

7 PM COMPILATION

3rd and 4th Week Dec, 2024

Features of 7 PM compilation

- ❖ Comprehensive coverage of a given current topic
- ❖ Provide you all the information you need to frame a good answer
- ❖ Critical analysis, comparative analysis, legal/constitutional provisions, current issues and challenges and best practices around the world
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Inland Waterways in India- Explained Pointwise



Recently, the Central Government launched the **Jalvahak scheme** to **boost long-haul cargo movement** via inland waterways. The scheme incentivizes cargo transport on **National Waterways 1** (Ganga), **National Waterways 2** (Brahmaputra), and **National Waterways 16** (Barak) and provides an opportunity for the trade interests to explore movement of cargo via waterways with positive economic value proposition. The Jalvahak scheme offers **reimbursement** of up to **35% of the total operating expenditure incurred**.

In this article we will look at the status of Inland waterways sector in India. We will look at its advantages and the initiatives taken for its development. We will delve into the challenges that the sector faces with the way ahead for the sector. **Inland Waterways in India**

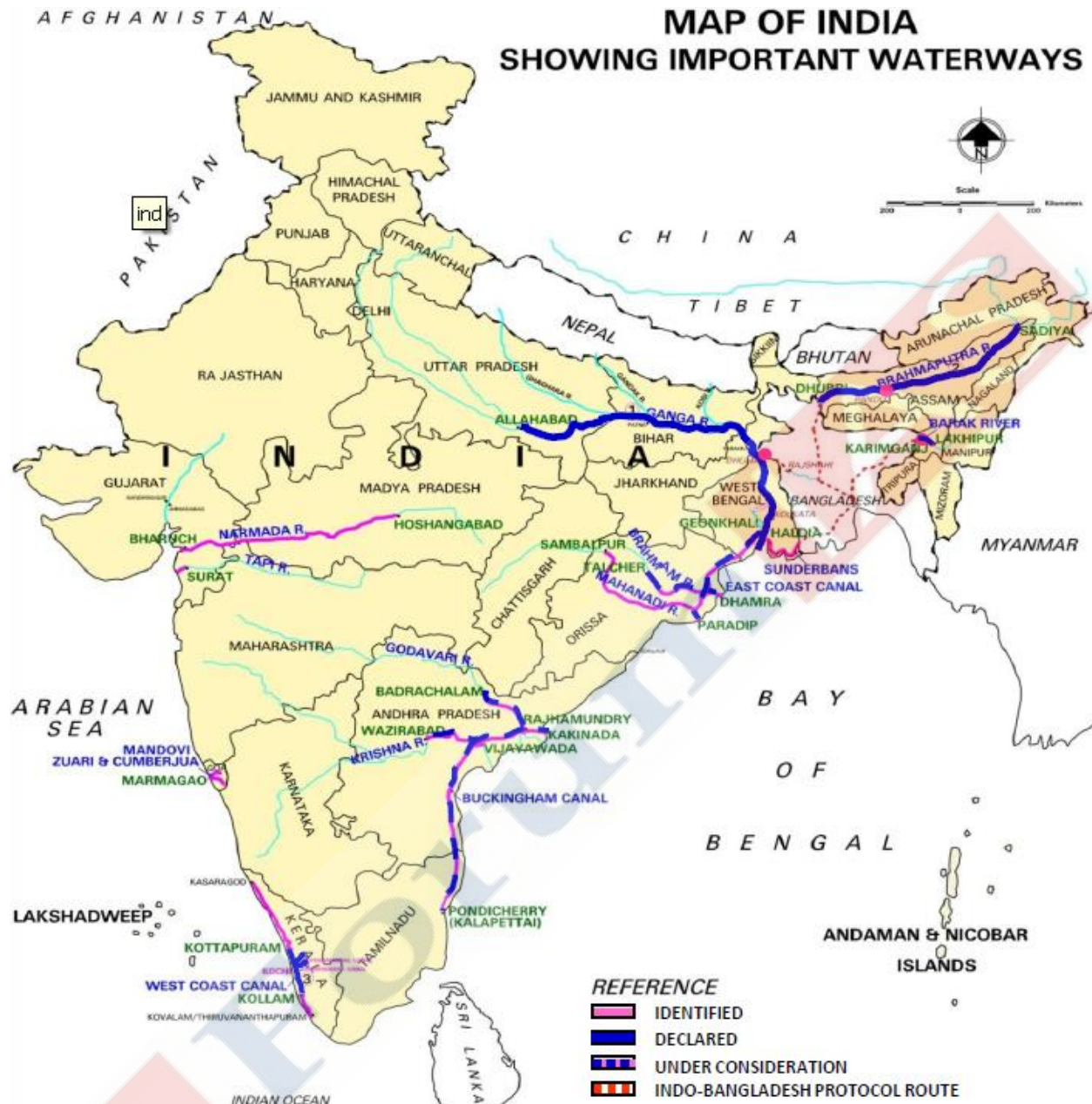
What is Inland Water Transport (IWT)? What is the status of Inland waterways in India?

Inland Water Transport- Inland water transport refers to the **transportation of people, goods, and materials** via waterways such as **rivers, canals, lakes, and other navigable bodies of water** that are located within a country's boundaries.

Inland Waterways in India- Under the National Waterways Act, 2016, **111 waterways** (including 5 existing and 106 new) spread over **24 States** have been declared **National Waterways (NWs)** for development of Inland Water Transport (IWT) in the country. On the basis of outcome of techno-economic feasibility study and Detailed Project Report (DPR), **26 NWs** which were **found viable for cargo and passenger movement**.

Sl. No	NW	Details of Waterways	Length (Km)	STATES	Status
1	NW 1	Ganga-Bhagirathi-Hooghly River System (Haldia - Allahabad)	1620	Uttar Pradesh, Bihar, Jharkhand & West Bengal	Development taken up with Assistance from World Bank Jal Marg Vikas Project
2	NW 2	Brahmaputra River (Dhubri - Sadiya)	891	Assam	Development taken up as per approved SFC for FY 2020-21 to 2024-25 Mostly Operational Waterways and development and maintenance work taken up under Phase-I DIB approval.
3	NW 16	Barak River (Lakhipur -Tuker Gram)	121	Assam	
4	NW 3	West Coast Canal (Kottapuram - Kollam), Champakara and Udyogmandal Canals	205	Kerala	
5	NW 4	Krishna River (Vijayawada – Muktyala)	82	Andhra Pradesh	
6	NW 5	Dhamra-Paradip via Mangalagadi to Pankopal	233	Odisha	
7	NW 8	Alappuzha- Changanassery Canal	29	Kerala	
8	NW 9	Alappuzha - Kottayam – Athirampuzha Canal	40	Kerala (Alternate route: 11.5km)	
9	NW 27	Cumberjua River (Cortalim-Ferry to Sao MartiasVidhanParisad)	17	Goa	
10	NW 68	Mandovi River (Usgoan bridge to Arabian Sea)	41	Goa	
11	NW 111	Zuari River (Sanvorden bridge to Marmugao Port)	50	Goa	
12	NW 86	Rupnarayan River (PratapPur to Geonkhali)	72	West Bengal	
13	NW 97	Sunderbans Waterway (Namkhana to AtharaBankiKhal)	172	West Bengal	

14	NW 40	Ghagra River (Faizabad to ManjhiGhat)	345	Bihar &U.P.	
15	NW 52	Kali River (Kodasalli Dam to Sadashivgad Bridge, Arabian Sea)	53	Karnataka	
16	NW 44	Ichamati River (Bridge at Gobra to Bansjhari near Bangladesh Border)	63	West Bengal	
17	NW 57	Kopili River (BanthaiGaonTinali Bus Stop to Chandrapur No.2 confluence with Brahmaputra)	50	Assam	
18	NW 31	Dhansiri River (MorongiT.E. village Bridge to Numaligarh)	110	Assam	
19	NW 10	Amba River (Arabian Sea, Dharamtaar Creek to Nagothane ST Stand)	45	Maharashtra	
20	NW 28	Dabhol Creek Vasisti River (Arabian Sea at Dabhol to Bridge at Pedhe)	45	Maharashtra	
21	NW 25	Chapora River (Bridge near Maneri village to Morjim, Arabian Sea)	25	Goa	Mostly Operational Waterways development for by 2030.
22	NW 37	Gandak River (Bhaisalotal Barrage to Hazipur)	296	Bihar &U.P.	
23	NW 73	Narmada River (Pandhariya to Gulf of Khambhat)	226	Maharashtra & Gujarat	
24	NW 85	Revadanda Creek - Kundalika River System (Arabian Sea at Revadanda to Bridge near Roha Nagar)	31	Maharashtra	
25	NW 94	Sone River (Sone Barrage, Dehri to Confluence with the Ganga)	141	Bihar	
26	NW 100	Tapi River (Hatnur Dam to Gulf of Khambhat)	436	Maharashtra & Gujarat	



Increase in cargo movement- The cargo movement on national waterways has increased to over 133 million tons. The cargo volume through the inland waterway has recorded a CAGR growth of 22.1% over a period of ten years from FY 2014 to FY 2024.

What are the advantages of Inland Waterways in India?

- 1. Lower Transportation Costs-** Inland water transport (IWT) is considerably cheaper than road and rail transport. It is reported to be 60% cheaper than road transport and 20-30% cheaper than rail.
- 2. Fuel and energy efficiency-** It is a fuel and energy efficient medium of transportation as compared to the other modes of transport like rail and road. A/c to the [Integrated National Waterways Transportation Grid Study](#) states that **one litre of fuel will move 24 tons through 1km on road, 85km on rail and 105 km on inland water transport.**

3. Environment Friendly- IWT emits 10 times less carbon dioxide per ton-kilometer compared to road transport, contributing to lower greenhouse gas emissions.

4. Less Land Requirement- Utilization of waterways minimizes the need for extensive land acquisition. The land acquisition is often a contentious and time-consuming process associated with road and rail projects.

5. Employment Generation- The development of inland waterways is labor-intensive, creating jobs in various sectors such as river conservancy, vessel operation, terminal management, and tourism.

6. Better connectivity- IWT helps in creating seamless interconnectivity connecting hinterlands along navigable river coasts and coastal routes. Further, riverine routes are likely to play a crucial role in connecting the north-eastern states to the mainland.

7. Tourism Development- Inland waterways can boost tourism through initiatives like river cruises. This helps to enhance passenger movement and also promote cultural and heritage tourism along riverbanks.

What are the government initiatives for the development of Inland Waterways in India?

Maritime India Vision 2030	Inland Water Waterways Authority of India (IWAI) aims to increase the modal share of freight movement through IWT from 2% to 5% and traffic volume to more than 200 MMT in line with the Maritime India Vision 2030.
Jal Marg Vikas Project	Jal Marg Vikas Project (JMVP) aims at capacity augmentation of navigation on National Waterway-1 (NW-1).The project is being implemented by GOI with technical assistance and investment support of the World Bank.
Sagarmala Programme	It aims at enhancing multi-modal connectivity including rail, inland water, coastal and road services.
Interlinking of Rivers Programme	The project is expected to offer potential benefits to the inland waterways transport sector through navigation.

What are the challenges in Inland Waterways in India?

IWT is the most economical mode of transportation, especially for bulk cargo like coal, iron ore, cement, food grains and fertilizer. However presently the IWT sector remains underutilized at a share of 2% in India's modal mix due to the following challenges-

1. Infrastructural/Technical challenges- There is challenge of Inadequate depths in Indian rivers, especially northern rivers which suffer from high siltation. This necessitates extensive dredging of Indian rivers.

2. Lack of adequate Terminals- There is a shortage of modern terminals and maintenance, repair, and overhaul (MRO) facilities for vessels, impacting their operational efficiency.

3. Environmental Concerns- Dredging activities necessary for maintaining navigability can lead to environmental degradation (like riverbed damage, aquatic species damage) and community resistance due to fears of displacement or ecological harm.

