

**GOVERNMENT POLICIES****50th meeting of GST Council**

**In Context:** The Goods and Services Tax (GST) Council, at its 50th meeting recently, reduced or clarified the tax rate on some items.

➤ **Recommendations of 50th meeting of GST Council**

✓ **Changes in GST Rates of Goods:**

- Reduced Rates for Snack Pellets and Imitation Zari Thread: The Council has decided to reduce the GST rate on uncooked/unfried snack pellets to 5%.
- Exemptions for Medicines and Food for Special Medical Purposes: To support the treatment of rare diseases enlisted under the National Policy for Rare Diseases, 2021, the Council has exempted IGST on medicines and Food for Special Medical Purposes (FSMP) when imported for personal use. IGST exemption is also granted for Dinutuximab (Quarziba) medicine when imported for personal use.

✓ **On Casinos, Race Courses and Online Gaming:** The council decided to impose 28% GST on the entire transaction value in the case of online gaming, horse racing and casinos.

✓ **Recommendations on Measures for Facilitation of Trade:** Establishment of GST Appellate Tribunal: To ensure the smooth functioning of the proposed GST Appellate Tribunal, the Council recommended the rules governing the appointment and conditions of the President and Members of the Tribunal.

✓ **GST Network under ED:** Many States had raised concerns about bringing the GST Network under the purview of the Prevention of Money Laundering Act (PMLA), administered by the Enforcement Directorate (ED).

✓ **Changes for SUV Vehicles:**

- Till now, for a vehicle to be categorised as SUV with higher compensation cess — four conditions had to be met.
  - They had to be generally considered an SUV,
  - Were longer than four metres,
  - An engine of 1500 cc or more, and
  - A ground clearance of 170 mm
- The Council has decided to scrap the condition that the vehicle should be popularly seen as an SUV.
- The council has clarified that the ground clearance of 170 mm should be of an unladen vehicle.

➤ **About GST Council:**

- It is a Constitutional body under Article 279A, introduced by the Constitution (One Hundred and First Amendment) Act, 2016.
- It is empowered to modify, reconcile or to procure any law or regulation based on the context of GST in India.
- It is also considered as a federal body where both the centre and the states get due representation.
- Functions: It makes recommendations to the Union and State Government on issues related to GST.
- Composition; Chairperson: Union Finance Minister. Members: Union State Minister of Revenue or Finance and Ministers in-charge of Finance or Taxation of all the States.
- Every decision of the GST Council shall be taken at a meeting by a majority of not less than three-fourths of the weighted votes of the members present and voting, in accordance with the following principles, namely:
  - Vote of the Central Government shall have a weightage of one third of the total votes cast.
  - Votes of all the State Governments taken together shall have a weightage of two-thirds of the total votes cast, in that meeting.

➤ **About Goods and Service Tax (GST)**

- Goods and Services Tax is an indirect tax used in India on the supply of goods and services.
- It is a value-added tax levied on most goods and services sold for domestic consumption.
- It was launched in India in 2017 as a comprehensive indirect tax for the entire country.
- It is a comprehensive, multistage, destination-based tax-
- Comprehensive because it has subsumed almost all the indirect taxes except a few state taxes.

- It is paid by the consumers and is remitted to the government by the businesses selling the goods and services.
- It is of three types i.e.
  - CGST to be levied by the Centre,
  - SGST to be levied by the States and
  - IGST a tax levied on all Inter-State supplies of goods and/or services.
- All these taxes are levied at rates mutually agreed upon by the Centre and the States.

**Governance:** The GST Council headed by the Union Finance Minister is the governing and key decision-making body for GST.

