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MINISTRY OF SCIENCE AND TECHNOLOGY



MK Yadav Sir

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THE HINDU Page 1

DRUGS AND COSMETICS RULES, 1945

(Syllabus: GS Paper 2 – Health & Gov. Policies)

SC stays AYUSH Ministry's notification omitting key rule prohibiting misleading advertisements

The Hindu Bureau
NEW DELHI

The Supreme Court on Tuesday stayed a July 1 notification issued by the AYUSH Ministry in which Rule 170 of the Drugs and Cosmetics Rules, 1945 was "omitted". The Rule deals with the power to take action against objectionable or misleading advertisements about Ayurvedic, Siddha, and Unani drugs.

A Bench of Justices Hima Kohli and Sandeep Mehta told Additional Solicitor-General K. Nataraj that the notification was in the teeth of a May 7 order passed by the Supreme Court in a contempt case against Patanjali Ayurved Limited, a company co-founded by yoga guru Baba Ramdev.



"The intention of the May 7 order was to enforce Rule 170. Now, in view of this omission, any manufacturer can with impunity go around advertising its drugs"
JUSTICE SANDEEP MEHTA

The May 7 order had directed the Ministry to withdraw its August 29, 2023 letter sent to drug licensing authorities across States and Union Territories informing them that Rule 170 was no longer operational on the basis of a recommendation made by the Ayurvedic, Siddha, and Unani Drugs Technical Advisory Board (ASUDTAB) to omit the provision. The Ministry had agreed to comply with the court's order.

However, the Ministry went on to issue the July 1 notification, which did not withdraw the August 2023 letter, while omitting to bring Rule 170 back into play. "The intention of the May 7 order was to enforce Rule 170. Now, in view of this omission, any manufacturer can with impunity go around advertising its drugs," Justice Mehta said.

Mr. Nataraj said he would file an affidavit to explain. "This flies in the teeth. No affidavit. We are quashing your notification here and now. How could you file this with an affidavit explaining it? We are really surprised. You are violating our order. This is not appreciated," Justice Kohli noted.

In its order, the court recorded that the Centre "instead of withdrawing the letter dated August 29, 2023, for reasons best known to the Ministry, a notification dated July 1 to omit Rule 170 of the Drugs and Cosmetics Rules, 1945 has been issued which runs contrary to directions issued by this court".

Meanwhile, the Bench found the unconditional apology published in 20 editions of the print version of *The Hindu* by Indian Medical Association (IMA) president R.V. Asokan as illegible as the font was minuscule. The IMA, which had filed the contempt case against Patanjali Ayurved, saw a reversal of fortune when the court took serious exception to remarks made by Dr. Asokan about a Supreme Court order in the case during a media interview.

CONTINUED ON » PAGE 10

Context: The Supreme Court stayed a July 1, 2024 notification issued by the AYUSH Ministry in which Rule 170 of the Drugs and Cosmetics Rules, 1945 was "omitted".

Drugs and Cosmetics Rules, 1945

- **About:** The Drugs and Cosmetics Rules, 1945 are established under The Drugs and Cosmetics Act, 1940 which regulates the import, manufacture, and sale or distribution of drugs and cosmetics through licenses and permits.
- **Objective:** To ensure that the drugs and cosmetics marketed in India are reliable, efficient, and in compliance with national standards.
- **Classification**: The rules classify drugs into various schedules, each with specific guidelines.
- **Regulations**: The rules provide guidelines for the storage, sale, display, and prescription of drugs based on their classification.
- **Appointment:** Drugs Controller, India, or the Joint Drugs Controller (India) or the Deputy Drugs Controller (India) appointed by the Central Government.

- **Features:**
  - **Licensing**: Rule 67 outlines the conditions required for obtaining licenses to manufacture and sell drugs.
  - **Labeling**: Rule 97 specifies the labeling requirements for drugs, ensuring proper warnings and instructions.
  - **Schedule G:** Includes hormonal medications, anticonvulsants, and hypoglycemic drugs; labels must caution usage under medical supervision.
  - **Schedule H**: Drugs under this schedule require a prescription for sale and must display the "Rx" symbol and a warning.
    - ✓ If a Schedule H drug is also a narcotic or psychotropic substance, it must display the "NRx" symbol.
  - **Schedule M:** The revised Schedule M focuses on Good Manufacturing Practices (GMP) and sets standards for pharmaceutical manufacturing premises and equipment.
  - **Rule 170:** The Rule deals with the power to take action against objectionable or misleading advertisements about Ayurvedic, Siddha, and Unani drugs.

