

**GS SCORE**

**CURRENT  
ANALYST**

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**COVER STORY**

**Remittances *through*  
The Movement  
of **MIGRANTS****

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# Objective

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*With the changing pattern of IAS and preparation methodology, now the aspirant is facing the issue of information overload. The proper articulation of information is important for penning down one's thoughts in the Mains answer.*

*Thus GSSCORE is coming up with "CURRENT ANALYST" – a magazine that provides material on contemporary issues with complete analysis.*

*The material has been designed in lucid and QnA format so that an aspirant can develop thinking process from Basic to Advance while reading the topic.*

*This will enhance the informative and analytical knowledge of aspirants.*

***All the best !!!***

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## COVER STORY

# REMITTANCES THROUGH THE MOVEMENT OF MIGRANTS

## Context

A person who moves from one place to another in order to find work or better living conditions is called as a Migrant. In the present globalized world, migration of people from one country to another has become a common phenomenon.

Globally, the number of migrants has risen rapidly in the past few years for various reasons such as Job opportunities, labor shortages resulting from falling birth rates, internal conflict and war, natural disasters, climate change, and improved access to information through phone and the Internet.

A remittance is a transfer of money by a migrant to an individual in his or her home country. With time Migrants' remittances have also assumed great importance in development studies and policy making. With increasing international and internal migration, they are considered to be an 'important and stable source of external development finance' for households in source regions, reducing transient poverty and at times even structural poverty. At the same time, remittances can also lead to financial dependency, divert attention from productive investments and due to the self-selection nature of migration, increase inequality in source regions.

The World Bank (WB) Report on Migration and Remittances Factbook 2016 provides a comprehensive picture of emigration, immigration, and remittance flows for 214 countries and territories, and 15 country groups.

World Bank report revealed that India is the world's largest remittance recipient in 2015. Report also concluded that in 2016, remittance flows are expected to decline by 5 per cent in India and 3.5 per cent in Bangladesh, whereas they are expected to grow by 5.1 per cent in Pakistan and 1.6 per cent in Sri Lanka.

Migration can be defined as “a process of moving, either across an international border, or within a State. Encompassing any kind of movement of people, whatever its length, composition and causes; it includes refugees, displaced persons, uprooted people, and economic migrants.”

Migration is certainly not a recent phenomenon; on the contrary, it has been part of the human history since its very beginning. People have migrated from one continent to the other, from country to country or internally, inside the same country.

Voluntary international migration is not a new phenomenon. The 19th and early 20th century saw mass movements of people from Europe to North America and Australasia. Today, however, many migrants flow from developing to developed countries for a variety of economic, political and personal reasons. These late 20th and 21st century migration flows from the South to the North have been fueled by:

- ▶ Reduced transport and communications costs, making it easier for people to move back and

forth, and making people more aware of opportunities in other countries.

- ▶ Economic and political instability in a number of countries located in Central and Eastern Europe and in Africa, and,
- ▶ Strong economic conditions in developed countries and a widening income gap between developed and developing countries.

Whereas internal migration within states spurred primarily by employment and marriage helps shape the economic, social, and political life of India's sending and receiving regions. About two out of ten Indians are internal migrants who have moved across district or state lines—a rate notable for the sheer numbers who move within a country with a population of 1.2 billion.

While marriage is a common driver of internal migration in India, especially among women, a significant share of internal movements are driven by long-distance and male-dominated labor migration. These flows can be permanent, semi-permanent, or seasonal. Seasonal or circular migrants in particular have markedly different labor market experiences and integration challenges than more permanent migrants, but precise data on seasonal migration flows and a systematic accounting of the experiences of these migrants are major gaps in existing knowledge.

**Data on International Migration**

- ▶ More than 247 million people, or 3.4 percent of the world population, live outside their countries of birth. Although the number of international migrants rose from 175 million in 2000 to more million in 2015, the share of migrants has remained just above three percent (of world population) for the last fifteen years.
- ▶ The top migrant destination country is the United States, followed by Saudi Arabia, Germany, the Russian Federation, the United Kingdom, France, Canada, Spain, and Australia.
- ▶ The top six immigration countries, relative to population, are outside the high-income OECD countries: Qatar (91 percent), United Arab Emirates (88 percent), Kuwait (72 percent), Jordan (56 percent), and Bahrain (54 percent).
- ▶ The Mexico–United States corridor is the largest migration corridor in the world, accounting for 13 million migrants in 2013. Russia–Ukraine is the second largest corridor, followed by Bangladesh-India, and Ukraine–Russia.

- ▶ For the former Soviet Union corridors, many natives became migrants without moving when new international boundaries were drawn.
- ▶ The volume of South-South migration stands at 38 percent of the total migrant stock. Migration between the “North” and the “South” follows the United Nations classification. South-South migration is larger than South-North migration, which is about 34 percent.
- ▶ Smaller countries tend to have higher rates of skilled emigration. Close to 93 percent of highly skilled persons born in Guyana lived outside that country, followed by Haiti (75.1 percent), Trinidad and Tobago (68.2 percent) and Barbados (66.2 percent).
- ▶ Excluding refugees from the West Bank and Gaza, the number of refugees in 2014 was 14.4 million, or 6 percent, of international migrants in 2013.
- ▶ About 86 percent of refugees are hosted by developing countries. Turkey, Pakistan, Lebanon, Iran, Ethiopia, Jordan, Kenya, Chad, and Uganda are the largest host countries.
- ▶ The Syrian Arab Republic was the top source country of refugees in 2014. In Lebanon, refugees made up 35 percent of the population.

**Data on Internal Migration**

More than two-thirds (69 percent) of India's 1.21 billion people live in rural areas, according to the 2011 Census of India, but the country is rapidly urbanizing. The cities of Mumbai, Delhi, and Kolkata are all among the world's top ten most populous urban areas, and India has 25 of the 100 fastest-growing cities worldwide. A significant source of this growth is rural-to-urban migration, as an increasing number of people do not find sufficient economic opportunities in rural areas and move instead to towns and cities. Provisional 2011 census data show that for the first time, India's urban population has grown faster than its rural population since the last census.

The North Indian states of Uttar Pradesh and Bihar have the highest percentages of rural populations, with 18.6 percent and 11.1 percent of people living in villages, respectively, as of the 2011 Census. These states are also the largest migrant-sending states. Substantial flows of labor migrants relocate from Uttar Pradesh to Maharashtra, Delhi, West Bengal, Haryana, Gujarat, and other states across northern and central India. Migrants from Bihar relocate to the same destinations, with the highest numbers to Delhi and West Bengal. Other major migrant-

sending states are Rajasthan, Madhya Pradesh, Andhra Pradesh, Chhattisgarh, Jharkhand, and Orissa. Predictably, all of the major sending states are characterized by very low social and economic development indices and the major urban destinations are the growing economic magnets in an increasingly liberalized Indian economy.

The cities of Mumbai, Delhi, and Kolkata are the largest destinations for internal migrants in India. Many of the migrants to these cities are intra-state migrants, relocating from rural areas of Maharashtra and West Bengal. All three cities also absorb large numbers of people from other states across India.

### Types of Internal Migration in India

Labor migration flows include permanent, semi-permanent, and seasonal or circular migrants. Much of the available data polls migrants in the permanent and semi-permanent categories, and considerably less large-scale statistical data are available on the numbers and characteristics of circular migrants.

Semi-permanent migrants are those who are likely to have precarious jobs in their destination areas, or lack the resources to make a permanent move. While they may reside in their destination cities for years or decades, they likely have homes and families in their sending district.

Seasonal or circular migrants, by contrast, are likely to move from place to place in search of employment, or to continue returning to the same place year after year. Such circular flows encompass migrants who may stay at their destination for six months or more at a time and hence need social services at their destination. Scholars have long characterized this migration as a type in which the permanent residence of a person remains the same, but the location of his or her economic activity changes.

Many of the women who migrate for marriage are also participants in the labor market, even if their primary reason for migration is marriage. The domestic maid industry in urban areas, for example, is a rapidly growing sector that employs women, most of whom are rural-to-urban migrants.

## Linkage between Migration and Remittances

The number of migrants has risen rapidly in the past few years for various reasons: job opportunities, labor shortages resulting from falling birth rates, internal conflict and war, natural disasters, climate change, and improved access to information through phone and the Internet.

Migrants are now sending earnings back to their families in developing countries at levels above US\$441 billion, a figure three times the volume of official aid flows. These inflows of cash constitute more than 10 percent of GDP in some 25 developing countries and lead to increased investments in health, education, and small businesses in various communities. The loss/benefit picture of this reality is two-fold: while the migration of highly skilled people from small, poor countries can affect basic service delivery, it can generate numerous benefits, including increased trade, investment, knowledge, and technology transfers from diaspora contributions.

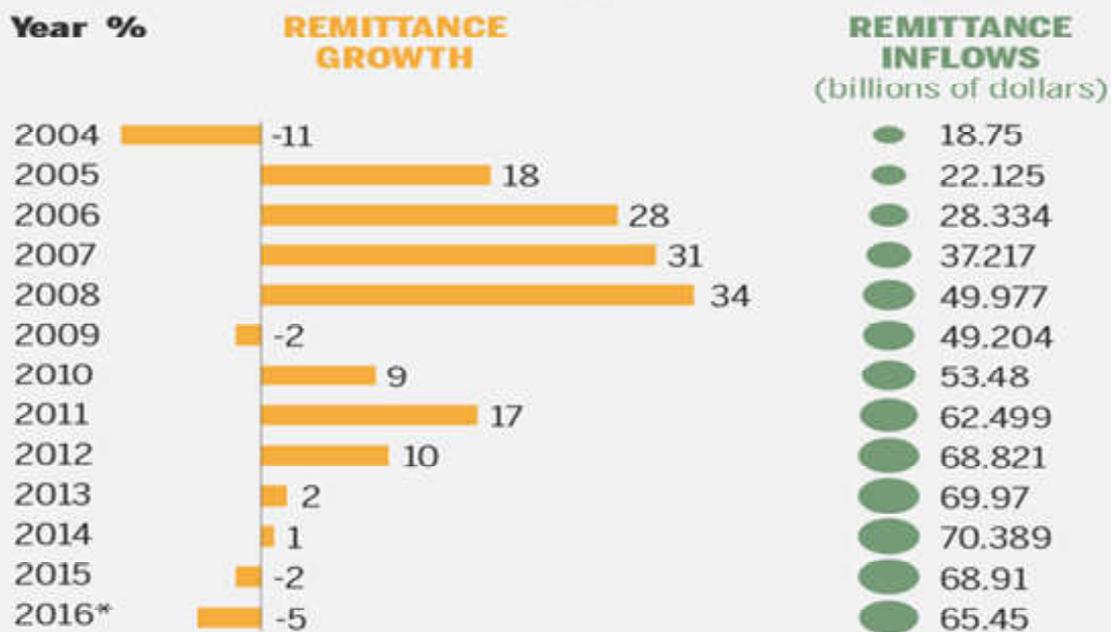
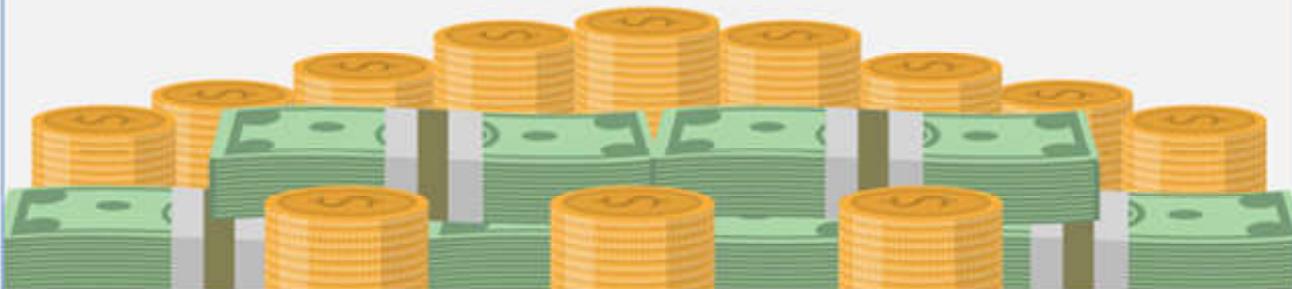
### Remittances data

- ▶ In 2015, worldwide remittance flows are estimated to have exceeded \$601 billion. Of that amount, developing countries are estimated to receive about \$441 billion, nearly three times the amount of official development assistance.
- ▶ **In 2015, the top recipient countries of recorded remittances were India, China, the Philippines, Mexico, and France.** As a share of GDP, however, smaller countries such as Tajikistan (42 percent), Kyrgyz Republic (30 percent), Nepal (29 percent), Tonga (28 percent), and Moldova (26 percent) were the largest recipients.
- ▶ High-income countries are the main source of remittances. The United States is by far the largest, with an estimated \$56.3 billion in recorded outflows in 2014.
- ▶ Saudi Arabia ranks as the second largest, followed by the Russia, Switzerland, Germany, United Arab Emirates, and Kuwait.
- ▶ The six Gulf Cooperation Council countries accounted for \$98 billion in outward remittance flows in 2014.
- ▶ These inflows of cash constitute more than 10 percent of GDP in some 25 developing countries and lead to increased investments in health, education, and small businesses in various communities.

**Data on Remittances to India**

- ▶ There has been a steady drop in the money non-resident Indians send back home since the last four years. Main reasons are lower oil prices and fewer jobs particularly in the Middle East.
- ▶ Remittances are an important and fairly stable source of income for millions of families and of foreign exchange for India. However, if remittances continue to slow, poor families would face serious challenges including nutrition, access to health care and education.

**DESI DIASPORA SENDING LESS MONEY HOME**



Source: World Bank, \*Figures for 2016 are predictions.

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Fig. 1

**Highlights related to India**

India was the world's largest remittance recipient in 2015 despite experiencing a \$1 billion drop from the previous year, the first decline in its remittances since 2009. India retained its top spot in 2015, attracting about \$69 billion in remittances, down from \$70 billion in 2014.

Kerala, Punjab and Goa accounted for over 40% of international remittance flows and are among the top remittance-dependent economies of the world.

**Where do international remittances to India originate from?**

RBI suggests that 35% of international remittance flows originated in the Middle Eastern Region, 35% in North America, 20% in Europe and 10% in other countries.

## Impacts of Remittances and Overall Development

### Positive Impacts

In broad terms, gains from remittances can be realized at both the macro level (effects on the national economy) and the micro level (effects on recipient region and households). Undoubtedly, much of the developmental impact of remittances will depend on the magnitude of its value and how productively the receiving economy and households use it. The benefits are discussed below:

#### ► Improvement in Balance of Payment

- At the macro level, the most direct and significant impact of remittances is on the volume of foreign exchange reserves. As they are part of balance of payment account, the increase in it can reduce the BOP deficit (particularly current account deficit) that ultimately results in conducive environment for foreign investment in the country.
- Additionally, it also solves the financial constraints faced by many small scale enterprises by utilizing migrants' family small savings if the financial institutions in the country are strong enough.

#### ► High Dependence on Remittances

Though India is the largest recipient of international remittances, it is not considered to be a major international remittance-dependent economy.

- According to World Bank (2010), the remittance to Gross Domestic Product (GDP) ratio in 2008 was 4.1% in India compared to nearly 11% in Bangladesh and Philippines.
- However, remittances are concentrated in certain States and the remittance dependency ratio was above 10% in Punjab, Goa and Kerala. Kerala and Punjab are significantly counted as the major international remittance-dependent regions of the world.
- Remittance dependency was also high in Daman Diu where the foreign deposits to total deposits ratio was as high as 24%.
- Similarly, while Uttar Pradesh and Bihar are known for high level of domestic remittance inflows, Jammu & Kashmir's high dependency on domestic remittances is seldom acknowledged.

#### ► Financial Sector Development

- Remittances are likely to expand the quantity of funds flowing through the

banking system. This in turn may lead to enhanced financial development and thus to high economic growth.

#### ► Income Levels of Households Improved

- If the remittances are invested in some productive activities like investment in agriculture for buying some inputs or setting up some agro-based entrepreneurial unit, it will have more stable and long lasting impact on the income levels of households of that particular region.

#### ► Social Sector Development

- At the micro level, the money sent by the migrants to their families are used for consumption (durables and non-durables both), education, health, asset creation by building houses and buying lands, loan repayments, small savings and so forth.
- Migration in India is a self-selective process. Various National Sample Survey migration reports have shown the positive relationship between migration rates and education level.
- Migration, accompanied by remittances positively contributes to the overall economic development of a country that ultimately results in poverty reduction, social empowerment and technological progress. India, being the largest recipient of remittances in the world, has well enjoyed these benefits during the last three decades.

#### ► Employment Generation

- If the remittances are used for buying commodities of daily use, it definitely leads to the development and expansion of manufacturing sector of the country by increasing the demand for goods from this sector.
- It will ultimately lead to demand for labour thus increasing their income distribution. All of these expenditures will have their multiplier effects on the local economy of the region.

#### ► Financial Inclusion

- The Report of the Rangarajan Committee on Financial Inclusion included remittances along with credit, savings and insurance facilities as financial services that needed to be delivered at low cost to the relatively weaker sections of society.
- The current delivery mechanisms of domestic remittances include formal institutions such as post offices and banks as well as

informal channels such as returning friends and relatives or private informal sector remitters.

- The Post Office Money Order has been a popular formal sector remittance instrument though at a service charge of around 5%, it is also considered to be the most expensive mode of remittance.
  - The internet can transfer money within India in a few seconds at a nominal charge. However, for the vast majority of unbanked and internet illiterate population, this is simply not an option.
  - Cheap and accessible remittance services provided by banks or micro finance institutions that reach out to the vast migrant population are an urgent need of the hour.
  - Remittance services also serve as a useful entry point for institutions to provide other important financial services such as savings and insurance products.
- **Entrepreneurial Development**
- Lastly, all the money sent by the migrants is not spent completely; rather a part thereof is deposited in the banks which serve as a means of financing loans to other households leading to overall entrepreneurial development of the concerned area.

**Case study: Impact of rural migration of agricultural labourers of Bihar in Assam:**

- Migration occurs when the place of utility in a few locations becomes better than that of the present location. Migration is infact, a boon for industrial advancement. It is also a blessing for jobless persons who spend their valuable time uselessly. During colonial period, a large scale famine and poverty stricken people of Bihar, U.P, M.P, Orissa, Bengal and Tamil Nadu migrated to the tropical countries like Surinam, Mauritius, Fiji Islands and other places as indentured labour for sugar plantation. Their hard working nature channelised by their colonial masters boosted up the economy of the country's concern. These labourers settled down in those countries.

- Inside India, too, during the middle of 19th century such type of labourers were imported by the British colonial masters of tea plantation in Assam and Bengal.
- Bihar has been experiencing a large scale migration of rural population to different industrial towns and rural areas of Bengal, Maharashtra, Delhi, Punjab and Haryana. These rural labourers have also shifted to developing states of Assam, Orissa and Arunachal pradesh. unlike other states of Gujarat, Kerala, Tamil Nadu and Bengal the migration of rural labourers of Bihar are mostly confined to different urban centres inside the country. Migration of rural labourers of Bihar is both of permanent as well as seasonal in nature. the seasonal migration of Bihari labourers in Assam is mostly categorised as weavers, bricklin workers, rice godown workers, while permanent migration includes workers who get regular work throughout the year and acquire handsome income from the work. Such workers are washermen, shoemakers, hawkers, kerosene sellers, rickshawallas, thellawallas, bag carrier's railway porters, FCI workers, labourers employed in Assam electricity board and other important wholesale food stockists. These workers, in general, live without family in a group and lead a very simple life keeping in view their main motive to earn money and send it to their family members living in Bihar. They have no intention to live at silchar or other semi-urban towns, permanently many have built up houses out of their savings. On many occasions, particularly during festivals they come to their native places and stay together with their family. Similarly, on other occasions like settlement of marriage or similar ritual functions they came to their places, and after attending such functions they return back to the places of employment.

**Negative Impacts**

► **Remittances and Inequality**

- Remittances have their downside as well. The proportion of households receiving

domestic remittances and the average amount of domestic remittances received per receiving household was in general lower among poorer households, disadvantaged social groups, and in households that depended primarily on 'labour' income.

- ▣ The fact that international remittances are sizeable and directed towards relatively advanced States like Kerala, Punjab, Goa and Maharashtra suggests that international remittances could be increasing regional inequality by providing more funds for consumption and investment purposes in these States.

▶ **Weakening of Manufacturing Sector**

- ▣ Studies have linked a high level of remittance income to a decline in the manufacturing sector and weakening export sector.

▶ **Vulnerability to Global Crises**

- ▣ Remittances also make countries more vulnerable to global and regional economic crises, and more dependent upon international migration patterns.

▶ **Leads to Tax Evasion**

- ▣ When not channeled through the formal financial system, remittances cause a large amount of money to flow into the country unregulated, untaxed, or unmonitored. These informal channels can also be used for money laundering, terrorism, smuggling, and other illegal activities.

**Conclusion**

- ▶ India is the largest recipient of international remittances and hosts the second largest

domestic remittance market in the developing world.

- ▶ In the Indian context, World Bank Report shows the high dependency of Kerala, Punjab and Goa on international remittances and of Bihar, Uttar Pradesh and Rajasthan on domestic remittances. Further, since 1993, remittance dependency appears to have grown in these States as well as in other States such as Orissa.
- ▶ Recent studies have highlighted the positive impacts of remittances on wealth creation and asset accumulation as well as in increasing children schooling and attendance.
- ▶ Remittances flow directly into the hands of the people who need it most and are often spent on household education and health expenses, as well as small businesses. Healthier and better educated people benefit the society and economy as a whole. Countries with large, reliable streams of remittances such as India often see the incoming funds reflected in increased growth of their gross domestic product.
- ▶ Remittances, or the money sent home by overseas workers to help support their families, have a huge impact on the poor.
- ▶ In the absence of worker remittances, it is likely that exchange rate, monetary and fiscal policies will come under pressure.
- ▶ Remittances represent hard earned money by migrant workers. It is therefore important to channel remittances to improve the social and economic status of migrant workers and their households, as well as to contribute to the country's development.

