



Export Preparedness Index 2021: NITI Aayog

For Prelims: Export Preparedness Index, NITI Ayog, Components of Gross Domestic Product

For Mains: Government Policies & Interventions, Mobilisation of Resources, Export for achieving rapid growth in the economic growth rate, challenges and way forward to issues of export promotion

Why in News?

Gujarat has been named India's top State in terms of export preparedness for the **second year** in a row as per the [Export Preparedness Index \(EPI\) 2021](#) released by the [NITI Aayog](#).

- **Maharashtra, Karnataka, Tamil Nadu were ranked second, third and fourth** in the index, as coastal States with higher industrial activity and access to sea ports account for a majority of India's exports.

What is the Export Preparedness Index(EPI)?

- **Aim:** To identify challenges and opportunities, enhance the effectiveness of government policies and encourage a facilitative regulatory framework for export.
- The index entails **four pillars, eleven sub pillars and sixty indicators** and covers across 28 states and 8 UTs.
- **Four Pillars:**
 - **Policy:** A comprehensive trade policy providing a strategic direction for exports and imports.
 - **Business Ecosystem:** An efficient business ecosystem helping states attract investments and create an enabling infrastructure for individuals to initiate start-ups.
 - **Export Ecosystem:** Assess the business environment, which is specific to exports.
 - **Export Performance:** This is the only output-based parameter and **examines the reach of export footprints** of States and Union Territories.
- **Eleven Sub-pillars:**
 - The index also took into **consideration 11 sub-pillars** - export promotion policy, institutional framework, business environment, infrastructure, transport connectivity, access to finance, export infrastructure, trade support, R&D infrastructure, export diversification, and growth orientation.
- **Features of Index:** The EPI is a **data-driven effort to identify the core areas crucial for export promotion at the sub-national level** (states and union territories).
 - It explores and highlights India's export potential by examining the different contributions made by each state and union territories
- **Performance of Indian States/UTs:**

Himalayan		
State	Score	Rank
Uttarakhand	40.79	1
Himachal Pradesh	40.43	2
Tripura	27.46	3
Sikkim	27.41	4
Manipur	15.78	5

Coastal		
State	Score	Rank
Gujarat	78.86	1
Maharashtra	77.14	2
Karnataka	61.72	3
Tamil Nadu	56.84	4
Andhra Pradesh	50.39	5

Landlocked		
State	Score	Rank
Haryana	53.20	1
Uttar Pradesh	51.09	2
Madhya Pradesh	51.03	3
Punjab	50.99	4
Telangana	47.92	5

UT/City States		
State	Score	Rank
Delhi	43.66	1
Goa	41.95	2
Jammu and Kashmir	30.06	3
Chandigarh	28.41	4
Puducherry	22.19	5

What is the Significance of Export Preparedness Index(EPI) ?

- **Examines the Export Performance of States and UTs:** It aims to examine the export performance and the export readiness of the states and union territories.
 - The idea behind the index is **to create a benchmark to rank these states and UTs to help them individually promote a conducive export environment** in the region.
- **Helps in Identifying Obstacles to Export:** The index is an **essential tool for policymakers and exporters** to identify the drivers and obstacles, and examine the same to strategize a viable export map for the state.
- **A guide to State Government:** The Index would be a helpful guide for the state governments to benchmark regional performance with respect to export promotion and thus deliver key policy insights on how to improve and enhance the exports.
- **Instil Competition Among States:** Its primary goal is to **instil competition among all Indian states** ('Coastal', 'Landlocked', 'Himalayan', and 'UTs/City-States') to bring about favourable export-promotion policies, ease the regulatory framework to prompt subnational export promotion, create the necessary infrastructure for exports, and assist in identifying strategic recommendations for improving export competitiveness.

What are the Challenges to Indian Exports?

- The EPI identifies **three major challenges** to India's export promotion efforts.
 - Intra- and inter-regional differences in export infrastructure,
 - Weak trade support and growth orientation across States,
 - Lack of R&D infrastructure to promote complex and unique exports.