INDIAN EXPRESS Explained

FIXED DOSE COMBINATIONS

(Syllabus GS Paper 2/3 – Health/Sci and Tech)

What are combination drugs; why have 156 of them been banned?

ANONNA DUTT
NEW DELHI, AUGUST 27

THE GOVERNMENT has banned 156 fixed-dose combination (FDC) drugs, including popular medicines such as Cheston Cold and Foracet, used for cold and fever and pain respectively.

The ban is the most sweeping crackdown on FDCs — which are combinations of two or more known drugs in single-dosage form — since 2018, when 328 such drugs were banned. A total 499 FDCs have been banned since 2014, officials said.

In its notification issued last week, the central government termed these FDCs irrational, and said they do not have any therapeutic benefit.

What are FDCs; whom do they help?

FDCs are medicines that have more than one active ingredient — chemical compounds in medicines that have an effect on the body — in a single pill, capsule, or shot.

FDCs are meant for patients with conditions such as tuberculosis and diabetes for which they need to take multiple medicines regularly. FDCs reduce the number of pills the patient needs to take each day, and help improve adherence to the treatment.

Sometimes, however, an FDC could mean that a patient ends up taking a drug that they may not need. Cheston Cold, for instance, contains paracetamol for fever, cetirizine for allergy relief, and phenylephrine for nasal decongestion. So while this drug will help people who have these symptoms because of allergies, it is not really required for a bacterial infection.

Which FDCs have been banned?

Among the banned drugs are:

- Several combinations of enzymes used for treatment of gastrointestinal problems;
- Combinations of anti-allergic medicines such as levocetirizine with nasal decongestant, syrups that break down mucus, and paracetamol;
- Combinations used for the treatment of skin conditions, including menthol with aloe vera; aloe vera with vitamin E in the form of medicated soap; silver sulfadiazine (used for burns) with an antiseptic agent, aloe extract and vitamin; calamine lotion with aloe and a natural substance (for skin irritation);
- Combination of a migraine medicine with one to prevent nausea;
- Combination of the drug mefenamic acid — usually used for menstrual cramps — with anti-fibrotic medicine tranexamic acid;
- Combination of sildenafil, the active ingredient in the erectile dysfunction drug Viagra, with a drug that relaxes blood vessels and muscles.

EXPLAINED HEALTH

Are these drugs still available?

Manufacturers have been told to immediately stop producing, stocking, and selling these drugs, says the government notification. However, they are likely to remain available in the market for some time.

"We have seen that the companies usually go to court after such an order, and the courts allow them to sell the stock that is already in the market," a senior Health Ministry official told *The Indian Express*.

So what can happen if you consume one of these banned FDCs?

These medicines may have been in the market for years, and thousands of people may have consumed them already. Having one now is unlikely to cause any harm.

What was the need to ban them, then?

- These "irrational" combinations have been banned because they contain ingredients that either do not work well together or have ingredients that are not needed by patients to be taken together.
- A major reason is to take combinations of antibiotics out of circulation, because the unnecessary consumption of antibiotics can lead to increase in antibiotic resistance — which means increasingly higher doses or stronger antibiotics are needed for the treatment of even simple infections.

Despite the earlier bans, a 2023 study found that FDCs as a proportion of total antibiotics sold in India had actually increased from 32.9% in 2008 to 37.3% in 2020.

The study noted that India has among the highest number of FDCs in the market anywhere in the world, many of which were potentially inappropriate. "In India, of the 4.5 billion standard units of antibiotic FDCs sold in 2020, 41.5% were attributed to combinations listed as 'not recommended' by WHO," the study said.

- Another reason for the ban is the pricing control on essential medicines. The government decides ceiling prices for these medicines based on average market prices. Companies are known to create FDCs to escape the pricing control mechanism.

Why has the government acted now?

The action is in line with the government's effort to weed out irrational medicine combinations that have entered the market over the years. These banned drugs were initially approved by various state licensing authorities without any trials for combinations because the ingredients were individually approved, the senior ministry official said.

"The new drugs and clinical trial rules of 2019 make it clear that fixed dose combinations are to be considered as new drugs, and as such have to be approved by the central drug regulator. This has helped in bringing down the number of these irrational combinations available in the market," the official said.

