

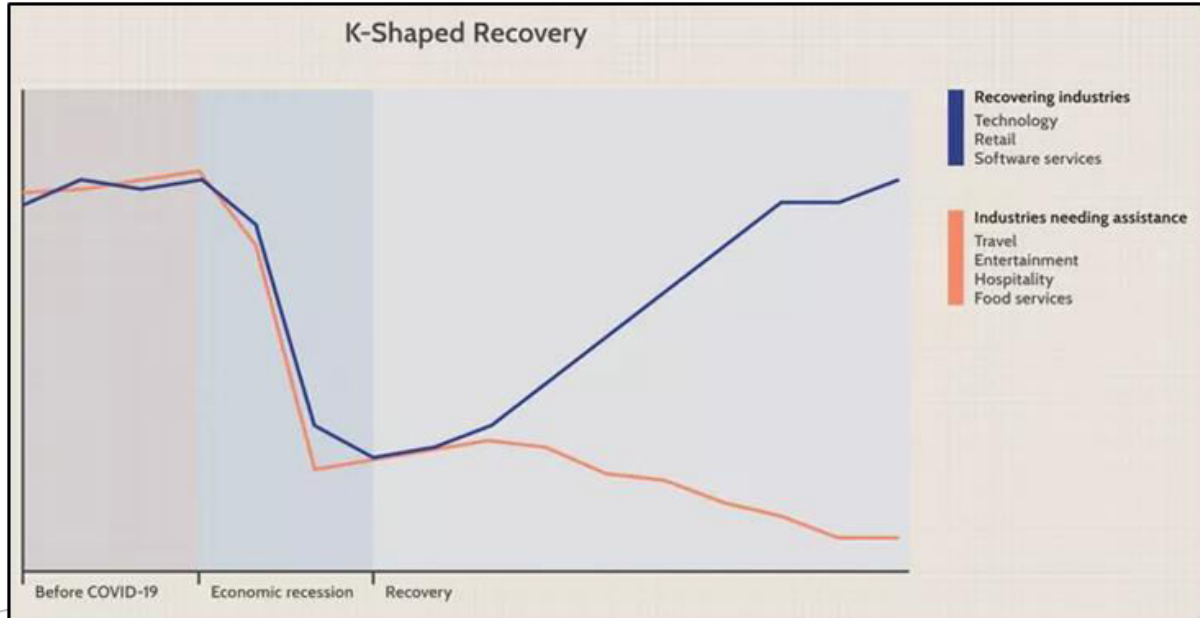
ECONOMY

Income inequality In India: SBI Research Counters K-shaped Economic Recovery Claims

Why in News?

- According to the Economic Research Department of the State Bank of India (SBI), income inequality has declined in India with a higher tax base and a shift in taxpayers from lower income to higher income tax bracket.
- Terming the claims of K-shaped recovery as “prejudiced” and “ill-concocted”, the report also cited the transition of small firms into larger firms and consumption trends being indicative of “vanishing inequality”.

What is K-Shaped Recovery?



- A K-shaped recovery occurs when, following a recession, different parts of the economy recover at different rates, times, or magnitudes.
- Because the path of different parts of the economy when charted together may diverge, resembling the two arms of the Roman letter "K", this type of recovery is called K-shaped.
- A K-shaped recovery leads to changes in the structure of the economy or the broader society as economic outcomes and relations are fundamentally changed before and after the recession.
- Causes of a K-shaped recovery:
 - A K-shaped recovery can reflect creative destruction in an economy, which occurs when new technologies and industries replace older ones over the course of a recession.
 - It can reflect the public policy response to a recession in terms of monetary and fiscal policy, which can benefit some segments of the economy more than others - leading to income inequality.
 - It can simply reflect the differential impact that the initial recession had on different parts of the economy.

Income inequality in India: Highlights of the UNDP Report

- According to the report (“Making our Future: New Directions for Human Development in Asia and the Pacific”), amidst rapid growth but persistent disparity, the income distribution has become more skewed in India.
- The top 10% of the population get 57% of national income and the top 1% get 22% - one of the most unequal income distributions.
- There are similar gaps in wealth: the top 10% of the population controls 65% of the nation’s total wealth.
- There is growing evidence of a strong rise in wealth inequality, mainly in the post-2000 period.

Highlights of the SBI Report

- Between the assessment years 2013–14 and 2021–22, about 36.3% of taxpayers have moved from lower income to higher income tax bracket resulting in 21.3% additional income.
- The income-tax returns (ITRs) filed by individual taxpayers earning between Rs 5 - 10 lakh, climbed by 295%, showing a positive trend of migration to a higher range of gross total income.
 - The number of ITRs filed by people earning between Rs 10 - 25 lakh increased by 291% while the total number of persons filing income tax increased to 7.4 crore in AY23 from 7 crore in AY22.

