



# INNOVATIVE IAS

## Daily News Analysis

12th December 2019

### General studies-2

#### Social security code bill

##### **Why in News?**

- The social security code bill was introduced in Lok Sabha. The bill paves way for universalization of social security of 50 crore workers in the country.

##### **Key Features of the bill**

- The bill proposes setting up of a social security fund to fulfill benefits such as medical cover, pension, death and disablement benefits including gig workers. This will help to tap the corporate social responsibility fund and divert it towards the unorganized sector.
- The bill will provide options of reducing the provident fund contribution of the employees. It is currently 12% of basic salary. This will increase their take-home payment.
- The bill also makes the fixed-term contract workers eligible for gratuity. Currently under the Payment of Gratuity Act, 1972, workers are not entitled to gratuity before the completion of 5 years.
- The bill is completely based on the Drafts Security Code.
- The bill intends to merge 8 laws and to support the unorganized workers as that mentioned in the code.

##### **Need for the bill**

- India leads in global gig economy contributing 24% of online labor market in the world! The data was provided by the Oxford Internet Institute. Apart from internet, being the second most populous country in the world, India has maximum number of unorganized employees.

#### Insolvency and Bankruptcy Code (Second Amendment) Bill, 2019

##### **Why in News?**

- Union Cabinet has approved certain amendments in Insolvency and Bankruptcy Code, 2016 (code), through Insolvency and Bankruptcy Code (Second Amendment) Bill, 2019.

##### **Key points:**

- The amendments aim to remove certain difficulties being faced during insolvency resolution process to realise objects of code, protect corporate debtors, prevent ill-thought-out triggering of bankruptcy proceedings and to further ease doing of business (ADB).
- Proposal: Amendment Bill seeks to amend sections 5(12), 5(15), 7, 11, 14, 16(1), 21(2), 23(1), 29A, 227, 239, 240 of Insolvency & Bankruptcy Code, 2016 (Code) & insert new section 32A in it.



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### Significance of Amendments to IBC

- It aims to remove bottlenecks, streamline Corporate Insolvency Resolution Process (CIRP) and protect last mile funding in order to boost investment in financially distressed sectors of country.
- It introduces additional thresholds for Financial Creditors represented by an authorized representative due to large numbers in order to prevent insignificant triggering of CIRP.
- It also ensures that substratum of business of corporate debtor is not lost, and it can continue as a going concern by clarifying that permits, licenses, clearances, concessions, etc. cannot be terminated or suspended or not renewed during moratorium period.
- Moreover, changes to IBC could also lead to- ring-fencing of corporate debtor resolved under IBC in favour of a successful resolution applicant from criminal proceedings against offences committed by previous promoters or management.

### Aircraft (Amendment) bill, 2019

#### Why in News?

- The Union Cabinet approved Aircraft (Amendment) bill, 2019 to amend the Aircrafts act, 1934. The main objective of the bill is to fulfill the safety requirements of International Civil Aviation Organization (ICAO).

#### Key Features of the Bill

- The Bill intends to regulate the areas of air navigation. It enhances the punishment from 10 lakh rupees to 1 crore rupees for those failing to comply norms of Government of India. Also, the bill will enable three regulatory bodies namely Bureau of Civil Aviation Security (BCAS), Directorate General of Civil Aviation (DGCA) and Aircraft Accident Investigation Bureau (AAIB).
- It will increase safety and security of air transport in the country.

#### Need for the bill-

- In 2018, the ICAO, a global aviation watchdog of the United Nations carried out a Universal Safety Audit Programme for India.
- The audit showed that the safety score of India declined to 57.44% in 2018 from 65.82% in 2017. The score was far less than Nepal and Pakistan.
- The audit was performed in air navigation services, aerodromes, aircraft accidents and investigations, ground aids, etc.
- The world average score for aircraft safety set by ICAO is 65%.
- India's score is far below the world average. With the successful implementation of UDAN scheme, the aircraft carriers and operators have increased. Therefore, it is mandatory to imply strict regulations to keep up the safety of the passengers.



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### The Arms (Amendment) Bill, 2019

#### Why in News?

- Parliament has passed the Arms (Amendment) Bill, 2019, which seeks to amend the Arms Act, 1959. Apart from introducing new categories of offences, the Bill also seeks to decrease number of licensed firearms allowed per person and increase penalties for certain offences under the Act.

