Prelim Bits 29-03-2023 | UPSC Daily Current Affairs

Interchange Fee

The NPCI has introduced interchange fees of up to 1.1% on merchant UPI transactions done using prepaid payment instruments (PPI) from April 1, 2023.

- The new National Payments Corporation of India (NPCI) guidelines on wallet interoperability establish interchange fee for wallet usage.
- The NPCI has introduced interchange fees on merchant ***UPI transactions done using PPIs*** from April 1, 2023.
- The interchange rates vary according to merchant category codes, in the range of 0.5% to 1.1%.

A PPI payment via UPI means a transaction done via a wallet, like Paytm Wallet, through a UPI QR code.

- **Interchange fee -** It is a fee charged by the receiver bank/payment service provider to the merchant.
- **Receiver of interchange fee -** The PPI owner will receive the applicable interchange fee from the merchant.
- The interchange fee is usually levied to cover the cost of accepting, processing and authorising the transaction.
- **Does not apply to -** Users will not be charged for these transactions.
- Peer-to-peer (P2P) and peer-to-peer-merchant (P2PM) transactions also remain unaffected.

Merchant Discount Rate (MDR) *is a similar fee charged on merchants but for payments made by users* ***via credit cards****.*

References

1. Business Line - Interchange on UPI transactions via PPIs
2. Hindustan Times - NPCI recommends Interchange Fee
3. Business Insider - Will UPI payments now attract charges?

Piezoelectric Effect

Scientists have reported evidence of the piezoelectric effect in liquids, for the first time.

- Piezoelectric effect was found in 2 pure ionic liquids (i.e. liquids made of ions instead

of molecules) at room temperature.
- The liquids also displayed the inverse piezoelectric effect: they became distorted when an electric charge was applied.
- **Piezoelectric effect -** It is a phenomenon where specific types of material produce an electric charge proportional to the mechanical stress applied to them.
- The piezoelectric effect was discovered in 1880, in quartz.
- Quartz, topaz, etc. are few examples of piezoelectric crystals.
- **Applications -** Such crystals are used in cigarette lighters, electric guitars, TV remote controls, audio transducer.
- Quartz is the most famous piezoelectric crystal which is used in this capacity in analog wristwatches and clocks.

References

1. The Hindu - Scientists spot piezoelectric effect in liquids for the 1st time
2. Science Direct - Piezoelectric Effect

MPA in Antarctica

The Union minister of state for science and technology and earth sciences said that India will continue to support setting up 2 MPAs in Antarctica.

- A marine protected area (MPA) is a section of the ocean where a government has placed limits on human activity.
- An MPA provides protection for all or part of the protected marine area's natural resources.
- It is managed for the long-term conservation of marine resources, ecosystem services or cultural heritage.
- Certain activities within an MPA are limited or prohibited to meet specific conservation, habitat protection, ecosystem monitoring, or fisheries management objectives.
- Marine protected areas can have many different names, including marine parks, marine conservation zones, marine reserves, marine sanctuaries, and no-take zones.
- **Southern Ocean** - The Southern Ocean that encircles Antarctica covers around 10% of the global ocean and is home to nearly 10,000 unique polar species.
- The Southern Ocean has 2 MPAs
    1. One in the southern shelf of the South Orkney Islands.
    2. The other in the Ross Sea.
- These fully protect only 5% of the ocean.
- All types of fishing, other than scientific research, are prohibited within the southern shelf of the South Orkney Islands MPA.
- Discharges and dumping from fishing vessels are also not allowed.
- In the Ross MPA, 72 % of the waters are closed to commercial fishing.
- **Designation of MPAs -** The Commission for the Conservation of Antarctic Marine Living Resources (CCAMLR) is responsible for designating and regulating MPAs in the Southern Ocean.
- **Proposed MPAs -** Since 2012, the European Union and Australia have proposed an MPA in East Antarctica.

- An MPA was proposed in the Weddell Sea by the EU and Norway and in the waters surrounding the Antarctic Peninsula by Chile and Argentina.
- In 2021, India extended its support for designating East Antarctica and the Weddell Sea as MPA.

