



CURRENT AFFAIRS



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MHA EXTENDED AFSPA IN REGIONS OF NAGALAND AND ARUNACHAL PRADESH

THIS ARTICLE COVERS 'DAILY CURRENT AFFAIRS' AND THE TOPIC DETAILS OF "MHA EXTENDED AFSPA IN REGIONS OF NAGALAND AND ARUNACHAL PRADESH". THIS TOPIC IS RELEVANT IN THE "INTERNAL SECURITY" SECTION OF THE UPSC CSE EXAM.

WHY IN THE NEWS?

The Union Ministry of Home Affairs (MHA) has recently announced the extension of the Armed Forces (Special Powers) Act, 1958, in certain regions of Nagaland and Arunachal Pradesh for an additional six months.

REASONS BEHIND THE EXTENSION OF AFSPA

- **Ethnic Clashes:** The state has also been grappling with brutal ethnic violence, particularly between the Meitei and Kuki communities. This conflict, which erupted in May 2023, has claimed over 175 lives, making it the deadliest in Manipur since 1999. Finding a lasting solution to this ethnic conflict requires addressing underlying grievances and fostering dialogue between communities alongside effective policing.
- **Resurgence of Insurgency:** Manipur has witnessed a worrying resurgence of insurgent groups in recent years. These groups, often operating from neighbouring Myanmar, advocate for Manipur's secession from India. This adds another layer of instability to the region and makes a strong case for improved security measures. However, the effectiveness of AFSPA in addressing this specific challenge is a subject of debate.

ABOUT AFSPA

HISTORICAL CONTEXT

- On August 15th, 1942, during British colonial rule, the Armed Forces Special Powers Ordinance was introduced to quell the Quit India movement.
- This ordinance laid the groundwork for four separate ordinances, including one aimed at addressing internal security challenges arising from the Partition, specifically in the "Assam disturbed areas," implemented in 1947.
- Subsequently, the Armed Forces (Assam and Manipur) Special Powers Act of 1958 was enacted following the Assam Disturbed Areas Act of 1955 to address the unrest in the Naga Hills and nearby regions.

- This Act was later replaced by the Armed Forces Special Powers Act (AFSPA) for broader application. A similar legislation specific to Jammu and Kashmir was introduced in 1990.

SPECIAL PROVISIONS AND POWER

- Under AFSPA, the armed forces and Central Armed Police Forces deployed in designated “**disturbed areas**” are granted extensive authority. This includes the **power to use lethal force against individuals deemed to be acting unlawfully**.
- Additionally, the Act **provides immunity from prosecution and legal actions** without prior sanction from the Central government.
- Notifications concerning **AFSPA can be issued by both State and Union governments**. In the case of Arunachal Pradesh and Nagaland, the Ministry of Home Affairs periodically issues “disturbed area” notifications.
- **Special provisions:**
 1. As per **Section 3**, the Central Government, Governor of the State, or administrator of the Union Territory has the authority to designate either the entire area or a portion of the State or Union Territory as a “disturbed area.” An area may be **classified as disturbed due to conflicts or disagreements among members of different religious, racial, linguistic, regional, caste, or communal groups**.
 2. Under **Section 4**, the **Army is granted powers to conduct searches and arrests without warrants**, utilise force up to causing death if necessary, dismantle arms and ammunition storage, fortifications, shelters, or hideouts, and halt, search, and confiscate any vehicle.
 3. **Section 6** mandates that arrested individuals and confiscated property must be handed over to the police promptly.
 4. **Section 7** provides protection for individuals acting in good faith within their official capacities.

ARGUMENTS FAVOURING AFSPA

- **Empowering Security Forces:** Proponents argue that AFSPA is essential for effective counter-insurgency operations. They reason that in situations where regular law enforcement fails, the military needs broader authority to restore order. This includes special legal protections for soldiers operating in these high-risk zones.
- **Maintaining National Security:** AFSPA is seen by some as a crucial tool for maintaining order in conflict-ridden regions. They argue that by quelling insurgency and violence, AFSPA safeguards national security and territorial integrity.
- **Boosting Morale:** Backers also suggest that AFSPA boosts troop morale. They argue that the threat of legal action against soldiers for actions taken in good faith can be demoralising. AFSPA’s legal protections are seen as a way to ensure soldiers can focus on their duties without undue fear of litigation.