➤ **Significance of GST:**

- ✓ **Better Compliance:** GST helped in achieving better tax compliance by subsuming multiple taxation and reduction in taxation burden in the last four years.
- ✓ **Automated tax ecosystem:** It helped the country in transitioning to an automated indirect tax ecosystem. From electronic compliances, generation of e-invoices to tracking movement of goods through e-waybill - everything is now online
- ✓ **E-invoice & More Revenue:** The E-invoicing system helped reduce fake invoicing. Use of technology with online bill generation has resulted in smoother consignment movement and much fewer disputes with officials. After the introduction of E-invoice, GST collections have risen steadily since November 2020, surpassing the Rs. 1 lakh crore mark on several occasions.
- ✓ **Logistical efficiency, production cost cut:** Another major achievement of this regime is the fact that over 50% of logistics effort and time is saved since GST has ensured the removal of multiple checkpoints and permits at state border checkpoints.
- ✓ **Lesser transaction costs:** After the introduction of GST, there has been a significant reduction in transaction costs. This reduction has been a huge breakthrough in the interstate movement of products, allowing the country to boast of a single national unified market for businesses.
- ✓ **Cooperative Federalism:** The customs portals are linked with the GST portal for credit availing on imports constitution of the GST Council and ensuring Centre-State partnership in the decision-making process. It ensured cooperative federalism to be its major part.
- ✓ **Ease of doing business:** India's ease of doing business ranking has improved significantly in the last four years. Before GST was implemented, India's Ease of Doing Business ranking was 130 in 2016. In 2020, India was ranked 63rd on the list.
- ✓ **More Freedom:** Since the GST rate is the same across the country for a particular supply, traders and manufacturers in the organised sectors have gained more freedom to choose the best vendors, suppliers, and other stakeholders with better pricing, regardless of their location.
- ✓ **Improved Competitiveness:** GST has improved the competitiveness of domestic industries in the international market by removing hidden and embedded taxes.

➤ **Way ahead**

- In India, it has been a remarkable achievement and a unique experiment in cooperative federalism.
- It helped the country in transitioning to an automated indirect tax ecosystem.
- GST gave a major boost to the 'Make in India' initiative of the Government of India by making goods and services produced in India competitive in the National as well as International market.

