CONSTITUTION AND POLITY

President's (not Governor's) Rule in J&K

Based on the prevailing situation in the state as stated in the report of Governor of J&K, the Union Cabinet has approved the extension of President's Rule in J&K for a further period of six months under article 356(4) of the Constitution of India.

Why not Governor's Rule?

- Under Section 92 of the Constitution of Jammu and Kashmir, there is no provision for further continuation of Gov. Rule after six months.
- Hence, on the recommendation of Governor, the President issues a proclamation promulgating President's Rule in J&K under article 356 of the Constitution of India.

What is Governor's rule in J&K?

- In all states of India, the state government's failure results in President's rule.
- The process is slightly more nuanced in Jammu and Kashmir where not the President's but Governor's rule is imposed.
- The Constitution of India grants special status to J&K among Indian states, and it is the only state in India to have a separate Constitution and regulations specific to it.
- Under the provision of Section 92 of the J&K Constitution, Governor's rule is imposed for six months, but only after the consent of the President of India.
- The President's rule in other states of India is imposed under Article 356 of the Constitution of India.
- Under the Governor's rule, the State Assembly is either kept in suspended animation or dissolved.

History of Governor's Rule

- The Governor's rule was imposed on the state for the first time in March 1977, when the Congress withdrew support to a government led by the late Sheikh Abdullah.
- Among notable differences with other states, till 1965, the head of state in J&K was called Sadr-e-Riyasat, whereas in other state, the title was Governor, and head of government was called Prime Minister in place of Chief Minister in other states.

Leader of Rajya Sabha

Thawarchand Gehlot, Union Minister of Social Justice and Empowerment was recently appointed as Leader of Rajya Sabha. The Leader of the Rajya Sabha is appointed by the party in power at Centre.

Leader of House:

- The term Leader of the House has been defined in Rules of Procedure of the Lok Sabha and the Rajya Sabha.
- Leader of the House, according to Rule 2 of the Rules of Procedure and Conduct of Business in the Lok Sabha means the prime Minister, if he is a Member of the House or a Minister who is a Member of the House and is nominated by the Prime Minister to function as the Leader of the House.
- The Prime Minister is invariably the Leader of the Lok Sabha.

Roles and functions:

- The Leader of the House is an important parliamentary functionary and exercises direct influence on the course of parliamentary business.
- The whole policy of the Government especially in so far as it is expressed in the inner life of the House and in measures dealing with the course of its business, is concentrated in his person.
- The arrangement of Government business is the ultimate-responsibility of the Leader of the House, though the details are settled, subject to his approval, by the Chief Whip.
- The Leader of the House makes proposals for the dates of summoning and prorogation of the House for the approval of the Chair.
- He has to draw up the programme of official business to be transacted in the Session of Parliament, namely, Bills, motions, discussions on general or specific subjects like five-year plans, foreign policy, economic or industrial policy and other important State activities.

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- He fixes inter se priorities for various items of business to ensure their smooth passage.
- After settling tentative programme for the whole session, he maps out weekly and daily programme depending upon the state of progress of work and announces the programme to the members in advances every week.
- The Business Advisory Committee determines the allocation of time for Government Bills and otter business on the basis of suggestions made by or received from him from time to time.
- The Leader of the Lok Sabha. viz., Prime Minister, never sits in the Business advisory Committee; he or she is represented by the Minister for Parliamentary Affairs in the Business Advisory Committee. The Leader of the House in the Rajya Sabha is generally a member of the Business Advisory Committee (BAC). In the event, he is not a member of the BAC, he is invited to attend its meetings.

New Delhi International Arbitration Centre Bill, 2019

The Union Cabinet has approved the Bill New Delhi International Arbitration Centre (NDIAC) Bill, 2019 for introduction in the ensuing session of Parliament.

Benefits:

- The benefits of institutionalized arbitration will accrue to Government and its agency and to the parties to a dispute.
- This shall be to the advantage of the public and the public institutions in terms of quality of expertise and costs incurred and will facilitate India becoming a hub for Institutional Arbitration.

Salient Features:

- In order to facilitate the setting up of NDIAC, the Ordinance envisages the transfer and vesting of the undertakings of the International Centre For Alternative Dispute Resolution (ICADR) in the Central Government. The Central Government will subsequently vest the undertakings in NDIAC.

Composition:

- New Delhi International Arbitration Centre (NDIAC) will be headed by a chairperson who has been a Judge of the Supreme Court or a Judge of a High Court or an eminent person, having special knowledge and experience in the conduct or administration of arbitration law or management, to be appointed by the Central Government in consultation with the Chief Justice of India.
- There will be two Full time or Part time Members from amongst eminent persons having substantial knowledge and experience in institutional arbitration, both domestic and international.
- Also, one representative of a recognised body of commerce and industry shall be chosen on rotational basis as Part time Member.
- Secretary, Department of Legal Affairs, Financial Adviser nominated by the Department of Expenditure and Chief Executive Officer, NDIAC shall be ex-officio Members.