In 2012, a parliamentary panel first highlighted the problem of irrational drug combinations receiving such approvals. The government set up a committee in 2014 to examine 3,450 FDCs approved for manufacture and sale in the country after 1988. The committee found 963 drugs to be irrational, and suggested an immediate ban. It also identified a set of FDCs which needed to be studied further. Of these, 499 have been banned so far.

Context: The government has banned 156 fixed- dose combination (FDC) drugs, including popular medicines such as Cheston Cold and Foracet, used for cold and fever and pain respectively.

Fixed Dose Combinations

- **About**: These are medicines that have two or more active ingredients in a single pill, capsule or shot.
- **Purpose**: FDCs are designed to simplify treatment for patients with conditions requiring multiple medications, such as tuberculosis and diabetes.
- **Example**: Cheston Cold, an FDC, contains paracetamol, cetirizine, and phenylephrine—useful for multiple symptoms but unnecessary for conditions like bacterial infections.

Government Banning Certain FDCs

- **Banning Reason:** The government banned certain FDCs because they contain ingredients that may not work well together or are unnecessary when combined.
- **Regulatory Concerns**: Many banned FDCs were approved by state licensing authorities without adequate trials, as the individual ingredients were previously approved.
- **Rising Antibiotic Resistance**: The primary reason for banning these FDCs is to curb the misuse of antibiotics, which contributes to antibiotic resistance and necessitates stronger treatments for infections.
    - Despite earlier bans, FDCs as a share of total antibiotics sold in India increased from 32.9% in 2008 to 37.3% in 2020.
- **2019 Regulation**: The 2019 new drug and clinical trial rules classify FDCs as new drugs, requiring approval from the central drug regulator before use.

PIB

Aug 27

EXOTIC SPECIES

(Syllabus: GS Paper 3 – Env and Eco)

The registration of these exotic animal species is to be done in the PARIVESH 2.0 portal

Context: The Ministry of Environment, Forest and Climate Change (MoEFCC) has mandated that exotic pets listed under Schedule IV of the Wildlife Act be registered with state wildlife departments through the PARIVESH 2.0 portal within 6 months.

Exotic Species

- **Definition:** Exotic species are animals or plants that are relocated from their natural habitat to a new area, often as a result of human activities.
- **Status of Registration:** Delhi's forest and wildlife department has officially registered eight exotic species: ball python, iguana, cockatiel, red-eared slider turtle, African grey parrot, Amazonian parrot, blue-headed parrot, and conure.
- **Criteria:** The Living Animal Species (Reporting and Registration) Rules, 2024, require individuals to report and register any species listed under Schedule IV of the Wild Life (Protection) Act, 1972.
- **Wild Life (Protection) Amendment Act, 2022**: This amendment includes Section 49 M, which mandates the registration of possession, transfer, birth, and death of species listed in the CITES Appendices and Schedule IV of the Wild Life (Protection) Act, 1972.

Concerns with Exotic Species

- **Non-Regulation:** Many exotic species are imported and bred in India without proper registration, leading to potential risks such as zoonotic diseases.
- **Pandemic Risk**: The COVID-19 pandemic, being zoonotic, underscored the dangers associated with the unregulated trade and ownership of exotic animals.
- **Smuggling Concerns**: There is growing concern over the smuggling of endangered exotic animals into India, particularly from Southeast Asia. Significant seizures, including Kangaroos, Koalas, and Lemurs, have been reported in Assam and Mizoram.

PARIVESH 2.0 Portal

- **Acronym**: PARIVESH stands for Pro-Active and Responsive facilitation by Interactive, Virtuous, and Environmental Single Window Hub.
- **Developed By:** The portal was developed by the Ministry of Environment, Forest and Climate Change (MoEFCC).
- **Functionality**: PARIVESH 2.0 is a web-based application that provides a single-window solution for online submission and monitoring of proposals related to environmental, forest, wildlife, and coastal regulation zone clearances.
- **Platform Focus**: The platform focuses on process transformation, technology integration, and leveraging domain expertise to manage green clearances and ensure compliance across India.

ALL INDIA RADIO

Aug 27

NATIONAL MEDICAL REGISTER PORTAL

(Syllabus: GS Paper 2 – Govt Policies)

Union Health Minister J.P. Nadda Launches National Medical Register Portal In New Delhi

Context: Union Health Minister launched the National Medical Register Portal in New Delhi for the registration of all MBBS doctors eligible for registration in India.

