



Current Affairs of the Day

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- India, China troops clashed at Naku La
- 'Women farmers will be hit hard by farm laws'
- 'WhatsApp treating Indian users differently is cause for concern'
- Centre's prescription for SAM includes yoga, herbs

GS Paper - III

- Billionaires' wealth rose 35% during a lockdown: Oxfam
- 'Green' tax mooted for personal vehicles older than 15 years
- 'RBI proposals for NBFCs don't address key issues'
- India incurred the maximum losses due to extreme weather in 2019



India, China troops clashed at Naku La

Indian and Chinese troops clashed at Naku La in North Sikkim on January 20, in what the Army termed a “minor face-off”, resulting in some minor injuries on both sides, it has been learnt.

Highlights:

There was a clash at Naku La on the night of May 2020, which also saw injuries on both sides. There was a clash at Pangong Tso also at that time as the nine-month-long stand-off began at several locations across eastern Ladakh.

India-China border tensions simmer



The two neighbours engaged in a 'minor face-off' in northern Sikkim last week, officials said

WHAT HAPPENED?

On Jan 20, rival troops clashed in Naku La. Soldiers from both sides suffered minor injuries

HOW DID IT START?

Chinese soldiers tried to intrude into Indian territory. They were pushed back

WHAT DID INDIA SAY?

Local commanders resolved the 'minor face-off' by following established protocol

WHAT DID CHINA SAY?

The Chinese foreign ministry declined to confirm or deny the latest clash

At an altitude of over 5,000 metres, the area is traditionally not prone to face-offs



STRAINED TIES

India and China have been locked in a stand-off since May. In June, 20 Indian soldiers and an undisclosed number of Chinese soldiers were killed in eastern Ladakh's Galwan Valley

- The Naku La episode is the second such incident in the eastern sector in less than a year

- Last year, 4 Indian and 7 Chinese soldiers suffered injuries in a May 9 clash

- Rival soldiers have clashed five times since the ongoing border row erupted and took ties to a new low



‘Women farmers will be hit hard by farm laws’

Over 400 Indian women’s rights activists, women’s organisations and academics have penned an open letter to the government expressing their solidarity with protesting women farmers and underscoring that they are central to the farmers’ agitation as they are likely to be hit the hardest.

Highlights:

1. “Women farmers have been firmly in the leadership of this struggle, just as much as they lead the process of agriculture itself and bear the burden of crushing farm debts, suicides, shrinking incomes, and ecological disaster... [even though] women farmers are neither allowed to own land nor acknowledged for their labour in law or policy,” stated the letter.
2. If the three laws were not repealed, marginal and women farmers are likely to be hit harder as the dismantling of the APMC would mean farmers would not be able to negotiate prices.
3. The contract farming envisaged under these laws would be that women dependent on small or marginal holdings, either as direct cultivators or tenants, would be highly disadvantaged in negotiating contracts.
4. Shockingly, farmers or anyone representing them will also not have any recourse to the jurisdiction of appellate courts to challenge contracts that dupe them or force them into landlessness and penury.

‘WhatsApp treating Indian users differently is cause for concern’

The Centre told the Delhi High Court that the differential treatment by WhatsApp of Indian users compared with their European counterparts with respect to its privacy policy was a “cause for concern for the government”.

The Differential Treatment

1. While the privacy policy offered by WhatsApp to its European users specifically prohibits sharing of any information with Facebook, this provision is not present in the privacy policy offered to Indian citizens who form a very substantial part of WhatsApp’s user base.



2. The government is also concerned in the way Indian users have been subjected to these changes rather unilaterally, by not providing the Indian users with the ability to opt-out of this data being shared with other Facebook companies.
3. This may infringe on Indian users' interest in relation to information privacy and information security.

Billionaires' wealth rose 35% during a lockdown: Oxfam

Crux: The report calls for introducing wealth tax, COVID-19 cess

Highlights:

1. Indian billionaires increased their wealth by 35% to ₹3 trillion during the lockdown says the "Inequality Virus Report" brought out by Oxfam, a non-profit organisation.
2. The wealth of just the top 11 billionaires during the pandemic could easily sustain the MGNREGS or the Health Ministry for the next 10 years, it said underscoring the deepening inequalities due to COVID-19 where the wealthiest escaped the worst impact of the pandemic while the poor faced joblessness, starvation and death.

Return of the rich

It took just nine months for the wealth of the top 1,000 billionaires in the world to return to their pre-pandemic highs

% CHANGE IN TOP 1,000 BILLIONAIRES' WEALTH IN 2020



▪ India's richest man, Mukesh Ambani's wealth more than doubled between March and October 2020, reaching **\$78.3bn**

▪ He jumped from being the **21st richest person** in the world to the **sixth richest**

▪ During that period, the average increase in Ambani's wealth in just over four days represented more than the combined annual wages of all of **Reliance Industries' 1,95,000 employees**

Way Forward

1. It recommended reintroducing the wealth tax and effecting a one-time COVID-19 cess of 4% on taxable income of over ₹10 lakh to help the economy recover from the lockdown.



