

News Analysis (08 Jun, 2020)

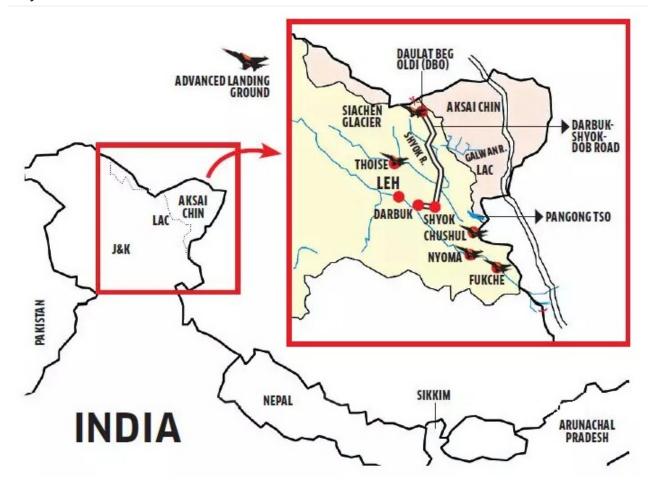
drishtiias.com/current-affairs-news-analysis-editorials/news-analysis/08-06-2020/print

Darbuk-Shyok-Daulat Beg Oldie Road

Why in News

The Darbuk-Shyok-Daulat Beg Oldie (DSDBO) road has been in the making for around two decades and is expected to be completed by 2020.

Key Points



The 255-km road from Darbuk traverses at an altitude of 14,000 feet and reaches Shyok, the last Indian village in the region.

- This road **joins Leh to the Karakoram Pass**, which divides Ladakh from China's Xinjiang province.
- Between Shyok and Karakoram Pass lies Daulat Beg Oldie (DBO), a plateau at an altitude of over 16,000 feet and the location of an Advanced Landing Ground (ALG) used by the air force to drop supplies.

DBO is India's northernmost corner, which in army parlance is called **Sub-Sector North**.

• Background:

- The road's construction was started in 2000 and was to be completed by 2012 at a cost of Rs. 320 crore under the monitoring of the Prime Minister's Office (PMO).
- However, the construction could not be finished as the road was aligned with the Shyok riverbed that led to it being damaged every summer during flooding.
- o Later, major portions of the road were realigned, keeping them away from the river.
- In October 2019, the 430 m <u>Colonel Chewang Rinchen Setu</u> over Shyok river was inaugurated that joins Durbuk to DBO in Eastern Ladakh.

Along with it, the **Siachen Glacier** area of Ladakh was declared open for tourists by the Government of India.

India has decided to not stop road construction on its side of the <u>Line of Actual Control</u> (LAC) despite the <u>border confrontations</u> and objections by China as it does not want India to utilise the DSDBO road to its full potential.

Significance of the Road:

- DBO is located only 9 km away from the LAC with China and the road wilhelp manage the border and the areas adjoining <u>Aksai Chin</u>, Chip Chap River and Jiwan Nalla.
- It will also ensure faster deployment of troops in the area.
 Before the laying of the road, the only way to reach the area was via the ALG, where heavy-lift aircraft can land.
- From the DSDBO road, a **road branches off towards Galwan Valley** which had prompted the **stand-off in Galwan Valley**.

Indian troops have been patrolling up to this area but they will have road access and can be present there.

Way Forward

- In the <u>Wuhan</u> (2018) and <u>Mahabalipuram</u> (2019) summits, both India and China had reaffirmed that they would make efforts to ensure peace and tranquillity in the border areas.
- On 1st April 2020, India and China completed their <u>70 years of diplomatic relations</u>. Both countries have **resolved border issues peacefully in the past** four decades which gives them hope that the tensions will subside soon.
- India and China are amongst the largest economies, demography, markets and militaries of the world. Therefore, it is in the interests of both the countries to align their energies for the growth and development of their people, region and global peace.

Sai	irce.	FT

Shapes of Economic Recovery

Why in News

As India is going to come out of the **Covid-19 lockdown**, experts are debating over the shape of recovery of Indian economy.

Key Points

 The economists are unanimous that in the current financial year 2020-21, hdia's economy will contract.

According to the <u>World Bank's South Asia Economic Focus report, India's growth is</u> <u>likely to remain at 1.5-2.8% in 2020-21</u> which is the slowest since 1991 economic reforms.