National Medical Register Portal

- **About**: The NMR Portal is managed by the National Medical Commission (NMC) for the registration of all eligible MBBS doctors in India.
- **Legal Mandate**: The NMR is required under Section 31 of the National Medical Commission (NMC) Act, 2019, which directs the Ethics and Medical Registration Board (EMRB) to maintain an electronic National Register with doctors' names, addresses, and recognized qualifications.
- **Database Scope**: The NMR serves as a comprehensive and dynamic database for allopathic (MBBS) doctors registered in India.
- **Link with:** The portal links the NMR with doctors' Aadhaar IDs, ensuring their authenticity.
- **Registration Process:** The registration process on the NMR portal is straightforward and conducted online, with medical colleges, State Medical Councils (SMCs), and other institutions interconnected.
- **Data Visibility:** Some data on the portal is public, while other information is accessible only to the EMRB, SMCs, National Board of Examinations (NBE), medical institutions, and registered practitioners based on specific requirements.
- **Features Offered**: The portal provides various features such as adding qualifications, tracking applications, suspending licenses, and issuing NMR ID cards and digital doctor **certificates.**
- **Improvement**: The NMR portal will undergo regular upgrades and enhancements to improve the registration process.

BUSINESS LINE Aug 27

SMALL MODULAR REACTORS (SMRS)

(Syllabus: GS Paper 2 – Sci and Tech)

Editorial. Small-scale commercial nuclear reactors, the way forward

PREMIUM

Context: The Budget 2024-25 highlights 'Bharat Small Reactors' (BSR) as a key initiative for advancing clean energy and ensuring energy security.

Small Modular Reactors (SMRs)

- **Definition**: These are small nuclear fission reactors designed for factory construction, transportation to operational sites, and use for powering buildings or commercial operations.
- **Physical Characteristics:**
  - **Small:** These reactors are much smaller in size compared to conventional nuclear reactors.
  - **Modular**: SMRs are designed to be factory-assembled and then transported as a complete unit for installation.
  - **Reactors:** SMRs utilize nuclear fission to generate heat, which is then converted into energy.
- **Capacity:** SMRs can produce up to 300 MW(e) per unit, about one-third of traditional nuclear reactors' generating capacity, contributing significant low-carbon electricity.
- **Frequency**: SMRs generally require refueling every 3 to 7 years, compared to 1 to 2 years for conventional reactors. Some SMRs can operate up to 30 years without refueling.

Benefits of SMRs

- **Design Advantages**: The small and modular nature of SMRs offers several benefits.
- Locational Accommodation: SMRs can be installed in locations unsuitable for larger nuclear plants.
- **Affordability**: Prefabricated units reduce construction and installation costs.
- **Easy Construction:** SMRs lower construction costs and times and can be deployed incrementally.

SMR in India

- **Current Status**: India operates 15 Pressurized Heavy Water Reactors (PHWR) of 220 MW each, contributing half of its 6780 MW nuclear power capacity.
- **Future Prospects**: The government is considering converting PHWRs into SMRs to enhance their efficiency and capabilities.

INDIA TODAY Aug 27

NORTHERN BALD IBIS

(Syllabus: GS Paper 3 – Env and Eco)

Hunting drove this bird species to near extinction. It's making a brave comeback

Context: The northern bald ibis, once extinct in Europe, has returned and now requires human assistance for its winter migration. Previously seen soaring over North Africa, the Arabian Peninsula, and Europe, this bird species is making a comeback.

Northern Bald Ibis



- **About:** It a distinctive bird known for its iridescent plumage and bald red head.
- **Geographic Range**: European Alps, Northern Africa, and the Middle East until the start of the 1900's.
- **Migration**: Eastward from Morocco and Turkey through countries such as Jordan and Saudi Arabia.
- **Habitat**: Northern bald ibises are found in semi-arid desert, steppe regions.
- **Numbers:** It disappeared from Europe over 300 years ago, although reintroduction programmes in the region are underway.
    - In 2019 there were about 700 wild birds remaining in southern Morocco, and fewer than 10 in Syria, where it was rediscovered in 2002 but where their number declined in the following years, maybe to zero.
- **Conservation Status**:
    - **IUCN Red List:** Endangered. It was categorised as "Critically Endangered" but moved to endangered category in 2018.
    - **CITES:** Appendix I species.

