

News Analysis (10 Jun, 2019)

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Lapsing of Bills in Parliament

The government will reintroduce the Bill that is lapsed after the dissolution of 16th Lok Sabha. There are 22 such Bills that have to be reintroduced in the Lok Sabha as they have lapsed.

The Muslim Women (Protection of Rights on Marriage) Bill, 2018, Consumer Protection Bill, DNA Technology (Use and Application) Regulation Bill are some among the lapsed Bills.

Points to Remember

- It is only Lok Sabha and the Legislative Assemblies that are subject to dissolution, there is no provision of dissolution for Rajya Sabha and State Legislative Council.
- When the Lok Sabha is dissolved, all business including bills, motions, resolutions, notices, petitions pending before it or its committee's lapses.
- **Articles 107** and **108** of the Indian Constitution deal with these provisions.

The important Bills that have lapsed:

Among the important Bills that have lapsed are:

- The Muslim Women (Protection of Rights on Marriage) Bill, 2018.
- Aadhaar and Other Laws (Amendment) Bill.
- Companies (Amendment) Bill
- Banning of Unregulated Deposit Schemes Bill,
- Micro, Small and Medium Enterprises Development (Amendment) Bill.
- Arbitration and Conciliation (Amendment) Bill.
- Consumer Protection Bill.
- Chit Funds (Amendment) Bill.
- DNA Technology (Use and Application) Regulation Bill.

When does a Bill lapse?

- A Bill that originates in the Lok Sabha and remains pending in the Lower House itself is considered lapsed with the dissolution of the House.
- A Bill that originates and is passed by the Rajya Sabha, but is pending in the Lok Sabha also lapses with the dissolution of the Lower House.
- Bills that originate and are passed in the Lok Sabha but are pending in the Rajya Sabha are also considered lapsed.
- Bill that originates and is passed in the Rajya Sabha but is returned with amendments to the Upper House by the Lok Sabha and then does not get the clearance of the Rajya Sabha is considered to have lapsed on the date of dissolution of the Lower House.

When does a Bill not lapse?

There are instances when certain Bills, despite the dissolution of the Lower House, are not considered to have lapsed.

- A Bill that is pending in the Rajya Sabha but is not passed by the Lok Sabha.
- Bills that have cleared both the Houses but are pending assent from the President.
- If the president has notified the holding of a joint sitting before the dissolution of Lok Sabha.
- A bill passed by both Houses but returned by the president for reconsideration of Rajya Sabha.
- Pending bills and all pending assurances that are to be examined by the Committee on Government Assurances.

Foreigners Tribunals

The Ministry of Home Affairs (MHA) has amended the Foreigners (Tribunals) Order, 1964, and has empowered district magistrates in all States and Union Territories to set up tribunals (quasi-judicial bodies) to decide whether a person staying illegally in India is a foreigner or not. Earlier, the powers to constitute tribunals were vested only with the Centre.

- The amended order (Foreigners (Tribunal) Order, 2019) **also empowers individuals to approach the Tribunals**. Earlier, only the State administration could move the Tribunal against a suspect.
- The amendment has come in the backdrop of Assam's final <u>National Register of</u> <u>Citizens (NRC)</u> which is set to be published by 31st July, 2019.
 - If a person doesn't find his or her name in the final NRC, s/he could move the Tribunal.

- The amended order also allows District Magistrates to refer individuals who haven't filed claims against their exclusion from NRC to Tribunals to decide if they are foreigners or not.
- As per directions of the Supreme Court, the Registrar General of India RGI (under the Ministry of Home Affairs) published the final draft list of NRC on 30th July, 2018 to segregate Indian citizens living in Assam from those who had illegally entered the State from Bangladesh after March 25, 1971.

Nearly 40 lakh people were excluded from this final draft list. As many as 36 lakh of those excluded have filed claims against the exclusion.

• The NRC is a fallout of the Assam Accord, 1985. The accord states that all illegal foreigners who came to Assam after 1971 from Bangladesh, irrespective of the religion, have to be deported.

Barcoding of Medicine

The government plans to make barcoding mandatory on all medicines sold locally in a bid to offset India's growing reputation as a source of counterfeit medicines.

Why it is done?

