

# **UPSC CURRENT AFFAIRS NOTES 11-10-2023**

#### ISRAEL HAMAS CONFLICT

Over 200 Israelis and 232 Palestinians were killed in the deadliest escalation of the Israeli-Palestinian conflict in decades.



This is after the Hamas group launched a massive rocket barrage on ground, air, and sea offensive, prompting Israel to respond with intense airstrikes.

#### **Historical Context**

After the Ottoman Empire was defeated in World War I, Britain gained control of Palestine, which was inhabited by a Jewish minority and Arab majority.

The international community tasked Britain with creating a Jewish homeland in Palestine, which heightened tensions between the two groups.

In the 1920s and 1940s, the number of Jewish immigrants to Palestine increased significantly, as many Jews fled persecution in Europe and sought a homeland in the wake of the Holocaust.

Friction between Jews and Arabs, as well as resistance to British rule intensified. In 1947, the United Nations voted to divide Palestine into separate Jewish and Arab states, with Jerusalem under international administration. The Jewish leadership embraced the plan, but the Arab side rejected it, and it was never implemented.

In 1948, unable to end the strife, British authorities withdrew and Jewish leaders proclaimed the founding of Israel.

Many Palestinians objected, and a war ensued. Neighbouring Arab countries intervened with military force. Hundreds of thousands of Palestinians fled or were driven from their homes in what they call Al Nakba, or "The Catastrophe".



#### War And Peace

Over the years, Israel and Palestine have been involved in several skirmishes, some minor, some of catastrophic proportions that led to the deaths of thousands.

In 1987, Hamas, an acronym for Harakat al-Muqawama al-Islamiya (Islamic Resistance Movement), a political group with military capabilities, was launched by Palestinian cleric Sheikh Ahmed Yassin as a political arm of the Muslim Brotherhood, a transnational Sunni Islamist organization.

The two Palestinian uprisings, or 'intifadas', profoundly impacted Israeli-Palestinian relations, especially the second, which ended the 1990s peace process and ushered in a new era of conflict.

Both the intifadas had the involvement of Hamas.

US President Bill Clinton convened the Camp David Summit on July 11, 2000, bringing together Israeli Prime Minister Ehud Barak and Palestinian Authority Chairman Yasser Arafat for intensive final status negotiations, but the summit ended in no resolution, further worsening relations between the two nations.

#### End game

Hamas has called on its fighters in the West Bank and the Arab and Islamic worlds to join the battle against Israel.

In light of the latest conflict, tensions between Israelis and Palestinians in East Jerusalem, Gaza, and the West Bank remain high.

Israel and Egypt maintain tight control over Gaza's borders in an effort to prevent Hamas from obtaining weapons. This has led to a humanitarian crisis in Gaza, with many people struggling to access basic necessities such as food and water.

Palestinians in Gaza and the West Bank claim that they are suffering due to Israeli actions, such as the blockade of Gaza, the construction of the West Bank barrier, and the destruction of Palestinian homes.

Israel contends that it is only acting to defend itself from Palestinian violence, citing the fact that Hamas has fired thousands of rockets into Israeli territory and that Palestinian militants have carried out numerous attacks on Israeli civilians.

## **Implications and India's take**

The surprise attack by Hamas on Israel, which has now turned into a war and can become a prolonged conflict, has raised concerns over how it will affect the global economy that is already under stress from the war in Ukraine.



For India, there are wider implications as it raises questions not only about India-Israeli economic cooperation and partnership but also about the welfare and safety of almost **9 million Indians in West Asia.** 

There are also concerns over how the conflict could affect the wider region, which is a key source of India's oil and gas, and impact their prices. Experts said rising oil prices could force an increase in the price of gold, which is seen as a more attractive investment hedge.

There are already signs of a hike in oil prices and if it goes up further in the coming days, it could spur inflation in India and elsewhere.

India's primary focus for now is the safety of 18,000 Indians currently living and working in Israel.

Israel is one of India's most reliable strategic partners. In past crises, Israel has stood by India and tried to help it.

Prime Minister Narendra Modi's prompt response in condemning the terrorist act of Hamas and reaffirming India's commitment to stand by Israel in its hour of crisis indicates how important the country has become for India in recent years.

But this also raised an important question about India's stand in support of the Palestinian demand for a homeland.

