

# 20 Sep 2020: UPSC Exam Comprehensive News Analysis

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## C. GS 3 Related

**Category: ECONOMY**

- [1. Three Bills in Lok Sabha to bring in changes in labour sector](#)

**Context:**

- The government has introduced three Bills in the Lok Sabha to **amalgamate laws on social security, occupational safety and health and industrial relations.**

**Background:**

- In India, **labour falls under the Concurrent List of the Constitution.** Therefore, both Parliament and state legislatures can make laws regulating labour.
- Given the **large number of state and central laws regulating various aspects of labour** such as resolution of industrial disputes, working conditions, social security and wages and their often complex and archaic provisions had made **compliance difficult for the businesses.**
- As part of the **government's labour reform agenda, the existing labour laws are to be amalgamated into four labour codes- on wages, industrial relations, social security and safety, health and working conditions.** This would help to improve ease of compliance and ensure uniformity in labour laws.
- **The code on wages was passed in 2019.**
  - The Code on Wages seeks to amend and consolidate laws relating to wages, bonus and matters connected therewith. The Code will subsume four labour laws - **Minimum Wages Act, Payment of Wages Act, Payment of Bonus Act and Equal Remuneration Act.**

**Details:**

- The Labour and Employment Minister introduced the Industrial Relations Code, 2020; the Occupational Safety, Health & Working Conditions Code, 2020; and the Code on Social Security, 2020.

**The Industrial Relations Code, 2020:**

- The Code provides for the recognition of trade unions; notice periods for strikes and lock-outs, standing orders, and resolution of industrial disputes.
- It would subsume and replaces three labour laws: **the Industrial Disputes Act, 1947; the Trade Unions Act, 1926; and the Industrial Employment (Standing Orders) Act, 1946.**
- The major provisions of the Industrial Relations Code Bill include the mandatory provision for companies with 300 or more workers to prepare and submit to the government standing orders regarding the conditions of service, including shift timings and termination of employment.
- As of now, this applies to establishments with over 100 employees, under the Industrial Employment (Standing Orders) Act, 1946.
- The Industrial Relations Code **aims to promote the ease of doing business and spur investment by encouraging labour flexibility.**

**The Social Security Code Bill:**

- The Bill replaces nine laws related to social security. These include the **Employees' Provident Fund Act, 1952, the Maternity Benefit Act, 1961, and the Unorganised Workers' Social Security Act, 2008.**
  - Social security refers to protection measures provided to workers to ensure healthcare and income security in case of certain contingencies such as old age, maternity, or accidents.
- One of the major proposals of the Social Security Code Bill is to **bring unorganised sector, gig workers and platform workers under the ambit of social security schemes,** including life and disability insurance, health and maternity benefits, provident fund and skill upgradation.

## The Occupational Safety Code:

- The Occupational Safety Code subsumes and replaces 13 labour laws relating to safety, health and working conditions. These laws include: **Factories Act, 1948; Mines Act, 1952; Dock Workers Act, 1986; Contract Labour Act, 1970; and Inter-State Migrant Workers Act, 1979**, which has been highlighted during the recent migrant workers crisis due to COVID-19.
- These laws cover factories, mines, dock workers, building and construction workers, plantation labour, contract labour, inter-state migrant workers, working journalists, motor transport workers, sales promotion employees, and cine workers.
- The Code seeks to regulate health and safety conditions of workers in establishments with 10 or more workers, and in all mines and docks.
  - The Code creates special provisions for certain classes of establishments such as factories, mines, dock workers, and constructions workers. These include separate provisions on licenses, **safety regulations, and duties of employers.**

## 2. Cabinet note ready for vehicle scrappage policy

### Context:

- The Ministry of Road Transport and Highways (MoRTH) has formulated a note for Cabinet - on creation of an ecosystem for voluntary phasing out of unfit and old polluting vehicles.

