

Contemporary Issues & Current Affairs

1

Draft Electricity Amendment

Syllabus: GS 3- Infrastructure- Energy

Why is it in the news?

- The Draft Electricity (Amendment) Bill 2020 was unveiled by the Ministry of Power.
- The new draft is proposal for the amendment of Electricity Act, 2003.

Background:

- India is the **third largest producer as well as consumer** of electricity in the world.
- Electricity is a **concurrent list subject**.
- Supply of power at **affordable prices** is vital for sustained growth of the economy.
- However, the electricity sector, right from generation to distribution companies facing variety of

challenges.

Existing Issues/Problems:

- **Plant Load Factor (PLF):**

- (1) Plant load factor (PLF) of coal based power generation companies is falling.
- (2) In 2019-20 it is down to 56%, from 78% a decade ago.
- (3) PLF is used to determine a plant's power producing capacity.

- **Cross-Subsidisation:**

- (1) Because of cross-subsidization, power tariffs in India for the industrial sector are one of the highest in the world.
- (2) Populist tariff schemes and operational inefficiencies have adversely affected the DISCOMs.
- (3) Farmers do not use the subsidised power optimally.

- **Higher Aggregate Technical and Commercial (AT&C) losses:**

- (1) The AT&C losses are hovering around 20%.
- (2) Under UDAY scheme, states were required to reduce their AT&C losses to 15% by March, 2019.

- **Renewable energy targets and DISCOMs inefficiency:**

- (1) Government offered a slew of concessions to renewable energy developers.
- (2) The declaration of solar and wind power plants as "must-run", has

The Unique

increased the burden of discoms, as they had to absorb all renewable power as long as there was sun or wind, in excess of mandatory renewable purchase obligations.

- (1) It will have powers of the Civil Court to enforce performance of contracts related to purchase or sale of power between discoms and generating companies.

- **Strengthening of the Appellate Tribunal (APTEL):**

- (1) The decision of the ECEA can be challenged at the Appellate Tribunal for Electricity (APTEL) and, subsequently, at the Supreme Court.

- **National Renewable Energy Policy:**

- (1) The amendment proposes to provide for a policy for the development and promotion of renewable sources of energy.
- (2) The specified percentage of purchase of electricity from hydro sources of energy would be mandatory for DISCOMs.

- **Franchisees and Distribution sub licensees:**

- (1) Many States DISCOMs have been assigning the task of distribution of electricity in a particular area or city to Franchisees/ Sub-Distribution Licensees.
- (2) A person recognized and authorized by Distribution Licensee (DISCOMs).
- (3) No requirement of a separate license from State Electricity Regulatory Commission.

- **Cross border trade in Electricity:** Provisions have been added to facilitate and develop trade in

electricity with other countries.

Significance of the proposed Amendment:

- **Cross-border Trade:**

- (1) There was no mention of cross border trade in the earlier act. It will add more sanctity to transactions related to cross border trade.

- **Security of payment:**

- (1) There will be no schedule or dispatch of electricity unless adequate security of payment is provided as per the contract.
- (2) This will help in managing the payment risk that is looming large on Gencos.

- **Distribution Franchisee:**

- (1) DISCOMs may outsource its various roles like meter reading, billing, revenue collection, etc. to agencies.

(2) Adding them under the distribution sub-licensee ambit would make them more accountable.

- **Push to Renewable Energy:** Amendment provides special attention to Renewable Energy

development.

- **The Other Side:**
- **Increasing Centralised Control:**
- **Renewable Energy:** The bill proposes more concessions to renewable power developers. It would

increase discoms' financial burden.

Way Ahead:

- The distribution sector is under severe financial stress.
- There's need of a National Electricity Distribution Plan (NEDP), like the National Electricity Plan, to find a holistic solution for its problems.
- Before framing any such legislation, Centre should consult with States, as electricity is in the Concurrent List.

2

Draft Environment Impact

Syllabus: Environment Conservation

- **Question:** Analyse the role of Environment Impact Assessment in light of India's growing economic development.

Why it is in news?

- Ministry of Environment, Forest and Climate Change (MoEFCC) has extended the date for public comments on the Draft Environmental Impact Assessment (EIA) Notification, 2020, which will replace the EIA notification, 2006.

What is the EIA?

- It Scrutinises the potential of Env impact and negative externalities of the project beforehand. Suggests whether to go ahead, modify or shelve the project.
- Done by Expert Appraisal Committee of scientists and project management experts. Its preliminary report is published for public consideration.
- EAC then prepares a final report for the MoEF.

Concerns Related to Draft Notification:

- **Eased processes for industry:**

(1) Projects are classified into A, B1 and B2 depending on their social and environmental impact.

Projects in categories b1 or b2 will have relaxed rules.

- **Greater exemptions proposed for inland waterways:** It classifies inland waterways as Category

B2 projects and will not require public consultations irrespective of whether these projects are located in notified ecologically sensitive areas.

- **Ex-post facto clearance to projects operating without Prior-EC:**

(1) It proposes to give clearance to projects which are started without prior environmental clearance if they are not violating any law.

