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THIS MAGAZINE IS A RESULT OF TEAM COLLABORATION. WE EXPRESS OUR GRATITUDE TO ALL OUR TEAM MEMBERS. APART FROM THE GIVEN NAMES, SEVERAL FREELANCE WRITERS HAVE ALSO MADE IMPORTANT CONTRIBUTIONS.

DEAR ASPIRANTS,

With the Personality Test under progress, the Civil Services Examination (CSE) 2019 is in the final leg of its completion. At the same time, the process for CSE 2020 has begun with the application for Preliminary Test. This cycle of examination is one of the most awaited and prestigious among all the competitive examinations. Completing the cycle with dedication and smart-hard work is said to bear fruits of unrivalled comparison.

Aspirants often discuss the number of vacancies but the plain truth is that it does not make much difference at an individual level. It is an individual's effort that determines the success. The candidates who have been preparing for CSE 2020 must now take a fresh guard as the next three months are going to be very crucial for their overall success in this exam. It would be of prime importance to keep a healthy balance between studying new things upfront and consolidating the previously read material through constant revision. Moreover, it is the quality and not merely the quantity of hours that will make one sail through the subsequent stages of the examination.

Keeping the requirements in consideration, this edition of Drishti Current Affairs Today becomes a little special. It comes with the gists of Union Budget and Economic Survey. These two documents hold enormous relevance with respect to CSE. We are delighted to present a lucid and easy to understand version of the Union Budget and Economic Survey after curating these two from the CSE perspective. A few concepts have also been explained for easy comprehension and quick revision.

This edition of the magazine also provides a recap of the year 2019, which covers in brief the important national and international events. These accompany a short explanation, wherever required, to meet the demand of the examination. We hope that this special edition of the magazine will be of immense use to our readers.

Wishing you all the best in your future endeavours. We look forward to your feedback and suggestions.

With Best Wishes

(Dr. Vikas Divyakirti)

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VEAR IN REVIEW

POLITY & GOVERNANCE

- The Aadhaar and Other Laws (Amendment) Act, 2019
 - It allows 'offline verification' of an individual's identity without authentication, through modes specified by the Unique Identification Authority of India (UIDAI).
 - An individual may **voluntarily use** his Aadhaar number to establish his identity, by authentication or offline verification.
 - It mandates that an entity may be allowed to perform authentication through Aadhaar if the UIDAI is satisfied that it is compliant with certain standards of privacy and security.
 - The consent of parents or guardians is required to enrol a child to obtain an Aadhaar. After attaining eighteen years of age, the child may apply for cancellation of his/her Aadhaar.
 - It creates the UIDAI Fund where, all fees, grants, and charges received by the UIDAI shall be credited.
- The Personal Laws (Amendment) Act, 2019
 - It removed leprosy as a ground for divorce in five personal laws viz. Hindu Marriage Act, 1955, Dissolution of Muslim Marriages Act, 1939, Divorce Act (for Christians), 1869, Special Marriage Act, 1954 and the Hindu Adoptions and Maintenance Act, 1956.
 - Leprosy is removed as a ground for divorce as it is now a curable disease as against the earlier notion of it being incurable.
 - India is a signatory to a UN Resolution which calls for the elimination of discrimination against persons suffering from leprosy.
- The Citizenship (Amendment) Act, 2019
 - The Act makes illegal migrants who are Hindus, Sikhs, Buddhists, Jains, Parsis, and Christians from Afghanistan, Bangladesh and Pakistan, eligible for Indian citizenship.

- The illegal migrants who have entered on or before 31st December 2014 are eligible for such provisions.
- The Act reduces the period of naturalisation for such groups of persons from eleven years to five years.
- It adds that the provisions on citizenship for illegal migrants will not apply to the tribal areas of Assam, Meghalaya, Mizoram, and Tripura, as included in the Sixth Schedule to the Constitution.
- These tribal areas include Karbi Anglong (in Assam), Garo Hills (in Meghalaya), Chakma District (in Mizoram), and Tripura Tribal Areas District.
- It will also not apply to the areas under the Inner Line Permit (ILP) regime of the Bengal Eastern Frontier Regulation, 1873. ILP regulates the visit of Indians to Arunachal Pradesh, Mizoram, Manipur, and Nagaland.
- The Constitution (124th Amendment) Act, 2019, allowing 10% quota in jobs and education for general category candidates from Economically Weaker Sections (EWS), was passed by the Parliament.
 - The Act amended Article 15 to permit the government to provide for the advancement of EWS.
 - Further, up to 10% of seats may be reserved for such sections for admission in educational institutions except for minority educational institutions.
 - The Act also amended Article 16 to permit the government to reserve up to **10% of all posts in government jobs** for the EWS.
- The Delhi High Court upheld the Election Commission (EC) decision to allot the 'two leaves' symbol and the name 'AIADMK' to O. Paneerselvam faction.
 - The power to recognize and allotment of election symbols to political parties lies with the EC.
 - EC gets these powers via **Article 324** of the Constitution, Representation of the People Act, 1951, and Conduct of Elections Rules.



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Polity & Governance

SUPREME COURT/ HIGH COURT VERDICTS

SC Judgment on Criminalisation of Politics

Recently, the Supreme Court (SC) passed a slew of directions to curb the alarming rise in the criminalisation of politics.

Background

- In 2018, a five-judge Constitution bench had unanimously held that all candidates will have to declare their criminal antecedents to the Election Commission (EC) before contesting polls. It also called for wider publicity, through print and electronic media about antecedents of candidates.
- In the latest judgment in Public Interest Foundation vs Union of India case, the SC passed directives under Articles 129 and 142 of the Constitution.
- The SC made it mandatory for political parties to justify fielding tainted persons in elections.

Key highlights

- It shall be mandatory for political parties to upload on their website detailed information regarding individuals, who have been selected as candidates, with pending criminal cases including the nature of the offences, and relevant particulars.
- Political parties must provide reasons for such selection, as well as why other individuals without criminal antecedents could not be selected as candidates.
 - The reasons as to selection shall be with reference to the qualifications, achievements and merit of the candidate concerned, and not mere winnability at the polls.
- The criminal history of candidates must also be published on official social media platforms of the political party, in one local vernacular newspaper and one national newspaper.
- The details should be published within 48 hours of the selection of the candidate or not less than two weeks before the first date for filing of nominations, whichever is earlier.

 Parties must also submit the same details to the Election Commission within 72 hours of declaring the name of the candidate.

NOTE: Article 129 states that the SC shall be a court of record and shall have all the powers of such a court including the power to punish for contempt of itself. Article 142 allows the SC to issue decree and order for doing complete justice in any cause or matter pending before it.

Reasons behind the criminalisation of politics

- The criminalisation of politics is interlinked with all major problems prevailed in India like illiteracy, poverty, corruption, lack of awareness and sense of responsibility as an Indian citizen.
- Judicial delays and denial of justice result in criminals not being convicted for decades. According to the Association for Democratic Reforms (ADR), in 2004, 24% of the Members of Parliament (MPs) had pending criminal cases which increased to 43% in 2019.
- Muscle power is used to increase the winnability of candidates. In the political culture of India, it has been observed that candidates with criminal records have more chances to win.
- Political expenditure during elections has tremendously increased which lure the voters and increases the chances to win elections. It encourages political parties to field candidates with money and muscle power.
- There is a lack of communication between the EC and the voter. Common people hardly know the rules made by the Commission. Model Code of Conduct is openly flouted by candidates without any stringent repercussions.

Committees on criminalisation of politics

- The Santhanam Committee, 1963 referred to political corruption as more dangerous than the corruption of officials.
- The Goswami Committee, 1990 on Electoral Reforms highlighted the crippling effects of money and muscle power in elections.
- The Vohra Committee, 1993 studied the problem of the criminalisation of politics and of the nexus among criminals, politicians and bureaucrats in India.

Current Affairs _

 The induction of women officers in the Army started in 1992. They were commissioned for a period of five years in certain chosen streams such as Army Education Corps (AEC), Corps of Signals, Intelligence Corps, and Corps of Engineers.

What is the Command Position?

- In a command-oriented army such as the Indian Army, career progression is based on performance in appointments with command responsibility.
- The command position starts with the rank of Colonel and to be selected for that an officer has to undergo a criteria appointment in command of a sub-unit, as a Major/Lt Col.
- They are put through a promotion board which evaluates performance in criteria appointment through confidential reports on record along with qualifications and record of service.
- Four factors are considered for criteria appointments leadership, performance, qualification and medical fitness.
- Recruits under the Women Special Entry Scheme (WSES) had a shorter pre-commission training period than their male counterparts who were commissioned under the Short Service Commission (SSC) scheme.
- In 2006, the WSES scheme was replaced with the SSC scheme, which was extended to women officers. They were commissioned for a period of 10 years, extendable up to 14 years. They were to be however, restricted to roles in streams specified earlier which excluded combat arms such as infantry and armoured corps.
- While male SSC officers could opt for permanent commission at the end of 10 years of service, this option was not available to women officers. They were, thus, kept out of any command appointment, and could not qualify for government pension, which starts only after 20 years of service as an officer.
- In 2003, a PIL was filed before the Delhi High Court for grant of permanent commission to women SSC officers in the Army.
- The latest verdict came on a nearly 10-year-old appeal filed by the government against the March 2010 decision of the Delhi High Court to grant SSC women officers permanent commission.
- While the proceedings were on, the government passed an order in 2019 for the grant of permanent commission to SSC women officers in eight streams of the Army, in addition to Judge Advocate General (JAG) and AEC. Permanent commission to JAG and AEC was extended in 2008.

- Now, the current judgment has mandated to grant SSC women officers permanent commission and has asked the government to implement the judgment in three months.
- Globally, women have been given a permanent commission in Israel, the U.S., Australia, etc.

Women Officers who Brought Honours

- Lt Col Sophia Qureshi (Army Signal Corps): First woman to lead Army contingent at a multinational military exercise named 'Exercise Force 18', the largest-ever foreign military exercise hosted in India.
- Lt Col Anuvandana Jaggi: Women's team leader of UN military observer's team in Burundi.
- Major Madhumita: First woman officer to get gallantry award for fighting Taliban terrorists in Afghanistan.
- Major Madhu Rana, Preeti Singh and Anuja Yadav: All three were awarded UN medal for completing qualifying service as military members of UN Mission in Congo.
- Lt Bhavna Kasturi: First woman to lead an allmen's army contingent in the Republic Day Parade.

Arguments in favour of women in the Army

- Ability vs gender: As long as an applicant is qualified for a position, one's gender is arbitrary. In the modern high technology battlefield, technical expertise and decision-making skills are increasingly more valuable than simple brute strength.
- Military readiness: Allowing a mixed-gender force keeps the military strong as widening the applicant pool guarantees more willing recruits.
- Modern warfare and public support: In the modern world of combat (Afghanistan, Iraq), all women serving in the military are exposed to "front-line risks". Support for these women has not wavered, a clear recognition of their contribution.
- Breaking the traditions: Integration of women into combat units requires a cultural change over time. Many erstwhile masculine professions have been successfully opened to women over the past century.

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Nation & States

NATION

Draft Policy on Rare Diseases

Recently, the Central Government has published a draft National Policy on Rare Diseases.

Key points

- The government will provide financial support of up to ₹15 lakh under its Rashtriya Arogya Nidhi Scheme for a one-time treatment of rare diseases.
- The beneficiaries will include the population covered under Ayushman Bharat Scheme along with BPL families.
- Rare diseases categorised under Group 1, such as Lysosomal Storage Disorders (LSDs), immune deficiency disorders, osteopetrosis, Fabry's disease and liver or kidney transplant will be funded under the policy.

What are rare diseases?

- The World Health Organisation defines a rare disease as an often debilitating lifelong disease or disorder with a prevalence of 1 or less per 1,000 population.
- For this reason, rare diseases are also called 'orphan diseases' and drugs to treat them are called 'orphan drugs'.
- The government estimates that about 6-8% of the country's population is affected by a rare disease. So far, only about 450 rare diseases have been recorded in India.
- The most commonly reported diseases include Haemophilia, Thalassemia, Sickle-cell Anaemia and Primary Immunodeficiency in children.
- Lysosomal storage disorders such as Pompe disease, Hirschsprung disease, Gaucher's disease, Cystic Fibrosis, Hemangiomas and certain forms of muscular dystrophies are also classified as rare diseases.

Challenges

 Resource constraints: There is a lack of financial assistance for treating lifelong rare diseases like Gaucher's disease, Spinal Muscular Atrophy, Hurler Syndrome, etc.

- Lack of research and development: Very little is known about the pathophysiology or the natural history of these diseases.
- Lack of treatment: Despite progress in recent years, effective or safe treatment is not available for most of the rare diseases.
 - About 95% of rare diseases have no approved treatment and less than 1 in 10 patients receive disease-specific treatment.
- Prohibitive cost of treatment: As the number of persons suffering from rare diseases is small, they do not constitute a significant market for drug manufacturers to develop and bring to market drugs for them.

The Umbrella Scheme of Rashtriya Arogya Nidhi (RAN)

- RAN was set up in 1997 as a society under the Societies Registration Act, 1860.
- In 2018, the Rashtriya Aarogya Nidhi society ceased to exist and its functions were vested in the Department of Health and Family Welfare.
- Now, to provide financial assistance to poor patients a new Umbrella Scheme of Rashtriya Arogya Nidhi has been formulated.
- The Umbrella Scheme of Rashtriya Arogya Nidhi (RAN) will have three components namely
 - Rashtriya Arogya Nidhi (RAN),
 - Health Minister's Cancer Patients Fund (HMCPF)
 - Scheme for financial assistance for patients suffering from specified rare diseases
- The RAN component will provide financial assistance to patients, living below the poverty line and who are suffering from major lifethreatening diseases.
- The financial assistance to such patients is released in the form of 'one-time grant' to the Medical Superintendent of the Government hospital where the treatment is being done.

Way forward

- An alternative funding mechanism by setting up a digital platform for voluntary individual and corporate donors to contribute to the treatment cost of rare diseases.
- Setting up a National Registry for Rare Diseases with the objective of creating a database of various rare diseases.

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Economic Scenario

CCI Releases Market Study on e-Commerce in India

The Competition Commission of India (CCI) released a Report titled 'Market Study on E-commerce in India'. The Report seeks to better understand the functioning of e-commerce in India and its implications for markets and competition.

