sector banks, have been running high on Non-Performing Assets (though they haven't breached the sustainable limit) and savings rate is declining and domestic corporates are overleveraged thus they don't have sufficient fund to invest. India requires \$1 trillion investment in infrastructure in the 12th plan and to fulfill this we require foreign investment
- Benefits for the Farmers: Though India is the second largest producer of fruits and vegetables, it has a very limited integrated cold-chain infrastructure. Lack of adequate storage facilities causes heavy losses to farmers, in terms of wastage in quality and quantity of produce in general, and of fruits and vegetables in particular. With FDI, there could be a complete overhaul of the currently fragmented supply chain infrastructure.
- Boost Healthy Competition and check inflation: The entry of the many multinational corporations obviously promises intensive competition between the different companies offering their brands in a particular product market (including domestic companies), thereby resulting in availability of many varieties, reduced prices, and convenient distribution of the marketing offers. Products of superior quality are manufactured by various industries in India due to greater amount of FDI inflows in the country.
- Improved technology and logistics: Improved technology in the sphere of processing, grading, handling and packaging of goods and further technical developments in areas like electronic weighing, billing, bar-code scanning etc. is a direct consequence of foreign companies opening retail shops in India. Further, transportation facilities get a boost, in the form of increased number of refrigerated vans and pre-cooling chambers which can help bring down wastage of goods.
- More and Better Employment Opportunities: Several studies have pointed out the benefits of allowing global retail chains in the multi-brand retail sector. The overall impact of modern retail on the economy is immense. A report by the Boston Consulting Group and the Confederation of Indian Industry showed that nearly 3 - 4 million direct jobs will be created while another 4 - 6 million indirect jobs would be available in the logistics sector, contract labour in the distribution and

repackaging centers, housekeeping and security staff in the stores. Government estimates show that nearly 1 cr. jobs would be created in the sector.

Inland Waterways Transport

Recently Rajya Sabha passed Inland Waterway Transport (IWT) bill to declare 106 new waterways as National Waterways.

Inland Waterways Transport

Inland waterways use navigable stretches of rivers for transportation. Inland waterways offer a cost effective, fuel efficient and environment friendly means of transportation.

Potential for Waterways in India

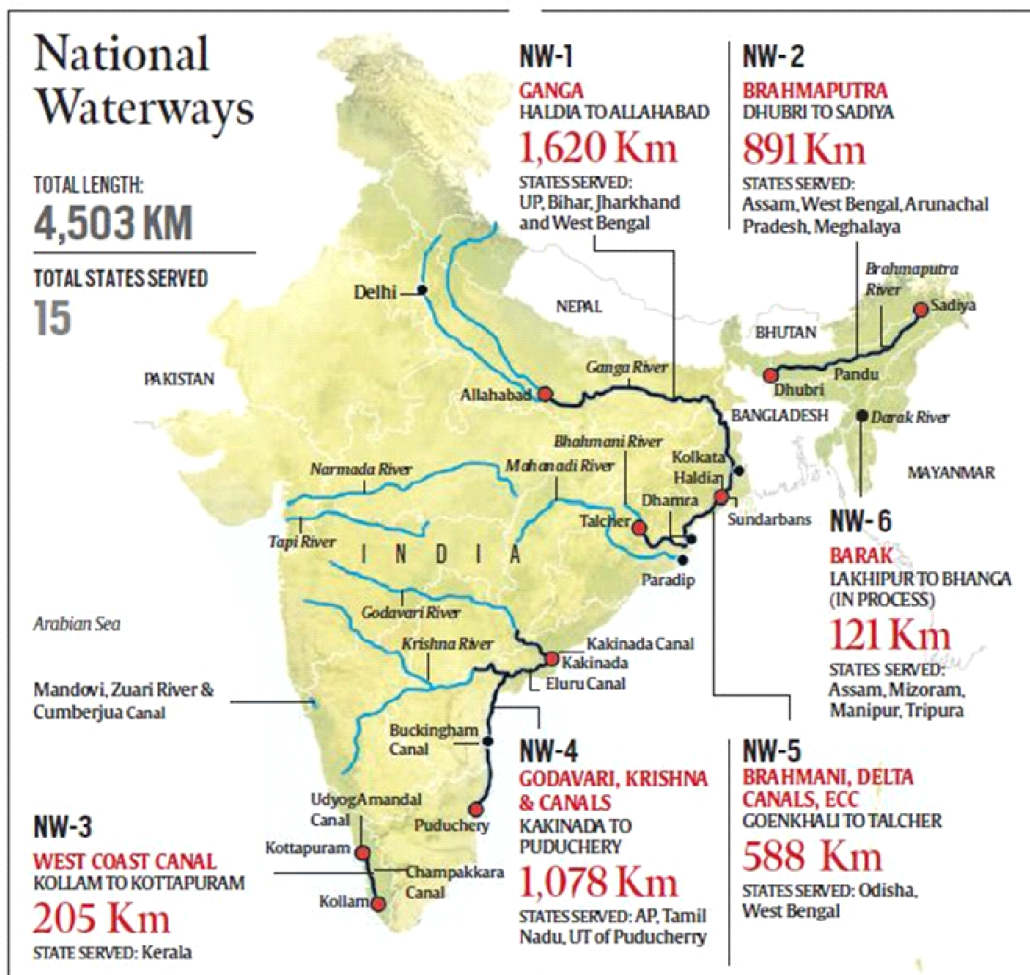
India has huge potential for river water navigation with nearly 14,500 km of navigable inland waterways. In addition, 116 rivers across the country provide 35,000 km of navigable stretches.

Present Status of IWT In India And Initiatives

At present India is not using its waterways efficiently because of various regions like absence of proper infrastructure, institutional structures etc. the share of IWT in transportation is very low and is given below.

China, Korea and EU	:	40%
India	:	3.5%

- a) Constitutionally under entry 24 of the Union List of the 7th Schedule of the Constitution, the Union government can make laws on shipping and navigation on inland waterways that are classified as national waterways.
- b) Inland Waterways Authority of India was established in 1986, to ensure proper development of the sector.
- c) At present there are 6 National Waterways.



- (a) Recently IWA launched River information system. (RIS) is a combination of tracking and meteorological equipment with specialized software designed to optimize traffic and transport processes in inland navigation. River Information System which will be like ATC (Air Traffic Control) system for airways.
- (b) Rajya Sabha passed IWT Bill which identifies an additional 101 waterways as national waterways. The Bill also specifies the extent of development to be undertaken on each waterway.

Advantages offered by Inland Waterway Transport:

Advantage	Inland Waterways	Road	Railways
Cost (Rs. per KM)	.25	2.5	1.5
Fuel Efficiency (Kg/HP)	4000	150	500

- Geographical advantage of water bridging: This is strongest when the movement is across the river, but can be present in some other movements. Examples of these are passenger ferry services across rivers and transport in the Sundarbans areas in India and Bangladesh, Transport of iron ore, oil products from refineries in the North East.
- Transport of agriculture products and their reduced susceptibility to perishing.
- Reduced cost of land acquisition in highly dense geographical regions like eastern India.
- Opportunities for fisheries and tourism in the developed stretch.
- It will lead to balanced regional development as hinterland areas suffering from poor transport infrastructure will gain.

Share Of IWT World Over And In India:

Concerns:

- Environment and occupational challenges: Environmentalists are saying that, it will have serious damage to river ecosystem as dams will be constructed which will obstruct the natural flow of river.
- Livelihood of those related to fisheries, agriculture will etc will be effected. As IWT requires maintenance of assured flow, the right of agriculture community in irrigation water may be compromised.
- Infringement upon state government rights on rivers and water bodies. The state governments are not realizing how it going to impact them and would be suicidal for them at the time when extreme climate change is being witnessed through drought, floods, river-erosion and declining agriculture and fisheries,"

Access of cargo facilities at both sides, availability of vessels and associated infrastructure is needed which is nearly nil at present.

Challenges:

- Funding is the biggest issue. Investments needed are huge whereas budgetary allocation for shipping was meager Rs. 800 cr. whereas roadways got allocation of Rs. 55,000 cr.

- Financial, Technological and physical viability of the projects. IWT requires maintenance of required water flow throughout the year. River dredging has to be done continuously as Indian rivers carry huge silt. Locks have to be made in the areas where the river gradient is high.
- Regulatory mechanisms to ensure proper development of the sector. Many of infrastructure sectors in India are handicapped by regulatory weaknesses. The inland waterway projects will be developed through public private partnership and infusion of Foreign Direct Investment (FDI). Such investments will not come unless basic building blocks are in place.
- Proper revenue model and PPP models so that hiccups don't come at the start.
- How to protect the interest of the states and local bodies should be kept in mind.

In spite of the challenges and inertia the IWT offers huge opportunities. With more focus on environment friendly ways of development funds from National Clean Energy Fund (NCEF) and Central Road Fund (CRF) can also be used. India should vigorously push for investment in the sector as it provides solution to the problems of balanced regional development and sustainable development.

Wilful Defaulter

Why in News?

United Bank of India (UBI) declared Kingfisher Airlines, Mallya himself and 3 directors of the company - Subhash R Gupte, Ravi Nedungadi and Anil Kumar Ganguly - As Wilful Defaulters.

Who is Wilful Defaulter?

