

DAILY PT POINTERS

10th July, 2024



The Hindu : _GS 2/IR–Page-1

Putin accepts Modi's request to release Indian military recruits

The Russian President has given instructions to discharge the Indian soldiers serving at the Ukraine war front after the PM's 'direct intervention'; release of recruits to take place within weeks from various places where they are serving or deployed

Suhasini Haidar
MOSCOW

In what will be a relief for the families of men recruited into the Russian military to serve at the war front with Ukraine, Russian President Vladimir Putin has accepted Prime Minister Narendra Modi's request, made at a private dinner on Monday, to discharge those wishing to return to India.

According to sources privy to the decision, Mr. Putin has given instructions to this effect upon Mr. Modi's "direct intervention". "We expect the release to take place within weeks from various places where they are serving or deployed," sources told *The Hindu* on the condition of anonymity.

The decision, which was



Cementing ties: Prime Minister Narendra Modi with Russian President Vladimir Putin in Moscow on Tuesday. REUTERS

not announced formally by the Russian government after the Modi-Putin talks on Tuesday, comes after weeks of diplomatic discussions, and the issue being raised by the Indian Embassy in Moscow as well as by External Affairs Minister S. Jaishankar to Rus-

sian Foreign Minister Sergey Lavrov during a meeting on the sidelines of the SCO Summit in Astana last week.

"The Prime Minister raised this issue strongly in his talks with President Putin on Monday and Tuesday," Foreign Secretary Vi-

Bilateral trade target for 2030 set at \$100 billion

Suhasini Haidar
MOSCOW

India and Russia agreed to increase bilateral trade to \$100 billion by 2030, including the use of national currencies to circumvent western sanctions as Prime

Minister Narendra Modi and Russian President Vladimir Putin sat down for the 22nd Annual Summit here on Tuesday to discuss "primarily economic" issues.

FULL REPORT
» PAGE 11

nay Kwatra said. Asked specifically if Indians who chose to remain would be allowed to do so, he said that Mr. Modi made it clear that he wanted "all" Indian military recruits to return.

The demand for the discharge of the soldiers who claim they were recruited

after being lured by agents on false promises has been increasing pressure on the government for several months.

MORE REPORTS
» PAGE 11
CONTINUED ON
» PAGE 10

- India and Russia agreed to increase bilateral trade to \$100 billion dollars by 2030, including the use of national currencies to circumvent Western sanctions,
- Mr. Putin accepted a direct request from Mr. Modi to expedite the discharge of all Indians who have been recruited by the Russian military, many of whom are now at the war front, where four Indians have been killed this year

The Hindu :GS2-Governance(Page -3)

NHRC notice to Delhi CS, police chief on rescued children

The Hindu Bureau
NEW DELHI

The National Human Rights Commission (NHRC) on Tuesday issued notices to the Chief Secretary and the Commissioner of Police of Delhi over the 23 child labourers – nine girls and 14 boys – rescued from Saraswati Vihar in north-west Delhi.

- As per the Child Labour (Prohibition and Regulation) Act, 1986, as amended in 2016, employment of children under the age of 14 years in any capacity, including domestic help, is prohibited.
- It is also a criminal offence to employ a child as a labourer.

The Hindu: GS 3-Economy-Page 8

On reducing tariffs for smartphone components

Why is the industry body calling for tariff cuts if it wants to expand domestic production?

Aroon Deep

The story so far:

The Indian Cellular and Electronics Association (ICEA), an industry body representing mobile and other electronics assembly and manufacturing units, has called for a reduction of tariffs on certain components for smartphones. The demand appears, at first blush, to be at odds with the goal of the government – and domestic players – to expand the domestic industrial base for components. However, the ICEA, whose members have included Apple and Foxconn, has argued that it opposes tariff cuts for components that are widely manufactured in India, such as open cells and LED light parts.

Why impose tariff cuts?

Reducing input costs for smartphone assembly units is the obvious reason for these demands. However, a principal justification makers cite for reduced tariffs on components is the saturation of

the domestic market: nearly every phone made in India is assembled domestically, and the surplus is exported. By units, smartphones were the fifth largest classifiable commodity exported in the financial year 2022-23, compared to 2015-16, when the rank was 178. The implication goes, now that domestic demand is fulfilled, the need for high component tariffs has dimmed.

