

# News Analysis (07 Jun, 2019)

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### Cabinet Committees Formed

Recently, the Union government has released the composition of eight Cabinet Committees, including two new ones — one on Investment, the other on Employment and Skill Development.

#### Cabinet Committees Formed

- Appointments Committee of the Cabinet.
- Cabinet Committee on Accommodation.
- Cabinet Committee on **Economic Affairs**.
- Cabinet Committee on Parliamentary Affairs.
- Cabinet Committee on Political Affairs.
- Cabinet Committee on Security.
- Cabinet Committee on Investment and Growth.
- Cabinet Committee on **Employment & Skill Development.**

#### Note:

All committees except Cabinet Committee on Accommodation and Cabinet Committee on Parliamentary Affairs are headed by Prime Minister.

#### Cabinet Committees

- The Cabinet Committees are **extra-constitutional** in emergence.
- In other words, they are not mentioned in the Constitution. However, the Rules of Business provide for their establishment.
- The executive in India works under the Government of India Transaction of **Business Rules, 1961.**
- These Rules emerge out of Article 77(3) of the Constitution, which states: "The President shall make rules for the more convenient transaction of the business of the

- Government of India, and for the allocation among Ministers of the said business."
- The Prime Minister constitutes Standing Committees of the Cabinet and sets out the specific functions assigned to them. He can add or reduce the number of committees.

## Three Language Formula

The draft National Education Policy, 2019, prepared by a committee headed by scientist Dr Kasturirangan has recommended the three-language formula.

The draft education policy recommends the use of three language formula from the primary level.

## Three-language formula

- First language: It will be the mother tongue or regional language.
- **Second language:** In Hindi speaking states, it will be other modern Indian languages or English. In non-Hindi speaking states, it will be Hindi or English.
- **Third Language:** In Hindi speaking states, it will be English or a modern Indian language. In the non-Hindi speaking state, it will be English or a modern Indian language.

## Need for three-language formula

- The committee's report observes that learning languages are an important part of a child's cognitive development.
- The primary aim is to promote multilingualism and national harmony.

## Issue in implementation

- The states like Tamil Nadu, Puducherry and Tripura were not ready to teach Hindi and Hindi-speaking states did not include any south Indian language in their school curriculum.
- State governments often do not have adequate resources to implement the three language formula.

The inadequacy of resources is perhaps the most important aspect of the challenge.

#### **Constitutional provision**

 Article 29 of the Constitution of India protects the interests of minorities. The Article states that any section of the citizens who have a "...distinct language, script or culture

- of its own shall have the right to conserve the same."
- Article 343 is about the official language of the Union of India. According to this
  Article, it is to be Hindi in Devnagri script, and numerals should follow the
  international form of Indian numerals. This Article also states that English will continue
  to be used as an official language for 15 years from the commencement of the
  Constitution.
- **Article 346** is about the official language for communication between the states and between a state and the Union. The Article states that the "authorised" language will be used. However, if two or more states agree that their communications shall be in Hindi, then Hindi may be used.
- **Article 347** gives the President the power to recognise a language as an official language of a given state, provided that the President is satisfied that a substantial proportion of that state desires that the language be recognised. Such recognition can be for a part of the state or the whole state.
- **Article 350A** facilities for instruction in mother-tongue at the primary stage.
- Article 350B provides for the establishment of a Special Officer for linguistic minorities. The Officer shall be appointed by the President and shall investigate all matters relating to the safeguards for linguistic minorities, reporting directly to the President. The President may then place the reports before each house of the Parliament or send them to the governments of the states concerned.
- **Article 351** gives power to the union government to issue a directive for development of the Hindi language.
- **Eighth Schedule** of the Constitution of India contains a list of 22 languages recognised schedule languages.

## **RBI Monetary Policy**

In its second <u>bi-monthly monetary policy statement for 2019-20</u>, the Reserve Bank India's Monetary Policy Committee (MPC) has unanimously decided to cut the policy reportate by 25 basis points and change the monetary policy stance from 'neutral' to 'accommodative'.

This is the **third time successively that the six-member MPC has decided on a 25-basis points rate cut**. The last time the RBI had to cut rates three times in a row was **in 2013.** 

## Highlights

- Following the MPC decision, the repo rate now stands at 5.75% against 6% earlier.
- The reverse repo rate under the LAF (liquidity adjustment facility) has been adjusted to 5.50%, and the marginal standing facility (MSF) rate and the bank

#### rate to 6.0%.

• The GDP growth for 2019-20 has been **revised downwards from 7.2% in the April policy to 7%.** 

### Reasons for Rate Cut

- To spur economic activity, which decelerated sharply in the January-March quarter.
   Weakening of growth, as reflected in a further widening of the output gap (the
   difference between the actual output of an economy and its potential
   output) compared to the April 2019 policy.
- The Rate cut will ensure that **adequate liquidity is available in the system** for all productive purposes. Moreover, an accommodative stance basically **means that rate increase is off the table.**

This will be **more comforting for the market** than just a rate cut, especially in light of the slowdown.

