



**VAJIRAM & RAVI**  
Institute for IAS Examination

# The Analyst

**CURRENT AFFAIRS Handout**

**24th December 2024**



**CONTEXT:** In its 55th meeting the GST Council deferred taking a decision on several pressing issues.

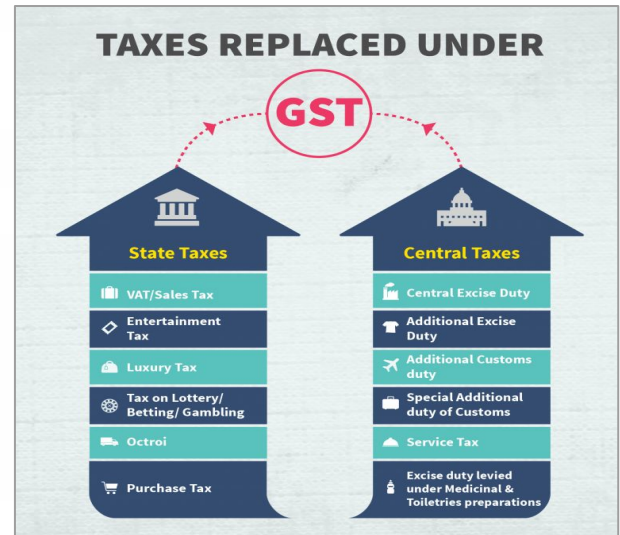
## MAINS PYQs

1. Explain the rationale behind the Goods and Services Tax (Compensation to States) Act of 2017. How has COVID-19 impacted the GST compensation fund and created new federal tensions? (2020)
2. Enumerate the indirect taxes which have been subsumed in the goods and services tax (GST) in India. Also, comment on the revenue implications of the GST introduced in India since July 2017. (2019)
3. Explain the salient features of the Constitution (One Hundred and First Amendment) Act, 2016. Do you think it is efficacious enough "to remove cascading effect of taxes and provide for the common national market for goods and services"? (2017)
4. Q. Discuss the rationale for introducing the Goods and Services Tax (GST) in India. Bring out critically the reasons for the delay in rollout for its regime. (2013)

## Basics

- **GST Bill introduced in 2014**
- The Constitution (**101st Amendment**) Act, 2016.
  - **Central GST-**
  - **State GST:**
  - **Integrated GST :** to cover inter-state trade.
- **GST Council**
  - **Article 279A**
  - **Chairman -** FM of India
  - **Members-** nominated by the state governments
  - Centre will have **1/3rd voting power, States have 2/3rd.**

- Decisions are taken by **3/4th majority.**



## Features:

- Applicable On supply side
- Destination based Taxation
- Input tax mechanism

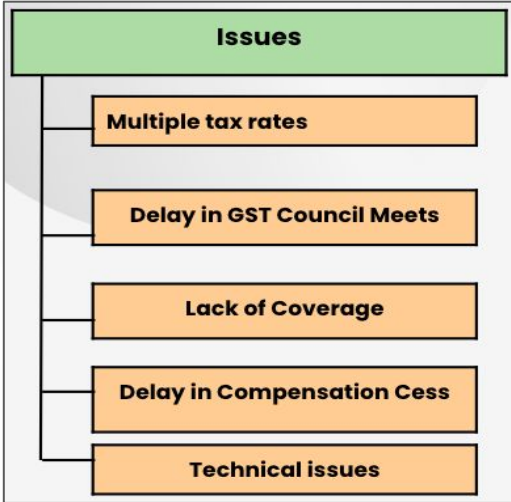
## Advantages:

- Increased Revenue
- Eliminates cascading effect
- Create common market
- Increased Ease of doing business
- Reduced corruption and leakages