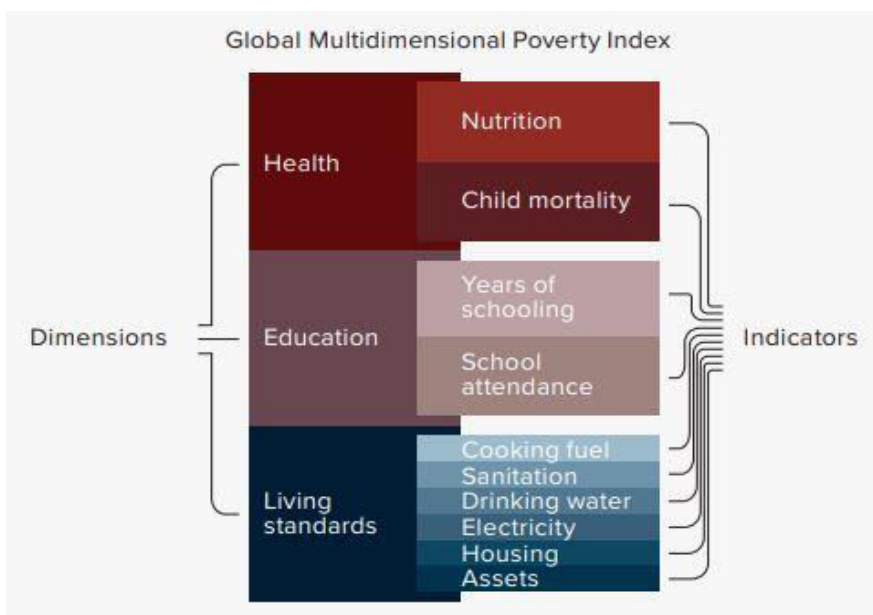
**ECONOMY**

**Global Multidimensional Poverty Index (MPI) 2023**

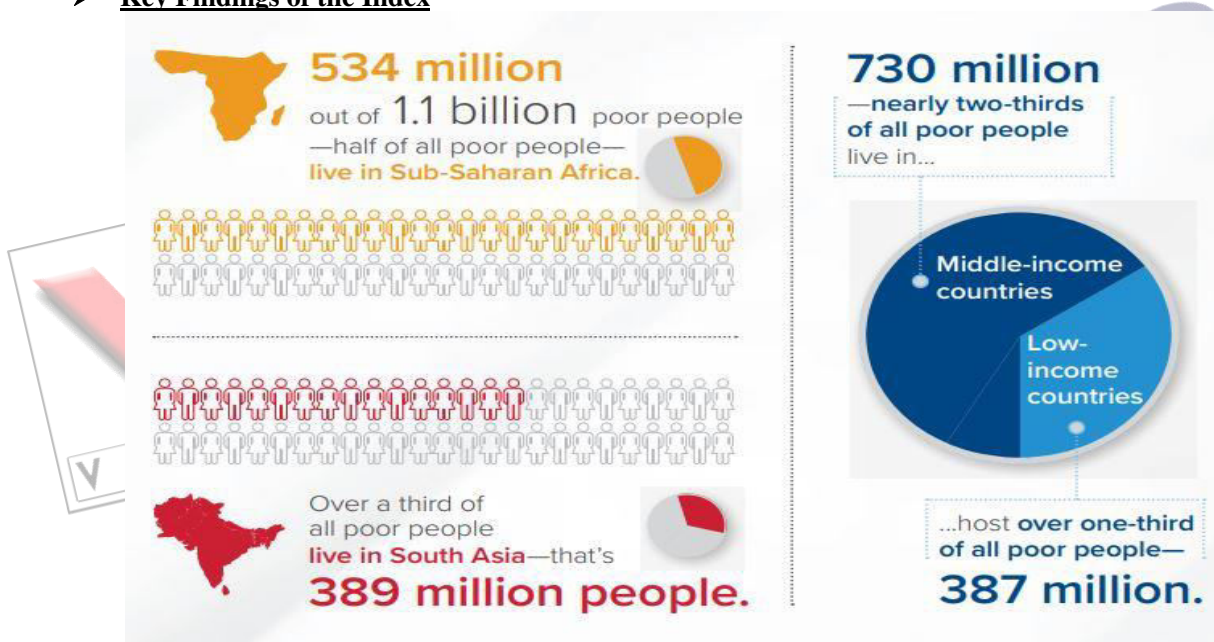
**IN CONTEXT:** Recently, the Global Multidimensional Poverty Index (MPI) 2023 has been released.

➤ **About the Multidimensional Poverty Index (MPI)**

- It has been jointly published by the Human Development Report Office (HDRO) of the United Nations Development Programme and the Oxford Poverty and Human Development Initiative (OPHI) at the University of Oxford since 2010.
- It tells about how prevalent poverty is in the world and provides insights into the lives of poor people, their deprivations and how intense their poverty is—to inform and accelerate efforts to end poverty in all its forms.
- It compiles data from 110 developing countries covering 6.1 billion people, accounting for 92 percent of the population in developing countries. It offers a key perspective on SDG 1 i.e. to overcome the greatest global challenge: ending poverty in all its forms.



➤ **Key Findings of the Index**



➤ **Who are the poorest?**

- 485 million poor people live in severe poverty across 110 countries, experiencing 50–100% of weighted deprivations. Over 18% people are estimated to live in acute multidimensional poverty.
- 99 million poor people experience deprivations in all three dimensions (70–100% of weighted deprivations).
- 10 million of the 12 million poor people with the highest deprivation scores (90–100%) live in Sub-Saharan Africa.

➤ **Which groups are the poorest?**

- Subnational regions are being left behind in two ways: where poverty is widespread, poverty is also most intense.
- Half of the 1.1 billion poor people (566 million) are children under 18 years of age.
- 84% of all poor people live in rural areas. Rural areas are poorer than urban areas in every world region.

➤ **What deprivations do poor people experience?**

- 824–991 million out of the 1.1 billion poor people do not have adequate sanitation, housing or cooking fuel.

- 600 million poor people live with a person who is undernourished in their household.
- Gaps in years of schooling is a cross-regional issue: In all regions except Europe and Central Asia, around half of poor people do not have a single member of their household who has completed six years of schooling.

