

1. Prevention of Money Laundering

Prelims Syllabus: Policies

Mains Syllabus: GS-II Government Policies and Interventions for development in various sectors and issues arising out of their design and implementation.

Why in News?

- Rajya Sabha MP Sanjay Raut walked out of Mumbai's Arthur Road jail, hours after a special court granted him bail in a money laundering case.

What is Money Laundering?

- Money laundering is defined as the illegal process of converting money generated through criminal activities, such as drug trafficking or terrorist funding, to appear to have come from a legitimate source. The money from the criminal activity is considered 'dirty', and the laundering process makes it look clean.

About the Prevention of Money Laundering Act:

- It was enacted as a response to India's global commitment (including the Vienna Convention) to curb the menace of money laundering.
- **Objectives of the Act:** PMLA was enacted in 2002 and it came into force in 2005, to curb money laundering (process of converting black money into white) and to provide for seizure of property derived from money-laundering.
- **There are mainly 3 objectives of PMLA:**
 - ✓ To prevent and control money laundering.
 - ✓ To confiscate and seize the property obtained from the laundered money.
 - ✓ To deal with any other issue connected with money laundering in India.

Dispute redressal:

- The Adjudicating Authority is appointed by the central government. It decides whether the property attached or seized is involved in money laundering.
- The Adjudicating Authority shall not be bound by the procedure laid down by the Code of Civil Procedure, 1908, but shall be guided by the principles of natural justice and subject to the other provisions of PMLA.
- **Appellate Tribunal:** An Appellate Tribunal appointed by the Government is given the power to hear appeals against the orders of the Adjudicating Authority. Orders of the tribunal can be appealed in the appropriate High Court.

- **Special Court:** Provision for establishing special court by the Union government under Prevention of Money Laundering Act, 2002 (PMLA).

PMLA (Amendment) Act, 2012:

- Adds the concept of 'reporting entity' which would include a banking company, financial institution, intermediary etc.
- PMLA, 2002 levied a fine up to Rs 5 lakh, but the amendment act has removed this upper limit.
- It has provided for provisional attachment and confiscation of property of any person involved in such activities.

What has the Supreme Court said?

- The very concept of the offence of money-laundering in the Prevention of Money Laundering Act (PMLA) is "very wide" and any activity connected with the proceeds of crime is encompassed within the expression of money laundering under the legislation.

What is the Enforcement Directorate?

- Directorate of Enforcement is a specialised financial investigation agency under the Department of Revenue, Ministry of Finance..
- On 1st May 1956, an 'Enforcement Unit' was formed, in the Department of Economic Affairs, for handling Exchange Control Laws violations under Foreign Exchange Regulation Act, 1947.
- In the year 1957, this Unit was renamed as 'Enforcement Directorate'.
- ED enforces the following laws:
 - ✓ Foreign Exchange Management Act, 1999 (FEMA)
 - ✓ Prevention of Money Laundering Act, 2002 (PMLA)

2. Inclusion of Dalit Christians, Dalit Muslims in SC list

Prelims Syllabus: Policies

Mains Syllabus: GS-II Functions and responsibilities of the Union and the States, issues and challenges pertaining to the federal structure, devolution of powers and finances up to local levels and challenges therein.

Context:

- Case for the inclusion of Dalit Christians and Dalit Muslims on the list of Scheduled Castes is being heard in the Supreme Court.

What's the issue?

- In 2019 rejected the possibility of including Dalit Christians as members of SCs.
- Central Government justification for the exclusion of Dalit Christians and Dalit Muslims from the Scheduled Castes list are:
- “Foreign” origins of Islam and Christianity as opposed to Hinduism, Sikhism and Buddhism (although the government has not directly said so)
- The identification of Scheduled Castes is centred around a specific social stigma [and the connected backwardness with such stigma] that is limited to the communities identified in the Constitution (Scheduled Castes) Order, 1950
- Scheduled Castes converts to Buddhism embraced Buddhism voluntarily at the call of Dr Ambedkar in 1956 on account of some innate socio-political imperatives. The original castes/community of such converts can clearly be determined.
- However, this cannot be said in respect of Christians and Muslims who might have converted on account of other factors, since the process of conversions has taken place over the centuries. Article 14 forbids class legislation but does not forbid classification.

Who is included in the Constitution Order of 1950?

- **The Constitution (Scheduled Castes) Order of 1950:** recognised only Hindus as SCs.
- **Amendment 1956 and 1990:**
 - ✓ Included Dalits who had converted to Sikhism (1956)
 - ✓ Included Dalits who had converted to Buddhism (1990).
- **Both amendments were aided by the reports of:**
 - ✓ Kaka Kalelkar Commission in 1955
 - ✓ High Powered Panel (HPP) on Minorities, SC/ST in 1983.