# An Uncertain Tax

**CONTEXT:** In its 55th meeting the GST Council deferred taking a decision on several pressing issues.



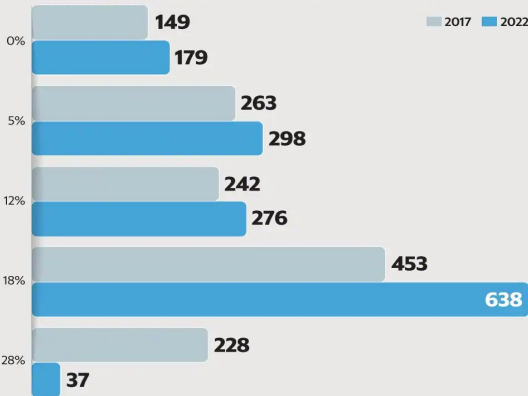
function has also been drawn been packed/frozen parathas and rotis. India stands out as one of the few countries with such a complex indirect tax structure. Of 115 countries, only five – Ghana, India, Italy, Luxembourg and Pakistan – have four or more GST slabs as per the World Bank's India Development Update 2018. Twenty-eight had two rates, while 49 levied a single rate. A multiple-level rate structure only raises the compliance burden, increases the space for bureaucratic discretion, and goes against the desire to improve

## Mains Practice Question

*Discuss the major issues in the Goods and Services Tax (GST) in India. Suggest measures to address these challenges and enhance the effectiveness of GST as a tool for economic growth. (10 Marks, 150 words)*

### THE HIGH TAX RATE OF 18% IS MOST PROMINENT IN GST SLABS LIST

Number of goods under different tax slabs



Does not reflect the tax slab changes due to come into effect on 18 July 2022.