➤ **How do monetary and multidimensional poverty compare?**

- In 42 of 61 countries more people live in multidimensional poverty, based on the global MPI, than in extreme monetary poverty, based on the World Bank's \$2.15 a day measure.

➤ **How has poverty changed?**

- 72 of 81 countries, covering well over 5 billion people, experienced a significant absolute reduction in MPI value during at least one period. But nearly all data are from before the COVID-19 pandemic.
- 25 countries halved their global MPI value well within 15 years, showing that progress at scale is attainable.
- In 42 countries—over half of those covered—children are being left behind.
- In 15 countries the rate of poverty reduction was outpaced by population growth: The number of poor people increased despite poverty rates declining.
- Cambodia halved its MPI in 7.5 years (2014– 2021/2022), including COVID-19 pandemic years, despite increases in deprivations in school attendance.

➤ **Indian Scenario**

- 25 countries, including India, successfully halved their global MPI values within 15 years, showing that rapid progress is attainable.
  - ✓ These countries include Cambodia, China, Congo, Honduras, India, Indonesia, Morocco, Serbia and Vietnam.
- 415 million poor people moved out of poverty from 2005-2006 to 2019-2021.
- Incidence fell from 55.1 percent to 16.4 percent.
- Deprivation in all indicators declined.
  - ✓ People who are multidimensionally poor and deprived under the nutrition indicator in India declined from 44.3% in 2005-06 to 11.8% in 2019-21, and child mortality fell from 4.5% to 1.5%.
  - ✓ Deprivation of cooking fuel fell from 52.9% to 13.9% and those deprived of sanitation fell from 50.4% in 2005-2006 to 11.3% in 2019-2021.
  - ✓ In the drinking water indicator, the percentage of people who are multidimensionally poor and deprived fell from 16.4 to 2.7 during the period, electricity from 29 to 2.1 and housing from 44.9 to 13.6.
- The poorest states and groups, including children and people in disadvantaged caste groups, had the fastest absolute progress.

➤ **Initiatives by Government of India for Poverty Alleviation**

Multi-pronged strategies are being taken by the Ministry of Rural Development (MoRD) to address rural poverty.

- Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS),
- Deendayal Antyodaya Yojana – National Rural Livelihoods Mission (DAY-NRLM),
- Deen Dayal Upadhyay – Gramin Kaushalya Yojana (DDU-GKY),
- Pradhan Mantri Awaas Yojana – Gramin (PMAY-G),
- Pradhan Mantri Gram Sadak Yojana (PMGSY),
- Shyama Prasad Mukherjee National RuRBAN Mission (SPMRM) and National Social Assistance Programme (NSAP),
- and programmes of Department of Land Resources, viz., Watershed Development Component of Pradhan Mantri Krishi Sinchai Yojana (WDC-PMKSY).
- To support recovery from COVID induced poverty, Pradhan Mantri Garib Kalyan Package was introduced in 2020 and extended in 2021.
- Other related schemes:
  - ✓ Pradhan Mantri Jan Dhan Yojana
  - ✓ Schemes for Financial Assistance
  - ✓ Pradhan Mantri Kisan Samman Nidhi
  - ✓ Pradhan Mantri Jan Dhan Yojana
  - ✓ Integrated Rural Development Programme (IRDP)



**PRELIM FACTS****1. Atlantic Menhaden:**

**In Context:** There are declining reproductive rates of ospreys, a large raptor. Researchers believe that overfishing of Menhaden, a tiny fish of Atlantic system, is the root cause for this.

**Other Details**

- The reproductive numbers of the ospreys were found to be the lowest in last 50 years.
- Breeding was declined as the favorite food of this bird, Atlantic menhaden, was depleted.

**Menhaden Fish**

- This tiny silver color fish serves as the primary food source for many birds and big fishes of the ocean.
- There is a distinct black shoulder spot behind the gill opening of this fish.
- They can grow upto 15 inches and may weigh about a pound.
- This species is also known by the scientific name Brevoortia tyrannus and belongs to Clupeidae family.
- Apart from overfishing other cause of decline in their population is predation and diseases.
- They are mainly found in East Atlantic coastal and estuarine waters from Nova Scotia to northern Florida.