4. Technical Limitations- Low vertical clearances from bridges obstruct the passage of bigger vessels and the lack of Night Navigation Facilities such as Differential Global Positioning Systems (DGPS) hampers safe navigation at night.

5. Institutional and Regulatory challenges- The IWT sector is often burdened by regulatory complexities and overlapping jurisdictions among various government agencies. **For ex-** Multiple authorities including the Central Inland Water Corporation Limited (CIWTC Ltd), port authorities and state governments.

6. Lack of funds- Dredging as well as infrastructure for IWT requires huge investments. However, both public and private funding in the sector is low.

What should be the Way Forward for the development of Inland Waterways in India?

NITI Aayog has recommended the following measures for the development of Inland Waterways in India.

1. Streamline the governance of inland waterways- NITI Aayog recommends streamlining the regulatory structure and bringing an overarching body to oversee Inland Water Transport.

2. Develop measures for year-round navigation- Efforts should be made to develop deeper stretches of the river, i.e., at least 2.5 m to 3 m to achieve year-around navigation. Further the adequate maintenance of rivers, including continuous dredging to maintain adequate water depth for servicing shipping lines should be ensured.

3. Ease restrictions on river-sea movement- Utilizing a single vessel for both inland and coastal waters, lowers transport costs and minimizes handling. The **state authorities** should **draw up coordinates for inland vessel limits under the Inland Vessel Act** for their coastal waters

4. Creation of Inland Waterways transport hub in the North East- State governments should commence work on dredging and channel stabilization to **create about 20 new ports in the Brahmaputra and Barak rivers**. The protocol for Inland Waterways between Bangladesh and India should be extended for at least 10 years to reduce uncertainty.

5. Strengthen public-private partnership- Private players can undertake terminal development, cargo and passenger handling, and building low-draft vessels and related repair facilities.

6. Increasing economic activities along the Inland waterways- **PM Mitra parks, Mega food parks**, should be located along the inland waterways route to encourage use of National Waterways (NWs).

Read More- [The Hindu](#)

UPSC Syllabus- GS 3- Infrastructure

India Sri-Lanka Relations- Explained Pointwise



Recently the Sri Lankan President Anura Kumara Dissanayake's visited India as part of his first international trip since assuming office. The visit, which took place from December 15 to 17, 2024, focused on various key areas including economic cooperation, energy security, and regional stability. The visit has yielded significant outcomes, which aims at strengthening bilateral relations between the two countries. **India Sri-Lanka Relations**

Key Outcomes of the Visit

- 1. Economic Cooperation-** The Sri Lankan president expressed his gratitude for **India's substantial financial assistance aimed stabilizing Sri Lanka's economy following its severe financial crisis in 2022**. The establishment of an electricity grid connection and a multi-product petroleum pipeline between India and Sri Lanka, was also discussed.
- 2. Defense and Security Commitments-** Dissanayake in a joint statement assured Prime Minister Modi that Sri Lanka would not allow its territory to be used in any manner that could threaten India's security. This commitment is particularly significant given the rising concerns over China's influence in the region.
- 3. Development Projects-** Several development initiatives were announced, such as the **Indian Housing Project** and **renewable energy projects tailored for the Tamil community in Sri Lanka**, and **India's assistance in training 1,500 Sri Lankan civil servants** over five years.
- 4. Regional Stability-** The discussions also reaffirmed mutual interests in **fostering regional security** through platforms like the **Colombo Security Conclave**.



Sri Lanka President Anura Kumara Dissanayake with External Affairs Minister S Jaishankar on Sunday. (PTI)

Source- Indian Express

What has been the history of relationship between India and Sri Lanka?

Ancient Ties and Cultural Relations	India and Sri Lanka have a shared legacy of historical, cultural, religious, spiritual and linguistic ties that is more than 2,500 years old. Buddhism is one of the strongest pillars connecting the two nations and civilizations from the time of the Great Indian Emperor Ashoka.
Civil War and Indian Intervention	Relations between India and Sri Lanka began to sour in the 1980s due to the Sri Lankan Civil War. The war primarily involved the Liberation Tigers of Tamil Eelam (LTTE).
Indo-Sri Lankan Accord (1987)	In an effort to resolve the conflict, India signed the Indo-Sri Lankan Accord with Sri Lanka, which aimed to provide regional autonomy to Tamil areas. This included deployment of the Indian Peace Keeping Force (IPKF) to maintain peace. However, this intervention faced significant backlash and ultimately led to India's withdrawal in 1990 after considerable military engagement and casualties.
Post-Civil War Relations	After the end of the civil war in 2009, India played a crucial role in reconstruction efforts in Sri Lanka . However, tensions resurfaced due to India's stance on human rights violations during the civil war and the subsequent UN resolutions.

India's help during the recent economic crisis in Sri Lanka

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During Sri Lanka's severe economic crisis in 2022, India played a crucial role in providing substantial support. India extended a credit support amounting to approximately **\$4 billion**.

Credit Lines and Currency Support- India also extended **\$400 million currency swap** and deferrals on trade liabilities worth about **\$500 million** due to imports from India.

India's support during Debt restructuring- India was the first country to provide a **letter of support for Sri Lanka's debt restructuring to the International Monetary Fund (IMF)**, facilitating the start of the IMF process.

Humanitarian Aid- The humanitarian aid included the **essential goods and services** aimed at alleviating the immediate hardships faced by the Sri Lankan population.

All this good will and radically improved India's bargaining power with Sri Lanka. India's efforts had also resulted in some tangible outcomes-

- a. India signed a deal with Sri Lanka to develop **Trincomalee oil tank farm**.
- b. India's National Thermal Power Corporation is also going to develop a **100-megawatt power plant in Sampur**, a strategic point at the Trincomalee's natural harbour.
- c. Sri Lanka cancelled a **Chinese company's licence to build a micro electricity grid close to India**.

What is the importance of Sri-Lanka for India?

1. Strategic location- Sri Lanka is strategically located in the Indian Ocean. The **East-West maritime route** passing around the island state carries around **two-thirds of the world's oil** and **half of the world's container transportation**.

2. Maritime security- Sri Lanka is home to ports that have the potential to become important maritime hubs (**Hambantota Port**) and securing the strategic Sea Lanes of Communication in the Indian Ocean.

3. Geographical proximity to India- Sri Lanka is located very close to India. Moreover, India has **invested heavily in Sri Lanka after the end of the civil war in 2009**, and after the **unprecedented economic crisis in 2022**. Hence, it wants to safeguard its strategic interest.

4. Maintenance of stability, peace, and security- The recent rising aggressive footprint of China in the Indian Ocean region makes Sri Lanka even more **significant in terms of maintenance of stability, peace, and security**.

What have been the other positive developments in India-Sri Lanka Relations?

1. Commercial Relations- India and Sri Lanka enjoy a vibrant and growing economic and commercial partnership, which has witnessed considerable expansion over the years.

a. **India-Sri Lanka Free Trade Agreement (ISFTA)-** **India-Sri Lanka Free Trade Agreement (ISFTA)** in 2000 has contributed significantly towards the expansion of trade between the two countries.

b. **Bilateral trade-** India was Sri Lanka's largest trading partner, with an overall bilateral trade of **USD 5.5 billion** in 2022.

c. **FDI Investment from India-** India is also one of the largest contributors to **Foreign Direct Investment** in Sri Lanka. According to the Central bank of Sri Lanka, the total FDI from India so far exceeds **US\$ 2.2 billion**.

2. Development Cooperation- Sri Lanka is one of India's major development partners and this partnership has been an important pillar of bilateral ties between the two countries over the years.

a. **Grant commitments-** The overall commitment by India is more than **USD 3.5 billion**. Grant projects cut across sectors such as education, health, livelihood, housing, industrial development etc.

b. **Demand driven development partnership-** Demand-driven and people-centric nature of India's development partnership with Sri Lanka have been the cornerstone of this relationship.

3. Cooperation in Maritime Security-

a. **Joint Exercises-** The **SLINEX naval exercises** have become one of the most visible manifestations of Indo-Sri Lanka cooperation in maritime security.

b. **Partnership in regional maritime security architecture-** Sri Lanka is a part of India's regional maritime security architecture, with Sri Lankan coastal surveillance radars being integrated to the **International Fusion Center – Indian Ocean Region (IFC-IOR)** at Gurugram in India.

What are India's concerns with Sri-Lanka?

- 1. Rising Chinese Footprint-** China is spreading its tentacles in Sri Lanka by **bagging the project** to develop an **airport in capital Colombo**. India remains concerned due to lack of a level playing field for economic projects in Sri Lanka, with the Sri Lankan government at times openly siding with the Chinese.
- 2. India's security concerns-** The regular movement of Chinese naval vessels, particularly submarines and the so-called research ships, is a **matter of grave security concern** to India.
- 3. Safeguarding India's strategic interests-** The environmental groups, which are an important part of the NPP, have demanded the **scrapping of the Adani group backed renewable energy project**. India is concerned about protecting its strategic interest in the island nation, especially after giving millions of rupees in aid and loan to Sri Lanka.
- 4. Exclusion of minority groups-** India is concerned regarding the **exclusion of Tamils and Muslims** from the governance structure of the newly formed government.
- 5. Fishing disputes-** Despite reaching an agreement 47 years ago through the **1974 Indo-Lanka Maritime Boundary Agreement**, India and Sri Lanka have not yet resolved their maritime disputes, like **Katchatheevu Island dispute**. Indian fishermen continue to cross the maritime border into Sri Lanka in the **Palk Strait**, resulting in encounters with the Sri Lankan Navy, leading to tensions and assaults.
- 6. Tamil issue-** There is concern regarding Sri Lanka's lack of measurable progress in fulfilling its commitment to finding a political solution to the Tamil issue. The Tamil community in Sri Lanka has been demanding the **implementation of the 13th Amendment** that provides for devolution of power to it.

What Should be the Way Forward?

- 1. Addressal of India's security concerns-** India's security concerns must be taken care of and the newly elected Sri Lankan government must take care that the **China does not disrupt Indian shipping movements** or use **visits to Sri Lanka for spying on India**.
- 2. Use of Diplomatic Skills-** India should use its diplomatic skills to ensure that a **power project** awarded to Adani Energy in northern Sri Lanka **is not reviewed**.
- 3. Wait and Watch Policy-** India must follow a wait and watch policy like done in the case of Maldives, and should refrain from hasty diplomatic decisions and rush.
- 4. Operate within the established framework-** India's relationship with Sri Lanka is framed within India's '**Neighbourhood First**' policy and '**SAGAR**' framework. Both the nations, must aim to work within the laid down framework.

Read More- [The Indian Express](#)

UPSC Syllabus- GS 2- India and its neighbourhood relations

Delimitation Commission- Explained Pointwise



In the ongoing Winter session of the parliament many **opposition MPs have sought assurances** from the government on their commitment to **implement women's reservation by conducting caste census, and the delimitation exercise by 2029**. According to the Nari Shakti Vandan Adhiniyam, women reservation will come into effect only after delimitation is carried out based on the figures of the first census conducted after the passage of the Act. This has brought the issue of Delimitation Commission into focus.

What is the Delimitation Exercise? What is the constitutional Basis of Delimitation Exercise in India?

Delimitation is the act or process of fixing limits or boundaries of territorial constituencies in a country to reflect the changes in population. In India the task of delimitation exercise is assigned to a **high power body**. Such a body is known as **Delimitation Commission or a Boundary Commission**.

Constitutional basis of Delimitation Commission

Article 82	Article 82 mandates the Parliament to enact a Delimitation Act and constitute Delimitation commission after every Census.
Article 170	Article 170 provides for the division of territorial constituencies of states by the Delimitation Commission after every Census.

Absolute powers to the Commission- Delimitation Act mandates that the **Delimitation Commission's orders are final and cannot be questioned before any court** as it would hold up an election indefinitely. When the orders of the Delimitation Commission are laid before the Lok Sabha or State Legislative Assembly, they cannot effect any modification in the orders. The Delimitation Commission is to work without any executive influence.

