



Current Affairs of the Day

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GS III

- Goods exports touch record \$95 bn in Q1
- Big Tech's push into financial sector poses risks, says RBI
- Forex reserves surge by \$5 bn to \$609 billion



4,000-year-old settlement found during an excavation in Odisha

Archaeologists find distinct traces of three cultural phases at the site.

Highlights:

1. The Odisha Institute of Maritime and South-East Asian Studies (OIMSEAS), the archaeological wing of the State government, has discovered a 4,000-year-old settlement and ancient artefacts in the Balasore district.
2. After getting traces of fortified early historic sites near Balasore town, the OIMSEAS had sought permission from the Archaeological Survey of India (ASI) to document Durgadevi village in Remuna Tehsil.
3. According to the ASI, the site has circular mud fortification of about 4.9 kms, in between the river Sona on the south and the Burahabalang on its north-eastern borders.
4. Interestingly, the archaeologists have come across distinct traces of three cultural phases — Chalcolithic (2000 to 1000 BC.), Iron Age (1000 to 400 BC) and Early Historic Period (400 to 200 BC) — from the excavation site.
5. Two small nullahs Gangahara and Prassana join the site on its north and south forming a natural moat which was an ancient water management system developed at least 4,000 years ago.
6. The archaeologists have come across human settlements and artefacts belonging to the Chalcolithic period. The major discovery was the base of a circular hut, black on red painted pottery, black slipped ware, red slipped ware and copper objects. The floor of the circular hut was rammed with red soil. The people were mostly leading settled life and had started agriculture, domestication of animals and fishing.
7. The material including pottery remains of black burnished ware, black and redware, iron objects like nails, arrowhead, crucibles and slag of various kinds belong to the Iron Age Period.
8. Early Historic Period cultural materials such as pottery specimens of redware, terracotta ear studs, bangles, beads, and some conical objects were also discovered.
9. The lifestyle had improved to trade. The fortification signifies the emergence of urbanisation at Durgadevi around 400 to 200 BCE.



Judges must look at the facts of a case and its human aspect: CJI

1. On one hand, the Chief Justice said, a judge should focus on law, precedents and facts of a case and, on the other, the human aspect. Judges should use the “little discretion” law allows to keep sight of the human suffering and toll behind every case.
2. A decision of the court would echo through time. It will have repercussions. A judgment becomes the law of the land. A judge has to keep all this in mind while dealing with a case, he said.

After 2 decades, U.S. exits key Afghan base

1. After nearly 20 years, the U.S. military left Bagram Airfield, the epicentre of its war to oust the Taliban and hunt down the al-Qaeda perpetrators of the 9/11 terrorist attacks on America.
2. The airfield was handed over to the Afghan National Security and Defence Force in its entirety.
3. The Taliban too welcomed the American withdrawal from Bagram Airfield.

Pandemic increased vulnerability to human trafficking: U.S. report

1. The pandemic resulted in an increase in vulnerability to human trafficking and interrupted existing anti-traffic efforts, according to the Trafficking in-person report, an annual study released by the U.S. State Department.
2. In India, the report says that while it did not meet the minimum standards to eliminate trafficking, the government was making significant efforts, although these were inadequate, especially when it came to bonded labour.
3. Overall anti-trafficking efforts, especially against bonded labour, remained inadequate. The government achieved fewer convictions, and the acquittal rate for traffickers remained high at 73 per cent, the report said.
4. The concurrence of the increased number of individuals at risk, traffickers' ability to capitalise on competing crises, and the diversion of resources to



pandemic response efforts have resulted in an ideal environment for human trafficking to flourish and evolve.

- Twelve governments were determined, by the State Department, to have a “policy or pattern” of human trafficking resulting in their countries being assigned a ‘Tier 3’ rating. Afghanistan, Burma, China, Cuba, Eritrea, North Korea, Iran, Russia, South Sudan, Syria and Turkmenistan were on this list.
- The report said that the Chinese government engaged in “widespread forced labour, including through the continued mass arbitrary detention of more than one million Uighurs, ethnic Kazakhs, ethnic Kyrgyz, and other Muslims” in Xinjiang.