Source: GST Council, CBIC

### What should be done?

**Prudent Rate rationalisation**

**Inclusion of excluded items:**

**System simplification:  
Timely dispute resolution**

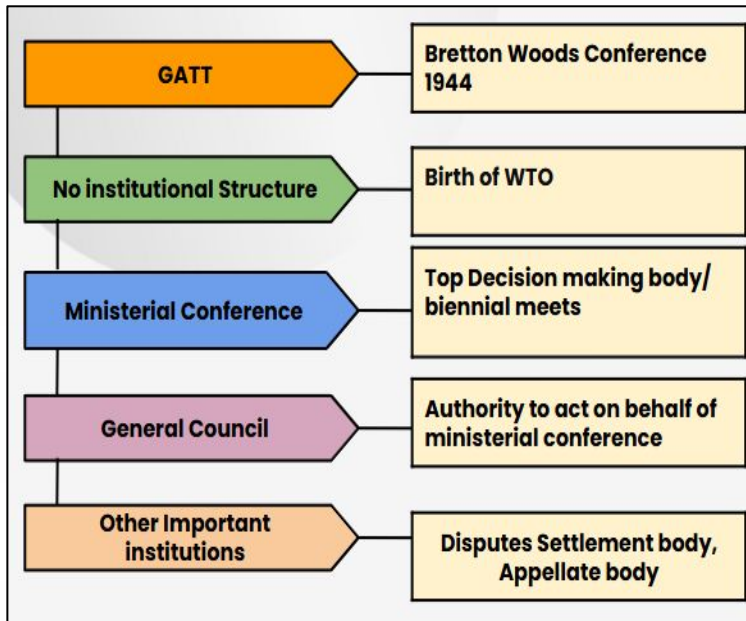
**Rationalising exemptions**

**Better Revenue sharing with Panchayats and Municipalities**



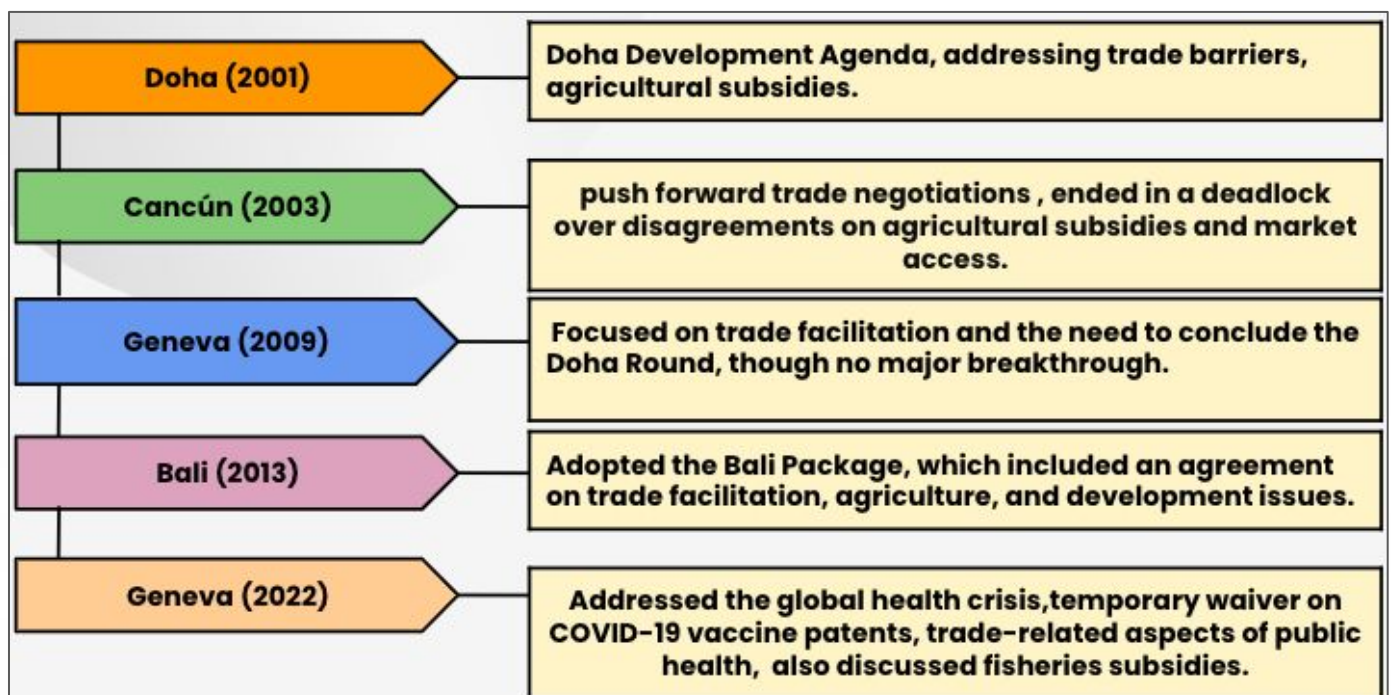
**CONTEXT:** A write up has appeared covering several aspects of World Trade Organisation

## Historical Background



- 164 States and Customs Territories
- 98% of the world trade
- package of agreements which set international rules in the field of trade
- platform for multilateral negotiations aimed at the development of international trade rules and the reduction of trade barriers
- dispute settlement system
- source of information that ensures transparency in the application of trade policy measures by all Members