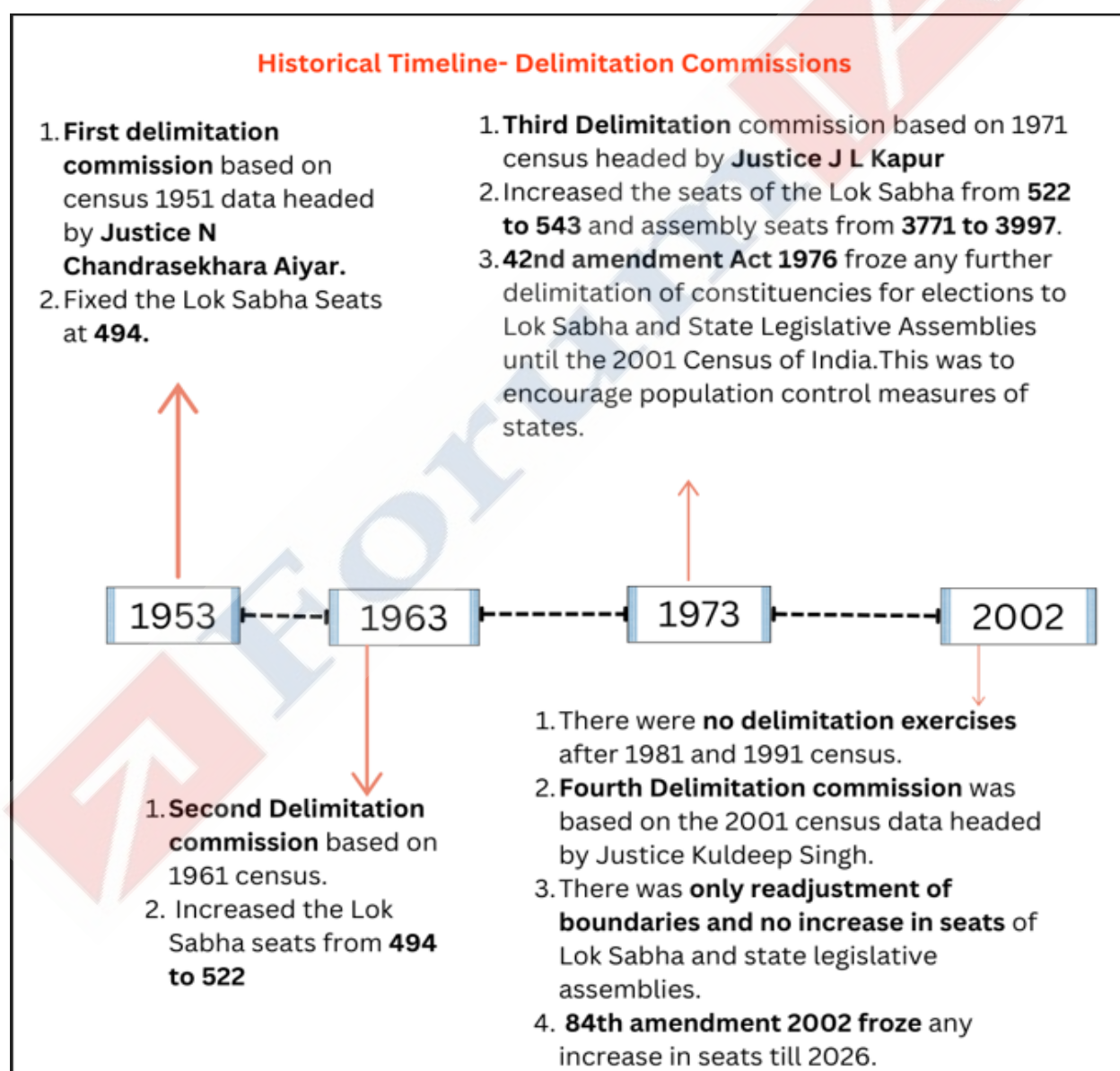
Composition of Delimitation Commission

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Appointment	The Delimitation Commission is appointed by the President of India and works in collaboration with the Election Commission of India .
Members	Retired Supreme Court judge (Chairperson) Chief Election Commissioner Respective State Election Commissioners

Historical Timeline of Delimitation Exercises

The Union government creates the Commission once the Delimitation Act is in effect. Under the Delimitation Acts of 1952, 1962, 1972, and 2002, Delimitation Commissions were established four times- in 1952, 1963, 1973 and 2002. The commission was not created after the 1981 and 1991 Censuses.



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What is the Significance of Delimitation Exercise?

- 1. Ensuring Proportional Representation-** Delimitation Exercise provides **equal representation to equal segments of population**. The Delimitation Commission chooses the number and boundaries of the constituencies in such a way that the population of each seat is the same, as far as possible.
- 2. Reservation of seats for SCs and STs-** Delimitation exercise conducted by the delimitation commission **specifies seats in areas with sizable scheduled castes and scheduled tribes** population which are to be reserved for those communities.
- 3. Impartial Exercise-** The Delimitation Commission is a panel with legislative backing but it **operates independently of the government and political parties**. Rulings of the commission cannot be challenged in the parliament or any courts. This ensures its impartial functioning in the delimitation exercise.
- 4. One Vote one Value-** The delimitation exercise by the Commission ensures that the **sacred principle of "One Vote One Value" is followed**.

What have been the criticisms of the Delimitation Exercise in India?

- 1. No change in the number of seats despite increasing population- 42nd Constitutional Amendment Act 1976** froze the number of seats of the Lok Sabha and the state legislative assemblies based on the census 1971 figures. Further the **84th Constitutional Amendment Act** also froze the number of seats based on 1971 census till 2026. Thus the delimitation exercises by the delimitation commission are **only cosmetic changes with the alteration of boundaries only**.
- 2. Skipping of the delimitation exercise-** Even though the constitution mandates the conduction of delimitation exercise after each census, governments have skipped the creation of delimitation commissions after the **1981, 1991 and 2011 census**. Growing population is not reflected by these delimitation exercises.

What are the Challenges with Conducting Delimitation Exercise in India?

- 1. Disadvantageous for States that have controlled their population-** Delimitation exercise is **disadvantageous to states that have controlled their population(Southern States)**. Delimitation will benefit states that have not controlled their population as they will end up with higher number of seats in the Lok Sabha **(Like Bihar and UP)**.
- 2. Disadvantageous for regional parties-** Southern regional parties like **DMK, TDP, YSRCP** that have presence in their states only will be in a disadvantageous position. **Their share of seats and bargaining power will decrease** in the Lok Sabha.
- 3. Can fuel separatist movement-** The delimitation exercise based on the recent census data can fuel separatist regional movements like **Dravida Nadu** and it will hamper the federal political structure of the Country.
- 4. Delay in the implementation of Women's reservation-** The Women reservation bill/Nari Shakti Vandana Adhiniyam has been linked with the delimitation process. Since delimitation is itself a contentious issue this **can delay the implementation of women Quota**.

What Should be the Way Forward for the delimitation exercise?

- 1. Development of National Consensus-** Any step towards delimitation exercise must be based on National Consensus and the fears of the regional Political parties must be addressed.
- 2. Incentivizing the population controlling states through Finance Commission-** The Finance commission must evolve formula to reward the states which have controlled their Population financially.
- 3. Introduction of Flexible Frameworks-** The Delimitation Act should be amended to allow periodic reviews every 10 years, synchronized with the decennial Census, to reflect demographic changes without long gaps.

4. Public Participation Platforms- There should be focus on the Introduction of digital platforms for citizens to provide feedback on proposed boundaries, ensuring transparency and inclusivity.

5. Strengthen the Delimitation Commission- The autonomy and authority of the Delimitation Commission must be enhanced by ensuring that its composition includes demographers, statisticians, legal experts, and representatives of civil society.

Read More- [The Hindu](#)

UPSC Syllabus- GS 2- Polity

Redistribution of wealth and Wealth Tax in India- Explained Pointwise



India's taxation structure has undergone significant reforms in recent times, which has resulted in broadening of the tax base. However, there are **persisting challenges in generation of adequate revenue to fund public goods and social sectors**. As per the Union Budget 2024-25, the Centre's tax collection is projected at **11.78% of GDP, with direct taxes contributing 7%**. This remains low compared to global standards, impacting investments in critical sectors like education and healthcare. This has called for demands for redistribution of wealth and imposition of Wealth Tax in India. **Redistribution of wealth and Wealth Tax in India**

What are the Constitutional Provisions which provide for the Redistribution of Wealth? How has the redistribution of Wealth been applied historically?

Constitutional Provisions for redistribution of Wealth

Preamble	The Preamble to the Constitution aims to secure to all citizens social and economic justice, liberty, and equality .
Fundamental Rights	The fundamental rights listed in Part III of the constitution guarantees liberty and equality for the citizens.
Directive Principles of State Policy (DPSP)	Article 39(b) and (c) of DPSP contain principles that are aimed at securing economic justice . They provide that ownership and control of material resources of the society should be distributed to serve the common good . The operation of the economic system should not result in concentration of wealth to the common detriment.

Policies and Measures taken for Redistribution of Wealth after Independence

a. Curtailment of the Right to Property through various amendments-

Right to Property was originally envisaged as a **fundamental Right** under **Art 19(1)(f) of the constitution**. It further provided that under **Article 31** the state shall pay compensation in case of acquisition of private property.

Since the Government wanted flexibility in acquiring land for land reforms and public welfare, it curtailed the scope of right to property through various amendments.

Article	Amendment and Year	Brief Explanation about the Amendment
31 A	1st Amendment 1951	Provided that laws made for acquisition of estates etc. shall not be void on the ground that it violated fundamental rights, including right to property.
31 B	1st Amendment 1951	Made laws placed under the ninth schedule were to be immune from judicial review on the grounds of violation of fundamental rights. However, In the Coelho Case (2007), the SC held that laws placed in the ninth Schedule after April 24th 1973, (the date of the Kesavananda Bharati judgment) can be challenged if they violate fundamental rights or the basic structure of the Constitution.
31 C	25th Amendment 1971	Provided primacy to the DPSP under Articles 39 (b) and (c). Laws made to fulfil these principles shall not be void on the ground that it violated fundamental rights, including the right to property.

In the **Kesavananda Bharati case (1973)**, the Supreme Court **upheld the validity of Article 31C** but made it subject to judicial review.

In the **Minerva Mills case (1980)**, the Supreme Court ruled that the **Constitution exists on a harmonious balance** between **fundamental rights and DPSP**.

b. 44th Amendment Act which abolished Right to Property as a Fundamental Right

The 44th amendment act 1978, **omitted right to property as a fundamental right** and made it a **constitutional right under Article 300A**. This was done to avoid excessive litigation directly in the Supreme Court by the propertied class.

c. 'Socialistic Model of Economy' - Policies like **Nationalisation of banking and insurance, extremely high rates of direct taxes (Even up to 97%), Estate duty** on inheritance, tax on wealth and **The Monopolies and Restrictive Trade Practices Act, 1969 (MRTP Act)** that restricted private trade were adopted. These were aimed at reduction of inequality and redistribution of wealth among the poorer sections.

However, these **measures stifled growth** and also **resulted in the concealment of income/wealth**. Taxes like estate duty and wealth tax generated revenue that was much less than the cost incurred in administering them.

What has been the Government economic policy in the post-liberalisation era for wealth redistribution?

Indian economy adopted the modern liberal welfare economist model, with the Govt opening up the economy to private players, raising resources through taxes and redistributing them using a welfarist approach.

a. The Indian economy has **moved from the closed economy model** towards **liberalisation, globalisation** and **privatisation** in the 1990s.

b. The **new industrial policy was adopted in 1991** to empower market forces, improve efficiency and rectify deficiencies in the country's industrial structure.

c. The **MRTP Act was repealed** and **replaced with the Competition Act, 2002** and income tax rates were reduced considerably.

d. **Estate duty was abolished in 1985** and wealth tax in 2016.

