

22 June 2021: UPSC Exam Comprehensive News Analysis

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A. GS 1 Related

Nothing here for today!!!

B. GS 2 Related

Category: POLITY AND GOVERNANCE



1. Centre moots ban on 'flash sales' on e-com sites

Context:

The government has proposed changes to the **Consumer Protection (e-commerce) Rules 2020.**

Issue:

- The rapid growth of e-commerce platforms has brought into the purview the unfair trade practices of the marketplace e-commerce entities.
- Such platforms have been engaging in:
 - manipulating search result to promote certain sellers
 - preferential treatment to some sellers
 - indirectly operating the sellers on their platform
 - impinging the free choice of consumers
 - selling goods close to expiration

Details:

- This proposal comes as a move to monitor deep discounts offered on e-commerce websites.
- The government has proposed banning all flash sales.
- The proposed amendments aim to bring transparency in the e-commerce platforms and further strengthen the regulatory regime to curb the prevalent unfair trade practices.

The proposed amendments:

- Appointment of **Chief Compliance Officer**, a **nodal contact person** for 24×7 coordination with law enforcement agencies, **officers to ensure compliance** to their orders and **Resident Grievance Officer** for redressing the grievances of consumers on the e-commerce platform.
- A framework for registration of every e-commerce entity with the Department for Promotion of Industry and Internal Trade (DPIIT) will be put in place.
- **Mis-selling has been prohibited** i.e selling goods and services by deliberate misrepresentation of information.
- Where an e-commerce entity offers imported goods or services, a filter must be incorporated to identify the country of origin and suggest alternatives of domestic goods.
- Provisions of **fall-back liability** for every marketplace e-commerce entity have been provided, in case a **seller fails to deliver the goods or services due to negligent conduct.**

Note:

- However, the Ministry of Consumer Affairs said that the **conventional flash sale would not be banned**, but that only predatory ones would be banned.
- It said that certain e-commerce entities were engaging in limiting consumer choice by **indulging in 'back-to-back' or 'flash' sales wherein one seller on a platform does not carry any inventory**



or order fulfilment capability but merely places a 'flash or back-to-back' order with another seller controlled by the platform.

• This prevents a level playing field and ultimately limits customer choice and increases prices.

Read more on Consumer Protection Act, 2019 – Salient Features & Summary

C. GS 3 Related

Category: DISASTER MANAGEMENT

1. SC seeks govt. decision on ex gratia payment

Context:

The Supreme Court has sought the **government's decision on payment of ex gratia** to families of people that lost their lives to COVID-19.

Background:

- Recently, the Union government had responded by stating that its current focus was on **utilising funds for food, medical care, oxygen, vaccination and pumping up the economy** rather than pay a **one-time compensation of ₹4 lakh** each to families of people who died of COVID-19.
- SC says framing of a uniform compensation scheme could be considered.
- However, the government argues that instead of one-time relief, it has gone for a **multi-pronged** approach as COVID-19 is not a one-time disaster.

Read more on this topic covered in June 21st, 2021 CNA.

Details:

• The petitioners have highlighted a 2015 notification, requiring the **government to pay ex gratia of ₹4 lakh each to victims' families** under Section 12 of the Disaster Management Act.

Section 12 of Disaster Management Act 2005 - Guidelines for minimum standards of relief: The <u>National Disaster Management Authority (NDMA)</u> shall recommend guidelines for the minimum standards of relief to be provided to persons affected by disaster, which shall include:

- the **minimum requirements to be provided in the relief camps** in relation to shelter, food, drinking water, medical cover and sanitation;
- the special provisions to be made for widows and orphans;
- ex gratia assistance on account of loss of life as also assistance on account of damage to houses and for restoration of means of livelihood;
- such other relief as may be necessary.

D. GS 4 Related

Nothing here for today!!!



