

● POLITY

● ECONOMICS

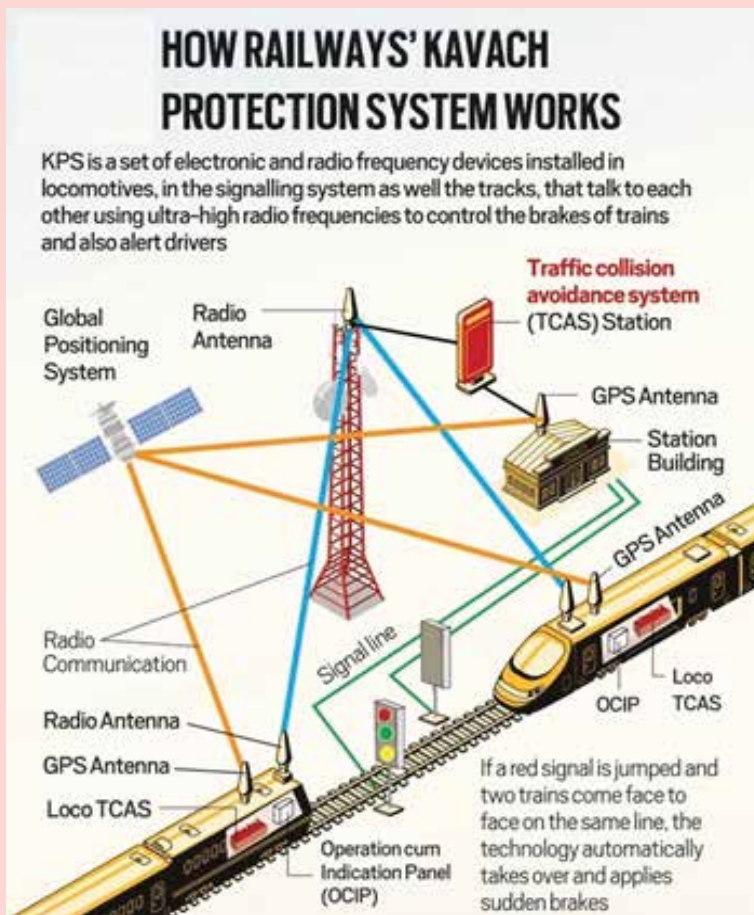
● TECHNOLOGY

● ECOLOGY

**INTERNAL SECURITY**

## Nine killed in rail accident in West Bengal

**CONTEXT:** Nine persons, two of them railway crew members, were killed on Monday when a goods train collided with train no. 13174 Agartala- Sealdah Kanchanjunga Ex- press between the Rangapani and Chattar Hat stations in Darjeeling district of West Bengal. Nine persons were grievously injured and 32 sustained minor injuries.



**About Kavach System:**

- It is an indigenously developed Automatic Train Protection (ATP) system.
- Kavach was developed by the Research Design and Standards Organisation (RDSO) under Indian Railway (IR) in collaboration with Medha Servo Drives Pvt Ltd, HBL Power Systems Ltd and Kernex Microsystems.
- It is a set of electronic devices and Radio Frequency Identification devices installed in locomotives, in the signalling system as well the tracks, that talk to each other using ultra-high radio frequencies to control the brakes of trains and also alert drivers, all based on the logic programmed into

them.

- Since 2016, the railways have been carrying out field tests for Kavach on passenger trains.

**Applications:**

- It has been designed to assist locomotive pilots in avoiding Signal Passing At Danger (SPAD) and over speeding.
- The system can alert the loco pilot, take control of the brakes and bring the train to a halt automatically when it notices another train on the same line within a prescribed distance.
- The device also continuously relays the signals ahead to the locomotive, making it useful for loco pilots in low visibility.
- It also controls the speed of the train by an automatic application of brakes in case the loco pilot fails to do so.
- It helps the loco pilot in running the train during inclement weather conditions such as dense fog.

**POLITY**

## Gupta extradited to U.S. for murder plot, pleads not guilty

**CONTEXT:** Indian national Nikhil Gupta, accused of being involved in a murder-for-hire plot against a Sikh extremist on American soil, pleaded not guilty in the case at a federal court here on Monday.