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## SPECIAL ISSUES

## EASE OF DOING BUSINESS INITIATIVES IN REALTY SECTOR

### Context

Recently government has taken many initiatives to improve Ease of Doing Business in Realty Sector such as RERA, GST and REITs. These reforms have the potential to increase investor confidence and to attract institutional investments into the sector.

Hearby, analyzing the impact of different initiatives and challenges ahead.

The real estate sector is one of the most globally recognised sectors. In India, real estate is the second largest employer after agriculture and is slated to grow at 30 per cent over the next decade.

The real estate sector comprises four sub sectors - **housing, retail, hospitality, and commercial**. The growth of this sector is well complemented by the growth of the corporate environment and the demand for office space as well as urban and semi-urban accommodations.

The construction industry ranks third among the 14 major sectors in terms of direct, indirect and induced effects in all sectors of the economy. It is also expected that this sector will incur more Non-Resident Indian (NRI) investments in both the short term and the long term. Bengaluru is expected to be the most favoured property investment destination for NRIs, followed by Ahmedabad, Pune, Chennai, Goa, Delhi and Dehradun.

The Real estate sector is one of the most important sectors of the Indian Economy and has implication on employment, GDP growth and other related sectors. However, the sector requires regulatory reforms for making doing business more easy. The Government has taken some steps in right direction but more is needed to be done.

### Why ease of doing business in realty sector important?

Ease of Doing Business means conduciveness of regulatory environment to starting and operation of a business.

The Indian real estate market is expected to touch US\$ 180 billion by 2020. The housing sector alone contributes 5-6 per cent to the country's Gross Domestic Product (GDP). Real estate is the second largest leading employer after the agriculture. In short it is a major sector in terms of direct, indirect and induced effects in all sectors of the economy.

In order to unlock true potential of this sectors following measures has to be consider:

### What are the issues related to Ease of Doing business?

- ▶ Banks are vary of extending loans as some of the builders have come on the black list of the banks and now banks are forced to classify the loans as non-performing assets (NPA).
- ▶ Verification of title certificate and other land records is a time consuming process and impact pace of project
- ▶ Delay in clearances for land acquisition and “complicated” approval process to start construction. This leads to delay in delivery of project and negatively impact buyer sentiments and future demand.

### What are the Initiatives taken by the Government?

- ▶ **Real Estate (Regulation and Development) Act or RERA:** The much-awaited Act was passed in March 2016. Some of the broad features of the Act are:
  - **Mandatory registration** with real estate regulatory authorities (RERA) of projects.

- ▣ **Project developers will now be required to deposit at least 70% of their funds**, including land cost, in a separate escrow account to meet the cost of construction.
- ▣ **Appellate tribunals will adjudicate cases in time bound manner. Act also includes** provision for imprisonment of promoters, real estate agents and buyers for violation of orders of appellate tribunals.

#### ▣ **A clear definition of carpet area**

### **Impact of Real Estate (Regulation and Development) Act**

The legislation would promote **transparency** in the sector. It would facilitate **greater volumes of domestic as well as foreign investment** flows into the sector. The **confidence of home buyers** in the property market is also likely to return. A regulator will bring in credibility for the sector in the long run. This is further likely to open up funding avenues and **bring down lending costs** for the sector. The sector will undergo some major changes such as consolidation of players, and increasing incidences of joint ventures.

#### ► **Real Estate Investment Trusts (REITs):**

Real Estate investment Trusts or REITs are mutual fund like institutions that enable investments into the real estate sector by pooling small sums of money from multitude of individual investors for directly investing in real estate properties. They are regulated by the SEBI.

#### **Impact of REITs**

- ▣ REIT would be **beneficial to both developers as well as investors**. Developers are struggling to reduce debt, it would give them access to capital, while on the other hand it gives investors the ability to participate in country's property market which otherwise may be out of their reach due to the sheer size of the amount to be spent for acquiring such properties. Thus, from the perspective of investors, holding units of REITs is a substitute for investing directly in real estate.
- ▣ REITs would also enable **diversification of the portfolio** of the investors and provide the investors a new product that is regular income generating.
- ▣ The freeing up of developer's capital is expected to **bring in more investments in real estate**, thereby stimulating growth.

Funds locked up in various completed projects can be released to facilitate new infrastructure projects to take off.

- ▣ REITs will **force much needed transparency** at least in the commercial sector, and lower the reliance on financing from banks. It will help the investors in making more informed investment decisions as returns can actually be analyzed rather than be based upon anecdotes.
- ▣ In time, it will help to **develop a more mature and liquid market** with broad participation from investors.

#### ► **Insolvency and Bankruptcy Code 2016:**

The Insolvency and Bankruptcy Code 2016 provides legal and institutional machinery for dealing with debt default in line with global standards. The salient features of the code are:

- ▣ **Clear, coherent and speedy process** for early identification of financial distress and resolution in business firms.
- ▣ **Debt Recovery Tribunal and National Company Law Tribunal to act as Adjudicating Authority** and deal with the cases related to insolvency, liquidation and bankruptcy process.
- ▣ **Establishment of an Insolvency and Bankruptcy Board** of India to exercise regulatory oversight over insolvency professionals, insolvency professional agencies and information utilities.
- ▣ Enabling provisions to deal with cross border insolvency.

#### **Impact of Insolvency and Bankruptcy Code 2016**

It will ensure time-bound settlement of insolvency, enable faster turnaround of businesses and create a database of serial defaulters. This means easy exit of firms and recovery of loan by banks and consequently easy flow of funds for future projects in real estate sector.

#### **Benefits of reforms for Ease of Doing Business**

- This would improve the **affordability** and make this sector more efficient.
- Help in achieving **'Housing for all by 2022'**.
- **Smart city** development would be positively impacted by efficient Realty sector.
- Improve the **employment prospects** and overall growth.
- Boost other upstream and downstream industries both related directly and indirectly.

- ▶ It will improve the **overall Ease of doing business ranking** as one of the 10 parameters of ranking correspond to 'construction permit'.

#### What are the future reforms required?

- ▶ **A single-window clearance system** is required to reduce the time and cost involved in navigating the complex web of permissions between various departments.
- ▶ **Implementation of the Land Acquisition Bill** for easy acquisition and timely completion of projects.
- ▶ **Early Implementation of Goods and Services Tax (GST):** The landmark regulation will remove a plethora of indirect taxes and establish India as a single unified market thereby removing cascading effect of tax.
- ▶ **Digitisation of Land Records and Titles** for reducing the transaction cost.
- ▶ Early implementation of Real Estate (Regulation and Development) Act by states through creating their respective state-level regulatory authorities.

#### Challenges

- ▶ Despite positive policy initiatives for the sector and a robust macro-economic growth story, a number of issues continue to plague India's real estate market. The most important among these is perhaps the awaited implementation of the Land Acquisition Bill. Stringent land acquisition norms currently hinder the development of large scale infrastructure and urban development schemes. A political consensus has to be reached and a uniform

policy across states has to be implemented for a faster project execution.

- ▶ Sustainable development of our urban built environments is another key challenge. It is important to ensure that our cities are smart. This could be achieved by enhanced focus on mass transit systems, green construction methods, creation of green spaces, and sustainable technologies for managing water, waste and energy resources, among other aspects.
- ▶ Overall, the abundance of technically skilled workforce and India's demographics and economic dividend have created immense opportunities for a thriving real estate market. These factors are likely to help over-ride most concerns regarding further development of the Indian real estate sector.

Going forward, India will continue to retain its position as a bright spot in the global economy, with better growth prospects expected to support office space leasing in 2017. Even though the global economic scenario remains muted, India's appeal as an established outsourcing market will still continue to fuel the expansion initiatives from corporate firms based out of the US, Europe, the West Asia and Africa.

Positive macro-economic sentiments are likely to propel leasing activity by the domestic corporate firms as well. Additionally, reforms such as the GST, clearance for REITs, relaxed foreign investment norms in the real estate sector, and the implementation of RERA, might work towards enabling ease of doing business in the country, while supporting corporate entities entering or expanding their footprint across leading cities in India.

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# SINGLE TRIBUNAL FOR INTER-STATE WATER DISPUTE

## Context

Interstate water disputes are different from other interstate disputes. The Constitution, under Article 262, bars the jurisdiction of the Supreme Court or any other court over interstate water disputes. The Interstate (River) Water Disputes Act 1956 provides for the resolution of disputes. Under its provisions, the disputes are to be adjudicated by ad-hoc, temporary and exclusive tribunals.

The government has decided to constitute a permanent tribunal to adjudicate on all inter-state disputes over river waters, doing away with the current practice of having a separate tribunal for every dispute that arises.

## Provisions of Inter State Water Dispute Act (1956):

The Inter-State river water disputes are governed by the Inter-State Water Disputes Act, 1956.

As per the current provisions of the 1956 Act, a tribunal can be formed after a state government approaches Union Government with such request and the Centre is convinced of the need to form the tribunal.

This act was further amended in 2002 to include the major recommendations of '**The Sarkaria Commission**'.

The amendments mandated a one year time frame to setup the water disputes tribunal and also a 3 year time frame to give a decision.

This system has had some successes, especially with the first generation of tribunals set up soon after independence to adjudicate on the Krishna, Narmada and Godavari rivers.

But in general, it has struggled to bring warring parties on the same page and offer equitable solutions.

### Procedure for Adjudication of Disputes:

When a Tribunal has been constituted under section 4, the Central Government shall, subject to the prohibition contained in section 8, refer the water dispute and any matter appearing to be connected with, or relevant to, the water dispute to the Tribunal for adjudication.

The Tribunal shall investigate the matters referred to it and forward to the Central

Government a report setting out the facts as found by it and giving its decision on the matters referred to it within a period of three years.

Provided that if the decision cannot be given for unavoidable reason, within a period of three years, the Central Government may extend the period for a further period not exceeding two years.

If, upon consideration of the decision of the Tribunal, the Central Government or any State Government is of opinion that anything therein contained requires explanation or that guidance is needed upon any point not originally referred to the Tribunal, the Central Government or the State Government, as the case may be, within three months from the date of the decision, again refer the matter to the Tribunal for further consideration, and on such reference, the Tribunal may forward to the Central Government a further report within one year from the date of such reference giving such explanation or guidance as it deems fit and in such a case, the decision of the Tribunal shall be deemed to be modified accordingly:

Provided that, the period of one year within which the Tribunal may forward its report to the Central Government may be extended by the Central Government, for such further period as it considers necessary".

If the members of the Tribunal differ in opinion on any point, the point shall be decided according to the opinion of the majority.

**List of Existing Water Dispute Tribunals:**

No	Name of Tribunal	States concerned
1.	Godavari Water Disputes Tribunal	Maharashtra, Telangana, Karnataka, Chhattisgarh, Pondicherry, Andhra Pradesh, Madhya Pradesh and Odisha
2.	Krishna Water Disputes Tribunal-I	Maharashtra, Telangana, Chhattisgarh, Andhra Pradesh, Karnataka,
3.	Narmada Water Disputes Tribunal	Rajasthan, Madhya Pradesh, Gujarat and Maharashtra
4.	Ravi and Beas Water Tribunal	Punjab, Haryana and Rajasthan
5.	Cauvery Water Disputes Tribunal	Kerala, Karnataka, Tamil Nadu and Puducherry
6.	Krishna Water Disputes Tribunal-II	Karnataka, Telangana, Andhra Pradesh and Maharashtra
7.	Vansadhara Water Disputes Tribunal	Andhra Pradesh and Odisha
8.	Mahadayi Water Disputes Tribunal	Goa, Karnataka and Maharashtra

The Centre has already received a request to set up a tribunal as a new dispute has emerged between Odisha and Chhattisgarh over Mahanadi river water.

**Issues with Existing Water Dispute Act**

There are three main problems with the existing system.

- ▶ Protracted proceedings and extreme delays in dispute resolution.
- ▶ Opacity in the institutional framework and guidelines that define these proceedings.
- ▶ Ensuring compliance.

The delays happen for a variety of reasons at every stage of the process.

Sometimes, the Centre takes years to decide whether a matter needs to be heard by a tribunal in the first place.

Example, the Godavari and Krishna disputes started around 1956 but the matter was referred to a tribunal only in 1969.

After the tribunal has been formed, it again takes many years to pronounce its award—it took nine years from reference in the case of the Narmada tribunal.

Another reason for delay is the requirement that the Centre notify the order of the tribunal to bring it into effect; this took three years for the Krishna award.

Now, however, the Centre has proposed that the awards will be notified automatically by the tribunal.

Also, India’s messy federal polity and its colonial legacy sets the stage for the third problem

of non-compliance wherein state governments have sometimes rejected tribunal awards.

For example, the Punjab government played truant in the case of the Ravi-Beas tribunal.

**Role of Judiciary**

The courts have also often been ignored, including the Supreme Court, which importantly only has very limited jurisdiction over the tribunals, as per the Inter-State River Water Disputes Act of 1956.

This has its roots in the Government of India Act, 1935 which mandated separate tribunals and limited the jurisdiction of the federal court.

It seemed the leaders of the time were correct, with the first generation of tribunals working well.

However, as Centre-state relations evolved, with the emergence of strong regional parties in the states and coalition governments at the Centre that depended on regional parties, the system began to fall apart.

However, this month, in a landmark verdict, the Supreme Court said it had unfettered power to hear an appeal arising from a river water dispute tribunal under Article 136 of the Constitution.

It has interpreted the ouster clause in the Inter-State Water Disputes Act as one that merely bars the court from entertaining an original complaint or suit on its own, but not its power to hear appeals against a tribunal’s decisions.

Thus, finality and enforcement of a tribunal’s award may remain elusive.

## Features of the Proposed Amendment

### ► Formation of Single Tribunal for dispute settlement:

The **National Water Policy 2012** proposed setting up of a permanent tribunal to replace multiple water tribunals working in the country.

Its revival now shows the non-political nature of the idea justifying serious consideration and approval.

The amendment will be introduced early during the budget session of Parliament, which begins in January 2017.

### ► Centralized data collection centre

Apart from the tribunal, the proposed amendment to the 1956 law also seeks to create an agency to collect and maintain all relevant water data, like rainfall, water flow and irrigation area, in each of the river basins of the country. Collection of data is usually the first exercise in resolution of water disputes. A specialised agency would ensure that this kind of data is always available, in updated form, and does not need to be collected after a dispute has arisen.

### ► Setting up of Disputes Redressal Committee

The proposed amendment provides for setting up a Disputes Redressal Committee comprising experts before referring a dispute to the new permanent tribunal.

It is hoped that most of the disputes would be settled at the committee level itself, if the committee has access to reliable and updated data.

The committee would also serve as the technical advisor to the tribunal.

Under the current law, the tribunals have three years to give their awards.

In order to give more teeth to the Tribunal, it is proposed that whenever it gives order, the verdict gets notified automatically. Until now, the government required to notify the awards, causing delay in its implementation.

### ► Setting up of National Water Commission

The government has proposed a new National Water Commission (NWC) in place of the existing Central Water Commission (CWC) and Central Ground Water Board (CGWB).

One of the departments of the NWC is supposed to act as a comprehensive and specialized water data bank.

Collection of data is usually the first exercise in resolution of water disputes.

A specialized agency like NWC would ensure that this kind of data is always available, in updated form, and does not need to be collected after a dispute has arisen.

## Analysis

Unification of water tribunals seems necessary as river water is a national resource to be shared by all States.

In federal constitutions, there are three types of resolving inter-State disputes:

- States entering into inter-State pacts
- Accepting court decisions
- Giving paramount power to the federal government to resolve claims

A rare case of cooperation was recently presented by Telangana and Maharashtra States signing a pact for construction of major irrigation projects on the Godavari and its tributaries thus ending decades' old dispute.

On the other hand, unilateral repudiation of inter-State agreement on Sutlej-Yamuna Link Canal by the Punjab Assembly in March 2016 against the order of the Supreme Court to maintain status quo is nothing short of a challenge to the judiciary.

Tamil Nadu and Karnataka present a typical model of the highest level of non-cooperation in sharing the Cauvery river water.

Water is a state subject but the "regulation and development of inter-state rivers and river valleys in the public interest" is on the Union list.

Given the number of ongoing inter-State disputes and those likely to arise in future, it may be difficult for a single institution with a former Supreme Court judge as its chairperson to give its ruling within three years.

Secondly, its interlocutory orders as well as final award are likely to be challenged in the Supreme Court.

The idea of a Dispute Resolution Committee, an expert body that will seek to resolve inter-State differences before a tribunal is approached, will prove to be another disincentive for needless litigation.

A positive feature of the proposed changes is that there will be an expert agency to collect data on rainfall, irrigation and surface water flows.

This acquires importance because party-States have a tendency to fiercely question data provided by the other side.

A larger and more significant downside to any adjudicatory framework is the refusal or reluctance of parties to abide by judicial orders.

Water disputes have humanitarian dimensions, including agrarian problems worsened by drought and monsoon failures.

The Central government must keep these factors in mind when setting up the proposed tribunal.

A robust institutional framework and a transparent one to ease state and public buy in is a must.

Without that cooperative approach, India's water dispute resolution is unlikely to see much improvement.

**Case Study of France Integrated Basin Management**

Decentralisation of water management in France to the basin level is the oldest and classic example of integrated basin management and the method is now used in a number of countries. The system, adopted after many years of study and debate, includes many excellent features and could serve as a model for other countries.

**Key elements include:**

- ▶ **Well-defined laws and regulations:** The Water Acts of 1964 and 1992 are the foundation of the French system. The earlier law establishes specific quality objectives and regulations for pollution control, while the latter is designed in part to meet stricter European directives on water management.

- ▶ **Hydrographic basin management:** The system is organized around six major hydrographic basins. These correspond to the country's four main catchment areas and to two areas of dense population and intense industrial activity
- ▶ **Comprehensive management, decentralization and participation:** Each of the six basins has a basin committee and a corresponding executing agency known as a Water Board. The basin committee, also known as a 'water parliament' because of its representation and powers, reflects regional rather than Union Government-control and is designed to promote the role and responsibility of different interest groups in the basins. The Water Boards (River Basin Agency) while executing the committee's directives are also responsible to the Union Government for certain technical matters (such as upholding national standards). Water and sewerage services are provided by either public or private firms (increasingly through competitive bidding) and are chosen by communities.
- ▶ **Cost recovery and incentives:** The companies and entities operating water services deliver a portion of the charges they collect to the basin agencies. In addition, a "pollution fee" (a Penalty) is collected by the basin agency. Most of these revenues are reinjected into the system to provide technical assistance and to help the public or private sector ensure that water is safe and purified.
- ▶ **Supporting research:** About 14 per cent of the Water Boards' expenditure in 1992-96 was budgeted for research and development.

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# USA FED RATES AND ITS IMPACT ON WORLD

## Context

The US Federal Reserve (the Fed) raised its policy rate known as the federal funds rate from the range 0.25%-0.50% to 0.50%-0.75% (raised by 25 basis point) after 12 months.

The U.S. central bank ended its zero interest rate policy (ZIRP) designed to spur economic growth and increase liquidity in the U.S. market by raising benchmark interest rates. The long anticipated move comes after the Fed quietly ended its Quantitative Easing efforts in October last year. This effectively ends almost a decade worth of a steady and ultra loose monetary policy that was initiated to fight the ravages of the 2008 financial crisis.

## What is Fed funds?

The Fed funds rate is the interest rate banks charge each other to lend Federal Reserve funds overnight. These funds maintain the Federal reserve requirement.

The federal funds rate is one of the most influential interest rates in the U.S. economy, since it affects monetary and financial conditions, which in turn have a bearing on key aspects of the broad economy including employment, growth and inflation.

When the Fed raises rates, it's called 'contractionary monetary policy'. A higher Fed funds rate means banks are less able to borrow money to keep their reserves at the mandated level. That means they will lend less money out, and the money they do lend will be at a higher rate. That's because they are borrowing money at a higher Fed funds rate to maintain their reserves. Since loans are harder to get and more expensive, businesses will be less likely to borrow, thus slowing the economy.

When this happens, adjustable-rate mortgages become more expensive. Homebuyers can only afford smaller loans, which slows the housing industry. Housing prices go down, so homeowners have less equity in their homes and feel poorer. They spend less, further slowing the economy.

When the Fed lowers the rate, the opposite occurs. Banks are more likely to borrow from each other to meet their reserve requirements when rate are low. Credit card rates drop, so consumers shop more. With cheaper bank lending, businesses expand. That's called expansionary monetary policy.

Adjustable-rate home loans become cheaper, so the housing market improves. Homeowners feel richer and spend more. They can also take out home equity loans more easily. They usually use these loans to buy home improvements and new cars, stimulating the economy.

A 1/4 point increase in the Fed funds rate will curb inflation. But it could also slow growth and prompt a decline in the markets.

## Status of USA's economy and Fed rate hike

The hike in interest rates in the US showcases strength in the US economy. US economy is proceeding on the path of strong recovery with GDP growth rate of more than 2%. It is expected to touch 3% in near future.

Low inflation and fall in unemployment in recent months added to decision on raising the rate.

## What will be the impact on customers and business?

However, the recent rise in the Fed funds rate will likely cause a ripple effect on the borrowing costs for consumers and businesses that want to access credit based on the U.S. dollar. That has an impact across numerous credit categories.

## The Impact will be as follows:

- ▶ A hike in the Fed's rate immediately fuelled a jump in the Prime rate, which represents the credit rate that banks extend to their most credit-worthy customers. This rate is the one on which other forms of consumer credit are based, as a higher prime rate means that banks will increase fixed, and variable-rate borrowing

costs when assessing risk on less credit-worthy companies and consumers. Large U.S. banks like JPMorgan Chase, Wells Fargo Company, and Bank of America raised the prime rate to 3.5% from 3.25%, which had been the rate since 2008.