#### Economic, and defence ties

Trade between India and Israel, excluding defence, stood at \$10.1 billion in 2023, according to the ministry of External Affairs. Israel is a major arms supplier of India and defence cooperation between the two sides has grown steadily over the years.

India has procured a wide array of Israeli weapons since normal diplomatic relations were established in 1992. They include Phalcon AWACS (airborne warning and control systems) and Heron, Searcher II and Harop drones to Barak anti-missile defence systems and Spyder quick-reaction anti-aircraft missile systems.

## The two countries also have a robust intelligence-sharing partnership.

Though there are concerns over how the conflict could affect the wider region, there is little chance of it affecting oil supply in the Gulf countries.

In past crises, Gulf countries weaponised oil and regulated its supply but never stopped production and disrupted supplies. However, the possibility of a steep hike in oil prices remains a worry for India and the international community.

The proposed Middle East Europe Economic Corridor a multi-billion infrastructure project announced during the G20 summit in New Delhi in



September to link India with the Middle East and Europe could now be put on hold indefinitely.

It also remains to be seen how the I2U2 Initiative with India, Israel, the US and the United Arab Emirates progresses in the near future. The I2U2 held its business forum meeting in February in Abu Dhabi. But whether the initiative now turns to more of strategic cooperation remains to be seen.

#### **OPEN MARKET OPERATION**

The announcement of Open Market Operations (OMOs) by the Reserve Bank of India (RBI) came without a specific calendar, creating uncertainty among market participants. The fact that OMOs could be announced at any time introduced an element of unpredictability, making it difficult for investors to plan their strategies effectively.



#### **Key issues related to the announcement**

## **Anticipation of Liquidity Tightening**

The market was surprised because it expected that the best liquidity conditions would be prevalent during the October-December quarter. There was an anticipation that core liquidity might naturally decrease during this period, rendering the need for OMOs less likely in the following quarter. This unexpected announcement of OMOs suggested that the RBI was taking a proactive approach to liquidity management, which caught market participants off guard.

#### **Inflation and Hawkish Tone**

Despite retail inflation being at 6.83% in August, the market did not anticipate the RBI's move to withdraw excess liquidity. This decision added a hawkish tint to the monetary policy, as liquidity-tightening measures are often associated with a more restrictive monetary stance. The market had not fully priced in the possibility of such a move.



#### **Festival Season Impact**

With the forthcoming festival season, there was an expectation that liquidity might naturally tighten due to increased cash withdrawals from the banking system. Many expected the RBI to maintain a more accommodative stance in preparation for this seasonal demand for cash. The announcement of OMOs to manage liquidity signalled a different approach.

### **Focus on Liquidity Management**

The RBI's emphasis on "active liquidity management" in the post-policy press conference suggested a shift towards tighter liquidity conditions in the future. This shift was influenced by concerns related to inflation risks and financial stability. The market was surprised by the RBI's intention to actively manage liquidity, signalling a more proactive approach to monetary policy.

#### **Speculation and Uncertainty**

The absence of a specific OMO calendar and details left room for speculation among market participants. They were left wondering about the level of liquidity at which the RBI might plan OMO sales and the quantum of these operations. This uncertainty can lead to market volatility and adjustments in asset prices.

The surprise in the markets resulted from the unexpected announcement of OMOs by the RBI, the timing of the announcement, the anticipation of liquidity conditions during the festival season, and the shift towards more active liquidity management in line with inflation targets and financial stability concerns. This uncertainty and change in stance led to market participants needing to reevaluate their expectations and strategies.

## **Open Market Operations (OMOs)**

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#### **About**

Open market operations (OMOs) are one of the tools that the Reserve Bank of India (RBI) uses to regulate the money supply and liquidity conditions in the economy.

OMOs are the sale and purchase of government securities (G-Secs) and treasury bills (T-Bills) by the RBI in the open market. When RBI wants to inject liquidity into the system, it buys G-Secs and T-Bills from the market, thereby increasing the money supply. Conversely, when RBI wants to absorb excess liquidity from the system, it sells G-Secs and T-Bills to the market, thereby reducing the money supply.