Key highlights

- Online marketplaces are multi-sided platforms that connect sellers, buyers and advertisers to facilitate transactions between them.
- India is the fastest-growing market for the e-commerce sector and has been growing at an annual rate of 51%, the highest in the world. At present around 4700 e-commerce start-ups are active in India.
- The study covered the three broad categories of e-commerce - consumer goods (mobiles, lifestyle, electrical & electronic appliances and grocery), accommodation services and food services.
- The study has helped gather useful insights on the key features of e-commerce in India viz.,
 - the different business models of e-commerce players, and
 - the various aspects of commercial arrangements between market participants involved in e-commerce.
- The study has also provided an opportunity to learn from business enterprises on how they are responding to the advent of digital trade.
- The study confirms that online commerce is gaining importance across the sectors studied. Online commerce has increased price transparency and price competition.
- The search and compare functionalities of online platforms have lowered search cost for consumers and have provided them with a wide array of alternatives to choose from.
- The emergence of the online delivery-only formats popularly known as cloud kitchens is the most

important trend observed in the food service category. **Cloud kitchens** have become the new growth frontier.

NOTE: A cloud kitchen is a restaurant that has no physical space and no dine-in or takeaway facility as it does not exist as a restaurant of any sort. It relies entirely on third-party integrations or home delivery orders placed on call or through a website.

Competition issues in e-Commerce

Market Structure

- In each of the three broad categories covered in the study, the platform/intermediation service market is concentrated with few large players.
- As a growing number of users makes the platform more valuable, it attracts more users, platforms benefit from a 'positive feedback loop', which can lead to market concentration.

Platform Neutrality

- Online platforms, when they serve as both a marketplace and a competitor on that marketplace, have the incentive to leverage their control over the platform in favour of their own vendors or private label products to the disadvantage of other sellers on the platform.
- The intermediary role of the platform allows it to gather all such competitively relevant data as price, sold quantities, demand etc. pertaining inter alia to each product, seller and geography.
- On the consumers' side, this enables the platform to better target product recommendations for users and improve the quality of the platform. On the sellers' side, this may allow it to use such data to introduce its own private label or boost the sale of its 'preferred sellers'.
- Platform-to-business Contract Terms
 - The platforms focus on growth and on increasing the transaction volume/value, which essentially drives their policies.
 - The business users of platforms have also alleged exploitation of superior bargaining position by the platforms by way of imposition of 'unfair' contract terms.

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International Relations

The US President Visits India

Recently, the President of the United States Donald Trump was on his first official visit to India.

Key highlights

- Both the countries decided to elevate ties to a comprehensive global strategic partnership, giving it broader scope and scale.
- A defence deal of \$3 billion was signed under which India will buy US military equipment including MH-60R seahawk helicopters and AH-64E Apache helicopters.
- Both the countries agreed for early conclusion of defence cooperation enabling agreements including Basic Exchange and Cooperation Agreement (BECA) and expressed interest in the concept of the Blue Dot Network.
- India and the US agreed to create a counter-narcotics working group to confront the growing threat of illicit fentanyl and opioid production.
- However, the long-pending trade deal failed to conclude. The US is India's largest trading partner, goods and services combined. Bilateral trade in goods and services between both countries reached \$142 billion in 2018.

Foundational Agreements between the US and its Partners

- General Security Of Military Information Agreement (GSOMIA) allows militaries to share the intelligence gathered by them. Signed by India in 2002.
- Logistics Exchange Memorandum of Agreement (LEMOA) allows countries to have access to each other's designated military facilities for refuelling and replenishment. Signed by India in 2016.
- Communications Compatibility and Security Agreement (COMCASA) is the India specific version of Communications and Information Security Memorandum of Agreement (CISMOA). Signed by India in 2018.
- Basic Exchange and Cooperation Agreement (BECA) will allow India and US militaries to share geospatial and satellite data with each other. India has not signed BECA yet.

Landmarks of India-US relations

 Civil nuclear deal: In 2008, India signed a civil nuclear deal with the USA. The deal was a watershed moment for India-US relationship. From there onwards, in a decade, the relationship between both the countries has grown exponentially and India has gained substantially from the healthy relationship.

- The nuclear deal provided India access to high technology that had been denied following its nuclear test.
- Strategic Trade Authorisation (STA) list: The US in August 2018 has included India into its elite STA-1 list, despite its not being a member of the Nuclear Suppliers Group (NSG). India's inclusion in the list means now India has unhindered licence-free access to almost 90% of dual-use technology.
- 2+2 dialogue: The dialogue takes place between Indian External Affairs and Defence ministers and their US counterparts. In December 2019, the second edition 2+2 Dialogue took place in Washington DC.
- Energy: The US has emerged as a key partner of India in the field of energy. The Bilateral Strategic Energy Partnership launched in April 2018 between the two countries is witnessing increasing diversification across both conventional and renewable energy sources.

NOTE: Dual-use technologies are those which can be used for both, military and civilian use.

Broader issues in India-US relations

- The Pakistan factor
 - Both the Trump administration and Islamabad have taken sustained efforts in recent months to improve bilateral ties, despite India's earnest attempts to isolate Pakistan over its support for terrorist groups operating from its soil.
 - Pakistan is pivotal for the US' Afghanistan policy. The US and the Taliban have signed the Peace deal under which the US would pull out its troops from the war-torn Afghanistan.
 - Pakistan, which hosts the leadership of the Afghan Taliban as well as the Haqqani Network which is a key constituent of the Taliban, has played a critical role in facilitating direct talks between the insurgents and the Americans.
 - If the US leaves Afghanistan, it will directly strengthen the hands of the Taliban in Afghanistan, which

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Environment & Ecology

13th COP to the Convention on Migratory Species

Recently, India hosted its first-ever **Conference of Parties (COP)** to the **Convention on the Conservation of Migratory Species** of Wild Animals (CMS) in Gandhinagar, Gujarat.

Background

- COP to the CMS is held under the aegis of the United Nations Environment Programme. India, as COP13 host, assumed the role of COP Presidency for the next three years.
- The theme of the 13th COP was "Migratory species connect the planet and together we welcome them home". The mascot for the event was GIBI - the great, named after the Great Indian Bustard.
- In the logo of CMS COP13, Kolam art form is used to depict key migratory species in India like Amur falcon, Humpback whale and Marine turtles. Kolam is a traditional art form from south India.
- 13th COP to CMS was the first of a series of international nature-related meetings in 2020, which will culminate in the UN Biodiversity Conference at the end of this year when a new global biodiversity strategy for the next decade will be adopted - the Post-2020 Global Biodiversity Framework. In a sense, it marks the beginning of the super year for nature.
- The COP13 concluded with the adoption of a number of significant resolutions and decisions to address the conservation needs and threats facing migratory species around the globe.



Key outcomes

 Gandhinagar Declaration: It calls for migratory species and the concept of 'ecological connectivity' to be integrated and prioritised in the Post-2020 Global Biodiversity Framework, which is expected to be adopted at the UN Biodiversity Conference in October.

- CMS Ambassadors: For terrestrial, avian, and aquatic species three CMS ambassadors have been selected. They will help raise awareness.
 - Terrestrial: Ian Redmond
 - Avian: Sacha Dench
 - Aquatic: Randeep Hooda
- Seven Migratory Species Champions: Under the Champion Programme, Germany, India, Italy, Monaco, Norway, the European Commission, and the Environment Agency (Abu Dhabi) were acknowledged for their generous contributions to CMS initiatives.
- Special Set of UN Stamps: UN Stamps Featuring Migratory Species was the result of a collaboration of the UN Postal Administration (UNPA), CMS and the Convention on International Trade in Endangered Species (CITES). India also issued a special stamp edition featuring the Great Indian Bustard.
- Raptors MoU: Ethiopia joined the CMS Memorandum of Understanding (MoU) on the Conservation of Migratory Birds of Prey in Africa and Eurasia.
 - Ethiopia is a strategically important country for the conservation of migratory birds of prey given its location across the **East African flyway**, a significant migration route for millions of birds of prey.
- Animal Culture and Conservation Link-up: Animal culture, the learning of non-human species through socially transmitted behaviours, is being linked to conservation action for the first time at CMS COP13.
 - Two such proposals have been presented to consider conservation measures for the Eastern Tropical Pacific Sperm Whale and the nutcracking Chimpanzee.
- New Additions to CMS Appendices:
 - Appendix I: Seven species the Asian Elephant, Jaguar, Great Indian Bustard, Bengal Florican, Little Bustard, Antipodean Albatross, and the Oceanic White-tip Shark.
 - Appendix II: Three species the Urial, Smooth Hammerhead Shark, and the Tope Shark.

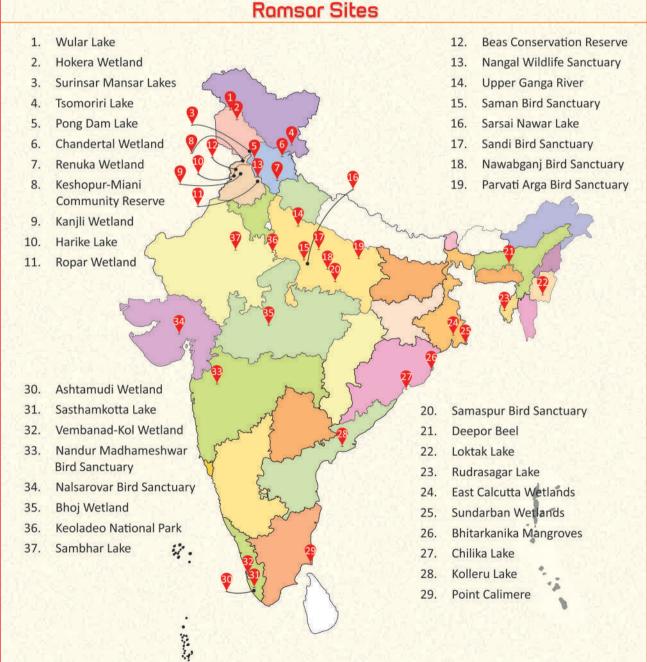
Current Affairs _

Key points

- The Ramsar Convention on Wetlands signed on February 2, 1971 in the Iranian city of Ramsar. It is one of the oldest inter-governmental accord for preserving the ecological character of wetlands.
- The Convention seeks to develop and maintain an international network of wetlands which are important for the conservation of global biological diversity and

for sustaining human life through the maintenance of their ecosystem components, processes and benefits.

- The new Indian sites include:
 - Maharashtra: Nandur Madhmeshwar Bird Sanctuary
 - Punjab: Beas Conservation Reserve, Keshopur-Miani Community Reserve, and Nangal Wild life Sanctuary



NOTE: February 2 is celebrated as World Wetlands day.

- Uttar Pradesh: Nawabganj Bird Sanctuary, Parvati Arga Bird Sanctuary, Saman Bird Sanctuary, Sarsai Nawar Lake, Samaspur Bird Sanctuary, and Sandi Bird Sanctuary
- The wetlands are land areas covered by water, either seasonally or permanently. They play a key role in flood control, water supply and providing food, fibre and raw materials.
- Wetlands also provide a wide range of important resources and ecosystem services such as food, water, groundwater recharge, water purification, flood moderation, erosion control and climate regulation.

Wetlands

What is wetland?

- Land area covered by water, either temporarily or permanently (marsh, fen, and peatland come under this category).
- It has characteristics of a distinct ecosystem.

Why are they important?

- Play a key role in hydrological cycle and flood control, water supply, provide food, fibre, and raw materials.
- Wetlands support lakhs of migratory birds from colder regions of the world in summers, apart from mangroves that protect coastlines and filter pollutants.

Prohibited activities within wetlands

- Any kind of encroachment
- Setting up of any industry
- Expansion of existing industries
- Solid waste dumping
- Discharge of untreated wastes and effluents from industries and human settlements
- Poaching
- Any construction of a permanent nature except for boat jetties

Montreux Record

 Montreux Record under the Ramsar Convention is a register of wetland sites on the List of Wetlands of International Importance where changes in ecological character have occurred, are occurring, or are likely to occur as a result of technological developments, pollution or other human interference.

- Currently, two wetlands of India are in Montreux record - Keoladeo National Park (Rajasthan) and Loktak Lake (Manipur).
- Chilika lake (Odisha) was placed in the record but was later removed from it.

Wayanad Wildlife Sanctuary Fails to Get Approved as a Tiger Reserve

The efforts of Kerala Forest Department to get Wayanad Wildlife Sanctuary notified as the third Tiger Reserve of Kerala failed to fructify. Kerala currently has two Tiger Reserves - Periyar and Parambikulam.

Key points

- The Wayanad Wildlife Sanctuary (WWS) is home to more than half the number of tigers present in Kerala.
- The 'Status of Tigers in India' report released last year has estimated the tiger population of Wayanad to be between 75 and 80 individuals.
 - Periyar Tiger Reserve has an estimated tiger population of 30-35 big cats, whereas Parambikulam has a population of 20 to 25 tigers.
- The proposal of getting WWS notified as a Tiger Reserve has been rejected by the State Board for Wild Life mainly on the grounds of public resistance.
 - Cattle lifting by ailing tigers and their straying into human habitations has often triggered public protests.
 - There were speculations that the notification as Tiger Reserve would bring in stringent restrictions on development activities in the area.
- Kerala Forest Department is of the view that notifying WWS as a Tiger reserve would ensure financial aid from the Centre and National Tiger Conservation Authority (NTCA), better conservation and management of tiger population and more employment opportunities.
- Each year, the NTCA supports the tiger reserves by funding the proposals put forward through its Annual Plan of Operations. The Authority also supports the reserves for implementing the tiger conservation plan.

What are Tiger Reserves?

 Certain National Parks and Wildlife Sanctuaries which support a good tiger population can be designated as tiger reserves.

Kerala Opposes Alternative Route to NH766

The Kerala government has opposed a proposal of providing an alternative route of National Highway 212.

