# Monthly Policy Review

## April 2023

## Highlights of this Issue

### Budget Session 2023 of Parliament concludes; three Bills introduced, one passed (p. 2)

Bills introduced included one to enable joint command of the armed forces and two to amend laws on regulation of coastal aquaculture and forest conservation.

### Retail inflation was 6.2% in the fourth quarter of 2022-23 (p. 2)

CPI inflation was 6.3% in the fourth quarter of 2021-22 while it was 6.1% in the third quarter of 2022-23. Food inflation averaged 5.6% in the fourth quarter of 2022-23.

### Rules to regulate fake news and online gaming notified (p. 4)

Information identified as false by the fact check unit of the government must be removed. Following a petition in the Bombay High Court, the government has stated that the fact-check unit will be notified after July 5, 2023.

### Competition (Amendment) Bill, 2022 passed (p. 2)

The Bill Regulates combinations based on transaction value in addition to assets and turnover. It also decriminalises certain offences.

### Draft National Curriculum Framework released for public feedback (p. 3)

This framework, as per the National Education Policy revises the structure, content, and methods of school education, including methods of instruction and assessment.

### Scheme for pooling power from central gencos whose PPAs have expired notified (p. 5)

The Power Ministry will allocate the pooled in power to willing discoms. Such discoms will have to enter into a power purchase agreement of a minimum of five years for procuring power from the common pool.

### Revised domestic gas pricing guidelines approved by Cabinet (p. 6)

The Cabinet Committee on Economic Affairs approved the revised domestic natural gas pricing guidelines. This links the price of natural gas to crude, promising a more stable price regime.

### Draft amendments to Aadhar authentication Rules released (p. 4)

The Ministry of Electronics and IT released draft amendments to enable Aadhaar authentication by entities other than Ministries/ Departments for prescribed purposes such as ensuring good governance.

### Regulations for Surrogacy and Assisted Reproductive Technology notified (p. 7)

Regulations specify eligibility and other criteria for the use of surrogacy and assisted reproductive technology. They allow expanding the list of medical conditions eligible for surrogacy.

### Cabinet approves the National Quantum Mission (p. 8)

The mission aims to accelerate research and development in Quantum Computing and its allied fields, with an outlay of Rs 6,000 crore. Four hubs will be set up to support R&D in verticals of quantum computing.

### Indian Space Policy, 2023 approved (p. 8)

The Policy will provide a framework for the space sector in India over a decade. A key provision includes the ability of non-government entities to undertake end-to-end activities in the space sector.

### Central sector scheme to promote northeastern products launched (p. 9)

The Scheme seeks to assist tribal craftsmen in increasing their revenue by providing support such as incubation and skill development. Rs 143 crore has been allocated towards its implementation.

**May 1, 2023**

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# Parliament

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## Budget Session 2023 concludes

The Budget Session of Parliament was held from January 31, 2023 to April 6, 2023, with a recess between February 14 and March 12.

During this session, Parliament introduced three Bills and passed one. The Inter-Services Organisations (Command, Control and Discipline) Bill, 2023, the Coastal Aquaculture Authority (Amendment) Bill, 2023, and the Forest (Conservation) Amendment Bill, 2023 were introduced and referred to Committees. The Competition (Amendment) Bill, 2022 was passed. The Session also saw the Budget being approved and the Finance Bill being passed.

For more details on the legislative business taken up during the Budget Session 2023, please see here. For details on the functioning of Parliament during the session, please see here.

# Macroeconomic Development

*Tushar Chakrabarty (tushar@prsindia.org)*

## Repo rate kept unchanged at 6.5%

The Monetary Policy Committee (MPC) of the Reserve Bank of India (RBI) retained the policy repo rate (the rate at which RBI lends money to banks) at 6.5%.[1] Other decisions of the Committee include:

- Standing deposit facility rate (the rate at which the RBI borrows from the banks without giving collateral) has been retained at 6.25%.
- The marginal standing facility rate (the rate at which banks can borrow additional money from RBI), and the bank rate (the rate at which RBI buys bills of exchange) have been retained at 6.75%.
- The MPC decided to remain focused on withdrawal of accommodation to ensure that inflation progressively aligns with the target, while supporting growth.