- Many economists are also of the opinion that after hitting the bottom this year, the Indian economy will start its recovery in the next financial year (2021-22).
- However, according to an analysis by Pronab Sen, former Chief Statistician of India, India's economy will contract not just in the financial year 2020-21 but also in 2021-22.
 - This means that India could experience a full-blown depression the first in India's history as an independent nation.
 - The Table shows India's absolute Gross Domestic Product (GDP) is likely to struggle to even come back to the 2019-20 level by 2023-24.
 - India is likely to end up with an "elongated U-shape" recovery due to the weakness of the
 economy going into the Covid crisis as well as the inadequate fiscal stimulus measure
 taken by the government.
 - The Table also provides a snapshot of the likely trend level of GDP had India grown at 6% and 8% respectively over the same period.

YEAR	Likely growth rate of GDP (in %)	Likely absolute GDP in Rs Trillion*	Absolute GDP at 6% growth (Rs Trillion)	Absolute GDP at 8% growth (Rs Trillion)
2019-20 (pre-Covid)	5	207		
2019-20 (post- Covid)	3	203		
2020-21	—12	178	219	224
2021-22	— 9	163	233	242
2022-23	6	172	247	261
2023-24	6	183	261	282

Other economists are of the view that it is difficult to predict the shape of economic recovery in India at this juncture as there are too many unknowns.

If there is no second wave of Covid-19, India can expect swift normalization from negative growth levels to the pre-covid levels of 5% and a gradual recovery to 7% by the second half of the next fiscal (2021-22).

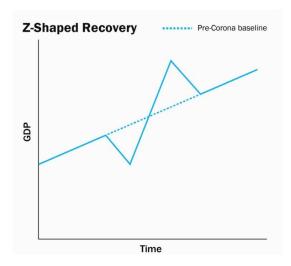
Types of Shape of Economic Recovery

Economic recovery can take many forms, which is depicted using alphabetic notations. For
example, a Z-shaped recovery, V-shaped recovery, U-shaped recovery, elongated U-shaped
recovery, W-shaped recovery and L-shaped recovery.

- The **alphabets generally denote the graph of growth rate**, which resembles the shape of the letter.
- The fundamental difference between the different kinds of recovery is thetime taken for economic activity to normalize.

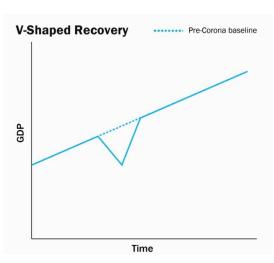
The **time taken is often a factor of multiple things** such as the depth of the economic crisis. e.g deeper the recession, longer is the time to get back to normal.

- The other aspect of economic recovery includes the effect of pandemic on jobs and household incomes, and the kind of policy response taken by the government that determines how quickly economic growth will recover.
- Z-shaped recovery: It is the most-optimistic scenario in which the economy quickly rises after an economic crash.
 - It makes up more than for lost ground before settling back to the normal trend-line, thus forming a Z-shaped chart.
 - In this economic disruption lasts for a small period wherein more than people's incomes, it is their ability to spend is restricted.



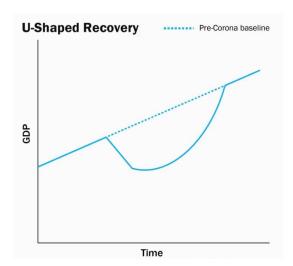
V-shaped recovery: It is the next-best scenario after Z-shaped recovery in which the economy quickly recoups lost ground and gets back to the normal growth trend-line.

In this, incomes and jobs are not permanently lost, and the economic growth recovers sharply and returns to the path it was following before the disruption.



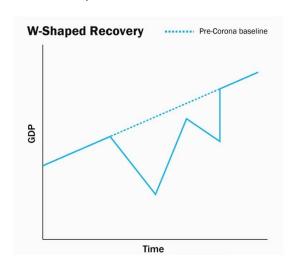
U-shaped recovery: It is a scenario in which the economy, after falling, struggles around a low growth rate for some time, before rising gradually to usual levels.

- o In this case several jobs are lost and people fall upon their savings.
- o If this process is more-long drawn than it throws up the "elongated U" shape.

