



Dr. Piyush Chaubey



Piyush Kumar

Daily News Decoding

Current Affairs

15th MARCH 2023



Index:

1. Industrial Disasters
2. Landfills
3. Sub-Categorization of OBCs
4. Wilful Defaulters
5. Self-Employment Scheme for Rehabilitation of Manual Scavengers



Industrial Disasters

Prelims & GS Paper - III

Context: *The Kochi landfill site around Brahmapuram that caught fire earlier this month was a stark reminder that Indian cities need to be prepared for more such incidents as summer approaches.*

About:

- An **industrial accident** is a **serious event** that **involves hazardous materials** and that can have **consequences for the surrounding population and environment**.
- Depending on the **nature of the products involved**, the **accident can** take the form of a **fire**, an **explosion** or the **emission of toxic or radioactive material**.
- It typically occurs when an employer has been negligent in their duty to protect their workers.
- This may be from failing to provide a safe environment, encouraging shortcuts in work, not training workers properly, or failing to supervise workers.

Absolute Liability in India:

- Absolute Liability makes the individual absolutely liable for actions caused due to escape of a dangerous object in the non-natural use of land, without any exception.
- In the case of **MC Mehta v Union of India**, the Indian Judiciary, under the guidance of Justice Bhagwati, finally introduced the concept of Absolute Liability as being applicable in situations such as those of the case.
- The Court explicitly stated that the new concept of Absolute Liability was not subject to any exceptions. There were two justifying reasons for the same, which were:

- The **enterprise involved in hazardous and inherently dangerous activities** has a **social obligation to compensate people** suffering due to the industries.
- The enterprise alone has the **power and resources to invent and install safeguards** against such hazards and dangers.
- In the process of **giving the principle of Absolute Liability** a **sound backing and reasoning** in India, the **Public Liability Insurance Act of 1991** was introduced.
- The object behind **implementing such an act** is the **rapid increase in the number of hazardous industries and operations in India**.
- This has led to the **incline in the risk of accidents, injuries, and damages**, not only to the **employees** but also to the **individuals and property** located in the vicinity of such industries.
- This act, therefore, makes the **situation of the affected persons** better, by **providing immediate relief** in terms of **insurance**, to the **workers and people** affected and injured in the process of handling hazardous materials, either by themselves or industry or operation running nearby.

Why does the need for absolute liability arise?

- The rule of Strict Liability was introduced in the **Rylands v Fletcher** case.
- This **rule in the case** concerned has many **exceptions**, that the **actual spectrum of the liability** becomes **very narrow**.

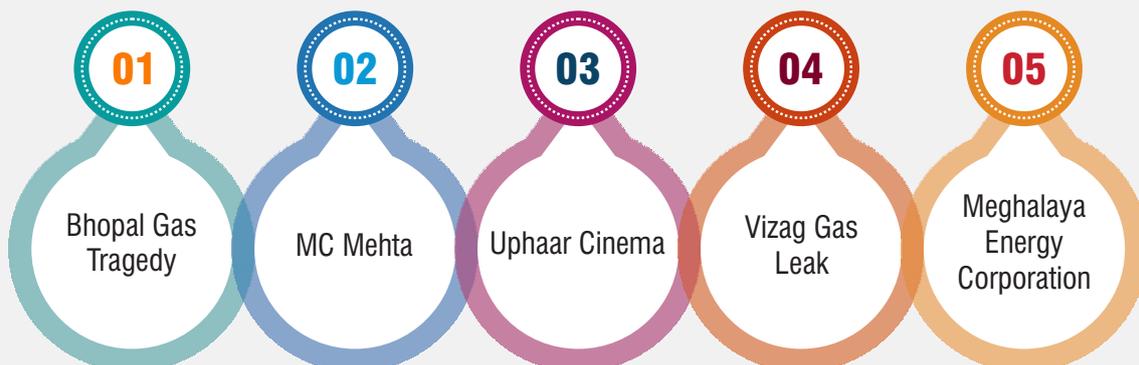
Daily News Decoding

- This **old principle** as brought out in 1868, may **not suit all countries** as well as it did then, due to the **dynamic nature of technology and society**.
- Though **India did follow the laws of England** since the **pre-independence era**, **adjustments** and **amendments** have been made to suit the country's needs over time.
- Many rules and concepts which were **not quite suitable in the Indian scenario**, were modified to **fit the criteria of Indian legislation**.
- In the no-fault liability law, **India followed the Strict Liability** for itself, until it realized that this could not be properly applied to the Indian context.
- The major push came from the **two incidents of the Bhopal Gas tragedy** and the **Oleum Gas Leak case**, which instilled a realization of the need for a new principle for liability in India, to meet its industrial and economical requirements.

