

CURRENT AFFAIRS PROGRAM

PRE-CUM-MAINS 2024

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1. GENERAL STUDIES-2

1) ISSUE OF CHILD SEXUAL ABUSE:

About Child Sexual Abuse:

- Child sexual abuse is defined as **sexual activity with a child by an adult, adolescent or older child**.
 - ✓ If any adult engages in sexual activity with a child, that is sexual abuse.
 - ✓ If another child or adolescent engages in sexual activity with a child, a grey area enters where some sexual behaviour is innocent exploration rather than abuse.
- The **World Health Organisation** has defined '*child sexual abuse as the involvement of a child in sexual activity as he or she does not fully comprehend, is unable to give informed consent to, or for which the child is not developmentally prepared and cannot give consent, or that violates the laws or social taboos of society*'.

Data/Facts:

- Crimes against children **increased in India by 16.2% between 2020 and 2021**, according to the latest **National Crime Records Bureau (NCRB) data**:
 - ✓ There were just **under 1.5 lakh cases of crimes against children** registered last year across all states and Union Territories. This includes child sexual abuse, abduction, murder, child marriage among other crimes.
 - ✓ **Madhya Pradesh registered the maximum number of crimes** against children, with Maharashtra and Uttar Pradesh in the second and third places. Among the **Union Territories, Delhi recorded the highest number of crimes** against children (7,118).
 - ✓ The report noted that in percentage terms, **major crime heads under 'Crime Against Children' during 2020 were Kidnapping & Abduction (45.0%)** and Protection of Children from Sexual Offences Act (**POCSO**), **2012 (38.1%)**, including child rape.

Constitutional provisions wrt Children:

- **Article 21 A**: The State shall provide free and compulsory education to all children of the age 6- 14 years.
- **Article 24**: Prohibits employment of Children below the age of 14 years in any factory or mine or in any other hazardous activity.
- **Article 39(f)**: Directs that children are given opportunities and facilities to develop in a healthy manner and in conditions of freedom and dignity and that childhood and youth are protected against exploitation and against moral and material abandonment.
- **Article 45**: The State shall endeavour to provide early childhood care and education for all children until they complete the age of six years.
- **Article 243G**: Provides for institutionalisation of childcare by seeking to entrust programmes of women and child development to Panchayat (item 25 of Schedule 11).

Policies:

- **Protection of children from sexual offences Act, 2012 (POSCO Act):** The Act was enacted to protect the children from various types of sexual offences and to establish Special Court for providing speedy disposal of cases.
- **The Juvenile Justice (Care and Protection of Children) Act, 2015:** This Act was enacted to consolidate and amend the law regarding juvenile in conflict with law and children in need of care and protection by providing proper care, protection and treatment.

Some International Efforts:

- **The Global Partnership and Fund to End Violence Against Children** were launched in July 2016 by the UN Secretary-General. The Partnership is the only global entity focused solely on Sustainable Development Goal 16.2: ending all forms of violence against children by 2030.
- **Together for Girls** is a global partnership working to end sexual violence against children and adolescents.
- **We Protect Global Alliance** brings together governments, the private sector, civil society and intergovernmental organisations to develop policies and solutions to protect children from sexual exploitation and abuse online.
- **We PROTECT**, established by the UK Government as a global multi-stakeholder response to combating online child sexual abuse.

WAY FORWARD:

- **Comprehensive Sex Education:** Implement age-appropriate and comprehensive sex education programs in schools. E.g., Good Touch and Bad Touch, etc.
- **Community Awareness Campaigns:** Conduct widespread awareness campaigns to educate communities about the signs of child sexual abuse, the importance of reporting, and available support services.
- **Strengthen Legal Framework:** Enhance and strictly enforce laws related to child sexual abuse, ensuring swift justice and stringent penalties for offenders.
- **Technology Regulation:** Regulate online platforms and monitor online activities to prevent the exploitation of children through the internet.
- **Parental Education Programs:** Conduct programs to educate parents on recognizing signs of abuse, communicating with children about safety, and fostering open dialogue at home.
- **Victim-Centric Approach:** Adopt a victim-centric approach in legal proceedings, providing protection and support for the child throughout the investigative and judicial processes.