- The office of the United States Trade Representative (USTR) recently highlighted that India has a growing problem of counterfeit medicines, in its annual 'Special 301 Report' on intellectual property protection and review of 'notorious markets' for piracy and counterfeiting released in April.
- According to the USTR report, almost 20% (\$4.3 billion in 2013-14) of all pharmaceutical goods sold in the Indian market are counterfeit.

Pharmaceutical Sector in India

India is one of the leading global producers of low-cost generic medicines due to its high domestic demand and inexpensive manufacturing costs. The country's pharmaceutical market is the world's third largest in terms of volume, but the thirteenth largest in value.

While counterfeiting is a global issue, it is much more prevalent in low and middle-income countries with an estimated 10 to 30% of medicines in these countries being counterfeit, compared to just 1% of medicines in high-income countries.

Reasons for counterfeit medicines market in India

limited access to medical care, especially in rural areas

- fragmented supply chain
- lack of consumer awareness
- prevalent practice of self-medication
- high cost of genuine medicines
- weak enforcement of legislation and corruption
- prevalence of online pharmacies
- technology advancements in counterfeiting

Classification of Spurious and Substandard drugs in India

- As per Drug and Cosmetic (D and C) Act, 1940, poor quality drug comprises of misbranded, spurious and adulterated drugs, respectively.
- Central Drugs Standard Control Organisation (CDSCO) under Directorate General of Health Services, Ministry of Health & Family Welfare has categorised not of standard quality (NSQ) products in three categories A, B and C that is helpful in categorising the products during quality evaluation.

Category B Category C Category A It includes grossly It involves **products with minor** It incorporates spurious and substandard defects like emulsion cracking, adulterated change in formulation colour, small drugs in which drug products; variation in net content, and product fails the which conceal disintegration or sedimentation in clear liquid dissolution test the real identity preparation, failing of weight of the product and where active variation test, spot or discolouration or formulation ingredient assay on product, uneven coating, and and be similar get below 70% presence of foreign matter and to some welland 5% of labelling errors. permitted limit. known brand. These products may or may not contain active ingredients and generally manufactured by unlicensed antisocial people or sometimes by licensed manufacturers.

Barcoding for domestic sales of drugs **will ascertain the authenticity of medicines**, ability to monitor their ready availability, expiration, track and trace their recalls when needed.

What else can be done?

- **Raising public awareness:** approximately 78% of India's 650 million mobile phone users have access to the internet, and online education about counterfeit and spurious medicine may be an effective way to tackle the issue quickly and efficiently.
- Implementing innovative anti-counterfeiting measures: New generation anti-counterfeiting technologies, such as the use of forensic markers (chemical, biological and DNA taggants), cloud-based supply chain data repositories, and blockchain technology in supply chains can be used to fight the menace of counterfeit drugs.

Sexual Orientation and Gender Identity: UNESCO

Across India, students are bullied because of their **sexual orientation and gender identity** (SOGI), forcing many to drop out from schools.

UNESCO's New Delhi office has teamed up with **Sahodaran**, a male sexual health initiative in Chennai, to conduct a community-based study on SOGI-based bullying in Tamilnadu.



 60% and 50% were found to be a victim of physical bullying when they were in middle/high school and higher secondary school respectively.

- 40% were sexually harassed when they were in primary school.
- 18% of participants reported incidents of SOGI-based bullying to school authorities.
- **53%** of those who reported being bullied said that **authorities took some action** against the person who bullied them.

Consequences of SOGI based violence

- 73% had **reduced social interactions** with their peers.
- 70% suffered from anxiety and depression.
- 63% reported **lower academic performance**.
- 53% reported **skipped classes**.
- About a third (33.2%) said bullying played a key role in discontinuing school i.e increase in the **school dropout rate**.

Initiatives for reducing SOGI based violence:

- **UGC** (University Grant Commission) recognized gender identity and sexual orientation as **grounds for ragging** in 2016.
- **Bilingual manual, 'A Teacher's Guide To Gender Non-conforming Students',** (that gives some insight about what is sexual orientation, gender identity, why some children are different from others, how to identify a gender non conforming child) was distributed free of cost in Tamilnadu schools.
- NGO SAATHII has been studying violence against SOGI in partnership with LGBT community groups such as AMANA and ETA in Manipur, VIKALP in Gujarat, Queerala in Kerala and Nirangal in Tamilnadu.
- In <u>section 377 judgment</u>, the supreme court had made it clear that **Article 14** of the Constitution guarantees equality before the law and this applies to all classes of citizens thereby restoring 'inclusiveness' of **LGBTQ Community**.