What EPI Says About Indian Export?

- **Export Drives Indian Economy:**
 - **Gross Domestic Product (GDP)** = Consumption + Investment + Government Expenditure + **(Exports - Imports)**.
 - Thus, **export is an essential component to increase the GDP values.**
 - Export is an inalienable component of India's economic growth as **exports have been contributing roughly 20% on average to the GDP of India for the past decade**

- **Recovery From Covid-19:** The [Covid-19 pandemic](#) upended the existing economic structures and exposed the fragility of global trade and economy.
 - After two years of the Covid-19 pandemic, **the recovery from adverse effects on economies is still far from achieved.**
 - However, **India has shown great resilience in exports and achieved record high growth.** India has been showing positive statistics in exports since the beginning of FY 2021-22 and in December 2021 India achieved the highest ever export of 37 billion USD, a **37% jump over December 2020.**



- **Suggestion to Increase Export:**
 - **Export Infrastructure and Market Concentration:** For better export performance, it is necessary to invest in developing reliable and efficient export infrastructure, which will help in cost reduction and improve efficiency in the supply of exports
 - **Need for export diversification:** It plays an important role in achieving stability and growth in the export sector.
 - **Emphasis on key strategies** like a development of export infrastructure, strengthening industry-academia linkages and creating state-level engagements for economic diplomacy to address the challenges in exports.
 - **The private sector** can also play an important role in export promotion.

UPSC Civil Services Examination, Previous Year Questions (PYQs)

Q. The SEZ Act, 2005 which came into effect in February 2006 has certain objectives. In this context, consider the following: (2010)

1. Development of infrastructure facilities.
2. Promotion of investment from foreign sources.
3. Promotion of exports of services only.

Which of the above are the objectives of this Act?

- (a) 1 and 2 only
- (b) 3 only
- (c) 2 and 3 only

(d) 1, 2 and 3

Ans: (a)

[Source:PIB](#)

The Bucharest Nine

For Prelims: Bucharest Nine, Cold War, European Union and North Atlantic Treaty Organisation, Three Seas Initiative, Location of B 9 Countries and their Neighbourhood.

For Mains: Important International Institutions, Russia Ukraine War

Why in News?

Recently, the **Bucharest Nine (B 9)** rejected the **Russian claim about the eastward “expansion” of [North-Atlantic Treaty Alliance organisation \(NATO\)](#).**

- They underlined that NATO is not an organisation that **“expanded” to the east**”, rather, these countries as the independent **European states** that decided on our own to go west.



What is Bucharest Nine?

- The B 9 is a **group of nine NATO countries** in Eastern Europe that **became part of the US-led military alliance** after the end of the [Cold War](#).
- The B 9 or Bucharest Format, **often abbreviated as the B9, was founded on November 4, 2015.**
- It takes its name from **Bucharest, the capital of Romania.**
- B9, it is also regarded as the **“voice of the Eastern Flank” in the NATO alliance.**
- The group was created on the **initiative of Klaus Iohannis, who has been President of Romania and Andrzej Duda, who became President of Poland** in August 2015, at the High-Level Meeting of the States from Central and Eastern Europe in Bucharest.
- The members of **B9 are Romania and Poland, Hungary, Bulgaria, the Czech Republic, Slovakia, and the three Baltic republics of Estonia, Latvia, and Lithuania.**
- B9 offers a platform for deepening the dialogue and consultation among the participant allied states across the members of NATO.
 - All nine countries were once closely associated with the now dissolved Soviet Union, **but later chose the path of democracy.**
- All members of the B9 are part of the [European Union \(EU\)](#) and **NATO.**
- The B9 countries have been critical of Russia’s aggression against Ukraine since 2014, when the war in the **Donbas started and Russia annexed the Crimean peninsula.**

What is the Three Seas Initiative?

