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Modi, Xi welcome border pact, seek to rebuild ties

INTERNATIONAL RELATIONS



Prime Minister Narendra Modi and Chinese President Xi Jinping have welcomed the agreement for a resolution of the military stand-off at the Line of Actual Control (LAC) announced earlier this week in their first formal bilateral meeting in five years. This is expected to “set the process in motion for bringing [India-China] relations back to a normal path”.

Mr. Modi stressed the need for maintaining peace and stability on the border. The stand-off began in April 2020, when the Chinese People’s Liberation Army amassed troops along the LAC and transgressed the

border, leading to a counter-deployment by the Indian Army.

“We believe that the India-China relationship is very important not only for our people but also for global peace, stability and progress. Maintaining peace and stability on the border should remain our priority. Mutual trust, mutual respect and mutual sensitivity should remain the basis of our relations.”

- PM Narendra Modi

Stabilising relations

The talks held on the sidelines of the ongoing BRICS summit in Kazan tasked Special Representatives on the border question; National Security Adviser Ajit Doval and Chinese Foreign Minister and senior Politburo member of the Chinese Communist Party Wang Yi were to meet at an “early date” to take forward the larger question of resolving the border dispute.

Mr. Modi and Mr. Xi had last met for formal talks in Mamallapuram and the BRICS Summit in Brasilia in 2019, and held unscheduled interactions at the G-20 Summit in Indonesia in 2022, and the BRICS Summit in South Africa in 2023.



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Ganderbal attacker caught on CCTV; security tightened

INTERNAL SECURITY



The Lieutenant-Governor on Wednesday held a security review meeting at the Raj Bhavan in the wake of the attack that left seven dead in the Gagangeer area of Ganderbal in Kashmir on October 20. The meeting laid thrust on upscaling the security of infrastructure projects in Kashmir.

Preliminary reports suggested one of the attackers wielding a rifle barged into the

campsite of a tunnel project. He sprayed bullets at the workers and a doctor at the under-construction strategic tunnel that connects the Valley with the Union Territory of Ladakh. The camera installed at the construction site captured the face of one of the two attackers.

Security agencies have failed to trace the militants after the attack. They suspect the attackers could be hiding in the flanks of the thick forest ranges adjacent to the attack site.

Meanwhile, security has been put on high alert in the Valley after the attack. This is the first such major attack in J&K since the Centre ended J&K's special status in 2019. Earlier, militants had carried out a series of targeted attacks on minorities and non- local workers. However, an infrastructure project and its workers have come under attack for the first time.

The police have also been directed to conduct security audits of infrastructure projects, set up round-the-clock checkpoints at the strategic points, and increase night patrolling and area domination.

BRICS nations should strengthen financial integration: Modi

INTERNATIONAL RELATIONS



Prime Minister Narendra Modi at the 16th BRICS meeting in Kazan called for greater financial integration among the member-countries of the BRICS grouping, urging more countries to join India in doing trade in local currencies or locally developed payment mechanisms.

He placed India's uncompromising position on international terrorism at the plenary session of the BRICS summit that blamed Israel for "unprecedented escalation of violence" in Gaza Strip and expressed "alarm" over the situation in Lebanon.

"We welcome efforts to increase financial integration among BRICS countries. Trade in local currencies and smooth cross-border payments will strengthen our economic cooperation. The Unified Payments Interface [UPI] developed by India is a huge success story and has been adopted in many countries"

- PM Narendra Modi.

The plan to conduct trade in local currencies — away from the powerful U.S. dollar — has gained support, especially in the backdrop of the Russian military campaign in Ukraine that invited Western sanctions against it. Reflecting that sentiment, the BRICS member-countries recognised “widespread benefit” of conducting trade in local currencies, saying, “We welcome the use of local currencies in financial transactions between BRICS countries and their trading partners. We encourage strengthening of correspondent banking networks within BRICS and enabling settlements in local currencies in line with BRICS Cross-Border Payments Initiative (BCBPI), which is voluntary and non-binding.” Mr. Modi reminded the summit that as BRICS becomes more assertive in expressing collective aspirations, it should not try to replace other global institutions.

Common statement

The 16th BRICS summit that was attended for the first time by the leaderships of new member-countries Egypt, UAE, Saudi Arabia, Ethiopia, and Iran came out with a common statement — Kazan Declaration — that summed up BRICS’ position on challenges facing the world like conflicts in Gaza and Ukraine and creating more “responsive” international financial architecture.

Cyberfraud losses could amount to 0.7 % of GDP, projects Ministry’s study

INTERNAL SECURITY

The Indian Cyber Crime Coordination Centre (I4C), which runs under the Union Home Ministry estimates Indians to lose over ₹ 1.2 lakh crore over the next year to cyberfraud.

