Greater Tipraland

‘Greater Tipraland’ has been a political demand on the lines of ‘Greater Nagalim’, and seeks to – in a democratic manner – cater to the aspirations of Tripuris in Mamit of Mizoram, Kachar and Hailakandi in Assam, and even in Khagrachari, Bandarban, and Chittagong of Bangladesh.

Source: TH

India’s road safety

India’s Road Safety Month

• This year instead of "Road, Safety Week", a month-long campaign "National Road Safety Month" will be observed from 18th January 2021 to 17th February 2021.
• The theme of this year is, "Sadak Suraksha- Jeevan Raksha".

India’s road safety data
India has the world’s worst record on road safety.

India has, according to the just-released World Bank-commissioned report, *Traffic Crash Injuries and Disabilities*:

- 1% of the world’s vehicles but 11% of all road accident deaths;
- The Union Transport Ministry put the number of dead in 2019 at 1,51,113, and injured at 4,51,361.
- Those who suffer the most are from low income households, especially in rural areas, and women bear the long-term financial and psychological impact of the losses more.
- India’s highways have witnessed 61% of deaths from just 5% of all accidents, as per 2019 data.
- Political parties and others fix illegal flag poles and spears on car bonnets and metal contraptions to SUV bumpers, which are deadly in an accident.

**Steps to be taken**

- The Centre must now set a timeline to operationalise the National Road Safety Board, to lay down engineering standards and complaints procedures that will help citizens hold States to account.
- Need for technical investigation which will be conducted by safety experts.

**Way ahead**

- Ending the “silent pandemic” of accidents will need education, civil society cooperation and professional policing.

Source: TH

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**Tax on PF withdrawals**

GS-III | Economic Issues
Tax on PF withdrawals

Introduction

- The income tax law proposed in the Finance Bill, 2021, has triggered anxieties for the salaried class: withdrawing tax exemption on interest income accrued into Provident Fund accounts arising out of employee contributions exceeding ₹2.5 lakh ‘in a previous year in that fund,’ on or after April 1, 2021.

Issue

- The rationale — some employees are contributing huge amounts into their PF accounts and getting tax-free incomes.

Views of the Revenue Department

- The Revenue Department has pointed out the tax will only affect a small group of ‘high net-worth individuals' (HNIs); the 100 largest employees' PF (EPF) accounts had a combined balance of over ₹2,000 crore.
- It can be no one’s case that a social security scheme for formal sector workers should become an investment haven for the well-heeled corporate top brass.

Is there a flaw in the definition of HNI?

- The threshold proposed to exclude the so-called HNIs appears low, as it would end up partially taxing PF income for even those putting away ₹21,000 a month towards their retirement — hardly a typical HNI given it may take the saver decades to attain a one crore rupee PF balance.
- The threshold also does not tie in with the ₹7.5 lakh limit set in last year’s Budget for employers’ contributions into the EPF, National Pension System (NPS) or other superannuation funds (rules for which are yet to be notified).
- This is not the first time this government had tried to tax PF savings, citing its abuse by the rich.
- In the 2016-17 Budget, it proposed to tax 60% of EPF balances at the time of withdrawal, but backtracked after a backlash.
- Now, it has covered even government employees’ contributions into the GPF, but left NPS investments over ₹2.5 lakh a year untouched.
- Tax treatment inequity between India’s limited retirement savings instruments aside, employees and employers have some serious doubts on
Retro-active tax

- The words ‘in a previous year’, for one, suggest this will be a type of retro-active tax — taxing future income even on past years’ contributions of over ₹2.5 lakh.

Way ahead

- Finally, this may not be smart timing for a government looking to lean on huge borrowings to dent large inflows into EPF — most of its corpus is captively deployed in government bonds.
- While the goal of targeting HNIs using the PF savings to avoid taxation is laudable, the Centre should consider recalibrating the arithmetic and operational details of this tax.

Source: TH

Indian Sign Language Dictionary launched

- Prepared by the Indian Sign Language Research and Training Centre under the Ministry of Social Justice and Empowerment.
- To give deaf people the constitutional right to speech and opportunity of freedom of expression.
Liquidity Coverage Ratio

GS-III | Economic Issues

- Liquidity Coverage Ratio (LCR) indicates the proportion of highly liquid assets held by banks to ensure their ability to meet short-term obligations.
- This ratio is essentially a generic stress test that aims to make sure that financial institutions possess suitable capital to ride out any short-term liquidity disruptions.

How to Calculate the Liquidity Coverage Ratio?

- The LCR is calculated by dividing a bank’s high-quality liquid assets by its total net cash flows, over a 30-day stress period.
- The high-quality liquid assets include only those with a high potential to be converted easily and quickly into cash.

Source: TH

Production-Linked Incentive Scheme for the Telecom Sector

GS-III | Economic Issues
Aim of the scheme: It will make India a **global hub** for manufacturing telecom equipment. It will create jobs and **reduce imports** especially from China.