Reintroduction of the Northern Bald Ibis

- **About:** It is the first time that a migratory bird population has been built from zero by establishing a new migration tradition and by the use of chicks from zoo colonies. The project have been instituted internationally in recent times, with a semi-wild breeding colony in Turkey as well as sites in Austria, Italy, Spain, and northern Morocco.
- **Achievment**: Reintroduction of the critically endangered northern bald ibis into Europe and the establishment of a pattern of migration that will ensure the survival of the species.

THE HINDU Page 1

RT-PCR TESTING KITS
(Syllabus: GS Paper 2 – Health)

CDSCO grants approval for making RT-PCR testing kits to detect Mpox in India

Bindu Shajan Perappadan
NEW DELHI

The Central Drugs Standard Control Organisation has granted approval to Siemens Healthineers for the manufacture of RT-PCR testing kits for detection of Mpox, a senior Health Ministry official said on Tuesday.

The kits will be manufactured by the company's molecular diagnostics manufacturing unit in Vadodara, with a production capacity of one million a year.

With the RT-PCR kits, the test results will be available in 40 minutes, which is significantly faster than traditional methods. This will help reduce the turnaround time for reporting, leading to quicker responses, the company said.



The Union Health Ministry said the approval for the testing kit was given last week.

"The IMDX Monkeypox Detection RT-PCR Assay is a molecular diagnostic test that targets two distinct regions in the viral genome, spanning both clade I and clade II variants of the virus. This ensures thorough detection across various viral strains, providing comprehensive results. This assay is platform-agnostic and seamlessly fits into existing lab workflows with standard PCR setups, eliminating the need for new instruments. The ability to use existing COVID testing infrastructure would enhance the efficiency," Hariharan Subramanian, managing director, Siemens Healthcare, said.

"By providing India with advanced assay kits tailored to combat Mpox, we are taking a proactive stance in battling this disease and prioritising prompt and precise detection that can truly make a difference in saving lives," he added.

Clinically validated by the Indian Council of Medical Research-National Institute of Virology, Pune, the assay boasts 100% sensitivity and specificity.

The Union Health Ministry said the approval for the kit was given last week.

Context: The Central Drugs Standard Control Organisation has granted approval to Siemens Healthineers for the manufacture of RT-PCR testing kits for detection of Mpox.

RT-PCR Testing Kits

- **About:** It is a molecular diagnostic test that targets two distinct regions in the viral genome, spanning both clade I and clade II variants of the virus.
- **Introduced under:** Brand name 'ErbaMDx Monkeypox RT-PCR Kit.
- **Developed by**: Andhra Pradesh MedTech Zone (AMTZ), a research body of the state government, in collaboration with Transasia Diagnostics.
- **Utilization**: This assay can leverage existing COVID-19 testing infrastructure, enhancing efficiency and minimizing the need for new equipment.
- **Features**:
  - **Shelf Life**: With a 12-month shelf life and zero cross-reactivity with other orthopoxviruses, the kit promises exceptional accuracy and dependability.
  - Its use of lyophilised components, which allows it to be shipped and stored at ambient temperatures.
  - **Focus**: These assay kits demonstrate Siemens Healthineers' commitment to improving 'Access to Care,' making advanced diagnostics more widely available.
- **Boost to "Make in India" Initiative**: The approval marks a significant achievement for the "Make in India" initiative, highlighting the company's commitment to local manufacturing.
- **Contribution to Public Health**: This assay represents a critical advancement in combating the Monkeypox public health emergency by enabling early and accurate detection.

MPOX Virus

- **About:** Mpox, formerly known as monkeypox, is a viral disease caused by the Monkeypox virus.
- **Belongs to**: Same family as the virus that causes smallpox.
- **Virus Type**: There are two main types of Monkeypox virus: Clade I and Clade II.

Central Drugs Standard Control Organization (CDSCO)

- **About:** CDSCO establishes standards and measures to ensure the safety, effectiveness, and quality of drugs, cosmetics, diagnostics, and medical devices within the country.
- **Headquarters:** New Delhi.
- **Ministry**: Ministry of Health & Family Welfare.

DTE Aug 27

NANO DIAMMONIUM PHOSPHATE

(Syllabus: GS Paper 3 – Agriculture)

After nano urea, research finds dip in yield and plant growth with nano DAP

Context: A two-year field experiment on the efficacy of nano diammonium phosphate (DAP) by scientists from the Punjab Agricultural University (PAU) has found a substantial decrease in wheat yields compared to conventional nitrogen fertiliser application.