- Female tax filers are around 15% of the individual tax filers with certain states such as Kerala, Tamil Nadu, Punjab and West Bengal having higher share of female tax filers.
- On the share of top taxpayers in income, the report said that in FY14, the combined income of 23 individuals with income of more than Rs 100 crore was 1.64% of the total income of FY14.
 - Even though the number of such individuals increased to 136 in FY21, the share of their combined income fell to 0.77%.
- Also, 19.5% of small firms have transitioned into larger firms through MSME value chain integration and consumption of the bottom 90% of the population has increased by Rs 8.2 lakh crore post pandemic.
 - It also cited consumption numbers from food ordering platforms such as Zomato, calling it as the perfect example of case study to refute the claim that people are facing distress.
- The report also talks about the decline in sales of two-wheelers, and people are substituting two-wheelers with four-wheelers.

Conclusion Drawn by the SBI Report

- Growth is seen in all income classes but its skewness has been decreasing with convergence of income towards the middle from both top as well as bottom.
- The report said the claim of K-shaped recovery seems flawed, prejudiced, ill-concocted and fanning interests of select quarters to whom India's remarkable ascendance is quite unpalatable.
- Income inequality captured through the Gini coefficient (one of the most widely used measures of income inequality) of taxable income has declined significantly from 0.472 to 0.402 during FY14-FY22.

ENVIRONMENT & ECOLOGY

Geographical Indication Tag

Why in News?

- Seven products from Odisha, ranging from the Similipal Kai chutney made with red weaver ants to the embroidered Kapdaganda shawl, have bagged the coveted Geographical Indication (GI) tag in recognition of their exclusivity to the state.
- In total, 17 products from different states have been allocated the GI tag, recently.

About Geographical Indication (GI) Tag

- A geographical indication or GI is a sign used on products that have a specific geographical origin and possess qualities or a reputation that are due to that origin.
- Geographical Indications are part of the intellectual property rights that comes under the Paris Convention for the Protection of Industrial Property.
- In India, Geographical Indications registration is administered by the Geographical Indications of Goods (Registration and Protection) Act, 1999.
- Geographical indications are typically used for agricultural products, foodstuffs, wine and spirit drinks, handicrafts, and industrial products.
- Some of the famous products that have received GI tags include Darjeeling Tea, Kancheepuram Silk, Basmati Rice, and Pashmina Shawls.
- Validity:
 - Once a product has been granted a GI tag, it is valid for a period of ten years.
 - However, it can be renewed for another ten years.
 - During the period when the GI tag is valid, no one else can use the tag for a product that is not produced in the specific geographical region.
 - This helps in protecting the interests of the original producers and prevents others from using the tag for their products.

Benefits of GI Tagging

- There are many benefits of having a GI tag for a product.
- Firstly, it helps in identifying the original products that come from a specific geographical region.
 - This helps in promoting the products and increasing their demand.
- Secondly, it helps in protecting the interests of the original producers by preventing others from using the GI tag for their products.
 - This helps in maintaining the quality and authenticity of the products.
- Thirdly, it helps in promoting the traditional skills and knowledge that are associated with the production of the product.
 - This helps in preserving the cultural heritage of the region.

News Summary

- Seven products from Odisha have received the coveted Geographical Indication (GI) tag in recognition of their exclusivity to the state.
- Following are the brief details about the seven products:

- Kapdaganda shawl:
 - Woven and embroidered by the women of the DongriaKondh tribe the shawl reflects the rich tribal heritage of the DongriaKondhs.
 - DongriaKondh is a particularly vulnerable tribal group (PVTG) in the Niyamgiri hills.
- LanjiaSaura Painting:
 - The painting, one of the oldest tribal art forms, is also known as Idital.
 - The artworks are famous for their beauty, aesthetics, ritualistic association and iconography.
 - The art form belongs to the LanjiaSaura community, a PVTG largely residing in the Rayagada district.
- Koraput Kala Jeera Rice:
 - The black-coloured rice variety, also known as the 'Prince of Rice', is famous for its aroma, taste, texture and nutritional value.
 - Tribal farmers of the Koraput region have preserved the rice variety for around 1,000 years.
- Similipal Kai chutney:
 - The chutney made with red weaver ants is a traditional delicacy of the tribals in Odisha's Mayurbhanj district.
 - The ants are found in the forests of Mayurbhanj, including in the Similipal forests – Asia's second-largest biosphere.
- Nayagarh KanteimundiBrinjal:
 - NayagarhKanteimundiBrinjal is known for its prickly thorns on the stems and the whole plant.
 - The plants are resistant to major insects and can be grown with minimal pesticide.
- Odisha KhajuriGuda:
 - Odisha's "KhajuriGuda" or jaggery is a natural sweetener extracted from date palm trees and has its origin in the Gajapati district.
 - Traditionally, the jaggery is prepared in a trapezoidal form called 'Patali Gur' and is organic by nature.
- Dhenkanal Magji:
 - Dhenkanal Magji is a type of sweet made from cheese from buffalo milk, with distinct characteristics in terms of appearance, taste, flavour, shape, and size.
 - It also has unique nutritional values that distinguish it from other cheese-based sweets.