As per guidelines issued by Reserve Bank of India (RBI), a "wilful default" would be deemed to have occurred if any of the following events is noted:-

- The unit has defaulted in meeting its payment / repayment obligations to the lender even when it has the capacity to honour the said obligations.
- The unit has defaulted in meeting its payment / repayment obligations to the lender and has not utilised the finance from the lender for the specific purposes for which finance was availed of but has diverted the funds for other purposes.
- The unit has defaulted in meeting its payment / repayment obligations to the lender and has siphoned off the funds so that, the funds have not been utilized for the specific purpose for which finance was availed of, nor are the funds available with the unit in the form of other assets.

- The unit has defaulted in meeting its payment / repayment obligations to the lender and has also disposed off or removed the movable fixed assets or immovable property given by him or it for the purpose of securing a term loan without the knowledge of the bank/lender.

Measures to be taken by the banks and FIs against the wilful defaulters:

- No additional facilities should be granted by any bank / Financial Institution (FI) to the listed wilful defaulters. In addition, the entrepreneurs / promoters of companies where banks / FIs have identified siphoning / diversion of funds, misrepresentation, falsification of accounts and fraudulent transactions should be debarred from institutional finance from the scheduled commercial banks, Development Financial Institutions, Government owned NBFCs, investment institutions etc. for floating new ventures for a period of 5 years from the date the name of the wilful defaulter is published in the list of wilful defaulters by the RBI.
- The legal process, wherever warranted, against the borrowers / guarantors and foreclosure of recovery of dues should be initiated expeditiously. The lenders may initiate criminal proceedings against wilful defaulters, wherever necessary.
- Wherever possible, the banks and FIs should adopt a proactive approach for a change of management of the wilfully defaulting borrower unit.

- A covenant in the loan agreements with the companies in which the banks/FIs have significant stake, should be incorporated by the banks/FIs to the effect that the borrowing company should not induct on its board a person whose name appears in the list of Wilful Defaulters and that in case, such a person is found to be on its board, it would take expeditious and effective steps for removal of the person from its board.
- It would be imperative on the part of the banks and FIs to put in place a transparent mechanism for the entire process so that the penal provisions are not misused and the scope of such discretionary powers are kept to the barest minimum. It should also be ensured that a solitary or isolated instance is not made the basis for imposing the penal action.

According to RBI, penal measures are applicable to a defaulter with an outstanding balance of over Rs. 25 lakh. Banks and institutions are required to submit the list of suit-filed accounts of wilful defaulters at the end of every quarter to credit information company which has obtained certificate of registration from RBI while Banks / FIs should, however, submit the quarterly list of wilful defaulters where suits have not been filed only to RBI. Most importantly, banks and institutions have been given the right to change the management of wilfully defaulting company.

2. POLITY + GOVERNANCE + SOCIAL ISSUES

Should Seats Be Reserved For Women In Parliament?

Event:

Recently President in his speech on Women's Day asked political parties to show "commitment" for the revival of the Constitution (108th Amendment) Bill, aimed at giving 33% reservation to women in Lok Sabha and state assemblies.

Details of the Women's Reservation Bill [The Constitution (108th Amendment) Bill, 2008]:

- Commonly known as the Women's Reservation Bill, it seeks to reserve 1/3rd of all seats for women in the Lok Sabha and the state legislative assemblies.
- It also provides that 1/3rd of the total number of seats reserved for Scheduled Castes and Scheduled Tribes shall be reserved for women of those groups.
- The Women's Reservation Bill was 1st introduced in the Parliament in 1996 by the H.D. Deve Gowda government, but no government has successfully passed it yet. Similar Bills have been introduced thrice before in the late 90's but lapsed with the dissolution of their respective Lok Sabhas.

Key Issues and Analysis:

Pros of Reserving Seats For Women:

- Statistically speaking, India stands at the 109th place among 193 countries when it comes to women's representation with just 12% women in Parliament. The global average for women in national parliaments is 22.7%. Just 9% women were given tickets to contest from the 6 national political parties. To overcome this mismatch & even to reach at global average there is a need to reserve seats for women in Parliament.
- Despite long years of democratic politics, women remain largely outside the national public space. Their presence here is largely token and 'happens' despite the natural barriers that facilitate men while debarring women. This is because consciously and subconsciously women's roles continue to be assigned to the private sphere, as men are given public roles. Bill is a conscious effort to overcome it.
- It will improve the condition of women & reduce the patriarchal mindset of society; some recent studies on Panchayats have shown the positive

effect of reservation on empowerment of women and on allocation of resources.

- Women who have got their rights after long struggles will empathise with other struggles. Women in Parliament will be mentors to those outside and will lend courage and inspiration to others- both men and women in society.
- Studies has shown that, when you give women rights, it helps not just women but the family and the community, as women, being engaged in family and community negotiations, think in a more collective manner. Even if they don't, society will question them.
- Rotation of reserved constituencies in every election may reduce the incentive for an Member of Parliament (MP) to work for his constituency as he may be ineligible to seek re-election from that constituency.

Arguments Against Reserving Seats For Women:

- Opponents argue that it would only perpetuate the inequality & not solve it since women would not be perceived to be competing on merit.
- It is also contend that this policy diverts attention from the larger issues of electoral reform such as criminalisation of politics and inner party democracy.
- Reservation of seats in Parliament restricts choice of voters to women candidates. Therefore, some experts have suggested alternate methods such as reservation in political parties and dual member constituencies.
- Such a reservation will only fill the halls of Parliament with wives and daughters of those unfortunate politicians whose constituencies fell under the reserved category that year.
- In reservation for women it is assumed that women in leadership position would help the cause of other women to empower however past & recent example like government of Indira Gandhi, women Chief Ministers of West Bengal, Tamil Nadu, Uttar Pradesh does not support the argument because condition of women in these states does not change much.

Alterative Suggestions:

- Apart from reserving the seats in Lok Sabha & legislative assemblies there could be alternative measures to empower women politically & thus socially. The Representation of the People Act, 1951 should be amended to make it mandatory for

parties to nominate women candidates in 1/3rd of the constituencies. (among seats reserved for SCs and STs, 1/3rd shall be women)

- Each party can chose to where it wishes to nominate women candidates duly talking local political and social factors. (thus ensuring flexibility)
- This will reduce the challenges of rotation of seats, proxies, no legitimacy, no competition between men and women & facilitate democratic choice to voters. This will also allow more flexibility to parties to choose candidates and constituencies depending on local political and social factors.
- However, ther are apprehensions In the absence of reservation of seats, there are fear that women may not be elected in 1/3rd constituencies as voters might have gender bias.
- Other Electoral & social reforms can be initiated to make women aware about their right. These rights should be provided without asking them by women. This will ensure the fundamental change in our societal attitude toward women.

Inspite of all these arguments, the Women's Reservation Bill is an extremely important piece of legislation that has the capacity to change the structure of Indian politics and Indian society as a whole in current circumstances. This Bill is unprecedented and is softly a revolution in the making. We must welcome this as an Act.

Amendments to Enemy Property Act 1968

- Recently Lok Sabha passed Bill to amend the Enemy Property Act 1968.

Background

- In the wake of the India-Pakistan wars of 1965 and 1971, there was migration of people from India to Pakistan. Under the Defense of India Rules framed under the Defense of India Act, the Government of India took over the properties and companies of those who took Pakistani nationality.
- These "Enemy Properties" were vested by the central government in the Custodian of Enemy Property for India.
- The Enemy Property Act was enacted in the year 1968 by the Government of India, which provided for the continuous vesting of enemy property in the Custodian of Enemy Property for India. The Central Government, through the Custodian, is in possession of enemy properties spread across many states in the country.

Why Amendment Was Required In 1968 Act?

- Of late, there have been various judgments by various courts that have adversely affected the

powers of the Custodian and the Government of India as provided under the Enemy Property Act, 1968. In view of such interpretation by various courts, the Custodian is finding it difficult to sustain his actions under the Enemy Property Act, 1968.

- One such court judgment was passed in the case of the estate of the erstwhile Raja of Mahmudabad, who owned several large properties in Hazratganj, Sitapur and Nainital. After partition Raja migrated to Iraq and After the Enemy Property Act was enacted in the year 1968 by the Government of India, the Raja's estate was declared enemy property. When the Raja died, his son staked claim to the properties. After a legal battle that lasted over 30 years, an Apex Court Bench ruled in favour of the son. The verdict opened the floodgates for further pleas in courts across the country in which genuine or purported relatives of persons who had migrated to Pakistan produced deeds of gift claiming they were the rightful owners of enemy properties.
- Thus these recent Amendments to the Act deny legal heirs any right over enemy property. The main aim is to negate the effect of a court judgment in this regard. The Act gives the sole right of disposal of enemy property to the Custodian. Once an enemy property is vested in the Custodian, it shall continue to be vested in him as enemy property irrespective of whether the enemy, enemy subject or enemy firm has ceased to be an enemy due to reasons such as death etc., Law of Succession does not apply to enemy property, that there cannot be transfer of any property vested in the Custodian by an enemy or enemy subject or enemy firm, and the Custodian shall preserve the enemy property till it is disposed of in accordance with the provisions of the Act.

Apprehensions Raised

- Many activists and opposition party members have dubbed the bill as Anti-minority and draconian, since almost all of the property and estates covered under it belong to the people of Muslim community, since they are the one who migrated to Pakistan after partition it is likely to affect Lakhs of Muslim families in India. And many times this Act has been misused to usurp the property of individuals who are in no case enemy of the state. The prime example being the Pataudi family whose property in Bhopal has come under the scanner of this Act.
- Others feel that the provision Section 18(B) of the Bill says that, 'no civil court or other authority shall entertain any suit or other proceeding in respect of any enemy property would not withstand the scrutiny of the easy opening of bank account leading to financial inclusion of rural folks and ease of operations for banks through Banking Correspondent'.

