

**CURRENT EVENTS
AND
ANALYSIS
(December 2019)**

Editor

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CURRENT EVENTS AND ANALYSIS

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ECONOMY

MACROVIEW OF INDIAN ECONOMY:

Goal of 5 Trillion Dollar Economy Achievable : Prime Minister

Addressing the centenary celebration (100 years of establishment) of the Associated Chambers of Commerce and Industry (ASSOCHAM) of India in New Delhi on December 20, 2019, Prime Minister Narendra Modi stated that the goal of 5 Trillion Dollar Indian Economy is achievable.

Government's Push for 5 trillion dollar economy:

The Prime Minister stated the Government will contribute to the goal of 5 trillion dollar economy through an investment of

- Rs. 100 lakh crore on infrastructure,
- Rs. 25 lakh crore on the country's rural economy (housing, roads, healthcare, etc.), and
- Rs 3.5 lakh crore to provide water to every household.

Strong Foundations Laid in the Last Five Years:

The Prime Minister stated that the Government has also laid strong foundations in the last five years to achieve the goal of 5 trillion dollar economy by acting on decades-old demands of the industrialists and traders through various initiatives like

1. **Goods and Services Tax (GST)** for simplifying the indirect tax and checking tax evasion,
2. **Insolvency and Bankruptcy Code (IBC)** for early recognition of stress in companies and finding resolution,
3. reduction of **corporate tax** to make India a globally low tax destination and thereby attract FDI,
4. reforms in the **banking sector** to promote professionalism in the running of banks and bringing down Non Performing Assets (NPA's),
5. labour reforms to provide for fixed term employments,
6. bringing transparency, efficiency and accountability in the **Tax System** by moving towards a faceless Tax Administration,
7. emphasis on '**Ease of Doing Business**' (due to which the ranking of the country improved from 142 to 63), and
8. use of **technology** in **governance**.

The Prime Minister stated that now company registration takes only a few hours instead of several weeks. Time has also been reduced through automation in trading across borders. There has been a reduction in Turn Around Time at Ports and Airports through better linkage of infrastructure.

Removing Criminal Provisions in Companies Act:

- Assuring the industry of further action to remove criminal provisions in the Companies Act, Prime Minister stated that business failure is not a crime. He stated that failure of companies is not always because of financial mismanagement. Only (those) who have risk-taking capacity can lead the country and society.

(A panel headed by Injeti Srinivas, Secretary in the Corporate Affairs Ministry, has finalized recommendations to decriminalize over 40 violations under the Companies Act and rationalize penalty provisions to make the regulatory regime more investment-friendly. Several offences are likely to be classified as civil wrongs, not warranting jail term, besides proposing a liberal penalty regime for small businesses.)

Economy Slowdown Temporary:

- The Prime Minister stated that the country will emerge out of the current economic slump much stronger than before. He said that Indian economy had faced slowdown in the past also when it registered just 3.5 growth in a quarter during the rule of UPA Government led by Congress.

National Infrastructure Pipeline (NIP) Unveiled

- On December 31, 2019, the Central Government unveiled an ambitious Rs. 102 lakh crore five-year infrastructure development plan called National Infrastructure Pipeline.

National Infrastructure Pipeline (NIP):

- **Investment:** An investment of Rs.102 lakh crores would be made in upgrading existing infrastructure and creating new infrastructure.
- **Sectors:** This investment would be spread across 22 sectors (Roads, Railways, energy, etc.) in 18 States and Union Territories.
- **Implementation Period :** Over the next **five fiscal years i.e. 2020-25.**

Major Components of the NIP:

- Energy (24%), Roads (19%), Urban (16%), and Railways (13%) amount to around 70% of the projected expenditure in infrastructure.

Investment Sources for NIP:

The funding of Rs. 102 lakh crores investment would be shared by

- Central Government : 39 per cent
- State Government : 39 per cent
- Private Sector : 22 per cent
- Total : 100 per cent

Projects Identified in consultation with the state governments:

- The Central Government has selected the projects in consultation with the state governments and after undertaking technical feasibility and financial viability of the projects.

Need for the NIP?

1. Reaching the target of US \$ 5 trillion economy by 2025:

The Central Government has set a target achieving GDP of US \$ 5 trillion economy by 2025. Quality infrastructure will be a crucial enabler in reaching this target.

2. Enhancing competitiveness:

Creation of new infrastructure would also enhance India's global competitiveness by reducing logistics costs and helps in attracting investments.

India is currently ranked 70 out of 140 countries for 'infrastructure quality' in the global competitiveness index.

3. Ease of Living:

This is one the major objectives of the Government of India . Investments in roads, railways, airports, electricity, urban infrastructure (drinking water, sewerage, etc.), education, health care will contribute to 'ease of living' of citizens.

4. Increasing Urbanisation:

India is urbanising rapidly. By 2030, more than 50 per cent people will be living in urban areas in at least 5 states. Tamil Nadu, Karnataka, Gujarat, Maharashtra, and Punjab. Plugging deficiencies in infrastructure will smoothen the process of urbanisation by promoting 'ease of living' and facilitating economic activities.

Advantages of the NIP?

1. Employment Generation:

Infrastructure creation is labour intensive. Hence, investments in infrastructure will create a lot of employment opportunities.

2. Boosting economic growth:

Investments in infrastructure will give a boost to short term as well as long term growth.

While investments in infrastructure creates demand for inputs like steel, cement, etc., incomes generated due to employment in the infrastructure sector will further stimulate demand for goods and services in the economy. The Government believes that this will lead to virtuous cycle of higher investments, growth and employment generation in the economy.

Analysis:

- As per the National Infrastructure Pipeline, Centre and the States will fund 39% each while the private sector will contribute 22% of the outlay in the infrastructure projects. It will be a challenge for the Centre to mobilise Rs. 39 lakh crore, even if it is over the next five years. It works around Rs. 8 lakh crore per annum.
- States have to mobilise an equal amount i.e. Rs. 39 lakh crores over the next five years. It remains to be seen whether the financial position of States permits this.
- The estimated private sector contribution is around Rs. 22 lakh crore. But, the private sector is hesitant to make investments in the infrastructure which are long term investments and have associated risks.
- As the scale of estimated investment is huge, debt will play an important role. It also remains to be seen how far banks will extend infrastructure financing as a major part of their bad loans are from this sector.
- Thus, implementing and commissioning of these infrastructure projects is a challenge. Successful implementation on the National Infrastructure Pipeline would contribute to ease of living, creation of jobs, and increased demand for commodities such as cement and steel. It may also play a catalytic role in making Indian economy a US \$ 5 billion economy.

Additional Information:

Details of investments under National Infrastructure Pipeline.

<u>Sectors</u>	<u>Investment in 2020-25 (Rs. Crores)</u>
- Energy	24,54,249 Crores
- Roads	19,63,943 Crores
- Railways	13,68,523 Crores
- Airports	1,43,398 Crores
- Ports	1,00,923 Crores
- Urban Infrastructure	
Housing, sewerage, metros, etc.	16,29,012 crores
- Rural Infrastructure	
(Water and sanitation)	7,72,765 crores
- Irrigation	7,72,678 crores
- Social Infrastructure	
Health & Education	3,56,701 Crores
- Industrial Infrastructure	3,07,462 Crores
- Digital Infrastructure	3,20,498 Crores
- Agriculture & Food	
Processing Industries	60,553 crores
Total	1,02,50,704 crores

Constraints in India for Infrastructure projects are

- Inadequate availability of funds for financing large infrastructure projects,
- lengthy process of land acquisition,
- environmental concerns, and
- time and cost overruns due to delays in project implementation.

MONETARY POLICY:

Operation Twist:

RBI Adopts 'Operation Twist' to Bring Down Long Term Interest Rates

- In December 2019, the Reserve Bank of India (RBI) initiated the practice of 'Operation Twist' to reduce the interest rate on long term borrowing.

Why did the RBI Initiate 'Operation Twist'?

- The RBI is making efforts to give a boost to the economic growth by making the cost of capital cheaper
- In 2019, the RBI has already reduced the Repo Rate (rate at which RBI lends money to commercial banks) by 1.35 per cent.
- 'Operation Twist' is another initiative of RBI to bring down the cost of long term borrowing.

What is 'Operation Twist'?

- It involves simultaneous purchase and selling of Government Securities of the same amounts by the RBI to bring down long-term interest rate while allowing short term rates to inch up. The move is aimed at addressing liquidity (money supply), which is asymmetric - abundant at the shorter end but not on the longer end.
- Long term government securities (maturing in 2029) are purchased and short term securities (maturing in 2020) are sold.

How is 'Operation Twist' Unique?

- Generally, RBI sells government securities through open market operations (OMO) to suck out excess liquidity (money supply) in the market. Similarly, it purchases government securities through open market operations (OMO) to infuse liquidity (money) into the market. But, these selling and purchasing (buying) is never done simultaneously. Buying or selling is undertaken depending on the objective i.e either to suck out money from the market or infuse money into the market.
- But, under 'Operation Twist', there is simultaneous purchasing (buying) and selling. Long term government securities are purchased while short term securities are sold.
- The practice of 'Operation Twist' was first started by US Federal Reserve

Why simultaneous buying and selling by RBI now?

- **The** objective now is to bringdown the longterm interest rates without altering the over all money supply.
- The overall money supply in the market will be same by simultaneous buying and selling.
- The RBI will achieve its objective of bringing down long term interest rate by keeping the overall money supply same. Hence, there will be no inflationary impact on account of this measure.

What are the benefits of 'Operation Twist' ?

1. Long term loans become Cheaper:

When the long term interest rates are lowered, these loans become cheaper as it will reduce the Equated Monthly Instalments (EMIs) of long term loans like housing loans, vehicle loans, etc.

2. Boost to Investment and Growth:

Reduced long term interest rates boost investment and thereby contribute to economic growth.

Response to Operation twist:

- The RBI conducted two auctions in December 2019 i.e. on December 23, 2019 and December 30, 2019.

In the first auction held on December 23, 2019,

- Long term securities (loans) worth Rs. 10, 000 crore maturing in October 2029 were offered for purchase (borrowing) at 6.45 per cent. The RBI received bids worth Rs.20,826 crore.
- Short term securities worth Rs. 10, 000 crore maturing in April, May, June and December 2020 were offered for sale at 6.65 %, 7.80 %, 8.27% and 8.12 % . The RBI received bids worth Rs.20,330 crore.
- In the second tranche (December 30, 2019), the RBI received bids worth Rs. 25,698 crore for the purchase offer of Rs. 10,000 crore of long-term securities. Similarly, it received bids amounting to Rs. 38,551 crore for selling offer of Rs. 10,000 crore of short-term securities.
- The long term interest rates on Government securities will also set the benchmark for market interest rates of long term borrowings.

Additional Information:

What are Government Securities (G-Secs):

- These are bonds, both short- and long- term, issued by the government of India to raise funds for their expenditure.
- The government pays a specified coupon or interest rate on these bonds that may be payable annually or semi-annually or for any other specified frequency.
- The securities which have a tenure less than a year are called **treasury bills** and the ones which mature after a year are called **bonds**.
- These are issued through auctions conducted by RBI on behalf of the Governments.
- In India, the Central Government issues both treasury bills and bonds or dated securities while the State Governments issue only bonds or dated securities, which are called the State Development Loans (SDLs).
- Treasury bills (T-bills) are presently issued in three tenors, namely, 91 day, 182 day and 364 day.
- Long term securities also called dated G-Secs (they contain the date on which they mature) range from 5 years to 40 years.
- G-Secs carry practically no risk of default and, hence, are called risk-free gilt-edged instruments.
- Government Securities (G-Secs) are also tradeable instruments (sold and purchased).

Bi-Monthly Monetary Policy:

RBI Lowers Growth Forecast to 5 per cent; Keeps Repo Rate unchanged

- Reserve Bank of India (RBI) kept repo rate unchanged at 5.15 per cent in its fifth bi-monthly policy review released on December 5, 2019.
- Repo Rate is the interest rate at which RBI lends money for short term to commercial banks.
- There was expectation that RBI's six-member Monetary Policy Committee (MPC) would lower the key interest rate once again as growth in the second quarter reached a six-year low of 4.5 per cent.
- Between February-October 2019, the RBI reduced the Repo Rate by 1.35 per cent in a series of reductions beginning February 2019.
- The present 5.15 per cent repo rate is the lowest in 9 years.

GDP Growth Forecast reduced to 5 Per Cent:

- GDP growth projection for 2019-20 has been revised downwards to 5 per cent from 6.1 per cent in the October 2019 policy due to **weak domestic** and **external demand**.

Inflation:

- Consumer Price Inflation (CPI) increased sharply to 4.6 per cent in October, propelled by a surge in food prices.
- The RBI revised its retail inflation projection upwards to 4.7 to 5.1 per cent for the second half of the fiscal and 3.8 to 4 per cent for the first half of 2020-21.

Regulatory Measures:

Primary (Urban) Co-operative Banks – Exposure Limits and Priority Sector Lending

- With a view to reducing concentration risk in the exposures of urban co-operative banks (UCBs) and to further strengthen the role of UCBs in promoting financial inclusion, certain regulatory guidelines relating to UCBs would be amended. These would primarily relate to exposure norms for single and group/interconnected borrowers, promotion of financial inclusion, priority sector lending, etc.

These measures are expected to strengthen the resilience and sustainability of UCBs and protect the interest of depositors. An appropriate timeframe will be provided for compliance with the revised norms.

Primary (Urban) Co-operative Banks - Reporting to Central Repository of Information on Large Credits (CRILC):

- The Reserve Bank has created a Central Repository of Information on Large Credits (CRILC) of scheduled commercial banks, all India financial institutions and certain non-banking financial companies with multiple objectives, which, among others, include strengthening **offsite supervision** and **early recognition of financial distress**.
- With a view to building a similar database of large credits extended by urban co-operative banks (UCBs), UCBs with assets of Rs.500 crores and above would be brought under the CRILC reporting framework.

Development of Secondary Market for Corporate Loans – setting up of Self-Regulatory Body

- As recommended by the Task Force on Development of Secondary Market for Corporate Loans, the Reserve Bank will facilitate the setting up of a self-regulatory body (SRB) as a first step towards the development of the secondary market for corporate loans. The SRB will be responsible, inter-alia, for standardising documents, covenants and practices related to secondary market transactions in corporate loans and promoting the growth of the secondary market in line with regulatory objectives.

Review of NBFC-P2P Directions- Aggregate Lender Limit and escrow accounts

- The Reserve Bank had issued directions for Non-Banking Financial Company-Peer to Peer Lending platform (NBFC-P2P) on October 4, 2017.
- At present, the aggregate limits for both borrowers and lenders across all P2P platforms stand at Rs. 10 lakh, whereas exposure of a single lender to a single borrower is capped at Rs. 50,000 across all NBFC-P2P platforms.
- To give the next push to the lending platforms, limits for both borrowers and lenders across all NBFC peer-to-peer (P2P) platforms will be increased from Rs. 10 lakh to a cap of Rs. 50 lakh.

New Pre-Paid Payment Instruments (PPI)

- Prepaid Payment Instruments (PPIs) have been playing an important role in promoting digital payments. To further facilitate its usage, a new type of PPI which can be used only for purchase of goods and services up to a limit of Rs. 10,000 would be introduced. The loading / reloading of such PPI will be only from a bank account and used for making only digital payments such as bill payments, merchant payments, etc.

BANKING:

Small Finance Banks

Guidelines for 'On Tap' Licensing of Small Finance Banks in Private Sector

On December 5, 2019, the Reserve Bank of India released "Guidelines for 'on tap' Licensing of Small Finance Banks in the Private Sector".

Background:

- The RBI, under former governor Raghuram Rajan, decided to make banking sector in India more diverse by promoting payment banks and small finance banks in addition to the existing banks i.e scheduled commercial banks (public sector and private banks), foreign banks, Cooperative Banks, etc.
- Accordingly, the Reserve Bank of India (RBI) had issued guidelines for licensing of Small Finance Banks in the private sector on November 27, 2014.
- The Reserve Bank issued in-principle approval to ten applicants and they have since established the banks. It was mentioned in the guidelines that **after gaining experience in dealing with these banks**, RBI would consider receiving the applications on a continuous basis and licenses would be given to eligible applicants. This is called on tap licensing.
- Hence, the RBI released the final guidelines for eligible entities to apply for licences as and when they choose to. NBFCs, qualified individuals, and private companies were eligible to apply for licences.

Revised Guidelines:

Objectives of Small Finance Banks:

- The **objectives** of setting up of small finance banks will be for **furthering financial inclusion** through
 - (i) provision of savings vehicles primarily to unserved and underserved sections of the population, and
 - (ii) supply of credit to small business units; small and marginal farmers; micro and small industries; and other unorganised sector entities, through high technology-low cost operations.

Licensing:

- The small finance bank shall be registered as **a public limited company** under the **Companies Act, 2013**.
- It will be licensed under Section 22 of the Banking Regulation Act, 1949 and will **have scheduled bank status**.

Minimum Capital of Rs. 200 Crores:

- Minimum paid-up voting equity capital / net worth requirement shall be Rs. 200 crore.

Functions of Small Finance Bank:

- Acceptance of **deposits**, and
- **lending** to unserved and underserved sections including **small business units, small and marginal farmers, micro and small industries and unorganised sector entities**.
- The small finance banks will be required to extend
 - **75 per cent of lending** should be for sectors eligible as **priority sector lending (PSL)**.
 - At least **50 per cent of its loan portfolio** should constitute loans and advances of **upto Rs. 25 lakh**.
- It can also undertake other simple financial services activities as distribution of mutual fund units, insurance products, pension products, etc.

Prudential Norms:

- The small finance bank will be subject to all prudential norms and regulations of RBI as applicable to existing commercial banks including requirement of maintenance of Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR).

Who are Eligible for Setting up Small Finance Banks?

- **Resident individuals/professionals** (Indian citizens), singly or jointly, each having at least 10 years of experience in banking and finance at a senior level; and
- **Companies** and **Societies** in the **private sector**, that are owned and controlled by residents and having successful track record of running their businesses for at least a period of five years, will be eligible as promoters to set up small finance banks.
- Existing **Non-Banking Finance Companies (NBFCs), Micro Finance Institutions (MFIs), and Local Area Banks (LABs)** in the private sector having successful track record of running their businesses for at least a period of five years, can also opt for conversion into small finance banks
- Existing **Payments Banks (PBs)** which are controlled by residents and have completed five years of operations are also eligible for conversion into small finance banks after complying with all legal and regulatory requirements.
- **Primary (Urban) Co-operative Banks (UCBs)** can convert into SFBs, provided they comply with the on-tap licencing guidelines. However, the minimum net worth of such SFBs will be Rs. 100 crore and has to be increased to Rs. 200 crore within five years from commencement of business.

Transfoming into Regular Commercial Bank:

- If the small finance bank aspires to transit into a universal bank, such transition will not be automatic, but would be subject to
fulfilling minimum paid-up capital / net worth requirement as applicable to universal banks;
its satisfactory track record of performance as a small finance bank and the outcome of the Reserve Bank's due diligence exercise.

Financial Stability

Financial Stability Report' Released by RBI

- The Reserve Bank of India (RBI) released the '**Financial Stability Report (FSR)**' on December 27, 2019.

Highlights:

- **India's financial system** remains **stable** notwithstanding weakening domestic growth.
- The resilience of the banking sector has improved following recapitalisation of Public Sector Banks (PSBs) by the Government.
- However, risks arising out of global/domestic economic uncertainties and geopolitical developments persist.

Risk of Rising NPA's:

- The RBI said stress tests done on public sector banks revealed that their gross non-performing asset ratio may rise from 9.3 % in September 2019 to 9.9 % by September 2020. Private sector banks, too, could see an increase in gross NPAs from 3.9% to 4.2% during the same period.

Revival of Private Consumption and Investment a Challenge:

- It stated that the **revival of twin engines** of India's economic growth - **private consumption** and **investment** - remains a critical challenge for the RBI.

Global Scenario:

- The global economy confronted a number of uncertainties - trade tensions, whiff of an impending recession, oil-market disruptions and geopolitical risks - leading to significant deceleration in growth. These uncertainties weighed on consumer confidence and business sentiment, dampened investment intentions.

RBI Report on Banking:**RBI Report on 'Trend and Progress of Banking in India'**

- The Reserve Bank of India (RBI) released the 'Report on Trend and Progress of Banking in India' on December 24, 2019.