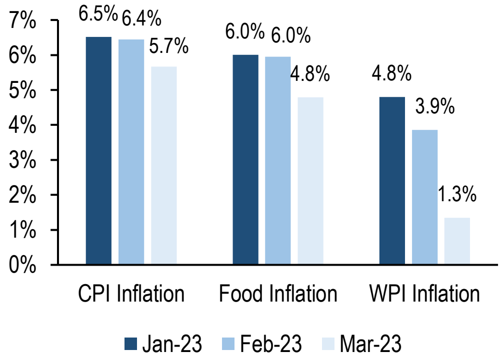
## Consumer Price Index inflation was 6.2% in the fourth quarter of 2022-23

Consumer Price Index (CPI) inflation was 6.2% in the fourth quarter (January-March) of 2022-23.[2] This was broadly similar to CPI inflation of 6.3% in the corresponding (fourth) quarter of 2021-22. In the third quarter (October-December) of 2022-23, CPI inflation was 6.1%.

Food inflation averaged 5.6% in the fourth quarter of 2022-23 which was lower than 6.3% in the corresponding quarter of 2021-22. Food inflation in the third quarter of 2022-23 was 5.3%.

Wholesale Price Index (WPI) inflation was 3.3% in the fourth quarter of 2022-23 which was substantially lower than 13.9% in the fourth quarter of 2021-22, on account of a high base.[3] In the third quarter of 2022-23, WPI inflation averaged 6.6%.

**Figure 1: Monthly inflation in Q4 of 2022-23 (% change, year-on-year)**




Sources: MoSPI; Ministry of Commerce and Industry; PRS.

# Finance

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## Competition (Amendment) Bill, 2022 passed

The Competition (Amendment) Bill, 2022 was passed by Parliament.[4] The Bill had been examined by the Standing Committee on Finance which suggested certain changes.[5] Some of these changes were incorporated into the Bill at the time of passing. The Bill seeks to amend the Competition Act, 2002. The Act established the Competition Commission of India (CCI) for regulating market competition. Key features of the Bill include:

- **Regulation of combinations based on transaction value:** The Act prohibits any person or enterprise from entering into a combination that may cause an appreciable adverse effect on competition. Combinations imply mergers, acquisitions, or amalgamation of enterprises. The prohibition applies to transactions where parties involved have: (i) cumulative assets of more than Rs 1,000 crore, or (ii) cumulative turnover of more than Rs 3,000 crore, subject to certain other conditions. The Bill expands the definition of combinations to include transactions with a value above Rs 2,000 crore. The Bill provides that the threshold would apply in cases where any enterprise, which is a party to the transaction, has substantial business operations in India. Amendments suggested by the Committee add that the threshold would apply only when the enterprise being acquired has substantial business operations in India.

- **Time limit for approval of combinations**: The Act specifies that any combination shall not come into effect until the CCI has passed an order or 210 days have passed from day when an application for approval was filed, whichever is earlier. The Bill reduced time limit in the latter case to 150 days.
- **Anti-competitive agreements:** Under the Act, anti-competitive agreements include any agreement related to production, supply, storage, or control of goods or services, which can cause an appreciable adverse effect on competition in India. Any agreement between enterprises or persons, engaged in identical or similar businesses, will have such adverse effect on competition if it meets certain criteria. These include: (i) directly or indirectly determining purchase or sale prices, (ii) controlling production, supply, markets, or provision of services, or (iii) directly or indirectly leading to collusive bidding. The Bill provided that enterprises or persons not engaged in identical or similar businesses shall be presumed to be part of anti-competitive agreements, if they *actively participate* in the furtherance of such agreements. The amendments modified this to refer to enterprises that participate or intend to participate in such agreements.

For further details, please see here.

### RBI releases draft circular on penal charges in loan accounts

The Reserve Bank of India (RBI) issued a draft circular on penal charges in loan accounts.[6,7] Penal charges are levied by RBI regulated entities (such as banks) in addition to the applicable interest rate. They are levied in cases of defaults/non-compliance by the borrower with the terms on which credit was sanctioned. RBI noted that penal interest/charges should not be used as a revenue enhancement tool over and above the contracted rate of interest. RBI observed divergent practices among regulated entities with respect to levy of penal interest/charges.

In this backdrop, RBI has proposed certain instructions to regulate the levy of penal charges. These instructions include: (i) penalty shall be treated as a penal charge instead of penal interest that is added to the rate of interest, (ii) regulated entities will not introduce any additional component to rate of interest and will be governed by relevant regulatory instructions, (iii) the quantum of penal charges must be proportional to the defaults/non-compliance of material terms and conditions of loan contract beyond a threshold, and (iv) penal charges on loans sanctioned to individual borrowers shall not be higher than those applicable to non-individual borrowers.