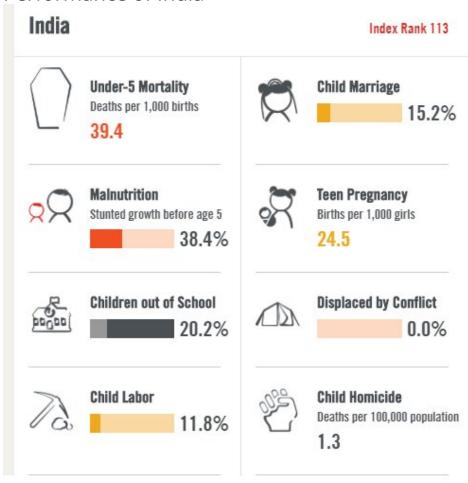
Childhood Index

India ranks 113 of 176 countries on an index that evaluates countries on the wellbeing of children. The End of Childhood Index is part of the **Global Childhood Report** released by UK-based **Save the Children**, a non-profit organisation that works for child rights.

- The index evaluates countries on **eight indicators** to determine the wellbeing of children and teenagers (0-19 years):
 - Mortality among children under five years of age
 - Malnutrition that stunts growth
 - Lack of education
 - Child labour

- Early marriage
- Adolescent Births
- Displacement by conflict
- Child homicide
- A final score out of 1,000 is derived, and countries are ranked accordingly.

Performance of India



- **Child mortality:** India has reduced its child mortality rate by 55% in the last two decades, from 88 deaths per 1,000 live births in 2000 to 39 deaths per 1,000 live births in 2017.
 - Among neighbouring countries, India's performance on **under-five mortality** was better only than that of Pakistan (74.9). Sri Lanka (8.8), China (9.3), Bhutan (30.8), Nepal (33.7) and Bangladesh (32.4) have all outperformed India.
 - These deaths are mostly attributed to preventable infectious diseases, followed by injuries, meningitis, measles and malaria.
- **Stunting of children:** low height for age, among children below age five, fell 25% globally from 198 million children to 149 million between 2000 and 2019.
 - In India about 38% of children under five were stunted, the second-worst performance compared to its neighbours after Pakistan (40.8%). China (6%) had

- the lowest rate in the region, followed by Nepal (13.8%), Sri Lanka (17.3%), Bangladesh (17.4%) and Bhutan (19.1%).
- There are wide **disparities between states in India** while 48.3% children are stunted in Bihar, 45.3% in Jharkhand and 37.6% in Chhattisgarh, Kerala has the least at 19%, followed by Tamil Nadu (27.1%)
- Free universal education: despite India's advances at giving free universal education to its children, about 20% of them (aged 8-16) were still out of school as of 2018.

 Compared to its neighbours, India performed better only than Pakistan (40.8%), while Sri Lanka (6.4%), Nepal (13.8%), Bangladesh (17.4%), Bhutan (19.1%) and China (7.6%) did better.
- **Child marriages:** India halved its number of child marriages in 18 years to 2018, while marriage rates for the poorest girls fell at least as much as for everyone else.
 - The decline has been fastest among girls younger than 15.
 - India had raised the minimum age of marriage from 15 to 18 for girls and from 18 to 21 for boys.
- **Adolescent births:** India has managed to reduce adolescent births by 63% since 2000, which has resulted in 2 million fewer young mothers.
 - India alone accounts for nearly three-quarters of the global reduction in adolescent births – from 16 million to 13 million.
 - **Adolescent birth rate** (births per 1,000 girls aged 15-19 years)- In India, it was 24.5 %, higher than that in China (6.5 %), Sri Lanka (14.8 %) and Bhutan (22.1%), and better than that in Pakistan (37.7%), Nepal (62.1%) and Bangladesh (84.4%) as of 2018.

