

**DAILY
CURRENT
AFFAIRS
ANALYSIS**

 LAKSHYA ACADEMY®

24 AUGUST 2023

1 – Wholesale Inflation:

GS III

Topic → Indian Economy:

- **Information on the Wholesale Price Index (WPI):**

- The wholesale price index represents the price of a basket of wholesale goods. WPI focuses on the price of goods that are traded between companies. It doesn't concentrate on the products that consumers buy.
- The main objective of WPI is to track price drifts that reflect supply and demand in manufacturing, construction, and industry.
- WPI assists in assessing an economy's macroeconomic and microeconomic components.

- **WPI's significance:**

- In a dynamic world, prices fluctuate over time.
- The inflation rate, a key indicator of how quickly prices are changing, is calculated using the movement of the Wholesale Price Index (WPI).
- Because WPI properly reflects price changes, the government, banks, industry, and business circles use it frequently.
- Variations in the WPI are usually linked to significant changes in monetary and fiscal policy.
- Similar to this, the movement of WPI affects the formulation of trade, fiscal, and other economic policies by the Indian government.
- As a result of the WPI index, escalation clauses are also utilised in the supply of machinery, construction activities, and raw materials.
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- *Source → The Hindu*

2 – MCA 21 Portal:

GS II

Topic → Government Policies and Interventions:

- **About:**

- Utilizing cutting-edge technologies can further streamline the stakeholder experience and corporate compliance.
- MCA 21 is one of the Indian government's Mission Mode projects.
- MCA21 Version 3.0 is presented in the 2021 Budget introduction.
- Through its web site MCA21, the Ministry of Corporate Affairs (MCA) has made all company-related information accessible to all stakeholders including the general public. In 2006, it made its premiere.
- It is suggested that the full project, which would be driven by data analytics and machine learning, be introduced during the fiscal year 2021–2022.
- In addition to improving the present services and modules, the full MCA21 V3.0 will also introduce new features like e-adjudication, a compliance management system, an enhanced helpdesk, feedback services, user dashboards, self-reporting tools, and redesigned master data services.
- A revamped website, two new modules (e. Book and e. Consultation), and new email services for MCA Officers are also included.

- **Objective:**

- The Limited Liability Partnership Act of 2008, the New Companies Act of 2013, and the Companies Act of 1956 all set forth requirements that are to be enforced and complied with in a proactive manner. This law is designed to fully automate all procedures related to that enforcement and compliance. The business community will find it simpler to fulfil its legal obligations as a result.

- **Benefits:**

- There is a mechanism for tracking previous legislative amendments, and the most recent law is readily accessible.
- It will modify corporate compliance culture and increase public confidence in the legal and business structure.
- *Source → The Hindu*

3 – 10th Schedule of Indian Constitution:

GS II

Topic → Indian Constitution:

- **What is the anti-defection law?**
- The Tenth Schedule was added to the Constitution in 1985 as a result of the 52nd Amendment Act.
- It describes the process by which lawmakers may be removed from their positions on a legislative body due to defection, as requested by any other member of the House.
- The ultimate decision on disqualification due to defection rests with the Chairman or Speaker of that House.
- The act applies to both the national and state legislatures.
- **Disqualification:**
- **Whenever someone is a member of a political party:**
 - willingly leaves his political party, votes against the intentions of his party, or doesn't cast a ballot in the legislature. However, if the party granted prior consent or granted forgiveness within 15 days of the vote or abstention, the member will not be disqualified.
 - if, after the election, an independent candidate switches their party affiliation.
 - A nominated legislator joins a party six months after being chosen to serve in the legislature.
- **Examples of the exceptions:**
 - Legislators occasionally have the option to change parties without being subject to disqualification.