- B9 should not be confused with **Three Seas Initiative (3SI).**
- The **3SI is a regional effort in Europe to expand cross-border energy, transportation, and digital infrastructure** and boost economic development in the area between the **Adriatic Sea, Baltic Sea, and Black Sea.**
- **Twelve countries** (Austria, Bulgaria, Croatia, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia, and Slovenia), all of which are members of the EU, participate in the 3SI.



UPSC Civil Services Examination, Previous Year Questions (PYQs)

Q. With reference to a grouping of countries known as BRICS, consider the following statements: (2014)

1. The First Summit of BRICS was held in Rio de Janeiro in 2009.
2. South Africa was the last to join the BRICS grouping.

Which of the statements given above is/are correct?

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

Ans: (b)

Q. With reference to 'Indian Ocean Rim Association for Regional Cooperation (IOR-ARC)', consider the following statements: (2015)

1. It was established very recently in response to incidents of piracy and accidents of oil spills.
2. It is an alliance meant for maritime security only.

Which of the statements given above is/ are correct?

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

Ans: (d)

[Source: IE](#)

India and Oman: Programme of Cooperation

For Prelims: Location of Oman and the Neighbourhood, Gulf Cooperation Council, Indian Ocean Rim Association (IORA), Defence Exercises, Port of Duqm, Indian Ocean Naval Symposium

For mains: Bilateral Groupings & Agreements, Effect of Policies & Politics of Countries on India's Interests, India- Oman Relations, Oman's significance for India.

Why in News?

Recently, India and Oman signed a **Programme of Cooperation (POC)** in the fields of Science and Technology for the period 2022 – 2025.

- The POC for Cooperation in the fields of Science and Technology was signed in pursuance of

the **Agreement for Cooperation in Science and Technology(S&T) concluded on 5th October, 1996** between Oman and India.



What are the Areas of POC?

- Medicinal Plants and processing.
- Real-time [Air Quality Monitoring](#).
- Development of an electronic platform for knowledge sharing in the field of Genetic Resources.
- Technical expertise for Small and Medium-sized Enterprises (SMEs) in the field of sustainability (Eco-Innovate) Accelerator.
- Plastic [Bio-fuel, and Bio-diesel](#) Research (Example: Low-temperature Bio-diesel production).
- Extraction of high-value products from produced water with oil).
- Software development for Graduate Programs – Linking Industry with Academia.
- [Blockchain](#) and [FinTech](#) solutions.
- Training programmes – [Big-data](#), coding & testing, STEM teaching and other areas of S&T.

What does the POC Document Seek?

- **Both countries will support joint scientific projects based on mutual interest**, developed jointly by the Indian and Omani institutions.
- They will **encourage exchange** of scientists, researchers, experts, and specialists for the implementation of selected joint projects aimed at developing applicable technology.
- This will **lead to the dissemination of research results and establishing contacts with industry** for the follow-up of research and development work.
 - The countries will also **hold at least one workshop each year** – alternatively in India and in Oman during 2022 – 2025 period in mutually acceptable areas.

What are the Key Points of India-Oman Relationship?

- **Background:**
 - The two countries across the [Arabian Sea](#) are linked by **geography, history and culture and enjoy warm and cordial relations**, which are attributed to historical maritime trade linkages.