Real Estate Bill

Context:

Recently Rajya Sabha passed the Real Estate Bill.

What is Covered within the Bill?

- (a) Projects on at least 500 sq metres of area or with 8 flats will have to be registered.
- (b) Commercial and residential, all types of projects
- (c) Ongoing projects
- (d) Brokers or agents

Institutional Mechanisms Provided:

- (a) Establishment of Real Estate Regulator at the state level.
- (b) Real Estate Appellate Tribunals at the state level.

What Are The Important Provisions?

The bill aims to promote the health development of Real Estate Sector and protect consumer interests. Important provisions of the bill are:

- a) The regulatory authorities will promote a single-window system of clearances for real estate projects.
- b) Residential and commercial real estate projects need to be registered with Regulator.
- c) Regulatory authorities can grade projects along with grading of promoters, besides ensuring digitisation of land records.
- d) Details of the project should be uploaded on the Regulator website. These include the site and layout plan, schedule for completion, land title etc of the real estate project.
- e) 70% of the amount collected from buyers for a project must be maintained in a separate bank account and must only be used for construction of that project. The state government can alter this amount to less than 70%.
- f) Any change in the project plan or layout requires consent of 2/3 of the buyers.
- g) Clear definition, for e.g. Of carpet area to avoid any kind of confusion and protect consumer interest.
- h) If there is any delay in the completion of the project than developers will have to pay interest to buyers and buyers will pay if there is any delay from their side on payment.
- i) Formation of residential association within the 3 months of the allotment of majority of units.
- j) Aggrieved buyers can also approach consumer courts at district level instead of Regulator.

- k) The buyer can contact the developer in writing within 1 year of taking possession to demand after sales service if any deficiency in the project is noticed.
- l) The maximum jail term for a developer who violates the order of the appellate tribunal of the Real Estate Regulatory Agency (RERA) is 3 years with or without a fine.
- m) Tribunals will have to adjudicate cases in 60 days as against 90 days proposed earlier. Regulatory authorities will have to dispose of complaints within 60 days.

How This Will Help?

- a) Real estate sector in India is suffering from issues like abuse of their position by builders, high costs, low quality, high use of black money, bureaucratic tangles and absence of sufficient housing stock for low income population.
- b) The bill will improve Ease of Doing Business. The bill will help by providing single window clearance. This will speed up the projects by eliminating unnecessary delays. Resolution of disputes by the Regulator in a time bound manner.
- c) Consumer protection by focusing on transparency through declaration of project related information.
- d) Accountability will be ensured on the part of builders. As they will have to use 70% funds for construction only, have to pay for delay and will be responsible for any kind of latent defects.
- e) More investments will come to the sector as establishment of regulator and other provisions will help in bringing transparency and speedy resolution of disputes. This will attract Foreign Direct Investment (FDI) and other funds. This will reduce the cost of funding and will bring costs down.
- f) The bill will also help under construction projects as buyers have stayed away from them because of unscrupulous behavior from developers. This will help them with supply of funds.
- g) It will also ensure that fly-by-night operators and land grabbers/speculators are eliminated. As a result, there will be fewer competitive bidders vying for the limited supply of land. That will check land prices.
- h) Timely completion of projects also means there would be a steady increase in supply of homes.
- i) This will also help overall economy by boosting demands for ancillary sectors like cement, furniture etc.

Concerns:

- a) The timely completion of projects depends upon timely approvals from Municipal Bodies for a range

of issues like electricity, water etc. the bill does not talk about that.

- b) Housing for weaker sections is one of the growing concerns. It must have been included in the bill to ensure certain percentage of housing stock is developed for weaker section by project developers. Each real estate projects have low income workers whose housing needs must be satisfied.
- c) The issue of black money has not been tackled.
- d) The mandatory keeping of money in escrow account may affect projects where cost of land acquisition is higher. It will also affect optimum utilization of resources by the developers. As the 70% funds which are locked in also includes profits of the developers.
- e) There are concerns that regulator may not end up as addition of another step in the bureaucratic ladder.

Overall the bill is welcome steps for the Real Estate sector and will help in the quick and quality urbanization of India.

District Information System for Education Report: Only 15% Seats Reserved For Economically Weaker Section Under Right to Education Filled

Context:

'State of the Nation: Right To Education Act (RTE) Section 12 (1) (c)' report by District Information System For Education (DISE).

1. What is Section 12(1)?

- a. RTE Section 12(1)(c) mandates private unaided schools (except minority and residential schools) to keep 25% of the seats (at entry level) reserved for children belonging to economically weaker sections.
- b. This was aimed to increase educational opportunities and to create inclusive schooling system. The provision has the potential to impact the lives of 1.6 crore children across the country.

2. Implementation of the provision:

State/UT	% of seats filled
Delhi	44.6
Rajasthan	39
Tamil Nadu	38
Worst Performers	
Odisha	0.97
UP	0.79
Mizoram	0.21
Telangana	0.1
Andhra Pradesh	0

- a. Even after 6 years of implementation of the Right To Education (RTE) Act, children from economically weaker section are still struggling to find their seats in schools.
- b. The table shows the data regarding the seats filled in some states under sec 12(1)(c)

3. What Are The Reasons For Poor Compliance?

In the last 6 years, there have been several roadblocks and resistance from private schools in its implementations.

- a. Most states have either unclear rules or guidelines or are not implementing this provision.
- b. Awareness is still patchy, especially in rural areas.
- c. Once children enter the school system, provision of supporting and child-tracking is almost non-existent.
- d. Slow reimbursement of fees from state governments to the private schools, which takes up to 2 years.
- e. Unwillingness on the part of private schools and even the states to incur additional expenses.
- f. Absence of adequate funds from center. Out of nearly Rs. 1500 cr. requested by states for implementation of sec 12(1)(c) only Rs. 250 cr. were approved.
- g. In the states in which the provisions were implemented civil society played a very effective role.
- h. Dropout rates for those admitted through this section are very high. The highest dropouts noted in Odisha 96.36% Arunachal Pradesh 94.44% Sikkim 91.00% Nagaland 90.49% Kerala 89.94%.
- i. Telangana has lowest dropouts (0%) followed by Andhra Pradesh with (9.02%) dropouts.

4. What should be done?

- a. Steps towards strengthening the implementation structures- Whether by having a separate RTE commission or by building an effective Management Information System (MIS) system- are still critically important and should be created.
- b. The process of tracking children admitted under this mandate should be instituted to check for the desired level of implementation and outcome. This involves tracking children admitted under the RTE 25% quota for attendance, grades, dropout rates, frequency of parent interaction, learning outcomes etc.
- c. In addition to this, state governments can administer simple tests to detect any cases of systematic discrimination against children admitted under the quota.

- d. The states should also launch a toll-free helpline number, where the parents can register their complaints regarding non-compliance of this policy. This number should be printed on every application form and should also be provided along with the receipt.
- e. Urgent re-examination of exemptions provided to minority schools" under the Act. The report says that, the exemption accorded to minority schools "allows for creation of a certain loophole which, if left unplugged, could unravel all efforts.
- f. States which have made RTE provision difficult to implement by putting preference of filling government/ government aided should revise their rules.

Should Marital Rape be Criminalized?

Recently the Union Minister for Child and Women commented that, India cannot have a law to criminalize marital rape, citing various factors such as "level of education/illiteracy, poverty, myriad social customs and values, religious beliefs, mindset of the society to treat the marriage as a sacrament as constraints towards criminalizing it. This has started a debate in India with some experts extending their support towards criminalizing marital rape while others are opposing it on various grounds.

What is marital rape?

- Marital rape (also known as spousal rape and rape in marriage) is non-consensual sex in which the perpetrator is the victim's spouse. It is a form of partner rape, Domestic violence and sexual violence.

Current status of marital rape in India:

- Our legal system doesn't provide any concrete protection to the victims of marital rape. Under Hindu Marriage Act, 1955 one of the "conjugal duties" of the wife is to provide sexual satisfaction to her husband, a very archaic thought congruent to the thoughts of a patriarchal society. Section 375 of the Indian Penal Code(IPC) considers forced sex in marriages as a crime only when the wife is below 15 or the couple is legally separated. Thus, marital rape is not a criminal offense under the IPC.
- Marital rape victims have to take recourse to the Protection of Women from Domestic Violence Act 2005 (PWDVA). The PWDVA, which came into force in 2006, outlaws marital rape. However, it offers only a civil remedy for the offence.

Arguments in Favour of Criminalizing Marital Rape

- Out of the total number of rapes reported to National Family Health Survey (NFHS) (though it is an informal survey whose premise was to provide anonymity), 97.7% rapes were committed by the people known to the victim, out of which marital rapes accounts for 2/3rd. Thus the sheer intensity of marital rape suggests that it should be criminalized.
- There have been many heartrending stories of women raped every night, even during pregnancy and child birth. It is a physical as well as mental trauma because the perpetrator is known to the person, often very close.
- Marital rape is considered as the violation of Fundamental Right Guaranteed Under Article (14) of the Indian Constitution which guarantees the equal protection of laws to all persons.
- By depriving married women of an effective penal remedy against forced sexual intercourse, it violates their Right to Privacy and Bodily Integrity, aspects of the Right to Life and Personal Liberty under Article (21), by differentiating them from unmarried women.
- Marital Privacy - Which justifies laws such as the marital rape exception is a fundamental denial of society's commitment to treating all persons with equal concern and respect.
- After making high pitch for the government flagship Beti Bachao Beti Padoo, we want our 'Beti' to not have a right on her own body. If marital rape has been committed, wife is a rape survivor and she has same rights like any other rape survivor.
- Many countries have made it a crime for a husband to force his wife to have sex in recent years. Malaysia changed its laws to that effect in 2007; Turkey in 2005; and Bolivia in 2013. The United States began criminalizing marital rape in 1970s and most European countries in the 1990s. The United Nations has also recommended India to criminalize marital rape. Though we try to emulate US in many areas to prove ourselves as progressive, doesn't this law provide the opportunity for the same
- Even the Law Commission's Report (2000) and Justice Verma panel's (2013) recommended to do away with the exemption granted to marital rape in the laws.

