

PRS Capsule - December 2022

Key Highlights of PRS

- Governance
 - Energy Conservation (Amendment) Bill, 2022
 - Anti-Maritime Piracy Bill, 2019
 - IRDAI (Registration of Indian Insurance Companies) Regulations, 2022
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Governance

Energy Conservation (Amendment) Bill, 2022

- Energy Conservation (Amendment) Bill, 2022 that amends the Energy Conservation Act,
 2001 was passed by Parliament.
 - The Act **promotes energy efficiency and conservation**, and provides for the **regulation of energy consumption** by equipment, appliances, buildings, and industries.

What are the Key Features of the Bill?

- Obligation to Use Non-Fossil Sources of Energy:
 - The Act empowers the central government to specify energy consumption standards. The Bill adds that the government may require the designated consumers to meet a minimum share of energy consumption from non-fossil sources.
 - Different consumption thresholds may be specified for different non-fossil sources and consumer categories.
 - Designated consumers include:
 - **industries** such as mining, steel, cement, textile, chemicals, and petrochemicals,
 - transport sector including Railways, and
 - commercial buildings, as specified in the schedule.
 - **Failure to meet the obligation** for use of energy from non-fossil sources will be punishable with a penalty of up to Rs 10 lakh.
 - It will also attract an additional penalty of up to twice the price of oil equivalent of energy consumed above the prescribed norm.
- Carbon Trading:
 - The Bill empowers the central government to specify a carbon credit trading scheme.
 - Carbon credit implies a tradeable permit to produce a specified amount of

carbon emissions.

- The central government or any authorised agency **may issue carbon credit certificates to entities registered** under and compliant with the scheme.
 - The entities will be entitled to purchase or sell the certificate.
 - Any other person may also purchase a carbon credit certificate on a voluntary basis.
- Energy Conservation Code for Buildings:
 - The Act empowers the central government to specify energy conservation code for buildings that prescribes energy consumption standards in terms of area.
 - The Bill amends this to provide for an 'energy conservation and sustainable building code'.
 - This new code will **provide norms for energy efficiency and conservation, use of renewable energy**, and other requirements for green buildings.

Anti-Maritime Piracy Bill, 2019

- The Anti-Maritime Piracy Bill, 2019 was passed by Parliament.
 - The Bill enables the **prosecution of maritime piracy and serves to ratify the 1982**<u>United Nations Convention on the Law of the Sea (UNCLOS)</u>, to which India is a signatory.

What are the Key Provisions of the Bill?

- Territorial Jurisdiction:
 - The Bill will apply to high seas, which refers to the area outside India's territorial waters.
 - Territorial waters extend to 12 nautical miles from India's coastline.
 - The high seas include India's <u>Exclusive Economic Zone (EEZ)</u>, which is the area in which India has exclusive rights to economic activities, i.e., up to **200 nautical miles from the** coastline.
- Piracy:
 - The Bill defines piracy as any illegal act of violence, detention, or destruction committed for private ends, committed on the high seas.
 - The definition covers acts of piracy committed by any person or the crew or passengers of a private ship.
 - Victims of piracy include any other ship or any person or property on board such ship.
 - It also includes voluntary participation in the operation of a ship that is being used for piracy.
- Offences and Penalties:
 - Committing piracy will be punishable with:
 - imprisonment which may extend to imprisonment for life, or fine, or both, or
 - death or imprisonment for life, if the act or attempt of piracy includes attempted murder, or causes death.

IRDAI (Registration of Indian Insurance Companies) Regulations, 2022.

- Insurance Regulatory and Development Authority of India (IRDAI) notified the IRDAI (Registration of Indian Insurance Companies) Regulations, 2022.
 - The Regulations seek to simplify the process of registration of Indian insurance companies and promote ease of doing business.
 - They repeal the Insurance Regulatory and Development Authority (Registration of Indian Insurance Companies) Regulations, 2000, and the Insurance Regulatory and Development Authority (Transfer of Equity Shares of Insurance Companies) Regulations, 2015.

What are the Key Features of the Regulations?

Permissible Insurance Business:

- The Regulations prescribe **certain classes of insurance business** for which an application of registration must be made. These include:
 - Life insurance
 - General insurance
 - Health insurance
 - Reinsurance
- An applicant shall not be eligible to apply for registration if
 - The registration application has been rejected by IRDAI or withdrawn by the applicant during the last two financial years,
 - The **certificate of registration has been cancelled by IRDAI** during the last two financial years, or
 - The **name of the applicant does not contain the words** insurance, assurance, or reinsurance.

Foreign Investment:

- If an Indian insurance company has foreign investment, a majority of its directors and key management persons and at least one among its chairperson, managing director, or chief executive officer must be resident Indian citizens.
- If the foreign investment exceeds 49%, at least 50% of the net profit shall be retained in a general reserve.
 - This must be done in a financial year when dividend is paid on equity shares or the solvency margin (excess of assets over liabilities) is less than 1.2 times the control level of solvency (prescribed by IRDAI).
 - For insurance companies with more than 49% foreign investment, at least half of the board must have independent directors.
 - In case the chairman is an independent director, then at least onethird of the remaining directors must be independent.