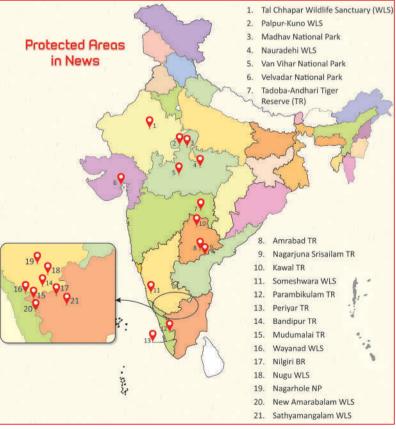
Key points

- The National Highway (NH) 212 (presently NH 766) passes through Bandipur Tiger Reserve. Currently, the night time traffic along the highway is banned.
- An alternative route was demanded to bypass the night traffic ban on NH 766 as it has become a major impediment of accessing the transport route connecting Kerala and Karnataka.
 - This highway connects Mysore and Bengaluru on one side and Kozhikode and Wayanad on the other.
- According to the Kerala government, the alternative route passes through the Nagarhole Tiger Reserve in Karnataka and Tholpetty Wildlife Sanctuary in Kerala which are biodiversity rich regions.
 - In these protected areas, wild animals wander freely in heavy numbers and it will take more time for the land acquisition for developing the route.
- Kerala emphasised the importance of NH 766 as it is a vital economic link and the easiest route between the two States. It, thus, advised in support of opening the NH 766 for night time travel.
- The state also argued that the night ban on traffic through Bandipur is not grounded on research.
 - Mudumalai, Bandipur Tiger Reserves and Wayanad Wildlife Sanctuary make one contiguous tiger territory and tigers move freely within this area.
 - It is illogical and inappropriate to impose enhanced level of restriction only in one part of this tiger territory to protect tigers.

Protecting the Protected Areas Network

- National Parks, Wildlife Sanctuaries, Tiger Reserves, Biosphere reserves, etc. form part of the Protected Areas Network.
- These areas host rich biodiversity of flora and fauna and are of utmost importance in maintaining the ecological balance.

- When development and environment conservation are at the forefront, a confronting situation arises where economic development and environmental justice are at stake.
- India has been putting efforts to manage the forests and wildlife and also pursuing its path of economic development.
 - Various laws and regulations have been in place to enforce environmental conservation viz. Wildlife Protection Act (WPA) 1972, Forest Conservation Act (FCA) 1980 and Environment Protection Act (EPA) 1986.
- The Centre has asked the National Highways Authority of India (NHAI), National Highways and Infrastructure Development Corp Ltd (NHIDCL) and Border Roads Organisation (BRO) to avoid making highways through such protected areas unless the projects are unavoidable.
 - If it is absolutely unavoidable, all necessary clearances required under the WPA 1972, FCA 1980 and EPA 1986 should be obtained.



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Science & Technology

Speed Breeding to Hasten the Development of Crops

The International Crops Research Institute for Semi-Arid Tropics (ICRISAT) unveiled the RapidGen facility to modernise crop breeding and drastically reduce costs and duration of varietal development.

What is RapidGen?

- RapidGen will accelerate the plant life in light, temperature and humidity-controlled conditions. It is based on the concept of speed breeding.
 - Speed breeding uses an artificial environment with enhanced light duration to create longer daylight regimes to speed up the breeding cycles of photo-insensitive crops.
- RapidGen comprises three installations:
 - Testbed optimisation chambers
 - Lighting controlled greenhouse bays
 - Temperature-regulated light deprivation polyhouse
- Depending on the crop and the requirements of breeding programmes, researchers can scale up their activities in either controlled greenhouse bays or in the polyhouse facility after using the testbeds for protocol development.
- Largest of the three installations, the polyhouse can be used for over 30,000 crosses in one go. Each of the installations is equipped to finely regulate temperature, light and humidity.
- The right set of conditions need to be mimicked within these closed installations to convince a plant to grow faster at high density and reproduce quickly as every crop is unique in the way it responds to a set of environmental parameters.
- These set of conditions, which are called 'recipes', are crop specific-protocols to hasten the crop cycle while producing healthy and viable seeds.

The need of speed breeding

 Speed breeding, a crop breeding technique originally developed by NASA (National Aeronautics and Space Administration) in the eighties to help grow crops in space, can hasten the process of developing new crop varieties.

- In agriculture, conventional breeding takes a long time for the development of crop varieties with a minimum of 8–10 years of breeding cycles.
- Farmers will have to produce 60–80% more food by 2050 to feed 9 billion people and speed breeding is a potential technique in this regard.
- Growing hunger, insecure food security, increasing pressure on agricultural land, concretization, etc. are some of the well-established reasons that can provide impetus to such techniques.

Features of speed breeding

- Speed breeding greatly shortens generation time and accelerates breeding and research programmes. When used with the full suite of breeding acceleration techniques, it can reduce the breeding cycle by an estimated 40% in most crops.
- Plant-pathogen interactions, plant anatomy and flowering time can be studied in detail and repeated using the technology.
- The technique has achieved wheat generation from seed to seed in just eight weeks meaning that it is now possible to grow six generations of wheat per year, which is a threefold increase on the shuttle-breeding techniques currently being used by plant breeders.
- Speed breeding as a platform can be combined with several other technologies such as marker-assisted selection, genomic selection, CRISPR gene editing, etc. to get to the end result faster.
- Speed breeding is suitable in the case of photoinsensitive crops like wheat, barley, chickpea and pea but it is not suitable for the photosensitive crops like soybean. The enhanced light provided in the speedbreeding facility will not allow the plants to bear flowers in case of photosensitive crops.

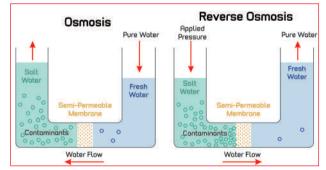
Conclusion

 Breeding programmes should be at par with the changing climate, and breeding for climate-resilient

- The draft regulations put the onus on commercial bottlers, who make RO water, to ensure that water that is lost in the RO production process is stored in safe and hygienic conditions and that a record of such water wasted is maintained.
- The makers of RO systems have also to register with the Central Pollution Control Board.

What is reverse osmosis?

- RO is a technology that is used to remove the contaminants from water by pushing the water under pressure through a semipermeable membrane.
- It was originally devised to desalinate seawater and make it potable.
- Reverse osmosis utilises the concept of osmosis.
 - Osmosis is a **naturally occurring phenomenon** whereby a weaker saline solution will tend to migrate to a strong saline solution through a semipermeable membrane.
 - A semipermeable membrane is a membrane that allows some atoms or molecules to pass but not others. A simple example is a screen door that allows air molecules to pass through but not pests or anything larger than the holes in the screen door.
 - Examples of osmosis are when plant roots absorb water from the soil and our kidneys absorb water from our blood.
- Reverse Osmosis is the process of Osmosis in reverse. Whereas Osmosis occurs naturally without energy required, to reverse the process of osmosis one needs to apply energy to the more saline solution.



A reverse osmosis membrane is a semi-permeable membrane that allows the passage of water molecules but not the dissolved salts, organics, bacteria and pyrogens. However, it requires the water to be pushed through the membrane by applying pressure that is greater than the naturally occurring osmotic pressure.

What are the problems with RO systems?

- RO systems instead end up wasting three to five times more water in cleaning tap water.
- RO while useful in reducing salts does not tackle bacterial agents or trace chemicals.
- It filters out calcium, zinc, magnesium, which are essential salts necessary for the human body.
- It has also been claimed that most RO filtration methods did not eliminate the Hepatitis E virus.
- It reduces the incentive for public-funded water distribution systems to supply clean water to the vast majority. This increases costs for those who can illafford such systems.

Facial Recognition

The European Commission is considering imposing a five-year moratorium on the use of facial recognition technologies in the European Union (EU). Several other governments, such as the US, are also considering similar restrictions.

What is facial recognition technology?

- Facial recognition is a way of recognising a human face through technology.
- A facial recognition system uses biometrics to map facial features from a photograph or video. It compares the information with a database of known faces to find a match.

Facial recognition can identify people by measuring dozens of distinguishable features on the face



Facial recognition software reads the geometry of a face captured from a photo or video to create a unique code or 'faceprint'

2 Faceprints are compared with those on a watchlist and a computer ranks likely matches which are later verified by a human operator

- The most key feature is the geometry of a face such as the distance between a person's eyes and the distance from their forehead to their chin. This then creates what is called a **facial signature**. It is a mathematical formula that is then compared to a database of known faces.
- Facial recognition has become more popular in the past several years. It is used everywhere

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History, Art & Culture

India's Largest Known Necropolis

Carbon dating tests have confirmed that India's largest known necropolis in Uttar Pradesh's Sanauli is 3,800 years old. A **necropolis** is a large, designed cemetery.

Key points

- Till now, around 126 burials have been discovered from the site. The burial pits had legged coffins along with systematically arranged vases, bowls and rice pots. One of the coffins was decorated with eight anthropomorphic figures.
- The copper-plated anthropomorphic figures, having horns and peepal-leaf crowns, found on the coffins, indicated a possibility of royal burials.
- Three chariots found at the site have a fixed axle linked by a long pole to the small yoke and were run by a pair of animals. The wheels and the pole have been found decorated with copper triangles, symbolic of the rays of the sun.
- The size and shape of the chariots indicate they were pulled by horses. The axle, chassis and wheels show similarities to contemporary chariots.

Sanauli is key to ancient Indian history

- The site indicates an interaction of a period of practices of Ganga-Yamuna Doab and Indus Valley cultures.
- Carbon dating marks this site as the earliest evidence of a warrior tribe or Sanaulians (copper hoard people) in the Indian subcontinent.
- Materials found here are contemporary to the latemature phase of Harappan. Burials make it the largest necropolis of the chalcolithic period.
- The impressions of cloth found on bodies that suggest purification of bodies similar to what practised in Hindu religion shows the religious belief system. Gold, copper anthropomorphic figures are associated with Vedic gods.
- The findings also shed light on the noteworthy progress the Indian civilisation had made at the time, making it at par with the 2000 BC Mesopotamia.

NOTE: Radiocarbon dating or carbon dating is a method for determining the age of archaeological evidence or fossils with C-14, an isotope of carbon.

Kumbhabhishekam at the Brihadishwara Temple

Recently, the Kumbhabhishekam (consecration) ceremony was held at the **Brihadishwara Temple**, Thanjavur (Tamil Nadu), after 23 years.

Key points

- The Kumbhabhishekam was held after Madras High Court had settled an old argument over the use of language tradition during the event. The Court allowed the Kumbhabhishekam to be performed in both Tamil and Sanskrit.
- According to Bharmanical traditions, Kumbhabhishekam happens once every 12 years in the temples and is revered as a festival in south India.
- However, in the Brihadishwara temple the latest kumbhabhishekam was considered to be the sixth, the previous instances being 1010, 1729, 1843, 1980 and 1997.
- Kumbhabhishekham, also known as Samprokshanam, is a temple ritual that is believed to homogenise, synergise and unite the mystic powers of the deity. It is part of the consecration ceremony of Hindu temples.
 - It involves the ritual bathing of the Kumbh or Vimana of the temple.
- Holy water brought from the yaga salai (yagna site in the temple compound) was poured over the kalasam that tops the vimana over the sanctum sanctorum.

Issue involved

- The Kumbhabhishekam was embroiled in the struggle over the language to be used in the *shlokas* during the event. The debate revolves around the usage of Sanskrit or Tamil language.
- The debate was around adhering to Agama principles or the Tirumurai.
 - Agamas are set of Sanskrit regulations about all aspects of temples from design to construction and sculpture to rituals.

Current Affairs _

Republic	Dour.	Tabla	
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On Republic Day, states present their tableaux to showcase their history and culture. Some of the important tableaux from the 71st Republic Day are:

State	Theme	Remarks		
Karnataka	Basaveshwara and his "Anubhava Mantapa"	 Basaveshwara was a great social revolutionary of the 12th century. He was the founder of the Lingayat sect. Anubhava Mantapa was a common forum for all, including downtrodden, untouchables and women to discuss the prevailing problems of social, economic and political nature. 		
Uttar Pradesh	Dewa Sharif Sufi shrine	 Dewa Sharif is a shrine of Sufi Saint Haji Waris Ali Shah. Location - Barabanki. 		
Gujarat	Rani ki Vav	 Rani Ki Vay or Queen's Stepwell was built by Rani Udayamati as a memorial to her husband King Bhimdey I in the 11th century. It is a UNESCO World Heritage site. 		
Odisha	Rukuna Ratha Yatra of Lord Lingaraja	 Lord Lingaraja is worshipped as both Lord Shiva and Lord Vishnu at the Lingaraj temple in Bhubaneswar. The Lingaraj temple was built in the 11th century. 		
Goa	'Save the Frog' Campaign	 Save the Frog is an anti-frog poaching campaign in Goa. 		
Himachal Pradesh	Kullu Dussehra	 The beginning of Dussehra in Kullu dates back to the regime of Raja Jagat Sing the 17th century. The folk flavour of the festivity, rituals make it totally different from Dussehra celebrati elsewhere in the country. 		
Telangana	Bathukamma	 Bathukamma is a floral festival. It is celebrated as per Shaka era calendar for nine days starting Bhadrapada P 		
Tamil Nadu	Ayyanar	 Ayyanar is a Tamil deity. He is worshiped as one of the guardian folk deities. 		
Chhattisgarh	Kaksar folk dance	 Kaksar is a tribal dance of Bastar. It is performed to invoke the blessings of the deity and to enjoy a rich harvest. 		
Assam	Bhortal Nritya	 Bhortal nritya, is a component of Sattriya dance, and is unique to Barpeta sattra. The use of bhortal (large cymbals) is an important component of this. Its genesis is traced to Narahari Burha Bhakat in the 20th century. Originally it was practised by males. 		
Meghalaya	Double Decker Living Root Bridge	 The root bridges are created by the Khasi tribe. The bridges are made from the aerial roots of a rubber fig tree and supported with bamboo and thin cables. 		
Rajasthan	Walled City of Jaipur	 They provide a stable alternative to wooden bridges. The walled city of Jaipur is globally known as Pink City. It is a UNESCO World Heritage site. The city was founded by Sawai Jai Singh II in the early 18th century. 		
Andhra Pradesh	Kondapalli Handicrafts	 These are made of wood in Kondapalli of Krishna district (Andhra Pradesh). It has received the Geographical Indication (GI) tag. 		

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Social Issues

Select Committee Recommends Changes to Surrogacy Bill 2019

The Select Committee of Rajya Sabha has recommended some changes to the Surrogacy Bill 2019.

Background

- Surrogacy is a method of assisted reproduction where intended parents work with a gestational surrogate who will carry and care for their baby until birth.
- People may seek a surrogacy arrangement when pregnancy is medically impossible, when pregnancy risks are too dangerous for the intended mother, or when a single man or a male couple wish to have a child. It is considered one of many assisted reproductive technologies.