PRELIM FACTS

1. Chandubi Festival

- Recently, the Chandubi Festival was celebrated along the Chandubi Lake in the state of Assam.

About Chandubi Festival:

- It is organised every year for five days starting from the first day of the New Year along the Chandubi lake, which is situated in the state of Assam.
- The main attractions of the Chandubi festival are the local folk culture, ethnic cuisine, local handloom and dresses, boating, etc.
- The major aim of the Chandubi Festival is to promote eco-tourism in this biodiversity hotspot of Assam.
- Preserving the waterbody, the water level of which has rapidly been lowering over the years, has been the motive for organising the festival every year.
- The festival has been providing an opportunity to generate livelihood to different tribes – Rabhas, Garos, Gorkhas and tea tribes – living in the area by selling different food items and homemade beverages, and traditionally woven attire.

Key points about Chandubi lake:

- It was created during a massive earthquake in the year 1897.
- The name Chandubi is derived from two words where Chand means five and Dubi means sinking in Khasi language.
- This freshwater lake was turned to an economically viable water body that would sustain different communities living around the lake.
- It is a very prosperous wetland of the state that houses numerous species of aquatic flora and fauna.

2. Sky Dew

- Israel recently deployed Sky Dew along the Lebanese border as tensions with Hezbollah escalated.

About Sky Dew:

- Sky Dew is a massive balloon-like structure in the shape of a puffed aircraft.
- The high-altitude observation balloon acts as a detection radar blip for small unmanned aircraft and cruise missiles.
- It is one of the largest aerial threat warning systems in the world.

- The technology has been jointly developed by Israel Defense and US company TCOM. The project was entirely funded by the U.S. Department of Defence.
- The Israel Air Force was handed over the Sky Dew in 2022.
- The system comprises a blimp capable of flying at high altitudes with radar and detection systems to scan a wide range in any direction.
- The radar on the balloon is capable of observing at 250 km and tracking multiple targets, including low-altitude ones and those in valleys.
- It can carry 7,000 pounds and has an operational altitude of 10,000 feet.
- It offers a significant advantage in its ability to remain in surveillance for extended periods without needing fuel or crew replacement.

3. Peregrine Lander

- The Peregrine Lunar Lander was launched aboard the United Launch Alliance's Vulcan rocket to embark on its pioneering journey to explore the Moon.

About Peregrine Lander:

- It is designed to carry scientific instruments and other payloads to the Moon's surface, specifically targeting the Sinus Viscositatis region.
- This area, also known as the Bay of Stickiness, lies adjacent to the Gruithuisen Domes near the Oceanus Procellarum, or Ocean of Storms.
- Aim: To locate water molecules on the moon, measure radiation and gases around the lander, and evaluate the lunar exosphere (the thin layer of gases on the moon's surface)"
- The mission's scientific goals are ambitious:
 - To analyze the lunar exosphere, assess the thermal properties and hydrogen content of the lunar regolith, study magnetic fields, examine the radiation environment, and test advanced solar arrays.
- Peregrine Mission 1 will transport approximately ten payloads, with a total mass capacity of 90 kilograms.
- The scientific payload features cutting-edge instruments such as the Laser Retro-Reflector Array (LRA), Linear Energy Transfer Spectrometer (LETS), Near-Infrared Volatile Spectrometer System (NIRVSS), PROSPECT Ion-Trap Mass Spectrometer (PITMS), and Neutron Spectrometer System (NSS).

4. Camptothecin

- Researchers at the Indian Institutes of Technology Madras and Mandi have metabolically engineered *Nothapodytesnimmoniana* plant cells to increase production of anti-cancer drug camptothecin (CPT).

