

PARADOX OF INDIA'S GLOBAL RISE

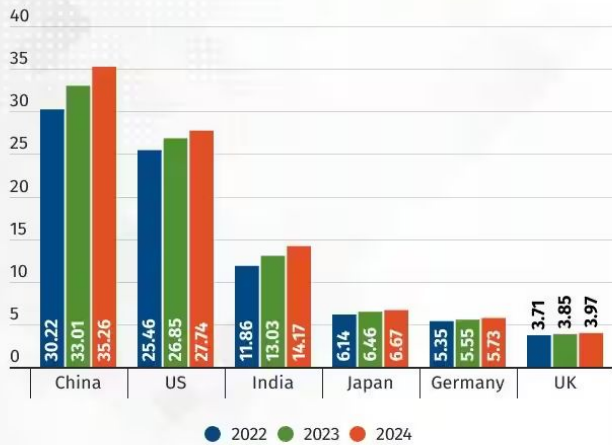


CONTEXT: Amid India's global rise, there is a clear waning of its regional influence.

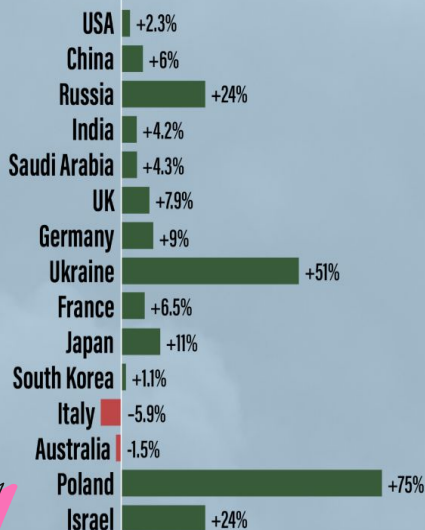
INDIA'S AGGREGATE POWER OVER PAST 2 DECADES:

- **Economic** Powerhouse
- Growing **military** expenditures
- Young **demography**
- Inclusions in **key global groupings**
- International attention on the **Indo-Pacific**
- **Indian investments** abroad
- **Diaspora**

NOMINAL GDP AT PPP INTERNATIONAL TRILLION \$



MILITARY SPENDING CHANGES



THE PARADOX : INDIA'S GLOBAL RISE V/S REGIONAL DECLINE:

Geopolitical Shifts:

- American Withdrawal
- Rise of China

Internal Challenges:

- Domestic Issues
- Neighbourhood Tensions

SOLVING THE PARADOX:

- **Accept the reality:** "South Asia's smaller powers find China as a useful hedge against India"
- **India's traditional strengths** with region
 - Reclaiming the Buddhist heritage
- **Use maritime (Indo-Pacific) advantages**
 - enhancing trade
 - joining multilaterals
 - creating new issue-based coalitions
- **Tap soft power**
 - informal contacts between political and civil society
 - informal and unofficial conflict management processes



CONTEXT: Progress on Sustainable Development Goals, according to available reports, is off track

WHAT IS SDGs?

- ‘Development which meets the needs of the present without compromising the ability of future generations to meet their own needs’
- Agenda-2030
 - Paris Climate Deal
 - 17 Goals + 169 targets by 2030
- **Internationally non-binding**

SUSTAINABLE DEVELOPMENT GOALS



SLOW PROGRESS:

- **COVID-19 pandemic** and other **global crises**
- **Nature Sustainability, September 2022 issue:** ‘Scientific evidence on the political impact of the sustainable development goals’
 - some isolated normative and institutional reforms