(2) Even National Green Tribunal in 2017 held that such projects are against the law.

(3) LG Polymer which was responsible of death of 12 people due to gas leak in Vizag was operating without environment clearance.

- **Public consultation process diluted:**

(1) The draft proposes to expand the list of projects that do not require public consultation before receiving Prior-EC.

(2) Also the time to furnish response has been shortened which will make it difficult for the

affected communities to take action.

(3) Public consultation ensures the EIA process is open, transparent and robust by taking into account all such concerns during the planning stage.

- **Downgrading of industries:** Industries previously fell under the category that required full assessment have been downgraded. Eg Construction. Only largest projects will be scrutinised.

- **Decreased frequency of compliance reports:** EIA 2006 notification requires compliance report to be submitted every 6 months. Draft EIA 2020 increases this to 1 year.

- **Increased vulnerability to Climate Change:** Lax environmental norm will make India further vulnerable to climate change. According to Global Climate Risk Index, India is already 5 most vulnerable country to climate change.

- **Balance between environment and economy:**

Way forward:

(1) Since 2014, India has seen a steady rise in the World Bank's Ease of Doing Business ranking from 142nd (2014) to 63rd (2019) out of 190 countries.

(2) During the same time period, India has seen a subsequent decline from 155th (2014) to 177th (2018) out of 180 countries ranked on the Environmental Performance Index.

- **Expert Advisory Committee:** It is a part-time body, nominated by the Regulatory Authority for environment clearance, whose resources are limited. Its role needs to be strengthened.

- **Democratization of EIA:** people who are impacted should be consulted before clearance regardless of nature of project.

- **Role of NGOs and Civil Society:** Often people affected by projects are marginalised groups who lack capacity to put their concerns. Here role of civil society should be strengthened to

protect the interest of vulnerable sections.

- **Role of Corporate Social Responsibility (CSR):**
CSR fund should be utilised for the development and rehabilitation of impacted groups to address the social and environmental impact of industrial activities.



Significance:

- By opening up agricultural market for farmers, and removing barriers to inter-State trade, the changes allows the farmer more choices.
- It will raise farmers' income and also reduce wastage and improve quality.
- Traders and food processors will be able to buy freely from the farmers, they can stock and move any quantity of agriculture produce within the country.
- It will provide a facilitative framework for electronic trading.

About The Farmers (Empowerment and Protection) Agreement on Price Assurance and Farm Services Ordinance, 2020:

- **Aim:** Facilitating contract farming, where a private buyer contracts to purchase a crop at a certain price at the beginning of a season.
- **Quality norms and Assessment:** Once entered into agreement, buyers procures the harvested produce at the pre-decided rate subject to its meeting agreed quality norms. The mutually accepted grade and standards will be monitored and certified by third-party quality assayers.
- **There will be Dispute Settlement Mechanism** with conciliation board. Parties can later approach the Sub-Divisional Magistrate and finally to the Collector.

Significance:

- It transfers the risk of market unpredictability from the farmer to the corporate sponsor.
- Both the farmers and buyers are insulated from excessive market risk.

Concerns:

- Due to contract farming foodgrain trade may go into the hands of corporates and food security may be threatened as a result of scarcity.
- There are apprehensions that Government may gradually move out of MSP mechanism.

Way Ahead

- **States may object:**

(1) Not all States have been on board with these reforms, especially as State governments will not be allowed to levy fees on the sales through APMCs.

(2) Both agriculture and markets are State subjects. Trade and commerce in foodstuffs is part of the concurrent list. Hence a legal question may arise.

- These are the much awaited reforms in agriculture sector. However government should trade

cautiously.

- Implementing through parliamentary scrutiny and debates would be ideal.

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Anti-Defection

Why is it news?

- Recent developments in the Assembly of Manipur has once again brought to fore the limitations and loopholes of the Anti-Defection law.
- Recently Defections have also taken place in Gujarat and Madhya Pradesh Assemblies.

About anti defection law

- Tenth Schedule of the Constitution was inserted in 1985 to counter corruption-driven defections and ensure political stability & known as anti-defection law.
- It mentions the process of disqualification on the ground of defection by the Presiding Officer of

a legislature.

- **Defection Criteria:**

(1) If he/she either voluntarily gives up the membership of his party or.

(2) If he/she disobeys the directives of the party leadership on a vote (Whip).

- The law applies to both Parliament and state assemblies.
- The Anti-Defection Law is a very unique Indian feature as in the British parliament, MPs who defy

the party whip lose party membership and not seat.

- **Time limit:**
- The law does not specify a time-period for the Presiding Officer to decide on a disqualification

plea.

- Courts can intervene only after the Presiding Officer has taken decision on the matter.

Exceptions:

- The law allows a party to merge with or into another party provided at least 2/3rd of its

MPs/MLAs of original party are in favour of the merger.

- In such a scenario, defected members and members who stay with the original party will not face disqualification.

91st constitutional amendment in 2003:

- In the background of repeated splits and mergers, Atal Bihari Vajpayee government made 91st constitutional amendment.

