PRS Capsule February 2020

Key Highlights of PRS

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Polity

Direct Tax Vivad Se Vishwas Bill

The Direct Tax Vivad Se Vishwas Bill, 2020 was introduced in Lok Sabha.

- The Bill provides a mechanism for resolution of pending tax disputes related to income tax and corporation tax.
- The idea behind the scheme is to reduce litigation in the direct tax arena.

Key Features

- **Appellant:** An appellant is the income-tax authority or the person, or both, whose appeal is pending before any appellate forum (the Supreme Court, the High Courts, the Income Tax Appellate Tribunals, or the Commissioner (Appeals) as on January 31, 2020.
- **Resolution mechanism:** The Bill proposes a mechanism under which an appellant can file a declaration to the designated authority to initiate the resolution of pending direct tax disputes.
    - The last date to file the declaration will be notified by the central government.
    - Based on the declaration, the designated authority will determine the amount payable by the appellant against the dispute and grant a certificate, containing particulars of the amount payable, within 15 days.
    - The appellant must pay this amount within 15 days and inform the designated authority.
    - The amount paid will not be refundable.
- **Amount payable for resolution:** The amount payable by the appellant for resolution of disputes is determined based on whether the dispute relates to the payment of tax, or payment of interest, penalty, or fee.
    - An additional amount is required to be paid if such payment is made after March 31, 2020.
- Once the designated authority issues the certificate, appeals pending before the Income Tax Appellate Tribunals and the Commissioner (Appeals) will be deemed to be withdrawn.
    - In case of appeals or petitions pending before the Supreme Court and High Courts, the

appellant is required to withdraw the appeal or petition.

22nd Law Commission

The Union Cabinet approved the constitution of the **22nd Law Commission** of India for a period of 3 years.

- It will consist of:
  - Chairperson,
  - four members,
  - Secretaries of the Legislative Department and the Department of Legal Affairs, as ex-officio members, and
  - up to five part-time members.
- The Commission's responsibilities will include:
  - identifying laws which are no longer relevant,
  - recommending laws which are necessary to implement the Directive Principles of State Policy,
  - giving its views on subjects referred to it by the government, and
  - revising central laws of general importance to simplify them.

First Law Commission in India

- The first Law Commission was established during the British Raj era in 1834 by the Charter Act of 1833 and was chaired by Lord Macaulay.
- The first Law Commission of independent India was established in 1955 for a three-year term. Since then, 21 more Commissions have been established.

Read More: To The Point on Law Commission of India

Select Committee on the Surrogacy (Regulation) Bill

The Select Committee on the Surrogacy (Regulation) Bill**,** 2019 submitted its report.

- Surrogacy is the practice where one woman carries the child for another with the intention of handing over the child after birth.

Key Features

- **Commercial vs. altruistic surrogacy**: The Bill prohibits commercial surrogacy and allows altruistic surrogacy.
  - **Altruistic surrogacy** involves no compensation to the surrogate mother other than the medical and insurance expenses related to the pregnancy.
  - The Committee recommended a surrogacy model based on compensation rather than altruistic surrogacy.
  - The compensation must take care of the losses suffered by the surrogate mother in terms of health and wages.
  - The Committee observed that surrogacy has been considered as an economic opportunity by women from economically weak backgrounds. By banning commercial surrogacy, the Bill ignores the fact that altruistic surrogacy is also exploitative.
- In this regard, the Committee recommended that surrogacy could be classified on the basis of the specific intention with which a woman agrees to be a surrogate mother. The intention could be to either:
  - render a paid service and make money, or
  - do it for altruistic reasons.
- **Surrogate being a 'close relative':** Under the Bill, the surrogate can only be a 'close relative' of the intending couple.

    - The Committee noted that the criteria of being a 'close relative' potentially restricts the availability of surrogate mothers and may affect persons in genuine need.
    - Hence, it recommended deleting the definition of 'close relative' and allowing any willing woman to act as a surrogate mother.
- **Five year waiting period:** Under the Bill, the intending couple can undertake a surrogacy arrangement following the inability to conceive after five years of unprotected coitus or other medical conditions preventing conception.
    - The Committee observed that the requirement of a five-year waiting period is too long particularly in conditions like absent uterus, removal of the uterus due to cancer, and medical conditions where normal pregnancy is ruled out.
- The Committee recommended removing the definition of infertility from the Bill and the five-year waiting period.
- It recommended that any couple who have a medical condition (could be either or both members of the couple) which necessitates gestational surrogacy, should be allowed to undertake surrogacy.
- **Gestational surrogacy** is a practice where a surrogate mother carries a child for the intending couple through implantation of embryo in her womb and the child is not genetically related to the surrogate mother.