2) THE PROTECTION OF CHILDREN FROM SEXUAL OFFENCES (POCSO) ACT, 2012:

- This law represents **the first comprehensive effort to safeguard children from sexual assault, sexual harassment, and pornographic violations**. It also entails the **establishment of special courts** dedicated to the trials of such cases.

Key features:

- **Protecting victim's identity:** The Act strictly prohibits the disclosure of a victim's identity through any form of media, except when authorized by the special courts established under the Act.
- **Gender-neutral legislation:** The Act provides a gender-neutral definition of a child, encompassing 'any person' under the age of 18.
- **No reporting time limit for abuse:** Under this Act, victims are entitled to report an offense at any time, even if years have passed since the abuse occurred.
- **Non-reporting as a crime:** Any individual responsible for an institution (excluding children) who neglects to report a sexual offense involving a subordinate is liable to face legal consequences.

A) PROTECTION OF CHILDREN FROM SEXUAL OFFENCES (AMENDMENT) ACT, 2019

POCSO amendment Act, 2019, defines what 'child pornography' is; 'using a child for pornographic purposes' and for 'possessing or storing pornography involving a child' is punishable. It has also widened the ambit of 'aggravated sexual assault'.

- The act seeks to provide more stringent punishment, **including death penalty**, for sexual crimes against children.
- It refers to the judgments of the Supreme Court in **Machhi Singh (1983)** and **Devender Pal Singh (2002)** in which the court had held that the death penalty can be awarded only in rarest of rare cases.

Concerns over death penalty

- The Justice **J.S. Verma Committee**, which was constituted in 2013 in the aftermath of the Nirbhaya case, after due deliberations found itself against the imposition of death penalty in rape cases.
- The **262nd Report of the Law Commission of India, 2015**, also provides for abolition of the death penalty except in terror cases.

B) POCSO RULES 2020:

- **Interim Compensation and Relief (POCSO Rule-9):** Rule-9 allows the Special Court to order interim compensation for a child's relief or rehabilitation needs after FIR registration.
- **Immediate Special Relief Payment:** POCSO Rules empower the Child Welfare Committee (CWC) to recommend immediate payment from District Legal Services Authority (DLSA) or District Child Protection Unit (DCPU) funds for essential needs like food, clothes, and transportation. Payment must be made within a week of CWC's recommendation.

- **Support Person Provision (POCSO Rules):** CWC has the authority to appoint a support person to assist the child during investigation and trial, ensuring the child's well-being, access to medical care, counseling, education, and keeping the child and guardians informed about court proceedings.

Shortcomings of the POCSO Act:

- **Problem with the application of the last seen theory:** The last seen theory can lead to wrongful conviction in several cases and therefore, it cannot be applied without circumstantial evidence.
 - ✓ It was held by the **Supreme Court in the case of Anjan Kumar Sarma v. State of Assam** that the last seen theory is a weak piece of evidence and cannot be relied upon single-handedly.
- **Unprepared investigation machinery:** The investigation machinery in the child sexual abuse cases is not well acquainted with the procedure which leads to a faulty investigation.
 - Low Women Police Representation
 - Despite the act's one-month investigation timeline, delays occur due to resource constraints, forensic evidence acquisition delays, and case complexities.
- **Silent on consensual sexual activities:** In case of sexual intercourse with consent, one of which is minor, the partner who is not minor can be prosecuted under the POCSO Act as the consent of a minor is not considered relevant under this Act.
- **False complaints by children are not punishable:** Section 22 of the POCSO Act provides for the punishment to the persons who file a false complaint to humiliate, extort, threaten, or defame another person.
 - ✓ However, a child is exempted from any such punishment which is a loophole as many people take advantage of this exemption and misuse this provision.
- **Pending cases:** Although, the POCSO Act specifies that “the Special Court shall complete the trial, as far as possible, within a period of one year from the date of taking cognizance of the offence” under Section 35(2) but the number of pending cases is rising which is creating a huge problem in making the justice mechanism effective.

