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## PRS Capsule December 2018

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### ***Key Highlights of PRS***

- Macroeconomic Development
  - CAD at 2.9% of GDP
  - Repo and Reverse repo rate remain unchanged
- Industry
  - Revised policy on foreign direct investment
- Power
  - Report on stressed thermal power projects
  - Phase II of Atal Jyoti Yojana (AJAY) launched
- Health
  - The Allied and Healthcare Professions Bill, 2018 introduced in Rajya Sabha
  - Surrogacy (Regulation) Bill, 2018 passed by Lok Sabha
  - National Trust for Welfare of Persons with Autism, Cerebral Palsy, Mental Retardation and Multiple Disabilities (Amendment) Bill, 2018, passed by parliament
  - Cabinet approves the National Commission for Homoeopathy Bill, 2018
  - Cabinet approves setting up of two new AIIMS
- Social Justice and Empowerment
  - The Transgender Persons (Protection of Rights) Bill, 2018 passed by Lok Sabha
- Consumer Affairs
  - The Consumer Protection Bill, 2018 passed by Lok Sabha
- Law and Justice
  - The Muslim Women (Protection of Rights on Marriage) Bill, 2018 passed by Lok Sabha
  - The High Court of Andhra Pradesh
- Education
  - The Central Universities (Amendment) Bill, 2018 introduced in Lok Sabha
  - The National Institute of Design (Amendment) Bill, 2018 introduced in Lok Sabha
- Water Resources

The Dam Safety Bill, 2018 introduced in Lok Sabha

- Culture

The Jallianwala Bagh National Memorial (Amendment) Bill, 2018 introduced in Lok Sabha

- Agriculture

Cabinet approved the Agriculture Export Policy, 2018

- Women and Child Development

Cabinet approved amendments to (POCSO) Act, 2012

- Labour and Employment

- Report on the Code on Wages, 2017
- Atal Bimit Vyakti Kalyan Yojna notified by ESIC

- Environment

CRZN, 2018 approved by Cabinet

- Space

Cabinet approved Gaganyaan

- External Affairs

- The President of Maldives visits India
- The President of India visits Myanmar

## Macroeconomic Development

Current Account Deficit at 2.9% of GDP during the second quarter of 2018-19

- India's Current Account Deficit (CAD) in the **second quarter (July – September)** of 2018-19 increased to **USD 19.1 billion** (2.9% of Gross Domestic Product) from USD 6.9 billion (1.1% of GDP) in the second quarter of 2017-18.
- CAD in the previous quarter, i.e. first quarter (April – June) of 2018-19 was USD 15.9 billion (2.4% of GDP).
- **The increase in CAD was primarily due to a higher trade deficit** (the difference between a country's exports and imports) of USD 50 billion in the second quarter of 2018-19, as compared to USD 32.5 billion in the previous year.

Repo and reverse repo rate remain unchanged at 6.5% and 6.25% respectively

- The Monetary Policy Committee (MPC) released its **Fifth Bi-Monthly** Monetary Policy Statement of 2018-19.
- The marginal standing facility rate (the rate at which banks can borrow additional money) remained unchanged at 6.75%.
- The bank rate (the rate at which the RBI buys or rediscounts bills of exchange) remained unchanged at 6.75%.

## Industry

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Revised policy on **foreign direct investment** in **e-commerce** announced

The Department of Industrial Policy and Promotion (DIPP)/Department for Promotion of Industry and Internal Trade, **Ministry of Commerce and Industry**, announced revised guidelines for foreign direct investment (FDI) in e-commerce.

Under the revised guidelines, a vendor or seller with equity participation by a marketplace model e-commerce platform is not permitted to sell its products on the concerned platform.

## Power

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High Level Empowered Committee submits report to address issues of **stressed thermal power projects**.

**Key observations and recommendations** of the Committee include:

- **Coal allocation:** While several coal based power plants have Fuel Supply Agreements between coal company and power plant, also known as **coal linkage**, they **do not have medium term/long term power purchase agreements** (or **PPAs**, agreement between power plant and discom).
  - **In the absence of long/medium term PPAs**, these plants are **not able to operate** because such linkage coal cannot be used against short term PPAs.
  - The Committee **recommended** that such **linkage coal** may be allowed to be **used** against **short term PPAs**.
- **Delayed payments by discoms:** The one of the major reasons for stress is the delay in payments by the discoms to the power plants. This adversely affects the latter's liquidity and ability to service their debt and operate the plant. Currently, power plants are unable to cancel PPAs with such discoms, or sell power on the exchange or through short term PPAs.

