



## **DAILY CURRENT AFFAIRS 14-03-2024**

### **GS-1**

1. Sabroom Land Port

### **GS-2**

2. Central transfers to states

### **GS-3**

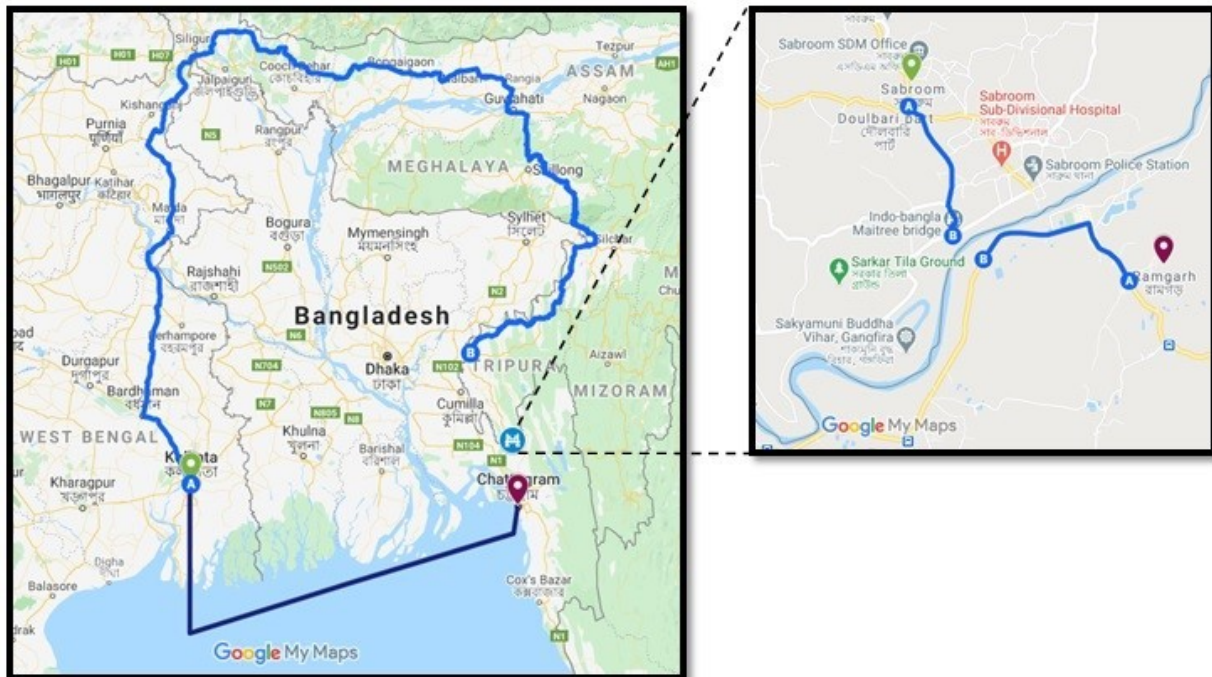
3. AVAANA SUSTAINABILITY FUND (ASF)
4. Oldest 'dead galaxy' yet is spotted by James webb Telescope
5. Pobitora Wildlife Sanctuary

## Sabroom Land Port

Syllabus: GS-1; Human Geography

### Context

- Recently, PM inaugurated Land Port Sabroom during 'Viksit Bharat, Viksit North East'.



### About

- Sabroom Land Port, constructed at a cost of about Rs 230 crore and located along the border between South Tripura district of India and Ramgarh of Bangladesh, will provide facilities like the passenger terminal building, cargo administrative building and warehouse
- It will facilitate the movement of passengers and cargo between India and Bangladesh as the new land port allows direct transportation to Chattogram port.

### Significance

- A milestone in India-Bangladesh trade and connectivity relations, this port in South Tripura District opens new avenues for economic and cultural exchanges.
- The people from the northeast and other states can easily access the Chittagong international sea port through the Sabroom ICP and the Maitri Setu.
- It will turn Tripura into the gateway of Southeast Asia

### What is Land Port?

- *A land port is an area on an international border that includes parts of national highways, state highways, other roads, railways, and is notified as a land customs station or immigration check post under the Customs Act, 1962 or the Foreigners' Act, 1946.*
- *Land ports are also known as border stations and are vital hubs for safeguarding travelers and trade.*