- ▶ Working off the prime rate, banks will determine how credit-worthy other individuals are based on their risk profile. Rates will be affected for credit cards and other loans as both require extensive risk-profiling of consumers seeking credit to make purchases. Short-term borrowing will have higher rates than those considered long-term.
- ▶ Money market and credit-deposit (CD) rates increase due to the tick up of the prime rate. In theory, that should boost savings among consumers and businesses as they can generate a higher return on their savings.
- ▶ A hike in interest rates boosts the borrowing costs for the U.S. government and fuel an increase in the national debt.

### What will be the Global Implications?

Raising US interest rates could mean higher debt repayments for emerging market governments and businesses - as the amount owed is denominated in dollars and with higher interest rates in America, investment capital will be encouraged across the Atlantic and away from Asia in the hunt for better returns. This would strengthen the US dollar.

A stronger US dollar, backed by higher US interest rates, the dollar tends to depress the values of emerging market currencies at a time when many EM economies are already weakening and their currencies have already slumped against the greenback. The Fed's rate rise could exacerbate the EM currency turmoil, and even help precipitate a full-blown crisis.

On the upside, the stronger dollar which has followed the rise might be good for European and Asian economies as it means more earning from exports to America.

### What will be the impact on Indian Economy?

Fed rate hike will definitely affect India, though the rise in interest rate differential is low as of now, with indications of the possibility of a further rise in the differential, there are fears of increasing outflows of capital. Foreign Portfolio Investors (FPIs)

have already sold equities and debt holdings aggregating to a net of Rs. 57,704 crore over November and December in anticipation of the move, experts feel that the US Fed's move may lead to further strengthening of the dollar and, in turn, result into volatility in the currency, debt and equity markets of emerging markets (EMs) such as India, that would weaken the rupee further.

Depreciation of the currency would increase the rupee value of the imports of petroleum crude oil, whose price is quoted in US dollars thus the trade deficit in India will naturally bulge from the current 5.7% of GDP with the increase in the Fed's rate. If capital inflows dry up, the balance of payments may deteriorate further. However, the foreign exchange reserves remain at the comforting figure of \$363,870 million.

Other emerging economies are likely to suffer more, due to very high external debt denominated in US dollars. The depreciation of currencies of Mexico and Brazil will take a heavy toll on their budgets, as they have to set aside more savings for debt servicing. India, on the other hand, has smaller external debt ratio (22.7% of Gross National Income) and a relatively low debt servicing ratio (8.1% of total exports of goods and services) compared to major emerging economies.

India could perhaps take the route of pump-priming the economy after demonetisation, but that may be through tax cuts as it may boost consumption that have taken a dip in the last two months.

Further FII may withdraw their money from the market for investing in US to get higher rate.

The Rise of Interest Rate in America will impact Indian IT, Banking and Infrastructural Companies mostly, because 60% of the income of IT Companies is generated from America and Europe. FED Hike will increase dollar index and this will increase debts of companies.

### Conclusion

The Federal Reserve kicked off its process of monetary policy normalization and raised the Federal funds rate. The Fed's decision will have a substantial impact on the broader U.S. economy and currencies around the globe. Rate normalization will put an end to the Fed's zero-interest-rate policy, and affect all areas of the economy, including consumer spending, business borrowing, and the U.S. national debt.

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## LOWER TAXES, HIGHER COMPLIANCE: IMPLICATION ON ECONOMY

### Context

Union Finance Minister Arun Jaitley stated that, India needs lower taxes to compete globally and that voluntary tax compliance by citizens should be encouraged by a friendly administration because “extraordinarily high taxation rates in the past” had encouraged people to evade taxes.

Hereby, analysing the implication of lower taxes, higher compliance on economy.

India needs lower taxes to compete globally and that voluntary tax compliance by citizens should be encouraged by a friendly administration. A higher tax revenue is important to finance infrastructure which is critical to “Make in India” and “Smart Cities”, Investment in Health and Education and overall economic growth.

At the same time large tax revenue should be supported by large tax base. This means more and more citizens should contribute to tax revenues as paying taxes increases the accountability of government and strengthen democracy.

### Why taxation is key to long run political and economic development?

If spending is about the entitlements of citizenship in a democracy, taxation is about the obligations of citizenship. The obligations of citizenship are the foundations of nation building and democracy. Bringing more and more people into the tax net via some form of direct taxation will help in realizing the promise of Indian democracy.

Democracy is a contract between the state and its citizens. This contract has a vital economic dimension: the state's role is to create the conditions for prosperity for all by providing essential services and protecting the less well-off via redistribution. The citizen's part of the contract is to hold the state accountable when it fails to honour the contract. But a citizen's stake in exercising accountability diminishes if he does not pay in a visible and direct way for the services the state commits to providing. If a citizen does not pay - through taxes or user fees - he either becomes a free rider (using the service without paying) or exits (not using the service at all). Both reduce the accountability of the state.

Taxation is not just about financing public spending; it is the economic glue that binds citizens to the state in a necessary two-way relationship. One can think of tax-paying and political participation as two important accountability mechanisms wielded by citizens.

Citizens will be willing to pay their dues as taxes only if they feel that the state is adhering to its side of the contract by delivering essential services. Lack in delivery of essential services reduces voluntary compliance. Reduced compliance results in low tax revenue which in turn results in lack in delivery of essential services. In other words the whole system becomes cyclical.

### Relation between Tax rates and Tax Revenue – The Laffer curve Analysis

The Laffer curve shows the relationship between tax rates and the amount of tax revenue collected by governments. The curve is inverted U shape curve which shows that if tax rates increases above a threshold then tax revenue reduces.

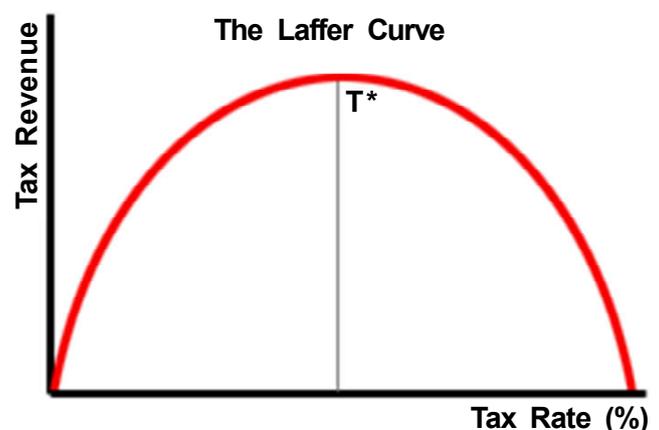


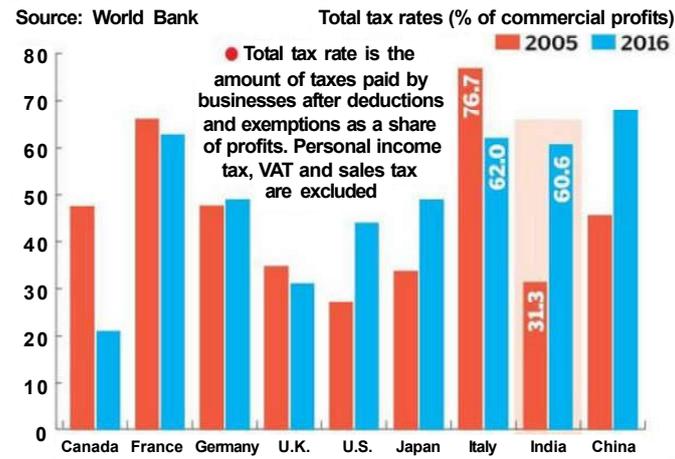
Fig. 2

This suggests that as tax rates increases tax evasion also increases which reduces tax compliance. Consequently, tax revenue also reduces.

**Current Trends in Tax rates and Tax compliance**

Tax rates (as a % of commercial profits) have increased in India and China but they have declined in advance economies. This high tax rate combined with lack of voluntary compliance and lack of effective tax enforcement leads to low overall tax to GDP ratio. For example - India's tax to GDP ratio at 16.6 per cent also is well below the EME and OECD averages of about 21 per cent and 34 per cent, respectively.

**Tax rates in most advanced economies, barring Japan and U.S., have dipped. India and China have bucked that trend**



**Fig. 3**

If we talk of tax compliance in terms of number of individuals paying taxes, then roughly 5.5 percent of earning individuals are in the tax net. According to Economic survey (2015-2016) this represent only 15% of Net National Income. In other words, nearly 85 percent of the economy is outside the tax net.

**Lower Tax rates and higher tax compliance**

The above analysis shows that, in order to induce voluntary tax compliance, government need to reduce tax rates. Secondly, tax compliance could be induced through effective tax enforcement system. In this context, the recent demonetisation

move and consequent emphasis on digital transactions is very important. Digital transaction increases the transparency of transaction and makes it difficult to evade taxes. Digital transactions are open to scrutiny by tax authorities thus making evasion difficult. Hence, digital transactions are a means of making tax enforcement more effective.

On the other hand to induce voluntary tax compliance, the below mentioned steps are necessary.

First, the government's spending priorities must include essential services that all citizens consume: public infrastructure, law and order, less pollution and congestion, etc.

Second, reducing corruption fiendishly difficult as it is must be a high priority not just because of its economic costs but also because it undermines legitimacy. The more citizens believe that public resources are not wasted, the greater their willingness to pay taxes. In that sense, the government's efforts to improve transparency through transparent and efficient auctioning of public assets will help create legitimacy, and over time strengthen fiscal capacity.

Third, subsidies to the well-off amounting to about Rs.1 lakh crore need to be scaled back. Regaining legitimacy must be as much about phasing down these bounties as it is about better targeting of subsidies for the poor. Similarly, the tax exemptions Raj which often amount to redistribution towards the richer private sector will also need to be reviewed and phased out. And, reasonable taxation of the better-off, regardless of where they get their income from industry, services, real estate, or agriculture will also help to build legitimacy.

Fourthly, we need to build a friendly tax administration system which makes citizens easily pay taxes. This includes sensitizing tax officials, online tax filing, easy and early disbursement of tax refunds etc.

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# ROHINGYA CRISIS

## Context

More than 27,000 Muslim Rohingya have fled north-western Myanmar for Bangladesh since the start of November to escape a military counter-insurgency operation against militants behind deadly raids on police posts in October.

But Rohingya survivors have described rape, murder and arson at the hands of soldiers - accounts that have raised global alarm and galvanised protests around Southeast Asia.

## Who are Rohingya?

The Rohingya are the people of Muslim Indo-Aryan race from the Rakhine State, Myanmar. According to the Rohingyas and some scholars, they are indigenous to Rakhine State, while other historians claim that the group represents a mixture of pre-colonial and colonial immigrations. However, as per the official stance of the Myanmar government, Rohingyas are mainly illegal immigrants who migrated into Arakan following Burmese independence in 1948 or after the Bangladesh liberation war in 1971.

## What is the present status of Rohingyas?

The Myanmar government refuses to grant the Rohingya citizenship status, and as a result

the vast majority of the group's members have no legal documentation, effectively making them stateless. Though Myanmar's 1948 citizenship law was already exclusionary, the military junta introduced a citizenship law in 1982 whose strict provisions stripped the Rohingya of access to full citizenship. Until recently, the Rohingya have been able to register as temporary residents with identification cards, known as "white cards," which Myanmar's regime began issuing to many Muslims (both Rohingya and non-Rohingya) in the 1990s. The white cards conferred some limited rights but were not recognized as proof of citizenship.

The situation of the Rohingya, and other Muslims in Rakhine State, deteriorated significantly after waves of violence erupted between Rakhine

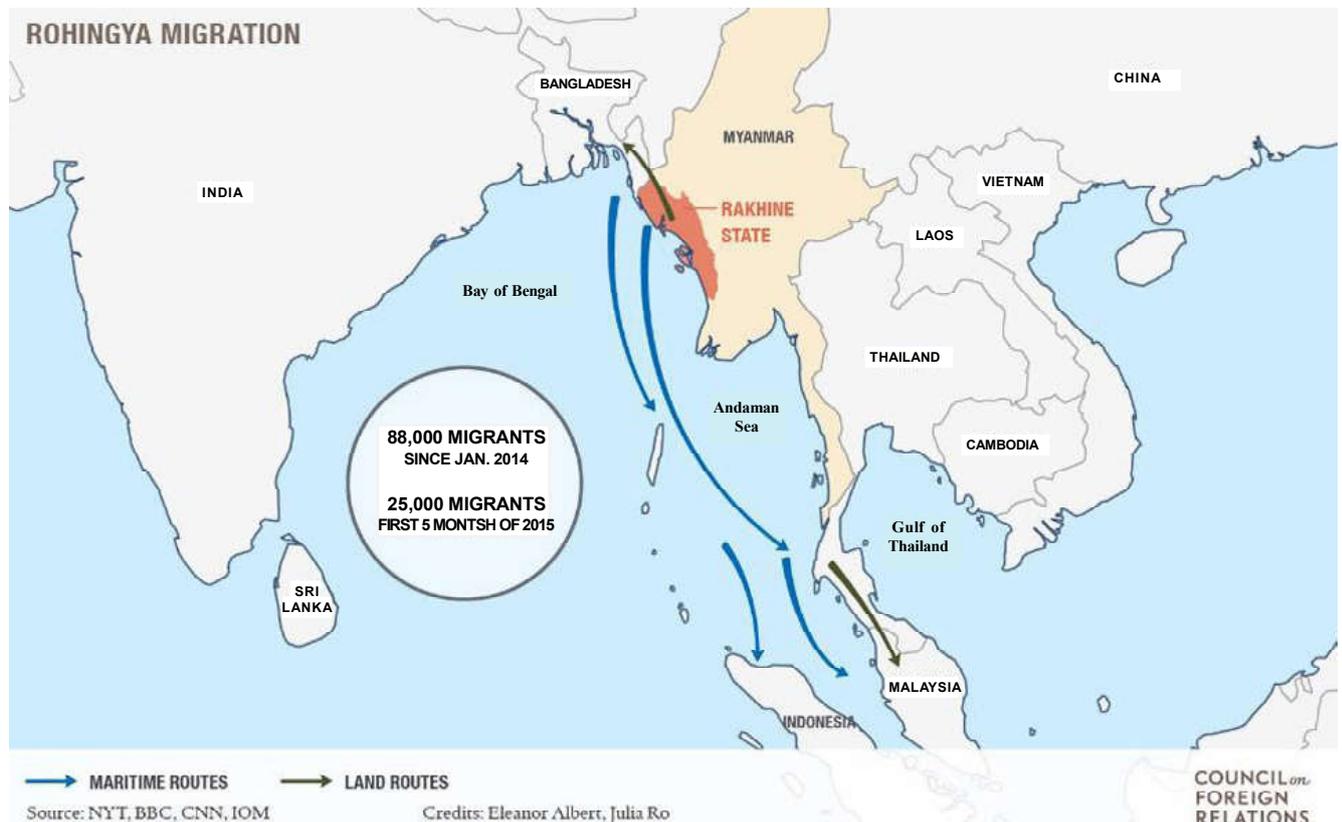


Fig. 4

Buddhists, Rohingya and other Muslim groups in 2012. State security forces were also accused of perpetrating human rights abuses against the Rohingya during the unrest. Scores were killed and thousands of homes were destroyed, resulting in massive displacement. More than four years later about 120,000 people mainly Rohingya continue to live in squalid Internally Displaced Person (IDP) camps and unofficial settlements, where they do not have reliable access to adequate food, medical care or sanitation facilities. The dire conditions are due, in part, to government-imposed restrictions that prohibit displaced people from leaving the camps but then also create barriers for humanitarian organizations to access the affected communities.

Rohingyas and other Muslims living outside displacement camps also face similarly severe restrictions on their freedom of movement, limiting their access to livelihoods, healthcare, food and education. In Central Rakhine State, Rohingyas are not allowed in the main towns and, in most cases, are able to travel to other Muslim villages often only by waterway. In northern Rakhine State, prior to the October attacks, Rohingya movement was subject to a complex system of travel authorisations, and restrictions that were strictly enforced by state security forces, including the military and the Border Guard Police (BGP).

#### Other data:

- ▶ As of 2013, about 1.23 million Rohingyas live in Myanmar. They reside mainly in the northern Rakhine townships, where they form 80–98% of the population. Many Rohingyas have fled to neighbouring Bangladesh, to areas along the border with Thailand, and to the Pakistani city of Karachi. More than 100,000 Rohingyas in Myanmar live in camps (in conditions many have likened to apartheid) for internally displaced persons, not allowed by authorities to leave.
- ▶ Probes by the UN have found evidence of increasing incitement of hatred and religious intolerance by "ultra-nationalist Buddhists" against Rohingyas while the Burmese security forces have been conducting "summary executions, enforced disappearances, arbitrary arrests and detention, torture and ill-treatment and forced labour" against the community. Rohingyas have received international attention in the wake of 2012 Rakhine State riots, 2015 Rohingya refugee crisis, and in the military crackdown in 2016.
- ▶ The exodus has sparked a rare dispute within the Association of Southeast Asian Nations (ASEAN), the 10-member bloc that prides itself on consensus diplomacy and non-interference. Muslim-majority Malaysia called for an independent ASEAN-led investigation into the allegations of army abuse. It is warned that the crackdown could trigger a repeat of last year's boat crisis, when thousands of starving Rohingya was abandoned at sea by traffickers as they tried to flee southwards to Malaysia. Malaysia is most affected country by Rohingya refugee crisis where tens of thousands of Rohingyas spending their lives as undocumented workers.
- ▶ Such crackdown can create issues of security and stability in the region and may undermine functioning of ASEAN as a economic coherent group. These developments rekindled concerns about the risk of radicalisation among the Rohingya both in Rakhine and elsewhere. Pro-Rohingya sentiments could also inflame extremist elements in Indonesia and Malaysia, at a time when religious tensions and the threat of terrorism loom large in both countries.
- ▶ Amnesty International report accuses Myanmar's military of "crimes against humanity".
- ▶ In Bangladesh, the Rohingyas are faced with hardly any protection from their host country. A burden to the densely populated country, the Rohingyas are living a harsh life in refugee camps, struggling from malnourishment, isolation, illiteracy and neglect. There is one registered camp situated meters away from the unregistered camp where 90,000 refugees live. There is also another camp 15 miles away in Leda Bazaar, where approximately 25,000 Rohingya live. Similar to the Rohingyas living in Burma, the Rohingya refugees are limited in their movement and often subject to exploitation. In refugee camps, the Rohingya women are victims of sexual violence, children are denied education and there is limited access to health and medical aid. The hostile environment for Rohingyas in Bangladesh urges the refugees in Bangladesh and Burma to seek help in other parts of Asia such as Malaysia, Thailand and Indonesia; however, these parts are not usually welcoming or like Bangladesh, do not have the resources to house another community.

# STATELESS ROHINGYA

Myanmar is carrying out “ethnic cleansing of Rohingya Muslims”, a UN official has reportedly said

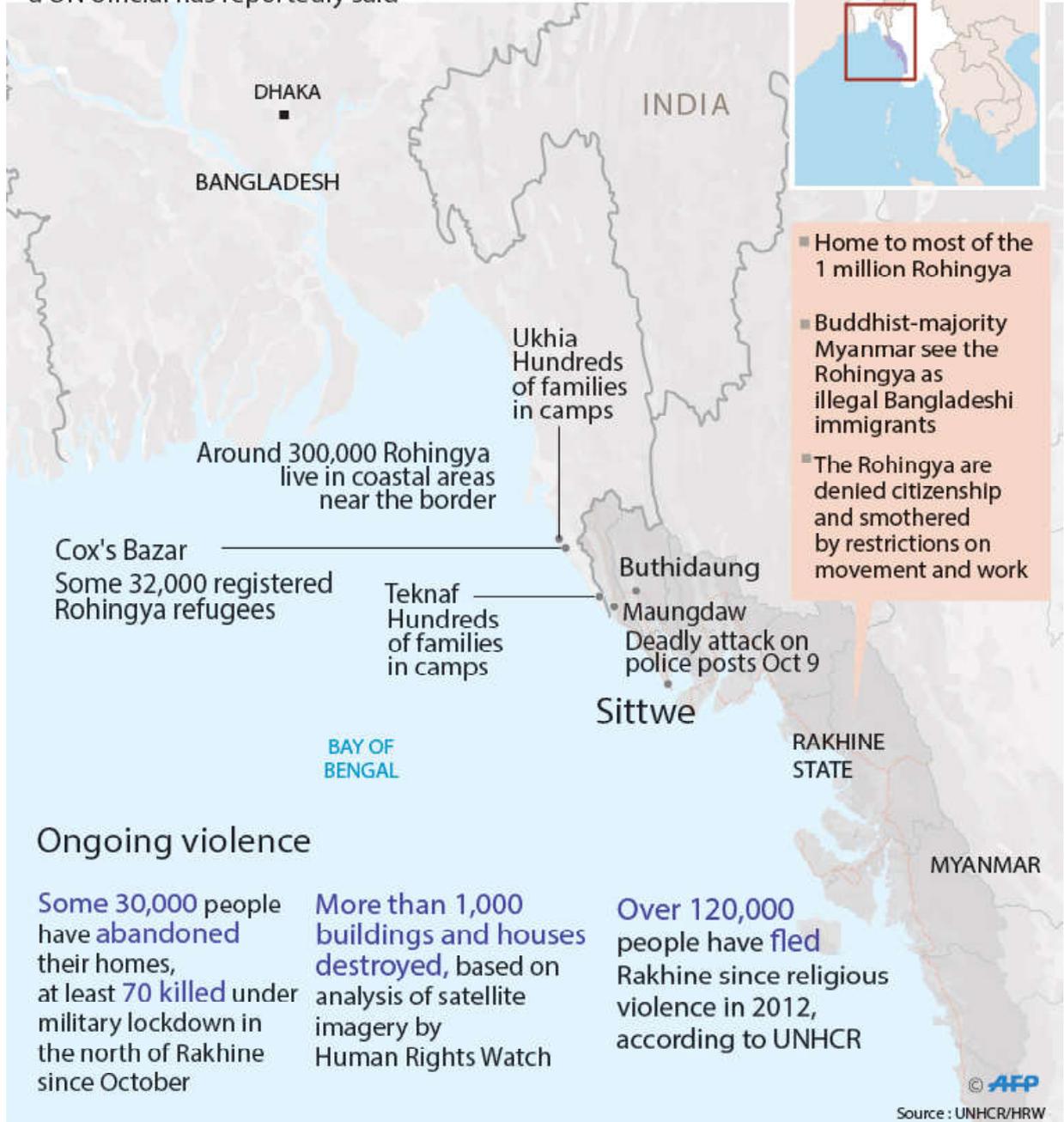


Fig. 5

**Wayout:**

Indonesia, Malaysia, Myanmar, and Thailand all ASEAN members have yet to ratify the UN Refugee Convention and its Protocol.