COMMON TYPES OF INDUSTRIAL ACCIDENTS



CASES RELATED TO ABSOLUTE LIABILITY IN INDIA





Landfills

Prelims & GS Paper - III

Context: *The Kochi landfill site around Brahmapuram that caught fire earlier this month was a stark reminder that Indian cities need to be prepared for more such incidents as summer approaches.*

What are landfills?

- Landfills are sites **designed to store garbage**.
- They are designed to **minimize the effects of the trash on human health and the environment**.
- It is also known as a **tip, dump, rubbish dump, garbage dump, or dumping ground**.
- It is the most common form of waste disposal.
- **Modern landfills are designed to keep toxic trash contained**, leaks do happen.
- **Landfills are still dangerous to the environment and human health**.
- The **methane** that is **released due to the decomposing waste** is a **potent greenhouse gas** that contributes to **global climate change**.
- The **air pollutants escaping** from the **landfill** can also **cause respiratory problems** in people who live **close to the landfill**.
- According to the ISWA (**International Solid Waste Association**) report, if the current situation continues and if **no action takes place, landfill sites** will account for **10% of greenhouse gas emissions** by 2025.

Impact:

- **Cause Fires/Explosions:** Methane produced by waste from landfill sites can cause explosions and fires.

- **Contaminate Soil and Water:** Landfill sites are often responsible for the contamination of soil and groundwater, as the contaminating materials (such as heavy materials like lead and mercury) that the stored waste may contain can spread to the soil and water near the plant.
- **Alter Fauna:** Landfill sites have particularly negative effects on bird migration. Some birds feed from landfill sites, inevitably ingesting plastic, aluminum, gypsum and other materials that are common among waste, which can even prove fatal.
- **Reduce the Value of Surrounding Areas:** The bad smells that emanate from landfill sites cannot be effectively controlled and, almost inevitably, reach nearby populations.

Why do landfills catch fire?

- **India's municipalities** have been **collecting more than 95% of the waste generated** in cities but the **efficiency of waste-processing** is **30-40%** at best.
- **Indian municipal solid waste** consists of about **60% biodegradable material, 25% non-biodegradable material** and **15% inert materials**, like silt and stone.
- Municipalities are expected to **process the wet and dry waste separately** and to have the **recovered by-products recycled**.
- The **rate of processing** in India's cities is **far lower than the rate of waste generation**, so **unprocessed waste remains in open landfills** for long periods.
- This openly disposed waste includes flammable material like **low-quality plastics**, which have



Daily News Decoding

- a **relatively higher calorific value** of about **2,500-3,000 kcal/kg** (compared to around 8,000 kcal/kg for coal), and **rags and clothes**.
- In summer, the **biodegradable fraction composts much faster**, increasing the **temperature of the heap** to beyond 70-80° C.
- Higher temperature and flammable material often leads to a **chance for the landfill to catch fire**.





Sub-categorization of OBCs

Prelims & GS Paper - II

Context: *The commission for the sub-categorization of the OBC has received its 14th extension.*

Commission on Sub-Categorization of OBCs:

- The **sub-categorisation is being demanded as a handful of total communities** get a major chunk of the reserved jobs and seats in educational institutes.
- The **commission was set up by the President under Article 340** of the Indian Constitution to sub-categorise OBCs so that the benefits of reservation reach all of them.
- **OBCs get 27 per cent reservation in jobs and education** provided by the Centre.
- According to 2018 data, just **ten OBC communities have taken the 25 percent of reserved central jobs and institutional seats**. Also, 97 per cent of the reserved jobs and seats have gone to 25 percent of OBC sub-castes.
- As many as 983, or 37 per cent, of the 2,600 communities under the OBC category have zero representation in jobs and institutes. And only 2.68 per cent reservation has been used by 994 castes.
- As there is limited data on the population of various subcategories of OBCs, the commission was appointed to collect it. This is expected to help the government in forming official OBC sub-categories and ensure a more equitable representation of all sub-communities.
- The **four-member commission** is headed by former Delhi High Court judge, Justice G. Rohini (retd), while the other members are Dr J.K. Bajaj, Director, Centre for Policy Studies,

Gauri Basu, Director, Anthropological Survey of India, Kolkata (ex-officio member), and Vivek Joshi, Registrar General and Census Commissioner (ex-officio member).

