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Direct Tax collection

Context: As of October 9, 2023, direct tax collections for the fiscal year 2023-24 have risen compared to the same period in the previous year.

- Gross Direct Tax Collection increased by 17.95%.
- Direct Tax Collection (net of refunds) rose by 21.82%.
- The total gross collections reached Rs. 11.07 lakh crore, accounting for 52.50% of the Budget Estimates for FY 2023-24.
- Corporate Income Tax (CIT) saw a growth rate of 7.30%, while Personal Income Tax (PIT) increased by 29.53% (PIT only) or 29.08% (PIT including STT) in terms of gross revenue.
- After refunds, the net growth in CIT collections was 12.39%, and for PIT collections, it was 32.51% (PIT only) or 31.85% (PIT including STT).

Direct Taxes in India

- In India, direct taxes are imposed by the central government on individuals and entities based on their income or profits earned.
- These taxes are levied directly on the income of individuals, corporations, and other entities without any intermediary.
- They play a crucial role in financing public expenditure and promoting economic development.

Types of Direct Taxes in India

Income Tax:

- Applies to individuals, Hindu Undivided Families (HUFs), partnerships, and associations of persons (AOPs).
- Based on income and age, with guidelines provided by the Income Tax Act 1961.

Corporate Tax:

- Levied on the profits of companies and corporations, both domestic and foreign.
- Corporate tax rates, deductions, and exemptions are determined by the Finance Act.

Capital Gains Tax:

- Applies to gains from the sale or transfer of capital assets, including real estate, stocks, and mutual funds.
- Further divided into long-term and short-term gains, with varying rates and exemptions.

Securities Transaction Tax (STT):

- A tax on the purchase and sale of listed securities like shares, bonds, and equity-oriented mutual funds.
- Payable by the buyer or seller, discouraging speculative trading.

Dividend Distribution Tax (DDT):

- Levied on dividends distributed by companies to shareholders.
- Dividend income is added to the recipient's taxable income and taxed according to applicable slab rates.

Gift Tax:

- Previously imposed on the transfer of specified assets without consideration.
- Abolished in India, with gift income now subject to income tax.

Estate Tax:

- India currently lacks a specific estate tax provision at the national level.
- Estate tax, also known as inheritance tax, would apply to the transfer of an individual's estate or assets upon their death.

Difference between Surcharge and Cess

Parameter	Surcharge	Cess
Rate	Varied rates (e.g., 10%, 15%, 20%, 25%)	Uniform rate (e.g., 4% for FY 2023-24)
Computation	Calculated on the total taxable amount only	Calculated on the total tax plus surcharge
Applicability	Applicable to high-income individuals and companies (e.g., income > ₹50 lakhs for individuals, > ₹1 crore for companies)	Levied on all taxpayers, regardless of income level
Usage	No specific restriction on usage of proceeds	Proceeds can only be used for specific purposes, mentioned at the time of collection (e.g., health and education services)
Objective	Progressive taxation for financing societal development projects	Imposed to raise funds for specific purposes like cleanliness, health, or education

Indian Pharmacopoeia Commission

Context: The Indian Pharmacopoeia Commission has taken on the role of a member in the Pharmacopoeial Discussion Group.

- The Indian Pharmacopoeia Commission (IPC) officially became a member of the Pharmacopoeial Discussion Group (PDG) during its Annual Meeting held on October 3-4, 2023, in Hyderabad.
- PDG consists of the European Pharmacopoeia (Ph. Eur.), Japanese Pharmacopoeia (JP), United States Pharmacopoeia (USP), and now the Indian Pharmacopoeia (IP), with the aim of harmonizing global pharmacopoeial standards.
- The objective is to reduce the burden on manufacturers by standardizing analytical procedures and acceptance criteria across regions.

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- IPC was selected for a pilot phase in September 2022, meeting all entry criteria. After one year of the pilot phase, IPC's inclusion as a permanent member of PDG was confirmed.
- This move will enhance the international visibility of the Indian Pharmacopoeia and position it as a progressive standard-setter in line with global standards.

