

CURRENT AFFAIRS

13 August 2022



TOPIC:TAXATION

Corporate tax revenue rose 34% till July 31

SPECIAL CORRESPONDENT
NEW DELHI

India's corporate tax collections have grown by a 'robust' 34% by July 31 this fiscal, compared with a year earlier, the Income Tax Department said on Friday, without sharing the revenues for the period.

Noting that the tax regime with low rates and no exemptions had lived up to its promise, the department cited corporate tax collections that had grown 58% to ₹7.23 lakh crore in FY22, and 9% over pre-COVID levels of FY19. The statements on Twitter assume significance amid Opposition parties' charges of the Centre favouring corporates while seeking a debate on freebies announced by the States.

✓ A corporate tax is a tax on the profits of a corporation.

✓ Direct Tax

✓ Proportional Tax

✓ Corporate tax rates vary widely by country, with some countries considered to be tax havens due to their low rates. Corporate taxes can be lowered by various deductions, government subsidies, and tax loopholes, and so the effective corporate tax rate, the rate a corporation actually pays, is usually lower than the statutory rate;

TOPIC: AGRICULTURE

Essential Commodities Act invoked to rein in tur dal price

States to monitor and verify stocks available with traders

VIKAS DHOOT
NEW DELHI

With tur dal prices surging since mid-July and reports coming in of some traders creating artificial supply squeeze by restricting sales, the Centre has invoked the Essential Commodities Act of 1955 to ask States to monitor and verify the stocks available with such traders.

The directive issued on August 12, 2022, came hours before the Retail inflation numbers for July are released. Consumer price inflation has been over 7% since April, and had moderated slightly to 7.01% in June.

Tur dal prices have risen since mid-July amid slow progress in kharif sowing as compared to last year due to excess rainfalls and water logging conditions in parts of major tur dal growing



The Consumer Affairs Department says it is watching stocks of pulses.

States of Karnataka, Maharashtra and Madhya Pradesh, the Department of Consumer Affairs has noted.

“On top of the sufficient overall availability of pulses in the domestic market, the government is currently holding about 38 lakh tonnes of pulses which are being released in the market

to further augment the stocks available in the market,” the Department said, stressing that it is closely watching the availability and prices of pulses in the domestic as well as overseas markets to take pre-emptive steps if there is any unwarranted price rise in the upcoming months.

States and Union Territories have also been asked to direct ‘stockholder entities to upload the data of stocks held by them’ on an online monitoring portal of the Department of Consumer Affairs, on a weekly basis. The government hopes the move will rein in attempts by some sections of traders and stockists to push the price for tur dal upwards, by resorting to ‘restricted sales’ and creating an artificial scarcity.

- The **Essential Commodities Act (ECA)** was a Parliamentary act which governed the delivery and supply of commodities or products, whose obstruction could affect the lives of the common people to a great extent.
- The list of commodities included under the ECA are as follows:
 - Fertilizers
 - Pulses
 - Edible Oil
 - Cereals
 - Oilseeds
 - Petroleum and allied products
 - Seeds of fruits and vegetables
- In the event of a commodity's supply becoming short and its price increasing as a result, then the Centre can set stock holding limits for a specific period. Once the limit is set, the States will ensure that adequate steps are taken to ensure the guidelines are followed by preventing wholesalers, retailers, importers etc from accumulating a commodity beyond the specified quantity.
- It is however at the discretion of the State to impose any form of restrictions. But should restrictions be imposed then the State will punish any errant shopkeeper and traders who indulge in blackmarket practices by conducting raids and auctioning of the excess goods.

TOPIC:INTERNATIONAL RELATIONS

India, NATO in touch for quite some time: MEA

‘It is part of contact with stakeholders’

SPECIAL CORRESPONDENT
NEW DELHI

India has been in touch with the North Atlantic Treaty Organization (NATO) for “quite some time now”, the Ministry of External Affairs (MEA) said on Friday.

“India and NATO have kept in touch in Brussels at different levels for quite some time now. This is part of our contacts with various

stakeholders on various issues of mutual interests,” said MEA spokesperson Arindam Bagchi. He said that India has a mission in Brussels, which is the headquarters of NATO as well.

The comments came at a media briefing in response to a question on a report that India held its first political dialogue with NATO in December 2019.

- ✓ Its an intergovernmental military alliance between 30 member states – 28 European and two North American.
- ✓ Established in the aftermath of World War II, the organization implements the North Atlantic Treaty, which was signed in Washington, D.C., on 4 April 1949.
- ✓ NATO is a system of collective security:
- ✓ its independent member states agree to defend each other against attacks by third parties.
- ✓ During the Cold War, NATO operated as a check on the perceived threat posed by the Soviet Union.

