



News Analysis (23 Oct, 2018)

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Insolvency Law Committee Report

The ILC has submitted its **2nd Report to the Government, which deals with cross-border insolvency.**

- The Insolvency Law Committee (ILC) was constituted by the Ministry of Corporate Affairs to recommend amendments to Insolvency and Bankruptcy Code of India, 2016.
- The necessity of having such Framework under the Insolvency and Bankruptcy Code arises from the fact that many Indian companies have a global footprint and many foreign companies have the presence in multiple countries including India.

Committee Recommendations

- The ILC has recommended the adoption of the UNCITRAL Model Law on Cross-Border Insolvency, 1997, as it provides for a comprehensive framework to deal with cross-border insolvency issues.
- The Committee has also recommended a few measures to ensure that there is no inconsistency between the domestic insolvency framework and the proposed Cross-Border Insolvency Framework.

- **UNCITRAL Model Law on Cross-Border Insolvency, 1997**
 - The model law is designed to assist States to equip their insolvency laws with a modern legal framework to more effectively address cross-border insolvency proceedings concerning debtors experiencing severe financial distress or insolvency.
 - The model law deals with four major principles of cross-border insolvency:
 - **Access:** direct access to foreign insolvency professionals and foreign creditors to participate in or commence domestic insolvency proceedings against a defaulting debtor
 - **Recognition:** recognition of foreign proceedings & provision of remedies
 - **Cooperation:** cooperation between domestic and foreign courts & domestic and foreign insolvency practitioners
 - **Coordination:** coordination between two or more concurrent insolvency proceedings in different countries.
- The UNCITRAL Model Law forms part of international best practices in dealing with cross-border insolvency issues and has been adopted in 44 countries including the United Kingdom, the United States of America, Japan, South Korea, and Singapore.

UNCITRAL (United Nations Commission on International Trade Law)

- The United Nations Commission on International Trade and Law is the core legal body of the United Nations system in the field of international trade law.
- **Membership:** The Commission comprises 60 member States elected by the United Nations General Assembly for a term of six years.
- India is currently a member of UNCITRAL and will serve till 2022.

Key advantages of adopting the Model Law

- **Increasing foreign investment:** there will be significant positive signaling to global investors, creditors, governments, international organizations such as the World Bank as well as multinational corporations with regard to the robustness of India's financial sector reforms.
- **Flexibility:** The Model Law is designed to be flexible and to respect the differences amongst national insolvency laws.
- **Protection of domestic interest:** The Model Law enables refusal of recognition of foreign proceedings or provision of any other assistance if such action contradicts domestic public policy. Hence, it provides protection to the public interest.
- **Priority to domestic proceedings:** The Model Law gives precedence to domestic insolvency proceedings in relation to foreign proceedings. For example, a moratorium due to the recognition of a foreign proceeding will not prevent the commencement of domestic insolvency proceedings.

- **Mechanism for cooperation:** The Model Law incorporates a robust mechanism for cooperation and coordination between courts and insolvency professionals, in foreign jurisdictions and domestically. This would facilitate faster and effective conduct of concurrent proceedings.
- **Global Standards:** The inclusion of the Cross-Border Insolvency Chapter in the Insolvency and Bankruptcy Code of India, 2016, will be a major step forward and will bring Indian Insolvency Law on a par with that of matured jurisdictions.

Insolvency and Bankruptcy Code, 2016

- The Code creates a framework for resolving insolvency in India.
- The Code will apply to companies, partnerships, limited liability partnerships, individuals and any other body specified by the Central Government.

Salient Features

- **Insolvency professionals and agencies:** The resolution process will be conducted by a licensed insolvency professional (IP). The IP will control the assets of the debtor during the process. Insolvency professional agencies will be created to regulate these IPs. The agencies will conduct examinations to enroll IPs and enforce a code of conduct for their functioning.
- **Information utilities:** The Code establishes multiple information utilities to collect, collate and disseminate financial information related to a debtor. This will include a record of debt and liabilities of the debtor.
- **Insolvency regulator:** The Insolvency and Bankruptcy Board of India will be established as a regulator to oversee the functioning of IPs, insolvency professional agencies and information utilities. The Board will have 10 members, including representatives from the Central Government and the Reserve Bank of India.
- **Adjudicatory authorities:** The Code proposes two tribunals to adjudicate insolvency resolution cases: The National Company Law Tribunal will adjudicate cases for companies and limited liability partnerships. The Debt Recovery Tribunal will adjudicate cases for individuals and partnership firms.
- **Insolvency and Bankruptcy Fund:** The Code creates an Insolvency and Bankruptcy Fund. The Fund will receive voluntary contributions from any person. In case of insolvency proceedings being initiated against the contributor, he will be allowed to withdraw his contribution for making payments to workmen, protecting his assets, etc.

