



Daily Current Affairs



To The Point

by Dhananjay Gautam

Table Of Content **04 June 2025**

1. India's Digital Asset Boom
2. Rare Sighting in Kerala
3. Raigad Fort: A Timeless Symbol of Maratha Pride and Power
4. India Accelerates Toward Green Mobility
5. Paraguay in the Spotlight
6. Global Action for Glacial Protection



Subscribe to our

You Tube *Freedom UPSC with Dhananjay Gautam*

1

India's Digital Asset Boom: Regulating the Future of Cryptocurrencies and NFTs

Context: India is witnessing an explosive rise in **Virtual Digital Asset (VDA)** adoption, especially at the grassroots level. With over **\$6.6 billion** invested by retail investors and a projected **800,000 jobs** in the sector by **2030**, India stands at the cusp of a financial revolution. However, this growth comes against the backdrop of an evolving yet uncertain regulatory environment that urgently needs clarity and structure.

**What Are Virtual Digital Assets (VDAs)?**

Virtual Digital Assets are **digitally stored, transferrable, and tradable representations of value**. They exist primarily on **blockchain networks** and include:

- **Cryptocurrencies:** Decentralized digital currencies like Bitcoin and Ethereum that use **cryptographic algorithms** to secure transactions and verify ownership.
- **Non-Fungible Tokens (NFTs):** **Unique digital items** (art, music, in-game assets) with **verified ownership**, often representing **real-world rights or identity**.

These assets are increasingly being used not only for **investment and payment** but also for **tokenizing real-world assets** like real estate, artworks, and intellectual property.

India's Legal Framework: A Step Towards Mainstream Recognition

The **Income Tax Bill, 2025** marks a **turning point** for the VDA ecosystem in India by:

- Classifying **cryptocurrencies and NFTs** as **capital assets**.
- Taxing gains from VDA sales or transfers under **capital gains tax**, similar to **stocks and real estate**.

This move brings **India in line with global regulatory standards**, as seen in the **United Kingdom, United States, and Australia**, offering legal clarity and deterring misuse of digital assets for illicit financial activity.

Additionally, since **March 2023**, VDAs fall under the scope of the **Prevention of Money Laundering Act (PMLA), 2002**, strengthening compliance and improving oversight.

Global Insights: Learning from International Standards:

- International bodies like the **IMF** and **FATF** push for **risk-based regulation** supported by **Virtual Asset Service Providers (VASPs)**.
- **VASPs** act as compliant domestic intermediaries that aid in **AML (Anti-Money Laundering)** and **CFT (Countering the Financing of Terrorism)** frameworks.
- In India, VASPs have stepped up by **enhancing cybersecurity**, creating **insurance funds**, and following **industry-wide guidelines**, particularly after the **\$230 million crypto exchange hack in 2024**.

India's Regulatory Dilemma: Innovation vs. Control

India's **strict capital control policies** and centralized banking systems often conflict with the **decentralized architecture** of VDAs. This has led to several challenges:

- In **2018**, the **RBI banned banks** from dealing in crypto—later overturned by the **Supreme Court in 2020**.
- In **2022**, the government introduced:
 - **30% tax on gains** from VDAs



- 1% TDS on transactions above 10,000
- No offsetting of losses

These measures drove a large portion of **crypto trading offshore**, causing **tax revenue losses exceeding 2,488 crore** and increased use of **unregulated platforms** accessed through **VPNs and proxy networks**.

Supreme Court's Recent Take:

In **May 2025**, the **Supreme Court of India** acknowledged the disconnect between the **rapidly growing crypto ecosystem** and the absence of a **comprehensive regulatory framework**. The Court warned that merely banning or ignoring VDAs is **not a sustainable policy approach**, as it does not reflect **on-ground realities**.

The Road Ahead: Building a Balanced Framework:

India must act swiftly to **build a regulatory framework** that is:

- **Transparent and innovation-friendly**
- **Investor-protective**
- **Globally aligned**
- Supportive of **domestic VASP growth**
- Focused on **cybersecurity and tax compliance**

A robust policy could turn India into a **global hub for digital assets**, capitalizing on its **tech talent, startup ecosystem, and youth-driven digital economy**.

Did You Know?