Digital Health Incentive Scheme

- In order to promote the <u>Ayushman Bharat Digital Mission (ABDM)</u>, <u>the National Health</u>
 <u>Authority (NHA)</u> has announced the <u>Digital Health Incentive Scheme</u>.
 - ABDM provides for every citizen to have their health records stored digitally in a consolidated database, to facilitate easier access when receiving medical treatment.

What are the Key Provisions of the Scheme?

- About:
 - Under this scheme, incentives will be provided to eligible health facilities and health solutions based on the number of health records that they create and link to an Ayushman Bharat Health Account (ABHA).
 - An ABHA number uniquely identifies a person's medical records.
- Eligibility:
 - Hospitals and diagnostic labs and facilities are eligible for this scheme.
- Incentives:
 - Under the scheme there will be a monthly threshold for the number of ABHA-linked transactions, above which hospitals or diagnostic facilities would receive a financial incentive.
 - For example, hospitals would receive Rs 20 per transaction above a base level of 50 transactions per bed per month.
 - Diagnostic facilities and labs are subject to a base level of 500 ABHA-linked transactions per month, above which they would receive Rs 15 per additional transaction.
 - The **maximum incentive** that a healthcare facility can receive under this scheme is **four crore rupees.**
- Financial Outlay:
 - The estimated initial financial outlay for this scheme is **50 crore rupees.**

Amrit Bharat Station Scheme

 The Ministry of Railways announced the Amrit Bharat Station Scheme for modernising railway stations.

What are the Key Features of the Scheme?

- About:
 - The scheme will provide for the introduction of new amenities as well as the upgradation and replacement of existing amenities at the selected stations.
 - It will be based on master planning for long term.
 - The elements of the master plan will be implemented on need basis.
- Scope of Work:
 - Improving station approaches by widening roads and removing unwanted structures.
 - **Relocating railway offices** at accessible locations to release space for passenger-related activities and future development.
 - Creating good quality waiting rooms.
 - Improving drainage of platform areas.
 - Building spaces for executive lounges and business meetings.
 - Creation of roof plaza and city centres at the station in the long run.

Standing Committee's Report on India's Soft Power and Cultural Diplomacy

- The <u>Standing Committee</u> on External Affairs submitted its report on <u>India</u>'s Soft Power and Cultural Diplomacy: Prospects and <u>Limitations</u>.
 - <u>Soft power</u> is defined as the ability to influence others through appeal and attraction, using non-coercive means.

What are the Key Observations and Recommendations of the Committee?

- Coordination Committee:
 - The Committee noted that there have been no substantive steps taken to establish an institutionalised coordination mechanism between the Ministry or the Indian Council for Cultural Relations (ICCR) and other line ministries as per the Committee's earlier recommendation.
 - The Committee recommended constituting a Coordination Committee under the monitoring of the Ministry to ensure better coordination between ministries/departments responsible for India's soft power and cultural diplomacy.
- Restructuring of ICCR:
 - The Committee observed the need for a complete remodelling of the structure, mandate and functioning of the ICCR to better project Indian culture and recommended that the Ministry of External Affairs should finalise the restructuring of the ICCR.
 - ICCR is an autonomous body under the Ministry of External Affairs that has a mandate to engage in policy and programme formulation and implementation pertaining to India's external cultural relations.
 - Restructuring of the ICCR was delayed due to the COVID-19 pandemic.
 - It also recommended that a blueprint of the restructuring may be submitted to the Committee within three months.
 - The Committee observed that the ICCR would require Rs 500 crore to accommodate current demand from embassies and cultural centres, thereby, recommended that the central government should increase ICCR's budgetary allocation by 20%.
 - It will help promote India's soft power and cultural diplomacy in a robust manner.

Draft Bill to Protect Geoheritage Sites and Geo-Relics, 2022

Ministry of Mines has released the draft <u>Geoheritage Sites</u> and <u>Geo-relics</u> (<u>Preservation and Maintenance</u>) Bill, 2022.

What are the Key Provisions of the Bill?

- Declaration of Geoheritage Sites:
 - The central government may declare a site as a geoheritage site of national importance.
 - Geoheritage sites must contain features of geological significance, such as geo-relics or natural rock sculptures.
 - Geo-relics are movable relics such as fossils or meteorites.
- Protection of Geoheritage Sites:
 - The draft Bill empowers the central government to **acquire**, **preserve**, **and maintain geoheritage sites**.
 - The Director General of the <u>Geological Survey of India</u> will be given powers for this purpose, such as surveying and excavation.
 - Construction on these sites will be prohibited.
 - However, it may be authorised by the Director General to preserve the site or to repair a structure that predates the declaration of the site.
- Protection of Geo-Relics:
 - The central government may declare that a geo-relic cannot be moved from its site, by notification, unless permitted by the Director General.
 - The Director General may direct the acquisition of a geo-relic to protect it.
- Offences and Penalties:
 - Offences under the Bill include:
 - · Destruction or misuse of a geoheritage site,
 - Illegal construction, and
 - Damaging/illegally moving a geo-relic.
 - These offences are punishable with a fine of up to 5 lakh rupees or imprisonment of up to 6 months, or both.