The market driven economy **has resulted in additional resources** for the government that has helped in **bringing people out of abject poverty**. **For ex-** India has registered a **significant decline in multidimensional poverty in India** from **29.17% in 2013-14** to **11.28% in 2022-23**.

However, these policies have not been able to address the growing problem of inequality in India. There has been concentration of Wealth in the hands of few.

What is the need for redistribution of Wealth and Wealth Tax in India?

1. Rising wealth and income inequality in India- In the post-liberalisation period of the Indian economy, the wealth and income inequality has been rising in India. According to a report by the World Inequality Lab, **the top 10% of the country's population** have a **share of 65%** and **57% of the wealth and income respectively** as of 2022-23. The **bottom 50%** have a meagre share of **6.5%** and **15% of the wealth and income**, respectively.

2. Lack of Inclusive Growth- The Gini wealth coefficient in India has gone up from **81.3% in 2013** to **85.4% in 2017** (**100% represents maximal inequality**). The growth in India has not been inclusive.

3. Creation of meritocratic society- It will help in **creation of a meritocratic society** by **chipping away the advantages the children of the wealthiest families** enjoy by accident of birth. The redistribution of initial endowments can help in the establishment of optimal social state.

4. Reduction of Intra generational inequalities- The inheritance tax **reduces Intra- Generational Inequality** and **promotes Inter-Generational Equity** by preventing the concentration of income and wealth in the hands of a few.

What are the Challenges to redistribution of Wealth in India?

1. Political Resistance- Redistributive policies face resistance from powerful interest groups and vested interests, including wealthy individuals and corporations. **For Ex- Opposition** by the **dominant landholding classes** to the **Land reform policy** in India.

2. Large Informal Economy- Redistribution of wealth fail to reach informal economy, which are characterized by **low wages, lack of job security**, and **limited access to social protection**. This makes it challenging to effectively address the income inequality.

3. Deep-rooted Social Inequalities- There are **deep-rooted** caste, gender, religious, and ethnic inequalities in India. These social inequalities **perpetuate economic disparities** and **hinder the effectiveness of redistributive policies**, as marginalized groups face barriers in accessing resources and opportunities.

4. Capacity Constraints- India's institutional capacity to implement redistributive policies effectively is limited by bureaucratic inefficiencies, inadequate infrastructure, and resource constraints. **For ex- Corruption and leakages in the welfare schemes.**

What Should be the Way Forward?

1. Introduction of Inheritance tax with higher threshold- A inheritance tax with higher threshold needs to be introduced for redistribution of wealth in India. **For ex- A moderate inheritance tax of 10-15%** (like other Asian countries such as the Philippines, Taiwan and Thailand) on **India's 101 billionaires who are more than 65 years old** and collectively own ₹10.54 trillion can create a financial base of wealth redistribution.

2. Strengthening of institutional capacity and governance- The governance mechanisms must be strengthened, to ensure the efficient delivery of welfare services and benefits. **For ex- Plugging the leakages in the welfare schemes.**

3. Socio-Political consensus- Socio-Political consensus must be created on **progressive taxation and welfare programs** to address income inequality and promote equitable wealth distribution.

4. Attenuation of Govt Policies- The Govt policies must be **reframed in line with the current economic model so that Innovation and growth is not curtailed**, but the benefits of growth should reach all sections, especially the marginalized sections. **For ex- Resource based Development Policies.**

Read More- [The Indian Express](#)

UPSC Syllabus- GS 3- Indian Economy, Inclusive Growth

Female Labour Force Participation Rate- Explained Pointwise + Infographic

India's Low Female Labour Force Participation rate is a big threat to India's Demographic Dividend. India still has not cracked the code of getting women to work in time. Any further delay in improving the female labour force participation in productive sector, will be detrimental to India's dream of becoming a developed nation by 2047. **Female Labour Force Participation Rate**



Female Labour Force Participation Rate

- » Female Labour Force Participation Rate is a ratio of the number of women who are part of the labour force to the number of women in the working age (greater than 15 years of age). A woman is considered to be a part of the labour force if she/he is either employed or actively looking for work.
- » Female Labour Force Participation Rate (FLFPR) is consistently increasing in India over the years. It has increased from **24.5% in 2018-19** to **37% in 2022-23**.
- » However, according to the World Bank, Indian women's participation in the formal economy is among the lowest in the world. India needs to improve its low FLFPR to reap its rich demographic Dividend

Reasons for low FLFPR

- » The High Degree of Informalisation discourages women from participating in the labour force. **95% of India's working women are informal workers (ILO)**.
- » **Missing Manufacturing sector jobs** and limited number of jobs in services for women.
- » Gender Pay Gap and Glass ceiling. India has one of the **largest gender gap in median earnings** of full-time employees (ES 18)
- » **Pinkification of Jobs** limit the role of women to specific job profiles like nursing, teaching, gynaecologist.
- » **Unpaid care, child care and domestic chores**, has hindered women's ability to participate in the labour force
- » **Educated Unemployment phenomenon**- Unavailability of jobs that match the high female education levels
- » **Safety Concerns** like violence against women and sexual harrasment at workplace

For detailed Reading- [7 PM Link](#)



Advantages of FLFPR

- » Economic Boost- Gender parity in the workforce can **improve India's GDP by 27%** (IMF).
- » Tackle the phenomenon of **feminisation of poverty** which is a result of informalised women workforce
- » Improvement in Social Indicators like the **MMR and IMR**
- » Enables women to play a greater role in decision-making like **family planning**
- » Fulfilment of Global Commitments like **SDG-1, SDG-5, SDG-8**



Created By ForumIAS

What is Female Labour Force Participation Rate (FLFPR)?

Female Labour Force Participation Rate is a ratio of the number of women who are part of the labour force to the number of women in the working age (greater than 15 years of age). A woman is considered to be a part of the labour force if she/he is either employed or actively looking for work.

FLFPR trend in India

1. Female Labour Force Participation Rate (FLFPR) is consistently increasing in India. However, it is still very less compared to the developed nations.

2022-23	37%
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2021-22	32.8%
2020-21	32.5%
2019-20	30%
2018-19	24.5%

2. The simple average of the FLFPR of the five southern Indian states (Tamil Nadu, Karnataka, Telangana, Andhra Pradesh, Kerala) is 13% lower than the five northern states of Himachal Pradesh, Rajasthan, Chhattisgarh, Madhya Pradesh and Jharkhand. This defies the conventional belief that southern states, with high literacy and women empowerment indices, will have high FLFPR.

3. There are only four states (Assam, Bihar, Haryana and Delhi) with an FLFPR of less than 25%. Delhi has the lowest at 14.8%.

4. According to the World Bank, Indian women's participation in the formal economy is among the lowest in the world. Only some parts of the Arab world perform worse than India in terms of FLFPR.

What are the reasons for low Female Labour Force Participation rate in India?

1. **High Degree of Informalisation**- According to a 2018 study by the International Labour Organisation (ILO), more than 95% of India's working women are informal workers. The absence of social security net in the informal sector discourages women from participating in the labour force.

2. **Missing manufacturing**- Lack of alternative employment opportunities in manufacturing and the limited number of jobs in services for women, has also suppressed FLFPR in India.

3. **Gender Pay Gap and Glass ceiling**- According to the Economic Survey 2018, **India has one of the largest gender gap in median earnings of full-time employees**. Such discriminatory practices at workplace adversely affects FLFPR.

4. **Pink Jobs**- The societal notions about 'gendered occupations' limit the role of women to specific job profiles like nursing, teaching, gynaecologist etc. There are tangible and intangible barriers to entry of women in multiple professions like heavy engineering, law enforcement, armed forces etc.

5. **Cultural practices**- Unpaid care, child care and domestic chores, has hindered women's ability to participate in the labour force. In a patriarchal society, many women are not allowed to work after marriage.

6. **Increase in Household Income**- The rise in household incomes in both the rural and urban areas has provided women the choice to not take up jobs.

7. **Safety Concerns**- High incidents of violence against women discourages women to work in the night like their male counterparts. Further, instances of sexual harassment at workplace induces women to opt out of labour force.

8. **Educated Unemployment**- Women are going for higher education, as seen in Gross Enrolment Ratio (GER) of secondary education. The lack of availability of jobs that match the high female education levels also contributes to the low FLFPR.

9. **Legally sanctioned restrictions**- Many States continue to **restrict women's participation in hazardous jobs in factories and commercial establishments**. For ex- women are not allowed to work on stone-cutting machines, shop floor of boilers, etc.

10. **Political Vacuum-** The current Lok Sabha has only 14.4% women, despite women constituting around 50% of Indian population. The lack of gender perspectives inhibits formulation of a comprehensive policy that encourages women participation in economic activities.

What is the significance of enhancing Female Labour Force Participation?

1. **Economic Boost-** According to the IMF, gender parity in the workforce can **improve India's GDP by 27%**.
2. **Tackling poverty-** It helps to tackle the phenomenon of feminisation of poverty, which is a result of highly informalised work performed by women.
3. **Improvement in Social Indicators-** Encouraging more women to enter the formal workforce will improve indicators like Infant Mortality Rate (IMR), Maternal Mortality Rate (MMR).
4. **Self Confidence and Dignity-** Financial independence enables women to play a greater role in decision-making like family planning.
5. **Global Commitments-** Improving FLFPR is related to achievements of **SDG 1** (No Poverty), **SDG 5** (Gender Equality), **SDG 8** (Decent Work and Economic Growth) and **SDG 10** (Reduced inequalities).

What steps have been taken by the Government to enhance Female Labour Force Participation?

Maternity Benefit (Amendment) Act, 2017	The Act more than doubled the duration of paid maternity leave for women employees to 26 weeks. It proposed an option to work from home after this period, on mutual agreement with the employer. It made crèche facilities mandatory for establishments employing 50 or more women.
Anganwadi centres under the ICDS	They provide maternal and child nutritional security, a clean and safe environment, and early childhood education. Thus, they facilitate the ability of women to re-enter work post-childbirth.
National Food Security Act (NFSA), 2013	Apart from providing affordable food, it entitles pregnant and lactating mothers to a cash transfer of at least INR 6,000. This is done to break the compulsion for early returning to work.
Stand up India	The scheme facilitates bank loans for setting up a new enterprise in manufacturing, services, agri-allied activities, or the trading sector by SC/ST/Women entrepreneurs. It provides bank loans between INR 10 lakh and up to 1 crore.
The Sexual Harassment of Women at Workplace Act, 2013	It is a legislative act in India that seeks to protect women from sexual harassment at their place of work

Conclusion and Way Forward

1. **Child Care Subsidies-** **Child-care subsidies** should be provided to free up mothers' time to enter the labour force, which would have significant implications in increasing female employment.
2. **Comprehensive approach to improve women labour force participation-** A comprehensive approach aimed at improving skill development, access to child care, maternity protection, and provision of safe and accessible transport, is needed.
3. **Removal of the legally sanctioned legislation-** States should review legislations like the Factory Act, Shops and Establishment Act etc. and liberalise the restrictions on women. The best practices from well performing

States can be adopted across all States. For ex- **Andhra Pradesh and Telangana are the only two states that allow women to work in all processes in all establishments.**

4. **Creation of Self Help Groups-** The focus should be on creation of more Self Help Groups. They are of immense reliance and drastically enhance women participation as seen in case of **Kudumbashree model of Kerala.**

5. **Use of innovative solutions to enhance female retention in industries-** Public crèches can be operated at worksite clusters such as near industrial areas, markets, dense low-income residential areas, and labour nakas. This model has been tested successfully by **Self-Employed Women's Association (SEWA) Sangini** in some Indian cities.

6. **Accounting for Care economy-** We need to account for care economy in the GDP calculations.

Conclusion

There is a need to take multiple steps to augment the female labour force participation in India in order to realise the numerous social and economic benefits that accrue from greater presence of women in the workforce. It can help India move from women-centric development to women-led development.