ARGUMENTS AGAINST AFSPA

- **Human Rights Violations:** Critics argue that the broad powers granted under AFSPA can lead to human rights abuses. Allegations of extrajudicial killings, arbitrary detentions, and civilian harassment raise serious questions about accountability and the potential for misuse of power.
- **Strained Civil-Military Relations:** The act’s critics argue that it creates a climate of fear and mistrust between the security forces and the local population. They believe that a rights-based approach would be more effective in fostering cooperation and building trust in the long run.

- **Ineffectiveness:** Some argue that despite being in place for decades, AFSPA has not achieved its objective of restoring normalcy in troubled areas. They advocate for addressing the root causes of conflict, such as poverty and social injustice, alongside security measures.
- **Absence of Accountability:** Section 7 of AFSPA necessitates obtaining prior authorization from central or state authorities for prosecuting a member of the security forces. This regulation results in a deficiency of accountability and transparency concerning instances of alleged human rights violations by security forces, enabling them to operate without fear of consequences.

RECOMMENDATIONS GIVEN BY IMPORTANT COMMITTEES AND COMMISSIONS

- **Jeevan Reddy Committee (2004):** This committee recommended a complete repeal of AFSPA, suggesting its powers be incorporated into a revised Unlawful Activities (Prevention) Act. They also advocated for grievance cells in areas with deployed forces.
- **Second Administrative Reforms Commission (ARC):** The ARC's 5th report echoed the call for AFSPA's repeal, highlighting the need for alternative approaches to public order.
- **Santosh Hegde Commission:** This commission proposed a more nuanced approach. They suggested:
 1. Regular reviews (every 6 months) to assess AFSPA's necessity.
 2. Amending the Unlawful Activities (Prevention) Act to address terrorism concerns.
 3. Removing immunity from investigation for security forces accused of misconduct.

PRELIMS PRACTISE QUESTION

Q1. Consider the following statements:

1. Under AFSPA, the central government has the authority to declare an area as "disturbed".
2. As per the Santosh Hegde Commission, the Unlawful Activities (Prevention) Act should replace AFSPA.

Which of the above statements is/are correct?

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

ANSWER: A

Q2. What action can the armed forces take without a warrant under AFSPA?

- (a) Conduct searches
- (b) Make arrests
- (c) Use force
- (d) All of the above

Answer: D

MAINS PRACTISE QUESTION

Q1. Evaluate the effectiveness of AFSPA in maintaining law and order in conflict-affected areas. Discuss any alternative approaches that could be considered to address similar challenges.

Q2. Analyse the impact of AFSPA on the right to life and liberty of individuals living in regions where it is implemented. Provide examples and case studies to support your arguments.

Himanshu Mishra

YOUTH SUICIDES IN INDIA



This article covers 'Daily current affairs' and the topic details 'Increasing suicides among youth in India' This topic has relevance in Society, Ethics and essay paper of UPSC CSE exam..

WHY IN THE NEWS?

The issue of suicide in India is a concerning matter, India has one of the highest number of suicides in the world. As per NCRB data, In 2022, 1.71 lakh suicides were recorded, in which 41% were committed by the young adults below the age of 30, marking a significant 27% jump from 2018.

But these numbers are underestimated because of less reporting of suicidal deaths because of inadequate registration system, lack of death certification and the social stigma attached to suicides in India.

A young Indian dies by suicide every 8 minutes which is a loss to family, society and Country at large. This data points out the graveness of situation of mental health of students in India.

REASONS FOR INCREASE IN SUICIDE RATES IN INDIA:

Suicide is a complex human phenomenon which has no single factor, but multiple factors like biological, psychological and socio-cultural factors.

Mental health problems(54%)

Family issues(36%)

Academic stress(23%

Social and lifestyle factors(20%)

Violence(22%)

Economic distress(9.1%)

Relationship factors(9%)

Other issues- Physical and sexual abuse, exam failures, intergenerational issues, other social-cultural factors such as Caste.

SOCIO-CULTURAL FACTORS FOR SUICIDES AMONG WOMEN

There are specific sociocultural factors for suicides of women in such as arranged and early marriages because of **familial pressure, young motherhood, low social status, domestic violence and economic dependence**. Apart from this, **gender stereotypes compelling rigid gender roles and gender based discrimination** have also contributed in suicides among women.