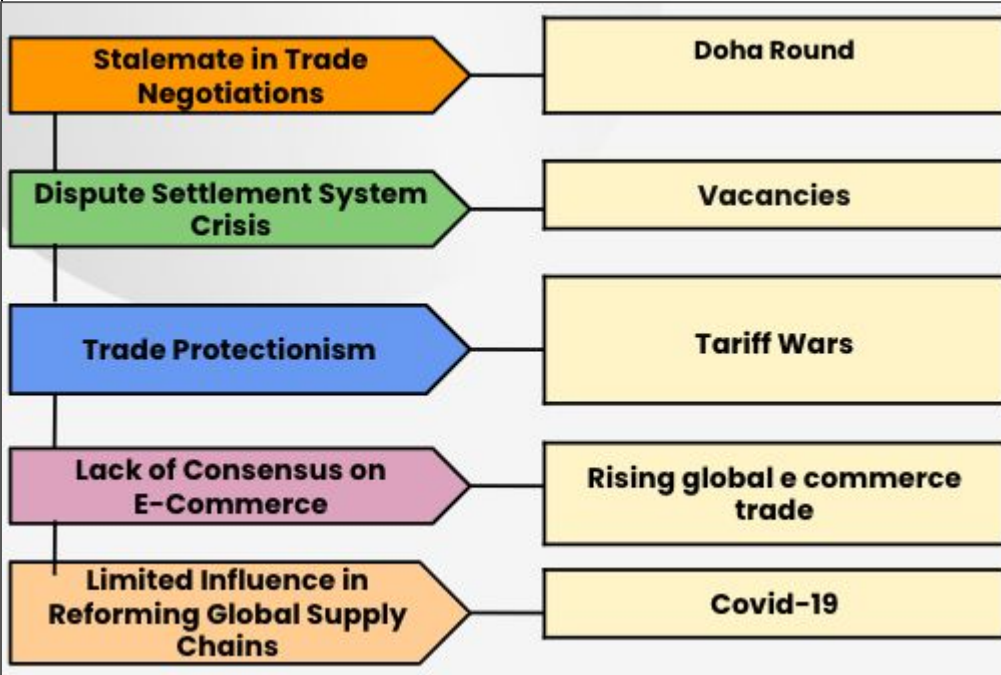
## Important Ministerial Conference



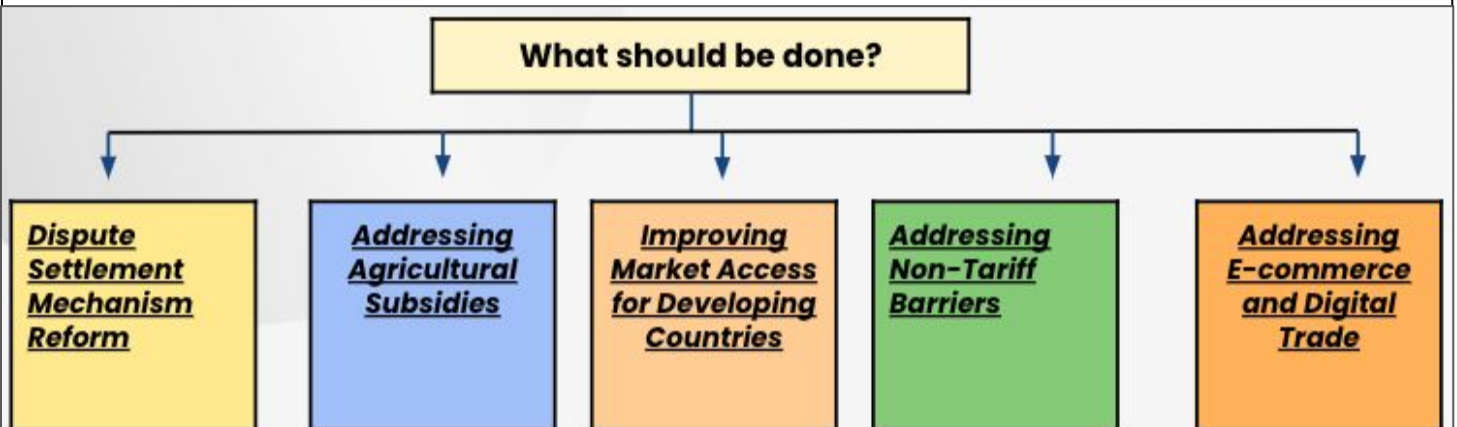
24th December 2024

**CONTEXT:** A write up has appeared covering several aspects of World Trade Organisation

**Issues Plaguing the WTO**



**Needed Reforms in WTO**



**Mains Practice Question**

What are the major challenges faced by the World Trade Organization (WTO) in the 21st century. Suggest some reforms to enhance its effectiveness and relevance in the global trading system. (10 Marks, 150 words)



**Syllabus: GS 2: Government Policies and Interventions;  
Newspaper : The Hindu, Page No. 8**

**The story so far:**

**O**n December 17, the Union Ministry of Home Affairs (MHA) reimposed the Protected Area Regime (PAR) in the States of Manipur, Nagaland, and Mizoram to restrict and monitor the movement of foreigners. From now on, foreigners visiting the three States would have to seek prior permission and Protected Area Permits (PAP) from the government. The circular stated that the relaxation provided to the three States under the Foreigners (Protected Areas) Order, 1958 was being withdrawn with immediate effect.

permit issued by the Central government or any office authorised by the Central government. The permit shall include the following details – place of entry, place of residence and period of stay. The areas falling between the inner line and the international Border of the following States and Union Territories were declared as Protected Areas – parts of Himachal Pradesh and Jammu and Kashmir, Ladakh, Rajasthan and Uttarakhand and the whole of Manipur, Mizoram, Nagaland, and Sikkim (partly as protected areas and partly as restricted areas). Another Order in 1963 declared entire Andaman & Nicobar Islands and parts of Sikkim as “restricted area.”

