

DAILY CURRENT AFFAIRS (DCA)

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INDIA, CHINA HOLD 30TH ROUND OF BORDER TALKS

Context

- India and China held the 30th meeting of the Working Mechanism for Consultation and Coordination on India-China Border Affairs (WMCC) in New Delhi.

About

- The WMCC on India-China Border Affairs was activated after the face-off on the **Line of Actual Control** began in May 2020.
- The discussion was “**in-depth, constructive and forward-looking**”, and both sides agreed to maintain the momentum through established diplomatic and military channels.
- The talks come amid indications that the two countries are making efforts to **resolve the stand-off along the Line of Actual Control (LAC)** in eastern Ladakh.

Importance of Peace for India and China

- Economic cooperation:** India and China are two of the world's largest and fastest-growing economies and improved relations can help to increase trade and investment.
- Regional stability:** India and China are two major powers in Asia, and their relations have a significant impact on regional stability.
- Border security:** A peaceful relationship between the two countries is essential to maintain

border security and avoid any conflicts or misunderstandings along the border.

- Geopolitics:** India and China are both major players in the global geopolitical landscape whose peaceful co-existence is essential to create a more stable and predictable international environment.

Challenges of India-China peace process

- Military Build-up:** The military build-up by both countries along the border has increased tensions and made the peace process more challenging.
- Historical Issues:** Historical issues, including the 1962 Sino-Indian War, continue to affect relations between the two countries.
- Border Disputes:** Despite several rounds of talks, the two sides have not been able to reach a lasting solution to the border dispute especially along the Line of Actual Control (LAC).

Way ahead

- India-China peace process requires sustained efforts from both sides to address these challenges and build mutual trust and understanding.
- There is a need to continue discussions through military and diplomatic channels and to actively implement the important consensus reached by the leaders of the two countries to further stabilize the border situation.
- Overall, peace between India and China is essential for the economic, political, and strategic interests of both countries, as well as for regional and global stability.

Line of Actual Control

- The LAC is the demarcation that separates Indian-controlled territory from Chinese-controlled territory.
- India considers the **LAC to be 3,488 km** long, while the Chinese consider it to be only around 2,000 km.
- It is divided into three sectors:
 - the eastern sector which spans Arunachal Pradesh and Sikkim,
 - the middle sector in Uttarakhand and Himachal Pradesh,
 - and the western sector in Ladakh.
- LAC in the eastern sector consisting of Arunachal Pradesh and Sikkim is called the **McMahon Line** which is **1,140 km** long.



How is the LAC different from the Line of Control with Pakistan?

- The LoC emerged from the **1948 ceasefire** line negotiated by the UN after the Kashmir War.
- It was **designated as the LoC in 1972**, following the **Shimla Agreement** between the two countries. It is delineated on a map signed by DGMOs of both armies and has the international sanctity of a legal agreement.
- The LAC, is only a concept and it is not agreed upon by the two countries, neither delineated on a map or demarcated on the ground.

Source: TH

SUB CATEGORISATION IN SCHEDULED CASTE RESERVATION

Context

- Recently, the Supreme Court of India allowed the sub-categorisation of scheduled castes in reservations, allowing wider protection for underrepresented groups in a 6:1 landmark verdict.

Background

- In 2004, the Supreme Court held that sub-classification among Scheduled Castes for the purpose of reservation would violate the **right to equality**.
- At that time, the court emphasised that the SC list must be treated as a single, homogenous group. However, fast forward to 2024, and we find ourselves re-examining this issue.
- In the **last two decades**, States like Punjab, Bihar, and Tamil Nadu have tried to bring in reservation laws at the State level in a bid to sub-categorise Scheduled Castes.

Roots of the Case

- The case has its origins in 1975 when the Punjab government issued a notification dividing its 25% SC reservation into two categories.
- The first category reserved seats solely for the Balmiki and Mazhabi Sikh communities, which were economically and educationally backward.
- The second category included the rest of the SC communities.
- Legal challenges arose when a similar law introduced by Andhra Pradesh in 2000 was struck down by a five-judge Constitution Bench in 2004.