Highlights:

- While the Indian banking sector's financial parameters such as bad loans and capital adequacy have shown an improvement in recent times, the overall health of banking sector will depend on revival in economic growth.
- Notwithstanding the enhanced resolutions through the Insolvency and Bankruptcy Code (IBC), the overhang of Non Performing Assets (NPAs) remains.

Public Sector Banks:

- RBI said that the capacity of public sector banks to sustain credit growth in consonance with the financing requirements of the economy will require that capital is maintained well above the regulatory minimum. Therefore, recapitalization, RBI said, would be a continuous process.
- The Report stated that in the coming years, the financial health of public sector banks (PSBs) should increasingly be assessed by their ability to access capital markets instead of the tendency to depend excessively on the government for recapitalisation of the first and last resort.

The central bank said that the government has been infusing capital in some PSBs, just enough to meet the minimum regulatory requirements.

Private and Foreign Banks:

- Private banks (PVBs) and Foreign Banks (FBs) remained well-capitalised and above the regulatory minimum of 10.875%.

Co-operative Banking

- Co-operative banks in India play a crucial role in credit delivery and extending other financial services through their geographic and demographic outreach. However, these have been facing daunting challenges in the recent period. As dual control of the Reserve Bank and respective state governments or central government (in the case of multi-state cooperative banks) constrains timely regulatory action against weak banks. Hence, necessary legislative amendments are being discussed with the government.

NBFC'S:**"Partial Credit Guarantee Scheme" for NBFCs/HFCs Approved**

- On December 11, 2019, the Union Government approved the 'Partial Credit Guarantee Scheme' for the purchase of high-rated pool of assets from financially sound non-banking financial companies (NBFCs) and housing finance companies (HFCs) by public sector banks.

Rs. 1,00,000 crore assets to be covered under the Scheme:

- The amount of overall guarantee will be **limited to the first loss of up to 10% of fair value of assets** being purchased by the banks under the Scheme, or **Rs. 10,000 crore**, whichever is lower.

-
- The window for one-time partial credit guarantee offered by the government will remain open till June 30, 2020 or till such date by which Rs. 1,00,000 crore assets get purchased by the banks, whichever is earlier.
 - The scheme would cover NBFCs/HFCs that may have slipped into SMA-0 category during the one year period prior to August 1, 2018, and asset pools rated “BBB+” or higher. Most stressed NBFCs in the country fall under this category.

BBB+ Rating:

BBB+ rating means an obligor has adequate capacity to meet its financial commitments. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitments.

SMA-0 accounts:

SMA-0 accounts are the special mention accounts (SMA) against which the principal or interest or any other amount wholly or partially is overdue between 1-30 days.

Benefits of the Partial Credit Guarantee Scheme:

- It will address temporary liquidity / cash flow mismatch issues of otherwise solvent NBFCs / HFCs.
- They need not resort to distress sale of their assets.
- It will also protect the financial system from any adverse contagion effect that may arise due to the failure of such NBFCs / HFCs.
- This will provide liquidity to the NBFC / HFC concerned for financing the credit demand of the economy, and thereby spurring economic growth.

CAPITAL MARKET:

Bharat Bond Exchange Traded Fund (ETF) Launched

- On December 4, 2019, the Union Government approved the creation and launch of **Bharat Bond Exchange Traded Fund (ETF)**, a fixed income debt instrument. It is a loan given by an investor to a borrower to be repaid after maturity date along with interest. Since the amount of loan is collected in lumpsum, it is designated as a Fund. And the Fund is traded in Stock Exchange. Hence, it is called Exchange Traded Fund (ETF).

Objective Bharat Bond Exchange Traded Fund (ETF) is

- to create an additional source of funding for Central Public Sector Undertakings (CPSUs), Central Public Sector Enterprises (CPSEs), Central Public Financial Institutions (CPFIs) and other Government organizations.
- Bharat Bond ETF would be the **India’s first ever corporate Bond Exchange Traded Fund (ETF)**.

Other objectives of the Bharat Bond ETF are

1. increasing bond markets,
2. enhancing retail participation, and
3. reducing borrowing costs.

What are Corporate Bonds?

- These are debt securities issued by corporations and sold to investors.
- Investors who buy corporate bonds are lending money to the bond issuing company.
- In return, the company makes a legal commitment to pay interest on the principal and to return the principal when the bond matures.

Features of Bharat Bond Exchange Traded Fund (ETF) :

1. **Exchange Traded Fund (ETF)** will be a basket of bonds issued by Central Public Sector Undertakings (CPSUs) Central Public Sector Enterprises (CPSEs), Central Public Financial Institutions (CPFIs), and other Government organizations.
 2. Fund will constitute a portfolio of AAA-rated bonds of public sector entities. AAA ratings are issued to investment-grade debt that has a high level of creditworthiness with the strongest capacity to repay investors. These ratings are given by credit rating agencies.
 3. For the present, Edelweiss would issue Bonds with 2 maturity series i.e
Bonds with 3 years maturity period, and
Bonds with 10 years maturity period.
 4. The unit size of the bond has been kept small at just Rs. 1,000 to encourage retail participation.
- Edelweiss Asset Management Company would manage the Bharat Bond Exchange Traded Fund (ETF).

About Edelweiss:

- The Edelweiss Group is one of India's leading diversified financial services company. The group has sizeable presence in businesses such as Life Insurance, Housing Finance, Mutual Fund and Retail Financial Markets including Stock Broking.

Advantages:

1. Safety of investments as fund will invest only in public sector bonds, which are quasi-sovereign in nature.
2. predictable and stable returns at maturity,
3. liquidity (ready conversion into cash) due to tradability on exchange, and
4. easy and low-cost access to bond markets to retail investors to invest in bonds with smaller amount (as low as Rs. 1,000). This will increase participation of retail investors who are currently not participating in bond markets due to liquidity and accessibility constraints.

Fund Gets Good Response:

- Edelweiss Asset Management Company issued New Fund Offer (NFO) for size of Rs 7,000 crore. But, it was oversubscribed nearly 1.8 times. It received applications for around Rs 12,395 crore.
- The three-year category received applications for Rs 6,982 crore, an oversubscription of 2.3 times and the 10 year category received Rs 5,413 crore, an oversubscription of 1.4 times.
- All the subscription will be retained in both the categories to accommodate the overwhelming demand. With approximately 55,000 applications received, the Fund witnessed wide retail participation.

INFRASTRUCTURE

Funds for Infrastructure:

Authorised Capital and Equity Support to India Infrastructure Finance Company Limited (IIFCL) Enhanced

On December 11, 2019, the Union Government approved to

- increase authorised capital of India Infrastructure Finance Company Ltd (IIFCL) from Rs. 6,000 crore to Rs. 25,000 crore, and
- provide additional equity support of Rs. 5,300 crore to IIFCL in the financial year 2019-20 and Rs. 10,000 crore in financial year 2020-21 through regular budgetary support and / or through issuance of recapitalisation bonds.

(Authorized capital is the number of stock units (shares) that a company can issue as stated in its memorandum of association or its articles of incorporation. Authorized share capital is often not fully used by management in order to leave room for future issuance of additional stock in case the company needs to raise capital quickly.)

Significance:

- Increasing the authorised capital of IIFCL will enhance its borrowing capacity.
- This enables it to finance big ticket infrastructure projects.

About India Infrastructure Finance Company Ltd (IIFCL):

- IIFCL is a wholly-owned Government of India (GoI) company set up in 2006.
- It provides long term finance to viable infrastructure projects across sectors like Roads, Airports, Power, Railways, Urban infrastructure, etc.
- The authorised capital and the paid up capital of the company as on date stands at Rs. 6000 crore and Rs. 4702.32 crore respectively.
- In September, 2013, it was registered with RBI as a Non-Banking Financial Company – Infrastructure Finance Company (NBFC-IFC).

Why was Equity Infused?

- Government has announced its intention to invest Rs. 100 lakh crore in infrastructure over the next five years.
- Infrastructure investment to this extent will require large amount of equity and debt.
- The role of IIFCL in making debt funding possible will be crucial as participation by IIFCL in funding a project opens up possibilities of co-financing by other lenders including larger banks.
- It is therefore necessary to infuse additional capital in IIFCL to enable it to fulfil its mandated role of financing major infrastructure projects.

Telecom:

National Broadband Mission Launched

On December 17, 2019, Ravi Shankar Prasad, Minister for Communications, Electronics and Information Technology, launched National Broadband Mission with a vision to

1. **fast track growth of digital communications infrastructure** in the country, and
2. **bridge the digital divide** by providing affordable and **universal access of broadband for all**.

Some of the **objectives** of the Mission are

- providing broadband access to all villages by 2022,
- facilitating universal and equitable access to broadband services for across the country and especially in rural and remote areas,
- laying of **incremental 30 lakhs route km of Optical Fiber Cable**,
- increasing tower density from 0.42 to 1.0 tower per thousand of population by 2024, and
- developing a **Broadband Readiness Index (BRI)** to measure the availability of digital communications infrastructure and conducive policy ecosystem within a State/UT.

Investment:

- Under the Mission, an investment **US \$ 100 billion (Rs 7 Lakh crore)** including Rs 70,000 crore from **Universal Service Obligation Fund (USOF)** would be made.

Universal Service Obligation Fund (USOF):

- It was set up by the Government to increase teledensity in rural and remote areas as telecom companies which operate on commercial lines do not invest in rural telecom infrastructure as these areas generate lower revenue due to lower population density, low income and lack of commercial activity. Hence, the Government levies 'Universal Access Levy (UAL)' to make telecom services universal.
- The New Telecom Policy - 1999 provided that the resources for meeting the Universal Service Obligation (USO) would be raised through a 'Universal Access Levy (UAL)', which would be a percentage of the revenue earned by the telecom operators. It is **5% of the Adjusted Gross Revenue (AGR)** of telecom companies at present.
- The Government has collected more than **one lakh crore** under Universal Service Obligation (USO).

Roads:

Mandatory Electronic Toll Collection System on National Highways

- The Union Government has decided to **make FASTag mandatory for all vehicles on national highways**. The original date for implementation was December 1, 2019. But, it was later postponed to January 15, 2019 to enable all the vehicle owners comply with the **FASTag requirement**.
- FASTag is **electronic toll collection programme** being implemented by the **Indian Highways Management Company Limited (IHMCL)**, a company incorporated by the National Highways Authority of India (NHAI), and the National Payments Corporation of India in coordination with Toll Plaza Concessionaires, tag issuing agencies and banks.
- The electronic toll collection system was initially implemented as a pilot project in 2014 on the Ahmedabad-Mumbai stretch of the Golden Quadrilateral.
- It was gradually extended to other parts of the country.
- The tag is currently accepted at more than **500 National Highways** and about **40 State highway toll plazas**. Till September 2019, the total collection through FASTag was over Rs. 12,850 crore.

What is FASTag?

- A FASTag is a **prepaid rechargeable sticker** which has to be attached on the front windshield of the vehicle. It contains the details like vehicle number, owner of the vehicle, registered mobile number, etc.
- It works on Radio Frequency Identification (RFID) technology.
- The technology allows automatic deduction toll fee when the vehicle approaches the toll plaza.
- FASTag is scanned by the tag reader at the toll plaza and the toll amount is deducted when the vehicle approaches a toll plaza.
- The user gets a short message service (SMS) alert on the registered mobile phone about all transactions and the available balance.

What are the advantages of FASTag?

- It enables **seamless and hassle free movement of vehicles** as vehicle need not stop at the toll plaza and cash need no be paid manually.
- It **reduces congestion** at toll plazas
- It leads to **transparency in toll collections** and **check leakages**.
- **Fuel wastage** can be avoided. A joint study in 2014-15 by the Transport Corporation of India and the Indian Institute of Management-Calcutta put the fuel consumption due to delays at \$14.7 billion per year.

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- The centralised system also provides authentic and real-time data to government agencies for **better analysis** and **policy formulation**.

Integration with GST Network:

- On October 14, 2019, the IHMCL and GST Network signed a memorandum of understanding for integrating FASTag with the e-way Bill system.

This integration enables efficient 'track-and-trace' mechanism involving goods vehicles.

- The integration, which will become mandatory across the country from April 2020, will help revenue authorities check whether goods vehicles are actually headed to the specified destination.
- Suppliers and transporters will also be able to keep track of their vehicles through SMS alerts generated at each tag reader-enabled toll plaza.

SOCIAL SECTOR

Labour:

Industrial Relations Code Bill, 2019 Introduced in Lok Sabha

On November 28, 2019, the Government introduced the 'Industrial Relations Code Bill, 2019' in Lok Sabha. It is aimed at consolidating and amending the laws relating to

1. trade unions ('The Trade Unions Act, 1926'),
2. conditions of employment in industrial establishment or undertaking ('The Industrial Employment (Standing Orders) Act, 1946', and
3. investigation and settlement of industrial disputes ('The Industrial Disputes Act, 1947').

The 'Industrial Relations Code Bill, 2019' is part of government efforts to codify **44 central labour laws** into four broad codes to simplify labour laws, and improve the business environment in the country by reducing compliance burden for companies. These four codes are

- Code on Wages
- Code on Industrial Relations,
- Code on Social Security and Safety, and
- Code on Health and Working Conditions.

Highlights of 'Industrial Relations Code Bill, 2019':

Forming of Trade Unions:

- Seven or members working in an industrial establishment can form a Trade Union and register it.

Single Negotiating Team:

- To help employers check constant unionism, the bill introduces a feature of 'recognition of negotiating union'.
- If more than one Trade Union of workers registered under this Code are functioning in an industrial establishment, then, the Trade Union having seventy-five per cent. or more workers on the muster roll of that industrial establishment will be recognised as the sole negotiating union of the workers with the employer of the industrial establishment. There is criticism that this provision reduces the bargaining power of the workers.
- When no such Trade Union has seventy-five per cent or more of workers of that industrial establishment, the Government will form a negotiating council consisting of the representatives of such Trade Unions having the support of not less than ten per cent of the total workers with one representative for each ten per cent of such total workers.

“Fixed Term Employment”:

- The bill provides for fixed term employment of any duration across sectors. However, the fixed term employee will get all statutory benefits like social security, wages, etc., at par with the regular employee who is doing work of same or similar nature.
- It may be noted that the government has already allowed fixed-term employment across all sectors. It has now only been codified.

Prohibition of Strikes and Lock-outs:

- An employee in an industrial establishment shall not go on strike without giving to the employer notice of strike.
- This notice should be given 60 days in advance.
- Similarly, no employer of an industrial establishment shall lock-out any of his workers without giving them notice of lock-out within sixty days before locking-out.

Lay offs (Retrenchment):

- Any industrial establishment having 100 or more workers shall not lay off a worker without the prior permission of the Government. "Worker" means any person getting wages up to fifteen thousand rupees.
- This number (100) can be varied by the Government. This provision has been added to protect states like Andhra Pradesh, Assam, Haryana, Jharkhand, Madhya Pradesh, Rajasthan, Uttarakhand and Uttar Pradesh, where the threshold has been enhanced from 100 to 300 by state amendments.
- Moreover, this provision of 100 workers is not applicable for seasonal industries (where demand is fluctuating or intermittent. Example: Garment industry).

‘Worker Re-Skilling Fund’:

- A “Worker Re-skilling Fund” would be set up by the Government for training of retrenched employees. The retrenched employee would be paid 15 days’ wages from the fund within 45 days of retrenchment.

Contributions to the ‘Worker Re-Skilling Fund’:

- **Industrial establishments** will have to contribute an amount equal to fifteen days wages last drawn, or such other number of days as may be notified by the Central Government, of every retrenched worker immediately before the retrenchment or closure of industrial establishment.
- The Fund would also have contributions from such other sources as may be prescribed by the Government.

Mechanism for Resolution of Industrial Disputes:

- The Government would appoint Conciliation Officer for mediating in and promoting the settlement of industrial disputes in a specified area or for specified industries.

Industrial Tribunals:

- The Government would also constitute Industrial Tribunals for the adjudication of industrial disputes and for performing other functions as may be assigned to them. Each Tribunal will consist of two members: a Judicial Member and an Administrative Member.
- National Industrial Tribunals would be constituted for the adjudication of industrial disputes which involve questions of a) national importance, and b) if the industrial establishments are situated in more than one State.

Sustainable Development Goals:

Kerala tops NitiAyog's Sustainable Development Goals Index

On December 31, 2019 NitiAyog released the report on **NitiAyog's India Index of 17 UN Sustainable Development Goals for the year 2019**. The performance of Indian states and union territories is as follows:

Performance of States and Union Territories:

- **Kerala, Himachal Pradesh and Andhra Pradesh** got the **highest composite score** calculated based on their performance in the 17 UN Sustainable Development Goals.
- **Bihar, Jharkhand and Arunachal Pradesh** scored the least.
- Himachal Pradesh and Sikkim have joined the southern states in the highest score list.
- **Chandigarh and Pondicherry** have topped the list among union territories while **Jammu and Kashmir and Ladakh** have scored the least.

What are UN Sustainable Development Goals?

- UN Sustainable Development Goals are **17 global goals adopted by the UN member nations in 2015 as a call to action to end poverty and to protect the Earth by 2030**. These goals are interdependent on each other meaning achieving progress in one goal will help achieve another.
- The progress in achieving these goals by the member nations is **monitored by UNDP (United Nations Development Programme)**.
- UNDP has developed 232 indicators to measure compliance by member nations to achieve the goals.
- The following are the 17 sustainable development goals:
 - 1: No Poverty
 - 2: Zero Hunger
 - 3: Good Health and Well-being
 - 4: Quality Education
 - 5: Gender Equality
 - 6: Clean Water and Sanitation
 - 7: Affordable and Clean Energy
 - 8: Decent Work and Economic Growth
 - 9: Industry, Innovation and Infrastructure
 - 10: Reduced Inequality
 - 11: Sustainable Cities and Communities
 - 12: Responsible Consumption and Production
 - 13: Climate Action
 - 14: Life Below Water
 - 15: Life on Land
 - 16: Peace and Justice Strong Institutions
 - 17: Partnerships to achieve the Goal

What is NitiAyog's India version of UN Sustainable Development Goals (SDGs)?

- NitiAyog has adapted the monitoring approach to the Indian Context with 100 indicators of its own for the India Index.

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- NitiAyog's version of UN SDGs for 2019 is called SDG India Index 2.0
 - It was constructed using 100 indicators across 54 SDG targets and the 17SDG goals. SDG India Index 1.0 for 2018 used 62 indicators across 39 targets and 13 goals.
 - NitiAyog worked with Ministry of Statistics and Programme Implementation to determine how the composite score should be calculated.

What is composite score?

- Composite Score is an overall score based on each state's progress in achieving the UN SDG goals.
- The composite score ranges from 0 to 100. A score of 100 means the state achieved the targets set for 2030.

Analysis of factors that contributed to the scores achieved by the states in 2019:

- **Ending Hunger** and **Achieving Gender Equality** are the areas where **most of the states fell far short**. The All India scores for these goals are 35 and 42 respectively.
- Most of the states scored the highest in **Clean water and sanitation, affordable and clean energy**.
- **22 states and union territories have scored below 50 concerningSDG 2-Ending Hunger goal** and the **central Indian states of Jharkhand, Madhya Pradesh, Bihar and Chhattisgarh scoring below 30**, showing **high levels of hunger and malnutrition**. The indicators for Ending Hunger are related to child stunting, obesity and anemia, as well as agricultural production and subsidized food distribution.
- **Almost all states scored poorly regarding SDG 5- Gender Equality goal with India's overall score being 42** and Himachal Pradesh and Kerala scoring 52 and 51 respectively.The indicators considered include crimes against women, eradicating sex selection of the child in the womb and discrimination against daughters, and access to reproductive health schemes, as well as indicators showing women's economic and political empowerment and leadership.
- **Swachh Bharat Mission which focused on sanitation helped achieve a good score for clean water and sanitation** by most states **because 4 out of 7 indicators chosen for SDG 6-Clean Water and Sanitation goal dealt with toilets and 2 goals for industrial waste managementand only 1 indicator for safe and affordable drinking water**.
- **Government schemes to provide electricity and cooking gas connections to rural India contributed to progress for SDG 7: Affordable and Clean energy goal** although **there were no indicators looking at other important areas such as renewable energy and energy efficiency**.

Ground Water Management:

Atal Bhujal Yojana Launched by Prime Minister

Atal Bhujal Yojana (ATAL JAL) launched by Prime Minister Narendra Modi on December 25, 2019 aims at

- **improving ground water management through community participation** in identified priority areas in **seven States**, viz. Gujarat, Haryana, Karnataka, Madhya Pradesh, Maharashtra, Rajasthan and Uttar Pradesh.
- Nearly **8,350 Gram Panchayats in 78 districts** in these States will benefit with Implementation of this scheme.