Indian Pharmacopoeia Commission

- The Indian Pharmacopoeia Commission (IPC) is an autonomous institution under the Ministry of Health and Family Welfare in India.
- IPC is responsible for setting standards for all drugs manufactured, sold, and consumed in India.
- These standards are published as the "Indian Pharmacopoeia" (IP), following a historical model derived from the British Pharmacopoeia.
- The Indian Pharmacopoeia 2010 (IP 2010) standards have been in effect since December 1, 2010.
- The Pharmacopoeia 2014 was released by Health Minister Ghulam Nabi Azad on November 4, 2013.
- The Pharmacopoeia 2018 was released by the Secretary of the Ministry of Health & Family Welfare, Government of India.
- In India, drugs must be labeled with the non-proprietary drug name suffixed with "I.P.," making it familiar to consumers in the Indian sub-continent.
- This practice is similar to the "B.P." suffix for the British Pharmacopoeia and the "U.S.P." suffix for the United States Pharmacopoeia.
- The IPC was established in accordance with the Indian Drugs and Cosmetics Act of 1940 and was officially formed through executive orders of the Government of India in 1956.

- A pharmacopoeia is a book that provides directions for identifying compound medicines.
- It is typically published under the authority of a government or a medical or pharmaceutical society.
- Descriptions of specific medicinal preparations within a pharmacopoeia are referred to as monographs.
- In a broader context, a pharmacopoeia serves as a reference work for pharmaceutical drug specifications.
- The term may also be spelled as "pharmacopoeia" or "pharmacopoea," with the obsolete typography being "pharmacopœia."
- These books are essential in maintaining standards for drug manufacturing and use.

Pharmacopoeia Commission of Indian Medicine & Homoeopathy (PCIM&H)

- PCIM&H is an autonomous body operating under the Ministry of Ayush and has been established since 2010.
- A pharmacopoeia is an officially recognized book of standards in accordance with the Drugs and Cosmetics Act, 1940, and its Rules of 1945.
- The Second Schedule of the Drugs and Cosmetics Act designates it as the official book of standards for drugs imported, manufactured for sale, stocked, exhibited for sale, or distributed in India.
- It outlines standards for the identity, purity, and strength of drugs produced and marketed in India.
- The Commission's functions include developing Pharmacopoeial Standards for Ayurvedic, Unani, Siddha, and Homeopathic drugs.
- PCIM&H also serves as the Central Drug Testing cum Appellate Laboratory for Indian systems of Medicine & Homeopathy.

Curative Petition

Context: The Supreme Court has accepted the telecommunications companies' curative plea regarding AGR dues for a hearing in an open court.

- The Supreme Court has accepted curative petitions from Vodafone Idea and Bharti Airtel.
- These petitions cite arithmetical errors in the calculation of adjusted gross revenue (AGR) dues by the Department of Telecommunications (DoT).
- The unique aspect of this case is that it will be heard in an open court, whereas review and curative petitions are typically heard in the judges' chambers.
- As of now, no specific date has been set for the court to hear the case.

What is it?

- A curative petition is a legal request made to the court to review its own decision, even after a review petition has been dismissed.
- The concept of curative petitions gained prominence during the Nirbhaya Case, where two convicts filed such petitions after their mercy and review petitions were rejected.
- The first notable instance of a curative petition was in the 2002 Rupa Ashok Hurra vs. Ashok Hurra case.
- It was introduced to prevent misuse of the legal process and miscarriage of justice.

Procedure of a Curative Petition

- Supported by Article 137 of the Constitution of India, the Supreme Court has the power to review its own judgments in matters of law and regulations made under Article 145.
- A curative petition must be filed within 30 days from the date of the judgment.
- The petitioner can file a curative petition only if the review petition has been dismissed.
- The petitioner must specify the grounds on which the review petition was dismissed, certified by a senior advocate.
- A curative petition is considered if there has been a violation of the principles of natural justice or if the petitioner was not heard during the original judgment.