Legality of Sub-categorisation

- **E. V. Chinnaiah v State of Andhra Pradesh (2004)**: The Supreme Court through its **5-Judge Bench** held that once a community is included in the **Presidential List for Scheduled Castes under Article 341** of the Constitution, they become part of a single larger class of people, casting a wide net for the purposes of reservation.
 - ♦ It held that the **State did not have the legislative power** to create sub-classifications within this single class and that such an action would violate the **Right to Equality**.
- However, all plans are held up in courts as the Supreme Court forms its **larger Constitution Bench (in Davinder Singh Case)** to decide the matter.

Committees for Sub-categorisation

- **Committee of Secretaries**: It is a five members committee comprising the **Secretaries** of the *Home Ministry, Law Ministry, Tribal Affairs Ministry, and Social Justice Ministry* and it is **chaired by the Cabinet Secretary**.
 - ♦ **Mandate**: To look at **strategies** like *special initiatives, focusing existing schemes towards them*, etc.

Sub-Categorisation within Scheduled Castes

- The Supreme Court addressed whether sub-classification of Scheduled Castes and Scheduled Tribes is permissible for the purpose of reservation.
- This ruling has crucial consequences for states that aim to provide broader protection to certain castes that are significantly underrepresented compared to the so-called dominant scheduled castes.

2004 Judgment Revisited

- The bench is revisiting its 2004 judgement in the case of EV Chinniah vs. State of Andhra Pradesh.
- In that judgement, the court had held that Scheduled Castes formed a homogenous group, and therefore, no sub-division among them was permissible.
- Now, the court is reconsidering whether this ruling needs to be modified.

Significance of Recent Judgements

- **Graded Inequalities:** The principal argument for sub-categorisation of SCs has been the graded inequalities among SC communities.
 - ♦ The thrust of it has been that even among the marginalised, there are communities that have lesser access to basic facilities.
- **Unequal Representation:** Some communities are more backward and have less representation than others.
 - ♦ For instance, the Madiga community has claimed that the benefits, including that of reservation, meant for the SC category had been cornered by the Mala community, with the Madigas being left out.
- **Legal Standpoint:** A **five-judge Bench** headed by **Justice Arun Mishra** has affirmed the competence of the States to give preferential treatment to the weakest among the Scheduled Castes without depriving other castes of any benefit.
 - ♦ The Court has noted that the Scheduled Castes list contains many castes and cannot be treated as a homogeneous group.
- **Equitable Distribution of Benefits:** The Union government has formed a **committee of Secretaries** to evaluate and work out a method for the equitable distribution of benefits, schemes, and initiatives to the most backward communities amongst the over **1,200 Scheduled Castes across the country**.

- **Recognizing Diversity:** The court acknowledged that 'historical and empirical evidence indicates that Scheduled castes are not a homogenous class'
 - ♦ This recognition of diversity within the SC community is a departure from the earlier stance.

Possible Challenges of Sub Categorisation within Scheduled Castes

- These are primarily based on the **legal and practical challenges** associated with it.
- **Legal Challenges:** The Supreme Court held that the **State did not have the power to unilaterally sub-categorise communities** in the list of SCs or Scheduled Tribes (STs).
 - ♦ The Constitution has provided that these lists can only be made by Parliament and notified by the President.
- **Data of socio-economic status:** The population data related to SC, ST, and OBC categories are not updated since the 2011 census.
 - ♦ It hampers the objective and scientific basis for sub-categorisation.
- **Untouchability:** The social and educational backwardness cannot be applied to Scheduled Castes and Scheduled Tribes. The special treatment is given to the SCs due to untouchability with which they have suffered since ages.