Conservation of Antarctic Marine Living Resources

- **CCAMLR -** CCAMLR is an international treaty to manage Antarctic fisheries to preserve species diversity and stability of the entire Antarctic marine ecosystem.
- CCAMLR came into force in April 1982. And India has been its permanent member since 1986.
- Its Members include 25 states and the European Union, which meet annually in Hobart, Australia.
- **CCAMLR India coordinator -** The Ministry of Earth Sciences and the Centre for Marine Living Resources and Ecology (CMLRE) in Kochi, Kerala.

References

1. Down To Earth - India supports MPA in Antarctica
2. Antarctic and Southern Ocean Coalition

Captive Employment Initiative

The Union Minister for Rural Development initiates 'Captive Employment' initiative under Deen Dayal Upadhyaya Kaushalya Yojana (DDU-GKY).

- The Ministry of Rural Development (MoRD) signed a MoU with 19 Captive Employers.
- **Aim -** To train and provide jobs for rural youth under the Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY).
- **RTD model -** The Captive Employment Guidelines ensures the RTD (Recruit, Train and Deploy) model.
- The RTD model address the needs of the industry, train accordingly and ensure sustainable placements for rural youth.
- **Captive Employer initiative -** It is a unique initiative designed to create a versatile and demand-driven skill development ecosystem.
- This initiative caters to the needs of industry partners, ensuring long-term employment for underprivileged rural youth.
- **Captive Employers** - It refers to companies or industries that select rural youths, skill them, and deploy them in one of their own establishments, sister-concerns or subsidiaries.
- Any placements that arise from this scheme are called captive placements.
- This provides more hands-on training at the job site itself, as per industry requirements.
- Captive Employers are required to
    1. Offer captive (in-house) placement to all the trained candidates and

    2. Provide captive employment to a minimum of 70% of trained candidates for a period of 6 months.
- Captive employment gives a minimum salary of Rs 10,000 (for less than 6 month course) and Rs 12,000 (for more than 6 month course).

References

1. PIB - MoRD initiates 'Captive Employment' under DDU-GKY
2. India Today - MoRD signs MoU with 19 'Captive Employers'

Muslim personal law on Inheritance

A Muslim couple from Kerala recently decided to get their marriage registered under the Special Marriage Act (SMA) to ensure their daughter's inheritance.

- The couple's marriage under Special Marriage Act will enable their daughters to inherit the couple's property under the Indian Succession Act, 1925.
- **Shariat -** Inheritance for Muslims in India is governed by the Muslim Personal Law (Shariat) Application Act, 1937.
- This legislation that codifies Shariat recognises 2 kinds of legal heirs - sharers and residuaries.
    1. **Sharers -** A legal heir who gets a share in the inheritance are 12 categories including Husband, Wife, Daughter, Father, Mother, Paternal Grandfather, Paternal Grandmother, Sisters and Brothers.
    2. **Residuaries -** Residuary heirs can be aunts, uncles, nieces, nephews and other distant relatives.
- The value of their share depends on several scenarios.
- **Daughters -** Daughters cannot inherit more than half of what the sons inherit.
- When a couple has only a daughter or daughters, the daughters can inherit only two-thirds of father's property.
- **Other Options -** The Islamic division of property clauses for relatives comes into force once a person dies.
- There 2 options for transfer of wealth as per their wish.
    1. **Vasiyat -** Under this, 1/3 of the estate can be willed (declared upon death) in favour of anyone and the remaining will be divided as per religious law.
    2. **Virasat -** Under virasat (inheritance), there is the option of *hiba* which allows unrestricted transfer of wealth or property to a person during the lifetime of the donor.
- But *hiba* is like a gift deed which can be made during one's lifetime.
- **To know about -** Right of women to family properties under Hindu Succession Act - Click here.

References

1. The Hindu - What does Muslim personal law say on inheritance?
2. IE - Why a Muslim couple in Kerala is remarrying?



SHANKAR
IAS PARLIAMENT
Information is Empowering