#### Key Features of Bill

- License for acquiring firearms: The Bill reduces the number of permitted firearms under Arms Act, 1959 from three to one (including licenses given on inheritance basis). The Bill provides a time period of 1 year to deposit excess firearms with officer-in-charge of nearest police station or with a licensed firearm dealer as specified. The excess firearms will be delicensed within 90 days from expiry of 1-year period.
- Firearm License Validity: Bill also increases the duration of validity of a firearm license from 3 years to 5 years.
- Ban on firearms: In addition to bans mentioned in Arms Act, 1959, the Bill additionally prohibits obtaining or procuring un-licensed firearms, as well as conversion of one category of firearms to another without a license.
- Increase in punishment: Bill amends punishment in relation to several offences and increases the punishment to between 7 years and life imprisonment, along with a fine for: (1) dealing in un-licensed firearms, including their manufacture/procurement/ sale/ transfer/ conversion, (2) shortening or conversion of a firearm without a licence, and (3) import/ export of banned firearms.
- The Bill increases the punishment for acquisition, possession or carrying of prohibited ammunition without a license to imprisonment between 7 and 14 years, along with fine. However, a court may impose a punishment of lesser than 7 years, with recorded reasons.
- Adds New offences: The Bill adds new offences, which includes: (1) forcefully taking a firearm from police or armed forces, punishable with imprisonment between 10 years and life imprisonment, along with fine, (2) using firearms in a celebratory gunfire which endangers human life/ personal safety of others, punishable with imprisonment of up to 2 years, or fine of up to Rs.1 lakh rupees, or both.

### Inner Line Permit (ILP)

#### Why in News?

- Recently, the Nagaland government has extended the Inner Line Permit (ILP) system to the district of Dimapur.

#### Key points:

- This step was taken to exempt the entire district from the purview of the Citizenship Amendment Bill (CAB).



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- So far, Dimapur was the only place in Nagaland which was not under the ILP system because the district is a commercial hub and has a mixed population (often referred to as 'Mini India').
- Recently Manipur has also been brought under the purview of ILP System. Thus, the entire northeast India has been exempted from CAB except for Sikkim and non-tribal areas in Assam and Tripura
- The extension of ILP to Dimapur has been issued under section 2 of the Bengal Eastern Frontier Regulation, 1873 by the governor of Nagaland.
- The extension of the ILP regime makes it mandatory for “every non-indigenous person” who entered the district after November 21, 1979, to obtain an ILP within 90 days.

### Exemptions:

- Any non-indigenous persons living in Dimapur prior to November 21, 1979, with a certificate from the Deputy Commissioner.
- Any non-indigenous person passing through Dimapur to other states as a transit passenger with a valid document.

### Citizenship Amendment Bill, 2019 and North-East India

- Protected by the ILP System: Nagaland, Arunachal Pradesh, Manipur and Mizoram have been exempted from the provisions of the Citizenship Amendment Bill (CAB), 2019
- Sixth Schedule Areas: The whole of Meghalaya (except a part of Shillong), Mizoram and the tribal areas of Tripura and Assam are also exempted from the CAB.
- The Sixth Schedule contains special provisions for the administration of tribal areas in the four north-eastern states of Assam, Meghalaya, Tripura and Mizoram.

### Inner Line Permit

- Inner Line Permit is an official travel document issued by the Government of India to allow inward travel of an Indian citizen into a protected/restricted area for a limited period.
- It is a special permit required by “outsiders” from other regions of the country to enter the notified states.
- It is based on the Bengal Eastern Frontier Regulation Act (BEFR), 1873.
- This act was enacted during the British era to protect the British interests from the hill tribals who used to invade the British subjects.
- An imaginary line known as the inner-line was created to divide between the two communities so that neither party could go beyond the line without a permit from the appropriate authorities.

### Skills Build platform

#### Why in News?

- Recently, Skills Build platform was launched by the Ministry of Skill Development &



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Entrepreneurship (MSDE) in collaboration with International Business Machines Corporation (IBM).

### Key points:

- The digital platform will provide a two-year advanced diploma in Information Technology (IT), networking and cloud computing offered by the Industrial Training Institutes (ITIs) and National Skill Training Institutes (NSTIs).
- It will further be extended to train ITI & NSTI faculty on building skills in Artificial Intelligence (AI).
- It is a digital platform developed by IBM and it enables holistic learning, aligning it with Skills India Initiative by Government of India.
- India is the 4th country to launch a platform for skill building after the UK, Germany and France.
- It will be accessible online through Bharat Skills – a learning management system for ITI/NSTI students and teachers and is free to use.

### Skills Build will focus on:

- Personalised coaching and experiential learning.
- Developing the skills required to join the workforce in New Collar roles.
- Bringing untapped talent to the fore.
- Opening roles to individuals often excluded from the labour market due to disadvantaged backgrounds, lack of knowledge, skill or experience.
- This platform will provide a personal assessment for cognitive capabilities and personality via MyInnerGenius (one of the world's leading career assessment companies) to youths/students.

### 'NAVARMS-19'

#### Why in News?

- The 4th edition of International Seminar cum Exhibition on Naval Weapon Systems 'NAVARMS-19' is scheduled to be held in New Delhi on 12-13 Dec 2019.
- This year's theme is "Make in India - Fight Category: Opportunities and Imperatives".