Scheduled Castes in India

- As per the **2011 Census**, the total population of SCs in India is **16.6%** (16.2% in 2001 Census) of the total population of India.
- **Article 341** of Constitution of India defines Scheduled Caste with respect to any State or Union Territory.

Constitutional Provisions

- **Article 14:** Guarantees equality before law.
- **Article 15 (4):** The state is empowered to make any special provision for the advancement of any socially and educationally backward classes of citizens or for the scheduled castes.
- **Article 16(4), 16 (4A) and 16 (4B):** Provide for reservation in posts and services.
- **Article 17:** Untouchability stands abolished and its practice in any form is forbidden.
- **Article 23:** It emphasises the importance of protecting individual freedom and dignity.
- **Article 24:** It prohibits the employment of children below the age of 14 years in any factory, mine, or hazardous occupation.

- **Article 46:** Promotion of educational and economic interests of Scheduled Castes, Scheduled Tribes and other weaker sections.
- **Article 330:** Reservation of seats for Scheduled Castes and Scheduled Tribes in the House of the People.
- **Article 335:** It permits laws that reduce the requirements or relax qualifications for members of SC/ST communities in appointments to public services and posts.

Other Statutory Provisions

- **RFCTLARR Act, 2013:** Special provisions have been made for Scheduled Castes and Scheduled Tribes under Sections 41 and 42 of the RFCTLARR Act, 2013 which protect their interests.
- **Scheduled Castes and Scheduled Tribes (Prevention of Atrocities) Act, 1898:** This legislation was designed to provide a measure of protection to Scheduled Castes and Scheduled Tribes and to enforce their rights.

Conclusion

- The recent verdict allows state governments to sub-classify SCs for granting reservation benefits in admissions and public jobs. It overturns the earlier ruling that restricted such sub-categorization.
- It recognises the need to address the varying levels of disadvantage within the SC community and provides a more nuanced approach to reservation policies. It's a step toward ensuring equitable opportunities for all.

Source: IE

JAMMU AND KASHMIR LITHIUM BLOCK GETS NO BIDS

Context

- The Ministry of Mines scrapped the auction for the lithium block in Jammu and Kashmir's (J&K's) Reasi district for the second time, following weak investor response.

About

- The government in 2023 found its first lithium deposits in **Jammu and Kashmir** with estimated reserves of **5.9 million metric tons**.
- In India, there is also potential to recover lithium from brines of **Sambhar and Pachpadra areas in Rajasthan, and Rann of Kutch, Gujarat**.

Reasons for poor bidding

- The **difficulties around extracting and processing** lithium from hard rock pegmatite deposits combined with **underdeveloped mineral reporting standards** used in tender documents played a significant role in deterring investors.
- India's current resource classification rules largely based on the **United Nations Framework Classification for Resources (UNFC)** do not provide sufficient information to determine the economic viability of mining a mineral block.

Suggestions to attract investors

- Most mining companies, stock exchanges, and regulatory bodies across the world adhere to the **Committee for Mineral Reserves International Reporting Standards (CRIRSCO)** template, which requires the reporting of economically viable reserves with high geological confidence confirmed through studies to at least a pre-feasibility level.
- To attract private investment in the sector, **India should adopt CRIRSCO-aligned internationally-compliant mineral reporting standards**.
- **The National Committee for Reporting Mineral Resources and Reserves in India (NACRI)** has developed and maintained the **Indian Mineral Industry Code (IMIC)** since 2019, which is recognised by CRIRSCO as a compliant code.

Lithium

- Lithium is a chemical element with the symbol **Li** and **atomic number 3**. It is a soft, silvery-white alkali metal.
- **Properties:** Like all alkali metals, lithium is highly reactive and flammable, and must be stored in vacuum, inert atmosphere, or inert liquid such as purified kerosene or mineral oil.