Mr. Gupta, 52, was extradited to the U.S. from the Czech Republic on Friday. He was arrested in the Czech Republic last year at the request of the U.S. government on charges of being involved in a plot to assassinate Khalistani separatist Gurbhagat Singh Pannun in New York.



**About Khalistan moveme**

- The Khalistan movement is a fight for a separate, sovereign Sikh state in present day Punjab (both India and Pakistan).
- The movement was crushed in India following Operation Blue Star (1984) and Operation Black Thunder (1986 and 1988).

- Operation Blue Star began on June 1, 1984 to flush out militants from the Golden Temple and neutralise Bhindranwale.
- However, it continues to evoke sympathy and support among sections of the Sikh population, especially in the Sikh diaspora in countries such as Canada, the UK, and Australia.

#### When did the movement start and why?

- **Origin lies in India's independence and subsequent Partition along religious lines**

- The Punjab province, which was divided between India and Pakistan, saw some of the worst communal violence and generated millions of refugees.
- Lahore, the capital of Maharaja Ranjit Singh's great Sikh Empire, went to Pakistan, as did holy Sikh sites including Nankana Sahib, the birthplace of Guru Nanak, the founder of Sikhism.
- While most Sikhs found themselves in India, they were a small minority in the country, making up around 2 per cent of the population.

- **Struggle for greater autonomy & States Reorganisation Commission**

- The political struggle for greater autonomy began around the time of Independence, with the Punjabi Suba Movement for the creation of a Punjabi-speaking state.
- The States Reorganisation Commission, in its 1955 report, rejected this demand, but in 1966, after years of protest, the state of Punjab was reorganised to reflect the Punjabi Suba demand.
- The erstwhile Punjab state was trifurcated into the Hindi-speaking, Hindu-majority states of Himachal Pradesh and Haryana, and the Punjabi-speaking, Sikh-majority Punjab.

- **Anandpur Sahib Resolution**

- In 1973, leaders of the Akali Dal met at the sacred town of Anandpur Sahib, the birthplace of the Khalsa.
- They released a list of demands that would guide the political path of the Akali Dal.
- Among other things, the Anandpur Sahib Resolution demanded autonomy for the state of Punjab, identified regions that would be part of a separate state, and sought the right to frame its own internal constitution.
- The Akali Dal was trying to cash in on the growing demand for an autonomous state which had emerged alongside the Punjabi Suba movement.
  - This demand had gone global by 1971 — when an advertisement appeared on The New York Times proclaiming the birth of Khalistan.

- **Rise of Jarnail Singh Bhindranwale**

- Many in Punjab sought to go beyond just a demand for greater autonomy. One such man was Jarnail Singh Bhindranwale.
- Bhindranwale was a charismatic preacher who soon positioned himself as the authentic voice of the Sikhs.
- He found a captive audience in the state's youth, especially those in the lower rungs of the social ladder, and massed a massive following.

- By 1982, he took up residence inside the Golden Temple, directing demonstrations and clashes with the police.
- The movement was geared towards the demands first articulated in the Anandpur Sahib Resolution.
- However, amidst growing religious polarisation, sectarian violence, and Bhindranwale's own harsh rhetoric against Hindus, the then government declared the movement tantamount to secession.
- **The aftermath of Operation Blue Star**
  - This operation gravely wounded the Sikh community around the world. It also galvanised the demand for Khalistan.
  - Punjab saw the worst violence, becoming the hub of a long drawn-out insurgency that lasted till 1995.

## ECONOMY

### Jagan's unmindful decisions delayed Polavaram irrigation project: Naidu

**CONTEXT:** On his first visit to the Polavaram irrigation project site after assuming office, Andhra Pradesh Chief Minister N. Chandrababu Naidu on Monday expressed doubts about completion of the project in the near future. The under-construction project over the Godavari has been plagued by delays and damage.

Mr. Naidu said about 70% of the project was completed during the TDP regime between 2014 and 2019. The YSRCP government not only failed to complete the work but also kept the project in limbo. Had the works not been suspended for over a year on account of reverse tendering, change of contractor, etc, the project would have been completed by now, he said.



