

**CONSTITUTION AND POLITY****Appointment of Judges**

The Supreme Court took serious note of the government sitting over names reiterated by the CJI-led collegium for appointment as high court judges and also asked the Centre to look into delays in considering the appointment of 100-odd names recommended by the collegium.

**About:**

- The Supreme Court said in a judicial order that 213 names recommended for appointment to various High Courts are pending with the government/Supreme Court Collegium.
- It said that at least the names on which the Supreme Court Collegium, the High Courts and the governments had agreed upon should be appointed within six months.
- The number of judges appointed to the High Courts has steadily dipped since 2017. Only 65 judges have been appointed to High Courts in 2019.
- The High Courts are functioning at nearly 50% of their sanctioned judicial strength. Of a total 1,079 judges sanctioned in the High Courts, there are 410 vacancies.

**Related Info:**

- There were three SC judgments which made it crystal clear that the government had no option but to make the appointments if the collegium reiterated them after the government returned the names with objections.
- On the Supreme Court collegium clearing the recommendees, the Union Law Ministry has to put up within three weeks the recommendations to the Prime Minister who would advise the President on the appointment. However, no time limit has been prescribed for action by the Prime Minister and the President.

**Inner Line Permit (ILP)**

Union Home Minister Amit Shah told the Lok Sabha that Manipur would be brought under the Inner Line Permit (ILP) system, thereby exempting it from the provisions of the Citizenship (Amendment) Bill, 2019.

**About:**

- As per the Bill, the amendments to the Citizenship Act, 1955, will not apply to the tribal areas of Assam, Meghalaya, Mizoram and Tripura as included in the Sixth Schedule of the Constitution and the States of Arunachal Pradesh, Mizoram and Nagaland that are protected by the ILP system.
- The addition of Manipur to the list of ILP-protected States means that the Bill will only be applicable in some parts of Tripura and Assam.
- Citizens of other States require the ILP to visit the protected areas as per the Bengal Eastern Frontier Regulation, 1873. 'Outsiders' can visit 'ILP' areas for limited period with special permission but are barred from buying immovable property.
- This means that the illegal migrants from the six minority communities who will become Indian citizens as per the proposed amendment will not be able to take up jobs, open businesses or settle down in these areas and will require a permit to enter the States.

**GOVERNANCE- WELFARE SCHEMES, E-GOVERNANCE, SERVICES ETC.****Gandhi Encyclopedia**

Minister of Culture and Tourism informed Rajya Sabha that the Government is developing 'Gandhi Encyclopedia' to spread awareness in the society.

**About:**

- Ministry of Culture has approved a project for development of Gandhi Pedia by National Council of Science Museums, Kolkata.
- It is being developed for promotion of appropriate Gandhian philosophy and thoughts through social media platforms under 150th birth anniversary of Mahatma Gandhi commemoration
- it is being developed with financial assistance of Rs. 5.25 crore.

**INDIAN ECONOMY****Compulsorily Convertible Debentures (CCDS)**

The Competition Commission of India (CCI) has approved subscription of compulsorily convertible debentures (CCDs) of Piramal Enterprises by Caisse de dépôt et placement du Québec (CDPQ), under Section 31(1) of the Competition Act, 2002. Upon conversion, equity shareholding of CDPQ in Piramal Enterprises will increase from 3.68 % to 8.99 %.

**About:**

- A debenture is a medium- to long-term debt security issued by companies to borrow money from investors at a fixed interest rate, though physical assets or collateral do not secure them.
- A debenture comes in two forms – non-convertible and convertible. Convertible debentures can be converted into the company's equity after a predetermined period of time.
- Compulsory Convertible Debenture (CCD) is a type of debenture in which the whole value of the debenture must be converted into equity by a specified time. A CCD can be classified as a hybrid security, meaning it is neither considered pure debt nor pure equity.
- Under FDI guidelines, CCDs are treated as equity for the purposes of reporting to Reserve Bank of India.
- Section 71 of the Companies Act, 2013 states that a company could issue debentures with an option to convert into shares either wholly or partly at the time of redemption.

**Interest Rate Options**

National Stock Exchange (NSE) has launched interest rate options on 10-year Government bonds. Rival bourse BSE launched trading in interest rate options based on government securities in August this year.

**About:**

- Interest rate options are financial derivative contracts whose values are based on an underlying interest rate. Market participants can use options to trade and hedge interest rate risk on a transparent platform.
- Features: These interest rate options by NSE are based on 10-year government bonds maturing in 2029 with coupon rate of 7.26 per cent and 6.45 per cent. Presently, interest rate futures are available on seven government bonds for residual maturity ranging from 4 years to 15 years.
- Benefits: The move is aimed at providing an efficient tool for managing interest rate risk and exposure through hedging. Interest rate options will provide institutional investors the ability to manage risk through a non-linear product which is otherwise not available to them.

