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MINISTRY OF SCIENCE AND TECHNOLOGY



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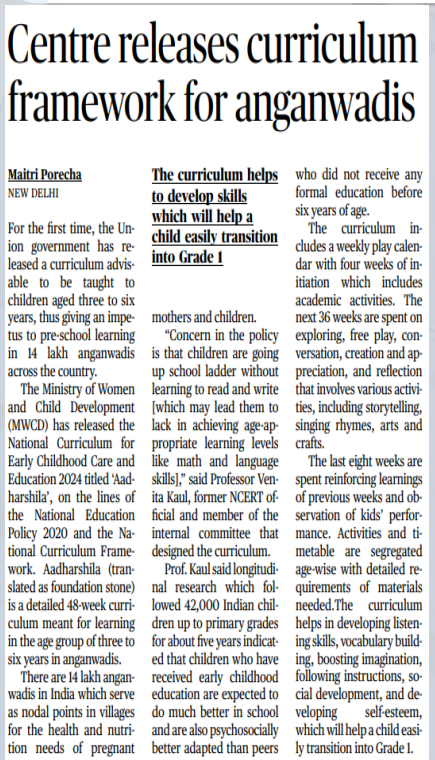
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THE HINDU

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AADHARSHILA

(Syllabus: GS Paper 2 –Education)



Centre releases curriculum framework for anganwadis

Maitri Porecha
NEW DELHI

For the first time, the Union government has released a curriculum advisable to be taught to children aged three to six years, thus giving an impetus to pre-school learning in 14 lakh anganwadis across the country.

The Ministry of Women and Child Development (MWCD) has released the National Curriculum for Early Childhood Care and Education 2024 titled 'Aadharshila', on the lines of the National Education Policy 2020 and the National Curriculum Framework. Aadharshila (translated as foundation stone) is a detailed 48-week curriculum meant for learning in the age group of three to six years in anganwadis.

There are 14 lakh anganwadis in India which serve as nodal points in villages for the health and nutrition needs of pregnant mothers and children.

The curriculum helps to develop skills which will help a child easily transition into Grade 1

"Concern in the policy is that children are going up school ladder without learning to read and write [which may lead them to lack in achieving age-appropriate learning levels like math and language skills]," said Professor Venita Kaul, former NCERT official and member of the internal committee that designed the curriculum.

Prof. Kaul said longitudinal research which followed 42,000 Indian children up to primary grades for about five years indicated that children who have received early childhood education are expected to do much better in school and are also psychosocially better adapted than peers who did not receive any formal education before six years of age.

The curriculum includes a weekly play calendar with four weeks of initiation which includes academic activities. The next 36 weeks are spent on exploring, free play, conversation, creation and appreciation, and reflection that involves various activities, including storytelling, singing rhymes, arts and crafts.

The last eight weeks are spent reinforcing learnings of previous weeks and observation of kids' performance. Activities and timetable are segregated age-wise with detailed requirements of materials needed.The curriculum helps in developing listening skills, vocabulary building, boosting imagination, following instructions, social development, and developing self-esteem, which will help a child easily transition into Grade 1.

Context: For the first time ever, the Central government has released curriculum advisable **National Curriculum for Early Childhood Care and Education 2024 titled 'Aadharshila,'** to be taught to children aged three to six-years-old, thus giving an impetus to pre-school learning in 14 lakh anganwadis across the country.

Aadharshila

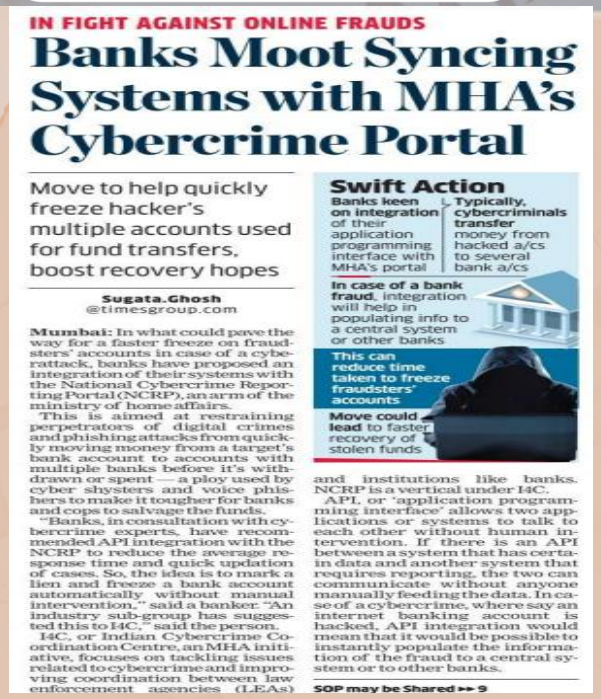
- **About:** The Ministry of Women and Child Development (MWCD) has released the National Curriculum for Early Childhood Care and Education 2024 titled 'Aadharshila,' on the lines of the National Education Policy 2020 and the National Curriculum Framework.
- **Meaning of Aadharshila**: As foundation stone is a detailed 48-week curriculum meant for learning in the age-group of three to six-year-olds in anganwadis.
- **Role of Anganwadis**: There are 14 lakh anganwadis in India which serve as nodal points in villages for health and nutrition needs of pregnant mothers and children.
    - The MWCD, along with the Ministry of Education, has envisioned that these anganwadis should double up as pre-schools which impart basic learning to children, thus strengthening their foundational literacy and numeracy concepts.
- **Development Committee**: Ministry of Women and Child Development, the Ministry of Health and Family Welfare, the Department of School Education and Literacy, the Ministry of Education, the National Council of Educational Research & Training, the Institute of Home Economics, Delhi University, and civil society organizations.

