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B. GS 2 Related

Category: INTERNATIONAL RELATIONS

1. Colombo clears arrival of Chinese vessel

Syllabus: India and its neighborhood relations

Mains: India and China's geostrategic interest in Sri Lanka.

Context: Sri Lanka allowed the arrival of the Chinese space and satellite tracking vessel Yuan Wang 5 at the southern portion of Hambantota port.

Details:

- Colombo landed in a delicate diplomatic spot while dealing with its close partners having competing geostrategic interests on the island.
- However, Sri Lanka gave approval to the arrival of the Chinese ship at Hambantota port. It will have a week's stop as per the earlier plan.
- The arrival is approved on the Sri Lankan Defence Minister's conditions that the Chinese vessel's Automatic Identification System (AIS) should be kept switched on when in the Exclusive Economic Zone (EEZ) of Sri Lanka and prohibited scientific research in Sri Lankan waters.
- India raised the issue with President Ranil Wickremesinghe, and the Ministry of External Affairs made public remarks. India also highlighted that any development having a bearing on India's security and economic interests is carefully monitored.
- China has objected to India's concern and accused New Delhi of disturbing the relationship between China and Sri Lanka.

Nut Graf: *China and India's interest in the Hambantota port have been a major cause of worry for Sri Lanka which was evident from week-long deliberations that finally resulted in giving clearance to the Chinese vessel.*

C. GS 3 Related

Category: INDIAN ECONOMY

1. Why will airlines have to share PNR data?

Syllabus: Infrastructure: Airports

Mains: Passenger Name Record Information Regulations, 2022

Background Details:

- The regulations come five years after being proposed in the Finance Bill, 2017 by amending the Customs Act, 1962.
- As per the Passenger Name Record Information Regulations, 2022, notified by the Central Board of Indirect Taxes and Customs (CBIC) under the Ministry of Finance, airlines will have to compulsorily provide details of all international passengers arriving and departing in India to the Customs department.
- The stated reason is to prevent and prosecute offenses related to the smuggling of gold, narcotics, arms & ammunition under the Customs Act, 1962 which hampers national security.

Earlier procedure of collecting passenger data

- The Bureau of Immigration collected details of passengers under the Advance Passenger Information System (APIS) post an amendment in 2008 by the Ministry of Home Affairs to the Foreigners Act, 1946.
- This allowed data collection of foreigners, but not that of Indian citizens traveling in and out of the country.
- The APIS is part of the Departure Control System of an airline agency and records data when passengers check in at airports. It then transfers the details to the destination country 15 minutes before the flight departs.
- However, PNR data is collected by the airline's reservation system from the moment a passenger buys a ticket. It offers rich data for risk management, which can be shared 24 to 48 hours before departure thereby allowing intelligence agencies enough time for risk analysis.

The proposed procedure for transferring data:

- A database, the National Customs Targeting Centre-Passenger, will be set up by CBIC to collect information about passengers for "risk analysis".
- Airlines will have to transfer the "passenger name record (PNR) information" from their reservation system to the database.
- The information will comprise details such as PNR, reservation date, date of travel, credit card number, seat information, etc.
- The data can also be shared with other law enforcement agencies or government authorities of India or any other country.
- The data will have to be shared at least 24 hours before departure.

- A penalty of ₹25,000 to ₹50,000 for every act of non-compliance will be charged to airlines.

Reactions of the Airline Companies to proposed regulations:

- The [International Air Transport Association \(IATA\)](#) welcomed the legal procedure.
 - IATA is a trade association of approximately 290 airlines globally.
- Airlines are of the view that the government should hold deliberations, frame detailed guidelines, and provide a feasible timeline for implementation.
- They also demanded that missing data fields or fake details should not be penalized on airlines as they are just passing the information.

Privacy concerns related to data sharing:

- The CBIC assures that the format of data exchange is a standard electronic message format endorsed jointly by the International Civil Aviation Organization (ICAO), World Customs Organization (WCO), and the IATA.
- The data will be retained for a maximum of five years after which it will be disposed of by de-personalization or anonymization.
- However, it can be re-personalized/ unmasked when used in connection with an identifiable case/threat/risk for the specified purpose.

Other related issues with data transfer to CBIC:

- There is apprehension that collecting data of all passengers to then do an undetermined risk analysis, instead of selecting a few passengers is problematic.
- De-anonymising data is a serious area of concern on two dimensions:
 - Firstly, it raises questions on the kind of anonymization which can be easily reversed.
 - Secondly, there needs to be a high barrier to permit de-anonymization and should be done only on serious grounds.
- Also, the lack of data protection law further raises concerns about the data security aspects.