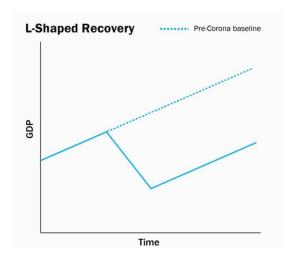


W-shaped recovery: A W-shaped recovery is a dangerous creature. In this, growth falls and rises, but falls again before recovering, thus forming a W-like chart.

The double-dip depicted by a W-shaped recovery can be due to the second wave of the pandemic.



L-shaped recovery: In this, the economy fails to regain the level of GDP even after years go by. The shape shows that there is a permanent loss to the economy's ability to produce.



Source: IE

Persian Gulf Region

Why in News

The persian gulf region has the presence of the**major producers of crude oil and natural gas**, and thereby contributing **critically to the global economy**.

Thus, **maintaining peace in the geopolitically** significant region through **cooperative security** by the regional members and major world economies is one of the best solutions to stabilize the region politically and economically.

Persian Gulf Region

- The lands around the Persian Gulf are shared by eight countries namely, Bahrain, Iran, Iraq, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates.
- These all eight countries are members of the **United Nations**.
 - United Arab Emirates (UAE), Bahrain, Saudi Arabia, Oman, Qatar, Kuwait are members of the Gulf Cooperation Council (GCC).
 - Out of persian gulf countries, Iran, Iraq, Kuwait, United Arab Emirates(UAE) and Saudi Arabia are members of OPEC.
- Being major producers of crude oil and natural gas, there is a commonality of interest among these countries.

This commonality of interest has given rise to**their own prosperity** and subsequently, **economico-political entanglements among them.**



Background

• British Era:

- For eight decades prior to 1970, the persian gulf wasguarded as a 'British lake'.
- After the end of the British era, regional players entered with theintra-regional rivalries and forced cooperation.

Aggravated Political Tensions in the Region:

Events like the Muscat conference (1975), <u>Iranian Revolution (1979)</u> and the Iraq-Iran War (1980) aggravated the political tensions in the region. Subsequently, itenhanced USA's interests and roles in the region.

The Muscat Conference (1975) was intended to develop the unified army cooperation to enhance the security among gulf states to guarantee free navigation in the persian gulf.

Later, the <u>United Nations Security Council</u> Resolution 598 (1987) was adopted to ensure
a ceasefire between Iran and Iraq specifically and to explore measures to enhance the
security and stability in the region generally.

Current Scenario

• Rising Conflicts in the Region:

Recently, the geopolitical factors and conflicts in the West Asian region — Yemen, Syria, Libya — aggravated global and regional relationships.

Declining Role of USA:

- The above mentioned conflicts have hampered USA-Iran relations that were to be premised on the multilateral agreement on <u>Iran's nuclear programme agreed to by</u> <u>western powers.</u>
- The declining USA's commitment to sub-regional security has raised more issues among the members of the <u>Gulf Cooperation Council (GCC)</u> due to political and ideological disagreement with Iran.

Emerging Split Within GCC:

- The recent emergence of conflicting tactical and strategic interests and subjective considerations has created a division among the members of the GCC.
- These divisions in the GCC are being aggravated due to following reasons:
 - Global economic crisis
 - <u>Immediate and longer-term impact of Covid-19 on regional economies</u>
 - Problems in the Organization of the Petroleum Exporting Countries (OPEC)
 - Decline in oil prices

Possible Stability Framework for the Region

Regional as well as Global Security:

- Any possible framework for stability and security in the region needs to ensure thesecurity not only on the regional terms but also on global terms.
- Because the gulf regional security is not an issue among the Gulf States themselves but it is also an external issue.

• Other Aspects:

Additionally, the framework will also need to ensure the following conditions which include:

- Peace and stability in individual littoral states.
- Freedom to all states of the Gulf littoral to exploit theirhydrocarbon and other natural resources.
- Freedom of commercial shipping in international waters of the Persian Gulf.
- Freedom of access to, and outlet from, Gulf watersthrough the Strait of Hormuz.
- The **prevention of conflict** that may impinge on the freedom of trade and shipping.

India's Relation with Persian Gulf Region

• India and GCC:

- The economic and political relationship of India with the GCC has blossomed in recent years. The governments of the GCC members are **India-friendly and Indian-friendly.**
- The friendly relation has been reflected in the bilateral trade of around \$121 billion and remittances of \$49 billion from a workforce of over nine million.
- GCC suppliers account for around 34% of India's crude imports.