**Conservation Status**

- This species was assessed for The IUCN Red List of Threatened Species in 2015.
- This is listed as a Least Concern fish species.

**2. SAGAR SAMPARK**

**IN CONTEXT:** Recently, the Union Minister of Ports, Shipping and Waterways inaugurated the indigenous Differential Global Navigation Satellite System (DGNSS) 'SAGAR SAMPARK'.

**About SAGAR SAMPARK:**

- It is an indigenous Differential Global Navigation Satellite System (DGNSS).
- The Differential Global Navigation Satellite System is a terrestrial based enhancement system which corrects the errors and inaccuracies in the Global Navigation Satellite System (GNSS) allowing for more accurate positioning information.
- It is now able to transmit corrections of GPS and GLONASS.

**Significance**

- Sagar Sampark at six locations will assist the Director General of Lighthouses and Lightships (DGLL) to provide radio aids to ships for marine navigation.
- The system will provide accurate information to the ships for safe navigation and will reduce the risk of collisions, groundings, and accidents in the port and harbour areas.
- This will lead to the safe and efficient movement of vessels.
- It will significantly improve the accuracy of GPS positioning and reduces errors caused by atmospheric interferences, satellite clock drift, and other factors.
- The error correction accuracy has been improved from 5 to 10 meters to less than 5 meters for 100 Nautical Miles (NM) from Indian coastlines.

**3. Muslim World League**

**In Context:** Recently, President Droupadi Murmu had a meeting with the Secretary General of the Muslim World League, at Rashtrapati Bhavan in New Delhi.

**Background:-** President Droupadi Murmu today said that India appreciates the role and objectives of the Muslim World League in promoting tolerant values, moderation of consciousness and inter-faith dialogue. India is the country with the second-largest population of Muslims in the world.

**About Muslim World League:-**

- Muslim World League (MWL) is an international Non-governmental organization (NGO).
- Established: 1962.
- Historical Background: It was founded in accordance with a resolution adopted during the meeting of the General Islamic Conference, which was held in Holy Makkah on the 14th to the 18th May 1962.
- HQ: Makkah, Saudi Arabia. (UPSC CSE: Arab Spring)

**Objectives of the MWL:-**

- Introduce Islam and its tolerant values as presented in the Holy Quran and the Sunnah.
- Consolidate the concepts of centrism and moderation in the consciousness of the Muslim Ummah.

- Ummah: a community of believers bound together with a common purpose, to worship God and with a common goal to advance the cause of Islam.
- Strive to tackle and resolve issues facing the Muslim Ummah, and ward off factors causing conflict and discord.
- Give emphasis to civilizational rapprochement and spread the culture of dialogue.
- Give importance to Muslim minorities and their issues and solve them within the constitutions and regulations of the countries in which they are based.
- Benefit from the Hajj season by facilitating meetings among scholars, intellectuals and heads of organizations to provide scientific solutions to raise the standards of Muslims around the world. (UPSC CSE: GCC Trade pact)
- Hajj: an annual Islamic pilgrimage to Mecca, Saudi Arabia, the holiest city for Muslims
- Preserve the Islamic identity of the Ummah, strengthen its status in the world and make it more united.

**Status of the MWL in international organizations:-**

- The United Nations Organization: Observer in consultative status with the Economic and Social Council (ECOSOC).
- Organization of the Islamic Cooperation: Observe the status of attendance at all meetings and conferences.

**4. Scheme for Capacity Building in Textiles Sector (SAMARTH) scheme**

**In Context:** Recently, 43 new implementing partners were empanelled under the Scheme for Capacity Building in Textiles Sector (SAMARTH) scheme.

**Background:-**

- The panel of implementing partners has been broadened with the empanelment of 43 new implementing partners and an additional target of training around 75,000 beneficiaries has been allocated to the training partners to enable imparting of skills to the workforce.
- The Funding pattern has also been revised with an increment of 5% in cost norms, which will give much-needed additional financial support to industries imparting skills under this Scheme.