- The Sultanate of Oman is a strategic partner of India in the Gulf and an important interlocutor at the [Gulf Cooperation Council \(GCC\)](#), [Arab League](#) and [Indian Ocean Rim Association \(IORA\)](#) fora.
- [Gandhi Peace Prize 2019](#) was conferred on Late HM Sultan Qaboos in recognition of his leadership in strengthening the ties between India & Oman and his efforts to promote peace in the [Gulf region](#).
- **Defence Relations:**
 - **Joint Military Cooperation Committee:**
 - The JMCC is the **highest forum of engagement between India and Oman** in the field of defence.
 - The JMCC is **expected to meet annually, but could not be organised since 2018** when the meeting of the 9th JMCC was held in Oman.
 - **Military Exercises:**
 - **Army exercise:** Al Najah
 - **Air Force exercise:** [Eastern Bridge](#)
 - **Naval Exercise:** Naseem Al Bahr
- **Economic & Commercial Relations:**
 - Institutional mechanisms like Joint Commission Meeting (JCM) and Joint Business Council (JBC) oversee economic cooperation between India and Oman.
 - **India is among Oman's top trading partners.**
 - For Oman, India was the 3rd largest (after UAE and China) source for its imports and 3rd largest market (after UAE and Saudi Arabia) for its non-oil exports in 2019.
 - Major **Indian financial institutions have a presence in Oman**. Indian companies have invested in Oman in sectors like iron and steel, cement, fertilisers, textile etc.
 - **India-Oman Joint Investment Fund (OIJIF)**, a JV between State Bank of India and State General Reserve Fund (SGRF) of Oman, a special purpose vehicle to invest in India, has been operational.
- **Indian Community in Oman:**
 - There are about 6.2 lakh Indians in Oman, of which about 4.8 lakh are workers and professionals. There are Indian families living in Oman for more than 150-200 years.
 - There are many Indian schools offering CBSE syllabus catering to the educational needs of about 45,000 Indian children.

What is Oman's Strategic Significance for India?

- Oman is at the gateway of [Strait of Hormuz](#) through which India imports one-fifth of its oil imports.
- Defence cooperation has emerged as a key pillar for the robust India-Oman strategic partnership. Defence exchanges are guided by a [Framework MOU which was recently renewed in 2021](#).
- Oman is the **only country in the Gulf region with which all three services of the Indian armed forces conduct regular bilateral exercises** and staff talks, enabling close cooperation and trust at the professional level.
- Oman also actively participates in the [Indian Ocean Naval Symposium \(IONS\)](#).
- In a strategic move to expand its footprint in the Indian Ocean region, **India has secured access to the key Port of Duqm in Oman** for military use and logistical support. This is part of **India's maritime strategy** to counter Chinese influence and activities in the region.
 - The Port of Duqm is **situated on the southeastern seaboard of Oman**, overlooking the Arabian Sea and the Indian Ocean.
 - It is strategically located, in close proximity to the [Chabahar port](#) in Iran. With the [Assumption Island](#) being developed in Seychelles and Agalega in Mauritius, Duqm fits into India's proactive maritime security roadmap.

Way Forward

- India does not have enough energy resources to serve its current or future energy requirements. **The rapidly growing energy demand has contributed to the need** for long term energy partnerships with countries like Oman.
- Oman's Duqm Port is situated in the middle of international shipping lanes connecting East with West Asia.

- **India needs to engage with Oman and take initiatives to utilise opportunities** arising out of the Duqm Port industrial city.
- India should also work closely with Oman to enhance strategic depth in the region and add heft to its [Indo-Pacific vision](#) in the Western and Southern Part of Indian Ocean.

UPSC Civil Services Examination, Previous Year Questions (PYQs)

Q. Which of the following is not a member of 'Gulf Cooperation Council'? (2016)

- (a) Iran
- (b) Saudi Arabia
- (c) Oman
- (d) Kuwait

Ans: (a)

[Source: PIB](#)

Reforming Criminal Laws

For Prelims: Criminal laws such as Indian Penal Code, the Code of Criminal Procedure and the Indian Evidence Act

For Mains: Judiciary, Reforming Criminal Laws

Why in News?

Recently, the government has initiated the process of amendment to Criminal laws such as [Indian Penal Code](#), **the Code of Criminal Procedure and the Indian Evidence Act**.

- In this pursuit, the **Ministry of Home Affairs** has sought suggestions from various stakeholders like **Governors, Chief Ministers, Chief Justice of India, Chief Justices of various High Courts, etc.**
- Earlier, **the 111th, 128th & 146th Parliamentary Standing Committee report** had recommended that there is a need for a comprehensive review of the criminal justice system of the country.