• India and Iran:

India has always shared a friendly relationship with Iran. But the India-Iran relation faces one of the **most complex phases** at all times due to the **USA's pressure** which has **politico-economic impacts**.

In May 2018, the **USA abandoned the nuclear deal** and reinstated **economic sanctions against Iran.**

- India's Overall Role in the Region:
 - India has avoided involvement in local or regional disputes in the region.
 - Indian interests do not entail power projection but necessitate peace and regional stability.

Way Forward

- It has been assessed that Saudi Arabia is a fading power whereas UAE, Qatar and Iran are emerging as the new regional leaders. Oman and Iraq will have to struggle to retain their sovereign identities.
- Thus, Indian interests would be best served if the stability in the region is ensured through
 cooperative security since the alternative, of competitive security options, cannot ensure durable
 peace.

Source:TH

Fall in Money Remitted Abroad

Why in News

According to data released by the <u>Reserve Bank of India</u>, the amount of money Indians send abroad has witnessed a 61% decline under the <u>Liberalised Remittance Scheme (LRS)</u> as <u>Covid-19</u> and the <u>lockdown</u> cripple the global economy and ground international travel.

Key Points

- In April 2020, Indians remitted \$499.14 million under the Liberalised Remittance Scheme (LRS)—
 a 61% decline from \$1,287.91 million in the same month last year.
 - The monthly outward flow in April 2020 is lowest since February 2016 when it was \$449.28 million.
 - Substantial decline has been recorded in money sent for purchase of immovable property abroad; investment in equity/debt; deposit; gift; medical treatment; and other categories during April 2020.

A Triple Whammy Effect:

- This dip reflects economic distress, lockdown at home and curbs on overseas travel.
- Earlier, Resident Indians have remitted a record \$18,750 million under LRS in the financial year ended March 31, 2020.

Despite the outflows reaching a record level during last financial year, March, 2020 saw a dip — \$1,358.82 million — against \$1,476.82 million in the corresponding month of 2019.

 Money sent for Travel Purposes: The sharpest decline — 71.81% — has been recorded in money sent for travel purposes which came down to \$121.13 million in April this year from \$429.75 million a year ago.

This is significant as an estimated 2 million Indian nationals travel overseas every month.

• Money Sent for Studies Abroad: This has also seen a sharp decline of 68.85% — \$78.76 million in April this year from \$252.84 million in the corresponding month last year.

Over **7 lakh Indian students pursued studies** in foreign institutions in 2018.

- Maintenance of Close Relatives: The category, which contributes the highest amount to total outward remittances under LRS has recorded a decline of 50%—\$148.25 million in April this year from \$296.14 million last year.
- Deposit and Investment in Equity/Debt: These categories have recorded lesser decline i.e. of 29.91%.
- Donations: The only exception (stands neutral in terms of decline or increase) to other sources of remittances is "donations" e.g. for charity or social service, which contribute a negligible amount to the total outflows.
- **Gift and Medical Treatment:** While the category "Gift" has recorded a 66% decline in outward remittances, "medical treatment" has seen a decline of 45.85% in April 2020.

Overall Impact:

- Significantly, the cut in expenses on education, medical treatment and maintenance of relatives may endure beyond the travel ban and Covid due to financial strain.
- Investment in shares and debt instruments used to buy immovable properties in overseas markets may decline.
- Opening of foreign currency accounts with banks outside India may also get reduced.
- In nutshell it would affect the <u>currency reserve</u> of the country as an Indian resident needs to buy dollars using the Indian rupees (INR) from an authorised dealer (the bank) in India.

Liberalised Remittance Scheme

- This is the scheme of the Reserve Bank of India, introduced in the year 2004.
- Under the scheme, all resident individuals, including minors, are allowed to freely remit up to USD 2,50,000 per financial year (April March) for any permissible current or capital account transaction or a combination of both.
- Not Eligible: The Scheme is not available to corporations, partnership firms, Hindu Undivided Family (HUF), Trusts etc.
- Remitted Money can be used for:
 - Expenses related to travelling (private or for business), medical treatment, study, gifts and donations, maintenance of close relatives and so on.
 - Investment in shares, debt instruments, and buy immovable properties in the overseas market.
 - Individuals can also open, maintain and hold foreign currency accounts with banks outside
 India for carrying out transactions permitted under the scheme.

