Current Affairs - 30 October 2025

TRANSIT ORIENTED DEVELOPMENT

- It is an **urban development strategy** which aims to create the maximum possible numbers of houses, shops, offices and recreational spaces **near public transport facilities.**
- The TOD approach **puts public transportation** at the centre of the urban development plan.
- **Objectives:** To minimise use of personal vehicles, make commutes shorter, and reduce the cost of transport and exposure to pollutants.
- **Principles of Transit Oriented Development**
    - **Transit Hub:** Neighbourhoods built around a TOD strategy are built **around at least one major transit node** such as a metro station or other rail systems.
    - **Multi-modal integration:** Transfers between different modes of transport, such as switching from a metro to a city bus, should be a seamless process.
        - TOD hubs should also have **open public spaces** such as transit plazas and parks to increase street activity and foster a sense of community.
    - **Pedestrian Friendly:** These localities must also be **friendly to pedestrians and cyclists**, since one of the major thrusts of this approach is to take vehicles off the road.
    - **Dense Mixed Use:** TOD localities **should be mixed-use**, so that people can live, work, and relax within a small radius.
- **Advantages of Transit Oriented Development:**
    - To transportation agencies, it offers an additional source of **non-ticket revenue.**
    - For land-owning agencies and governments it appears as a **mode of value-capture financing**, which allows them to fund public projects through potential increases in land values resulting from these projects.

CHINA'S WTO COMPLAINT AGAINST INDIA'S PLI SCHEME

- China has formally filed a complaint with the **World Trade Organisation (WTO)** against India, alleging that several of India's **Production-Linked Incentive (PLI) schemes** violate global trade rules.
- Beijing claims that these schemes, aimed at promoting the manufacturing of **advanced chemistry cell (ACC) batteries**, **automobiles**, and **electric vehicles (EVs)**, provide subsidies contingent on the use of **domestic goods**, thereby discriminating against imported products, including those from China.
- This dispute marks one of the most significant trade confrontations between India and China within the WTO framework in recent years, highlighting the broader tension between **industrial policy ambitions and international trade rules**.

Understanding the PLI Scheme

- Launched in **2020**, India's **PLI scheme** is a flagship initiative designed to strengthen domestic manufacturing, attract global investment, and integrate India into **global value chains (GVCs)**.
- The scheme provides **financial incentives to companies based on incremental sales** of goods manufactured in India, aiming to make domestic industries globally competitive while fostering innovation and employment generation.
- The three PLI schemes challenged by China are:
    - **PLI for Advanced Chemistry Cell (ACC) Batteries:** Encourages giga-scale battery manufacturing for EVs and energy storage systems.
    - **PLI for the Automobile and Auto Components Sector:** Promotes the development of **Advanced Automotive Technology (AAT)** products, including EV components.
    - **PLI for the Electric Vehicle (EV) Ecosystem:** Aims to attract major global EV manufacturers and reduce import dependence.

China's Allegations Against India

- China's central argument rests on the claim that these PLIs amount to **prohibited subsidies** under the WTO's **Subsidies and Countervailing Measures (SCM) Agreement**.
- Beijing contends that:
  - The PLI schemes are **"Import Substitution (IS) subsidies"**, as they encourage companies to use **domestically produced goods** over imported ones.
  - For example, the **PLI for the auto sector** mandates a **50% Domestic Value Addition (DVA)** requirement, while the **ACC battery scheme** stipulates a **25% DVA threshold** for eligibility.
  - These conditions, China argues, **discriminate against foreign inputs** and are inconsistent with WTO rules that prohibit subsidies contingent upon the use of domestic over imported goods.
- China maintains that such subsidies distort market competition and hinder its exports to India, particularly in sectors like EV batteries and automotive components, where Chinese manufacturers are global leaders.

India's Likely Defence

- **Non-Contingency on Local Content:** The **Domestic Value Addition (DVA)** benchmarks do not explicitly mandate the use of Indian goods; instead, they assess **value creation within India**, which can include imported components that undergo processing or transformation.
- **Developmental Objective:** The schemes are part of India's broader industrial and climate strategy, promoting green mobility, battery storage, and self-reliance — areas considered essential for sustainable growth.
- **Compliance with WTO Principles:** India may argue that the subsidies are **non-actionable**, as they promote innovation, environmental sustainability, and technology diffusion — consistent with the WTO's broader developmental objectives.