Focus of the scheme: The scheme will **offset the huge import of telecom equipment** worth more than Rs 50,000 crore. It will encourage the foreign manufacturers and domestic manufacturers to set up production units in India.

Coverage: The scheme will cover domestic manufacturing of equipment such as
- **core transmission** equipment.
- **4G/5G** and next-generation radio access network and wireless equipment.
- **Internet of Things (IoT)** access devices.
- **enterorise equipment** such as switches and route.

The scheme will be operational from April 1 and will run for the next **5 years**.

For the inclusion of MSMEs in the scheme, the **minimum investment** threshold has been kept at **?10 crores** while for others it is **?100 crore**.

Further, for **MSMEs**, It proposes a **1% higher incentive** in the first three years.

Significance of the scheme:

- The scheme may lead to an incremental **production** of about **?2.4 lakh crore** with **exports** of about **?2 lakh crore** over **5 years**.
- Moreover, it may bring in investments of more than **?3.000 crores**.
- With the inclusion of telecom equipment manufacturing under the ambit of PLI schemes, the total number of sectors under such programmes stands at **13**.

Source: TH
India-Mauritius Comprehensive Economic Cooperation and Partnership Agreement (CECPA) will be the first trade Agreement to be signed by India with a country in Africa. This limited agreement will cover Trade in Goods and Services, Rules of Origin, Technical Barriers to Trade (TBT), Sanitary and Phytosanitary (SPS) measures, Dispute Settlement, etc.

It will also cover the Movement of Natural Persons, Telecom, Financial services. Customs Procedures and Cooperation in other Areas.

Both have agreed to negotiate Automatic Trigger Safeguard Mechanism (ATSM) for a limited number of highly sensitive products within two years of the Signing of the Agreement.

India & Mauritius also signed a Defence Line of Credit worth $100 million.

Source: The Indian Express

e-Chhawani Portal

GS-II | Governance

- It is an online multi-tenancy central platform.
- It aims to provide citizen-centric municipal services to the citizens across 62 Cantonment Boards.
- The residents of cantonment areas can register their complaint regarding civic issues and resolve them while sitting at home.
- People can get their documents like trade licence, sewerage connectivity applications can be made through the portal.

Cantonment Board

- A cantonment board, an urban local body, established for municipal administration for civilian population in the cantonment area.
- It is set up under the provisions of the Cantonments Act of 2006 – a
legislation enacted by the Central government.

- It works under the administrative control of the Defence Ministry of the Central government.
- They are grouped into four categories on the basis of the civil population as - Above 50,000; 10,000 to 50,000; 2500 to 10,000 and below 2500.

Source: ANI

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Dhubri-Phulbari Bridge

GS-III | Economic Issues

Dhubri-Phulbari Bridge

- A 19-km-long four-lane Bridge between Dhubri (Assam) and Phulbari (Meghalaya) over river Brahmaputra on NH-127B will be constructed.
- Once completed in 2028, it will be India’s longest bridge.
- This bridge will reduce travel time between Assam and Meghalaya by 6 hours. and distance to 19 km from 200 km.
- Through this bridge, Assam and Meghalaya will have a direct connection with West Bengal.

It will provide a third alternative link to Meghalaya, Manipur, Mizoram, Tripura and Barak valley region of Assam with the rest of the Country.

Source: ANI
Provident Funds to be Taxed at withdrawal- Budget 2020-21

Introduction

- The income tax law proposed in the Finance Bill, 2021, has triggered anxieties for the salaried class: withdrawing tax exemption on interest income accrued into Provident Fund accounts arising out of employee contributions exceeding ₹2.5 lakh ‘in a previous year in that fund,’ on or after April 1, 2021.

Reason

- Some employees are contributing huge amounts into their PF accounts and getting tax-free incomes.
- Subsequently, the Revenue Department has pointed out the tax will only affect a small group of ‘high net-worth individuals’ (HNIs); the 100 largest employees’ PF (EPF) accounts had a combined balance of over ₹2,000 crore.
  - A social security scheme for formal sector workers should become an investment haven for the well-heeled corporate top brass.

Issue

- **Low threshold:** However, the threshold proposed to exclude the so-called HNIs appears low, as it would end up partially taxing PF income for even those putting away ₹21,000 a month towards their retirement — hardly a typical HNI given it may take the saver decades to attain a one crore rupee PF balance.
  - The threshold also does not tie in with the ₹7.5 lakh limit set in last year’s Budget for employers’ contributions into the EPF, National Pension System (NPS) or other superannuation funds (rules for which are yet to be notified).
  - In the 2016-17 Budget, it proposed to tax 60% of EPF balances at the
time of withdrawal, but backtracked after a backlash.

- **Only NPS investments:** It has covered even government employees' contributions into the GPF, but left NPS investments over ₹2.5 lakh a year untouched.
- **Unequal tax treatment:** Tax treatment inequity between India’s limited retirement savings instruments.
- **Retro-active taxation:** The words ‘in a previous year’, for one, suggest this will be a type of retro-active tax — taxing future income even on past years’ contributions of over ₹2.5 lakh.