Comments on the draft circular are invited until May 15, 2023.

### RBI releases framework for acceptance of green deposits

The Reserve Bank of India (RBI) released the framework for acceptance of green deposits.[8] Green deposit is an interest-bearing deposit received by RBI regulated entities (such as banks) for a fixed period. The proceeds of such deposits are allocated for green finance. Green finance involves investing in activities/projects which contribute to climate risk mitigation, climate adaptation and resilience, and other climate-related/environmental objectives. The framework will come into effect from June 1, 2023. Key features include:

- **Allocation of proceeds:** The use of proceeds raised through green deposits will be based on official Indian green taxonomy. Until such taxonomy is finalised, regulated entities will be required to allocate proceeds to projects in sectors such as: (i) renewable energy, (ii) clean transportation, (iii) sustainable water and waste management, (iv) pollution prevention and control, and (v) sustainable management of living natural resources and land use.
- **Third-party verification:** The allocation of funds raised through green deposits in a financial year will be subject to annual independent third-party verification. The verification must cover aspects involving: (i) use of proceeds in accordance with eligible green activities/projects, and (ii) policies and internal controls including project evaluation and management of funds.
- **Reporting:** A review report must be placed before the board of directors of regulated entities within three months after the end of a financial year. The review must cover certain details including: (i) amount raised from green deposits in previous financial years, (ii) list of green activities/projects where funds were allocated, (iii) amount allocated to eligible green activities/projects, and (iv) copy of third-party verification/assurance report.

## Education

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### Draft National Curriculum Framework for School Education released for public feedback

The Ministry of Education invited comments on a draft National Curriculum Framework for School Education, 2023 (NCF).[9,10] The National Education Policy, 2020 envisages formulating the NCF, to revise curricula and pedagogy.[11] Key features of the draft NCF are the following:

- **Curriculum:** The NCF divides the curriculum into eight broad areas: (i) language, (ii) mathematics, (iii) sciences, (iv) social sciences,

(v) arts, (vi) interdisciplinary areas, (vii) physical education, and (viii) vocational education.

- **Stages of education**: School education will be split into four stages covering ages 3-18.

**Table 1: Stages of education**

| Stage | Key focus areas | Grades |
|---|---|---|
| Foundational | Cognitive and physical development, foundational literacy and numeracy | 3 years of pre-school, and grades 1 and 2 |
| Preparatory | Basic subjects such as languages, mathematics, arts, physical education, and fluency in literacy and numeracy | 3 to 5 |
| Middle | Specialised education in science and humanities | 6 to 8 |
| Secondary | Combination of certain essential courses, choice-based courses, and vocational education | 9 to12 |

Sources: Draft National Curriculum Framework for School Education, 2023; PRS.

- **Subject-wise learning outcomes, standards, and content**: The NCF provides illustrative learning outcomes as a basis for standards of achievement, for each stage of education. For example, at the middle stage, the NCF sets curricular goal of understanding numbers and sets of numbers. It states that content should allow children to explore multiple strategies to solve a problem, and encourages problems that have multiple answers. Assessment methods include verbal questions and question papers.
- **Learning environment:** The NCF specifies requirements for school infrastructure, such as dedicated libraries suitably organised for children to navigate, and laboratories kept open to children throughout school hours.

# Electronics and IT

## Rules notified to regulate fake news and online gaming

*Tanvi Vipra (tanvi@prsindia.org)*

The Ministry of Electronics and Information Technology notified amendments to the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021 (IT Rules).[12,13] The IT Rules were notified under the Information Technology Act, 2000 (IT Act).[14] The amendments regulate false information and online gaming. Key features include:

- **False information:** The IT Act provides intermediaries with exemption from liability for third-party content (safe harbour) if they comply with certain requirements. The 2021 Rules delineate such requirements. The Amendments add that any information about the central government's business may be identified as fake, false or misleading by the fact check unit of the central government. For intermediaries to avail safe harbour, this information must be removed. The factcheck unit will be notified by the Ministry. Following a petition in the Bombay High Court, the government has undertaken that it will not notify the fact check unit until July 5, 2023.[15]
- **Online gaming:** The Bill defines that online *real money* games are those where users deposit money (cash or kind) with the expectation of winning it back. Such games are permissible if they are verified by a gaming self-regulatory body. A self-regulatory body must be designated by the Ministry and its membership must be representative of the gaming industry. Criteria for verifying such games includes not wagering on an outcome and having appropriate age restrictions.
- **Requirements by gaming intermediaries:** Intermediaries that enable access to online games are also required to comply with certain requirements to avail safe harbour. Such intermediaries that provide permissible real money games are additionally required to: (i) display a verification mark received by the regulatory body, (ii) inform users of withdrawal and refund policy and KYC procedure for identity verification. The Amendments empower the central government to require any online gaming intermediary to observe additional due diligence obligations.
- **Surrogate advertisement:** To avail safe harbour, intermediaries are required to remove advertisements/surrogate advertisements of: (i) online games that are not permissible, or (ii) intermediaries that offer such games.

Draft amendments to the Rules were introduced in January 2023. For a PRS analysis of the draft Rules see here.

## Comments invited on amendments to Aadhaar Authentication for Good Governance Rules, 2020

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The Ministry of Electronics and Information Technology released draft amendments to the Aadhaar Authentication for Good Governance (Social Welfare, Innovation, Knowledge) Rules, 2020.[16,17] Under the Rules, certain entities can apply for seeking permission to use Aadhaar authentication for specified purposes such as good governance and service delivery.[18] The Rules were notified under the Aadhaar (Targeted Delivery Of Financial And Other Subsidies, Benefits And Services) Act, 2016 (Aadhaar Act).[19] It provides for good governance and targeted delivery of subsidies, benefits, and services for which expenditure is incurred from the Consolidated fund of India.

Key features of the draft amendments are:

- **Aadhaar authentication purposes:** Under the Rules, the central government may allow Aadhaar authentication by requesting entities for certain specified purposes such as: (i) usage of digital platforms to ensure good governance, (ii) enablement of innovation and the spread of knowledge, and (iii) prevention of dissipation of social welfare benefits. The amendments add that central government may allow such authentication for 'promoting ease of living of residents and enabling better access to services for them'.
- **Requesting entities:** Under the Aadhaar Act, any requesting entity (an agency or any person) may be allowed to perform authentication for the specified purposes. The Rules provide that the Ministry or Department that wants to use Aadhaar authentication for the specified purposes can submit a proposal to the central government. The central government refers this proposal to the Unique Identification Authority of India. The amendments adds that such Ministry or Department can belong to the central or the state government. It also adds that any other entity other than Ministry or the Department can submit a proposal for using Aadhaar authentication for specified purposes and in the interest of the state.

Comments are invited until May 5, 2023.

## Environment

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### Coastal Aquaculture (Authority) Amendment Bill, 2023 introduced in Lok Sabha

The Coastal Aquaculture Authority (Amendment) Bill, 2023 was introduced in Lok Sabha.[20] It amends the Coastal Aquaculture Authority Act, 2005.[21] The Act established the Coastal Aquaculture Authority for regulating coastal aquaculture, which refers to rearing and cultivation of fish under controlled conditions. Key features of the Bill include:

- **Regulation of allied coastal aquaculture activities:** The Act regulates coastal aquaculture farms which carry out activities such as culturing of shrimp, prawns or any other aquatic life under controlled conditions in saline or brackish water. The Bill adds that any facility that is engaged in coastal aquaculture or any allied activity will be regulated as a coastal aquaculture unit. Allied activities include nucleus breeding centres, hatcheries, brood stock multiplication centres and farms. The Bill provides for the registration and regulation of such units.
- **Some allied activities to be allowed in certain protected areas:** The Act prohibits coastal aquaculture: (i) within 200 metres from high tide lines and (ii) in creeks, rivers, and backwaters within Coastal Regulation Zones under the Environment (Protection) Act, 1986. These prohibitions do not apply to: (i) coastal aquaculture farms which existed in such areas as on February 19, 1991 and (ii) non-commercial and experimental farms operated by government research institutes. The Bill replaces this to prohibit coastal aquaculture activities in: (i) ecologically sensitive areas or in geo-morphological features such as mountains, valleys, or volcanoes, (ii) no-development zones in seas and buffer zones in creeks, rivers, and backwaters, and (iii) creeks, rivers, and backwaters within Coastal Regulation Zones. Allied activities are provided certain exemptions. For instance: (i) hatcheries, nucleus breeding centres and brood stock multiplication centres will be allowed in no-development zones, and (ii) seaweed culture, pen culture, raft culture, and cage culture activities will be allowed in Coastal Regulation Zones. This will apply from December 16, 2005.