Way forward/Suggestions:

- Nationwide **awareness programs on the POCSO Act** will encourage reporting and educate investigating agencies for better implementation.
- **Special Police Units for POCSO crimes in each district**, with counsellors and child welfare experts will facilitate sensitive handling of cases.
- **Fast Track Special Courts under the Act must be set up in each district** for time-bound trials and increased conviction rates.
- Provisions on **rehabilitation of victims through education, vocational training** must be incorporated.
- The Act should be **amended to cover consensual sexual relations between children aged 16-18 years** and recognize male child abuse victims.
- **Timelines must be defined for medical examination** and collection of forensic evidence after complaint filing for better results.

C) LAW COMMISSION REPORT: AGE OF CONSENT UNDER THE POCSO ACT, 2012

Recently, Law commission has recently come up with Report #283 Titled: Age of Consent Under the POCSO Act, 2012, in which it has **advised against changing the present age of consent under POCSO act which is 18 years.** (Section 2(1)(d) of POCSO act defines: 'child' means any person below the age of eighteen years).

Issues related to age of consent under POCSO Act:

- The POCSO Act mandates a minimum sentence of 10 years for statutory rape, disregarding the consent of minors aged 16-18. The act maintains a gender-neutral stance.
- Since the enactment of the POCSO Act in 2012, there has been a **rise in the age of consent from 16 to 18 years.** This led to an **increase in the prosecution of adolescents** engaged in consensual sexual activities among minors.

This has following concerns:

- Leads to **shame and stigma associated with criminalization** of consensual sexual activity.
- While these cases do not necessarily lead to conviction, the stringent law **results into denial of bail** and prolonged incarceration.
- Most people adversely affected with this provision are youth from poor and marginalized population.
- A **UNICEF India study conducted** in West Bengal, Assam, and Maharashtra revealed that **one in every four cases under the POCSO Act** involved '**romantic cases and consensual relationships.**
- Often when the children (below 18) who elope or marry, **the male partner is sent to jail and the women is usually pushed towards a life of poverty** and destitution (**observed in Veekesh Kalawat vs State of MP**)
- The **state is not obligated under POCSO to provide the basic minimum required** for the survival of the female and/or her child.

Views of Law Commission against reducing age of consent:

- Existing age of consent (18 years) **should not be tinkered due to dangers of child abuse, trafficking, and prostitution.**
- Consent can be manipulated, thus a lot of genuine cases falling under POCSO might not see trial on account of agencies declaring them to be cases of consensual romantic relationships.
- In many cases, '**consent**' arises after the occurrence of alleged offence, thus reducing age of consent can provide escape to child abusers.
- Can lead to negative fallout on fight against child marriages.
- **Emerging trends of grooming and cybercrimes such as sextortion against women,** increase vulnerability of children to sexual exploitation necessitate a need for stringent protection.
- Provide a **gateway to abuse of law leading to coercion of minor girls into subjugation, marital rape, and trafficking.**

Way forward/Suggestion:

- **Law Commission has suggested for introducing guided judicial discretion** to deal with situation in case where there is tacit approval on part of child aged between 16 to 18 years.
- However, **scholars have emphasized placing the child at the centre** while formulating laws, while POCSO serves protection of young from sexual abuse, equally important is to protect young from being shamed, punished and jailed for exploring what is developmentally appropriate for their age.
- **Age-appropriate sexuality education should be given in schools.**
- Access to confidential medical counselling.
- Prohibiting laws from criminalizing consensual sexual activity with peers.
- Courts to address these matters with sensitivity and increased public dialogue.
- **'Close-in age' exception in case of consensual relationships as followed in USA** and Canada can be looked into.

2. GENERAL STUDIES-3

1) ECONOMY: DEVELOPING CORPORATE BOND MARKET IN INDIA

About Bonds:

- A bond is a debt instrument signifying a loan extended by an investor to a borrower, usually a corporation or government entity.
- Governments and corporations frequently utilize bonds as a means of borrowing funds for various purposes.
- Governments, at all levels, use bonds to finance infrastructure projects like roads, schools, dams, and to address sudden expenses related to emergency such as pandemic, wars, etc.
- Similarly, Large organizations often require amounts beyond what typical banks can provide, leading them to issue bonds and borrow from both institutional and retail investors.

