

Toolkit released by the Ministry of Housing and Urban Affairs and Janaagraha for property tax reform

► It provides an **easy-to-use handbook for policymakers to reform property tax** in Urban Local Bodies(ULBs).

► **Key observations about Property tax**

It was **one of the major sources** of municipal corporations own revenue, but the **collections were far below the potential**.

Its collections should reach **Rs. 40,000 crores in 2024 from the current estimate** of approximately Rs. 20,000 crores.

Low Property tax Collections are due to multiple exemptions, sub-optimal tax rates, property undervaluation, and lack of maintenance of land records.

► **Other Challenges in Revenue Mobilization for ULBs**

ULBs' own sources of revenue **are less than half of their total revenue** which results in **dependency on transfer**.

◆ The ULBs' key revenue sources are **taxes, fees, fines and charges, and transfers from Central and State governments**.

Inadequate technical and financial expertise and support.

The lack of **functional and fiscal devolution to municipal bodies** by state government.

► **Way forward**

Explore **innovative financing mechanisms** like PPP, **municipal bonds**, etc.

Investing in **technology and capacity building** to improve tax collection efficiency.

Should **revise the user charges periodically** to realistic levels. Grant **greater autonomy** and **fiscal flexibility** to ULBs by the state government.

► **About PIDF Scheme**

It was **first operationalized in 2021** for three years.

Aims to encourage deployment of **payment acceptance infrastructure** such as physical Point of Sale (PoS) terminals, Quick Response (QR) codes, in **tier-3 to tier-6 centres, North eastern states and UTs of J &K and Ladakh**.

◆ It was extended to street vendors covered under PM Street Vendor's AtmaNirbhar Nidhi (PM SVANidhi Scheme) in **Tier-1 and Tier-2 centres**.

PIDF is **governed through an Advisory Council** and managed and administered by RBI

Types of Acceptance Devices Covered: Physical PoS, mPoS (mobile PoS), GPRS (General Packet Radio Service), PSTN (Public Switched Telephone Network) etc.

► **To widen the scope of beneficiaries and acceptance infrastructure**, following enhancements are being made under the scheme:

⊕ Beneficiaries of **PM Vishwakarma Scheme** in all centres included as merchants under PIDF Scheme.

⊕ **Sound Box devices and Aadhaar-enabled biometric devices** are eligible for claim of subsidy under Scheme.

⊕ **Subsidy for special focus areas** has been made **uniform at 90% of the cost of device**, irrespective of the type of device.

Other initiatives to promote Digital payments

Aadhar Enabled Payment System allows individuals to conduct financial transactions on a **Micro-ATM** by furnishing their Aadhaar number.

Aadhar Payment Bridge System allows ease in bulk and recurring Government benefits and subsidy payments.

Unified Payments Interface introduced as **single platform** merging various banking services and features under one umbrella.

Pradhan Mantri Gramin Digital Saksharta Abhiyan (PMGDISHA) to usher in digital literacy.

Union Minister launches National Transit Pass System (NTPS)-‘One Nation-One Pass’

- ▶ It is under the **Ministry of Environment, Forest and Climate Change** to facilitate the seamless transit of **timber, bamboo, and other Minor Forest Produce(MFP)** across the country.
 - ⊕ Currently, transit permits are issued for the transport of timber and forest produce **based on state-specific transit rules.**
- ▶ NTPS enables **managing records** for both inter-state and intra-state transportation of timber, bamboo, and MFP from **private lands/government/private depots.**
 - ⊕ **States have exempted some species grown on private land** from the purview of transit permits, to transport these species **No Objection Certificate** is provided.
- ▶ **Benefits of NTPS**
 - ⊕ Will contribute to ease of doing business by **streamlining the issuance of transit permits** by providing a unified, online mode across the country.
 - ⊕ Provide a significant impetus to **the agroforestry sector.**
 - ⊕ Saving **transportation costs and time, and Seamless movement across state borders.**
- ▶ **Under the Forest Rights Act(FRA),** of 2006, MFP includes all non-timber forest produce of plant origin including bamboo, brushwood, stumps, etc.
- ▶ **The forest dwellers are legally empowered with the ownership and governance** of the MFP through the **Panchayat Extension to Scheduled Areas Act, 1996, and FRA, 2006.**

Other initiatives to promote forest produce and MFP

- ▶ **Pradhan Mantri Van Dhan Yojana** focuses on developing value chains for forest-based products and enhancing the income of tribal communities.
- ▶ **Indian Forest and Wood Certification Scheme** offers voluntary third-party certification designed to promote sustainable forest management and agroforestry.
- ▶ Mechanism for **Marketing of MFP through Minimum Support Price (MSP) & Development of Value Chain for MFP.**
- ▶

Offshore Virtual Digital Assets Service Providers (VDA SPs)

VDA SPs, whether operating within or outside India’s borders, are **involved in activities like converting between digital assets and traditional currencies, transferring digital assets, safeguarding or managing digital assets** etc.