For a PRS summary of the Bill, see here.

## Power

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### Scheme notified for pooling power from central thermal gencos whose PPAs have expired

The Ministry of Power notified a scheme to pool power from coal and gas-based power generating stations (gencos) owned by the central government, whose power purchase agreements (PPAs) have expired.[22] These plants are older than 25 years. These gencos had entered long-term bilateral agreements with distribution licensees (discoms) to supply power. The scheme seeks to create a common pool of the installed capacity of all such plants for the purposes of allocation to discoms and determining tariff. Capacity of eligible gencos will be added to this pool, as and when their PPAs expire. The Ministry observed that this is to ensure that such freed-up capacity does not remain idle, given the continued dependence on conventional power for meeting peak demand and grid stability. It added that these plants are capable of operating at high efficiency with improvements in operation and maintenance practices. Also, with their capital expenditure recovered and fully depreciated, these plants can provide power at competitive rates. Key features of the scheme are:

- **Procurement from the common pool:** The Ministry of Power will allocate the power to discoms based on the requisition received from them. Discoms will have to enter into a PPA of at least five years for procuring power from the common pool.

- **Tariffs:** Uniform capacity charges and energy charges will be payable for procuring power from the common pool.
- **Treatment of unallocated power:** Participating gencos can sell their share of unallocated power in the common pool through alternate arrangements such as power exchanges. Their existing fuel supply agreements can be used for supplying the unallocated power through such arrangements.

### Draft Electricity (Amendment) Rules, 2023 released

The Ministry of Power invited comments on the Draft Electricity (Amendment) Rules, 2023.[23] The Draft Rules seek to amend the Electricity Rules, 2005 issued under the Electricity Act, 2003.[24,25,26,27] The 2005 Rules specify several requirements regarding the operation of various entities in the power system. Key amendments proposed are:

- **Framework for financial stability**: The State Electricity Regulatory Commissions determine loss reduction trajectory for distribution licensees while determining tariff. The Draft Rules propose to add that this trajectory should be as per the trajectory agreed by the state government and approved by the central government under any national scheme.
- The Draft Rules also add that two-thirds of any additional gains from any deviation from the approved AT&C loss reduction strategy will be passed on to consumers in tariff, and the rest will be retained by the licensee. Half of any additional losses from any deviation will be borne by the licensee and the rest will be passed on to consumers. Aggregate Technical and Commercial (AT&C) loss is the ratio of power for which the licensee did not receive any payment to the total electricity procured.
- The Draft Rules require the state commission to consider all prudent costs of power procurement while determining tariff. All costs incurred towards asset creation for the development and maintenance of the distribution system will be passed on to the consumers.
- **Accounting of subsidy**: The 2005 Rules provide that accounting of subsidy for retail distribution of power will be done by the distribution licensee. The draft Rules add that the state commission will issue a quarterly report for each distribution licensee. This report should provide details on the subsidy bill raised, the subsidy paid by the state government, and dues. The report should be prepared within 45 days from the end of the respective quarter. The state commission may act against the concerned officers for non-compliance concerning raising bills for subsidy and payment.

## Petroleum

*Pratinav Damani (pratinav@prsindia.org)*

### Cabinet approves revised domestic gas pricing guidelines

The Cabinet Committee on Economic Affairs approved the revised domestic natural gas pricing guidelines.[28,29] These guidelines amend the New Domestic Gas Pricing Guidelines, 2014.[30] The new guidelines are applicable to gas produced from: (i) nomination fields of Oil and Natural Gas Corporation/Oil India Limited (ONGC/OIL), (ii) New Exploration Licensing Policy (NELP) blocks, and (iii) pre-NELP blocks where the Production Sharing Contract (PSC) requires government approval for prices.

Domestic natural gas prices will now comprise 10% of the Indian Crude Basket Price. Under the 2014 Guidelines, domestic natural gas prices were not part of the Indian Crude Basket Price. The Administered Price Mechanism (APM) price for gas produced by ONGC/OIL will be subject to an initial floor and ceiling price of $4/Metric Million British Thermal Units (MMBTU) and $6.5/MMBTU respectively. The ceiling shall be maintained for two financial years and then increased by $0.25/MMBTU each year.