### Details:

- Under the vehicle scrappage policy, the government proposes **amendments to motor vehicle rules to allow scrapping of vehicles older than 15 years.**
- The proposed policy, once approved, will be applicable on all vehicles.

### Significance:

#### **Environmental:**

- The move will aid environment-friendly phasing out of polluting old vehicles and **spur adoption of electric vehicles.** This would play a critical role in **reducing air pollution in the cities.**

#### **Economic:**

- With this new policy India **could emerge as a hub for automobile manufacturing** as key raw material available from scrapping steel, aluminium and plastic were bound to be recycled, bringing down automobile prices by “20-30%.”
- This would also help **reduce Indian oil dependence** and help **improve the Current account deficit** of which oil imports form a major proportion.
- This would help reduce import of critical raw material from other countries **helping improve India’s trade balances** with such countries.
- This policy would **spur investments in the automobile sector**, which would help economic revival in India and will also help generate **additional employment opportunities.**

### 3. MSMEs not to be hit by new IBC Bill: Minister

#### Context:

- The Rajya Sabha passed the **Insolvency and Bankruptcy Code (Second Amendment) Bill (IBC), 2020**.

#### Details:

- The Bill replaces an Ordinance passed in June 2020.
- This amendment will help ensure that **fresh insolvency proceedings will not be initiated for at least six months starting March 25 amid the COVID-19 pandemic**.
- The provisions of the IBC will be confined to only those default payments that may arise due to the COVID-19 period, and will not affect the applications filed before March 24, 2020, when the lockdown was imposed.
- This provision is aimed at **helping save the Companies recouping from losses due to the pandemic and the lockdowns**.

#### **Performance of IBC:**

- **In the year 2018-19, the IBC ensured 42.5% recovery of the non-performing assets (NPA) of scheduled commercial banks** or ₹17,819 crore, whereas such recoveries made through Lok Adalats stood at 5.3% and those made under Debt Recovery Tribunals at 3.5%.

### **Category: SCIENCE AND TECHNOLOGY**

#### 1. Tata Group to unveil India's first CRISPR test

#### Context:

- **Tata CRISPR test, developed by CSIR-IGIB 'Feluda'** (Council of Scientific and Industrial Research-Institute of Genomics and Integrative Biology) has received regulatory approvals from the Drug Controller General of India (DCGI) for commercial roll-out.

#### Details:

- The test uses **indigenously developed CRISPR technology** for the detection of the genomic sequence of the SARS-CoV-2 virus.
- The Tata CRISPR test is the world's first diagnostic test to deploy a specially adapted Cas9 protein to successfully detect the virus causing COVID-19.

#### CRISPR technology:

- "CRISPR" stands for "**Clustered Regularly Interspaced Short Palindromic Repeats**".
- CRISPRs are specialized stretches of DNA. The protein Cas9 (or "CRISPR-associated") is an enzyme that acts like a pair of molecular scissors, capable of cutting strands of DNA.
- CRISPR technology was **adapted from the natural defence mechanisms of bacteria and archaea** (the domain of single-celled microorganisms). These organisms use CRISPR-derived RNA and various Cas proteins, including Cas9, to foil attacks by viruses and other foreign bodies. They do so primarily by chopping up and destroying the DNA of a foreign invader.

- CRISPR technology is a **powerful tool for editing genomes**. It allows researchers to easily alter DNA sequences and modify gene function. Its many potential applications include correcting genetic defects, treating and preventing the spread of diseases and improving crops.
- There were ways to edit the genomes of some plants and animals before the CRISPR method was unveiled in 2012 but it took years and cost hundreds of thousands of dollars. CRISPR has made it cheap and easy.

## 2. Another look at groundbreaking inventions in ICT

### Cloud Computing:

- Cloud computing is the **delivery of on-demand computing services** -- including servers, storage, databases, networking, software, analytics via processing power, and intelligence -- typically over the internet and on a pay-as-you-go basis.
- The three main types of cloud computing include **Infrastructure as a Service, Platform as a Service, and Software as a Service**.