Features of Adharshila

- **Initiation Phase**: The curriculum includes a weekly-based play calendar with four weeks of initiation, integrating academic activities to help children transition from home to the anganwadi centre by engaging them in fun and free play.
- **Learning Phase**: The next 36 weeks are spent in exploring, free play, conversation, creation, and appreciation, involving various activities such as storytelling, singing rhymes, art and craft, etc. Storytelling themes focus on conflict resolution, taking responsibility, and working with and helping others.
- **Age-Segregated Activities**: These are segregated age-wise, with detailed material requirements, age-appropriate specifications, variation, notes for the teacher, targeted curricular goals, and competency that children achieve, observing children's interest.
- **Base for States**: The national framework for three to six years will serve as a base for States to develop their own culturally appropriate curriculums, seen as a solution to tackle later school challenges of children.

NATIONAL CYBERCRIME REPORTING PORTAL

(Syllabus GS Paper 3 – Cyber Security)



IN FIGHT AGAINST ONLINE FRAUDS

Banks Moot Syncing Systems with MHA's Cybercrime Portal

Move to help quickly freeze hacker's multiple accounts used for fund transfers, boost recovery hopes

Sugata.Ghosh
@timesgroup.com

Mumbai: In what could pave the way for a faster freeze on fraudsters' accounts in case of a cyberattack, banks have proposed an integration of their systems with the National Cybercrime Reporting Portal (NCRP), an arm of the ministry of home affairs.

This is aimed at restraining perpetrators of digital crimes and phishing attacks from quickly moving money from a target's bank account to accounts with multiple banks before it's withdrawn or spent — a ploy used by cyber shysters and voice phishers to make it tougher for banks and cops to salvage the funds.

"Banks, in consultation with cybercrime experts, have recommended API integration with the NCRP to reduce the average response time and quick updation of cases. So, the idea is to mark a lien and freeze a bank account automatically without manual intervention," said a banker. "An industry sub-group has suggested this to I4C," said the person.

I4C, or Indian Cybercrime Coordination Centre, an MHA initiative, focuses on tackling issues related to cybercrime and improving coordination between law enforcement agencies (LEAs) and institutions like banks. NCRP is a vertical under I4C.

API, or "application programming interface' allows two applications or systems to talk to each other without human intervention. If there is an API between a system that has certain data and another system that requires exporting, the two can communicate without anyone manually feeding the data. In case of a cybercrime, where say an internet banking account is hacked, API integration would mean that it would be possible to instantly populate the information of the fraud to a central system or to other banks.

SOP may be Shared ▸▸ 9

Swift Action

Banks keen on integration of their application programming interface with MHA's portal

Typically, cybercriminals transfer money from hacked a/cs to several bank a/cs

In case of a bank fraud, integration will help in populating info to a central system or other banks

This can reduce time taken to freeze fraudsters' accounts

Move could lead to faster recovery of stolen funds

Context: Recently, banks have proposed integrating their systems with the National Cybercrime Reporting Portal (NCRP), an arm of the Ministry of Home Affairs, which could pave the way for a faster freeze on fraudsters' accounts in case of a cyberattack.

National Cybercrime Reporting Portal (NCRP)

- **About:** The portal serves as an initiative by the Government of India to enable victims/complainants to report cybercrime complaints online.
- **Coverage**: It caters to all types of cybercrime complaints, encompassing a wide range of offenses such as online Child Pornography (CP), Child Sexual Abuse Material (CSAM), Rape/Gang Rape (CP/RGR) content, mobile crimes, online and social media crimes, online financial frauds, ransomware, hacking, cryptocurrency crimes, and online cyber trafficking.
- **Purpose**: Aimed at restraining perpetrators of digital crimes and phishing attacks.
- **Objective**: Prevent quick movement of money from a target's bank account to accounts with multiple banks.
- **Anonymous Reporting Option**: The portal offers the option of reporting anonymously, particularly for sensitive cases involving online Child Pornography (CP) or sexually explicit content like Rape/Gang Rape (RGR) content.
- **Two options for reporting cybercrimes on the portal**:
  - **Report Crime related to Women/ Child**: Under this section, you can report complaints pertaining to online Child Pornography (CP), Child Sexual Abuse Material (CSAM) or sexually explicit content such as Rape/Gang Rape (CP/RGR) content.
  - **Report Other Cybercrimes**: Under this option, you can report complaints pertaining to cybercrimes such as mobile crimes, online and social media crimes, online financial frauds, ransomware, hacking, cryptocurrency crimes and online cyber trafficking.