What is the History of the Criminal Justice System?

- The **codification** of criminal laws in India was **done during British rule**, which more or less remains the same even in the **21st century**.
- **Lord Thomas Babington Macaulay** is said to be the chief architect of codifications of criminal laws in India.
- Criminal law in India is governed by **Indian Penal Code, 1860**, [Code of Criminal Procedure, 1973](#), and **Indian Evidence Act, 1872**, etc.
- Criminal law is considered to be the **most apparent expression of the relationship between**

a state and its citizens.

What is the Need for Reforms?

- **Colonial Era Laws:** The criminal justice system is a **replica of the British colonial jurisprudence**, which was designed with the purpose of ruling the nation and not serving the citizens.
- **Ineffectiveness:** The purpose of the criminal justice system was to protect the rights of the innocents and punish the guilty, but nowadays the system has become a tool of harassment of common people.
- **Pendency of Cases:** According to [Economic Survey 2018-19](#), there are about 3.5 crore cases pending in the judicial system, especially in district and subordinate courts, which leads to actualisation of the maxim **“Justice delayed is justice denied.”**
- **Huge Undertrials:** India has one of the world’s largest number of undertrial prisoners.
 - According to [National Crime Records Bureau \(NCRB\)](#)-Prison Statistics India (2015), 67.2% of our total prison population comprises **undertrial prisoners**.
- **Investigation:** Corruption, huge workload and accountability of police is a major hurdle in speedy and transparent delivery of justice.
- **Madhav Menon Committee:** It submitted its report in 2007, suggesting various recommendations on reforms in the **Criminal Justice System of India (CJSI)**.
- **Malimath Committee Report:** It submitted its report in 2003 to the CJSI.
 - The Committee had opined that the existing system “weighed in favour of the accused and did not adequately focus on justice to the victims of crime.”
 - It has provided various **recommendations** to be made in the CJSI, which were not implemented.

What should be the Framework of Reform?

- **Victim Protection:** The reason for victimisation ought to be given a major thrust in reforming laws to identify the rights of crime victims.
 - **For Example:** Launch of victim and **witness protection schemes**, use of victim impact statements, increased victim participation in criminal trials, enhanced access of victims to compensation and restitution.
- **Construction of New Offences:** The construction of new offences and reworking of the existing classification of offences must be guided by the principles of criminal jurisprudence which have substantially altered in the past four decades.
 - **For Example:** Criminal liability could be graded better to assign the degree of punishments.
 - **New types of punishments** like community service orders, restitution orders, and other aspects of restorative and reformatory justice could also be brought into its fold.
- **Streamlining IPC & CrPC:** The classification of offences must be done in a manner conducive to management of crimes in the future.
 - Many chapters of the IPC are overloaded at several places.
 - The chapters on offences against public servants, contempt of authority, public tranquillity, and trespass can be redefined and narrowed.
- **Curbing Unprincipled Criminalisation:** Guiding **principles need to be developed** after sufficient debate before criminalising an act as a crime.
 - Unprincipled criminalisation not only leads to the creation of new offences on unscientific grounds, but also arbitrariness in the criminal justice system.

[Source: TH](#)

Institutional Deliveries in India

For Prelims: Related Initiatives such as Janani Suraksha Yojana (JSY), Pradhan Mantri Matru Vandana Yojana (PMMVY), LaQshya Programme, Poshan Abhiyaan, National Family Health Survey-5.

For Mains: Issues Related to Women, Health, Government Policies & Interventions, Institutional delivery recent trends, Step Taken to Increase Institutional Deliveries.

Why in News?

It has been a decade-and-a-half since India started [incentivising institutional deliveries](#) to ensure safe childbirths. But **health indicators** for mothers and infants have not improved as much as the number of such deliveries.

What is Institutional Delivery?

- It means **giving birth to a child in a medical institution** under the overall supervision of trained and competent health personnel.
- It also **signifies an availability of amenities** to handle the situation and save the life of the mother and child.