Figure 2.4 | SDG Index World Average, 2010-2022

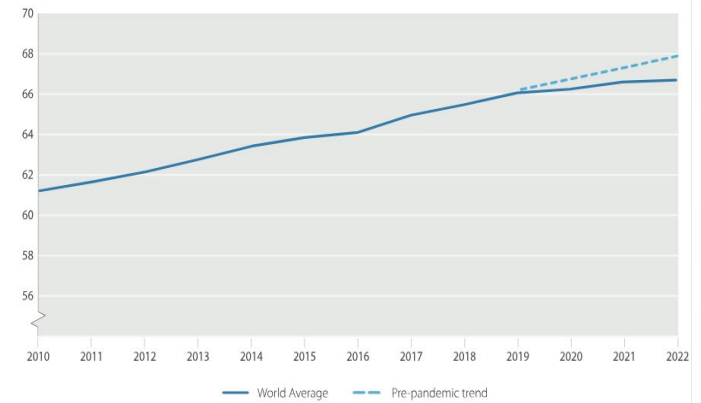


Figure 2.6 | Poverty headcount ratio at \$2.15/day (PPP, %) in LICs

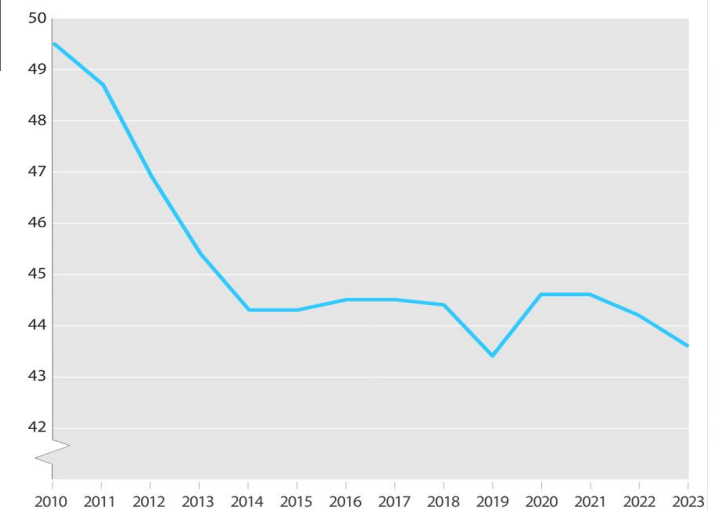
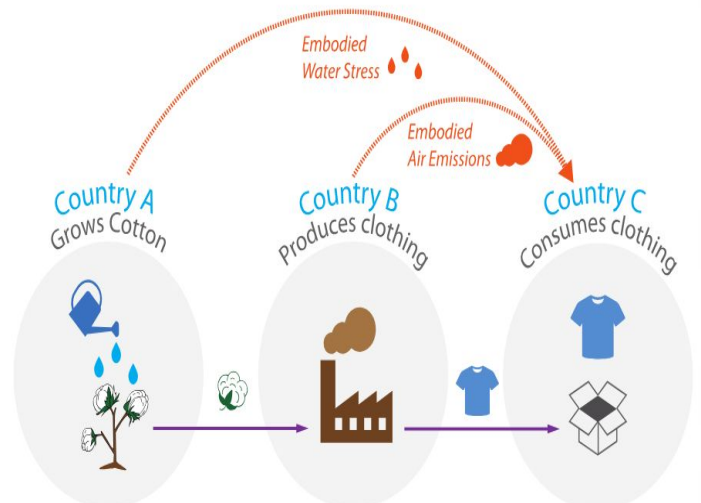


Figure 2.13 | Illustration of environmental impacts embodied in international trade



Source: SDSN, Yale Center for Environmental Law & Policy, and Center for Global Commons at the University of Tokyo. 2023, Global Commons Stewardship Index 2022. Paris, New Haven, CT, and Tokyo.



SDG STATUS

CONTEXT: Progress on Sustainable Development Goals, according to available reports, is off track

Figure 2.10 | Observed and projected gaps in SDG Index score between HICs and LICs