PROBLEMATIC EDUCATION SYSTEM

- An education system just focusses on scoring marks, often through rote learning and less focussing on the overall development of the child.
- The Indian education system poses immense pressure on students which severely affects the mental well being of the students. The **cut throat competition** in some of the competitive exams like IIT JEE, NEET for the students coming from Lower middle class families creates immense pressure.
- These exams are a way to alleviate their socio-economic status. But because of the scant number of seats in these exams only a fraction of students are able to clear them. Others who fail become prey to societal and peer pressure often leading students to take up their lives.

SOCIAL MEDIA AS A BANE

Last decade has seen a proliferation of internet users in India. A metaanalysis of 19 states has revealed that almost **20% of college students are net addicts, one-third are cyber bullied** and one-third of all these are suicidal.

Teens who use social media for 2 hours daily are more suicidal.

Sensational reporting of suicides of popular celebrities has an impact on the psychology of people. After the sensational reporting of death of a famous actor there was increase in searches on google related to “how to commit suicide.

WHAT COULD BE DONE?

Imparting Emotional intelligence-like problem solving , impulse control and emotional regulation along with improving help seeking behavior.

Early identification and care- helps people to work on depression and anxiety and also there are evidences people getting care from friends and family members tend to be less vulnerable to commit a suicide.

Healthy lifestyle- adopting a healthy lifestyle such as a good diet, regular exercising, yoga and meditation improves mental health and reduces suicides in young.

Improving family environment- by reducing domestic violence, decrease in patriarchal norms and alcohol consumption leads to reduction suicidal tendencies.

Providing economic assistance –to economically distressed people

Educational reforms- making education as a means for overall development of a child rather than just for quantitative assessment can create a huge impact.

Societal changes- to reduce stigma on the basis of caste, gender and sexuality of a person.

In this capitalistic, materialistic world where lifestyles are based on **show-off culture**. There is a need of implementing **educational, societal and behavioral changes** among citizens to cope with the mental health pressures and suicidal thoughts

MAINS QUESTION:

India is considered as suicide capital of the world by World health organisation. Highlight the situation of suicides among young Indians, also recommending some measures to solve them. (15 marks /250 words)

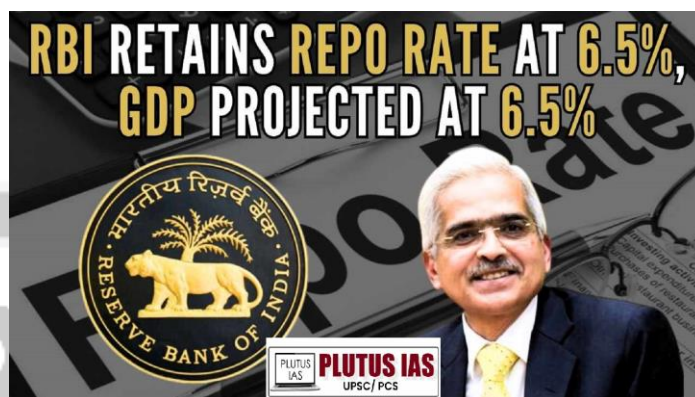
Ankit Kumar

DECISION REGARDING REPO RATE IN THE MEETING OF MONETARY POLICY COMMITTEE OF RESERVE BANK OF INDIA

(This article 'Indian Express', 'The Hindu' 'Jansatta' and 'PIB' Relates to a brief summary of the included editorial. It also includes suggestions from the PLUTUS IAS team. This article is related to General Studies Question Paper 3 -