Child Sexually Abusive Material (CSAM)

- **About**: It refers to material containing sexual image in any form, of a child who is abused or sexually exploited. Section 67 (B) of IT Act states that "it is punishable for publishing or transmitting of material depicting children in sexually explicit act, etc. in electronic form".

DTE Apr 19

VASUKI INDICUS
(Syllabus: GS Paper 3 – Env and Eco)

Colossal snake fossil unearthed in Gujarat from 47 million years ago could be world's largest

Context: Paleontologists in India have unearthed a fearsome relic from the past a giant predator snake estimated to be as large as the longest snake ever discovered.

Vasuki Indicus

- **New Species:** The new species, named **Vasuki indicus** after the mythical serpent associated with Lord Shiva, belonged to the now-extinct **Madtsoiidae snake family.**
  - The fossilised remains, measuring 10-15 metres long, were found in Gujarat's Panandhro Lignite Mine in Kutch and date back a staggering 47 million years.
  - **Discovered by**: IIT-Roorkee paleontology professor Sunil Bajpai in 2005. He found the remains in a coal mine in Kutch.
- **Madtsoiidae Family**: Madtsoiidae are Gondwanan terrestrial snakes that lived between the Upper Cretaceous (100.5 million to 66 million years ago) and the Late Pleistocene (0.126 million years ago to 0.012 million years ago).
- **Importance of Madtsoiidae**; This family of snakes is considered a pivotal group for our understanding of snake origins and evolution.
- **Comparison with Titanoboa**: The researchers believe Vasuki indicus rivalled the infamous Titanoboa.
  - The monstrous snake was one of the largest known predators in the period between the extinction of dinosaurs 65 million years ago and the first appearance of Megalodon roughly 23 million years ago.
- **Vasuki's Predatory Behavior:** They also speculate that Vasuki was perhaps too large to be an active forager and was more likely to have behaved like modern anacondas and large-bodied pythonids by ambushing and subduing its prey.

IRAN-ISRAEL CONFLICT

(Syllabus: GS Paper 2 – IR)



Iran signals no retaliation after Israel strikes its city

Tehran Says 'Infiltrators' Behind Attack

Dubai/Jerusalem: Explosions echoed over an Iranian city on Friday in what sources described as an Israeli attack, but Tehran played down the incident and indicated it had no plans for retaliation — a response that appeared gauged towards averting region-wide war.

The limited scale of the attack and Iran's muted response appeared to signal a successful effort by diplomats who have been working to avert all-out war since an Iranian drone and missile attack on Israel last Saturday.

Iranian media and officials described a small number of explosions, which they said resulted from air defences hitting three drones over the city of Isfahan in central Iran. Notably, they referred to the incident as an attack by "infiltrators", rather than by Israel, obviating the need for retaliation.

An Iranian official said there were no plans to respond against Israel. "The foreign source of the incident has not been confirmed. We have not received any external attack," the official said. REUTERS

▶ EDIT: That's Enough

CHINA-SUPPLIED REACTORS AT ISFAHAN

- Iran officials say airstrike hit a military airbase and N-site near Isfahan, air defences fired
- Isfahan base has US-made F14 Tomcats purchased before 1979 Islamic Revolution. N-site has small Chinese-supplied research reactors, and handles fuel production and other activities for civilian N-programme
- Neither side acknowledges strike officially — sign of both moving towards de-escalation
- G7 foreign ministers urge 'all parties' to 'work to prevent further escalation'. Italy minister says Israel gave last-minute warning about drone strike
- Israel had said it would retaliate after last Saturday's strikes, which caused no deaths as Israel and its allies shot down several missiles and drones
- Tehran attacks were in response to presumed Israeli airstrike on April 1 in Damascus that killed several Iranian officers, including a top general

▶ Wait-and-watch mode for India after strike, P 10

▶ Sensex gains 599 after falling below 72k, P 19

▶ US distances itself, P 17

Context: Tensions in the Middle East deepened recently as Iran fired its air defense batteries at a major air base and a nuclear site near Isfahan after drones were spotted.