**About Scheme for Capacity Building in Textiles Sector (SAMARTH) scheme:-**

- It is a demand-driven and placement-oriented umbrella skilling programme. (UPSC CSE: Samarth Scheme)
- Launched: 2017.
- Implementation period: up to March 2024.
- Ministry: Ministry of Textiles.
- The Scheme aims to incentivize and supplement the efforts of the industry in creating jobs in the organized textile and related sectors.
- In addition to the entry-level skilling, a special provision for upskilling/ re-skilling programme has also been operationalized under the scheme towards improving the productivity of the existing workers in the Apparel & Garmenting segments.
- It also caters to the upskilling/ re-skilling requirement of traditional textile sectors such as handloom, handicraft, silk and jute. (UPSC CSE: PLI plan for India's textile sector)
- It seeks to provide demand-driven, placement-oriented National Skills Qualifications Framework (NSQF) compliant skilling programmes.
- The scheme has penetrated 28 States and 6 Union territories of the country.
- It caters to all sections of society including SC, ST, and other marginalized categories.
- Out of the skilling target of 4.72 lakh beneficiaries allocated so far, 1.88 lakh beneficiaries have been provided training.
- More than 85% of the beneficiaries trained so far under the scheme are women. More than 70% of the beneficiaries trained in organized sector courses have been provided placement.

**Objectives:-**

- To ensure a steady supply of skilled manpower in the labour-intensive textile sector.
- Provide demand-driven, placement-oriented skills which shall be compliant with National Skills Qualifications Framework (NSQF).
- To cover the entire value chain of textiles, excluding Spinning and Weaving.
- Promote skilling and skill upgradation in the traditional sectors of handlooms, handicrafts, sericulture and jute.

- Enable provision of sustainable livelihood either by wage or self-employment.

**Key features of the SAMARTH Scheme:-**

- Training of Trainers (ToT).
- Aadhar Enabled Biometric Attendance System (AEBAS).
- CCTV recording of the training programme.
- Dedicated call centre with helpline number.

**Implementing Agencies:-**

- Textile Industry.
- Institutions/Organizations of the Ministry of Textiles/State Governments having training infrastructure and placement tie-ups with the textile industry.
- Reputed training institutions/ NGOs/ Societies/ Trusts/ Organizations/ Companies /Start-Ups / Entrepreneurs active in the textile sector having placement tie-ups with the textile industry.

**ANSWER WRITING**

**Q. Critically examine the following statement- “The crazy ones, the misfits, the rebels and the troublemakers who do not fit into rules, respect the status quo and who often look like villains, are the ones who change things”. How can a society facilitate “change”and “change makers”?**

**Introduction:** Social change is the alteration of the social order of a society may include changes in social institutions, social behaviors or social relations. *“Every society has its protectors of status quo and its fraternities of the indifferent who are notorious for sleeping through revolutions. Today, our very survival depends on our ability to stay awake, to adjust to new ideas, to remain vigilant and to face the challenge of change.”*

- Martin Luther King Jr. was one of the misfits, rebels, and the troublemakers who protested against the status quo, unjust laws, and racism and tried to establish an equal world where all are respected and treated fairly. He faced great resistance in his pursuit of equality but he persisted in his beliefs and stance.
- Similarly, Raja Rammohan Roy led the first intellectual reform movement in modern India. He fought against sati and child marriage in a society that valued orthodox traditions. He faced great resistance while reforming the societal traditions such as Radhakant Deb formed Dharma Sabha to counter his social reforms. His ideas led to the emergence of rationalism and enlightenment in India inspiring changes in Indian society resulting in the Indian Renaissance.
- However, not all those who try to break the rules and status quo of society are morally and ethically right. Many people try to break rules for their enjoyment because they get pleasure and high from it. For example, during the COVID-19 pandemic many people flouted rules and regulations by refusing to wear masks and maintaining social distance. Such people not only endangered their lives but also of others. Any change faces initial resistance because it makes people change their established habits and get out of their comfort zone. But change is necessary to keep up with the changing times and needs.
- Evolution necessitates change and other societies decays and die. Society can facilitate change by being open to new ideas and innovation. Culture of debate, discussion, and deliberation is crucial. Tolerating and accepting different perspectives, respecting others opinion, experimenting through trial and error are ways to facilitate change. People can use their rational and independent mind and navigate through the changes by comparing it to their own values and morals.
- Positive social change results in the betterment of society, improving human and social conditions. It is important as it can empower citizens so that they can make life better for future generations. This is how society has changed not only laws, but cultural norms and expectations, leading to more acceptance and tolerance.