NASA Named New Constellations

NASA has named 21 set of new Gamma Ray Constellations.

- NASA has named them after fictional characters like Doctor who, Hulk, Colosseum, Schrödinger's cat, Eiffel Tower, and Godzilla.
- The constellations were constructed with sources visible through its Fermi-Gamma Ray Space Telescope.
- These unofficial constellations were developed to celebrate the completion of 10 years of operations of the Fermi Gamma-ray Space Telescope.

Fermi Gamma-Ray Space Telescope

- The Fermi Gamma-ray Space Telescope, formerly called the Gamma-ray Large Area Space Telescope (GLAST), is a space observatory being used to perform gamma-ray astronomy observations from low Earth orbit.
- Fermi was launched on June 11, 2008. It is named after Enrico Fermi, an Italian-American scientist who did pioneering work in high-energy physics.
- Fermi maps the entire sky every three hours, Fermi provides an important window into the most extreme phenomena of the universe, like gamma-ray bursts, black-hole jets, and pulsars.
- Fermi is an astrophysics and particle physics partnership, developed in collaboration with the U.S. Department of Energy, along with important contributions from academic institutions and partners in France, Germany, Italy, Japan, Sweden, and the U.S.

Gamma Rays

- The highest-energy light in the universe.
- Gamma rays can have over a billion times the energy of the type of light visible to our eyes.
- They are produced by the hottest and most energetic objects in the universe, such as neutron stars and pulsars, supernova explosions, and regions around black holes.
- On Earth, gamma rays are generated by nuclear explosions, lightning, and the less dramatic activity of radioactive decay.
- Gamma-ray astronomy is the astronomical observation of gamma rays with photon energies above 100 keV(Kilo Electron Volt).
- Gamma rays are so energetic that they are harmful to life on Earth.
- Earth's atmosphere absorbs gamma rays, preventing them from affecting life on the ground.
- Astronomical observations of gamma-ray sources are therefore done with high-altitude balloons or satellites, above the protective blanket of Earth's atmosphere.
- The gamma rays possess high energy they can pass right through any lens or mirror, making it very difficult to focus them in a visible-light telescope.

Note:

- Pulsars are types of neutron stars which emit radio pulses at regular intervals.
 - Neutron Star is the dead relics of massive stars.
 - An electronvolt is a unit of energy close to that of visible light.
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Harit Diwali Swasth Diwali campaign

The air pollution in the northern region is attributed to dust, burning of crops in certain states, burning of garbage construction and prevailing climatic conditions.

- It has serious impacts on the health of children aged people and people suffering from respiratory ailments.
- Diwali which is a festival of lights falls during the same period. As a matter of practice people have been celebrating Diwali by bursting crackers.
- Crackers contains combustible chemicals that include potassium chlorate powdered aluminum, magnesium, salts of barium, copper, sodium, lithium, strontium etc. and emits smoke on combustion of these chemicals along with sound.
- This smoke and sound has health impacts on children, aged people and also animal and birds. Apart from these compounds large amount of waste is also generated after bursting of crackers.
- Keeping in view the above detrimental effects and also the importance of the festival, Ministry has initiated a **“Harit-Diwali” campaign**.
- This campaign was initiated in 2017-18 wherein large number of school children especially from eco-clubs participated and took pledge to minimize bursting of crackers and also discouraged the neighborhood and their friends from bursting of crackers.
- During this intensive campaign, the children were advised to celebrate Diwali in an environment-friendly manner by gifting plant sapling to their relatives and friends along with sweets.
- The children were encouraged to light up their houses and their schools with candles and diyas. The above campaign was extremely successful and the air quality had not deteriorated post Diwali in 2017 unlike what was experienced in 2016.
- On the above lines, the Ministry has initiated the similar campaign, but this year the campaign has been extended Pan-India. The **“Harit Diwali-Swasth Diwali”** campaign is now merged with **“Green Good Deed” movement** that has been initiated as a social mobilization for conservation and protection of environment. The Ministry encourages all schools and colleges to be part of this campaign.