What are the Recent Trends of Institutional Delivery in India?

- The share of India's **institutional deliveries increased to 88.6% in 2019-2021** ([National Family Health Survey 5 \(NFHS-5\)](#) from 40.8 % in 2005-06 (NFHS 3).
- The **nine targeted states** Bihar, Uttar Pradesh, Uttarakhand, Madhya Pradesh, Rajasthan, Jharkhand, Odisha, Chhattisgarh and Assam recorded a similar uptick during the period, ranging from 50-64 % points.
 - Madhya Pradesh led the way with a 64.5 % point growth.
 - These states account for nearly half of India's population, over **60%** of maternal deaths, **70%** of infant deaths and **12%** of global maternal deaths.
- **Maternal mortality ratio (MMR), infant mortality rate** and **neonatal mortality rate (NMR)**, have not improved at the same pace as institutional births.
 - The **nine focus states continue to have the highest MMR**, a majority of which are well beyond India's national average of 103.
- **Healthcare delivery and service utilisation are very different in two groups** of India's states — those performing better than the national average and those lagging behind.
 - The country as a whole may be able to meet the United Nations-mandated [Sustainable Development Goal of reducing MMR to 70 by 2030](#), but the lagging states will continue to perform poorly unless given an impetus.

When are the Government Initiatives to Support Institutional Delivery in India?

- **Janani Suraksha Yojana:** Institutional deliveries were first incentivised by the central government in 2005 with [Janani Suraksha Yojana \(JSY\)](#), under which a **direct cash transfer** is promised if a woman delivered a baby at a medical facility, rather than at home.
 - **JSY** is a 100% [centrally sponsored scheme](#) which is being implemented with the objective of reducing maternal and [infant mortality](#) by promoting institutional delivery among pregnant women.
- **Janani Shishu Suraksha Karyakram (JSSK):** The Government of India launched Janani Shishu Suraksha Karyakram (JSSK) in **June, 2011**.
 - It is an initiative **to provide completely free and cashless services to pregnant women** including normal deliveries and caesarean operations and sick newborn (up to 30 days after birth) in Government health institutions in both rural & urban areas.
 - In 2013, the cost of treating "complications during ante-natal and postnatal period and sick

infants up to one year of age” was also brought within the ambit of the scheme.

- **Pradhan Mantri Surakshit Matritva Abhiyan (PMSMA):** It was launched in **June 2016**, to focus on conducting special **AnteNatal Check-ups (ANC)** checkup on **9th of every month** with the help of Medical officers to detect and treat cases of anaemia.
- **Pradhan Mantri Matru Vandana Yojana (PMMVY):** It is a **maternity benefit programme** being implemented in all districts of the country with effect from **1st January, 2017**.
- **LaQshya Programme: LaQshya (Labour room Quality Improvement Initiative)** intended to **improve the quality of care in the labour room and maternity operation theatres** in public health facilities.
- **Poshan Abhiyaan:** The goal of **Poshan Abhiyaan** is to achieve **improvement in the nutritional status of Children (0-6 years) and Pregnant Women and Lactating Mothers** in a time-bound manner.
- **State Government Schemes:** Similar incentive-driven schemes at a state-level that promote institutional births include **Shramik Seva Prasuti Sahayata Yojana** in Madhya Pradesh, **Janani Suvidha Yojana** in Haryana, **Ayushmati Scheme** in West Bengal, **Chiranjeevi Yojana** in Assam and Gujarat and **Mamta Friendly Hospital Scheme** in Delhi.