Conclusion

- Much of India's progress has been the result of its social welfare programmes that
 have enabled more girls to stay in school and increased access to sexual and
 reproductive health services.
- India has worked to curb **child marriage** through legislation such as the **Prohibition of Child Marriage Act, 2006**.
 - Community-based interventions such as empowerment counselling, sexual and reproductive health information, vocational training and life-skills development for girls have also been important factors.
 - Schemes such as conditional cash transfers to educate the girl child have also helped reduce child marriage
- Schemes such as the Rajiv Gandhi Scheme for Empowerment of Adolescent Girls (called SABLA), Kishori Shakti Yojana and Nutrition Programme for Adolescent Girls have led to the improvement in the health of Adolescent Girls.
- An increase in public investments, and intervention through programmes targeted at marginalised children to ensure universal healthcare and education are further needed to improve the wellbeing of children.

Milk Fortification Project

The Milk Fortification Project of National Dairy Development Board (NDDB) is intended to address vitamin deficiency in consumers. It has seen significant progress in the past two years.

- About 25 milk federations, producer companies or milk unions across 20 States in the country are fortifying about 55 lakh litres of milk per day.
- The fortification is being carried out as per Standard Operating Procedures (SOP) developed by NDDB and <u>FSSAI (Food Safety and Standards Authority of India)</u>.
- As of now, about one million tonnes of milk have been fortified.

About the Project

- The Milk Fortification Project, was **launched** by the NDDB in collaboration with World Bank and Tata Trusts, **as a pilot project on 5**th **September, 2017**.
- The project **aims to process about two million tonnes of fortified milk**, reaching around 30 million consumers.
- The duration of the project is 23 months. It is financed by the South Asia Food and Nutrition Security Initiative (SAFANSI), administered by the World Bank.
 SAFANSI seeks to address chronic malnutrition by fostering cross cutting actions to achieve measurable improvements in food and nutrition security in the countries of the South Asia region.
- The NDDB provides consultancy services to the World Bank for implementation of the project. It also provides technical and financial support to milk federations, producer companies and unions for project implementation, including development of SOPs for milk fortification and testing; quality assurance and quality control; trials, training, capacity building and for developing promotional materials.

Micronutrient malnutrition

- It refers to diseases caused by a dietary deficiency of vitamins or minerals.
- **Vitamin A deficiency, Iron deficiency anaemia and Iodine deficiency** disorders are the most common forms of Micronutrient malnutrition.
- Poverty, lack of access to a variety of foods, lack of knowledge of optimal dietary
 practices and high incidence of infectious diseases are some of the factors which lead
 to Micronutrient malnutrition.
- Micronutrient malnutrition leads to high social and public costs, reduced work
 capacity in populations due to high rates of illness and disability, and tragic loss of
 human potential.
- Food Fortification or Food Enrichment is one of the solutions to overcome

Micronutrient malnutrition. Fortification is the addition of key vitamins and minerals such as iron, iodine, zinc, Vitamin A & D to staple foods such as rice, milk and salt to improve their nutritional content.

India is the world's largest milk producing country with its per capita milk availability increased to 375 g per day (2017-18). Milk, with its high volume of production, widespread distribution network, affordability and all-around acceptability in the daily food habit has emerged as the best vehicle for fortification.

Micronutrient Malnutrition in India

- India bears the burden of more than a quarter of the world's vitamin A deficient preschool children and more than 13 million susceptible infants to iodine deficiency.
- According to National Family Health Survey-4 data, among children under five years in India, 38.4 % are stunted, 21 % are wasted and 35.7 % are underweight.

The National Dairy Development Board (NDDB)

- The National Dairy Development Board (NDDB) was **founded in 1965** to replace exploitation with empowerment, tradition with modernity, stagnation with growth, transforming dairying into an instrument for the development of India's rural people.
- The National Dairy Development Board, initially registered as a society under the Societies Act 1860, was **merged with the erstwhile Indian Dairy Corporation**, a company formed and registered under the Companies Act 1956, by the NDDB Act 1987, **with effect from 12 October**, **1987**. The new body corporate was also declared **an institution of national importance** by the Act.
- Since its inception, the Dairy Board has planned and spearheaded India's dairy
 programmes by placing dairy development in the hands of milk producers and the
 professionals they employ to manage their cooperatives.

G20 Ministerial Meeting

The <u>G20</u> trade ministerial summit on Trade and Digital Economy was concluded on 9th June at Tsukuba, near Tokyo in Japan.

- The meeting focused on the ways to promote trade and cooperation among the G20 countries in order to harness the potential of the digital economy.
- The G20 trade ministers' deliberations form part of the G20 summit leaders agenda in the formal discussions and will also be a part of the summit declaration.
- Although there are no binding commitments in G20, it sets the agenda for multilateral trade relations.