Mule bank accounts are one of the significant contributors to the online financial scams that could potentially siphon off 0.7 % of the country’s GDP. A majority of the defrauded money is being taken out of the country and most scams have origins in China or Chinese-linked entities. There are domestically run scams too, where money is withdrawn from ATMs after jumping through several accounts.

The Citizen Financial Cyber Fraud Reporting and Management System of I4C has identified 18 ATM hotspots across the country from where money was fraudulently withdrawn. Cash withdrawals have also been reported from overseas ATMs using the debit cards of mule accounts in Dubai, Hong Kong, Bangkok, and Russia.

The government has identified “scam compounds” in South East Asian countries such as Cambodia, Myanmar, and Laos which resemble call centres and have emerged as a hub of investment scams. Fraudsters — including a large number from India — make calls to unsuspecting people from Indian mobile phone numbers and dupe people of their money.

The Home Ministry is likely to convene a meeting with the Union Finance Ministry and the Reserve Bank of India to develop a mechanism to rein in mule accounts. The bank officials have to alert if they see unusually high-value transactions in accounts which have low balances or belong to salaried people. The defrauded money is usually parked in these accounts before being taken out of the country in the form of cryptocurrency.



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Centre tightens norms for disability certificates; activists seek withdrawal

POLITY & GOVERNANCE

The National Platform for the Rights of the Disabled (NPRD) denounced amendments to the Rights of Persons with Disabilities Rules, tightening the norms for getting a disability certificate and called for their withdrawal. The amendments to the rules came in the wake of the row over Puja Khedkar, a dismissed IAS probationer accused of faking her disability certificate, among other transgressions.

The NGO allege amendments as “regressive in nature and will only add to the already existing hurdles for genuine persons with disabilities to get certified, so essential for identification, accessing services and entitlements”. The Government notified the final amendments in an Extraordinary Gazette published on October 22.

The new rules will require people with disabilities to mandatorily submit proof of identity. They further require only medical authorities to be considered competent to receive and process applications for disability certificates, also increasing the time taken to process each application from one to three months. The amended rules also have a clause in Rule 18 that allows for an application to lapse or become “inactive” if the medical authority concerned is unable to decide on it for over two years — following which the applicant will have to re-apply or approach the authority to reactivate it.

The proposed amendments are based on the wrongful understanding that persons with disabilities alone are to be blamed for manipulation of the process. The number of fake certificates being issued is a very small percentage of the total number of disability certificates being issued, and similar flaws exist in almost all systems of documentation in India. Thus, the response of making the process more stringent and difficult is totally flawed.

Centre resumes retail sale of pulses as prices rise

ECONOMICS & DEVELOPMENT



The Union Consumer Affairs Ministry launched the second phase of retail sale of ‘Bharat Chana Dal’ in New Delhi as the price of chana dal (gram dal) continued to increase ahead of the upcoming festivities. The all-India average price of gram dal was ₹ 94.67 a kg on Wednesday. Three lakh tonnes of chana, made available from the price stabilisation buffer stock, will be converted to ‘chana dal’ and ‘chana whole’ for retail sale to consumers at a price of ₹ 70 a kg and ₹ 58 a kg, respectively.

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India close to finalising industry carbon targets ahead of COP meet

ECOLOGY & ENVIRONMENT



India is at an advanced stage in deciding the carbon dioxide emissions intensity targets for select industries, a precursor to the setting up of a “compliance” carbon market in the run-up to the 29th edition of the Conference of Parties (COP) in Baku, Azerbaijan in November.

India is obliged to launch its compliance market in the financial year 2025-26. The National Steering Committee for Indian Carbon Market (NSC-ICM), co-chaired by Secretary, Ministry of Environment, Forest and Climate Change, and Secretary,

Ministry of Power, is tasked with having “direct oversight” of the functioning of the Indian carbon market.

The companies have to ensure that their carbon emissions intensity are within the specified limit or they must “buy” credits from organisations that have surplus credits. Every tonne of carbon dioxide saved, over and above the target, is worth one credit. The price of a credit varies depending on demand and supply, and regulatory pressure, and this is mediated by the market. Emissions intensity is carbon dioxide emission per unit of production.

India’s emission caps for industries are expected to build on an existing scheme called the Perform, Achieve and Trade Scheme under which industries are expected to meet prescribed energy-efficiency targets. The sectors that are expected to come under the compliance industry are the aluminium, chlor alkali, cement, fertilizer, iron and steel, pulp and paper, petrochemicals, petroleum refinery, and textiles. These are “hard to abate” sectors as the costs of implementing technology to curb emissions is costly.