Way Forward

- **Holistic Approach is Needed:** Schemes incentivising institutional delivery are **not enough to ensure a safe birth**. A holistic approach is needed to address infrastructure and human resource shortcomings.
 - An infrastructure development plan focused on the actual patterns of use could close the remaining gaps in a very short time.
- **Strengthened Workforce:** The workforce involved in delivery of the various government schemes need to be strengthened to bring about a noticeable change.
 - **Accredited Social Health Activists (ASHA)** and **Auxiliary nurse midwives** are the backbone of the government schemes but are severely burdened.
- **Expansion of Eligibility Criteria:** The eligibility criteria for such schemes needs to be expanded, because currently it excludes those who actually need it.
 - Some schemes are applicable only if the mother is 19 years of age or above, some are only for the first child and some require ‘below poverty line’ identification.
 - An 18-year-old pregnant woman living below the poverty line is most vulnerable but would not make the cut for several schemes.
- **Monitoring of the Scheme:** An **ideal institutional delivery needs to be defined** for better monitoring of the scheme outcomes, so there is a need to monitor outcomes to understand how successful the scheme really is.
- **Address Data Gaps:** India must also **close the data gap, each institution must publish their morbidity and mortality data regularly**. Health centres must also be incentivised to deal with such a high load.

UPSC Civil Services Examination, Previous Year Questions (PYQs)

Q. Which of the following statements is/are correct regarding the Maternity Benefit (Amendment) Act, 2017? (2019)

1. Pregnant women are entitled for three months pre-delivery and three months post-delivery paid leave.
2. Enterprises with creches must allow the mother minimum six creche visits daily.
3. Women with two children get reduced entitlements.

Select the correct answer using the code given below.

- (a) 1 and 2 only
- (b) 2 only
- (c) 3 only
- (d) 1, 2 and 3

Ans: (c)

Q. Which of the following are the objectives of 'National Nutrition Mission'? (2017)

1. To create awareness relating to malnutrition among pregnant women and lactating mothers.
2. To reduce the incidence of anaemia among young children, adolescent girls and women.
3. To promote the consumption of millets, coarse cereals and unpolished rice.
4. To promote the consumption of poultry eggs.

Select the correct answer using the code given below:

- (a) 1 and 2 only
- (b) 1, 2 and 3 only
- (c) 1, 2 and 4 only
- (d) 3 and 4 only

Ans: (a)

[Source: DTE](#)

Supreme Court on Taxing Lotteries

For Prelims: Online Gaming, Gambling, Karnataka Police (Amendment) Act, 2021, Game of Skill, Game of Chance, Lottery, Betting

For Mains: Judgements & Cases, Online Gaming and its Impact, Laws related to Gambling, Betting and Lottery

Why in News?

Recently, the [Supreme Court](#) in a judgement held that a **state legislature has the right to impose tax on lotteries conducted by other States within its jurisdiction.**

- Earlier, the [Karnataka High Court delivered a judgement](#) striking down major portions of the **Karnataka Police (Amendment) Act, 2021** which banned online gambling and skill-based gaming platforms.
- In 2020, the Supreme Court held that [lottery, gambling and betting are taxable](#) under the [Goods and Services Tax \(GST\) Act, 2017](#).

What is the Background of the Decision?

- The judgement came on **appeals filed by the Karnataka and Kerala governments against the decisions of their respective High Courts** to quash laws enacted by their legislatures to tax lotteries organised and promoted by the States of Nagaland, Arunachal Pradesh, Sikkim, Manipur in Kerala and Karnataka.
- The **High Courts had found the tax laws enacted by the two States invalid and unconstitutional** and had even directed Kerala and Karnataka to **refund the money collected as tax** from lotteries to the north-eastern States.

What was the Supreme Court's Ruling?

- The court observed that **'lotteries' is a "species of gambling activity"**.
 - 'Betting and gambling' is part of the **State List in the [Seventh Schedule of the Constitution](#)**.
 - The power to tax is on all activities which are in the nature of **'betting and gambling' including lotteries**.
 - **Betting and gambling is a genus and includes several types or species** of activities such as horse racing, wheeling and other local variations/forms of 'betting and gambling' activity.
- The court observed that since, there is **no dispute that lotteries, irrespective of whether it is conducted or organised** by the Government of India or the Government of State or is authorised by the State or conducted by an agency or instrumentality of State government or Central government or any private player, is **'betting and gambling'**, State legislatures have the power to tax lotteries under **Entry 62 of the [State List](#)**.
 - This is because the **taxation contemplated under the said Entry** is on 'betting and gambling' activities which also includes lotteries, irrespective of the entity conducting the same.