Arguments Against Criminalization?

- It is very subjective and intricate to determine whether consent was acquired or not. Sometimes women use denying intercourse even if she is comfortable with, as a tool for punishment or getting their demands fulfilled.

- If marital rape is criminalized without adequate safeguards it could be misused like the current dowry law by the dissatisfied wives to harass and torture their Husbands.
- Marriage is the holy institution and application of such laws will wither away its basic fabric as it will lead the investigation to the intricate relationship between the couple.
- Will increase the burden of judiciary which otherwise may serve other more important causes
- This law will more likely to be a passive and potentially minuscule law. Since less educated and rural women are not likely to use it and the other strata of women can be said to empowered enough to say no for this kind of acts of their rapist husband's.
- The concept of marital rape, as understood internationally, cannot be suitably applied in the Indian context due to various factors like level of education/illiteracy, poverty, myriad social customs and values, religious beliefs, mindset of the society to treat the marriage as a sacrament, etc.
- The U.S.A did criminalize marital rapes in 1970's, most European countries have done so, countries such as Bolivia and Turkey, being the latest entrants to this list. It is a weak argument that just because so and so country have done it, so should we. Going by this logic, Netherlands has legalized prostitution and marijuana, then, so should we.

Conclusion

- Sexual consent is the right of every woman, married or unmarried, as much as of men, and non-consensual sex should be treated exactly the same, irrespective of the relationship of the perpetrator to the victim. Adequate safeguards however need to be included in the law which limits the opportunities for misusing this law like the dowry law. Just because the law can be misused does not mean that we should evade from our responsibility. However just legal reform is not sufficient as along with legal reform we also need social reform so that this menace could be eradicated from our society. It is the progressive social consciousness which is need of the hour.

3. International Relations + Defence + Security

Sharp Cut In AID To SAARC Nations

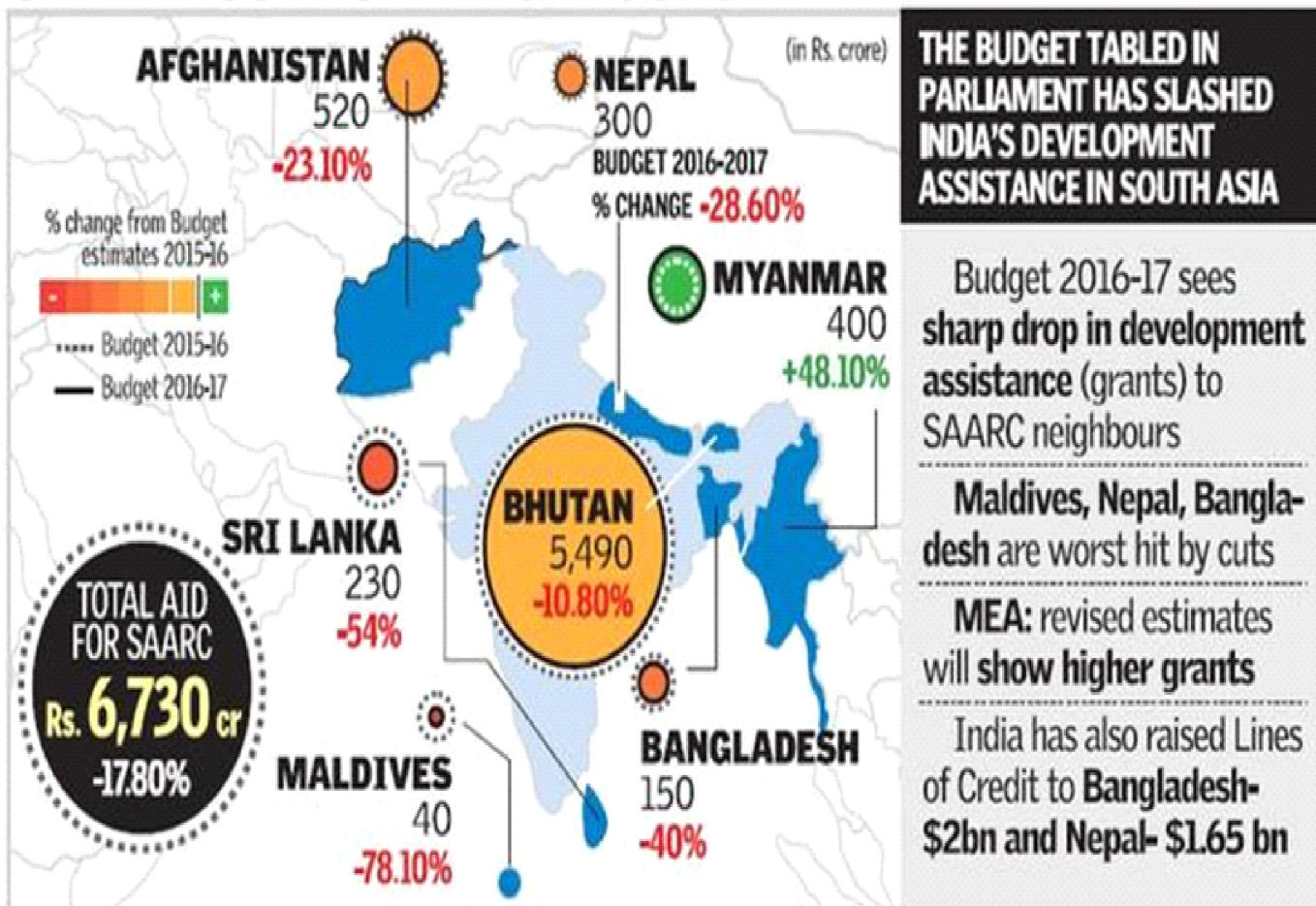
- The Budget 2016-17 significantly reduced aid for almost all the SAARC country. This is in contrast to the neighbourhood 1st policy unleashed by the incumbent government.

Extent of Aid Cut?

- Nepal that was hit by a major earthquake in 2015 was unable to use the full budget allocation of Rs. 420 crore last year, and saw its revised estimate fall to Rs. 300 crore.

- Sri Lanka and the Maldives have seen cuts of 54% and 78.1% compared with the previous year.
- Countries with the lowest GDP, Afghanistan and Bhutan, saw cuts this year of 23% and 10.8% respectively. While Bangladesh saw a cut of 40%
- The one exception to the Budget proposals is Myanmar (not a SAARC nation), and saw a major 48% increase in development aid, due to the government's focus on the Kaladan multi-mode transport corridor project, as well as the 'Trilateral Highway' project.

UNKIND CUT FOR NEIGHBOURS



Reasons For The Cut

- One of the major reason for the cut in aid was that, the budget of External Affairs Ministry has been slashed by Rs. 500 crore this year. Thus Ministry have less fund available for aid purpose.
- Many in Nepal believe that cut in aid to Nepal is related to the strain in ties between New Delhi and

Kathmandu that hit their worst patch in decades over the border blockade last year.

- Another reason behind this cut is that many projects that were started between 2005-2010 had been completed or were nearing completion and needed less assistance. For example, in Afghanistan, the Rs. 969-crore Parliament building that was

completed and inaugurated by Prime Minister Narendra Modi in 2015, was started in 2009; the Salma Hydel Power Project was nearing completion, and no new big projects had been announced. In Bhutan, hydel projects such as Punatsangchhu I and II or the massive 720 MW Mangdechhu were in the preliminary stages of progress, and hence, India's assistance had not yet been raised.

- In Bangladesh Lines of credit at concessional rates had replaced direct development assistance. As of this year, India has extended an \$862-million line of credit, while another \$2 billion is in the pipeline.

Likely Impact Of Aid Cut On Bilateral Relations

- This is in contrast to the neighborhood 1st policy unleashed by the incumbent government.
- Nepal has still not recovered fully from earthquake and it needs funds for reconstruction. Thus India's aid cut will adversely affect the reconstruction process and will worsen the already shaky relations between India and Nepal due to Madhesi crisis. It could also force the Nepalese government to look towards China for rebuilding Nepal which could increase China's role in Nepal which is against India's Geo-political interests. Same goes for other neighboring countries also.
- Similarly Bhutan who depends Heavily on India's aid for its development projects is likely to be adversely effected from the aid cut.

BIMSTEC Convention on Mutual Legal Assistance in Criminal Matters

The Union Cabinet has given its approval for signing and ratification of the Bay of Bengal Initiative on Multi Sectoral Technical and Economic Cooperation (BIMSTEC) Convention on Mutual Legal Assistance in Criminal Matters. The Ministry of Home Affairs has been designated as the Central Authority under Article (15) of the Convention.

The Need for Signing BIMSTEC Convention

The establishment of regional arrangements for mutual assistance in criminal matters will greatly contribute to more effective cooperation in the control of criminal activities.