### OMOs are important for several reasons:

#### **Maintaining Liquidity**

OMOs are essential for controlling the level of liquidity in the financial system. By buying or selling government securities (G-Secs and T-Bills), the RBI can inject or withdraw money from the banking system. This helps ensure that there is an appropriate level of funds available in the market, which is vital for the smooth functioning of financial markets and the effective transmission of monetary policy.

### **Managing Interest Rates**

OMOs have a significant impact on interest rates. When the RBI buys government securities, it increases the demand for these securities, which leads to an increase in their prices and a decrease in yields. Conversely, when the RBI sells securities, it reduces their prices, leading to higher yields. These changes in yields affect interest rates in the broader economy. Lower yields result in lower borrowing costs for the government and other borrowers, while higher yields mean higher borrowing costs.

#### **Influencing Exchange Rates**

OMOs can also influence the exchange rate of the Indian rupee. When the RBI conducts OMOs by buying government securities, it pays rupees to sellers, increasing the supply of rupees in the market. This surplus of rupees can put downward pressure on the exchange rate, making the rupee weaker against other currencies. Conversely, when the RBI sells government securities, it receives rupees from buyers, reducing the supply of rupees in the market and putting upward pressure on the exchange rate, making the rupee stronger.

## OMOs have some distinctive features and significances:

## **Flexibility**

OMOs provide the RBI with a flexible tool to manage liquidity in the financial system. Unlike some other monetary policy instruments with fixed schedules, OMOs can be conducted as needed, depending on the prevailing liquidity conditions in the market. This flexibility allows the central bank to respond quickly to changing economic conditions and market dynamics.

## **Transparency and Market-Based**

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OMOs are conducted in a transparent and market-based manner. The RBI announces the details of upcoming OMOs, including the amount, date, and time, through press releases. These announcements provide clarity to market participants and ensure that OMO operations are carried out openly. OMOs are



often conducted through auctions, where market participants can participate, further enhancing transparency and market-driven operations.

### **Effectiveness and Efficiency**

OMOs are known for their effectiveness and efficiency in influencing liquidity and interest rates in the market. When the RBI buys government securities through OMOs, it injects money into the system, increasing liquidity and putting downward pressure on interest rates. Conversely, when it sells securities, it withdraws money from the system, reducing liquidity and putting upward pressure on interest rates. This ability to have an immediate impact makes OMOs a powerful tool for fine-tuning monetary policy.

#### **Complementarity with Other Instruments**

OMOs work in conjunction with other monetary policy instruments, such as the repo rate, reverse repo rate, cash reserve ratio (CRR), statutory liquidity ratio (SLR), marginal standing facility (MSF), and standing deposit facility (SDF). By using a combination of these tools, the RBI can implement a comprehensive monetary policy strategy that addresses various aspects of the economy, including inflation, growth, and financial stability. OMOs play a critical role in achieving the desired level of liquidity and interest rates in alignment with the broader policy objectives.

## OMOs face some challenges and limitations

#### **Fiscal Dominance and Conflict of Interest**

OMOs can create a situation where monetary policy objectives conflict with public debt management and fiscal policy objectives. When the RBI buys government securities from the market, it indirectly finances the government's fiscal deficit. This can lead to fiscal dominance, where the central bank's actions are driven more by the government's financing needs than by its monetary policy goals. Additionally, when the RBI sells government securities, it can increase the government's interest burden and crowd out private-sector borrowing, potentially affecting the allocation of credit in the economy.

## **Liquidity Management Challenges**

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OMOs can result in excess or volatile liquidity in the financial system. Injecting too much liquidity can reduce the effectiveness of the RBI's policy rate, as banks may have ample funds and may not respond as expected to changes in interest rates. Conversely, absorbing too much liquidity can lead to a liquidity crunch, potentially causing disruptions in financial markets and hampering the transmission of monetary policy. Excessive liquidity can also fuel inflationary pressures in the economy.



#### **Exchange Rate Volatility and Balance of Payments Risks**

OMOs can impact the exchange rate of the domestic currency. When the RBI conducts OMOs by buying or selling government securities, it affects the supply and demand for foreign exchange in the market. This can lead to fluctuations in the exchange rate of the Indian rupee, which can have implications for trade and capital flows. Additionally, changes in the RBI's foreign exchange reserves, resulting from OMOs, can expose the central bank to valuation losses or currency mismatches, which can impact its ability to intervene in the foreign exchange market.