ASEAN's response to the Rohingya problem has been mute and passive, constrained by its non-intervention principle. An upfront defiance of non-interference to justify regional intervention would backfire.

ASEAN member states should apply sustained pressure on the Myanmar government

to seek a durable solution to the citizenship status of Muslim Rohingya in Rakhine the root cause of all these travails.

To date, the United States and other global powers have urged the central government in Myanmar to do more to protect ethnic minority groups from persecution. Still, experts say more must be done to address the plight of the Muslim minority to prevent it becoming “a flashpoint for further social and religious destabilization”.

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# MANMADE DISASTER: STAMPEDE

## Context

Recently 25 persons injured in a minor stampede reported at Sabarimala Sannidhanam.

The stampedes in religious festivals and the subsequent casualties have become common.

According to the National Crime Records Bureau figures, from 2000 to 2013, almost 2,000 people died in stampedes. A 2013 study published by *International Journal of Disaster Risk Reduction (IJDRR)* points out that religious gathering and pilgrimages have been venues for 79% of the stampedes in India.

Hereby, analyzing the Stampede disaster and NDMA guidelines related to it.

A **stampede** is uncontrolled concerted running as an act of mass impulse among crowd of people in which the group collectively begins running, often in an attempt to escape a perceived threat.

Human stampedes often begin when people in front of a group reach a barrier of some form and stop moving or slow down their pace, while those behind (and who cannot see in front) keep moving, assuming those in front will make space.

### What are the Causes and Triggers for Human stampedes?

The recurring stampedes at places of mass gathering, including religious places, railway stations, sports/social/political events etc. are a great concern. With population explosion, urbanization, a lot of people visiting religious congregation, malls etc. there is a probability of increase in such events.

The causes and triggers behind Crowd Disasters have been categorised into 6 categories, namely

- ▶ Structural,
- ▶ Fire/Electricity,
- ▶ Crowd Control,
- ▶ Crowd Behaviour,
- ▶ Security, and
- ▶ Lack of coordination between various stakeholders.

### What are the lacunae in government preparations?

There are existing Acts and Regulations in India for management of assemblies and crowds under provisions of the Police Act 1861. Few

States have formulated specific regulations / rules for managing situations involving mass gathering for example - Madras police Act 1888 makes licensing compulsory for resorts, shops etc. The Act also confers power to State police for regulating assemblies; UP meal Act. 1938 confers various powers to magistrates for authorizing sites to open and operate temporary market, bathing place, recreation and entertainment etc.; Delhi Cinematographs Rules 1953 stipulates number of spectators that can be accommodated in the building and associated arrangement.

Currently, permissions / licenses are granted for holding specific events under existing rules framed under Police Act 1861 and other specific regulations / Act in the state. However - Recurrences of crowd related disasters (with increasing frequency in recent past) points toward "inadequacy of existing mechanism" and suggest for evolving a pro-active mechanism to support.

There is Lack of Coordination between Stakeholders as part of Government Preparations.

#### Some of these are:

- ▶ Coordination gap between agencies (e.g. Commissioner / Superintendent of Police and District Magistrate; PWD, Fire Service, Forest officials, Revenue officials, Medical officers and shrine management etc.)
- ▶ Poor infrastructure (Plans on paper but no implementation due to lack of funds, resources, or will).
- ▶ Inadequate water, medical assistance, public transport/parking facilities.
- ▶ Lack of understanding of the range of duties entrusted.

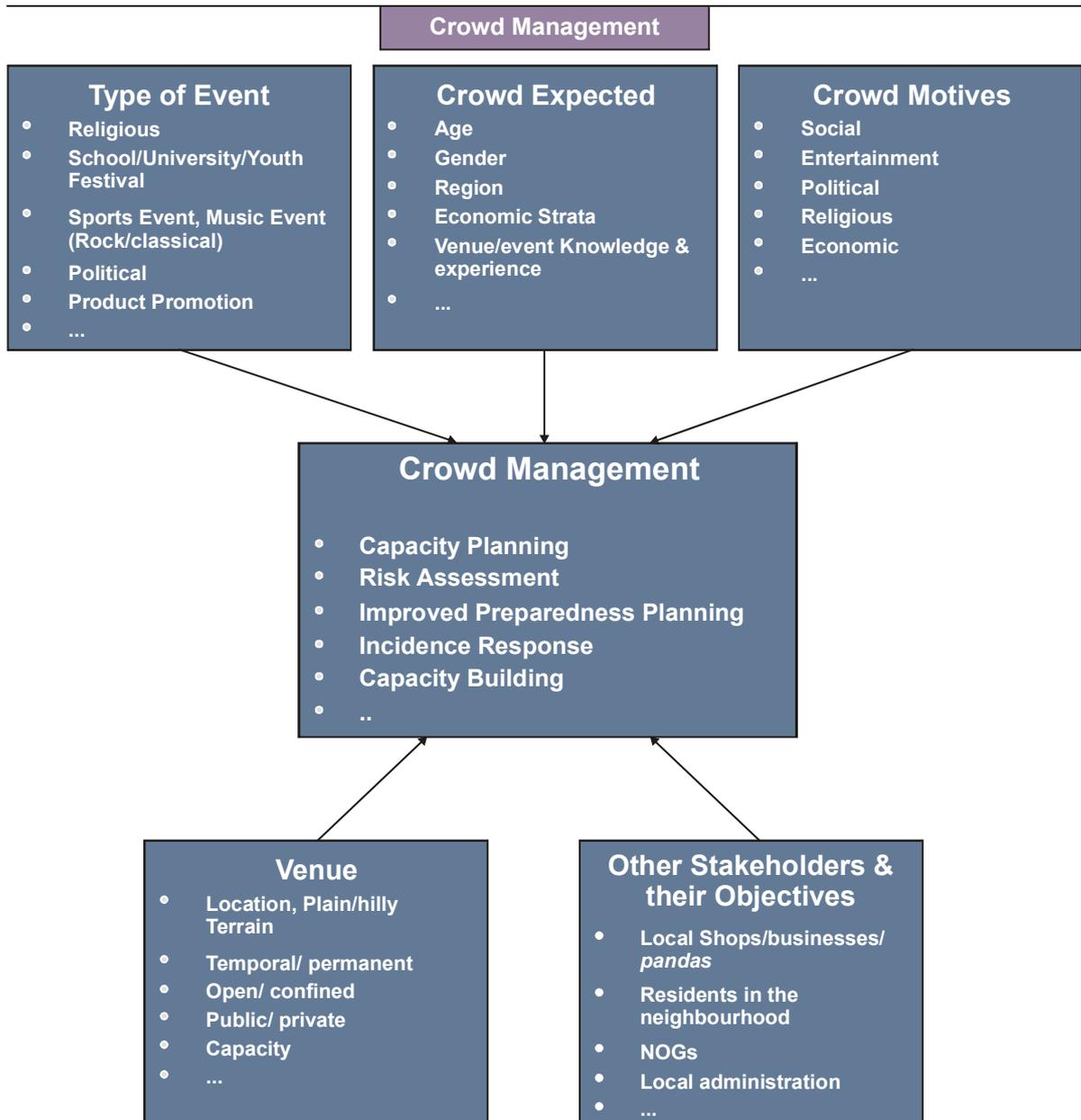
- ▶ Communication delays
- ▶ Vacant/late/delayed posting of key personnel
- ▶ Local decision to remove barricades on administrative route to allow a small group of pilgrims.

cascade with disaster management plans prepared at various levels in state administrative hierarchy.

National Disaster Management Authority NDMA recently released a document **“Managing Crowd at Events and Venues of Mass Gathering”** which is a Guide for State Government, Local Authorities, Administrators and Organizers.

**What is Crowd Management?**

Crowd management plans for events and venues of mass gathering would seamlessly



*Fig. 6: An Integrated Approach for the Crowd Management*

**What are the NDMA guidelines?**

The first step is to regulate traffic in areas surrounding the pandals and Dussehra grounds. For pedestrians, route maps for reaching the venue and emergency exit route should be put up at strategic points. Barricading to ensure the movement of people in a queue is key to control a burgeoning crowd.

CCTV cameras to monitor movement and police presence to reduce the risk of snatching and other petty crimes should also be on the organisers' agenda. Unauthorised parking and makeshift stalls eating into pedestrian space also need to be taken care of.

Medical emergencies can occur in claustrophobic spaces. An ambulance and health

care professionals on stand-by can save lives in exigencies.

On the part of revellers, familiarising yourself with exit routes, staying calm and following instructions will help prevent stampede-like situations.

- ▶ In case a stampede breaks out, protect your chest by placing your hands like a boxer and keep moving in the direction of the crowd. Stay alert to open spaces and move sideways wherever the crowd gets thinner.
- ▶ Stay away from walls, barricades or bottlenecks such as doorways.
- ▶ Stay on your feet and get up quickly if you fall.
- ▶ If you get injured in the process and can't get up, use your arms to cover your head and curl up like a foetus so that your exposure area is reduced.

Unplanned and unauthorised electrical wiring at pandals, LPG cylinders at food stalls and crackers hidden in the Ravana effigies pose the danger of a fire breaking out. These instances of fire can be fatal given the dense crowd in the vicinity.

Organisers should ensure authorised use of electricity, fire safety extinguishers and other arrangements meeting safety guidelines. A list of neighbourhood hospitals would come in handy. Simple precautions like wearing light, cotton clothes and knowledge of basic tricks like rolling on the ground to douse off fire are a must.

**Use of ICT in crowd management**

- ▶ It is desirable to have registration of all the visitors. A database system should be deployed to capture demographic details (gender, age, and place etc.) of the visitors. This data would be useful in capturing underlying patterns, if any, which can help in making better arrangements.
- ▶ A lot of places of mass gatherings (e.g. Vaishnodevi Shrine, Sabarimala Shrine) have started online registration of pilgrims, and its popularity is bound to increase with time. This registration process could be used to influence the arrival pattern.
- ▶ The temple boards/event managers should seriously consider the use of bar-coded bands, RFID tags, or biometric smart cards instead of the traditional paper slips, which get soiled very easily.

These tags will carry the basic information of the visitors. As visitors move through the system, the scanners deployed at various locations could be used to keep track of their movements along with timings. This can also help track the exact number of visitors at various locations (which is currently not possible at most of the places) and can further enable better control of the traffic flow along the route.

- ▶ Geographical Information Systems (GIS), wherever possible, should be deployed in location planning, layout, alignment of roads, structural assessment of parking lots, helipads, laying utility lines (water, electricity, gas) etc. It can also be used to determine the hazard location, space management, and determination of evacuation paths.
- ▶ Light duty UAV should be utilized for monitoring the crowd behaviour.

To overcome these deficiencies especially in response system, NDMA has come out with Guidelines on Incident Response System (IRS). These guidelines emphasize:

- ▶ Systematic and complete planning process;
- ▶ Clear cut chain of command;
- ▶ System of accountability for the incident response team members;
- ▶ Well thought out pre-designated roles for each member of the response team;
- ▶ Effective resource management;
- ▶ System for effectively integrating independent agencies into the planning and command structure without infringing on the independence of the concerned agencies;
- ▶ Integration of community resources in the response effort and
- ▶ Proper and coordinated communications set up.

The Government of India is committed to the cause of Disaster Risk Reduction. It is organising the Asian Ministerial Conference in November this year in collaboration with the United Nations Office for Disaster Risk Reduction (UNISDR). The Conference will bring together policymakers and experts from 60 participating nations to arrive at a roadmap to safer, stronger, disaster-resilient Asia.

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# INDIA AND SINGAPORE REVISE (DTAA) TREATY

## Context

India has amended its over two-decade old tax treaty with Singapore that will allow it to tax capital gains on investments from the South East Asian nation, which will help in plugging round-tripping of funds.

Singapore is India's second-largest FDI source with 16 percent of the equity investments worth USD 50 billion flowing into India in the last 16 years.

### About the Treaty

India has revised Double Taxation Avoidance Agreement (DTAA) with Singapore. DTAA agreements give the right of taxation to the country of residence of investor, in this case Singapore. With this revision India will levy capital gains tax on investments routed through Singapore from April 1, 2017.

The earlier decade-old treaty allowed capital gains on Indian shares owned by a Singapore-registered company to be exempted from capital gain tax in India. The taxes on capital gains will apply to investments made from April 1, 2017 and will be imposed at 50 percent or half of the domestic rate until March 31, 2019, and at the full rate thereafter. Investments made before April 1, 2017 have been "grand-fathered" and will not be subject to capital gains taxation in India.

The aim of the earlier treaty was to avoid double taxation of income in both countries but this treaty was misused for round tripping of investment to save tax by Indian based investors.

### What is Round Tripping?

Round tripping or treaty shopping refers to routing of investments by a resident of one country through another country back to his own country. An Indian resident investing directly in shares of an Indian company would have to pay capital gains taxes. However, the earlier DTAA allowed tax exemptions if an India to "round-tripped" the investments through companies registered in Mauritius, Singapore or Cyprus.

It denotes a trip where a person or thing returns to the place from where the journey began. In the context of black money, it leaves the country through various channels such as inflated invoices,

payments to shell companies overseas, the hawala route and so on. After cooling its heels overseas for a while, this money returns in a freshly laundered form; thus completing a round-trip. On its journey back to India the money is dressed as investment from the other country thus it avoids tax commitments in India as such money is taxed in originating country.

### Has India revised DTAA with other countries?

India has signed DTAA with 65 other countries. In 2016, India has revised DTAA with Cyprus and Mauritius. With revised DTAA's with Singapore, Cyprus and Mauritius, will help to stopped round-tripping of money from these channels.

With similar intentions, India has reached an agreement with the Switzerland government. "With effect from 2019, the Switzerland government will give real time information on investments made by Indian individuals or Indian entities in 2018.

### What is the impact of revision of DTAA?

It is one of the moves of a grand strategy to curb black money; the other benefits include Increase in tax compliance and tax revenue, reduced tax evasion. The move will also reduce illegitimate movement of money from India through various channels such as inflated invoices, payments to shell companies overseas, the hawala route. With high tax revenues government could undertake investments in infrastructure and other sectors in the economy to make it more competitive vis-à-vis china to make India global manufacturing and Industrial hub. This is important to create jobs for millions of young Indians coming to labour force.

The other moves taken by government to curb black money are:

- Constitution a Supreme **Court-Monitored Special Investigation Team (SIT)** on Black Money.

- ▶ The **Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015** for Foreign Black Money. The scheme was launched to bring back black money stashed in foreign countries and tax havens. The scheme ended on 30 September, 2015. The Act also had various stringent provisions for penalty and prosecution of foreign black money holders unearthed during future investigation.
- ▶ **Income Disclosure Scheme, 2016:** The Income Declaration Scheme (IDS) which opened on June 1 gave a chance to black money holders to come clean by declaring the assets by September 30 and paying tax and penalty of 45 per cent on it. The final disclosure of black money was to the tune of Rs. 65,250 crore.
- ▶ Penalty of 20% on Real Estate Transactions undertaken in Cash exceeding Rs. 20,000. This

was aimed at curbing the role of black money in real estate transactions.

- ▶ Tax Collection at Source on Cash Sales exceeding Rs. 2 lakh to check high value cash transactions and create an audit trail.
- ▶ **Benami Transaction (Prohibition) Amendment Act 2016:** The Parliament passed the Benami Transactions (Prohibition) Amendment Act, 2016 (BTP Amendment Act) in August. It came into force from November 1, 2016. The new law seeks to give more teeth to the authorities to curb benami transactions.

### Conclusion

DTAA is an effective financial agreement that is beneficial to both the taxpayer as well as the respective tax collection authorities in various countries. But now bilateral relations are adding compliance for curbing black money.

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# GOVERNMENT SCHEMES AND POLITICAL AGENDA

## Context

Tamil Nadu government has launched many 'Amma' product or service which is either free or heavily subsidised.

Hereby analysing the impact of populist schemes, its negative and positive aspects and way forward.

Improved governance requires an integrated, long-term strategy built upon cooperation between government and citizens. This requires proper design of policies keeping all stakeholders benefits in mind alongwith proper implementation of programmes and policies at the ground level.

Public policy making is the principal function of the state. Public policy making is a complex, dynamic process whose components make different contributions to it. It decides major guidelines for action directed at the future, mainly by the governmental organs. These guidelines [policies] formally aim at achieving what is in the public interest by the best possible means.

### Rational for launching government schemes

The basic principle behind any government scheme is to achieve Socio-Economic and political equality and to achieve principles enshrined in the constitution. The principle at micro level includes:

- ▶ To achieve economic objectives – Various schemes within “Make in India” to support industrialization, Schemes within Foreign Trade Policy 2015-2020 to enhance exports.
- ▶ To implement Directive Principle of state Policy - Integrated Child Development Services (ICDS) welfare programme which provides food, pre-school education, and primary healthcare to children under 6 years of age and their mothers. This is to secure opportunities for healthy development of children (Article 39).
- ▶ To ensure fundamental rights of citizens – various judicial interpretations have identified Right to life with dignity of life and not mere physical existence. Indira Aawas Yogana and Swachh Bharat Aabhiyan are in line with this judicial interpretation.
- ▶ To safeguard Environment – UJALA scheme aims at distribution LED lamps at reduced

prices. These energy efficient lamps reduce carbon footprint.

### Impact on Polls

At times new schemes are introduced to impact election results in near future and many a times political parties include schemes or freebies into their election manifesto. There are quite a few reasons for this.

First, their consciousness starts pricking them when an election approaches as they know that while in office they only worked for some special interest groups and did nothing for the common man. So, they try to redeem themselves by announcing some populist schemes.

Second, they feel the sops may help cut short their losses and may help change the results, if not entirely, at least in small measures.

Third, politicians announcing populist schemes think they don't have to deal with the consequences of such schemes; that will be the next government's headache.

The examples include Tamil Nadu the freebies include high-end consumer durables such as television sets, laptops for students, mixer and grinders and LPG stoves, and the running of heavily subsidised food canteens.

Similarly, before election government in Rajasthan had launched a number of schemes such as free medicines at government-run hospitals and distribution of 35kg of wheat every month at Rs. 1 per kg.

Democracy is the most efficacious form of government, in which the citizens of a country have a prerogative right of adult suffrage whereby people actively participating in the selection of the government by periodic conducting election. This, shows to indicate that the people hold the sovereign power to determine. So, in democracy

the people are the ultimate source of power and its success and failure depend on their wisdom, consciousness and vigilance.

A government “by the people and of the people” should quite naturally deliver ideal governance “for the people”, but in reality it is far apart. Basic issue with democracy is that voters do not make rational or truly informed choices. There political decision making seems to be driven by preconceived criteria plus have a prejudice for instant gratification, thus keeping most democracies focused on the short term growth aspect. Thus, schemes launched by existing governments, freebies included in election manifesto vitiate the sanctity of elections.

Other consequence of following populous schemes based on political agendas include

- ▶ Increase in fiscal deficit of a state thereby reducing fiscal space. According to the RBI report on State finances as “a percentage of GDP, Tamil Nadu spending on both healthcare and education in the last few years has been below the average of the 17 large States in the country”, making the notion of socialist and welfare oriented state a fallacy.
- ▶ Reduced focus on policy which impact long run economic growth. These successive government in Tamil nadu have concentrated on freebies like colour television scheme, laptop scheme and household appliances scheme, incurring huge expenditure. Instead this money could be used for more productive usage that is to build schools and primary healthcare facilities for the betterment of healthcare, development of state infrastructure and education facilities.
- ▶ Induce corruption and shaken the moral basis of society.
- ▶ It leads to Inefficient allocation of resources. For example - distribution water or electricity at subsidized rates lead to inefficient excessive use of these resources.

Contemporary populist programmes are often said to have originated from Tamil Nadu. Cheap rice, free TVs and cash doles to unemployed & poor had been often quoted in TN political parties’ political manifestos. Politicians from Uttar Pradesh, Rajasthan, Bihar and others have taken a leaf out of the book of TN political parties free waters, two-wheeler, LED lights, mobile tablets, Wi-fi, etc. Now, as politicians are catching up with TN’s

vote begging strategies (including the money for votes), the state government is winding down a bizarre path, announcing really weird populist schemes (from Amma theatres to canteens & water).

*Some examples are:*

▶ **Amma Unavagam (Canteens)**

Amma Unavagam or Amma Canteens are a chain of highly subsidized government run restaurants or canteens that allow the common man of Chennai to procure quality food at very cheap prices (about INR 13 for two meals). With pricing as low as INR 1 per idli, INR 5 for a plate of sambar rice and INR 3 for a plate of curd rice, the amma unavagams come as a blessing to the city’s teeming population of laborers and lower income group families. Jayalalithaa launched four canteens in 2014 and added 203 more in 2015. AIADMK has planning to add 45 more canteens to the city by end 2016. Amma unavagams have now opened up in other cities of the state such as Coimbatore.

▶ **Amma Marundagam (Pharmacies)**

Cost of medicines often punches a hole in the poor man’s pocket. In June 2016, Puratchi Thalaivi (Revolutionary Leader) Jayalalithaa launched an initiative called the Amma Marundagam. The AIADMK government rolled out over a hundred pharmacies in Chennai and other districts such as Cuddalore, Erode, Kancheepuram, Madurai, Salem, Sivagangai, and Virudhunagar where medicines are sold at a discount of about 15 percent over market price. These pharmacies are a great hit around Tamil Nadu. Despite draining the state of about INR 20 crores, this seems to have been one of Jayalalithaa’s most beneficial schemes yet. The pharmacies are estimated to have skyrocketing revenues and are open all through the week from 7 am. to 11 pm.