### Significance:

- The cloud gives easy access to a broad range of technologies that provides an **impetus to faster innovation**.
- Cloud computing allows one to scale resources up or down to instantly to grow and shrink capacity as per the needs of the business. This allows for a **flexible resource base**.
- The cloud allows the businesses to reduce capital expenses (such as data centers and physical servers) and only pay for services consumed by the industry. These variable expenses would be much lower than the upfront capital expenses because of the **economies of scale**.

### Deep Learning:

- Deep learning is a **machine learning technique** that teaches computers to learn by example.
- Deep learning is a subset of machine learning in artificial intelligence that has networks **capable of learning unsupervised from data that is unstructured or unlabeled**. It is also known as deep neural learning or deep neural network.
- Deep learning imitates the workings of the human brain in processing data and creating patterns for use in decision making.

### Applications:

- Deep learning can be used for **detecting objects, recognizing speech, translating languages, and making decisions**.
- Deep learning applications are used in industries from **automated driving** to medical devices.
- Deep learning can be used to **help detect fraud or money laundering**.

## D. GS 4 Related

*Nothing here for today!!!*

## E. Editorials



## 1. Rules of engagement on the LAC

### Context:

- Defence Minister's statement in the Parliament on the **border tensions between India and China along the Line of Actual Control (LAC).**

### Background:

- Given the differing perceptions of the LAC between India and China, a **series of boundary agreements have been signed and confidence-building measures (CBMs) carried out** to maintain peace and tranquillity while the two sides attempted to delineate the boundary through Special Representatives.

### **1993 agreement:**

- It is also known as the **agreement on the Maintenance of Peace and Tranquillity along the Line of Actual Control** in the India-China Border Areas.
- The 1993 agreement states that in case personnel from either side cross the Line of Actual Control, "upon being cautioned by the other side, they shall immediately pull back to their side of the Line of Actual Control".
- The 1993 agreement, clearly states that both sides will "jointly check" the alignment of LAC where there is a doubt.

### **1996 agreement:**

- It is also known as the **Agreement on Confidence Building Measures in the Military Field** along the Line of Actual Control in the India-China Border Areas.
- A key element of the 1996 agreement is that the two sides would **keep their forces in the areas along the LAC to a minimum level.**
- The 1996 agreement **limits the deployment of major categories of armaments** close to the LAC, including tanks, infantry combat vehicles, guns with 75-mm or bigger calibre, mortars with 120-mm or above and various missiles. It also limits combat aircraft from flying within 10 km of the LAC.
- Use of firearms on the LAC is strictly regulated as per the agreements of 1993, 1996 and 2005.
- The 1993 and 1996 agreements also mandate that **pending a final solution to the boundary question, the two sides shall strictly respect the LAC.**

### **2013 agreement:**

- It is also known as the **Border Defense Cooperation Agreement between India and China.**
- The agreement enumerates several mechanisms to reduce misunderstandings and improve communications between the two countries along their disputed border. It explicitly prohibits one side from actively following or tailing the patrols of another side and also stipulates **procedures for resolving disputes in "areas where there is no common understanding of the line of actual control."**

### Concerns:

### China's non adherence to agreements:

- China's track record on adhering to agreed CBMs and protocols on the LAC has been poor in the past few years more so in the ongoing confrontation.
- As against the provisions of the 1993 agreement, **China has unilaterally altered the status quo at the LAC** and has built structures and stationed its troops despite cautionary warnings.
- China had **mobilised a large number of troops and armaments along the Line of Actual Control (LAC)** and this goes against the bilateral agreements of 1993 and 1996.
- The Violence in Galwan raises doubts whether Chinese troops followed this protocol set out by the 2013 India-China Border Defence Cooperation Agreement in which both sides agreed "to not follow or tail patrols".