Nano Diammonium Phosphate (DAP)

- **About**: It is an efficient source of available nitrogen (N) and phosphorus (P2O5) for all the crops and helps in correcting the Nitrogen & Phosphorus deficiencies in standing crops.
- **Nutrient Content:** It provides essential nutrients for crops with 8% Nitrogen and 16% Phosphorus by volume.
- **Enhanced Efficiency**: With a particle size less than 100 nanometers, it offers a greater surface area to volume ratio, enhancing nutrient uptake.
- **Regulatory Approval**: IFFCO's Nano DAP is the only Nano fertilizer approved by the Ministry of Agriculture and listed in the Fertilizer Control Order.
- **Nano DAP (Liquid) Plant:** It is India's first liquid nano-ammonia phosphate (DAP) plant.
- **Significance of Nano DAP**
    - Nano DAP supports smart agriculture practices and contributes to climate change mitigation by reducing chemical runoff and minimizing environmental impact.
    - The nano-sized particles of Nano DAP allow for superior absorption through seed surfaces and plant openings, leading to more effective nutrient uptake.
    - Functionalized nano clusters enhance seed vigor, boost chlorophyll levels, and increase photosynthetic efficiency for better plant growth.

Diammonium Phosphate (DAP)

- **About**: It is rich in phosphorus (P), essential for root establishment and growth, making it crucial at sowing time.
- DAP is the second-most consumed fertilizer in the country, leading to government promotion of its liquid form to reduce imports and cut fertilizer subsidies.
- **Efficiency Comparison**: Compared to Nano DAP, traditional DAP is less efficient, offering reduced performance in nutrient delivery.

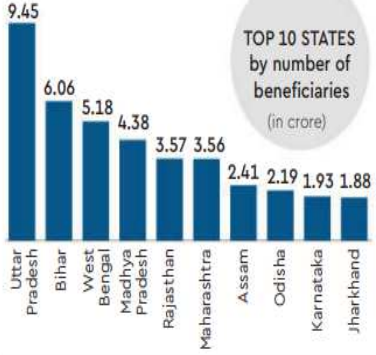
HINDUSTAN TIMES Aug 26

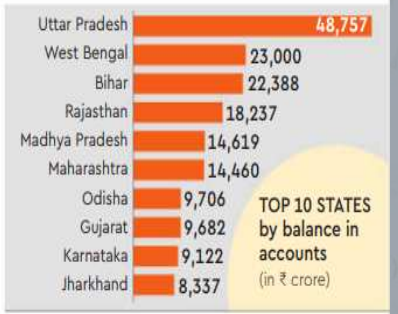
Jan Dhan: 10 years & many milestones



PM Jan Dhan Yojana	Total (in crore)
Beneficiaries rural/semi-urban	35.37
Beneficiaries urban metro	17.76
No. of female beneficiaries	29.56
Number of total beneficiaries	53.13
Number of Rupay Debit Cards issued to beneficiaries	36.14
Deposits in accounts (₹ crore)	2,31,236

Data as on August 14, 2024; Source: PMJDY





A DECADE AFTER ITS launch on August 28, 2014, the number of operative non-frill bank accounts under the Pradhan Mantri Jan Dhan Yojana stands at an impressive 531 million, with cumulative deposits in them crossing ₹2.31 lakh crore. Net cash accretion in these accounts, which have played a pivotal role in digitalisation and financial inclusion, rose to an all-time high of ₹36,153 crore in 2023-24. The average cash deposits per account is seen to be over ₹4,500. According to an estimate, the trinity of Jan Dhan-Aadhaar-Mobile (JAM) has helped prevent ₹2.75 lakh crore of public money from going into wrong hands. The Unified Lending Interface (ULI) platform , to be launched by the RBI soon, will also stand on the foundation built by JAM and the Unified Payment Interface (UPI). Together, these could make the credit appraisal process for small and rural borrowers easier.