**About Polavaram Project:**

- It is an under-construction multi-purpose irrigation project on the Godavari River in the Eluru District and East Godavari District in Andhra Pradesh.
- The project has been accorded National project status by the Union Government of India.
- **Objectives:**
  - Development of Irrigation, Hydropower and drinking water facilities in East Godavari, Vishakhapatnam, West Godavari and Krishna districts of Andhra Pradesh.
  - The project envisages the generation of 960 MW of hydropower, drinking water supply to a population of 28.50 lacks in 611 villages
  - The ultimate irrigation potential of the project is 4.368 lakh ha.
  - The project implements the Godavari-Krishna link under the Interlinking of Rivers project.
  - It envisages the transfer of 80TMC of surplus Godavari water to river Krishna which will be shared between Andhra Pradesh, Karnataka and Maharashtra.

**History**

In July 1941, the first conceptual proposal for the project was mooted by the erstwhile Madras Presidency. Diwan Bahadur L Venkatakrishna Iyer then Chief Engineer in the Presidency's irrigation department, made the first survey of the project site and made a definitive proposal for a reservoir at Polavaram.

In 1980, then Chief Minister of Andhra Pradesh Tanguturi Anjaiah laid the foundation stone for the prestigious Polavaram irrigation project. In the year 2004 Y. S. Rajasekhara Reddy performs bhoomi pooja with the estimation cost of 8,261 cr and the administrative sanction was accorded for construction of right and left canals at a cost of Rs 1,320 crore and Rs 1,353 crore.

**INTERNAL SECURITY****HAL receives request for proposal for 156 light combat choppers**

**CONTEXT:** Defence public sector undertaking Hindustan Aeronautics Ltd. (HAL) has received the Request for Proposal (RFP) from the Defence Ministry for 156 indigenous Light Combat Helicopters (LCH) estimated to cost ₹45,000 crore.

The Army and the IAF have already contracted 15 LCH of limited series production variants, approved by the Cabinet Committee on Security (CCS) in March 2020 at a cost of ₹3,887 crore along with infrastructure sanctions worth ₹377 crore. Of these, 10 are for the IAF and five for the Army. The deal for 156 LCH was approved by the Defence Acquisition Council last November. The Army is also gearing up to induct the first lot of AH-64E Apache attack helicopters, six of which have been contracted, from May onwards and will be deployed in the desert sector.

HAL's Portfolio	
Licensed/Joint Venture Products	Indigenous Products
Prentice	HT-2
Harlow PC-5A	HF-24 Marut
Gnat	HJT-16 Kiran
Mig-21	Dhruv ALH
Chetak	Tejas LCA
HS 748 Avro	Rudra
Cheetah	LCH
MIG-27	
Jaguar	
Su-30 MKI	
Hawk Mk132	
Dornier 228	

**Evolution of HAL**

Hindustan Aeronautics Limited (HAL), established in Bangalore on December 23, 1940, by Shri Walchand Hirachand in collaboration with the Government of Mysore, HAL's primary objective was the indigenous production of aircraft.

- **Early Years of HAL:** In 1942, the Government of India became a shareholder, eventually assuming full management control.
  - It saw collaborations with global aeronautical companies, resulting in the production of iconic aircraft like the Harlow Trainer, Curtiss Hawk Fighter, and Vultee Bomber.
  - These ventures laid the foundation for India's aeronautics sector.



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- **Innovations and Diversification:** Innovation remained a cornerstone of HAL's journey, giving rise to several aircraft.
  - For example, 'Pushpak' for flying clubs, 'Krishak' for Air Observatory Post (AOP) role, HF-24 Jet Fighter ('Marut'), and the HJT-16 Basic Jet Trainer ('Kiran').
- **Later Developments:**
  - In the 1960s and 1970s, HAL diversified its operations, leading to the establishment of Aeronautics India Limited (AIL) for the licensed production of MiG-21 aircraft.
  - This eventually culminated in the amalgamation of Hindustan Aircraft Limited and Aeronautics India Limited, giving birth to "Hindustan Aeronautics Limited (HAL)" on October 1, 1964.
  - HAL's contributions extended beyond aircraft manufacturing and played an active role in supporting India's space programs. It established an aerospace division in 1988, which became instrumental in supplying critical components for ISRO's launch vehicles and satellites.
  - HAL ventured into gas turbine engines with the creation of the Industrial & Marine Gas Turbine Division in 1998.
- **Recent Developments:**
  - In recent years, HAL has pushed its boundaries with the establishment of the Light Combat Aircraft (LCA) Tejas Division in 2014, indicating its dedication to indigenous innovation.
  - This initiative promises to revolutionize the modernisation efforts of the Indian Defence Services.
- Today, HAL stands as a global leader in the Aerospace and Defence Industry, shaping the future of aviation and bolstering national security.