#### Key Points

- Indian Navy in association with Confederation of Indian Industry (CII) has been conducting 'NAVARMS' since 2007.
- NAVARMS is the only international seminar and exhibition on Naval Weapon Systems conducted in the country to invite all the stakeholders in life cycle management of Naval Weapons and provide a common platform to share their views and concerns.

#### Obj

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### Objectives:

- Bring harmony amongst all the important stakeholders.
- Synergise and orient towards broader prospects.
- Provide an opportunity for the exchange of ideas.
- Create awareness.
- Identify emerging prospects for Indian/International defence industry in the domain of Naval Weapon Systems

### How MGNREGA transformed into a monument of failure

#### Concerns:

There is now a plethora of evidence that the economy has been cooling down over the last three years. Official data was slow to pick up the trend, but data from private sources on indicators such as sales of consumer durables and automobiles clearly show that it is largely a result of declining demand, particularly in rural areas. The Union budget presented on 5 July was expected to address some of these concerns. However, it was a missed opportunity, with no effort being made to increase spending in rural areas, except for the electoral promise of cash transfer to farmers.

#### Key points:

- Of particular importance is the all-India scheme under the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA). Its budget allocation has fallen compared to the revised expenditure of last year, and is insufficient, given the wage-payment arrears.
- The National Sample Survey Office (NSSO) has been tracking wages received by casual workers employed under MGNREGA and private markets since 2007-08, when it introduced a separate category for MGNREGA work.
- This has been retained even in the Periodic Labour Force Survey (PLFS), the report of which was released recently.
- In 2007-08, the second year of MGNREGA implementation, wages under the programme were 5% higher than market wages for rural male workers and 58% higher for rural female workers.
- This was one of the reasons that the programme attracted almost 50% female workers, in contrast to the trend of declining female workforce participation since 2004-05. By 2009-10, MGNREGA wages were only 90% of market wages for males, but 26% higher than market wages for females.
- By 2011-12, they were lower than market wages for both category of workers, but for females, they were close to market levels.
- The 2017-18 PLFS estimates show that private market wages for males were higher than MGNREGA wages by 74%, and female market wages were higher than MGNREGA wages by 21%.



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- Clearly, no male worker is going to demand MGNREGA work when he can get a much higher daily wage with the same effort .
- However, women continue to demand and work under MGNREGA, though market wages are higher, because of non-availability of work and discrimination as well as exclusion from the private labour market.
- A peculiar result of this is the overwhelming participation of women in MGNREGA in southern states, where casual wages are higher in general, with Kerala reporting only female workers.
- However, many states, including Gujarat, did not report any MGNREGA work in 2017-18. Keeping MGNREGA wages significantly lower than market wages is a deliberate attempt to finish the programme
- MGNREGA could have been the lifeline to revive the rural economy, which is in distress. However, the political slugfest and flawed policies of the government have led to a situation where MGNREGA, bereft of its original character, is unable to provide a stimulus to the rural economy, despite the strong evidence of it having pushed up rural wages and incomes during the first five years of its implementation.
- It also created rural infrastructure and provided much-needed employment to the country's rural population.

On 27 February 2015, Prime Minister Narendra Modi said in Parliament that he would like MGNREGA to be a monument of failure, though he would not finish the programme for political reasons.

### Land Boundary Agreement (LBA)

- More than four years after the historic Land Boundary Agreement (LBA) between India and Bangladesh, a report released by civil rights organisations on the situation in erstwhile enclaves states that protest and resistance have become an essential part of their survival in India.

### What's the issue now?

- The situation has not improved. There are marked continuities in the problems that existed in the pre-LBA years, although the nature and context of the problems have perceptibly changed.
- On India's part, the spotlight has now shifted from the identity crisis faced by erstwhile enclave dwellers in the pre-LBA situation, to issues of poor governance, as well as conflict of interest between the Centre and the state in the post-LBA years.

### What are the concerns?

- The intractable discord regarding the implementation of the measures as promised to the new citizens, coupled with lack of coordination between the Centre and the state in India, has apparently transformed the enclaves into hotbeds of local politics.



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### About the Land boundary agreement:

- Under the Land Boundary Agreement between, the Bangladeshi enclaves in India and Indian enclaves in Bangladesh were transferred on July 31, 2015.
- The agreement involved handing over 17,000 acres of land to Bangladesh in return for 7,000 acres in 162 enclaves in West Bengal, Assam, Tripura and Meghalaya.

### RISAT-2BR1

- The ISRO (Indian Space Research Organisation) launched its earth observation satellite, RISAT-2BR1 on PSLV-C48 from the First Launch Pad (FLP) of SatishDhawan Space Centre, Sriharikota.
- RISAT-2BR1, a Radar imaging earth observation satellite weighing about 628 kg, will be placed into an orbit of 576 km at an inclination of 37 degrees.
- PSLV-C48, which is the 50th mission of PSLV, will also carry 9 customer satellites of Israel, Italy, Japan and the USA as co-passengers.
- These international customer satellites are being launched under a commercial arrangement with NewSpace India Limited.

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