#### Way forward for OMOs is to enhance their effectiveness and efficiency

#### **Alignment with Monetary Policy Objectives**

Ensuring that OMOs are aligned with the monetary policy stance and objectives of the Reserve Bank of India (RBI) is crucial. This alignment helps maintain consistency in policy actions and minimizes the risk of conflicts between different policy goals. Coordination and communication with other monetary policy instruments and public debt management are essential to ensure that OMOs are used effectively to achieve broader policy objectives.

#### **Balancing with Market Expectations**

OMOs should take into account the liquidity needs and expectations of market participants. A clear and transparent communication strategy is essential to ensure that market participants understand the central bank's intentions and actions. Transparency and predictability in OMO operations help reduce uncertainty in financial markets, which can contribute to stability and confidence among investors.

## **Adaptation to Changing Conditions**

The macroeconomic and financial landscape is constantly evolving, and OMOs should adapt to these changing conditions. Flexibility and innovation in the design and implementation of OMOs are crucial. Central banks need to be responsive to emerging challenges and be willing to adjust their OMO strategies as necessary to address evolving economic and financial dynamics.

### **SURKHAB BIRDS**

The arrival of Surkhab birds, also known as Ruddy Shelducks, in Uttarakhand for their winter stay is a significant natural event.

The Ruddy Shelduck (Tadorna ferruginea) is a species of waterfowl that belongs to the family Anatidae.





### **Taxonomy and Classification**

The Ruddy Shelduck is a member of the Anatidae family, which includes ducks, geese, and swans.

Its scientific name is Tadorna ferruginea.

### **Physical Characteristics**

Ruddy Shelducks are easily recognizable due to their distinctive appearance.

They have a rust-colored or ruddy plumage on most of their body, with a white head and neck, which is sometimes marked with a dark collar.

Their bill is orange with a black tip, and their legs are orange.

These ducks have a wingspan of about 110-135 centimeters (43-53 inches) and a length of 58-70 centimeters (23-28 inches).

Both males and females have similar plumage, although males are often slightly larger.

## **Habitat and Range**

Ruddy Shelducks have a broad distribution range, extending from Southeast Europe to Central Asia.

They are commonly found in a variety of wetland habitats, including lakes, rivers, marshes, and ponds.

During the winter months, some populations migrate to warmer regions.



#### **Behavior**

Ruddy Shelducks are often seen in pairs or small groups, although larger flocks may form during migration.

They are primarily herbivorous, feeding on aquatic plants, seeds, and small invertebrates found in their wetland habitats.

These ducks are known for their loud, trumpeting calls.

### **Breeding and Reproduction**

Ruddy Shelducks typically breed in the spring and early summer.

They build their nests in burrows or cavities, often in riverbanks or cliffs.

The female usually lays a clutch of 6-10 eggs, which she incubates for about 28-30 days.

After hatching, the ducklings are cared for by both parents and are capable of swimming and feeding on their own within a few weeks.

#### **Conservation Status**

The Ruddy Shelduck is considered a species of "Least Concern" according to the International Union for Conservation of Nature (IUCN) Red List of Threatened Species.

Their populations are generally stable, and they have adapted well to humanaltered habitats.

## The Significance of Asan Barrage

As an Barrage, located in Uttarakhand, serves as a key destination for these migratory birds during the winter months.

The forest department has increased security measures to protect and facilitate the birds during their stay.

## **Migratory Behavior**

Around 70 to 80 species of birds migrate to the Asan Barrage wetlands, including Surkhab birds, from the high Himalayan region and cold regions of Europe.

Some of these species include bar-headed geese, purple swamphens, white-bellied herons, and many more.

## **Unique Abilities of Migratory Birds**

Bar-headed geese, among the migratory birds, are known for their exceptional flying abilities at high altitudes, sometimes above 7,000 meters. These birds



possess unique communication skills and can transmit messages through sounds to gather their group for synchronized flight.

#### Place the Child at The Centre

The 283rd report of the Law Commission has recommended the government to retain the existing age of consent (18) under the Protection of Children from Sexual Offences (POCSO) Act which appears to be a lost opportunity.

The judicial references called for reviewing the criteria for the age of consent to sexual activity, to mitigate the gross injustice in cases of statutory rape where de facto consent is present.