E. Editorials

Category: POLITY AND GOVERNANCE

1. Towards a more federal structure

Background:

- Given the challenges to the unity of India at the time of independence, it was natural that **India opted to be a Union** unlike the U.S. and many other large countries which have federal governments.
 - Article 1 in the Constitution states that India, that is Bharat, shall be a Union of States.
- Unlike a federal system that divides power between national and local forms of government, the **Indian model often referred to as quasi-federal has the Central government wielding more authority and power**. Hence the constitutional system of India though basically federal has some striking unitary features. One such aspect is observed in **the realm of fiscal federalism**.
 - Fiscal federalism deals with the financial relations between units of governments in a federal government system. Fiscal <u>federalism</u> deals with the division of governmental functions and financial relations among levels of government.

Fiscal federalism in India:

- Unlike in federal systems of the U.S. and Switzerland, where both the federal and state governments collect direct taxes, in India, direct tax collection is the exclusive realm of the Central government. States normally derive their income from indirect taxes, most commonly from sales tax. Besides this, State List revenue sources include land revenue, excise on alcoholic liquor, estate duty, tax on vehicles, etc.
- State governments get funds from the Central government according to the Finance Commission's recommendations.
 - As per the latest <u>Finance Commission</u> recommendations, the Central government is supposed to distribute **41% of its gross tax revenues to the State governments.**
 - The **horizontal revenue distribution** is based on parameters like population and poverty levels.
- A "fragmented" transfer system is a prime feature of the Indian fiscal federal arrangements between the union and the states. The transfer of financial resources from the union to the states flow through various streams which fall in either of the following categories:
 - General purpose transfers (i.e. states can spend these resources on their respective priorities which can be drawn up by them; or
 - **Conditional transfers** (i.e. the centre only transfers resources upon the condition that the states must use it for particular programs and schemes drawn up by the centre)
- A substantial proportion of the funds received by the states continue to be conditional transfers which are largely linked to the Centrally Sponsored Schemes.
- The cess levied by the Central government on various items which adds up to over ₹5 lakh crore is not shared with the State governments.



• In recent years, the fiscal relations between the union and state governments have undergone significant changes. Most significant is the introduction of the <u>Goods and Services Tax</u> which have further decreased the revenue collections for the states.

Concerns associated with lack of robust fiscal federalism:

Vertical Imbalances:

- The fiscal asymmetry in powers of taxation vested with the different levels of government in relation to their expenditure responsibilities prescribed by the Indian Constitution has led to vertical imbalances.
 - The central government is given a much greater domain of taxation, as against their expenditure responsibility.
 - At an all-India level, the States get 26% of their total revenue from the Central government.
- The vertical imbalances can have an adverse impact on India's growth and development.

Horizontal Imbalances:

- The horizontal devolution from the finance commissions, post-1990s, has essentially become a vehicle for coercing states to implement fiscal reforms as part of economic liberalization.
- This move has reduced the policy outreach of the government as they now solely rely on the finance commission, which in turn, leads to a serious **problem of increasing regional and sub-regional inequities.**
 - Some of the so-called poorer States get up to 50% of their total revenue from the Central government, making them even more dependent.
- It has caused an unfortunate **surge in horizontal imbalances** because of the differing levels of attainment by the states, resulting from the differential growth rates and their developmental status in terms of the state of social or infrastructure capital.
- This may potentially reduce the states' capacity to intervene in economic and social sectors.

Politicizing of the fiscal devolution:

- Though the financial devolution to states is based on criteria set by the Finance Commission, often politics intervenes and some States get less and some more. Also, usually, the Central government does not meet the set target for vertical devolution.
- The economic power available to the Central government under this system allows the ruling parties at the Centre to use these funds to their advantage.
- This leads to various States either petitioning or coming into conflict with the Central government on this issue.

Issue of regional disparity:

• Maharashtra, Delhi and Karnataka, Tamil Nadu and Gujarat contribute 72% of the total tax revenue; however, they receive a lesser share of the revenue distributed by the Central government.