What are the provisions of the Bill?

- Regulation of surrogacy: The Bill prohibits commercial surrogacy, but allows altruistic surrogacy.
 - Surrogacy is permitted when it is for intending couples who suffer from proven infertility and is altruistic.
 - It is not for commercial purposes, for producing children for sale, prostitution or other forms of exploitation and for any condition or disease specified through regulations.
- Eligibility criteria for intending couple: The intending couple should have a 'certificate of essentiality' and a 'certificate of eligibility' issued by the appropriate authority.
- Eligibility criteria for surrogate mother: To obtain a certificate of eligibility from the appropriate authority, the surrogate mother has to be 25 to 35 years of age, a close relative of the intending couple, married woman having a child of her own, surrogate only once in her lifetime, and possess a certificate of medical and psychological fitness for surrogacy. Further, the surrogate mother cannot provide her own gametes for surrogacy.
- Registration of surrogacy clinics: Surrogacy clinics cannot undertake surrogacy related procedures unless they are registered by the appropriate authority.
- Parentage and abortion of surrogate child: A child born out of a surrogacy procedure will be deemed

to be the biological child of the intending couple. An abortion of the surrogate child requires the written consent of the surrogate mother and the authorisation of the appropriate authority.

- Further, the surrogate mother will have an option to withdraw from surrogacy before the embryo is implanted in her womb.
- Offences and penalties under the Bill include:
 - Undertaking or advertising commercial surrogacy
 - Exploiting the surrogate mother
 - Abandoning, exploiting or disowning a surrogate child
 - Selling or importing human embryo or gametes for surrogacy

What are the recommendations of the Committee?

- Remove the contentious clause that limits surrogacy only to "close relatives" and "any willing" woman should be allowed to become a surrogate mother provided that all the necessary requirements are met.
- Divorced and widowed women aged between 35 and 45 years should be able to be a single commissioning parent.
- The committee has not, however, recommended expanding the definition of commissioning parent to include singles, either men or women.
- The need for a five-year waiting period for childless married couples could be waived if there is a medical certificate that shows that they cannot possibly conceive.
- Persons of Indian Origin should be allowed to avail surrogacy services in India.

Bill to Raise Upper Limit for Abortion

The Union Cabinet has approved the Medical Termination of Pregnancy (Amendment) Bill, 2020. The Bill will amend the Medical Termination of Pregnancy Act, 1971.

Key points

 The Bill proposes to permit the termination of pregnancy up to 24 weeks from the existing 20 weeks for special categories of women.

ETHICS

Behaviour-Changing Psychology

Behaviour-changing communication is the new trending word these days. Behaviour change campaigns should have right communication, 360-degree investments that go below the line and reinforce and amplify shifts in behaviour as well as some design-thinking elements.

THE ECON

Approaches

- Personal or individual: Beliefs, knowledge, attitudes, skills, genetics.
- **Social:** Interaction with other people including friends, family and the community.
- Environmental: The area in which an individual lives, e.g. school, work place, local shops and facilities, and wider factors including the economy (such as prices) and technology.

Techniques

- Social marketing
 - Social marketing draws on some of the principles of commercial marketing and uses behaviour change theory to influence behaviour for social good.
 - The benefit is for society, not for the organisation doing the marketing. Segmentation of the relevant market allows for interventions to be targeted.
- Nudging
 - An approach commonly known as nudging, primarily drawn from behavioural economics, has attracted interest in recent years.
 - It aims to stimulate people's choices, not by removing the less healthy options, but by making the healthier options easier.
 - An individual may also be nudged by being made aware of social norms, by receiving feedback on their behaviour compared to other people.

Behavioural economics in India

- The Economic Survey 2019 laid out an ambitious agenda for behavioural change by applying the principles of behavioural economics to several issues, including gender equality, savings, and credit quality.
- Given our rich cultural and spiritual heritage, social norms play a very important role in shaping the behaviour of each one of us.

- Behavioural economics provides the necessary tools and principles to not only understand how norms affect behaviour, but also to utilize these norms to effect behavioural change.
- Behavioural economics tells us that even if people are truly interested in giving up their subsidies; their actions may differ from their intent as they need to be moved to action with a gentle nudge.
- Nudge policies gently steer people towards desirable behaviour while preserving their liberty to choose and the government was planning to go ahead with the programmes to usher social change.

Initiatives towards behaviour change

- SelfieWithDaughter to show gender equality.
- Give it up campaign to voluntarily give up subsidy for LPG cylinders.
- Behaviour change awareness campaigns like clicking pictures in open defecation under Swachh Bharat Mission for toilet use.

Ethical Dilemma

You are the head of the Human Resources Department of a company. One day one of the workers died on duty due to some accident. His family was demanding compensation. However, the company denies compensation because it was revealed in investigation that he was drunk at the time of the accident. The workers of the company went on strike demanding compensation for the family of the deceased. What will you do? Arguments in favour of providing compensation: As a Head of the Human Resources Department one is obliged to ensure the well-being of its workforce with empathy and compassion and by not being a prisoner of rules. Denying the compensation will not solve these underlying issues like what compelled him to work under the inebriated situation. Moreover, the workers' strike if not addressed properly can impact the company's reputation and profitability adversely. Thus providing the compensation will not only serve the obligations of the Head towards the growth of the company but also the obligations of the company towards the dependents of its workers

Arguments against providing compensation: The Human Resources Department is considered to be one of the most important departments of an organisation because its efficient management of the workforce decides the sustainability of the organisation. As head of the department, conducting the functions on whims and fancies and tweaking the rules for a worker who was drunk will set a wrong precedent. Having empathy and compassion is an important virtue but these can be applied in various other but appropriate ways like providing job to one of the dependents.

D C A T

DID YOU KNOW?

Nagoba Jatara

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idia,

- Nagoba Jatara is a tribal festival held in Keslapur village, Telangana. It is celebrated by the Mesram clan of Gond tribes.
- The Gond tribes from Maharashtra, Chhattisgarh, Odisha, and Madhya Pradesh offer their prayers at Nagoba temple.
- The thanksgiving and the ceremony of Betal puja constitute the last of the rituals before the formal end of the annual jatara.
- The Betal puja involves the display of sword-wielding martial art. The practised exercise has the 'warrior' jumping into the air wielding a thin bamboo stick like a sword.

Gond Tribe

- They are aboriginal people of central and south-central India. Majority of them speak Gondi, a dialect of the Dravidian language.
- There is no cultural uniformity among the Gonds. They are subdivided into four tribes namely Raj Gonds, Maria Gonds, Dhurve Gonds and Khatulwar Gonds.
- The Muria, Bisonhorn Maria, and the Hill Maria are the Gond tribes of the Bastar region, Chhattisgarh.
- Gonds can be found in Madhya Pradesh, Chhattisgarh, Maharashtra, Andhra Pradesh, Gujarat, Jharkhand, Karnataka, Telangana, Uttar Pradesh, West Bengal and Odisha.
- Their staple food are two kinds of millets: Kodo and Kutki. Kodo and Kutki have high nutrition values and are climate-resilient.

Thaipusam Festival

- Thaipusam is a festival observed in southern India during the Tamil month of Thai (January - February).
- Outside India, it is celebrated mainly by the Tamil community settled in Malaysia, Singapore, South Africa, and Sri Lanka.
- Thaipusam is dedicated to the god Murugan, the son of Shiva and Parvati. Murugan is also known as Karttikeya.

 People display their fervour by carrying heavy ornate metal structures called "kavadis", affixed to their bodies.

briendsh

13.3

- Many pierce their faces with metal spikes and have hooks inserted into their bodies as they join the procession.
- The festival is celebrated with great fervour at Batu Caves temple complex on the outskirts of capital Kuala Lumpur, Malaysia.

34th Surajkund International Crafts Mela

- Recently, the President of India inaugurated the 34th
 Surajkund International Crafts Mela in Faridabad,
 Haryana. Surajkund Mela is the largest crafts fair in the world.
- The Mela is organised by the Surajkund Mela Authority and Haryana Tourism in collaboration with Union Ministries of Tourism, Textiles, Culture, and External Affairs.
- The Surajkund Mela is unique as it showcases the richness and diversity of the handicrafts, handlooms and cultural fabric of India.
- The Mela was initiated in 1987 to promote the pool of skilled artisans, who used indigenous technology, but were suffering due to the cheaper machine-made imitations.

Surajkund

- Surajkund is an ancient reservoir belonging to the 10th century and located on the Southern Delhi Ridge of Aravalli range in Faridabad city of Haryana.
- It is said to have been built by the king Surajpal of the Tomar dynasty in the 10th century. He was a sun worshipper and he had, therefore, built a Sun temple on its western bank.

Kala Kumbh

The Ministry of Textiles recently organised Kala
 Kumbh, a handicrafts thematic exhibition, in



SUMMARY OF IMPORTANT EDITORIALS AND OPINIONS

Significance of the Term 'Secular'

It is often claimed that the term 'secular' virtually adds no value to liberal democracies. This is because the term 'liberal democracy' subsumes 'secularism'. Secularism is against discrimination only on the basis of religion while a 'liberal democracy' is against all forms of discrimination. This is a fashionable view in Europe. Even some Indian scholars argue for the sufficiency of Articles 14-16 and 19 of the Constitution.

Discrimination and recognition

- The word 'secular' is important. The claim over sufficiency of 'liberal democracy' has had some validity in Europe, but it is losing relevance there too. But in places like India, it is a virtual non-starter.
- Secular states did not emerge in Western Europe in the immediate aftermath of the religious wars. These wars were stopped by the establishment not of a secular but a confessional state in which people were forced to embrace the religion of the king.
- Those who did not comply faced death or expulsion.
 Every European society from then on became religiously homogeneous - England became Anglican; Scandinavia, Lutheran; France, Catholic.
- Once other religions were eliminated or tamed, a struggle began against a politically meddlesome and socially oppressive church.
- The demand to separate church and state (which later came to be called **political secularism)** was supported by those who favoured free markets, private property and personal liberties.
- The moment separation of state and church was sufficiently achieved, it began to be taken for granted, and slowly receded into the background. In this sense, 'secularism' lost its political and social salience in these religiously homogeneous societies. The fight for a liberal state seemed sufficient.

 These liberal states, where religion was no longer significant, granted formal equality to all citizens and called themselves liberal democratic.

Importance of secularism

- The dynamics of a multi-religious society is such that religion could not lose salience. Instead of getting rid of religious dissenters and minorities, a general consensus might be sought to prevent their domination by the majority religious community.
- Had multiple religious identities been part of the social climate in Europe, a commitment to equality would have compelled European states to give impartial public recognition to all religions.
- Such states would have been secular precisely in the sense that Indians conceived it - something with which to fight not just religious fanaticism and intrareligious oppression but also the domination of one religion by another.
- Thus, the greater the salience of religion and depth of diversity in society, the larger the prospect of intraand inter-religious domination, and the more pressing the need for a state - given its commitment to liberty, equality and impartial recognition - to call itself 'secular'.
- The function of the term 'secular' is to reassure anyone threatened by religious or religion-based exclusion, discrimination or misrecognition that the state is committed to preventing all this.

Specificity of secular term

- The terms secular helps focus on institutionalised religious domination, to demarcate it from other kinds of domination based on class, gender, ethnicity, etc. Secularism implores to resist it.
- In religiously homogeneous societies, particularly where the importance of religion has weakened, liberal democratic states tend to be relatively indifferent to the term secular.

ECONOMIC AND POLITICAL WEEKLY



SUMMARY OF EDITORIALS AND ARTICLES: 30 NOVEMBER, 7, 14 AND 21 DECEMBER

ASHAs' Health Services

There has been a debate going on around the role and status of community health workers or Accredited Social Health Activists (ASHA) in society.

Who are ASHAs?

- It was the 'Mitanin' programme of Chhattisgarh in 2002 that inspired the accredited social health activist (ASHA) model under the National Rural Health Mission (NRHM) 2005.
- ASHA is the first port of call for any health-related demands of deprived sections of the population, especially women and children, who find it difficult to access health services.
- These front-line workers act as catalysts, initiating a change in the social structure by being the agents of public health delivery at the doorsteps.
- The general norm is 'One ASHA/1000 population'. In tribal, hilly, desert areas the norm could be relaxed to one ASHA per habitation, depending on workload etc.
- NRHM policy deems the job of an ASHA to be parttime voluntary work.

Roles and responsibilities of ASHA

- Awareness generation
 - Provide information to the community on determinants of health such as nutrition, basic sanitation and hygienic practices, healthy living and working conditions, etc.
- Counselling
 - Counsel women on birth preparedness, importance of safe delivery, breast-feeding and complementary feeding, immunisation, contraception and prevention of common infections postpartum.
 - Empower women in the community by encouraging them to have a greater say in matters of family planning and childcare.
- Primary health care
 - Provide care for minor ailments such as diarrhoea, and first aid for minor injuries and Directly Observed Treatment Short-course (DOTS) for Tuberculosis.

Role of ASHA in women emancipation

- In a setup where women in villages are still forbidden to step out of home, being an ASHA provides them with an opportunity to showcase their talent.
- Usually, woman after getting married leaves her studies and all the gained knowledge seems to be buried in the burden of patriarchy. Being an ASHA gives the purpose and meaning to the years they had put in education.
- ASHA worker receives respect and dignity in the community for her selfless work in promoting good health practices.
- ASHA has been seen both as a social worker and a health worker who promotes goodwill in society.

Challenges

- Devaluation of work
 - Despite a lot of significant responsibilities, they are not paid fixed wages or honorariums in many states like Maharashtra.
 - Their work is seen as an extension of household care that undermines their role and responsibility.
- Overworked and under-resourced: ASHA's remuneration is not commensurate with the workload. For example, undertaking a polio survey in the village, for an entire day fetches ₹95, way below the daily minimum wage.

Way forward

- Fixing a higher wage can incentivise their work and help in their deeper involvement with the community.
- Fulfilling the gap in undervaluation and undercompensation of their daily works and overtime done in a routine way.
- Provision of better infrastructure for primary health centres with better facilities.

Neglect of Household Biomedical Waste

The category of Household Biomedical Wastes is being neglected in the waste management framework of India and it needs a complete overhaul.