The second justification, the industry cites, is the nature of the specific components that it is seeking duty cuts for: Printed Circuit Boards (PCBs) and sub-assemblies, which are highly complex, and miniaturised inputs for smartphones, are not close to being made in India, increasing costs for local assembly operations. Domestic manufacturing of these components' could take around eight years, Pankaj Mohindroo, ICEA's president estimated.

In addition, the ICEA said in a report last year, "the overall aggregate demand necessary for domestic investment in some inputs is much larger than the

demand created by the prevailing production level." This effectively means that current tariff levels on PCBs (20%) and other inputs are not resulting in increased domestic production of these components; rather, they are increasing the costs of assembly, as the components have to be assembled anyway.

The tariffs are also leading to a strange consequence: domestic component makers are jacking up prices they quote to assembly units to a "just noticeable difference" below the net cost of an imported component. Cutting tariffs would force domestic component makers to cut their prices and relieve operating expense pressure for assembly units.

What about foreign competitors?

The industry is casting these proposed changes as a "competitive re-alignment" to keep up with other main electronics manufacturing giants in China, Vietnam, Thailand and Mexico. Vietnam's "bonded zones," which have special exemptions on duties, allow assembly and

manufacturing units based there to enjoy much lower tariffs on component imports. "If Indian companies such as Micromax and Lava want their phone to be competitive in the global market, they should not think of import substitution when selecting parts and components," ICEA argues. "They should use the best available technologies to make their phones, regardless of the fact the technologies are made in India or not."

"When China started to assemble smartphones 15 years ago, Chinese firms' only contribution was labour intensive assembly, accounting for about 3.6% of the total manufacturing value added," the ICEA report says. "But, today, Chinese firms have captured about 25 per cent of the manufacturing value added by providing battery, camera filter, glass back-cover, stainless frame, printed circuit board assembly, and other parts, which are technology intensive and offer higher value added than pure assembly service," the ICEA points out. "[T]here is a need to scale up production of smartphones. At this stage this can only be done by increasing exports. To increase exports, smartphones have to be competitive vis a vis China and Vietnam. This would require reducing tariffs and most importantly maintaining a stability in the tariff regime."

Smartphone assembly units have been buoyed by the production linked incentive scheme for mobile manufacturing, which subsidises phones which are domestically assembled.

THE GIST

▼ The Indian Cellular and Electronics Association (ICEA), an industry body representing mobile and other electronics assembly and manufacturing units, has called for a reduction of tariffs on certain components for smartphones.

▼ Reducing input costs for smartphone assembly units is the obvious reason for these demands.

▼ "If Indian companies such as Micromax and Lava want their phone to be competitive in the global market, they should not think of import substitution when selecting parts and components," ICEA argues. "They should use the best available technologies to make their phones, regardless of the fact the technologies are made in India or not."

industry body calling for tariff cuts

- Reducing input costs for smartphone assembly units is the obvious reason for these demands.

Do you know ?

- Tariffs are duties on imports imposed by governments to raise revenue, protect domestic industries, or exert political leverage over another country.
- Tariffs often result in unwanted side effects, such as higher consumer prices.

HEADLINES OF THE DAY

The Hindu-Health (GSII)



Soumya Swaminathan

Soumya Swaminathan appointed NTEP adviser

The Hindu Bureau
NEW DELHI

Dr. Soumya Swaminathan,
former Director-General of

Dr. Soumya Swaminathan, former Director-General of the Indian Council of Medical Research and Chief Scientist of the World Health Organization, has been appointed Principal Adviser at the Union Ministry of Health and Family Welfare for the National Tuberculosis Elimination Programme (NTEP).

- The National Tuberculosis Elimination Programme (NTEP), previously known as Revised National Tuberculosis Control Programme (RNTCP), aims to strategically reduce TB burden in India by 2025, five years ahead of the Sustainable Development Goals.
- This vision was first articulated by Prime Minister Narendra Modi at the Delhi End TB Summit in March 2018.

The Hindu –IR (GSII)

Central Asian countries hold joint military drills without Russia, China

Agence France-Presse
ASTANA

Central Asian countries on Tuesday held joint drills with land, naval and air forces, for the first time without regional powers Russia and China.

Kazakhstan is hosting four other former Soviet states for the drills, which a spokesperson for Kazakhstan's armed forces said were "the first of their kind".