(1) It prohibited defections through splits and mergers.

(2) It also capped number of ministers as post of minister was used for defections.

Interpretation of law by judiciary :

Voluntarily giving up his/her membership:

- Supreme Court has said that in the absence of a formal resignation by the member is termed as voluntary giving up of membership.
- If Members publicly expressed opposition to their party or support for another party, it considered as their resignation.
- **Decision of the Presiding Officer is subject to judicial review.**
- SC in Kihoto Hollahan case observed that speakers exercise judicial powers similar to tribunal in the context of decision on petitions under anti defection law. So, speaker decision is subject to judicial review by HC and SC.

- However, judgement held that judicial intervention is possible only after speaker took decision on the matter. Viz. Hyderabad HC refused to intervene in issue of delay by the Telangana Assembly Speaker in 2015.

Anti-defection law and conscience of legislators:

- Freedom of conscience is basic feature of parliamentary democracy.
- Law doesn't allow MP/MLA to vote with his conscience & interests of his electorate. It forces legislator to follow party leadership.
- It also negatively affects supervisory role of legislature over executive.

Flaws in Law:

Cross-voting in Rajya Sabha election:

- It is not addressed by the anti-defection law as Law does not cover any vote outside the House.
- SC held that Rajya Sabha election, the vice-president's election and the Presidential poll are "happening outside the House".

Why democracy should not adopt anti defection law :

- Members can keep effective check on government if he/she allowed to vote independently.
- Members will ensure democratic debate as members are personally accountable to their vote.
- Law dilutes the separation of powers between the Executive and the Legislature.
- In the long run, it will ensure infiltration of democracy to grassroots.

Way forward :

Independent Authority:

- In Hollahan judgement, SC observed that position of speaker does not satisfy independent adjudicate authority as his position is dependent on majority.
- We need to create independent authority to

deal with disqualification of MPs and MLAs under

10th schedule.

Forbid for Byelections

- *Law should forbid a resigning Member for the by-election that follows immediately after his/her resignation.*
- *Resigning members should be allowed for election only after the end of Assembly term.*

Party whip :

- *Law should disqualify Members only if they vote against their party whip during important events such as no-confidence motions.*
- *On all other matters, Members should be given independence to vote.*

6

Migrant

Syllabus: GS2: vulnerable sections:

Why in news?

- On 23rd March 2020 PM announced nationwide lockdown to control the spread of Corona virus.
- Migrant workers, mostly employed in informal sector, lost their jobs.
- Lakhs of them were forced to walk thousands of kilometre back home.

Facts:

- **Census of India 2011:** More than 450 million Indians (37%) are internal migrants who change their residence within a country's national borders.
- **Age composition:** About 30% of the migrants are youth aged 15-29 years and another 15 million

are children.

- **Gender structure:**

- (1) Males dominate the inter-State and inter-district streams of migration, while females dominate the intra-district stream of migration.
- (2) Women migrants are less represented in regular jobs and more likely to be self-employed than non-migrant women.
- (3) Domestic work has emerged as an important occupation for migrant women and girls.

- **Dominant Sectors:** construction, domestic work, textile, brick-kilns, transportation, mines,

quarries and agriculture.

Challenges of Migrant Labours in India:

- **Covid specific:**

- (1) **Loss of employment:** Many are daily wage earner who lost job immediately after announcement of lockdown.
- (2) **Spread of virus:** Risk of contagion is higher in cramped colonies where the migrants

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reside in the cities.

- (3) **Lack of resources:** Migrants are not able to follow norms such as social distancing, frequent hand washing due to lack of resources and their precarious living condition.
- (4) **Tedious process to go home:** This involves standing for hours for medical examination, procuring a health certificate, and police verification.
- (5) **Stigmatisation:** They are discriminated and stigmatised when the migrants return to their villages as they are considered “carriers of the coronavirus”.

- **Lack of Social Security:** Many of them depend on daily wages for their sustenance without any

social security.

- **Excluded in welfare policies of host destination:** Migrants do not form part of the vote bank of host destination, hence politicians often neglect their issues.

- **Lack of basic services:**

- (1) Basic services like education, ration and drinking water are denied to them as they require address proof.

- (2) The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 is largely a regulatory law failing to incorporate welfare rights of the migrant labourers.

- **Low level of skills:** Migrants lack skills, many of them coming from rural areas without any formal

education, hence are paid very low.

- **Social Discrimination:** Sons of the soils populism in various states has led discrimination in against

them.

Importance of Migrant Labours:

- **Remittances:** Migrant workers send back remittances which help in addressing rural and

agricultural distress.

- **Invisible hands of urban economy:**

(1) Migrant workers provide work force without which economy will become stagnant.

(2) For instance, works of coffee estate in Karnataka do not start every work until workers from Assam come back after monsoon break.

- **Consumers:** Migrant labors act as a market for various goods and services produced in urban

areas.

- **Social Remittances:** Migrants bring back to the source areas a variety of skills, innovations and knowledge, known as 'social remittances', including change in tastes, perceptions and attitudes.