Global Reserves

- **Chile, Australia, Argentina, Bolivia and China** contain most of the reserves discovered so far globally.
- Argentina, Bolivia and Chile, also known as the '**Lithium Triangle**' contain **54%** of the world's Lithium reserves.
 - ♦ In Argentina the lithium is present in salt pans in the **Atacama desert** and neighboring arid zones in the region.

Source: IE

SEBI'S PROPOSED MEASURES FOR DERIVATIVES SEGMENT

In News

- Securities and Exchange Board of India (SEBI) proposed a series of measures to curtail speculative trading in the index derivatives segment.

Derivatives

- They are essentially financial contracts that derive their value from the underlying asset, such as stocks, commodities, and currencies.
 - ♦ Index derivatives therefore derive their value from the underlying index.
- **Types : Futures and options** are two types of derivatives where investors, based on their expectation of future price movement, enter into a contract to buy or sell the asset in 'lots' or multiple units of the asset, by paying a small margin amount.
 - ♦ **A futures contract** obliges its buyer to purchase the underlying asset at the predetermined price on a specified date.
 - ♦ In contrast, an **options contract** allows its investor the right but not the obligation to trade the underlying assets as stipulated at a specific price on the specified date.
- **Budgetary announcements :** In the Union Budget 2024-25, Finance Minister Nirmala Sitharaman proposed to double the Securities Transaction Tax (STT) on F&O of securities, effective October 1, 2024.
 - ♦ The STT, which is levied on transactions in specified securities, has been increased to 0.02 per cent and 0.1 per cent, respectively.

Proposed Measures

- **Increase Minimum Contract Size:** SEBI has recommended to increase the minimum contract size for index derivatives contract between Rs 15 lakh to Rs 20 lakh, potentially increasing further to Rs 20-30 lakh after six months.
 - ♦ At present, the minimum contract size requirement for derivative contracts is in between Rs 5 lakh to Rs 10 lakh.
- **Upfront Collection of Option Premium:** Require brokers to collect option premiums upfront from clients.

- ♦ Currently, there is a stipulation for upfront collection of margin for futures position (both long and short) as well as options position (only short options require margin whereas long options require payment of options premium by buyers).
 - There is no explicit stipulation of upfront collection of options premium from options buyers by members.
- **Intraday Monitoring of Position Limits:** the position limits for index derivative contracts should be monitored by Market Infrastructure Institutions (MIIs) such as clearing corporations or stock exchanges on an intraday basis, with an appropriate short-term fix, and a glide path for full implementation.
- **Rationalisation of Weekly Index Products:** Provide weekly options contracts on a single benchmark index instead of multiple weekly expiries.
- **Removal of Calendar Spread Benefit:** Discontinue margin benefits for calendar spread positions expiring on the same day.
- **Rationalisation of Options Strikes:** Standardize strike price intervals and limit to 50 strikes per index derivative contract at launch.
- **Increase in Margin Near Contract Expiry:** Raise margins by 3% the day before expiry and an additional 5% on expiry day.

Purpose

- SEBI has proposed a series of steps to restrain speculative trading in the index derivatives segment amid concerns about an exponential rise in the volumes of trading in futures and options particularly by individual investors
- The proposed steps aim at enhancing investor protection and promoting market stability in derivative markets.
- The following measures aim to ensure sustained capital formation by shielding against bursts of speculative hyperactivity.

Current Trading Statistics

- Unique Traders: 92.50 lakh individuals and firms in the NSE index derivatives segment.
- Trading Losses: Cumulative loss of Rs 51,689 crore in FY 2023-24.
- Profit Margins: Only 15% of investors made a net profit.

Source:IE

US HAS BECOME SECOND LARGEST SUPPLIER OF LNG IN INDIA

Context

- The **US displaced the UAE** to emerge as **India's second largest supplier of liquefied natural gas (LNG)** in 2023, accounting for 3.09 million tonnes (MT).