The Convention aims to extend widest measures of assistance to each other through mutual cooperation for enhancing capability and effectiveness of the Member States in investigation and prosecution of crimes, including crimes related to terrorism, transnational organized crime, drug trafficking, money laundering and cyber-crimes.

After signing as well as ratification of the Convention from the Indian side, the Instrument of Ratification will be deposited to the Secretary-General of BIMSTEC and the Convention will enter into force on 30th day of the deposit of last instrument of ratification.

Future Outcomes:

- It seeks to enhance capability and effectiveness of the member states in investigation and prosecution of crimes, including crimes related to transnational organized crime, terrorism, money laundering, drug trafficking and cyber-crimes.
- It will pave way for establishment of regional arrangements for mutual assistance in criminal matters.

About BIMSTEC



- The Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation is an international organisation involving a group of countries in South Asia and South East Asia.
- It comprises of 7 countries: Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka and Thailand.
- The main objective of BIMSTEC is technological and economical cooperation among South Asian and South East Asian countries along the coast of the Bay of Bengal.

Evolution of BIMSTEC

- BIST-EC (Bangladesh, India, Sri Lanka, Thailand - Economic Cooperation) was formed at a meeting in June 1997 in Bangkok. Myanmar was admitted in December 1997 and the organization was renamed as BIMST-EC. The grouping expanded when Nepal and Bhutan were admitted in February 2004. The grouping's name was changed to BIMSTEC (Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation) at 1st Summit Meeting held in Bangkok in July 2004.
- It has identified 14 priority areas of cooperation - Including trade and investment, transport and communication, energy, tourism, and fisheries each member country has been given the responsibility of leading at least one of these priority areas. India is leading transport and communication, counter-terrorism and transnational crime, and environment and natural disaster management.

Significance For India

- BIMSTEC Free Trade Area: India, being a party to the BIMSTEC can utilise the Free Trade Area agreement which will stimulate trade and investment in the parties, and enable it to trade with and invest in BIMSTEC at a higher level. The negotiation area covers trade in goods and services, investment, economic cooperation, as well as trade facilitations.
- India's positive trade balance with the BIMSTEC group of countries is another reason which makes BIMSTEC more significant for India.
- In view of changing geo-political developments in Asia and the Pacific, India must understand the importance of the Bay of Bengal and the role that regional economic integration among the BIMSTEC group of countries can play in furthering strategic and security objectives with eastern and south eastern neighbours.
- Strong leadership in the Bay of Bengal region, based on trade and investment cooperation, will not only help India better secure strategic products such as oil and gas but will also be a step in playing a more proactive role in the Indo-Pacific region.

Therefore, India and other BIMSTEC countries should strive to improve physical connectivity through trade facilitation infrastructure and measures as well as institutional connectivity through the convergence of rules, regulations, policies, and procedures for cross-border trade and investment.

Challenges Before BIMSTEC

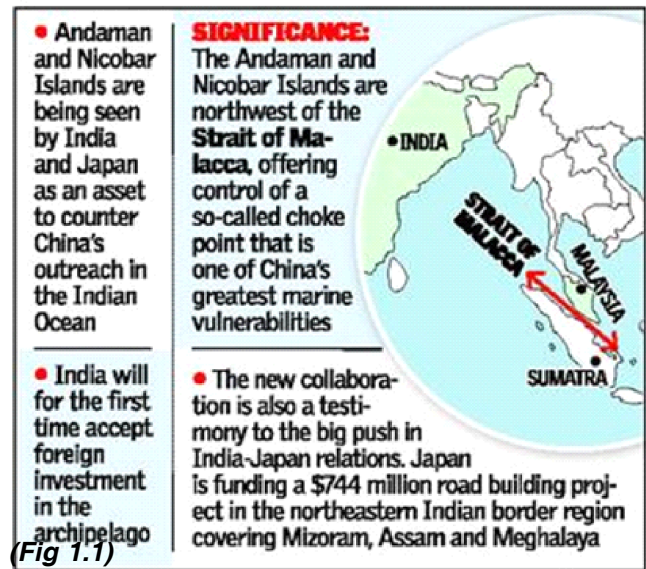
- It had a lot of pitfalls of its own because of the poor bilateral relationships between Myanmar and Bangladesh, between India and Bangladesh and between India and Myanmar. The lack of bilateral unity has hampered the progress.
- Uneven economy is restricting the growth of BIMSTEC. There are Least Developed Countries (LDCs) with relatively developed economies like Thailand or India and they have an obvious difference of interest, which has not been ironed out over years.
- BIMSTEC, unlike SAARC, or other such sub-regional groups, is not on the top priority of the countries. There is a lack of will to engage with India's North Eastern States to connect with the South East Asian countries so it is unlikely for the BIMSTEC to move forward.

India Collaborates With Japan on Andaman's Project

- India and Japan are in talks to collaborate on upgrading civilian infrastructure in the Andaman

and Nicobar Islands. The collaboration signals a significant policy shift for India, which has not previously accepted offers of foreign investment on the archipelago.

A COUNTER TO THE DRAGON



Reasons for Taking Japan's Help

- India and Japan has significantly improved their relations in last few years. Japan has been already funding a \$744 million road building project in the north-eastern Indian border regions of Mizoram, Assam and Meghalaya. Like the Andaman and Nicobar chain, the north-eastern region is a strategic area that has remained relatively undeveloped because of its separation from the mainland. Thus collaboration in Andaman with Japan is continuation of the ongoing process.
- China's increasingly assertive behavior in the East and South China Seas and its simultaneous pursuit of civilian port infrastructure along the Indian Ocean littoral has in part driven New Delhi and Tokyo closer together. Since 2012, the 2 states have held regular bilateral naval exercises (JIMEX) and, starting last year, Japan became a permanent member of the U.S.-India Malabar series of exercises.
- Thirdly it fits logically into the web of strategic projects taking shape as Indian Prime Minister Narendra Modi enters into closer relationships with Japan, Australia and the United States, as well as regional powers like Vietnam, to counter China's growing influence.
- The first project being discussed is a modest one - a 15-megawatt diesel power plant on South Andaman Island

Strategic Significance of Andaman for India?

- Andaman is seen as a critical asset to counter China's efforts to expand its maritime reach into

the Indian Ocean as it is close to the south-east Asia region.

- The Andaman and Nicobar Islands are northwest of the Strait of Malacca, offering control of a so-called choke point that is one of China's greatest marine vulnerabilities as most of the Chinese imports especially oil imports passes from this region. Andaman could be utilized by India during times of hostility to blockade the straight of mallcaa causing serious damage to Chinese economy.
- The Andaman and Nicobar Islands, located in the Bay of Bengal, northwest of the pivotal maritime choke point at the Strait of Malacca, are an immensely valuable geopolitical asset for India, particularly as it looks to 'Act East' and play an increasingly more visible role in the eastern Indian Ocean and beyond.
- The islands in the Andaman islands have regularly been visited by submarines belonging to China, which caused India to step up its surveillance in the region.
- The Andaman and Nicobar Command (ANC) is India's 1st and only joint tri-service command, with

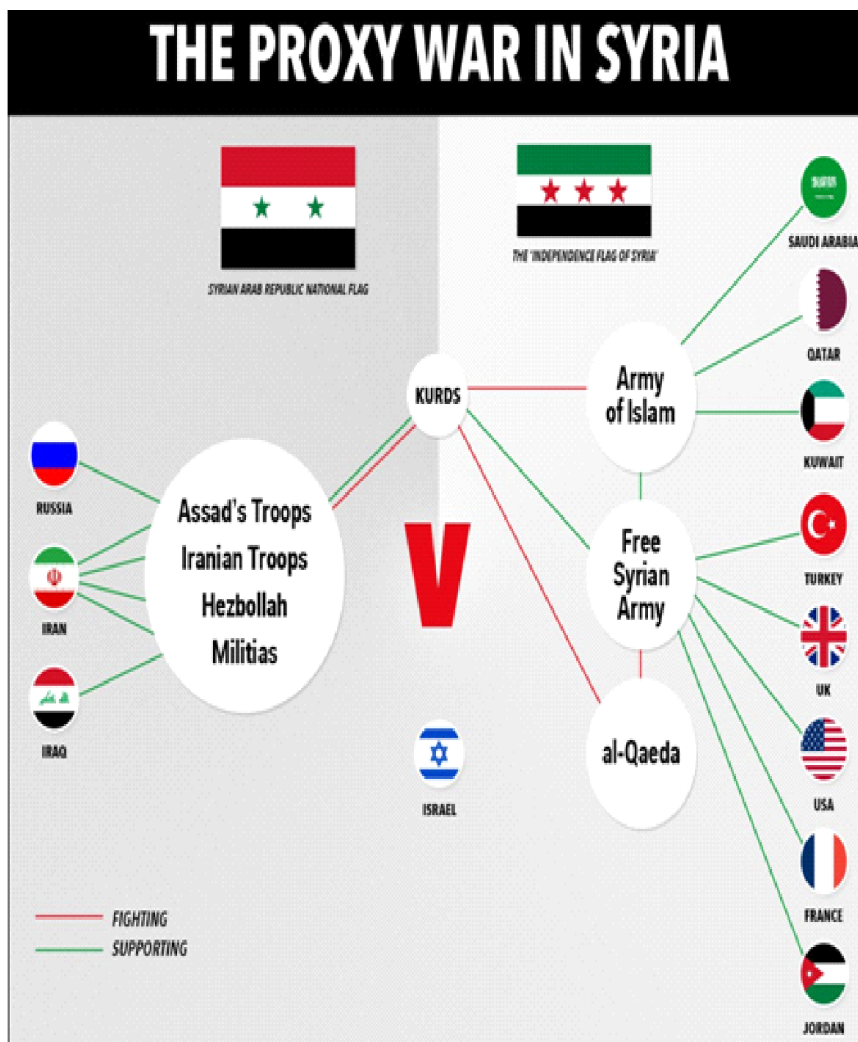
rotating 3-star commanders-in-chief from the Army, Navy and Air Force reporting directly to the chairman of the Chiefs of Staff Committee. Today the command serves as the focal point for Indian engagement with Regional Navies in Southeast Asia, This includes bi-annual coordinated patrols with the Navies of Thailand and Indonesia, the annual SIMBEX maritime exercises with Singapore, and the biennial Milan multilateral naval exercises.