Way forward:

- **Portability of MGNREGA cards:**

(1) This will allow migrant labourers to use their NREGA job cards in any part of the country.

(2) In case of crisis like the pandemic, he or she can take up NREGA work at the destination site rather than returning home.

- **National Migrant Workers Commission:** Such commission should be established through

legislative measures at the Central level backed up by State Level Migrant Workers Commissions.

- **Portability of voting rights:** So that they gather better bargaining power and political voice in the

system.

- **Financial Inclusion:** Ensure access to formal banking facilities for migrants to enable safe and secure transfer of remittances.

- **Create inter-district and inter-state**

coordination committees.

- *Portability of Ration Cards:*

- (1) *This has been done through One Nation One card scheme.*
- (2) *But not all the states are implementing it yet.*

7

India-China

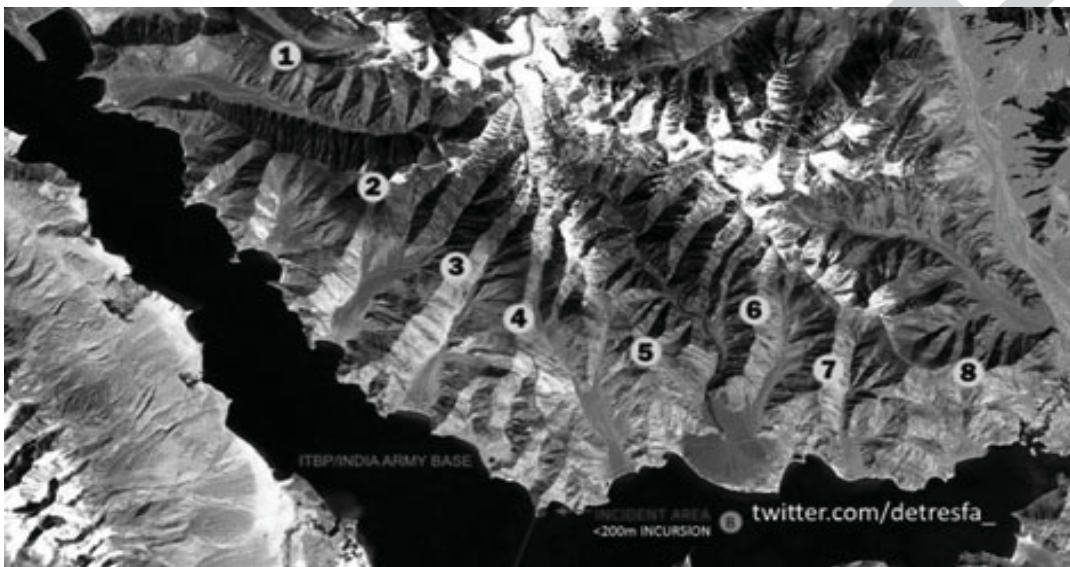
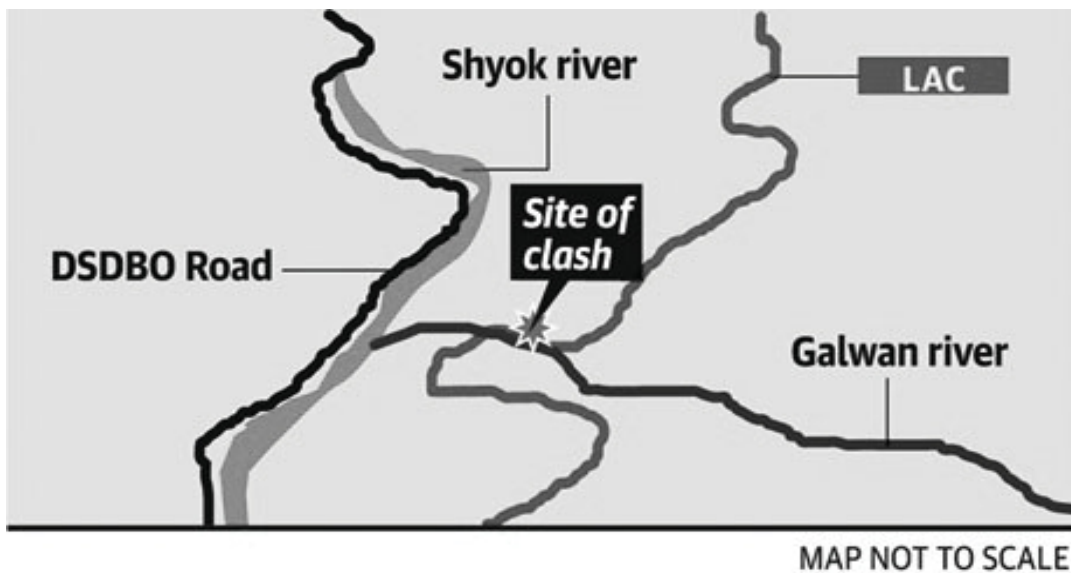
Syllabus GS2: International Relations

Why is it in news?