▶ Show cause notices were issued under **Section 13 of Prevention of Money Laundering Act (PMLA), 2002.**

Concerns of Money Laundering Due to VDAs

- ⊕ **Predicate crime:** Raising funds through illegal activity by selling illegal goods or services in return for virtual assets.
- ⊕ **Placement:** Converting ill-gotten virtual assets into fiat currencies within a traditional financial system.
- ⊕ **Layering:** Converting fiat assets into virtual assets, exchanging virtual assets, and vice-versa.
- ⊕ **Integration:** An online company that accepts crypto payments can be formed to legitimize income and clean dirty crypto.
- ⊕ **Hiding:** Anonymizing services like mixers and tumblers can be used to break the links between crypto transactions.

Regulatory Framework for VDA SPs in India

- ⊕ VDA SPs were **brought into the ambit of Anti Money Laundering/Counter Financing of Terrorism (AML-CFT)** framework under PMLA in March 2023.
- ⊕ They are required to be registered with **FIU IND as Reporting Entity.**
 - ◆ So far 31 VDA SPs have registered with FIU.



About Financial Intelligence Unit India (FIU IND)

- ▶ It falls under the purview of **Ministry of Finance.**
- ▶ It was **set up in 2004** as central national agency responsible for receiving, processing, analysing and disseminating **information relating to suspect financial transactions.**
- ▶ It is an independent body reporting directly to **Economic Intelligence Council (EIC) headed by Finance Minister.**

Parliamentary Standing Committee flags poor quality roads under Pradhan Mantri Gram Sadak Yojana (PMGSY)

- ▶ **PMGSY** scheme was launched in 2000 as a **Centrally Sponsored Scheme** to assist the States in **providing all-weather road connectivity** to all eligible unconnected habitations in rural areas.
- ▶ It aims to **connect areas with a population of up to 500 persons in plain areas, 250 and above** in Special category States, Desert areas, Tribal (Schedule V) areas, and selected tribal and backward districts.
- ▶ **Present Status:** around 96.24 % and 97.01 % of the sanctioned project have been completed under PMGSY-I (2000) and PMGSY-II (2013), respectively.
- ▶ **Challenges:** Poor Road materials, subletting of work to petty contractors, diversion of heavy - vehicle traffic to rural roads, poor maintenance due to inadequate budget, etc.
- ▶ **Government Response/Action**
 - Implementation of **Electronic Maintenance of Rural Roads under PMGSY (eMARG)** in all the States.
 - Online Management, Monitoring and Accounting System (OMMAS)** for effective monitoring.
 - “**Maintenance Board**” to provide information to citizens about the provisions of 5 - year maintenance of PMGSY roads.
- ▶ **Recommendation**
 - Merge the unskilled labor component of the **Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)** with PMGSY.
 - Devise a **better cohesive mode of Centre-State Coordination.**
 - Stricter compliance with the provision of **onsite road quality testing Labs.**

Marine Energy Conversion Systems Sectional Committee (MECSSC)

- ▶ **Bureau of Indian Standards (BIS)** formed a dedicated technical committee MECSSC to promote standardization in the field of Marine Energy Conversion Systems (MECS).
 - BIS is the National Standard Body of India** established under the **BIS Act, 2016.**
- ▶ **Objectives of MECSSC**
 - ⊕ **Set comprehensive standards and guidelines** for various aspects related to MECS.
 - ⊕ **Foster collaboration, innovation, and knowledge exchange** in MECS.
- ▶ MECSs are a group of technologies designed to extract energy from the ocean and convert it into electricity.
 - ⊕ **Marine energy sources** include waves, tides, ocean thermal energy, etc.

Memorandum of Settlement signed between Government of India, Government of Assam and Representatives of United Liberation Front of Assam (ULFA)

- ▶ **Key Highlight of the Tripartite Agreement**
 - ⊕ **Reserved Seats for Indigenous People: 97 of Assembly seats in Assam** would be reserved for indigenous people.
 - Investment in the Region:** Investment of about **₹1.5 lakh crore** had been pledged.
 - Constitutional Safeguards:** For protecting land rights and putting restrictions on migration from one constituency to another.
- About ULFA**
 - It was formed in 1979** with the demand for a “**sovereign Assam**” for the indigenous people of the state.
 - ◆ Since then, it has been **involved in subversive activities** that led to the central government declaring it a **banned outfit in 1990.**
 - In 2011, ULFA split into two groups. Pro talk faction of ULFA** joined peace talks with the government in 2011 after an agreement for **Suspension of Operations** was signed.
 - ◆ **Other faction** known as **ULFA (Independent)** has not joined the peace process.

Centre signed peace deals with rebel Bodo, Dimasa, Karbi, and Adivasi outfits in Assam since 2020.

Last month, a similar peace deal was signed with Manipur based insurgent group - United National Liberation Front (UNLF).

Eurasian otter

Recently, Eurasian otter was found in the **Chinnar Wildlife Sanctuary in Kerala.**

About Eurasian otter (Lutra lutra):

Features: Shy, nocturnal, good swimmer and fish catcher etc.

Habitat: Semi-aquatic, lives in water bodies, marshes, swamp forests, coastal areas etc.

⊕ **Distribution:**

◆ **World:** Europe, Asia and Africa.