Prohibited Transactions:

- Any purpose specifically prohibited under Schedule-I (like the purchase of lottery tickets, proscribed magazines, etc.) or any item restricted under Schedule II of Foreign Exchange Management (Current Account Transactions) Rules, 2000.
- Trading in foreign exchange abroad.
- Capital account remittances, directly or indirectly, to countries identified by the <u>Financial</u>
 <u>Action Task Force (FATF)</u> as "non- cooperative countries and territories", from time to time.
- Remittances directly or indirectly to those individuals and entities identified as posing a significant risk of committing acts of terrorism as advised separately by the Reserve Bank to the banks.
- Requirements: It is mandatory for the resident individual to provide his/her<u>Permanent Account</u>
 Number (PAN) for all transactions under LRS made through Authorized Persons.

Source: IE

Fall in Direct Tax Collection

Why in News

According to the <u>Central Board of Direct Taxes (CBDT)</u>, the gross direct tax collections for the financial year (FY) 2019-20 fell by almost 5% compared to FY 2018-19.

- The total direct tax collections for 2019-20 was at Rs. 12.33 lakh crore against Rs. 12.97 lakh crore of 2018-19.
- Direct tax is a type of tax where the incidence and impact of taxation fall on the same entity. In the case of direct tax, the burden can't be shifted by the taxpayer to someone else.

These are largely taxes on income or wealth. e.g Income tax, corporation tax, property tax etc.

Key Points

- The fall in the collection of direct taxes is due to a combination of factors, which include the historic tax reforms undertaken in 2019 and much higher refunds issued during the FY 2019-20.
 - Tax Reforms:
 - Reduction in corporate tax rate to 22% from FY 2019-20 for all existing domestic companies.
 - Incentive for new manufacturing domestic companies by reducing the tax rate to 15%.
 - Such companies have also been exempted from payment of Minimum Alternate
 Tax (MAT).
 - This was done in order to promote growth and investment.
 - Reduction in MAT rate from 18.5% to 15% to provide relief to the companies which continue to avail exemption and pay tax under MAT.
 - Exemption from income-tax to individuals earning income up to Rs. 5 lakh and increase in standard deduction from Rs. 40,000 to Rs. 50,000.
 - The revenue impact of these reforms have been estimated at Rs. 1.45 lakh crore for Corporate Tax and at Rs. 23,200 crore for the Personal Income Tax (PIT).
 - High Refunds: In FY 2019-20, the total refunds given was Rs. 1.84 lakh crore as compared to Rs. 1.61 lakh crore in FY 2018-19 which is a 14% increase year-on-year.
- Tax Buoyancy: Excluding the effect of tax reform measures and higher issuance of refunds during the FY20, the tax buoyancy for gross direct collection, corporate tax and personal income tax was positive.
 - The tax buoyancy for gross direct tax collection was 1.12, for corporate tax it was around 1 and for personal income tax it was 1.32.
 - The higher growth rate in direct taxes as compared to GDP even in these challenging times proves that recent efforts for the widening of the tax base undertaken by the government are yielding results.
 - Tax buoyancy is used to assess the efficiency of the tax system.

 Investment: The setting up of new manufacturing facilities requires various preliminary steps like acquisition of land, construction of factory sheds, setting up of offices and other infrastructures, etc.

The tax reforms were brought in September 2019 and these activities cannot be completed in just a few months. Further, the outbreak of **Covid-19**, may delay this process.

Steps Taken by the Government to Increase Direct Tax and Investment

- Personal Income Tax The Finance Act, 2020 has provided an option to individuals and cooperatives for paying income-tax at concessional rates if they do not avail specified exemption and incentive.
- **Abolition of Dividend Distribution Tax (DDT)** The Finance Act, 2020 removed the Dividend Distribution Tax in order to increase the attractiveness of the Indian Equity Market.
- Vivad se Vishwas Under <u>Vivad se Vishwas</u>, declarations for settling pending tax disputes are currently being filed.

This will benefit the Government by generating timely revenue and also to the taxpayers by bringing down mounting litigation costs.

- **Encouraging digital transactions -** In order to facilitate the digitalisation of the economy and reduce unaccounted transactions, various measures have been taken which include:
 - o Reduction in rate of presumptive profit on digital turnover,
 - o Removal of Merchant Discount Rate (MDR) charges on prescribed modes of transactions,
 - Reducing the threshold for cash transactions,
 - o Prohibition of certain cash transactions, etc.
- Raising of monetary limit for filing of appeal -To effectively reduce taxpayer grievances and help the Income Tax Department focus on litigation involving complex legal issues and high tax effect, the monetary thresholds for filing of departmental appeals have been raised.