- 20 Indian soldiers including a CO were martyred in Galwan valley when a physical brawl broke out between Indian and Chinese soldiers. No firearms used.
- Most deaths reportedly were from injuries aggravated by intense cold in high altitude area.
- The clash appeared pre-meditated and pre planned.
- CHN has not confirmed its casualties.
- Earlier on the night of 5-6 May, 70 Indian soldiers were injured in a major scuffle at the Pangong Tso lake.



- CHN well entrenched in area of Finger 4-8 of Pangong Tso lake and remain inside LAC at Naku La.
- Indian and Chinese troops have been engaged in standoff at several locations along the LAC after Chinese troops moved into Indian territory at Pangong Tso, Galwan Nalah, Hot Springs in eastern Ladakh and Naku La in Sikkim.
- A massive incursion by Chinese troops in several areas that India claims to be part of its territory has resulted in this standoff.
- Military level and diplomatic talks have led to de-escalation recently.



Pic source: The Hindu

How is this standoff new vis a vis earlier episodes?

- Although standoffs have occurred earlier also, the difference this year is the scale of

Chinese incursion, its build up of armed forces near the LAC, the violence during the stand off and the simultaneous occurrence across multiple points.

- China's aim is to unilaterally alter the LAC.

Background:

- **Line of Actual Control (LAC)**, a 4,057-km porous border running through glaciers, snow deserts, mountains and rivers separate India and China.
- Both the nations have differing perceptions at several places about the LAC.
- **Under British Rule:**

- (1) **Johnson's line (1865)** shows Aksai Chin in erstwhile Jammu and Kashmir.
- (2) **McDonald Line (1893)** places Aksai chin China's control.

- India considers Johnson's line as a correct source of border between India and China.

- **Border Peace and Tranquility Agreement (BPTA) in 1993:**

- (1) Jointly checking and fixing the parts of the line where they had "different views as to its alignment".

- (2) Progressively reduce their military deployments along the LAC to a "minimum level", based on the principle of "mutual and equal security".

- **Confidence Building Measures along the Line of Actual Control in 1996.**
- **Protocol on Modalities for the Implementation of CBM along the Line of Actual Control 2008:**

Put in Place Standard Operating Procedure when military persons face off along LOC.

- **Border Defence Cooperation Agreement 2013:**

- (1) Enhanced the interactions of the military operations departments and the defence ministries.
- (2) Agreed that they would not patrol of the other side in areas where there was no common understanding of the LAC.

Possible Reasons for Chinese incursion.

- **Anti-Regime sentiments in China:**
Communist Party of China (CPC) is worried about anti-regime sentiments at home.
- **Declining Popularity of Xi:**

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- (1) Chinese polity controlled by CPC is based on strong leadership.
- (2) Its hard handed stand shows Xi remains undeterred by growing backlash due to corona virus.

- **Signals to India:** To not follow anti-China bandwagon globally put up by USA.
- **To distract from Corona virus controversy:** Many intellectuals have claimed that China is trying to

distract attention from Corona Virus controversy.

- **China's advantage:** China sees advantage in unsettled LAC as a bargaining tool with India.
- **Build-up of heavy Infrastructure by Indian side of LAC:** As per China, this was unnecessary after 2008 agreement.
- **Break down of confidence building measures:** Various agreements signed to settle LAC didn't

come to logical conclusion.

Evolution of Indo-China Ties

- India was the first non-communist country to establish diplomatic relations with China on April
- Prime Minister Nehru made the first head of state level visit to China in 1954.
- **Panchsheel Treaty 1954:** The treaty specifies five principles of peaceful co-existence which are.

- (1) Mutual respect for each other's territorial integrity and sovereignty.
- (2) Mutual non-aggression.
- (3) Mutual non-interference.
- (4) Equality and mutual benefit.
- (5) Peaceful co-existence.

- **1962 Indo-China border conflict:** Major setback to Sino-Indian.
- 1988 visit of then Prime Minister Rajiv Gandhi to China in 1988: Relations between the two countries saw a phase of improvement after this.
- Doklam Standoff occurred in 2017.
- The first informal summit held at Wuhan in 2018 was a step to 'reset' the bilateral relations.
- The second informal summit was held at Mamallapuram near Chennai in 2019.

Areas of co-operation between India and China:

- **Trade Relations:**

(1) Bilateral trade: US \$ 95.6 Billion in 2018.

(2) Trade deficit against India: 53 billion US dollars.

- **WTO Reforms:** Both countries have put common demand at WTO for reforms.

Current Affairs

1

Polit

1. Rajya Sabha Polls

Why is it in news?

- Recently Rajya Sabha Elections were held for 19 seats.

What is peculiar to the Rajya Sabha polls as far as the electorate is concerned?

- Only elected members of the State Legislative Assemblies can vote in a Rajya Sabha election.
- Voting is by single transferable vote, as the election is held on the principle of proportional representation.
- A single transferable vote means electors can vote for any number of candidates in order of their preference. A candidate requires a specified number of first preference votes to win.
- This is to avoid the principle of majority, which would mean that only candidates put up by ruling parties in the respective States will be elected.
- Candidates fielded by political parties have to be proposed by at least 10 members of the Assembly or 10% of the party's strength in the House, whichever is less. For independents, there should be 10 proposers, all of whom should be members of the Assembly.