2. According to its estimate, a wealth tax on the nation's 954 richest families could raise the equivalent of 1% of the GDP.

Poor access and Disproportionate Impact

1. According to the report, only 6% of the poorest 20% have access to non-shared sources of improved sanitation, compared to 93.4% of the top 20%.
2. As much as 59.6% of India's population lived in a room or less, which meant that protocols necessary to prevent the spread of COVID-19 cannot be followed.
3. Till October, 32 crore students were hit by the closure of schools, of whom 84% resided in rural areas and 70% attended government schools.
4. It was estimated that out-of-school rates would double in a year. Dalits, Adivasis and Muslims were likely to see a higher dropout rate. Girls were also most vulnerable as they were at risk of early and forced marriage, violence and early pregnancies, it noted.
5. Unemployment of women rose by 15% from a pre-lockdown level of 18%, which could result in a loss of India's GDP of about 8% or ₹15 trillion.

Centre's prescription for SAM includes yoga, herbs

AYUSH Centres, yoga, medicinal herbs and indigenous traditional practices are part of the Central government's prescription for severe acute malnourished (SAM) children.

Highlights:

1. States shall launch a drive for identification of SAM children for a referral to hospitals [if required] and AYUSH centres.
2. Though the guidelines were about nutrition, there was no mention of the impact of COVID-19 on malnourishment levels though global experts have alerted that there will be an increase in wasting, stunting and under-five deaths.
3. It said AYUSH Centres must leverage "principles and therapeutics of Ayurveda as modalities of intervention for community nutrition and health problems.



About Severe Acute Malnutrition

1. Severe acute malnutrition is the most extreme and visible form of undernutrition. Its face is a child – frail and skeletal – who requires urgent treatment to survive.
2. Children with severe acute malnutrition have very low weight for their height and severe muscle wasting. They may also have nutritional oedema – characterized by swollen feet, face and limbs. About two-thirds of these children live in Asia and almost one third live in Africa.
3. Severe acute malnutrition is a major cause of death in children under 5, and its prevention and treatment are critical to child survival and development.

'Green' tax mooted for personal vehicles older than 15 years

Owners of old vehicles will have to pay the government a 'green' tax as a penalty for polluting the environment, which will be much steeper if you reside in one of the more polluted cities in India.

Highlights:

1. Personal vehicles will be charged a tax at the time of renewal of Registration Certification after 15 years. The levy may differ depending on fuel (petrol/diesel) and type of vehicle.
2. The proposal on green tax also includes a steeper penalty of up to 50% of road tax for older vehicles registered in some of the highly polluted cities in the country.
3. The Ministry also approved a watered-down policy of deregistration and scrapping of vehicles, bringing only those vehicles owned by government departments and PSUs and are older than 15 years under its ambit.
4. Earlier, a panel of secretaries suggested the scheme may combine a phased regulatory approach for capping the life of vehicles along with stricter emission norms.



'RBI proposals for NBFCs don't address key issues'

The Reserve Bank of India's (RBI) recent discussion paper proposing tighter regulations for non-bank finance companies (NBFCs), if implemented, would result in the companies becoming more resilient to credit shocks.

Highlights:

1. The proposal would commit the largest 25-30 NBFCs to regulations similar to banks in terms of capital, credit concentration and governance.
2. The proposed new regulations would result in largely harmonised rules between banks and NBFCs on capital and leverage, which would reduce the regulatory arbitrage opportunities for NBFCs against the banks in their lending decisions.
3. However, the proposals do not address NBFCs' funding and lighter liquidity, the key credit weakness of the sector.
4. Stating that banks are subject to strict regulations on maintaining a minimum cash reserve ratio and statutory liquidity reserve, these conditions had not been imposed on NBFCs.

India incurred the maximum losses due to extreme weather in 2019

The Climate Risk Index 2021 is released by environmental think tank Germanwatch.

Highlights:

1. The index also ranked India as the country that suffered the second-highest monetary loss due to climate change in 2019 after Japan.
2. In 2019, most lives lost due to climate change were in India, which also suffered the second-highest monetary loss. India was the seventh-most affected country on the index.
3. In 2019, the southwest monsoon continued for a month longer than usual. The surplus of rain caused major hardship, the report said.
4. With eight tropical cyclones, the year 2019 was one of the most active Northern Indian Ocean cyclone seasons on record. Six of the eight cyclones intensified to become "very severe", the report said.



Poverty's curse

1. It also showed that eight out of the ten countries most affected by extreme weather events in 2019 belong to the category of low to lower-middle-income.
2. The long-term risk index mapped in the report for the last two decades also showed that low to lower-middle-income countries had been the most affected.