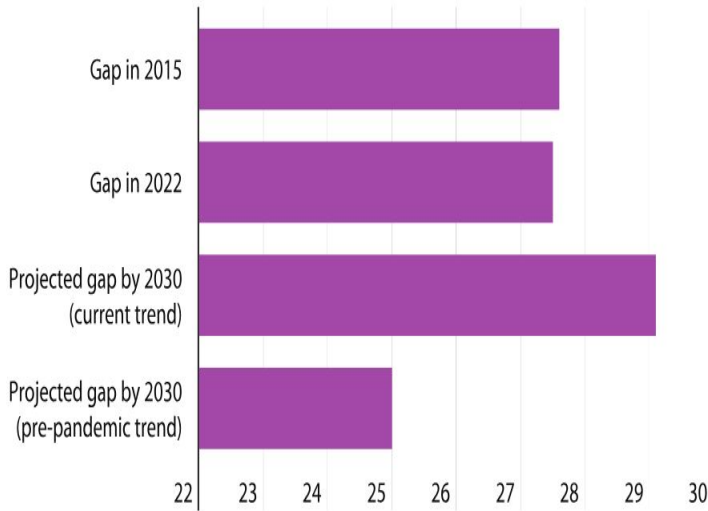
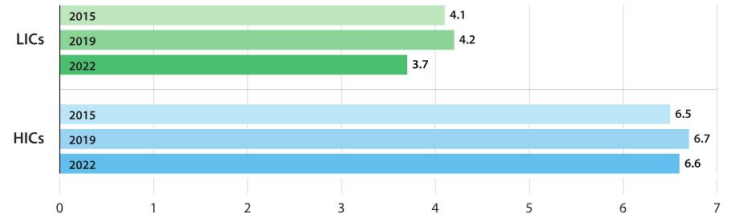


Figure 2.8 | Subjective Well-Being, in HICs and LICs



Source: Authors, based on Gallup World Poll

Figure 2.9 | Unemployment Rate, in HICs and LICs

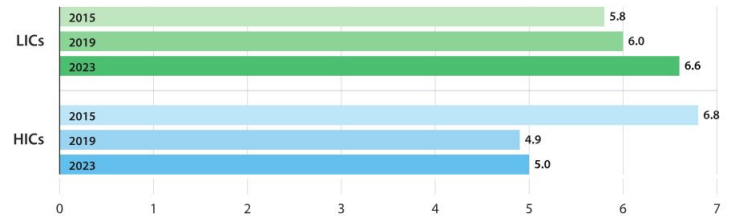
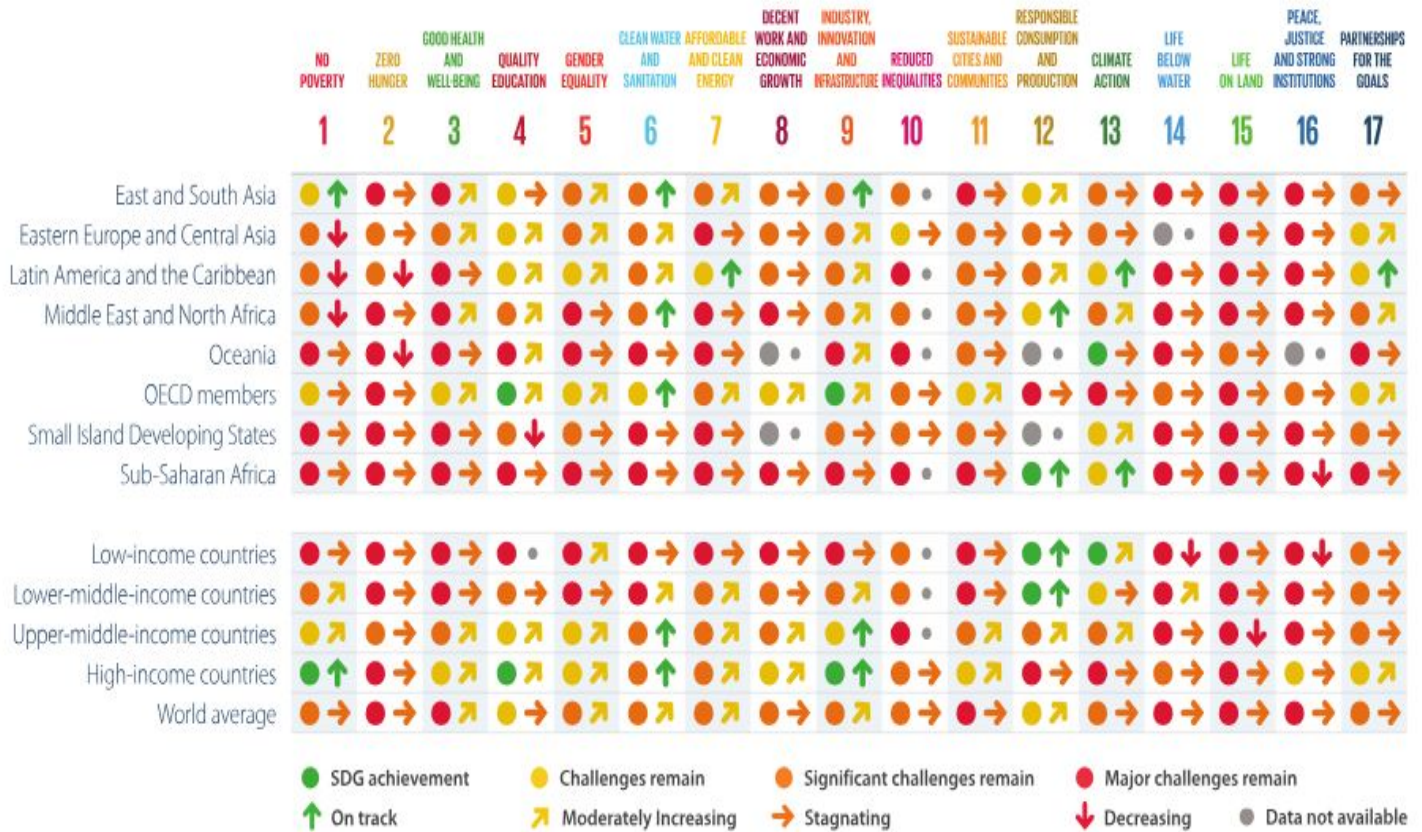