Two major components of ATAL JAL:

1. **Institutional Strengthening and Capacity Building Component** for **strengthening institutional arrangements** for sustainable ground water management in the States like improving monitoring of networks, capacity building, strengthening of Water User Associations, etc.
2. **Incentive Component**. States would be incentivised for achievements in
 - improved groundwater management practices such as data dissemination, and preparation of water security plans,

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- implementation of Water Security Plans through convergence of various ongoing or new schemes of the Government of India and State Governments to facilitate judicious and effective utilization of funds, and
 - adopting demand side management practices such as micro-irrigation, crop diversification, electricity feeder separation etc.

Cost:

- Total outlay of Rs. 6000 crore.
- 50% shall be in the form of World Bank loan, and be repaid by the Central Government.
- The remaining 50% shall be through Central Assistance from regular budgetary support. The entire World Bank's loan component and Central Assistance shall be passed on to the States as Grants.

Implementation Period:

- 5 years (2020-21 to 2024-25)

Expected Benefits of the Scheme:

- Source sustainability for Jal Jeevan Mission ((providing piped water supply to every rural household by 2024) in the project area with active participation of local communities,
- contribution towards the goal of doubling the farmers' income,
- promotion of participatory ground water management,
- improved water use efficiency on a mass scale and improved cropping pattern, and
- promotion of efficient and equitable use of ground water resources and behavioural change at the community level.

Why was the Scheme Launched?

- Ground water contributes to nearly 65% of total irrigated area of the country and nearly 85% of the rural drinking water supply.
- The limited ground water resources in the country are under threat due to the increasing demands of growing population, urbanization and industrialization.
- Intensive, and unregulated ground water pumping in many areas has caused rapid and widespread decline in ground water levels as well as reduction in the sustainability of ground water abstraction structures.
- The problem of reduction in ground water availability is further compounded by deteriorating ground water quality in some parts of the country.
- The increasing stress on ground water due to over- exploitation, contamination and associated environmental impacts threaten to endanger the food security of the nation, unless necessary preventive / remedial measures are taken on priority.
- Hence, the Department of Water Resources, Ministry of Jal Shakti has taken a pioneering initiative for ensuring long term sustainability of ground water resources in the country through the Atal Bhujal Yojana (ATAL JAL) by identifying ground water stressed blocks in seven states.

Drinking Water:

Jal Jeevan Mission (JJM) Guidelines Released by Prime Minister

- Operational Guidelines of 'Jal Jeevan Mission' which aims at **providing piped water to every household in the country by 2024** were released by Prime Minister Narendra Modi on December 25, 2019.
- **Only 3 crore out of around 18 crore rural households** have access to piped water supply. Now Government has set the target to deliver clean drinking water to 15 crore homes in the next five years through pipes.

Jal Jeevan Mission (JJM):

- **Every rural household would** be provided Functional Household Tap Connection (FHTC) by 2024.
- As per the exact information available, out of 17.87 Crore rural households in the country, about 14.6 Crore do not have household water tap connections.
- This means **81.67% of rural households donot have water tap connections.**

Benefits of the Scheme:

- Jal Jeevan Mission (JJM) aims at providing potable water in adequate quantity i.e. 55 litre per capita per day (lpcd) of prescribed quality (i.e. BIS Standard of IS: 10500) on regular basis.
- Assured availability of safe drinking water in the household premises will improve the health and thereby socio-economic condition of the rural population.
- It will also bring down the drudgery of rural women, especially girls.

Total Cost of the Project is

- estimated to be about **Rs 3.60 lakh Crore.**

Cost Sharing:

- Central share will be Rs.2.08 lakh Crore.
- The fund sharing pattern to be 90:10 for Himalayan and North-Eastern States; 50:50 for other States and 100% for UTs.

Institutional arrangement for implementation of the Scheme:

- National Jal Jeevan Mission at the Central level;
- State Water and Sanitation Mission (SWSM) at State level;
- District Water and Sanitation Mission (DWSM) at district level; and
- Gram Panchayat and/ or its sub-committees i.e.Village Water Sanitation Committee(VWSC)/ Paani Samiti at village Level.

Bottom Up Planning:

- Every village will have to prepare a village action plan (VAP) having three components namely;
 - i.) water source & its maintenance
 - ii.) water supply and
 - iii.) grey water management (water that has been used for washing dishes, laundering clothes, bathing, etc.)
- Village action plan will be aggregated at district level to formulate the District action plan which will be aggregated at State level to formulate the State action plan.
- State action plan will give a holistic view especially covering projects like regional grids, bulk water supply and distribution projects to address the needs of water stressed areas and will also have a plan for ensuring drinking water security in the State.

Forging Partnerships:

- In order to ensure faster implementation, partnership would be forged with all stakeholders in water sector namely; voluntary organizations, sector partners, professionals in water sector, foundations and Corporate Social Responsibility (CSR) arms of various corporates.

Source Sustainability Measures:

- Mandatory source sustainability measures like **rain water harvesting, groundwater recharge and other water conservation measures** along with grey water management (including reuse) would be undertaken in convergence with MGNREGS and grants under Finance Commission, State Finance Commission, District Mineral Development Fund (DMF), etc.

User Charges:

- JJM envisages a **structural change in the provision of drinking water supply services**. The service provision should change to '**utility based approach**' like electricity. Such a reform enables the institutions to function as utilities focusing on services and recover water tariff/ user fee.
- States should have a definite Operation & Maintenance (O&M) policy especially to meet with the O&M requirements like monthly energy cost of the piped water supply, by ensuring cost recovery from user groups and thereby avoiding any unwanted burden on public exchequer.

Water Quality Monitoring and Surveillance:

- Similarly, Water Quality Monitoring and Surveillance would be an important component under scheme. Setting up and maintenance of water quality testing labs would be done by the Public Health Engineering (PHE) Departments and surveillance activities should be taken up by community so as to ensure that the water supplied is of prescribed quality.

Incentives for Good Performance:

- Good performance of the States/ UTs will be incentivized out of the fund not utilized by other States at the end of the financial year.

Monitoring:

- The **physical and financial progress** of the mission is proposed to be monitored through **Integrated Management Information System (IMIS)** and fund utilization through Public Finance Management System (PFMS).

RC REDDY IAS STUDY CIRCLE

NATIONAL POLITY & SOCIAL ISSUES

Citizenship:

Citizenship Amendment Act, 2019

The Citizenship Amendment Bill, 2019, passed by the Lok Sabha on December 10, 2019 and Rajya Sabha on December 11, 2019, received the assent of the President of India on December 12, 2019.

Amendments made through the Citizenship Amendment Bill, 2019 to the Citizenship Act, 1955, the Passport Act, 1920, and the Foreigners Act, 1946 to

1. provide **citizenship** to **persecuted illegal migrants** of six religious communities: Hindus, Sikhs, Buddhists, Jains, Parsis and Christians from **three countries**: Pakistan, Bangladesh, and Afghanistan provided they had entered the country before December 31, 2014.
2. **Exclusion: Illegal Muslim migrants** from Pakistan, Bangladesh, and Afghanistan have been **excluded** from the grant of citizenship.

Who is an Illegal Migrant?

According to the Citizenship Act, 1955, an illegal migrant is a foreigner who

1. enters the country without valid travel documents, like a passport and visa,
2. enters with valid documents, but stays beyond the permitted time period

An illegal migrant can be imprisoned or deported under the Foreigners Act, 1946 and the Passport (Entry into India) Act, 1920.

In technical terms, illegal migrants are called '**undocumented persons**'.

Why has the Government decided to provide citizenship to these six religious communities?

- Many people belonging to these six communities have faced **persecution on grounds of religion** in **Pakistan, Bangladesh and Afghanistan as Islam** is their **state religion**.
- Many such persons have fled to India to seek shelter and continued to stay in India even if their travel documents have expired or they have incomplete or no documents.
- Hence, the Government has decided to provide citizenship (through naturalisation) to these six religious communities on **humanitarian grounds** to **end the sufferings** of the persecuted minorities and give them **a dignified life**.
- The grant of citizenship would mainstream them into society. They will have all the rights that an Indian citizen has and will also be eligible for all government schemes such as housing, education, health, and employment.

What is Religious persecution?

- Religious persecution is the **systematic mistreatment of an individual or group of individuals** due to their **religious beliefs or affiliations**.
- Due to religious persecution, the persecuted minorities **cannot freely practice, profess and propagate their religion**.
- Sometimes this leads to **forceful conversions** and **destruction of places of worship of these religious minorities**.

Why was Afghanistan included ?

The main reason for granting citizenship to illegal non-Muslim migrants from Pakistan and Bangladesh was that these two countries were part of undivided India and when India was partitioned on religious lines in 1947, significant non Muslim minorities continued to remain in the Muslim dominated countries and are

being subject to religious persecution. Afghanistan was not part of undivided India. Yet, the Central Government decided to grant citizenship to illegal non Muslim migrants from Afghanistan due to the following reasons.

- Afghanistan is home to some Sikh and Hindu communities who are a minority in that country.
- Islamic terrorists are killing Hindus and Sikhs and attacking their places of worship.
- Hence, they are forced to leave for India or to convert to Islam.

In the 1970s, there were around 700,000 Hindus and Sikhs in Afghanistan, but their number has been dwindling fastly.

Now, it is estimated that Hindus and Sikhs make up around 3,000 Afghans scattered across provinces of Kabul, Nangarhar and Ghazni.

Why were Illegal Muslims excluded?

- Muslims do not face religious persecution in these countries as Islam is state religion and Muslims are a majority in these three countries.

Why do Muslims enter into the country illegally?

- Illegal migration happens not only on the grounds of religious persecution but also **due to lack of employment opportunities** in the country of their origin and **better economic opportunities in India**. For example, influx of illegal immigrants from Bangladesh is also because of better earnings in India.

Why only illegal migrants from three countries and six religious communities are being allowed?

- The Government has come under criticism for granting citizenship to illegal migrants from only three countries (Pakistan, Bangladesh and Afghanistan) and excluding illegal immigrants from other countries like Myanmar, and Bhutan.
- The opposition parties argued that there is religious persecution in other neighboring countries of India like Christians in Bhutan, Rohingya Muslims in Myanmar and illegal migrants from these countries should also be given citizenship.

Government's Response:

- In the past, citizenship had been given to illegal migrants coming from countries like Uganda, and Sri Lanka. At that time, illegal migrants coming from Pakistan, Bangladesh and Afghanistan were not considered.

About 50,000 Asians were forced to leave Uganda in 1972, on the orders of former military ruler Idi Amin, who accused them of "milking Uganda's money". At that time, they owned 90% of the country's businesses. India gave citizenship to people of Indian origin who came from Uganda.

Similarly, Indian government has given citizenship to Sri Lankan Tamils at various times since 1950. First 4.6 lakh people were given citizenship, later 94,000 people were given.

- The process of awarding citizenship to illegal migrants has been undertaken by different governments in the past on case to case basis from time to time.
- This time the case of migrants fleeing religious persecution from these three countries has been considered through this Bill.

Protests Against the Bill:

The Citizenship Amendment Bill, 2019 is being opposed for the following reasons.

1. Nationwide Protests:

The passage of the Citizenship Amendment Bill, 2019 has led to widespread protests by political parties and demonstrations against the bill by students and public for the following reasons.

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- (i) **Divisive and Discriminatory:** The Citizenship Amendment Bill, 2019 is **divisive** and **discriminatory** as it targets Muslims.

Fears of Muslims: Muslims in India fear that the Government is targeting the Muslim community with Citizenship Amendment Bill, 2019 and the proposed countrywide National Register of Citizens (NRC).

- (ii) **Against Constitutional values of India:**

- a) **Against plural and secular values:** The Preamble of the Constitution that India is a secular state which means Government treats all religious beliefs and practices with equal respect. India is plural country where people of all religious faiths reside.

But the 'Citizenship Amendment Bill, 2019' used **religion as the basis** for granting citizenship and **segregated Muslims** from other religious communities. Thus, the Bill is being seen as an attack on the soul of Indian Constitution by intellectuals.

Around 1000 intellectuals from diverse fields and institutes (Academicians, Historians, Scientists, and Research Scholars from premier institutions) expressed concern that careful exclusion of Muslims from the ambit of the Bill will greatly strain the pluralistic fabric of the country. They signed a petition demanding that the Citizenship Amendment Bill, 2019 (CAB) be withdrawn.

They stated that use of religion as a criterion to determine eligibility to apply for Indian citizenship is "deeply troubling" and reminded that India emerged from the independence movement as a country that aspired to "treat people of all faiths equally."

(Signatories included scholars from IITs, Jawaharlal Nehru University (JNU), Harvard University, Tata Institute of Social Sciences (TISS), Tata Institute of Fundamental Research (TIFR), Yale University, University of Massachusetts and others.)

- b) **Against Equality:** The Bill is also against Article 14 of the Indian Constitution which states that the State shall not deny to **any person** equality before the law or the equal protection of the laws **within the territory of India**.

Here, it is important to note that **Article 14 applies not only to citizens of India but to "all persons within the territory of India"**.

2. Causes of Protests in Assam:

- Assamese feel that their **political, linguistic, economic and cultural rights are under threat** because of the Citizenship Amendment Bill, 2019.
- There is a sense of **betrayal** and **humiliation** among the Assamese. They feel betrayed by the central government since the Citizenship Amendment Bill, 2019 **contradicts** the Assam Accord of 1985.

Assam Accord, 1985 provides for identification and deportation of illegal immigrants who entered Assam after March 25, 1971.

On the other hand, Citizenship Amendment Bill, 2019 grants citizenship to illegal migrants of six religious communities excluding Muslims who have entered the country up to December 31, 2014. The date for granting citizenship has been advanced by 43 years. Assam has a serious problem with illegal foreign migrants from Bangladesh who are Bengali Hindus and Muslims.

The Central Government is a party to the implementation of Assam Accord of 1985.

Background of Assam Accord:

Assam witnessed massive illegal immigration from Bangladesh in the 1970s who not only settled in Assam but became citizens by gaining voting rights. Prolonged agitation for six years (1979-85) against illegal immigrants from Bangladesh led to the signing of Assam Accord. As per the Accord, all illegal foreign migrants who entered Assam after March 25, 1971 should be identified and deported.

Through the National Register of Citizens (NRC) updation in Assam, the Central Government has identified 19 lakh illegal immigrants in Assam which include both Muslims and Non Muslims. With the passage of 'Citizenship Amendment Bill, 2019, all non Muslim illegal Migrants (mainly Hindu Bengalis from Bangladesh) in Assam will get citizenship.

Concerns of the Assamese on Migrants:

- Assam already has significant Bengali population. In fact, culturally the state of Assam is divided into Bengali speaking south (Barak valley) which borders Bangladesh and Assamese speaking north (Brahmaputra valley).
- Today, the Assamese are becoming a minority in Assam: the Assamese-speaking people are less than 45 per cent of the state's population. Though the **Bengalis** form a lower 30 per cent of the state's population, they are still the second-largest linguistic community in the state and are, thus, viewed as the biggest existential threat by the Assamese.
- This threat is to their
 - a) Demography,
 - b) Language and Culture,
 - c) Educational and Employment opportunities, and
 - c) Political Representation.

Assamese fear that due to increasing Bengali population, they may become a minority in future as local people became a minority in Tripura. Their language and culture would suffer. Educational and employment opportunities would decline. Their political representation will also get reduced due to increased number of Bengalis.

Historical reasons for settlement of Bengalis in Assam:

- Assam became part of the British Empire much later than Bengal.
- The British formally annexed Assam in 1826 after the signing of the Treaty of Yandabo (after the First Anglo-Burmese War) and made it a part of its Bengal province.
- As Assamese at that time were unfamiliar with British colonial administration and education, educated Hindu Bengalis from neighbouring Sylhet (now in Bangladesh) were taken to fill the colonial bureaucracy. It is from this position of power, that Hindu Bengalis began to dominate Assam's political as well as cultural spheres.

3. Protests in other North Eastern States:

There were also protests in North Eastern States against the 'Citizenship Amendment Bill, 2019' for the following reasons.

- Fears of threat to their culture.
- Allowing immigrants may lead to demographic changes and they be outnumbered in future.
- Their lands may be grabbed by outsiders in the long run.

Response of the Government:

Following safeguards were provided to address the concerns of the North Eastern States.

The Citizenship Amendment Bill, 2019 excluded the following from the ambit of the bill.

- **Sixth Schedule areas** (Tribal areas of Assam, Meghalaya, Mizoram or Tripura),
- **States with 'Inner Line Permit' system** i.e. **Arunachal Pradesh, Nagaland and Mizoram**. The Centre also added Manipur to the list 'Inner Line Permit' system states.

What is Inner Line Permit System?

- Inner Line Permit (ILP) regulates visit of Indians to States where ILP regime is in force.
- Citizens of other States require Inner Line Permit (ILP) for visiting these States (**Arunachal Pradesh, Nagaland Manipur and Mizoram**). It is issued by the District Authorities (not below the rank of a Magistrate of the First Class)

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- It is granted both on short and long-term basis and has provision for outsiders to stay as long as one year in an ILP zone for employment purpose. The rules vary from state to state.
 - The main aim of ILP system is to prevent settlement of other Indian nationals in the States where ILP system is prevalent, in order to **protect the indigenous/tribal population**.
 - The Inner Line Permit (ILP) was brought in by the British through 'Bengal Eastern Frontier Regulation, 1873'. It prohibited "British subjects" or Indians from entering into these protected areas. After Independence, in 1950, the word "British subjects" was replaced by 'Citizens of India'.

What are Sixth Schedule Areas?

- The Sixth Schedule has special provisions for the administration of tribal areas in Assam, Meghalaya, Tripura and Mizoram under Article 244 of the Indian Constitution to safeguard the rights of tribal population through the formation of Autonomous District Councils (ADCs) and Regional Councils.
- The ADCs are empowered with **civil and judicial powers**. ADCs can constitute village courts within their jurisdiction to hear trial of cases involving the tribes. Governors of states that fall under the Sixth Schedule specify the jurisdiction of high courts for each of these cases.
- The councils are also empowered to make legislative laws on matters like land, forests, fisheries, social security, entertainment, public health, etc. with due approval from the concerned Governor.

Protests Against Citizenship Amendment Act, 2019

Protests Against the Citizenship Amendment Bill, 2019:

- Protests broke out against the Citizenship Amendment Bill, 2019 in various states across the country like Assam, West Bengal, Uttar Pradesh, New Delhi, Rajasthan, Madhya Pradesh, Maharashtra, and Karnataka,
- The protests have turned into major law and order problems as many of them turned violent with burning of buses, cars, etc.
- Police retaliated with lathi charge and opened fire.
- More than 20 people were killed in police firing in the states of Assam, Uttar Pradesh, Delhi, Karnataka, etc.

Reasons for the Spread of Protests:

1. Regional Identity in Assam :

Protests against the Citizenship Amendment Bill broke out in Assam as the Bill contradicts the Assam Accord, 1985. They felt betrayed by the Central Government which first promised to implement Assam Accord, 1985 meant to identify and deport the foreign illegal migrants from Bangladesh. Instead of implementing the Assam Accord, 1985, the Union Government passed the Citizenship Amendment Bill, 2019 which grants citizenship to illegal migrants from Bangladesh who are not Muslims.

The Assamese fear that with increasing Bengali population into Assam, they may become a minority in future as local people became a minority in Tripura. Their language and culture would suffer. Educational and employment opportunities would decline. Their political representation will also get reduced due to increased number of Bengalis.

2. Political Parties:

Political parties such as Assam Gana Parishad, Trinamool Congress, Indian National Congress, Left Parties are leading the protests against the Citizenship Amendment Bill, 2019 due to ideological differences with the ruling party i.e. BJP.

They believe that the Citizenship Amendment Bill, 2019 is against the letter and spirit of Constitution of India (secularism and equality) and it is an attempt to divide people in the name of religion. Since, the Government got the Bill passed by the Parliament ignoring their opposition, they took the protests to the streets.

3. **Intelligentsia and Youth:**

Intelligentsia (Historians, Academicians, Scientists, etc.) and Youth (University Students) were also against the Bill on the ground that granting citizenship on the basis of religion would greatly strain the pluralistic fabric of the country. They supported and led the protests.