### Land ports in India

- *The 11 operational land ports are Attari, Agartala, Dawki, Petrapole, Raxaul, Rupaidiha, Jodbani, Moreh, Sutarkandi, Srimantapur and PTB at Dera Baba Nanak.*

### Know more

- *The PM also inaugurated a twin-lane strategic **Sela tunnel** which will provide an all-weather connectivity to Tawang (Arunachal Pradesh) bordering China that will help faster movement of troops and weapons.*
- *Modi also laid the foundation stone of **Dibang multipurpose hydropower project** in Lower Dibang Valley district of Arunachal Pradesh. To be built at a cost of more than Rs 31,875 crore, it will be the highest dam structure in India. It will generate power, help in flood moderation.*

## **Central transfers to states**

**Syllabus: GS-2: Center - state relations - financial.**

### **Context:**

- *Central transfers — arresting the decline in shares of some States.*

### **Background:**

#### **Vertical Devolution:**

- **Definition:** *The process of devolution of taxes from the union government to individual states.*
- **Purpose:** *Determines the share of taxes each state receives from the central government.*
- **Focus:** *Allocation of taxes between the union government and individual states.*
- **Governed by:** *Article 280 of the Indian Constitution.*

- **Example:** Recommendations on sharing net proceeds of taxes between the Union and states made by the Finance Commission.

### Vertical Devolution (15th Finance Commission):

- Maintained at 41%.
- Comparable to Fourteenth Finance Commission at 42% of the divisible pool.
- Change due to adjustment for Jammu and Kashmir's new status as Union Territories of Jammu and Kashmir, and Ladakh.

### Horizontal Devolution:

- **Definition:** The process of devolution of taxes among various states of the country.
- **Purpose:** Allocates taxes among different states based on specific criteria.
- **Focus:** Allocation of taxes among states, ensuring equitable distribution.
- **Governed by:** Article 280 of the Indian Constitution.
- **Example:** Recommendations on sharing taxes among states based on criteria such as income distance, area, population, etc., made by the Finance Commission.

### Horizontal Devolution (15th Finance Commission):

- Income distance: 45%
- Area: 15%
- Population: 15%
- Demographic Performance: 12.5%
- Forest and Ecology: 10%
- Tax and Fiscal Efforts: 2.5%

### More about issue:

- **Issue:** Decline in share of resources transferred from the Centre to States, particularly affecting southern states.
- **States affected:** Particularly southern states of India.
- Continuous decline in their share across Finance Commissions.

### Factors to consider in finding a solution:

- Identification of states gaining and losing share over time.
- Analysis of horizontal distribution criteria leading to share decline.
- Strategies to reverse the declining trend.

### Data comparison from Twelfth to Fifteenth Finance Commission:

- **Southern states' share decline:** 19.785% to 15.800%.
- **Other regions also affected:** Northern and eastern states.
- **'Gainer States':** Hilly, central, and western states, including Maharashtra.

### Importance of the distance criterion:

- *Determines shares of individual states in tax devolution.*
- **Weight reduction over Finance Commissions:** *from 62.5% (Eleventh) to 45% (Fifteenth).*

### Impact on state shares:

- *Southern states' loss attributed to **income distance criterion**.*
- *Hilly states' gain linked to area/forest criterion.*

### Effect on southern states:

- *Loss due to distance criterion: 8.055% points (between Twelfth and Fifteenth Finance Commission).*
- *Overall loss: 3.985% points, indicating gains under other criteria.*

### Effects on low-income states like Bihar and Uttar Pradesh:

- *Gained over time due to distance criterion.*
- *Lost on other criteria, resulting in overall loss: Bihar (-0.970% points) and Uttar Pradesh (-1.325% points).*

### Population criterion controversy:

- **Data shift:** *1971 population used until Fourteenth Finance Commission, 2011 population used for Fifteenth Finance Commission.*
- **Introduction of demographic change criterion:** *To Avoid penalizing states with improved fertility rate reduction.*
- **Impact assessment:** *Marginal impact on all state groups due to population data and demographic change criterion.*
- **Effect on Tamil Nadu:** *Joint impact marginally positive.*

### Steps to take:

- *Retaining income distance criterion: Cannot be abandoned, despite concerns.*
- *Consideration: Reducing its weight while increasing weights of other criteria.*

### Addressing divisible pool size:

- *Issue: Increase in cesses and surcharges reducing pool size.*
- *Recommendation: Limit share of cesses and surcharges to 10% of Centre's gross tax revenues.*
- *Result of Fourteenth Finance Commission recommendation: States' share increased from 63.9% to 68.1% (further to 70.7% in 2020-21, then declined to 67.5% in 2022-23).*