The committee recommended that a power plant **should be able to terminate a PPA** in case of **default** in payment from the discoms.

Phase II of Atal Jyoti Yojana (AJAY) launched

- Phase I of AJAY scheme was launched in September 2016 by the **Ministry of New and Renewable Energy** for the installation of solar street lighting (SSL) systems in states with less than 50% households covered with grid power (as per Census 2011).
- **Phase II** of the scheme was launched for the financial **years 2018-19 and 2019-20**.
- The AJAY scheme provides solar street lighting (SSL) systems for public use. These public uses include:
  - Lighting roads and intersections in remote, rural and semi-urban areas that do

not have adequate lighting and lighting at bus stops, public conveniences and market places.

- The **75% of the cost** of the SSL system will be provided by the **Ministry of New and Renewable Energy**, and the remaining **25%** will be provided from the **MPLADS fund**.

## Health

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The Allied and Healthcare Professions Bill, 2018 introduced in Rajya Sabha

- The Bill seeks to regulate and standardise the education and practice of allied and healthcare professionals.
  - **Allied health professional:** The Bill defines 'allied health professional' as an associate, technician, or technologist trained to support the diagnosis and treatment of any illness, disease, or impairment.
  - **Healthcare professional:** A 'healthcare professional' includes a scientist, therapist, or any other professional who studies, advises, researches, or provides preventive, curative, rehabilitative, therapeutic, or promotional health services.
- **Allied and Healthcare Council of India:** The Bill sets up the Allied and Healthcare Council of India.

Functions of the Council include:

- framing policies for regulating the education and practice of allied and healthcare professionals,
- providing minimum standards of education, courses, maximum tuition fee,
- and providing for a uniform entrance and exit examination for the allied and healthcare professionals.

Surrogacy (Regulation) Bill, 2018 passed by Lok Sabha

- The Bill defines surrogacy as a practice where a woman gives birth to a child for an intending couple with the intention to hand over the child to them after the birth.
- Key features of the Bill include:
  - **Regulation of surrogacy:** The Bill **prohibits commercial surrogacy**, and allows altruistic surrogacy. **Altruistic surrogacy** involves no monetary compensation to the surrogate mother other than the medical expenses and insurance coverage.
  - **Eligibility criteria for intending couple:** The intending couple should have a 'certificate of essentiality' and a 'certificate of eligibility' issued by the appropriate authority.
  - **Eligibility criteria for surrogate mother:** To obtain a certificate of eligibility from the appropriate authority, the surrogate mother has to be:
    - a close relative of the intending couple,

- a married or previously married woman, having a child of her own.

National Trust for Welfare of Persons with Autism, Cerebral Palsy, Mental Retardation and Multiple Disabilities (Amendment) Bill, 2018, passed by parliament

- It **amends** the National Trust for Welfare of Persons with Autism, Cerebral Palsy, Mental Retardation and Multiple Disabilities **Act, 1999**.
- Key features of the Bill include:
  - **Tenure of the Board:** Under the Act of 1999, the Chairperson and members of the Board of the National Trust can hold office for **a term of three years** from the date of their appointment or **until their successors are appointed**, whichever is longer. The Bill amends **this provision to fix the tenure** of the Chairperson and members of the Board at three years.
  - **Resignation of Chairperson:** The Act states that if the Chairperson or members of the Board resign, **they will continue in office until** the appointment of their **successor is made** by the central government. The Bill amends this provision to allow the Chairperson or members of the Board to hold office till their resignation is accepted by the central government.

Cabinet approves the National Commission for Homoeopathy Bill, 2018

- The draft Bill seeks to **set up** the **National Commission for Homoeopathy**, and **replace** the **Central Council of Homoeopathy**.  
The Central Council currently regulates homoeopathic education and practice.
- The draft Bill sets up **three autonomous boards** under the supervision of the National Commission of Homoeopathy:
  - the **Homoeopathy Education Board** to conduct the overall education of homoeopathy,
  - the **Board of Assessment and Rating** to assess and grant permission to educational institutions of homoeopathy,
  - and the **Board of Ethics and Registration** to regulate professional and ethical conduct; and maintain a national register.
- There will be a **common entrance test** for admission in homoeopathy institutions regulated by the Bill.

Cabinet approves setting up of two new AIIMS in Tamil Nadu and Telangana

- The Union Cabinet approved the establishment of two new All India Institute of Medical Sciences (AIIMS) in **Madurai**, Tamil Nadu, and **Bibinagar**, Telangana.
- These will be set up **under** the **Pradhan Mantri Swasthya Suraksha Yojana** (PMSSY).