- **India ranks #1 in grassroots crypto adoption** (Chainalysis 2023).
- Over **100+ Indian startups** operate in the blockchain and Web3 space.
- The **G20 Summit 2023**, under India's presidency, prioritized **global crypto regulation** as a key agenda item.

Conclusion: From Regulation to Leadership

India stands on the edge of a historic opportunity to shape the **future of finance** through **Virtual Digital Assets**. A well-structured, adaptive regulatory regime can unlock **economic growth, technological advancement, and global leadership**—ensuring India doesn't just participate in the digital revolution but leads it.

2 Rare Sighting in Kerala: Caspian Gull Spotted for the First Time

Context: In a significant development for India's birding community, a **Kozhikode-based ornithologist** has recorded the **first-ever sighting of the rare migratory bird, the Caspian Gull (*Larus cachinnans*)**, in Kerala. This unexpected appearance marks a new milestone in the documentation of avian biodiversity in the region.



Meet the Caspian Gull: A Rare Avian Wonder

The **Caspian Gull** is a **large, monotypic, white-headed gull** species and one of the **least commonly observed gulls** in India. Despite its wide range, it is often overlooked due to its **close resemblance to the Steppe Gull**, making accurate identification a challenge even for experienced birders.

Preferred Habitat:

This species prefers **flat, low-lying areas near water bodies**, especially during the breeding season. It typically nests:

- Around **steppe lakes**
- In **semi-desert reservoirs**
- Along **grassy or shrubby river islands**
- Near **reedbed-covered lakes**, mostly in **Central Asia**

These habitats offer ideal conditions for nesting and feeding.

Diet and Feeding Behavior:

The **Caspian Gull's diet** is varied and opportunistic. It mainly feeds on:

- **Fish**
- **Invertebrates** like insects and mollusks
- Occasionally scavenges on carrion and human waste in urban or coastal areas

Its **foraging habits** make it adaptable to both natural and semi-urban environments.

Migratory Route and Seasonal Movement:

Although commonly found in **Central Asia**, the Caspian Gull **winters in parts of northwestern India**, such as **Gujarat**. Its traditional migratory path includes:

- **Breeding in regions near the Black Sea and Caspian Sea**
- **Migrating through southern and eastern Kazakhstan, western China**
- **Wintering in western India, the Persian Gulf, eastern Mediterranean, and parts of Africa**

Interestingly, in recent years, **increasing numbers** have been recorded wintering in **northern and western Europe**, including countries like **Sweden, Denmark, and Norway**.

Conservation Status:

According to the **IUCN Red List**, the **Caspian Gull** is classified as "**Least Concern**", indicating a **stable global population**. However, sightings in southern India are **extremely rare**, making this Kerala observation **noteworthy for conservationists and researchers**.



Did You Know?

- The Caspian Gull was once considered a subspecies of the **Herring Gull**, but was **reclassified as a distinct species** due to genetic and morphological differences.
- It exhibits **regional plumage variations**, which often complicate its field identification.
- Gulls play a vital ecological role as **natural scavengers**, helping maintain the health of aquatic and coastal ecosystems.

Conclusion: A Rare Visitor Brings New Insight

The sighting of the **Caspian Gull in Kerala** offers fresh data for ornithologists and highlights India's **importance as a migratory hub** for birds from across Eurasia. This rare appearance is a **reminder of the rich biodiversity** in India and the need for continued research and conservation efforts to **monitor avian migration patterns** in the face of climate change and habitat loss.



3

Raigad Fort: A Timeless Symbol of Maratha Pride and Power

Context: In a significant archaeological breakthrough, a 'Yantraraj' (astrolabe) has been unearthed at **Raigad Fort**, the historic capital of **Chhatrapati Shivaji Maharaj**. This ancient scientific instrument was discovered during a **joint excavation by the Archaeological Survey of India (ASI)** and the **Raigad Development Authority**, highlighting the fort's **cultural and scientific legacy**.



Raigad Fort: The Maratha Citadel in the Sahyadris

- **Raigad Fort**, majestically perched in the **Raigad district of Maharashtra**, stands as an enduring emblem of the **Maratha Empire**. Located in the **rugged Sahyadri ranges (Western Ghats)**, the fort rises **2,700 feet above its base** and reaches an altitude of **4,449 feet (1,356 meters) above sea level**, offering commanding views of the surrounding valleys.