Read More- [Livemint](#)

UPSC Syllabus- GS 3 Inclusive Growth, GS 1 Women empowerment, GS 2 Vulnerable sections of the society

India-China Relations after the LAC Disengagement- Explained Pointwise



The recent **special representative meeting between India and China**, held on December 18, 2024, marked a **significant step towards normalizing relations between the two nations** after years of tension. This meeting was the first formal engagement of its kind in nearly five years, with **India's National Security Advisor Ajit Doval** and **China's Foreign Minister Wang Yi** leading the discussions.

This meeting is seen as a critical move towards stabilizing India-China relations, particularly after a period marked by military standoffs and heightened tensions since 2020. The constructive dialogue reflects both countries' recognition of the need for peaceful coexistence and cooperation on shared interests, despite lingering disputes over territorial boundaries. **India-China Relations after the LAC Disengagement**

What were the Key Outcomes of the Special Representative meeting?

1. Affirmation of Disengagement- Both sides positively affirmed the implementation of the disengagement agreement reached on October 21, which aimed at reducing tensions along the Line of Actual Control (LAC) in eastern Ladakh. This agreement has allowed for patrolling and grazing in relevant areas, which is crucial for maintaining stability

2. Six-Point Consensus- The representatives reached a six-point consensus that includes:
Resumption of the Kailash Mansarovar pilgrimage to Tibet.
Enhanced cooperation on cross-border rivers.
Promotion of trade at the Nathu La Pass.
Strengthening confidence-building measures and sustainable peace along the border

3. Framework for Future Cooperation- Both parties agreed to explore a fair, reasonable, and mutually acceptable framework for resolving boundary issues, drawing from political guiding principles established in 2005. They emphasized a step-by-step approach, starting with less contentious issues before addressing more complex matters

4. Commitment to Peace- The discussions underscored the importance of maintaining peace and tranquility at the borders to facilitate normal bilateral relations. Both sides committed to refining management rules in border areas and enhancing diplomatic and military coordination

5. Future Meetings- Plans were made for further meetings of the Special Representatives mechanism in India next year to continue dialogue and cooperation on these issues

What are the Key aspects of the recent India-China LAC Agreement?

1. Patrolling Protocols- The agreement allows both nations to **resume patrols along previously established routes**. The agreement effectively aims to return to the status quo that existed before the tensions escalated in 2020.

2. Disengagement Process- The agreement also seeks to complete the **disengagement process**, which has been a focal point of negotiations over the past four years.

3. Reduction of Military Presence- According to the agreement, both India and China will **slightly withdraw their forces from current positions to prevent confrontations**. Regular monitoring and review meetings will be instituted to ensure compliance with the new protocols.

What are the implications of the agreement for India-China relations?

The recent agreement between India and China regarding the Line of Actual Control (LAC) has significant implications for India-China bilateral relations.

1. De-escalation of Tensions- The agreement marks a move towards de-escalation in a region where both countries have maintained heavy military presence. The agreement reduces the **likelihood of confrontations** like **Galwan 2020** and fosters a more stable environment along the border.

2. Restoration of Diplomatic Relations- Successful implementation of the agreement could facilitate the resumption of higher-level diplomatic engagements in forum such as **BRICS, SCO**.

3. Economic and Trade Relations- The normalization of military interactions will pave the way for improved economic ties between India and China. **For Ex- Resumption of Flights and increased Chinese investment in India.**

4. Influence on Regional Stability- A stable India-China relationship could set a precedent for resolving other territorial disputes in Asia. **For ex- Alteration of perceptions of China's border policies among neighbouring countries.**

5. Path for Long-term Territorial Dispute Resolution- The LAC agreement will pave the way for resolution of 'legacy border issues' like **Depsang** and **Demchok** in future.

What are the challenges in resolving the India-China border dispute?

1. Historical Disagreements and 'Legacy Issues'- The India-China border dispute has a **long and complex history that dates back to the 1962 border war**. The presence of '**legacy issues**', such as the disputes over **Depsang Plains and Demchok**, is a major challenge in the effective resolution of the India-China Border Dispute.



Figure 1. Source- The Tribune

2. Unilateral Chinese actions- China's attempts to **unilaterally alter the status quo along the LAC**, including military incursions into Indian territory, have significantly escalated tensions and complicated resolution efforts in the past.

3. Strategic concerns and nationalistic sentiments- The strategic importance of the disputed territory, coupled with nationalistic sentiments on both sides, makes it more difficult for either government to compromise or concede territory.

4. Military build-up and infrastructure development- The strengthening of military presence and infrastructure along the LAC by both India and China adds to the layer of complexity in the effective

resolution of dispute.

5. Lack of trust and mutual suspicion- The deadly clashes in the **Galwan Valley in 2020** have deeply impacted the level of trust between the two nations, **leading to heightened suspicion and uncertainty**. This lack of trust creates a volatile environment that is not conducive to long-term conflict resolution.

6. Imbalance in buffer zones- The establishment of buffer zones during the disengagement process has resulted in **India losing more territory than China**. This imbalance creates further tension and makes conflict resolution more difficult.

What should be the Way Forward?

1. Continued dialogue and negotiations- Both nations must continue high-level talks, keeping **dialogue channels open to facilitate negotiation and mutual understanding**. Military, political, and diplomatic conversations should be maintained to reduce tension along the LAC in future.

2. Establishment of trust- Both countries should actively **avoid actions** that could exacerbate the situation, such as **unilateral attempts to alter the status quo**, and work towards fostering an environment of mutual respect and understanding.

3. Resolve legacy issues- The legacy issues, including **unresolved border claims**, should be addressed as a **future step in the LAC negotiations**. This would ensure a comprehensive solution to the border dispute.

4. Balanced disengagement- Future disengagements should aim for a balance, ensuring neither side disproportionately loses territory in the creation of buffer zones. This will help to maintain the equilibrium and contribute to a long-term peaceful resolution.

Read More- [The Indian Express](#)

UPSC Syllabus- GS 2- International Relations

India State Of Forest Report- Explained Pointwise

Recently, the **India State of Forest Report (ISFR) 2023** has been released by the Minister for Environment, Forest, and Climate Change, at the Forest Research Institute, Dehradun. The report, published **biennially by the Forest Survey of India (FSI) since 1987**, provides an in-depth assessment of forest and tree resources based on remote sensing data and field surveys. The recently released report is the **18th report in the series**. **India State Of Forest Report**



Source- The Indian Express

What are the key features of India State of Forest Report (ISFR) 2023?

The report provides comprehensive data on forest cover, tree cover, mangroves, growing stock, carbon stock, forest fires, and agroforestry. Special thematic insights into forest health and characteristics have been included in the report.

Forest and Tree Cover	The Forest and Tree cover of the country is 8,27,357 sq. km which is 25.17 percent of the geographical area of the country . The total forest cover consists of 7,15,343 sq km (21.76% of geographical area) while the total tree cover consists of 1,12,014 sq km (3.41% of geographical area) .
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Increase in Forest and Tree Cover	<p>There has been an increase of 1,445 sq km in forest and tree cover compared to 2021. There has been an increase of 156 sq km in the forest cover while the tree cover has increased by 1,289 sq km.</p> <p>Top four states showing maximum increase in forest and tree cover are Chhattisgarh (684 sq km) followed by Uttar Pradesh (559 sq km), Odisha (559 sq km) and Rajasthan (394 sq km).</p> <p>Top three states showing maximum increase in forest cover are Mizoram (242 sq km) followed by Gujarat (180 sq km) and Odisha (152 sq km).</p>
States having largest area under Forest and Tree Cover	<p>States having largest area under Forest and Tree Cover are Madhya Pradesh (85,724 sq km), Arunachal Pradesh (67,083 sq km) and Maharashtra (65,383 sq km).</p> <p>States having the largest area under Forest Cover are Madhya Pradesh (77,073 sq km.), Arunachal Pradesh (65,882 sq km) and Chhattisgarh (55,812 sq km).</p>
States having largest percentages of geographical area under forest cover	<p>19 states/UTs have above 33 percent of the geographical area under forest cover. Out of these, eight states/UTs namely Mizoram, Lakshadweep, A & N Island, Arunachal Pradesh, Nagaland, Meghalaya, Tripura, and Manipur have forest cover above 75 percent.</p> <p>Lakshadweep (91.33%), Mizoram (85.34%), and Andaman & Nicobar Islands (81.62%) have the highest forest cover relative to geographical area.</p>
Mangrove Cover	The total mangrove cover is 4,992 sq km in the country.
Growing stock of India's forest and trees	<p>The total growing stock of India's forest and trees outside forests is estimated as 6430 million cum, of which 4479 million cum is inside the forests and 1951 million cum outside the forest area.</p> <p>There is an increase of 262 million cum of total growing stock as compared to the previous assessment which includes an increase of 91 million cum inside the forest and 171 million cum outside the forest area.</p>
Increase in Bamboo bearing area	The extent of bamboo bearing area for the country has been estimated as 1,54,670 sq km . As compared to the last assessment done in 2021 there is an increase of 5,227 sq km in bamboo area.
Additional Carbon Sink	Compared to the base year of 2005, India has already reached 2.29 billion tonnes of additional carbon sink as against the target of 2.5 to 3.0 billion tonnes by 2030.

What are the concerns highlighted by the India State of Forest Report, 2023?

- 1. Loss of Forest Cover in the Western Ghats-** The IFSR 2023 for the first time included an assessment of forest cover across the Western Ghats. According to the report, the area earmarked as eco-sensitive zone by the Centre has seen a **loss of 58.22 sq km of forest cover** since 2013.
- 2. Loss of Dense Forests-** There has been loss of dense forests of around 24,651 sq km (6.3%) since 2003. Since 2021 the **total loss of dense forest** has been around **3,913 sq km**, which is **larger than Goa** in terms of area.

3. Loss of mangrove cover- The **natural disaster** and **hazard-resilient mangrove species** have seen a **decrease of 7.43 sq km** in the country compared to 2021. A prominent decrease was recorded in Gujarat at a loss of 36 sq km, followed by a 4.65 sq km decrease in Andaman and Nicobar Islands.

4. Decrease in the forest cover in Northeast- The northeastern states continued to record a declining trend in forest cover. As per the 2023 assessment, the decrease of forest cover in north eastern states has been around **327.30 sq km**.

5. Forest and tree cover behind the national goal- **National Forest Policy, 1988** provides for having a **minimum of 1/3rd of total land area of country** under forest or tree cover as a national goal. However, the present forest and tree cover of the country, which is **25.17 percent of the geographical area of the country**, remains behind the national goal.

6. Plantation vs Natural forest Dilemma- While there has been growth in the area of plantation, there exists a **dilemma between the growth of plantation and natural forest**. Plantations are often monocultures, vulnerable to fire, pests, and disease, while natural forests are more biodiverse, store more carbon, and support ecosystem stability. Experts have cautioned **against the over-reliance on plantations** to compensate for natural forest loss.

What are the reasons behind the increase in forest cover in the country?

The increase in forest cover in India, as highlighted in the India State of Forest Report 2023, can be attributed to several key factors. Following are some of the factors behind the increase in forest cover in the country-

1. Afforestation Programs- Large-scale plantation drives under government schemes like **National Afforestation Programme (NAP)** and **Green India Mission (GIM)** have significantly contributed in increasing forest cover.

2. Promotion of agroforestry- The adoption of agroforestry practices, through initiatives like the **Sub-Mission on Agroforestry (SMAF)**, has encouraged farmers to grow trees alongside crops, resulting in enhanced tree cover.

3. Community Participation- The involvement of local communities through **Joint Forest Management Committees (JFMCs)** has boosted conservation efforts and reforestation programs in the country.

4. Technological Interventions- Use of **advanced remote sensing technologies** and **forest monitoring systems** has facilitated better forest management and detection of degraded areas for restoration.

5. Ecotourism and Awareness Campaigns- Growing awareness about biodiversity and climate change has led to enhanced participation in conservation efforts and tree-planting initiatives. **Corporate Social Responsibility (CSR) initiatives** have supported afforestation programs, adding to the green cover.

