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DAILY NEWS ANALYSIS

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ECOLOGY

SC raps air quality panel over failure to curb Delhi's pollution

ECOLOGY AND ENVIRONMENT

The Supreme Court on Friday questioned the effectiveness of the Commission for Air Quality Management's (CAQM) interventions to curb pollution. The court referred to specific provisions under the Commission for Air Quality Management in the National Capital Region and Adjoining Areas Act, 2021, which provide teeth to the CAQM.

'Marked difference'

The CAQM, represented by Additional Solicitor General Aishwarya Bhati noted a marked difference to pollution caused by stubble-burning, with the interventions of the Commission. CAQM chairperson Rajesh Verma present via video conference, intimated the Commission of holding meetings with stakeholders and States.

Improving trend

The Commission for Air Quality Management's (CAQM) submitted a report in the

court claiming significant improvement in the "overall air quality in Delhi-NCR since the inception of the Commission. The key parameters for daily average air quality for Delhi for the period between January–September, 2023 have been the best in 2023 as compared to the corresponding periods from 2018 to 2022 (barring the periods of very low anthropogenic, industrial and commercial activities during the COVID-affected year 2020, owing to complete lockdowns).

Timeline

Last November, the Supreme Court directed the State governments of Punjab, Haryana, Uttar Pradesh, Rajasthan, and Delhi to ensure that stubble-burning was "forthwith" stopped as an immediate measure to protect the lives and health of people. The court directed the CAQM to file a status report by the next hearing on October 3. On September 24, the court had sought a report from CAQM on incidents of stubble-burning and action taken against the violators.





U.K. PM Starmer backs permanent seat in UN Security Council for India

INTERNATIONAL RELATIONS



During his speech at the UN General Assembly (UNGA) on Thursday, British Prime Minister Keir Starmer called for reforms to ensure the global multilateral system is "more representative and more responsive". Besides permanent representation for India, Africa, Brazil, Japan and Germany, the U.K. also made a pitch for more seats for elected members of the Security Council. French President Emmanuel Macron also backed India's bid for permanent membership in the UNSC to make the UN more efficient and representative.



Pakistan Prime Minister Shehbaz Sharif strongly criticised Indian government actions in Kashmir, drawing a parallel between Jammu and Kashmir and Palestine. Mr. Sharif accused India of extra-judicial killings, prolonged curfews in the region and other "draconian measures". Mr. Sharif highlighted the expansion in India's military capabilities and said India's leadership had "threatened to cross the Line of Control".

Naming Arunachal peak after the sixth Dalai Lama 'illegal, null and void': China

INTERNATIONAL RELATIONS

On a high: The NIMAS team on the 'Tsangyang Gyatso Peak' on September 21. A team from the National Institute of Mountaineering and Adventure Sports (NIMAS) successfully scaled summit of a previously unnamed and unclimbed mountain peak located at 20,942 feet in Gorichen range of Arunachal Pradesh Himalayas on the Tawang-West Kameng region. The mountain peak in Arunachal Pradesh has been named Tsangyang Gyatso Peak in honour of His Holiness the 6th Dalai Lama Rigzen Tsangyang Gyatso. The Chinese Foreign Ministry termed it as illegal, and null and void for India to set up the so-called 'Arunachal Pradesh' in Chinese territory.



BRICS significant for multipolarity, global diversity: Jaishankar

INTERNATIONAL RELATIONS

External Affairs Minister S. Jaishankar met with his BRICS counterparts to affirm its role in a multipolar world. The meeting took place on the sidelines of the 79th session of the United Nations General Assembly (UNGA).

Range of topics

BRICS, originally comprising Brazil, Russia, India, China, and South Africa, expanded at the start of this year to include Egypt, Ethiopia, Iran, and the UAE. The group focused on reforming multilateralism and strengthening development. They also discussed the Sustainable Development Goals, debt, fair trade, and poverty alleviation.