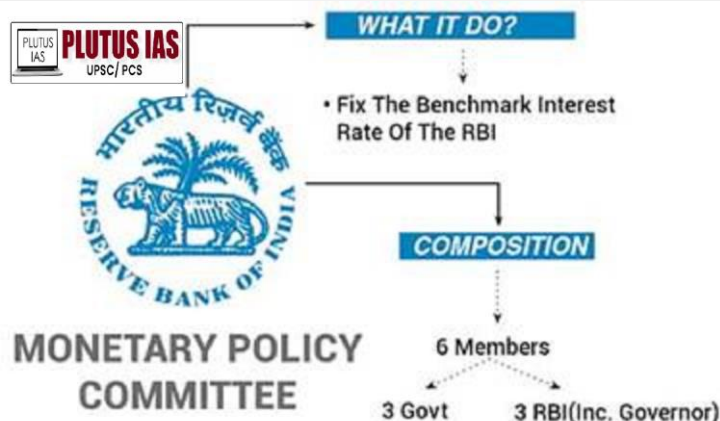
Development and Planning of Indian Economy under Main Examination of UPSC Civil Services Examination and Repo Rate, Monetary Policy Committee section under Preliminary Examination. This article is related to “Decision regarding repo rate in the meeting of Monetary Policy Committee of Reserve Bank of India’ under ‘Daily Current Affairs’)

WHY IN THE NEWS ?



- Recently in India, on April 5, 2024, the Monetary Policy Committee (MPC) of the Reserve Bank of India, in view of the pressure of rising food prices in India, in its meeting has kept the repo rate unchanged at 6.5 percent for the seventh consecutive time.
- The pressure of rising food prices in India is hampering the RBI’s efforts to slow the pace of inflation on a sustainable basis to the target of four per cent.
- In the recently held Monetary Policy Committee meeting of the Reserve Bank of India, the possibility of retail inflation falling below the critical level of four percent in the second quarter (July-September) of the financial year 2024-2025 has also been expressed.

WHAT IS THE MONETARY POLICY COMMITTEE OF THE RESERVE BANK OF INDIA ?



- In India, the Monetary Policy Committee of the Reserve Bank of India is a committee constituted by the Government of India.
- It was formed in the year 2016 to make interest rate determination in India more useful and transparent.
- The Governor of the Reserve Bank is the ex-officio Chairman of the Committee.
- The Reserve Bank of India Act, 1934 (RBI Act) has been amended by the Finance Act, 2016 to provide a statutory and institutional framework in India to the Monetary Policy Committee of the Reserve Bank of India.
- In India, under Section 45ZB of the RBI Act 1934 as amended, the Central Government has the power to constitute a six-member MPC.
- By amending the Reserve Bank of India Act, monetary policy making in India has been handed over to a newly constituted Monetary Policy Committee (MPC).
- Monetary policy is the measure or tool by which the central bank controls the flow of money in the economy by controlling interest rates, maintains price stability and tries to achieve the goal of high growth rate.
- As per the provisions of the Reserve Bank of India Act, out of six members of the Monetary Policy Committee, three members are from the Reserve Bank, including the Governor, a Deputy Governor and one other officer.
- The other three members are appointed by the Central Government. Who are selected by a committee headed by the Cabinet Secretary. Their tenure is of 4 years, and they are not eligible for reappointment.
- It is mandatory to have 4 meetings of the Monetary Policy Committee (MPC) in a year in which the quorum for the meeting is four members.
- Decisions in this committee are taken on the basis of majority and in case of equal votes, the Governor of the Reserve Bank gives his casting vote.

CURRENT MEMBERS OF MPC :

- The Monetary Policy Committee (MPC) has six members, three of whom are from the Reserve Bank of India (RBI) and the other three are eminent economists.
- The members of RBI are Shaktikanta Das (Governor of RBI), Dr. Michael Debabrata Patra (Deputy Governor of RBI), and Rajeev Ranjan (Executive Director of RBI).
- Renowned economists Dr. Jayanti Verma, Dr. Ashima Goyal and Dr. Shashank Bhide.
- As per the RBI Act, the MPC is required to meet at least four times in a financial year. The MPC is chaired by the RBI Governor.

MAIN FUNCTIONS OF MONETARY POLICY COMMITTEE :



- **Economic analysis and forecasting** : The MPC conducts in-depth analysis and forecasting of various economic indicators, including inflation, GDP growth, employment, fiscal conditions and global economic growth.
- **Establishing coordination between inflation target and consumer price index** : The current inflation target set by the government is a Consumer Price Index (CPI) inflation target of 4% with a tolerance band of +/- 2%.
- **Determining policy interest rates and repo rates in India** : The primary function of the MPC is to set policy interest rates, especially the repo rate.
- **Critical decision making** : Monetary Policy Committee of the Reserve Bank of India in IndiaThe MPC schedules meetings at least four times a year to review the monetary policy stance.