Of the Jan Dhan accounts, 55.6% or 295.6 million belong to women. Public sector banks account for 414.2 million, or 78% of the total accounts, followed by regional rural banks at 98.9 million (18.6%). In terms of deposits, state-owned banks account for ₹1.79 lakh crore, or 76% of the total balance. In rural areas, the total number of accounts touched 353.7 million, or 67% of the total, indicating growing access to banking in the hinterland. State-wise, Uttar Pradesh tops in the number of accounts at 945 million with deposits worth ₹48,757 crore, followed by Bihar and West Bengal. On Tuesday, finance minister Nirmala Sitharaman said, "Our target is to open more than 30 million PMJDY accounts during the current financial year."

PRADHAN MANTRI JAN DHAN YOJANA

(Syllabus: GS Paper 3 – Economy)

Context: After a decade, the Pradhan Mantri Jan Dhan Yojana (PMJDY) has reached 53.13 crore accounts, with 55.6% held by women and 66.6% in rural and semi-urban areas.

Pradhan Mantri Jan Dhan Yojana (PMJDY)

- **About**: PMJDY is National Mission for Financial Inclusion named as the Pradhan Mantri Jan Dhan Yojana to ensure access to financial services, namely, Banking/ Savings & Deposit Accounts, Remittance, Credit, Insurance, Pension in an affordable manner.
- **Announced on:** 15th August 2014
- **Implementation of the Scheme**:
  - **Phase I**: 15 August 2014 - 14 August 2015.
  - **Phase II**: 15 August 2015 - 14 August 2018.
  - **Phase III**: beyond 14 August 2018.
- **Objectives:**
  - Ensure access of financial products & services at an affordable cost
  - Use of technology to lower cost & widen reach
- **Features of the Scheme**:
  - PMJDY provides one basic bank account for every unbanked adult. For this account, there is no need to maintain any balance and also no charges are levied on this account.
  - In the account, a free-of-cost RuPay Debit card with in-built accident insurance cover of Rs. 2 lakh is also provided to promote digital transactions.
  - PMJDY account holders are also eligible for getting an overdraft of up to Rs. 10,000 to cover exigencies.

INDIAN EXPRESS

Explained

EXCEPTION UNDER SECTION 45 UNDER PMLA

(Syllabus: GS Paper 3 – Economy/Internal Security)



In Kavitha bail, PMLA exception for women, unclear link to crime

APURVA VISHWANATH
NEW DELHI, AUGUST 27

THE Supreme Court on Tuesday granted bail to Bharat Rashtra Samithi (BRS) leader and Telangana MLC K Kavitha in the Central Bureau of Investigation (CBI) and Enforcement Directorate (ED) cases against her in the Delhi excise policy case.

EXPLAINED LAW

The ruling is yet another blow for the agencies whose high-profile investigation in the case led to the arrest of several opposition leaders, including Delhi Chief Minister Arvind Kejriwal and former Delhi Deputy Chief Minister Manish Sisodia. The SC granted bail to Sisodia on August 9 and will hear Kejriwal's bail plea on September 5.

While a detailed order with the reasons for granting bail to Kavitha is yet to be made public, a Bench comprising Justices B R Gavai and K V Viswanathan made various observations during the hearing that raise questions on the investigation.

'Vulnerable' woman

The SC, in granting bail to Kavitha, set aside the Delhi High Court's July 1 order. In particular, the court criticised the HC's observations on whether Kavitha can be considered a "vulnerable" woman under the Prevention of Money Laundering Act (PMLA) for allowing concession in granting bail.

Section 45 of PMLA provides for bail on money laundering charges. This provision, like the stringent bail standard in the Unlawful Activities (Prevention) Act, 1967 (UAPA), puts the onus on the accused to prove that there is no *prima facie* case against them.

Section 45(1) reads: "No person accused of an offence under this Act shall be released on bail or on his own bond unless (i) the Public Prosecutor has been given an opportunity to oppose the application for such release; and (ii) where the Public Prosecutor opposes the application, the Court is satisfied that there are reasonable grounds for believing that he is not guilty of such offence and that he is not likely to commit any offence while on bail."

Kavitha is among several top political leaders who have been arrested. PTI

However, there is a crucial exception to the bail standard. "Provided that a person, who is under the age of sixteen years or is a woman or is sick or infirm, may be released on bail, if the Special Court so directs," the law says. This exception is similar to exemptions under the Indian Penal Code for women and minors.

On Kavitha, both the Delhi HC and the trial court (in April) held that since she is a "well-educated" woman, she cannot be considered "vulnerable".

The SC said these "perverse observations" in the Delhi HC order had to be remedied since it could lead to a situation where "no educated woman can get bail".