Gas produced by new wells or well intervention in nomination fields (blocks awarded to ONGC/OIL on a nomination basis) will be allowed to be priced at a 20% premium on APM prices where APM prices are subject to floor and ceiling pricing regulations. APM prices will be calculated as the average of daily prices of the India Crude Basket price each month. These prices will be declared by the Petroleum Planning and Analysis Cell (PPAC) on a monthly basis.

Under the 2014 guidelines, prices were determined based on volume weighted prices of four gas trading hubs: (i) Henry Hub, (ii) Albena, (iii) National Balancing Point (UK) and (iv) Russia. As per the Ministry, this pricing structure had a significant time lag and was highly volatile. The new guidelines link gas prices to Indian crude which is more relevant to India's consumption basket.

# Health and Family Welfare

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## Cabinet approves National Medical Devices Policy, 2023

The Union Cabinet approved the National Medical Devices Policy, 2023.[31] As per the Drugs and Cosmetics Act, 1940, medical devices include devices used in the treatment, diagnosis, and prevention of disease.[32] The 2023 Policy sets a goal for India to achieve a 10-12% share of the global market for medical devices, increase the size of the sector from USD 11 billion to USD 50 billion by 2030, and frames strategies to achieve this target. Key features of this Policy include the following:

- **Regulatory streamlining:** This includes measures such as single window clearance for licensing of medical devices and revising pricing regulations.
- **Investment:** Private investment in the sector will be increased through the schemes such as Make in India, Ayushman Bharat, and Start-up Mission.
- **Infrastructure:** The Policy proposes the establishment and strengthening of industrial parks which develop and produce medical devices. These will receive logistical connectivity and support under the National Logistics Policy, 2021.
- **Human resource development:** The Policy proposes to increase the strength of skilled workforce in this sector through the involvement of the Ministry of Skill Development and Entrepreneurship. The Policy also aims to support the implementation of courses in educational institutions focusing on the development of medical devices.
- **Brand positioning and awareness:** An Export Promotion Council under Ministry of Chemicals and Fertilizers will conduct studies of best practices in manufacturing and skill development.

## Cabinet approves establishment of 157 nursing colleges

The Cabinet Committee on Economic Affairs approved the establishment of 157 nursing colleges, co-located with existing medical colleges.[33] This is estimated to increase the number of annual nursing graduates by 15,700.[33] The establishment of these colleges is targeted for completion within two years. The total estimated outlay for this initiative is Rs 1,570 crore.[33]

## Assisted Reproductive Technology Regulations notified; draft amendments to Surrogacy Rules released

The National Assisted Reproductive Technology and Surrogacy Board (National Board) notified the Assisted Reproductive Technology (ART) Regulations, 2023, under the Assisted Reproductive Technology (Regulation) Act, 2021.[34,35] The 2021 Act provides for the regulation of ART services, which it defines as any technique that seeks to obtain a pregnancy by handling the sperm or the oocyte (immature egg cell) outside the human body and transferring the gamete or embryo into a woman's reproductive system. Examples include gamete donation and in-vitro fertilisation. The 2023 Regulations specify that the oocyte must be retrieved from the donor with their consent.

The National Board also notified the Surrogacy Regulations, 2023 under the Surrogacy (Regulation) Act, 2021.[36,37] The Act regulates surrogacy, defined as a practice where a woman bears and gives birth to a child for an intending couple/woman and agrees to hand over the child to them after the birth. An intending couple is one that has a medical indication necessitating surrogacy.[37] An intending woman (Indian citizen, and a widow or divorcee between the ages of 35 to 45 years) can also commission surrogacy.[37] Under the Act, state and central governments must appoint authorities responsible for issuing an intending woman or couple with a certificate of eligibility for surrogacy, based on prescribed medical conditions.[38] Under the Surrogacy Regulations, 2023, these authorities may also identify medical conditions other than those specified in the Act as being potentially eligible for surrogacy, and refer these to the National Board for approval. The Regulations also specify procedural details, such as quorum and meeting schedules, for the National Board and state boards, which review authorities and monitor the implementation of the Act.

The Ministry published draft amendments to the Surrogacy (Regulation) Rules, 2022.[39] The 2022 Rules were notified under the Surrogacy (Regulation) Act, 2021.[37,40] The Rules specify (i) medical conditions granting eligibility for surrogacy, (ii) restrictions such as the number of attempts that a surrogate may participate in, and (iii) personnel requirements in surrogacy clinics. The draft amendments define a couple of Indian origin as being a couple both wife and husband are Overseas Citizen of India (OCI) cardholders.[39] They also clarify references to sections of the Act.