### Risk of escalation:

- Since the Galwan Valley clash, the Indian Army has empowered its local commanders to take appropriate action as situations unfold and **recently shots have been fired in the air, the first on the LAC since 1975.**
- Thousands of troops and armaments continue to be deployed in close proximity, in some places within a few hundred metres of each other, so the chances of an accidental or inadvertent escalation which can spiral into a major confrontation remain high.

### Way forward:

- There is the urgent need to review the agreements and **conclude new CBMs** to maintain and enhance peace and tranquillity in the border areas.

For related information refer to: [22nd May 2020](#) and [14th June 2020](#) and Comprehensive News Analysis.

## Category: SCIENCE AND TECHNOLOGY

### 1. Life markers on Venus

This topic has been covered previously in : [16th September 2020 Comprehensive News Analysis.](#)

## F. Tidbits

### 1. External debt increases almost 3% to \$559 billion at March-end

- India's total external debt increased by 2.8% to \$558.5 billion at the end of March 2020.
  - **Sovereign debt shrank** by 3% while **Non-sovereign debt rose** 2% mainly due to an increase in commercial borrowings.
- The 'India's External Debt: A Status Report: 2019-2020' shows that the **external debt as a ratio to GDP rising marginally from 19.8% to 20.6%.**
- Notably, the **ratio of foreign currency reserves to external debt has witnessed an improvement**

from 76% in 2019 to 85.5% as at end-March 2020.

## 2. Net direct tax collection dips 31% in April-August

- The net direct tax collection during April-August 2020 declined by 31% compared with the same period of the last fiscal.
- Similar decline has been also noted in the Centre's Goods and Services Tax (GST) collection which forms a part of the states indirect tax revenues.

## G. Prelims Facts

### 1. 5 killed in scrub typhus outbreak

- Scrub typhus, also known as bush typhus, is a disease **caused by a bacteria called Orientia tsutsugamushi**. Scrub typhus is **spread to people through bites of infected larval mites**.
  - The mites are found in grasslands, forests, bush areas, wood piles, gardens, and beaches.
- Scrub Typhus can also be transmitted through unscreened blood transfusions and unhygienic needles. **It does not spread from person to person.**
- The most common symptoms of scrub typhus include fever, headache, body aches, and sometimes rash.

#### Context:

- The outbreak of scrub typhus has claimed the lives of five people in Nagaland's Noklak district and more than 600 others have tested positive for the disease.

### 2. Viraat cuts through the waves for one last time, to Alang

- After having served in the British Navy as HMS Hermes for 25 years, Viraat was commissioned into the Indian Navy in 1987 after refurbishment and had operated Harrier fighter jets.
- It was decommissioned from service in March 2017.
- The **Indian Navy currently operates one aircraft carrier, INS Vikramaditya, while the second, INS Vikrant, is under construction in Cochin, due for commissioning in 2022.**

#### Context:

- Decommissioned aircraft carrier Viraat is set to be scrapped at a ship-breaking yard at Alang in Gujarat.

## H. UPSC Prelims Practice Questions

1. Which of the following existing laws are going to be subsumed under the proposed Social Security Code Bill?

1. Provident Fund Act, 1952
2. Maternity Benefit Act, 1961



3. Unorganised Workers' Social Security Act, 2008
4. Contract Labour Act, 1970
5. Inter-State Migrant Workers Act, 1979

Which of the given statement/s is/are correct?

- a. 1, 2 and 3 only
- b. 1, 2, 3 and 4 only
- c. 1, 2, 3, 4 and 5
- d. 1 and 3 only

**CHECK ANSWERS:-**

**Answer: a**

**Explanation:**

- The Social Security Code Bill replaces nine laws related to social security. These include the Employees' Provident Fund Act, 1952, the Maternity Benefit Act, 1961, and the Unorganised Workers' Social Security Act, 2008.
- The Occupational Safety Code subsumes and replaces 13 labour laws relating to safety, health and working conditions. These laws include: Factories Act, 1948; Mines Act, 1952; Dock Workers Act, 1986; Contract Labour Act, 1970; and Inter-State Migrant Workers Act, 1979.