About

- LNG is emerging as a **substitute fuel** in the **transition towards green energy**.
- The US also emerged as the **world's largest LNG exporter in 2023**.
 - It **overtook Qatar and Australia** with strong growth in liquefaction capacity due to investments made several years ago.
- Increased supply from the US can be attributed to the **weakening LNG prices** in international markets as well as **India's proximity**, via the Cape of Good Hope, to US LNG cargoes compared to North Asia.

Evolving Trade Dynamics

- India**, the **fourth largest LNG importer**, scaled back in 2022 owing to rising prices and shipments from the US declined to 2.16 MT.
- The UAE's share** rose from 2.6 MT in 2019 to 3.32 MT in 2020, slipped to 2.59 MT in 2022 and again rose to 2.85 MT last year.
- Qatar remained India's largest LNG supplier** for five years running (2019-2023); cargoes topped 10 MT, barring in 2019 when it stood at 9.7 MT.
- Another notable development during this period is the **decline in the share of African nations in India's LNG imports**.

What is LNG?

- LNG stands for **liquefied natural gas**.
- It's **natural gas** that has been **cooled down** to about -260°F (-162°C) to turn it into a liquid form.
- This process **reduces its volume** by **approximately 600 times**, making it easier and more economical to transport and store, especially over long distances where pipelines aren't practical.
- LNG is primarily composed of methane (CH₄), but it can contain small amounts of other hydrocarbons.
- Once it reaches its destination, LNG is regasified and used just like conventional natural gas for **heating, electricity generation, and as a fuel for vehicles**.

Source: BL

ROLE OF RETROVIRUSES IN EVOLUTION OF HUMAN GENOME

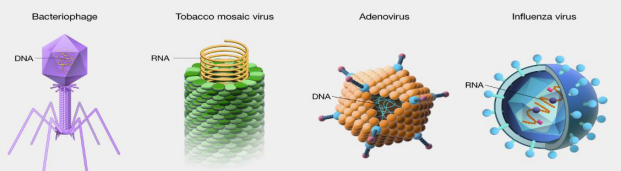
Context

- Most viruses can't really affect the genome but **retroviruses can integrate and reshape the genomes of the hosts they infect**.

What is Virus?

- A virus is an infectious microbe consisting of a segment of nucleic acid (either DNA or RNA) surrounded by a **protein coat called capsid**.
- Viruses are **not considered living organisms** because they cannot carry out metabolic processes on their own.
- A virus cannot replicate alone; instead, it must infect cells and use components of the host cell to make copies of itself.
- Often, a **virus ends up killing the host cell** in the process, causing damage to the host organism.
- Well-known examples of viruses causing human disease include AIDS, COVID-19, measles and smallpox.

Examples of viruses



Retrovirus

- Retroviruses have an **RNA genome**; can **reverse-transcribe** it to DNA and thus insert it into the host's genome.
- This integration can be quite stable, allowing the virus to **persist in the host for long periods**.
- Types and Examples:** There are several types of retroviruses, including Human Immunodeficiency Virus (HIV), which causes AIDS and the Human T-cell Leukemia Virus (HTLV), which is linked to certain types of cancer.

Human Genome

- The human genome is the **complete set of genetic information for Homo sapiens**.
- It consists of **about 3 billion base pairs of DNA**, organized into **23 pairs of chromosomes**.
- Each chromosome carries a **unique set of genes**, which are sequences of DNA that **encode instructions for building proteins** and other molecules **essential for life**.

Endogenous Retroviruses (ERVs)

- The retrovirus invasions can sometimes mess up the integration process, causing **'zombie' regions in the host's genome**. These parts are called **endogenous retroviruses (ERVs)**.
 - ♦ ERVs usually can't replicate and produce functional proteins since they lack their regulatory regions.
- If the integrations **involve the germ cells** — i.e. those that produce the gametes, sperm cells and ova — the host will be able to transmit its ERVs to its offspring. This happens in rare instances.
- **Evolution:** Over the tens of thousands of years of mammalian evolution, **many retroviruses have left a number of genomic elements** in the genome, sort of the genetic fossils of early infections.
- These elements have long lost the potential to produce viruses but researchers believe they have played a **big hand in the evolution of their hosts**.
- Around 8% of the human genome is composed of ERVs.