• The **headline inflation trajectory remains below the target** mandated to the MPC even after taking into account the expected transmission of the past two policy rate cuts.

Hence, **there is scope for the MPC to accommodate growth concerns** by supporting efforts to boost aggregate demand, and in particular, reinvigorate private investment activity, while remaining consistent with its flexible inflation targeting mandate.

- This **transmission** (of repo rate cut into lending rates) will naturally find its impact on consumer loans, consumer durables loans, two-wheeler loans, etc.
- Additionally, the RBI said that it has decided to do away with charges levied on Realtime gross settlement (RTGS) and National Electronic Funds Transfer (NEFT) transactions, banks will be required to pass this benefit to their customers.

The RBI has also decided to set up a committee involving all stakeholders, under the chairmanship of CEO Indian Banks' Association (IBA), to examine the entire gamut of ATM charges and fees.

### India-Marshall Islands TIEA

Recently, India has notified the Tax Information Exchange Agreement (TIEA) signed with



the Marshall Islands in 2016.

- The Agreement enables the exchange of information, including banking and ownership information, between the two countries for tax purposes.
- It is based on international standards of tax transparency and exchange of information and enables the sharing of information on request.
- The Agreement also provides for **representatives of one country to undertake tax examinations in the other country.**
- The Agreement will enhance mutual cooperation between India and the Marshall Islands by providing an **effective framework for the exchange of information in tax matters** which will help curb tax evasion and tax avoidance.
- The Marshall Islands are a chain of volcanic islands and coral atolls in the Pacific Ocean, between Hawaii and the Philippines.

## Asola Wildlife Sanctuary

**Ministry of Environment and Forests** (MoEF) has declared an area of 1km around the **Asola Bhatti Wildlife Sanctuary** in Gurugram and Faridabad as **Eco-sensitive zone**.

Activities such as commercial mining, setting up of industries, and establishment of major hydro-electric projects will be prohibited.

## Why Eco Sensitive zone tag to Asola Wildlife sanctuary?

- The Asola wildlife sanctuary has **both floral and faunal diversity in form of** 
  - Wide variety of trees, shrubs, herbs and grasses.
  - Large number of mammals, reptiles, amphibians, butterflies and dragonflies.
- Sanctuary comprises of Around 200 species of resident and migratory birds.
- Wildlife habitats inside the sanctuary act as **water recharge zone** for Delhi, Faridabad and Gurugram.

## Regulated Activities

- Hotels and resorts: will not be allowed within 1 km of the boundary of the protected area or up to the extent of the Eco-Sensitive Zone, whichever is nearer.
- Construction: only "Small temporary structures" for eco-tourism activities.
- Small scale non polluting industries
- Felling of trees
- Civic infrastructure

#### **Banned Activities**

- Commercial mining
- Stone quarrying
- Industrial and polluting industries
- Saw mills brick kilns

#### Allowed Activities

- Rain water harvesting
- Organic farming
- Cottage industries
- Agroforestry

**Asola-Bhatti Wildlife Sanctuary** is spread over 32.7 square kilometers, and is at the end of important wildlife corridor that starts from Sariska National Park in Alwar, Rajasthan and passes through Mewat, Faridabad and Gurugram districts of Haryana.

## Disability Summit, 2019

The Government of Argentina, International Alliance Disability (IDA) and the Latin American Network of Non-Governmental Organizations of Persons with Disabilities and their Families (RIADIS) are hosting second "Disability Summit, 2019", which will take place in Buenos Aires.

- The first "Global Disability Summit", held in London in 2018.
- The Summit represents an opportunity to reflect on the formulation and strengthening of public policies and good practices in the different discussion panels, with the voices of people with disabilities to be at the forefront.
- The Summit will bring together governments, organizations of people with disabilities, civil society organizations, international organizations, international cooperation agencies, academia and the private sector, with the hope of achieving real change for people with disabilities.
- The United Nations Convention on the Rights of Persons with Disabilities (UNCRPD) is a comprehensive human rights convention and international

development tool and is at the heart of the disability rights movement.