What is Arbitration?

- Arbitration is a settlement of dispute between two parties to a contract by a neutral third party i.e. the arbitrator without resorting to court action. The process can be tailored to suit parties' particular needs.
- Arbitrators can be chosen for their expertise. It is confidential and can be speedier and cheaper than court. There are limited grounds of appeal. Arbitral awards are binding and enforceable through courts.

Significance of ADR:

- It is felt that a reliable and responsive alternative dispute resolution system is essential for rapidly developing countries like India. While business disputes need speedy resolution, litigation is the least favoured method for that. The Indian judicial system is marred by delays because of which businesses suffer as disputes are not resolved in a reasonable time period. Therefore, need for alternative dispute resolution processes like negotiation, mediation conciliation and arbitration is felt from time to time.

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GOVERNANCE- WELFARE SCHEMES, E-GOVERNANCE, SERVICES ETC.

Aadhaar and Other Laws (Amendment) Bill, 2019

In a major move aimed at making Aadhaar making people friendly, the Union Cabinet has approved "The Aadhaar and Other Laws (Amendment) Bill, 2019" to replace the earlier ordinance. The Ordinance amongst other things envisaged strengthening of the Aadhaar Act as per the directions of the Supreme Court and recommendations of Justice B.N.Srikrishna Committee.

Details of the Amendment Bill: The salient features of the amendments are as follows—

- Provides for voluntary use of Aadhaar number in physical or electronic form by authentication or offline verification with the consent of Aadhaar number holder;
- Provides for use of twelve-digit Aadhaar number or its alternative virtual identity.
- Gives an option to children who are Aadhaar number holders to cancel their Aadhaar number on attaining the age of eighteen years;
- Permits the entities to perform authentication only when they are compliant with the standards of privacy and security specified by the Authority
- Allows the use of Aadhaar number for authentication on voluntary basis as acceptable KYC document under the Telegraph Act, 1885 and the Prevention of Money-laundering Act, 2002;
- Proposes deletion of section 57 of the Aadhaar Act relating to use of Aadhaar by private entities;
- Prevents denial of services for refusing to, or being unable to, undergo authentication;
- Provides for establishment of Unique Identification Authority of India Fund;
- Provides for civil penalties, its adjudication, and appeal thereof in regard to violations of Aadhaar Act.

Impact:

- The decision would enable UIDAI to have a more robust mechanism to serve the public interest and restrain the misuse of Aadhar.
- No individual shall be compelled to provide proof of possession of Aadhaar number or undergo authentication for the purpose of establishing his identity unless it is so provided by a law made by Parliament.

INDIAN ECONOMY

Multilateral Convention to Implement Tax Treaty Related Measures

The Union Cabinet has approved the ratification of the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting (MLI).

Background: India has already ratified the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting.

What you need to know about the convention?

- The Convention is an outcome of the OECD / G20 BEPS Project to tackle base erosion and profit shifting through tax planning strategies that exploit gaps and mismatches in tax rules to artificially shift profits to low or no-tax locations where there is little or no economic activity, resulting in little or no overall corporate tax being paid.
- The Convention implements two minimum standards relating to prevention of treaty abuse and dispute resolution through Mutual Agreement Procedure.
- The Convention will not function in the same way as an Amending Protocol to a single existing treaty, which would directly amend the text of the Covered Tax Agreements. Instead, it will be applied alongside existing tax treaties, modifying their application in order to implement the BEPS measures.
- The Convention ensures consistency and certainty in the implementation of the BEPS Project in a multilateral context. The Convention also provides flexibility to exclude a specific tax treaty and to opt out of provisions or parts of provisions through making of reservations.
- A list of Covered Tax Agreements as well as a list of reservations and options chosen by a country are required to be made at the time of signature or when depositing the instrument of ratification.

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Benefits for India:

- The Multilateral Convention will enable the application of BEPS outcomes through modification of existing tax treaties of India in a swift manner.
- It is also in India's interest to ensure that all its treaty partners adopt the BEPS anti-abuse outcomes.
- The Convention will enable curbing of revenue loss through treaty abuse and base erosion and profit shifting strategies by ensuring that profits are taxed where substantive economic activities generating the profits are carried out and where value is created.

SCIENCE AND TECHNOLOGY- EVERYDAY SCIENCE, SPACE, NUCLEAR, DEFENCE ETC

Hypersonic Technology Demonstrator Vehicle (HSTDV)

The DRDO has conducted the maiden test of an indigenously developed Hypersonic Technology Demonstrator Vehicle (HSTDV) along with several technologies.