Staying the course

POLITY & GOVERNANCE

The Prime Minister's Office convened a meeting with representatives from Delhi, Haryana, Punjab, Rajasthan and Uttar Pradesh, along with the heads of several ministries in Delhi, as north India, particularly the States in the Indo-Gangetic plains, brace themselves for the annual spike in winter pollution. The brief was to take stock of the steps in place to prevent air quality from deteriorating catastrophically in Delhi. While pollution from vehicular emissions, road and construction dust, solid waste management, and diesel sets have over the years been counted as key sources of emissions, the burning of paddy stubble in Punjab and Haryana is known to be responsible for as much as 40 % of the pollutant load during October and November. Punjab is expected to generate 19.52 million tonnes of paddy stubble burning this year. To be sure, last November, the Supreme Court of India had expressly ordered that such burning completely ceases. This year, it has demanded to know from the Centre the steps that have been taken to address the problem. Whether the States can comply remains to be seen.

The harvest season of 2023 saw a 59 % fall in the number of stubble-burning incidents in Punjab as compared to 2022; in Haryana it dipped by 40 % but Uttar Pradesh saw a 30% rise. Despite the solutions to address the problem being known — create economic incentives as well as punitive measures to prevent straw from being burned — implementation remains a challenge. Punjab says that it hopes to manage 11.5 million tonnes of its paddy straw through in-situ (on the field) crop residue management and the rest via ex-situ methods. Similarly, Haryana will manage 3.3 million tonnes in-situ and use ex-situ methods for the remainder. In addition to this, 2 million tonnes of paddy straw would be 'co-fired' in 11 thermal power plants across the NCR region. Co-firing refers to turning the straw into pellets that can be used as a source of carbon. Experience over the years shows that several of these machines are not available to farmers when required. While using the straw in power plants has often been touted as a solution, there is no well-oiled system in place to transport straw from field to plant. The causes of the pollution crisis are multi-layered and will yield results only gradually. The States and the Centre must set aside their political differences and stay the course collectively.



GST Council sets up GoM on compensation cess

ECONOMICS & DEVELOPMENT

The Goods and Services Tax (GST) Council has set up a 10-member Group of Ministers chaired by Minister of State for Finance Pankaj Chaudhary, to decide on the taxation of luxury, sin and demerit goods once the compensation cess ends in March 2026. The GoM, includes members from Assam, Chhattisgarh, Gujarat, Karnataka, Madhya Pradesh, Punjab, Tamil Nadu, Uttar Pradesh and West Bengal. It will submit its report by December 31.

In the GST regime, compensation cess at varied rates is levied on luxury, sin and demerit goods over and above the 28 % tax. The proceeds from the cess, which was originally planned for five years after GST roll-out or till June 2022, were used to compensate states for revenue loss incurred by them post the introduction of GST.

Loan repayment

In 2022, the Council decided to extend the levv till March 2026 to repay ₹ 2.69 lakh crore worth loan taken in FY21 and FY22 to make good States' revenue loss during Covid years. With just one-and-a-half year remaining for the cess to end, the GST Council in its 54 meeting on September 9 decided to set up a GoM to decide the future course of the cess.

Bourses defer T+0 settlement pilot for institutional clients



ECONOMICS & DEVELOPMENT

Reducing risks: T+0 facilitates quicker receipt of funds and securities in investor accounts.

Stock exchanges on Friday decided not to implement the same-day, settlement cycle of securities for institutional clients, supposed to kick in from September 30 on voluntary basis and planned to continue with a beta version of T+0 in 25 securities from March 28 for retail clients. Foreign portfolio investors have resisted T+0 even on an optional basis. For, T+0 requires pre-funding of both cash and securities, which will be an issue for FPIs.

Retail investor edge

T+0 facilitates quicker receipt of funds and securities in investor accounts, reducing the risks associated with the time lag. It was supposed to especially benefit retail investors, who come with limited cash into the market, and result in optimal utilisation of funds. Market observers said the beta version of T+0 has not taken off, with

few brokers offering the facility. Activity so far has been restricted to token trades, resulting in low volumes. Some feel that systems are not yet in place for its smooth operation.

Subdued engagement

There was no trading in any security on Friday under T+0. On Day 1 of the beta version, only 63 members participated on the BSE. Forty-one members traded in 10 scrips and placed a total of 329 orders that resulted in 90 trades. On the NSE, 66 members had placed 209 orders for 87 unique PANs in 24 securities. This resulted in 46 trades in 14 securities.

All market infrastructure participants have to be in sync for the settlement process to be smooth. This includes systems set up by banks, clearing corporations and broker back-offices. That may require some more work. Volumes attract volume. There is little incentive for investors right now to move to same-day settlement.