**Why was it withdrawn?**

A copy of the circular accessed by *The Hindu* said that the matter was examined by the Ministry in “the backdrop of growing security concerns in border areas of these States.” Manipur, bordering Myanmar has been affected by ethnic violence between the tribal Kuki-Zo and the Meitei people since May 3, 2023. Chief Minister N. Biren Singh has attributed the ongoing violence in the State to “outsiders and foreign hands.”

After a military coup in Myanmar in February 2021, there was an influx of undocumented migrants – over 40,000

**When was the Order first relaxed?**

The PAR was relaxed for the whole of Manipur, Mizoram and Nagaland on December 30, 2010 in wake of an improved security scenario, and to

promote tourism. The relaxation was initially for a period of one year. It was subsequently extended for a duration of 1-2 years till 2022 when it was further relaxed for another five years till December 31, 2027. On December 17, the relaxation was withdrawn for the States.

**How does one obtain a PAP?**

The permits can be secured from Indian missions, the MHA, district magistrates, resident commissioners of a State, Home Commissioners or Foreigners Regional Registration Office (FRRO) among others.

Like earlier, citizens of Afghanistan, China, Pakistan and foreign nationals having their origin in the three countries would continue to require prior approval from the MHA. All foreigners visiting these States will mandatorily register themselves with the Foreigners Registration Officer of the State or the District they visit within 24 hours of their arrival. Myanmar nationals visiting the three States, who till now were excluded from the requirement of obtaining a PAP if they had an e-tourist visa or any other visa, should compulsorily register with the FRRO within 24 hours of their arrival.

**Prelims Pointers**

**Protected Area Permit (PAP)**

- Required for **foreign nationals to visit certain sensitive areas.**
- Issued by the **Ministry of Home Affairs or state governments.**
- Valid for specific time periods and areas.
- Mainly **applicable in northeastern states like Arunachal Pradesh, Nagaland, and Mizoram.**
- Requires registration at the local authorities upon arrival.

**Inner Line Permit (ILP)**

- Required for Indian citizens to visit **restricted areas.**
- Issued by state governments in specific northeastern states.
- Aimed at **protecting indigenous cultures and local populations.**
- Enforced in regions like Nagaland, Arunachal Pradesh, and Mizoram.
- Prevents **excessive migration into protected areas.**
- Can be obtained from **government offices or online in some states.**
- Requires registration upon entry into the region.



24th December 2024

**Syllabus: GS Paper 2 : Education, Government Policies and Interventions;**  
**Newspaper : The Hindu Page No : 12**

The Hindu Bureau  
NEW DELHI

The Centre has done away with the “no-detention” policy for Classes 5 and 8, paving the way for schools to hold back students who are unable to clear year-end examinations.

The Ministry of Education has published a gazette notification dated December 16, titled “Right of Children to Free and Compulsory Education (Amendment) Rules, 2024”, which states that if a child fails to fulfil promotion criteria in Classes 5 or 8 in the regular examination, they can be held back. In the Rules, the Ministry also emphasised the need for remedial measures for such students to close learning gaps.

While the Right to Education Act, 2009 had been amended to scrap the no-detention policy as early as



Students who do not fulfil the promotion criteria can sit for a re-examination in two months

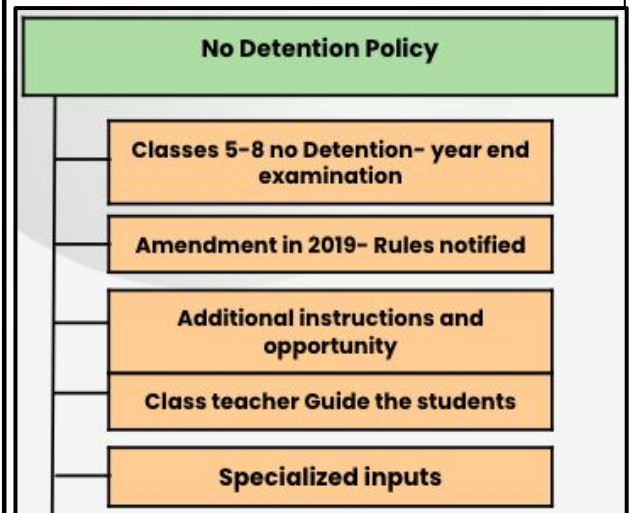
2019, the Rules have been notified only now. “Since the National Education Policy (NEP) was announced in 2020, we waited for the National Curriculum Framework document which was published in 2023, before coming out with the Rules,” a senior Ministry official said.