- This disparity is more evident when one compares the northern and southern states. States like Uttar Pradesh and Bihar continue to receive a substantial proportion of the revenue distributed despite lower levels of revenue contribution.
- Given the fact that the population growth rates in the south have come down to near zero, whereas the population in central and north India still continues to grow, **the cross-subsidy from the south to the north** will therefore only grow in the times to come.
- The concerns associated with the disparity of financial devolution along with concerns of the shifting of political power to the more populous northern states post a possible 2026 delimitation exercise have raised apprehensions of political marginalization in the southern states. This **could fuel divisive politics in such states.**

Recommendations:

- Given the many concerns associated with the current framework of fiscal federalism and the political challenges in addressing them, there is a serious need for redefining India's current fiscal federalism structure.
- In this direction, there is the need to provide greater economic power to the States so that they can directly collect more taxes and be less dependent on the Central government. The poorer States will need some support from the centre for a transition period.
- **Fiscal empowerment of the states** rather than the current top-down approach would bring the following benefits:
 - This would **improve Centre-State relations** given the reduced vertical imbalances.
 - This would not only help the states collect higher revenues, but could accrue critical **improvements in terms of efficiency**, **accountability**, **manageability and autonomy**. Allocation of resources can be done more effectively by states and local governments.
 - Such a step would fiscally empower the states to undertake crucial developmental interventions.
 - Other benefits of fiscal decentralization include: regional and local differences can be taken into account; lower planning and administrative costs; competition among local governments favours organizational and political innovations; and more efficient politics as citizens have more influence.

Conclusion:

• **Fiscal federalism is an important aspect of political federalism** which needs to be recognized and nurtured to ensure the unity and integrity of the nation.

Category: GOVERNANCE

1. A case to decriminalise suicide

Background:

Suicides in India:

• Suicide is an emerging and serious public health issue in India.



- The rate of suicides has been increasing in India over the years. According to the World Health Organization, India has the highest suicide rate in the Southeast Asian region.
- As per the <u>National Crime Records Bureau</u>, around 1,34,516 cases of suicide were reported in 2018 in India.
- Suicide has been the most common cause of death in the age group of 15–29 years.
 - Depression, chronic ill health, guilt, trauma, substance abuse, failure in exams, and loss of loved ones are some of the leading reasons for suicides in India.

Section 309:

• In India, **suicide is illegal** and the survivor would face a jail term of up to one year and a fine under Section 309 of the <u>Indian Penal Code</u>.

Arguments in favour of penal provisions of Section 309:

- While the **right to life is a natural right embodied in <u>Article 21</u> of the Indian Constitution**, suicide amounts to an unnatural termination or extinction of life and, therefore, incompatible and inconsistent with the concept of the right to life.
- The judgment in Gian Kaur V. State of Punjab (1996) and the Supreme Court's Aruna Ramchandra Shanbaug v. Union of India (2011) judgment, has endorsed the above observation.

Arguments against penal provisions of Section 309:

- The Bombay High Court in the Maruti Shripati Dubal v. State of Maharashtra (1986) case declared Section 309 unconstitutional based on the reasoning that the right to live will also include a right not to live or not to be forced to live.
- Similar views were expressed in the Chenna Jagadeeswar v. State of Andhra Pradesh and P. Rathinam v. Union of India (1994) cases. These judgments note Section 309 of the Indian Penal Code as being violative of Articles 14 and 21 of the Indian Constitution.
- The purpose of any punishment is to prevent a person from committing any crime. The **prescribed punishments under Section 309 seem ineffective in preventing prospective suicides by deterrence**.
- Rather than punishment, the person who made the suicide attempt on account of any possible mental disorders must be provided psychiatric and reformative treatment and not subjected to imprisonment.

Recommendations:

Repealing of Section 309:

- There is an urgent need to shift from penalizing attempts to suicide to providing psychological or mental treatment and support to the persons affected, given the presumption of severe stress in case of an attempt to die by suicide.
- Thus the article argues for the **repealing of Section 309 of the Indian Penal Code**.

Preventing suicides:



- Reducing social isolation and social disintegration
- Treating mental disorders
- Enabling easy access to psychological counselling
- Improving coping strategies of people who are at risk through the promotion of psychological motivational sessions and stress-reducing techniques like meditation and yoga.
- Reducing risk factors for suicide, such as poverty and social vulnerability.

Additional information:

Mental Healthcare Act:

- The Indian Parliament passed the Mental Healthcare Act in 2017.
- Section 115 (1) of the Act provides, "Notwithstanding anything contained in section 309 of the Indian Penal Code, any person who attempts to commit suicide shall be presumed, unless proved otherwise, to have severe stress and shall not be tried and punished under the said Code."

