

27th JULY PIB SUMMARY

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B. GS 2 Related

Category: SOCIAL JUSTICE

1. Forest Rights Act: well begun, ready for the home run

Syllabus: Welfare schemes for vulnerable sections of the population by the Centre and States and the performance of these schemes

Prelims: About Forest Rights Act

Mains: Details about the Forest Rights Act and the implementation of FRA in Odisha

Context

Odisha is aiming for a full rollout of the Forest Rights Act by 2024.

Scheduled Tribes And Other Traditional Forest Dwellers (Recognition Of Forest Rights) Act or the **Forest Rights Act**

Rights for the dwellers

What the Forest Rights Act, 2006, entails

- Tenurial security over the forestland under occupation prior to December 13, 2005
- Recognition of community right over forest and forest products
- Protection and conservation of community forest resources
- Conversion of all forest villages and habitation located inside the forestland into revenue villages
- In situ rehabilitation of displaced persons evicted without compensation prior to December 13, 2005
- Recognition of ancestral domain (habitat) right to



Residents of Gunduribadi village in Odisha's Nayagarh district get ready for mapping their land boundaries for the Forest Rights Act implementation. ■ SPECIAL ARRANGEMENT

Particularly Vulnerable Tribal Groups

- Seasonal access to nomadic, pastoral and semi-nomadic communities over forestland

- Conversion of all leases granted by erstwhile governments, zamindars and king into permanent land records

Image Source: The Hindu

Forest Rights Act (FRA) was enacted in 2006 to recognise the rights of the forest-dwelling tribal communities and other traditional forest dwellers to forest resources, on which these communities were dependent for livelihood, habitation and other socio-cultural needs.

- The Act covers:
 - Rights of self-cultivation and habitation
 - Community rights of grazing, fishing and access to water bodies in forests
 - Habitat rights for [Particularly Vulnerable Tribal Groups \(PVTGs\)](#)
 - Traditional seasonal resource access to nomadic and pastoral community
 - Community rights to intellectual property and traditional knowledge
 - Recognition of traditional customary rights and the right to protect, regenerate or conserve or manage community forest resources for sustainable use.
- It also provides rights to the allocation of forest land for developmental purposes to fulfil the basic infrastructural needs of the community.

- The Act further provides the Gram Sabha and rights holders the responsibility of conservation and protection of biodiversity and wildlife.
- The Gram Sabha is a highly empowered body under the Act, which enables the tribal population to participate in the formulation of local policies and schemes.

Steps undertaken by Odisha to implement FRA

- The implementation of the Act involves
 - Raising awareness among the uninformed tribal groups
 - Going through the previous and historical government records and data
 - Identifying the ownership details and further processing by various government departments
- Odisha has entered the 16th year of implementation of FRA and there are about 2.59 lakh beneficiaries at present.
- The Odisha government has established a dedicated project management unit only for FRA implementation.
- Odisha has become the first state in the country to allocate a budgetary provision for the implementation of the FRA.
- Forest rights committees which were earlier operating only in Tribal Sub Plan areas have now been extended to the entire State.
- The State is also addressing aspects such as livelihood and food security under the Act along with ensuring ownership of land.
- As per the **Scheduled Castes and Scheduled Tribes Research and Training Institute (SCSTRI)**, Odisha has about 7.32 lakh potential claimants, with nearly 3 lakh eligible families still left out and the government is expediting the FRA implementation on mission mode to cover these families as well.
- Out of the 13 PVTGs identified in Odisha, habitat rights are being processed for 11 groups as the Lodhas and Lanjia Sauras do not believe in the concept of habitat.

Nut graf: While most of the state governments are struggling with the implementation of the Forest Rights Act, Odisha is now aiming for a full rollout by 2024. All the States must make a note of Odisha's progress in this regard and expedite their implementation process.