GLOBAL INVESTORS REIMAGINE INDIA'S FINANCIAL SECTOR

- **India's financial landscape is undergoing a major transformation** as global giants — from Emirates NBD, Blackstone, Zurich Insurance, SMBC, Abu Dhabi's IHC to Bain Capital — are **acquiring significant stakes** in Indian banks, insurers, and NBFCs.
- This marks **a new phase of foreign capital infusion** into a sector once considered over-regulated and closed, highlighting **a strategic shift amid capital liberalisation.**

Evolution of India's Financial Sector:

- **From protectionism to liberalisation:**
  - Historically, India's financial sector was **tightly regulated with limited foreign participation**.
  - **Gradual policy reforms** by the RBI and the government have allowed greater foreign ownership -
    - Up to 100% in insurance companies.
    - Up to 74% in private banks (with approval).

Why Global Giants Are Investing?

- **Robust growth fundamentals:**
  - India's economy is growing at **6.8%** (RBI estimate).
  - **The banking sector** generated $46 billion net income (2024) with 31% YoY growth — higher than global average (McKinsey report).
  - **Credit growth** is driven by small businesses, retail and housing sectors.
- **Structural strengths:**
  - **Low corporate leverage** and focus on secured retail lending.
  - India presents a vast, untapped and rapidly expanding financial market with **over 400 million underbanked population**, and a vast informal credit system.
  - **Digital infrastructure** (UPI, Aadhaar, Jan Dhan) enables penetration and cost-efficient service delivery.
- **Global context:**

- **Stagnation in developed markets (US, Europe).**
- **China's** tightening regulations and geopolitical risks have diverted capital toward India.
- **India** offers scale, political stability, demographic advantage, and credible regulation.

Opportunities and Strategic Advantages:

- Global investors gain **immediate access** to licenses, branch networks, and customer bases — saving years of setup.
- For India, it brings **foreign capital, innovation, and best practices** in risk management and governance.
- Aids India's march toward becoming a **$7 trillion economy by early 2030.**

Risks and Concerns:

- **Financial sovereignty:** Majority foreign ownership could shift strategic control offshore. Policy alignment during crises may not match domestic priorities.
- **Exposure to global shocks:**
  - Rising global interest rates or liquidity tightening could lead to capital withdrawal, straining domestic credit flows.
  - **Lehman Brothers** collapse (2008) serves as a reminder of global contagion risk.
- **Competitive distortions:** Foreign-owned entities may access cheaper global capital, disadvantaging domestic banks under tighter norms.
- **Need for regulatory clarity:** Larger and complex deals call for clearer frameworks on foreign control thresholds and compliance protocols.

Conclusion:

- India's financial sector stands at a **turning point** — transitioning from protectionism to global integration.
- The surge in foreign investments underscores **international confidence** in India's macroeconomic fundamentals, digital infrastructure, and regulatory credibility.

PROPERTY RIGHTS OF MINORS IN INDIA

Laws Governing Property Rights of Minors

- Property transactions involving minors are regulated by three key laws:
  - The Indian Contract Act, 1872
  - The Hindu Minority and Guardianship Act, 1956
  - The Guardians and Wards Act, 1890
- **Minors Cannot Enter into Contracts**
  - Under **Section 11 of the Indian Contract Act**, only adults of sound mind can enter into valid contracts.
  - Any contract made by a minor is void from the beginning (void ab initio). This means it cannot be enforced by or against the minor.
  - Exceptions:
    - If the contract benefits the minor or provides necessities like food or education, the cost may be recovered from the minor's property.
    - A guardian can enter into a contract only if it benefits the minor.
    - A minor cannot be a business partner but may receive profit shares under a valid agreement.
- **Restrictions on Guardian's Power to Sell Property**
  - Under **Section 8 of the Hindu Minority and Guardianship Act**, 1956, a natural guardian can manage a minor's property only for their benefit.
    - The guardian cannot sell, mortgage, gift, or lease immovable property without court approval.
    - If such a sale happens, **Section 8(3)** makes it "voidable at the instance of the minor", meaning the minor can cancel it after turning 18.
  - Similarly, **Section 29 of the Guardians and Wards Act**, 1890 also says a guardian needs court permission to dispose of a ward's property.
- **How a Minor Can Challenge the Sale After Majority?**