- Andaman could be utilized by India for maritime surveillance, humanitarian assistance and disaster relief, as well as suppressing gun running, narcotics smuggling, piracy, and poaching in India's Exclusive Economic Zone (EEZ).

Putin Orders Troops Out Of Syria

Introduction

- In a surprise move, Russian President Vladimir Putin has recently ordered his military to start withdrawing the main pat" of its forces in Syria. He said, the Russian intervention had largely achieved its objectives.



Background

- Anti-government demonstrations began in March of 2011, part of the Arab Spring. But the peaceful protests quickly escalated after the government's violent crackdown, and rebels began fighting back against the regime.
- Russia is a key ally of Syrian President Bashar al-Assad, actually Assad is the only ally of Russia in the Arab region and therefore it is in its national interest to protect Assad. By intervening by sending troops, Vladimir Putin made clear that Russia was prepared to assert its interests. The results ensure Moscow a bigger say in what happens at the peace talks.
- Russia began its campaign of air strikes in Syria last September, tipping the balance in favour of the Syrian government and allowing it to recapture territory from rebels.

Impact of the Russian intervention

- When Russian air strikes began in Syria, President Assad's regime was on the brink of collapse. Less than 6 months later, Russia says, its action allowed Syrian government troops to retake 10,000 sq km (3,860 sq miles) of territory.
- Russian aircrafts Destroyed 209 oil production and transfer facilities.
- Helped Syrian government troops to retake 400 settlements.
- Helped Damascus to regain control over more than 10,000 sq km (3,860 sq miles) of territory.

Why Russia made the decision?

- Experts believe that the decision to scale down Russian operations may partly be fuelled by cost, given falling oil prices; it could also be driven by a desire to end Russia's isolation and Western sanctions.

- Russia has also achieved its main goals in the intervention - Consolidating President Assad's position, enabling his forces to re-take key pieces of strategic territory and ensuring that Mr. Assad remains a factor in any future Syrian settlement.

Additional Information On Syrian Civil War

Why is there a war in Syria?

- Anti-government protests developed into a civil war that 4 years on has ground to a stalemate, with the Assad government, Islamic State, an array of Syrian rebels and Kurdish fighters all holding territory.

Who is fighting whom?

- Government forces concentrated in Damascus and the centre and west of Syria are fighting the jihadists of Islamic State and Jabhat al-Nusra, as well as less numerous so-called "moderate" rebel groups, who are strongest in the north and east. These groups are also battling each other.

What's the human cost?

- More than 250,000 Syrians have been killed and a million injured. Some 11 million others have been forced from their homes, of whom 4 million have fled abroad - Including growing numbers who are making the dangerous journey to Europe.

How has the world reacted?

- Iran, Russia and Lebanon's Hezbollah movement are propping up the Alawite-led Assad government, while Turkey, Saudi Arabia and Qatar back the more moderate Sunni-dominated opposition, along with the US, UK and France. Hezbollah and Iran are believed to have troops and officers on the ground, while a Western-led coalition and Russia are carrying out air strikes.

4. ENVIRONMENT + GEOGRAPHY

New Four Colour Code Classification For Industries Based on Pollution Potential

Government launched new four colour code classification for Industries

Union government developed a new four colour classification of industries based on pollution index (PI).

Pollution index is a function of:

1. Air pollutants
2. Water pollutants
3. Hazardous waste generated
4. Consumption of resources

The rating will be given to the industry not to the company. So a cement manufacturing unit will get red rating irrespective of its pollution impact.

Why changes were brought?

The earlier criterion had been outdated and was not reflecting the pollution levels of the industries. This was done to bring more scientific criteria to analyze the environmental effects of industries which include processes followed, inputs used and ensure transparency.

What is missing?

- a) Though industries are classified based on Pollution Index, there is no mechanism to ensure that a unit in a particular category adheres to the best practices within the category.
- b) There is no provision for penalties for violators.

There is a need to focus on curbing the negative environmental impact of the industries. It is good move to reclassify the industries based on scientific criteria. Now there is a need to use this classification for applying polluter pays principle.

Category	PI Score	Permisson duration	No. of Industries Covered
Red	60 and Above	5 Years	59 (petrochemicals, sugar, paper and pulp etc)
Orange	41 to 59	10 Years	93 (coal washeries, glass manufacturing, paints etc)
Green	21 to 40	Life Time	53 (Chilling Plants, gas-fired rolling mills, coke briquetting etc.
White	less than 15	No permisson required	36 (chalk factories, biscuit tray units)

5. SCIENCE & TECHNOLOGY

Internet of Things

Technological developments have continuously aided governments. IoT and Big Data are the two recent technological developments which can transform the way governments work.

What is Internet Of Things (IoT)

- a) IoT is the real time networking of sensors which can be on computing devices, mechanical and digital machines, objects, animals or people like smart phones, switching system, traffic lights etc.
- b) These devices are given unique identifiers and ability to communicate with each other on real time basis.
- c) Other things which can be connected with sensors are biochips, heart monitor implant etc.
- d) IoT has evolved from the convergence of wireless technologies, Micro-ElectroMechanical Systems (MEMS), micro services and the Internet.

How it will help?

- (a) It will reduce the dependence on human beings to record, make entries and process. It will help in avoiding the delays, inaccuracies that are associated with human beings.

- (b) Practical applications of Internet of Things technology can be found in many industries today, including precision agriculture, building management, healthcare, energy and transportation etc.
- (c) A particular case can be related to precision farming. Wherein sensors measuring requirement of water, fertilizer or pesticides sends signals to irrigation system or other associated systems to initiate new process.

Concerns:

- (a) An increase in the number of smart nodes, as well as the amount of upstream data the nodes generate, is expected to raise new concerns about data privacy, data sovereignty and security.
- (b) It will make individuals subservient to and dependent on machines.
- (c) It may lead to redundancy of many skill sets and loss of employment for many.
- (d) Huge amount of e-waste will be generated which will have negative environment effects.
- (e) Developing common standards, making huge investments, removing inertia of the technology averse bureaucracy are some of them. If this can be done the benefits will be huge.

SNIPPETS

World Economic Forum (WEF) Report: India Ranks 90th In Terms Of Energy Security, Acces

- The latest Global Energy Architecture Performance Index Report which explored the energy architecture of 126 countries based on their ability to provide energy access across 3 dimensions of the "energy triangle" - Affordability, environmental sustainability, security and access has placed India at rank 90 based on the ability to deliver secure, affordable and sustainable energy.
- The list was topped by Switzerland followed by Norway and Sweden in the second and third place, respectively.
- Others in the top 10 include France (4th), Denmark (5th), Austria (6th), Spain (7th), Colombia (8th), New Zealand (9th) and Uruguay (10th).
- Among the BRIC nations, Brazil was the top performer as it was ranked at the 25th place, followed by Russia (52nd), India (90th), China (94th).

Key Highlights:

- The report noted that India is "facing a vast array of challenges in the power sector in order to meet its growth targets". Nevertheless, electrification appears to have progressed and the proportion of the population covered having grown over the past 6 years by 4% points to 79%.
- It emphasises that there is a need to become more energy-efficient, more diverse and less carbon-intensive for major emerging economies, making it critical to progress with government responses to these pressures through energy reforms.
- The report noted that large emerging economies are pressed both by the need to support economic growth and build resilient and sustainable energy architecture.
- The fuel trade patterns have dramatically changed during the period. In particular, Asia accounted for less than 20% of the world fuel trades in 2004, but this figure has sharply risen to 35% in 2014, leading to a redistribution of forces and new alliances around the world, according to the report.

About World Economic Forum (WEF)

- WEF was established in 1971 as a not-for-profit foundation and is headquartered in Geneva,

Switzerland. It is independent, impartial and not tied to any special interests.

- The Forum engages the foremost political, business and other leaders of society to shape global, regional and industry agendas.
- WEF produces various annual reports: The Global Competitiveness Report measures competitiveness of countries and economies; The Global Information Technology Report assesses their competitiveness based on their IT readiness; the Global Gender Gap Report examines critical areas of inequality between men and women; the Global Risks Report assesses key global risks.

Setu Bharatam Yojana

Prime Minister launched the 'Setu Bharatam' programme for building bridges for safe and seamless travel on National Highways.