C. GS 3 Related

Category: SECURITY

1. SC upholds powers of arrest, raid under PMLA

Syllabus: Money-laundering and its prevention

Prelims: Prevention of Money Laundering Act

Mains: The key provisions and the significance of the Prevention of Money Laundering Act

Context

The Supreme Court upheld the amendments made to the Prevention of Money Laundering Act.

Details

- The core amendments to the PMLA provided the government and the Enforcement Directorate (ED) with unrestricted powers to summon, arrest, and raid.
- Further, these amendments had made the provision of bail almost impossible as the burden of proof of innocence was shifted onto the accused rather than the prosecution.

Supreme Court's views

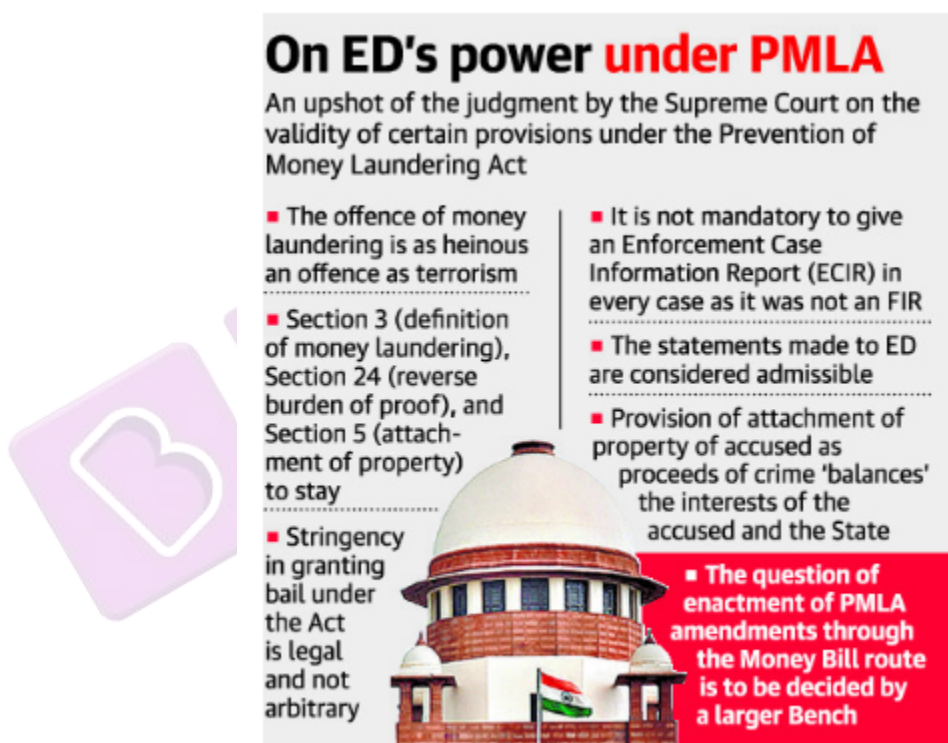


Image source: The Hindu

Upholding these stringent amendments, the court held that “money laundering is an offence against the sovereignty and integrity of the country and is no less a heinous offence than the offence of terrorism”.

- The SC bench also said that “PMLA is a unique legislation which was enacted as a result of international commitment to deal with the menace of money laundering of proceeds of crime

having transnational consequences and on the financial systems of the countries”.

- On the question of provisions of the act being violative of the “**right against self-incrimination**” (Article 20), the court said that “the statements of the accused were recorded as part of an “inquiry” into the proceeds of crime and an individual cannot claim right against self-incrimination at a summons stage.
- Further, the petitioners argued that under PMLA the ED could arrest an individual without showing a copy of the Enforcement Case Information Report (ECIR) which is against the “**due process of law**” and the “**right to be informed**” about the grounds of arrest, to which the court said that:
 - The ECIR is an internal document and disclosing its contents to an accused may have a “deleterious impact” on the case and the accused will always be “informed” about the grounds of his arrest.
- On the arguments against the stringent bail provisions of the Act, the court said that “money laundering was an aggravated form of crime the world over and a stringent law is required to create a deterrent effect”.

