

UNBOXING THE 'EXPORT TURNAROUND' IN INDIA'S TOY STORY

Context

- During 2020-21 and 2021-22, India has become a net exporter of toys, ending a long import dominance.
- However, whether this turnaround represents a sustained rise in investment or a short-term outcome of protectionism and COVID-19 pandemic-related global disruptions is a matter of debate.

Indian Toy Industry

- In 2015-16, the industry had about 15,000 enterprises or establishments (organised and unorganised combined).
- The production stood at ₹1,688 crores using fixed capital of ₹626 crores at current prices and employing 35,000 workers.
- Registered factories (those employing 10 or more workers regularly) accounted for 1% of the number of factories and enterprises, employed 20% of workers, used 63% of fixed capital, and produced 77% of the value of output.
- However, during the one-and-half decades between 2000 and 2016, industry output was halved in real terms (net of inflation) with job losses.
- Domestic market size currently stands at an estimated value of \$ 1.5 Bn.
- Labour-intensive toy categories like dolls, soft toys and board games offer significant manufacturing potential in India due to inherent cost competitiveness and growing demand.
- The sector is dominated by small & medium sized manufacturers.
- Over 4,000 toy units in the MSME Sector significantly contribute to both manufacturing and exports to large global & domestic brands.

Indian Toy Industry Share in Global Market

- India's exports stand at a mere half-a-percentage point.
- Between 2014-19, the Indian toy industry witnessed negative productivity growth.

- **Imports** accounted for up to 80% of domestic sales until recently. Between 2000 and 2018-19, imports rose by nearly three times as much as exports.
- But in recent years, the Indian toy industry is expanding its global presence, **with increased high-value exports to Middle East and African countries.**
- The Indian toy industry is **among the fastest-growing globally, projected to reach \$3 Bn by 2028**, growing at a CAGR of 12% between 2022-28.

Is the Export Turnaround a sign of Sustained Growth due to govt policies?

- The turnaround in toy exports is based on **data from just two recent years**, and during the COVID-19 pandemic, it is perhaps **too premature to claim policy success.**
- The potential for **sustaining net exports appears slim** as the **industry has hardly made sustained investment to boost output and exports.**
- The turnaround does not seem to be the **outcome of strengthening domestic investment and production on a sustained basis.**
- Since around 2000, the industry has shrunk with rising imports, until two years ago.

Government's Policy Initiatives Impact on the Toy industry

- **Impact of "Make in India"**
 - The annual value of output and fixed investment at constant prices (net of inflation) after peaking in 2007-08, have trended downwards with considerable fluctuations (except for 2019-20).
 - Apparently, **there is no evidence of 'Make in India' positively affecting these indicators on a sustained basis.**
 - The output of the informal or unorganised sector shrank, **though it continues to account for most establishments and employment.**
- **Industry De-reservation Effect**
 - In 1997, in the wake of **liberal reforms, the reservation policy was abolished.**
 - New firms entered the organised sector, but only for a while, and productivity growth improved.
 - Despite early positive trends, **industry de-reservation failed to sustain output, investment, and productivity growth after 2007-08.**

Some Other Government Schemes to Strengthen the Toy Industry

- **Central Government Schemes**

- Scheme For Granting Recognition & Registration to In-House R&D Units
- Remission Of Duties & Taxes on Exported Products (RoDTEP)
- Duty Drawback Scheme
- Export Promotion Capital Goods (EPCG) Scheme
- Custom Bonded Warehouse Scheme
- Increase in basic custom duty (BCD) for Electronic Toys from 5% to 15% to encourage domestic manufacturing

- **State Incentives**

- Capital subsidy
- Stamp duty exemption
- Interest subsidy
- Tax reimbursement
- Electrical duty exemption

What should be Policymakers' strategy for a sustainable long-term term industry growth?

- The policymakers should look **beyond simplistic binaries**; planning versus reforms.
- There is a need to examine the **ground reality of industrial locations and clusters to tailor policies** and institutions to nurture such industries.

22ND SUMMIT OF THE SCO COUNCIL OF HEADS

Recently, the Ministry of External Affairs announced that India will host the annual summit of the Shanghai Cooperation Organisation (SCO) in the virtual format on July 4, 2023.



S | E | C | U | R | E | S | C | O
SECURITY | SOVEREIGNTY | CONNECTIVITY | SAFETY | RESPECT | SUSTAINABILITY

About SCO Summit, 2023:

- It will be held in the virtual format.
- All the SCO Member States, **China, Russia, Kazakhstan, Kyrgyzstan, Pakistan, Tajikistan and Uzbekistan** have been invited to attend the Summit.
- **Iran, Belarus and Mongolia** have been invited as **Observer States**.