## GOVERNMENT SCHEME

### 'Digi Yatra could be expanded to hotels, rail travel, public places'

**CONTEXT:** Digi Yatra, a check-in service at air-ports based on facial recognition technology, may be implemented at hotels and public places such as historical monuments, says the chief executive officer of the Digi Yatra Foundation, Suresh Khadakbhavi. A prototype for this use-case has been developed and discussions are on with government agencies such as the Tourism Ministry, he adds.



## About Digi Yatra

The Digi Yatra initiative is digital processing of air travellers which uses their biometrics such as a facial scan instead of a boarding pass to enable paperless movement through various checkpoints at an air- port. The initiative was rolled out at airports in December 2022, and today covers 14 airports while 15 more airports will be included by the end of 2024.

The primary aim of the initiative at the time its policy document was launched in 2017 was to improve passenger throughput (or number of passengers passing through various checkpoints) at air- ports. This would achieve the objective of enhancing airport infrastructure needed to cater to increasing passenger volumes by ensuring more efficient air- port operations, alongside physical expansion of air- ports in the country. But the proposed use-case for hotels and other public places implies that the role for Digi Yatra could extend beyond air travel.

The Digi Yatra Foundation itself is a not-for-profit private company which is a consortium of five private airports that have a combined shareholding of 74%, and the Airports Authority of India which holds the remainder 26% share.

On the issue of privacy concerns raised by its policy document, such as access to data for third-party vendors and the circumstances under which its mandatory data purge within 24 hours can be set aside, the CEO said that the foundation will soon be re- leasing a revised policy document to address language issues that have raised concerns over possible misuse.

## ECONOMY

### Cancel green nod given to Great Nicobar project: Cong.

**CONTEXT:** The Congress on Monday demanded the withdrawal of clearances and a ground-up review of the ₹72,000-crore infrastructure project, being championed by the National Democratic Alliance (NDA) government, on the Great Nicobar Island.



The Great Nicobar Project, as it is called, involves developing a trans-shipment port, an international airport, township development, and a 450-MVA gas and solar-based power plant on the island. The project area is expected to be spread over 130 sq. km. of pristine forest, and has been accorded environmental clearance — one of the mandatory pre-requisites — by an expert committee.

#### Great Nicobar

- Great Nicobar is the southernmost island of the Nicobar Islands Archipelago.
- It covers 1,03,870 hectares of unique and threatened tropical evergreen forest ecosystems.
- It is home to a very rich ecosystem, including 650 species of angiosperms, ferns, gymnosperms, bryophytes, among others.
- In terms of fauna, there are over 1800 species, some of which are endemic to this area.

#### Ecological Characteristics:

The Great Nicobar Biosphere Reserve harbours a wide spectrum of ecosystems comprising tropical wet evergreen forests, mountain ranges reaching a height of 642 m (Mt. Thullier) above sea level, and coastal plains.

#### Tribe:

- The Mongoloid Shompen Tribe, about 200 in number, live in the forests of the biosphere reserve particularly along the rivers and streams.
- They are hunters and food gatherers, dependent on forest and marine resources for sustenance.
- Another Mongoloid Tribe, Nicobarese, about 300 in number, used to live in settlements along the west coast.
- After the tsunami in 2004, which devastated their settlement on the western coast, they were relocated to Afra Bay in the North Coast and Campbell Bay.

## ECONOMY

# Mutual funds to unveil thematic funds for riding the manufacturing wave

**CONTEXT:** The mutual fund industry is all set to ride the manufacturing wave as a theme for investment. Two mutual fund houses — Motilal Oswal Asset Management and Invesco India MF — have filed papers with SEBI to introduce a thematic fund on manufacturing this month.

This will be in addition to the two new fund offers on manufacturing by Mahindra Manulife AMC and Baroda BNP Paribas, which will close by the end of this month.