T+1 cycle in play

The same-day settlement is in addition to the T+1 cycle currently in play and will be a precursor to an instant settlement that may be rolled out on an optional basis at a later date. The adoption of a shorter settlement cycle is likely to benefit the securities ecosystem.

The error rate for settlement of trades of FPIs had reduced under the T+1 settlement cycle compared to what it was under the T+2 cycle. T+1 was introduced in 2021 and implemented in phases.

Netanyahu vows no let-up in war with Hezbollah, Hamas

INTERNATIONAL RELATIONS



Rooted resolve: Benjamin Netanyahu addresses the 79th United Nations General Assembly in New York, on Friday.

Israeli Prime Minister Benjamin Netanyahu vowed to keep striking Hezbollah and fight "until victory" against Hamas, in an address to world leaders on Friday that defied calls for ceasefires in Lebanon and Gaza. Hezbollah and Israel have been locked in a deadly exchange of cross-border fire since the group's Palestinian ally, Hamas, attacked Israel on October 7. Israel's aerial bombardment of Hezbollah strongholds around Lebanon has killed around 700 people this week alone, but a U.S.-led bid for a ceasefire has failed to take hold.

Nearly a year into the war with Hamas in Gaza, Israel shifted its focus to its northern front with Lebanon. On Friday, Lebanon's National News Agency said Israeli air strikes had intensified overnight, and that one strike had killed a family of nine in south Lebanon. Moments after Mr. Netanyahu finished his address, the Israeli military announced it was carrying out new strikes against Hezbollah targets in south Lebanon. Hezbollah fired rockets into the northern Israeli city of Tiberias, saying it was responding to "savage" strikes on Lebanese towns and villages. Mr. Netanyahu also addressed the war in Gaza, saying Israel's military would continue to fight Hamas until the Islamist movement was crushed.

Dissanayake govt. restores old visa system, adhering to top court order

INTERNATIONAL RELATIONS

Sri Lanka's newly elected government led by President Anura Kumara Dissanayake has restored the country's old visa system, adhering to a recent Supreme Court order that suspended a controversial new portal managed by a consortium, including an Indian company.

The announcement was made late on Thursday, almost two months after the country's top court directed immigration authorities to revert to the online platform that was in use before the Ranil Wickremesinghe administration switched to the new system, roping in GBS Technology Services, the India-registered IVS Global Services, and VFS Global.

In April this year, Mr. Wickremesinghe's government opted for the new system. Following the move, Sri Lanka's visa fee nearly doubled, sparking concern within the island nation's tourism industry, a key foreign exchange earner. In July, three prominent opposition parliamentarians, M.A. Sumanthiran, Rauff Hakeem, and Champika Ranawaka, moved the Supreme Court against the government for allegedly "aiding and perpetrating a multi-billion-dollar scam" in bringing in the new system. Interim order

On August 2, the Supreme Court issued an interim order suspending the Cabinet decision approving new online and expat visa operations in Sri Lanka. On Wednesday, Department of Immigration and Emigration chief Harsha Ilukpitiya was arrested for failing to act on the Supreme Court's decision for over a month after its ruling.

Sri Lanka recorded over 2 lakh tourist arrivals every month until the shift to the new via system in April this year, after which numbers dipped, data published by the Sri Lankan Tourism Development Authority showed. Over 13 lakh tourists have visited Sri Lanka until August 2024, bringing in more than \$ 2 billion in revenue. Indian tourists are among those exempted from a visa fee. They are expected to apply for an Electronic Travel Authorization before arriving in Sri Lanka.

Iran treads carefully, backing Hezbollah while avoiding war

INTERNATIONAL RELATIONS



In solidarity: Iranians raise their national flag as well as Palestinian and Lebanon's Hezbollah flags during an anti-Israel protest in Tehran on Friday.

As violence between Israel and Hezbollah escalates, Iran is walking a tightrope by supporting Hezbollah without being dragged into a full-blown conflict and playing into its enemy's hands. With a focus on easing its isolation and reviving its battered economy, Iran is aware that war could complicate efforts to secure relief from crippling sanctions. Cross-border fire between Israel and Hezbollah, sparked by Hamas's October 7 attack on Israel, has intensified, especially after last week's sabotage on Hezbollah's communications that killed 39 people.