GIST OF MAJOR ARTICLES FROM THE FEBRUARY 2020 ISSUE

Initiatives in Education

In pursuance of the Union Government's vision for 'transforming India', the Ministry of Human Resource Development (MHRD) took a leap forward in transforming the education sector.

Key reforms in school education

- NISHTHA
 - National Initiative for School Heads' and Teachers' Holistic Advancement.
 - A national mission to improve learning outcomes at the elementary level through an integrated teacher training programme.
 - Standardised training modules are developed at national level for all states and UTs.
- Shagun
 - It is an overarching initiative to improve the school education system by creating a junction for online portals and websites relating to various school education activities.
 - Common people can directly give their feedback about schools which will further increase the public participation and ensure accountability and responsibility.
- DHRUV
 - The Pradhan Mantri Innovative Learning Programme (DHRUV) was started to identify and encourage talented children to enrich their skills and knowledge.
 - It serves as a platform to identify and select the talent of children in the field of science, arts and creative writing.
- Unified District Information System for Education Plus (UDISE+)
 - It seeks to ensure quality, credibility and timely availability of information from all the schools in the country.
 - The GIS based mapping portal and Data Analytics portal gives information about location of students and schools.

- Digital Infrastructure of Knowledge Sharing (DIKSHA) 2.0
 - It provides a digital platform to teachers giving them an opportunity to learn and train themselves and connect with the teacher community.
 - This initiative aims to enhance coverage and improve the quality of e-content for teachers.
- Operation Digital Board (ODB): It aims to provide two smart classrooms for every secondary/senior secondary school by 2023.

Key reforms in higher education

- Education Quality Upgradation and Inclusion Programme (EQUIP)
 - It is a five year vision plan to deliver further in principles of access, inclusion, quality, excellence and enhancing employability in higher education.
 - EQUIP is a vision plan aimed at ushering transformation in India's higher education system by implementing strategic interventions in the sector over five years (2019-24).
- Institute of Eminence (IoE): Ten institutes in the public and private sector are announced as IoE to provide them more autonomy and excellence in higher education.
- SWAYAM 2.0: It offers online degree programme provided by top ranking universities.
- SWAYAM PRABHA- DTH Education Channels
 - It is a project to telecast high quality educational programs through 32 DTH channels on 24x7 basis to reach out to students/learners of India with wide reach and minimal cost.
 - It also aims to provide dedicated channels like 'IITPAL' to assist the students of XI and XII standards aspiring to join premier educational institutions in the country.

Implementation of Quality Improvement Programme

 Deeksharambh: A guide to student induction programmes which have been implemented in almost 300 Higher Educational Institutions (HEIs).



GIST OF MAJOR ARTICLES FROM THE FEBRUARY 2020 ISSUE

Initiatives to Promote Skill Development and Entrepreneurship

In July 2015, the Prime Minister etched out his vision of **Skill India**, a movement to take India on the fast track of economic growth and progress.

Key points

- According to a 2015-16 report of Ministry of Skill Development and Entrepreneurship (MSDE), less than 5% of India's workforce was formally skilled.
- Skill India Campaign aims to train India's youth in market-relevant skills, empowering them for India as well as global market requirements by adopting successful models from the countries like South Korea, Japan etc. which have a highly skilled workforce.
- Skill India Portal has converged skilling data from various Central Government Ministries, State Governments, Private Training Providers and Corporates on a single platform. This has removed data asymmetry and enabled data-driven decision making by policymakers.

Skill potential of India

- India has just 0.4 million apprentices in the workingage population, which is too less compared to Germany (3 million) and Japan (10 million).
- It is estimated that Indian Industry can absorb 10 million apprentices annually, this highlights there is huge capability, potential, and scope for an apprenticeship-based approach.
- The new industrial age is boosted by technological advancements in Artificial Intelligence, automation, machine learning, robotics, and blockchain. It urgently requires a trained professional, where skills are based on the demands of the present economy.

Government initiatives to skill

 Pradhan Mantri Kaushal Vikas Yojana (PMKVY), which is a skill certification scheme of the Ministry of Skill Development & Entrepreneurship (MSDE) aims to enable a large number of Indian youth to take up industry-relevant skill training.

- National Skill Development Mission (NSDM) also known as Skill India Mission was formulated in 2014. It is a convergence of various schemes of vocational training that has provided a fillip to Skill Development and entrepreneurship efforts in the country.
- Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY) of Ministry of Rural Development is tasked with the dual objectives of adding diversity to the incomes of rural poor families and cater to the career aspirations of rural youth.
- Scheme for Higher Education Youth in Apprenticeship and Skills (SHREYAS) was launched in 2019 to forge a close functional link between academia and
- MSDE has also scaled up the ITIs Dual System Training (DST) scheme to at least 1000 ITIs. The DST is inspired by the German method and provides training to students of various ITIs.

industry on a sustainable basis.

- The Government is implementing the National Apprenticeship Promotion Scheme (NAPS) to promote apprenticeship training.
- It has also introduced Skills Strengthening for Industrial Value Enhancement (STRIVE), a World Bank-funded project, to improve the relevance and efficiency of skills training provided through Industrial Training Institutes (ITIs).
- The Recognition of Prior Learning (RPL) programme recognises and certifies a person's previous learning and work experience as per established standards to bring about a shift from the unorganized to an organized sector.

Conclusion

 India is witnessing a mind shift towards vocational training. The roadmap is to make India the 'Skill Capital of the World'.



GIST OF MAJOR ARTICLES FROM 31 JANUARY AND 15 FEBRUARY ISSUES

Global Swarming

Western India is facing its most fierce locust attack in nearly three decades, the origins of which lie outside the country and were triggered by weather events attributable to climate change.

Who are desert locusts?

- Desert locusts (Schistocerca gregaria) are shorthorned grasshoppers with a highly migratory nature.
- They differ from grasshoppers in that they have the ability to change their behaviour and can migrate over large distances with the help of winds.
- They live for 90 days and can eat food equivalent to their weight in a day. They feed on green, leafy plants and always travel during the day time.
- Congregation of adult locusts is called swarm while that of nymphal locusts is called band.

Reasons of their rapid attack

- Monsoon in western Rajasthan arrived in May over one-and-a-half-months early from its usual date of July 1. This created feeding and breeding conditions for locusts.
- Intermittent rains continued till November ensuring that the locusts keep getting food and do not depart on their usual time of October.
- The increase in frequency of climate change triggered events, like cyclones, has resulted in extended and multiple breeding seasons of locusts and caused them to move across continents.
- Global chain reaction from Arabian peninsula forwarding rains to Rub' al-Khali (Empty Quarter) desert of Saudi Arabia made it conducive for locusts breeding. This colony further extended to Iran, Pakistan and lastly to India where humid conditions were already present.

- Identification of locusts attack got delayed which failed to eliminate them in the early phase.
- Equipment for aerial spray of insecticide was not adequate with states like Rajasthan which allowed locusts to spread and breed swiftly.

Pesticides of the last resort

- Organophosphates are a group of chemicals developed as human nerve agents by the Nazis and were later adapted as insecticides.
- These are known to leach into water bodies close to agricultural fields.
- This varied exposure from different sources leads to bioaccumulation in human bodies.
- It is inevitable that migratory birds arriving in Rajasthan will die in the coming season because these organophosphates would have leached into water bodies.
- The Food and Agriculture Organisation (FAO) considered organophosphate as a pesticide of the last resort and recommended other pesticide like mycoinsecticide.

Counter measures

- International cooperation especially with Pakistan is required so that early actions can be taken.
- Spraying of pesticide most commonly at nights when swarms are resting.
- Early identification of areas where humidity is adequate for swarms' breeding grounds.
- Allowing farmers to spray pesticide where enough machines and tools are not available.

Lurking in the Shadows

As the geography of arsenic contamination spreads, there is an urgent need for governments to reorient mitigation measures. Academic Vitamins .

 Treated waste water can be used for recharging ground water, irrigation, and water availability for the public.

Conclusion

India needs to make policy changes to extract nutrients from faecal sludge. As this will serve the dual purpose of reducing its dependence on import of fertilisers and improve soil health this will boost farmer's income.

Antibiotic Resistance - the Magic Bullet's Toll

Antibiotic resistance is defined as microbial survival despite exposure to antibiotics designed to kill them or to impede their growth. Indiscriminate use of antibiotics leads bacteria to resistance for particular drugs.

Reasons of antibiotic resistance

- Self medication: Usually people act as their own doctor and they treat themselves by way of using certain tablets like amoxicillin from pharmacies without a doctor's prescription.
- Fixed dose combination: Countries have some fixed dose combination of drugs for diseases like flu, tuberculosis etc. Frequent use of the same FDCs results in resistance to those drugs.
- Lack of awareness: People are not aware about over the counter drugs and antibiotics, and in each spate of infection they use antibiotics.
- Profitable yield: Antibiotics are used in rearing animals and to protect plants from diseases. Quick turnover target has led to record increase in consumption of antibiotics.

Consequences

- Antibiotics find their way into the food chain by water or soil and accumulate at higher levels.
- Epidemics like meningitis and inflammation of the brain as in Nigeria become common on frequent use of antibiotics.
- Increased cost of drug treatment due to resistance to cheaper available antibiotic drugs.
- Organ transplantations, chemotherapy and surgeries such as caesarean sections become much more dangerous without effective antibiotics for the prevention and treatment of infections.

The Global action plan on antimicrobial resistance has 5 strategic objectives

- To improve awareness and understanding of antimicrobial resistance.
- To strengthen surveillance and research.
- To reduce the incidence of infection.
- To optimise the use of antimicrobial medicines.
- To ensure sustainable investment in countering antimicrobial resistance.

India's National Action Plan - Antimicrobial Resistance

- National Health Policy 2017 launched to address antimicrobial resistance and have priority to the development of guidelines in antibiotic use.
- The Red Line campaign was launched to curb the counter sale of antibiotics - a red line is printed on antibiotic packages as a warning.

Way forward

- Rampant misuse of antibiotics is overwhelming so doctors or practitioners should use certain guidelines to prescribe antibiotics to patients.
- There are certain indicators put together by Food and Agriculture Organisation (FAO) and World Health Organisation (WHO) for Monitoring and Evaluation Framework for Antibiotics, which should be followed by countries specially low and middle income countries.

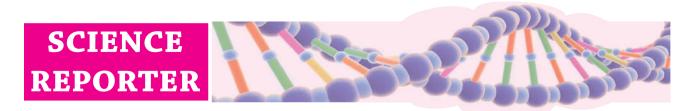
What is AMR? Resistance of a micro-organism to

an antibiotic that was originally effective in treating infections caused by it

Why India needs to curb antibiotic overuse

- India's bacterial disease burden is highest in the world
- Large population suffers from diseases like diabetes, heart ailments and cancer, making them prone to infections
- 40% children are malnourished and at risk of infections
- More and more drug-resistant bacteria are being identified





GIST OF MAJOR ARTICLES FROM THE FEBRUARY 2020 ISSUE

Garland of Gardens

The environmental friendly **Spice Garden of Western Ghats** is an intricate network of canals, feed the **areca** and **pepper vines** during the dry seasons.

Method

- A large stormwater drain *horooragala*, connects to the stream at the bottom of hill.
- A percolation tank *kere* is constructed on the top of the hill which has water throughout the year.
- The multi storey pattern followed by the farmers ensures that all the crops get optimum sunlight.
- The plant beds are mulched with dry leaves, which conserve moisture and prevent weed growth.

Importance

- Forest privilege: The farmers have the right to obtain minor forest produce from adjoining protected forest area called *Betta*.
- Water conservation: Percolation tanks and borewells on slopes provide water throughout the year.
- Soil erosion: Mulching helps land from erosion and promotes growth of spices.

Conclusion

Madhav Gadgil committee on Western Ghats had pointed out that a high level of awareness was seen in this region. But due to modern advanced technology traditional methods are slowly disappearing. Learning from the wisdom of the early gardens may help in alleviating the problems faced by spice gardeners.

Discoveries Responsible for Science Innovations

The last two centuries have seen changes in human life attributed to the developments of Science and Technology, which solved the mysteries of nature and answered human curiosity.

Discoveries

 Excavation at Lothal, Gujrat unearthed evidence of port development for trade.

- City planning at Harappa and Mohenjodaro revealed the extent of advancement of society.
- Bronze statue of dancing girl pointed out metal casting techniques and performing art.
- The water driven flour mills called *gharats* from the 7th century at the foothills of the Himalayas.
- The Kallanai dam of 1st C AD on Kaveri river, inspired Sir M. Visvesvaraya to construct Osman Sagar on River Musi.

Conclusion

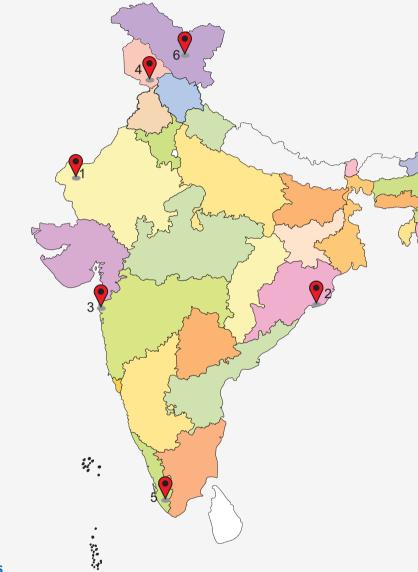
Scientific discoveries lead to technological advances, and thereby to the improvement of the quality of human life. Today, as India aspires to become the global economic leader, Science, Technology and Innovation will certainly play a leading role again in society, through sustained support for these endeavours.

Danakil Depression

An uniquely extreme region located in the northern part of the Afar triangle in Ethiopia, has complex geological history.

Key points

- The geological depression is the outcome of continental rifting of the Afar triangle junction, part of the East African Rift Valley.
- It has the longest erupted volcano named Erta Ale and lava lakes called Dallol which have scarry appearance at night.
- These lava lakes contain sulphuric acid which are direct indication of titanic stirrings and volcano.
- Hot springs and hydrothermal pools in the region are full of microbes such as extremophiles that can withstand high temperature and volcanic gases.
- Some halophiles (high saline microbes), and chemolithotrophs bacteria which collect energy from inorganic compounds and do not require sunlight.
- Awash is a river which has narrow fertile belts, making favourable conditions for people.