- The **theme** of the Summit is ‘Towards a **SECURE SCO**’. The **SECURE** acronym stands for **Security, Economy and Trade, Connectivity, Unity, Respect for Sovereignty and Territorial Integrity and Environment**.
- India has set up **new pillars of cooperation** under its Chairmanship - **Startups and Innovation, Traditional Medicine, Digital Inclusion, Youth Empowerment and Shared Buddhist Heritage**.

About Shanghai Cooperation Organisation:

- The SCO was founded at a summit in **Shanghai in 2001** by the presidents of **Russia, China, the Kyrgyz Republic, Kazakhstan, Tajikistan and Uzbekistan**.
- **India and Pakistan** became its permanent members **in 2017**.
- The SCO is an influential **economic and security bloc** and has emerged as one of the **largest transregional international organisations**.
- SCO has two Permanent Bodies - (i) **SCO Secretariat in Beijing** (ii) Executive Committee of the **Regional Anti-Terrorist Structure (RATS) in Tashkent**.
- The Regional Anti-Terrorist Structure serves to promote cooperation of member states against **terrorism, separatism and extremism**.
- The official working languages: **Chinese and Russian**.

WHAT IS GLOBAL GREENHOUSE GAS WATCH (GGGW)?

The World Meteorological Congress has approved a new greenhouse gas (GHG) monitoring initiative called Global Greenhouse Gas Watch (GGGW).



About Global Greenhouse Gas Watch (GGGW):

- It is a **new greenhouse gas (GHG) monitoring initiative** of the **World Meteorological Organisation (WMO)**.
- GGGW will **fill critical information gaps**, providing an **integrated, operational framework under all space-based and surface-based observing systems under one roof**, along with modelling and data assimilation capabilities.

- It will build on WMO's experience in coordinating international collaboration in predicting the weather and analysing climate on long-standing activities in greenhouse gas monitoring and research under the guidance of the Global Atmosphere Watch, established in 1989.
- GGGW predicts a top-down approach to the flux evaluation, which builds on existing capabilities in surface- and space-based observations and modelling, ensuring the timely exchange of all observations and data.
- The GGGW will consist of four main components:
 - Comprehensive, sustained, global surface- and satellite-based observations of CO₂, methane, and nitrous oxide concentrations, partial column amounts, total column amounts, vertical profiles, and fluxes supporting oceanic, meteorological, and terrestrial variables, internationally exchanged as rapidly as possible.
 - Prior estimates of the GHG emissions based on the activity data and process-based models.
 - Global high-resolution Earth system models representing GHG cycles.
 - Data assimilation systems combining the observations with model calculations to generate products of higher accuracy.

Key facts about World Meteorological Organisation (WMO):

- It is a specialized agency of the United Nations (UN).
- It is the UN system's authoritative voice on the state and behavior of the Earth's atmosphere, its interaction with the oceans, the climate it produces, and the resulting distribution of water resources.
- It originated from the International Meteorological Organization (IMO), which was founded in 1873.
- Established in 1950, WMO became the specialized agency of the UN for meteorology (weather and climate), operational hydrology and related geophysical sciences.
- Headquarters: Geneva, Switzerland.
- Currently it has a membership of 187 countries.
- Governance Structure:
 - Its supreme body is the World Meteorological Congress, which consists of representatives of all members. It meets at least every four years to set general policy and adopt regulations.

- A 36-member Executive Council meets annually and implements policy.
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INTERNATIONAL ATOMIC ENERGY AGENCY (IAEA)

An International Atomic Energy Agency (IAEA) team recently arrived in Tokyo for a final review before Japan begins releasing massive amounts of treated radioactive water into the sea from the wrecked Fukushima nuclear plant.



About International Atomic Energy Agency (IAEA):

- It is widely known as the world's "Atoms for Peace and Development" organization within the United Nations family.
- **Mandate:** It is the world's central intergovernmental forum for scientific and technical cooperation in the nuclear field. It works for the safe, secure and peaceful uses of nuclear science and technology.
- **History:** Though established as an autonomous organisation, independently of the United Nations through its own international treaty, the IAEA Statute, the IAEA reports to both the United Nations General Assembly and Security Council.
- **Headquarters:** Vienna, Austria.
- **Functions:**
 - The Agency works with its Member States and multiple partners worldwide to **promote the safe, secure and peaceful use of nuclear technologies.**
 - It **applies nuclear safeguards** – consisting of **monitoring, inspection, information analysis, and other activities** – to verify that nuclear activities remain peaceful and detect and deter their diversion, including to weapons-related purposes.
 - In particular, the IAEA **implements comprehensive safeguards agreements mandated by the Nuclear Non-Proliferation Treaty (NPT)**, which serve as a first line of defense against nuclear weapons proliferation.
 - IAEA **assists its Member States and promotes the exchange of scientific and technical information between them.**

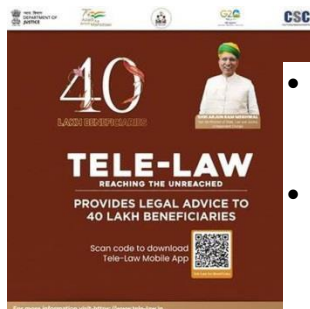
- IAEA enhances national, regional, and international capacities to respond to nuclear and radiological incidents, which is essential to minimizing their impact.