History:

- **Quota systems favoring certain castes and other communities existed before independence** in several areas of British India.
- **Rajarshi Shahu**, the Maharaja of the **princely state of Kolhapur, introduced reservation in favor of non-Brahmin and backward classes**, much of which came into force in 1902. He provided free education to everyone and opened several hostels to make it easier for them to receive it. He also tried to ensure that people thus educated were suitably employed, and he appealed both for a class-free India and the abolition of untouchability. His 1902 measures created 50 percent reservation for backward communities.
- **In 1918**, at the behest of several non-Brahmin organizations criticizing Brahmin domination of administration, the **Mysore Raja Nalvadi Krishnaraja Wadiyar created a committee to implement reservations for non-Brahmins in government jobs and education** over the opposition of his Diwan M. Viswesvaraya, who resigned in protest.
- The **British Raj introduced elements of reservation in the Government of India Act of 1909** and there were many other measures put in place prior to independence.
- A significant one emerged from the **Round Table Conference of June 1932**, when the Prime Minister of Britain, **Ramsay MacDonald**,

Daily News Decoding

proposed the **Communal Award**, according to which separate representation was to be **provided for Muslims, Sikhs, Indian Christians, Anglo-Indians, and Europeans**. The depressed classes, roughly corresponding to the STs and SCs, were assigned a number of seats to be filled by election from constituencies in which only they could vote, although they could also vote in other seats.

- In 1942, **Viceroy's Executive Council recommended 8.5 per cent reservation for Scheduled Castes in civil services**. B R Ambedkar was a member of the council.

Steps during Independent India:

- Indian Constitution commits to reservations for Scheduled Castes and Tribes. A Government Order excluded converts (except four Sikh Dalit castes) but by 1990s, Sikh and Buddhist castes were included, but Christian and Muslim Dalits remain excluded.
- First amendment in Constitution to legalize caste-based reservation in face of court cases against quota.
- In 1954, the **Ministry of Education suggested that 20 percent of places should be reserved for the SCs and STs in educational institutions** with a provision to relax minimum qualifying marks for admission by 5 percent wherever required.
- In 1982, **it was specified that 15 percent and 7.5 percent of vacancies in public sector and government-aided educational institutes** should be reserved for the SC and ST candidates, respectively.
- The **Mandal Commission report recommending 27 per cent reservation to OBCs** is implemented by Prime Minister V P Singh.
- In 2019, Parliament passes **Article 15 amendment bill allowing 10 per cent quota for poor in higher education and jobs** by bringing 103rd Constitutional Amendment Act.
- Reservation in the legislature was only till 1960 but it has been extended every 10 years.
- Latest extension was made in 2010 and is valid up to 26 January 2020. There was never a deadline for reservation in education and jobs.



Wilful Defaulters

Prelims & GS Paper - III

Context: *The Reserve Bank of India (RBI) has reported a sharp decline in gross non-performing assets (NPAs), or bad loans, in the banking system in the last two years, but wilful defaults have shot up with more legacy loan accounts now getting added to the wilful default category.*

Who are Wilful Defaulters?

The **Master Circular, 2015** released by RBI defines “**wilful defaulter**” to mean any “**unit**” which defaults in **meeting payment/repayment obligations** to the “**lender**”:

- Even when it has the **capacity** to **honor** it.
- Diverted the **funds** of the **lender** to **things** other than for which he has taken up such finance.
- **Siphoned off** the funds such that the **funds** are **neither utilized** for the **purpose** it was **taken** for nor is it available in the form of other assets within the unit.
- Disposed of or removed the movable fixed assets or immovable property pledged for securing the loan without the knowledge of the lender.

Economic Survey 2019-20 used **credit analytics** to **improve** the **health profile** of the banking system by identifying wilful defaulters present in the **Indian Economy** through the following ways:

- Wilful defaulters are those classified as such in the **CIBIL Suits Filed database**, while **distress defaulters** are those with a **default credit rating** at least once in the sample period but those who have not been classified as ‘wilful defaulters’.

- **Wilful defaulters** have a **natural incentive** to **misrepresent** the **value** of **collateral**. In more egregious cases, they may pledge fictitious collateral. If they pledge genuine collateral, they have an incentive to dispose of these assets without the lender’s knowledge, lest they lose control of valuable assets after they default.
- **Enforcement** of **debt obligations** should **not encroach** into the **borrower’s private sphere**, as much as a lender may suspect an impending case of wilful default.