The last date for submission of feedback on the draft is May 11, 2023.[39]

## 100 Food Streets to be set up to promote hygienic street food

The Ministry of Health and Family Welfare and the Ministry of Housing and Urban Affairs propose to assist states and Union Territories in developing 100 "food streets" across 100 districts.[41] The objective of this scheme is to promote food safety and hygiene in street food. States/UTs will receive financial assistance of up to one crore rupees per food street/district, with total outlay of Rs 100 crore. This assistance will be provided under the National Health Mission, under which there is a 60:40 ratio of central and state funding for all states except North-Eastern states, Himachal Pradesh and Uttarakhand, which will be funded in a 90:10 ratio.[41,42]

# Telecommunications

## Indian Wireless Telegraphy (Cell Broadcasting Service for Disaster Alerts) Rules, 2023 notified

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The Ministry of Communications notified the Indian Wireless Telegraphy (Cell Broadcasting Service for Disaster Alerts) Rules, 2023.[43] The Rules have been notified under the Indian Wireless Telegraphy Act, 1933.[44] Key features of the Rules are:

- **Obligations on phone manufacturers:** Six months after commencement of the Rules, phone manufacturers before selling or manufacturing shall ensure certain facilities in smart phones or feature phones. These include: (i) mandatory support to receive cell broadcast messages in English and Hindi languages, (ii) alert sound, vibration, and light duration for at least thirty seconds, and (iii) maintaining cell broadcast messages on the screen until acknowledged by the user. Cell broadcast refers to sending messages to multiple mobile telephone users in a defined area at the same time in a broadcast manner. Further, after 12 months of the commencement of the Rules, all smart phones or feature phones must have support to receive cell broadcast messages and automatically read them out. The messages should be read out in Indian accent, in all languages as per the Eighth Schedule to the Constitution of India, subject to the memory of the feature phone.
- **Cell broadcast in existing smart phones:** Manufacturer of mobile phones and the operating system developer shall explore the possibility of providing the facility of receiving cell broadcast messages and automatically reading them out, in all languages as per the Eighth Schedule to the Constitution. This will be applicable on smart phones sold in India within four years prior to the commencement of the Rules. All manufacturers and developers shall attempt to fulfil this obligation within six months of the commencement of the Rules.

## TRAI seeks views on the assignment of spectrum for satellite communication

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The Telecom Regulatory Authority of India (TRAI) has invited comments on the assignment of spectrum for satellite communication services.[45] Satellite communication refers to any communication link that involves the use of artificial satellites. A variety of frequency bands are used for providing satellite communication services. These include: (i) 1-2 Gigahertz (GHz), for mobile satellite services and navigation systems, (ii) 2-4 GHz, for mobile satellite services, weather forecasting, and air traffic control, (iii) 4-8 GHz, for television and radio broadcasting, (iv) 10-15 GHz, for direct-to-home television broadcasting and satellite internet services, and (v) 17-31 GHz, for high-speed broadband.

Key issues on which TRAI has sought views include: (i) bands of spectrum and their quantum required to meet the demand for satellite communication services, (ii) the need for exclusive assignment in higher frequency bands and related challenges, (iii) block size, minimum block size, and spectrum cap per bidder in case of exclusive assignment, (iv) whether trading, sharing, and leasing of the spectrum should be permitted and mechanisms for the same, and (v) provisions for new entrants, who could not acquire spectrum in the auction process.

Comments are invited until May 4, 2023.

# Science and Technology

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## Cabinet approves the National Quantum Mission

The Union Cabinet has approved the National Quantum Mission.[46] The mission aims to accelerate research and development in quantum computing technology in India. Computers based on this technology can perform certain calculations much faster than conventional computers. The Mission will provide support for: (i) development of quantum computers, (ii) development of communication a navigation services leveraging quantum computing technology, and (iii) design and synthesis of materials for quantum computers. Four thematic Hubs will be set up in national R&D institutes to focus on quantum computing technologies. The total outlay on the Mission is expected to be Rs 6,003 crores over eight years, i.e., between 2023-24 and 2030-31.