▶ **Solar Powered Green House Scheme**

Solar Powered Green House Scheme was launched in 2011-2012, it aimed at providing a proper home for families living below the poverty line, along with the solar powered home illumination.

### Supreme Court Judgment

In Subramaniam Balaji V. State of Tamil Nadu case, the Court delved into the legality of promising freebies in election manifestos. The court after elaborate hearing of the case and extensive analysis of issues of the abovementioned issues of the case arrived on the following conclusion:

- ▶ That the promises to distribute election freebies in an election manifesto cannot be read into the language of the Section 123 of the RP Act, for asserting it to be corrupt practices under the prevalent law in force.
- ▶ That the schemes do not violate of Art. 14 of public purpose and reasonable classification as it is in the realm of fulfilling the DPSP's. Direction by the Court.

Even though the Supreme Court ruled in favour of the State of Tamil Nadu, stating that the promises made in an election manifesto cannot be construed as a 'corrupt practice' under section 123 of the Representation of the People Act, 1951, it acknowledged that in reality distribution of free gifts by political parties does influence the electorate and "shakes the root of free and fair elections to a large degree".

It further directed the Election Commission to frame guidelines with consultation of political parties on its general conduct and election manifesto including Model Code of Conduct (MCC) for the guidance of political parties and candidates.

### Future Reforms

In order to support, and gain the support of, specific social sections, various political parties adopted different agendas to channelize resources and material benefits to the social bases but it acted more as a populist measure than the public policy making. Hence reforms needed are:

- ▶ It should be made obligatory for each political party to publish and submit their Manifesto to the Election Commission before the deadline of the first phase of the nomination, failure of which should lead to debarring the party from contesting the particular election. Election Commission should scrutinize all these manifestos and give suitable instructions to the political parties.
- ▶ To prevent laxity on part of the political parties and candidates on coming to power, strict judicial action should be taken against the political parties for the non-fulfilment of promises made by them during the announcement of election manifestos.
- ▶ The political parties should very carefully take the statistical data to be used in the Manifestos from reliable sources, preferably from government documents and database. Moreover, the manifesto should lay down the fiscal roadmaps to achieve such targets and the impact of such commodity on the financial reserves.
- ▶ Due to the strict interpretation of the penal statues of Section 123 of RP Act only candidates and its agents come under its preview. It should encompass its horizons to include political parties as well.

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## INDIAN STEPS TO REDUCE ANTI-INDIAN SENTIMENTS IN NEPAL

### Context

India and Nepal share a relationship of friendship characterized by open borders and deep-rooted people-to-people contact. There has been a long tradition of free movement of people across the borders. The India-Nepal Treaty of Peace and Friendship of 1950 forms the bedrock of the special relations that exist between India and Nepal.

Under the provisions of this Treaty, the Nepalese citizens have enjoyed unparalleled advantages in India, availing facilities and opportunities at par with Indian citizens. The 1950 Treaty enables Nepali citizens to find easy employment in India. Nearly 6 million Nepali citizens live and work in India and there are 32,000 Gurkhas currently serving in the Indian Army.

In the past, India provided Aid when a devastating 7.8 magnitude earthquake struck Nepal on 25 April 2015. The government swiftly dispatched National Disaster Response Force (NDRF) teams and special aircrafts with rescue and relief materials to Nepal. India also helped in restoring 3 power sub-stations in Kathmandu valley. The total Indian relief assistance to Nepal amounted to approx. US\$ 67 million including rescue equipment, medical supplies, food, water, tents, blankets and tarpaulin.

In the recent past, Nepal promulgated its new constitution. But India expressed concerns over discriminating nature of the new constitution. This led to deteriorating India-Nepal relationship and rising Anti-India Sentiments in Nepal.

To cure the situation Indian government took several steps like All India Radio FM Towers along the Indo Nepal Border, Eminent Person Groups committees and Integrated Check Posts.

India and Nepal share a unique relationship of friendship and cooperation characterized by open borders and deep-rooted people-to-people contacts of kinship and culture. There has been a long tradition of free movement of people across the borders.

However, the India-Nepal bilateral relationship is currently at its lowest ebb due to anti-India sentiments in Nepal, in reaction to the perceived political interference by India. The Nepalese media, civil society groups and academicians have been very critical of what they call 'India's micro-management' in Nepal.

The intensity of the anti-India feeling has become so deep that for the first time, the Indian Ambassador was attacked and was shown black flags in Nepal. Even Indian priests at the Pasupatinath temple and business houses are frequently targeted.

### Why Indo Nepal relations deteriorated?

The India-Nepal relations turned sore soon after Nepal promulgated its constitution after seven year of exercise because:

- ▶ **Inadequate representation of Madhesis:** The new constitution discriminated between Pahadi and Tarai peoples i.e Madheshis. Madheshis were not given adequate representation in parliament in proportion to their population, other issues involved demarcation of state boundaries in Tarai region, citizenship right to children denied if any of the spouse if foreigner and issue of excess reservation to Pahade people.
- ▶ **Indian Concerns:** India expressed its concerns over the issues of inadequate representation.
- ▶ **Protests In Nepal:** This lead to protest in Tarai region. Continuous protest and blockade created the economic and humanitarian crisis

in Nepal. Nepali government fanned the anti-India sentiments on the crisis and accused India to interfere in internal matters of Nepal.

- ▶ Conclusively, the perception emerged among the Nepalese that India was bullying Nepal in order to secure its own interests over hydropower energy, development projects, business, and trade.

### Cause of Constitutional Bias:

- ▶ The geopolitical crisis around the Nepal Constitution arose not simply because India wanted more of a role in Nepal. In making major decisions about the constitution, especially delineating the provinces of the new Nepal, many news reports and intellectuals argue that a Pahade hegemonic mentality dominated the decision, ignoring some of the genuine concerns of the Tharu and Madheshi peoples.
- ▶ The national political parties are dominated by hill Brahmins, followed by Chhetri and Newars, all of who are of hills origin. The root of the crisis of representation is that these parties have failed to bring members of agitating groups into the national parties, at a time when inclusive governance was particularly critical in post-monarchy Nepal, as multiple communities suddenly became aware of their rights.
- ▶ This deterioration of relation cannot be undermined seeing the strategic location of Nepal along border with China. This may impact the relations of India with other neighbours and strengthen the Big Brother image of India which is not suitable in current times.

### Steps taken by Indian government and their Implications:

Indian government thus gave impetus to diplomatic route and new initiatives to win back confidence of Nepalese people. Efforts put by the Indian Govovernment:

- ▶ **All India Radio FM Towers:** Indian Government will install 10 FM radio towers in far-flung villages along the Indo-Nepal border to counter anti-India propaganda and “increasingly” involve locals in the mainstream and provide much-needed entertainment. SSB has been identified for erecting towers in collaboration with the All India Radio.
- ▶ **Oversight Mechanism:** The Governments of India and Nepal have agreed to set up an oversight mechanism that will review progress of ongoing economic and development projects on a regular basis, and take necessary steps to expedite their implementation.

- ▶ **Eminent person Groups:** The EPG will be reviewing, inter alia, all bilateral treaties, agreements and arrangements between the two countries; recommend measures needed to be taken up by both the countries to build mutual trust and expand social, economic, cultural and political ties; recommend institutional framework(s) for a better relationship in this millennium; and make recommendations on any other areas that are necessary to promote and strengthen friendship between the two countries. The Report of the EPG would be available at the end of its proposed two year tenure (2016-2018).
- ▶ **Integrated Check Posts:** India speed up the process to make operational ICPs (Integrated Check Posts) in Birgunj of Nepal and Raxaul of India, and Biratnagar of Nepal and Jogbani of India. The Indian side has already completed the ICPs in Raxaul and Jogbani and the ICP of Raxaul was already come into operation
- ▶ **Students Exchange:** From 2017 onwards, Nepali students will have the opportunity to pursue graduate and post-graduate courses in Indian Institutes of Technology on a regular basis. For this, Institutes of Technology (IITs) will open their entrance examinations to Nepali students.
- ▶ **Financial Aid:** Under the grant assistance of 250 million dollars that India have committed to Nepal in the areas of Housing, Culture, and Health & Education; 100 million dollars of grant assistance for 50 thousand households in Nepal and an agreement has signed to operationalize 750 million USD line of credit for reconstruction projects.
- ▶ **Diplomatic Aid:** India has expressed its support in the constitutional amendment of Nepal to meet the aspiration of all sectors of society (mainly Madheshi) through dialogue and constitutional process. Consensus based amendment will ensure peace, progress, and stability.

### Current State of Affairs

Recently, President Pranab Mukherjee visited Nepal in November and put the India’s stand clearly on:

- ▶ Firstly, Nepal needs to complete the political transition that began a decade ago when the Maoists came over ground and agreed to join the democratic political process.

- ▶ Secondly, in order to consolidate the gains of multiparty democracy, all sections need to be brought on board for the new constitution to succeed.

### **Conclusion**

The promulgation of the Constitution last year is a historic event in institutionalizing federal democratic republic however the efforts should be made to speed up for consensus based amendment to take all sections of Nepali society on board for the effective implementation of the constitution.

India also needs to respect the sovereignty of Nepal along with helping to maintain peace

and stability in Tarai region because the historical and civilization links between the people integrates the destinies of the two countries. In the long run, India and Nepal have a “vital stake in each other’s well-being and security.

India needs to formulate a comprehensive and long-term Nepal policy. Shaping of perceptions should be an integral part of this strategy. Instead of playing favourites amongst the political parties, India should engage with all of them and with other stake India’s Neighbourhood holders like the Army and civil society. It needs to be recognized that Nepal will have to be helped to grow along with India lest it should be a drag on India’s own growth.

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# GENDER EQUALITY EDUCATION IS MUST IN SCHOOLS

## Context

In the context of India, Gender equality education is important from women perspective. The importance is because of stark inequalities faced by women starting from the womb.

The recent incident of Mass molestation of women on New Year's Eve in Bangalore, which is the IT hub of India, highlights that education and modern urban areas by itself does not ensure gender equality. A concentrated effort has to be made to include gender equality education or gender sensitization in textbooks to nurture a more equal society in future.

## Gender equality meaning

Gender equality is achieved when women and men enjoy the same rights and opportunities across all sectors of society, including economic participation and decision-making, and when the different behaviours, aspirations and needs of women and men are equally valued and favoured.

Gender' is a socio-cultural term referring socially defined roles and behaviors assigned to 'males' and 'females' in a given society; whereas, the term 'sex' is a biological and physiological phenomenon which defines man and woman. In its social, historical and cultural aspects, gender is a function of power relationship between men and women where men are considered superior to women. Therefore, gender may be understood as a man-made concept, while 'sex' is natural or biological characteristics of human beings.

The mirror image of gender equality is Gender Inequality, in simple words, it may be defined as discrimination against women based on their sex. Women are traditionally considered by the society as weaker sex, accorded a subordinate position to men.

## Present status

The root cause of gender inequality in Indian society lies in its patriarchy system. Women's exploitation is an age old cultural phenomenon of Indian society. The system of patriarchy finds its validity and sanction in our religious beliefs, whether it is Hindu, Muslim or any other religion.

The unfortunate part of gender inequality in our society is that the women too, through, continued socio-cultural conditioning, have

accepted their subordinate position to men. And they are also part and parcel of same patriarchal system.

The gender inequality takes various forms, which include;

- ▶ **Economic Inequalities:** Inequalities in Labour participation and wages, Access to credit, Property Rights.
- ▶ **Education Inequalities:** It is reflected in literacy rates. According to Census of India 2011, literacy rate of females is 65.46% compared to males which is 82.14%.
- ▶ **Health and survival Inequalities:** Sex-selective abortion, malnourishment, Gender-based violence. Census 2011 revealed that, the population ratio of India 2011 is 940 females per 1000 of males. The Sex Ratio 2011 shows an upward trend from the census 2001 data. Census 2001 revealed that there were 933 females to that of 1000 males.

The World Economic Forum publishes a Global Gender Gap Index score for each nation every year. The index focuses not on empowerment of women, but on the relative gap between men and women in four fundamental categories – economic participation, educational attainment, health and survival, and political empowerment. In 2016 India ranked 87 out of 144 countries.

Another measure to measure cross country gender inequality is Gender Inequality Index (GII). United Nations Development Programme's GII measures the human development costs of gender inequality. A higher GII value 0.563 in the case of India indicates a greater disparity between men and women. India ranks 130 of 155 countries on GII in 2014.

**Why gender equality in education is important?**

- ▶ Patriarchal attitudes and gender discrimination are very much within Indian society, in the family and even in classrooms. Gender equality education is necessary in educational institutions to abolish gender inequality, in study Gender sensitisation increased the awareness among students thus reporting of cases of physical violence to teachers and students also increased.
- ▶ It was found that before the study was conducted, 18 per cent students used to either remain mute spectators or enjoy the physical violence against other girl students, but post-gender sensitisation, this number has reduced to 13.4 per cent.
- ▶ The biggest change was observed in sexual violence against girls, where, before the education, only 37.7 per cent girl students used to report such violence, but after education, the number increased to 63.7 per cent.
- ▶ Similar positive changes are reported in all sorts of behaviour of male students after gender sensitisation education.
- ▶ Gender insensitivity leads to high dropout rate of female students thus compromise their future carrier, living opportunities and continuous dependence on male counterpart.
- ▶ To contain the ill effects of gender biasness which culminate in wage gap, glass ceiling, gender based violence, prostitution and trafficking and under recognition of domestic work of female we need gender equality education at school level so that psychology of youth can be changed from stereotype toward females.

**Possible positive impacts**

Gender equality education could lay the seeds of more equal society and some possible impact could be:

- ▶ More political, educational and economic opportunities for women and more participation in decision making
- ▶ Less skewed sex ratio
- ▶ Better health outcomes for women including low incidence of malnourishment and under-nourishment and sex selective abortions.
- ▶ Better educational opportunities and improved literacy rates for women
- ▶ Gender parity in workforce, wages, access to credit and property rights.

**Barriers:**

- ▶ Gender equality concept faces resistance in general.
- ▶ Students prejudice towards feminism and think they want a woman privilege more than equal rights.
- ▶ Lack of teaching materials.
- ▶ All teachers must be gender educated all are not.
- ▶ All around negative discussion about feminists in the community among the general public.
- ▶ The inequality is moulded into the culture we need to respond.
- ▶ Everybody has an opinion on the matter few have knowledge.

**What to do?**

To overcome these barriers we need Gender equality in the curriculum, teachers training diffrent pedagogy, implementation at all school levels, textbooks teaching material and gender mainstreaming in schools students social life.

Gender equality education is about Empowerment, Communication, Expression, Arguing, Empathy, Civil consciousness, Activism, Solidarity, Broad-mindedness, Toleration, Self-understanding and Life skill education. Thus, it could be a way out to provide their due position and recognition in Indian society.

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# SCENARIO OF RARE DISEASES IN INDIA

## Context

Recently, the Centre had formed a sub-committee headed by members from Institute of Medical Genetics Genomics to submit its recommendations on the National Policy on treatment of Rare diseases.

***“Of all forms of Inequality, Injustice in health care is the most shocking and inhumane.” Martin Luther King Jr.***

A rare disease is any disease that affects a small percentage of the population.

Most rare diseases are genetic (80%), and thus are present throughout the person's entire life, even if symptoms do not immediately appear.

Many rare diseases appear early in life, and about 30 percent of children with rare diseases will die before reaching age of five.

It is generally accepted that a disease having fewer than 100 patients per 100,000 population is described as rare disease and fewer than 2 patients per 100,000 is described as ultra rare disease. Ultra rare diseases are rarest of rare diseases.

### Characteristics of rare diseases

- ▶ Rare diseases are often chronic, progressive, degenerative, and often life-threatening
- ▶ Rare diseases are disabling: the quality of life of patients is often compromised by the lack or loss of autonomy
- ▶ High level of pain and suffering for the patient and his/her family
- ▶ No existing effective cure
- ▶ There are between 6,000 and 8,000 rare diseases
- ▶ 75% of rare diseases affect children
- ▶ 30% of rare disease patients die before the age of 5
- ▶ 80% of rare diseases have identified genetic origins. Other rare diseases are the result of infections (bacterial or viral), allergies and environmental causes, or are degenerative and proliferative.

### Rare Diseases in India

India does facilitate to avail the treatment only for 7 rare diseases and insurance does not cover rare diseases.

With context of USA, FDA [Food and Drug Administration, USA] has approved effective therapy for 78 rare disorders and hence the treatment is covered under insurance in the US.

Rare diseases affected people also cannot avail reservations under disabled category.

Recently, The Centre had formed a sub-committee headed by members from Institute of Medical Genetics Genomics to submit its recommendations.

On 5 December 2016, a meeting was held by the Centre's additional health secretary, where it was decided that a "national policy for treatment of rare diseases" will be completed within "six to eight months".

### Statistics

#### Rare Disease Population [South Asia]

Table 1

Countries in South Asia	Rare Diseases and Disorders Population <sup>1-8</sup>
India	72,611,605
Pakistan	10,999,800
Bangladesh	9,151,081
Nepal	1,589,670
Afghanistan	1,530,006
Sri Lanka	1,216,656
Bhutan	44,099
Maldives	19,037

#### Rare Disease Population [Indian States]

Table 2A

States India	Rare Diseases and Disorders Population <sup>4</sup>
Uttar Pradesh	11,974,891
Maharashtra	6,742,378
Bihar	6,228,278
West Bengal	5,480,864
Andhra Pradesh	5,079,932
Madhya Pradesh	4,355,854

Tamil Nadu	4,328,337
Rajasthan	4,117,261
Karnataka	3,667,842
Gujrara	3,623,018
Orissa	2,516,841
Kerala	2,003,261
Jharkhand	1,977,974
Assam	1,870,156
Punjab	1,662,254
Chhattisgarh	1,532,412
Haryana	1,521,185
Jammu and Kashmir	752,936
Uttarakhand	607,005
Himanchal Pradesh	411,391
Tripura	220,262
Meghalaya	177,840
Manipur	163,305
Nagaland	118,836
Goa	87,463
Arunachal Pradesh	82,957
Mizoram	65,461
Sikkim	36,461

**Prevention of Rare Diseases through Genetic Mapping:**

Private molecular diagnostic companies have emerged in India to make people proactive about their health.

They offer personalized health solutions based on genetic tests that help people to get to know about themselves.

By combining genetic health profile and health history with genetic counseling, they provide actionable steps for individuals and their physicians towards a healthier life.

These companies are focused on preventive health-care through healthy habits.

Genetic diseases are more common in South India due to cross cousin marriage prevalent there.

**Case Study of Arab Countries**

Because many Arabs marry cousins or other close relatives, the country, like others in the Middle East, has an increased rate of inherited genetic diseases—nearly double the rate in Europe, United States and 10 times higher for certain disorders, according to some estimates.

Adherence to tradition helps explain why about 40% or more of native Saudis—two-thirds of the country's 30 million people still marry first cousins or other close relatives.

The practice, once common in Europe, lives on in much of the Middle East today, helping preserve wealth and tribal ties.

But the downside of consanguineous marriage is a relatively high risk for recessive genetic diseases, which develop when both the maternal and paternal copy of a gene are faulty.

If both parents carry the same recessive disease mutation, their children have a 25% chance of inheriting two copies and developing the disease; and in the large families still common in Saudi Arabia, the genetic dice are rolled repeatedly.

By one estimate, 8% of babies in Saudi Arabia are born with a genetic or partly genetic disease, compared with 5% in most high-income countries.

Each couple is now required by the Ministry of Health to have their blood biochemically analyzed for signs they are carriers of sickle cell anemia and thalassemia, two genetic diseases that are common there.

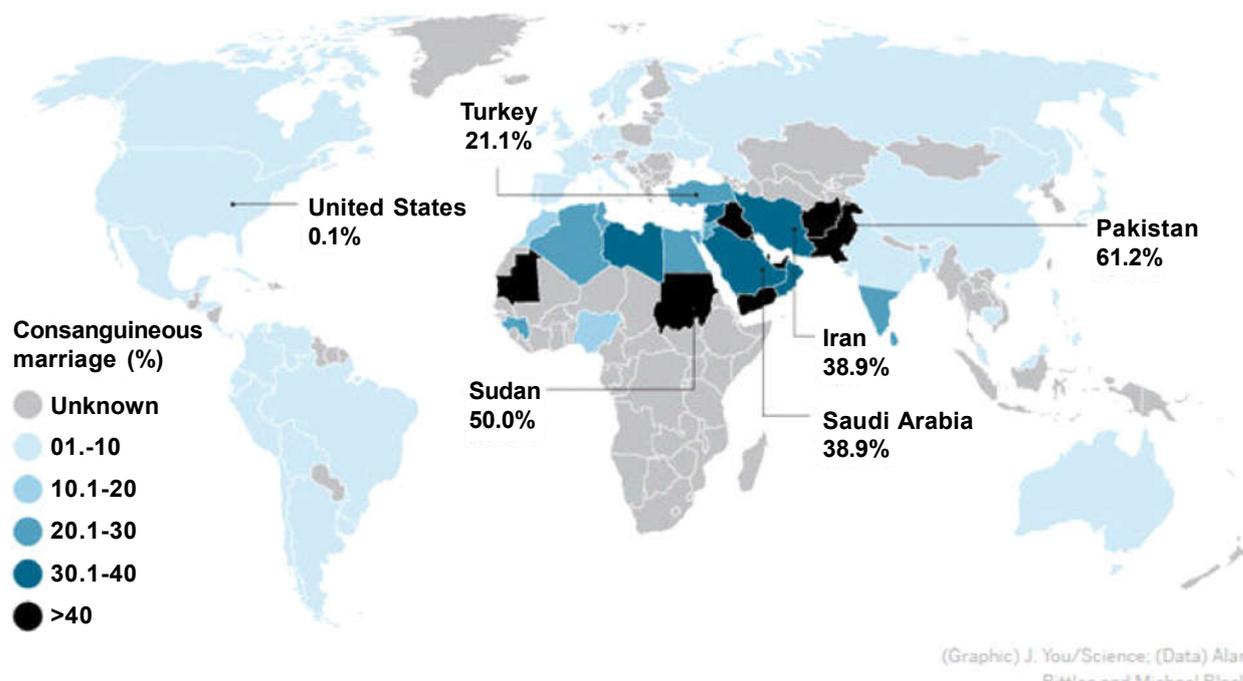
If DNA testing were done, the same sample could be used for thousands of diseases.