2. Which of the following could be considered as possible benefits of the proposed Vehicle scrappage policy?

1. Will help reduce Current account deficit.
2. Will help improve Capital account inflows in India.
3. Will help improve Balance of payments position of India.

Which of the given statement/s is/are correct?

- a. 1 only
- b. 1 and 2 only
- c. 2 and 3 only
- d. 1, 2 and 3

**CHECK ANSWERS:-**

**Answer: d**

**Explanation:**

**Reduce current account deficit:**

- The vehicle scrappage policy would help reduce Indian oil dependence. Oil imports form a major proportion of India's import profile
- This would help reduce import of critical raw material from other countries helping improve India's trade balances with such countries.
- The vehicle scrappage policy would help India emerge as a hub for automobile manufacturing as key raw material available from scrapping steel, aluminium and plastic were bound to be recycled, bringing down automobile prices by "20-30%." This would help increase automobile exports from

India.

- Increased exports, reduced imports would help reduce India's current account deficit.

### Improve capital account inflows:

- This policy would **spur investments in the automobile sector**, which could also include capital investments from foreign automobile manufacturers.

### Improve Balance of Payment position of India:

- Reduced current account deficit and improved capital account inflows will invariably help improve India's Balance of Payment position.
- The balance of payments of a country is the difference between all money flowing into the country in a particular period of time and the outflow of money to the rest of the world.

### 3. Which of the following statement/s is/are correct?

1. CRISPRs are specialized stretches of DNA.
2. The protein Cas9 is an enzyme that acts like a pair of molecular scissors, capable of cutting strands of DNA.
3. CRISPR technology is a powerful tool for editing genomes.

Which of the given statement/s is/are correct?

- a. 1 and 2 only
- b. 3 only
- c. 1, 2 and 3
- d. 2 and 3 only

### CHECK ANSWERS:-

Answer: c

### Explanation:

- "CRISPR" stands for "Clustered Regularly Interspaced Short Palindromic Repeats".
- CRISPRs are specialized stretches of DNA. The protein Cas9 (or "CRISPR-associated") is an enzyme that acts like a pair of molecular scissors, capable of cutting strands of DNA.
- CRISPR technology was adapted from the natural defence mechanisms of bacteria and archaea (the domain of single-celled microorganisms). These organisms use CRISPR-derived RNA and various Cas proteins, including Cas9, to foil attacks by viruses and other foreign bodies. They do so primarily by chopping up and destroying the DNA of a foreign invader.
- CRISPR technology is a powerful tool for editing genomes. It allows researchers to easily alter DNA sequences and modify gene function. Its many potential applications include correcting genetic defects, treating and preventing the spread of diseases and improving crops.

### 4. Which of the following statement/s is/are correct?

1. Scrub typhus is a disease caused by a virus called Orientia tsutsugamushi.
2. Scrub typhus does not spread from person to person.

Which of the given statement/s is/are correct?

- a. 1 only
- b. 2 only
- c. Both 1 and 2
- d. Neither 1 nor 2

**CHECK ANSWERS:-**

**Answer: b**

**Explanation:**

- Scrub typhus, also known as bush typhus, is a disease caused **by a bacteria called Orientia tsutsugamushi**. Scrub typhus is spread to people through bites of infected larval mites.
  - The mites are found in grasslands, forests, bush areas, wood piles, gardens, and beaches.
- Scrub Typhus can also be transmitted through unscreened blood transfusions and unhygienic needles. It does not spread from person to person.

## I. UPSC Mains Practice Questions

1. The move to amalgamate the existing large number of state and central labour laws into four labour codes should apart from helping improve ease of compliance must also help uphold labour welfare. Comment. (15 marks, 250 words)(GS Paper 3/Economy)
2. What is meant by cloud computing? Discuss its significance. (10 marks, 150 words)(GS Paper 3/Science and Technology)