

## SOCIAL ISSUE

**Prohibition Laws and Issues**

Recently, the Bihar Government has decided to use Drones to monitor illegal liquor manufacturing. This has initiated the debate of the utility of using physical and financial resources to implement the provisions of the prohibition act.

**Key Points****About:**

- Prohibition is the act or practice of forbidding something by law, more particularly the term refers to the banning of the manufacture, storage (whether in barrels or in bottles), transportation, sale, possession, and consumption of alcoholic beverages.
- **Constitutional Provisions:**
  1. **Article 47:** The Directive Principle in the Constitution of India states that “The state shall undertake rules to bring about prohibition of the consumption except for medicinal purposes of intoxicating drinks and of drugs which are injurious to health”.
  2. **State Subject:** Alcohol is a subject in the State list under the seventh schedule of the Indian Constitution.

**Other Prohibition Acts in India:**

- **Bombay Abkari Act, 1878:** The first hint at the prohibition of liquor was through the Bombay Abkari Act, 1878 (in the Province of Bombay). This Act dealt with levying of duties on intoxicants, among other things and aspects of prohibition via amendments made in 1939 and 1947.
- **Bombay Prohibition Act, 1949:** There were “many lacuna” in the Bombay Abkari Act, 1878, from the point of view of the government’s decision to enforce prohibition.
  1. This led to the birth of Bombay Prohibition Act, 1949.
  2. The Supreme Court (SC) upheld the Act broadly barring a few sections in 1951 in the judgment of State of Bombay and another versus FN Balsara.
- **Gujarat Prohibition Act, 1949:** Gujarat adopted the prohibition policy in 1960 and subsequently chose to enforce it with greater rigidity, but also made processes easier for foreign tourists and visitors to get liquor permits. In 2011, the Act was renamed as Gujarat Prohibition Act. In 2017, the Gujarat Prohibition (Amendment) Act was passed with provision of up to ten years jail for manufacturing, purchase, sale and transportation of liquor in the dry state.
- **Bihar Prohibition Act, 2016:** The Bihar Prohibition and Excise Act was brought into effect in 2016. Over 3.5 lakh people have been arrested under the stringent prohibition law since 2016 leading to crowded jails and clogged courts.
- **Other States:** Alcohol prohibition in India is in force in the states of Mizoram, Nagaland as well as in the union territory of Lakshadweep

**Arguments against Prohibition of Liquor:**

- **The Right of Privacy:** Any invasion by the state in an individual’s right to choice of food and beverage amounts to an unreasonable restriction and destroys the individual’s decisional and bodily autonomy. Right to privacy has been held as a fundamental right by the Supreme Court in several judgments since 2017.
- **Aggravate the Sense of Violence:** Various research and studies have shown that alcohol tends to aggravate the sense of violence. Most of the domestic violence crimes against women and children are committed behind closed doors.
- **Loss of Revenue:** Tax revenues from alcohol is a major part of any government’s revenues. These enable the government to finance several public welfare schemes. Absence of these revenues may severely impacts state’s ability to run public welfare programmes.
- **Source of Employment:** Today, the Indian Made Foreign Liquors (IMFL) industry contributes over 1 lakh crore in taxes every year. It supports the livelihood of lakhs of farming families and provides direct and indirect employment to lakhs of workers employed in the industry.

**Arguments in Favour of Liquor Prohibition :**

- **Impact on Livelihoods:** Alcohol denudes family resources and reserves and leaves women and children as its most vulnerable victims. A social stigma at least as far as the family unit is concerned is still attached to the consumption of alcohol.

- **Discourage Regular Consumption:** Strict state regulation is imperative to discourage regular and excessive consumption of alcohol.
- As the prohibition is mentioned in the State List under Schedule Seven, it is the duty of the state to make provisions related to prohibition.

**Way Forward**

- Between issues such as morality, prohibition or freedom of choice, there are also factors like economy, jobs, etc, which cannot be ignored. What is required is an informed and constructive dialogue on the causes and effects.
- Policy makers should focus on framing laws which encourage responsible behavior and compliance.
  1. Drinking age should be made uniform across the country and no person below that should be permitted to buy alcohol.
  2. Tough laws should be made against drunken behaviour in public, domestic violence under influence, and drinking and driving.
  3. The governments should set aside part of revenue earned from alcohol for social education, de-addiction, and community support.