What is the Nuclear Non-Proliferation Treaty (NPT)?

- It was an agreement signed in 1968 by several of the major nuclear and non-nuclear powers that pledged their cooperation in stemming the spread of nuclear technology.
- With 191 States parties, it is the most widely adhered to treaty in the field of nuclear non-proliferation, peaceful uses of nuclear energy and nuclear disarmament.
- Under the NPT, non-nuclear-weapon States parties have committed themselves not to manufacture or otherwise acquire nuclear weapons or other nuclear explosive devices while nuclear-weapon States parties have committed not to in any way assist, encourage or induce any non-nuclear-weapon State party to manufacture or otherwise acquire nuclear weapons or other nuclear explosive devices.
- Nuclear-weapon States parties under the Treaty are defined as those that manufactured and exploded a nuclear weapon or other nuclear explosive device before 1 January 1967.
- There are five nuclear-weapon States parties to the Treaty.
- Only Israel, India, and Pakistan have never been signatories of the Treaty, and North Korea withdrew from the Treaty in 2003.

TELE-LAW PROGRAMME

Recently, The Ministry of Law informed that the Tele-Law programme achieved a new milestone with 40 lakh beneficiaries across the country empowered with pre-litigation advice.



About Tele-Law Programme:

- The Tele-Law programme comes under the Department of Justice, Ministry of Law and Justice and was launched in 2017.
- It is an e-interface mechanism to seek legal advice and consultation at a pre-litigation stage with the aim of 'Reaching the Unreached'.

- The programme connects **needy and marginalised** people in need of legal aid with **the Panel Lawyers** via **video conferencing/telephonic facilities** available at Common Service Centres (CSCs) situated at the panchayat level. In addition, the service can also be accessed through the **Tele-Law Mobile App**.
- A Panel Lawyer is a practicing advocate **selected by the Department of Justice and CSC-eGovernance Services** or registered on the Panel of State /District Legal Services Authority.
- **Eligibility:** Legal advice is made **available to everyone** under Tele-Law service. Advice is **free of Cost to those** who are eligible for free legal aid under Section 12 of LSA Act, 1987.
 - Women
 - Children
 - Persons belonging to Scheduled Caste and Scheduled Tribe
 - Victims of Trafficking
 - Mentally ill and differently-abled people
 - Victims of natural disaster/ethnic violence
 - Workers in unorganized sector/industrial workers
 - Undertrials
 - People of low-income group
 - For all others, a nominal fee of Rs. 30/- is charged for each consultation.
- **Kind of cases/matters:** Legal matters in which advice can be taken through **Tele-Law service include:**
 - Dowry, family dispute, divorce, protection from domestic violence
 - Sexual harassment, sexual abuse, eve teasing at the workplace
 - Maintenance of women children and senior citizens
 - Rights regarding property and land
 - Equal wages for males and females
 - Maternity benefits and prevention of foeticide.
 - Atrocities against scheduled castes/ scheduled tribes and their rehabilitation.

[WHAT IS 2023 FW13?](#)

Astronomers have recently discovered a 'quasi-moon' called '2023 FW13' that orbits the Earth but is actually gravitationally bound by the Sun.



About 2023 FW13:

- It is an asteroid which has been designated as a quasi-satellite or a quasi-moon.
- It is among the few known quasi-moons or satellites that we know of in our solar system.
- It was identified by experts utilizing the Pan-STARRS telescope situated atop Hawaii's Haleakala volcano.
- It has been in Earth's vicinity since 100 BC and will keep circling our planet for at least another 1,500 years, until AD 3700.
- **Features:**
 - The newfound asteroid 2023 FW13 circles the sun in sync with Earth.
 - According to preliminary estimates, its diameter is from 10 to 20 meters.
 - While not gravitationally bound to Earth in any discernible way (like our Moon), the asteroid's bizarre orbit makes it circle our planet occasionally, earning it the name of a quasi-satellite or quasi-moon.
 - At the closest point in its slightly elliptical orbit around Earth, the moon comes within about 223,693 miles (360,000 km) of our planet.

What are quasi-moons?

- Quasi-moons are also known as 'quasi-satellites' because they appear to orbit our planet in the same way that our natural satellite, the Moon.
- It is a space rock that circles the Earth, but is gravitationally bound by the sun.