Figure 2.16 | 2023 SDG dashboards by region and income group (levels and trends)



Note: Excluding OECD specific indicators. Population-weighted averages

Source: Authors' analysis



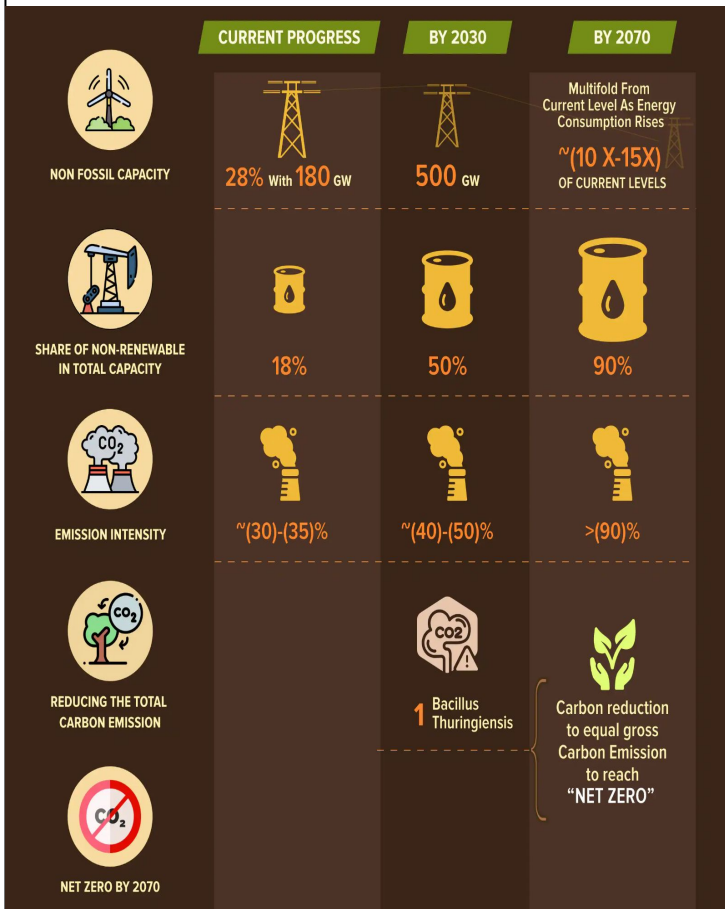
CONTEXT: Progress on Sustainable Development Goals, according to available reports, is off track

INITIATIVES BY GOI:

- **National Food Security Act; Fortification**
- **Minimum Support Price**
- **Ethanol Blending**
- **Swachh Bharat Mission**
- **Pradhan Mantri Jan-Dhan Yojana**
- **Pradhan Mantri Awas Yojana**
- **Beti Bachao Beti Padhao**
- **Focusing on capital expenditure**

WAY FORWARD:

- **UN SDG Report, 2023:** key areas for urgent action
 - 7 years of accelerated, sustained and transformative actions
 - Targeted government policies and actions to eradicate poverty and reduce inequality
 - End the war on nature
 - Advancing the rights of women and girls
 - Public institutions to deliver accelerated progress
 - Continued strengthening of the UN development system
- **UN report, 'Future is Now' (2019)**
 - manage trade-offs while maximising co-benefits



MANIPUR CONFLICT ANNIVERSARY



CONTEXT: In the one year since, over 221 people and at least a dozen security personnel have lost their lives, thousands have been injured and over 50,000 people internally displaced.

BACKGROUND:

- **Brief history**
- **Manipur ethnic composition**
- **Meiteis**
 - Valleys; 10% of state area
 - Economically well off
- **May 3: Kuki and Naga protest**
 - Move to give "ST" status to non-tribal Meiteis
 - Development imbalance
 - Government jobs
 - Infrastructure

DISTRICTS & PEOPLES



KUKI COMMUNITY

28% POPULATION | 90% LAND AREA

53% POPULATION | 10% LAND AREA

MEITEI COMMUNITY

FREE MOVEMENT REGIME (FMR):

- **Military coup in Myanmar (2021):** junta persecution against Kuki-Chin peoples
 - Pushed into Mizoram and Manipur
- **Ongoing Manipur conflict:** illegal migration of Kuki-Chin
 - Meiteis have accused them of "narco-terror network"

- Kukis have blamed the Meiteis of using this as a pretext for "ethnic cleansing"
- UNLF, PLA, ULFA, NSCN, Kukis, Zomis' **camps @ Sagaing, Kachin, and Chin:** shelter, arms, trained cadres, smuggling drugs, selling weapons.

WAY FORWARD:

- At least 221 locals, 12 security forces killed, 1,000s injured and 50,000 internally displaced + 46 missing
- Plan for **permanent peace** in the State
- Evaluate **considerations for ST status to Meiteis** (Lokur, Bhuria, Xaxa)
 - Livelihood and employment
 - Education
 - Health
 - Involuntary displacement and migration
 - Legal and constitutional matters
- **Border fencing and ending FMR**
- **Peace Agreement**
- Consider **Armed Forces Special Powers Act**

There are 16 districts in Manipur, but the state is commonly thought of as divided into 'valley' and 'hill' districts.



CAPITAL GAINS TAX

CONTEXT: Domestic stock market indices fell after a news report suggested that the government may standardise capital gains tax for all asset classes

WHAT IS CAPITAL GAINS TAX?

- **Tax levied** on the **profit earned from selling an asset** that has **appreciated in value**
- **Types of Capital Gains:**
 - Short-Term Capital Gains
 - Long-Term Capital Gains

THE COMPLEX WORLD OF CAPITAL GAINS

	Capital Gains Tax Rates	
	Short Term	Long Term
Equity and Equity MF	15%	10% without indexation
Non Equity MF	Slab Rate	20% with indexation
Real Estate	Slab Rate	20% with indexation
Listed bonds	Slab Rate	10% without indexation

Rates need to be further enhanced by surcharge and cess as applicable

HOW LONG IT TAKES TO BECOME A LONG TERM ASSET?