**ECONOMY****GST Compensation Extension**

Many states have demanded that the GST compensation cess regime be extended for another five years. Also, states have demanded that the share of the Union government in the centrally-sponsored schemes should be raised. These demands are made as Covid-19 pandemic has impacted their revenues.

The provision for GST compensation is going to end in June 2022.

**Key Points****About:**

- **GST Taxation:** The GST became applicable from 1st July 2017 after the enactment of the 101st Constitution Amendment Act, 2016. With GST, a large number of central and state indirect taxes merged into a single tax.
- **GST Compensation:** In theory the GST should generate as much revenue as the previous tax regime. However, the new tax regime is taxed on consumption and not manufacturing.
  1. This means that tax won't be levied at the place of production which also means manufacturing states would lose out and hence several states strongly opposed the idea of GST.
  2. It was to assuage these states that the idea of compensation was mooted.
  3. The Centre promised compensation to the States for any shortfall in tax revenue due to GST implementation for a period of five years.
  4. This promise convinced a large number of reluctant States to sign on to the new indirect tax regime.

**Compensation Cess:**

- States are guaranteed compensation for any revenue shortfall below 14% growth (base year 2015-16) for the first five years ending 2022.
  1. GST compensation is paid out of Compensation Cess every two months by the Centre to states.
  2. The compensation cess was specified by the GST (Compensation to States) Act, 2017.
  3. All the taxpayers, except those who export specific notified goods and those who have opted for GST composition scheme, are liable to collect and remit the GST compensation cess to the central government.
- **Compensation Cess Fund:** The GST Act states that the cess collected and the amount as may be recommended by the GST Council would be credited to the fund.

**Concerns of States:**

- **Revenue Shortfall:** The state's GST revenue gap in 2020-21 is expected to be about Rs. 3 lakh crore, while cess collections are only projected to reach Rs. 65,000 crore, leaving a shortfall of Rs. 2.35 lakh crore.
- **Economic Slowdown:** At a time when growth is faltering, the delays in paying compensation to states as guaranteed by the GST Act will make it more difficult for them to meet their own finances.

- **Decreasing Centre Devolution:** Most states are of the view that the Centre's share in centrally-sponsored schemes has gradually reduced and states' share has increased. Due to this, their most significant demand is increasing share in centrally-sponsored schemes.

**Goods and Services Tax**

- GST was introduced through the 101st Constitution Amendment Act, 2016.
- It is one of the biggest indirect tax reforms in the country. It was introduced with the slogan of 'One Nation One Tax'.
- The GST has subsumed indirect taxes like excise duty, Value Added Tax (VAT), service tax, luxury tax etc.
- It is essentially a consumption tax and is levied at the final consumption point.
- This has helped mitigate the double taxation, cascading effect of taxes, multiplicity of taxes, classification issues etc., and has led to a common national market.
- The GST that a merchant pays to procure goods or services (i.e. on inputs) can be set off later against the tax applicable on supply of final goods and services. The set off tax is called input tax credit.
- The GST avoids the cascading effect or tax on tax which increases the tax burden on the end consumer.
- **Tax Structure under GST:**
  1. Central GST to cover Excise duty, Service tax etc,
  2. State GST to cover VAT, luxury tax etc.
  3. Integrated GST (IGST) to cover inter-state trade. IGST per se is not a tax but a system to coordinate state and union taxes.
  4. It has a 4-tier tax structure for all goods and services under the slabs- 5%, 12%, 18% and 28%.

**POLITY****Statehood Demand by Puducherry**

Recently, the Chief Minister of Puducherry has demanded Statehood for the Union Territory (UT) of Puducherry. The demand for Statehood is a long pending issue for Puducherry making it unable to exercise any powers for creating employment potential by inviting more industries to Puducherry and also creating infrastructure facilities for tourism.