Why is there no secret ballot in the Rajya Sabha elections?

- The Rajya Sabha polls have a system of open ballot, but it is a limited form of openness.
- As a measure to check rampant cross-voting, which was taken to mean that the vote had been purchased by corrupt means, the system

of each party MLA showing his or her marked ballots to the party's authorised agent, before they are put into the ballot box, has been introduced.

- Showing a marked ballot to anyone other than one's own party's authorised agent will render the vote invalid. Not showing the ballot to the authorised agent will also mean that the vote cannot be counted.
- And independent candidates are barred from showing their ballots to anyone.
- However, party whip is not applicable here.

Why does not 'None of the Above', or NOTA, apply to the Rajya Sabha polls?

- In 2018, the Supreme Court of India struck down the provision, holding that the 'none of

2. Institution in news: National Human Rights Commission

the above' option is only for general elections held on the basis of universal adult suffrage, and cannot be applied to indirect elections based on proportional representation.

Why is it in news?

- National Human Rights Commission is established under Protection of Human Rights Act 1993, which was amended in 2019.

Protection of Human Rights Act, 1993	Protection of Human Rights (Amendment) Act 2019
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<ul style="list-style-type: none"> ● Composition of NHRC (1) Chairperson to be Chief Justice of the Supreme Court. (2) Two other members knowing human rights. (3) Other Members: Chairpersons of four National Commission (Scheduled Caste, Scheduled Tribe, Women and Minorities). 	<ul style="list-style-type: none"> ● Composition of NHRC (1) Chairperson to be Chief Justice or Judge of the Supreme Court. (2) Three members of which at least one to be women. (3) Other Members of the Commission. ● National Commission for Scheduled Castes. ● National Commission for Backward Classes. ● National Commission for Scheduled Tribes. ● National Commission for Women. ● National Commission for Protection of Child Rights. ● Chief Commissioner for Persons with Disabilities.
<ul style="list-style-type: none"> ● Chairperson of SHRC: Chief Justice of a High Court. 	<ul style="list-style-type: none"> ● Chairperson of SHRC: Chief Justice or Judge of a High Court.
<ul style="list-style-type: none"> ● Term of office: Chairperson and members of both NHRC and SHRC will be five years or age of seventy years, whichever is earlier. 	<ul style="list-style-type: none"> ● Term of office : (1) Three years or till the age of seventy years, whichever is earlier. (2) Reappointment of members of the NHRC and SHRCs for a period of five years.
<ul style="list-style-type: none"> ● Secretary-General of NHRC and Secretary of a SHRC to exercise powers as delegated to them. 	<ul style="list-style-type: none"> ● Secretary-General and Secretary to exercise all administrative and financial powers (except judicial functions), subject to the respective chairperson's control.
	<ul style="list-style-type: none"> ● The Central government may confer on an SHRC human rights functions being discharged by Union Territories. ● Functions relating to human rights in the case of Delhi will be dealt with by the NHRC.

3. Institution in news:

Investigation Agency (

About NIA:

- NIA is established under NIA act 2008, enacted after Mumbai terror attack.

- It functions as the Central Counter Terrorism Law Enforcement Agency in India.
- **Scheduled offences:** The schedule to the Act specifies a list of offences which are to be investigated and prosecuted by the NIA.

(1) These include offences under Acts such as the Atomic Energy Act, 1962, and the Unlawful Activities Prevention Act, 1967.

(2) 2019 amendment to NIA act 2008 added the following offences (i) human trafficking, (ii) offences related to counterfeit currency or bank notes, (iii) manufacture or sale of prohibited arms, (iv) cyber-terrorism, and (v) offences under the Explosive Substances Act, 1908.

- **Jurisdiction of the NIA:**

(1) The officers of the NIA have the same powers as other police officers in relation to investigation of above mentioned offences,

across India.

(2) 2019 amendment increased the jurisdiction scheduled offences committed outside India, subject to international treaties and domestic laws of other countries.

(3) The Special Court in New Delhi will have jurisdiction over these cases.

4. Secrecy of Ballot is cornerstone of free and fair election

Why is it in news?

- The Supreme Court Held that Secrecy of ballot is the cornerstone of free and fair elections.

SC Judgement:

- It is the policy of law to protect the right of voters to secrecy of the ballot.
- Even a remote or distinct possibility that a voter can be forced to disclose for whom she has voted would act as a positive constraint and a check on the freedom to exercise of franchise.
- The principle of secrecy of ballots is an important postulate of constitutional democracy.
- Section 94 of the Representation of People Act, which upholds the privilege of the voter to maintain confidentiality about her choice of vote.
- A voter can also voluntarily waive the privilege

5. HC allows unmarried woman to terminate 23-week pregnancy of non-disclosure.

Why is it in news?