Science & Technology

Assisted Reproductive Technology Regulation Bill, 2020

The Union Cabinet approved the introduction of the **Assisted Reproductive Technology Regulation Bill, 2020.**

- The Bill seeks to regulate assisted reproductive technology services in the country.
- **Assisted reproductive technology (ART)** means all techniques that attempt to obtain a pregnancy by handling the sperm (the oocyte) outside the human body and transferring the gamete (the embryo) into the reproductive tract of a woman.
    - This includes in-vitro fertilisation, intrauterine insemination, and gestational surrogacy.
- **A copy of the Bill is not available in the public domain.** However, as per the press release, the Bill sets up a National Board to regulate ART services by:
    - laying down a code of conduct to be observed by persons working at clinics, and
    - setting the minimum standards of physical infrastructure, laboratory and diagnostic equipment, and expert manpower to be employed by clinics and banks.
- Further, the Bill provides for a National Registry and Registration Authority to maintain a central database of all ART Banks and clinics.
- The Bill also proposes a stringent punishment for those practising sex selection, sale of human embryos or gametes, and running organisations for such unlawful practices.

Aircraft (Amendment) Bill, 2020

The Aircraft (Amendment) Bill, 2020 was introduced in Lok Sabha.

- It seeks to amend the Aircraft Act, 1934.
- The Act regulates the manufacture, possession, use, operation, sale, import and export of civil aircrafts, and licensing of aerodromes.

Key Features

- **Authorities:** The Bill converts three existing bodies under the Ministry of Civil Aviation into statutory bodies under the Act. These are:
    - the Directorate General of Civil Aviation (DGCA),
    - the Bureau of Civil Aviation Security (BCAS), and
    - the Aircraft Accidents Investigation Bureau (AAIB).
- Each of these bodies will be headed by a Director-General who will be appointed by the centre.
- **The DGCA** will carry out safety oversight and regulatory functions with respect to matters under the Bill.

- **The BCAS** will carry out regulatory oversight functions related to civil aviation security.
- **The AAIB** will carry out investigations related to aircraft accidents and incidents.
- **Offences and penalties:** Under the Act, the penalty for various offences is imprisonment of up to two years, or a fine of up to Rs 10 lakh, or both. These offences include:
  - Carrying arms, explosives, or other dangerous goods aboard an aircraft,
  - Constructing buildings or structures within the specified radius around an aerodrome reference point, and
  - Contravening rules notified under the Act.
  - The Bill raises the maximum limit of fines for these offences from Rs 10 lakh to 1 crore rupees.
- The Bill allows for the compounding of certain offences under the Act or rules under the Act. These include:
  - flying to cause danger to any person or property and
  - the contravention of any directions issued by the Director-General of any of the three bodies.
  - Offences may be compounded by the Director Generals as prescribed by the centre.
  - Compounding of offences is not allowed in case of repeat offences.

Draft Drugs and Magic Remedies (Objectionable Advertisements) Amendment Bill, 2020

The Ministry of Health and Family Welfare released the draft Drugs and Magic Remedies (Objectionable Advertisements) (Amendment) Bill, 2020.

- **The Bill amends the Drugs and Magic Remedies (Objectionable Advertisements) Act, 1954 which controls the advertisement of certain drugs in India.**

Key Amendments Proposed

- **Prohibition on advertisement of certain drugs:** The Act prohibits advertisements of drugs and remedies that claim to have magical properties, and makes doing so an offence.
  - As per the Act, advertisement is prohibited for drugs for 54 diseases, disorders and conditions.
  - The draft Bill adds 24 more diseases and disorders to this schedule.
  - These include:
    - drugs or treatment for enhancing sexual performance,
    - fairness of skin,
    - premature ageing, and
    - improvement in height of kids and adults.
- **Penalties:** Under the Act, the first conviction is punishable with imprisonment of up to six months, and a fine. A subsequent conviction may result in imprisonment of up to a year, and a fine.
  - The draft Bill proposes to increase the penalties. For the first conviction, the punishment will be imprisonment of up to two years and a fine up to Rs 10 lakh as against a six months imprisonment presently under the act.
  - For any subsequent conviction, the imprisonment may extend to five years with a fine of up to Rs 50 lakh extending from imprisonment of 1 year as of now in the act.