Influence on Human Genome

- A good example of their influence are the **syncytins**, a class of genes thought to be **descended from an ERV**.
 - ♦ **Syncytins are important genes** involved in placental development; many ERVs are also highly expressed in the placenta.
 - ♦ These genes originally came from viruses and were acquired by chance as the mammalian host evolved.
 - ♦ But at some point they became essential for the host because they **helped create the placenta**.
 - ♦ Over time, the original ERV's envelope gene (env) was thought to be **modified or replaced by new versions**, forming the **syncytin genes** as seen today in different mammal species.
- **Tumours in colorectal cancer:** ERVs are also involved in cell-type differentiation.
 - ♦ Researchers suggested that one human ERV element — or a portion of its DNA — called LTR10 **significantly affects the formation of tumours in colorectal cancer**.
 - ♦ The LTR10 retroelement seems to have been integrated into the genome some 30 million years ago.
- The retroelement's presence could **produce large genomic changes**, which could in turn **affect the expression of the genes involved in tumour formation**.

Significance of the Study

- In future, as research techniques continue to advance, scientists may uncover more wonderful insights into the evolutionary significance of ERVs and their contribution to human biology.
- Such knowledge will lead to breakthroughs in **regenerative medicine, cancer therapies, and personalised medicine**, enhancing understanding of human health and evolution.

Source: TH

NEWS IN SHORT

UDHAM SINGH

Context

- Recently, India commemorated the 85th death anniversary of Udham Singh—a symbol of courage, justice, and unwavering determination.

About Udham Singh

- Udham Singh, **born as Sher Singh** on December 26, 1899, in **Sunam, Punjab**, was a passionate patriot and a symbol of unwavering determination.
- His life's mission was to seek justice for the victims of the infamous Jallianwala Bagh massacre.

Jallianwala Bagh Massacre

- In 1919, the British colonial administration, led by **Brigadier General Reginald Dyer** — the Jallianwala Bagh massacre.
- On **April 13, 1919**, in Amritsar, Punjab, Dyer ordered troops to open fire on a peaceful gathering of Indians who had assembled at Jallianwala Bagh.
- The brutal assault resulted in over a thousand deaths and left more than twelve hundred wounded.
- Udham Singh was among the survivors who witnessed this horrifying event.

Assassination of Michael O'Dwyer

- On March 13, 1940, in London, Udham Singh tracked down **Michael O'Dwyer**, the former Lieutenant Governor of Punjab during the Jallianwala Bagh massacre, and shot O'Dwyer dead during a public meeting at Caxton Hall.
- His act was not just an act of revenge; it was a statement—a cry for justice echoing across continents.

Hanged in London

- Sardar Udham Singh was tried for killing Michael O'Dwyer, he went on a hunger strike while in jail.
- He was sentenced to death in the Central Criminal Court.
- On 31 July 1940, Udham Singh hanged himself on the gallows in a London jail.

Source: IE

NATS 2.0

In News

- The Union Minister for Education launched the **National Apprenticeship and Training Scheme (NATS) 2.0 Portal** in New Delhi.
 - ♦ ₹100 crore in stipends were disbursed to apprentices via the Direct Benefit Transfer (DBT) mode.

About NATS 2.0 portal

- It is developed in-house by the Ministry of Education with AICTE and BoATs/BoPT support.
- It manages apprenticeship lifecycle activities including student registration, vacancy advertisements, applications, contract creation, certification, and stipend disbursement.
- It aligns with the government's focus on enhancing skilling and improving youth employability.
- **Apprenticeship Sectors:** The apprentices are being trained in various sectors including IT/ITes, manufacturing, and automobiles.
- **Significance :** It will help establishments and industries manage vacancies and contracts, supporting young graduates and diploma holders with employability skills and monthly stipends.
 - ♦ It is a major step to democratize apprenticeships, address skills gaps, meet youth aspirations, and prepare them for future challenges.