Questions

MAP-1

- 1. Identify the National Park where power lines are disrupting the movement of Great Indian Bustard (GIB).
- 2. Identify the site where the BIMSTEC Disaster Management Exercise-2020 was held.
- 3. Identify the site where India will have its 13th major port.
- 4. Identify the place where multipurpose Ujh river project would come up.
- 5. Identify the peak where trekking by women has been allowed.
- 6. Identify the airport from where an Indian Airforce Aircraft took off using indigenous bio-jet fuel.

(Answers : Refer to Page No. 122)

THROUGH MAPS

Questions

- 1. Identify the region where Earth's oldest known impact crater is located.
- 2. Identify the island where the Indian Navy launched Operation Vanilla.
- 3. Identify the oil field and port in Russia from where oil will be supplied to India.
- 4. Identify the province of Yemen where recent Saudi airstrikes killed several people.
- 5. Identify the country where GulFood 2020 was inaugurated.
- 6. Identify the highest peak outside Asia.

(Answers : Refer to Page No. 122)

ESSAY WRITING competition "A drop of ink may make a million think."

- PAPER-I (250 Marks, UPSC CS Main Examination): "Essay: Candidates may be required to write essays on multiple topics. They will be expected to keep closely to the subject of the essay to arrange their ideas in orderly fashion and to write concisely. Credit will be given for effective and exact expression." That is what the UPSC says about the Essay paper in the CSE notification. Through an essay, the commission wants to know if you will make the right civil servant who has balance of judgement, variety and depth of interest, logical exposition and other such bureaucratic qualities.
- Keeping this in mind, we present a forum where you are asked to practice your writing skills by writing essays on the given topics. The topics are decided keeping in view the thematic trends in CS (Mains) examination.
- If that is not all, the best essays shall be rewarded and published. We'll judge the essay based upon four parameters viz. Structure of the essay, Content, Flow and Language.
- The prize details are as follows:

First Prize: 6 Months Subscription Second Prize: 4 Months Subscription Third Prize: 2 Months Subscription

Essay Writing Competition—47

Topic:

'Truth cannot be eclipsed by prejudices.'

Terms and Conditions—

- 1. The essay shall be of length between 1000-1200 words.
- 2. It should be neatly written or printed on A4 sheets.
- 3. Only one entry per participant is allowed.
- 4. Entries are to be sent by Registered/speed post only on following address: EXECUTIVE EDITOR, DRISHTI CURRENT AFFAIRS TODAY, 641, FIRST FLOOR, DR. MUKHERJEE NAGAR, DELHI-110009. Please mention 'For Essay Competition' in capital letters on the envelope.
- 5. Remember to submit your personal details on the form printed on this page after neatly tearing it off the marked pointers. Submissions without this form shall not be entertained.
- Your essay must reach the given address before 20th March, 2020. Entries reaching us after the given date will not be accepted.
- 7. Essays should be original and not plagiarized or copied except for properly quoted references. Prior published or awarded essays will not be accepted.
- 8. All rights related to the results of the competition are secure with 'Drishti Current Affairs Today'. The winners shall be announced in the subsequent issue of the magazine and the winners shall be contacted by email and telephone.
- 9. Copyrights of the rewarded essays will lie with the magazine which may be used in any way by 'Drishti Publications'.

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#### Form for Essay Competition-47

(Kindly cut and attach this form along with your essay. Use original form and not photocopy.)

Name of participant:		Mobile no
Address:		
Pin code:	Email ID:	



#### Stagflation

#### Why in News?

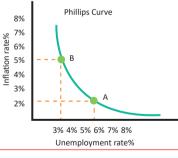
The steady rise in wider inflation figures over the last few months amidst falling economic growth has led to fears of stagflation in India.

#### What is Stagflation?

- The term *stagflation* was first used during a time of economic stress in the United Kingdom by politician lain Macleod in the 1960s.
- Stagflation is an economic scenario where an economy faces both high inflation and low growth and high unemployment at the same time.
- Stagflation was first widely recognised after the mid-20th century, especially in the U.S. economy during the 1970s, which experienced persistently rapid inflation and high unemployment.
- Stagflation was long believed to be impossible because the economic theories that dominated academic and policy circles ruled it out of their models by construction. In particular, the economic theory of the Phillips Curve.

#### Philips Curve

The Phillips curve is an economic concept developed by A. W. Phillips stating that inflation and unemployment have a stable and inverse relationship.



- The theory claims that with economic growth comes inflation, which in turn should lead to more jobs and less unemployment.
- At point A in the curve, there is low inflation with high unemployment while at point B the inflation is high with low unemployment showing inverse relation between them.

#### What Causes Stagflation?

- High oil price: This economic phenomenon is caused when a sudden increase in the cost of oil reduces an economy's productive capacity. Because transportation costs rise, products get more expensive.
- Poor economic policy: Simply allowing inflation to go rampant, and then suddenly snapping the reins, is one example of a poor policy that some have argued can contribute to stagflation.
- Monetary factors: In the early 1970s, the US had removed commodity backing for the currency and put it on a fiat basis.
- Others: A combination of harsh regulation of markets, goods, labour and unlimited printing of money by central banks can lead to stagflation.

#### Impact of Stagflation

- During stagflation, a slowdown in growth affects people's incomes and higher inflation causes a reduction in people's standard of living as they can afford fewer things.
- Stagflation leads to the rise in Misery index. This index, which is the simple sum of the inflation rate and unemployment rate, served as a tool to show how badly people were affected by stagflation.
- Stagflation is dangerous, as when inflation is already running high, the monetary and fiscal stimulus can put more money in the hands of the consumers, making it more worse.

#### Way Forward

- Some economists argue that governments could assess the trade-off between inflation and unemployment and balance the business cycle.
- Prices must be stabilised by the Central Bank to stop inflation from spinning out of control and the government should deregulate the economy and allow the free market to allocate labour towards its most productive uses.

### **TARGET MAINS**

#### PAPER-I

Question 1. Women's emancipation has never been easy. It is due to the works of India's first gutsy feminist Savitribai Phule that the women in the country have reached where they are today. Discuss.

Answer: Women have always faced opposition from society whenever they tried to challenge the rudimentary practices or asked for equal rights. The rigidity of irrational traditions or rules in society has always been the biggest impediment for the women emancipation.

The process of women empowerment in India started during the period of Indian renaissance and the credit goes to Savitribai Phule. Born in 1831, she was a pioneer of education, a woman liberator, a social reformer and the mother of modern education.

#### Role of Savitribai Phule in women emancipation

- She started the first girl's school in Pune in the times when educating a girl was reprehensible.
- She worked against the Brahmanical dominance, caste rigidities and also started a shelter home by the name of Balhatya Pratibadhak Griha for Brahmin widows.
- Through her poetry, she motivated everyone and inspired them to take part in the freedom struggle and upliftment in the society.
  - Her 'Bavan Kashi Subodh Ratnakar' centred around education and social reforms.
- She organised the Tilgul festival for women of all castes and also formed Mahila Mandal in Pune for strengthening the struggle for women empowerment.
- For her efforts, she was awarded the best teacher by the British in 1852.

It is due to the efforts of Savitribai Phule that the concept for educating the girls and uplifting their role in the society started. After that, there was no looking back and the strong fabric women empowerment was weaved.

**Question 2.** What do you mean by social mobility? Enumerate the determinants of social mobility and discuss the reasons why India still lags in the social mobility.

**Answer:** Social mobility implies that people or another position or status and this movement may be upward or downward or it may be inter-generational or intra-generational.

An **upward movement** is considered desirable in a society which allows people **better opportunities** and **equal status**. For example, a rickshaw puller's son becoming a lawyer is upward social mobility.

#### Basic determinants of social mobility

- Education: Education not only helps an individual to acquire knowledge but also a passport to the occupational position for higher prestige.
- Skills and Training: Society not only assigns higher social status but also gives higher economic rewards and other privileges to those persons who have useful skill and training.
- Migration: It provides opportunities for people at the new place and availing it to improve their social position either at the immigrated or the emigrated place.
- Urbanisation: Urban centres are marked by anonymity. Here, an individual's position is largely dependent upon his education, occupation and income rather than his background.
- Modernisation: Introduction of technology, innovations have changed the lives of people in general and those in the bottom rungs, in particular. For example, Bandicoot Robot for sewer cleaning has reduced manual scavenging.

However, India still lags in social mobility. In the recently launched Social Mobility Index by the World Economic Forum, India was ranked 76th out of 82 countries.

#### Reasons for India's lagging in social mobility

- Prevalence of caste discrimination and caste-based rigidities in society.
- High inequality as measured through the Gini Coefficient.
- Disparity in industrialisation and modernisation has been supplemented with digital divide.
- Indian workforce is mainly concentrated in informal sectors and India's labour laws do not provide social security to them.

#### Way forward

 Improving tax progressivity on personal income, policies that address wealth concentration and re-balance the sources of taxation can support the social mobility agenda.

#### Challenges

- "Greenwashing" as a practice of making unsubstantiated claims about the environmental benefits of a product, service and technology.
- India is in a state of turmoil in the economic sector and accessing additional funds remains a challenge. The environment ministry estimates that India will need \$2.5 trillion to meet climate change targets, of which \$280 billion is needed in the next five years for green infrastructure alone.
- Lack of Industry-Academia linkup to harness cheap and innovative ideas that require fewer investments with greater benefits. Illustrating, India's R&D contribution in technology upgrading is not upto the mark.

The 3 essential **'S'** of green finance-scope, scale and speed can pave the way for more credible, accurate and verifiable numbers on its necessity. Both Public and private sectors need to go hand in hand to boost the state of green finance in India.

**Question 9.** Climate change has been playing a significant role in disasters across the globe. Explain the statement in context of the recent Australian Bushfires.

Answer: Bushfires are fires that burn through areas of bushland. They are a type of wildfire – fires that burn through wild vegetation like woodland, scrubland, grassland or savannahs.

These fires are unpredictable and difficult to control. These fires are particularly common in areas that experience hot, dry weather, like Australia, Greece, Africa and parts of the USA, like California.

#### Climate change has its own impact over events like Australian Bushfires

- Climate change has brought in the effect of global warming at every place that results in excessive heating and drying of detritus and litter.
- Anomalies in rainfall pattern and variability has been linked with the climate change induced variations in the weather pattern around the world.
- A strong Positive Indian Ocean Dipole induced dry conditions over Australia leaving low soil moisture that had enhanced the prolonged drought.

#### Other reasons for ravaging Australian Bushfires

 Dry deciduous forests, Eucalyptus plantations (highly inflammable), and other tree species provide necessities for wildfire.  Excessive fossil fuel load, increased greenhouse gases emission, poor disaster preparedness also enhanced the bushfires.

#### Way forward

- World has to pass a common goal to reduce global warming gases which are held responsible for climate change. Implementing the provisions of the Paris Agreement to limit the global temperature rise to 1.5°C during the century.
- Mitigating framework and management strategies during disasters like drought could be helpful to reduce the impact of such fires on men and animals.

#### PAPER-IV

**Question 10.** What do you mean by philanthropy? What do you think can be the contribution of philanthropy in a just society?

And is often defined as giving gifts of "time, talent and treasure" to help make life better for other people.

A Just Society aims to ensure that we are on a path towards shared prosperity for all. A just society provides a living wage, safe working conditions, and healthcare. A just society acknowledges the value of immigrants to our communities and others.

#### Contribution that philanthropy can play in a just society

- Reducing poverty: Philanthropic projects help poor and provide them livelihood opportunities for their betterment, can eradicate the cumbersome problem of poverty.
- Balancing the income gap: Only 1% of Indian population has control over more than half of the wealth. Charity and similar activities like imparting vocational training may help in decreasing the income gap.
- Promoting equality: Greater participation of man and woman at par, could promote equality in society by way of awareness and campaigns and Heighten sense of connection to others.
- Reducing burden on the government: The government's fund is not sufficient to look after social problems and welfare state. Philanthropists can help the state to reduce the burden and provide value for social development like Corporate social responsibility.

Philanthropy recognises the responsibility of common man towards society. Its promotion will spread goodwill in the society, happiness, reduction in stress and help in achieving the notion of a just society. Following the constitutional obligation and established convention, the Union government presented the Budget (2020-21) and the Economic Survey (2019-20) in the Parliament. These two documents provide vital insights pertaining to the economy and, thus, become very useful for all those who want to understand its basics and concepts.

To illustrate, these hold enormous significance from the Civil Services Examination (CSE) point of view. The preparation of Economy segment for the CSE is considered incomplete without the in-depth understanding of the Budget and the Economic Survey. However, aspirants often find it difficult to sift out and assimilate the relevant concepts and facts from these two documents.

In the next 40 pages we provide a lucid and easy to understand version of the Union Budget and the Economic Survey after curating these two from the CSE perspective. Some associated definitions and explanations have also been provided.

It is our stern view that this supplement will be of immense use to all those who wish to appear in the CSE 2020.

# Economic Survey & Budget

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## 2019-20 ECONOMIC SURVEY

#### WEALTH CREATION: THE INVISIBLE HAND SUPPORTED BY THE HAND OF TRUST

Low

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For more than three-fourths of known economic history, India has been the dominant economic power globally, a major wealth creator and a significant contributor to the world's GDP.

#### Wealth Creation

- The wealth created by the entrepreneur correlates strongly with:
  - The benefits that accrue to the employees working with the firm
  - Raw materials procured by the entrepreneur's firms and its suppliers
  - Capital expenditures made by the firm
  - Foreign exchange revenue earned by the firms and its role in macroeconomic stability by enabling the country to pay for its imports
  - The taxes paid by the entrepreneurs enable Government spending on creating public goods and providing welfare benefits
- Wealth creation happens in an economy when the right policy choices are pursued. For instance, wealth creation and economic development in several advanced economies has been guided by Adam Smith's philosophy of the invisible hand.
- During much of India's economic dominance, the economy relied on the invisible hand of the market for wealth creation with the support of the hand of trust.
- The invisible hand of markets, as reflected in openness in economic transactions, was combined with the hand of trust by appealing to philosophical dimensions.

#### **Historical Context**

 Wealth creation has been recognised by various ancient treatises like Arthashashtra of Kautilya, and Thirukkural of Thiruvalluvar.