Issues Raised by India

- Greater participation of the medium and small scale enterprises (MSMEs) in developing countries to boost the domestic as well as the global trade.
- **Digital taxation:** India has urged for the adoption of "significant economic presence" concept for taxing global digital companies.
- **Fugitive economic offenders:** It has asked for close cooperation among the G20 member nations to deal with fugitive economic offenders who flee their countries to escape the consequences of the law.
- Non-compliant tax: Also pitched for development of a common defensive toolkit of
 measures to deal with non-compliant tax jurisdictions that refuse to share tax-related
 information. The G20/Global Forum should further expand the network of automatic
 exchange of financial account information (AEOI), by identifying jurisdictions,
 including developing countries and financial centres that are relevant but have not yet
 committed to any timeline

Digital Taxation

- Internet heavyweights like Google and Facebook take advantage of low-tax jurisdictions in places like Ireland and pay next to nothing in other countries where they make huge profits.
 - There is an urgency to fix the issue of determining the right nexus and profit allocation solution for taxing the profits made by digital economy companies.
- The G20 has tasked the Organisation for Economic Cooperation and Development to fix the system of proper tax distribution.

Fugitive Economic Offenders

- A <u>fugitive economic offender</u> is an individual who has committed some specified offence(s) involving an amount of 100 crore rupees or more and has absconded from India or refused to come back to India to avoid or face criminal prosecution in India.
- A Fugitive Economic Offender is a person declared so by a 'Special Court' set up under the **Prevention of Money-laundering Act (PMLA)**, **2002**, against whom an arrest warrant has been issued in respect of any of the economic offences provided in the schedule to <u>Fugitive Economic Offenders Act</u>, <u>2018</u> and who has left India so as to avoid criminal prosecution, or being abroad, refuses to return to India to face criminal prosecution.

Automatic Exchange of Information (AEOI)

 Automatic Exchange of Information (AEOI) provides for the exchange of non-resident financial account information with the tax authorities in the account holder's country

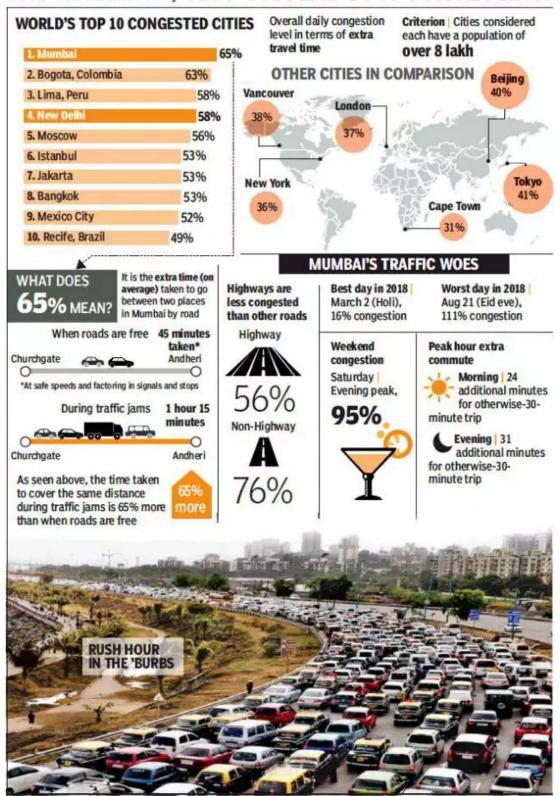
- of residence. It reduces the possibility of tax evasion.
- AEOI will enable the discovery of formerly undetected tax evasion. It will enable governments to recover tax revenue lost to non-compliant taxpayers, and will further strengthen international efforts to increase transparency, cooperation, and accountability among financial institutions and tax administrations.
- AEOI will generate secondary benefits by increasing voluntary disclosures of concealed assets and by encouraging taxpayers to report all relevant information.

Traffic Index 2018

As per the GPS-based study on traffic congestion, **Mumbai** has been ranked as the **most traffic-congested city in the world** for the second consecutive year.

- Traffic Index 2018 is published by **TomTom**, an **Amsterdam** based company that offers traffic solutions, by using location technology to collect traffic information.
- The latest index ranks 403 cities across 56 countries, including 13 new cities.