**ENVIRONMENT- CONSERVATION, BIO-DIVERSITY AND ISSUES****The Recycling of Ships Bill, 2019**

Parliament passed "The Recycling of Ships Bill 2019" for Safe and Environmentally Sound Recycling of Ships in India.

**About:**

- The existing Shipbreaking Code (revised),2013 and the provisions of the Hong Kong Convention, 2009 are dovetailed in this Bill.
- With the enactment of this bill, India will set global standards for safe and sound environmentally-friendly recycling of Ships, as well as ensure adequate safety of the yard workers.
- Now, ships to be recycled in India will need to obtain a 'Ready for Recycling Certificate' in accordance with the Hong Kong Convention.

**The Key Benefits of the bill are as follows:**

- India is a leader in the global ship recycling industry with a share of over 30 per cent of the global market. The bill will harbingers significant increased number of global ships entering into Indian Shipyards for Recycling.

- Recycling of Ships will boost business & employment opportunities and strengthen India's position in the recycling industry.
- It will raise the brand value of our Ships Recycling Yards located at Alang in Gujarat, Mumbai Port, Kolkata Port & Azhikkal in Kerala.
- Around 10% of country's Secondary steel needs, as an outcome of Recycling of Ships, will be met in an eco-friendly manner.
- Ships Recycling facilities will become compliant to International standards and Ships will be recycled only in such authorised facilities.

## **DEFENCE AND SECURITY**

### **NAVARMS-19**

The fourth edition of International Seminar cum Exhibition on Naval Weapon Systems 'NAVARMS-19' with the theme "Make in India - Fight Category: Opportunities and Imperatives" will be held in New Delhi on 12-13 December 2019.

#### **About:**

- The event will provide opportunity for exchange of ideas, create awareness and identify emerging prospects for Indian/International defence industry in domain of Naval Weapon Systems.
- 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.
- The past three editions of NAVARMS were organised in 2007, 2010 and 2013.

## **ODISHA DEVELOPMENT**

### **Odisha Reduces Farmer's Scheme Assistance**

Recently, the Odisha government has reduced the financial assistance given to farmers under the KALIA scheme to Rs 4,000 per annum from Rs 10,000.

- The reduction of financial assistance is the result of the merger of the Odisha government's Krushak Assistance for Livelihood and Income Augmentation (KALIA) scheme with the Centre's Pradhan Mantri Kisan Samman Nidhi (PM-KISAN).
- The merger will help to synergise the motto of both the schemes and also to cover a larger population of farmers in the state.
- However, the landless cultivators in the state will continue to get assistance from KALIA i.e Rs 10,000 annually since they are not considered under PM-KISAN.

#### **KALIA Scheme**

- KALIA or "Krushak Assistance for Livelihood and Income Augmentation" scheme was launched by the Odisha Government for farmer's welfare.
- All farmers are provided Rs 10,000 per family as assistance for cultivation.
- The scheme is being seen as a viable alternative to farm loan waivers.
- Small and marginal farmers, landless agricultural households, vulnerable agricultural households, landless agricultural labourers and sharecroppers (actual cultivators) are eligible under different components of the scheme.

#### **PM-KISAN**

- PM-KISAN or Pradhan Mantri Kisan Samman Nidhi is a central sector scheme launched in 2019.
- Under the scheme, ₹ 6,000 per year are provided to farmers holding cultivable land of up to two hectares.
- The scheme does not cover tenants and landless farmers in the country.

**DAILY ANSWER WRITING PRACTICE**

**Qns: Despite India's outstanding growth in the last two decades, low pay and wage inequality remain serious obstacles towards achieving inclusive growth. Examine.**

Ans:

From 1950 to 1980, Indian real GDP grew at an annual average rate of 3.6%. However with Indian growth turnaround, the average growth rate from the 1980s have been around 6.1%. India's GDP has risen by more than US\$1tr, in the process bringing millions of citizens into a new cohort, called the emerging middle class.

- India's per capita GDP has seen a 6% Compound Annual Growth Rate (CAGR) since 2000, up from 3% during 1980-2000.
- Real wages almost doubled over 18 years between 1993-94 and 2011-12 and GDP grew four-fold.

Yet despite having a strong growth rate over the past two decades, low pay and wage inequality persists in India manifested in the facts as mentioned below:

- Regular workers in urban areas earn an average of Rs 449 per day, 49% more than their peers in rural areas who take home Rs 300.
- India has huge wage gaps between rural and urban, male and female, and regular and casual workers.
- Only a limited number of regular/salaried workers, mostly in urban areas, and highly skilled professionals earn substantially higher average wages.
- Daily wages in urban areas remain more than twice as high as wages in rural areas.
- Regional disparities in average wages have actually increased over time, with wages rising more rapidly in high-wage States than in low-wage ones.
- The gender wage gap was 34.5% in India while globally it was a much lower 20% according to the Global Wage Report 2018-19.