Isfahan

- **About**: It is the central city in Iran, hosts Iran's major airbase and a nuclear site, as reported by the news agency AP.
- **Population**: Isfahan, with a population of over 2 million, is a cultural and historical centre.
- **Situated**: Halfway between the Zagros Mountains and the Iranian desert, it historically served as a crossroads for trade routes.
- **Nuclear Facilities in Isfahan**: The Isfahan facility operates three small Chinese-supplied research reactors and handles fuel production and other activities for Iran's civilian nuclear program.
- **Expansion of Nuclear Research:** Iran has recently announced the construction of a fourth nuclear research reactor in Isfahan, alongside a new nuclear power plant complex in the south of the country.

Iran-Israel Conflict

- **Pre-1979 Iran-Israel Relations:** Iran recognized Israel after its formation in 1948, maintaining diplomatic ties and shared interests, opposing Arab hostility.
  - Israel pursued a "periphery doctrine" to counter Arab hostility by forming alliances with non-Arab, mostly Muslim countries like Iran and Turkey.
- **1979 Islamic Revolution**: After this Revolution, Iran's view of Israel changed, considering it an occupier of Palestinian land. Ayatollah Khomeini termed Israel as "Little Satan".
- Israel-Iran Issues:
- **Israel's Strong Alliance with the US**: It increases Iran's insecurity due to Western interference in the Middle East, posing a direct threat to its security and interests.
- **US Sanctions on Iran**: Iran has been under various degrees of US sanctions since 1979, aiming to censure Iran and prevent its progress in prohibited nuclear activities.
- **Proxy Conflicts and Covert Operations**: Both countries have engineered proxy conflicts and covert operations against each other, involved in proxy wars in Syria, Yemen, etc.
- **Iranian Nuclear Program**: Israel considers the Iranian nuclear program an existential threat. The Bushehr I reactor, operational since September 2011, marked Iran's entry into nuclear power with Russia's assistance.

DTE

Apr 19

GAIA

(Syllabus: GS Paper 3 – Environment)

Run-up to Ottawa: Civil society groups call for support from ASEAN leadership in fight against plastic pollution

Context: The **Global Alliance for Incinerator Alternatives (GAIA)** Asia Pacific has urged the ASEAN to take decisive action in addressing plastic pollution.

Global Alliance for Incinerator Alternatives (GAIA)

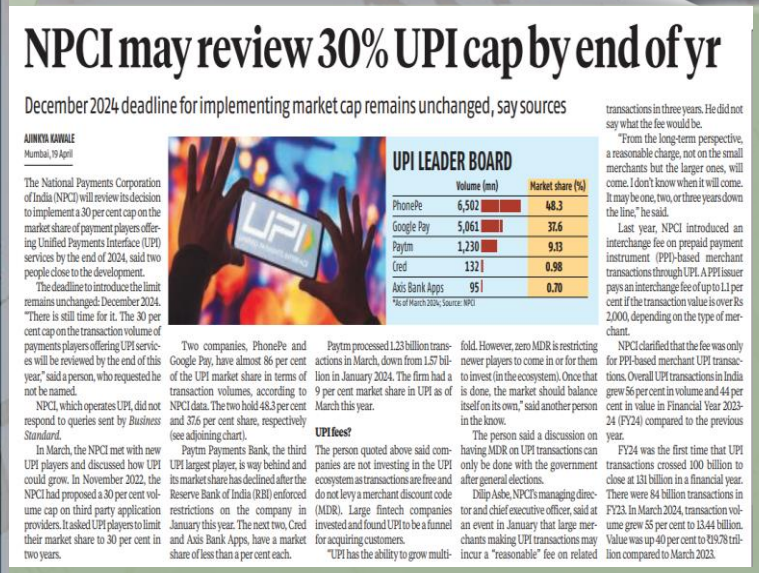
- **About**: GAIA is a worldwide alliance of more than 1,000 grassroots groups, non-governmental organizations, and individuals.
- **Objective**: It aims to power a transition away from our current linear and extractive economy and towards a circular system that supports people's right to a safe and healthy environment.
- **Vision:** GAIA envisions a just, zero-waste world built on respect for ecological limits and community rights, where people are free from the burden of toxic pollution and resources are sustainably conserved, not burned or dumped.
- **Areas of Focus**: This entails fighting pollution and building regenerative solutions in cities through local campaigns, shifts in policy and finance, research and communication initiatives, and movement building.
- **Primary Points of Intervention**: They work on four primary points of intervention: incineration, zero waste, plastic, and climate.

Incineration

- **About**: It is the process of burning hazardous materials at temperatures high enough to destroy contaminants.
- **Materials Treated:** Many different types of hazardous materials can be treated by incineration, including soil, sludge, liquids, and gases.
- **Limitations**: Although it destroys many kinds of harmful chemicals, such as solvents, PCBs (polychlorinated biphenyls), and pesticides, incineration does not destroy metals, such as lead and chromium.
- **Pollution Control**: Modern incinerators include air pollution control equipment (e.g., fabric filters, scrubbers, and electrostatic precipitators) to remove fly ash and gaseous contaminants.