4. **Use of Force against Students:** Police used excessive force to control the protests of the students in Jamia Millia Islamia (National Muslim University). The use of such force by the police against unarmed students were widely carried out by electronic media and news media which led to anger among student community. Students of various other universities like Aligarh Muslim University, and National Law Schools started protests against the Government.

5. **Apprehensions among Muslims:**

There are also apprehensions among Muslims that Citizenship Amendment Bill, 2019 and the proposed National Register of Citizens (**NRC**) would be used against the Muslims in India. Though there was no formal announcement on NRC by the Government, the protestors began protesting against Citizenship Amendment Bill, 2019 and the proposed National Register of Citizens (NRC) assuming that these will force them to prove their citizenship and many of them may be deprived of the Citizenship if they cannot prove that they are the citizens of the country.

These fears were aided by the stringent rules under the National Register of Citizens (**NRC**) of Assam exercise which was undertaken to identify foreign illegal immigrants. A citizen has to prove that he is citizen of India through a family tree i.e that their fathers and forefathers lived in India by providing supporting documents. Present existing documents of the citizens like domicile address, voter cards, etc. are not proofs of their citizenship.

The NRC exercise of Assam found that there are 19 lakh illegal immigrants in Assam.

Indian Muslims fear that such stringent rule would be used against them and many of the poor Muslims would not be able to prove themselves as Citizens due to lack of documents.

Response of Government:

1. **Restrictions on Connectivity:**

Mobile telephony and data services were restricted in many parts of Assam, Delhi, Madhya Pradesh, Uttar Pradesh, Karnataka as they are used by the protestors to mobilise protestors and organise protests.

2. **Closure of Public Transport:**

- Delhi Metro closed 17 stations for the public to stop the mobilisation of protestors.

3. **Information Campaigns:**

- The Union Government also launched information campaigns to stop the spread of false information and clarify the objective of Citizenship Amendment Bill, 2019 and also Government's stand on National Register of Citizens (NRC).

On Citizenship Amendment Bill, 2019:

- It issued advertisements stating that Citizenship Amendment Bill, 2019 is

- a) **not against Indian Muslims**, and
- b) **it does not take away the citizenship** of Indian Muslims.

On National Register of Citizens (NRC):

- Similarly, on **National Register of Citizens (NRC)** the Government stated that **there was no discussion on NRC in the Government** and no decision has been taken on it. Whenever it is announced, rules and regulations would be framed such that no Indian Citizen would be face any harassment from the Government.

Fundamental Rights:

Personal Data Protection Bill, 2019

'Personal Data Protection Bill, 2019', introduced in the Lok Sabha on December 11, 2019, deals with **rights** of individuals over personal data and **safeguards**, and **exemptions** in handling of personal data including its processing by **public** and **private entities**. The Bill was referred to the Joint Select Committee of the Parliament for detailed examination.

Need for Data Protection Bill:

- Right to privacy is a fundamental right. Privacy includes informational privacy also.
- Hence, it is necessary to protect personal data as an essential facet of informational privacy.

Provisions of the Bill:

The Bill coined terms Data Principal, Data Fiduciary and Data Processor for those owning, handling and processing data.

- **Data Principal** refers to an individual whose data is collected.
- **Data Fiduciary** means Government, a company, or any individual determining the purpose and means of processing of personal data.
- **Data Processor** means refers to the entities who process personal data on behalf of a data fiduciary. In other words, Data Processor refers to the employees working with the Data Fiduciary.

Data processing means processing personal data. It includes an operation or set of operations performed on personal data, and may include operations such as collection, recording, organisation, structuring, storage, adaptation, alteration, retrieval, use, alignment or combination, indexing, disclosure by transmission, or dissemination.

Rights of Individuals over Data?

Data Principal will have the following rights.

- Right to obtain confirmation from the fiduciary on whether their personal data has been processed and access to a brief summary of processing activities undertaken by the data fiduciary (**Right to Access and Confirmation**),
- Right to seek correction of inaccurate, incomplete, or out-of-date personal data and the erasure of personal data which is no longer necessary for the purpose for which it was processed (**Right to Correction and Erasure**),
- Right to have personal data transferred to any other data fiduciary in certain circumstances (**Right to Portability**), and
- Right to restrict continuing disclosure of their personal data by a fiduciary, if it is no longer necessary or consent is withdrawn (**Right to be Forgotten**).

Obligations on Data Fiduciary:

- No personal data shall be processed except for any specific, clear and lawful purpose. Whenever it is collected for any specific, clear and lawful purpose, it shall be collected only to the extent that is necessary.
- Every data fiduciary shall give to the data principal a notice, at the time of collection of the personal data a) the purposes for which the personal data is to be processed; (b) the nature and categories of personal data being collected; (c) the identity and contact details of the data fiduciary and the contact details of the data protection officer; d) information regarding any cross-border transfer of the personal data that the data fiduciary intends to carry out, etc.
- The data fiduciary shall not retain any personal data beyond the period necessary to satisfy the purpose for which it is processed and shall delete the personal data at the end of the processing.
- **Grievances Redressal:** Every data fiduciary shall have in place the procedure and effective mechanisms to redress the grievances of data principals efficiently and in a speedy manner.

Processing of Data:

- **Consent:** The personal data shall not be processed, except on the consent given by the data principal at the commencement of its processing.
- **Exemption from Consent:** Though the Bill says personal data shall not be processed without consent, it provides for elaborate exemptions.

The central government can exempt any of its agencies from the provisions of the Act:

- (i) in the interest of security of state, public order, sovereignty and integrity of India and friendly relations with foreign states, and
- (ii) for preventing incitement to commission of any cognisable offence (i.e. arrest without warrant) relating to the above matters.

Processing of personal data is also exempted from provisions of the Bill for certain other purposes such as:

- prevention, investigation, or prosecution of any offence,
- for providing any benefits to the individual by the state,
- for providing employment by state and private sector,
- for reasonable purposes (whistle blowing; mergers and acquisitions; network and information security; credit scoring; recovery of debt; processing of publicly available personal data; the operation of search engines, etc.)
- personal, domestic purpose, and
- journalistic purposes.

Transfer of Data Outside India:

Data has been classified into '**Sensitive Personal Data**' and '**Critical Personal Data**' for the purpose of transfer to outside India for processing.

- Sensitive personal data may be transferred outside India for processing if explicitly consented to by the individual, and subject to certain additional conditions. However, such sensitive personal data should continue to be stored in India.
- Critical Personal Data can only be processed in India. The Government would notify what is Critical Personal Data through regulations.

What is Sensitive personal data?

This has been defined in the Bill. It is personal data related to (i) financial data; (ii) health data; (iii) official identifier; (iv) sex life; (v) sexual orientation; (vi) biometric data; (vii) genetic data; (viii) transgender status; (ix) intersex status; (x) caste or tribe; (xi) religious or political belief or affiliation; or (xii) any other data categorised as sensitive personal data by the Central Government.

Institutional Mechanism:

A **Data Protection Authority** would be set up by the Central Government to

- protect the interests of data principals,
- prevent any misuse of personal data,
- ensure compliance with the provisions of this Act, and
- promote awareness about data protection.

Data Protection Authority will consist of a **chairperson** and **six members**, with at least 10 years' expertise in the field of data protection, information technology data management, data science, data security, cyber and internet laws, public administration, national security or related subjects.

In performing its responsibilities, the Data Protection Authority would perform the following functions.

- taking prompt and appropriate action in response to personal data breach;
- classification of data fiduciaries (on the volume of personal data processed, nature of personal data, turnover of the data fiduciary, etc.);
- monitoring cross-border transfer of personal data; and
- specifying codes of practice.

Orders of the Authority can be appealed to an Appellate Tribunal. Appeals from the Tribunal will go to the Supreme Court.

Penalties:

- Processing or transferring personal data in violation of the Bill is punishable with a fine of Rs 15 crore or 4% of the annual turnover of the fiduciary, whichever is higher.

Compensation:

- Any data principal who has suffered harm as a result of any violation by a data fiduciary or a data processor, shall have the right to seek compensation from the data fiduciary or the data processor, as the case may be.
- The amount of compensation would be decided based on the
 - a) nature, duration and extent of violation of provisions of the Bill;
 - (b) nature and extent of harm suffered by the data principal; etc.

Regulation of Social Media Intermediaries (Facebook, Twitter, Instagram, etc.):

The Government can notify the Social Media Intermediaries as a ‘**significant data fiduciary**’ based on

- (i) users above such threshold as may be notified by the Central Government; and
- (ii) whose actions have, or are likely to have a significant impact on electoral democracy, security of the State, public order or the sovereignty and integrity of India.

A "Social Media Intermediary" is an intermediary who primarily or solely enables on-line interaction between two or more users and allows them to create, upload, share, disseminate, modify or access information using its services, but shall not include intermediaries which primarily (a) enable commercial or business oriented transactions; (b) provide access to the Internet; (c) in the nature of search-engines, on-line encyclopedias, e-mail services or on-line storage services.

Data Protection Impact Assessment:

- Where the significant data fiduciary intends to undertake any processing involving new technologies or large scale profiling or use of sensitive personal data such as genetic data or biometric data, or any other processing which carries a risk of significant harm to data principals, such processing shall not be commenced unless the data fiduciary has undertaken a data protection impact assessment.
- A data protection impact assessment shall contain
 - (a) detailed description of the proposed processing operation, the purpose of processing, and the nature of personal data being processed;
 - (b) assessment of the potential harm that may be caused to the data principals whose personal data is proposed to be processed; and
 - (c) measures for managing, minimising, mitigating or removing such risk of harm.

Data Protection Officer:

- **Social Media Intermediaries** designated as a ‘**significant data fiduciary**’ shall appoint a Data Protection Officer for

-
- providing information and advice to the data fiduciary on matters relating to fulfilling its obligations under this Act;
 - monitoring personal data processing activities of the data fiduciary to ensure that such processing does not violate the provisions of this Act;
 - providing advice to the data fiduciary on carrying out the data protection impact assessments, and carry out its review;
 - act as the point of contact for the data principal for the purpose of grievances redressal; and
 - maintaining an inventory of records to be maintained by the data fiduciary.

Data Impact Assessment:

- A significant data fiduciary has to undertake a data protection impact assessment when it intends to undertake any processing involving new technologies or large scale profiling or use of sensitive personal data such as genetic data or biometric data, or any other processing which carries a risk of significant harm to data principals.
- A **data auditor** under this Act shall be engaged by the data fiduciary to undertake a data protection impact assessment.

A data protection impact assessment shall contain

- (a) detailed description of the proposed processing operation, the purpose of processing and the nature of personal data being processed;
 - (b) assessment of the potential harm that may be caused to the data principals whose personal data is proposed to be processed; and
 - (c) measures for managing, minimising, mitigating or removing such risk of harm.
- Upon completion of the data protection impact assessment, the data protection officer shall review the assessment and submit the assessment with his finding to the Data Protection Authority.
 - On receipt of the assessment and its review, if the Data Protection Authority has reason to believe that the processing is likely to cause harm to the data principals, it may direct the data fiduciary to cease such processing or direct that such processing shall be subject to such conditions as the Authority may deem fit.

Criticism on the Bill:

1. **Wide Powers to the Government:** The Bill mandates individual's consent for processing of data but gives wide powers to the Government. It can exempt its agencies from the consent clause and these agencies can process the data without individual's consent.

Justice Sri Krishna Committee which submitted the Personal Data Protection Bill to the Government in July 2018 noted that the dangers to privacy originate from state and non-state actors and called for exemptions to be "watertight", "narrow", and available for use in "limited circumstances". It had also recommended that the Government bring in a law for the oversight of intelligence-gathering activities which process non-consensual data.

2. **Weak Data Protection Bill:** The sweeping powers the Bill gives to the Government renders meaningless the gains from the landmark judgement of nine-judge Bench of the Supreme Court in K.S. Puttaswamy vs. Union of India case. The Judgement ruled that privacy is intrinsic to life and liberty, and therefore a fundamental right.
3. **Idea of Privacy not Truly Reflected in the Bill:** The principle of data protection to actualise the fundamental right to privacy is not fulfilled as a primary goal but is conditioned from the very outset. The Bill seeks to place the **privacy interests of individuals** on the **same footing** as those of **businesses** and the **state**. By placing competing goals - the privacy of individual data and the need for data by State and companies, which contradict each other - any balancing in the Bill is clumsy.

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4. **Impact on Ease of Doing Business:** On the other hand, the Bill is also being seen as anti-competitive and unfriendly towards foreign investment. It will make it **difficult** and **expensive for foreign companies** to set up companies in India as they will have to make investments in **local data centres**, and additional manpower which leads to loss of economies of scale.

Issue of Data Localisation:

- The Bill provides for storing of personal data in India. This provision is criticised as it would increase the cost of doing business for foreign companies like Facebook, Twitter, Instagram, etc. They would have to set up local data centres to store data.
- But localisation of data centres has the following advantages:
 1. swift access to data for Indian law enforcement agencies which would help them investigating cases like anti-terrorism. They would get access to data without having to go through international channels
 2. Generation of employment opportunities within the country due to setting up local data centres.

Elections:

JMM-Congress-RJD Alliance Comes to Power in Jharkhand

- The Alliance of Jharkhand Mukti Morcha (JMM), Indian National Congress and Rashtriya Janata Dal (RJD) came to power in Jharkhand by securing 47 seats in the 81 member Jharkhand Assembly.
- Hemant Soren, executive president of the Jharkhand Mukti Morcha (JMM), was sworn in as the 11th Chief Minister of Jharkhand at the Morabadi Ground in Ranchi on December 29, 2019.
- The ruling Bharatiya Janata Party secured only 25 seats. It contested with out any alliance with other parties.

Seats at a Glance:

<u>Party</u>	<u>Seats Secured</u>
Jharkhand Mukti Morcha (JMM)	30
Indian National Congress	16
Rashtriya Janata Dal	1
Bharatiya Janata Party	25
Jharkhand Vikas Morcha (Prajantrik)	3
All Jharkhand Students' Union Party	2
Communist Party of India (Marxist-Leninist) (Liberation)	1
Independent	2
Nationalist Congress Party	1
Total	81

Analysis of the Result:

- The Bharatiya Janata Party (BJP) which came to power in alliance with All Jharkhand Students' Union Party (AJSU) in 2014 provided stable government for five years. Jharkhand witnessed political instability before 2014. The state which was formed in 2000 saw nine Chief Ministers in 14 years. Raghubar Das is the first Jharkhand Chief Minister to complete a full five-year term.
- In spite of providing stable government for five years under BJP Chief Minister Raghubar Das, the party could not retain power in the state due to following reasons.

1. Lack of Support from Tribals:

BJP also **lost support from the tribal population**. It won just two of the 28 tribal-dominated seats in Jharkhand. Chief Minister Raghubar Das was a non tribal. Some of his actions like new domicile policy,

introduced in April 2016, which gave local resident status to anyone who has lived in Jharkhand for the last 30 years, attempts to change amend the Chota Nagpur Tenancy Act, 1908 and the Santhal Pargana Tenancy Act, 1949 caused resentment among the tribal community

2. Opposition to Tenancy Law Reforms:

- Raghubar Das attempted to change the land acquisition policy in Jharkhand by amending the Chota Nagpur Tenancy Act, 1908 and the Santhal Pargana Tenancy Act, 1949 which distanced tribal people. The amendments were meant to promote industrialisation by facilitating 'non-farm' use of tribal land holdings while keeping ownership intact. However, there was massive opposition to the amendments. Tribal population launched **Pathalgadi movement** opposing the amendments to two key acts fearing that it would lead to **alienation of their lands**. The Government booked more than 10,000 people for sedition under Section 124A of the Indian Penal Code for participating in the movement.

Governor Draupadi Murmu was forced to intervene and send the bills back to the government and the Bills were withdrawn.

3. Election Manifesto Promises of JMM-Congress:

The JMM-Congress Alliance has promised

- 75% private sector jobs for locals, and
- Farm loan waiver.

4. Allegations of Corruption:

There were also allegations of corruption against the ruling BJP Party member. Saryu Roy, who served as Cabinet Minister in the Raghubar Das Government, raised his voice against the alleged corruption. However, these allegations were ignored and he was denied ticket for speaking against the Government. Hence, he contested as an independent and defeated Chief Minister Raghubar Das.

Mr. Saryu Roy has reputation as a crusader against corruption. A BJP veteran, Roy has been credited with putting behind bars three chief ministers, Lalu Prasad Yadav, Jagannath Mishra and Madhu Koda.

5 Development and Governance Problems in Jharkhand:

- The state has **low per capital income** just above UP and Bihar.
- The state is also affected by **left-wing extremism (LWE)**.
- Several **starvation deaths** were reported in the State. One of the reasons cited is the hasty rollout of PDS-Aadhaar linkage in remote areas.

6. Anti incumbency against Government:

There was anti-incumbency against government. Chief Minister Raghubar Das himself was defeated (by more than 15000 votes) by BJP rebel candidate and former minister **Saryu Roy** in Jamshedpur (East) constituency. In the 2014 Jharkhand elections, Raghubar Das had won the Jamshedpur East seat by nearly 70,000 votes.

7. Internal Rebellion:

There was also internal rebellion with in the BJP as 13 of the 37 sitting MLAs were dropped and candidates who joined from other parties before the elections were given tickets. As a result, many BJP leaders worked against the party and supported candidates of other parties.

8. Lack of Alliance with AJSU:

In 2014, the Bharatiya Janata Party (BJP) contested in alliance with the All Jharkhand Students' Union (AJSU) Party led by Sudesh Mahto and won 37 seats and 5 seats respectively. Due to differences in seat sharing, both the parties parted ways and contested on their own. The ruling party has fielded its candidates in 79 out of the 81 seats.

Contesting without alliance cost both the parties with BJP securing 25 seats and AJSU party securing just two seats. Atleast, in 10 constituencies the combined vote share of BJP and AJSU was more than the winning candidate.

On the other hand, under the leadership of JMM chief Hemant Soren, Congress and RJD formed an Alliance to consolidate votes. JMM fielded candidates in 43 seats, while the Congress and the RJD candidates contested in 31 and 7 constituencies, respectively. In 2014, JMM and the Congress had contested separately.

Additional Information:

Chota Nagpur Tenancy Act, 1908 and the Santhal Pargana Tenancy Act, 1949:

- The Chota Nagpur Tenancy Act was enacted in 1908, eight years after the death of Birsa Munda, a tribal freedom fighter hailing from the Munda tribe. Birsa Munda rallied the tribals to fight against exploitation of tribals and the forceful grabbing of tribal lands. This Act extends to the north and south Chotanagpur and Palamau divisions.
- The Santhal Pargana Tenancy Act was passed in 1949, extending to Dumka, Sahibganj, Godda, Deoghar and Pakur in the Santhal Pargana region in eastern Jharkhand.
- Together, these Acts granted **special protection and land rights to the tribals** and **prohibited the transfer of tribal land to non-tribals** or **the commercial use of the land** without the permission of the concerned **gram sabha**.

Pathalgadi Movement:

- Pathalgadi simply translates into an order engraved on a stone. Stone plaques and signboards came up in over 200 villages of Jharkhand. These stone orders dismiss the authority of the central or the state governments on their villages.
- Usually placed at the entry points of tribal villages, these stone plaques have provisions of the Panchayats (Extension to Scheduled Areas) Act, 1996 (PESA) written on them. These are meant to serve as warnings to the outsiders. They claim rights over "jal, jangal and zameen (water, forest and land). The stone plaques and signboards also contain "orders" prohibiting outsiders from entering the tribal village.

Legislature:

**Parliament Passes Bill to Extend SC/ST Reservation in Legislatures;
Representation of Anglo Indians through Nomination not Extended**

In December 2019, the Parliament of India passed the the Constitution (126th) Amendment Bill, 2019. This Act amended Article 334 of the Indian Constitution to

- extend the reservation provided for SCs and STs communities in Parliament and Assemblies for another 10 years i.e up to 25th January 2030, and
- stop the nomination of Anglo-Indians to Lok Sabha and certain State Assemblies.

The reservations for Scheduled Castes and Scheduled Tribes and Anglo Indians, were intended to be phased after 10 years from the date of the Constitution, but regular amendments extended all of them in ten-year increments. As per the 95th Amendment in 2009, Article 334 states the reservations "shall cease to have effect on the expiration of a period of seventy years from the commencement of this Constitution." i.e 2020.

The Government did not give the reasons in the Bill for not extending the nomination of Anglo-Indians to Lok Sabha and certain State Assemblies.

Who are Anglo Indians?