Institute of Teaching and Research in Ayurveda Bill, 2020

The Institute of Teaching and Research in Ayurveda Bill, 2020 was introduced in Lok Sabha.

- The Bill seeks to merge three Ayurveda institutes into one institution by the name of Institute of Teaching and Research in Ayurveda.
  - The Bill declares the Institute to be an **institution of National Importance.**

Institutes of National Importance (INI)

- It is a status that may be conferred on a premier public higher education institution in India by an

act of Parliament of India,
- An institution which "serves as a pivotal player in developing highly skilled personnel within the specified region of the country/state" may be conferred a status of INI.
- Institutes of National Importance receive special recognition and funding from the Government of India.

- **Merger:** The existing institutes which will be merged into the Institute are:
    - Institute of Post Graduate Teaching and Research in Ayurveda, Jamnagar,
    - Shree Gulabkunverba Ayurved Mahavidyalaya, Jamnagar, and,
    - Indian Institute of Ayurvedic Pharmaceutical Sciences, Jamnagar.
- The proposed Institute will be situated in the campus of Gujarat Ayurved University, Jamnagar.
- **Objectives of Institute:**
    - Develop patterns of teaching in medical education in Ayurveda and Pharmacy
    - Bring together educational facilities for training of personnel in all branches of Ayurveda
    - Attain self-sufficiency in postgraduate education to meet the need for specialists and medical teachers in Ayurveda
    - Make an in-depth study and research in the field of Ayurveda
- **Composition of Institute:** The Bill provides that the Institute will consist of 15 members. These include:
    - Minister of AYUSH
    - Secretary and technical head of Ayurveda, Ministry of AYUSH
    - Secretary, department of health, government of Gujarat
    - Director of the Institute
    - Director-General, Central Council for Research in Ayurveda
    - Three experts in Ayurveda with expertise in education, industry and research, and
    - Three Members of Parliament
- The Director of the Institute of Post Graduate Teaching and Research in Ayurveda, Jamnagar will be appointed as the first Director of the Institute.
- Further, the Bill states that there will be a Governing Body of the Institute, which will exercise powers and such functions of the Institute, as specified.
- **Functions of Institute:** The functions of the Institute will include:
    - provide for undergraduate and postgraduate teaching in Ayurveda (including pharmacy),
    - prescribe courses and curricula for both undergraduate and postgraduate studies in Ayurveda,
    - provide facilities for research in the various branches of Ayurveda,
    - hold examinations and grant degrees, diplomas and other distinctions and titles in education in Ayurveda and pharmacy, and
    - maintain well-equipped colleges and hospitals for Ayurveda supporting staff such as nurses.

National Technical Textiles Mission

The Cabinet Committee on Economic Affairs, approved the **National Technical Textiles Mission.**

- Technical textiles are textiles manufactured for technical performance and functional properties rather than aesthetic characteristics.
- They have applications in areas such as railway tracks and bulletproof jackets.
- Based on usage, there are 12 technical textile segments; Agrotech, Meditech, Buildtech, Mobiltech, Clothtech, Oekotech, Geotech, Packtech, Hometech, Protech, Indutech and Sportech.
- The Mission will be implemented over a period of four years, from 2020-21 to 2023-24.

Key Features

- **Research:** The Mission will promote research into the development of:
    - fibres such as carbon fibre and nylon fibre
    - textiles such as geo-textiles and biodegradable textiles
    - This component will have an outlay of Rs 1,000 crore
- **Promotion and market development:** Indian technical textiles consist of approximately 6%

(USD 16 billion) of the USD 250 billion global technical textiles market.
  - The Mission aims to increase the domestic market size to USD 40-50 billion by 2024 through market development and investment promotion.
- **Export:** The current annual value of exports of technical textiles is approximately Rs 14,000 crore.
  - The Mission aims to increase the annual value of exports to Rs 20,000 crore by 2021-22, and ensure a 10% average growth in exports per year up to 2023-24.
  - Further, an **Export Promotion Council** for technical textiles will be set up for effective coordination and promotion activities relating to exports.
- **Education:** The Mission also aims to promote technical education in higher engineering in areas related to technical textiles and its application.