Kavitha's lawyers had argued that the HC did not properly apply a 2023 precedent on defining a vulnerable woman.

In 2023, Delhi HC granted bail to 49-year-old Preeti Chandra, wife of Sanjay Chandra, who was the Director of M/s Unitech Group, underlining the exception for women.

The ED, like in Kavitha's case, had made an argument that the accused was not a "household lady". However, the HC said the PMLA or the Constitution does not make a distinction between a household lady, a businesswoman, or a political figure.

"Thus to argue what kind of woman is entitled to fall within the *proviso* to section 45(1) PMLA by creating an ad-hoc illusionary sub-classification of educated women, business women, women belonging to high social strata, within the broader classification of 'woman', as sought to be done by the respondent, is misconceived," the court had said.

However, the court added a qualifier that the accused cannot be a "flight risk" or "tamper witnesses" to be eligible for bail.

Tampering with evidence

The ED argued that Kavitha had "tampered with evidence" by formatting her phone when the agency asked her to submit it.

Justice Viswanathan orally observed that changing or formatting phones is common and may not be sufficient to allege tampering with evidence. Oral observations have no legal value on their own, but often indicate what the judges could be thinking.

The ED also argued that it was on Kavitha's insistence that Hyderabad-based businessman Arun Pillai — considered a key conspirator and frontman for Kavitha — retracted his initial statements to the ED that incriminated her. To this, the Bench asked how Kavitha could have influenced someone (Pillai) who was already in ED custody.

Connection with crime

The Bench then asked the ED how Kavitha was linked to the excise scam. Additional Solicitor General S V Raju told the court that apart from statements of the approvers, the ED has access to the call detail record which shows that Kavitha was in touch with some of the accused/approvers.

The ED read out parts of the statement from approver Raghav Magunta, son of TDP MP Magunta Srinivasulu Reddy, in which he refers to Kavitha's alleged involvement.

According to Reddy's statement, the ED said Reddy's first meeting was with Kejriwal, and in that meeting the CM allegedly told him that Kavitha is also interested in the excise policy. The allegation is that after that meeting, Kavitha called Reddy and was in touch with him.

However, the SC, in an oral observation, questioned how the agency could count Reddy as an approver since he was also a witness in the case. It raised questions on how the agency made Reddy an approver, even when he was directly involved in the alleged scam.

Context: The Supreme Court has granted bail to Bharat Rashtra Samithi (BRS) leader in the Delhi Excise policy case, overturning the Delhi High Court's earlier denial of her bail plea under the Prevention of Money Laundering Act (PMLA) which was based on a key exception for women.

Section 45 of the PMLA

- **About:** It provides for bail on money laundering charges.
- **Bail Provision**: This provision in the law, like the stringent bail standard in the Unlawful Activities (Prevention) Act, 1967 (UAPA), puts the onus on the accused to prove that there is no prima facie case against them while seeking bail.
- **Section 45(1)**: "No person accused of an offence under this Act shall be released on bail or on his own bond unless:
  - the Public Prosecutor has been given an opportunity to oppose the application for such release; and
  - where the Public Prosecutor opposes the application, the Court is satisfied that there are reasonable grounds for believing that he is not guilty of such offence and that he is not likely to commit any offence while on bail."
- **Exception to the Bail Standard**: There is an exception to this bail standard for individuals under sixteen years old, women, or those who are sick or infirm, provided the Special Court directs their release. This exception aligns with similar provisions in the Indian Penal Code.

Crucial Exception of Section 45 of PMLA

- **Special Exception for Vulnerable Groups**: Section 45 includes an important exception allowing bail for women, minors, or those who are sick or infirm, subject to the Special Court's direction.
- **Mirroring Other Laws:** This exception is consistent with exemptions in other Indian laws, such as the Indian Penal Code, concerning women and minors.
- **Preeti Chandra Case (2023)**: The Delhi High Court cited the case of Preeti Chandra v. Directorate of Enforcement, emphasizing the application of the exception for women under Section 45.
- **Clarification by Court**: The court rejected the Enforcement Directorate's argument that the accused's social status should impact bail eligibility, affirming that the exception applies universally, provided there is no flight risk or threat to witnesses.

Legal Precedent

- **About:** A precedent is a previous instance or case which furnishes an example or rule for subsequent conduct, and a pattern upon which subsequent conduct is based.

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