REPO RATE :



- The interest rate that the Reserve Bank of India applies to short-term loans given to its customers is called repo rate. Hence repo rate is the interest rate at which commercial banks borrow or borrow money from the Reserve Bank of India.
- In India, the Reserve Bank of India is called the bank of banks.
- The repo rate in India is determined by the Monetary Policy Committee of the Reserve Bank of India.
- Therefore, all the customers of the Reserve Bank in India – banks, central government or state government can get loan from the Reserve Bank of India under the repo rate.
- To avail loans from the Reserve Bank of India, customers have to pledge their government securities with the Reserve Bank of India.
- Banks cannot use the securities held with the Reserve Bank under the Statutory Liquidity Ratio (SLR) to borrow under the repo rate.

EFFECTS ARISING AS A RESULT OF INCREASE IN REPO RATE IN INDIA :

- An increase in the repo rate in India means that loans will become costlier and the monthly installment of the existing loan will increase.
- In India, increasing the repo rate by the Monetary Policy Committee of the Reserve Bank of India causes banks to borrow less cash from the Reserve Bank, thereby reducing the money supply in the economy and this process is expected to reduce inflation.
- After the increase in repo rate, banks increase the rates of loans like home loan, auto loan, personal loan etc., due to which the expenses of the loan takers increase.
- An increase in repo rate in any economy can affect the consumption and demand of citizens.

CURRENT DECISIONS TAKEN BY THE MONETARY POLICY COMMITTEE OF THE RESERVE BANK OF INDIA :

- In this meeting, it has been decided to keep the repo rate unchanged at 6.5 percent, rejecting any kind of change regarding the repo rate.
- Despite the tightening of liquidity in recent weeks, the RBI has maintained its accommodative policy stance. Holding back housing means reducing the money supply in the economy to control inflation.
- The Monetary Policy Committee of the Reserve Bank of India has retained the GDP growth rate at 7 percent and retail inflation at 4.5 percent for the financial year 2024-25. In February 2024, Consumer Price Index (CPI) inflation stood at 5.09 per cent compared to 5.1 per cent in January 2024.
- Food inflation in India continues to cause considerable instability, hampering the process of disinflation.

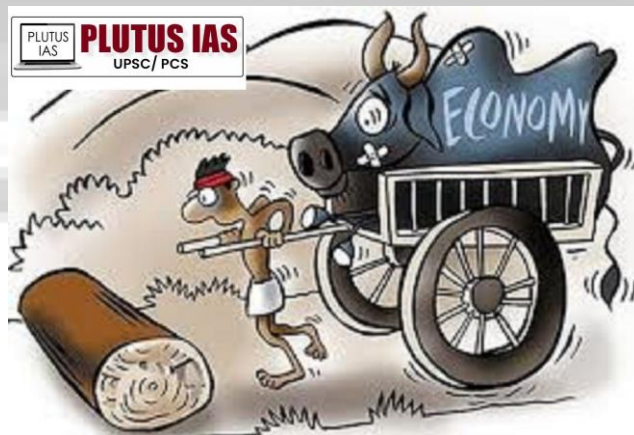
- sustained and strong government capital expenditure; Healthy balance sheets of banks and corporates; The outlook for investment activity remains bright due to rising capacity utilization, which is driven by a continuing widening of the private capital expenditure cycle. However, long-standing geopolitical tensions and increasing disruption to trade routes pose risks to the landscape.
- The Indian rupee remained in a range against other currencies of emerging markets and some advanced economies during the financial year 2023-24. This stability would indicate that India's economy is strong, financially stable and its position in the world market has improved.

NEW MEASURES CURRENTLY ANNOUNCED BY THE MONETARY POLICY COMMITTEE OF THE RESERVE BANK OF INDIA :