Other Legal Instruments:

- **Indian Penal Code:**
 - ▶ A wilful defaulter can be **prosecuted** under **Sections 415** and **403** of the **IPC**. **Criminal action** is usually **initiated** by the **financial institutions** under these sections only.
 - ▶ **Section 403** typically **deals** with the **dishonest misappropriation of property** which **states** that a **person** who has been **held liable** for **this offense** shall be **punished** with **imprisonment** for a **term** which may extend to two years or with a fine, or both.
 - ▶ **Section 415** addresses the offense of cheating.
- **Companies Act, 2013:**
 - ▶ **Section 447** and **448** would be **applicable** to **wilful defaulters**.
 - ▶ **Section 447** says **someone found guilty** of **fraud** shall be **punishable** with **imprisonment** of **six months** which can



Daily News Decoding

extend up to ten years, or with a fine three times more than the amount involved in the fraud or with both.

- ▶ **Section 448** gives out **punishment** for **false statements**.
- **SARFAESI Act, 2002:** It was amended to include **three months of imprisonment** in case the **borrower** does **not provide asset details**, and for the lender to get possession of the mortgaged property in 30 days.
- **SEBI disallows wilful defaulters** from **boards** and they are **restricted** from **raising capital** and from being involved in capital market activities.



Self-Employment Scheme for Rehabilitation of Manual Scavengers

Prelims & GS Paper - II

Context: *A total of 1,035 people have died while undertaking hazardous cleaning of sewers and septic tanks across India since 1993.*

About:

- The Self-Employment Scheme for Rehabilitation of Manual Scavengers (SRMS) was introduced in January, 2007.
- It was brought with the objective to rehabilitate the remaining manual scavengers and their dependents in alternative occupations.

Major Components of Self-Employment Scheme for Rehabilitation of Manual Scavengers:

- **One-Time cash assistance** of Rs.40000/- to identify manual scavengers.
- **Credit linked back-end capital subsidy** up to Rs. 3.25 lakh with provision of concessional Loans for project cost upto Rs. 15.00 lacs.
- **Skill Development Training up to two years** with stipend of Rs.3000/- per month to the manual scavenger/dependent who opts for such training.
- **Subsidy on Loans to manual scavengers/ sanitation workers** and their dependents for sanitation related projects (for projects up to Rs. 15 lakh)
- Coverage of Manual Scavengers for **Health Insurance under Ayushman Bharat** (PM-JAY) Yojana
- **Behavioral Skill Development Training** (RPL).
- **Health Camps.**
- **Workshops on Hazardous Cleaning of Sewers and Septic Tanks.**

Current Trends:

- **Only 2.7% and 31.3% of total identified manual scavengers** have received the **capital subsidy** and **skill development training** respectively.
- State-wise data shows that in Uttar Pradesh, a **state with the highest number of manual scavengers** (32,473), **only 2.4% have received the capital subsidy.**
- As many as **seven states have not disbursed any capital subsidy** at all.
- **Abysmally low achievement against skill development training and capital subsidy** indicates that the **government has not been able to fulfill the long-term objectives of rehabilitation of manual scavengers** in terms of **sustained livelihood.**

Manual Scavenging:

- **Manual scavenging** is the **practice of removing human excreta by hand** from **sewers or septic tanks.**
- **India banned the practice** under the **Prohibition of Employment as Manual Scavengers and their Rehabilitation Act, 2013 (PEMSR).**
- The Act bans the **use of any individual for manually cleaning, carrying, disposing** of or otherwise handling in any manner, human excreta till its disposal.
- In 2013, the **definition of manual scavengers was also broadened** to include people employed to **clean septic tanks, ditches, or railway tracks.**



Daily News Decoding

- The Act recognizes manual scavenging as a **“dehumanizing practice,”** and cites a need to **“correct the historical injustice and indignity suffered by the manual scavengers.”**
- The **lack of enforcement of the Act** and **exploitation of unskilled laborers** are the reasons why the **practice is still prevalent** in India.
- According to the **Union Social Justice and Empowerment Ministry,** the government possesses **caste-related data on 43,797 people engaged in manual scavenging,** with over 42,500 belonging to the Scheduled Castes.
- **Untouchability** and **social isolation** are intrinsically related to **manual scavenging.**
- According to the **India Exclusion Report** for **2019-20,** **manual scavenging** has **historically** been **linked to caste** in the **Indian subcontinent.**
- The Brahmanical social order assigns the most “polluting” tasks, such as removing human excreta, to Dalit castes.
- There is evidence of the same in ancient texts such as the **Narada Samhita** and the **Vajasayeni Samhita.**