◆ **India:** Northern, northeast and southern India.

⊕ **Conservation Status:**

◆ **IUCN List:** Nearly Threatened

◆ **Wildlife Protection Act:** Schedule I

◆ **CITES:** Appendix I

⊕ **Threats:** Pollution, poaching, habitat loss, accidental trapping etc.



Foreign Exchange Management Act (FEMA), 1999

- RBI released a draft **Licensing Framework for Authorised Persons (APs)** under FEMA, 1999.
 - ⊕ APs are entity authorized by RBI to deal in forex.
- **About FEMA**
 - ⊕ **Objective:** Facilitate external trade and payments; promote orderly development and maintenance of forex market in India.
 - ⊕ **Major provisions:** Related to holding of forex, power of RBI to inspect APs etc.
 - ⊕ **Forex transactions under FEMA** have been classified into :
 - ◆ **Current Account Transaction.**
 - ◆ **Capital Account Transaction.**
 - ⊕ FEMA replaced **Foreign Exchange Regulation Act (FERA), 1973.**



Central Industrial Security Force (CISF)

- IPS officer **Nina Singh** became the **first woman CISF Chief.**
- **About CISF**
 - ⊕ CISF is an **armed force of the Union** established under the Central Industrial Security Force Act, of 1968.
 - ⊕ **Ministry:** Ministry of Home Affairs
 - ⊕ **Mandate:** Better protection and security of industrial undertakings owned by the Government.
 - ⊕ **Functions**
 - ◆ Providing **security to strategic establishments**, like Department of Space, Airports, Delhi Metro, ports, etc.
 - ◆ Basic areas of Indian economy such as **petroleum and natural gas, electricity, coal, mining** etc.
 - ◆ Providing **security to protected persons** classified as Z Plus, Z, X, and Y.



Chameleon Trojan

- Cyber security researchers have issued a warning about this **new malware.**
- Chameleon Trojan **attaches itself to legitimate Android** apps to avoid detection and runs code in the background.
 - ⊕ It uses '**Accessibility service**' on **Android devices to disable biometric authentication** methods like fingerprint and face unlock to steal the phone's PIN.
 - ⊕ It uses stolen PIN to unlock the device and steal more sensitive information like credit card passwords, login credentials, etc.



International Court of Justice (ICJ)

- **South Africa** filed a case at **ICJ** against **Israel** accusing it of **crimes of genocide acts in Gaza.**
- **About ICJ** (Located in The Hague)
 - ⊕ **Genesis:** Established in 1945 by **Charter of UN** and began work in 1946.
 - ◆ One of the 6 principal organs of UN, it is the **only one not located in New York.**
 - ⊕ **Role:**
 - ◆ **Settle legal disputes** submitted to it by States.
 - ◆ Gives advisory opinions on legal questions.
 - ⊕ **Composition:** 15 judges (**eligible for re-election**) elected to nine-year terms by UNGA and UNSC.



Green Deposits

- RBI clarified that it is **not mandatory for Regulated Entities (REs)** to raise green deposits.
- **Green deposit** is an **interest-bearing deposit, received by the RE for a fixed period and the proceeds of which are earmarked for being allocated towards green finance.**
- **REs under the Framework for acceptance of Green Deposits** include:
 - ⊕ **Scheduled Commercial Banks including Small Finance Banks** (excluding Regional Rural Banks, Local Area Banks, and Payments Banks);
 - ⊕ **All Deposit-taking NBFCs registered with the RBI.**
 - ⊕ **Housing Finance Companies (HFCs).**
 - ⊕ Currently, green deposits can be denominated in Indian Rupees only.



Sukanya Samridhi Scheme

- **Government raised interest rates** on Sukanya Samridhi scheme.
- **About Scheme**
 - ⊕ A **small deposit scheme for girl child**, launched in 2015 as a part of **Beti Bachao Beti Padhao.**
 - ⊕ **Account** can be opened in name of a **girl child till her age of 10 years.**
 - ⊕ **Minimum initial deposit of Rs 250**, thereafter amount in multiple of Rs.50/- can be deposited with **annual ceiling of Rs 1,50,000** in a financial year.
 - ⊕ **Account matures** after 21 years from opening date or upon **account holder's marriage**, whichever is earlier.



Nicaragua (Capital: Managua)

- Recently a **Nicaragua-bound plane** carrying Indians was grounded in France over concerns of **"human trafficking"**.
- **Political features:**
 - ⊕ It is a country in **Central America.**
 - ⊕ **Bordering nations:** **Honduras** (north) and **Costa Rica** (south).
 - ⊕ **Bordering water bodies:** **Caribbean Sea** (east) and **Pacific Ocean** (west).
- **Geographical features:**
 - ⊕ **Major mountains:** Yolaina, Amerrique, Huapí.
 - ⊕ **Major volcanoes:** Momotombo, San Cristóbal, Concepción.
 - ⊕ **Major rivers:** Negro, Estero Real, Tamarindo.
 - ⊕ **Major lakes:** Nicaragua, Lake Tiscapa etc.
 - ⊕ **Highest point:** Mogotón Peak (2,103 metres).