Present status of corporate bond market in India:

- India's corporate debt to GDP ratio was 17%, contrasting with 123% in the US and 19% in China.
- A larger proportion of Indian firms rely on banks as their primary source of working capital compared to many other developed nations.
- The underdeveloped nature of the corporate bond market in India is evident from these trends.

Need for developing corporate bond market:

- **Meet investment needs:** Economic Survey 2018-19 has highlighted that India needs to shift gears from consumption-driven economy to investment-led economy wherein private sector investment has to become key driver.
- **Reduce pressure on government and banks:** In India, given the **absence of a well-functioning corporate bond market**, the burden of financing infrastructure projects such as roads, ports, and airports are more on banks and the government.
- **Asset-Liability mismatch:** Banks use short-term deposits (3-5 years maturity period) to fund long term infrastructure projects with long gestation period leading to asset-liability mismatch.

- **Reduce foreign currency exposures:** Corporate bond market enables firms to borrow for longer maturity periods in local currency to meet their investment needs and avoid foreign currency exposures.
- **Provide long term financial assets:** An active corporate bond market could provide institutional investors such as insurance companies and provident and pension funds with quality long term financial assets.
- **Diversified Funding Sources:** Developing the corporate bond market in India provides companies with an alternative and diversified funding source beyond traditional bank loans.
- **Lower Financing Costs:** A well-functioning bond market can potentially lead to lower borrowing costs for companies, making capital more accessible at competitive rates.
- **Infrastructure Development Support:** A thriving bond market facilitates funding for large-scale infrastructure projects, aligning with the country's developmental goals.
- **Global Competitiveness:** A well-established bond market enhances India's global competitiveness by providing a sophisticated financial infrastructure attractive to international investors.
- **Risk Management:** Corporate bonds offer effective risk management tools, allowing companies to hedge against interest rate fluctuations and other financial risks.

Reasons for underdeveloped bond market in India:

- **Narrow investor base:** Demand for corporate bonds as an investment is mostly confined to institutional investors with retail investors accounting for only 3% of outstanding issuances.
- **Dominance of government securities:** Central and state government securities constituted almost half of the total investment in the bond market.
- **Constraints on foreign investors:** Investment limit for FPIs in corporate bonds has been enhanced along with a reduction in the withholding tax. However, FPIs are not fully utilising enhanced limits due to limited liquidity in the market.
- **Absence of longer maturity bonds:** Corporate bond market is basically dominated by bonds with average maturity period of 2-5 years. This market has not been able to cater the long-term investors such as pension and insurance fund companies through issuance of long-term maturity bonds.
- **Lack of risk management market:** Absence of interest rate/ credit derivatives which can efficiently transfer the risks arising out of interest rate movements.
- **Taxation Structure:** Stamp duties on corporate bonds across various states have not been standardised.

Way Forward:

Several reports by expert committees on development of corporate bond markets in India such as **R. H. Patil Committee (2005)**, **High Powered Committee on Making Mumbai an International Financial Centre in 2007 (Percy Mistry Committee)**, **H.R Khan Committee on Corporate Bond Market**. Important recommendations:

- **Easing the process of bond issuance:** To incentivise corporates to raise a part of their requirements through bonds, time and cost for public issuance and disclosure and listing requirements should be reduced and made simpler.
- **Enhancing Investor Base:**
 - ✓ the scope of investment by provident/pension/ gratuity funds and insurance companies in corporate bonds should be enhanced.
 - ✓ Retail investors should be encouraged to participate in the market through stock exchanges. Such investors should also be encouraged to participate in the corporate bond market through mutual funds.
 - ✓ Investment in corporate bonds should be considered as part of total bank credit while computing credit deposit ratio by banks.
- **Bonds Primary Issuance Database:** A centralised database of all bonds issued by corporates; made available free of cost to all the investors.
- **Municipal bond market:** Municipal bonds may be given some fiscal support in the form of bond insurance so that municipalities are encouraged to issue such bonds.