What additional measures can be taken to increase the forest cover in the country?

1. Incentives for Tree Planting- The government should provide financial incentives, tax benefits, and subsidies to individuals and organizations for tree planting. **For ex-** China's **Grain-for-Green Program** compensates farmers for converting farmlands into forests.

2. Land Restoration Programs- The degraded lands should be restored through **soil restoration** and **watershed management**. **For ex-** **Ethiopia's Tigray Reforestation Project** has reclaimed arid lands through terracing and tree planting.

3. Enhanced Public-Private Partnerships (PPP)- The government must collaborate with industries and NGOs for funding and implementation of green projects. **For ex-** **The Toyota Green Wave Project in Japan** supports forest restoration.

4. Seed Banks and Nurseries- Seed banks and nurseries should be established to provide quality planting material. **For ex-** The **Millennium Seed Bank Project (UK)** preserves seeds for future forest restoration.

The ISFR 2023 provides critical data for monitoring forest resources and supports policymakers, planners, researchers, and environmentalists. It highlights India's progress in forest conservation, carbon sequestration, and sustainable management of natural resources.

[Read More- The Indian Express](#)
UPSC Syllabus- GS 3- Environment

National Human Rights Commission (NHRC)- Explained Pointwise



Recently, Former Supreme Court judge **Justice V Ramasubramanian** was appointed by the **President of India Shri Droupadi Murmu** as the chairperson of National Human Rights Commission (NHRC). However, the principal opposition party has issued a dissent note and has called the selection process of NHRC chairperson and members as “fundamentally flawed”. The dissent note has held the selection process as a **pre-determined exercise** (relying on numerical majority to finalize the names), ignoring the established tradition of mutual consultation and consensus.

In this article, we will have a look at the institution of NHRC, the procedure of appointment of NHRC members. We will look at the successes and failures of NHRC as an institution. We will also look at the way ahead for the institution.

What is NHRC? What is its Mandate?

NHRC- NHRC is a **statutory body** established under the **Protection of Human Rights Act, 1993**. The Commission is the watchdog of human rights in the country. It is a **multi-member body** consisting of a chairperson and five members.

Chairperson	The Chairperson is a retired chief justice of India or a judge of the Supreme Court .
Members	<p>One Member who is, or has been, a Judge of the Supreme Court</p> <p>One Member who is, or has been the Chief Justice of a High Court</p> <p>Three Members, to be appointed from amongst persons having knowledge and practical experience in matters of human rights, one of whom shall be a woman</p>
Appointment	The chairperson and members are appointed by the President on the recommendations of a six-member committee consisting of Prime Minister as its head, Speaker of the Lok Sabha, Deputy Chairman of the Rajya Sabha, Leaders of the Opposition in both the Houses of Parliament, Central Home Minister
Tenure	The chairperson and members are appointed for the term of 3 years or till the age of 70 years , whichever is earlier.
Reappointment	The chairperson and members are eligible for reappointment.

Mandate of NHRC

- 1. Investigation-** Investigating complaints or failure of any **public official** regarding the rights' violation, either suo moto or after receiving a petition.
- 2. Prevention and Safeguard-** Monitoring the **living conditions of the inmates** and to make recommendations thereon. Reviewing statutory safeguards or treaties for the protection of human rights.
- 3. Intervention-** NHRC intervenes in any proceeding **involving any allegation of violation of human rights pending before a court** with the approval of such court.
- 4. Human rights-** NHRC review the factors, including acts of terrorism, that **inhibit the enjoyment of human rights** and recommend appropriate remedial measures.
- 5. Awareness-** NHRC **spreads human rights literacy amongst various sections of society** and promotes awareness of the safeguards available for the protection of these rights through publications, the media, seminars and other available means.

What are the Provisions for Protection of Human Rights in India? What are the successes and failures of NHRC in Human rights protection in India?

Human rights- Human rights are **rights relating to life, liberty, equality and dignity of the individual** guaranteed by the Constitution or embodied in the International Covenants and enforceable by courts in India

Provisions for Protection of Human Rights in India

- 1. Universal Declaration of Human Rights-** The UDHR principles have been adopted by India to guarantee human rights.
- 2. Right to equality (Art 14-18) of the Constitution-** This guarantees **equality before law, prohibition of discrimination** on grounds of religion, race, caste, gender or place of birth, and **equality of opportunity in matters of employment, abolition of untouchability** and **abolition of titles**.
- 3. Right to freedom (Art 19-22)-** This guarantees the **freedom of speech and expression**, assembly, association or union or cooperatives, movement, residence, and right to practice any profession or occupation, **right to life**

and liberty, protection in respect to conviction in offences and protection against arrest and detention in certain cases.

4. Right against exploitation (Art 23 and 24)- This prohibits all forms of **forced labour, child labour** and **traffic of human beings**.

5. Bandhua Mukti Morcha V. Union of India (1984)- SC held that Art. 21 guarantees Right to Life. The meaning of life under this article means a life of not only animal existence but life with human dignity

Successes of NHRC

Since its formation, the NHRC has widely dealt with issues relating to the application of human rights. Despite its limitations, **NHRC has been striving to provide human rights relief to citizens in India**. Some of the success stories are mentioned below-

- a. Campaigns against **discrimination of HIV patients**.
- b. Intervention in the cases of Child sexual abuse and violence such as **Nithari Village in Noida, UP**.
- c. **Suo-moto cognisance** in the case of **killing of 10 people in police firing during Anti-Sterlite protest in Tuticorin in Tamil Nadu**.
- d. Intervention in the case of **killing of Rising Kashmir editor Shujaat Bukhari** after an appeal via press, by a network of editors and media practitioners.

Failures of NHRC in Human rights Protection

However, NHRC has failed in securing Human rights to all, which are evident from these examples-

1. Existence of Custodial Torture and extrajudicial killings- The recent **Sathankulam case in Tamil Nadu** is proof of existence of custodial torture. Extrajudicial Killings like fake encounters, mob lynching, etc. have not stopped in India.

2. Arbitrary Arrest and Detention- Both the NHRC and SHRC both **have failed to control them due to their lack of powers**.

3. Prevalence of Gender based Violence- Violence and discrimination against Women, Children like rape, murder, sexual abuse are also prevalent in India.

4. Prevalence of Manual scavenging- Manual Scavenging is still prevalent in India. According to the 2011 Census, there are more than 26 Lakh insanitary latrines in the country. Even though the government enacted a law and NHRC given its recommendations, the practice still exists in India.

5. Suspension of 'A' status by GANHRI- The **suspension of 'A' status by GANHRI for two consecutive years (2023 and 2024)** marks a significant setback for NHRC and its international standing.

What are the other Limitations/Challenges faced by NHRC in India?

1. Status of recommendatory Body- NHRC is **only a recommendatory body**, without the power to enforce decisions. The lack of authority to ensure compliance, can sometimes lead to the outright rejection of its decision.

2. Lack of effective investigation powers- NHRC **lacks an independent investigative machinery** to enquire into complaints. Further, the **Protection of Human Rights Act, 1993**, prohibits NHRC from pursuing investigation of an event, **if the complaint was made more than one year after the incident**. Therefore, many genuine grievances remain unaddressed.

3. Jurisdictional Limits- NHRC **cannot address human rights violations** committed by **private parties**. NHRC cannot investigate the violation in case of armed forces and has to rely on the report of the Centre.

4. Lack of effective enforcement powers- NHRC **lacks authority to penalise the authorities** that fail to implement its orders.

5. Post retirement club- NHRC has become a **post-retirement destination for judges, police officers and bureaucrats with political clout**. The composition of the commission which is heavily judicial has given it a **court like character**.

6. Lack of funds and functionaries- The **inadequacy of funds, functionaries**, and the bureaucratic way of functioning, hampers the effectiveness of the commission.

What Should be the Way Forward?

1. Enhanced enforcement powers- The **decisions of NHRC should be made enforceable** by the government. The efficacy of commissions will be greatly enhanced if their decisions are made enforceable by the government.

2. Revamping the membership structure- The members of NHRCs **should include civil society, human rights activists, minorities**, etc. rather than ex-bureaucrats. The search cum selection committee must ensure transparency in the selection of members.

3. Independent Staff- NHRC should have its **independent investigating staff** recruited by the commission directly. The present practice of deputation of staff must be stopped.

4. Developing scientific Human rights framework- NHRC must explore creating a scientific human rights framework tailored for India.

Read More- [Livemint](#)

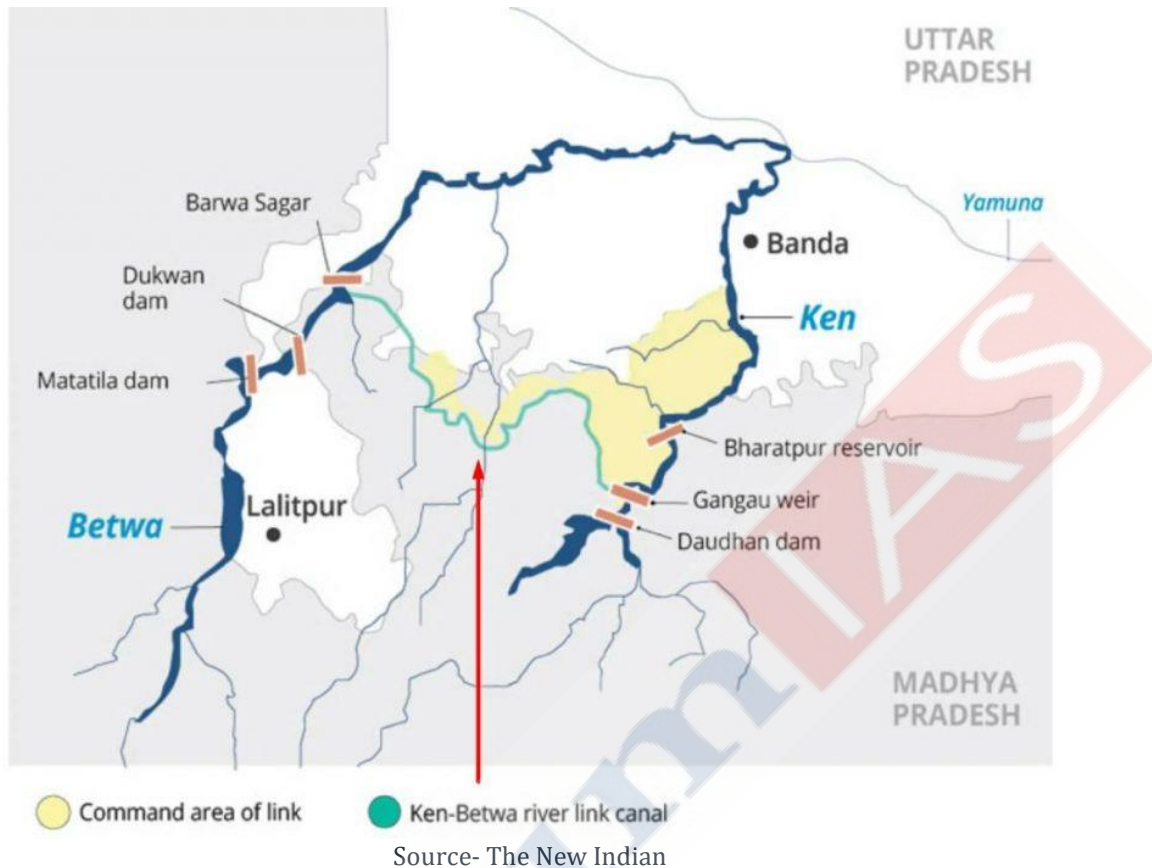
UPSC Syllabus- GS 2- Indian Polity- Non Constitutional Bodies

Interlinking of Rivers in India- Explained Pointwise

Prime Minister Narendra Modi laid the foundation stone of the **Ken-Betwa River Linking Project (KBLP)** on December 25, marking the 100th birth anniversary of former Prime Minister Atal Bihari Vajpayee. The Ken-Betwa River Linking Project is a **landmark infrastructure initiative** aimed at addressing water scarcity and promoting development in Bundelkhand. However, there are **concerns** regarding **environmental degradation, wildlife displacement, and rehabilitation**, which merit a detailed discussion on the issue of river interlinking projects in the country.