- Kautilya postulates the role of prices in an economy. He avers that the root of wealth is economic activity and lack of it brings material distress. In the absence of fruitful economic activity, both current prosperity and future growth are in danger of destruction.
- For Kautilya, a king can achieve the desired objectives and abundance of riches by undertaking productive economic activity. However, Kautilya advocates economic freedom by asking the King to remove all obstructions to economic activity.
- Thiruvalluvar mentions 'Porul Paal' or the essence of material wealth and declares, "Make money - there is no weapon sharper than it to sever the pride of your foes."
- Nevertheless, Thirukkural advocates wealth creation through ethical means. He avows that wealth yields righteousness and joy, the wealth acquired capably without causing any harm.
- A key contributor to ancient India's prosperity was internal and external trade. Two major highways, Uttarapatha (the Northern Road) and Dakshinapatha (the Southern Road), and its subsidiary roads connected the sub-continent. Ports along India's coastline traded with Egypt, Persia, China and Japan among others.
- Much of this trade was carried out by large corporatized guilds akin to today's multinationals and were funded by temple-banks. Thus, commerce and the pursuit of prosperity is an intrinsic part of Indian civilizational ethos.

#### **The Invisible Hand of Markets**

- For several decades after Independence, India deviated from its rich tradition of emphasizing wealth creation. Despite the dalliance with socialism India has embraced the market model - post-liberalization of 1991 - that represents our traditional legacy.
- Enabling the invisible hand of markets i.e. increasing economic openness, has a huge impact in enhancing

#### Supplement _

of the manufacturing sector on the index, placing the services sector on the map for the first time, and reflecting the far reaching changes that the Indian economy was witnessing in the wake of liberalization.

Moreover, today's Sensex is not only composed of a larger number of sectors, but is also far more democratic in terms of the size of companies. Today's Sensex is far less concentrated than the Sensex of the 1980s and 1990s, and mirrors the far lower sectoral concentration of the Indian economy as a whole.

#### **Creative Destruction**

- Creative destruction is a process of industrial mutation that incessantly revolutionizes the economic structure from within, destroying the old one and creating a new one.
- Viewed from the lens of the Stock market, creative destruction has increased significantly postliberalisation.
  - Liberalization led to a spike in the number of firms churned. Every five years, roughly one-third of the firms in the Sensex are replaced.
  - Before liberalisation, a firm was expected to stay in the Sensex for 60 years, which decreased to only 12 years after liberalization.
  - The forces of creative destruction following liberalization in the Indian economy have led to the rise of new sectors such as financials and information technology. Nonetheless, the Herfindahl Index reveals an overall decline in concentration in both sectors.
  - However, it has only one prerequisite a probusiness policy stance that fosters competitive, unfettered markets.

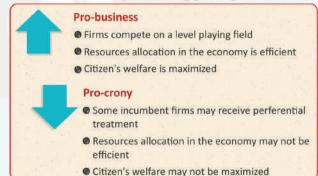
NOTE: Herfindahl Index measures the market concentration of an industry's 50 largest firms in order to determine if the industry is competitive or nearing monopoly.

#### **Benefits of Creative Destruction**

- The rising share in market capitalization has been accomplished by a rise in number of companies rather than a rise in size of incumbent, suggesting greater competition within these sectors.
- Sectors once considered mainstays of the Indian economy are being displaced by new sectors bringing with them new technologies and products.

- The competitive advantage of entrenched firms is being rapidly challenged by new, smaller and more agile firms.
- The difference between the sizes of the largest and smallest firms are rapidly shrinking, and consequently monopoly power in the economy is declining and making way for more competitive markets.
- Consumers benefit from an increased variety of goods and services, lower prices and incessant improvement in the quality of existing products.

#### Difference between pro-business and pro-crony policy



#### **Pro-crony Policies**

- Pro-crony policy supports incumbent firms but does not necessarily foster competitive markets.
- Cronyism erodes wealth and fosters inefficiencies in the economy by inhibiting the process of creative destruction.
- The best illustration of pro-crony policy can be given by connected firms i.e the firms whose promoters have political connections. For example, the Comptroller and Auditor General's audit report on the 2G spectrum allocation named a list of private companies that benefited from alleged collusion in the allocation of the 2G spectrum.
- The connected firms are unable to systematically create value for their investors from extracting rents based on their political connections.
- The performance of connected firms indicates the possible extent of rents extracted by these firms at society's expense.

#### **Connected Firm and Rent Extraction**

 The phenomenon of rent-seeking by inefficient, connected firms, though unhealthy to the economy, is not unique to India. In fact, several global studies

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 Wilful default increases the cost of borrowing for everyone else, including genuine businesses. It may force genuine borrowers to exit the market resulting in a market failure that slows economic growth, employment and wealth creation capacity.

#### Conclusion

- Pro-business policies, for example, those that make it easy to start a business, obtain credit, and bid for natural resources help firms to function effectively and thereby enable competitive markets.
- While pro-business policies increase competition, correct market failures, or enforce business accountability, pro-crony policies hurt markets.
- Crony businesses may promote narrow business interests and may lobby the government to limit competition or reduce regulatory oversight. These enhance the lobbying group's income but undermine markets and reduce aggregate welfare.

#### UNDERMINING MARKETS: WHEN GOVERNMENT INTERVENTION HURTS MORE THAN IT HELPS

The role of markets has been recognized globally wherein markets are allowed to enable wealth creation and thereby economic growth. But India has a regulatory system and its high time that privatization and the role of the free market are analysed and incorporated in the economy.

#### **Key Points**

- Economic freedom enhances wealth creation by enabling efficient allocation of entrepreneurial resources and energy to productive activities, thereby promoting economic dynamism.
- India has made significant progress in enhancing economic freedom for firms and its citizens but it still counts among the shackled economies in the world.
- In the Index of Economic Freedom 2019, India was categorized as 'mostly unfree', ranking the Indian economy 129th among 186 countries. Likewise, in the Global Economic Freedom Index, India ranks 79th among 162 countries with 108th rank in business regulation.
- The low rank in economic freedom makes it evident that India chains opportunities for wealth creation by shackling economic freedom for its citizens.

- While there is a case for Government intervention when markets do not function properly, excessive intervention stifles economic freedom.
- This is because government intervention, though well-intended, often ends up undermining the ability of the markets to support wealth creation and leads to outcomes opposite to those intended.

#### Strengths and weaknesses of markets

Markets can	Markets cannot
Keep prices in check	Provide public goods
Use resources	Prevent abuse of
efficiently	monopoly power
Encourage innovation	Internalize externalities
Increase consumer	Overcome information
choice	asymmetry
Create wealth	Distribute wealth
Maximize aggregate	equitably
welfare	Ensure ethical practices

#### **Government Interventions**

- The Government can intervene in markets in two ways:
  - Direct participation as a market maker or as a buyer or supplier of goods and services
  - Indirect participation through regulation, taxation, subsidy or other influence
- Sometimes direct intervention by the government affects the dynamic interaction of supply and demand in markets and thereby determination of 'equilibrium' market prices.
- To illustrate, fluctuating prices of the commodities distort the demand and supply chain of the market.
   For example, when prices are higher, the sale gets reduced and when prices are lower, the demand gets increased.
- In both cases, serious welfare loss results because not enough of the goods are sold. The chance to create welfare for both producers and consumers gets wasted and it leads to 'deadweight loss'- income that is lost forever.
- The Indian economy is replete with examples where the government intervenes even if there is no risk of market failure. In some instances, its intervention has created market failures.

#### **Essential Commodities Act (ECA), 1955**

 The Act controls the production, supply and distribution of, and trade and commerce in, certain

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The Coking Coal Mines (Nationalisation) Act, 1972 and Coal Mines (Nationalization) Act, 1973	<ul> <li>Government took over the management of coking and non-coking coal mines as energy became a crucial sector.</li> </ul>			
Foreign Exchange Regulation Act, 1973	<ul> <li>Imposed restriction on foreign equity in companies to 40%.</li> <li>This restricted access to foreign capital and technology.</li> </ul>	<ul> <li>Replaced by Foreign Exchange Management Act (FEMA), 1999.</li> <li>Under FERA, everything was prohibited unless specially permitted.</li> <li>Under FEMA, everything was permitted unless specifically restricted.</li> </ul>		
Air Corporations Act of 1953	<ul> <li>Nationalised nine airlines to form Air India and Indian Airlines.</li> <li>Intended to provide efficient, adequate, and coordinated air transport services.</li> </ul>	<ul> <li>Replaced by Air Corporations (Transfer of Undertaking and Repeal Act, 1994.</li> <li>Private operators were allowed to provide air transport services.</li> </ul>		
Sick Industrial Companies Act (SICA), 1985	<ul> <li>Timely detection of sick companies and speedy remedial measures by Board of Industrial and Financial Reconstruction (BIFR).</li> <li>It put in place a debtor-friendly regime, in which defaulting borrowers could delay resolution.</li> </ul>	<ul> <li>The Act was repealed in 2004, and BIFR was dissolved in 2014 to give way to the Insolvency and Bankruptcy Code (IBC), 2016.</li> </ul>		
	Acts which Need to be Re	pealed/Amended		
Act	Market Distortion Created		Need for Repeal/Amendment	
Factories Act, 1948	<ul> <li>Regulates occupational safety and health in factories and docks</li> <li>Gives prosecuting powers to the Chief Inspector</li> <li>Nudges capital away from labour</li> </ul>		<ul> <li>Proposed to be subsumed by the Occupational Safety, Health and Working Conditions Code, 2019</li> </ul>	
Essential Commodities Act (ECA), 1955 It imposes stock limits Discourages large-scale private investments in agricultu market			<ul> <li>These owe their origin in times of shortage and inefficient linking of markets</li> <li>These have become an instrument of coercion and inhibit proper functioning of markets</li> </ul>	
Food Corporation of India (FCI), 1965	<ul> <li>FCI was created to safeguard the interests of buffer stocks for food security and make of reasonable prices through the public distribution</li> </ul>	<ul> <li>The production scenario of foodgrains has reached a comfortable level</li> <li>The role of FCI, with a total storage capacity of more than 80 million tonnes, must be re-examined</li> <li>FCI should primarily focus on creating competition in the foodgrain supply chain</li> </ul>		
Sick Textile Undertaking (Nationalisation) Act, 1974	<ul> <li>To acquire sick textile units, reorganize and rehabilitate them</li> <li>103 sick textile mills were nationalised and transferred to the National Textile Corporation (NTC)</li> </ul>		<ul> <li>Nationalisation of these mills failed to achieve the desired objectives</li> <li>Land of textile units has been monetised</li> </ul>	
Recovery of Debts due to Banks and Financial Institutions Act 1993	<ul> <li>Led to establishment of Debt Recovery Tribunals (DRTs) for expeditious adjudication and recovery of debts</li> <li>Huge delays due to insufficient number of presiding officers</li> <li>Lack of sufficient judicial experience by recovery officers</li> </ul>		<ul> <li>The IBC is now firmly in place to fix the problem of non-performing assets</li> </ul>	
The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013	through negotiations, with the government	<ul> <li>This tilts the balance in favour of land owners who need to be made an equal partner in development of land</li> </ul>		

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#### Conclusion

The government must systematically examine areas where the Government needlessly intervenes and undermines markets. It does not mean that there should be no government intervention; appropriate and relevant interventions are welcome, majorly at the regulation level. Eliminating instances of needless interventions will enable competitive markets and thereby spur investments and economic growth.

#### CREATING JOBS AND GROWTH BY SPECIALIZING IN EXPORTS IN NETWORK PRODUCTS

Integrating 'Assemble In India for the World' into 'Make In India' can set a precedent in making India a global manufacturing hub. India has to take crucial and defining steps if it wants to achieve an export-led growth and create jobs for its youth.

#### **Key Points**

- Growth in exports provides a much-needed pathway for job creation in India. For example, in just five year period 2001-2006, labour-intensive exports enabled China to create 70 million jobs for workers with primary education.
- On similar lines, steps can be taken by India to chart an export trajectory and create unparalleled job opportunities for its youth.
- China's image as a low-cost location for final assembly of industrial products is rapidly changing due to labour shortages and increases in wages. As no other country can match China in the abundance of its labour, India must grab the space getting vacated in labour-intensive sectors.
- This also holds significance as the US-China trade war is causing major adjustments in Global Value Chains (GVCs) and firms are now looking for alternative locations for their operations.

#### **Current State of Trade and Exports**

- India's share in merchandise (goods) exports in world exports has increased from 0.6% in 1991 to 1.7% in 2018. Yet it remains paltry compared to 12.8% for China (2018).
- Further, merchandise exports as a percentage of GDP remained consistently lower for India compared to the world average by a significant margin.

- Imports of merchandise have grown faster (at the rate of 14.9% per annum during 1993-2018) than exports, resulting in increased trade deficits.
- On the other hand, exports of services generally grew faster than imports, providing some cushion to the current account deficit.

#### Reasons for India's Underperformance in Exports

#### Specialization versus Diversification

- India is far behind China in terms of specialization of markets and products. However, India has been catching up with China in terms of diversification across products and markets.
- Overall, high diversification combined with low specialization implies that India is spreading its exports thinly over many products and partners, leading to its lacklustre performance compared to China.
- The bottom line is that if India wants to become a major exporter, it should specialize more in the areas of its comparative advantage and achieve significant quantity expansion.

#### Low Level of Participation in Global Value Chains (GVCs)

- China's export composition shows a strong bias towards traditional labour-intensive industries and labour-intensive stages of production processes within capital intensive industries.
- Export growth of capital intensive products from China has been mainly driven by its participation in the GVCs. China's export promotion policies since the 1990s have relied heavily on a strategy of integrating its domestic industries within the GVCs.
- Making use of imported parts and components, China emerged as a major assembly hub for several capitalintensive products.
- India's participation in GVCs has been low compared to the major exporting nations in East and Southeast Asia.

#### Low Market Penetration in High-Income Countries

 The dominance of capital intensive products in the export basket along with low participation in GVCs have resulted in a disproportionate shift in India's geographical direction of exports from traditional rich country markets to other destinations.

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- employment and a large proportion of youth that is not in employment, education or training. Agriculture contributes disproportionately to India's employment whereas services contributes disproportionately to GDP.
- All these variables undoubtedly affect GDP, but in indirect ways that cannot be easily measured or observed. Besides, institutional and legal structures are inherently different across countries, which affect countries in ways that cannot be measured directly.
- The pattern of GDP growth in India is far more complex than what a few indicators of economic activity can predict. Therefore, asserting a mis-estimation based on these indicators alone is inappropriate.
- At the same time, more work is needed to fully understand the determinants of India's growth rate. India has made impressive improvements in several social development indicators, such as access to nutrition and electricity, that might explain the higher growth rate in Indian GDP in the post-change period.
- There is also a need to invest in ramping up India's statistical infrastructure. In this context, the setting up of the 28-member Standing Committee on Economic Statistics (SCES) headed by India's former Chief Statistician is important.