- Anglo Indians are British people domiciled in India or descendants of mixed British and Indian parentage.

Why Were Anglo Indians provided Reservation:

- **Anglo Indians** were too small and geographically spread out minority to get elected. Therefore, to represent community interests in Parliament or state assemblies, they were given reserved seats through nomination.

Constitutional Provisions Regarding Anglo Indians:

Article 331 and Article 333 of the Indian Constitution deal with nomination of Anglo Indians to Lok Sabha and State Legislative Assemblies.

- **Article 331** says, "Notwithstanding anything in Article 81, the President may, if he is of opinion that the Anglo Indian community is not adequately represented in the House of the People, nominate not more than two members of that community to the House of the People."
- **Article 333** says, "Notwithstanding anything in Article 170, the Governor of a State may, if he is of opinion that the Anglo Indian community needs representation in the Legislative Assembly of the State and is not adequately represented therein, nominate one member of that community to the Assembly."

Controversy over Role of Anglo Indians:

- Nominated Anglo Indian Lawmakers can be members of a political party, and even if independents, can join a party within six months of their nomination without attracting the provisions of the anti-defection law.
- In states like Jharkhand, and Uttarakhand political parties nominated Anglo Indians to win trust votes.

In March 2005 in Jharkhand, just before a floor test, Shibu Soren nominated an Anglo Indian MLA. But BJP leader Arjun Munda petitioned the SC, which told the Governor not to accept the nomination until the trust vote. Mr. Soren lost, Mr. Munda proved his majority, and then nominated another person to the Anglo-Indian seat.

Population of Anglo Indians in India:

- In the decades after Independence, many Anglo Indians migrated to the UK and other Commonwealth nations, mainly Canada and Australia.
- Those who remained in India have remained uncounted as a community since the 1941 Census, but the current resident population is estimated at around 5 lakh.
- However, Union Minister Ravi Shankar Prasad stated that the number of Anglo Indians in the country is just 296 as per the Census 2011. This figure was objected by the opposition parties. DMK's K Kanimozhi questioned the Centre's claim. She said the number of Anglo-Indians may be shrinking, but it cannot be as low as 296 as Tamil Nadu itself will have a few thousand people from the community. West Bengal has the significant population of Anglo Indians.

All-India Anglo Indian Association Urges Continuation of Reservation:

- The All-India Anglo Indian Association President, Barry Barry O'Brien, wrote to Prime Minister Narendra Modi **urging not to deprive representation to the Anglo-Indian community**. He stated that the **decision** has been taken **without consultation**. Nor has a **justification** been **offered** before going in for this amendment.
- He stated that **federal spirit of the Constitution** was also not followed as **13 state legislatures** where the Anglo-Indian community has nominated MLAs were **not consulted**.
- He stressed on the contribution of the community towards the building of the **English education foundation of India**.
- The Community also **demand that a demographic study of the community, including a specific census**, be carried out so that the Centre arrives at the right number. It states that 2011 census did not have a separate column for Anglo-Indians.

Lok Sabha Seats Should Be Increased to 1,000 : Former President Pranab Mukherjee

Delivering the second Atal Bihari Vajpayee memorial lecture organised by India Foundation, a think tank focussed on the issues of the Indian polity, in New Delhi on December 16, 2019, former President Pranab Mukherjee argued for lifting the freeze on the number of seats in Lok Sabha and state assemblies. He called for

- **raising the number of Lok Sabha seats from the existing 543 to 1,000**, and
- for a **corresponding increase in Rajya Sabha's strength** for the following reasons.

Reasons:

- India has a "disproportionately large size" of electorate for elected representatives. **16-18 lakh people are represented by one Lok Sabha member** and with such huge number the elected member cannot to be in touch with the electors.
- The last time the strength of Lok Sabha was revised was in 1977 which was based on the **1971 census**. At that time, the total population of India was **55 crore**. The population since then has more than doubled, and there is a "strong case" to remove the freeze in the delimitation exercise.

Global Experience:

- The British Parliament has 650 members (population 6.6 crore), the Canadian Parliament has 443 members (population 3.7 crore) and the US Congress has 535 members (population 33 crore).

Caution Against Majoritarianism:

- Mr. Pranab Mukherjee also cautioned parties in power against "majoritarianism" and stressed on the need for carrying everyone along. He stated that people may have given some party a numerical majority, but **a majority of voters (more than 50 per cent) has never supported one party in India's electoral history**.
- He stated that a numerical majority in elections gives the ruling parties the right to make a stable government. The lack of popular majority forbids them from a majoritarian government. That is the message and essence of our parliamentary democracy, he said.
- He stated that this message of the Indian electorate has never been clearly understood by political players. That is why political parties in power think that they can do anything and everything when they have an overwhelming numerical majority in the legislature. But that should not be the case and people have often punished such incumbents in the past.

On Simultaneous Elections:

- Mr. Pranab Mukherjee also voiced his misgivings over the idea of simultaneous Lok Sabha and Assembly polls, which Prime Minister Narendra Modi has strongly pushed for. He said that it may be done one time through constitutional amendments but there is no guarantee that elected members will not express their lack of confidence in a government in the future.

On Working of Parliamentary Democracy:

- Speaking on the topic "Has parliamentary democracy succeeded in India and the challenges ahead", he cited the lack of adequate woman representatives in Parliament as one of the "shortcomings".
- Mukherjee also called for dealing with disruptions in Parliament "firmly" by Ethics Committee, stating that MPs who do not respect the sanctity of the legislature should be acted against.

On Atal Bihari Vajpayee :

- Remembering Vajpayee, the first BJP prime minister in whose memory the lecture was organised, Mr. Mukherjee hailed him **as a consensus-builder who worked to take everyone along**.

- He stated that although he and Vajpayee worked in ideologically opposite pillars of the polity, his innate qualities as an orator, as a moderator and as a consensus seeker in both his roles as an opposition leader and later as prime minister impressed him greatly.
- He stated that Vajpayee was an inheritor and practitioner of the best traditions and qualities of leadership that India can be proud of.

Governance:

Tamil Nadu Ranks Top in the Good Governance Index

- **Tamil Nadu** bagged the top position in the composite **ranking** for **Good Governance Index (GGI)** released by the Union Government for the first time on December 25, 2019. The Union Government observes December 25th of every year as 'Good Governance Day' to mark the birth anniversary of former Prime Minister Atal Bihari Vajpayee.

Good Governance Index:

- It is a uniform tool across States to **assess the status of Governance** and **impact of various interventions** taken up by the State Governments and UTs.

Objectives are

1. to provide quantifiable data to compare the state of governance in all States and UTs,
2. enable States and Union Territories (UTs) to formulate and implement suitable strategies for improving governance, and
3. shift to result oriented approaches and administration.

States were grouped into three categories: 1. Big States (18), 2. North-east and hill category, and 3. Union Territories.

Top Ten of States in the Good Governance Index Ranking:

Rank	State
1	Tamil Nadu
2.	Maharashtra
3.	Karnataka
4.	Chhattisgarh
5.	Andhra Pradesh
6.	Gujarat
7.	Haryana
8.	Kerala
9.	Madhya Pradesh
10	West Bengal

Ranking of others in the big states category are Telangana (11th), Rajasthan (12th), Punjab (13th), Orissa (14th), Bihar (15th), Goa (16th), Uttar Pradesh (17th) and Jharkhand at eighteen position.

In the **north-east and hill category**, Himachal Pradesh has topped the ranking followed by Uttarakhand, Tripura, Mizoram, Sikkim, Assam, Jammu and Kashmir (now divided into two union territories of Jammu and Kashmir, and Ladakh), Manipur, Meghalaya, Nagaland and Arunachal Pradesh.

Among the **union territories**, Pondicherry has got the first position, followed by Chandigarh, Delhi, Daman and Diu, Andaman and Nicobar Islands, Dadra and Nagar Haveli and Lakshadweep.

Indicators Taken of Good Governance Index:

Ten Governance Sectors are measured on total 50 indicators.

<u>Governance Sector</u>	<u>Number of Indicators</u>
1) Agriculture and Allied Sectors	6
2) Commerce & Industries	3
3) Human Resource Development	6
4) Public Health	6
5) Public Infrastructure & Utilities	9
6) Economic Governance	4
7) Social Welfare & Development	8
8) Judicial & Public Security	5
9) Environment	2
10) Citizen-Centric Governance	1

Weightage to Indicators:

- Different indicators are given different weightage under one Governance Sector to calculate the value. E.g. Under Agriculture & Allied Sector, there are 6 indicators with different weightage, namely: Growth rate of agriculture and allied sector (0.4), growth rate of food grains production (0.1), growth rate of horticulture produce (0.1), growth rate of milk production (0.1), growth rate of meat production (0.1) and crop insurance (0.2).

Sectorwise Rankings:

<u>Sector</u>	<u>Top Ranking States</u>
1) Agriculture and Allied Sectors	1. Madhya Pradesh, 2. Rajasthan, 3. Chhattisgarh
2) Commerce & Industries	1. Jharkhand, 2. Andhra Pradesh, 3. Telangana
3) Human Resource Development	1. Goa, 2. Punjab, 3. Haryana
4) Public Health	1. Kerala, 2. Tamil Nadu, 3. Goa
5) Public Infrastructure & Utilities	1. Tamil Nadu, 2. Gujarat, 3. Punjab
6) Economic Governance	1. Karnataka, 2. Maharashtra, 3. Telangana
7) Social Welfare & Development	1. Chhattisgarh, 2. Madhya Pradesh, 3. Andhra Pradesh
8) Judicial & Public Security	1. Tamil Nadu, 2. Kerala, 3. Chhattisgarh
9) Environment	1. West Bengal, 2. Kerala, 3. Tamil Nadu
10) Citizen-Centric Governance	-

The tenth sector, i.e. citizen centric governance has not been included for scoring and ranking purpose as at present only one indicator is identified as part of the sector.

Grouping of States and Union Territories:

- The states and UTs are divided into three groups:
 - Big States (18):** Chhattisgarh, Madhya Pradesh, Andhra Pradesh, West Bengal, Rajasthan, Orissa, Tamil Nadu, Telangana, Kerala, Karnataka, Maharashtra, Gujarat, Jharkhand, Punjab, Uttar Pradesh, Bihar, Goa, Haryana.
 - North-East & Hill States:** Arunachal Pradesh, Assam, Himachal Pradesh, J & K, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura, Uttarakhand.
 - Union Territories (UTs):** Andaman & Nicobar Islands, Chandigarh, Dadra & Nagar Haveli, Daman & Diu, Delhi, Lakshadweep, Pondicherry.

Indian Railway Management Service (IRMS) to be Created

- On December 24, 2019, the Union Government approved **organisational restructuring** of the Indian Railways.
- The restructuring has two components: unification of existing eight Group A services into a single service: the Indian Railway Management Service (IRMS), and reorganising the Railway Board itself by organising it along functional lines instead of departmental lines at present. Professionals with leadership experience in technical domains would be inducted as independent board members.

Details:

1. Existing eight Group A services of the Railways would be unified into a Central Service called **Indian Railway Management Service (IRMS)**.

The eight services are Indian Railway Traffic Service; Indian Railways Accounts Service; Indian Railways Personnel Service; Indian Railway Service of Engineers (civil engineering); Indian Railway Service of Signal Engineers; Indian Railway Service of Mechanical Engineers; Indian Railway Service of Electrical Engineers; and Indian Railway Stores Services.

2. Railway Board would be **reorganised on functional lines** headed by Chairman of Railway Board with four Members and some **Independent Members**.

Advantages of Restructuring:

Unification of services will

- end 'departmentalism',
- promote smooth working of Railways,
- expedite decision making,
- create a coherent vision for organisation, and
- promote rational decision making.

Reasons for Restructuring:

- Government of India has set a vision of making railways a 100% safe, fast and reliable mode of transport for passengers and freight.
- It plans to modernise the entire network by investing around Rs 50 lakh crore by 2030. But if Indian Railways continues to work as it does now in narrow departmental silos, Government will never be able to achieve this vision. Indian Railways requires a unified, and agile organisation.

Evils of Departmentalism:

- Unlike Railway systems the world over, which have been corporatized, Indian Railways is managed by the Government directly. It is organised into various departments such as Traffic, Civil, Mechanical, Electrical, Signal & Telecom, Stores, Personnel, Accounts, etc.
- These departments are **vertically separated from top to bottom** and are headed by a Secretary level officer (Member] in the Railway Board. This organization of the department runs deep down to the grassroot level of the Railways.
- Departmentalism manifests itself in the form of
 - unhealthy competition among departments for appropriating a larger share of resources;
 - injurious competition for usurping a larger share of key general management posts for better access to power, authority etc; and
 - a clamour for pursuing narrow departmental goals at the cost of organisational goals and objectives; and
 - a lack of team work and cohesion.

Recommendations of Various Committees:

- Unification of services has also been recommended by various committees for reforming Railways including - the Prakash Tandon Committee (1994), Rakesh Mohan Committee (2001), Sam Pitroda Committee (2012), and Bibek Debroy Committee (2015).
- The modalities and unification of the services will be worked out by the Ministry of Railways in consultation with Department of Personnel and Training (DoPT). The process shall be completed within a year.
- The newly recruited officers will come from Engineering and non-Engineering disciplines as per need and posted as per their aptitude and specialisation to allow them to specialise in one field, develop an overall perspective, and prepare them to take up general management responsibilities at senior levels. Selection for the general management positions shall be through a merit-based system.

Performance Appraisal:

- Under the proposed performance evaluation, all the 350 officers joining the service each year will be evaluated through a 360-degree appraisal after their 15-year tenures for postings as Divisional Railway Managers (DRMs) with three senior officers benchmarking work based on interaction with peers, juniors and seniors.

Reorganisation of Railway Board:

- Railway board will no longer be organised on departmental lines, and replaced with **a leaner structure organised on functional lines.**
- It will have a Chairman, who will act as 'Chief Executive Officer (CEO)' along with 4 Members responsible for
Infrastructure,
Operations & Business Development,
Rolling Stock, and
Finance.
- The Chairman shall be the cadre controlling officer responsible for Human resources (HR) with assistance from a Director General (DG) (Human Resources).

Independent Members in the Board:

- The Board will also have some independent Members (the number to be decided by competent authority from time to time), who will be highly distinguished professionals with deep knowledge and 30 years of experience including at the top levels in industry, finance, economics and management fields.
- The Independent Members will help Railway Board in setting a strategic direction.

CAG Report:

CAG Raises Concerns about Low Usage and Diversion of Cooking Fuel under PM Ujjwala Scheme

A 'Performance Audit' of Comptroller and Auditor General of India on 'Pradhan Mantri Ujjwala Yojana' submitted to the Parliament on December 11, 2019 found various shortcomings in its implementation.

What is 'Performance Audit'?

Performance audit is an independent, objective and reliable examination of whether a programme is operating in accordance with the principles of economy, efficiency and effectiveness.

Pradhan Mantri Ujjwala Yojana:

- It was launched by the Union Government in May 2016 from Ballia in Uttar Pradesh.
- **Reasons** for the launch of the scheme: Use of wood is leading to 5 lakh deaths in India annually. Most of these are premature deaths such as heart disease, stroke, chronic obstructive pulmonary disease and lung cancer. Women and children are most affected.

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- **Objective Pradhan Mantri Ujjwala Yojana** is to promote use of clean cooking fuel by providing free LPG connections to women from BPL Households.
 - The cost of new LPG connection is Rs. 1600 (security deposit). Cost of stove Rs. 990 and cost of first refill Rs. 517. Total Rs. 3107.
 - The Central Government provides **a financial support of Rs 1600 for each LPG connection** to the BPL households in rural and urban areas. It covers security deposit of LPG cylinder and administrative charges.
Cost of stove (Rs. 990) and cost of first refill (Rs. 517) should be paid by the beneficiary. Some States provide financial assistance for cost of stove and cost of first refill (Jharkhand, Chhattisgarh), while some other states provide financial assistance for cost of stove (Assam, Arunachal Pradesh).
 - **Target connections:** Initial target was to cover 5 crore connections. This was later increased to cover 8 crore connections by March 2020.
 - **Total Money Spent:** Rs. 12, 800 crore since the launch of this programme.
 - **Progress:** By March 31, 2019, a total of **7.19 crore** connections have been released.
 - As a result of Pradhan Mantri Ujjwala Yojana, all India LPG coverage also increased from 61.90 per cent in May 2016 to 94.30 per cent in April 2019.

Findings of the 'Performance Audit' of CAG:

- 1 **Low usage:** sustained usage of liquefied petroleum gas (LPG) remains a big challenge as the **annual average refill consumption** of PMUY consumers on 31 December 2018 was **only 3.21 refills**.
2. **Diversion:** There was also **diversion of domestic cylinders** for commercial use. 1.98 lakh PMUY beneficiaries had an average annual consumption of more than 12 cylinders which seems improbable in view of their BPL status
- 3 **Connections given to unintended beneficiaries:** Connections were also issued to unintended beneficiaries due to problems with the software of the state run oil marketing companies for identifying intended beneficiaries and inadequacies in the de-duplication process.

Security Issues:

SSB Must Ensure that India's Borders with Friendly Neighbours are Not Misused by Infiltrators: Amit Shah

- Addressing the 56th Raising Day Parade of **Sashastra Seema Bal (SSB)** in New Delhi on December 19, 2019, Union Home Minister Amit Shah stated that some forces inimical to India were using the **borders of friendly countries like Nepal and Bhutan** to push "infiltrators. He stated that SSB personnel are protecting the nation by serving in hostile environment, where temperatures range from minus 46 degrees Celsius to 47 degrees Celsius.
- The **Sashastra Seema Bal (SSB)** is tasked with guarding the **Indo-Nepal Border and Indo-Bhutan Border**.
- The Home Minister acknowledged that the Nation cannot become a global economic power if its borders are not secure, especially when the country has hostile neighbours that are constantly engaged in cross border terrorism, insurgency, illicit trafficking of humans, drugs, fake currency, etc.
- Mr. Amit Shah stated that that in the last one year "54 infiltrators, including two Pakistanis," have been nabbed at the Nepal border. These infiltrators were from 24 countries, apart from Pakistan. Contraband items (illegal goods) including drugs worth Rs. 380 crores have also been nabbed.
- He said that India has an open border of around 2,450 kilometres with neighbouring countries **Nepal and Bhutan** and SSB has performed a good job in ensuring that infiltrators do not sneak into the country.
- He also commended the dedicated performance of SSB in a number of duties ranging from facilitating free and fair elections across the country to saving lives and property during natural calamities.

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- SSB is the first Central Armed Police Force (CAPF) to include women in its ranks. He noted that the lady officers marched ahead shoulder to shoulder with their male counterparts and earned accolades with their brilliant performance within the country as well as UN Missions abroad. He said that at present 22 women jawans of SSB are participating in the UN Peacekeeping Mission in Congo.
 - Mr. Amit Shah informed that by the end of 2020, over 12000 vacancies in both Gazetted and Non-Gazetted ranks would be filled to make SSB stronger, besides easing the work pressure.
 - In near future, the government would ensure that the jawans spend at least 100 days with their families.
 - He also talked about steps like opening schools for children and initiating skill development programmes for families of SSB among other measures.

Special Protection Group Act, 1988 Amended

- In December 2019, the Parliament passed an amendment to the Special Protection Group Act, 1988. As per the amended act,

Special Protection Group (SPG) would provide

- proximate security to the **Prime Minister** and **members of his immediate family** residing with him at his official residence, and
- to any **former Prime Minister** and **such members of his immediate family residing with him** at his official residence, for a **period of five years** from the date he **ceases to hold the office** of Prime Minister.
- When the proximate security is withdrawn from a former Prime Minister, such proximate security would also be withdrawn for members of immediate family of such former Prime Minister.

Special Protection Group (SPG):

- The SPG comprised personnel from the CRPF, Border Security Force and other Central and State forces on five-year deputations.

Background:

- The Special Protection Group Act, 1988 (the Act) was enacted for providing proximate security to the Prime Minister and his immediate family members after the assassination of the then-Prime Minister Indira Gandhi in 1984.
- But four amendments were made to the Act to extend SPG cover to **former Prime Ministers** and **their immediate family members also**.
- But there is no cut off period for providing SPG protection to former prime ministers or members of their immediate families. Based on level of threat periodically assessed by the Central Government, the protection was extended.
- The Government states that in such a scenario, there can be severe constraint on resources, training and related infrastructure of the SPG. This can also impact the **effectiveness** of the **elite force** in providing adequate cover to the principle protectee - the Prime Minister in office.