Details Of The Programme:

- Setu Bharatam programme aims to make all National Highways free of railway level crossings by 2019.
- 208 Railway Over Bridges (ROB)/Railway Under Bridges (RUB) will be built at the level crossings at a cost of Rs. 20,800 crore as part of the programme.
- In addition to this, about 1500 old and worn down bridges will also be improved by replacement/ widening/ strengthening in a phased manner at a cost of about Rs. 30,000 crore.
- The Ministry of Road Transport & Highways has also established an Indian Bridge Management System (IBMS) at the Indian Academy for Highway Engineer in Noida, U.P. The aim is to carry out conditions survey and inventorization of all bridges on National Highways in India by using Mobile Inspection Units.
- Till now inventorization of 50,000 bridges has been done. The first cycle of the survey is expected to be completed by June 2016. This data base will be the largest of its kind and will also help in smoothening the movement of Over-Dimension and Over-Weight consignments on National Highways.

How Programme will help?

It will prevent the frequent accidents and loss of lives at level crossings. Travel on the National Highway will be more efficient & speedy.

CONNECTING INDIA

Existing length of National Highways | **97,000 km**

Proposed additional length | **10,000 km**

New components | NHs in border and coastal region (5,000 km), Backward areas (3,000 km) & tourist and religious places (2,000 km)

Branding projects | Bharat Mala (NHs in border & coastal areas), Setu Bharatam (bridges & ROBs), Zila Sanjyokta Pariyojna (NHs connecting districts)



5/25 Provision For Restructured Assets

- This is a scheme which is available for projects that have already been classified as bad debt or stressed. The 5/25 scheme allows banks to extend long-term loans of 20-25 years to match cash flow of projects, while refinancing them every 5 or 7 years.
- The rule allows banks to refinance a project every 5 years, on new terms, without the asset being classified as restructured.
- The idea is to allow companies to repay loans, over a longer period, without too much stress. This move is expected to move the companies who have stressed assets as it gives them the option to make payments over a period of time.
- The scheme would benefit the consumer and also bolster the development of infrastructure and core industries which, in turn, would lead to socio-economic development of the nation.

Mahilaa E-Haat An Online Platform

- The Ministry of Women and Child Development, recently launched "Mahila e-Haat", an online marketing platform for women.
- Mahila e-Haat is a unique online platform where participants can display their products. It is an initiative for meeting aspirations and need of women entrepreneurs which will leverage technology for showcasing products made/manufactured/sold by women entrepreneurs.
- The portal has been set up with an investment of under Rs.10 lakh from the Rashtriya Mahila Kosh and leverages technology for showcasing products made/manufactured/sold by women entrepreneurs.

Outcomes:

- It is first time that the women will have access to markets and will help them to sell products online. It will be a web page based and have unlimited reach and can, therefore become catalyst in creating a new generation of business women.

- The endeavour will help women to make financial and economic choices which will enable them to be a part of 'Make in India' and 'Stand Up India' initiatives.
- Mahila E-Haat will help to meet the goal of financial inclusion of women and it is a big step forward for empowerment of women. It will strengthen the socio-economic empowerment of women as it will mobilize and provide better avenues to them.

Pradhan Mantri Ujjwala Yojana

- The Cabinet Committee on Economic Affairs, has recently approved Pradhan Mantri Ujjwala Yojana for Providing Free LPG connections to Women from BPL Households.

Scheme:

- Under the scheme, Rs. 8000 crore has been earmarked for providing 5 crore LPG connections to BPL households. Each beneficiary will get financial support of Rs.1,600 for securing an LPG connection. Eligible households will be identified in consultation with state governments and Union territories. The scheme will be implemented over the next 3 years namely, the FY 2016-17, 2017-18 and 2018-19.

Outcomes:

- This is the first time that a welfare scheme benefitting crores of women belonging to the poorest households would have been implemented by the Ministry of Petroleum and Natural Gas.
- Providing LPG connections to BPL households will ensure universal coverage of cooking gas in the country. This measure will empower women and protect their health. It will reduce time spent on cooking. It will also provide employment for rural youth in the supply chain of cooking gas.

Bureau of Indian Standards Bill, 2015

- Parliament has recently passed the Bureau of Indian Standards Bill, 2015 to extend the ambit of the Bureau of Indian Standards (BIS) to include services, processes and products while ensuring production of world class goods in line with the best global practices. The Bill replaces the Bureau of Indian Standards Act, 1986 which establishes a Bureau for the purpose of standardization, marking and certification of articles and processes.

Bureau of Indian Standards Bill, 2015:

- It proposes to make BIS a National Standards Body, introduce mandatory hallmarking of precious metal, prevent misuse of Standard marks and provide for recall of ISI marked products not conforming to relevant standards.

- The Bill seeks to broaden the ambit of BIS Act, 1986 and allow the central government to make it mandatory for certain notified goods, articles, processes, metals etc, to carry the standard mark.
- The Bill will empower the Centre to authorise any other agency having necessary accreditation for the purpose of conformity assessment against Indian standards.
- The Bill also proposes to make BIS a National Standards Body and prevent misuse of standard marks and provides for recall of ISI marked products not conforming to relevant standards. After the bill, the Bureau of Indian Standards would also get the legislative backing which at present is not formally recognised as a national standards body and will formally represent India abroad.

Women At Work: Trends 2016 Report (International Labour Organization)

- International Labour Organisation (ILO) has released Women at Work: Trends 2016 Report recently which examined data for up to 178 countries and concludes that inequality between women and men persists across a wide spectrum of the global labour market.

Key Features Of The Report:

- The report shows that over the last 2 decades, significant progress made by women in education hasn't translated into comparable improvements in their position at work and shows that millions of women are losing ground in their quest for equality in the world of work.
- The report also provides new data for up to 100 countries on paid and unpaid working hours and access to maternity protection and pensions and states that women have to work for longer hours than men in both paid and unpaid work and have lower pension coverage than men leaving an overall gender social protection coverage gap.
- Globally, women represent nearly 65% of people above retirement age (60-65 or older according to national legislation in the majority of countries) without any regular pension. This means some 200 million women in old age are living without any regular income from an old age or survivor's pension, compared to 115 million men.
- There is segregation in the distribution of women and men across and within occupations, as skill-biased technological work increases, in developed and emerging countries.
- It states that achieving gender equality at work, in line with the 2030 Agenda for Sustainable Development, is an essential precondition for

realizing sustainable development that leaves no one behind and ensures that the future of work is decent work for all women and men.

- The 2030 Agenda represents a universal consensus on the crucial importance of gender equality and its contribution to the achievement of the 17 Sustainable Development Goals. More jobs and quality jobs for women, universal social protection and measures to recognize, reduce and redistribute unpaid care and household work are indispensable to delivering on the new transformative agenda.

21st Law Commission

- Former Supreme Court judge Balbir Singh Chauhan has been appointed Chairman of the 21st Law Commission. One of the key issues pending before the law panel is a call on amending the Indian Penal Code (IPC) amid allegations of abuse and arbitrary use of the law.

About Law commission:

- The Law Commission of India is a non-statutory body constituted by the Government of India from time to time. The Commission was originally constituted in 1955 and is re-constituted every 3 years.
- Commission works as an advisory body to the Ministry of Law and Justice and the recommendations are not binding on the government.
- It, on a reference made to it by the Central Government or suo-motu, undertake research in law and review of existing laws in India for making reforms therein and enacting new legislations. It also undertakes studies and research for bringing reforms in the justice delivery systems for elimination of delay in procedures, speedy disposal of cases, reduction in cost of litigation etc.

The Functions Of The Law Commission Shall, Inter-alia, Include:-

- a) Identification of laws which are no longer relevant and recommending for the repeal of obsolete and unnecessary enactments;
- b) Suggesting enactment of new legislations as may be necessary to implement the Directive Principles and to attain the objectives set out in the Preamble of the Constitution;
- c) Considering and conveying to the Government its views on any subject relating to law and judicial administration that may be specifically referred to it by the Government through Ministry of Law and Justice (Department of Legal Affairs);
- d) Considering the requests for providing research to any foreign countries as may be referred to it by

- the Government through Ministry of Law & Justice (Department of Legal Affairs);
- e) Preparing and submitting to the Central Government, from time to time, reports on all issues, matters, studies and research undertaken by it and recommending in such reports for effective measures to be taken by the Union or any State;
 - f) Performing such other functions as may be assigned to it by the Central Government from time to time.

Raisina Dialogue

- The Raisina Dialogue, a joint initiative of the Ministry of External Affairs and Observer Research Foundation was held recently in New Delhi. This 2 day annual conference was structured as a multi-stakeholder, cross-sectorial conclave, involving policy and decision makers and specialised personalities from various fields.
- Focusing on the theme of 'Asia: Regional and Global Connectivity', the dialogue is expected to enable the Ministry of External Affairs (MEA) to reach out to a wider international multidisciplinary audience and involved participation from around 40 countries.
- The conference, is being seen as the government's attempt to rival conferences around the world that attract global players such as the Shangri-La dialogue in Singapore, and the Munich Conference on national security.

About Raisina Dialogue:

- The Raisina Dialogue is an annual conference envisioned to be India's flagship conference of geopolitics and geo-economics. The conference focusses on Asia's physical, economic, human, and digital connectivity and attempted to discover opportunities and challenges for the region to manage its common spaces and the need for global partnerships to develop common pathways.

Maritime India Summit 2016

The 1st Maritime India Summit 2016 scheduled to be held in April 2016 in Mumbai, Maharashtra is likely to be attended by 57 countries.

About Maritime India Summit:

- The 2 day Maritime summit will be conducted by India and South Korea and collaborated by Union Ministry of Shipping.
- A wide array of investment opportunities and collaborations are expected both at the national and the international level at the event.