Nut Graf: *The new proposal is a good move to bring an end to the non-standard passenger data requests from the airlines, by multiple agencies at various airports/stations. However, the associated concerns should also be addressed beginning with the issue of data privacy.*

D. GS 4 Related

Nothing here for today!!!

E. Editorials

Category: HEALTH

1. What is the threat from zoonotic diseases?

Prelims: *LayV*

Mains: *Dealing with the challenge of zoonotic diseases.*

Context: Recently, a new zoonotic virus called Langya (LayV) that has evolved to infect humans has been identified in Eastern China.

Details:

- Langya virus, is a species of henipavirus and has been found to cause fever, fatigue, cough, accompanied by thrombocytopenia or low platelet count, and leukopenia or a low white blood cell count. In some cases, doctors also noticed impaired liver and kidney functions.
- Studies into the origin of this virus have revealed that shrews might be a reservoir of the LayV.

Recommendations:

- While experts have noted that there is no particular concern about LayV virus, there is the need for the following measures.
 - Constant surveillance should be a top priority.
 - There should also be a standard procedure on checks and genome sequencing for pathogens that pass from animals to humans.
 - Regularly testing humans and animals for emerging viruses is critical to understand the risk of zoonotic diseases.
- Adequate sharing of information between nations would help stop rapid spread of disease across the world.

Nut Graf: *When it comes to dealing with the challenge of zoonotic diseases, preventive measures continues to be infinitely better than curative measures. Constant surveillance should be a top priority.*

Category: ECONOMY

1. Digital lending

Syllabus: *Indian Economy and issues relating to Planning, Mobilization of Resources, Growth, Development and Employment.*

Mains: *significance and concerns associated with digital lending in India*

Context: Recently, the Reserve Bank of India (RBI) has come up with a framework for regulating the digital lending segment in the Indian economy.

Digital lending:

- Digital Lending involves lending through web platforms or mobile apps, utilizing technology for authentication and credit evaluation.
- Under digital lending, Lending Service Providers (LSPs) act in partnership with Non-Banking Financial Companies (NBFCs) who disburse credit (or a line of credit) to the customer using the former's platform.

Significance of digital lending segment:

- Given that digital lending utilizes automated technologies for most of its activities, it has the advantage of lower operating costs and can also help ensure speedy disbursement of loans.
- Small borrowers without a documented credit history and thus, not served by traditional financial institutions have found a credit avenue for their short term loan requirements through this segment.
- The digital lending segment can play a major role in supplementing the role being played by the existing financial system dominated by banks in meeting the demand for loans across the credit ecosystem given their scalability.

Concerns with digital lending segment:

- A large number of the lending apps available for Indian android users happen to be illegal in that they are either unregulated by the RBI or have NBFC partners with an asset size of less than ₹1,000 crore. The absence of a standardised regulatory norm for this segment makes it all the more difficult to regulate this segment.
- The Lending Service Providers are found to be resorting to reckless lending practices due to high competitiveness in the segment. They are found to be lending credit beyond a borrower's repayment capacity. This is resulting in higher interest rates for all users.
- There are also serious concerns of mis-selling, unfair business conduct, charging of exorbitant interest rates, and unethical recovery practices by the lending service providers.
- The unbridled engagement of third parties and the sharing of personal information of the borrowers with them amount to possible breach of data privacy of the borrowers. This is a major concern with respect to this segment.
- Considering the multi-sided nature of the business, the RBI has put forth that user consent would be mandatory for sharing any personal information with a third-party.

New regulations:

- Lending must be carried out by entities that are either regulated by the RBI or possess permission to operate under a relevant law. This will limit the operation of any illegal entities in the segment.
- All loan disbursements and repayments are to be executed directly between the bank accounts of the

borrower and the entity. This will help eliminate the participation of third parties.

- Lenders would compulsorily have to inform the borrower in a standardised format about all fees and charges and LSPs will not be allowed to raise them without prior consent from customers. This would help address concerns of mis-selling, unfair business conduct, charging of exorbitant interest rates.
- The new regulations mandate a dedicated resolution framework which require the digital lending entity to appoint a grievance redressal officer. This would come under the purview of the RBI's Integrated Ombudsman Scheme (RB-IOS) and all complaints have to be resolved within 30 days of lodging of the complaint.
- All the data collected by the digital lending apps should be "need-based" and must be with prior and explicit consent of the borrower. Users are also allowed to revoke previously granted consent.