## International Alliance Disability (IDA)

- The **International Disability Alliance (IDA)** was created in 1999, it is an umbrella organization focused on improving awareness and rights for individuals with disabilities around the globe.
- It is an alliance of **eight global and six regional organisations** of persons with disabilities.
- It advocates at the UN for a more inclusive global environment for persons with disabilities and their organisations.

#### UNCRPD

- The United Nations Convention on the Rights of Persons with Disabilities (UNCRPD) is an optional UN protocol. It was adopted on 13 December 2006 at the United Nations Headquarters in New York.
- **India signed** the United Nations Convention on the Rights of Persons with Disabilities (UNCRPD) and subsequently **ratified** the same on 1st October 2007. The Convention came into effect on 3rd May 2008.
- Being a signatory to the Convention, India has an international obligation to comply with the provisions of the Convention.
  - India has passed, The Rights of Persons with Disabilities Bill 2016.
- The international day of persons with disabilities is observed on 3rd December.

## Swachh Survekshan 2020

The Minister of State for Housing & Urban Affairs has launched the **Swachh Survekshan 2020** (SS 2020) **league**, **a quarterly cleanliness assessment** of cities and towns in India.

- **SS 2020** league will be integrated with <u>Swachh Survekshan</u> 2020, the 5<sup>th</sup> edition of the annual cleanliness survey of urban India to be conducted from January February 2020 by <u>Ministry of Housing & Urban Affairs</u> under the aegis of <u>Swachh Bharat Mission- Urban (SBM-U)</u>.
- Under 'Continuous Survekshan' the SS 2020 League, cleanliness assessments will happen throughout the year and will feed into the larger annual survey in January 2020.
- Parameters pertaining to **Wastewater treatment & reuse** and **fecal sludge management** have been given special focus.

## SS 2020: Quarterly Evaluation Mechanism

- SS League 2020 will be conducted in **3 quarters**:
  - April June
  - July September
  - October December 2019
- There will be a **weightage of 2000 marks for each quarter** to be evaluated on the basis of two parameters:
  - Monthly updation of SBM-U online MIS by cities.
  - **citizen's validation** on the 12 service level progress indicators through outbound calls.
- Ranks will be assigned in two categories, namely:
  - cities with a population of one lakh and above
  - cities with a population of less than one lakh
- The performance of cities in SS League 2020 will be crucial to their ranking in Swachh Survekshan 2020 due to the **25% weightage of the quarterly assessments** to be included in the annual survey in January 2020.

## Need for a Quarterly Evaluation Mechanism

- Annual survekshan survey conducted once in a year, fails to sustain the behavioural change, as cities cleaned themselves up just before a survey and slipped down after that.
- **Continuous monitoring element**, that involves monitoring of cleanliness drives throughout the year was missing in the Annual survekshan surveys.

## E-form ACTIVE

- The Corporate Affairs Ministry (MCA) has ruled out any extension of the last date for filing the e- form ACTIVE, which was primarily introduced to weed out shell companies.
- E-form ACTIVE stands for **Active Company Tagging Identities and Verification.**
- In case the ACTIVE is not filed before the deadline, the compliance status for such companies would be marked as 'ACTIVE Non-Compliant' and directors of such ACTIVE non-compliant companies would be marked as 'Director of ACTIVE non-compliant company.
  - It will be the responsibility of directors of non-compliant companies to set the compliance record straight, failing which they run the risk of not being eligible to be associated with compliant companies.
  - The defaulting company may be liable for action for removal of the name by the registrar of companies.
  - The company concerned will also be barred from filing several forms. Separately, a late filing fee of Rs 10,000 will also be imposed on the defaulting company.

### Ottam Thullal

• Ottam Thullal is a dance-drama performing art form of **Kerala**, created by **Kunchan** 

Nambiar, as an alternative to the Chakyar koothu.



- Kunchan Nambiar used it as a **medium to protest against the prevalent socio- political structure and prejudices** of the society in his time. It went on to become the most popular folk art presented in Kerala temples.
- The distinguishing factor of Ottanthullal is the **performer himself singing and playing the story**, which is a tedious task. Another person will recite the same verses. The accompanying instruments for Ottanthullal are Mridangam and Idakka.

#### Chakyar koothu

- It is a performance art from Kerala.
- It is primarily a type of highly refined monologue where the performer narrates episodes from Hindu epics and stories from the Puranas.
- It is also a traditional equivalent of the modern stand-up comedy act, incorporating commentary on current socio-political events.

## Consumer Confidence Survey

The **Reserve Bank of India** (RBI) has released the **Consumer Confidence Survey** for the month of May 2019.