***Nut graf:** While there are arguments about the provisions and the punishments mentioned under the PMLA being harsh and arbitrary, the Supreme court has held that the provisions of the Act provide a balancing arrangement between the interests of the accused and the state and the stringent laws are necessary to curb offences such as money laundering and terrorism.*

D. GS 4 Related

Nothing here for today!!!

E. Editorials

Category: POLITY

1. The poor state of India’s fiscal federalism

***Syllabus:** Functions and Responsibilities of the Union and the States, Issues and Challenges Pertaining to the Federal Structure, Devolution of Powers and Finances up to Local Levels and Challenges Therein.*

***Mains:** Challenges to fiscal federalism in India and associated concerns.*

Advent of centralized fiscal policy in India:

- There seems to be the advent of a centralised fiscal policy in India in recent times and the article makes the following arguments to put its point forward.

Implementation of GST system:

- The states have lost their capacity to generate their own revenues due to the implementation of the **Goods and Services Tax (GST) regime**. The indirect tax right of the state governments has been curtailed due to the implementation of the GST system.
- Also, the ending of the **GST compensation regime** for States will adversely impact their fiscal independence.

Impact of centrally sponsored schemes:

- There are a high number of centrally sponsored schemes currently being implemented. The number stands at 131 currently. Notably, the **states are required to share a part of the cost** for the implementation of such schemes. The state governments spend about 25% to 40% as matching grants.
- This amounts to unnecessary intrusion into the expenditure pattern of the states.

Politicisation of the Finance Commission:

- The article laments the politicization of the **Finance Commission** which is mandated to recommend on the distribution of tax revenues between the Union and the States and amongst the States themselves.
- The article argues that the Finance Commission has become a politicised institution with arbitrariness and inherent bias towards the Union government.

Increasing use of cesses and surcharges and other issues:

- The raising of non-divisive cess and surcharges by the Union government has resulted in the increase of the **non-divisive pool in the Centre's gross tax revenues**. Currently, this share stands at 15.7% as compared to 9.43% in 2012. The shrinking of this divisible pool of resources for transfers to States will adversely impact the flow of revenues to the states despite the increased share of devolution to states from the previous 32% to the current 42%.
- The recent drastic cut in corporate tax will also have an adverse impact on the divisible pool of revenue with the states.

Differential treatment of states and union government:

- Notably, the **states have to pay higher interest rates for market borrowings as compared to the Union government**.
- Also, the investment of surplus by the Reserve Bank of India in Union government treasury bills places the union government at an advantage over the state governments.

Concerns:

Depleting fiscal capacity of states:

- While the expenditure of the States has been ever-increasing, the revenue inflow to the states hasn't grown proportionately. As a result, the ability of States to finance current expenditures from their own revenues has declined drastically over the years. They have become **dependent on fiscal transfers from the Union government**.

Concerns over centrally sponsored schemes:

- The excessive number of centrally sponsored schemes undermines the electorally mandated democratic politics of States. This impedes States from charting their own autonomous path of development.
- The fact that the states are having to share the expenditure of a scheme on the Union list seems to be in violation of the constitutional provisions.
- The centrally sponsored schemes, driven by the **one-size-fits-all approach**, cannot be much effective as compared to State schemes based on ground realities.

Impact on socio-economic development:

- Notably, the **states spend 60% of the expenditure in the country** while accounting for higher proportions in critical sectors such as education and health. The state expenditure accounts for 85% in education and 82% in health.
- The decreased financial sources with the states will undercut the expenditure of the state on these crucial sectors and this could have serious consequences for socio-economic development in India. This could lead to the **deepening of inequality in India**. This, in the words of B.R. Ambedkar, would threaten the very foundations of Indian democracy.