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- It is usually circulated to a Bench of the three senior-most judges and the original sentencing judges if possible.
- The petition is listed before the same Bench only if a majority of the judges agree.
- An open-court hearing can be requested, but typically, it is decided by judges in their chambers.
- If the petition lacks reasonable grounds, the court may impose "exemplary costs" on the petitioner.

Adjusted Gross Revenue

- AGR (Adjusted Gross Revenue) is a usage and licensing fee charged to telecom operators by the Department of Telecommunications (DoT).
- Telecom operators are required to make payments to the government in the form of license fees and spectrum charges, which are determined based on their revenue share.
- AGR is a crucial factor in determining the revenue share.
- According to DoT's perspective, AGR should encompass all revenues earned by a telecom company, including non-telecom sources such as deposit interests and asset sales.
- Telecom companies, however, argue that AGR should only include revenues generated from telecom services and exclude non-telecom revenues.
- This differing interpretation has resulted in disputes and legal proceedings between telecom operators and the DoT.
- Usage and Licensing Fee (Spectrum Usage Charges and Licensing Fees):
 - Telecom operators are charged by the Department of Telecommunications (DoT) for spectrum usage charges and licensing fees.
 - Spectrum usage charges are typically pegged between 3-5 percent, while licensing fees are around 8 percent.

NEWS IN BETWEEN THE LINES

Padma Bridge Rail Link



Recently, Bangladesh's Prime Minister Sheikh Hasina inaugurated the 82-kilometer Padma Bridge Rail Link.

About Padma Bridge Rail Link Project:

- The Padma Bridge Rail Link Project (PBRLP) is a **170km-long** railway link connecting **Dhaka**, the capital of **Bangladesh**, to **Jashore** in the **southwest**.
- The project is developed by **Bangladesh Railway** in collaboration with **China Railway Engineering (CREC)**.
- The railway line passes through the **6.1km-long Padma Bridge**, which is the **largest bridge** in Bangladesh and the first fixed river crossing for road transportation.
- The PBRLP was approved by the Bangladesh government in **March 2016**.
- The project is scheduled to be completed by **June 2024**.

International Monetary Fund



Recently, the International Monetary Fund (IMF) has raised India's economic growth forecast for the current fiscal year to **6.3%**, from **6.1%** earlier.

About International Monetary Fund:

- The International Monetary Fund (IMF) is an **international organization** founded in **1944** at the **Bretton Woods Conference**.
- It currently consists of **190** member countries.
- It provides **financial assistance** to member countries facing balance of payments problems, typically with conditions for economic reform.
- It played a crucial role in responding to various **global economic crises**, including the **1997** Asian financial crisis and the global economic crisis of **2008**.

UAPA Act



Recently, a Delhi court sent NewsClick's founder-editor and HR head to **10-day judicial custody** under the UAPA.

About UAPA Act:

- The Unlawful Activities Prevention Act (UAPA) Act, passed in **1967**, provides special procedures to address **terrorist activities** and other **offenses**.
- **Section 15** of UAPA defines "**terrorist act**" with punishments ranging from **5 years** to life imprisonment or the death penalty in case of death caused.
- It grants **absolute power** to the central government.
- It applies to Indian citizens abroad, government employees anywhere and persons on **Indian-registered ships and aircraft**.

Issues with UAPA:


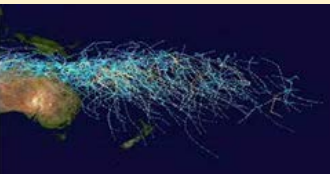


- UAPA criminalizes thoughts and political protests that cause "**disaffection**" with the state, impeding the **right to expression**.
- It allows for **180 days** of incarceration without **filing a charge sheet**, violating **Article 21** of the constitution.
- It is used to **suppress dissent**, affecting **public debate** and **freedom of the press**.