- The Bombay High Court has allowed a 23-year-old unmarried woman to terminate her 23-week pregnancy and observed that continuing it will lead to a risk of “grave physical and mental injury to her”.

Medical Termination of Pregnancy (MTP) Act, 1971

- A pregnancy may be terminated by a registered medical practitioner :

- (1) Where the length of the pregnancy does not exceed twelve weeks, or.
- (2) Where the length of the pregnancy exceeds twelve weeks but does not exceed twenty weeks.

- In this case, the abortion will take place, if not less than two registered medical practitioners are of opinion, that the continuance of the pregnancy would involve a risk to the life of the pregnant woman (her physical or mental health); or there is a substantial risk that if the child were born, it would suffer from some physical or mental abnormalities to be seriously handicapped.

(1) Beyond 20 weeks the courts have to decide.

6. Centre pitches for Rs. 10 lakh crore for panchayats

Finance Commission

Why is it in news?

- The Panchayati Raj Ministry has pitched for a fivefold increase in Finance Commission funding for rural local bodies.

Details:

- In a meeting with the 15th Finance Commission, the Ministry asked for Rs. 10 lakh crore to be allocated for the 2020-21 to 2025-26 period, in comparison to the Rs. 2 lakh crore allocated under the 14th Finance Commission.
- It noted that allocations had tripled between the 13th and 14th Commissions as well.
- The 2.63 lakh panchayats across the country have 29 functions under their ambit, according to the 11th Schedule of the Constitution.

- Road construction and maintenance, as well as drinking water supply have been the major projects carried out by panchayats using FC grants.

7. OBC sub-categorisation commission gets six-month

Why is it in news?

- The Union Cabinet approved a six-month extension to the commission appointed to examine sub-categorisation of Other Backward Classes.

Details:

- The Central government had established commission under the chairpersonship of retired Delhi High Court Chief Justice G. Rohini.
- The commission is established to look into the issues of communities that were not getting the benefits of reservation under OBC category.

2

ECONO

Banking Sector and Monetary

1. Payments Infrastructure Development Fund (PIDF)

Why is it in news?

- The RBI has created a Payments Infrastructure Development Fund (PIDF) to encourage acquirers to deploy Points of Sale (PoS) infrastructure.
- The acquirers will be encouraged to deploy both physical and digital modes in tier-3 to tier-6 centres and North - Eastern states.
- The PIDF will be governed through an Advisory Council and managed and administered by RBI.

Importance:

- To provide fillip to digitisation of payment systems, it is necessary to give impetus to acceptance infrastructure across the country, more so in under-served areas.
- Most of the POS terminals in the country are concentrated in tier 1 and 2 cities and towns and other regions have been left out.

Funding:

- RBI will make an initial contribution of Rs. 250 crore to the PIDF, covering half of the fund.
- The remaining contribution will be from card-issuing banks and card networks operating in the country.
- PIDF will also receive recurring contributions

to cover operational expenses from card-issuing banks and card networks.

Why is it in news?

- The Reserve Bank of India (RBI) has scheduled another round of bond sale and purchase auction of Rs. 10,000 crore each on July 2.

Details:

- RBI will purchase longer tenure government bonds, that are maturing in 2027, 2029, 2031 and 2033, while selling four securities of shorter maturity, two of them maturing this year and two next year.

More about Operation Twist:

- It refers to purchase and sale of government securities under Open Market Operations.
- Operation Twist is primarily aimed at managing yields.
- The move will help soften the yields on long tenure bonds that have stayed elevated and help the government in borrowing funds at a lower rate.

Why is it in news?

- The Ministry of Housing and Urban Affairs launched a micro-credit scheme for street vendors.
- The scheme was announced by Finance Minister in May as part of the economic package for those affected by the COVID-19 pandemic and lockdown.

About Pradhan Mantri Street Vendor's AtmaNirbhar Nidhi Scheme:

- Under the scheme, vendors will be able to apply for a working capital loan of up to Rs. 10,000, which is repayable in monthly instalments within a year. The loans would be without collateral.
- It will benefit over 50 lakh vendors who had their businesses operational on or before March 24.
- The scheme is valid till March 2022.
- On timely/early repayment of the loan, an interest subsidy of 7% per annum will be credited to the bank accounts of beneficiaries.
- An online portal and mobile application were being developed to ensure speedy implementation of the scheme.

6. SWADES scheme

Why is it in news?

- The government launched a new initiative SWADES (Skilled Workers Arrival Database for Employment Support) under the Vande Bharat Mission.

More about the scheme:

- The scheme has been launched to conduct a skill mapping exercise and provide employment opportunities to the returning

citizens.

- This is a joint initiative of the Ministry of Skill Development & Entrepreneurship, the Ministry of Civil Aviation and the Ministry of External Affairs.
- **Aim:** To create a database of qualified citizens based on their skillsets and experience to tap into and fulfil demand of Indian and foreign companies.
- The collected information will be shared with the companies for suitable placement opportunities in the country.
- The data will help the citizens with job prospects and bridge the demand-supply gap.