F. Prelims Facts

1. 'Yoga a ray of hope amid COVID'

What's in News?

7th International Yoga Day was celebrated on the 21st of June 2021.

- M-Yoga application has been launched in collaboration with the World Health Organisation (WHO).
- The app will have videos of yoga training based on a Common Yoga Protocol and will be available in different languages.

Read more on this topic covered in PIB Summary & Analysis for 21st June 2021.

For more on Yoga and Alternative Systems of Medicine read Gist of Yojana June 2019 for UPSC

2. Army to get indigenous LUHs in December 2022

What's in News?

The Army will receive the first batch of six indigenous Light Utility Helicopters (LUH) by the end of 2022.

- With the **ageing fleet of Cheetah and Chetak helicopters**, the Army is facing a **huge shortage** of light utility helicopters.
- The LUH is meant to replace the Cheetah and Chetak helicopters along with the Russian Ka-226T helicopters.
- The LUH is a three-ton class new generation single-engine helicopter.
- It has been designed and developed by Hindustan Aeronautics Ltd. (HAL).
- It can be deployed for reconnaissance, surveillance roles and as a light transport helicopter.





1. NHRC panel to probe violence in Bengal

What's in News?

The **National Human Rights Commission (NHRC)** has set up a committee to investigate complaints of post-poll violence in West Bengal.

• The committee has been constituted by the NHRC Chairperson in accordance with a Calcutta High Court order.

Mandate:

- The committee would examine all cases of post-poll violence for which complaints have already been received by the NHRC or which may be received.
- It would also look into the complaints to the West Bengal State Legal Services Authority.

Read more on National Human Rights Commission of India – NHRC Functions, Composition, Issues

2. 'Use electronic machines to weigh rations'

What's in News?

An **amendment** in the **Food Security** (Assistance to State Government) Rules, 2015, has been notified by the **Ministry of Consumer Affairs, Food & Public Distribution.**

- It aims to ensure the right quantity to beneficiaries in the distribution of subsidised foodgrains under the National Food Security Act (NFSA), 2013 as per their entitlement.
- The Centre wants States to start linking the electronic Point of Sale devices (ePoS) used at ration shops to electronic weighing machines.
- States who are operating their ePoS devices judiciously and are able to **generate savings from the** additional margin can utilise the savings for purchase, operations and maintenance of electronic weighing scales and their integration with the point-of-sale devices.

Importance:

• Integration of ePoS devices with electronic weighing scales would ensure that the beneficiary is given the right quantity of foodgrains by the Fair Price Shop dealer as per his entitlement.

Read more on National Food Security Act, 2013 | NFSA Objectives, Significance, Criticism

3. The state of India's poor must be acknowledged

Poverty line:

- The **Suresh Tendulkar Committee** report proposed a poverty line of Rs. 816 per capita per month for rural India and Rs. 1,000 per capita per month for urban India and based on this poverty line estimated the **poor constituting 7% of the Indian population.**
- The **Rangarajan Committee** estimated the **number of poor in India to be 29.6%**, based on persons spending below Rs. 47 a day in cities and Rs. 32 in villages.
- The <u>World Bank</u> proposes \$2-a-day for the poverty line.



Poverty levels in India:

• In 2019, the global <u>Multidimensional Poverty Index</u> reported that India lifted 271 million citizens out of poverty between 2006 and 2016. However, since then multiple surveys point towards a fall in this trend.

Impact of the pandemic on poverty levels:

- The Pew Research Center with the World Bank data estimated that the **number of poor in India** has more than doubled to 134 million from 60 million due to the pandemic-induced recession.
- In 2020, India alone contributed 57.3% of the growth of the global poor.

Concerns:

- The deepening of poverty will have an **adverse impact on the nutritional security and health of the people** which along with limited avenues for access to quality education will only perpetuate the vicious cycle of poverty.
- The continuing low per capita income and widening economic inequality do not augur well for India's growth and development.

H. UPSC Prelims Practice Questions

Q1. Consider the following statements:

- 1. The orders of the delimitation commission set up by the Government of India cannot be challenged in any court.
- 2. Delimitation of Jammu and Kashmir's Lok Sabha seats is governed by the Indian Constitution, but the delimitation of Assembly seats is governed by the Jammu and Kashmir Representation of the People Act, 1957.