A million people to be moved out of Dana’s path in Odisha

DISASTER MANAGEMENT

The Odisha and West Bengal governments are gearing up to evacuate people to safer places as the severe cyclonic storm Dana is expected to make landfall between the two States during Thursday and Friday.

An India Meteorological Department bulletin said Dana will intensify into a severe cyclonic storm over northwest Bay of Bengal by early Thursday morning and cross the north Odisha and West Bengal coasts between Puri and Sagar Island close to Bhitarkanika and Dhamra with a wind speed gusting 120 kmph. It said heavy to very heavy rainfall was expected in multiple districts. The IMD said the cyclonic storm lay

centred about 460 km southeast of Paradip, 490 km south-southeast of Dhamra (Odisha) and 540 km south-southeast of Sagar Island (West Bengal).

Four coastal districts — Kendrapara, Balasore, Jagatsinghpur and Bhadrak — would be impacted the most. Seven districts in Odisha — Kendrapara, Bhadrak, Jagatsinghpur, Cuttack, Puri, Mayurbhanj, Balasore and Jajpur — were likely to receive very heavy rainfall between 7 cm and 11 cm on Thursday.

Forest officials ready

With the cyclone predicted to cross the Odisha coast near the Bhitarkanika National Park in Kendrapara, the forest division has deployed two teams of seven members each to manage the threat of crocodiles and snakes that may stray into human settlements in the event of storm surges and heavy rainfall.

Multiple steps in Bengal

In West Bengal, due to the cyclonic storm's effect, southern parts have seen rainfall, overcast conditions, and turbulent sea since Wednesday morning. The government is taking precautionary measures to reduce potential damage and avoid loss of life.

The government has asked tourists in coastal areas such as Digha, Tajpur, Mandarmani, and Bakkhali to travel back to their homes to avoid accidents. All shops in coastal areas have been shut.

The Coast Guard has mobilised its vessels and aircraft, positioning them strategically to respond swiftly to any emergency situation. Chief Minister Mamata Banerjee said the government was fully prepared to handle the effects of the cyclone. All government exams have been postponed, and State-run schools in multiple districts will remain closed.

Growth prescription

ECONOMICS & DEVELOPMENT

The latest World Economic Outlook released by the International Monetary Fund (IMF) noted much-feared global recession been averted, the global war against inflation 'almost' won, and growth is holding steady. The U.S. is likely to grow faster this year than anticipated earlier, balancing out lower estimates for some large European nations. Among developing countries, the IMF downgraded growth hopes for West Asia, sub-Saharan Africa and Central Asia as conflicts and unrest disrupt production and shipping. However, brighter prospects for emerging Asia, enhanced by higher public investments in China and India, offset those downward pressures. The IMF expects the world to grow 3.2 % in 2024, as in 2023. The moderation in inflation has been partly attributed to the unwinding of shocks since the COVID-19 pandemic and the Ukraine war, but tight monetary policies played a crucial role too. With inflation returning near central banks' targets, there is now room for pivoting monetary policy to a neutral stance and supporting economic activity. Yet, the IMF has cautioned about food price pressures again in some emerging economies, and services inflation being too high, at almost double the pre-pandemic levels.

The IMF has maintained India's GDP growth estimate at 7 % for 2024-25 and 6.5 % for the following year, attributing the slowdown to the depletion of pandemic-induced pent-up demand. While urban consumer demand, particularly in cars and non-durables, is struggling, improved rural incomes from a favourable monsoon may provide some support. However, global growth is expected to be lacklustre at 3.1 % over the next five years, influenced by rising protectionism. India's economic performance will increasingly depend on domestic factors, but challenges like weaker exports and investment flows persist. To enhance potential growth, central policymakers need to implement significant reforms, including reducing import tariffs and attracting foreign direct investment, while also improving competition and economic integration as suggested by the World Bank and IMF.

The shifting sands within global supply chains

INTERNATIONAL RELATIONS

Global supply chains are at an inflection point. While the COVID-19 pandemic shifted the focus from efficiency (Just In Time) to resilience (Just In Case), two developments in September 2024 indicate that another shift is underway in how supply chains are envisioned and operationalised — this time towards security (Just To Be Secure).

Moves by the U.S. and Israel's pager attack

On September 23, the U.S. Department of Commerce proposed rules that would ban the import or sale of certain connected vehicle systems linked to China or Russia. This includes both software and hardware for vehicle connectivity and automated driving systems. Unlike earlier tariffs on Chinese electric vehicles aimed at reducing market competition, these new rules are motivated by national security concerns and would effectively prohibit these systems from being sold in the U.S.

