



Current Affairs of the Day

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1. IAF to get 106 trainer aircraft



Putin declares world's first COVID-19 shot

Sputnik V:

- Russia had become the first country to grant regulatory approval to a COVID-19 vaccine after less than two months of human testing, a move Moscow likened to its success in the Cold War-era space race.
- The vaccine, to be called 'Sputnik V' in homage to the world's first satellite launched by the Soviet Union, has, however, not yet completed its final trials.

Moscow's decision to grant approval before then has raised concerns among some experts. Only about 10% of the clinical trials are successful, and some scientists fear Moscow may be putting national prestige before safety.

Indian, Afghan officials discuss Loya Jirga

In news:

- Indian and Afghan officials in Delhi and Kabul discussed the outcome of the Loya Jirga, or grand assembly, in Afghanistan that advised the release of 400 Taliban militants convicted of serious crimes.
- The two sides discussed the likelihood of intra-Afghan negotiations in Doha, Qatar, which have been put off to next week, as well as the hopes for a permanent ceasefire, in a briefing two days after the Jirga's decision. The intra-Afghan talks could now take place on August 16-17 in Doha, once President Ghani's government releases all the men, bringing the total number of Taliban fighters released to about 5,500.
- The release was conditional, and contingent on a reduction in the level of violence by the Taliban as well as a "humanitarian ceasefire" for civilians to be transported during the coronavirus pandemic without fear of the Taliban.
- The Taliban is also required to guarantee that none of the men being released will return to combat.

It is hoped that the release of the Taliban prisoners will include those demanded in exchange for the release of the Indian hostage, who was an employee at a power plant project run by Indian engineering company



KEC. He was abducted at gunpoint by Taliban militants in Afghanistan's Baglan province two years ago.

Daughters have equal right to inherit property, says SC

Key Points:

- The Supreme Court on Tuesday held that daughters have an equal birthright with sons to inherit joint Hindu family property.
- The court decided that the amended Hindu Succession Act, which gives daughters equal rights to ancestral property, will have a retrospective effect.
- The judgment agreed with lead arguments made by senior advocate Bishwajit Bhattacharya that the substituted Section 6 of the Hindu Succession Act, 1956 confers the status of 'coparcener' to a daughter born before or after the amendment in the same manner as a son. Coparcener is a person who has a birthright to parental property.

Overrules 2015 decision:

- Since the right to coparcenary of a daughter is by birth, it is not necessary that the father should be alive as on September 9, 2005. The court has thus overruled an earlier 2015 decision.
- The court, in its 121-page judgment, said the statutory fiction of partition created by proviso to Section 6 of the Hindu Succession Act, 1956 as originally enacted did not bring about the actual partition or disruption of coparcenary.
- It also clarified that an unregistered oral partition, without any contemporaneous public document, cannot be accepted as the statutory recognised mode of partition.

However, in exceptional cases where plea of oral partition is supported by public documents and partition is finally evinced in the same manner as if it had been affected by a decree of a court, it may be accepted.



IAF to get 106 trainer aircraft

In news:

- The Defence Acquisition Council (DAC), chaired by Defence Minister Rajnath Singh, on Tuesday approved defence procurements worth ₹8,722.38 crore, including 106 HTT-40 Basic Trainer Aircraft (BTA) for the Indian Air Force (IAF) built by Hindustan Aeronautics Limited (HAL).
- The DAC also approved the procurement of an upgraded version of Super Rapid Gun Mount (SRGM), which is fitted as the main gun onboard Navy and Coast Guard warships from Bharat Heavy Electricals Limited (BHEL). The upgraded version of SRGM has enhanced capability to perform against fast manoeuvring targets such as missiles and fast attack crafts and increase the maximum engagement range.
- In addition, the DAC approved procurement of 125 mm APFSDS (Armour Piercing Fin Stabilized Discarding Sabot) ammunition for the Army as a 'design and development case'. "The ammunition being procured will have a 70% indigenous content," it said. The DAC also gave approvals that are likely to speed up the procurement of AK-203 assault rifles from Russia and Unmanned Aerial Vehicle upgrades.

SC ruling on daughters' rights, a wake-up call to family businesses

In news:

- Family businesses which have not yet recognised the rights of daughters will see an impact from the Supreme Court's Tuesday verdict that gives retrospective effect to a 2005 amendment to the Hindu Succession Act of 1956, experts said.
- The apex court has ruled that daughters will have equal coparcenary rights in a Hindu Undivided Family (HUF) irrespective of whether the father was alive at the time of the amendment or not.
- Most of the family businesses would have figured out how to accommodate daughters in terms of sharing wealth and allowing them to take part in business since the amendment came in 2005.



It will be an issue in the case of families that refuse to acknowledge the rights of daughters as per the amendment. The verdict will have an implication on traditional business families.

Debt revamp to prolong banks' asset quality uncertainty: Fitch

In news:

- A one-time debt restructuring allowed by India's central bank to help lenders and borrowers amid the COVID-19 pandemic will prolong uncertainty about the banking sector's asset quality.
- The central bank said last week it will allow restructuring of corporate and personal loans to ease debt strains on companies and lenders.
- The policy could open a window for banks to build capital buffers while putting off full recognition of the coronavirus pandemic's impact on loan portfolios, but is reminiscent of a strategy adopted over 2010-2016 that delayed and exacerbated problems for the banks.

Facts:

- Indian banks are saddled with more than \$120 billion in bad loans.
- The sector is ranked the third-worst among 13 major world economies in asset quality.
- The central bank's experience with loan restructuring in the past hasn't been encouraging. In several instances the restructuring was used for evergreening of loans, a practice in which banks provide additional loans to stressed borrowers, often indirectly, to enable them to repay existing loans.
- Fitch said it believes that the scheme may be designed to give banks more time to raise capital, which remains challenging in the current environment, to address the impact of the crisis on loan portfolios.
- The central bank has set up a committee to oversee restructuring plans involving creditors with more than ₹15 billion of debt, but that is likely to leave out lending to retail and small- and medium-sized firms, which Fitch said is likely to account for a substantial portion of future pandemic-linked asset quality stress.

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