Do you know ?

- **National Apprenticeship Training Scheme (NATS)** is one of the flagship programmes of Government of India for Skilling Indian Youth in Trade disciplines.
- The National Apprenticeship Training Scheme under the provisions of the Apprentices Act, 1961 amended in 1973; offers Graduate, Diploma students and Vocational certificate holders; a practical, hands-on On-the-Job-Training (OJT) based skilling opportunities with duration ranging from 6 months to 1 year.

Source: TOI

EXERCISE TARANG SHAKTI

In News

- India will host its first multinational air exercise, **'Tarang Shakti 2024'**, in two phases starting on the 6th of next month in Sular, Tamil Nadu

About Exercise Tarang Shakti

- It is the IAF's largest multilateral exercise. It aims to showcase India's defence capabilities and enhance cooperation among the participating militaries.
- **Participants:** In this exercise, nearly 30 countries will participate, and out of 30, ten countries will join the exercise with their fighter aircraft.
 - ♦ The ten countries bringing their aircraft include Australia, Bangladesh, France, Germany, Greece, Spain, the United Arab Emirates, the United Kingdom, the USA, and Singapore. Eighteen other countries will attend as observers.
- **Features :** It will feature flying and ground training, defence exhibitions, and cultural exchange programs. Defence personnel from the participating countries will also visit Indian tech companies.
 - ♦ India will display its indigenous fighter aircraft and equipment, including the Tejas, Rafale, Mirage 2000, Jaguar, and MIG 29.

Source: TH

DISCARDING INDEXATION FOR LTCG

In News

- Finance Minister Nirmala Sitharaman proposed eliminating indexation for calculating long-term capital gains (LTCG) tax.

About LTCG tax

- Capital Gains Tax is imposed, when an individual realises a profit from the sale of capital assets.
 - ♦ These assets range from residential properties and vehicles to Stocks, Bonds and even collectables like art pieces.
- **As per Section 45 of the Income Tax Act 1961,** LTCG is the profit arising from the sale of a capital asset held for a specific duration.
 - ♦ This duration varies based on the type of asset but typically ranges from 12 to 36 months. LTCG is considered as income in the year of the asset's transfer and is taxable under 'Capital Gains.'
- **The Budget for 2024-25,** announced, hiked LTCG tax on equities and equity oriented mutual

funds to 12.5%, from 10%. The exemption threshold was also hiked to ₹1.25 lakh, from ₹1 lakh previously.

- ♦ The holding period for equities for the purpose of calculating long term capital gains is more than 12 months.

Indexation

- Indexation adjusts the purchase price of an asset for inflation, ensuring tax is paid on real gains rather than nominal gains inflated by price levels.
- **Example:** A property bought in 2001 for ₹10 lakh and sold in 2021 for ₹75 lakh would see a reduced taxable gain of ₹43.3 lakh with indexation, versus ₹65 lakh without.

Source:TH

THE BHARATIYA VAYUYAN VIDHEYAK 2024

Context

- **The Bharatiya Vayuyan Vidheyak 2024** was introduced in the Lok Sabha by the **Union Civil Aviation Minister**.

About

- Bill is aimed to empower the **government to make rules for the investigation of any air accident or incident**.
 - ♦ It empowers the Union Government to make rules regulating the design, manufacture, maintenance, possession, use, operation, sale, export or import of any aircraft or class of aircraft and for securing the safety of aircraft operations.
- **Need:** Aircraft Act was established in 1934 and a lot of amendments have been made over the years.
 - ♦ The amendments were incorporated into the Act in bits and pieces, this has created confusion in the Act, the bill has been brought to clear out the confusion.

Source: IE

SUPPLY CHAIN COUNCIL

Context

- India has been elected as **Vice-Chair of the Supply Chain Council**.