**Key Points****Background:**

- When the Constitution of India was adopted in 1949, the Indian federal structure included:
  1. Part A: Former British India provinces that had a Governor and a legislature.
  2. Part B: The former Princely States that were governed by a Rajpramukh.
  3. Part C: Chief Commissioners' provinces and some princely states that were governed by Chief Commissioner.
  4. Part D: Territory of Andaman and Nicobar Islands that was governed by a Lieutenant Governor who was appointed by the Central Government.
- After the States Reorganisation Act of 1956, Part C and Part D states were combined into a single category of 'Union Territory'. The concept of the UT was added by the Constitution (Seventh Amendment) Act, 1956.

**Reasons for Demand:**

- Linguistic and cultural reasons are the primary basis for creating new states in the country.
- Other factors are:
  1. Competition for local resources.
  2. Government negligence towards certain regions
  3. Improper allocation of the resources,
  4. Difference in culture, language, religion, etc.
  5. The economy's failure to create enough employment opportunities
  6. Popular mobilization and the democratic political process is also one of the reasons.
  7. 'The sons of the soil' sentiments.

**Issues Arising Due to Creation of New States:**

- Different statehood may lead to the hegemony of the dominant community/ caste/ tribe over their power structures.

- This can lead to emergence of intra-regional rivalries among the sub-regions.
- The creation of new states may also lead to certain negative political consequences like a small group of legislators could make or break a government at will.
- There is also a possibility of increase in the inter-State water, power and boundary disputes.
- The division of states would require huge funds for building new capitals and maintaining a large number of administrators as was the case in the division of Andhra Pradesh and Telangana.
- Creation of smaller states only transfers power from the old state capitol to new state capital without empowering already existing institutions like Gram Panchayat, District Collector, etc. rather diffusion of development in the backward areas of the states.

**Constitutional Provisions:**

- The Indian constitution empowers the Union government to create new states out of existing states or to merge one state with another. This process is called reorganisation of the states.
- As per Article 2 of the Indian Constitution, Parliament may by law admit into the Union, or establish, new States on such terms and conditions.
- As per Article 3 of the Indian Constitution, the Union Government has the power to form a State, increase or decrease the size of any State, and alter the boundaries or name of any State.

**Puducherry**

- Puducherry city is capital of Puducherry UT in southeastern India.
- **UT was formed in 1962 out of the four former colonies of French India:** Pondicherry (now Puducherry) and Karaikal along India's southeastern Coromandel Coast, Yanam, farther north along the eastern coast, and Mahe, lying on the western Malabar Coast, surrounded by Kerala state.
- It originated as a French trade centre in 1674, when it was purchased from a local ruler.
- The colony of Pondicherry was the scene of frequent fighting between the French and Dutch in the late 17th century, and it was occupied several times by British troops. However, it remained a French colonial possession until it was transferred to India in 1962.

**Way Forward**

- Economic and social viability rather than political considerations must be given primacy.
- It is better to allow democratic concerns like development, decentralisation and governance rather than religion, caste, language or dialect to be the valid bases for conceding the demands for a new state.
- Apart from this the fundamental problems of development and governance deficit such as concentration of power, corruption, administrative inefficiency etc must be addressed.

**PRELIMS FACT****One Nation-One Grid-One Frequency: National Grid**

Recently, the Power Grid Corp. of India Ltd (PGCIL) celebrated the anniversary of operationalization of One Nation-One Grid-One Frequency i.e National Grid.

**Key Points****Evolution of National Grid:**

- The national grid management on a regional basis started in the sixties.
- The Indian Power system for planning and operational purposes is divided into five regional grids.
- The integration of regional grids, and thereby establishment of National Grid, was conceptualised in the early nineties. Initially, State grids were interconnected to form a regional grid and India was demarcated into 5 regions namely Northern, Eastern, Western, North Eastern and Southern region.
- In 1991 North Eastern and Eastern grids were connected. Further, in 2003, Western region grid was connected with it.
- In August 2006 North and East grids were interconnected thereby 4 regional grids are synchronously connected forming a central grid operating at one frequency.
- On 31st December 2013, the southern Region was connected to the Central Grid. Thereby achieving 'One Nation, One Grid, One Frequency'. All possible measures are taken to ensure that the grid frequency always remains within the 49.90-50.05 Hz (hertz) band.