### Conclusion:

- *Need to address declining shares issue.*
- *Income distance criterion's weight reduction by 5% to 10%.*
- *Cesses and surcharges subjected to upper limit by Sixteenth Finance Commission.*

### Practice Question

*Q. The income distance criterion and cesses and surcharges are areas that need review with respect to Central transfers to states. Analyse. (15 marks, 250 words)*

## **AVAANA SUSTAINABILITY FUND (ASF)**

**Syllabus: GS-3; Green bonds, Environmental Concern**

### Context

- **Small Industries Development Bank of India (SIDBI)** has secured \$24.5 Mn from **Green Climate Fund (GCF)** for its maiden anchored sustainability and climate focussed fund **Avaana Sustainability Fund (ASF)**.
- The development came during the **38th meeting of the GCF Board in Kigali, Rwanda.**





## About

- *The project, valued at \$120 million, will invest in **early-stage startups and MSMEs** that are using technology-led innovation to spur sustainability and climate solutions in the country.*
- *The ASF initiative aims to inject funds into early-stage enterprises that are at the forefront of using technological innovations to address climate change challenges.*
- *The project is designed to significantly aid in **climate change mitigation, adaptation, and improving resilience** within key sectors vulnerable to climate impacts.*
- *Under the new project, SIDBI will liaise with key stakeholders and ministries, including the **Department of Financial Services of the Ministry of Finance**. With the capacity to anchor proposals from other entities and submit its own, SIDBI said it is committed to promoting and financing the development of micro, small, and medium enterprises (MSMEs).*
- *With several additional projects in the pipeline, SIDBI is steadfast in its commitment to advancing India's **Nationally Determined Contributions (NDCs)**, effecting substantial global change through its proficiency in green and climate finance.*

## Significance

- *This marks a pioneering move by SIDBI, representing the first such project to be anchored by the bank and the first of its kind for India in recent years, aligning closely with the nation's commitments under **the Paris Agreement**.*
- *SIDBI, having the status of an accredited entity and direct **access entity (DAE)** with the GCF, will leverage this opportunity to fund projects that **promote low-carbon and climate-resilient development** across India, under the guidance of the Union Ministry of Environment, Forests and Climate Change and in coordination with relevant stakeholders and ministries.*

## Green Climate Fund

- *The Green Climate Fund, recognized as the largest climate fund globally, plays a crucial role in supporting developing countries to meet and enhance their nationally determined contributions (NDCs) towards global climate action.*

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## Oldest 'dead galaxy' yet is spotted by James webb Telescope

Syllabus:GS-3; Science and Technology –Space.

Context:

- *Astronomers have discovered the oldest known "dead" galaxy in recent observations from the **James Webb Space Telescope (JWST)**.*

More about discovery:

- *The newly discovered galaxy, named **JADES-GS-z7-01-QU**.*
- ***The James Webb Space Telescope** discovered a "dead" galaxy that stopped forming stars when the universe was only 5% of its current age.*
- ***Star formation in the galaxy ceased** approximately 13.1 billion years ago, just 700 million years after the Big Bang.*
- *This **discovery surpasses previous findings** by about 500 million years, marking the earliest-known instance of a "dead" galaxy.*
- *Astrophysicist Tobias Looser from the University of Cambridge likened the galaxy's star formation pattern to James Dean's fast-paced life followed by a sudden halt.*
- *The **galaxy had a rapid burst of star formation** before abruptly stopping, which is intriguing considering the abundant gas available in the early universe.*
- *Estimated to have between **100 million and one billion stars**, the galaxy is comparable in size to the **Small Magellanic Cloud** but has ceased forming new stars.*
- ***Existing stars in the galaxy will expire without replacement**, causing a shift in color from blue to yellow to red as the most massive stars die first.*
- ***Researchers are investigating potential causes** for the sudden halt in star formation, including the influence of a supermassive black hole or depletion of gas.*
- *The **James Webb Space Telescope's enhanced capability** allowed astronomers to observe this dead galaxy at a single moment in time, leaving open the possibility that it may have resumed star formation later.*

About James Webb Space Telescope:

- ***Launched in December 2021**, it's the most powerful space telescope ever built.*
- ***Designed for infrared astronomy**, it observes objects too faint or distant for Hubble.*
- *Reached its **destination near L2 in January 2022**, about 1.5 million kilometers from Earth.*
- ***Aims to study the earliest stars and galaxies**, dating back to near the beginning of the universe.*
- ***Captured its first image in July 2022** and has since revealed numerous discoveries including hundreds of ancient galaxies.*

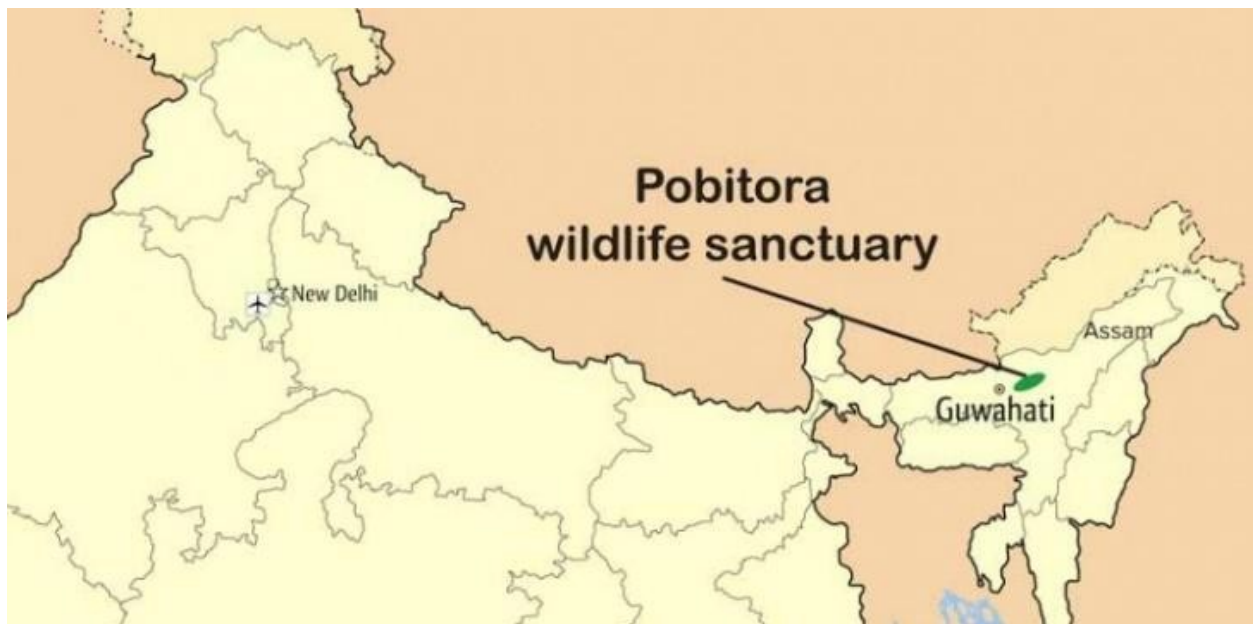


## **Pobitora Wildlife Sanctuary**

**Syllabus: GS-3; Biodiversity**

### **Context**

- Recently, The **Supreme Court** froze the **Assam government's** move to withdraw a nearly 26-year-old notification constituting the Pobitora wildlife sanctuary, which hosts one of the largest rhino populations in the country.



### **About**

- Pobitora Wildlife Sanctuary is a wildlife sanctuary on the **southern bank of the Brahmaputra in Morigaon district in Assam, India.**
- It was declared in 1987 and covers 38.85 km<sup>2</sup> (15.00 sq mi), providing grassland and wetland habitat for the Indian rhinoceros.
- It holds one of **the largest Indian rhinoceros population in Assam.**

### **Biodiversity**

- Pobitora Wildlife Sanctuary's grassland vegetation consists of at least 15 grass species including *Cynodon dactylon*, whip grass (*Hemarthria compressa*), vetiver (*Chrysopogon zizanioides*), ravenagrass (*Saccharum ravennae*), *Phragmites karka*, southern cutgrass (*Leersia hexandra*) and signalgrass (*Brachiaria pseudointerrupta*).

- *The grasslands provide habitat and food resource for the Indian rhinoceros, hosting Assam's second largest population.*
- *Other mammals occurring in the sanctuary are **golden jackal, wild boar and feral water buffalo. Barking deer, Indian leopard and rhesus macaque** live foremost in the hilly parts.*
- *It is an Important Bird Area and home for more than 2000 migratory birds and various reptiles.*