BUSINESS STANDARD Page 4

NPCI
(Syllabus: GS Paper 3 – Economy)



NPCI may review 30% UPI cap by end of yr

December 2024 deadline for implementing market cap remains unchanged, say sources

AJINKYA KAWALE
Mumbai, 19 April

The National Payments Corporation of India (NPCI) will review its decision to implement a 30 per cent cap on the market share of payment players offering Unified Payments Interface (UPI) services by the end of 2024, said two people close to the development.

The deadline to introduce the limit remains unchanged: December 2024. "There is still time for it. The 30 per cent cap on the transaction volume of payments players offering UPI services will be reviewed by the end of this year," said a person, who requested he not be named.

NPCI, which operates UPI, did not respond to queries sent by *Business Standard*.

In March, the NPCI met with new UPI players and discussed how UPI could grow. In November 2022, the NPCI had proposed a 30 per cent volume cap on third party application providers. It asked UPI players to limit their market share to 30 per cent in two years.

UPI LEADER BOARD

	Volume (mn)	Market share (%)
PhonePe	6,502	48.3
Google Pay	5,061	37.6
Paytm	1,230	9.13
Cred	132	0.98
Axis Bank Apps	95	0.70

*As of March 2024; Source: NPCI

Two companies, PhonePe and Google Pay, have almost 86 per cent of the UPI market share in terms of transaction volumes, according to NPCI data. The two hold 48.3 per cent and 37.6 per cent share, respectively (see adjoining chart).

Paytm Payments Bank, the third UPI largest player, is way behind and its market share has declined after the Reserve Bank of India (RBI) enforced restrictions on the company in January this year. The next two, Cred and Axis Bank Apps, have a market share of less than a per cent each.

Paytm processed 1.23 billion transactions in March, down from 1.57 billion in January 2024. The firm had a 9 per cent market share in UPI as of March this year.

UPI fees?

The person quoted above said companies are not investing in the UPI ecosystem as transactions are free and do not levy a merchant discount code (MDR). Large fintech companies invested and found UPI to be a funnel for acquiring customers.

"UPI has the ability to grow multi-fold. However, zero MDR is restricting newer players to come in or for them to invest (in the ecosystem). Once that is done, the market should balance itself on its own," said another person in the know.

The person said a discussion on having MDR on UPI transactions can only be done with the government after general elections.

Dilip Asbe, NPCI's managing director and chief executive officer, said at an event in January that large merchants making UPI transactions may incur a "reasonable" fee on related transactions in three years. He did not say what the fee would be.

"From the long-term perspective, a reasonable charge, not on the small merchants but the larger ones, will come. I don't know when it will come. It may be one, two, or three years down the line," he said.

Last year, NPCI introduced an interchange fee on prepaid payment instrument (PPI)-based merchant transactions through UPI. A PPI issuer pays an interchange fee of up to 1.1 per cent if the transaction value is over Rs 2,000, depending on the type of merchant.

NPCI clarified that the fee was only for PPI-based merchant UPI transactions. Overall UPI transactions in India grew 56 per cent in volume and 44 per cent in value in Financial Year 2023-24 (FY24) compared to the previous year.

FY24 was the first time that UPI transactions crossed 100 billion to close at 131 billion in a financial year. There were 84 billion transactions in FY23. In March 2024, transaction volume grew 55 per cent to 13.44 billion. Value was up 40 per cent to ₹19.78 trillion compared to March 2023.

Context: The National Payments Corporation of India (NPCI) will review its decision to implement a 30% cap on the market share of payment players offering Unified Payments Interface (UPI) services by the end of 2024, said two people close to the development.

Unified Payments Interface (UPI)

- **About:** A system that powers multiple bank accounts into a single mobile application (of any participating bank), merging several banking features, seamless fund routing & merchant payments into one hood.
  - It also caters to the "Peer to Peer" collect request which can be scheduled and paid as per requirement and convenience.
- **Developed by:** National Payments Corporation of India (NPCI).
- **Benefits of UPI**
  - Single-click Two Factor authentication
  - Universal Application for transaction
  - No risk of storing customer's virtual address like in Cards.