  - When a guardian sells property without permission, the law allows the now-adult person to challenge it.
  - Traditionally, courts held that a formal case must be filed to cancel such a sale.
  - However, in **Abdul Rahman v. Sukhdayal Singh** (1905), the court ruled that filing a suit is not always necessary — a clear act of repudiation, like reselling the property, is enough to show rejection.
- **Time Limit for Challenging Such Sales**
  - According to the **Limitation Act, 1963**, the person has three years after turning 18 to challenge or reject a property sale made by their guardian without court approval.

Supreme Court on How Minors Can Reject Property Sales

- The Supreme Court clarified how a person can repudiate (reject) a property sale made by their guardian without court approval once they become an adult.
- The Court ruled that a **minor, after turning 18**, can reject such a sale in **two ways**:
  - **By filing a formal case (suit)** to cancel the sale deed, or
  - **By clear conduct** that shows they do not accept the earlier sale — for example, **reselling the property** or taking actions inconsistent with the guardian's sale.
- The Court said that once the person rejects the sale, it becomes **void from the beginning**, and the **buyer gains no rights** over the property.
- **Application in This Case**
  - The Court observed that the sons, after becoming adults, sold the same property within three years — the period allowed under law.
  - Their names still appeared in the revenue records, and the earlier buyers had never taken possession.
  - This conduct was enough to prove that the sons had repudiated their father's sale, so no separate case was needed.

HASTINAPUR WILDLIFE SANCTUARY

- It is located in the Meerut District of **Uttar Pradesh.**
- Established in 1986, it lies alongside the **northern tip of the River Ganga,** flowing through the districts of Muzaffarnagar and Bijnor.
- It is situated near the **mediaeval town of Hastinapur,** which is of cultural importance.
- It is spread across an area of 2073 sq.km.
- It is made up of a variety of environments, including **marshes, grasslands, woodlands,** and **riverine ecosystems.**
- The **Ganges River and its tributaries flow through the sanctuary,** contributing to its rich biodiversity.
- **Vegetation**: The vegetation can be classified into **tall wet grasslands, dry short grasslands, scrubs, and plantations.**

Flora: Dominated by **Sal** (Shorea robusta), **Sheesham** (Dalbergia sissoo), **Khair** (Acacia catechu), and Jamun (Syzygium cumini) trees.

Fauna:

- It is home to the **state animal, the Swamp Deer (Barasingha)**, as well as **Hog Deer, Cheetal, Sambar,** and the State Bird, the Saaras (Crane).
- It is a **part of the "Asia Flyway" project,** and many **migratory birds,** both local and foreign, flock in numbers near the numerous water bodies present in the region.
- Under **Crocodile Breeding Projects, b**aby crocodiles are released in the Ganga River near Hastinapur.
- **Under the aegis of the World Wide Fund (WWF), the Turtle Rehabilitation Program** also has its centre near the Hastinapur Sanctuary.

Current Affairs - 30 October 2025

MODEL YOUTH GRAM SABHA

- It is a **simulated forum for School Children** to participate in **mock Gram Sabha sessions**.
- It is a pioneering **initiative to strengthen Janbhagidari** and promote participatory local governance by **engaging students in simulated Gram Sabha sessions.**
    - It is an initiative **based on the Model UN** – an educational simulation of the United Nations – in schools across the country

Initiative of: It is an initiative of the **Ministry of Panchayati Raj,** in collaboration with **Ministry of Education and Ministry of Tribal Affairs.**

Implementation: It will be rolled out across more than **1,000 schools nationwide**, including **Jawahar Navodaya Vidyalayas**, **Eklavya Model Residential Schools** (EMRSs), and **State Government Schools.**

Key Features of Model Youth Gram Sabha

- **Students from classes 9-12** will play the roles of sarpanch, ward members, and village-level officials, including village secretary, Anganwadi worker etc.
- They will hold mock **meetings of the Gram Sabha,** discuss various issues, and prepare the village budget and development plans.
- The Panchayati Raj Ministry will also provide a **support of Rs 20,000** to each school for holding the mock Gram Sabha.