India sees ‘consensus’ by Oct. on OECD-G20 global tax deal

Closing ranks: The pact outlines a solution to address tax challenges from the digitalisation of the economy. Share of profit allocation, subject-to-tax rules’ scope yet to be addressed: FinMin

Highlights:

- A day after joining the OECD-G20 framework for a global minimum tax, the Finance Ministry said significant issues including share of profit allocation and scope of subject-to-tax rules were yet to be addressed, and a ‘consensus agreement was expected by October.
- A total of 130 countries agreed to an overhaul of global tax norms to ensure multinationals pay taxes wherever they operate and at a minimum 15% rate.
- The solution should result in the allocation of meaningful and sustainable revenue to market jurisdictions, particularly for developing and emerging economies.
- A majority of the OECD/G20 Inclusive Framework on Base Erosion and Profit Shifting members (including India) adopted a statement containing an outline of a consensus solution to address tax challenges arising from the digitalisation of the economy.
- It comprises Pillar One — reallocation of an additional share of profit to the market jurisdictions, and Pillar Two — regarding minimum tax and subject-to-tax rules.



6. The consensus would quicken ongoing efforts to reset the almost century-old international tax rules. It provides an objective definition for “largest (sales more than €20 billion) and most profitable (more than 10% global profitability) MNEs to be subject to new nexus and profit allocation rules.

Goods exports touch record \$95 bn in Q1

1. With India registering its highest quarterly merchandise exports of \$95 billion during the first quarter (April-June) of 2021-22, the country is now eyeing a target of \$400 billion in merchandise exports in the current fiscal.
2. As per the official data released, the exports rose by 47.34% to \$32.46 billion in June, following strong growth in sectors such as engineering, gems and jewellery and petroleum products. However, India was a net importer in June 2021 with a trade deficit of \$9.4 billion.
3. He said measures such as sector-specific interventions had resulted in the record performance of exports. The services sector will achieve \$350 billion exports by 2025, and may even go up to \$500 billion very soon.
4. India received the highest ever FDI inflow in 2020-21 of \$81.72 billion, up 10% compared to \$74.39 billion in 2019-20.
5. The number of startups recognised by the Department for Promotion of Industry and Internal Trade (DPIIT) has crossed 50,000 and was spread across 623 districts in India. With these startups, nearly 1.8 lakh formal jobs have been created by over 16,000 recognised startups in 2020-21.

Big Tech's push into financial sector poses risks, says RBI

‘Firms could become dominant players undermining banks’

Highlights:

1. Plans by Big Tech to foray further into India's financial sector pose risks for traditional banks as the tech firms have the potential to become dominant players in financial services, the Reserve Bank of India said.
2. The plans would also create governance-related challenges for regulators, the RBI wrote in its Financial Stability Report.



3. Major technology firms “straddle many different lines of business with sometimes opaque overarching governance structures,” the central bank said.
4. The RBI said concerns included operational risks, too-big-to-fail issues, challenges for antitrust rules, cybersecurity and data privacy. But it added that positive outcomes could include efficiency gains and more access to financial services.
5. Amazon and Google currently provide basic payment services in India. Both companies as well Facebook and others have applied for licences to operate broader retail payment and settlement systems in partnership with Indian companies such as Reliance and lenders.
6. The RBI’s warnings come at a time of much tension between the Indian government and U.S. tech giants over issues that range from e-commerce rules to data privacy and content posted on their platforms. Amazon, Facebook, Facebook-owned WhatsApp and Twitter have all been caught up in disputes with New Delhi.

Forex reserves surge by \$5 bn to \$609 billion

1. India’s foreign exchange reserves surged by \$5.06 billion to touch a record high of \$608.99 billion in the week ended June 25, 2021, RBI data showed.
2. During the week under review, the increase in the reserves was on account of a rise in foreign currency assets (FCA), a major component of the overall reserves.
3. FCA rose by \$4.7 billion to \$566.24 billion. Gold reserves rose by \$365 million to \$36.296 billion. The special drawing rights with the IMF remained unchanged at \$1.49 billion.