Which of the above statements is/are correct?

- a. 1 only
- b. 2 only
- c. Both
- d. None

Answer: a

Explanation:

- The Delimitation Commission of India is tasked with redrawing of boundaries of the various assembly and Lok Sabha constituencies based on a recent census.
- The orders of the delimitation commission set up by the Government of India cannot be challenged in any court. This is done to prevent indefinite delays in elections.
- The delimitation of Jammu and Kashmir's Lok Sabha seats is governed by the Indian Constitution.



• Prior to the abrogation of Article 370 of the Indian Constitution that provided a special status to Jammu and Kashmir, the delimitation of Assembly seats is governed by the Jammu and Kashmir Representation of the People Act, 1957. Currently, the delimitation of Assembly seats is governed by the Indian Constitution itself.

Q2. Which of the following statements is/are correct?

- 1. Genetic Engineering Appraisal Committee (GEAC) which functions under the Ministry of Science and Technology examines the scientific merits of releasing genetically modified seeds into the environment.
- 2. Bt cotton is the only GM crop that has been approved for commercial cultivation.

Options:

- a. 1 only
- b. 2 only
- c. Both
- d. None

Answer: b

Explanation:

- Genetic Engineering Appraisal Committee (GEAC) functions under the Ministry of Environment, Forest and Climate Change (MoEFCC). It is a statutory body.
- GEAC examines the scientific merits of releasing genetically modified seeds into the environment.
- The body regulates the use, manufacture, storage, import and export of hazardous microorganisms or genetically-engineered organisms and cells in India.
- Bt cotton is the only GM crop that has been approved for commercial cultivation in India.

Read more on Genetic Engineering Appraisal Committee (GEAC) - Functions, Mandate

Q3.	Which	of	the	following	differences	between	Consumer	Protection	Act,	1986	and	Consumer
Prot	tection	n Ac	:t, 2	2019 is/ar@	e correct?							

- 1. Under the 1986 Act the complaint could be filed in a consumer court where the seller's office was located. Under the 2019 Act complaint can be filed in a consumer court where the complainant resides.
- 2. There were no mediation cells under the 1986 Act. Under the 2019 Act court can refer settlement through mediation.

Options:

- a. 1 only
- b. 2 only



- c. Both
- d. None

Answer: c

Explanation:

Both the statements are correct.

- Under the Consumer Protection Act 1986 the complaint could be filed in a consumer court where the seller's office was located. Under Consumer Protection Act 2019 complaint can be filed in a consumer court where the complainant resides.
- There were no mediation cells under the 1986 Act. Under the 2019 Act court can refer settlement through mediation.

Q4. Which of the following statements is/are correct?

- 1. The Chairman of Legislative Council is nominated by the Governor.
- 2. To become a member of a State Legislative Council (MLC), a person must be at least 25 years old.
- 3. The tenure of a Member of the Legislative Council (MLC) is six years.

Options:

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

Answer: c

Explanation:

- The Chairman of the Legislative Council is elected by the members of the Legislative Council.
- To become a member of a State Legislative Council (MLC), a person must be at least 30 years old, whereas to become a Member of a Legislative Assembly (MLA), a person must be at least 25 years old.
- The tenure of a Member of the Legislative Council (MLC) is six years.

Q5. Which one of the following is the best description of 'INS Astradharini', that was in the news recently? (UPSC-2016)

- a. Amphibious warfare ship
- b. Nuclear-powered submarine
- c. Torpedo launch and recovery vessel
- d. Nuclear-powered aircraft carrier



Answer: c

Explanation:

INS Astradharini is an indigenously designed and built torpedo launch and recovery vessel built by Shoft Shipyard for the Indian Navy. She was commissioned to Naval Service in 2015.

I. UPSC Mains Practice Questions

- 1. If the economy is to be repaired, the number of poor has to be meticulously counted. In the light of this statement, discuss poverty measurement in India. (250 words; 15 marks) [GS-3, Economy]
- 2. Should suicide be decriminalized? Critically evaluate. (250 words; 15 marks) [GS-2, Polity and Governance].