Environment

Revised Guidelines for Central Crop Insurance Schemes

The Union Cabinet approved **revised guidelines for central crop insurance schemes**, namely the **Pradhan Mantri Fasal Bima Yojana (PMFBY)** and the **Restructured Weather Based Crop Insurance Scheme,** with the aim of addressing the existing implementation challenges. **The revised guidelines will be effective from the Kharif season 2020-21.**

- The crop insurance schemes provide insurance coverage to farmers for crop failure due to various risks such as calamities, adverse weather conditions, pest attacks, and other yield and post-harvest losses.

Key Changes Proposed

- **Voluntary enrolment:** Both the schemes have been made voluntary for all farmers.
  - Earlier, they were mandatory for farmers who have taken crop loans (loanee farmers).
- **Flexibility to select insurance cover:** States have been given the flexibility to select additional risk covers, such as mid-season adversity, prevented sowing, post-harvest losses, and localised calamity, under both the schemes.
  - In the case of PMFBY, states can also offer specific single-risk insurance covers with or without opting for the base cover.
  - Earlier, PMFBY did not allow states to add any risk other than the ones specified.
- **Limit on centre’s premium subsidy:** Under the schemes, farmers are required to pay an insurance premium, which is a certain percentage of the sum insured **(2% for Kharif crops, 1.5% for Rabi crops, and 5% for commercial and horticultural crops).** Rest of the premium amount is equally paid by the central and state government in the form of premium subsidy, with no limit applicable.
- Under the revised guidelines, the premium subsidy payable by the central government will not be higher than:
  - 25% of the sum insured for irrigated areas, and
  - 30% of the sum insured for unirrigated areas.
  - For this purpose, districts with more than 50% area under irrigation will be considered as irrigated districts or areas.
- **Increase in the centre’s share for the north-eastern states:** Under the two schemes, premium subsidy is equally shared by the central and state government.
  - For north-eastern states, the central government will provide 90% of the subsidy, with the remaining 10% coming from the state government.
- **Delay by states:** States will not be allowed to implement the schemes in subsequent seasons in case they considerably delay the release of premium subsidy to insurance companies beyond a prescribed time limit.

Draft National Fisheries Policy

The Department of Fisheries released the draft **National Fisheries Policy.**

- The policy aims to integrate the various policies relating to different aspects of fisheries (such as inland fisheries, marine plants and animals, processing, and marketing) for its comprehensive development.

Key Features

- **Objectives:**
    - enhancing fish production and productivity in a responsible and sustainable manner,
    - providing a robust regulatory framework for effective fisheries resource management,
    - modernising and diversifying fishing practices in oceans and seas through use of science and technology,
    - strengthening and modernising the value chain, and
    - generating gainful employment and entrepreneurship opportunities leading to higher income of fishers and fish farmers and improvement of their living standards.
- **Legal framework:** Fisheries governance will be improved to facilitate coordination among states, national agencies, and other stakeholders.
    - Comprehensive management and regulation of fisheries resources in the **Exclusive Economic Zone (EEZ)** will be ensured through a national law.

Note: Exclusive Economic Zone (EEZ) is the area of the sea outside territorial water to which India has the exclusive rights for economic activities, and **extends to 200 nautical miles from the coast of India.**

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    - The central government will empower coastal state governments by delegating the powers to grant marine fishing licences for the EEZ and high seas (the area beyond EEZ).
- **Sustainability:** The central government will encourage and empower traditional and small fisher and fisher groups to undertake resource-specific deep-sea fishing to harness untapped high-value resources sustainably.
    - The expertise of scientific institutions and fishers will be utilized to optimise fishing efforts and implement measures to check resource depletion and ensure sustainability.
    - Comprehensive fisheries management plans will be made to conserve and sustainably manage natural fisheries resources.
- **Inter-sector coordination:** The central and state governments will take up with Nodal departments such as water, irrigation, and rural development to ensure that the Department of Fisheries is fittingly represented in all the committees entrusted with the management and usages of water resources.
    - The fisheries sector requires greater attention of the government in the form of incentives such as the ones given to the agriculture sector.
    - The scope of land use categories at state level needs to be increased to specifically include fisheries and aquaculture as integral components of agriculture.