Why are bank loans being written off, asks Congress

- ✓ When a borrower is unable to repay his/her EMIs for more than 90 days, the lender declares the particular loan account a 'Bad Debt'. When a loan becomes a bad debt, the lender typically deals with it in two ways; either they will write it off or waive it off.
- ✓ A loan waive-off is a complete cancellation of a loan account. This means that the borrower is free from that particular debt.
- ✓ Lenders write-off loans to clean up the balance sheet. But, the loan account stays in their books as they hope to recover it at a later date.

TOPIC:POPULATION

Moving policy away from population control

India's focus should be on investment in human capital, on older adults living with dignity, and on healthy population ageing



ADITI CHAUDHARY
& NANDLAL MISHRA

The United Nations' World Population Prospects (WPP), 2022, forecasts India becoming the most populous country by 2023, surpassing China, with a 140 crore population. This is four times the population India had at the time of Independence in 1947 (34 crore). Now, at the third stage of the demographic transition, and experiencing a slowing growth rate due to constant low mortality and rapidly declining fertility, India has 17.5% of the world's population. As per the latest WPP, India will reach 150 crore by 2030 and 166 crore by 2050.

A sea change

In its 75-year journey since Independence, the country has seen a sea change in its demographic structure. In the 1960s, India had a population growth rate of over 2%. At the current rate of growth, this is expected to fall to 1% by 2025. However, there is a long way to go for the country to achieve stability in population. This is expected to be achieved no later than 2064 and is projected to be at 170 crore (as mentioned in WPP 2022).

Last year, India reached a significant demographic milestone as, for the first time, its total fertility rate (TFR) slipped to two, below the replacement level fertility (2.1 children per woman), as per the

National Family Health Survey. However, even after reaching the replacement level of fertility, the population will continue to grow for three to four decades owing to the population momentum (large cohorts of women in their reproductive age groups). Post-Independence, in the 1950s, India had a TFR of six. Several States have reached a TFR of two except for Bihar, Uttar Pradesh, Jharkhand, Manipur and Meghalaya. All these States face bottlenecks in achieving a low TFR. These include high illiteracy levels, rampant child marriage, high levels of under-five mortality rates, a low workforce participation of women, and low contraceptive usage compared to other States. A majority of women in these States do not have much of an economic or decisive say in their lives. Without ameliorating the status of women in society (quality of life), only lopsided development is achievable.

Demographic dividend

A larger population is perceived to mean greater human capital, higher economic growth and improved standards of living. In the last seven decades, the share of the working age population has grown from 50% to 65%, resulting in a remarkable decline in the dependency ratio (number of children and elderly persons per working age population). As in the WPP 2022, India will have one of the largest workforces globally, i.e., in the next 25 years, one in five working-age group persons will be living in India. This working-age bulge will keep growing till the mid-2050s, and India must make use of it. However, there are sever-



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al obstacles to harnessing this demographic dividend. India's labour force is constrained by the absence of women from the workforce; only a fourth of women are employed. The quality of educational attainments is not up to the mark, and the country's workforce badly lacks the basic skills required for the modernised job market. Having the largest population with one of the world's lowest employment rates is another enormous hurdle in reaping the 'demographic dividend'.

Another demographic concern of independent India is the male-dominant sex ratio. In 1951, the country had a sex ratio of 946 females per 1,000 males. After aggressively withstanding the hurdles that stopped the betterment of sex ratios such as a preference for sons and sex-selective abortions, the nation, for the first time, began witnessing a slightly improving sex ratio from 1981. In 2011, the sex ratio was 943 females per 1,000 males; by 2022, it is expected to be approximately 950 females per 1,000 males. It is a shame that one in three girls missing globally due to sex selection (both pre-and post-natal), is from India – 46 million of the total 142

million missing girls. Improvement in sex ratio should be a priority as some communities face severe challenges from a marriage squeeze (an imbalance between the number of men and women available to marry in a specific society) and eventual bride purchase.

Life expectancy at birth, a summary indicator of overall public health achievements, saw a remarkable recovery graph from 32 years in 1947 to 70 years in 2019. It is welcome to see how several mortality indicators have improved in the last seven decades.

The infant mortality rate declined from 133 in 1951 (for the big States) to 27 in 2020. The under-five mortality rate fell from 250 to 41, and the maternal mortality ratio dropped from 2,000 in the 1940s to 103 in 2019. Every other woman in the reproductive age group in India is anaemic, and every third child below five is stunted. India stands 101 out of 116 nations in the Global Hunger Index; this is pretty daunting for a country which has one of the most extensive welfare programmes for food security through the Public Distribution System and the Midday Meals Scheme.

Serious health risks

The disease pattern in the country has also seen a tremendous shift in these 75 years: while India was fighting communicable diseases post-Independence, there has been a transition towards non-communicable diseases (NCDs), the cause of more than 62% of total deaths. India is a global disease burden leader as the share of NCDs has almost doubled since

the 1990s, which is the primary reason for worry. India is home to over eight crore people with diabetes. Further, more than a quarter of global deaths due to air pollution occur in India alone. With an increasingly ageing population in the grip of rising NCDs, India faces a serious health risk in the decades ahead. In contrast, India's health-care infrastructure is highly inadequate and inefficient. Additionally, India's public health financing is low, varying between 1% and 1.5% of GDP, which is among the lowest percentages in the world.