What is the Ken-Betwa River Linking Project?

The KBLP aims to transfer water from the Ken River to the Betwa River, both tributaries of the Yamuna. The project includes a 221-km-long canal, featuring a 2-km tunnel. The project aims to provide irrigation for **10.62 lakh hectares** (8.11 lakh ha in Madhya Pradesh and 2.51 lakh ha in Uttar Pradesh), **drinking water supply for 62 lakh people** and **generation of 103 MW hydropower and 27 MW solar power**.



This is the first initiative under the **1980 National Perspective Plan for interlinking rivers**, which includes 16 peninsular and 14 Himalayan links.

What is the National River Linking Project (NRLP)?

NRLP, formerly known as the National Perspective Plan, proposes to connect 14 Himalayan and 16 peninsular rivers with 30 canals and 3,000 reservoirs to form a gigantic South Asian Water Grid. The initial plan to interlink India's rivers came in 1858 from a British irrigation engineer, *Sir Arthur Thomas Cotton*.

NRLP includes two components:

Himalayan component- This component aims to construct storage reservoirs on the Ganga and Brahmaputra rivers, as well as their tributaries in India and Nepal. It will connect 1) the **Ganga and Brahmaputra basins** to the **Mahanadi basin**, and 2) the **Eastern tributaries of the Ganga** with the **Sabarmati and Chambal river systems**.

Peninsular component- It includes **16 links that propose to connect the rivers of South India**. It envisages linking, 1) the Mahanadi and Godavari to feed the Krishna, Pennar, Cauvery, and Vaigai rivers, 2) the Ken river to the Betwa, Parbati, Kalisindh, and Chambal rivers, 3) West-flowing rivers to the south of Tapi to the north of Bombay, and 4) Linking some west-flowing rivers to east-flowing rivers.

The NRLP is managed by **National Water Development Agency (NWDA)** under the Ministry of Jal Shakti. NWDA was set up in 1982, to conduct surveys and see how feasible proposals for interlinking river projects are. Recently, it has been reported that the Centre is deliberating on creation of a **National River Interlinking Authority (NIRA)**. It will have powers to set up SPV for individual link projects.

Previous examples of river-linking in India- In the past, several river linking projects have been taken up. For instance:

a. Under the Periyar Project, transfer of water from Periyar basin to Vaigai basin was envisaged. It was commissioned in 1895.

b. Godavari River has also been formally interlinked with the Krishna River at Ibrahimpatnam (near Vijayawada) in Andhra Pradesh in September 2015.

What are the advantages of Interlinking of Rivers?

- 1. Addressing the Hydrological Imbalance of India-** India has a large-scale hydrological imbalance with an effective rainfall period of 28 to 29 days. Some regions receive very high rainfall while some face droughts. Interlinking would enable the transfer of water from **flood-prone regions** to **drought-prone regions**.
- 2. Improvement of inland waterways-** Interlinking of rivers will create a network of navigation channels for the growth and development of inland waterways in India.
- 3. Aiding irrigation potential-** The interlinking of rivers has the potential to **irrigate around 35 million hectares of land in the water-scarce western peninsula**. This will help India to create employment, boost crop outputs, and farm incomes.
- 4. Generation of hydropower-** The interlinked rivers have the potential to generate a total hydropower of around 34 GW. This will help India to reduce coal-based power plant usage and will help to achieve India's targets under Glasgow Climate Pact and under the Paris agreement.
- 5. Drinking water supply-** The project envisages a supply of clean drinking water amounting to 90 billion cubic meter. It can help in the resolution of the issue of drinking water scarcity in India.
- 6. Boost to industries-** Interlinking of rivers has the potential to provide around 64.8 billion cubic meter of water for industrial use.
- 7. Environmental benefits-** protect wildlife in the summer months due to water scarcity. It can also reduce forest fires occurring in India due to climatic conditions.
- 8. Waterline Defence-** India can also explore an additional line of defence in the form of waterline defence by the interlinking of rivers.

What are the issues/challenges in Interlinking of Rivers?

The interlinking of rivers project has a variety of challenges. They are,

- 1. Impact of the Climate change-** Reports point out that Climate change will cause a meltdown of 1/3rd of the Hindu Kush Region's glaciers by 2100. So, the **Himalayan rivers might not** have '**surplus water**' for a long time. The investment of billions of money in the interlinking of rivers might yield benefits only for a short time.
- 2. Human cost of Displacement-** There are challenges of loss of livelihood and displacement of people especially, the poor and tribal people located near the forests.
- 3. Huge financial cost-** NRLP is a highly capital-intensive project. In 2001, the total cost for linking the Himalayan and peninsular rivers was estimated at **Rs 5,60,000 crore**, excluding the costs of relief and rehabilitation, and other expenses. The **cost-benefit ratio might no longer be favourable** for the implementation of river interlinking projects.
- 4. Impact on ecology and biodiversity-** With the ecology of every river being unique, letting the waters of rivers mix may affect biodiversity. Also, when most of the rivers in the country are polluted, this may cause mixing of a less polluted river with a more polluted one.
- 5. International Challenges-** Countries like Bhutan, Nepal, and Bangladesh will be impacted due to the NRLP. Bangladesh has fears that the water diversion from the Ganga and Brahmaputra rivers to India's southern states, will threaten the livelihoods as well as its environment.
- 6. Inter state Disputes-** Water is a state subject in India. So the implementation of the NRLP primarily depends on Inter-State co-operation. Several states including Kerala, Andhra Pradesh, Assam, and Sikkim have already opposed the NRLP.

7. Infrastructural Challenges- The government is proposing a canal irrigation method for transmitting water from one area to the other. The maintenance of canals is also a great challenge, as it includes preventing sedimentation, clearing logging of waters. Further, the government faces the challenge of acquisition of large-scale lands for the smooth implementation of the project.

What should be the way forward?

1. Efficient utilisation of existing resources- Integrated water resource management is the key for India. Curbing water demand by efficient utilisation of existing water resources should be prioritised before making big-ticket investments in river interlinking under NRLP.

2. Efficient Groundwater management- The focus of India's water resources should be about nurturing its Groundwater system. It should include identification and protection of groundwater recharge mechanisms, installation of artificial recharge and regulation of groundwater use at aquifer level.

3. Virtual water- India should also push for the concept of virtual water. **For example-** When a country imports one tonne of wheat instead of producing it domestically, it is saving about 1,300 cubic meters of the local water. The local water can be saved and used for other purposes.

4. National Waterways Project (NWP)- As per some experts, the govt should consider the National Waterways Project (NWP) instead of the NRLP. Under NWP, water from a flooded river will flow to the other. It acts like a water grid, similar to a power grid. It just needs 1/3rd the land required for interlinking of rivers, is open to navigation throughout the year and involves zero pumping. Furthermore, it can irrigate almost double the land and has a 76% more power generation capacity (60 GW) compared to the interlinking of rivers project.

Read More- [The Indian Express](#)
UPSC Syllabus- GS 1- Indian Geography

70 Hours Work Week- Explained Pointwise

Recently, Infosys Founder **Narayan Murthy** again suggested '70 hours work week' to improve India's labour productivity and competitiveness. He emphasized the need to improve India's labour productivity, citing Germany and Japan as examples. This idea of long working hours as a measure to improve the country's work productivity has drawn both support and criticism. Zoho CEO Sridhar Vembu has called the idea a 'demographic suicide'.

What is Productivity and what are its types?

Productivity- Productivity measures how efficiently inputs like **labour** and **capital** are used to produce outputs such as goods and services.

Types of Productivity

Labour/Work Productivity	<p>(1) Measures the output produced per hour of work. For ex- for a GDP of \$1 trillion with its people working 20 billion hours, the labour productivity is \$50 per hour.</p> <p>(2)It is directly linked to increased wages, better living standards, and consumer's purchasing power.</p>
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Capital Productivity	<p>(1) Measures the output produced by using physical assets like machinery, buildings and equipments.</p> <p>(2) It indicates how efficiently investments in physical assets are used, impacting profitability and competitiveness.</p>
Total Factor Productivity	<p>(1) Measures the output produced by advancements in innovation and technology.</p> <p>(2) It reflects efficiency improvements, technological progress, and innovation in an economy.</p>

What is the status of India's labour productivity and working hours?

Indian Labour productivity status as per the ILO Data

India	India's hourly output stands at \$8.47 . Indians work an average of nearly 48 hours per week .
France	France's hourly output stands at \$58 . Average workweek is around 30 hours per week .

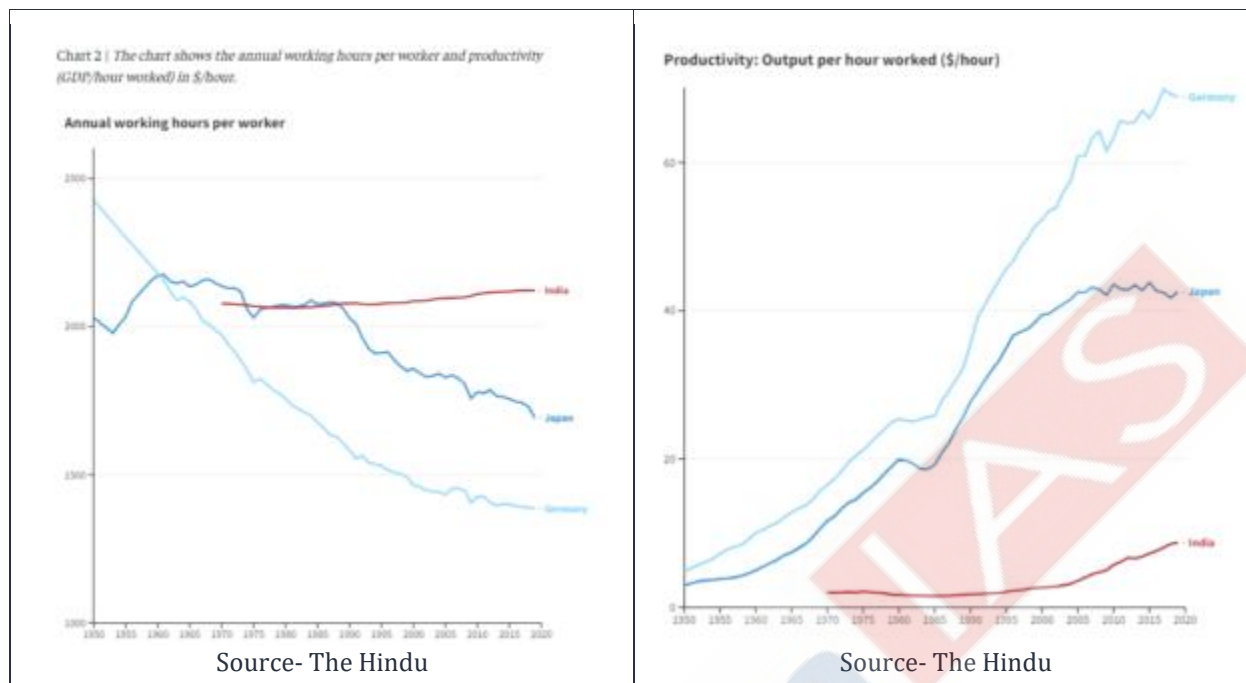
Young India's working hours

(1) Time Use Survey in India 2019 data shows that young Indians aged 15-29 currently work around **7.2 hours a day in rural areas** and **8.5 hours a day in urban areas**.

(2) A State-wise comparison of the time spent on work in urban areas is higher than in rural areas. Uttarakhand ranks first, with young people from the State working for an average of 9.6 hours a day.