HSDTV

- The HSTDV is an unmanned scramjet demonstration aircraft for hypersonic speed flight.
- India is pushing ahead with the development of ground and flight test hardware as part of an ambitious plan for a hypersonic cruise missile.
- The HSTDV is intended to attain autonomous scramjet flight for 20 seconds, using a solid rocket launch booster.
- The research will also inform India's interest in reusable launch vehicles. The eventual target is to reach Mach 6.5 at an altitude of 32.5 km.
- Under this project, DRDO is developing a hypersonic vehicle that will be powered by a scram-jet engine.

Uses

- This is dual-use technology, which when developed, will have multiple civilian applications.
- It can be used for launching satellites at low cost.
- It will also be available for long-range cruise missiles of the future.

MISCESLLANEOUS

World Day against Child Labour 2019:

- The World Day against Child Labour is observed across the world on June 12, 2019.
- Theme: 'Children should not work in fields but on dreams'.
- The World Day against Child Labour was established by the International Labour Organization (ILO) in 2002 to focus attention on the global extent of child labour and the action and efforts needed to eliminate it. The day brings together governments, employers and workers organizations, civil society as well as millions of people to highlight the plight of child labourers and measures to help them.
- UN Sustainable Development Goal Target 8.7 set by the international community calls for an end to child labour in all its forms by 2025.
- World Day against Child Labour 2019 calls for full ratification and implementation of Convention No. 182 and of the ILO's Minimum Age Convention, 1973 (No. 138) . The day also aims to encourage ratification of the Protocol of 2014 to the Forced Labour Convention, which protects both adults and children.
- This year marks 20 years since the adoption of the ILO's Worst Forms of Child Labour Convention, 1999 (No. 182).

QUOTE OF THE DAY

It is our choices that show us what we really are far more than our abilities.

Prof. Albus Dumbledore

DAILY ANSWER WRITING PRACTICE

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Qns: Discuss the role and Function of the Leaders of the Houses in the Indian Parliament.

The term Leader of the House has been defined in Rules of Procedure of the Lok Sabha and the Rajya Sabha. The Prime Minister is invariably the Leader of the Lok Sabha. But The Leader of the Rajya Sabha is appointed by the party in power at Centre.

Roles and functions:

- The Leader of the House is an important parliamentary functionary and exercises direct influence on the course of parliamentary business.
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DAILY CURRENT AFFAIRS BASED MCQS

1. Consider the following statements w.r.t Governor's Rule in J & K.
   1. The term Governor's rule is applied only in the state of J&K.
   2. It was imposed on the state for the first time in 1977.
   3. It is imposed for six months, but only after the consent of the President of India.

   Which of the statements is/are correct?
   (a) 1 and 2 (b) 1 and 3 (c) 2 and 3 (d) **1, 2 and 3**
2. Which of the following is incorrect w.r.t the Leader of the House?
   1. The Prime Minister is invariably the Leader of the Lok Sabha
   2. The term Leader of the House has been defined in Rules of Procedure of both houses.

   Select the correct answer using codes given below.
   (a) 1 only (b) 2 only (c) Both 1 and 2 (d) **Neither 1 nor 2**
3. The identity platform 'Aadhaar' provides open "Application Programming Interfaces (APIs)". What does it imply?
   1. It can be integrated into any electronic device.
   2. Online authentication using iris is possible.

   Which of the statements given above is/are correct?
   (a) 1 only
   (b) 2 only
   (c) Both 1 and 2
   (d) Neither 1 nor 2
4. Which of the following statements w.r.t BEPS (Base Erosion and Profit Shifting) are correct?
   1. The (OECD)'s Base Erosion and Profit Shifting (BEPS) initiative seeks to close gaps in international taxation for companies that allegedly avoid taxation by engaging in tax inversions (moving operations) or by migrating intangibles to lower tax jurisdictions.
   2. BEPS is of major significance for developing countries due to their heavy reliance on corporate income tax, particularly from multinational enterprises.
   3. India and the U.S. signed an inter-government agreement for the automatic exchange of country-by-country (CbC) reportsmaking India compliant with the Base Erosion and Profit Shifting (BEPS) project.

   (a) 1 and 2
   (b) 2 and 3
   (c) 1 and 3
   (d) 1, 2 and 3
5. Consider the following statements w.r.t the Hyper Sonic Technology Demonstrator Vehicle(HSTDV)?
   1. The HSTDV is the first manned scramjet demonstration aircraft for hypersonic speed flight.
   2. This is dual-use technology, which when developed, will have multiple civilian applications.

   Which of the statements is/are correct?
   (a) 1 only
   (b) 2 only
   (c) Both 1 and 2
   (d) Neither 1 nor 2
6. Consider the following statements w.r.t the World Day against Child Labour 2019.
   1. The World Day against Child Labour is observed across the world on June 12
   2. The theme for 2019 was 'Children should not work in fields but on dreams'

   Which of the statements is/are correct?
   (a) 1 only
   (b) 2 only
   (c) Both 1 and 2
   (a) Neither 1 nor 2

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