**Capacity of National Grid:**

- Presently, the country has a total inter-regional transmission capacity of about 1,12,250 MW which is expected to be enhanced to about 1,18,740 MW by 2022.

**Benefits of One Nation-One Grid-One Frequency:**

- **Matching Demand-Supply:** Synchronisation of all regional grids will help in optimal utilization of scarce natural resources by transfer of Power from Resource centric regions to Load centric regions.
- **Development of Electricity Market:** Further, this shall pave the way for establishment of a vibrant Electricity market facilitating trading of power across regions.

**DAILY ANSWER WRITING PRACTICE**

**Qns. Enumerating the UNESCO list of intangible cultural heritage from India, discuss as to why you think it is important to protect intangible heritage of India? (250 words)**

**Ans:**

**Introduction**

UNESCO's List of Intangible Cultural Heritage is a coveted list made up of those intangible heritage elements that help demonstrate diversity of cultural heritage and raise awareness about its importance. The list was established in 2008 when the Convention for Safeguarding of the Intangible Cultural Heritage came into effect.

According to unesco.org, "cultural heritage does not end at monuments and collections of objects. It also includes traditions or living expressions inherited from our ancestors and passed on to our descendants, such as oral traditions, performing arts, social practices, rituals, festive events, knowledge and practices concerning nature and the universe or the knowledge and skills to produce traditional crafts".

**Body****Background:**

- Durga Puja in Kolkata, one of largest cultural carnivals and street art festival of the country, recently received an important international recognition by making it to UNESCO's Representative List of the Intangible Cultural Heritage of Humanity.
- Durga Puja is a classic fusion of religion and culture, regarded with a lot of pride and celebrated predominantly by the Bengali community. During this time, intricately-designed clay models of the Goddess are worshipped in 'pandals' and pavilions where people get together. Folk music, culinary, craft, and performing arts traditions are a part of the celebration.

**Importance of protection of intangible heritage of India**

- It helps to recognize the diversity of Indian culture embedded in its intangible heritage.
- It reflects India's multicultural identity as a people and nation, and resonates strongly with Indians across all races and social strata.
- It intends to enhance the "visibility of communities' cultural practices and know-how", aiming to "safeguard the intangible cultural heritage of communities nationally & globally".
- Its importance is not in the cultural manifestation itself, but in the wealth of knowledge, know-how and skills that are transmitted from one generation to the next.
- There is a need to raise awareness about the various intangible cultural heritage elements from different states of India at national and international level and ensure their protection.

**Conclusion**

The Union ministry of Culture has also launched the draft National List of Intangible Cultural Heritage (ICH) of India. The National ICH List is an attempt to recognize the diversity of Indian culture embedded in its intangible heritage. This initiative is also a part of the Vision 2024 of the Ministry of Culture.

**DAILY QUIZ**

Q1. Recently, which one of the following has been inscribed on UNESCO's 'Intangible Cultural Heritage' list?

- Konark Dance Festival
- Kumbh Mela
- Durga Puja**
- Amarnath Yatra

Q2. Consider the following statements with reference to Special Category Status to States in India:

1. It was granted in the past by the National Development Council to the States that are characterized by a number of features necessitating special consideration.
2. Now, it is granted by the NITI Aayog.

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

Q3. Consider the following statements about Prompt Corrective Action (PCA) framework.

1. Reserve Bank of India (RBI) issues a Prompt Corrective Action (PCA) framework to maintain sound financial health of banks.
2. It is intended to encourage banks to eschew certain riskier activities and focus on conserving capital.
3. The framework is intended to constrain the performance of normal operations of the banks for the general public.

Which of the statements given above is/are correct?

- a. 1 only
- b. 2 and 3 only
- c. **1 and 2 only**
- d. 1, 2 and 3

Q4. The Parker Solar Probe mission is developed by the

- a) European Space Agency
- b) National Aeronautics and Space Administration**
- c) Indian Space Research Organisation
- d) Canadian Space Agency

Q5. Consider the following statements about United Nations Framework Convention on Climate Change (UNFCCC):

1. It was adopted in 1992 at the Rio Earth Summit.
2. The Kyoto Protocol was the first implementation of measures under the UNFCCC.

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