After all other options are exhausted, if there is a need to detain the student,

they shall be detained. “At the same time, no student should be expelled from school until Class 8,” said Union School Education Secretary Sanjay Kumar.

The Rules further state that if a child fails to fulfil the promotion criteria, as notified from time to time, they shall be given additional instruction and opportunity for re-examination within a period of two months, from the date of declaration of results. If the child fails to clear the re-exam, they should be held back.

When the child is held back, the class teacher shall guide the child as well as the parents, if necessary, and provide specialised inputs after identifying the learning gaps at various stages of assessment. Mr. Kumar further said, “We also want the learning outcomes of the students to be better.”



## Prelims Pointers

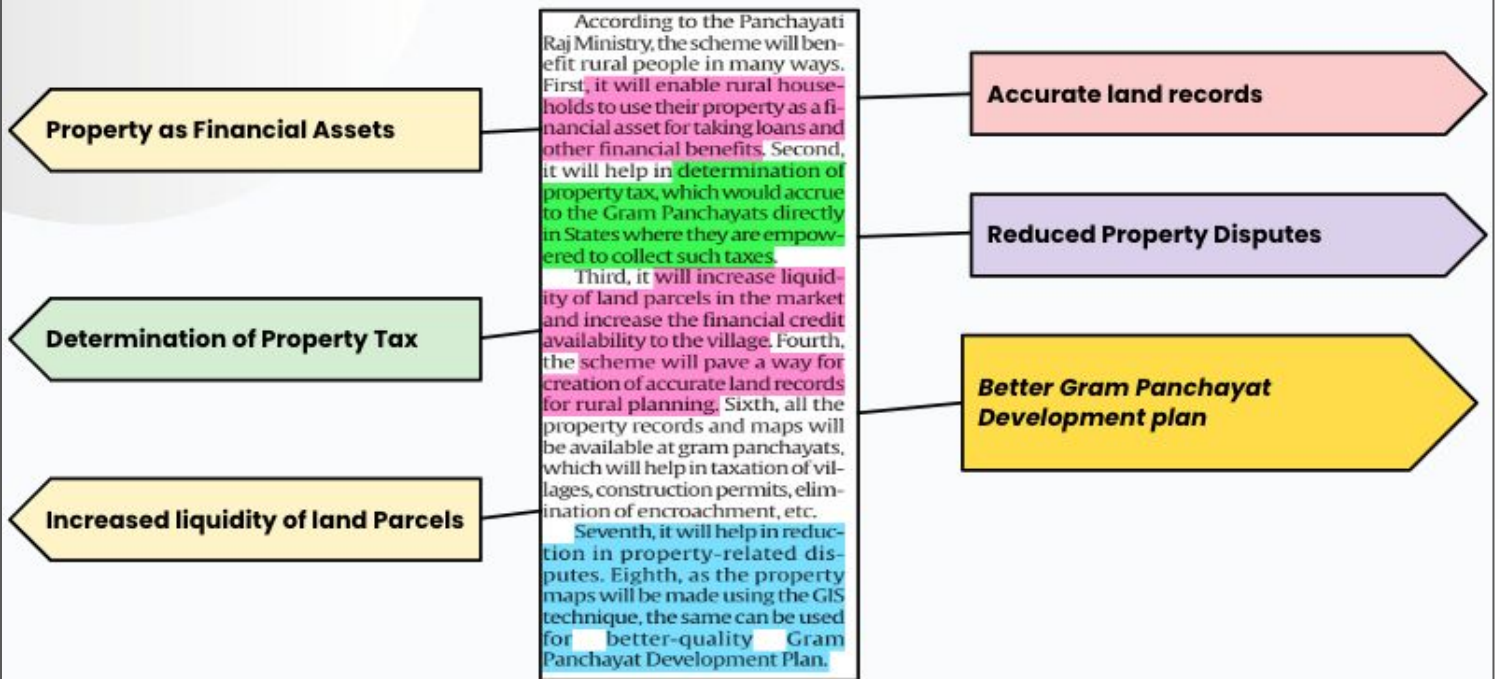
- The RTE Act came into effect on April 1, 2010
- Ensuring **free and compulsory education** for children aged 6 to 14 years.
- The Act applies to all schools in India, both **government and private**, except for certain exemptions.
- Private schools **must reserve 25% of seats** for EWS.
- Focuses on the **quality of education, mandating specific teacher-student ratios** and infrastructure standards.
- Children **cannot be held back or expelled until the completion of elementary education** (Class 8).
- States are responsible for **monitoring the implementation of the Act**, ensuring compliance with guidelines.



