Prelim Bits 19-04-2023 | UPSC Daily Current Affairs

Angel Investment

Angel investment at high premium comes under Income-Tax scanner.

- Indian start-ups that raised capital from domestic investors at an excessive premium between Assessment Years 2018-19 and 2020-21 have come under the income-tax (I-T) department scanner.
- **Angel Tax –** The tax department has asked start-ups in the financial and education space, to justify their shares issued at a premium to domestic investors under angel tax provisions.
- **Liable –** The excess premium received on the sale of shares by an Indian unlisted company to either foreign or domestic investors will be considered as income from other sources and liable for angel tax.

Angel Tax	Angel Investors	Venture Capital Funds
Tax levied on investments made by external investors in startups.	It is the one who provides capital for business start-up, in exchange of convertible debt.	Venture capital funds are pooled investment funds that manage the money of investors.
They are taxes raised by startups if they exceed the fair market value (FMV).	Unlike a venture capital firm that uses an investment fund, angels use their own funds.	These investments are generally characterized as very high-risk/high-return opportunities.
Entire investment is not taxed but only the amount that is considered above fair value is taxed.	Compared to venture capitalists, angels may also be more patient with entrepreneurs and open to providing smaller dollar amounts for a longer time period.	In the past, venture capital (VC) investments were only accessible to professional venture capitalists, but now accredited investors also can access it.
Funds from angels are subjected to over 30% tax if it is more than the fair market value (FMV).	Angel investors want to see an exit strategy, where they can profit, through public offering or an acquisition.	Still, VC funds remain largely out of reach to ordinary investors.

Reference

Business Standard | Angel investment under Income-Tax scanner

The State of World Population Report, 2023

India to overtake China as world's most populous country by mid-2023: UN report.

- The United Nations Population Fund's, 'The State of World Population Report, 2023', titled '8 Billion Lives, Infinite Possibilities: The Case for Rights and Choices' was released.
- The latest figures were given under the category of 'Demographic Indicators' in the report.
- It is the first time that India's population has overtaken China's since 1950 when the

UN began to collect and release population data.

Findings

- **Age group –** The United Nations Population Fund (UNFA) reported the following category of age groups for India and China:

Age group	India	China
0-14 years	25%	17%
10-19 years	18%	12%
10-24 years	26%	18%
15-64 years	68%	69%
Above 65 years	7%	14%

- **Life expectancy –** China is doing better than India in the context of life expectancy, which in the case of women is 82 and 76 that of men.
- The figures for India are 74 and 71, according to the report.

United Nations Population Fund (UNFPA)

- UNFPA is the United Nations sexual and reproductive health agency.
- Its mission is to deliver a world where every pregnancy is wanted, every childbirth is safe and every young person's potential is fulfilled.
- The organization was created in 1969.
- In 2018, UNFPA launched efforts to achieve three transformative results, ambitions that promise to change the world for every man, woman and young person:
    - Ending unmet need for family planning.
    - Ending preventable maternal death.
    - Ending gender-based violence and harmful practices.

References

1. Hindustan Times | India is now world's most populous country
2. India Today | India to overtake China

Global Food Policy Report

Investing in early warning, agrifood chains needed for resilient food systems: Global Food Policy Report.

Findings

- The report is released by the International Food Policy Research Institute (IFPRI).
- There is a need to invest beyond short-term fixes to build food systems that are more resilient and equitable.
- The report called for a more proactive response to food system shocks with focus on three key areas:
    - Crisis prediction and preparation
    - Building resilience before and during crises

    - Making crisis response supportive and inclusive of women, forced migrants and other vulnerable groups.
- Investing in early warning systems is essential to save lives, livelihoods and money.
- In 2022, the food insecurity was exacerbated by the Russia-Ukraine war and related spikes in food and fertiliser prices.

International Food Policy Research Institute (IFPRI)

- It is established in the year 1975 with its headquarters at Washington D.C.
- The IFPRI provides research-based policy solutions to sustainably reduce poverty and end hunger and malnutrition in developing countries.
- It is a research centre of the CGIAR, a worldwide partnership engaged in agricultural research for development.
- Research at IFPRI focuses on six strategic areas:
    - Ensuring Sustainable Food Production,
    - Promoting Healthy Food Systems,
    - Improving Markets and Trade,
    - Transforming Agriculture,
    - Building Resilience,
    - Strengthening Institutions and Governance.

References

1. Down To Earth | Global food policy report
2. UNCCD |The International Food Policy Research Institute (IFPRI)

Magnaporthe oryzae fungus

Wheat blast: A fungus that spread to three continents can threaten food security globally.

- Magnaporthe oryzae originated in South America, but cases of infection have also been reported in Asia in 2016 and Africa in 2018.
- The pathogen affects the crop in a disease known as ‘wheat blast’.
- The pathogen is also resistant to fungicides.
- The biggest concern is that this fungus has the potential to affect not only wheat but also other major food crops.
- The seriousness of the disease is indicated by the fact that crops are burnt to avoid this disease.
- **Genomic surveillance –** Genomic analysis of fungus samples from all three continents showed that these fungi are part of the same family.
- It allows for early and accurate detection of these, which can lead to the discovery of the origin of the disease and help create a prevention strategy.

References

1. Down To Earth | Wheat blast
2. National Library of Medicine | Rice Blast Fungus (Magnaporthe oryzae)

Tea Mosquito Bug

The tea mosquito bug is affecting tea production in both low and high elevation plantations, the United Planters Association of Southern India (UPASI).

- The UPASI is the apex body of planters in south India.
- **Tea mosquito bug (Helopeltis theivora) –** It is considered to be a serious pest of a tea.
- The damage more in most shaded areas.
- **Symptoms of damage –** Adults and nymphs suck the sap from buds, young leaves and tender stems
- Puncturing the plant tissues with their needle like rostrum and inject toxic saliva.
- Punctures appear as reddish brown spots.
- Leaves curl up, badly deformed and shoots dry up.
- **Identification of the pest –** Adult bugs are in black colour with red thorax, black and white abdomen and greenish brown wings.
- **Management –** Use chemicals such as Clothianidin, Thiacloprid, Thiamethoxam, and Bifenthrin.

References

1. The Hindu | Tea mosquito bug affecting production
2. TNAU | Crop Protection - Tea

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