Recommendations:

- There is a need to relook the Centre-State fiscal relations and ensure more transfers and taxation powers for regional governments.

Nut Graf

The increasing pattern of centralization of fiscal policy in India is a major point of concern as it undermines not only the autonomy of the states but also the process of socio-economic development.

F. Prelims Facts

1. Warehousing (Development and Regulation) Act

Syllabus: GS-3, Agriculture; Storage, transport and marketing of agricultural produce

Prelims: About Warehousing (Development and Regulation) Act and Warehousing Development and Regulatory Authority

Context

The Union Food and Public Distribution Ministry has urged for amending the Warehousing (Development and Regulation) Act.

Warehousing (Development and Regulation) Act

- The Warehousing (Development and Regulation) Act was introduced in 2007 to make provisions for the development and regulation of warehouses, negotiability of warehouse receipts, and setting up a Warehousing Development and Regulatory Authority.
- The Negotiable Warehouse Receipts (NWRs) issued by the warehouses registered under this Act would help the farmers to seek loans from banks against NWRs and avoid distress sale of agricultural produce.
- The Warehousing Development and Regulatory Authority was established as a statutory body in 2010 under the provisions of the Act.
 - The Authority's major goal is to establish the Negotiable Warehouse Receipt (NWR) system across the country which is now in electronic form.
 - The Authority ensures scientific storage by prescribing infrastructural and procedural standards. However, captive warehouses such as the [Food Corporation of India \(FCI\)](#) are excluded from the ambit of the Act.

G. Tidbits

1. 'Replacement level fertility achieved'

- Union Minister of State for Health and Family Welfare said that India has achieved [replacement-level fertility](#), with 31 States and Union Territories reaching a Total Fertility Rate (an average number of children per woman) of 2.1 or less.
- The Minister also said that between 2012 and 2020, India has added over 1.5 crore additional

users of modern contraceptives which has increased their use substantially.

- The government data also reflects a positive shift towards spacing methods which is positively impacting maternal and infant mortality and morbidity rates.
- India in the last 70 years has focused on the supply side which includes the providers and delivery systems and has achieved a replacement level of fertility, but it is now time to shift the focus towards the demand side which includes family, community and society as there is still a significant population in the reproductive age group.

2. Thousands of villages set to get 4G coverage

- The Union Cabinet approved a project for extending 4G mobile services to uncovered villages across India at a total cost of ₹26,316 crore.
 - Under the project, 4G mobile services will be extended to 24,680 uncovered villages in remote and far-flung areas.
- The project has a provision to include 20% additional villages on account of rehabilitation, new-settlements, withdrawal of services by existing operators, etc.
- This project will be executed by Bharat Sanchar Nigam Limited (BSNL) using the Made in India 4G technology stack which will be funded through the [Universal Service Obligation Fund \(USOF\)](#).
- The project is said to be a significant step towards the vision of the government to provide mobile connectivity in rural areas and will play a key role in promoting delivery of various e-governance services, banking services, tele-medicine, tele-education, etc.

H. UPSC Prelims Practice Questions

Q1. Consider the following statements about Central Reserve Police Force (CRPF) (Level – Medium)

1. It is India's largest central armed police force.
2. It functions under the authority of the Ministry of Home Affairs of the government of India.
3. Rapid Action Force, Commando Battalion for Resolute Action and National Security Guard are specialized units of the CRPF.

Which of the above statements are correct?

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

Answer: a

Explanation:

- **Statement 1 is correct**, CRPF is India's largest Central Armed Police Force.
- **Statement 2 is correct**, CRPF operates under the authority of the Union Ministry of Home Affairs.
- **Statement 3 is not correct**, National Security Guard (NSG) is a specialized unit under **Central Armed Police Forces (CAPF)**.
 - Specialized units of the CRPF include:
 - Commando Battalion for Resolute Action (CoBRA)
 - Special Duty Group
 - Parliament Duty Group
 - Rapid Action Force (RAF)

Q2. Consider the following statements with respect to Warehousing (Development and Regulation) Act of 2007 (Level – Difficult)

1. The registration of warehouses with the Warehousing Development and Regulation Authority is optional.
2. Captive warehouses such as the ones of Food Corporation of India also come under the ambit of the act.