#### **Difference-in-difference Method**

- It is a statistical technique that compares the changes in outcomes over time between the treatment group and the control group that is affected by the specific intervention such as a passage of law, enactment of policy, or large-scale program implementation.
- It is typically used to mitigate the possibility of any extraneous factors affecting the estimated impact of an intervention.

#### THALINOMICS: THE ECONOMICS OF A PLATE OF FOOD IN INDIA

Economics affects the common lives of people in tangible ways but this fact often remains unnoticed. A plate of food is something that people encounter every day. Thus, Thalinomics: The economics of a plate of food in India can become a prudent way to make economics relate to the common people.

#### **Key Points**

 As food is a necessity, a rapid rise in the price of a Thali has the most direct and conspicuous effect on the common man. Food and beverages constitute around 46% in the Consumer Price Index-Combined.

- Thalinomics is an attempt to quantify what a common person pays for a Thali across India.
- After 2015-16, the average household gained ₹10887 on average per year from the moderation in prices in the case of vegetarian Thali. Similarly, an average household that consumes two non-vegetarian Thalis gained around ₹11787 on average per year during the same period.

#### Affordability of Thali

- The price of a Thali indicates the cost of consuming a healthy plate of food but knowing whether prices are increasing or decreasing is not sufficient to infer whether the common person is better-off or worse-off.
- Hence, it is also important to see how the earnings of the individual have changed during the same period of time compared to the prices of a Thali.
- After comparing the wages with Thali prices, it was found that the affordability of Thalis has increased over the years.
- In terms of vegetarian Thali, it was found that an individual who would have spent around 70% of his/ her daily wage on two Thalis in 2006- 07 is able to afford the same number of Thalis from around 50% of his daily wage in 2019-20.
- Similarly, the affordability of non-vegetarian Thalis has also increased with the share of wages required decreasing from around 93% to around 79% between 2006-07 and 2019-20.
- Many reform measures were introduced during the period of analysis to enhance the productivity of the agricultural sector as well as efficiency and effectiveness of agricultural markets for better and more transparent price discovery.

#### Conclusion

- Food is not just an end in itself but also an essential ingredient in the growth of human capital and therefore important for national wealth creation.
- Food security is essential to achieve 'Zero Hunger' which has been agreed upon by nations of the world as a Sustainable Development Goal (SDG). This goal (SDG 2) is directly related to other SDGs such as Goal 1 (No poverty), Goal 4 (Quality Education), Goal 5 (Gender equality), Goal 12 (Responsible consumption and production), Goal 13 (Climate Action) and Goal 15 (Life on Land).



#### **CONSTITUTIONAL PROVISIONS**

#### **Union Budget**

- The Union Budget of India is also referred to as the Annual Financial Statement in Article 112 of the Constitution of India.
- The Government presents the Budget on the first day of February so that it could be materialised before the beginning of the new financial year beginning April.
- The first Indian Budget was presented by Mr. James Wilson on February 18, 1860. The first Union budget of independent India was presented by R.K. Shanmukham Chetty on 26 November 1947.
- Till 1955, the Budget was only printed in English language. After that, it started getting printed in both languages, Hindi and English.
- Until 2018, as a part of a tradition, the Finance Minister carried the budget in a leather briefcase. On 5 July 2019, the Finance Minister, broke this tradition by carrying the budget in a Bahi-Khata.

#### **Annual Financial Statement (AFS)**

- Provided under Article 112 of the Constitution, AFS shows the estimated receipts and expenditure of the Government of India for upcoming year in relation to estimates for current year as also actual expenditure for previous year.
- It is divided into three parts, Consolidated Fund (Article 266), Contingency Fund (Article 267) and Public Account (Article 266). For each of these funds, the government has to present a statement of receipts and expenditure.
- AFS distinguishes the expenditure on revenue account from the expenditure on other accounts, as mandated in the Constitution of India.

#### **Demands for Grants**

 Any withdrawal or disbursement from the Consolidated Fund of India can only be done by passing a bill in the Lok Sabha, the House of people.

- Article 113 of the Constitution requires that any proposal or estimate seeking withdrawal of money from the Consolidated Fund of India should be presented to the Lok Sabha in the form of a demand for grants.
- No demand for grants can be presented in the Lok Sabha without the President's prior approval. Usually, there is a demand for grant for each ministry.
- The demand for grants distinguishes between charged and voted expenditure:
  - Charged expenditures are considered liabilities of the government of India such as payment of interest and are not put to vote in the Lok Sabha.
  - Voted expenditure includes revenue and capital expenditure to be incurred on a government scheme in the next financial year.
- Each demand for grant also classifies expenditure as capital expenditure and revenue expenditure:
  - Capital expenditure results in the creation of some kind of assets.
  - Revenue expenditures are operational in nature.
- Under Article 113, the Lok Sabha has the power to give or refuse its assent to a demand for grants or it can reduce the amount specified in the demand.

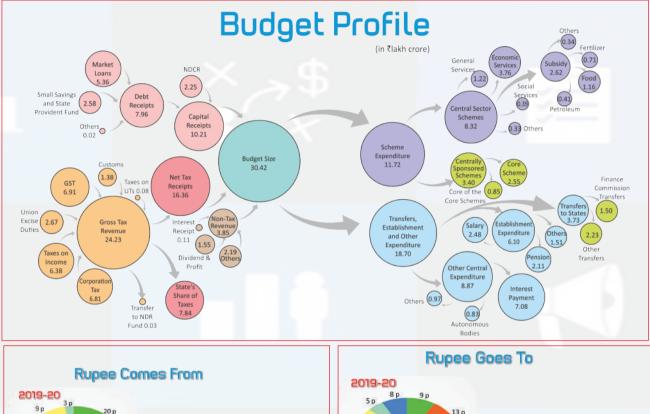
#### Finance Bill, 2020

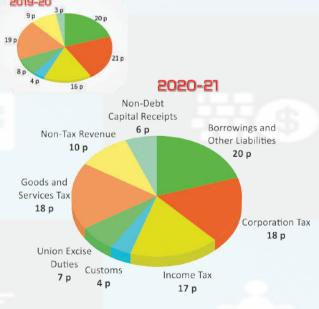
- At the time of presentation of the Annual Financial Statement before the Parliament, a Finance Bill is also presented in fulfilment of the requirement of Article 110 (1)(a) of the Constitution.
- It details the imposition, abolition, remission, alteration or regulation of taxes proposed in the Budget.
- It also contains other provisions relating to Budget that could be classified as Money Bill. A Finance Bill is a Money Bill as defined in Article 110 of the Constitution.

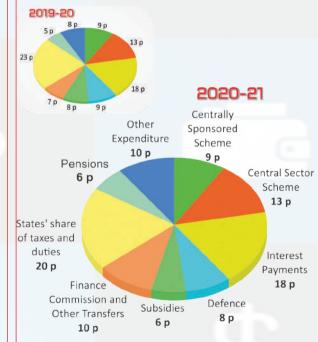
- expanded. All eligible beneficiaries of **PM-KISAN** will be covered under the **KCC scheme**.
- Foot and Mouth disease, brucellosis in cattle and peste des petits ruminants (PPR) in sheep and goat will be eliminated by 2025. Doubling of milk processing capacity from 53.5 million MT to 108

million MT will be achieved by 2025. MGNREGS would be dovetailed to develop fodder farms.

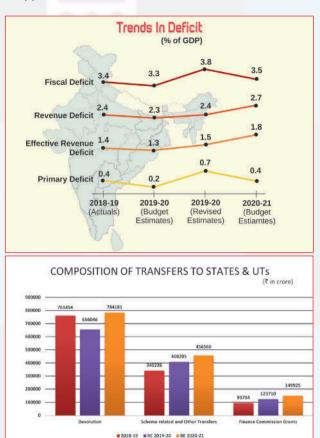
 A framework to be proposed for development, management and conservation of marine fishery resources would enhance India's capability in the blue economy.







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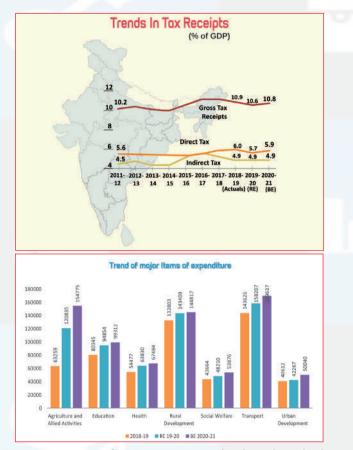


- Youth in coastal areas benefit through fish processing and marketing. Growing algae, sea-weed and cage culture will also be promoted. Youth will be involved in fishery extension Sagar Mitras and Fish Farmer Producer Organisations. Fishery exports are expected to rise to ₹1 lakh crore by 2024-25.
- Under Deen Dayal Antyodaya Yojana for alleviation of poverty, 58 lakh SHGs have been mobilised. It will cover more SHGs.

**NOTE:** Peste des Petits Ruminants (PPR) also known as sheep and goat plague, is a highly contagious viral disease. PPR doesn't infect humans.

#### Wellness, Water and Sanitation

- PM Jan Arogya Yojana (PMJAY)
  - More than 20,000 hospitals are already empanelled.
  - Viability Gap Funding window proposed for setting up hospitals in the PPP mode.
  - Aspirational Districts with no Ayushman empanelled hospitals to be covered in the first phase.
  - Targeting diseases with an appropriately designed preventive regime using Machine Learning and Artificial Intelligence.



- TB Harega Desh Jeetega campaign has been launched to end Tuberculosis by 2025. This will be strengthened.
- Expansion of Jan Aushadhi Kendra Scheme to all districts offering 2000 medicines and 300 surgicals by 2024.
- Open Defecation Free (ODF) Plus in order to sustain ODF behaviour and to ensure that no one is left behind. More needs to be done towards liquid and grey water management. Focus would also be on solid waste collection, source segregation and processing.

#### **Education and Skills**

- New Education Policy will meet the demands of young Indians as they will be the largest working age population of the world by 2020.
- Our education system needs greater inflow of finance to attract talented teachers, innovate and build better labs. Therefore, steps would be taken to enable sourcing External Commercial Borrowings (ECB) and Foreign Direct Investment (FDI) so as to be able to deliver higher quality education.
- In order to provide a degree level full-fledged online education programme, institutions who are ranked

#### Supplement .

#### **Related Information**

#### Withholding Tax

- Withholding tax is an amount that is directly deducted from the employee's earnings by the employer and paid to the government as a part of an individual's tax liability.
- The money taken is a credit against the employee's annual income tax.
- These taxes are paid to the central government.

#### **Qualified Foreign Investor**

- The Qualified Foreign Investor (QFI) is a sub-category of Foreign Portfolio Investor (FPI).
- QFI refers to any foreign individuals, groups or associations, or resident, however, restricted to those from:
  - A country that is a member of the Financial Action Task Force (FATF).
  - A country that is a signatory to the International Organization of Securities Commission's (IOSCO) Multilateral Memorandum of Understanding (MMOU).
- QFIs do not include FIIs/Sub accounts/ Foreign Venture Capital Investors.
- The objective of enabling QFIs is to deepen and infuse more foreign funds in the Indian capital market and to reduce market volatility as individuals are considered to be long term investors, as compared to institutional investors.
- QFIs are allowed to make investments in the following instruments by opening a Demat account:
  - Equity and debt schemes of Indian mutual funds
  - Equity shares listed on recognized stock exchanges
  - Equity shares offered through public offers
  - Corporate bonds listed on recognized stock exchanges
  - G-Securities, T-Bills and Commercial Papers

#### **Employee Stock Option Plan**

- Employee Stock Option Plan (ESOP) is an employee benefits scheme under which the company encourages its employees to acquire ownership in the form of shares.
- These shares are allotted to the employees at a rate considerably lesser than the prevailing market rate.
- It is believed that the employees, who are also the shareholders, will focus better on company performance and growth so that the value of their shares appreciates.

#### Alternative Minimum Tax (AMT)

- AMT is a minimum tax that is a leviable alternative to normal tax.
- It is levied on 'adjusted total income' in a Financial Year wherein tax on normal income is lower than AMT on Adjusted total income. So, irrespective of normal tax, AMT has to be paid by taxpayers to whom AMT provisions apply.
- AMT provisions are majorly applicable to non-corporate taxpayers.

#### Rules of Origin

- This is a concept under the World Trade Organisation.
- These are the criteria needed to determine the national source of a product.
- These rules are used:
  - to implement measures and instruments of commercial policy such as anti-dumping duties and safeguard measures
  - to determine whether imported products shall receive mostfavoured-nation (MFN) treatment or preferential treatment
  - for the purpose of trade statistics
  - for the application of labelling and marking requirements
  - for government procurement

#### Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting (BEPS)

- It is a multilateral convention of the Organisation for Economic Cooperation and Development (OECD) to combat tax avoidance by multinational enterprises (MNEs) through prevention of Base Erosion and Profit Shifting (BEPS).
- The BEPS multilateral instrument looks to prevent treaty abuse, improve dispute resolution, prevent the artificial avoidance of permanent establishment status and neutralise the effects of hybrid mismatch arrangements.
- India signed and ratified this agreement in October 2019.

#### **Government Final Consumption Expenditure**

- It is equivalent to the current expenditure on compensation of employees, purchase of non-durable goods and services net of sales and consumption of Fixed Capital.
- By convention, expenditure on durable goods, which are used for defence, are also treated as part of consumption expenditure of the government.

#### Private Final Consumption Expenditure (PFCE)

- It includes final consumption expenditure of (a) household, and (b) non-profit institutions serving households like temples, gurudwaras.
- It is estimated by following the commodity method.
- PFCE = Net availability of commodities Intermediate consumptions
   + Government final consumption + exports + change in stock + investments.
  - Net availability = Domestic production + Imports
- The quantity of final consumption obtained from commodity balances is generally evaluated at market prices.

#### Gross Fixed Capital Formation (Constant Price)

It refers to the aggregate of gross additions to fixed assets (that is fixed capital formation) plus change in stock during the counting period, normally refers to construction, machinery and equipment.