#### The Protection of Children from Sexual Offences (POCSO) Act

It is the first comprehensive law(enacted in 2012) in the country dealing specifically with sexual abuse of children, and is administered by the Ministry of Women and Child Development.

It was intended to protect children from sexual assault, sexual harassment, and pornographic violations, as well as to establish Special Courts for such trials.

In 2019, the Act was amended to strengthen the penalties for specified offences in order to deter abusers and promote a dignified upbringing.

### **Key Provisions of POCSO Act**

Gender-Neutral Legislation: The Act defines a child as "any person" under the age of 18.

Non-Reporting is a Crime: Any person in charge of an institution (excluding children) who fails to report the commission of a sexual offence involving a subordinate faces punishment.

No Time Limit for Reporting Abuse: A victim may report an offence at any time, even years after the abuse has occurred.

Keeping Victim's Identity Confidential: The Act forbids the disclosure of the victim's identity in any form of media unless authorised by the special courts established by the Act.

#### **Concerns Around the POCSO Act**

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Increasing Criminalisation of Adolescent Sex

The increase in the age of consent from 16 to 18 years with the enactment of the POCSO Act, has increased criminalisation of adolescents engaged in non-coercive consensual sexual activity.



This has devastating outcomes, primarily for adolescents and youth from marginalised populations.

### **Magnified the Volume of Prosecutions**

The increase in the age of consent has magnified the volume of prosecutions against persons under 18.

POCSO and equivalent provisions of the Indian Penal Code impose a mandatory minimum sentence of 10 years for statutory rape without regard to whether the minors, including those between 16-18, consent.

For instance, in Veekesh Kalawat vs State of MP (2023), the mandatory minimum sentence of 10 years was challenged.

In this case, a minor girl had eloped with a boy, married him, and had a child. The sentence for husbands resulted in disrupting and devastating families by sending the sole breadwinner in the family to jail.

#### Highlights of Law Commission's Report Pertaining to the Age of Consent

Govt Should Refrain from Reducing the Age of Consent: The report highlighted that reducing the age of consent would have a direct and negative bearing on the fight against child marriage and child trafficking.

### Tacit Approval of Children in the 16-18 Age Bracket

The Law panel suggested amendments in the POCSO Act for cases where children aged 16 to 18 give tacit approval, not legal consent.

The panel also advised the courts to be cautious in cases related to adolescent love, where criminal intention may be missing.

This will ensure that the law is balanced, thus safeguarding the best interests of the minors.

## **Report Traces Historical Origins**

Positions are divided between keeping the age of consent at 16 with close-in-age exceptions for consenting sexual conduct between peers and raising the age of consent to 18, as POCSO did.

Close-in-age exception is where a person who makes sexual contact with an underage person is exempted from being prosecuted if they are no more than 3 years older than the underage person.

## **Criticism of the Report**

Report Outlines Approaches in Foreign Countries



The report outlines approaches adopted in the US, Canada, Japan, Australia, and South Africa, all of which have lower ages of consent.

Additionally, they protect adolescents from shame and stigma for consensual sexual activity through close-in-age exceptions.

Limited Consultations: Its stakeholder consultations were limited, missing inputs from public health experts, gynaecologists, child psychologists, counsellors, and shelter homes, whooffer valuable insights.

### **Proposed Way of Mitigation is Flawed**

By way of mitigation, the report recommends judicial discretion to award less than the mandatory minimum sentence of 10 years.

It also provides guidelines for determining types of cases that are befitting of sentence reduction. The proposed mitigation is flawed.

Flaws in LCI's Proposed Way of Mitigation

The Exception Allows Sentence Reduction Not Waiver

The close-in age exception operates at the sentencing stage, so consensual sexual activity with a minor between 16 and 18, even where the accused is not more than three years apart, remains an offence.

Had this exception been available as a defence, the accused might have had a chance of acquittal.

Further, the exception allows sentence reduction, not sentence waiver, so the taint of criminalisation and incarceration remains.

Introduction of a New Term 'Tacit-Approval' Without A Proper Definition

A new term, tacit approval, introduced to replace consent, is without definition and confusing. Consent is defined in law, backed by jurisprudence.

Consent to medical examination is recognised for victims of sexual assault who are 12 years and above in the Ministry of Health and Family Welfare guidelines.