- The main focus of summit is to give impetus to Make In India and Blue Economy
- The government expects to sign around 109 business agreements covering port development, modernization, connectivity, shipbuilding, dredging, inland waterways and new port development and target investment around 1.2 trillion.

Garuda Shakti IV: Indo-Indonesia Joint Training Exercise

- The 4th edition of joint training exercise between India and Indonesia, the Garuda Shakti IV, is to be hosted by Indonesia. The exercise is expected to identify the areas of expertise, evolve combat tactical drills and undertake combines training for a threat neutralisation.
- The focus of the exercise will be on a joint counter insurgency operation with the setting of both rural and urban scenarios. The exercise will "enhance" the abilities of both the armies to undertake counter insurgency operations. Both the armies expect to learn from each other's doctrines, tactics and experiences in such operations.

About Garuda Shakti Military Exercise:

- The Garuda Shakti military exercises are part of the Indo-Indonesian military diplomacy. The 1st such exercise was conducted in 2012. The intention of the exercise is to build and promote positive relations between the armies of India and Indonesia.
- It is conducted alternatively in India and Indonesia as part of military diplomacy between armies of both countries.

India Inks Raptor MoU To Save Birds of Prey

- The Government has signed 'Raptor MoU', a memorandum of understanding on conservation of birds of prey in Africa and Eurasia. The MoU was signed at the Convention on Migratory Species Office in Abu Dhabi. India has become the 56th signatory State to sign the 'Raptor MoU' that was concluded on October 22, 2008 and came into effect on November 1, 2008.
- It extends its coverage to 76 species of birds of prey, out of which 46 species, including vultures, falcons, eagles, owls, hawks, kites, harriers, and so on, also occur in India.

About Raptor MoU:

- The 'Raptor MoU' is an agreement under Article IV paragraph 4 of the Convention on Conservation of Migratory Species (CMS) and is not legally binding.

- It is in conformity with the provisions of the existing Wild Life (Protection) Act, 1972, wherein the birds have been accorded protection. India would gain domain knowledge which would be helpful in effectively managing the habitats of these raptors.
- It would also include concerted trans-boundary efforts for conservation through interaction with other range countries by signing of the pact with the CMS.
- The agreement seeks willingness of the signatory range states for working for conservation of the raptor species and their habitats. An action plan has been formulated which primarily envisages conservation action for raptor species.

Indian Scientists Develop Herbal Medicine for Dengue

- A herbal medicine is claimed to have been developed by scientists in India for Dengue as a breakthrough move. The medicine has been developed using the alcoholic extract of Cipa derived from a species of flowering plant, Velvetleaf. The drug has proved to be resistant to four types of dengue virus.
- The project was undertaken jointly by the Department of Biotechnology (DBT), under the Ministry of Science and Technology, the International Centre for Genetic Engineering and Biotechnology (IGCEB) and Ranbaxy Research Laboratory (now owned by Sun Pharma), and employed Ayurveda in devising the drug.
- The experts are now gearing up for the next step, which is to hold clinical trials and toxicity studies before seeking permission for commercial production.

What is dengue? Symptoms and how it is transferred?

- Dengue is a mosquito-borne viral infection which causes flu-like illness, and occasionally develops into a potentially lethal complication called severe dengue haemorrhagic disease.
- The virus is transmitted by female mosquitoes mainly of the species.
- The early and basic symptoms of dengue are sudden high grade fever, severe headache, body ache, sore throat, and rashes. Other features include itching, vomiting, gall bladder inflammation or liver inflammation, restlessness and abdominal pain.

Delhi Launches Country's First HPV Vaccine As Public Health Programme in Schools

- Delhi has launched Human Papilloma Virus (HPV) vaccine as a public health programme for school

children and has become the first state in the country to do so.

- The vaccination programme will be completed in the current academic year 2015-16 over 2 phases. The first and the second doses will be administered within 30 days of each other. A third booster dose will be given within 240 days of the first vaccine, which will be covered in the next phase. In the first phase of the vaccination programme, 1 to 1.5 lakh school girls will be targeted and later this initiative will be expanded to the private schools.

About HPV:

- Human Papillomavirus (HPV) is a DNA virus from the papillomavirus family which is mainly a Sexually Transmitted Infection (STI) that causes genital warts and cervical cancer. Cervical cancer ranks as the second most common cancer among women between 15 and 44 years of age.
- The infection can be prevented through routine screening and vaccines that are safe and effective. The HPV vaccine protects people against the group of 150-odd HPVs, some of which can cause cervical cancer.

Government Eases Norms For Start Up MSME

- The government has decided to relax procurement norms related to experience and turnover for micro, small and medium startups with a view to enabling these ventures to be part of public procurement and to create a conducive environment for start-up Micro, Small and Medium Enterprises (MSMEs).
- According to new norms, From April 2015, all PSUs, central government ministries and departments have been directed to procure at least 20% of products and services required by them from micro and small enterprises. The move will enable startup MSMEs to be a part of the mandatory 20% public procurement.
- Besides, to ensure better implementation of quality management standards/quality technology tools scheme under the National Manufacturing Competitiveness Programme, MSME Ministry has decided to conduct two international study missions in collaboration with CII and Consultancy Development Corporation in this fiscal ending March as well as in next financial year.
- The Ministry will also conduct awareness campaigns to ensure better implementation of quality standards in the MSME sector. The awareness campaigns will be organised in the states across the country through MSME-Development Institutes and other expert organisations.

- These steps are expected to create a conducive environment for the startups in India and will promote the growth of this sector.

Government Clears Proposal to Amend MMDR Act

- The government has cleared a proposal to amend the Mines and Minerals (Development & Regulation) Act (MMDR Act) to include the provisions of allowing transfer of captive mines granted through procedures other than auction.
- The transfer of captive mining leases, granted otherwise through auction, would facilitate banks and financial institutions to liquidate stressed assets where a company or its captive mining lease is mortgaged.
- This will spur Mergers And Acquisitions (M&As) also in the sector and facilitate ease of doing business for companies to improve profitability and decrease costs of the companies' dependent on supply of mineral ore from captive leases .

Background:

- The MMDR Act, passed by Parliament in March last year, only allows transfer of mining leases in cases where the mine has been acquired through auction. So, this proposal is seen as a good move.
- It will be amended such that where a mining lease has been granted otherwise than through auction and where minerals from such mining lease is being used for captive purpose, such mining lease will be permitted to be transferred subject to compliance with terms and conditions as prescribed by central government.

The Carriage By Air (Amendment) Bill, 2015

- The Cabinet has approved an amendment to the Carriage by Air Act which will enable the government to revise the liability limits of air carriers concerning injury and loss of baggage and cargo. It will empower Union government to revise the limits of liability for airlines and compensation as per the Montreal Convention which India accepted in 2009.

The Carriage by Air (Amendment) Bill, 2015

- The Bill amends the Carriage by Air Act, 1972 that regulates carriage by air and gives effect to the Warsaw Convention, 1929, amended by the Hague Protocol, 1955, and the Montreal Convention, 1999. The Act also provides for application of the international rules to domestic travel, subject to exceptions and adaptations.

- The Convention provides for reviewing the limits of liability of the air carriers every 5 years. The Bill seeks to amend the Act to adhere to the revised limits of liability as:
- Damage in case of death or bodily injury for each person was revised from 1,00,000 SDR (Special Drawing Rights) to 1,13,100.
- Liability for delay in carriage for each person has been raised from 4,150 SDR to 4,694 SDR. The liability in case of destruction, loss, damage or delay of baggage for each person has been raised from 1,000 SDR to 1,131 SDR.
- Liability in case of destruction, loss or delay in relation to the carriage of cargo has been raised from 17 SDR to 19 SDR.
- The Bill seeks to empower the central government to revise the limits of liability for airlines and compensation as per the Montreal Convention. It also provides for the central government to make rules to carry out provisions of the Act.

'Sundarban Moitry' (Sundarbans Alliance) Military Exercise Between India And Bangladesh

- 'Sundarban Moitry' (Sundarbans Alliance) military exercise between India and Bangladesh was conducted recently. This is the first time such an exercise is taking place between the 2 border forces.
- It aims at finding better border managerial mechanisms between the two countries.
- This would contribute to the prevention of cross-border crimes and expand border security activities more effectively.
- The Sundarbans has been chosen as the destination because of the patrolling challenges that arise in the area. The exercise is expected to help the forces develop a better understanding about the area.
- 3 floating border outposts have been identified during the process to maintain a vigil in the channel of rivers Kalindi, Ichhamati, Raimangal and Hariabhanga.

The main aspects of the exercise are:

- To assess the problems at the risky areas of the Sunderbans.
- Increasing patrolling in the area by both parties.
- Raiding suspicious cargo and trawlers on the Bangladesh-India sea transportation route jointly.
- Be aware of the forest camps of the partner country.

Finally, A Bacterium That Degrades Polluting Plastics Identified

- A team of Japanese researchers has identified a bacterium species capable of breaking down plastic - PolyEthylene Terephthalate (PET).
- It will degrade the PET that had been polluting the environment for the past 70 years.
- The bacterium uses 2 enzymes in sequence to break down the highly biodegradation-resistant polymer, PET.
- The bacteria degrades PET using 2 enzymes that act upon it in sequence. First, the bacteria adheres to PET and produces medium difficulty substance through hydrolysis. The 2nd enzyme then works together with water and functions about this intermediate substance to create the 2 monomers - Ethylene glycol and terephthalic acidity - Employed for making PET through polymerisation.