Israeli air strikes on Hezbollah strongholds in Lebanon followed, killing hundreds. Hezbollah retaliated with rocket barrages. Despite the surge in hostilities, Iran appears determined to avoid direct military confrontation. Iran's strategy was to project power, without directly engaging, especially as escalation could benefit Israel and impact the U.S. election. Even during its first-ever direct attack on Israel in April — retaliation for an air strike on Tehran's embassy annex in Damascus — most missiles were intercepted by Israel's defences or allied forces.

Measured approach

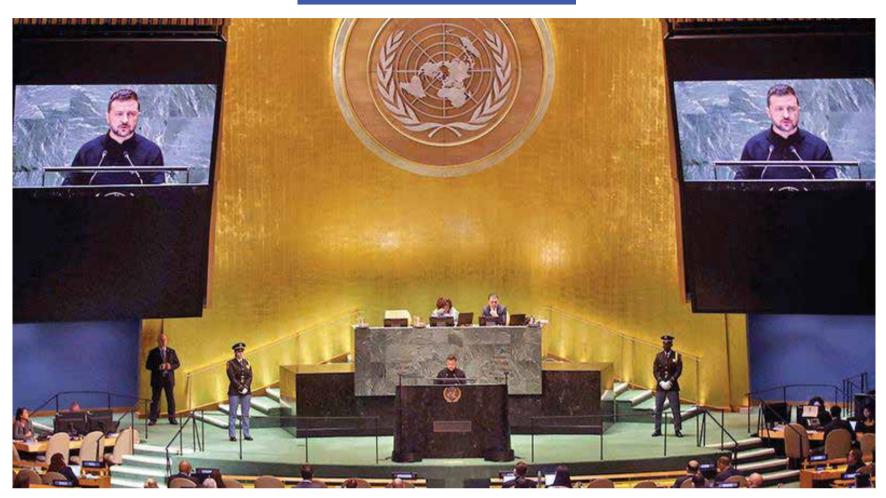
In New York, Iranian President Masoud Pezeshkian accused Israel of warmongering while positioning the Islamic republic as restrained. He suggested Iran had held back retaliation after the killing of Hamas chief Ismail Haniyeh in Tehran in July, fearing it could derail U.S. efforts for a Gaza ceasefire.

This measured approach echoes Iran's response earlier this year during heightened tensions with Israel. Iran fired hundreds of missiles and drones after the Damascus strike, but most were intercepted.

Analysts say Iran is flexing its muscles amid the Israel-Hamas war in Gaza, without provoking a U.S. response. Iran continues to face Western sanctions, especially since the United States, under then-President Donald Trump, withdrew from a nuclear deal between Tehran and world powers in 2018. European nations have also slapped sanctions on Iran, accusing it of supplying ballistic missiles to Russia for the Ukraine war.

China, Brazil urge against nuclear threats over Ukraine

INTERNATIONAL RELATIONS



Holding fort: Ukraine President Volodymyr Zelensky speaks during the UN General Assembly in New York on September 25.

China and Brazil led a joint call on Friday against any use or threat of nuclear weapons over Ukraine, in a thinly veiled criticism of Russian President Vladimir Putin's saber-rattling. Mr. Putin threatened to use nuclear weapons in the event of a major attack on Russian soil as Ukraine, which his forces invaded in 2022, seeks Western weapons to strike deeper across the border.

China, itself a nuclear power, and Brazil have led calls for mediation to resolve the conflict. Mr. Zelenskyy criticised them by name in his UN address, saying that forcing Ukraine to accept a peace deal was akin to colonialism. The emerging powers on Friday reiterated the importance of peaceful solutions for all international conflicts. We call for support for a comprehensive and lasting settlement by the parties to the conflict through inclusive diplomacy and political means based on the UN Charter. Other signatories to the statement were Algeria, Bolivia, Colombia, Egypt, Indonesia, Kazakhstan, Kenya, and Zambia.

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GCC Office:

Bobscoedu, Bobsco Trading & Contracting Co. W. L . L Office 22, Dream Tower 1, Road: 2701, Adliya, Kingdom of Bahrain www.bobscoedu.com