What are the Central Laws Related to Lottery, Gambling and Betting?

- **The Lotteries Regulation Act, 1998:**
 - Lottery is considered legal in India. **Lottery should be organised by the state government** and the place of Draw should be in that particular state.
- **Indian Penal Code, 1860:**
 - The code has provisions for punishing anyone who to the annoyance of others does any obscene act in a public place or sings, recites or utters any obscene song, ballad or words, in or near any public place.
 - These provisions of the IPC may be attracted if any obscene matter is used for the purpose of advertising **betting and gambling activities**.
- **[Foreign Exchange Management Act, 1999:](#)**
 - Remittance of the income generated from **lottery winning, racing/riding** is prohibited under this Act.
- **[Information Technology Rules, 2011:](#)**
 - Under these rules, any internet service provider, network service provider or any search engine will not host any such content which directly or indirectly supports Gambling.
- **[Income Tax Act, 1961:](#)**
 - Current taxation policy in India **covers all types of Gambling industry directly and indirectly**. Thus, it can be said that all regulated and legalised **Gambling** is supported in the **[Gross Domestic Product \(GDP\)](#)** of India.

UPSC Civil Services Examination, Previous Year Questions (PYQs)

Q. The Parliament of India acquires the power to legislate on any item in the State List in the national interest if a resolution to that effect is passed by the (2016)

- (a) Lok Sabha by a simple majority of its total membership
- (b) Lok Sabha by a majority of not less than two-thirds of its total membership
- (c) Rajya Sabha by a simple majority of its total membership
- (d) Rajya Sabha by a majority of not less than two thirds of its members present and voting

Ans: (d)

Source: TH

Air Traffic Management Systems

Why in News

Recently, the [Airports Authority of India \(AAI\)](#), under its R&D initiative, has signed an agreement with [Bharat Electronics Limited \(BEL\)](#) to jointly develop indigenous **Air Traffic Management System**.

- Under this Agreement, BEL and AAI will jointly develop **Civil Air Traffic Management System (ATMS)** with **Advanced-Surface Movement Guidance and Control System (ASMGCS)**, a complex ground surveillance system that manages air traffic at airports and in Indian Civil Airspace for safe operation of flights from take-off to landing.

What is the Air Traffic Management System?

- Air traffic management and control primarily **involves the control of traffic in and around airports, airport terminals and airspace**.
- Air traffic controllers that work from **Air Traffic Control (ATC) towers are responsible for ensuring a safe distance between all aircraft**, both in the air and on the ground, to prevent accidents.
- Air traffic controllers **prevent collisions and maintain an orderly flow of air traffic**. The commonly used technologies and systems in air traffic management and control include:
 - Surface movement and surveillance [radars](#)
 - Holographic radar
 - Navigation and surveillance systems
 - Voice communication control systems
 - Ultra-high frequency (UHF) and very high frequency (VHF) communication systems
 - Flight data information display equipment
 - Radio modems and transceivers
 - Collision avoidance systems
 - Noise monitoring systems
 - Meteorological sensors and displays
 - Airfield lighting control and monitoring
 - Training management software

What are the Objectives and Significance of the Agreement?

- It will help in leveraging the complementary strengths and capabilities of BEL and AAI and enabling both to **address airport modernization opportunities**.
- It will **ensure safety, maintain separation between multiple aircraft, and efficient management of operations** at the airport and Indian airspace.
- It aims to upgrade its **ANS (Air Navigation Services) Infrastructure** in systematic, efficient and cost-effective manner and in compliance with the [‘Atma Nirbhar Bharat’](#) missions of the Government of India.
- It will **reduce AAI’s foreign dependency for procurement** of ANS infrastructure.

[Source: PIB](#)

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