Which of the above statements is/are correct?

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

Answer: a

Explanation:

- **Statement 1 is correct**, According to the Warehousing (Development and Regulation) Act of 2007, the registration of warehouses with the Warehousing Development and Regulation Authority is optional at present.
- **Statement 2 is not correct**, The Warehousing Development and Regulation Authority ensures scientific storage by prescribing infrastructural and procedural standards. However, **captive warehouses such as the Food Corporation of India (FCI) are excluded from the ambit of the Act.**

Q3. Which of the following statements is/are correct with respect to millet cultivation in India? (Level – Difficult)

1. India accounts for over 50% of global millet production.
2. India's average yield of millets is higher than the global average yield.
3. Finger millet accounts for the largest share of millets crop grown in India.

Options:

- a) 1 only
- b) 2 and 3 only
- c) 2 only
- d) 1 and 3 only

Answer: c

Explanation:

- **Statement 1 is not correct**, India is a major producer of Millets, accounting for 80% of Asia's production and **20% of global production**.
- **Statement 2 is correct**, India's average yield of Millets (1239 kg/hectare) is higher than the global average yield (1229 kg/hectare).
- **Statement 3 is not correct**, Major Millets grown in India are
 - Pearl Millet (Bajra) - 61% share
 - Jowar (Sorghum) – 27%
 - Finger Millet (Mandua/Ragi) – 10%

Q4. Which of the following statement/s is/are correct with respect to tea exports from India? (Level – Medium)

1. India is the largest exporter of tea globally.
2. Green tea accounts for the largest share of tea exports from India.
3. Russia is the largest importer of Indian tea, followed by Iran.

Options:

- a) 1 and 2 only
- b) 3 only
- c) 2 and 3 only
- d) 1 only

Answer: b

Explanation:

- **Statement 1 is not correct**, China is the largest exporter of tea globally.
 - India is among the top 5 tea exporters in the world.
- **Statement 2 is not correct**, The majority of the tea exported out of India is **black tea** followed by Regular tea, Green tea, Herbal tea, Masala tea and Lemon tea.
- **Statement 3 is correct**, Russia is the largest importer of Indian tea, followed by Iran.

Q5. With reference to the Constitution of India, prohibitions or limitations or provisions contained in ordinary laws cannot act as prohibitions or limitations on the constitutional powers under Article 142. It could mean which one of the following? (Level – Easy) PYQ (2019)

- a) The decisions taken by the Election Commission of India while discharging its duties cannot be challenged in any court of law.
- b) The Supreme Court of India is not constrained in the exercise of its powers by laws made by the Parliament.
- c) In the event of grave financial crisis in the country, the President of India can declare Financial Emergency without the counsel from the Cabinet.
- d) State legislatures cannot make laws on certain matters without the concurrence of Union Legislature.

Answer: b

Explanation:

- Article 142 of the Indian Constitution empowers the Supreme Court's verdicts and rulings to be enforced. It stipulates that in the performance of its jurisdiction, the top court may issue any verdict or order necessary to provide "complete justice" in just about any case before it.
- Such Supreme Court orders are enforceable across India, as provided by any statute enacted by Parliament or by the executive order of the President of India.

I. UPSC Mains Practice Questions

1. Money laundering is not just a threat to the economic security of the nation but also to its national security. Examine these threats and how India is trying to counter the threat. (250 words, 15 marks) [GS-3, Internal Security]
2. The Indian rupee has been depreciating under the pressure of global and domestic factors. Evaluate the reasons and how it affects India's exports and imports. (250 words, 15 marks) [GS-3, Economy]