Government's stand:

- **Union government:** In 2019 rejected the possibility of including Dalit Christians as members of SCs.
- **Imperial Order of 1936:** Classified a list of the Depressed Classes and specifically excluded “Indian Christians” from it.

Why are Dalit Christians excluded?

- **The practice of “untouchability:** It was a feature of the Hindu religion and its branches, not Islam or Christianity.

- **The Registrar General of India:** It had cautioned the government that SC status is meant for communities suffering from social disabilities arising out of the practice of untouchability.
- **A mandate in rules for inclusion:** It was framed in 1999 and requires RGI approval.
- Amendment to include Buddhist converts as SCs was passed in 1990.
- **Clause (2) of Article 341 for inclusion:** Dalits who converted to Islam or Christianity belonged to different caste groups, as a result of which they cannot be categorised as a “single ethnic group (required for inclusion)”.

Case for inclusion:

- **Several Independent Commission reports:** They have documented the existence of caste and caste inequalities among Indian Christians and Indian Muslims.
- **Casteism:** Even in Sikhism and Buddhism, casteism is not present and yet they have been included as SCs.
- **Advocate representing Dalit Christian bodies:** Empirical evidence did not exist for including Sikh or Buddhist converts either and yet they were included as SCs.

Registrar General of India:

- Established in 1949 under the Ministry of Home Affairs.
- To develop a systematic collection of statistics on the size of the population, its growth, etc.
- Later, this office was also entrusted with the responsibility of implementing of Registration of Births and Deaths Act, 1969 in the country.
- It arranges, conducts and analyses the results of the demographic surveys of India including the Census of India and Linguistic Survey of India.

3. New Crab Species found in T.N.

Prelims Syllabus: Environment

Mains Syllabus: GS-III Environment & Biodiversity | Conservation, Environmental Pollution & Degradation, Eia

Why in News?

- Researchers have discovered a new species of crab in the mangroves of Parangipettai near the Vellar river estuary in the Cuddalore district of Tamil Nadu.

Highlights:

- The new species of estuarine crab discovered in Tamil Nadu has been named *Pseudohelice annamalai* as a mark of recognition of the “Annamalai University” which has completed 100 years of service in education and research.
- This is said to be the first-ever record of the genus, *Pseudohelice* in the intertidal areas and to date, only two species namely *Pseudohelice subquadrata* and *Pseudohelice latreillii* have been confirmed within this genus.
- The discovered species is found around the Indian subcontinent and the eastern Indian Ocean.
- *Pseudohelice annamalai* is marked by dark purple to dark grey colouring, with irregular light brown, yellowish brown, or white patches on the posterior carapace with light brown chelipeds.
- *Pseudohelice annamalai* inhabits muddy banks of mangroves and links the distribution gap between the western Indian Ocean and the western Pacific Ocean.
- The newly discovered species also provides additional evidence of the geographic isolation of the eastern Indian Ocean for some marine organisms.

4. G20 Presidency: India can be voice for developing world

Prelims Syllabus: International Relations

Mains Syllabus: GS-II International Relations | Bilateral, Regional and Global Groupings and agreements involving India

Why in News?

- Government of India launched the logo, website and theme for India’s presidency of the G20, setting the tone for the country’s G20 presidency, beginning December 1. Modi’s clarion call was “One Earth, One Family, One Future”, aptly underscored by the phrase “Vasudhaiva Kutumbakam”.

What is G-20?

- Formed in 1999, the G20 is an international forum of the governments and central bank governors from 20 major economies.
- It brings together 19 of the world’s major economies and the European Union.
- Its members account for more than 80% of global GDP, 75% of trade and 60% of population

- To tackle the problems or address issues that plague the world, the heads of governments of the G20 nations periodically participate in summits.
- India has been a member of the G20 since its inception in 1999.

Do you know the aims and objective of G20?

- The Group was formed with the aim of studying, reviewing, and promoting high-level discussion of policy issues pertaining to the promotion of international financial stability.
- The forum aims to pre-empt the balance of payments problems and turmoil on financial markets by improved coordination of monetary, fiscal, and financial policies.
- It seeks to address issues that go beyond the responsibilities of any one organization.
- Its members account for more than 80% of global GDP, 75% of trade and 60% of population.