**Conclusion**

- This may not be smart timing for a government looking to lean on huge borrowings to dent large inflows into EPF — most of its corpus is captively deployed in government bonds.
- While the goal of targeting HNIs using the PF savings to avoid taxation is laudable, the Centre should consider recalibrating the arithmetic and operational details of this tax.

Read more about EPFO- [Click Here](#)

**Source: TH**
India tops the world in road crash deaths and injuries. It has 1% of the world's vehicles but accounts for 11% of all road crash deaths. It is witnessing 53 road crashes every hour and killing 1 person every 4 minutes. India has seen around 4.5 lakh road accidents in the past year. It resulted in at least 1.5 lakh deaths over the past few years.

Source: TH

Aspirational Districts Programme

What is ADP?

- It aims to quickly and effectively transform some of India’s most underdeveloped districts.
- It will identify areas of immediate improvement, measure progress, and rank districts.
- The broad ideas of the programme include -
  i. **convergence** of central and state schemes
  ii. **collaboration** of central, state level ‘Prabhari’ (in-charge) officers and district collectors
  iii. **competition** among districts

- The **states** are the main drivers in the programme.
- Deliberately, the districts have been described as aspirational rather than backward.
- The motive is to view them as areas of opportunity and hope rather than of distress and hopelessness.

How were the districts selected?
The 115 districts were chosen by senior officials of the Union government. This was in consultation with State officials on the basis of a composite index. The parameters included are:

i. deprivation enumerated under Socio-Economic Caste Census
ii. key health and education performance indicators
iii. state of basic infrastructure

What is the present ranking on?

- The present ranking is based on 49 indicators across 5 sectors.
- These sectors are areas that have been targeted for transformation:
  1. health and nutrition
  2. education
  3. agriculture and water resources
  4. financial inclusion and skill development
  5. basic infrastructure
- A minimum of one district was chosen from every State.

Source: TH

Constitutional Provisions for Reservation in Education and Jobs

Part XVI deals with reservation of SC and ST in Central and State legislatures. Article 15(4) and 16(4) of the Constitution enabled the State and Central Governments to reserve seats in government services for the members of the SC and ST. The Constitution was amended by the Constitution (77th Amendment) Act, 1995 and a new clause (4A) was inserted in Article 16 to enable the
government to provide reservation in promotion.

- Later, clause (4A) was modified by the Constitution (85th Amendment) Act, 2001 to provide consequential seniority to SC and ST candidates promoted by giving reservation.
- Constitutional 81st Amendment Act, 2000 inserted Article 16 (4 B) which enables the state to fill the unfilled vacancies of a year which are reserved for SCs/STs in the succeeding year, thereby nullifying the ceiling of 50% reservation on total number of vacancies of that year.
- Article 330 and 332 provides for specific representation through reservation of seats for SCs and STs in the Parliament and in the State Legislative Assemblies respectively.
- Article 243D provides reservation of seats for SCs and STs in every Panchayat.
- Article 233T provides reservation of seats for SCs and STs in every Municipality.
- Article 335 of the constitution says that the claims of STs and STs shall be taken into consideration constitutively with the maintenance of efficacy of the administration.

Judicial Verdicts of Reservation

- The State of Madras v. Smt. Champakam Dorairajan (1951) case was the first major verdict of the Supreme Court on the issue of Reservation. The case led to the First amendment in the constitution.
- The Supreme Court in the case pointed out that while in the case of employment under the State, Article 16(4) provides for reservations in favour of backward class of citizens, no such provision was made in Article 15.
- Pursuant to the Supreme Court’s order in the case the Parliament amended Article 15 by inserting Clause (4).
- In Indra Sawhney v. Union of India (1992) case the court examined the scope and extent of Article 16(4).
- The Court has said that the creamy layer of OBCs should be excluded from the list of beneficiaries of reservation, there should not be reservation in promotions; and total reserved quota should not exceed 50%.
- The Parliament responded by enacting 77th Constitutional Amendment Act which introduced Article 16(4A).
- The article confers power on the state to reserve seats in favour of SC and ST in promotions in Public Services if the communities are not adequately represented in public employment.
- The Supreme Court in M. Nagaraj v. Union Of India 2006 case while
upholding the constitutional validity of Art 16(4A) held that any such reservation policy in order to be constitutionally valid shall satisfy the following three constitutional requirements:

- The SC and ST community should be **socially and educationally backward**.
- The SC and ST communities are **not adequately represented** in Public employment.
- Such reservation policy shall not affect the overall **efficiency** in the administration.

- In **Jarnail Singh** vs Lachhmi Narain Gupta case of 2018, Supreme Court holds that reservation in promotions does not require the state to collect quantifiable data on the backwardness of the Scheduled Castes and the Scheduled Tribes.
- The Court held that **creamy layer exclusion extends to SC/STs** and, hence the State cannot grant reservations in promotion to SC/ST individuals who belong to the creamy layer of their community.

Source: TH