**MCQ**

1. Consider the following statements about Atlantic Menhaden:
  1. It is listed as a vulnerable fish species in the red list of IUCN.
  2. Depletion of the population of Atlantic menhaden affected the breeding of ospreys.
 Which of the statements given above is/are incorrect?
  - a) 1 only
  - b) 2 only
  - c) Both 1 and 2
  - d) Neither 1 nor 2
2. Consider the following statements
  1. **Statement-I:**The Muslim World League was established in 1992.
  2. **Statement-II:**It is an Observer in the Economic and Social Council (ECOSOC).

Which one of the following is correct in respect of the above statements?

- a) Both Statement-I and Statement-II are correct and Statement-II is the correct explanation for Statement-I  
**b) Both Statement-I and Statement-II are correct and Statement-II is not the correct explanation for Statement-I**  
 c) Statement-I is correct but Statement II is incorrect  
 d) Statement-I is incorrect but Statement II is correct

3. Consider the following statements

**Statement-I:** SAMARTH scheme ensures a steady supply of skilled manpower in the labour-intensive textile sector.

**Statement-II:** The scheme covers the entire value chain of textiles, excluding Spinning and Weaving.

Which one of the following is correct in respect of the above statements?

**a) Both Statement-I and Statement-II are correct and Statement-II is the correct explanation for Statement-I**

b) Both Statement-I and Statement-II are correct and Statement-II is not the correct explanation for Statement-I

c) Statement-I is correct but Statement-II is incorrect

d) Statement-I is incorrect but Statement II is correct

About Floating Gold:

4. Floating Gold is recently in news, considered the following statement:

1. It known as Ambergris.
2. It commonly identified as a lump of vomit, is a substance extracted from the bile duct in the intestines of sperm whales.
3. It has predominantly been employed in the creation of perfumes and fragrances.

How many pair of the above statement is/are correct?

- a) Only 1  
 b) Only 2  
**c) Only 3**  
 d) None
5. Shelf cloud was recently witnessed in Uttarakhand. Considered the following statement:
1. Shelf clouds - also known as Arcus clouds - are often associated with powerful storm systems,
  2. It associated with cumulonimbus cloud
- 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

6. The Atal Vayo Abhyuday Yojana (AVYAY) is a scheme launched by which ministry/

**a) Ministry of Social Justice and Empowerment**

b) Ministry of Women and child development.

c) Ministry of personal

d) None of the above

7. Brucellosis is diseases recently tested positive. Considered the following statement:

**1. It is commonly found in cattle.**

2. It is a bacterial infection disease.

3. This is spread from animals to humans.

How many pair of the above statement is/are correct?

a) Only 1

b) Only 2

**c) Only 3**

d) None

8. Considered the following statement regarding Dudhwa Tiger Reserve:

1. Dudhwa Tiger Reserve in Maharashtra

2. It is the only place in where both Tigers and Rhinos can be spotted together.

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

9. Consider the following statements regarding Anthropocene epoch:

1. It denotes the geological time interval in which the Earth's ecosystem has gone through radical changes due to human impact.

2. It began 11,700 years ago after the last major ice age.

Which of the statements given above is/are correct?

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

10. Which of the following schemes are associated with poverty reduction:

1. Pradhan Mantri Jan Dhan Yojana

2. Schemes for Financial Assistance

3. Pradhan Mantri Kisan Samman Nidhi

4. Pradhan Mantri Jan Dhan Yojana

Code:

a) 1, 3 and 4

b) 2, and 4

c) Only 4

**d) 1,2,3, and 4**