National Payments Corporation of India (NPCI)

- **About**: It is an umbrella organization for operating retail payments and settlement systems in India.
- **Established**: As an initiative of the Reserve Bank of India (RBI) and the Indian Banks' Association (IBA), the NPCI operates under the provisions of the Payment and Settlement Systems Act, 2007, to create a robust Payment & Settlement Infrastructure in India.
- **Not-for-Profit Company**: Incorporated as a "Not for Profit" Company under Section 25 of the Companies Act 1956, the NPCI focuses on bringing innovations in retail payment systems through technology for greater operational efficiency and wider payment reach.
- **Innovation in Retail Payment Systems**: The company is dedicated to bringing innovation to retail payment systems by leveraging technology to enhance operational efficiency and expand the reach of payments.
- **Promoted by**: NPCI is promoted by ten major banks, including the State Bank of India, Punjab National Bank, Citibank, Bank of Baroda, and HSBC.
- **Regulatory Board Composition:** The regulatory board of the NPCI, headquartered in Mumbai, includes nominees from the RBI and ten core promoter banks.
- **Payment Systems**: NPCI operates various payment systems, including National Financial Switch (NFS), Immediate Payment System (IMPS), Aadhaar-enabled Payments System (AEPS), and National Automated Clearing House (NACH).

GLOBAL FINANCIAL STABILITY REPORT

(Syllabus: GS Paper 3 – Economy)

Regulating private credit

IMF's analysis of the opaque world of pvt credit has important pointers for Indian regulators

PRIVATE CREDIT IS now so big globally that the International Monetary Fund has dedicated an entire chapter in its latest Global Financial Stability Report to its "rise and risks." In the report released last week, IMF said the private credit market, in which specialised non-bank financial institutions such as investment funds lend to corporate borrowers, topped $2.1 trillion last year in assets and committed capital. Many others such as JPMorgan has argued that the IMF may be under-estimating the true size of the industry and pegs it at well over $3 trillion. About three-quarters of this was in the US, where its market share is nearing that of syndicated loans and high-yield bonds. In the past few years, the private credit market has grown rapidly and institutional investors have eagerly invested in funds that, though illiquid, offered higher returns and less volatility.

Though India is still a relatively small market for private credit, there are important pointers in the report that our policymakers and regulators should take note of. There is no doubt that private credit has created significant economic benefits by providing long-term financing to corporate borrowers. However, the migration of this lending from regulated banks and more transparent public markets to the more opaque world of private credit creates potential risks. Today, immediate financial stability risks from private credit appear to be limited, IMF says. However, given that this ecosystem is opaque and highly interconnected, and if fast growth continues with limited oversight, existing vulnerabilities could become a systemic risk for the broader financial system.

The report has identified a number of other fragilities, too. First, companies that tap this market tend to be smaller and carry more debt than their counterparts with leveraged loans or public bonds. This makes them more vulnerable to rising rates and economic downturns. With the recent rise in benchmark interest rates, more than one-third of borrowers now have interest costs exceeding their current earnings. Second, while private credit fund leverage appears to be low, the potential for multiple layers of hidden leverage within the private credit ecosystem does raise concerns given the lack of data. Leverage is deployed also by investors in these funds and by the borrowers themselves. This layering of leverage makes it difficult to assess potential systemic vulnerabilities of this market.

In comparison to the global numbers, the Indian private credit market is quite small to pose any large, systemic risk. But that's not the point. The market is growing fast — an industry study estimated that assets managed by alternate investment funds (AIFs) are likely to soar to $60-70 billion by 2028—and it's good that regulators in India have been closely watching developments and have from time-to-time issued regulations to stop the abuse of private credit structures. Examples are the Securities and Exchange Board of India's restriction on senior-junior structures for AIFs and the recent Reserve Bank of India circular on restricting regulated entities from investing in funds which make investments in debtor companies of regulated entities. These were required as it is well-known that AIF structures have been abused. But while stepping up the vigil, care needs to be taken that over-regulation does not end up stifling the private credit market, which solves the very real problem of making available credit for certain bona fide purposes and entities, which may not be able to obtain such credit from regular financ-

Context: Private credit has recently become so substantial globally that the International Monetary Fund has dedicated an entire chapter in its latest Global Financial Stability Report to its "rise and risks," released last week.

- Though India is still a relatively small market for private credit, there are important pointers in the report that our policymakers and regulators should take note of.

Global Financial Stability Report

- **About:** It assesses the global financial system and markets, focusing on emerging market financing within a global context.
- **Examination of Market Conditions**: It provides an evaluation of current market conditions, identifying systemic issues that could threaten financial stability and the sustained market access of emerging market borrowers.
- **IMF's World Economic Outlook:** The report draws out the financial implications of economic imbalances highlighted by the IMF's World Economic Outlook.
- **Features**: The report includes special features, such as analytical chapters or essays, addressing structural or systemic issues relevant to international financial stability.

Private Credit

- **About:** It encompasses diverse strategies spanning borrower types and capital structures.
- **Range of Borrower and Asset Types**: From senior secured loans for established corporations to junior unsecured credit for new construction, private credit extends to loans against specialized assets and contractual revenue streams.
- **Risk and Return Dynamics**: Different loan types entail varying levels of risk, offering a spectrum of returns. Senior secured loans provide stability with lower risk, while unsecured and mezzanine strategies offer higher yields with increased credit risk.
- **Yield vs. Capital Appreciation**: Returns in private credit can stem from both yield and potential capital appreciation, with senior secured loans typically emphasizing stable yield.
- **Specialized and Alternative Opportunities**: Specialty credit options, including distressed situations, offer unique cash yields and varied risk/return profiles, catering to specific investment goals.
- **Tailored Investment Strategies**: Private credit portfolios can be customized to meet individual investor objectives, leveraging the diverse array of strategies available.