Equity and Equity MF	1 Year
Non Equity MF	3 Years
Real Estate	2 Years
Listed bonds	1 Year

*Years an investment need to be held to make it a long term asset for taxation purpose

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Features

- Rates vary on types of assets
- Holding period vary for assets
- Cryptocurrencies

THE RUMOURS IN REPORT:

- **Standardisation** of CGTs
- Prevent **tax base erosion**
- **Global Minimum Corporate Tax**

Pillar 1

- Fair distribution of profits and taxing rights to the markets where they have business activities and earn profits
- Profit allocation would be regardless of physical presence

Pillar 2

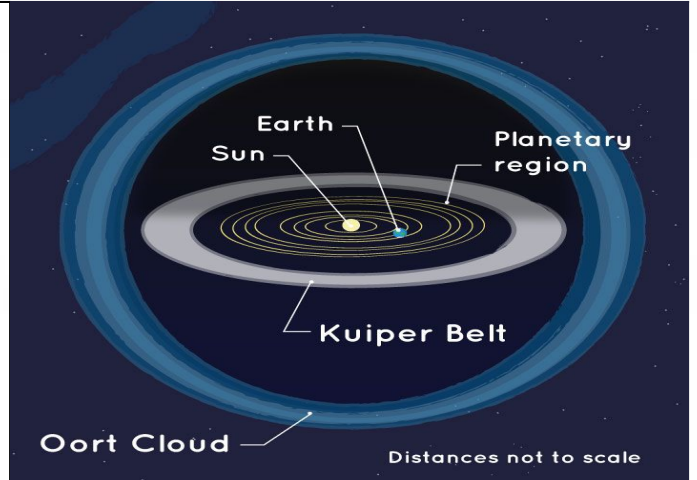
- Global minimum corporate tax @15% to avoid shifting to low tax jurisdiction
- Stabilisation of International Tax System



CONTEXT: The Eta Aquariid meteor shower, which has been active since April 15, will peak on May 5 and 6.

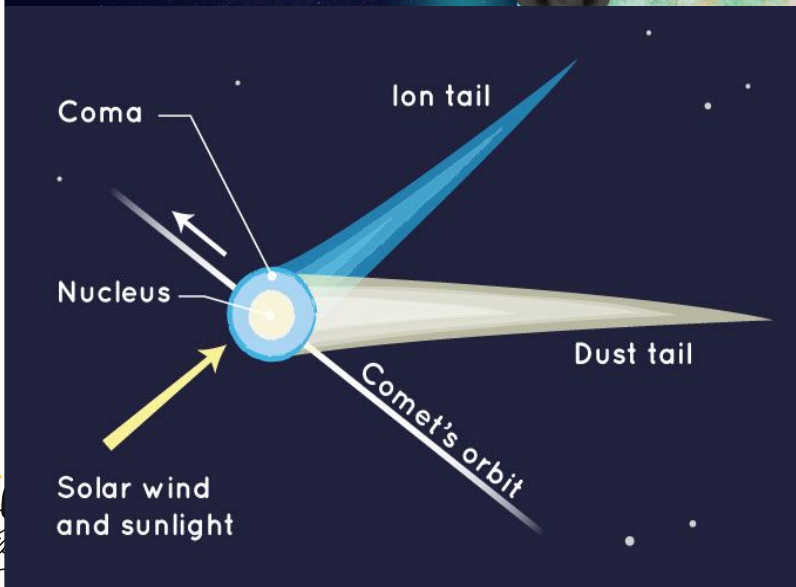
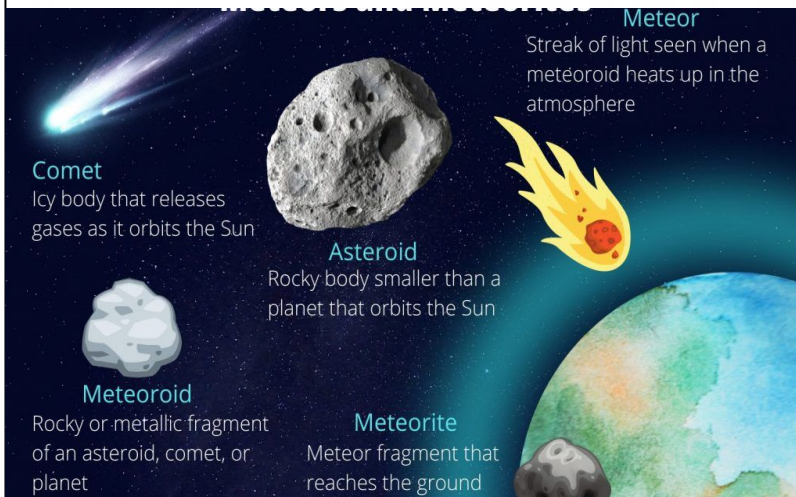
WHAT ARE METEOR SHOWERS?