## Social Justice and Empowerment

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## The Transgender Persons (Protection of Rights) Bill, 2018 passed by Lok Sabha

The key features of the Bill:

- **Definition of a transgender person:** The Bill defines a transgender person as one whose gender does not match the gender assigned at birth.
- **Certificate of identity for a transgender person:** A transgender person may make an **application to the District Magistrate** for a certificate of identity, indicating the gender as 'transgender'.
- **Prohibition against discrimination:** The Bill prohibits discrimination against a transgender person, including denial of a service or unfair treatment in relation to: (i) **education**; (ii) **employment**; (iii) **healthcare**; (iv) **access to goods, facilities, or opportunities available to the public.**
- **Health care:** The relevant central or state government shall take steps to provide health facilities to transgender persons including **separate HIV surveillance centres, and sex reassignment surgeries.**

## Consumer Affairs

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The Consumer Protection Bill, 2018 passed by Lok Sabha.

- The Bill replaces the Consumer Protection Act, 1986.
- Key features of the Bill include the following:
  - **Central Consumer Protection Authority (CCPA):** The central government will set up a CCPA to promote, protect and enforce the rights of consumers.
  - **Penalties for misleading advertisement:** The CCPA may impose a penalty on a manufacturer or an endorser of **up to Rs 10 lakh** for a false or misleading advertisement.
  - **Consumer Disputes Redressal Commission (CDRCs):** The CDRCs will be set up at the district, state, and national levels.

## Law and Justice

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The Muslim Women (Protection of Rights on Marriage) Bill, 2018 passed by Lok Sabha

- The Bill makes **all declaration of talaq**, including in written or electronic form, to be **void** (i.e. not enforceable in law) and **illegal**.
- **Offence and penalty:** The Bill makes declaration of talaq a **cognizable offence**, attracting up to **three years imprisonment with a fine**.
- **Subsistence allowance and custody:** A Muslim woman against whom talaq is declared is entitled to seek **subsistence allowance** from her husband for herself and for **her dependent children**.

The High Court of Andhra Pradesh constituted at Amravati

- **The President of India** notified the constitution of a separate High Court for the state of Andhra Pradesh, namely, the **High Court of Andhra Pradesh**.
- It will have its principal seat at **Amaravati** in Andhra Pradesh.
- Consequently, the High Court of Hyderabad shall become the High Court for the state of Telangana.

## Education

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The Central Universities (Amendment) Bill, 2018 introduced in Lok Sabha

- The Bill seeks to amend the Central Universities Act, 2009, which establishes universities for teaching and research in various states.
- The Bill provides for the **establishment of two central universities** in Andhra Pradesh:
  - the **Central University of Andhra Pradesh**,
  - and the **Central Tribal University of Andhra Pradesh**.
- It is **obligatory** under the **Andhra Pradesh Reorganisation Act, 2014**.

The National Institute of Design (Amendment) Bill, 2018 introduced in Lok Sabha

- The Bill seeks to amend the **National Institute of Design Act, 2014**, which declares the **National Institute of Design, Ahmedabad** as an institution of **national importance**.
- The Bill seeks to declare four National Institutes of Design in **Amaravati, Bhopal, Jorhat**, and **Kurukshetra as institutions of national importance**.
  - Currently, these institutes are registered as Societies under **the Societies Registration Act, 1860** and do not have the power to grant degrees or diplomas.
  - On being declared institutions of national importance, the four institutes will be granted the power to grant degrees and diplomas.

## Water Resources

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The Dam Safety Bill, 2018 introduced in Lok Sabha

- The Bill provides for the surveillance, inspection, operation, and maintenance of specified dams across the country.
- The Bill also provides for the institutional mechanism to ensure the safety of such dams.

## Culture

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The Jallianwala Bagh National Memorial (Amendment) Bill, 2018 introduced in Lok Sabha

- The Jallianwala Bagh National Memorial Act, 1951 provides for the erection of a National Memorial in memory of those killed or wounded on April 13, 1919, in Jallianwala Bagh, Amritsar.
- The Act creates a **Trust** to manage the National Memorial.
- The 2018 amendment bill **removes the President of the Indian National Congress** as a **Trustee of Trust**.