Gandhis withdrawn SPG Cover:

- In November 2019, the Government withdrew the SPG security cover provided to members of the Gandhi family. Congress president Sonia Gandhi, Rahul Gandhi and Priyanka Gandhi Vadra were SPG protection, after 28 years.
- Till then, Sonia, Rahul and Priyanka too had the same security cover as the Prime Minister of India. This means of the four SPG protectees in India, three were Gandhis.
- The decision to withdraw the SPG cover given to the family of former prime minister Rajiv Gandhi, who was assassinated by LTTE terrorists on May 21, 1991, was taken after a detailed security assessment

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- Union Home Minister Amit Shah stated that SPG security cover was also withdrawn from former Prime Ministers Chandra Shekhar, I.K. Gujral and Manmohan Singh. He stated that the term 'special' indicates SPG's special purpose. Many countries have such elite cover **exclusively** for their respective heads of state."
 - An SPG protectee travels in special bullet proof or armoured cars including BMW-7 series and is entitled to use special choppers or aircraft of the Indian Air Force for transport.

SOCIAL SECTOR

Human Development:

India Ranked 129 in the Human Development Index (HDI)

- India was ranked 129 out of 189 countries in the '2019 Human Development Index (HDI)' released by the United Nations Development Programme (UNDP) on December 9, 2019. Compared to last year (2018), India improved its rank by one place i.e from 130 to 129.
- Top three countries in Human Development Index (HDI) are **1. Norway, 2. Switzerland, and 3. Ireland.**

Special Focus on Inequalities:

The **2019 HDI Report** dealt with the theme '**Inequalities in Human Development in the 21st century**'.

Reduction in 'Extreme Deprivations':

- There has been **progress worldwide in people's ability to overcome extreme deprivations**, such as
access to basic education,
basic health services, and
basic technology (access to mobile phones).
Many people at the bottom are now reaching the initial stepping stones of human development.

Disparities in 'Enhanced Capabilities':

- However, the disparities are high or increasing in the areas expected to become **more important in the future (enhanced capabilities)**, including
receiving quality education at all levels,
more advanced health services,
access to high-speed Internet, etc.
- New forms of inequalities will manifest in future through climate change and technological transformation which have the potential to deepen existing social and economic fault lines.

On India's Progress in Human Development:

- India is a fast-growing economy.
- Its **gross national income per capita** has more than **doubled** since 2005.
- India had a great success in **reducing absolute poverty**.
- India managed to lift 27.1 crore people out of poverty from 2005-06 to 2015-16.
- However, **inequality** and **deprivation continue** to be high in the country.
- India still accounts for 28 per cent of the 1.3 billion multi-dimensional poor in the world.

Inequality in income in India:

In India, between 2000-2018,

- average income growth was 122 per cent but,

-
- the incomes of top 1 per cent grew by 213 per cent, and
 - the incomes of bottom 40 per cent grew by 58 per cent.

Inequality in income at Global level:

- United States has seen highest inequality among developed countries.

in the United States, between 1980-2017,

- average income growth was 63.2 per cent but,
- the incomes of top 1 per cent grew by 203.4 per cent, and
- the incomes of bottom 40 per cent grew by 10.8 per cent.

Reduction in Poverty in India:

- Due to a mix of fast economic growth and social policies, there has been a **sharp reduction in multidimensional poverty**.
- Between 2005/2006 and 2015/2016 the number of multidimensionally poor people in India fell by more than 271 million.

Horizontal Inequalities:

- Despite progress on human development indicators, horizontal inequalities persist in India.
- Scheduled Castes, Scheduled Tribes and Other Backward Classes **underperform the rest of society** across human development indicators, including **education attainment** and **access to digital technologies**.
- These groups have suffered from stigma and exclusion for centuries. Modern India has tried to constitutionally redress the disparities through affirmative action, positive discrimination and reservation policies for these groups.
- Since 2005/06 there has been a **reduction in inequalities in basic areas of human development**.
For example, there is a convergence of education attainment, with historically marginalized groups catching up with the rest of the population in the proportion of people with five or more years of education. Similarly, there is convergence in access to and uptake of mobile phones.
- But, there has been an **increase in inequalities in enhanced areas of human development**, such as access to computers and completing 12 or more years of education.

Gender Inequality Index (GII):

- In the Gender Inequality Index (GII), India is at 122 out of 162 countries. Neighbours China (39), Sri Lanka (86), Bhutan (99), Myanmar (106) were placed above India.
- In India, 11.7 per cent of Parliamentary seats are held by women (compared to 17.1 per cent in South Asia)
- Only 39 per cent of adult women have reached at least a secondary level of education compared to 63.5 per cent of their male counterparts.

About Human Development Index (HDI):

- It is a **statistical index** used by the United Nations Development Programme (UNDP) to measure social and economic development of countries.
- It was developed by Pakistani economist Mahbub ul Haq in 1990 to **shift the focus of development economics** from 'national income accounting' to 'people-centered policies'.
- Human Development Index (HDI) takes into account **three indicators** of the countries i.e.
 1. Health (life expectancy),
 2. Education (mean years of schooling and expected years of schooling)
 3. Income (percapita income)

Top 10 countries in Human Development Index (HDI):

<u>Rank</u>	<u>Country</u>
1	Norway,
2	Sweden,
3	Ireland,
4	Germany
4.	Hong Kong
6.	Australia
6.	Iceland
8.	Sweden
9.	Singapore
10.	Netherlands

India and its Neighbours:

<u>Country</u>	<u>Rank</u>
Sri Lanka	71
China	85
Maldives	104
India	129
Bhutan	134
Bangladesh	135
Myanmar	145
Nepal	147
Pakistan	152

India among BRICS Countries:

<u>Country</u>	<u>Rank</u>
Russia	49
Brazil	79
China	85
South Africa	113
India	129

Health:

Prime Minister Lays Foundation Stone of Atal Bihari Vajpayee Medical University

On December 25, 2019, Prime Minister Narendra Modi laid the foundation stone of Atal Bihari Vajpayee Medical University in Lucknow, Uttar Pradesh. This University will work as affiliating university for all government and private medical colleges in the state.

- Explaining the government's road map for the health sector, the Prime Minister stated that the Government is working on preventive healthcare, expanding affordable healthcare, supply side interventions, i.e. expanding public health infrastructure.

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- The Prime Minister stated that from **Swachh Bharat to Yoga**, from **Ujjwala to Fit India Movement** and promoting Ayurveda - every such initiative is **making its important contribution in prevention of diseases**.
 - He stated that construction of more than 1.25 lakh wellness centers in rural areas of the country is key to Preventive Health Care. These centers, by **catching the early symptoms of the disease**, will prove to be helpful in their treatment in the beginning.
 - The Prime Minister stated that due to Ayushman Bharat (National Health Protection Insurance Scheme), about 70 lakh poor patients of the country have been given free treatment, of which about 11 lakh are only in UP.
 - Ayushman Bharat provides medical insurance of upto Rs. 5 lakhs per family per year to the poor, for secondary and tertiary care hospitalization.

SOCIAL ISSUES:

Women Issues:

India Ranked 112 out of 153 Countries in the Global Gender Gap Index, 2020 of World Economic Forum (WEF)

- India was ranked 112th out of 153 countries in the 'Global Gender Gap Index Report, 2020' released by the World Economic Forum (WEF) on December 17, 2019.
- India's rank slipped to 112 from 108 in the 2019 index due to improvement of rank of some countries ranked lower than India in the 2019 report.
- **Top three countries** in the 2020 Gender Gap index: 1. Iceland, 2. Norway, 3. Finland.
- **Last Three Countries** : Yemen (153), Iraq (152) and Pakistan (151).
- The World Economic Forum (WEF) has been releasing the Gender Gap Index since 2006. WEF is a Geneva-based non-profit organisation. It was founded by Professor Klaus Schwab.

What is Gender Gap Index?

- It measures the gap between men and women in the attainments in four categories **health, education, economics and politics** i.e
 1. Educational Attainments (difference in access to basic and higher levels of education) ,
 2. Health and Survival (difference in life expectancy, access to healthcare) ,
 3. Economic Participation (difference between men and women when it comes to salaries, and participation in the workplace), and
 4. Political Empowerment (difference between how men and women in representation within decision-making organizations).

Objectives of the Global Gender Gap Index Report are

- to benchmark progress of countries,
- create global awareness of the challenges that gender gaps pose, and
- highlight opportunities that emerge when action is taken to reduce them.

The WEF stated that supporting gender parity is critical to ensuring strong, cohesive and resilient societies around the world. It stated that economically also, gender parity improves the competitiveness of the countries.

India's Ranking in the Gender Gap Index:

Indicator	Ranking out of 153 Countries
Educational Attainments	112
Health and Survival	150
Economic Participation	149
Political Empowerment	18
Overall Ranking	112

India's Problems:

- The **economic gender gap** runs particularly deep in India.
- Only one-quarter of women, compared with 82% of men, engage actively in the labour market (i.e. working or looking for work), one of the lowest participation rates in the world. In absolute terms, 28.7 crore men are actively engaged in labour market, while the number of women participation is just 7.9 crore.
- **Wage disparity** is also high. Female estimated earned income is a mere one-fifth of male income.
- Women only account for 14% of leadership roles and 30% of professional and technical workers.
- India also has very low women representation on company boards (13.8 %).

Health and Survival:

- India ranks a low 150th on the Health and Survival subindex (94.4), as a result of the skewed sex ratio at birth: there are 91 girls born per 100 boys born.
- Violence, forced marriages and discrimination in access to health remain pervasive.

Education:

- Only 65% of women are literate compared with 82% of men.

Political Empowerment:

- India ranks 18th (score of 41.1%) on the Political Empowerment subindex.
- Of the past 50 years, the country was headed by a woman for significant period which largely explains this strong performance.
- But, female political representation is low: women make up only 14.4% of the parliament and 23% of the cabinet.

Additional Information:

Top Five Countries (with least gender gap):

Nordic countries continue to lead the way to gender parity and Iceland is followed by Norway, Finland and Sweden in the top-four.

Country	Rank
Iceland	1
Norway	2
Finland	3
Sweden	4
Nicaragua	5
New Zealand	6
Ireland	7

Spain	8
Rwanda	9
Germany	10

Ranking of India and its Neighbouring Countries in the Gender Gap Index

Country	Rank
Bangladesh	50
Nepal	101
Sri Lanka	102
China	106
India	112
Bhutan	131
Pakistan	151

BRICS Countries:

Country	Rank
South Africa	17
Russia	81
Brazil	92
China	106
India	112

Supreme Court Sets up Three Member Inquiry Commission on Police Encounter of Four Accused in the Gangrape and Murder of Disha

- On December 12, 2019, the Supreme Court of India set up a three-member inquiry commission to investigate the encounter killing of the four accused in the 26 year old Hyderabad veterinary doctor, Disha, rape and murder case.
- The commission will be headed by a retired Supreme Court judge, Justice VS Sirpurkar. The two others on the panel are former Bombay High Court judge Rekha Baldota and former CBI chief B Kartikeyan.
- They will have six months to complete their investigation.

Background :

- On November 27, 2019, a 26-year-old veterinary doctor (named as 'Disha' by the Police) was brutally gangraped and murdered by four persons near Shamshabad toll plaza on the outskirts of Hyderabad, Telangana.
- The Police arrested the accused - Mohammed Areef (26), Jollu Shiva (20), Jollu Naveen (20), and Chintakunta Chennakeshavulu (20) on November 29, 2019.
- On December 6, 2019, they were gunned down in an encounter with the police near Chattanpalli, the place where the veterinary doctor was burnt to death by them. The Police announced that the accused were taken to the scene of offence to gather evidence in the case and they were gunned down as they opened fire at police after snatching their weapons, and then attacked with stones and sticks, resulting in injuries to two policemen.

Chief Justice of India on Encounter Killings:

Reacting to the encounter of the four accused in Hyderabad veterinarian rape and murder case, Chief Justice of India Sharad Arvind Bobde stated that

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- **Justice can ever be or ought to be instant,**
 - Justice must **never ever take the form of revenge,** and
 - If **justice loses its character** if it becomes a revenge.

The Chief Justice also stated that it is time to **reflect on the shortcomings of the criminal justice system** (inordinate delay in justice delivery, low conviction rate) and work collectively to overcome them.

Why Police Resort to Encounters?

- In all the police encounters, the police announce that the killings were in self defence as the accused try to over power them and pose a danger to their life.
- However, human rights activists state that these are fake 'encounters' and are nothing but cold blooded, brutal murder by persons who are supposed to uphold the law.

Reasons for Encounters?

Though the Police announce that encounter killings are in self defence, there are various reasons for killing of the accused. Police resort to encounter of hardcore criminals, extremists, terrorists, drug peddlers, smugglers, etc.

1. **To instil fear in criminals:** Encounters instil sense of fear in criminals and act as a deterrent.
2. **Pressure from Public for instant justice:** The Police also come under a lot of public pressure in some cases like brutal gangrapes, acid attacks. The brutal gangrape and murder of veterinary doctor in Hyderabad shook the conscience of the society and there were massive protests for justice to the victim. Such societal pressure for justice invariably weighs on the Police to render instant justice.
3. **Delay in Justice Delivery:** Cases also take prolonged period to come to conclusion and sometimes accused do not get punished due to lack of sufficient evidence. For instance, the accused in the 2012 brutal gangrape of a paramedical student in national capital Delhi are yet to be punished.
4. **Accelerated promotions and rewards:** Police involved in encounters get out-of-turn promotion or instant gallantry awards. Police involved in the encounter of Naxalites (undivided Andhra Pradesh) and criminals (in Mumbai) were given accelerated promotions and financial rewards.

Why are Police Encounters Wrong?

1. **Extra judicial Killings:** Police encounters are extra-judicial killings i.e not sanctioned by law. The Police are usurping the role of the Judiciary.
2. **Violation of Rule of Law:** The accused are killed without following the 'due process' of law in encounters.
3. **Violation of Human Rights:** Encounters are a violation of Human Rights (Right to Life) by the State.
4. **Impact on Criminal Justice System:** Encounters will further undermine people's faith in the criminal justice system. In all such incidences in the future, people will demand for instant justice through encounters without proper trial by Courts.

Supreme Court Guidelines on Police Encounters:

The Supreme Court went into the cases of police encounters in the past and stated that the 'encounter' philosophy is a criminal philosophy and fake 'encounters' are nothing but cold blooded brutal murder by persons who are supposed to uphold the law.

In 2014, the Supreme Court went into a batch of Public Interest Litigations (PILs) led by an NGO, People's Union for Civil Liberties, which challenged the genuineness of 99 encounters between the Mumbai Police and alleged criminals resulting in the death of about **135 persons** between 1995 and 1997. It gave the following guidelines to the Government which are to be **mandatorily followed**.

1. No police officer should be given out-of-turn promotion or gallantry award immediately after an encounter death but only after the gallantry was proved beyond doubt.

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2. A First Information Report (FIR) should be registered against police personnel who have participated in the 'encounter'. An independent investigation into the encounter death should be done by the CID or officers from another police station who were not involved in the incident. The probe should be scientific, well-documented and provide a decisive finding on the nature of death in question.
 3. The probe should be open to a magisterial inquiry and any dissatisfaction about its fairness could be challenged before a sessions judge.
 4. The National Human Rights Commission (NHRC) must be informed of the status of the investigation into the encounter death every six months.
 5. Immediate medical aid should be extended to the suspect shot or his family should be informed in case of death.

What are the measures needed?

- Encounters render instant justice to the victim. But, in cases like that of Disha, they raise many questions on the working of the police and the criminal justice system in our country.
- While the crime committed by the accused was gruesome, their guilt was not proved in the Court.
- Their death in the encounter denied them the opportunity for a fair trial by Court and also for the Police to prove that the accused were guilty to the crime. This is a serious violation of 'Rule of Law' and also raises questions as to whether a crime by a criminal can be remedied by another crime by a sovereign Government without a fair trial.
- Instead of rendering instant justice through encounters, the ideal solution would be delivering swift justice delivery. This needs more investments in infrastructure (fast track courts) and manpower (judges) so that the criminals are tried quickly and justice is rendered to victims. This also ensures 'Rule of Law' is followed by the Police and peoples faith in Judiciary enhances.

STATES & UT's:

Himachal Pradesh:

Strategic Tunnel under Rohtang Pass Named after Atal Bihari Vajpayee

- On the occasion birth anniversary of former Prime Minister Atal Bihari Vajpayee on December 25, 2019, Prime Minister Narendra Modi named the Strategic Tunnel under Rohtang Pass after Vajpayee. The historic decision to construct a strategic tunnel below the Rohtang Pass was taken by former Prime Minister Atal Bihari Vajpayee. The tunnel is now nearing completion.

About the Tunnel under Rohtang Pass:

- Rohtang Tunnel connects Manali in Himachal Pradesh with Leh, Ladakh and Jammu Kashmir. It will now be known as Atal Tunnel.
- **Worlds Longest Tunnel:** The 8.8-kilometre long tunnel is the world's longest tunnel above an altitude of 3,000 metres.

Advantages of the Tunnel:

- **All weather connectivity:** It provides all weather connectivity to remote border areas of Himachal Pradesh and Ladakh which otherwise remained **cut off from the rest of the country** for about six months during winters.
- It will **reduce** the **distance** between Manali and Leh by 46 kilometres.
- Saves crores of rupees in **transport costs**.
- It will also help in promoting tourism in the region.

Union Territories:

Daman and Diu, and Dadra and Nagar Haveli Union Territories Merged

On December 3, 2019, the Parliament of India passed the a bill merging two Union Territories - Daman & Diu, and Dadra & Nagar Haveli - into one.

The 'Dadra and Nagar Haveli and Daman and Diu (Merger of Union Territories) Bill, 2019' was passed in Lok Sabha on November 27, 2019 and Rajya Sabha on December 3, 2019.

The new merged Union territory will be called '**Union territory of Dadra and Nagar Haveli and Daman and Diu**'.

India now has nine Union Territories after the creation of the UTs of Jammu and Kashmir, and Ladakh. With the merger of Daman and Diu and Dadra and Nagar Haveli, the number will come down to **eight**.

Reasons for Merger:

1. Small population and limited geographical area of both Union Territories. The population of Dadra and Nagar Haveli is 3.44 Lakhs while that of Daman and Diu is 2.43 lakhs (2011 census).
2. Both the Union Territories share a lot in terms of history, language and culture as they were under Portuguese rule. They were liberated from Portuguese rule in December, 1961.
3. Separate constitutional and administrative entities in both the Union territories leads to a **lot of duplicacy, inefficiency and wasteful expenditure**.

Benefits of Merger:

- Reduction of administrative expenditure,
- bringing uniformity in policies and schemes, and
- better management of cadres of various employees.

About Union Territory of Daman & Diu:

- Union Territory of Daman and Diu comprises two districts namely Daman and Diu.
- Both Districts are situated on western coast of India. Daman is on main land near southern portion of Gujarat State. Diu is an island
- Daman is the head Quarter of this U.T.
- Daman and Diu were liberated from Portuguese rule in December, 1961.
- From 1961 to 1987, the Daman and Diu were part of the Union territory of Goa, Daman and Diu. In 1987, when Goa got statehood, Daman and Diu were made a separate Union territory.

About Union Territory of Dadra and Nagar Haveli:

- The U.T. of Dadra & Nagar Haveli is located on the western side of the foot hills of western Ghat surrounded by Gujarat in North and Maharashtra in South.
- It was liberated from Portuguese Rulers by people themselves on 2nd August 1954 . The people of the Dadra & Nagar Haveli established free Administration of Dadra & Nagar Haveli, which was finally merged into Union of India in the year 1961.
- Tribals constitute 62.24 % of the total population of the territory. The main tribes are Dhodia, Kokna and Varli.

FOREIGN RELATIONS

Indo-U.S:

2+2 Ministerial Dialogue Between India and U.S

- 2+2 Ministerial Dialogue (Meeting of Foreign Ministers and Defence Ministers of both the countries) was held in Washington On December 18, 2019.
- India and the US have **agreed to deepen their bilateral cooperation** in **areas of defence, counter-terrorism, trade, and** work with like-minded countries for **a free and open Indo-Pacific region.**

Industrial Security Annex (ISA) Signed:

- India and U.S signed the **Industrial Security Annex (ISA)**. The ISA is part of the General Security of Military Information Agreement (GSOMIA) signed between India and U.S.A in 2002. Currently, under GSOMIA, such information is exchanged between the Government authorities of the two countries but not between private parties. The signing of Industrial Security Annex (ISA) will enable
- release of more advanced technology and information to India,
- greater industry-to-industry collaboration for co-production and co-development in the defence sector, in line with the India's objective of promoting Make in India in the defence sector, and
- help make India a part of global supply chain in the defence sector.