- Meteor showers come from comets
 - Comets (frozen leftovers, composition)
 - Kuiper Belt and Oort cloud
 - Comets come closer to the Sun and “heat up”
- **How exactly are meteor showers related to comets?**
 - Meteors = dust or rock that burn up as they enter the Earth’s atmosphere



Why are Eta Aquarids unique?

- Formed when Earth passes through **orbital plane of Halley’s Comet**
- Orionids meteor shower is also caused
- 30 to 40 Eta Aquarid meteors can be seen per hour
- 66 km per second (2.37 lakh kmph)
- **Best visible** to South Hemisphere countries such as Indonesia and Australia



Under dark-sky conditions, on their peak mornings, the Eta Aquariids can produce 10 to 20 meteors per hour. And the Southern Hemisphere can see 2 to 3 times more meteors because the radiant is higher in their sky.

PRELIMS SNIPPETS

1: OXYTOCIN:

What is oxytocin

- Oxytocin is a hormone secreted by the pituitary gland
- It plays a role in reproduction, child birth and lactation, apart from social interaction
- Oxytocin is used both for humans and animals, to accelerate normal labour
- It is supposed to act directly on the uterus to induce rhythmic contractions



- In certain animals, especially farm animals, it is used to achieve 'milk let down'
- Oxytocin is believed to stimulate the mammary gland and induce milk production in farm animals, provided the udder is prepared to do so

2: LOOKOUT CIRCULAR:

- **Absconding** or **wanted** by law enforcement agencies is **not able to leave the country**
- Police can approach a court asking for the restriction
- **Who can issue an LOC?**
- LOC can be **modified/ deleted/ withdrawn** by the **Bureau of Immigration**
 - specific request of the authorised originator
- **Does an LOC lead to arrest?**
 - merely **stop** from travelling **outside**
 - to **prevent** a person from **entering**
 - proforma of LOC contains **request to detain** at local police/ investigation agency

Obstacle course | Several persons have approached courts after they were caught unawares at airports while trying to fly abroad due to the Look Out Circulars issued against them

Who can generate LOCs?

Authorised officers, including an officer not below the rank of deputy secretary, district magistrates, superintendents of police and heads of Public Sector banks

High Court quashes the LOC against Noor Paul

April 16: A Delhi court asks CBI to withdraw LOC against Aakar Pa chair, Amnesty



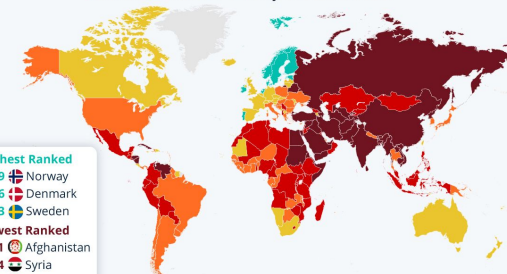
3: WORLD PRESS FREEDOM INDEX:

- **Reporters Without Borders (RSF for Reporters sans Frontières)**
- **Annual index of freedom enjoyed by journalists in 180 jurisdictions**
- **Press freedom questionnaire's five categories**
 - political context
 - legal framework
 - economic context
 - sociocultural context
 - Security
- India's rank improved from 161 in 2023 to 159 in 2024

The State of World Press Freedom

Countries ranked by level of press freedom in 2024

- Good situation
- Satisfactory situation
- Noticeable problems
- Difficult situation
- Very serious situation



Highest Ranked	
91.9	Norway
89.6	Denmark
88.3	Sweden
Lowest Ranked	
19.1	Afghanistan
17.4	Syria
16.6	Eritrea

Source: World Press Freedom Index | Reporters Without Borders



statista

4: SHRINKFLATION:

Shrinkflation is a practice where companies reduce the size or quantity of a product while keeping the price the same.

Causes of Shrinkflation:

- Rising Production Costs
- Competition

Impacts of Shrinkflation:

- Reduced Consumer Value
- Difficulties in Measuring Inflation