**Inadequate Checklist of Circumstances** 

The Report provides a checklist of circumstances to guide whether or not exemption operates.

However, this is not limited to exploitative and coercive situations but also includes caveats that there be no change in the social or cultural background of the child.



This indicates an element of manipulation or indoctrination which are likely references to inter-faith and inter-caste relations.

#### **Way Forward**

Protecting the Young from Shame

Protecting the young from sexual abuse is of universal concern, which POCSO aims to serve.

But the task of protecting the young from being shamed, punished, and incarcerated for exploring what is developmentally appropriate for their age is equally important.

#### **Need to Address the Fear of Criminalisation**

The onset of puberty at 10-11 years brings with it the biological, psychological, and emotional stirrings of sexuality, the desire to learn and explore.

Early marriage is a socially sanctioned way of confining girls' sexuality within marriage in order to serve the socio-cultural order.

The growing consensus against early marriage has resulted in it being replaced by abstinence through the fear of criminalisation.

Differential Protection for Persons Under 18: According to the Convention on the Rights of the Child (CRC), persons under 18 years need differential protection corresponding to their evolving capacities.

## **Employ Social Security Measures for Better Protection**

The data in India shows that criminalisation selectively strikes at the poor and the marginalised, with devastating consequences for girls.

The state has no obligation under the POCSO to provide for the basic minimum required for the survival of the so-called 'survivor'. In other words, far from protection, criminalisation renders girls vulnerable to greater violations, and if protection is paramount, it is best secured through social security measures.

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# **Protocol for Management of Malnutrition in Children**



The Union Minister of Women and Child Development (WCD) recently launched the "Protocol for Identification and Management of Malnutrition in Children".

This is the first such protocol by the government, which has been put into place by the WCD Ministry in collaboration with the Ministry of Health and Family Welfare and the Ministry of Ayush.

### The protocol provides detailed 10-step guidelines for -

The identification and management of children suffering from severe acute malnutrition (SAM) at the Anganwadi level, including decision-making for referral, nutritional management and follow-up care.

The processes that needed to for a healthy weight, and

The comprehensive norms on dietary requirements for various levels of malnutrition among children.

After the identification of children through growth monitoring data, appetite tests will be done on all SAM children for medical complications.

SAM children who fail the appetite test will be referred to Nutritional Rehabilitation Centres, which will also be linked to medical centres.

The protocol also includes unique initiatives like the "Buddy mother" concept which was first used in the state of Assam.

Under this scheme, the mother of a healthy baby guides the mother of a malnourished child at an Angandwadi centre every week.

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#### **Significance of the Protocol:**

The new guidelines will check malnutrition among children, which the government is tackling through the implementation of 'Poshan Abhiyan'.

The identification of malnourished children and their treatment is an integral aspect of Mission Poshan 2.0 and more than 17 crore activities have taken place during the 'poshanmaah' (nutrition month).

The standardised protocol is significant since treatment of children with SAM was previously thought to be limited to facility-based approaches.

This is the first time this issue would be addressed at the Anganwadi level.

Hence, the Centre was now "strengthening the foundation" of the nutrition ecosystem with the development of protocols.

#### What is Malnutrition?

Malnutrition refers to deficiencies, excesses or imbalances in a person's intake of energy and/or nutrients.

The term malnutrition covers 2 broad groups of conditions -

Undernutrition: It includes stunting (low height for age), wasting (low weight for height), underweight (low weight for age) and micronutrient deficiencies or insufficiencies (a lack of important vitamins and minerals).

Overweight: obesity and diet-related noncommunicable diseases (such as heart disease, stroke, diabetes, and cancer).

In India, malnourishment in children (stunting, wasting and underweight) under 5 years has reduced as per NHFS-5 (2019-21) from 38.4% to 35.5%, 21.0% to 19.3% and 35.8% to 32.1% respectively as compared to NHFS-4 (2015-16).

Malnutrition among women aged 15-49 years has also reduced from 22.9% to 18.7%.

#### What is Severe Acute Malnutrition (SAM)?

It is defined by a very low weight for height, by visible severe wasting, or by the presence of nutritional oedema.

In children aged 6–59 months, an arm circumference less than 110 mm is also indicative of severe acute malnutrition. At present, there are ~7.7% SAM children in India.

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