India is called a young nation, with 50% of its population below 25 years of age. But the share of India's elderly population is now increasing and is expected to be 12% by 2050. After 2050, the elderly population will increase sharply. So, advance investments in the development of a robust social, financial and healthcare support system for old people is the need of the hour. The focus of action should be on extensive investment in human capital, on older adults living with dignity, and on healthy population ageing. We should be prepared with suitable infrastructure, conducive social welfare schemes and massive investment in quality education and health. The focus should not be on population control; we do not have such a severe problem now. Instead, an augmentation of the quality of life should be the priority.

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TOPIC : WILDLIFE PROTECTION

Elephant reserve notified in Agasthyamalai

SPECIAL CORRESPONDENT
CHENNAI

The State government on Friday notified a new elephant reserve in Agasthyamalai.

In a social media post, Chief Minister M.K. Stalin said, "On World Elephant Day 2022, I'm glad that Tamil Nadu gets its 5th Elephant Reserve at Agasthyamalai in Tirunelveli district."

According to the notification, the forest areas of the Kalakkad Mundanthurai Tiger Reserve and the Kanniyakumari Wildlife Sanctuary in Agasthyamalai landscape constitute the most important habitats of Asian elephants in the southernmost part of the Western Ghats.

The new elephant reserve has been notified to ensure the conservation of the rich elephant habitats in the area and to enrich the health and connectivity of elephant migratory paths in the landscape through proper research and effective management.

The reserve will cover a total area of 1,19,748.26 hectares in the districts of Tirunelveli and Kanniyakumari.

- Project Elephant was launched in 1992 by the Government of India Ministry of Environment and Forests to provide financial and technical support to wildlife management efforts by states for their free-ranging populations of wild Asian Elephants. Aims Project Elephant (PE) was launched by the Government of India in the year 1992 as a Centrally Sponsored Scheme with following objectives:
- To protect elephants, their habitat and corridors.
- To address issues of man-animal conflict.
- Welfare of captive elephants
- to promote not to harm elephants for their tusks.

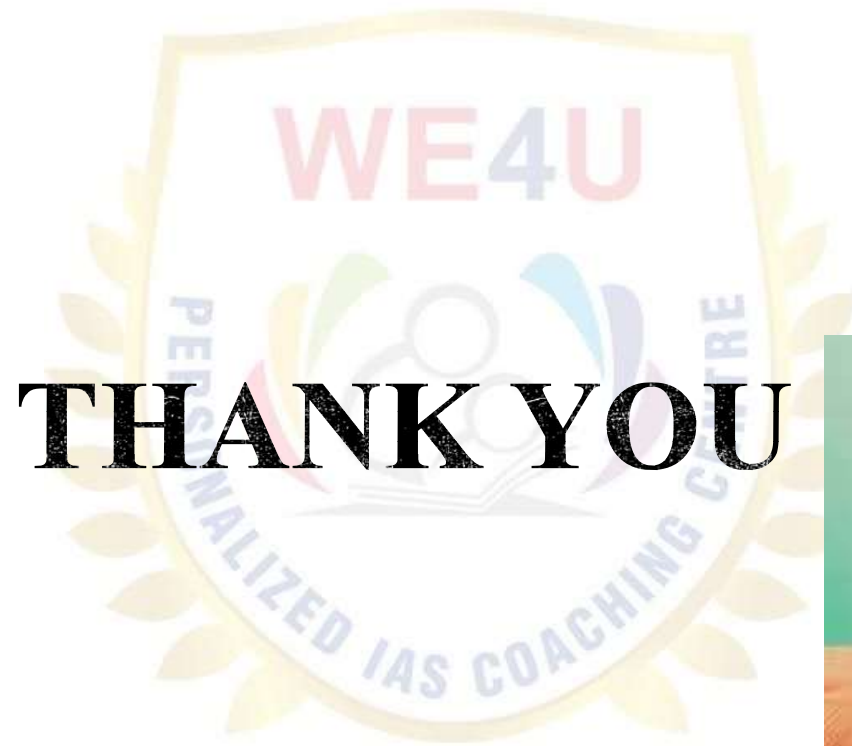
TOPIC: INFLATION

Retail inflation in India eases to 6.71% in July

SPECIAL CORRESPONDENT
NEW DELHI

India's retail inflation slipped below the 7% mark for the first time since April, easing to 6.71% in July, aided by a moderation in food prices inflation to 6.75%, the lowest in five months.

- **Retail prices of goods and services:** When we talk about the rate of inflation, it often refers to the rate of inflation based on the consumer price index (CPI).
- The CPI tracks the change in retail prices of goods and services which households purchase for their daily consumption.
- **CPI formula:** $(\text{Price of basket in current period} / \text{Price of basket in base period}) \times 100$



THANK YOU