Current Global scenario and India's G20 Presidency

- **War between Russia and west:** It must nonetheless countenance a complex geopolitical moment, with tensions between G7 nations and Russia over the war in Ukraine, and growing friction between the US and China.
- **India's efforts to be a mediator:** PM Modi's recent advice to President Putin that "now is not the time for war" is anchored in the ethos of peace and non-violence, the legacy of Buddha and Gandhi.
- **Energy crisis:** The developmental agenda must receive first billing. Differences over energy diversification and the emerging challenges in trade and technology will need reconciliation.
- **Economic crisis:** Stagflation in the US, China and Europe threatens to affect the global economic outlook. Policy coherence in macroeconomics and trade is an important imperative.
- **Supply chain disruptions:** At the "Global Supply Chain Resilience" meeting in October 2021, Modi advocated cooperation on three critical aspects trusted source, transparency and time frame to improve global supply chains. At the SCO Summit this year, he cited the disruption of supply chains due to the Ukraine crisis and spoke of the unprecedented energy and food crises.

What India can show to the world?

- **Growing economy and rising stature:** India's G20 presidency coincides with its growing confidence, matched by its rising stature and high economic growth rate.

- **India's digital infrastructure:** India's commitment to digital transformation will be a key element in forging an accessible and inclusive digital public architecture. The country's exemplary success with the Unified Payments Interface (UPI), Direct Benefits Transfer and Aadhaar authentication in welfare schemes has growing relevance to the developing world.
- **Efforts for TRIPS waiver on vaccine:** The use of the CoWIN platform enhanced vaccine accessibility and equity. India has made a strong pitch for a TRIPS waiver to ensure equitable access to vaccine production.
- **Vaccine assistance to the world:** India's commitment to advancing South-South cooperation is well acknowledged. At the height of the pandemic, India provided 250 million vaccine doses to 101 countries, apart from other medical assistance.
- **SAGAR and Blue Economy:** India's global initiatives in recent years such as SAGAR (Security and Growth for All in The Region), "blue economy", "clean oceans", and disaster-resilient infrastructure have the potential to gain traction in the G20.
- **India as true climate leader:** PM Modi's "Panchamrit" announcements at COP26 — net zero by 2070, non-fossil energy capacity to 500 GW by 2030, 50 per cent of energy requirement through renewables by 2030, reduction of carbon emission by 1 billion tonnes by 2030, and reduction of carbon intensity in the Indian economy to less than 45 per cent by 2030 — established India as a climate leader.

What should be India's Priority as President of G20?

- **Open application programming interface:** As economies everywhere move rapidly towards digitalization, it is important to develop a consensus on an open source, open application programming interface (API) and an interoperable framework for public digital platforms on which the private sector can freely innovate. This would help maximize the impact of the digital transformation for the global public good, including new data, measurement tools, indicators of economic growth and the achievement of Sustainable Development Goals (SDGs).
- **Promotion of LiFE philosophy:** At the COP26 in Glasgow, Modi proposed Mission LiFE, which places individual behavior at the centre of the global climate action narrative. The Mission intends to establish and nurture a global network of individuals known as Pro-Planet People (P3), committed to adopting and promoting environmentally friendly lifestyles. This is based on the idea that responsible individual behavior can undo the damage wrought upon nature.

- **Focus on climate financing:** At COP27 as well as during its G20 presidency, India will have to focus attention on climate finance, especially a new quantified goal beyond the existing annual \$100 billion pledge by Advanced Economies (AEs) to assist developing nations in climate change adaptation and mitigation from 2020 to 2025. The delayed pledge is expected to be fulfilled in 2023 during India's presidency and from there on, the G20 needs to raise the bar.
- **Clean energy partnership:** The G20 presidency will provide India with an opportunity to give impetus to several of its initiatives for clean energy partnerships especially in solar, wind and hydrogen with the EU, Japan and the US. It will provide a platform to give a fillip to the idea of, "One Sun, One World, One Grid", first mooted by Modi at the International Solar Alliance (ISA) in 2018.
- **Achieving the Net Zero target:** India has the scale and capacity to set a shining example of rapid and decarbonized economic growth to help realize the G20's global net zero ambitions. A viable international framework for development and international trade in GH₂, together with green ammonia and green shipping, is the key. Reliable supplies of critical minerals and technological collaborations for energy storage, including a global battery coalition, could provide answers.
- **Nuclear energy as an alternative:** Given the nascent support today for civilian nuclear energy in Europe due to energy market volatility, the G20 could work toward an expanded and robust civilian nuclear energy cooperation framework, including for small modular reactors.
- **Reforming the multilateralism:** Multilateral institutions are perceived today as unrepresentative, ineffective, or worse still, both. The call for a new multilateralism and reassessment of the Global Financial Order to ensure adequate credit enhancement and blended finance for sustainable green transitions reflects a popular global sentiment.

Conclusion:

- India's presidency should represent the widest and most vulnerable constituencies, especially in South Asia. This can truly advance intra-South Asian economic integration, which is so essential for India's rise.