Nut Graf: *The new RBI regulations for the digital lending segment will help address some of the serious concerns plaguing this niche segment in India.*

Category: ENVIRONMENT AND ECOLOGY

1. Have coastal ecosystem norms been violated?

Syllabus: *Conservation, Environmental Pollution and Degradation, Environmental Impact Assessment.*

Prelims: *Coastal Regulation Zone notification, 2019*

Mains: *Concerns pointed out in the audit report of the CAG*

Context:

- The Comptroller and Auditor General (CAG) of India has tabled a report based on the observations from an audit of 'Conservation of Coastal Ecosystems from 2015-20' in Parliament. The report evaluates the effectiveness of the conservation process being followed by Centre and States in coastal ecosystems.
 - The CAG has a constitutional mandate to undertake 'performance audits' of publicly funded programmes.

Background:

- The Union government is empowered under the Environment Protection Act, 1986 to regulate activities along India's coasts. In this respect the Union government had come up with the Coastal Regulation Zone Notification (CRZ) 2019.
- Under this the coastal area is classified into different zones for regulation. The framework

envisages an institutional mechanism for the implementation of the CRZ with an overall objective of Integrated Coastal Zone Management Programme (ICZMP).

Observations made in the audit report:

- The “pre-audit studies” conducted by the CAG found large-scale Coastal Regulation Zone violations in the coastal areas. This included illegal construction activities, effluent discharges from local bodies, industries and aquaculture farms into the sensitive coastal ecosystems. In this context, the CAG undertook a detailed investigation.
- The National Coastal Zone Management Authority (NCZMA) envisaged as the apex institution for the implementation of the CRZ policy has been functioning as an ad-hoc body due to the failure of the Environment Ministry to notify NCZMA as a permanent body. It is being reconstituted every few years. This has had an adverse impact on its functioning and its effectiveness.
- The Expert Appraisal Committees —committee of scientific experts and senior bureaucrats designated to evaluate the feasibility of an infrastructure project and its environmental consequences — were found to be absent during some project deliberations in clear violations of the policy guidelines. Also in some instances, the members of the EAC participating in the deliberation were fewer than half of the total strength.
- In some states like Karnataka, State Coastal Zone Management Authority had not been reconstituted after the expiry of its term and there was delayed reconstitution in States like Goa, Odisha and West Bengal. This is in clear violation of the CRZ policy provision which mandates that every coastal State and Union Territory have a Coastal Zone Management Authority.
- The District Level Committees (DLCs) mandated for every district that has a coastal stretch and where the CRZ notification is applicable were not established in Andhra Pradesh and these important institutions lacked participation from local traditional communities in states like Tamil Nadu.
- There were serious concerns with respect to Environment Impact Assessment (EIA) report preparation. In some instances non-accredited consultants were preparing the EIA. The use of outdated data and the failure to undertake a comprehensive evaluation of the environmental impacts of the project and the failure to undertake an appraisal of the disasters which the project area was prone to give rise to serious concerns over the efficacy of these reports.
- Some projects were being approved despite serious concerns raised with respect to them in the EIA reports.
- The report also takes note of the failure of states to have in place strategies to conserve sensitive coastal ecosystems in their jurisdiction. It points out to stranded programmes and initiatives announced by some state governments in the realm of coastal ecosystem conservation.

What next?:

- The audit report presented by the CAG will be placed before the related Standing Committee of

Parliament. The Environment Ministry must seek to address the lacunae pointed out by the CAG.

Nut Graf: *The Coastal Regulation Zone policy, though well intended and much necessary for the conservation of the critical and sensitive coastal ecosystem, the lax implementation of this policy remains a major cause of concern.*

F. Prelims Facts

Nothing here for today!!!

G. Tidbits

1. India, Italy negotiate legal assistance treaty

- A Mutual Legal Assistance Treaty (MLAT) is been deliberated between India and Italy
- It will ensure that the two nations have a formal procedure for investigating criminal cases.
- The ultimate agreement is stuck due to concerns that the maximum punishment in India for heinous crimes is the “death penalty”, which was abolished long back in Italy.
- Mutual Legal Assistance is defined as a method whereby nations cooperate with each other in order to have a legal framework in the suppression, prevention, investigation as well as prosecution of criminals.
- It also ensures that the criminals do not misuse the provisions of other countries and bypass the due process of law.
- India has signed MLAT with approximately 45 countries of the world.
- India does not have a bilateral agreement with Italy on criminal matters so far.