About

- **India and 13 other Indo-Pacific Economic Framework for Prosperity (IPEF) partners**

have established **three bodies under the IPEF's agreement on supply chain resilience**. The pact came into force in 2024.

- ♦ They are **Supply Chain Council [SCC], Crisis Response Network [CRN], and Labor Rights Advisory Board [LRAB]** for cooperation among partner countries for strengthening supply chain resilience in the region.
- **The Supply Chain council** was set up to pursue targeted, action-oriented work to strengthen the supply chains for those sectors and goods most critical to **national security, public health, and economic well-being**.

Indo-Pacific Economic Framework for Prosperity (IPEF)

- IPEF was launched **in 2022, in Tokyo**. **The members are** Australia, Brunei, Fiji, India, Indonesia, Japan, Korea, Malaysia, New Zealand, Philippines, Singapore, Thailand, Vietnam and the U.S.
- The IPEF **seeks to strengthen economic engagement and cooperation** among partner countries with the goal of advancing growth, economic stability and prosperity in the region.
- The framework is structured around **four pillars** relating to **Trade** (Pillar I), **Supply Chain Resilience** (Pillar II), **Clean Economy** (Pillar III), and **Fair Economy** (Pillar IV).
 - ♦ **India has joined Pillars II to IV of IPEF** while it has maintained an observer status in Pillar-I.

Source: TH

REGULATION FOR SAFER DIGITAL PAYMENTS

Context

- Recently, the Reserve Bank of India (RBI) released a draft circular outlining its proposed measures to enhance the security of digital payment transactions.

Key Points

- **Alternative Factor Authentication (AFA):** The RBI aims to prioritise the security of digital payments by introducing an Alternative Factor Authentication mechanism.
 - ♦ It means that for all transactions, an additional layer of authentication beyond the usual methods (such as passwords or PINs) will be required.

- **Robust Authentication:** The proposed AFA must be robust, ensuring that it adds a significant layer of security.
 - ◆ Additionally, one of the authentication factors should be dynamically generated and usable only once. It enhances security by preventing replay attacks.
- **Risk-Based Approach:** The type of authentication factor required will be determined based on various parameters, including the customer's risk profile and the transaction value.
 - ◆ It ensures that stronger authentication is applied where needed.
- **Customer Consent:** The RBI emphasises the importance of customer consent. Before introducing any new authentication factor, banks and payment service providers must obtain explicit consent from the customer.
 - ◆ Furthermore, customers should have the option to withdraw consent and deregister from specific authentication methods.
- **Exemptions:** Not all transactions will require the same level of authentication. The proposal exempts **certain categories:**
 - ◆ **Contactless Cards:** Transactions using contactless cards with a value lower than 5,000 will be exempt.
 - ◆ **Insurance Premium Payments:** Insurance premium payments fall under the exemption.
 - ◆ **High-Value Credit Card Payments:** Credit card payments above 1,00,000 are also exempted.
 - ◆ **Other Categories:** Transactions up to 15,000 fall within the exemption criteria.
- **Stakeholder Feedback:** The RBI has invited comments and feedback from stakeholders on this proposal. The window for providing input is open until September 15, 2024.

Source: TH

WAYANAD RANKED HIGH ON ISRO 'LANDSLIDE ATLAS'

Context

- Wayanad, in Kerala grappling with the landslide disaster, **ranked 13th** in the **Landslide Atlas of India** prepared by the **National Remote Sensing Centre**, one of the ISRO centers.

About

- ISRO's National Remote Sensing Centre created a database of landslide-prone regions of India based on **events during 1998 – 2022**.
- In addition to aerial images, high-resolution satellite images captured using **ResourceSat-1 and 2**, etc., were used to study the landslides.
- The pan-India database classifies landslides into – **seasonal (2014, and 2017 monsoon seasons), event-based and route-based (2000 – 2017)**.

Source: TH