About Camptothecin:

- Camptothecin (CPT) is an important anti-cancer drug lead molecule for high-value drugs like Topotecan and Irinotecan.
- It is a potent topoisomerase I inhibitor extracted mainly from - *Camptothecaacuminata* (native to Eastern Asia) and *Nothapodytesnimmoniana* (native to India).
- It is majorly produced in the Southeast Asian region, with the plant being largely found only in China and India.
- However, the conjunction of climate change and extensive deforestation undertaken for CPT extraction has pushed these plants into the endangered species category.

Key facts about *Nothapodytesnimmoniana*:

- It is an endangered forest plant and disseminated in Sri Lanka, China, South East Asia, Taiwan, North Sumatra, Luzon Philippines and India.
- In India, this plant is prevalent to Western Ghats of Maharashtra, Goa, Tamil Nadu, and Kerala and also found in Assam and Jammu and Kashmir.
- It is native to India and especially found in the Western Ghats region.
- The allopathic medicine is produced using *Nathapodytesnimmoniana*.
- The plant contains camptothecin (CPT) which is a renowned anticancer drug.
- The CPT is found in many plant species but maximum amount of CPT has been reported from *N. nimmoniana*.
- It requires nearly 1,000 tonnes of plant material to extract 1 tonne of CPT.
- The International Union for Conservation of Nature has red-listed the plant as in the past decade alone there has been a 20% decline in the plant's population.
- Due to the very good source of CPT, this plant has been explored for its Phytochemical, Biotechnological and Pharmacological aspects.

5. World Heritage Committee

- In a historic milestone, India is set to take the reins as the chair of UNESCO's World Heritage Committee for the very first time.

About World Heritage Committee:

- It is a committee of the United Nations Educational, Scientific, and Cultural Organization.
- The Committee is responsible for the implementation of the World Heritage Convention, defines the use of the World Heritage Fund, and allocates financial assistance upon requests from States Parties.
- It has the final say on whether a property is inscribed on the World Heritage List.
- It examines reports on the state of conservation of inscribed properties and asks States Parties to take action when properties are not being properly managed.
- It also decides on the inscription or deletion of properties on the List of World Heritage in Danger.
- Structure:
 - It consists of representatives from 21 of the States Parties to the Convention elected by their General Assembly.
 - A Committee member's term of office is six years, but most state parties choose voluntarily to be members of the committee for only four years in order to give other states parties an opportunity to be on the committee.
- Bureau of the World Heritage Committee:
 - The Bureau consists of seven states parties elected annually by the Committee: a Chairperson, five Vice-Chairpersons, and a Rapporteur.
 - The Bureau of the Committee coordinates the work of the Committee and fixes the dates, hours, and order of business of meetings.

ANSWER WRITING**Briefly explain important provisions of the Forest Rights Act, 2006, and how they impact the rights of indigenous communities and the conservation of forests.**

The Forest Rights Act, 2006 (also known as the Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act) is a landmark legislation in India that seeks to recognise and vest forest rights and occupation in forest land in forest-dwelling Scheduled Tribes and Other Traditional Forest Dwellers. The Act aims to rectify historical injustices done to forest-dwelling communities and recognise their role in forest conservation.

Important provisions of the Act and their impact:

- Rights of forest dwellers: It recognises the rights of forest-dwelling tribal communities and other traditional forest dwellers to forest resources, on which these communities are dependent for a variety of needs, including livelihood, habitation, and other socio-cultural needs.
 - This has helped to improve the livelihoods of forest-dwelling communities by enabling them to access forest resources for traditional livelihood activities. For example, the Kattunayakan tribe in the Silent Valley National Park in Kerala has been granted community forest rights and has been able to access bamboo resources for making baskets and other handicrafts.
- Rights of self-cultivation and habitat: The Act encompasses rights of self-cultivation and habitat, which are usually regarded as individual rights; community rights such as grazing, fishing, and access to water bodies in forests; habitat rights for PVTGs; traditional seasonal resource access for nomadic and pastoral communities; access to biodiversity; community rights to intellectual property and traditional knowledge; recognition of traditional customary rights; and the right to protect, regenerate, conserve, or manage any community forest resource for sustainable use.
 - It recognises the traditional rights of forest-dwelling communities, including many indigenous communities, to their ancestral lands and resources. This has helped to secure their rights and livelihoods and enabled them to have a greater say in the management of forests.
 - The Khasi tribe in Meghalaya, which traditionally practised shifting cultivation and depends on the forests for their livelihood, has been granted community forest rights under the FRA.
- Conservation and management of forests: It also provides rights to the allocation of forest land for developmental purposes to fulfil the basic infrastructural needs of the community. In conjunction with the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation, and Settlement Act of 2013, the FRA protects the tribal population from eviction without rehabilitation and settlement.
 - The FRA has also enabled forest-dwelling communities to play a greater role in the conservation and management of forests. For example, the Soliga tribe in the Biligiri Rangaswamy Temple Wildlife Sanctuary in Karnataka has been recognised as a community forest rights holder under the FRA. The tribe has implemented a successful community-based forest management model that has helped to reduce deforestation, increase biodiversity, and improve the livelihoods of community members.
- Power of Gram Sabha: The Act further enjoins upon the Gram Sabha and rights holders the responsibility of conservation and protection of biodiversity, wildlife, forests, adjoining catchment areas, water sources, and other ecologically sensitive areas, as well as stopping any destructive practices affecting these resources or the cultural and natural heritage of the tribals.