Communications Compatibility and Security Agreement (COMCASA):

- India and U.S also took stock of the steps being taken to operationalise the Communications Compatibility and Security Agreement (COMCASA) which enables greater communications interoperability between the militaries of India and the U.S and sale of high end technology. COMCASA agreement was signed in September 2018.

Establishment of Maintenance Repair and Overhaul (MRO) Facilities in India:

- Both the Countries expressed their intent to explore collaboration on testing and certification in defence and aerospace sectors and establishment of Maintenance Repair and Overhaul (MRO) facilities in India.

H1B Visas:

- India requested the US to not obstruct the flow of talent from India as it is an important part of the economic cooperation and almost acts as a strategic bridge between the two countries.
- The H-1B visa is a non-immigrant visa that allows US companies to employ foreign workers in speciality occupations that require theoretical or technical expertise. The technology companies depend on it to hire thousands of employees each year under H1B Visa.
- India is a major beneficiary of H1B Visas and these are crucial for the IT sector in India. 70 per cent of the 85,000 H-1B visas are goes to Indians.

Coalition for Disaster Resilient Infrastructure (CDRI):

- United States announced its commitment to being the founding member of the Coalition for Disaster Resilient Infrastructure (CDRI) which is a gloabl initiative announced by Prime Minister Narendra Modi at the UN Climate Action Summit 2019 held in New York City, USA, on September 23, 2019.
- Developed through consultations with more than 35 countries, CDRI aims at enabling measurable reduction in infrastructure losses from disasters, including extreme climate events.

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- CDRI will conduct country-specific and global activities and would be platform for generating and exchanging knowledge,
 - It will provide member countries technical support and capacity development, research and knowledge management, and advocacy and partnerships to facilitate and encourage investment in disaster resilient infrastructure systems.

Additional Information on India US Defence Cooperation:

Four Foundational Defence Agreements:

U.S. signs four foundational agreements with allies and close partners to facilitate closer defence cooperation. These are

1. General Security Of Military Information Agreement (GSOMIA)
 2. Logistics Exchange Memorandum of Agreement (LEMOA) in 2016.
 3. Communication and Information on Security Memorandum of Agreement (CISMOA).
 4. Basic Exchange and Cooperation Agreement for Geo-spatial Cooperation (BECA).
- India had signed the General Security Of Military Information Agreement (GSOMIA) in 2002 and the Logistics Exchange Memorandum of Agreement (LEMOA) in 2016. The ISA is part of the General Security of Military Information Agreement (GSOMIA).
 - Communications Compatibility and Security Agreement (COMCASA) is an India-specific version of the Communication and Information on Security Memorandum of Agreement (CISMOA) was signed in 2018.
 - The last one remaining is the Basic Exchange and Cooperation Agreement for Geo-spatial Cooperation (BECA). Discussion are continuing on the Basic Exchange and Cooperation Agreement (BECA).

Indo-Maldives:

India and Maldives Joint Commission Meeting (JCM)

- India and Maldives signed three agreements during India Maldives Joint Commission Meeting held between External Affairs Minister of India Dr. S. Jaishankar and Foreign Minister Abdulla of Maldives Shahid co-chaired in New Delhi on December 13, 2019.
- These three agreements are on
Treaty on Mutual Legal Assistance in Criminal Matters,
cooperation between between the Financial Intelligence Units of India and Maldives, and
cooperation between between Election Commissions of India and Maldives.

Economic Cooperation:

- Both the Leads agreed to enhance trade, investment and economic cooperation through the fostering of business linkages between India and Maldives
- They acknowledged the progress achieved in implementing the USD 1.4 billion economic package announced by India in December 2018.
- They expressed satisfaction with the forward movement in the implementation of critical infrastructure projects under the USD 800 million Line of Credit. The USD 5.6 million High Impact Community Development Projects (HICDPs) and the USD 6.9 million grant assistance projects, which have been launched, have the potential to transform the livelihoods of communities in Maldives.

Maritime Cooperation:

- Both Ministers emphasized the nurturing of a strong bilateral partnership in the maritime domain given the **shared interests** and **common challenges in the Indian Ocean Region**.

Capacity Building and Training:

- Both the countries stated that capacity building and training remains an important dimension of the India-Maldives partnership.
- In the past year, capacity building has expanded to include training for Maldivian officials from the civil service, customs, parliament, etc. along with an increase in training slots offered to Maldives in various streams under the ITEC programme.
- Both the Leaders emphasised the need to **expand capacity building to newer areas** including **skill development** and **vocational training**.
- Both sides agreed to widen institutional linkages in the education sector.

Healthcare:

- Both the countries agreed to expedite work on the construction of a state-of-the art Cancer hospital in Hulhumale. Maldives acknowledged the important role played by Indian nurses in its health sector, and agreed to streamline the recruitment of nurses from India were discussed. India also assured of its continued support to meet the requirements for trained personnel at the Indira Gandhi Memorial Hospital (IGMH).

RC REDDY IAS STUDY CIRCLE

INTERNATIONAL POLITY & INTERNATIONAL ORGANISATIONS

UK Elections:

Conservative Party Wins in UK General Elections

- The Conservative Party led by Prime Minister Boris Johnson registered impressive victory in the general election of United Kingdom (UK) held in December 2019 by securing **365 out of 650 parliamentary constituencies**, the best win for the Conservatives since 1987.
- The Labour Party, the main opposition party led by Jeremy Corbyn, stood second with 203 seats, Labour Party's worst election defeat since 1935.
- The Scottish National Party won 48, while Liberal Democrats got 11 seats.

Reasons for the victory of Conservative Party:

1 Brexit Issue:

Brexit (meaning **Britain's exit** from E.U.) was the dominant election issue. Britons have endured more than three years of wrangling over their country's divorce from the European Union

In 2016, U.K voted in favour of leaving European Union (EU) in a referendum. However, the U.K Government could not conclude the Brexit deal due to disagreements in the Parliament over the Britain's 'Withdrawal Agreement from E.U'.

The Conservative Party under Boris Johnson promised to "**Get Brexit Done**" at the **earliest**. Labour Party, on the other side, was ambivalent on the question of Brexit. Mr. Jeremy Corbyn, Labour Party leader, promised another referendum and declined to state what his position would be during that vote.

2 Gains for Conservatives in Labour Strongholds:

The Conservatives focused their campaign to win in a "red wall" of **working-class towns in central and northern England** that have elected Labour lawmakers for decades but also voted strongly in 2016 to leave the EU. The Conservatives won significant seats in these towns as labour party supporters were against need another referendum promised by Jeremy Corbyn.

3 Support from Brexit Party:

The Conservatives were also helped by the Brexit Party led by Nigel Farage as it decided at the last minute not to contest 317 Conservative-held seats to avoid splitting the pro-Brexit vote.

4. Split in Anti-Brexit Votes:

Labour Party, which is largely but ambiguously pro-EU, faced competition for anti-Brexit voters from the centrist Liberal Democrats, the Scottish and Welsh nationalist parties, and the Greens.

4. Campaign Issues of the Labour Party:

The Labour Party fought the election without articulating a clear position on Brexit. On the other hand, he promised a **radical expansion of the state, with plans to tax the rich, increase public spending and nationalise utilities**. But, these promises did not connect with the voters as Brexit was a major concern and they wanted the prolonged uncertainty to end. Many believed that Labour Party is blocking Brexit proposals in the Parliament with support from some pro- EU members in the Conservative Party. Since the Conservative Party fought the elections by making Brexit, the significant campaign issue, voters swung towards Conservative Party.

Challenges Ahead for Boris Johnson:

1 Getting Brexit Done:

This is a major challenge for Boris Johnson as the 'withdrawal agreement' with E.U was stalled over the issue of Northern Ireland. Northern Ireland is part of U.K while Ireland is an independent country and part of E.U. With Brexit, customs borders have to be erected in Northern Ireland and Ireland.

2 Trade Agreement with EU:

Negotiating a trade agreement with the EU will be another challenge as till now UK has open border with EU and there was free movement of goods and services. Inevitably, trade barriers would be erected between U.K and E.U after Brexit.

3. Scotland Issue:

In Scotland, the Scottish National Party which advocates separation from U.K won 48 out of the 59 seats in the elections. Such huge victory for Scottish National Party might rekindle calls for a second referendum on independence of Scotland.

United Kingdom in Brief

The United Kingdom is made up of England, Wales and Scotland, and Northern Ireland.

Capital: London

Population: 62.8 million

Area :242,514 sq km (93,638 sq miles)

Major language: English

Major religion: Christianity

Life expectancy: 78 years (men), 82 years (women)

Currency: Pound

China-Russia:

'Power of Siberia' Gas Pipeline Inaugurated

- The “**Power of Siberia**” gas pipeline, a massive cross-border gas pipeline between Russia and China was inaugurated on December 2, 2019 by Chinese President Xi Jinping and his Russian counterpart Vladimir Putin.

About ‘Power of Siberia Gas Pipeline’:

- Russia holds the largest amount of natural gas reserves in the world.
- More than half of Russia’s gas reserves are located in Siberia.
- In 2014, Russia and China signed the “**Power of Siberia**” gas pipeline agreement for supplying gas from Siberia in Russia to Shanghai in China.
- Under the contract, Russia will deliver 1 trillion cubic meters of natural gas to China over the next 30 years.
- The length of ‘**Power of Siberia**’ gas pipeline would be 3,000 kilometers.

Gas would be sourced from **Chayandinskoye** and **Kovytk fields** in **eastern Siberia**, and is then piped to Blagoveshchensk - the last town on the Russian side of the border. From there, it is tunneled under the Amur River, before entering Heihe on the Chinese side.

Overall, gas is transported 8,000 km, with 5,111 km inside China, passing through nine provinces and municipalities.

- The **cost** of the gas pipeline is **US \$ 12 billion**. **Gazprom**, Russian government owned energy company, executed the project.
- The gas pipeline is **designed** to carry **38 billion cubic meters of gas to China every year**.

Significance of the Gas pipeline:

For Russia:

- Russia sells most of its gas to Europe which is the major buyer.
- The “**Power of Siberia**” gas pipeline provides Russia a huge market outside of Europe for its gas exports.

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- The gas supply is expected to **generate US \$ 400 billion revenue for Russia** in the next 30 years.
 - In 2020, Moscow will supply around 5 billion cubic meters (bcm) of natural gas, but the volume will gradually rise to 38 billion cubic meters per year.

For China:

- China is the world's biggest energy consumer and importer.
- **"Power of Siberia" gas pipeline** would meet the growing energy demand in China and assures energy security.
- **Cost of gas supply would also be cheaper** when compared with transportation through tankers in the form of Liquefied Natural Gas (LNG). At present, China's gas requirements are met from Central Asia-China Gas Pipeline and LNG imports into China are mainly from Australia, Qatar, Malaysia and Indonesia.

Other Gas Pipeline Projects of Russia:

- Along with the Power of Siberia pipeline, Russia has been constructing the **Nord Stream 2 line to Germany**, and the **Turk Stream to Turkey** to increase its gas exports.

Iran:

6 European Nations Join Iran Barter System

- On December 1, 2019, six new European countries: **Belgium, Denmark, Finland, the Netherlands, Norway and Sweden**, joined the Instrument in Support of Trade Exchanges (INSTEX) which is a barter mechanism designed to circumvent U.S. sanctions against trade with Iran by avoiding use of the dollar.

Instrument in Support of Trade Exchanges (INSTEX):

- Instrument in Support of Trade Exchanges (INSTEX) was started by France, Germany and the U.K.
- INSTEX is based in Paris.
- It functions as a clearing house allowing Iran to **continue to sell oil and import other products or services in exchange**.
- INSTEX was started as U.S in 2018 unilaterally withdrew from Iranian nuclear deal and reinstated heavy sanctions against Iran.

Iran Nuclear Deal:

- In 2015, Iran signed a deal on its nuclear programme with a group of P5+1 - the **US, UK, France, China, Russia and Germany**.
- Under the accord, formally known as the Joint Comprehensive Plan of Action (JCPOA), Iran agreed to limit its sensitive nuclear activities and allow in international inspectors in return for the lifting of crippling economic sanctions.
- However, President Donald Trump withdrew the United States from the agreement in May 2018, stating that it failed to address Iran's ballistic missile program and its role in regional wars.
- After withdrawal from the deal, the U.S reinstated heavy sanctions against Iran. The sanctions targeted Iran's **energy, financial and shipping sectors** and are aimed at crippling the Iran's economy.

U.S blacklisted 50 Iranian banks and subsidiaries, more than 200 people, ships, and Iran's national airline. Under such sanctions, the United States can seize assets under its jurisdiction that are owned by blacklisted people and entities. The sanctions also forbid commercial relations with those people or entities.

WTO:

World Trade Organisation's Appellate Body Becomes Dysfunctional

- The World Trade Organisation's Appellate Body became dysfunctional on December 10, 2019 as two of the remaining three members of the Appellate Body retired.
- The United States (U.S) used its veto power and stalled the selection process for filling six vacancies at the Appellate Body.
- The Apex Body requires minimum of three members to adjudicate any dispute.
- U.S. President Donald Trump has been stalling the appointment of new members stating that **U.S is loosing its cases** because other countries have most of the judges. The Appellate Body membership shall be broadly representative of membership in the WTO. Since Donald Trump came to power, Washington has blocked all appointments to the appeals body as existing judges' terms ended
- The U.S also opines that the Appellate body **oversteps its brief** and **creates law rather than following WTO agreements.**

What is WTO Appellate Body?

- It is the **second stage trade dispute settlement body** set up by the WTO in 1995
- It consists of 7 members.

First Stage:

- Trade disputes between the member countries are first referred to '**WTO Panels**'.
- These panels are set up by Dispute Settlement Body (the General Council in another words), which consists of all WTO members.
- The Panels are like Tribunals. Generally, the members of the Tribunal are chosen in consultation with the countries in dispute. Only if the two sides cannot agree does the WTO director-general appoint them.
- Panels consist of three (possibly five) experts from different countries who examine the evidence and decide who is right and who is wrong.

Second Stage:

- Either side can appeal a panel's ruling in the **WTO Appellate Body**. Sometimes both sides do so. Appeals have to be based on points of law such as legal interpretation - they cannot reexamine existing evidence or examine new issues.

Functions of Appellate Body:

- Each appeal is heard by three members of a permanent seven-member Appellate Body set up by the Dispute Settlement Body and broadly representing the range of WTO membership.
- Members of the Appellate Body have four-year terms. They have to be individuals with recognized standing in the field of law and international trade, not affiliated with any government.
- The appeal can **uphold, modify or reverse the panel's legal findings and conclusions**. Normally appeals should not last more than 60 days, with an absolute maximum of 90 days.
- If the country that is the target of the complaint loses, it must follow the recommendations of the Appeals Body Report.

Importance of WTO Appellate Body:

- The establishment of the Appellate Body has given teeth and credibility to the rules-based multilateral trading system. It is seen as **bulwark against protectionism by member countries**.
- The panels and the Appellate Body have issued rulings in almost 200 disputes involving cotton, hot-rolled coils, subsidies for renewable energy, etc.

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- Most of the cases involve trade remedies such as countervailing and anti-dumping measures.
 - Importing countries levy countervailing and anti-dumping duties which are challenged by the exporting country.

Anti-dumping duties:

- Anti-dumping duties are levied by Governments when a foreign company sells an item significantly below the price at which it is being produced and sold in its own country.

Dumping is considered a form of price discrimination. The practice is considered intentional with the goal of obtaining a competitive advantage in the importing market. Hence, importing countries levy anti dumping duties. On the other hand, exporting countries challenge this duty as a protectionist measure and a hindrance to free trade.

Countervailing duties:

- Similarly countries levy countervailing duties on imported goods to offset subsidies made to producers of these goods in the exporting country.
- Countervailing duties (CVDs) are meant to level the playing field between domestic producers of a product and foreign producers of the same product who can afford to sell it at a lower price because of the subsidy they receive from their government.
- When foreign companies subsidize the goods, domestic production suffers because of a shift in domestic demand towards cheaper imported goods. Hence, the government makes mandatory the payment of a countervailing duty on the import of such goods into the domestic economy.

Consequences of the Fall of WTO Appellate Body:

- The fall of WTO Appellate Body effectively marks a return to the dispute settlement system under the General Agreement on Tariffs and Trade (GATT) which was existent prior to the establishment of WTO.
- Under the erstwhile positive consensus rule under GATT, reports issued by panels composed to hear disputes could be adopted only if each of the contracting states favoured its adoption. This effectively handed **a veto to the loosing state**.
- Hence, several states have adopted **ad hoc solutions**.

No Appeal Pact:

- States such as Indonesia and Vietnam have, through a no appeal pact, agreed in advance not to appeal the ruling of the panel in the dispute between them, effectively waiving their right of appeal.

Interim Appeal System:

- The European Union (EU), Norway and Canada have agreed on an **interim appeal system** for resolving any disputes through **arbitration** using Article 25 of the Dispute Settlement Understanding of the WTO. Former Appellate Body members would be appointed as arbitrators.

SCIENCE AND TECHNOLOGY

SPACE:

ISRO Successfully Launched RISAT-2BR1

On 11 December 2019, the Indian Space Research Organization (ISRO) has successfully launched India's latest Radar Imaging Satellite (RISAT-2BR1) and placed it in its orbit using a PSLV C-48 launch vehicle.

Along with RISAT-2BR1, ISRO also launched nine other commercial satellites belonging to other countries, including the U.S.A and Israel, through an agreement with the commercial wing of ISRO, NewSpace India Ltd.

The Israeli satellite was 'Duchifat-3', an educational satellite built by three Israeli high school students.

RISAT – 2BR1

- is expected to strengthen India's border monitoring activities, aid in disaster management, agriculture, and forest cover tracking.
- weighs 628 kg
- is placed in orbit at an altitude of 576 Km from the surface of the Earth.
- **is the fourth one in India's RISAT series of radar imaging reconnaissance satellites** (reconnaissance satellites are also called spy satellites)
- RISAT series of satellites built by ISRO are earth observation/surveillance satellites that use radar imaging
- RISAT series satellites are efficient day and night, in all weather conditions as they use synthetic aperture radar (SAR) imaging unlike Earth Observation (EO) satellites that use optical imaging which can produce images only in good weather conditions with sunlight, no cloud cover and no rain.
- Synthetic aperture radar (SAR) satellites bounce radio waves off the earth's surface to detect changes in objects and terrains.

India's RISAT series of satellites:

- RISAT-2 (Israeli built payload) launched in 2009
- RISAT-1 launched in 2012
- RISAT-2B launched in May 2019
- RISAT-2BR1 launched in December 2019

RISAT – 2BR1 Launch Details:

- It was 50th PSLV launch and 75th launch from the Sriharikota launch pad.
- The PSLV C-48 was launched in its QL configuration (with four strap on motors)

ENVIRONMENT:

Longest Climate Talks End in Madrid Without a Deal

The 25th COP (Conference of the Parties) to the United Nations Framework Convention on Climate Change (UNFCCC), which is an annual meeting, was held in Madrid, Spain from December 2 to December 13, 2019 presided by Chile's Environment Minister Carolina Schmidt.

The main objectives of COP 25, which were mandated by the UNFCCC to resolve the outstanding issues about climate change are

- **To enhance the ambition of countries to set higher targets to reduce Green House Gas (GHG) emissions in 2019 as a response to the latest UN Climate Change report called 'United in Science' released in September 2019 at the UN Climate Action Summit.**

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- The report showed that the Green House Gas Emissions targets set in Paris agreement at COP 21 in 2015 are not enough to limit the global temperature rise this century well below **2 °C** above pre-industrial levels which was the main goal of Paris agreement signed by 197 countries in 2015.
 - Countries agreed at COP 21 in Paris in 2015 to revisit their climate pledges by 2020.
 - To discuss the provisions under Article 6 of the Paris Agreement specifically to discuss market mechanisms such as **carbon markets** to reduce Green House Gas (GHG) emissions.
 - Carbon markets also called as **Cap and Trade System** facilitates **financial incentives for industries to limit their carbon emissions** or greenhouse gas emissions.
 - The general idea of the system is to set national carbon emission caps for industries and when a company exceeds its carbon emissions cap it can buy carbon credits from another company that has not exceeded its carbon cap which is mutually beneficial and will collectively work towards limiting the increase in global average temperature rise.
 - To set up public registries for **Nationally Determined Contributions (NDCs)** to the Paris Agreement;
 - Nationally Determined Contributions(NDCs) show efforts by each country to reduce national emissions through
 1. **domestic carbon emissions mitigation measures** like reducing fossil fuel based energy and moving to sustainable development to reduce carbon emissions or greenhouse gas emissions.
 2. **adapt to the impacts of climate change** for example to protect against rising sea levels communities build seawalls and move to higher ground.
 - The Paris Agreement requests each country to outline and communicate their post-2020 climate actions, known as their NDCs.
 - To streamline communications from all countries regarding adaptation efforts under the Paris Agreement.