- **Proposal to deposit cash in banks through UPI :** Keeping in mind the popularity and convenience of UPI, RBI has proposed to enable UPI for cash deposit facility.
- **UPI access proposed for pre-paid instruments (PPI) :** To provide greater flexibility to PPI holders, RBI has proposed to allow linking of PPIs through third party UPI applications.
- PPI is a type of financial instrument that allows users to load money onto a prepaid account or card for future use. With this, PPI holders will be able to make UPI payments like bank account holders.
- Currently, UPI payments from bank accounts can be made through the bank's UPI app by linking the bank account or by using a third-party UPI application. However, the same facility is not available for PPI.
- PPI can currently be used to conduct UPI transactions only using applications provided by the PPI issuer.
- **Offers for CBDC through non-bank operators :** RBI also decided to distribute Central Bank Digital Currencies (CBDCs) through non-bank payment system operators.
- CBDC is legal tender issued in digital form by a central bank. Digital Rupee (e-Rupee) is a digital currency launched by the RBI.
- RBI has divided the digital rupee into two broad categories:- First general purpose (retail) and second wholesale. This will therefore make CBDC-retail accessible to a wider range of users.
- **Proposal to facilitate wider non-resident participation in Sovereign Green Bonds (SGRBs) :** RBI is making it easier for non-residents to participate in Sovereign Green Bonds (SGRBs).
- Based on an announcement in the Union Budget for FY 2022-23, the government had released the SGRBs in January 2023. They have decided to allow eligible foreign investors in the International Financial Services Center (IFSC) to invest in these bonds.

- At present, foreign portfolio investors (FPIs) registered with SEBI are permitted to invest in SGRBs under various routes available for investment by FPIs in government securities.
- **Introduction of Mobile App for RBI Retail Direct Scheme** : RBI has decided to launch a mobile app for its RBI Retail Direct scheme, which was first introduced in November of the year 2021.
- This app will facilitate individual investors to maintain gilt accounts with RBI and invest in government securities.
- A Gilt account is a savings account for government securities, such as treasury bonds.
- It is similar to a bank account but uses government securities instead of cash.
- The scheme allows investors to purchase securities in the primary auction and trade the securities through the NDS-OM platform.
- **It was decided to review the Liquidity Coverage Ratio (LCR) framework** : Banks included in the LCR framework will have to hold reserves of high quality liquid assets (HQLA) to cover the expected net cash outflow over the next 30 days.
- Some recent developments show that during stressful times, depositors can quickly withdraw or transfer their deposits, especially by using online banking.
- Such emerging risks may require revisiting some decisions under the LCR framework.
- Therefore, certain amendments are being proposed in the LCR framework to facilitate better management of liquidity risk by banks.

CONCLUSION / WAY FORWARD :



- Monetary policy is a set of tools used by a country's central bank to control the overall money supply and promote economic growth and employ strategies such as modifying interest rates and changing bank reserve requirements.

- Therefore, regarding the economy of India There cannot and should not be any compromise on price stability.
- According to the monetary policy makers of the Reserve Bank of India, the increase in income of citizens and increase in willingness to spend on non-essential items in the Indian economy is a good sign of strength in private consumption.
- The MPC is much more confident about its economic growth projections in the 12 months to March 2025. Therefore, this year also the GDP is expected to increase by an average of seven percent. For this, many factors are necessary – from the boost in agricultural activities and rural demand due to expectations of normal south-west monsoon to continued momentum in the manufacturing and service sectors.
- The Monetary Policy Committee points out that all five key parameters included in the RBI consumer confidence survey are expected to improve over a one-year period, indicating the Indian economy becoming stronger and growing at a faster pace.
- Therefore, it paves the way for a stronger and brighter future for both India's economy and India's Consumer Price Index (CPI).

Source – The Hindu and PIB.

PRACTICE QUESTIONS FOR PRELIMINARY EXAM :

Q.1. Consider the following statements regarding the Monetary Policy Committee of the Reserve Bank of India.

1. It has been amended by the Finance Act, 2016 of the Reserve Bank of India Act, 1934 (RBI Act).
2. The tenure of the members of this committee is 4 years, and they are not eligible for reappointment.
3. The Finance Minister of India is the ex-officio chairman of this committee.
4. It is mandatory for this committee to hold 6 meetings in a year during any financial year.

Which of the above statement/ statements is/ are correct?

- A. Only 1, 2 and 3.
- B. Only 2, 3 and 4 only
- C. Only 1 and 4
- D. Only 1 and 2.

Answer – D.

PRACTICE QUESTIONS FOR MAIN EXAM :

Q.1. Outlining the main functions of the Monetary Policy Committee of the Reserve Bank of India, discuss how low inflation and stable GDP growth in India affects the Indian economy? Give a logical answer.

Akhilesh Kumar Shrivastava