## Agriculture

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Cabinet approves the Agriculture Export Policy, 2018

- The policy aims to double agricultural exports from the present USD 30 billion to USD 60 billion by 2022.
- It aims to diversify the export basket and export destinations, and increase high value and value-added exports, with focus on perishables.
- The policy proposes **strategic and operational recommendations**, which include:
  - the greater involvement of state governments in agricultural exports,
  - infrastructure and logistics support,
  - focus on export clusters,
  - private investments in production and processing,
  - and strong quality measures.

## Women and Child Development

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Cabinet approves amendments to the Protection of Children from Sexual Offences (POCSO) Act, 2012

- The amendments include cases when **a police officer**, a member of the **armed forces** or **a public servant** commits **penetrative sexual assault on a child**. The penalty is imprisonment between **ten years and life and a fine**.
- The amendments propose to **impose stringent punishment**, including **death penalty**, for committing **aggravated** penetrative sexual assault on a child.

## Labour and Employment

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Standing Committee on Labour submits report on the **Code on Wages, 2017**.

- The Code seeks to regulate wage and bonus payments in all employments where any trade, business, or manufacturing is carried on.
- It replaces four existing laws related to wages:
  - the Payment of Wages Act, 1936,
  - the Minimum Wages Act, 1948,
  - the Payment of Bonus Act, 1965,

- and the Equal Remuneration Act, 1976.
- The Committee stated that **state governments must be consulted** before that **national minimum wage** is set by the central government.
- The Committee recommended that the Code should specify that the central or state governments should **revise minimum wages, at an interval not exceeding five years.**

### **Atal Bimit Vyakti Kalyan Yojna** notified by Employees' State Insurance Corporation (ESIC)

- The ESIC has notified a scheme called the 'Atal Bimit Vyakti Kalyan Yojna', **on a pilot basis** for a period of **two years**.
- It will cover persons insured under the Employees' State Insurance Act, 1948.  
The Act applies to establishments having more than 10 workers with monthly wage ceiling of Rs 21,000.
- The Scheme will provide **one-time cash compensation** to unemployed person **up to 90 days**, which may be claimed after three months.
- The relief shall not exceed 25% of the average earning per day.

## Environment

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### The Coastal Regulation Zone Notification (CRZN), 2018 approved by Cabinet

- It amends the CRZ Notification, 2011, in relation to management and conservation of marine and coastal ecosystems and ecotourism, among others.
- Key features of the 2018 Notification include:
  - **Bifurcation of CRZ-III areas:** CRZ-III areas (areas that are relatively undisturbed such as rural areas, and where the ratio of built up plot to total plot is less than 50%) have been divided into two categories:
    - **CRZ-III A** - rural areas with a population density of 2,161 people per square kilometre or more as per the 2011 Census. Such areas shall have a **No Development Zone (NDZ) of 50 meter** from the High Tide Line (line on land up to which the highest water line reaches during the spring tide);
    - **CRZ-III B** - rural areas with a population density lesser than 2,161 people per square kilometre. Such areas shall continue to have **a NDZ of 200 meter from the High Tide Line.**
  - **CRZ clearances streamlined:** The procedure for CRZ clearances has been streamlined.
    - Only those projects located in CRZ-I (environmentally most critical) and CRZ-IV (area covered between Low Tide Line and 12 Nautical Miles seaward) will **require clearance from the Ministry of Environment.**
    - The powers for clearances with respect to CRZ-II and III have been **delegated to the state level.**

- **Tourism infrastructure for basic amenities:** Temporary tourism facilities such as shacks, **toilet** blocks, and **drinking water** facilities have now been permitted in beaches.
  - Such temporary tourism facilities are also **now permissible** in the "No Development Zone" (NDZ) of the CRZ-III areas as per the Notification.
  - However, **a minimum distance of 10 m from HTL** should be maintained while setting up of such facilities.

## Space

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Cabinet approves human spaceflight programme **Gaganyaan**.

- Under the programme, **two unmanned missions** will be launched before sending humans to space.
- The programme will be undertaken by the Indian Space Research Organisation (**ISRO**).
- **The manned spaceflight**, with **a three-member crew**, will be launched using the Geosynchronous Satellite Launch Vehicle **Mk-III**.

## External Affairs

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The President of Maldives visits India

- The President of Maldives visited India.
- The agreements signed between India and Maldives in various fields include:
  - Cultural cooperation,
  - Improving the ecosystem for agribusiness,
  - Communications and Information Technology.

The President of India visits Myanmar

During the visit, India and Myanmar signed two agreements for cooperation in the fields of:

- Training of judicial officers,
- Science & Technology.