The monetary threshold has been raised from Rs. 20 lakh to Rs. 50 lakh for appeal before Income Tax Appellate Tribunal (ITAT), from Rs. 50 lakh to Rs. 1 crore for appeal before the High Court and from Rs. 1 crore to Rs. 2 crore for appeal before the Supreme Court.

• Expansion of scope of TDS/TCS - For widening the tax base, several new transactions were brought into the ambit of Tax Deduction at Source (TDS) and Tax Collection at Source (TCS).

These transactions include huge cash withdrawal, foreign remittance, purchase of luxury cars, e-commerce participants, sale of goods, acquisition of immovable property, etc.

Key Terms

- Corporate Tax: It is levied on a firm's profit by the government.
 - It is taxed on operating earnings after expenses have been deducted.
 - The rate of corporate tax in India varies from one type of company to another i.e. domestic corporations and foreign corporations pay tax at different rates .
- **Dividend Distribution Tax (DDT):** Dividend refers to the distribution of profits to shareholders of a company.
 - Thus, the dividend distribution tax is a type of tax that is payable on the dividends offered to its shareholders by the corporate.
 - Higher dividends mean a greater tax burden for the corporate entity.

Minimum Alternate Tax

- At times it may happen that a taxpayer, being a company, may have generated income during the year, but by taking the advantage of various provisions of Income-tax Law (like exemptions, deductions, depreciation, etc.), it may have reduced its tax liability or may not have paid any tax at all.
- Due to an increase in the number of zero tax paying companies, Minimum Alternate Tax (MAT) was introduced by the Finance Act, 1987 with effect from assessment year 1988-89.
 Later on, it was withdrawn by the Finance Act, 1990 and then reintroduced by Finance Act, 1996.
- MAT is an important tool with which tax avoidance can be prevented.

Source: PIB

Online Dispute Resolution

Why in News

Recently, the <u>NITI Aayog</u>, in association with **Agami and Omidyar Network India**, brought together key stakeholders in a virtual meeting for **advancing <u>Online Dispute Resolution</u>** (ODR) in India.

Key Points

- Senior judges of the <u>Supreme Court</u>, secretaries from key government ministries, leaders of the industry, legal experts and general counsels of leading enterprises **participated** in it.
- The common theme of the meeting was amulti-stakeholder agreement to work collaboratively to ensure efforts are taken to scale ODR in India.

• Online Dispute Resolution:

- It is the resolution of disputes, particularly small and medium-value cases, using digital technology and techniques of <u>Alternate Dispute Resolution</u> (ADR), such as negotiation, mediation and arbitration.
- It utilises **information technology** to carry out ADR.
- The information management and communication tools in ODR may apply to all or part of the proceedings and also have an impact on the methods by which the disputes are being solved.

ODR in India

- The <u>United Nations Commission on International Trade Law</u> (UNCITRAL) adopted the UNCITRAL Model Law on International Commercial Arbitration in 1985 and the UNCITRAL Conciliation Rules in 1980.
- The <u>United Nations General Assembly</u> (UNGA) has recommended the use of the said Model Law and Rules in cases where a dispute arises in the context of international commercial relations and the parties seek an amicable settlement of that dispute by recourse to conciliation.
- India has also incorporated these uniform principles of ADR in the <u>Arbitration and</u>
 Conciliation Act, 1996 which has been amended several times.

The Arbitration Act provides for ADR mechanisms like arbitration, conciliations, etc. for national and international stakeholders.

Advantages of ODR:

- o Convenient, accurate, time-saving and cost-saving.
- Provides more, efficient, effective, scalable and collaborative mechanisms of containment and resolution.

Significance:

- It will set into motion the use of technology towards efficient and affordable access to justice, especially in post-pandemic times.
- During the ongoing <u>Covid-19</u> <u>pandemic</u>, the <u>target</u> is to look into Covid-related disputes (most notably in lending, credit, property, commerce and retail) through ODR, which is an important <u>part of the economic revival</u>.
- In the coming time, ODR could be the mechanism that helps withachieving expedient resolution.