Outcome of COP25:

- A consensus was not reached on the global carbon markets at COP 25 because
- some countries were concerned that lax rules on carbon markets would lead to **double counting of the carbon credits** as the Paris Agreement is clear that a country that sells emissions cuts via offsetting credits to another country cannot count those emissions cuts towards its own climate targets.
- some countries like Brazil and Australia wanted to use their old credits under the Kyoto protocol signed in 2005 that supersedes the Paris agreement signed by 197 countries in 2015.
- Delegates from almost 200 nations endorsed a declaration to help poor countries suffering the effects of climate change but did not allocate any new funds to do so.

What is COP(Conference of Parties)?

- The COP(Conference of Parties) is the supreme decision-making body of the Convention in this case the convention is UNFCCC(United Nations Framework Convention on Climate Change). All States that are Parties to the Convention are represented at the COP, at which they review and take decisions for effective implementation of the agreements made at the Convention.

What is UNFCCC(United Nations Framework Convention on Climate Change)?

- The UNFCCC came into existence on 21 March 1994. 197 countries have ratified the Convention which are called Parties to the Convention.
- The UNFCCC is a “Rio Convention”, one of three adopted at the “Rio Earth Summit” in 1992. Its sister Rio Conventions are the UN Convention on Biological Diversity (UNCBD) and the Convention to Combat Desertification(UNCCD). The three are intrinsically linked. It now also incorporates the Ramsar Convention on Wetlands.
- Preventing “dangerous” human interference with the climate system is the ultimate aim of the UNFCCC.

What is Paris Agreement?

- At COP 21 in Paris, on 12 December 2015, Parties to the UNFCCC reached a landmark agreement to combat climate change with a central aim to strengthen the global response to the threat of climate change by keeping a global temperature rise this century well below 2 degrees Celsius above pre-industrial levels and to pursue efforts to limit the temperature increase even further to 1.5 degrees Celsius.
- Additionally, the agreement aims to increase the ability of countries to deal with the impacts of climate change, and at making finance flows consistent with a low GHG emissions and climate-resilient pathway.
- The Paris Agreement requires all Parties to put forward their best efforts through “nationally determined contributions” (NDCs) and to strengthen these efforts in the years ahead.
- The Paris Agreement opened for signature on 22 April 2016 – Earth Day – at UN Headquarters in New York. It entered into force on November 4, 2016.

What is Kyoto Protocol?

- The Kyoto Protocol was adopted in Kyoto, Japan, on 11 December 1997 and entered into force on 16 February 2005.
- The Kyoto Protocol is an international agreement linked to the United Nations Framework Convention on Climate Change, which commits its Parties by setting internationally binding emission reduction targets.
- The Protocol placed a heavier burden on developed nations to reduce their greenhouse gas emissions as it recognises developed or annex 1 nations to be principally responsible for the current high levels of GHG emissions in the atmosphere as a result of more than 150 years of industrial activity.

Why did Kyoto Protocol fail?

- Kyoto protocol failed as developed countries like USA and Canada left the Kyoto protocol in 2001 as they thought it was ineffective in combating climate change because it did not hold developing countries responsible to mitigate their carbon emissions.
- Therefore Paris agreement came into force which required every country to set up voluntary, non-binding goals called **Nationally Determined Contributions (NDCs)** to combat climate change.

India Should Take Urgent Action to Tackle Air Pollution: WHO

On December 18, 2019 WHO Director Maria Neira said that **India should take urgent action to curb air pollution** as the **high levels of toxic air in many cities of the country is much higher than WHO air quality guidelines** which could have major impact on the health of citizens.

- **Several studies** done by the **WHO Centre for Science and Environment** and other studies published in journals like the ‘**The Lancet**’ which is a peer-reviewed General Medicine Journal **have shown a link between premature deaths in India and air pollution.**
- The Lancet published a study that showed that one out of every eight deaths in India in 2017 can be linked to air pollution.
- 12.4 lakh deaths in India in 2017 can be attributed to air pollution.

What are WHO air quality guidelines?

The following are WHO air quality guidelines:

- **Fine particulate matter (PM_{2.5})**
 - 10 $\mu\text{g}/\text{m}^3$ annual mean
 - 25 $\mu\text{g}/\text{m}^3$ 24-hour mean
- **Coarse particulate matter (PM₁₀)**

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- 20¼g/m³ annual mean
 - 50¼g/m³ 24-hour mean
 - “WHO air quality guidelines” estimate that **reducing annual average fine particulate matter (PM_{2.5}) concentrations from levels of 35 ¼g/m³, common in many developing cities, to the WHO guideline level of 10 ¼g/m³, could reduce air pollution-related deaths by around 15%.**

What is Particulate Matter?

- Particulate matter consists of **mixture of solid and liquid droplets**. Major components of particulate matter are sulphates, nitrates, ammonia, sodium chloride, black carbon, mineral dust and water.
- Particles with a diameter of 10 microns or less, (PM₁₀) can penetrate and lodge deep inside the lungs.
- Particles with a diameter of 2.5 microns or less, (PM_{2.5}) can penetrate the lung barrier and enter the blood system and pose a higher risk. Chronic exposure to particles contributes to the risk of developing cardiovascular, respiratory diseases and lung cancer.

Environment Minister Prakash Javadekar’s reaction to WHO comments on Indian cities air pollution:

- Union Minister Mr. Prakash Javadekar said in Parliament **that there was no Indian study that links air pollution to premature deaths.**
- The **Minister made this statement despite there being scientific evidence** from The Global Burden of Disease Study 2017 titled “Impact of air pollution on deaths, disease burden and life expectancy across the states of India” says that in 2017, 12.5 per cent of total deaths in India were attributable to air pollution.
- The above study was funded by Bill & Melinda Gates Foundation and Indian Council of Medical Research which comes under the Union Ministry of Health and Family Welfare.

Overall Green Cover Increases in India but North-East Sees a Dip

Union Minister for Environment, Forest and Climate change Mr. Prakash Javadekar released on December 30, 2019 **Indian State of Forest Report (ISFR) for the year 2019**, a biennial report published by Forest Survey of India.

- Forest Survey of India was mandated in 1987 to publish the ISFR report every two years.
- 16 reports have been published so far since 1987.

Findings of the report:

Forest and Tree Cover:

- The **total forest cover in India is 80.73 million hectares or 24.56% of the total geographical area.**
 - There is an **increase of 5,188 sq. km in the total forest and tree cover of the country.** Out of this, the increase in the forest cover has been observed as 3,976 sq km and that in tree cover is 1,212 sq. km compared to the ISFR 2017 report.
 - **Forest Cover**-Forest Cover refers to all lands more than one hectare in area, with a tree canopy density of more than 10 percent irrespective of ownership and legal status. Such lands may not necessarily be recorded as forest area. It also includes orchards, bamboo and palm trees.
 - **Tree Cover**-Tree cover comprises of tree patches outside the recorded forest area exclusive of forest cover and less than the minimum mappable area of 1 hectare.
 - **The sharpest declines in forest and tree covers** have been observed in the **northeastern states** of Arunachal Pradesh (276 sqkm), Manipur (499 sqkm) and Mizoram (180 sqkm).
- i. The Northeastern states of India are one of the biodiversity hotspots of the world.
 - ii. One fourth of the total forest and tree cover of the country is in the northeastern states.

iii. According to the report ,the sharp decline in forest and tree cover in the area has been attributed to tribals getting land pattas and cutting trees for agricultural purposes and construction of dams in Arunachal Pradesh.

- The **top three states that showed an increase in forest cover** are Karnataka(1025 sqkm), Andhra Pradesh(990 sqkm) and Kerala(823 sqkm).
- India's combined tree and forest cover has been between 21-25% which falls short of the **1988 National Forest Policy which envisions the forest cover to be around 33%**.

States with the highest forest cover:

- Madhya Pradesh has the largest forest cover in the country area-wise, followed by Arunachal Pradesh, Chhattisgarh, Odisha and Maharashtra
- In terms of forest cover as percentage of total geographical area of the state, the top five States are Mizoram (85.41%), Arunachal Pradesh (79.63%), Meghalaya (76.33%), Manipur (75.46%) and Nagaland (75.31%).

Mangrove Cover:

- According to the report the total mangrove cover increased by 54 sqkm from the year 2017.
- Top three states showing mangrove cover increase are Gujarat (37 sq km) followed by Maharashtra (16 sq km) and Odisha (8 sq km).

What are Mangroves and why are they important?

- Mangrove is a small shrub or a tree that grows in the coastal saline or brackish water which can withstand high levels of salinity in water due to their unique root system.
- Mangrove forests stabilize the coastline, reducing erosion from storm surges, currents, waves, and tides and provide an ecosystem for the marine animals.

Bamboo Bearing area:

- Total bamboo bearing area is 160,037 sqkm.
- There is an increase of 3229 Sqkm in the bamboo bearing area in the country compared to 2017

Carbon Stock:

- Carbon stock is the total carbon that has been absorbed from the atmosphere and is stored in the forest ecosystem.
- The total carbon stock of the country was estimated at 7124 million tons
- It is an increase of 42.6 million tons compared to 2017.

HEALTH:

WHO Prequalifies 'Trastuzumab' its first Biosimilar Medicine to Make Breast Cancer Treatment Affordable

On December 18,2019 World Health Organization (WHO) prequalified 'Trastuzumab' a Biosimilar medicine supplied by Samsung Bioepis NL B.V. (Netherlands) to make breast cancer treatment more affordable by reducing its price by 65% than it's originator or originally invented medicine.

- Breast cancer is the leading form of cancer among women
- 2.1 million women contracted breast cancer worldwide in 2018. Out of which 6,30,000 died from the disease, many because of late diagnosis and lack of access to affordable treatment.
- WHO included Trastuzumab in the Essential Medicines List in 2015 as an essential treatment for about 20% of breast cancers because it has shown high efficacy in curing early stage breast cancer and in some cases more advanced forms of the disease.

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- A few biosimilars of trastuzumab have come to market in the last five years, but none had been prequalified by WHO before.

What is Prequalification?

- Prequalification is a service provided by WHO to assess the quality, safety and efficacy of medical products that address global public health priorities.
- If the products meet international standards, they are listed on the WHO web site as eligible for procurement by UN agencies and national tenders.
- Many low-income countries also use WHO's lists of prequalified products to guide their selection of medicines, vaccines and technologies for national procurement.
- It gives assurance to countries that they are purchasing quality health products.

What is a biosimilar medicine?

- Biosimilars are less expensive versions of originators or first innovated biotherapeutic medicines for some cancers and non-communicable diseases like diabetes.
- Biosimilars can be manufactured once the patent of the original product has expired.
- Biotherapeutic medicines are produced from biological sources such as cells rather than synthesized chemicals.

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PERSONS, AWARDS & SPORTS

International Persons

34-year-old **Ms. Sanna Marin** became the **world's youngest prime minister** after she was elected as Prime Minister of Finland on December 8, 2019.

Social Democrats Party elected Ms. Sanna Marin as Prime Minister after its leader Antti Rinne resigned on after losing the confidence of the coalition partner 'Centre Party' over his handling of a postal strike. Postal workers went on strike over the proposal of Antti Rinne to reduce their wages. Ms. Sanna Marin had earlier served as Transport Minister of Finland.

Greta Thunberg, 16-year-old teenage climate activist, was named **TIME Magazines's "Person of the Year"** on December 11, 2019 for her campaign on climate change. She is the youngest to be named as "Person of the Year" by Time Magazine. The 16-year-old girl from Sweden has become the face of a new generation of climate activists calling the governments to drastically increase their efforts to combat climate change.

General Pervez Musharraf, Pakistan's former dictator, was sentenced to death in absentia in the high treason on December 11, 2019. He is the first military ruler to receive the capital punishment in the country's history.

A three-member bench of the special court, headed by Peshawar High Court Chief Justice Waqar Ahmad Seth, pronounced the verdict in the landmark case launched in 2013 against the former Pakistan Army chief by the previous government of former prime minister Nawaz Sharif.

The court found the ailing 76-year-old ex-president, now living in Dubai on self-exile, guilty of high treason for abrogating the Constitution and imposing extra-constitutional emergency in Pakistan in November 2007. He also imprisoned several judges and issued provisional constitutional orders to safeguard his dictatorship. He was convicted in 2014 but later went to Dubai in 2016, stalling the progress in the high-profile case.

National Persons

Gen. Bipin Rawat, Chief Army Staff, was appointed as the **country's first Chief of Defence Staff (CDS)** on December 30, 2019, a day before he was to step down on superannuation.

Chief of Defence Staff (CDS) would also be the Principal Military Adviser to the Defence Minister and also as the Permanent Chairman, Chiefs of Staff Committee (COSC). The CDS will head the new Department of Military Affairs in the Defence Ministry and function as a Secretary to Government.

Lt Gen Manoj Mukund Naravane took over as the as the **Chief of Army Staff (COAS)** on December 31, 2019. He succeeded Gen Bipin Rawat.

Before taking charge as vice chief of the Army Staff in September, Lt Gen Naravane was heading the Eastern Command of the Army which takes care of India's nearly 4,000-km border with China.

He has also commanded a Rashtriya Rifles Battalion in Jammu and Kashmir and an infantry brigade on the eastern front. He was also part of the Indian Peace Keeping Force in Sri Lanka and had served as India's defence attache at the Indian Embassy in Myanmar for three years.

Shriram Lagoo (92), eminent theatre personality and film actor, died in Pune on December 17, 2019. He played an important role in the growth of theatre movement in Maharashtra in post-Independence era alongside Vijay Tendulkar, Vijaya Mehta and Arvind Deshpande. As an actor, his roles in Marathi plays such as 'Natsamrat' and 'Himalayachi Saoli', and films like 'Pinjra' made him popular.

In Bollywood, Lagoo essayed memorable roles in films like 'Ek Din Achanak', 'Gharonda', 'Muqaddar Ka Sikandar' and 'Laawaris'. He played Gopal Krishna Gokhale in Richard Attenborough's 'Gandhi'.

Gollapudi Maruti Rao (80), veteran Telugu writer, columnist and film personality, passed away in Chennai on December 12, 2019. Mr. Maruti Rao was born in Vizianagaram in 1939 and began his career as a Telugu writer. Some of his memorable films as an actor include 'Intlo Ramayya, Veedhilo Krishnayya', 'Challenge', 'Samsaram oka Chadarangam', 'Aditya 369' and 'Leader'.

International Awards

'Miss Universe for the year 2019':

Zozibini Tunzi (26) from South Africa was crowned '**Miss Universe for the year 2019**' on December 8, 2019. Miss Puerto Rico Madison Anderson was named the first runner-up, while Ashley Alvidrez from Mexico was the second runner-up. Indian contestant Vartika Singh secured a place in the top 20.

'Miss World 2019'

Toni-Ann Singh (23) from Jamaica was crowned as '**Miss World 2019**' on December 14, 2019. **Ophely Mezino** from France was first runner-up, while **Suman Rao** from India was second runner-up.

DSC Prize for South Asian Literature 2019:

Amitabha Bagchi won the \$25,000 DSC Prize for South Asian Literature 2019 for his 2018 novel, 'Half the Night is Gone'.

About the Prize:

The DSC Prize awards **fiction from the South Asian region**, which includes **Afghanistan, Bangladesh, Bhutan, India, the Maldives, Myanmar, Nepal, Pakistan and Sri Lanka**, as well as from the diaspora.

The DSC Prize for South Asian Literature was instituted in 2010 by Surina Narula and Manhad Narula of DSC Limited, a construction engineering company.

Sports Awards

World Tennis Association (WTA) Awards:

Australian **Ashleigh Barty** was named World Tennis Association (WTA) Player-of-the-Year. Barty is the first Australian to top women's rankings since Evonne Goolagong Cawley in 1976.

WTA Coach of the Year: Craig Tyzzer, coach of Ashleigh Barty.

Newcomer of the Year: Bianca Vanessa Andreescu, Canada's 19-year-old player who won US Open champion.

Most Improved Player: Sofia Kenin (U.S)

Comeback Player: Belinda Bencic (Switzerland)

Top Doubles Team : Timea Babos (Hungary) and Kristina Mladenovic (France).

Messi Wins Ballon d'Or Award:

Lionel Messi (Argentina) won a record-breaking sixth Ballon d'Or, Football game's most prestigious individual prize given by the French football magazine 'France Football', on December 3, 2019. World Cup winner Megan Anna Rapinoe (USA) earned the women's women's Ballon d'Or.

Messi won the award in 2011 and 2015 and Ronaldo in 2014, 2016, and 2017.

SPORTS

CHESS

World Rapid Chess Championship (Moscow, 2019 December)

Women's Title:

Koneru Humpy (India) - Winner

Lei Tingjie (China) - Runner

Men's Title:

Magnus Carlsen (Norway) - Winner

Alireza Firouzja (Iran) - Runner

National Senior Chess Championship (Majitar, Sikkim, 2019 December)

Aravidh Chithambaram (Tamil Nadu) - Winner

Shyaamnikhil (RSPB) - Runner

BADMINTON

BWF World Tour Finals (China, 2019 December)

Men's Singles:

Kento Momota (Japan) - Winner

Anthony Sinisuka Ginting (Indonesian) - Runner

Women's Singles:

Chen Yufei (China) - Winner

Tai Tzu-ying (Taiwan) - Runner

Syed Modi International Badminton Tournament (Lucknow, 2019 December)

Men's Singles:

Wang Tzu Wei (Tpe)- Winner

Sourabh Verma (India) - Runner

Men's Doubles:

He Jiting and Tan Qiang (Chn) - Winner

Choi Solgyu and Seo Seung Jae (Kor) - Runner

Women's Singles:

Carolina Marin (Esp) - Winner

Phittayaporn Chaiwan (Tha) - Runner

Women's Doubles:

Baek Ha Na and Jung Kyung Eun (Kor) - Winner

Chang Ye Na and Kim Hye Rin (Kor) - Runner

Mixed doubles:

Rodion Alimov (Rus) and Alina Davletova (Rus) - Winner

Marcus Ellis and Lauren Smith (Eng) - Runner

CRICKET**Syed Msuhtaq Ali Trophy (Surat, 2019 December)**

Karnataka - Winner

Tamil Nadu - Runner

FORMULA ONE**Abu Dhabi Grand Prix (Abu Dhabi, 2019 December)**

Lewis Hamilton - Winner

Max Verstappen - Runner

South Asian Games (Nepal, 2019 December):

India won 312 medals, which includes 174 gold, 93 silver, and 45 bronze medals India had claimed 309 medals in the 2016 edition of the South Asian Games The South Asian Games is a biennial multi-sport event held among the athletes from South Asia. South Asian Games 2019 has participation from seven members : Bangladesh, Bhutan, India, the Maldives, Nepal, Pakistan and Sri Lanka

Rank	Participating Nation	Gold	Silver	Bronze	Total
1	India (IND)	174	93	45	312
2	Nepal (NEP)	51	60	95	206
3	Sri Lanka (SRI)	40	83	128	251
4	Pakistan (PAK)	31	41	59	131
5	Bangladesh (BAN)	19	32	87	138
6	Maldives (MDV)	1	0	4	5
7	Bhutan (BHU)	0	7	13	20

Russia Banned from World's Top Sporting Events for Four Years:

On December 9, 2019, Russia was banned from the world's top sporting events for four years, including the 2020 Tokyo Olympics and the 2022 football World Cup in Qatar, for tampering with doping tests.

The World Anti-Doping Agency (WADA) executive committee acted after concluding that Moscow had planted fake evidence and deleted files linked to positive doping tests in laboratory data that could have helped identify drug cheats. The decision is a huge blow to Russia that has traditionally been a powerhouse in many sports but whose reputation has been tarnished by a series of doping scandals.

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