- Central Asian countries held joint drills with land, naval and air forces, for the first time without regional powers Russia and China.
- The exercises are named Birlestik-2024, meaning alliance in Kazakh. Taking place in the Caspian Sea, they will last until July 17 and involve around 4,000 troops with warships, aviation, artillery and tanks.
- four Central Asian republics — Kazakhstan, Kyrgyzstan, Uzbekistan and Tajikistan
 - The Caucasus country of Azerbaijan is also participating,

Indian Express –Miscellaneous-Page 16

WHAT IS ORDER OF SAINT ANDREW THE APOSTLE, CONFERRED UPON PM MODI?

EXPRESS NEWS SERVICE
NEW DELHI, JULY 9

PRIME MINISTER Narendra Modi was on Tuesday awarded Russia's highest civilian honour, the Order of Saint Andrew the Apostle, during his visit to the country.

The award for the PM was announced in 2019, for "exceptional services in promoting special & privileged strategic partnership between Russia and India and friendly relations between the Russian and Indian peoples."

What is the award, and who gets it?

The award is given to prominent government and public figures, military leaders, and outstanding representatives of science, culture, art, and various sectors of the economy for exceptional services to Russia. It can also be awarded to heads of foreign states for outstanding services to the Russian Federation.

Its name comes from Saint Andrew, who is believed to be one of the apostles or 12 original followers of Jesus. After Christ's crucifixion, the apostles are said to have travelled great distances to spread his message. Saint Andrew travelled to Russia, Greece, and other places in Europe and Asia, and founded the Church of Constantinople, which later led to the establishment of the Russian Orthodox Church. More than 90 million people fol-



PM Modi after being awarded the Order of St Andrew the Apostle in Moscow on Tuesday. Reuters

Federation, a double-headed eagle. It also includes a badge, a star, and a light blue silk moire ribbon. For those recognised for distinction in combat, the badge and star are adorned with swords.

The order was abolished in 1918 following the Russian Revolution, which overthrew the Tsarist regime. It was re-established in 1998 by an Executive Order of the President of Russia.

Who has received the honour earlier?

Past recipients largely include influ-

- Prime Minister Narendra Modi was honoured with Russia's most prestigious civilian honour, the Order of St Andrew the Apostle.
- The award for the PM was announced in 2019, for "exceptional services in promoting special & privileged strategic partnership between Russia and India and friendly relations between the Russian and Indian peoples."

What is the award, and who gets it?

- The award is given to prominent government and public figures, military leaders, and outstanding representatives of science, culture, art, and various sectors of the economy for exceptional services to Russia. It can also be awarded to heads of foreign states for outstanding services to the Russian Federation.

HEADLINES OF THE DAY

Air-IR (GSII)

India And UAE Strengthen Defense Ties In 12th Joint Committee Meeting



- The talks covered a wide range of topics aimed at enhancing bilateral defense and security cooperation.
- The meeting focused on various aspects of collaboration, including training cooperation, joint military exercises, defense industrial partnerships, and research and development initiatives. Both sides also discussed the exchange of subject matter experts to benefit from each other's knowledge and experience. Regional security concerns, particularly maritime security, were addressed during the talks.

HEADLINES OF THE DAY



PIB –Governance (GSII)

Ministry of Finance

XVI Finance Commission constitutes Advisory Council

Posted On: 09 JUL 2024 7:35PM by PIB Delhi

- XVI Finance Commission constitutes Advisory Council
- The role and functions of the advisory council would include assisting the Commission in the preparation of papers or research studies and monitoring or assessing studies commissioned by the FC, thereby enhancing the Commission's understanding of the issues in its ToR.
- The council would also help broaden the Commission's ambit and understanding by seeking the best national and international practices on matters pertaining to fiscal devolution and improving the quality, reach, and enforcement of its recommendations.

Do you know?

The Government of India, with the approval of the President of India, has constituted the Sixteenth Finance Commission, in pursuance to Article 280(1) of the Constitution.

HEADLINES OF THE DAY



PIB–Science and Tech–GSIII

Ministry of Science & Technology

Indian scientists develop open-source tool to generate infrared star catalogue for
Thirty Meter Telescope

Posted On: 09 JUL 2024 6:06PM by PIB Delhi

- The Thirty Meter Telescope (TMT) International Observatory (TIO) is an extraordinary international scientific endeavor that has the potential to revolutionize our understanding of the universe and our place within it.
- TIO's members are the California Institute of Technology, University of California, the National Institutes of Natural Sciences of Japan, the Department of Science and Technology of India, and the National Research Council of Canada.