Link: <https://indianexpress.com/article/explained/explained-economics/jp-morgan-indian-government-bonds-8959037/>
<https://www.thehindu.com/business/deeper-bond-markets-critical-to-finance-energy-transition/article67408542.ece>

2) ECONOMY: SEMICONDUCTOR MANUFACTURING IN INDIA

About Semiconductors:

- Semiconductors are materials which have a conductivity between conductors and insulators. Semiconductors can be pure elements, such as silicon or germanium, or compounds such as gallium arsenide or cadmium selenide.
- A semiconductor chip is a network of semiconductors, also called integrated circuits or microchips.
- End-use industries dependent on semiconductors include mobile devices, telecom equipment, industrial machinery, computing devices, automobiles etc.

Significance of semiconductor industry for India

- **Economic and Industrial growth:**
 - ✓ According to the Electronics and IT Ministry, semiconductor demand in India would increase to \$70- \$80 billion by 2026 with the growing demand for digital devices and electronic products (mobiles & laptops etc).
 - ✓ This will create numerous employment opportunities for the Indian youth.
 - ✓ Further, India would be required to import fewer semiconductor chips which **would decrease the import bill.**
 - ✓ Production of semiconductors in surplus of domestic requirement will enable the country to meet export demand as well.
- **National security:** Semiconductors are essential components in many critical industries, including defence, telecommunications, power transmission etc that have implications for national security.
 - ✓ Chips made **locally will be designated as 'trusted sources'** and can be used in products ranging from CCTV cameras to 5G equipment.
- **Geopolitical benefits:** Self-sufficiency will **decrease reliance on chinese chip imports** especially during hard times like the **recent Galwan Valley border clash.**
 - ✓ The program will attract large global chip makers to make India their production base, fulfilling the **government's vision for Atmanirbhar Bharat.**
- **Supply chain resilience:** The COVID-19 pandemic highlighted the vulnerabilities of global supply chains, including those in the semiconductor industry.
 - ✓ The pandemic and the subsequent lockdowns impacted the supply of chips to India. Automobile manufacturers **like Mahindra & Mahindra and Tata group were compelled to reduce their production** due to the shortage.
- **Technological Leadership:** Semiconductors are the building blocks of today's technology. Semiconductor chips are widely used in (a) Computers and laptops; (b) Phones, mobile devices and other electronic gadgets; (c) Automobiles; (d) Aviation; (e) Medical devices especially diagnostics; (f) Military equipment among others. These semiconductor chips are the drivers for ICT (Information and Communication Technologies).

Semiconductor at Global level:

- The semiconductor chip-making process is complex and requires high precision and technological expertise. Manufacturing processes have multiple steps in the supply chain such as designing software for chips and patenting them through core Intellectual Property (IP) rights.
- The global semiconductor industry is **currently valued at \$500-\$600 billion.**

- **Major Producer:** Presently, **Taiwan is the world leader** in manufacturing microchips with producing over 60% of the world's semiconductors and over 90% of the most advanced ones.
- **Globally, the entire value chain** has seeped in the interdependence between a handful of countries like the **USA, Taiwan, Japan, China**, and some European nations.
- However, this value chain has witnessed two key disruptions in the last few years.:
 - ✓ **US-China conflict:** Presently, USA and China are engaged in trade and technology conflict.
 - The **USA passed the CHIPS and Science Act**, providing subsidies for manufacturing chips in the country, **formed the “Chip 4 Alliance”** and imposed additional restrictions on the Chinese semiconductor industry.
 - In a similar manner, China put curbs on the exports of germanium and gallium, two niche metals used in the manufacturing of semiconductors.
 - ✓ **COVID-19 Pandemic:** Lockdowns disrupted the functioning of these semiconductor manufacturing units and its forward & backward linked supply chains. This created a demand-supply mismatch and resulted in long-pending orders with end-use industries.