- The CCS is conducted in 13 Indian cities.
- The RBI's latest round of CCS shows that depression has gripped urban India as far as economic sentiments are concerned.
- The net share of respondents who think they will spend more, either now or a year from now, on non-essential items has fallen to an all-time low since September 2015.
- Private Final Consumption Expenditure (PFCE) has had an average share of 56% in India's GDP between 2014-15 and 2018-19.
- A decline in discretionary spending, such as on consumer durables, travel, or even eating out, is leading to a decline in PFCE's contribution to overall economic growth.

#### **Private Final Consumption Expenditure (PFCE)**

The Private Final Consumption Expenditure (PFCE) is defined as the expenditure incurred on the final consumption of goods and services by the resident households and non-profit institutions serving households.

## Kharga Prahar

Kharga Prahar is the name of joint exercise conducted by the Indian Army and Air Force.

- The exercise "Kharga Prahar" was undertaken in the plains of Punjab by various units and formations of Army's Kharga Corps.
- The exercise was successful in validating many important operational aspects and brought out valuable lessons and also reinforced a high degree of operational preparedness of the Kharga Corps.

### SPICE-2000 Bombs

- Recently India has signed a deal with Israel under emergency provisions for buying over 100 SPICE bombs.
- The Indian Air Force is in the process of **equipping its Su-30MKI** with Israeli SPICE-2000 laser-guided bombs. Currently, the IAF's Mirage-2000 are equipped with the SPICE-2000 which were used in the strikes on the terror camps in Pakistan recently.
- SPICE, manufactured by the Israeli defence technology company Rafael, is short for 'Smart, Precise-Impact and Cost-Effective'.

### **New START**

Russia has said that it will do away with the **New Strategic Arms Reduction Treaty** (START).

- Russia has said that the United States "is showing no genuine interest in conducting talks on extending the New START".
- The treaty sets a limit on the number of nuclear warheads and missiles both countries can keep.
- Recently, the United States has also suspended the Intermediate-Range Nuclear Force Treaty with Russia.
- The New Strategic Arms Reduction Treaty (New START) was signed April 8, 2010, in Prague by Russia and the United States and entered into force on Feb. 5, 2011.

 New START has replaced the 1991 START I treaty, which expired December 2009, and superseded the 2002 Strategic Offensive Reductions Treaty (SORT), which terminated when New START entered into force.

## NITI Aayog Reconstituted

Government has approved the reconstitution of **National Institution for Transforming India (NITI) Aayog**.

- The Prime Minister will serve as the **Chairman** of Niti Aayog.
- Vice-Chairman Rajiv Kumar continues in his post along with **Permanent members** VK Saraswat, Ramesh Chand and VK Paul.
- The **ex-officio members** now include Defence Minister, the Home Minister, the Finance Minister and Agriculture Minister.
- **Special invitees** to NITI Aayog include Minister of Road, Transport and Highways, Minister of Social Justice and Empowerment, Minister of Railways and Minister of Statistics.

### Rule 49MA of the Conduct of Election Rules

- The Election Commission (EC) of India may revisit a rule that provides for prosecution of an elector if a complaint regarding malfunctioning of the EVM or VVPAT machine turns out to be false.
- **Under Rule 49MA of the Conduct of Election Rules,** a voter who claims that the EVM or the paper trail machine did not record his or her vote correctly is allowed to cast a test vote.
  - If the voter fails to prove the mismatch, poll officials can initiate action against the complainant under Section 177 of the Indian Penal Code, which deals with giving false submission.
  - A person can be punished with a jail term up to six months, or fine to the tune of Rs 1,000 or both.

# Background

- The EC has all along maintained that if there is no penal provision, there may be a flood of false claims.
  - However, this provision should be **used as an exception and very rarely.**
  - The intention of the provision was to discourage those who want to disrupt the electoral process by making such complaints.
- Earlier in April, 2019 a Supreme Court bench headed by Chief Justice Ranjan Gogoi

had sought the poll panel's response on a plea seeking setting aside of Rule 49MA.

- The plea alleged that the provision was unconstitutional as it criminalized reporting of malfunctioning of EVMs and VVPAT machines.
- Putting the onus on the elector in case of arbitrary deviant behavior of machines infringed upon a citizen's right to freedom of expression, i.e. Article 19(1)(a).

### Ai-Da Robot

- Recently an exhibition of art created by a **humanoid AI robot**, named Aida was held at **University of Oxford**.
- Aida is the world's **first ultra-realistic humanoid artist**, able to draw creatively due to **in-built artificial intelligence (AI) technology**.
- Ai-Da is named after **Ada Lovelace**, **the English mathematician and writer** often called the world's first computer coder.
- In 2017, social robot Sophia was given citizenship of Saudi Arabia the first robot to be given legal personhood anywhere in the world.