Similar methods can also be adopted in India by creating a database for rare disease vulnerable group and using it to help them with actionable steps to lead a healthier life.

**Statistics of Cross Cousin marriages across the World**

## Marital problems

Thanks to a culture that encourages marriages between first cousins, Saudi Arabia has one of the higher rates of consanguinity in the world, which has elevated its incidence of many inherited genetic diseases.



## Treatment of Rare Diseases:

The cost of diagnosis and treatment is prohibitively expensive.

Majority of rare disorders are genetic. For most of them, specific treatment is not available. While treatment is available for some of the disorders, it is very expensive for other types. Research is underway for finding more therapeutic options. Most drugs for treatment are not manufactured in India. Pharmaceutical companies may not be interested in developing drugs because these are unlikely to generate sufficient returns on investment. Plus, early diagnosis is important as treatment may not be beneficial if it is initiated after complications develop.

In the absence of a national government policy [India] surrounding rare disease, there is no

push for the development of orphan drugs, the very medicines that can provide relief for patients with a rare disease.

### Advocacy Organizations (India)

ORDI [Organization for Rare Diseases India] was formed to address the unmet needs of rare disease patients in India.

ORDI serves as an umbrella organization for rare disease patients and other stakeholders throughout the country.

There are numerous disease-specific patient advocacy organizations in India, including groups like the Down Syndrome Federation, the Pompe Foundation, and the Lysosomal Storage Disorders Support Society.

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# NATIONAL COMPANY LAW TRIBUNAL

## Context

The NCLT is a single judicial forum to judge all disputes concerning the affairs of Indian companies. Recently Cyrus Mistry took the legal route in his fight against the Tatas by filing a suit in the National Company Law Tribunal (NCLT) against the Tata Sons. Mr. Mistry's family-controlled investment firms moved the NCLT in Mumbai. The petition was against oppression and mis-management of the Tata Sons under Section 241 of the Companies Act.

Hereby, analyzing the roles and responsibilities of the Tribunal and its significance.

Tribunals of enquiries are bodies that find fact in respect of specific cases referred to them and decide them by applying legal rules laid down by statutes and regulation.

Part XIVA of the Constitution was inserted by Constitution (42nd Amendment) Act, 1976 containing Articles 323 A and 323 B, providing for Administrative Tribunal and Tribunals for other matters, respectively.

Administrative Tribunals deal exclusively with service matters would go a long way in not only reducing the burden of the various courts and thereby giving them more time to deal with other cases expeditiously but would also provide to the persons covered by the Administrative Tribunals speedy relief in respect of their grievances.

Tribunals for other Matters under Article 323B of the Constitution empowers Parliament or the State Legislatures, to enact laws providing for the adjudication or trial by Tribunals of disputes, complaints or offences with respect to a wide variety of matters including inter alia disputes relating to tax cases, foreign exchange matters, industrial and labour cases, ceiling on urban property, election to State Legislatures and Parliament, essential goods and their distribution, criminal offences, etc.

The constitutional provision, therefore, invests Parliament or the State Legislatures with powers to divest the traditional courts of a considerable portion of their judicial work. A number of quasi-judicial forums and tribunals have been established by the Government like Debt Recovery Tribunal, Securities Appellate Tribunal, CESTAT, etc. with a view to provide a speedier and specialized forum for dispensation of justice and disposal of various matters.

## What is National Company Law Tribunal (NCLT)?

The Central Government has constituted National Company Law Tribunal (NCLT) under section 408 of the Companies Act, 2013.

The National Company Law Tribunal NCLT is a quasi-judicial body, exercising equitable jurisdiction, which was earlier being exercised by the High Court or the Central Government. The Tribunal has powers to regulate its own procedures.

The establishment of the National Company Law Tribunal (NCLT) consolidates the corporate jurisdiction of the following authorities:

- ▶ Company Law Board
- ▶ Board for Industrial and Financial Reconstruction.
- ▶ The Appellate Authority for Industrial and Financial Reconstruction
- ▶ Jurisdiction and powers relating to winding up restructuring and other such provisions, vested in the High Courts.

In the first phase the Ministry of Corporate Affairs have set up eleven Benches, one Principal Bench at New Delhi. These Benches will be headed by the President and 16 Judicial Members and 09 Technical Members at different locations.

## Powers of NCLT

The NCLT has been empowered to exercise the following powers:

- ▶ Most of the powers of the Company Law Board under the Companies Act, 1956.
- ▶ All the powers of BIFR for revival and rehabilitation of sick industrial companies;

- ▶ Power of High Court in the matters of mergers, demergers, amalgamations, winding up, etc.;
- ▶ Power to order repayment of deposits accepted by Non-Banking Financial Companies as provided in section 45QA of the Reserve Bank of India Act, 1934;
- ▶ Power to wind up companies;
- ▶ Power to Review its own orders.

The NCLT shall have powers and jurisdiction of the Board for Industrial and Financial Reconstruction (BIFR), the Appellate Authority for Industrial and Financial Reconstruction (AAIFR), Company Law Board, High Courts relating to compromises, arrangements, mergers, amalgamations and reconstruction of companies, winding up etc. Thus, multiplicity of litigation before various courts or quasi-judicial bodies or forums have been sought to be avoided. The powers of the NCLT shall be exercised by the Benches constituted by its President.

### **Significance of NCLT:**

Resolution of disputes relating of companies affairs has been one the major roadblock in improving ease of doing business in India. Thousands of cases remain long pending in the courts despite having legal timeline of resolution. Such scenario hinder the new investments not only from outside even domestic companies are preferring to shift their Headquarters outside the countries and choosing more business amicable locations like Singapore to operate. Delay in dispute resolution not only stagnate the new investments it also lead to devaluation of asset and increases inefficiencies of businesses and market.

Till 2016 several bodies like the Company Law Board, Board of Industrial and Financial

Reconstruction, the Appellate Authority for Industrial and Financial Reconstruction and High Courts were responsible for the judging the disputes concerning companies affairs, this multiplicity of adjudicating and governing bodies was also delaying the dispute resolution process.

The formation of the NCLT and the NCLAT is also a significant step towards attaining fast and efficient resolution of disputes relating to affairs of the Indian corporates. Being the sole forum dealing with company related disputes, these tribunals would also eliminate any scope for overlapping or conflicting rulings and minimise delays in resolution of disputes, thus, proving to be a boon for litigants.

Instead of getting different decisions on the same matter by different High Courts, consolidation of jurisdiction will help the Tribunal Members and Judges in delivering uniform decisions and thereby removing any ambiguity and friction.

To ensure fair play and avoidance of judicial error, the procedural laws provide for appeals, revisions and reviews, and allow parties to file innumerable applications and raise vexatious objections as a result verdict get delayed.

Appeals against the order of the NCLT will go to NCLAT, exclusively dedicated for this purpose. Further appeal to the Supreme Court will only be on any question of law, thereby reducing the delay in appeals as earlier, the decisions of the Company Law Board were challenged before the High Court and then in the Supreme Court.

Consolidation of Corporate jurisdiction will lead to convergence rather than divergence and will maintain uniformity in the system.

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# FREQUENT DISRUPTIONS OF PARLIAMENT AND ITS IMPACT

## Context

**Winter Session 2016 has been one of the least productive sessions for both Houses in the last 15 years, with repeated disruptions on the issue of demonetization of currency.**

**While eight Bills were introduced in this session, only two were passed. Legislative business this session has been the lowest so far in the current Parliament (16th Lok Sabha).**

**Hereby analyzing the reason for frequent disruption of Parliament and its economic impact.**

The broad outline of parliamentary democracy is widely known. People elect representatives to parliament. These members of parliament debate the appropriateness of legislation to accomplish societal goals. For that provision of debate has been made so that useful legislation that has popular support can be designed and for this some sets of procedures have been adopted to assure fair and thorough discussion by all.

In theory, parliaments translate popular wishes into public laws. Anything which interferes with that translation interferes with democracy.

In parliamentary form of government, MPs are required to keep the government in check and oversee its functioning. One of the ways in which they do so is by asking ministers questions about the work done by their ministries. Ministers respond to such questions during the first hour of Parliament, which is known as question hour. During this hour, 20 questions are slotted for oral responses by ministers. Based on the response, MPs can cross-question and corner the minister by asking supplementary questions. On certain occasions, they are also able to extract assurances from the minister to take action on certain issues. When question hour is disrupted, not only are these opportunities lost, it also leads to ineffective scrutiny of the work done by the various ministries of the government. As per available data in 2012, out of the 146 hours allocated for question hour in both Houses of Parliament, roughly only 57 hours were utilized.

Adjournments caused by disruptions and pandemonium, holding of dharnas by members rushing to the well of the House and unwillingness to participate in discussions are some of the

concerns impacting the functioning of the Parliament.

When Parliament is disrupted regularly, its capacity to make laws is affected. Disruptions in Parliament also eat into the time available for discussing a bill in the house. In Lok Sabha, roughly 35 per cent of bills were passed with an hour or less of debate, a case being the sexual harassment bill, which was passed by Lok Sabha in just 16 minutes. Some would argue that since parliamentary committees scrutinize most bills in detail, there is no harm done if the bills are not debated in the House. However scrutiny of a bill behind closed doors is hardly a substitute for spirited debates on the merits and demerits of a bill on the floor of the House.

## Forms of Parliamentary Disruption

Parliamentary disruption may be divided into two categories. The first entails actions which, primarily, affect the working of parliament directly. They range from acts which completely stop parliamentary action, e.g., those which lead to adjournments, to acts which merely interfere with the conduct of business without leading to the adjournment of parliament, e.g., a moderate level of shouting or interrupting speakers. Clearly, the latter may or may not escalate to produce the former. Whether it does or does not depends in part on the actions and judgment of the Speaker, the leaders of the political parties in parliament, as well as the members themselves.

The second entails actions which primarily affect the working of the parliament indirectly. They involve actions such as the members' absence or departure from parliament. Of course,

the departure of members from the parliamentary chamber may have an immediate and direct impact on the functioning of that legislative body. What is common to all forms of disruptive behavior is the fact that they interfere, in some manner, with the way parliament is supposed to function as defined by its rules and procedures.

**A variety of specific problems that adversely affect democracy are said to arise out of the disruptions.**

- ▶ It prevents action on important legislation
- ▶ It forces the adoption of critical legislation without debate
- ▶ It has empowered parliamentarians who lack appropriate skills
- ▶ It undermines the credibility of party leaders
- ▶ It undermines respect for the MPs and MLAs

#### **Analysis of Winter Session:**

- ▶ Winter Session 2016 was Lok Sabha's least productive session in the 16th Lok Sabha.
- ▶ Lok Sabha worked for 15% of the scheduled time and Rajya Sabha for 18%. So far in the 16th Lok Sabha, the average productivity of Lok Sabha is 92% and that of Rajya Sabha is 71%.
- ▶ Both Houses of Parliament saw repeated disruptions on the issue of demonetisation. While Lok Sabha lost 107 hours of scheduled time to disruptions, Rajya Sabha lost 101 hours.
- ▶ As a result of repeated disruptions, only two of the 330 listed questions in Rajya Sabha could be answered orally. This has been one of the least productive Question Hour sessions for Rajya Sabha in the last three Parliaments. Previously, one of the 480 questions and none of the 420 questions were answered orally in the Winter Sessions of 2010 and 2013, respectively.
- ▶ At the beginning of the session, 19 Bills were listed for consideration and passage; none of these were passed. Out of the nine Bills listed for introduction, three were introduced. Only two Bills were passed during this Session.
- ▶ Lok Sabha passed the Taxation Laws (Second Amendment) Bill, 2016 within an hour of introduction. The Bill was passed as a Money Bill and is deemed to be passed by Rajya Sabha. Rajya Sabha passed the Rights of Persons with Disabilities Bill, 2014 with about an hour of

discussion while Lok Sabha discussed it for over two hours before passing.

- ▶ A majority of the productive time in both Houses was spent on non-legislative business. This includes discussion on matters of urgent public importance, and other short duration discussions.

#### **Economic loss due to disruption of Parliament:**

There have been some estimates of loss caused by Parliament being disrupted, based on the annual budget of Parliament. This is an incorrect way of judging the cost. The actual cost is the economic loss caused by the delay in passing important bills and by the insufficient oversight of government functioning. It is difficult to quantify the loss ensuing from the delay in passing various pieces of legislation. However, it is obvious that not implementing many of the above bills would have significant costs for various stakeholders' students and farmers, for instance. If the delay results in slower economic growth, it would also have implications for tax collection.

Here is a sampler: a 1 per cent slowdown in GDP growth amounts to a loss of about Rs. 90,000 crore to the economy and about Rs. 15,000 crore in tax collections. It is important that Parliament focuses on discussing key bills and passing them with the appropriate amendments, rather than stalling them indefinitely.

The loss of productivity (the hours spent without interruptions during the scheduled working hours) to the Lok Sabha, parliament's lower house, was 83%, while it was 80% in the Rajya Sabha, the upper house, according to government data.

In the 2016 winter session, 92 hours of disruption in the Lok Sabha cost the Indian taxpayer Rs. 144 crore, **India Spend** reported in December 2016.

#### **Methods for strengthening institutional mechanisms within Parliament**

The Westminster model of parliamentary democracy that we adopted was developed in a far smaller and much more homogenous country, where there were far fewer parties in Parliament.

Even now, the number of parties represented in the UK House of Commons pales in comparison to the unwieldy 36 in our Lok Sabha.

But with time, the stricter rules-based system has been adopted in most modern democracies, leaving little to discretion or consensus.

**The reforms needed In Indian Parliamentary System are:**

- ▶ Any motion or discussion has to be taken up if a certain number of MPs gives a written notice. The no-confidence motion requires just 50 MPs (slightly less than 10% of the strength of the House) to be admitted. The threshold can be increased, and suitable thresholds fixed for discussions without a vote and voting motions. For example, there could be a new rule for discussion if a certain percentage of the strength of the House (say 20%) asks for it, and a voting motion if a certain percentage of MPs (say 30%) gives a written notice.
- ▶ Guarantee some time for the opposition. The British Parliament allocates 20 days a year when the agenda is decided by the opposition. It also requires Parliament to meet more frequently.
- ▶ Public participation and feedback in the pre-legislative process would strengthen a draft Bill by ensuring that differences in viewpoints are addressed before its introduction. This would make it easier for Parliamentarians to resolve conflicting objectives while considering it in

Parliament. In its 2002 Report, the National Commission to Review the Working of the Constitution also recommended that, "all major social and economic legislation should be circulated for public discussion to professional bodies, business organisations, trade unions, academics and other interested persons."

- ▶ A fixed number of parliamentary sittings per year should be declared in calendar.
- ▶ The Parliamentary Standing committee system should be strengthened by having a higher attendance requirement and by the induction of experts in an advisory capacity.
- ▶ Rules-based disciplining of the most disruptive MPs, in place of the Speaker's discretion. This is because, despite the existing provision for the Speaker to have disruptive MPs removed, and the many all-party resolutions to behave well, in reality the Speaker faces much ire if she does actually do so.

Other democracies including the UK and US have significantly updated their legislative structures to meet the changing needs, India should also adapt to it.

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# INDIA AND KYRGYZTAN RELATION

## Context

Kyrgyzstan is a part of CIS (Commonwealth of Independent States) countries. It is bordered by countries like Kazakhstan and Uzbekistan. India and Kyrgyzstan enjoys strong diplomatic and long economic relationship.

Historically, India has had close contacts with Central Asia, especially countries which were part of the Ancient Silk Route, including Kyrgyzstan. Since the independence of Kyrgyz Republic in 1991, India was among the first to establish diplomatic relations with it.

In the present times, our relations are inching closer. Both countries share common concerns on threat of terrorism, extremism and drug-trafficking. Kyrgyzstan supports India's bid for permanent seat at UNSC and India's full membership in the Shanghai Cooperation Organization (SCO). According to trade volume, India-Kyrgyz trade was US\$27.99 million in 2015-16.

Recently, Kyrgyz President Almazbek Sharshenovich Atambayev's visited India. During the four day visit, India and Kyrgyzstan have signed six Agreements including tourism, youth development, agriculture and food industry and Broadcasting and exchange of audiovisual programmes. Besides, the two countries agreed to work closely to combat the challenge of terrorism, extremism and radicalism.

Central Asia is important for many reasons, not only in terms of energy security and the combating of terrorism and fundamentalism, these are all important, particularly for the bordering states, but, moreover, Central Asia has increasingly positioned itself as a nexus for inter-regional trade between many of the concerned states, such as China, Iran, the EU and Russia. This has significantly increased the importance of the region in a very positive way. On the negative side, Central Asia has become a transit route as well as the origin of some forms of organized crime, particularly heroin production, weapons and human trafficking.

India has traditionally attached great importance to its relations with Central Asia. But, unfortunately, the relationship despite close historical & cultural contacts has not progressed to the desired extent. The key constraint India faces is the lack of direct access to Central Asia. The unstable situation in Afghanistan and a highly problematic India-Pakistan relation have deprived India from the benefit of relations with Central Asia.

However, India is trying to move closer to the Central Asian nations.

In the last couple of years India and Kyrgyzstan signed many Agreements to strengthen our bilateral cooperation. Such as:

- ▶ In 2015 Agreements on **textile and clothing**. The agreement seeks to strengthen bilateral cooperation between both nations in the three fields including Textiles and Clothing, Silk and Sericulture and Fashion.
- ▶ **Agreement on Defence Cooperation:** It was signed to deepen cooperation between both countries in matters relating to security, defence, military education and training. It also covers provisions to conduct of joint military exercises, exchange of military instructors, exchange of experience and information and observers etc.
- ▶ **Cooperation In the field of Elections:** It was signed to deepen cooperation in matters relating to legislation on elections and referendums. It also covered rights of elections process stakeholders, modern systems and technologies as well as other issues of election administration.
- ▶ **Cooperation In the sphere of Standards:** Seeks to strengthen and enhance technical cooperation in the fields of conformity assessment, standardization and sharing of expertise on mutual trade. It also aims at exchanging necessary information and expertise in this regard between the two parties. Signatory

parties are Ministry of Economy of Kyrgyzstan and Bureau of Indian Standards (BIS).

► **Agreement on Cooperation in Culture:**

To deepen cultural cooperation between both countries in areas such as preservation of cultural heritage, theatre, youth festivals and organisation of folk arts. It also seeks to boost cooperation in of publishing and translation of literature, culture, sports and physical exchange of archival materials, geography, history etc. Besides signing these agreements, both nations also released Indo- Kyrgyz Joint Statements to increase regional cooperation and connectivity in the various fields including Political cooperation, regional and global level cooperation, Defence cooperation, Economic cooperation, Scientific and Technical Cooperation, Cultural and humanitarian cooperation.

► Cooperation in field of **agriculture and food related Industry**. The proposed agreement covers various activities in the field of agriculture and allied sector.

- It includes exchange of information and experience in field of research, animal breeding, Avian Influenza and Foot and Mouth Disease (FMD), veterinary medicine.
- It also covers exchange of information in plant growing, production of seeds based on modern technology, certification of seed and different types of irrigation.
- It also provides cooperation in the field of protection of plant variety rights; agricultural, food trade and horticulture, food safety and standards; aquaculture and fisheries, etc.
- It provides constitution of a Joint Working Group (JWG) comprising of representatives from both countries.
- JWG will prepare plans of cooperation; provide solutions to problems arising during implementation of this agreement and implementation of tasks.

**What are the recent MOUs signed?**

Recently concluded four days visit by Kyrgyz President Almazbek Sharshenovich Atambayev' led to further strengthening of bilateral ties. Both countries have signed six Memoranda of Understanding (MoU)/ Agreements including in the fields of tourism, agriculture and food industry etc. Besides, both countries initiated talks to conclude a Bilateral Investment Treaty (BIT) in order

to augment investments flowing between the two countries as it will protect the interest of investors.

**Signed Agreements are:**

- MoU on cooperation in the field of **Tourism**.
- MoU in the field of cooperation in **youth exchange**.
- MoU on cooperation in the field of **Youth development**.
- MoU on exchange of information on **training programmes of diplomats**.
- Agreement on cooperation in the field of **Agriculture and Food Industry**.
- MoU on cooperation in the field of **Broadcasting and exchange of audiovisual programmes**.

**Highlights of Joint statement issued**

The two countries agreed to work closely to combat the challenge of terrorism, extremism and radicalism.

- Both countries have agreed on the need to coordinate and work closely in addressing and overcoming these challenges for the common benefit.
- They also reviewed cooperative engagement in the field of defence and sought to expand joint military exercises including the '**Khanjar**' series of military exercises which has become an annual event.
- They also decided to build on the development cooperation including in capacity building and training.
- On economic ties both sides agreed to encourage engagement in healthcare, tourism, IT, agriculture, mining and energy.

**Conclusion**

Moving on the trajectory of mutual cooperation, both India and Kyrgyzstan reiterated the demand for global counter-terror norms to fight terrorism in Asia, and called for the adoption by the United Nations of the draft Comprehensive Convention on Combating International Terrorism.

Mr. Atambaev who completed a four-day visit to India also sealed many agreements including tourism, youth development, agriculture and food industry and Broadcasting and exchange of audiovisual programmes. Besides, there were agreements on foreign office consultations, sports, broadcast cooperation and bilateral investment.

India considers Kyrgyzstan as a valuable partner in common pursuit of making Central Asia a region of sustainable peace, stability and prosperity. On the same lines, Kyrgyzstan

appreciated India's support to building the transport network in Iran and Afghanistan and said that this will increase regional connectivity and help connect Kyrgyztan with Iran, Afghanistan and beyond.