Mr. Murthy's rationale for long working hours taking the productivity increase of Japan and Germany by long working hours

Germany and Japan after the second world war encouraged their workforce to put in extra hours of work per day to boost the economic productivity. The average working hours was between **2,200 to 2,400 hours per year**, which came down to **8.3 to 9 hours of work per day**, adhering to a five-day work week without holidays.



However, 70 hours work week would translate to 14 hours per weekday. This would be even more than what Japan and Germany reached in the post world war era.

What are the arguments in favour of '70 hours work week'?

1. Increased Productivity- Advocates argue that a longer workweek could potentially result in higher productivity due to more time spent on tasks and projects. **Ex- Japan and Germany productivity push due to longer working hours.**

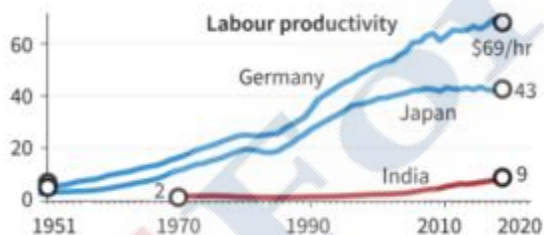


Figure 2. Source- The Hindu

2. Higher Economic Growth- It might boost economic growth as more work hours could contribute to increased production and innovation. It can help India reach the goal of **\$5 trillion economy**.

3. Increased Global Competitiveness- In a globalized world, longer work hours might help Indian professionals remain competitive in the international job market. **Ex- Financial Sector in India can match the global standards which work round the clock.**

4. Potential for higher tax revenues for the government- Increased economic activity and higher incomes due to longer working hours result in greater tax revenues. This can be used for public services and infrastructure development.

5. Opportunity for Skill Development- Individuals can achieve mastery in one's chosen field by investing extra number of hours at work. For Ex- Out of the 70 hours, one can assign 40 hours to his/her professional responsibilities and set aside 30 hours for personal skill enhancement.

6. Leveraging the Demographic Dividend for Nation Building- India needs a dedicated labour force where young individuals are willing to put in 70 hours of work per week for the service of nation-building.

What are the arguments against the '70 hours work week'?

1. Decline in productivity with Long Working Hours- Research shows that productivity declines significantly after 50 hours of work per week and drops further after 55 hours. Germany and Japan **further**

increased productivity by reducing working hours to 1,400-1,600 hours a year.
Ex- World's most productive countries have the least work week days.

Most Productive Countries, 2015

Rank	Country	GDP per hour worked	Employed Population	GDP (USD)	Average work week (hrs)
1	Luxembourg	\$ 93.4	405,600	\$57b	29
2	Ireland	\$ 87.3	1,989,400	\$302b	33.5
3	Norway	\$ 81.3	2,753,000	\$318b	27.3
4	Belgium	\$ 69.7	4,601,200	\$498b	29.8
5	United States	\$ 68.3	151,000,000	\$18,037b	33.6
6	Denmark	\$ 67.6	2,829,000	\$270b	27.2
7	France	\$ 65.6	27,523,000	\$2,648b	28.2
8	Germany	\$ 65.5	43,057,000	\$3,857b	26.3
9	Netherlands	\$ 65.4	8,792,000	\$818b	27.4

Figure 3. Source- TIME

2. Burnout and Mental Health- Workers who put in 70 hours a week are more prone to experience burnout, higher levels of stress and mental health problems. Extended work hours may negatively impact an individual's health and work-life equilibrium.

3. Increased healthcare costs due to stress-related issues- Longer hours can result in higher healthcare costs, as stress-related health problems become more prevalent.

4. Negative Effect on Family Life- Long work hours can make it more difficult to meet personal and family obligations, strain relationships within the family and disturb the work-life balance.

5. Diminished Creativity and Innovation- Overworked People frequently exhibit less creativity and innovation. Tiredness can hinder one's capacity for original thought and problem-solving.

6. Work Quality- Longer hours do not always translate into better work. Tired employees are more prone to make mistakes and do **subpar work**.

7. Exacerbation of gender Inequalities- Extended work hours may have a disproportionate impact on women, who often **shoulder greater caring and home obligations**, hence exacerbating gender inequalities.

8. Danger of Exploitation- Employers may take advantage of a culture of extended work hours, which could result in unpaid overtime, subpar working conditions, and **abuses of workers' rights**.

9. Negative Impact on the Community and Society- Long work hours can reduce participation in the community and society, which can have a negative impact on volunteering work and social cohesiveness.

What should be the way forward for Increasing productivity without increasing the work hours?

1. Technological Adoption- We must Invest in modern technologies and automation to streamline processes and improve productivity.

2. Skills Enhancement- Skill India Mission must be implemented properly to provide skill training and education to workers.

3. Upgradation of Infrastructure- We must develop better transportation infrastructure to reduce commuting time and increase accessibility to workplaces.

4. Fostering Innovation- We must encourage research and development (R&D) activities to drive innovation, leading to improved products and services and increased productivity.

Conclusion

Finally, while N.R. Narayana Murthy's proposal for a 70-hour workweek for young Indians aims to increase productivity, it should be carefully evaluated in light of the potential negative effects on work quality, burnout, mental health problems, and work-life balance. **Writing good employment rules** requires striking a balance between the needs of the job and the welfare and personal development of the employee.

Read More- [Livemint](#)

UPSC Syllabus- GS Paper 3 Indian Economy – Employment and labour productivity.

Household Consumption Expenditure Survey 2023-24- Explained Pointwise



The Household Consumption Expenditure Survey 2023-24 was recently released by the Ministry of Statistics and Programme Implementation (MoSPI). The Survey highlights a rise in the share of spending on food in rural and urban households. However, non-food items continuing to dominate overall expenditure.

All India Household Consumption Expenditure Survey (HCES), is a **survey conducted by the NSSO every five years**, to ascertain the household spending habits. However, Govt had junked the last survey results of 2017-18, citing '**data quality issues**'. Post that, the survey methodology underwent a revision. Now, MoSPI has published **back-to-back surveys** for **2022-23** and **2023-24** to check the robustness of revised methodology and stability of results for consumption expenditure.

What is the All India Household Consumption Survey?

1. About the Survey- The Household Consumption Expenditure Survey (HCES) is conducted to **gauge household spending habits**. It provides crucial insights into household consumption patterns, their living standards and overall well-being.

2. Interval of the Survey- It is a **quinquennial survey** (recurring every five years). It is conducted by the National Sample Survey Office (NSSO), (which now comes under the National Statistical Office in the MoSPI).

3. History of the Survey- The survey has been conducted every five years, since 1972-73. The survey results were junked in 2017-18 due to 'data quality issues'. Now, new surveys are being conducted in 2022-23 and 2023-24, according to new methodology.

4. New Methodology- In the new methodology, several new features have been introduced-

- Segregation** of the consumption basket into three broad categories- **food items, consumables and services**, and **durable goods**.
- Inclusion of questions** seeking inputs on **free items** and **subsidies** under welfare schemes, such as food grains.

What are the recent findings of the All India Household Consumption Survey?

1. Increase in Average Monthly Per Capita Consumption Expenditure (MPCE)

Significance- An increase in the per capita expenditure of households indicates **rising disposable incomes of households, narrowing inequality** between rural and Urban areas, and **declining poverty levels**.

- Rural per capita consumption expenditure** has **increased more sharply** as compared to **urban expenditure** in the period from 2011-12 to 2022-23. Rural-urban consumption gap reduced to 69.7% in 2023-24, down from 71.2% in 2022-23 and 83.9% in 2011-12.
- The average MPCE for rural households has increased to **Rs. 4,122**. It has **increased by 9.3%** from **Rs 3,773 in 2022-23**. In 2011-12, the rural household MPCE was Rs 1,430.
- The average MPCE for urban households has increased to **Rs. 6,996**. There has been an **increase of 8%** from **Rs. 6,459 in 2022-23**. In 2011-12, the urban household MPCE was Rs 2,630.

2. Dominance of Non-Food Expenditure in both Rural and Urban MPCE

Non-food items accounted for **53% of total expenditure in rural areas** and **60% in urban areas**. Major contributors of non-food expenditure includes conveyance, clothing, bedding and footwear, and entertainment.

3. Increase in the share of Food Expenditure

Despite the dominance of non-food spending, the share of food expenditure increased slightly for both rural and urban households.

- For rural areas, the share of food expenditure has increased to **47.04% in 2023-24** from **46.38% in 2022-23**.
- For urban areas, the share of food expenditure has increased to **39.68% in 2023-24** from **39.17% in 2022-23**.

4. Narrowing Rural-Urban Gap in MPCE

The gap between rural and urban spending has decreased to approximately **70%**, down from **71% in 2022-23**. This indicates a stronger growth rate in rural consumption compared to urban areas.

5. Regional Consumption Patterns

States in western, northern, and southern India, including Maharashtra, Punjab, Tamil Nadu, Telangana, and Karnataka, have reported **higher per capita spending than the national average**. In contrast, **eastern and central states** like Bihar, Odisha, and Uttar Pradesh have recorded **lower spending levels than the national average**.

6. Gini Coefficient Decline suggests improvements in consumption equality

- In Rural Areas- It fell from 0.283 in 2011-12 to 0.266 in 2022-23, and further to 0.237 in 2023-24.
- In Urban Areas- It has declined from 0.363 in 2011-12 to 0.314 in 2022-23, and to 0.284 in 2023-24.

The Gini coefficient, a measure of inequality, has shown a decline in both rural and urban sectors, suggesting improvements in consumption equality.

What is the significance of the All India Household Consumption Survey?

- 1. Changing the weightage of components to accurately capture inflation-** The consumption expenditure survey serves as a benchmark for **assigning** and **changing the weightage** for different components of **Consumer Price Index** (CPI). **For ex-** Lowering the weightage for food in CPI in accordance with the survey data.
- 2. Macro analysis of the economy-** The Household consumption expenditure survey data is used by the economists to analyse the structural shifts in the Indian economy and take further measures, like **rebasing the GDP** and **the poverty levels**.
- 3. Assessment of economic growth trends and inequalities-** The Household consumption expenditure survey indicates a **narrowing gap in per capita** spending between rural and urban India. However, it also **highlights the wide income gaps** within households, with the top 5% of households spending significantly more than the bottom 5%.
- 4. Fine-tuning tool for Policymakers-** The Imputed MPCE provides critical insights for policymakers to **fine-tune social schemes** by understanding evolving consumer's expenditure behaviour.
- 5. Compass for the State governments-** State governments can use the survey to **reorient their budgetary strategies** to increase disposable incomes in the hands of people by learning from states like Tamil Nadu and Kerala.
- 6. Fore-casting tool for the Industry-** The survey provides the industries an **insight into the changing consumer behaviour**, which helps them to refine their strategies and tap into emerging markets.

What are the Challenges with the survey?

- 1. Small Data Set-** The survey has covered 2.61 lakh households. This is a small sample size for a **large and diverse country like India**.
- 2. Temporal and Regional Variations-** Incorporating accurate seasonal variations and regional disparities in household expenditure is another major challenge to obtain accurate survey results.
- 3. Risks of Pent-up Demands-** The survey has been conducted after two long years of COVID in 2020 and 2021. The year **2022** in which the survey was conducted has been a **year of pent-up demand**, as the last two COVID years had witnessed suppressed demands.

What Should be the way forward?

- 1. Putting the data to fine-tune the social programs-** The All India consumption expenditure survey data must be used to fine tune various social security schemes like **PM Garib Kalyan Anna Yojana**, being run by the Govt by measuring their impact.
- 2. Regularisation of the survey-** The new survey methodology must be institutionalised at the earliest to **establish the usual quinquennial survey cycle** (recurring every five years).
- 3. Changes in the bases of Inflation Indices need to be awaited-** Since the survey was conducted in a year of Pent-up demand, any changes to the weights of different parameters in the inflation indices based on the survey results **will introduce significant bias**.

An accurate, transparent, and comprehensive consumption expenditure survey data will help in shaping a more inclusive and equitable society.

Read More- [The Indian Express](#)
UPSC Syllabus- Indian Economy-GS 3