Challenges:

- While arbitration was intended as an alternative to going to court for certain kinds of disputes, that mechanism itself has become **cumbersome and often expensive**.
- Lack of enough arbitrators and building trust among consumers.
- Deal with people who are not used to the digital ecosystem.

Suggestions:

- Private ODR and ADR providers need to be added in the system to ensure that online resolution can reach different industries, locations and parts of the country and also support the public institutions.
- Making ODR or ADR voluntary will defeat the purpose so it should be mademandatory (for specified categories) and it should cover about three sessions so that parties don't feel that it's a mere formality.
- **More recognition** should be given to the online redressal processes so that its idea reaches people and they can use these online processes.

Way Forward

- There needs to be a **fundamental change in the mindset** to separate the idea of justice from the place called, court.
- Multi-stakeholder exercises need to be undertaken to help achieve this in a sustainable, efficient and collaborative manner for the transformation of justice delivery across various facets.
- The **future will be a hybrid model** that combines the best of the real and the virtual world. People need to reimagine the whole process of justice delivery to work in the hybrid system.

Source: PIB

Educational Complexes for Tribal Students: Odisha

Why in News

Recently, the Government of Odisha has announced the establishment of three mega educational complexes exclusively for tribal students, where both academic and sporting skills will be harnessed.

• Establishment:

The complexes will be established in tribal-dominated districts such as Keonjhar,
 Sundargarh and Mayurbhanj.

Santal and Bhuyan are two dominant tribal groups living in these districts.

- Each complex will house **3,000 tribal students**, which is a unique initiative in the field of **tribal education**.
- These complexes will have state of the art facilities to improve educational and sporting skills of tribal students from **Standard I to XII.**

State-of-the-art (cutting edge or leading edge) refers to the highest level of general development, as of a device, technique, or scientific field achieved at a particular time.

• Funding:

Funds required for mega complexes will be sourced from **Odisha Mineral Bearing Areas Development Corporation (OMBADC),** which was formed for focused development of **mineral-rich districts.** Incidentally, most mineral-rich districts are tribal-dominated.

• Tribal Population in Odisha:

- According to the 2011 Census, tribal people constitute 8.6% of the nation's total population i.e. over 104 million people.
 - A **tribe** has been defined as a **group of indigenous people** having a common name, language and territory tied by strong kinship bonds, having distinct customs, rituals and beliefs etc.
 - The President under <u>Article 342</u> is empowered to declare communities as scheduled tribes, while <u>Parliament</u> by law can amend the list.
- Odisha's tribal population constitutes 9.17% of the country's tribal population.
- In Odisha, the tribal population is **22.85%** of the state's total population.
 - In terms of percentage tribal population, it occupies the third position in India.
 - The First and Second are **Madhya Pradesh and Maharashtra** respectively.
- Similarly, of India's total 75 particularly vulnerable tribal groups, 13 reside in Odisha.
- With 62 tribal communities, Odisha has the most diverse tribes in India.
 - Keonjhar, where tribes such as Sounti, Ho, Juang, Kharwar, Mahali, Oraon Kolha and Kora reside is the most mined district of the State.
 - Keonihar district contains more than 70% of the iron ore reserves of Odisha.

Educational Schemes for Tribals

- **Eklavya Model School:** <u>Residential School</u> based on Navodaya Model to be opened in each tribal block by 2022.
- Rajiv Gandhi National Fellowship Scheme (RGNF): RGNF was introduced in the year 2005-2006 with the objective to encourage the students belonging to the ST community to pursue higher education.
- Vocational Training Center in Tribal Areas: The aim of this scheme is to develop the skill of ST students depending on their qualification and present market trends.
- National Overseas Scholarship Scheme: The National Overseas Scholarship Scheme provides financial assistance to 20 students selected for pursuing higher studies abroad for PhD and postdoctoral studies.
- Pre and Post Matric Scholarship Schemes.

Way Forward

- There is a need to give special focus to the education of tribal populations by the Ministry of Tribal Affairs.
- Awareness Campaigns like street drama, camps counselling session to bring attitudinal change in parents.
- Emphasis should be given to career or job oriented courses.
- Teachers should be locally recruited who understand and respect tribal culture and practices and most importantly are acquainted with the local language.
- The Kothari Commission stressed to pay special attention to the education of ST.
- The XaXa Committee recommended a greater focus on removing gender disparity in education.