Social Issues

Free Distribution of Foodgrains under NFSA, 2013

- The Union Cabinet approved the <u>free distribution of foodgrains</u> **for one year under the** <u>National</u> Food Security Act (NFSA), 2013.
 - The free provision of foodgrains will be applicable till December 31, 2023.

What is NFSA, 2013?

- Objective:
 - To provide for <u>food and nutritional security</u> in the human life cycle approach, by ensuring access to adequate quantities of quality food at affordable prices to people to live a life with dignity.
- Coverage:
 - 75% of the rural population and upto 50% of the urban population for receiving subsidised foodgrains under the <u>Targeted Public Distribution System (TPDS)</u>.
 - Overall, NFSA covers about 81.35 crore citizens.
- Eliaibility:
 - Priority Households are to be covered under TPDS, according to guidelines by the State government.
 - Households are covered under the Antyodaya Anna Yojana (AAY).
- Provisions:
 - 5 Kgs of foodgrains per person per month at Rs. 3/2/1 per Kg for rice/wheat/coarse grains.
 - The existing AAY household will continue to **receive 35 Kgs of foodgrains per household per month.**
 - Meal and maternity benefits of not less than Rs. 6,000 to pregnant women and lactating mothers during pregnancy and six months after child birth.
 - **Meals for children** upto 14 years of age.
 - Food security allowance to beneficiaries in case of non-supply of entitled foodgrains or

meals.

• Setting up grievance redressal mechanisms at the district and state level.

Pradhan Mantri Matru Vandana Yojana Rules, 2022

- The Ministry of Women and Child Development notified the <u>Pradhan Mantri Matru Vandana Yojana (PMMY)</u> Rules, 2022, under the National Food Security Act, 2013 (NFSA) replacing the Indira Gandhi Matritva Sahyog Rules, 2016.
 - The 2022 Rules provide a framework for extending maternity benefits to eligible beneficiaries.

What are the Key Features of the Rules?

- Eligibility of Maternity Benefit:
 - Under the 2016 Rules, every pregnant woman and lactating mother of age 19 years and/or above was entitled to maternity benefit. As per the 2022 Rules, the criteria to identify eligible beneficiaries include women who:
 - · belong to scheduled castes or scheduled tribes,
 - are partially disabled (40%) or fully disabled,
 - are holders of <u>Below Poverty Line (BPL)</u> ration card/<u>E-Shram</u> card/ <u>Mahatma</u>
 <u>Gandhi National Rural Employment Guarantee Act (MGNREGA)</u> job cards,
 - are beneficiaries under **Pradhan Mantri Jan Aarogya Yojana (PM-JAY)**, or
 - have a net family income of less than eight lakh rupees per annum.
 - Maternity benefits will be given to all eligible pregnant women and lactating mothers after registration.
 - Pregnant women and lactating mothers employed by the central or state government or public sector undertaking will not be entitled to these benefits.
- Registration of Beneficiaries:
 - Under the 2022 Rules, beneficiaries must register themselves at:
 - an <u>anganwadi</u> centre set up under the <u>Integrated Child Developed Services</u>
 (ICDS).
 - an approved **health facility of Health and Family Welfare Department** of their respective state government or union territory, or
 - online on their own.
- Conditions to Receive Maternity Benefit:
 - Under the 2022 Rules, beneficiaries will receive Rs 5,000 on the birth of the first child and Rs 6,000 on the birth of the second child if the child is a girl.
 - The maternity benefit for the first living child shall be provided in two instalments if the beneficiary:
 - registers the pregnancy, and
 - goes for at least one antenatal check-up within six months from her last menstruation cycle.
 - The **second instalment will be payable on registering the childbirth** and with the child receiving all due vaccines till the age of 14 weeks.
 - Incentives on the **birth of the second child will be paid in a single instalment** on registering the birth and the child receiving all due vaccines till the age of 14 weeks.

Guidelines on Accessible Sports Complex and Residential Facilities for Sports Persons with Disabilities.

The Department of Sports, Ministry of Youth Affairs and Sports, notified Guidelines on
 Accessible Sports Complex and Residential Facilities for Sports Persons with Disabilities.

What are the Key Provisions of the Guidelines?

■ The guidelines give effect to the <u>Rights of Persons with Disabilities Act, 2016</u>, which mandates the Central Government to formulate rules for standards of

accessibility for public facilities.

- The guidelines cover structural elements of sports facilities that must be made accessible.
 - These include entrances that are easy to locate, uniform and clearly identified staircases, and the inclusion of lifts in multi-storied buildings, which must be capable of accommodating wheelchair users.
 - The guidelines also provide standards for features such as signage for people with visual impairments, and specially adapted sports equipment such as lightweight wheelchairs designed for sports use.