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# DIGITAL INCLUSION SCENARIO IN INDIA

## Context

India is in the midst of a digital revolution. In order to transform the entire ecosystem of public services through the use of Information and Communication Technology, the Government of India launched the Digital India program in 2015 with the vision to transform India into a digitally empowered society and knowledge economy.

Access to ICT also gains relevance in the newly adopted Sustainable Development Goals (SDGs) for 2030 of the United Nations, with greater relevance for the least developed countries to be able to provide universal and affordable access to the Internet to its people.

Success in the increasingly digitized social and economic realms requires a comprehensive approach to fostering Digital inclusion of the Masses. Digital inclusion has three broad components: access, adoption, and application. These facets show the ultimate goal of creating digitally inclusive communities.

India is among the underperformers on access to Information and Communications Technology. India, which has been appreciated globally for providing IT services, faces a huge digital divide, having a relatively low percentage of population with access to the Internet. In 2014, it had only about 18 people per 100 using the Internet (World Bank Data).

To be able to promote greater social progress in the world, it is imperative to increase access to ICT universally. One of the ways to bring about greater penetration of digital technology in society is to make it more affordable. This could be realized through support from multilateral organizations to the underperforming countries by helping them build their communication infrastructure.

## Digital Inclusion

- ▶ Digital inclusion is the ability of individuals and groups to access and use information and communication technologies.
- ▶ Digital inclusion is about affordable access to information technology, economic development of disadvantaged communities, increasing user IT skills, the creation of relevant web-based content and the inspiration of local communities to lifelong learning.
- ▶ Digital inclusion is a much broader category that addresses the other two
  - Digital Divide
  - Digital Literacy
- ▶ Whereas discussion around the digital divide tends to focus on the access available to individuals, digital inclusion is meant to signal a focus on a practical, policy-driven approach that addresses the needs of communities as a whole.

- ▶ “Digital inclusion” has been articulated specifically to address issues of opportunity, access, knowledge, and skill at the level of policy. In short, digital inclusion is a framework for assessing and considering the readiness of communities to provide access to opportunities in a digital age.

### **Digital Inclusion has three broad facets: access, adoption, and application.**

These facets show the ultimate goal of creating digitally inclusive communities.

- ▶ **Access:** Availability, affordability, design for inclusion, and public access.
- ▶ **Adoption:** Relevance, digital literacy, and consumer safety.
- ▶ **Application:** Economic and workforce development, education, health care, public safety and emergency services, civic engagement, and social connections.



Fig. 7

**In order to achieve these goals, digital inclusion can be promoted in four significant ways:**

- ▶ **Digital Infrastructure:** By providing free access to public access technologies (hardware, software, high-speed Internet connectivity) in their communities.
- ▶ **Digital Content:** By providing access to a range of digital content to their communities.
- ▶ **Digital Literacy:** By providing digital literacy services that assist individuals navigate, understand, evaluate, and create digital content using a range of information and communications technologies.
- ▶ **Social Programs and Services:** By providing programs and services around key community need areas such as health and wellness, education, employment and workforce development, and civic engagement.

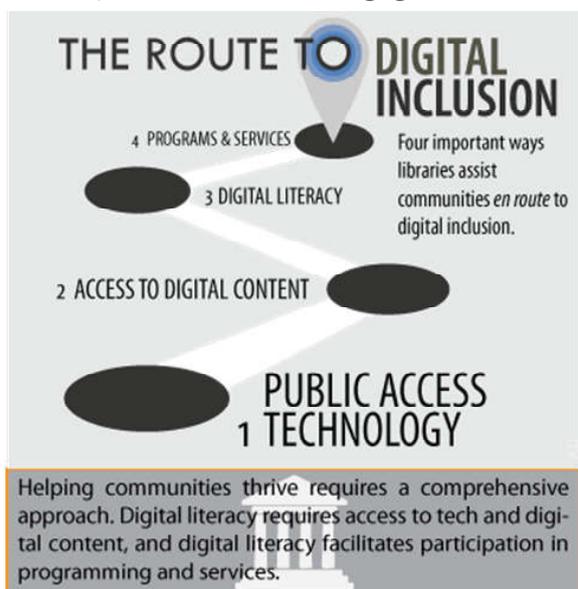


Fig. 8

## What is Digital Divide?

The term digital divide describes the discrepancy between people who have access to and the resources to use new information and communication tools, such as the Internet, and people who do not have the resources and access to the technology. The term also describes the discrepancy between those who have the skills, knowledge and abilities to use the technologies and those who do not.

## Importance of Digitization

- ▶ One of the parameters of assessing societal development of a country is the extent to which there has been penetration of information and communications technology (ICT) through the Internet.
- ▶ Access to ICT also gains relevance in the newly adopted Sustainable Development Goals (SDGs) for 2030 of the United Nations, with greater relevance for the least developed countries to be able to provide universal and affordable access to the Internet to its people.

## Global Digital Inclusion

- ▶ Costa Rica is the world's top over-performer with respect to the extent of penetration of its information and communication technology.
- ▶ Cuba has the lowest number of mobile phone subscriptions and lowest press freedom index and has been the most underperforming country on access to information and communication.
- ▶ India and China are also among the few underperformers on access to ICT.

## Government Efforts in the Last Decade

- ▶ India has been driving slowly for the past decade. The "need" for the Internet was understood, but the urgency wasn't.
- ▶ In 2002, the Department of Telecom (DoT) set up the Universal Service Obligation Fund, which was meant to get private telecom players to enter rural markets.
- ▶ In 2004, two years later, it amended the rules to enable disbursement from the USO Fund to reimburse telecom operators for rural telephony.
- ▶ In 2006, another amendment supported mobile services and broadband in rural and remote parts of the country.
- ▶ The 2011 budget has further allocated Rs 4,500 cr on e-Panchayat systems, which is a

welcome move under National e-Governance Plan (NeGP). NeGP, under which over 87, 000 Common Service Centres have cropped up in villages across the country.

- ▶ These CSCs are front end kiosks for government services such as payment of utility bills (water, electricity, telephones), certificates (birth, death, income) and other services like train tickets, mobile phone top ups and so on.
- ▶ In 2015, Government Launched Digital India Program.

**Digital India (2015)**

- ▶ Digital India is a campaign launched on July 1st 2015, by the Government of India to ensure that Government services are made available to citizens electronically by improving online infrastructure and by increasing Internet connectivity or by making the country digitally empowered in the field of technology.
- ▶ The initiative includes plans to connect rural areas with high-speed internet networks.

**3 Core Components of Digital India**

Digital India consists of *three core components*. These include:

- ▶ Digital Infrastructure
- ▶ Digital Literacy
- ▶ Delivery of Services digitally

**Pillars of Digital India**

Digital India aims to provide the much needed thrust to the nine pillars of growth areas. Each of these areas is a complex program in itself and cuts across multiple Ministries and Departments of Govts of India.

- ▶ Broadband Highways
- ▶ Universal Access to Mobile Connectivity
- ▶ Public Internet Access Program
- ▶ E-Governance: Reforming Government through Technology
- ▶ E-Kranti - Electronic Delivery of Services
- ▶ Information for All
- ▶ Electronics Manufacturing
- ▶ IT for Jobs and Early Harvest Program

**India's Digital Inclusion Scenario**

India, whose Internet user base is second largest after China, will remain the fastest growing market, according to 'The Future of Internet in India' report by Nasscom and Akamai Technologies. The report further finds that

- ▶ In India, though the percentage (19%) of Internet penetration is far low but in absolute values the country shows some astounding figures. India is close to replace US as the second largest enabled market with numbers inching towards 300-million-Internet-users mark, the largest being the China.

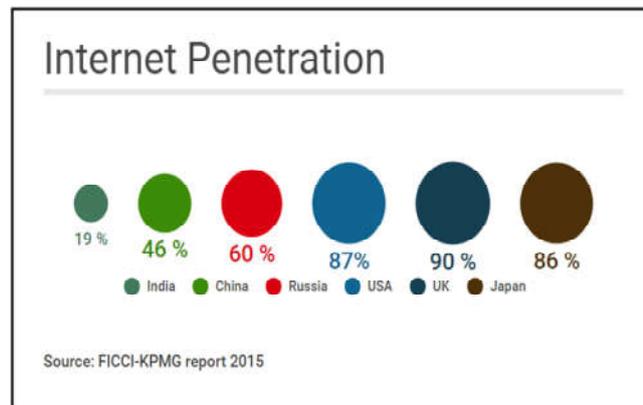


Fig. 9

- ▶ India has shown a steady increase in the Internet users from 2014 to 2016. There is consistency of rise in the number of net surfers by at least 50 million annually (close to the population of South Africa) from 2014 to 2019 taking the projected values to be at least 560 million users by the end of 2019. Adding to that, even the Internet bandwidth availability has said to have seen a 29 per cent rise reaching a 2Mbps average speed in the country.

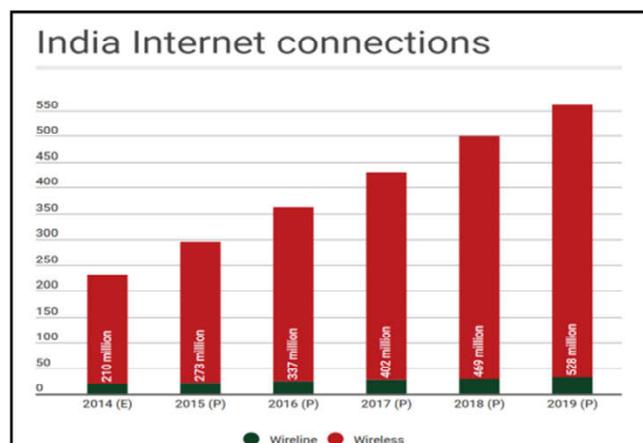


Fig. 10

- ▶ The Internet in itself needs a medium for consumption and the major driving force behind this is observed to be the smartphone industry. Currently the mobile phone subscriber base is

almost nine times the installed base of personal computers in India.

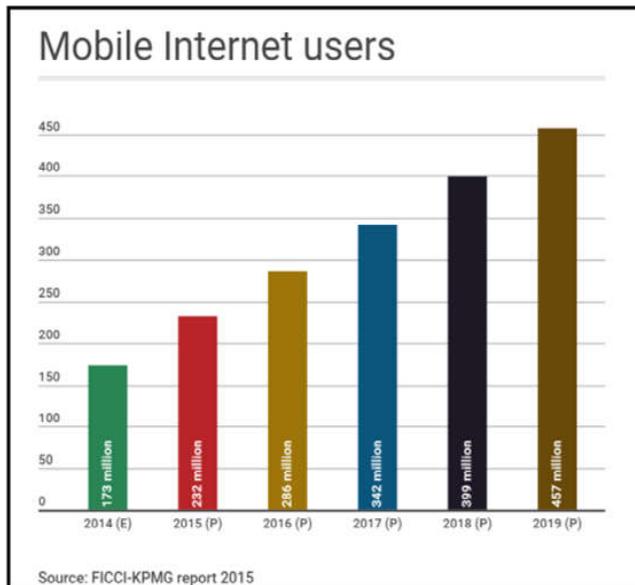


Fig. 11

- ▶ Isolating just the Internet-enabled Smartphone users, a whopping 249 million is projected till 2016 end. This estimation also sees a consistent growth of at least 50 million users (on all Internet-enabled phones) adding to the base every year till 2019.

### FUTURE WE WANT

- ▶ The government and corporate schemes are expected to boost the Internet penetration in India. The Centre's Digital India Initiative is expected to bring broadband connectivity to 2.5 lakh villages and aims to achieve net zero imports by the year 2020.
- ▶ Tech giants have also put a step forward to capitalise on Digital India Initiative by Google launching Project Loom, Microsoft, with its project 'White Space' and Facebook exploring drone technology, all of them experimenting closely to boost Internet penetration in India.
- ▶ The telecom minister estimating India's Internet users at 50 crore users in next 5-8 months is a small piece of an entire picture of the rising Internet and smartphone penetration.
- ▶ Internet penetration in rural areas and the number of web users in India will see a two-fold rise at 730 million by 2020 against 350 million at the end of 2015.
- ▶ 75 per cent of new Internet users in India will come from rural areas.
- ▶ India's Internet consumption has already exceeded the US to become number two globally. By 2020, the Internet is expected to penetrate deeper in hinterlands of the country, helping create more opportunities for everyone.

- ▶ India is the second largest mobile phone market globally with over 1 billion mobile subscriptions. Of this, smartphone users account for approximately 240 million subscriptions which is expected to grow to 520 million by 2020
- ▶ Rural adoption of data-enabled devices is also expected to increase with the BharatNet initiative under Digital India.

### CHALLENGES WE ARE FACING

- ▶ India in spite of its strength in IT services, faces a huge digital divide, having a relatively low percentage of population with access to the Internet.
- ▶ In 2014, India had only about 18 people per 100 using the Internet (World Bank Data).
- ▶ In 2010, 84% of rural India was unaware of the Internet, a gap that the government is desperate to close now.
- ▶ Currently, over 55,000 villages remain deprived of mobile connectivity. This is largely due to the fact that providing mobile connectivity in such locations is not commercially viable for service providers.
- ▶ Reports suggest that, as recently as 2014, nearly 70 per cent of Indian consumers indicated that lack of awareness was the main reason for not using internet services. Non availability of digital services in local languages is also a major concern.
- ▶ Challenges in policy, such as taxation, right of way, restrictive regulations etc. are major roadblocks in the vision of Digital India.
- ▶ Some of the common policy hurdles include the following:
  - ▶ Lack of clarity in FDI policies, for instance, have impacted the growth of e-commerce. As recently as 2014, nearly 70 per cent of Indian consumers indicated that lack of awareness was the main reason for not using internet services.
  - ▶ The non availability of digital services in local languages is also one of the major hurdles for expansion of internet users in India.

### METHODS TO ADDRESS DIGITAL DIVIDE (IN INDIA)

- ▶ **Zero-rating Offerings:** Sponsored data or zero-rating offerings is a concept where in data charges resulting from certain types of usage are billed directly to the sponsoring company and not to the customers. Zero-rating programs in general represent an economically efficient

mechanism for increasing consumer welfare, which makes it beneficial for operators to offer lower prices and other incentives to expand the coverage of the market, especially in developing countries where incomes, and market penetration, are low.

► **Infrastructure for Internet connectivity:**

A recent World Bank report says, "A 10 percent increase in broadband penetration increases the per capita GDP by 1.38 percent in developing countries." The internet has become an enabler of growth and it needs to be promoted with as much enthusiasm as other physical infrastructure like transportation and power.

- Broadband needs to be given its due stature as the lifeline of the Digital India project and efforts must be made to secure its accessibility across the nation.
- It will be good to allocate a portion of the budget to create infrastructure for internet connectivity across India.
- In addition, the government should consider developing a targeted plan for implementing the objective of internet connectivity across India through identified bodies. It may be worthwhile to develop a road map for public private participation with telecom operators.

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# FISHERMEN ISSUE BETWEEN INDIA AND PAKISTAN

## Context

Pakistan and India share Arabian Sea waters and the maritime borders are poorly defined. This leads to frequent arrests by both the nations as the fishing boats lack the technology needed to be certain of their precise location.

Recently, Sixty-six Indian fishermen have been arrested for alleged illegal fishing in Pakistani waters and a Pakistani court here remanded them into custody.

The arrests come just five days after the Pakistan government released 220 Indian fishermen and sent them home via Wagah border on December 26, 2016 as a goodwill gesture.

**Recently**, the Maritime Security Agency had arrested the fishermen and seized five boats. The fishermen were arrested after they remained in Pakistani waters in the Arabian Sea despite warnings to move out of our territorial waters. The fishermen were booked under the Foreigner's Act and the Fisheries Act and had now been sent to jail on court orders after being provided with clothing and food by a welfare organization.

Pakistan on December 26 released 220 Indian fishermen, a goodwill gesture which comes amid strain in ties after the recent cross border terror incidents. The 220 fishermen released were arrested for allegedly entering Pakistan's territorial waters illegally and fishing.

### Why the issue arises?

- ▶ The arrests and seizures of fishermen and sea crews have become a continuous problem and cause a rise of tensions between Pakistan and India.
- ▶ The Indian Ocean, the world's third-largest sea, provides the bulk of the fish supply for domestic consumption to Pakistan and India. In Pakistan and India, the fishing industry has come a long way since Independence and become a source of influential income, employment, and livelihood for the economically underdeveloped population.
- ▶ More than seven million people use fishing as a source of livelihood in Pakistan and India.
- ▶ Pakistan and India frequently arrest fishermen as there is no clear demarcation of the maritime border in the Arabian Sea and these fishermen do not have boats equipped with the technology to know their precise location.

- ▶ Fishermen carry out their fishing activities where both states share water in the Arabian Sea, off the Rann of Kutch coast and in the Sir Creek area.
- ▶ The **Indian Coast Guard (ICG)** and the **Pakistan Maritime Security Agency (PMSA)** are the two bodies that conduct arrest operations in these areas. Each agency hands captured fishers over to the respective police authorities, who, in turn, charge the fishermen for violating maritime borders and the Exclusive Economic Zone (EEZ).

### What are the Steps taken to solve the problem?

- ▶ In the mid-nineties, several Pakistan- and India based non-governmental organizations (NGOs) became involved to establish the detentions of fishermen as human rights violations.
- ▶ Additionally, another organization known as the **South Asian Labor Forum (SALF)** also surfaced, calling attention to the plight of the fishermen as a human rights violation, which made this issue of international-level.
- ▶ Moreover, a joint judicial body known as the **Pakistan-India Judicial Committee** was formed in January, 2007, comprising eight retired judges from Pakistan and India. The judges were appointed to inspect the situation of detained civilians in the jails of other nations, and exclusively the fishermen who were imprisoned foraging across the territorial waters. They have also been assigned to help facilitate the release of these prisoners.

### What are Important Recommendations for Possible Solutions?

Even when the international maritime boundary issue between Pakistan and India is resolved, it is unlikely that the fishermen will completely stop crossing into the other state's waters. However, the establishment of good communication, coordination, and operational cooperation between both states' maritime security forces may serve to mitigate the suffering of fishermen in general and their families in particular.

#### The following recommendations will help to resolve the issue in a peaceful manner:

- ▶ **In light of Korea-China case study,** different zones should be established within the disputed maritime boundary in order to allow the fishermen not only to operate without fear of arrest but also to use their traditional fishing methods. These zones would provide an opportunity for both countries to share the trans-boundary migratory fish resources.
- ▶ **In the case of arrest of fishermen,** the fishing craft would be returned to their respective countries upon completion of the necessary formalities and legal trials, and the arrested fishermen released and repatriated after registering the case.
- ▶ Moreover, both countries' fishing communities/unions should be informed to provide necessary help for expediting the legal formalities. They would be encouraged to remain in contact with each other electronically for faster correspondence.

- ▶ At central locations in Pakistan and India, **data banks could be created** to maintain a record of all fishermen and their fishing craft. These data banks would be networked with other fishing harbors of the respective areas. Captains of the fishing craft would be instructed to submit a detailed list of crew members and their particulars. Fishing authorities would be made responsible for maintaining and updating the databank offices.

### Conclusion

- ▶ More than sixty years of ongoing confrontation between Pakistan and India have heavily charged both countries in terms of economic and social development. People of both countries desire a tension-free environment, where they should not suffer fatigue of crises.
- ▶ Moreover, cooperation between the Pakistan Maritime Security Agency (PMSA) and the Indian Coast Guard (ICG) are also in need of facilitating fishermen of both countries and increasing bilateral relations, as similar to the other navies of the world.
- ▶ In the changing world order and maritime environment of the present, ships and aircraft meet more often than before. Both countries' governments should realize the gravity of irresponsible actions and activities of these sea platforms, and must negotiate joint methodologies for a better atmosphere in the region to avoid future serious consequences.
- ▶ Now the only requirement is that both governments should show goodwill to resolve the issue bilaterally or involve a third party in the interest of the region in general and in the public of both sides in particular.

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## MISCELLANEOUS NEWS

### Context

Hereby compiling the important short notes of December (15 to 30), 2016.

### A. Digi-Dhan Vyapar/Lucky Grahak Yojana

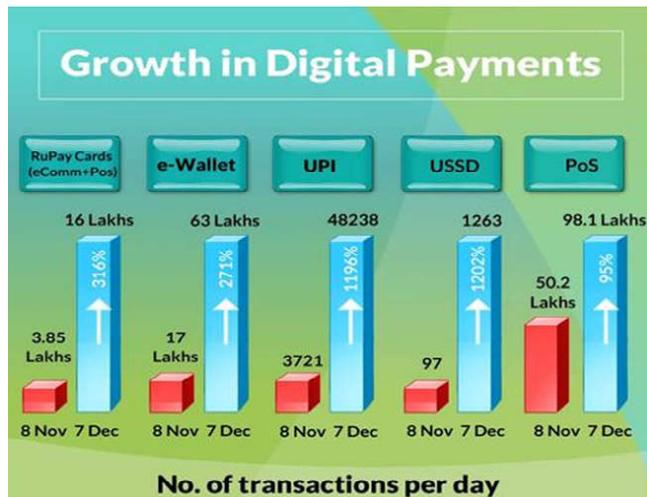


Fig. 12

The Union Government has launched Lucky Grahak Yojana to encourage consumers and Digi Dhan Vyapar Yojana to encourage merchants for transition to digital payments. These award based schemes were launched by the NITI (National Institution for Transforming India) Aayog, government's policy think-tank.

#### Aim:

- ▶ To give cash awards to consumers and merchants who utilize digital payment instruments for personal consumption expenditures.
- ▶ They will specially focus on bringing the poor, lower middle class and small businesses into the digital payment fold.
- ▶ National Payment Corporation of India (NPCI) will be the implementing agency for these schemes. Transactions using USSD, UPI, RuPay and AEPS will only be covered under these schemes.
- ▶ Digital payments made through credit cards and e-wallets won't be covered.
- ▶ To ensure focus on small transactions, incentives will be restricted to transactions within the range of Rs 50 and Rs 3000.
- ▶ The winners shall be identified through a random draw of eligible Transaction IDs by

software to be especially developed by NPCI for this purpose.