- The Gram Sabha is also a highly empowered body under the Act, enabling the tribal population to have a decisive say in the determination of local policies and schemes impacting them.

Conclusion

However, the implementation of the act has been challenging due to the slow pace of recognition of forest rights and the lack of awareness and capacity among forest-dwelling communities to exercise their rights. To address these challenges, efforts are needed to increase awareness and capacity among forest-dwelling communities and to address conflicts between different stakeholders over land use and resource extraction.

MCQs

- With reference to UNESCO's World Heritage Committee, consider the following statements:
 - India is going to chair UNESCO's World Heritage Committee in 2024.
 - The Committee has the final say on whether a property is inscribed on the World Heritage List.
 - The World Heritage Committee meets once a year.
 How many of the above statements are correct?

(a) Only one (b) Only two
(c) **All three** (d) None
- With reference to the Securities and Exchange Board of India (SEBI), consider the following statements:
 - The Securities and Exchange Board of India (SEBI) was established by an executive order of the cabinet in 1998.
 - The functions of SEBI include registration, regulation and supervision of intermediaries operating in the securities market.
 Which of the statements given above are incorrect?

(a) **1 only** (b) 2 only
(c) Both 1 and 2 (d) Neither 1 nor 2
- Islands "Kiltan", "Chetlat", and "Kalpeni" have been in the news recently. They are located in

(a) Sunderban Delta, Bay of Bengal
(b) **Arabian sea**
(c) Andaman sea
(d) Gulf of Cambay
- In the context of Economy, K-shaped growth recovery means

(a) **When different sections of an economy recover at starkly different rates.**
(b) The economy recovers sharply and returns to the path followed by it before disruption.
(c) Slow rate of recovery, with persistent unemployment and stagnant economic growth.
(d) Economy staging a brief comeback only to fall a second time.
- Consider the following statements with reference to the Lunar Gateway station:
 - It will be first space station that will orbit the Moon.
 - It will support the long-term exploration of the Moon and research in deep space.
 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
- D4 System has been developed by the Defence Research and Development Organisation (DRDO). It is a

(a) Missile defense system
(b) **Anti-drone system**
(c) Nuclear defense technology equipped with Artificial intelligence
(d) Technology used in the Internet of Things (IoT)
- Consider the following statements:
 - The Inland Waterways Development Council (IWDC) is organised by the Ministry of Road Transport & Highways, Government of India.
 - The Jal Marg Vikas Project (JMVP) was launched for the development of the Ganga-Bhagirathi-Hooghly river system.
 Which of the statements given above are correct?

(a) 1 only (b) **2 only**
(c) Both 1 and 2 (d) Neither 1 nor 2
- Consider the following statements:
 - Kuki and Zomi tribes are ethnic communities of Manipur.
 - Kuki and Zomi tribes are the only Particularly Vulnerable Tribal Groups (PVTGs) in the state of Manipur.
 Which of the statements given above are correct?

(a) **1 only** (b) 2 only
(c) Both 1 and 2 (d) Neither 1 nor 2
- Consider the following basins of India:
 - Kaveri - Godavery
 - Assam - Arakan belt
 - Mumbai Offshore
 - Cambay
 How many of the above mentioned basins are known for producing oil and natural gas?

(a) Only one (b) Only two
(c) Only three (d) **All four**
- Digital Advisory and Trade Assistance Fund (DATA Fund) will help countries to adopt policies and regulations that enhance trust in digital markets. It is a pilot program of

(a) Organisation for Economic Co-operation and Development
(b) World Trade Organisation
(c) United Nations Conference on Trade and Development
(d) **World Bank**