Green Good Deed Movement

- Green Good Deeds, the societal movement was launched by Ministry of Environment, Forest and Climate Change to protect environment and promote good living in the country.
 - It urges people to perform at least one Green Good Deed every day which includes planting trees, saving energy, conserving water, use of public transport and promoting carpool etc.
 - It has found acceptance by the global community. The BRICS Ministerial on Environment at Durban, South Africa, has agreed to include “Green Good Deeds” in its official agenda in the next Ministerial in Brazil.
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Naya Jain Mandir (Jains in Mughal Administration)

The Jain trading community came to Delhi on the invitation of Shah Jahan (1628 AD-1658 AD) when the city of Shahjahanabad (Old Delhi) was being built, and became an integral part of the walled city. They were big traders, merchants and, most importantly, bankers and moneylenders. The later Mughals were found to be often in their debt.

- The Jains also enjoyed high positions in the court. One such high-ranking official was Raja Harsukh Rai. His father, Lala Hukumat Rai, had been invited to shift from Hisar to Delhi by Emperor Shah Alam II. Harsukh Rai was appointed the imperial treasurer by Shah Alam II and given the title of Raja.
- Harsukh Rai built many places of worship for the Digambar Jain sect, many in Shahjahanabad itself. One of the beautiful temple among these is known simply as Naya Jain Mandir in Dharampura. This temple is the first Jain temple in Shahjahanabad to have a shikhar.
- Entrance is a marvellous adaptation of the wooden toranas (free-standing ornamental or arched gateway) that were used extensively in stone as decorative pieces. These not only added a decorative element but also strengthened the structure.
- The whole effect is of a delicate and airy structure, despite the medium being stone. In shadows the stonework gives the effect of a crochet embroidered hanging.
- The sanctum is breathtaking in its richly decorated walls, arches and ceiling. The tiered and raised marble platform with inlay work is a beautiful piece of art. On it, under a marble canopy, sits Lord Adinatha (the first of the 24 Tirthankaras in Jainism) on a flower. His image is made of Makrana marble.
- There are four pairs of lions in inlay work on the base under the image, which face the four cardinal directions. The ceiling is profusely painted in blue and gold bands, with floral designs that descend from a gold rectangle from in the centre.
- The arches and the walls are similarly painted in gold, blue and black, with flowers and Jain iconography.
- The Jain temples give an idea into how beautifully and profusely the medieval buildings, be they secular or religious, must have been painted and decorated.

- The temple does not open in the evenings because the light attract mosquitoes and other flying insects. To prevent them from dying because of the light, the temple is only open in the morning, when there is natural light.
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Important Facts for Prelims (23rd October 2018)

Workshop on Health under Aspirational Districts Programme

- Recently the Ministry of Health and Family Welfare, in collaboration with Ministry of Women and Child Development, organized a National Workshop for Orientation of District Officials of Aspirational Districts on Health and Nutrition.
- NITI Aayog has identified 117 districts as 'Aspirational Districts'. These districts have been selected on the basis of composite index which includes published data of deprivation enumerated under Socio-Economic Caste Census, Health & Nutrition, Education and Basic Infrastructure.
- The Reproductive Maternal Newborn Child and Adolescent Health (RMNCH+A) program is an important pillar which will be strengthened under Aspirational Districts Programme.
- The **e-Mitra (Mobile Integrated Toolkit RMNCH+A) app** was launched which has been designed to complement the Aspirational District Programme and offers one stop solution to access RMNCH+A related statistics from different sources through a combination of approaches.

Intermediate-range Nuclear Forces Treaty

- President Trump has announced the United States plans to withdraw from the U.S.-Russian Intermediate-range Nuclear Forces (INF) Treaty.
 - The treaty was signed in December 1987 by US President Ronald Reagan and Soviet General Secretary Mikhail Gorbachev.
 - It prohibited the United States and the Soviet Union from possessing, testing and deploying ground-launched cruise and ballistic missiles of ranges between 500 and 5,500 kilometers.
 - It also covered all land-based missiles, including those carrying nuclear warheads but did not cover sea-launched missiles.
 - The objective of this treaty was to end the arms race between the two superpowers US and USSR.
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