DISINFLATION

(Syllabus: GS Paper 3 – Economy)

MINUTES FROM THE RBI'S MPC MEETING

'Disinflation gains achieved over two years have to be preserved'

ENS ECONOMIC BUREAU
MUMBAI, APRIL 19

EVEN AS consumer price-based inflation has seen moderation in the past two years, the Reserve Bank of India's (RBI) Monetary Policy Committee (MPC) remained cautious over food inflation risks which may hamper the disinflation process, the minutes of the meeting held on April 3-5 showed on Friday.

In the monetary policy announced on April 5, the six-member MPC left the repo rate unchanged at 6.5 per cent and kept the policy stance as withdrawal of accommodation. RBI Governor Shaktikanta Das said looking ahead, the baseline projections show inflation moderating to 4.5 per cent in 2024-25 (FY25) from 5.4 per cent in 2023-24 and 6.7 per cent in 2022-23.

"The gains in disinflation achieved over last two years have to be preserved and taken forward towards aligning the headline inflation to the 4 per cent target on a durable basis," Das wrote in the minutes of the MPC.

"This success in the disinflation process should not distract us from the vulnerability of the inflation trajectory to the frequent incidences of supply side shocks, especially to food inflation due to adverse weather events and other factors," he said. Das voted for keeping the policy repo rate unchanged and to continue with the focus on withdrawal of accommodation.

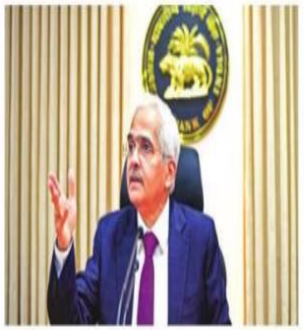
Overlapping food price shocks, apart from imparting volatility to headline inflation, may also result in spillovers to core inflation. Lingering geo-political tensions and their impact on commodity prices and supply chains are also adding to uncertainties in the inflation trajectory. These considerations call for monetary policy actions to tread the last mile of disinflation with extreme care of disinflation with extreme care, the Governor said.

Monetary policy transmission is continuing and inflation expectations of households are also getting further anchored. At this stage, we should stay the course and remain vigilant, he said.

RBI's Deputy Governor Michael Debabrata Patra said the recent inflation prints and high frequency data on salient food prices indicate that food inflation risks remain elevated.

A relatively shallow and short-lived winter trough is giving way to a build-up of price momentum as summer sets in, with forecasts of rising temperatures up to May 2024. Some global food prices are firming up in an environment of rising input costs and supply chain pressures, Patra, who voted for status quo on the policy rate and stance, said. In the MPC minutes, Patra wrote that the headroom provided by the steady core disinflation and fuel price deflation does not assure a faster alignment of the headline with the target.

"Consequently, headline inflation can be expected to remain in the upper reaches of the tolerance band until favourable base effects come into play in the second quarter of 2024-25. Hence, conditions are not yet in place for any let-up in the restrictive stance of monetary policy," the Deputy Governor said. MPC member Rajiv Ranjan CPI headline inflation moderation remains on anticipated lines, though the diverging trajectory between food and core inflation continues. FULL REPORT ON www.indianexpress.com



RBI Governor Shaktikanta Das. File Photo

EXPLAINED

India's growth prospects

THE GROWTH prospects of the Indian economy in FY25 look bright, said RBI Governor Shaktikanta Das, adding lingering geo-political tensions and their impact on commodity prices and supply chains are adding to uncertainties in the inflation trajectory.

Context: "The gains in disinflation achieved over the last two years have to be preserved and taken forward recently towards aligning the headline inflation to the 4 per cent target on a durable basis," the RBI Governor wrote in the minutes of the MPC.

Inflation

- **About**: Inflation happens when the cost of things goes up in an economy, which makes it harder for people to buy stuff and reduces the value of the money they have.
- Inflation tracks how the prices of a collection of goods and services change on average as time passes.
- **Two main sets of inflation indices:** The Wholesale Price Index (WPI) and the Consumer Price Index (CPI).

Disinflation

- **About**: It refers to a temporary deceleration in price inflation, indicating a slight decrease in the inflation rate over a brief timeframe.
- **Measuring Disinflation**: Unlike inflation and deflation, which signify the direction of prices, disinflation focuses on the rate of change in the inflation rate.
- **Economic Stability**: A controlled level of disinflation is essential to prevent the economy from overheating, ensuring a moderate and sustainable economic environment.
- **Causes of Disinflation:** Increases in the supply of money available for use in a nation's economy.
- **Response from Central Banks**: Central banks frequently utilize monetary policy tools to address disinflation.