- If approved by at least two-thirds of its legislators, a party may merge with or into another party in conformity with the law.
- Both those who choose to join the original party and those who prefer to stick with it will not be excluded in such a scenario.
- **A judge is permitted to review the Presiding Officer's choice:**
 - The original law does not permit judicial review of the Presiding Officer's decision. In 1992, the Supreme Court overturned this provision, allowing appeals of the Presiding Officer's decision to be brought to the High Court and Supreme Court. The Presiding Officer's order had to come first, therefore no legal action could be initiated until then.
- **Advantages of legislation preventing defection:**
 - prevents changes in party identification, which offers the government stability.
 - guarantees that candidates remain devoted to the party and the electorate.
 - keeps party discipline in check.
 - permits the merger of political parties without activating anti-defection regulations.
 - expects to reduce political corruption.
 - describes the penalties that will be applied to a member who changes parties.
- **Several suggestions are presented to alleviate the issues the statute has caused:**
 - The Goswami family Committee for electoral reform: Only the circumstances listed below ought to result in disqualification:
 - A party member voluntarily leaves that company. A member either abstains or casts a no or no vote in response to a motion for or against confidence. Political parties could only issue whips when the government was in danger.
- **170th Report of the Law Commission:**
 - The provisions that exempt mergers and splits from disqualification shall be eliminated. In order to prevent defection, pre-election electoral fronts should be treated as political parties. Whips should only be used by political parties in dire circumstances if there is a danger to the nation's security.
- **Election Commission:**
 - The legally-binding advice of the Election Commission shall be the basis upon which the President or Governor shall base decisions under the Tenth Schedule.

- *Source → The Hindu*

4 – Lithium Reserves in India:

GS III

Topic → Indian Economy:

- **What Are Inferred Resources?**

- A mineral resource is referred to as "inferred" if its amount, grade, and mineral composition are only provisionally estimated.
- It is predicated on information gathered from locations like as outcrops, trenches, pits, workings, and drill holes, which may be of different quality and less reliable than geological evidence.
- It is based on the United Nations' 1997 publication of the International Framework Classification of Reserves and Resources for Solid Fuels and Mineral Commodities (UNFC-1997).

- **About Lithium:**

- Lithium (Li), a delicate, silvery-white metal, is increasingly in demand in rechargeable batteries and is frequently referred to as "White gold."

- **Extraction:**

- Lithium can be recovered in a variety of ways depending on the deposit type, usually by sun evaporation of huge brine lakes or by hard-rock extraction of the ore.

- **Uses:**

- In electrochemical batteries used in electric vehicle (EV), laptop, mobile, and other batteries, lithium plays a key role.
- It is also used in thermonuclear reactions.
- It is used to make stronger and lighter alloys with magnesium and aluminium.
- To cover armour, magnesium-lithium alloy is employed.
- Aircraft, bicycle frames, and high-speed trains all make use of aluminum-lithium alloys.

- **Significant lithium reserves worldwide:**

- Chile, Australia, and Argentina have the most Li deposits.
- The Lithium Triangle consists of Bolivia, Bolivia, and Chile.

- **Lithium Reserves in India:**

- A preliminary analysis of a tiny plot of land in the Mandya district of southern Karnataka found estimated lithium reserves amounting to 14,100 tonnes.

- **Other potential places:**

- Mica belts can be found in Rajasthan, Bihar, and Andhra Pradesh.
- Pegmatite bands can be found in Odisha and Chhattisgarh.
- Gujarati Kutch Rann.

- **How does India currently satiate its lithium needs?**

- India must import its lithium batteries and cells for the time being. Over 165 crore lithium batteries are expected to have been imported into India between FY17 and FY20 at a cost of up to \$3.3 billion.
- The nation's efforts to secure lithium sourcing agreements are thought to be aimed at Chinese imports, which are the primary source of both raw materials and cells.
- India is seen as a latecomer to the lithium value chain because it joined at a time when it is predicted that the market for electric vehicles will undergo significant disruption.
- With many Li-ion breakthroughs possible, the year 2023 is viewed as a turning point in battery technology.

- **What is the importance of this discovery?**

- India has pledged to reach net zero emissions by 2070, hence the availability of lithium as a component in EV batteries is essential.
- India's Central Electricity Authority estimates that in order to power the 27 GW of grid-scale battery energy storage devices that would be required by 2030, the country will need vast amounts of lithium.

- **Source** → *The Hindu*