India's Role:

- India has **positioned itself as a player in the critical semiconductor technology** field providing an opportunity for companies **to diversify their bases from China**.
- **Market Size:** Reports **project India's semiconductor market** to value **about \$64 billion by 2026, showing three-times growth from 2019**. According to the India Electronics and Semiconductor Association (IESA), semiconductor consumption in India is growing at a rate of 15.1%.
- **Chip Design:** India has become the hub for semiconductor design with nearly 2,000 chips being designed per year.
- **R&D in the industry:** Research and development (R&D) in this industry, which includes electronic products and embedded systems, generated about US\$2.5 billion in revenue.
- However, 100% of our chips, memory, and display **are imported into the country, 37% coming from China**. Chips import bill is estimated to touch \$100 billion by 2025 from \$24 billion now.
- **India can be a major beneficiary of Taiwan's New Southbound Policy**, focusing on shifting its trade and investments from China to Southeast Asia and South Asia.

Challenges faced in India:

- **High Cost of establishment:** Fabs are highly capital-intensive undertakings, costing billions of dollars for large facilities. As per a government estimate, it would cost roughly \$5-\$7 billion to set up a chip fabrication unit in India.
- **Infrastructural requirements:** There are often challenges in meeting the infrastructural requirements of a cluster of semiconductor manufacturing fabs such as continuous supply of water, uninterrupted electricity etc.
- **Long gestation:** A state-of-the-art fab can take up to five years before going into full production but requires full financing and continuous supply of labour during the gestation period.

- **Delays in setting up facilities:** Three entities that had applied to build the chips are all facing hurdles in setting up their plants – potentially delaying their manufacturing bases.
- **Shortage of skilled workforce:** There are hardly any semiconductor engineers trained in the knowledge of device physics and process technology.
- **Need for the ecosystem:** Beyond locating and building structures, fabs require a variety of high-purity gases and wafers to fabricate the chips. Presently, India has to import many of these raw materials from external sources.

Semiconductor manufacturing policies in India:

- **National Policy on Electronics 2019:** It envisions positioning India as a global hub for Electronics System Design and Manufacturing (ESDM) sector.
 - ✓ It aims to encourage the development of core components, including chipsets.
- **Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECs):** The government will provide a **financial incentive of 25% on capital expenditure** for a list of products that constitute the supply chain of electronic products.
 - ✓ This includes products such as electronic components, semiconductors, and specialized sub-assemblies.
- India launched its **India Semiconductor Mission (ISM)** in 2021 and **Production Linked Incentive (PLI) scheme for the semiconductor industry**.
- **About Modified Semicon India Programme:**
 - ✓ **Ministry:** Ministry of Electronics and Information Technology.
 - ✓ **Objective:** It aims to provide attractive incentive support to companies/consortia that are engaged in Silicon Semiconductor Fabs, Display Fabs, Compound Semiconductors, Semiconductor Design (Design Linked Incentive Scheme for nurturing 100 domestic companies of semiconductor design) etc.
 - ✓ **Tenure:** Support under the scheme will be provided for six years.
 - ✓ **Nodal Agency:** India Semiconductor Mission, within Digital India Corporation, MeitY is the designated nodal agency for implementing the programme.
- In 2022, **India signed India-US Initiative on Critical and Emerging Technologies (iCET) deal** which enables India to access technologies associated with manufacturing of high-end semiconductors and chipsets.

Way Forward:

- **Ecosystem Development:** Develop a strong ecosystem for the semiconductor industry to include supply chain management besides design and manufacturing facilities.
- **Skill Development:** India, with its demographic dividend, must focus on training the highly skilled labour required for the semiconductor industry.
- **Increased focus on R&D:** Increase spending on research and development and develops an innovation culture.

- **Incentivising Industry:** There is a need for incentivising industry to collaborate with academia to provide training and internship opportunities to students and invest in R&D to develop new technologies.
- **Partnership:** Strengthen partnerships with countries such as the USA, Taiwan and Japan for supply chain efficiency and availability of necessary raw materials and technologies.
- **Attracting foreign companies:** India needs to enable a conducive environment for attracting foreign companies to set up their manufacturing bases in India.