# SVAMITVA Scheme

**Syllabus: GS 2 Paper : Government Policies and Interventions;**  
**Newspaper : Indian Express Page No : 8**

## Benefits



## Prelims Pointers

- A survey of villages and mapping with improvised technology in village areas (SVAMITVA)
- **Central Sector Scheme.**
- **Launched-2021.**
- **Objective: Give ownership of property in rural inhabited areas.**
- **Method:** mapping land parcels using drone technology and providing a 'Record of Rights' to village household owners with the issuance of legal ownership cards.
- **Implementation:** Ministry of Panchayati Raj, State Revenue Department, State Panchayati Raj Department and Survey of India.





# Spadex Mission

24th December 2024

**Syllabus: GS 3 Paper : Science and Technology;**  
**Newspaper : Indian Express Page No : 11**

JUST AS it had started the year, the Indian Space Research Organisation will end it with its key Spadex mission – the launch of two small satellites to demonstrate docking in space – at 9:58 pm on December 30 from the first launch pad at the country's only spaceport at Sriharikota. Docking is a process where two satellites are aligned and then joined in space – a necessity for missions that the space agency hoped to achieve in the future such as Chandrayaan-4 or setting up the Bharatiya Antariksh Station.

India's workhorse Polar Satellite Launch Vehicle PSLV-C60 will launch the two 220 kg satellites in a 470 km circular orbit, with the launch vehicle providing a small relative velocity between the two. Within a day, the two satellites will build-up a distance of around 10 to 20 km between themselves.

Then the propulsion system on the Target satellite will be used to prevent the satellites from drifting further apart. Meaning both the satellites will continue moving with the same velocity at a separation of 20 km – this step is known as the 'far rendezvous'.

The Chaser satellite will then continue to approach the Target satellite, progressively reducing the distance between them to 5km, 1.5 km, 500 m, 225 m, 15 m, 3m, and then docking together.

Once the satellites have docked, electrical power transfer between the two will be demonstrated. They will also demonstrate the control of both the spacecraft together. Then the satellites will separate and start operating their payloads.

The Chaser or SDX01 satellite has a high resolution camera on board – a miniature version of a surveillance camera. The Target or SDX02 satellite will carry a multi-spectral payload that will be used for monitoring natural resources and vegetation along with a radiation monitor that will study space radiation and create a database. Due to the small size and mass of the satellites, docking is more challenging, requiring finer precision as compared to larger spacecraft.

## Prelims Pointers

- Aimed at developing **autonomous space docking technology**.
- **Launch vehicle: PSLV-C60.**
- Two small spacecraft: **Chaser (SDX01)** and **Target (SDX02)**.
- Critical milestone for **future lunar missions**, the development of the **Bharatiya Antariksh Station (BAS)**
- **Separation dynamics:**
  - Target and Chaser spacecraft will separate with an initial velocity difference to achieve **10–20 km inter-satellite separation**.
  - Propulsion systems will be used to align both spacecraft into the same orbit, achieving **Far Rendezvous**.
- **Docking and demonstration:** After docking, the mission will demonstrate **electrical power transfer** before undocking for payload operations.





24th December 2024

**Syllabus: GS 3 Paper : Defence;**  
**Newspaper : The Hindu Page No : 14**

The Philippines said Monday it planned to acquire the U.S. Typhon missile system as part of a push to secure its maritime interests, sparking warnings from China of a regional “arms race”.

The U.S. Army deployed the mid-range missile system in the northern Philippines earlier this year for annual joint military exercises with its longtime ally, and decided to leave it there despite criticism by Beijing that it was destabilising to Asia.