Reasons for low pay and wage inequality in India

- Most of the employment in the last two decades was generated in the services sector. The services sector is much less labour-intensive and simultaneously more productive than the primary and secondary sectors.
- The cleavage between value addition and job creation is perhaps best exemplified by the fact that the number of 'direct' jobs created by the Information Technology (IT) and Information Technology Enabled Services (ITES) sub-sectors was only around three million as of 2013.
- The present minimum wage system in India is extremely complex and geospatial variation is very high.
- Only 66% of workers are covered by the Minimum Wage Act. The remaining 34% not in "scheduled occupations" remain outside the scope of the minimum-wage law.

This generally leads to migration, consequently decreasing the bargaining power of workers. The problem of the minimum wage is further compounded by the unavailability of a statutory body.

- A national minimum wage was introduced in 1991, but its application is not legally binding. In 2009, 15% of regular workers and 41% of casual workers earned less than this minimum daily wage.
- The Indian labour market remains characterized by high levels of segmentation and informality, with around 93% of the working population involved in the informal sector.
- More casual and contractual jobs are being added to the organised sector but there has been a lack of substantial growth of regular jobs after 1991.

Addressing the problem of low pay and wage inequality

- Simplifying minimum wage structures, extending the scope of the law to all wage workers and creating a statutory authority for enforcement of minimum wage law are key steps to closing earning disparities.

- The government should facilitate a transformation from low-productivity to high-productivity sectors by focussing on skill accumulation and increasing the supply of more skilled workers.
- Increasing the proportion of higher-skilled workers may increase the wages of lower-skilled workers and thus reduce inequality.

Conclusion: Wage inequality can adversely affect political and economic stability and also challenge the notion of social justice and undermine social cohesion. A low pay and wage inequality will inhibit India's path to achieve decent working conditions and inclusive growth. Therefore it is imperative to address the issue of low pay and wage inequality in time.

**DAILY CURRENT AFFAIRS MCQs**

1. With reference to "The Recycling of Ships Bill 2019", consider the following statements:
  1. Now, ships to be recycled in India will need to obtain a 'Ready for Recycling Certificate' in accordance with the Hong Kong Convention.
  2. It will raise the brand value of our Ships Recycling Yards located at Alang in Gujarat, Mumbai Port, Kolkata Port & Azhikkal in Kerala.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
2. With reference to the Citizenship (Amendment) Bill 2019, consider the following statements:
  1. The Bill seeks to grant Indian Citizenship to persons belonging to all communities who have migrated to India after facing persecution on grounds of religion in Pakistan, Afghanistan and Bangladesh.
  2. The provisions of the amendments to the Act would not apply to tribal area of Assam, Meghalaya, Mizoram or Tripura as included in the Sixth Schedule to the Constitution.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
3. With reference to the Inner Line Permit (ILP) system, consider the following statements:
  1. Citizens of other States require the ILP to visit the protected areas as per the Bengal Eastern Frontier Regulation, 1873.
  2. 'Outsiders' can visit 'ILP' areas for limited period with special permission but are barred from buying immovable property.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 is the theme of the fourth edition of International Seminar cum Exhibition on Naval Weapon Systems 'NAVARMS-19'?
  - (a) **"Make in India - Fight Category: Opportunities and Imperatives"**
  - (b) 'Climate Action for Peace'
  - (c) 'United against corruption.'
  - (d) NATION FIRST
5. With reference to the Compulsory Convertible Debenture (CCD), consider the following statements:
  1. It is a type of debenture in which the whole value of the debenture must be converted into equity by a specified time.
  2. Under FDI guidelines, CCDs are not treated as equity for the purposes of reporting to Reserve Bank of India.

- 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
6. Which of the following Union Ministry is developing ‘Gandhi Encyclopedia’ for promotion of appropriate Gandhian philosophy and thoughts through social media platforms under 150th birth anniversary of Mahatma Gandhi commemoration?
- (a) **Ministry of Culture**  
(b) Ministry of Human Resource Development  
(c) Ministry of Law and Justice  
(d) Ministry of Information and Broadcasting
7. With reference to the appointment of judges, consider the following statements:
1. The number of judges appointed to the High Courts has steadily increased since 2017.
  2. The High Courts are functioning at nearly full of their sanctioned judicial strength.
- 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**
8. Which of the following statements best describes Section 79 of the Information Technology Act of 2000, recently seen in news?
- (a) **An intermediary shall not be liable for any third party information, data, or communication link made available or hosted by him**  
(b) Defines the punishment for sending “offensive” messages through a computer or any other communication device like a mobile phone or a tablet.  
(c) Penalty and compensation for damage to computer or computer system  
(d) None of the above