Source: TH

National Tiger Conservation Authority

Why in News

Recently, the National Tiger Conservation Authority (NTCA) has clarified that the tigers in the country have shown a **healthy annual growth rate of 6%.**

These findings are stated according to the quadrennial All India Tiger Estimation conducted in 2006, 2010, 2014 and 2018.

Key Points

• It has been observed that the recorded growth of 6% offsets natural losses and keeps tigers at the habitats carrying capacity level.

The carrying capacity of an environment is the maximum population size of a biological species that can be sustained in that specific environment, given the food, habitat, water, and other resources available.

• For the period 2012 to 2019, the average tiger deaths per year is 94.

National Tiger Conservation Authority

- National Tiger Conservation Authority (NTCA) is a **statutory body** under the **Ministry of Environment**, **Forests and Climate Change**.
- It was established in 2005 following the recommendations of the Tiger Task Force.
- It was constituted under enabling provisions of the Wildlife (Protection) Act, 1972, as amended in 2006, for strengthening tiger conservation, as per powers and functions assigned to it.

Project Tiger

- <u>Project Tiger</u> is an ongoing <u>Centrally Sponsored Scheme</u> of the Ministry of Environment, Forests and Climate Change providing <u>central assistance</u> to the tiger States for tiger <u>conservation</u> in designated tiger reserves.
- India now has as many as 2,967 tigers in the wild, with more than half of them inMadhya
 Pradesh and Karnataka, according to the latest tiger estimation report for 2018.

• The population of tigers have **increased by 33%** since the last census in 2014 when the total estimate was 2,226.

Source: PIB

Digital Initiatives by WCL

Why in News

Recently, the Coal India Subsidiary-Western Coalfields Ltd (WCL) has launched a surveillance system called **WCL EYE** for monitoring its mining operations and a mobile application named**SAMVAAD** to connect with its employees and stakeholders.

Key Points

WCL EYE:

- It is a **digital surveillance system** that will monitor operations of 15 major mines of the company, accounting for 70% of the company's coal production.
- o It will monitor coal stocks and availability of coal at sidings.
- It will also monitor the placement of rakes and loading at railway sidings and ensure accountability.

SAMVAAD:

- It is a **mobile and desktop app** for employees & stakeholders.
- It will provide a virtual platform for suggestion/feedback/experience sharing.
- The Quick Response Teams will respond to the queries and feedback in 7 days mandated period.

Coal India Limited

- CIL is a <u>Maharatna Central Public Sector Enterprises (CPSEs</u>) that came into being in November 1975.
- It is the world's single largest **coal** producer.
- It produces around 83% of India's overall coal production and provides for 40% of primary commercial energy requirement.
- In pursuance to initiatives towards development of <u>clean coal technology</u>, CIL is planning to setup a coal-based Methanol plant in the premises of Dankuni Coal Complex (DCC) near Kolkata.

Coal Sector under Atmanirbhar Bharat Abhiyan

- <u>Commercial mining</u> has been introduced on the basis of a revenue-sharing mechanism, ending the government monopoly in coal mining.
- Coal Gasification or Liquefaction will be incentivised.
- Infrastructure investment worth Rs 50,000 crores will be done to boost production.
- Mining plan simplification will be undertaken to incentivise production.

Source: PIB

Why in News

The National Gallery of Modern Art (NGMA), New Delhi will organise online NAIMISHA 2020-Summer Art Program from 8th June 2020 to 3rd July 2020, to reach its audiences during the Covid-19 outbreak.

Key Points

NAIMISHA 2020:

- It is an initiative to provide a chance to participants and art enthusiasts to create and learn from practising artists.
- The programme includes online workshops sessions on painting, sculpture, printmaking and **indrajaal** (an interdisciplinary creative workshop).
- The exhibition of selected artworks from the program will be displayed on So'ham, the cultural media platform of NGMA.

So'ham:

- o It is the first cultural media platform of India, under the banner of NGMA.
- The platform aims to develop a dialogue between NGMA, artists and art enthusiasts.
- It is inspired by the Vedic philosophy of So'ham, which stands for one's identity and its connection to the universe.

National Gallery of Modern Art

- NGMA was established in 1954, at the Jaipur House, New Delhi.
- It is run and administered as a subordinate office to the Ministry of Culture, Government of India.
- The NGMA has two branches, one at Mumbai and the other at Bengaluru.
- One of its objectives is to acquire and preserve works of modern art from the 1850s onward.

Source: PIB