Deflation and Skewflation

- **Deflation**: It is the opposite of inflation: it's when prices fall instead of rise. In the U.S., deflation is happening across categories like food, energy and household goods, according to consumer price index data.
- **Skewflation**: It is a type of inflation in which the prices of a single commodity or a set of commodities rise while the overall price level remains stable.

TIMES OF INDIA

Apr 19

TIGER CAT

(Syllabus: GS Paper 3 – Env and Eco)

Explained: Why this new tiger cat species has the risk of an uncertain future

Context: The recently discovered clouded tiger cat, a new species found in Brazil, faces threats from deforestation and illegal hunting.

Tiger Cat

- **About**: Also known as the oncilla, cats are small spotted cats that quietly stalk Central and South America, perfectly adapted for clambering in trees and hunting small prey.
- **Size and Shyness**: They are among the shyest and smallest wild cats in the Americas and much smaller than most domestic house cats.
- **Classification:** Until recently, they were split into two species: the northern tiger cat (Leopardus tigrinus), and the Atlantic Forest tiger cat (Leopardus guttulus).
- **Habitat:** The northern tiger cat is native to the savanna and shrublands of the Guiana Shield and central Brazil.
- **Habitat of Atlantic Tiger Cat**: These cat lives further south in forested areas of central to southern Brazil, down through Paraguay and northeastern Argentina.
- **New Species:** Researchers recently concluded that the family includes a third species: the clouded tiger cat (Leopardus pardinoides).

Clouded Tiger Cat

- **About**: It is a new species of forest-dwelling tiger cat.
- **Scientific name**: Leopardus pardinoides.
- **Geographic Distribution**: Found in the cloud forests of the southern Central American and Andean Mountain chains. Ranges from Costa Rica through Panama, Colombia, Peru, Bolivia, to Argentina.
- **Features**: A long-tailed cat with short, round ears, weighing around 2.27 kg.
    - The head resembles that of a margay, covered in dense, soft fur.
    - The fur has a rich reddish/orangish/grayish-yellow background color.
    - Adorned with irregularly shaped medium-large ‘cloudy’ rosettes that are strongly marked and often coalesce.
    - Distinctively, it has only one pair of mammae/teats.

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SHOMPEN TRIBE

(Syllabus: GS Paper 2 – Vulnerable Section)

Shompen cast their vote for the first time

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CHENNAI



A voter from the Shompen tribal community poses for a photo after casting his vote. PTI

For the first time, members of the Shompen, one of the Particularly Vulnerable Tribal Groups (PVTGs) in the country and who reside in the dense tropical rain forests of the Great Nicobar island, on Friday took part in the election process by casting their votes in the Andaman and Nicobar Lok Sabha constituency.

Seven members of the tribe exercised their franchise, said Andaman and Nicobar Islands' Chief Electoral Officer B.S. Jaglan. The estimated population of Shompen was 229, as per the 2011 Census data.

According to provisional figures, the voter turnout was 63.99%. Manikya Rao Yadhav, president of the Andamans unit of the Telugu Desam Party, said polling was extended beyond the scheduled time to accommodate late-comers.

Context: Recently, members of the Shompen, one of the Particularly Vulnerable Tribal Groups (PVTGs) in the country, participated in the election process for the first time by casting their votes in the Andaman and Nicobar Lok Sabha constituency.

Shompen Tribe

- **About**: These are one of the most isolated tribes on Earth, residing in the dense tropical rainforest of Great Nicobar Island in the Andaman and Nicobar group of Islands.
- **Limited Study and Census Data**: They are one of the least studied Particularly Vulnerable Tribal Groups (PVTGs) in India, with only limited information available despite a census conducted in 2011 estimating their population at 229.
- **Refusal of Outside Contact**: Most Shompen individuals remain uncontacted, displaying a reluctance to interact with outsiders and preferring to maintain their isolation.
- **Territorial Identification**: Living in small groups, Shompen territories are identified by the rivers that weave through the rainforest, marking boundaries.
- **Traditional Livelihood Practices**: As semi-nomadic hunter-gatherers, their livelihood revolves around hunting, gathering, fishing, and rudimentary horticultural activities.
- **Language**: Shompen speak their own language with multiple dialects, often unintelligible between bands.
- **Physical Characteristics**: Shompen individuals typically exhibit features such as short to medium stature, round or broad head shape, narrow nose, light brown to yellow-brown skin, and oblique eye features, reflecting Mongoloid ancestry.
- **Family Structure**: Shompen families consist of nuclear units, typically comprising a husband, wife, and unmarried children.
    - The eldest male member holds authority over family affairs, with monogamy being prevalent but polygamy also permitted.

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