7. TULIP Scheme

Why is it in news?

- The Central government launched a scheme to provide internship opportunities with smart cities and urban local bodies for 25,000 fresh graduates, mostly from technical courses.
- However, there is no guarantee that these interns will get paid any stipend.

More about TULIP:

- TULIP (The Urban Learning Internship Programme) scheme is a five-year joint venture between Ministry of Housing and Urban Affairs and the All India Council for Technical Education.
- City administrations can register available opportunities on the portal, ranging from positions in urban planning or water supply and waste management to slum improvement and digital governance.
- Applicants must be Indian citizens who have completed their final year of college within

the last 18 months.

- Internship durations can range from eight weeks to one year.
- The programme does not have any budget of its own.

8. 'Country of origin' must on GeM platform

Why is it in news?

- The Union government has made it mandatory for all sellers on the Government e-Marketplace (GeM), to list the country of origin while registering new products.
- GeM is a platform for public procurement.
- The move is said to be a push to promote local products.

Local content:

- The changes to the GeM are in line with Centre's Atmanirbhar Bharat and Make in India policies.
- Buyers on the platform can now see the percentage of local content in various products.
- They can also switch on a new Make in India filter to see products that match their preferences on local content.

About GeM:

- GeM is a one stop portal to facilitate online procurement of common use Goods & Services required by various Government Departments / Organizations / PSUs.
- It is a Special Purpose Vehicle under the Ministry of Commerce and Industry.
- **Aim:** To enhance transparency, efficiency and

9. MSP Hike for Kharif Crops

speed in public procurement.

Why is it in news?

- The Cabinet Committee on Economic Affairs (CCEA) approved an increase in the minimum support prices (MSPs) for all mandated kharif crops like paddy, pulses etc. for the 2020-21 marketing season.
- The crops includes, cotton, nigerseed, sesamum, urad, tur, maize.

- The increase is based on the principle that MSP should be at least 1.5 times of the all-India weighted average cost of production.
- The Union Cabinet also extended the repayment date for standard short-term loans upto Rs. 3 lakh for agriculture and allied activities, till August 31, 2020.

About MSP:

- MSP is recommended by the Commission for Agricultural Costs and Prices (CACP), a decentralised agency under Agriculture ministry, government of India.
 - MSP is price fixed by Government of India to protect the farmers against excessive fall in price during bumper production years.
 - MSP announced for both RABI and Kharif SEASONS.
 - CACP has categorised three types of cost of production (CoP): A2, A2+FL and C2.
- (1) A2 represents actual cost of farming including seeds, fertilisers and hired labours.
- (2) A2+FL represents family workers in addition to A2.
- (3) C2 represents the cost of land rentals or interest on invested capital in

10. Equity infusion for MSMEs addition to A2+FL.

Why is it in news?

- The Cabinet Committee on Economic Affairs approved Rs. 50,000 crore equity infusion for micro, small, and medium enterprises (MSMEs).
- **Aim:** To help MSMEs to enhance capacity and encouraging them to get listed.
- The MSME Minister said that big industry people buy and sell stocks in the share market, but the

facility was not available for MSMEs.

New MSME Definition:

- The Cabinet Committee also approved the new definition of MSMEs by increasing the limits.
- **For micro enterprises:** The investment limit will be Rs. 1 crore and turnover Rs. 5 crore.
- **For small enterprises:** The investment limit will be Rs. 10 crore and the turnover Rs. 50 crore.
- **For medium enterprises:** The investment limit to Rs. 50 crore and turnover to Rs. 250 crore.

Previous MSME Classification:

- A micro enterprise is an enterprise where investment in plant and machinery does not exceed Rs.25 lakh.
- A small enterprise is an enterprise where the investment in plant and machinery is more than Rs. 25 lakh but does not exceed Rs. 5 crore.
- A medium enterprise is an enterprise where the investment in plant and machinery is more than Rs.5 crore but does not exceed Rs.10 crore.

Significance of MSMEs in India:

- The sector accounts for about 45% of manufacturing output.
- It accounts for more than 40% of exports, over 28% of gross domestic product and employs about 111 million people.

11 Empowered group of secretaries (EGoS)

Why is it in news?

- The Union Cabinet approved the setting up of an empowered group of secretaries (EGoS) for attracting investments to India.
- The group is formed in context of COVID-19

pandemic, to ensure that investment is enhanced in India.

- Simultaneously in every Ministry, there will be a project development cell.

Composition of EGoS:

- The EGoS would be chaired by the Cabinet Secretary.
- It would include the Secretary of the Department for Promotion of Industry and Internal Trade as member convener.
- **Other Members:** NITI Aayog CEO, the Commerce Secretary, the Revenue Secretary and the Economic Affairs Secretary as members.
- The Secretary of the Department concerned would be co-opted, depending on the project.

The Anticipated benefits of EGoS and Project Development Cell:

- It will make India a more investor-friendly destination.
- It would help domestic industries and lead to direct and indirect employment.
- It would reinforce India's vision of becoming a \$5 trillion economy by 2024-25.