H. UPSC Prelims Practice Questions

Q1. With respect to Zoroastrianism, which of the following statements is/are correct? (Level – Medium)

1. The holy book is Torah.
2. Fire and water are regarded as the pure symbol of the Zoroastrian religion
3. Dakhma-nashini is a religious practice of voluntarily fasting to death by gradually reducing the intake of food and liquids.

Options:

- a) 1 and 2 only
- b) 2 only
- c) 3 only
- d) None

Answer: b

Explanation:

- **Statement 01 is incorrect**, The holy book is Avesta.
- **Statement 02 is correct**, Fire along with clean water are considered agents of ritual purity. Fire is used as a medium to communicate with God, whom they call Ahura Mazda
- **Statement 03 is incorrect**, Dakhma-nashini is a method of corpse destruction.

Q2. Consider the following statements:(Level- Medium)

- a) Basmati rice is long-grained rice which has its origin in India and some parts of Pakistan.
- b) India is the largest producer of Basmati rice with about 70 percent share in global production.
- c) The yield of Basmati rice from the agricultural land is almost half the non-basmati varieties.
- d) The older basmati gets the better its flavor and aroma.

Which of the statements given above is/are correct?

- 1. 1, 2, and 3 only
- 2. 2, 3, and 4 only
- 3. 2 and 4 only
- 4. 1, 2, 3 and 4

Answer: d

Explanation:

- **Statement 01 is correct**, Basmati rice is long slender looking rice that has its origin in India and some parts of Pakistan.
- **Statement 02 is correct**, India is the leading producer as well as exporter of Basmati rice with about 70 percent share in global production.
- **Statement 03 is correct**, The yield of Basmati rice from the agricultural land is almost half the non-basmati varieties. This is also the reason for its high cost.
- **Statement 04 is correct**, Basmati has a characteristic aroma that is not there in non-basmati varieties.

Q3. Who among the following was convicted in the Titagarh conspiracy case? (Level - Difficult)

- a) Bhawani Prasad Bhattacharya
- b) Chittaranjan Das
- c) Parul Mukherjee
- d) S.M. Joshi

Answer: c

Explanation:

Parul Mukherjee was connected in the Titagarh conspiracy case together with Purnanondo Das Gupta, Sita Nath Dey, Nihar Ranjan Ray, Shyam Benode Pal Chowdhury, and others for making explosives to fight against the British, due to their severe torture in the labors.

Q4. Consider the following statements:(Level- Difficult)

- 1. She was shot dead by the British Indian police in front of the Tamluk Police Station
- 2. She was affectionately known as Gandhi buri
- 3. She took part in the Civil Disobedience movement and was arrested for breaking the Salt Act.

The above statements best describe:

- a) bBina Das
- b) Kalpana Dutta
- c) Matangini Hazra
- d) Pritilata Waddedar

Answer: c

Explanation:

Matangini Hazra (19 October 1870 – 29 September 1942[1]) was an Indian revolutionary who participated in the Indian independence movement until she was shot dead by the British Indian police in front of the Tamluk Police Station (of erstwhile Midnapore District) on 29 September 1942. She was affectionately known as Gandhi Buri, Bengali for old lady Gandhi.

Q5. Which one of the following situations best reflects “Indirect Transfers” often talked about in media recently with reference to India? (Level - Easy)

- a) An Indian company investing in a foreign enterprise and paying taxes to the foreign country on the profits arising out of its investment
- b) A foreign company investing in India and paying taxes to the country of its base on the profits

arising out of its investment

- c) An Indian company purchases tangible assets in a foreign country and sells such assets after their value increases and transfers the proceeds to India
- d) A foreign company transfers shares and such shares derive their substantial value from assets located in India.

Answer: d

Explanation:

Indirect transfers refer to situations where when foreign entities own shares or assets in India, the shares of such foreign entities are transferred instead of a direct transfer of the underlying assets in India.

I. UPSC Mains Practice Questions

1. The digital lending sector has come into spotlight because of the proliferation of extortionary lending practices. Discuss the RBI's new digital lending rules to curb rampant malpractices in the digital lending ecosystem. (15 Marks, 250 Words)(GS-3, Economy)
2. What are the pros and cons of Customs wanting Passenger Name Record Information on international travelers? How will the process work? (10 Marks, 150 Words)(GS-2, Governance)