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<p>Dancing Frog</p> 	<p>Recently, it is found that the dancing frog in Western Ghats is one of the most threatened amphibian genera in India.</p> <p>About:</p> <ul style="list-style-type: none"> ➤ Globally, it is among the top five most threatened amphibian genera, with 92% of its species in the threatened category. ➤ This frog performs "foot flagging" near streams, where the male stretches one hind leg at a time and waves its webbed toes rapidly to attract mates and deter competitors. ➤ Multiple human-induced factors, including invasive species, land-use change, weather variations, infectious diseases, water and light pollution, and infrastructure projects, have impacted its populations. <p>Habitat: It prefers habitats with thick canopy cover of at least 70-80%.</p> <p>IUCN Status: Critically Endangered</p>
<p>Cyclone-Genesis</p> 	<p>About Cyclone-genesis:</p> <ul style="list-style-type: none"> ➤ Cyclone-genesis, or cyclogenesis, refers to the process by which a cyclone, such as a tropical storm or hurricane, forms and intensifies. ➤ Several key factors influence the formation of cyclones, including sea surface temperature, ocean heat content, changes in wind patterns from the surface to the upper atmosphere (vertical shear) and rotation of winds near the surface. ➤ Cyclone formation occurs when these factors align to create conditions suitable for cyclone development. ➤ Warm ocean waters provide the necessary heat and moisture, while low wind shear promotes cyclone growth.
<p>Hemochromatosis</p> 	<p>What is Hemochromatosis? Hemochromatosis, or 'bronze diabetes,' is an inherited condition characterized by a gradual accumulation of excess iron in the body over time.</p> <p>Types:</p> <ul style="list-style-type: none"> ➤ Hereditary Hemochromatosis: It is caused by a genetic mutation in the HFE gene, leading to excessive iron absorption in the intestines. ➤ Secondary Hemochromatosis: It is typically caused by factors such as blood transfusions, excessive iron supplementation or certain medical conditions. ➤ Iron accumulation can occur rapidly and affect organs similarly to the hereditary form. <p>Symptoms:</p> <ul style="list-style-type: none"> ➤ Symptoms usually appear between ages 30 and 60. ➤ Common symptoms include chronic fatigue, unexplained weight loss, weakness, and joint pain.
<p>Place in News</p> <p>Spain</p>	<p>Spain (Capital: Madrid) Recently, Spain emphasized the need to distinguish between the political group Hamas and the broader Palestinian population.</p> <p>Location: Spain is located in southwestern Europe on the Iberian Peninsula.</p> <p>Political Boundaries:</p> <ul style="list-style-type: none"> ➤ Spain shares its borders with Portugal to the west and France to the northeast. ➤ It has extensive coastlines along the Mediterranean Sea to the east and the Atlantic Ocean to the northwest. ➤ Spain includes the Canary Islands in the Atlantic Ocean and the Balearic Islands in the Mediterranean Sea. ➤ Spain is divided into 17 autonomous communities, including Catalonia, Andalusia, Madrid and more. ➤ Spain has two enclaves in North Africa – Ceuta and Melilla. <p>Geographical Features:</p> <ul style="list-style-type: none"> ➤ Major mountain ranges in Spain include the Pyrenees, Sierra Morena, Central Sierra and the Cantabrian Mountains. ➤ The Ebro River is one of the significant rivers in Spain. 

POINTS TO PONDER

- ❖ Which institution releases the compilation of Statistical Performance Indicators (SPI)? - World Bank
- ❖ R21/Matrix-M, which was recently approved, is the vaccine against which disease? - Malaria
- ❖ 'Statue of Equality', the largest statue of B R Ambedkar outside India, is to be unveiled in which country? - USA
- ❖ 'SAMPRITI-XI' is the joint military exercise conducted by India and which country? - Bangladesh
- ❖ When was IORA founded? - 1997

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