# Space

*Pratinav Damani (pratinav@prsindia.org)*

## Cabinet approves Indian Space Policy, 2023

The Union Cabinet approved the Indian Space Policy, 2023.[47,48] This policy is expected to provide a framework for the space sector in India over the next decade. The Department of Space shall oversee the implementation of this Policy and be the nodal department for the same. Key features of the policy are as follows:

- **Regulation:** The Indian National Space Promotion and Authorisation Centre (IN-SPACe) will function as an autonomous government organisation with the mandate to promote, hand-hold, guide, and authorise space activities. IN-SPACe will periodically issue guidelines and procedures for the same. It will be a single window agency for authorisation of space activities by government and non-government entities. Authorisations that can be accorded by IN-SPACe include: (i) establishment and operations of space objects, (ii) launch and operation of space vehicles, (iii) establishment and operation of launch pads, and (iv) planned re-entry of space objects with or without recovery.
- **Non-Government Entities:** These entities will be able to undertake end-to-end activities in the space sector by establishing and operating: (i) space objects, (ii) ground-based assets, and (iii) related services such as communications, remote sensing, and navigation.
- **ISRO:** The Indian Space and Research Organisation (ISRO) shall focus on the research and development of new space technologies and applications. It shall also share technologies, products, processes, and best practices with non-government entities. Data from the remote sensing satellites of ISRO will be made accessible on a free and open basis for Ground Sampling Distance of five metres or more. ISRO will work to demonstrate human spaceflight capability and develop a long-term roadmap for sustained human presence in space.

## Tribal Affairs

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### Central sector scheme for promoting north eastern products launched

The Ministry of Tribal Affairs launched a central sector scheme – Marketing and Logistics Development for Promotion of Tribal Products from North-Eastern Region.[49] The scheme seeks to assist tribal craftsmen in increasing their revenue. Rs 143 crore has been allocated for the implementation of the scheme. The scheme will provide incubation support, skill development, sourcing and procurement support, marketing, transportation, and publicity for products created by tribal craftsmen. It also seeks to empanel tribal artisans/producers by organising tribal artisan melas. National and international marketing linkages will be provided for the tribal products of the north eastern region through offline and online mode.

## Shipping

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### Draft Sagarmala Innovation and Startup Policy released

The Ministry of Ports, Shipping and Waterways released a draft of the Sagarmala Innovation and Startup Policy.[50] The Policy seeks to develop an ecosystem to support maritime startups to: (i) encourage technological self-sufficiency in the sector, (ii) make the industry competitive, and (iii) provide employment. Key features of the Policy are as follows:

- **Maritime Innovation Hubs:** These hubs will be established with facilities for incubators, accelerators, fabrication space for prototypes, and rental co-working spaces. Initially, the National Technology Centre for Ports, Waterways and Coasts (IIT Madras) will develop the first such hub. These hubs are expected to come up in other educational institutes in the near future. They are required to attract investment in addition to the financial assistance offered in the Policy.
- **Funding Support:** Annual financial support for startups will be decided by an Apex Committee and will be subject to revisions. Funding will be available in various forms such as: (i) seed fund scheme – up to Rs 50 lakh to create a minimum viable product/service, and (ii) tech pilot grant – up to Rs 100 lakh for commercialisation of proprietary technology. The Policy also specifies the eligibility criteria and the selection procedure for startups.
- **Startup Monitoring and Evaluation Group:** Each hub will be governed by the Startup Monitoring and Evaluation Group which will be responsible for operationalising the startup policy, driving necessary approvals, setting up evaluation criteria for startups, and suggest policy interventions to the Ministry.
- **Apex Committee:** A Committee will be formed which will provide guidance and approval to the programme. The Committee will review the progress made by hubs of various institutes. The Committee may also specify the eligibility and evaluation criteria for startups. It will have ten members, chaired by the Secretary of the Ministry.
- **Sagarmala Startup Portal:** The Ministry must develop and implement a portal which will act as a single window solution for all startup related activities. These include publishing problem

statements, application processes, and also knowledge resources.

# Home Affairs

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## Ceasefire agreements with Nagaland groups extended for one year

Ceasefire agreements are currently in place between the Government of India and the National Socialist Council of Nagaland/NK (NSCN/NK), National Socialist Council of Nagaland/ Reformation (NSCN/R) and National Socialist Council of Nagaland/K-Khango (NSCN/K-Khango).[51] They have been extended for one year, from April 28, 2023, to April 27, 2024.[51]

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