The U.S. concerns about Chinese connected car technology focus on the potential misuse of hardware and software in vehicles with external communication capabilities. These cars could serve as mobile listening posts, allowing malicious actors to conduct espionage using their cameras and sensors. Additionally, vehicles with higher levels of automation (level 3 and above) could be vulnerable to hijacking or disabling. Security advocates argue that ceding control of such technology to a potentially adversarial state poses significant risks.

The recent Israeli supply chain attack on September 17-18, which targeted pagers and walkie-talkies used by Hezbollah and resulted in over 30 deaths and thousands of injuries, intensified concerns about supply chain security. This incident diminished any moderate views on the issue, highlighting vulnerabilities even in basic technologies. It raised alarm about the safety of advanced technologies embedded in various products across industries, as the attack demonstrated that even simple devices could be weaponized.

The recent U.S. proposed rules and the Israeli pager attack have intensified the supply chain security debate, which originated a few years ago when the U.S., Australia, Japan, and India banned Huawei and other Chinese telecom companies from participating in 5G deployment due to security fears. Concerns centered on the potential for China to install backdoors in telecom infrastructure, enabling surveillance or sabotage. Since then, worries about supply chain security have extended to other technology sectors, including semiconductors.

From efficiency to resilience to security

From the 1980s to the 2010s, globalization prioritized maximum efficiency in supply chains, creating complex networks where components were sourced globally based on cost. These "just in time" supply chains largely avoided the influence of great power politics, with China serving as a key supply hub. However, factors like the U.S.-China rivalry, technology decoupling, and the COVID-19 pandemic shifted the focus from "just in time" to "just in case," emphasizing resilience over efficiency.

There has been growing recognition in the U.S., Europe, India, and elsewhere that supply chains have become overly dependent on Chinese exports, leading to a heightened focus on supply chain resilience. Concurrently, security concerns regarding Chinese involvement in telecom infrastructure prompted a shift from prioritizing resilience to prioritizing security. This transition has been further reinforced by recent events, such as the Israeli supply chain attack.

India and supply chain security

A two-pronged approach that combines "Just To Be Secure" and "Just In Case" strategies can effectively enhance supply chain security. The "Just To Be Secure" strategy involves a "trust but verify" approach for certain tech products, incorporating periodic audits and compliance checks with security standards. For the most critical technologies, especially those used by military and intelligence agencies, a "zero trust" model is recommended, assuming all products are potentially compromised and requiring stringent procurement checks and ongoing monitoring. For less critical technologies, a "Just In Case" strategy focusing on vendor diversification and friendshoring can address supply chain vulnerabilities and mitigate risks from single points of failure.

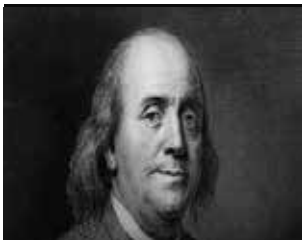
Celebration and vigil

POLITY & GOVERNANCE

Kala-azar is considered the second deadliest parasitic disease after malaria in India. Kala-azar is spread by the sandfly which passes on the protozoan parasite, *Leishmania donovani*, and is present in only one of its forms, visceral leishmaniasis. India registered 595 cases and four deaths in 2023, and 339 cases and one death so far this year. India contributed about 11.5% of the cases of kala-azar globally and in the 1970s, trachoma was responsible for 5% of all blindness in the country. India must retain this achievement for another year to be eligible for WHO certification. India will seek WHO certification for eliminating kala-azar, after it brought down the number of cases to under one in 10,000, for two consecutive years now. The recent achievement India has struck with kala-azar, bringing it to the brink of elimination as a public health issue, or with eliminating bacterial eye infection trachoma, sits squat in that quarter.

Epidemiology makes the differentiation between elimination and eradication of a disease; with elimination, a nation needs to keep the number of cases under a specified limit, which means it ceases to be a public health problem, whereas with eradication, no further cases can occur. While disease eradication is very challenging, and has been achieved only with smallpox, elimination is no cakewalk. Particularly for diseases that do not have a vaccine. Even modern armamentaria come up short while trying for a vaccine for either kala-azar, or trachoma, making the public health achievement all the more special. Trachoma, caused by the bacteria, *Chlamydia trachomatis*, is the leading infectious cause of blindness in the world.

Kala-azar and trachoma share other commonalities — they are classified under the category 'neglected tropical disease', and are caused by conditions of poverty and inadequate sanitation; it was a sustained government-run public health campaign that addressed the disease spread, and its social implications — including income, access to nutrition and health services — that finally managed to crack elimination. However, sustained surveillance, post declaration for trachoma and as India moves towards elimination for kala-azar, is key.



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—Benjamin Franklin



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