SAT EVENINGS, CITY SUFFERS 95% CONGESTION



- Bogota in Colombia and Lima in Peru were ranked second and third on the list respectively, while the Russian capital Moscow ranked fifth.
- **Delhi** is the **fourth** most traffic congested city in the world.
- **Congestion** has been defined in terms of the **additional time taken** to reach a destination as opposed to when the road would have been clear of traffic.

- Mumbai's extra travel time is 65% more than an average trip would take during uncongested conditions and Delhi's extra travel time is 58% more.
- As per the study, nearly 75% of the cities part of the 2018 index had increased or stable congestion levels between 2017 and 2018, with only 90 cities showing measurable decreases.

Effects of Traffic Congestion

- **Environmental concerns** like Increasing air and noise pollution.
 - In 2016, a World Health Organisation (WHO) study found that fourteen of the twenty world's most polluted cities belonged to India.
- **Road accidents:** India experiences 120,000 deaths per year due to traffic fatalities, more than any other country.
 - Delhi has the highest accident rate in India and third-highest in the world.
- **Economic loss** is concerned with the monetary value of the time spent sitting in traffic.
 - Congestion in Delhi, Mumbai, Bangalore, and Kolkata costs the economy Rs 1.47
 lakh crore annually, according to a study conducted by a global consultancy firm.
 - Traffic congestion in Bangalore alone costs the city approximately 5% of its economic output.
- Blocked traffic also interferes with the passage of emergency vehicles etc.
- Traffic rules, red lights, lane driving are not followed which are both the causes and effects of traffic congestion.
- On a positive side, traffic congestion indicates a **strong global economy**.

Way Forward

- **Road expansions** and **overpass** construction projects must be taken up by the government.
- Improvement in public transport and additional schemes like the Bus Rapid
 Transport (BRT). The BRT is implemented in some cities like Pune, and it can be very
 helpful if implemented correctly.
- Proper road network planning and Traffic engineering and management.
 Strict and stringent measures(through fines and penalties) against traffic violators
- Provision of commuter subsidies for public transport, carpooling or Ridesharing.
 - In Delhi alone, 22,369 acres can be freed up by ridesharing.
 - There is a need for a shift from **car-centric policy** to a restriction imposed over the purchase of cars or four wheelers.
 - **Preferred parking locations** for employees who choose to carpool.
- A free shuttle service from nearby metro stations to all corporate offices can address the issue of **last mile connectivity**.

• A **commuter guidebook** for all employees containing comprehensive information about alternative transport options.

SPIEF-2019

- The participation of Indian businesses at St. Petersburg International Economic Forum (SPIEF) has been limited this year, due to the recently concluded elections and Russia's increased focus on China.
 - Traditionally, Indo-Russian economic cooperation has focussed on defence, energy and pharmaceuticals.
 - Start-ups, artificial intelligence and manufacturing digitisation can become the new growth drivers of Indo-Russian economic cooperation.
- SPIEF has been held since 1997 and has become a leading global platform for members of the business community to meet and discuss the key economic issues facing Russia, emerging markets, and the world as a whole.

Tax-free Bonds

- As the name suggests, interest earned from tax-free bonds is exempt from tax.
- In simple terms, irrespective of the income slab one need not pay any income tax on the interest income. Some of the public undertakings which raise funds through the issue of tax-free bonds are IRFC, PFC, NHAI, HUDCO, REC, NTPC, and Indian Renewable Energy Development Agency.
- The tenure of the bonds is usually **10/15 or even 20 years**. They are also listed on stock exchanges to offer an exit route to investors.
- The bonds are tax-free, secured, redeemable and non-convertible in nature.

Note: A bond is a fixed income instrument carrying a coupon rate of interest and is issued for a fixed tenure.

Trading tax-free bonds

- Such bonds are also listed on stock exchanges and traded only through demat accounts. If there is any capital gain on transferring them on exchanges, that will be taxed.
- If the holding period is less than 12 months, capital gains on sale of tax-free bonds on stock exchanges are taxed as per the tax rate of the investor.
- **Qualified Institutional Investors defined by SEBI** under the Disclosure and Investor Protection Guidelines can invest in these bonds.

Partnership companies & limited liability groups are also eligible. Entities like

trusts, co-operative & regional banks and corporate companies too are regular investors in tax-free bonds.