In fact, one of the largest fund houses, HDFC AMC, raised a whopping ₹9,563 crore last month through its manufacturing fund. Introduced in March, Canara Robeco Manufacturing Fund already had AUM (Assets Under Management) of ₹1,374 crore as of May-end.

In all, about five fund houses have unveiled NFOs based on the manufacturing theme this year. Currently, there are eight manufacturing funds, and three of them are passively managed.



#### What is a Mutual Fund?

- A mutual fund collects money from investors and invests the money, on their behalf, in securities (debt, equity or both).
- It charges a small fee for managing the money.
- Mutual fund sectors are one of the fastest growing sectors in Indian economy that have potential for sustained future growth.
- Mutual funds make saving and investing simple and affordable. Anybody with an investible surplus of as little as a few hundred rupees can invest in mutual funds.
- The other advantages of mutual funds include professional management, diversification, variety, liquidity, convenience as well as strict government regulations and full disclosure.
- SEBI is the regulatory body to control and regulate the securities market and mutual funds industry in India.



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- Infrastructure investment Trust (InvIt) and Real estate Investment Trust (REITs) are examples of mutual funds.

**Issues Related to Mutual Fund Market**

**Investments Are Subject to Market Risk**

- The mutual funds investment in companies even with weaker balance sheets do well during the period of higher growth rate with no undue pressure of liquidity.
- However, when there is stress in the economy, such weaker balance sheets and high leverage are the first to default.
- Further, Indian Financial markets are volatile: nearly 30% of market value of India’s stock exchange have eroded in the last 4 months.
- This lowers the attraction towards mutual funds as a lucrative investment option and affects the overall economy.

**No Accountability of Credit Rating Agencies**

- Fund Houses abdicate their responsibility to credit rating agencies. Based on these ratings of assets (AAA rated assets

- - being the most secure investment option) done by these agencies, investments are made.
- However, sometimes even the most secure investment/companies that default or engage in corrupt practices.
- Moreover, there is no accountability of these agencies.

**Menace of Misinformation**

- The main objective of the fund houses is asset-gathering, and don't play the fiduciary role as a trustee of other people's money.
- Moreover, Debt investment is the specialised domain of a small group of finance professionals.
- Many investors in mutual funds don't even understand that debt schemes are mislabelled as fixed-income schemes, which give investors the impression that they are similar to fixed deposits.