The fort is uniquely isolated, **surrounded by the Kal and Gandhari river valleys**, and is accessible only through a **steep path and flight of steps**—a natural defense mechanism.

Strategic Architecture and Features:

- The **fort's architecture** reflects meticulous military planning, with **multi-layered fortifications**, robust **bastions**, and fortified **gateways** designed to resist siege and assault.
- An **artificial reservoir**, known as '**Ganga Sagar Lake**', enhances both the beauty and utility of the fort.
- The '**Hirkani Buruj**', a watchtower with an emotional legend of maternal bravery, stands tall on the edge of a steep cliff.
- The fort's design made it nearly **impregnable**, earning it the title "**Gibraltar of the East**" from foreign travelers and historians.

Historical Significance:

- Originally under the control of **Chandraraoji More**, the King of Jawali, **Raigad was captured by Chhatrapati Shivaji Maharaj in 1656**.
- After extensive renovation, **Shivaji Maharaj crowned himself as Chhatrapati (Emperor) in 1674**, formally establishing **Raigad as the capital of the Maratha Empire**.
- The fort became the **administrative, political, and cultural center** of the empire, housing the royal court, treasury, and residential quarters.
- It witnessed pivotal events in Maratha history, including the coronation ceremony known as the **Rajyabhishek**.

Colonial Encounters and Decline:

- In **1765**, **British East India Company** forces launched an armed campaign targeting the fort.
- On **May 9, 1818**, the **British looted and partially destroyed Raigad**, marking the end of its role as a military stronghold.

**Did You Know?**

- The '**Yantraraj**' discovered at Raigad suggests the **Maratha court's interest in astronomy and navigation**, showcasing its **scientific temperament**.
- The fort originally had **seven gateways**, each strategically positioned to slow enemy advancement.
- A **Ropeway System** now provides easier access for tourists, enhancing its popularity as a heritage destination.
- The **Samadhi (memorial)** of Chhatrapati Shivaji Maharaj lies within the fort premises, drawing **countless devotees and patriots** every year.

Legacy of Raigad:

Raigad Fort is more than a historical site—it is a **living symbol of Maratha valor, governance, and vision**. With renewed archaeological interest and preservation efforts, the fort continues to inspire generations and narrate the **glorious saga of one of India's greatest warrior-kings**.



4 India Accelerates Toward Green Mobility: New Guidelines to Boost EV Manufacturing

Context: In a decisive move to strengthen India's electric vehicle (EV) manufacturing ecosystem, the **Ministry of Heavy Industries** has released detailed guidelines under the **Scheme to Promote Manufacturing of Electric Passenger Cars in India (SPMEPCI)**. Originally announced on **March 15, 2024**, this ambitious scheme aims to attract global EV giants by offering **reduced import duties** in exchange for **significant domestic investments**.



While major players like **Tesla** have expressed interest in setting up showrooms in India, they remain hesitant about manufacturing commitments. The scheme is part of India's broader strategy to build a **self-reliant EV industry**, cut emissions, and reduce dependence on fossil fuels.

Key Provisions of the SPMEPCI Scheme:

Lower Import Tariffs for Strategic Entry:

- EV manufacturers can **import up to 8,000 electric cars per year** at a **reduced customs duty of 15%** (down from the prevailing 70–100%).
- This benefit is valid for **five years** from the date of application approval.
- Applicable only on **Completely Built Units (CBUs)** with a **minimum CIF value of \$35,000**.

Minimum Investment Requirements:

- Companies must invest at least **4,150 crore** in India to qualify.
- **Manufacturing must begin within 3 years** of the application's approval.
- Eligible expenses include:
 - **New manufacturing plants and machinery**
 - **Engineering research and development (ER&D)**
 - **Charging infrastructure** (up to 5% of the investment)
 - **New building construction** (capped at 10% of the investment)
 - *Land costs are excluded* from investment calculations.

Domestic Value Addition (DVA) Goals:

- Achieve **25% local value addition** within **3 years**
- Achieve **50% local value addition** within **5 years**

Safeguards to Ensure Compliance:

- Companies must submit a **Bank Guarantee** from a scheduled Indian bank, amounting to the **higher of either 6,484 crore or 4,150 crore**.
- This guarantee remains valid throughout the tenure of the scheme.
- It ensures that manufacturers **fulfill their investment and production commitments**.