#### Lucky Grahak Yojana:

- ▶ Consumers making payment through digital mode will get chance to win minimum Rs 1000 each every day or Rs 1 lakh per week.
- ▶ 15,000 winners will get cashback prizes of Rs 1000 each every day starting on 25 December 2016 (Christmas) and ending on 14 April 2017 (Babasaheb Ambedkar Jayanthi).
- ▶ In addition, there will be weekly awards worth Rs 1 lakh, Rs 10,000 and Rs 5,000 for 7000 people.
- ▶ On last day of scheme mega prize winner award will be announced. He will get Rs. 1 crore award.

#### Digi Dhan Vyapar Yojana:

- ▶ This scheme is for the merchants across the country.
- ▶ Mandatory for merchants to have POS (Point of Sale) machines for undertaking cashless transactions.
- ▶ Under it, merchants doing business using POS are eligible to win Rs.50000 per week from 25 December 2016 to 14 April 2017.
- ▶ 3 Mega Prizes for merchants will be of Rs 50 lakhs, 25 lakh, 12 lakh for digital transactions between 8 November 2016 to 13 April 2017. It will be announced on 14 April 2017.

### B. Pradhan Mantri Garib Kalyan Yojana

The Pradhan Mantri Garib Kalyan Yojana (PMGKY) notified along with other provisions of Taxation Laws (Second Amendment) Act, 2016 came into effect from 17 December 2016.

- ▶ It will remain open until March 31, 2017. PMGKY is Union Government's second Income Disclosure Scheme (IDS) to allow tax evaders to come clean with unaccounted wealth.
- ▶ It provides for 50 per cent tax and surcharge on declarations of unaccounted cash deposited in banks.
- ▶ The money or revenue generated from disclosure of unaccounted cash will be used for welfare schemes for the poor.

- ▶ It will be mainly used for projects in irrigation, infrastructure, primary education, primary health, housing, toilets and livelihood, so that there is justice and equality.

**Important features:**

- ▶ Declaration under it can be made by any person in respect of undisclosed income in the form of cash or deposits in an account with bank or post office or specified entity.
- ▶ Declarant of undisclosed income needs to pay 30% tax, 10% penalty and 33% Pradhan Mantri Garib Kalyan Cess on the tax, all of which add up to around 50%.
- ▶ Besides, declarant must make mandatory deposit of 25% of undisclosed income in the zero-interest Pradhan Mantri Garib Kalyan Deposit Scheme, 2016 with lock-in period of 4 years.
- ▶ The income declared under it will not be included in the total income of the declarant under the Income-tax (IT) Act for any assessment year.
- ▶ Besides, declarations made under it will be kept confidential and shall not be admissible as evidence under any Act (ex. Wealth-tax Act, Central Excise Act, Companies Act etc.)
- ▶ However, declarant will have no immunity under Criminal Acts mentioned in section 199-O of the Scheme.
- ▶ Non declaration of undisclosed cash or deposit in accounts under this Scheme will render tax, surcharge and cess totalling to 77.25% of such income, if declared in the return of income.
- ▶ In case the same is not shown in the return of income a further penalty @10% of tax shall also be levied followed by prosecution.

**C. Swasthya Raksha Programme**

- ▶ The Union AYUSH Ministry has launched 'Swasthya Raksha Programme' to promote health and health education in villages.
- ▶ The programme was initiated through Central Council for Research in Ayurvedic Sciences (CCRAS), Central Council for Research in Homoeopathy (CCRH), Central Council for Research in Unani Medicine (CCRU) and Central Council for Research in Siddha (CCRS).
- ▶ It was launched by AYUSH Ministry in October 2015.

**Aims:**

- ▶ Organize Swasthya Parikshan Camps, Swasthya Rakshan OPDs and Health and Hygiene awareness programme create awareness about

cleanliness of domestic surroundings and environment.

- ▶ Provide medical aid and incidental support in the adopted villages and colonies.
- ▶ Document demographic information, hygiene conditions, food habits, seasons, lifestyle etc., incidence and prevalence of disease and their relation to the incidence of disease.
- ▶ Assess health status and propagation of Ayurvedic concept of pathya-apathya and extension of health care services.

**D. Agni V**



*Fig. 13*

For the first time, a canisterised version of Agni-V missile was successfully test-fired on 31 January 2015 from Wheeler Island off Odisha coast. This was the third successful flight test of the Inter-Continental Ballistic Missile (ICBM) and the first canister trial.

- ▶ The missile was launched from sealed canister, mounted on a TATRA truck.
- ▶ It was carrying dummy payload. Test showed that dummy payload withstand temperatures more than 3,000°C and hit the target at pre-designated point in the Indian Ocean.
- ▶ A canister-launch system of Agni-V missile will give the forces the requisite operational flexibility.
- ▶ With this system, ballistic missile can be transported and can be launched from any place.
- ▶ Agni-V ICBM is indigenously designed and developed by Defence Research and Development Organisation (DRDO).
- ▶ It is part of the Agni series of missiles, one of the missile systems under the original Integrated Guided Missile Development Programme.
- ▶ Its range comprises between 5,500–5,800 km.
- ▶ It will allow India to strike targets across Asia and into Europe. It is a 3 stage solid fuelled missile with composite motor casing in the second and third stage.

- ▶ It carries Multiple Independently Targetable Re-entry Vehicles (MIRV) payloads. **A single MIRV equipped missile, can deliver multiple warheads at different targets.**
- ▶ Incorporate advanced technologies involving ring laser gyroscope and accelerometer for navigation and guidance.
- ▶ First successfully test-fired by DRDO from Wheeler Island off the coast of Orissa on April 19, 2012.
- ▶ With this, India joined an “elite nuclear club” that also included China, Russia, France, the US, the UK and possibly Israel.

### E. Open Waste Burning



Fig. 14

Open burning refers to burning garbage in barrels, open pits, outdoor furnaces, woodstoves, or fireplaces. Open burning of garbage is much more harmful to health and environment.

Open burning of garbage even seemingly harmless materials like paper, cardboard, yard waste, and construction debris releases a hazardous mixture of cancer-causing compounds and other toxic substances when open-burned.

The main concerns with the open burning of garbage at waste disposal grounds relate to the potential effects on human health and the environment. The following summarizes the main concerns, namely the release of air pollutants, the health risks to people on and off the site, and the potential environment effects due to the smoke and ash.

#### Contaminants Released from the Open Burning of Garbage

- ▶ Open burning is an inefficient combustion process and releases significant amounts of air pollutants and ash, and dense white or black smoke.
- ▶ During calm or inversion conditions, the levels of the pollutants are higher because of their reduced dispersion in the atmosphere. At other times, the area affected by the smoke cannot

be predicted because of the variability in the wind direction and wind speed.

- ▶ The air contaminants released depend on the material being burned and the conditions of the fire. The smoke may include aldehydes, acids, nitrogen oxides, sulphur oxides, polycyclic aromatic hydrocarbons (PAHs), dioxins, furans, other organics and volatilised heavy metals. For example, treated wood wastes may release arsenic, PVC plastics may release hydrogen chloride, wood painted with lead-based paints may release lead, etc.
- ▶ The ash from the waste may be contaminated with toxic chemicals such as dioxins and furans, PAH's, heavy metals, and other potentially carcinogenic compounds. Some of the ash will be carried off into the atmosphere with the smoke plume, while the rest will remain behind after the fire has been extinguished.

#### Health Effects of Open Burning of Garbage

- ▶ The greatest health risk from the open burning of garbage at a waste disposal ground would be to those closest to the fire who may inhale the smoke. Other individuals on-site and off-site may also be affected, depending on factors such as the distance to the fire, exposure duration, amount and type of material burned, individual sensitivity, etc.
- ▶ The pollutants are all toxic to humans, depending on their concentration, and may cause irritation, skin and respiratory problems; some are carcinogenic. Those individuals with respiratory problems such as asthma or with allergies may be even more sensitive to the smoke.

One of the greatest concerns with open burning of garbage is the health risks posed by the release of dioxins and furans into the environment. Exposure to dioxins and furans has been linked to:

- ▶ Certain types of cancers
- ▶ Liver problems
- ▶ Impairment of the immune system, the endocrine system, and reproductive functions.
- ▶ Effects on the developing nervous system and other developmental events.

The open burning of garbage produces more dioxins and furans than all industrial activities combined.

#### Environmental Effects of Open Burning of Garbage

- ▶ The smoke from open burning may be a major source of complaints from the public because of its odour and its effects on visibility.

- ▶ The smoke from waste disposal ground fires may reduce visibility on local roads. This has the potential to cause traffic accidents.
- ▶ The ash, which may be dispersed by the wind or leached by water, may contain toxic contaminants.
- ▶ Toxins may be leached from any ash remaining which could lead to the contamination of surface water or ground water.
- ▶ There is always a risk of the fire burning out of control.
- ▶ Across the province, the total pollutant contributions from the open burning at waste disposal grounds, if allowed, would have an effect, although small, on the global environment.
- ▶ Since open burning of garbage is more common in rural and agricultural areas, there is particular concern for high levels of dioxins and furans settling on crops, in our streams, and in lakes.
- ▶ Dioxins and furans produced by the open burning of garbage are deposited on plants, which are eaten by animals.
- ▶ The dioxins and furans are absorbed by these animals and stay in the food chain until they ultimately end up in our meat and dairy products. In fact, over 90 percent of our intake of dioxins and furans is from human diet.

**Up In Smoke:**

Open burning of garbage poses health risks to those exposed directly to the smoke. It especially affects people with sensitive respiratory systems, as well as children and the elderly.

In the short term, exposure to smoke can cause headaches, nausea, and rashes. Over time, it can increase the risk of developing heart disease. Some of the pollutants contained in the smoke from open burning of garbage can include:

- ▶ Dioxins
- ▶ Furans
- ▶ Arsenic
- ▶ Mercury
- ▶ PCBs
- ▶ Lead
- ▶ Carbon monoxide
- ▶ Nitrogen oxides
- ▶ Sulphur oxides
- ▶ Hydrochloric acid

Some of these pollutants can also end up in the ash that is left behind from open burning of garbage.

**Safer Alternatives:**

Following the 3Rs (Reduce, Reuse, Recycle) principle and disposing of garbage in a safer way will help to protect health and the environment.

- ▶ **Reduce:** Avoid disposable items. Buy products in bulk instead of individually wrapped or single-serving sizes. Buy durable products and products that can be recharged, repaired, or refilled.
- ▶ **Reuse:** Donate items which no longer need such as clothing, furniture, books, magazines, and toys to relatives, friends, or charities. Mend and repair rather than discard or replace.
- ▶ **Recycle:** Separate the recyclable items from garbage and prepare them for collection or for drop-off at a local recycling depot.
- ▶ **Compost:** Install a backyard compost bin for composting a kitchen and yard waste or, if available, participate in community's organics collection program.
- ▶ **Dispose:** Put all the garbage out for collection or bring it to nearby local landfill.

**F. Punjab Crop Burning**



*Fig. 15*

Punjab crop stubble burning produced around 10,000 tonnes of particulate matter, including 9,000 tonnes of PM 2.5, which is considered a 'dangerous pollutant' affecting respiratory system.

**Observations:**

Observing that 'around 14 million tonnes' of paddy residue had been burnt by farmers in Punjab between October and November, the Delhi HC bench had in November directed the Central Pollution Control Board (CPCB) to conduct a study on the 'exact amount of emissions per tonne' created by the post-harvest burning.

**About the particulate matter:**

Each tonne of crop residue emitted 0.74 kg of PM 10, which included 0.67 kg of PM 2.5. The remaining particles were larger. One tonne of crop

residue also emits about 10.8 kg of carbon monoxide, which causes respiratory diseases and leads to global warming. Oxides of nitrogen, sulphur dioxide and ammonia are other major pollutants released by the crop residue.

The pollutants were 'increasing' every year as there is no way to remove the particulate matter from the 'system'. It will remain in the air and come down with the rain to join the soil and water. Every year there is more coming in.

### Mitigation strategies:

The NCRPB (NCR Planning Board) is expected to look into the issue of air pollution in the NCR, including crop burning, deforestation and various proposed measures to reduce pollution levels.

The court has now asked the Punjab government to file a report on steps being taken to stop crop burning. The CPCB has also been directed to create a 'plan of action' to reduce pollutants. The High Court had taken suo motu cognizance of the levels of air pollution in the capital in form of a PIL initiated in February 2015.

### G. Tamil Nadu Bans Sharia Courts

The Madras High Court on Monday banned all unauthorised Sharia courts in mosques across Tamil Nadu, saying centers of worship were only to be used for religious purposes.

The PIL had been filed 'to safeguard the interests of a large number of innocent Muslims' who silently suffered at the hands of Sharia courts/councils in Tamil Nadu.

A PIL filed alleged that the Makka Masjid Shariat Council was operating as a court of law from a mosque in Anna Salai.

The Supreme Court had refused to ban Sharia courts in 2014, saying the interpretations made by Islamic judges were not legally binding and they could pass verdicts only when individuals submit to them voluntarily.

On October 7, 2016, the Centre had opposed the practice of triple talaq, 'nikah halala' and polygamy among Muslims in the Supreme Court.

Many Muslim were affected by the system, as the council had created an impression among Muslims that it had been functioning as per Sharia law and all its orders and judgments were religiously binding on Muslims.

The council dealt largely with matrimonial disputes, even going to the extent of passing divorce orders.

The court order comes in the wake of a raging debate over the controversial practice of Triple Talaq, where Muslim women are divorced simply by pronouncing the word 'talaq' thrice.

### Background:

The Centre had sought a relook on grounds like gender equality and secularism. However, it was opposed by several Muslim organisations, including the All India Muslim Personal Law Board, which stressed that 'Sharia law cannot be changed'.

The court has also asked the Tamil Nadu government to keep close vigil on unauthorised Sharia courts, and ensure that they do not function.

### About the Sharla:

- ▶ Shariah regulates belief, speech and the status of women as well as non-Muslims.
- ▶ It dictates all matters - criminal, civil and financial.
- ▶ It even prescribes the rules pertaining to women removing their facial hair and wearing perfume when they are outside their home.
- ▶ The Sharia is said to dictate a complete way of life.
- ▶ There is no such thing as a separate secular authority or secular law under Shariah, since religion and state do not exist as separate from one another.
- ▶ Shariah, often referred to as "Islamic Law," is a legal code based on the Koran and the Sunna (Hadith and Sira).
- ▶ The Shariah, is all encompassing, meaning that it covers all aspects of life, including criminal law, domestic law, warfare (Jihad), the how-tos of state governance, personal ethics, and prayer.
- ▶ Shariah regulates down to the minutest detail of everything that happens in this life and after-life.
- ▶ Adherents believe that Shariah is the will of Allah, and as such, is sacred law and considered to be perfect and unchangeable for all time.
- ▶ Shariah regulates belief, speech and the status of women as well as non-Muslims. It dictates all matters criminal, civil and financial.

- ▶ The Sharia is said to dictate a complete way of life. There is no such thing as a separate secular authority or secular law under Shariah, since religion and state do not exist as separate from one another.
- ▶ Shariah is the stated and officially recognized law of the land in Saudi Arabia, Iran and Sudan, three nations with some of the most affected human rights records in the world.
- ▶ It is no coincidence that these three nations are also heavily involved in Jihadist terrorism.
- ▶ Shariah is also fast emerging as a parallel system of jurisprudence in many other countries with Britain being one of the most affected.

**Examples of Sharlah law Include:**

- ▶ Violent jihad against non-Muslims to establish Islam's rule worldwide (known as the caliphate).
- ▶ Killing of apostates from Islam.
- ▶ Killing of adulterers and homosexuals.
- ▶ Severe discrimination against women, including persecution of women and execution by stoning of women who are suspected of adultery.
- ▶ Bodily mutilation for petty crimes such as theft including, limb amputations, gouging out of eyes.
- ▶ Severe discrimination against, and the subjugation of non-Muslims.
- ▶ Financial jihad ("jihad with money) for those Muslims who cannot engage in physical jihad using force.

**H. JUDIMA FESTIVAL IN ASSAM**

- ▶ Assam's only hill station, Haflong will host the three-day 'Judima Festival' on sports and culture from December 18-20.



*Fig. 16*

- ▶ The festival has been named after Judima, which is Dimasa tribals' traditional brew.
- ▶ It is considered as one of the best traditional brews in the region and occupies an integral part of the social and cultural life of Dimasa tribals.

- ▶ The name has been chosen due to its uniqueness in taste, methods of preparation and integral part it occupies in every aspect of Dimasa social and cultural life. The festival is not only a symbolic celebration of the rich Dimasa drink but also to initiate the idea of an alternative means of livelihood to the local brewers.
- ▶ The theme of the festival is to preserve, promote and nurture ethnic culture, music, dance, craft and folk art of Dimasa tribals residing in Dima Hasao district of Assam.
- ▶ The three-day 'Judima Festival' attracted tourists and make them indulge in a number of adventure sports like trekking, hiking, angling and satiate their taste buds by gulping one of the best traditional brews of the region.
- ▶ The first edition of the festival, which was held in January 2016 saw the conglomeration of people of different ethnicities and strengthened the harmony among various tribes of the hill district.
- ▶ Cycling, hiking, angling, local sight-seeing, heritage walk and night trekking for an ultimate trekking experience that ends with a breathtaking sight of sunrise along the Barail hills are part of the initiative.
- ▶ In addition, the initiative has been undertaken to promote tourism and establish Haflong into the tourism map of the North-east.

**I. ICGEB FINDS BIOMAKERS**

**About the Invention:**

- ▶ Researchers at Delhi's International Centre for Genetic Engineering and Biotechnology (ICGEB).
- ▶ They have identified specific metabolites that can potentially be used as biomarkers for distinguishing dengue and chikungunya infections and co-infection by these two viruses.
- ▶ Both these virus infections exhibit similar and overlapping symptoms in patients because of which making differential diagnosis becomes challenging.
- ▶ It gets further complicated in the case of a co-infection.

**Other Important terms:**

- ▶ Metabolites are the intermediate products of metabolic reactions catalyzed by various enzymes that naturally occur within cells. This term is usually used to describe small molecules.
- ▶ Biomarkers (short for biological markers) are biological measures of a biological state.

Biomarkers are the measures used to perform a clinical assessment such as blood pressure or cholesterol level and are used to monitor and predict health states in individuals or across populations so that appropriate therapeutic intervention can be planned.

- ▶ Biomarkers may be used alone or in combination to assess the health or disease state of an individual.

## J. GARV-II

The Union Power Ministry is going to launch new mobile application GARV-II to provide real time data of all 6,00,000 villages of the country.

The purpose of the mobile application is to ensure transparency in implementation of rural electrification programme.

It aims to ensure electricity access to all households as government has already electrified over 11,000 villages out of 18,452 un-electrified villages.

### About the App:

- ▶ GARV-II mobile app has incorporated village-wise, habitation-wise base line data on household electrification for all states.
- ▶ It also has mapped village-wise works sanctioned under Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY) to monitor progress of works in each village.
- ▶ It also incorporates the status of release of funds to the states for electrification projects sanctioned under DDUGJY. GARV-II allows peoples participation for rural electrification work.
- ▶ It opens rural electrification work to public scrutiny and input about rural electrification programme. It also has a citizen engagement window 'SAMVAD' to enhance participation. It automatically forwards feedback and suggestions of people to the concerned authorities through SMS & Email.
- ▶ The earlier version of GARV mobile application was only providing data about rural electrification regarding 18,452 un-electrified villages. The GARV-II will provide real time data of all 6,00,000 villages of the country in real time.

## K. India Ranks 4th in 2016 Global Wind Power Installed Capacity Index

Winds are caused by the uneven heating of the atmosphere by the sun, the irregularities of the earth's surface, and rotation of the earth.

According to the recent Global Wind Power Installed Capacity Index, India has ranked 4th with cumulative installed wind power generation capacity of 25,088 MW in 2015.

The index was topped by China, followed by US and Germany with cumulative installed wind power generation capacity of 1,45,362 MW, 74,471 MW and 44,947 MW respectively.

India has achieved the largest-ever wind power capacity addition of 3,423 MW in 2015-16, exceeding the target by 44%.

### Advantages

- ▶ Can be used for both distributed generation or grid interactive power generation using on-shore or off shore technologies.
- ▶ Ranges of power producing turbines are available. Micro-turbines are capable of producing 300W to 1MW and large wind turbines have typical size of 35KW-3MW.
- ▶ Wind turbine is suitable to install in remote rural area, water pumping and grinding mills.
- ▶ Average capacity factor can be close or higher than 30%.

### Disadvantages

- ▶ The total cost can be cheaper than solar system but more expensive than hydro.
- ▶ Electricity production depends on wind speed, location, season and air temperature. Hence various monitoring systems are needed and may cost expensive.
- ▶ High percentage of the hardware cost (for large WT) is mostly spent on the tower designed to support the turbine.

## L. NITI Aayog Rolls Out Health Index

The government think tank NITI Aayog rolled out a 'Performance on Health Outcomes' Index that will rank various States on the basis of their performance on measurable health indicators.

The index is meant to capture the annual incremental improvements by States, rather than focus on historical achievement.

It includes indicators in the domains of health outcomes governance and information and a few

key inputs and processes. This initiative is envisioned to bring about the much required improvements in social sector outcomes, which have not kept pace with the economic growth in this country. It will be used to propel action in the States to improve health outcomes and improve data collection systems.

Monitorable indicators that form a part of Sustainable Development Goal in Health have been included in order to align these initiatives. It is anticipated that this health index will assist in State

level monitoring of performance, serve as an input for providing performance based incentives and improvement in health outcomes, thereby also meeting the citizens' expectations.

The exercise involves the participation of several partners including technical assistance from the World Bank, mentor agencies to hand-hold States, where required, during the exercise and third party organizations to validate the data submitted prior to calculation of the index. Data will be entered and results published on a dynamic web portal hosted by NITI Aayog.

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