**ENVIRONMENT**

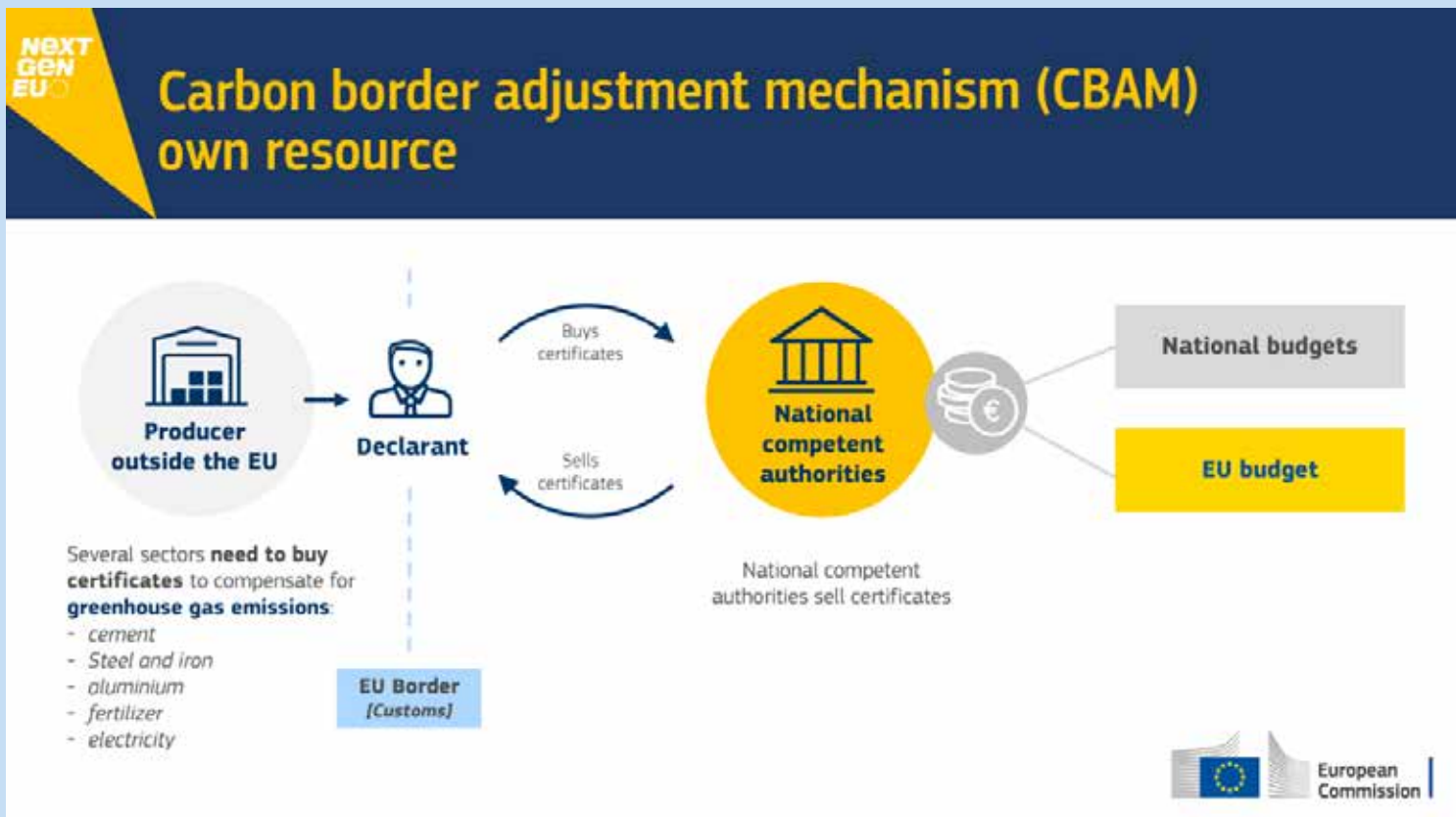
**EU carbon border tax will penalise British green energy**

**CONTEXT:** British wind and solar farms exporting power to continental Europe could face CO2 fees from 2026— even though they don't produce any emissions— unless the United Kingdom (UK) and European Union (EU) can agree to changes around the EU's carbon border tax.

The charges, set out in a little-noticed clause of the CO2 levy law, could hit re-venues of renewable energy projects in the

UK, add to already-high EU power prices and even lead to higher emissions, industry sources and analysts told Reuters.

The Carbon Border Adjustment Mechanism (CBAM) will impose a CO2 emissions fee on imports to the EU of steel, cement, aluminium, fertilisers, electricity and hydrogen, unless the exporting nation has equal CO2 pricing policies.



## Carbon Border Adjustment Mechanism (CBAM)

### What is it?

- It is a proposed European Union (EU) tariff on carbon-intensive products.

**Purpose:** To put a fair price on the carbon emitted during the production of carbon intensive goods that are entering the EU and to encourage cleaner industrial production in non-EU countries.

- It was adopted on May 17, 2023, and the CBAM transitional period started October 1, 2023.
- It is designed to counter the risk of carbon leakage and operates by imposing a charge on the embedded carbon content of certain imports that is equal to the carbon price of domestic production.

### How does it Work?

- If implemented as planned, EU importers will have to buy carbon certificates corresponding to the carbon price that would have been paid in the EU if the goods had been produced locally.
- The price of the certificates would be calculated according to the auction prices in the EU carbon credit market.

- The amount of certificates required would be defined yearly by the quantity of goods and the embedded emissions in those goods imported into the EU.
- Companies in countries with a domestic carbon pricing regime equivalent to the EU's will be able to export to the EU without buying CBAM certificates.
- The CBAM will initially affect goods imported from non-EU countries that are particularly carbon-intensive, namely specified goods within the cement, electricity, fertilisers, aluminium, iron, steel, and hydrogen sectors, as well as some upstream and downstream products (mainly iron, steel, and aluminium).

### Transition Period:

- In the transitional phase of the implementation of the CBAM, from October 1, 2023, to December 31, 2025, affected companies are subject to a reporting obligation without financial obligations.
- During this period, importers must determine and document direct and indirect emissions that occur in the course of the production process of the imported goods.



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