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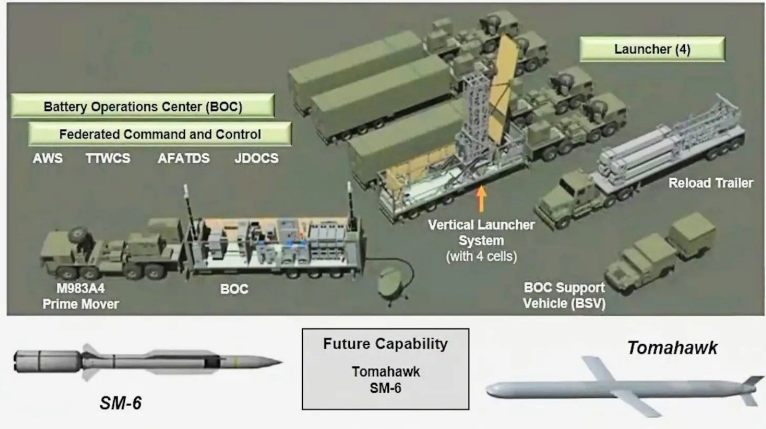


### “Typhon”: What We Are Delivering

WE DELIVER TO SOLDIERS

#### Mid-Range Capability (MRC)

**Mission:** Deliver an initial prototype MRC NLT 4QFY23 at the Battery Level as part of the Long Range Fires Battalion in support of Multi-Domain Operations



**Future Capability**  
Tomahawk  
SM-6

#### Transition Team

The Embedded Transition Team plans, programs, and synchronizes all activities associated with the development and sustainment of the MRC Program of Record (PoR)

## Prelims Pointers

- **Strategic Mid-Range Fires (SMRF) System,**
- SM-6 missiles integrated into Typhon serve primarily as **short-range ballistic missiles capable** of targeting land-based and maritime assets.
- It can also fire the **Tomahawk Land Attack Missile**, a maneuverable cruise missile.
- A full Typhon Weapon System battery comprises four launchers, a command post, and reload and support vehicles, all on trailers.
- **Tomahawk Missile:**
  - US-made **long-range cruise missile used for deep-land attack warfare.**
  - It can be launched from a ship or submarine and deliver its warhead precisely to a target at a long range.



24th December 2024

**Q1. Consider the following statements:**

1. The Goods & Services Tax Council (GST Council) is a constitutional body formed under Article 280.
2. The Union Finance Minister acts as the Chairperson of the GST Council.

**Which of the statements given above is/are correct?**

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

**Answer: b**

**Q2. With reference to the World Trade Organization (WTO), consider the following statements:**

1. The WTO replaced the General Agreement on Tariffs and Trade (GATT) in 1995.
2. The WTO agreements are binding on all member nations, regardless of their consent.

**Which of the statements given above is/are correct?**

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

**Answer: a**

**Q3. With reference to the Right to Education (RTE) in India, consider the following statements:**

1. The Right to Education is a fundamental right guaranteed under Article 21A of the Constitution.
2. The RTE Act, 2009, mandates free and compulsory education for all children between the ages of 6 and 18 years.
3. Private unaided schools are required to reserve 25% of their seats for children from economically weaker sections and disadvantaged groups under the RTE Act.

**Which of the statements given above are correct?**

- a) 1 and 3 only
- b) 1 and 2 only
- c) 2 and 3 only
- d) 1, 2, and 3

**Answer: a**

**Q4. Consider the following statements regarding the SVAMITVA Scheme:**

1. It aims to provide a record of rights to village household owners in rural areas using drone technology.
2. It is implemented by the Ministry of Panchayati Raj in collaboration with the Survey of India.
3. The scheme focuses exclusively on urban property management.

**How many of the statements given above is/are correct?**

- a) Only One
- b) Only Two
- c) All Three
- d) None

**Answer: b**

**Q5. Regarding the Inner Line Permit (ILP) system in India, consider the following statements:**

1. The ILP system is implemented under the provisions of the Bengal Eastern Frontier Regulation, of 1873.
2. The ILP is required by both Indian citizens and foreign nationals to enter the specified states.
3. Currently, the ILP is applicable in all the northeastern states of India.

**How many of the statements given above is/are correct?**

- a) Only One
- b) Only Two
- c) All Three
- d) None

**Answer: a**





# **VAJIRAM & RAVI**

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