Eligibility to Participate:

To qualify, applicants must:

- Have a **global automotive revenue** of at least **10,000 crore**.

- Possess a **minimum global fixed asset investment** of **3,000 crore** in the automotive sector.
- Submit a **non-refundable application fee** of **5,00,000**.

Application Process and Timeline:

- Application window will be open for a **minimum of 120 days**, likely beginning in **June 2025**.
- The Ministry reserves the right to reopen the window **until March 15, 2026**.
- Companies are expected to showcase long-term commitment to Indian manufacturing.

Complementary EV Ecosystem Schemes in India:

India has rolled out several interlinked policies to enhance the electric vehicle value chain:

1. **PM E-DRIVE Scheme (2024)**: Promotes adoption of **e-2W, e-3W, e-Trucks, e-Ambulances, and e-Buses**, along with support for **charging infrastructure and vehicle testing upgrades**.
2. **Production Linked Incentive (PLI) Scheme for Auto & Auto Components (2021)**: Focuses on promoting the manufacture of **Advanced Automotive Technology (AAT)** products.
3. **PLI Scheme for Advanced Chemistry Cells (ACC) (2021)**: Aims to create a **50 GWh battery manufacturing capacity**, essential for EV scalability.
4. **FAME-II**: Supports **domestic EV manufacturing** and encourages **value addition within India** through component localization.
5. **PM e-Bus Sewa - Payment Security Mechanism (PSM)**: Seeks to deploy **38,000+ electric buses**, making public transport greener and cleaner.

A Vision Aligned with Sustainability and Self-Reliance:

This policy is a landmark initiative in India's **net-zero emissions journey**. It aims to position India as a **global EV manufacturing hub**, while delivering **local economic benefits**, including:

- **Employment generation**
- **Technological advancement**
- **Boosting green infrastructure**

Did You Know?

- India's EV market is projected to reach **\$150 billion by 2030**.
- With initiatives like **SPMEPCI**, India is expected to reduce **oil imports by 64% for road transport** by 2030.
- More than **2.3 million EVs** are already on Indian roads as of 2025, according to Vahan data.

Conclusion:

The **SPMEPCI scheme** is a robust move toward a **clean, connected, and competitive future**. With its **strategic incentives and performance-based benchmarks**, India is making an assertive pitch to become the **global hub for EV manufacturing**, while ensuring a sustainable and inclusive green mobility revolution.

5

Paraguay in the Spotlight: South American Nation Gains Attention with Recent Visit to India

Context: A high-level visit by a Paraguayan resident to India has brought renewed focus on this strategically located South American country. While diplomatic relations between India and Paraguay continue to strengthen, the visit also offers a chance to learn more about this lesser-known yet geopolitically significant nation.

Paraguay: Key Political and Geographical Insights**Location and Borders:**

- Paraguay is a **landlocked country** located in **south-central South America**.
- It shares its borders with:
 - Bolivia** to the **northwest and north**
 - Brazil** to the **northeast and east**
 - Argentina** to the **southeast, south, and west**

**Capital City:**

- The capital of Paraguay is **Asunción**, one of the oldest cities in South America and a major cultural and administrative hub.

Geographical Features of Interest:**Major Rivers:**

- Paraguay is traversed by several important rivers, including:
 - Paraguay River**
 - Paraná River**
 - Apa River**
 - Pilcomayo River**

These rivers not only define natural borders but are also crucial for:

- Access to the Atlantic Ocean**
- Transport and navigation**
- Hosting some of the **world's largest hydroelectric power plants**, such as the **Itaipu Dam** on the Paraná River (jointly operated with Brazil), making Paraguay a **top global exporter of hydropower**.

Climatic Marker:

- The **Tropic of Capricorn** runs through Paraguay, influencing its **subtropical climate** and diverse ecosystems.

Topography:

- The **highest peak** in Paraguay is **Cerro Pero**, a modest elevation that offers panoramic views of the surrounding landscape and reflects the relatively flat terrain of the country.

Did You Know?

Download Our Application

Freedom UPSC with **Dhananjay Gautam**

Page No

10



- Paraguay has one of the **lowest population densities** in South America.
- It is one of only two landlocked countries on the continent (the other being **Bolivia**).
- Guarani, along with Spanish, is an **official national language**, and the country has **deep indigenous cultural roots**.
- Paraguay uses a **riverine navy** despite being landlocked, underscoring the strategic importance of its waterways.

Conclusion:

Paraguay may not often make headlines, but its **rich natural resources**, **strategic hydroelectric capabilities**, and **diplomatic outreach** position it as an **emerging partner** in global affairs. As ties with India grow, there's increased potential for **bilateral trade**, **energy collaboration**, and **cultural exchange** between the two nations.



6 Global Action for Glacial Protection: Tajikistan Hosts Historic UN Conference

Context: In a landmark step towards combating climate change, **Tajikistan hosted the 1st United Nations International Conference on Glaciers' Preservation** in **Dushanbe**, in partnership with **UNESCO** and the **World Meteorological Organization (WMO)**. This pivotal event led to the adoption of the **Dushanbe Glaciers Declaration**, underscoring the urgent need for collective global action to protect the world's fast-disappearing glaciers.



What Are Glaciers and Why Do They Matter?

Glaciers are **massive, slow-moving rivers of ice** formed over centuries from accumulated and compacted snow. They are primarily found in **polar regions**—such as **Antarctica**, **Greenland**, and the **Canadian Arctic**—but also exist in high-altitude regions near the **Equator**, including the **Andes** and the **Himalayas**.

Why Glaciers Are Crucial for Earth's Ecosystems:

1. **Source of Freshwater:** Only **3% of Earth's water** is freshwater—and an astonishing **70% of this is locked in glaciers**. As they melt, glaciers provide a **vital water source** for billions of people, particularly in **Asia**.
2. **Sustaining River Systems:** The **Hindu Kush Himalayas (HKH)** are often called the "**Water Tower of Asia**." They feed ten of Asia's major river systems and contribute nearly **40% of the Indus River's annual flow**.
3. **Climate Time Capsules:** Glaciers act as **natural archives**, preserving **climate records** going back **up to 800,000 years**. Scientists study glacial ice cores to understand historical shifts in Earth's temperature and atmospheric composition.
4. **Monsoon Regulation:** The **temperature contrast** between the **Himalayan glaciers** and the **Indian Ocean** plays a vital role in driving the **Southwest Monsoon**, which is critical for agriculture in the Indian subcontinent.

Glaciers in Peril: Global Warnings:

- **Nepal** recently lost the **Yala Glacier** in the **Langtang** region due to rapid melting.
- **Venezuela** has now become the **second country after Slovenia** to lose all its glaciers—raising alarms for tropical glacier preservation.

Initiatives to Safeguard Glaciers:

National Efforts (India):

- **National Mission for Sustaining the Himalayan Ecosystem (NMSHE):** Focuses on protecting the fragile Himalayan environment and its biodiversity.
- **Centre for Cryosphere and Climate Change Studies:** Researches glacier dynamics and climate interactions.
- **Glacial Lake Outburst Flood (GLOF) Risk Mapping:** Assesses and mitigates risks associated with sudden glacial lake floods.

Global Measures:

Download Our Application



Freedom UPSC with **Dhananjay Gautam**



- **International Year of Glaciers' Preservation – 2025:** Declared to increase global awareness.
- **Decade of Action for Cryospheric Sciences (2025–2034):** Promotes long-term scientific study and policy action.
- **International Centre for Integrated Mountain Development (ICIMOD):** A regional intergovernmental body fostering sustainable development in mountain regions, especially in the Hindu Kush Himalayas.

Did You Know?

- **Tajikistan** is home to over **8,000 glaciers**, and the **Fedchenko Glacier** is the **largest in the world outside the polar regions**.
- The **Himalayas alone store more freshwater than all the lakes and rivers in Southeast Asia combined**.

Conclusion: A Race Against Time

The Dushanbe Conference and the adoption of the **Dushanbe Glaciers Declaration** mark a **turning point in global cryospheric conservation**. As climate change accelerates glacier retreat, preserving these frozen reservoirs is not just about saving ice—it's about **securing water, food, climate stability, and life itself** for future generations.

freedom UPSC
TOGETHER WE SCALE HEIGHTS