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CURRENT AFFAIRS



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BHIM – UPI Launched in Bhutan

Context:

The Union Minister of Finance of India along with her counterpart, the Finance Minister of Bhutan has jointly launched **Bharat Interface for Money-Unified Payments Interface (BHIM-UPI)** in Bhutan.

The payment system was launched by NPCI International Payments Ltd. (NIPL), the international arm of National Payment Corporation of India (NPCI), in partnership with the Royal Monetary Authority (RMA) of Bhutan.

About:

UPI in Bhutan:

- Bhutan is the first country to adopt UPI standards for its Quick Response (QR) code, and the first country in our immediate neighbourhood to accept mobile based payments through the BHIM App.
- It is also **the second country after Singapore to have BHIM-UPI acceptance at merchant locations.**
- Bhutan will also become the only country to both issue and accept RuPay cards as well as accept BHIM-UPI.

Bharat Interface for Money-Unified Payments Interface (BHIM-UPI):

- BHIM is developed by the National Payment Corporation of India (NPCI).
- It is an initiative to enable fast, secure, reliable cashless payments through the mobile phone.

- BHIM is based on Unified Payment Interface (UPI) to facilitate e-payments directly through banks.
- It is interoperable with other Unified Payment Interface (UPI) applications, and bank accounts.
- **Unified Payments Interface (UPI)** is an instant real-time payment system, allowing users to transfer money on a real-time basis, across multiple bank accounts without disclosing details of one's bank account to the other party.

Advantages:

- The simple, safe, cost-effective mobile-based payments system has become one of the most prominent forms of digital payments.
- The payment infrastructures of the two countries are seamlessly connected and will benefit a large number of tourists and businessmen from India who travel to Bhutan each year.
- This will enhance the ease of living and ease of travelling through cashless transactions at the touch of a button.
- In 2020, UPI enabled commerce worth USD 457 billion, which is equivalent to approximately 15% of India's GDP.

RuPay Card Scheme

- RuPay is the first-of-its-kind domestic Debit and Credit Card payment network of India.
- The name, derived from the words 'Rupee and 'Payment', emphasizes that it is India's very own initiative for Debit and Credit Card payments.
- The card can also be used for transactions in Singapore, Bhutan, UAE, Bahrain and Saudi Arabia.

National Payments Corporation of India (NPCI)

- NPCI, an umbrella organization for operating retail payments and settlement systems in India, is an initiative of Reserve Bank of India (RBI) and Indian Banks' Association (IBA) under the provisions of the Payment and Settlement Systems Act, 2007.
- It is a "Not for Profit" Company under the provisions of Section 25 of Companies Act 1956 (now Section 8 of Companies Act 2013), with an intention to provide infrastructure to the entire Banking system in India for physical as well as electronic payment and settlement systems.

Assam-Mizoram Border Dispute

Context:

Recently, several IED (Improvised Explosive Device) blasts were carried out inside Cachar district of Assam allegedly by miscreants from Mizoram. These blasts signal the re-emergence of long-unresolved Assam-Mizoram Border Dispute.

The boundary issue between Assam and Mizoram has existed since the formation of Mizoram — first as a union territory in 1972, and then as a full-fledged state in 1987.

About:

Assam-Mizoram Border Issue:

- The boundary issue between present-day Assam and Mizoram dates back to the colonial era when inner lines were demarcated according to the administrative needs of British Raj.
- The Assam-Mizoram dispute stems from two notifications passed under British era.
- **First, notification of 1875**, that differentiated Lushai Hills from the plains of Cachar.
- **Second, notification of 1933** that demarcates a boundary between Lushai Hills and Manipur.
- Mizoram believes the boundary should be demarcated on the basis of the 1875 notification, which is derived from the Bengal Eastern Frontier Regulation (BEFR) Act, 1873.
- Mizo leaders are against the demarcation notified in 1933, according to them, the **Mizo society was not consulted**.
- On the other hand, the Assam government follows the 1933 demarcation.
- As a result both states continue to have a differing perception of the border and that is the point of conflict.
- There is a 164.6-km inter-state border that separates Assam and Mizoram, with the three Assam districts of Cachar, Hailakandi and Karimganj sharing a border with Kolasib, Mamit and Aizawl districts of Mizoram.
- Further, the boundary between Mizoram and Assam follows naturally occurring barriers of hills, valleys, rivers and forests, and both sides have attributed border skirmishes to perceptual differences over an imaginary line.
- In the Northeast's complex boundary equations, clashes between Assam and Mizoram residents are less frequent than they are between other neighbouring states of Assam, like with Nagaland.

Overall Condition of Inter-State Disputes in India:

- **Issue of Boundary:** Boundary disputes between the states are one of major reasons for Inter-state disputes in India. For example,
 - Karnataka and Maharashtra both lay claim to Belgaum and every now and then the matter comes up.
 - The North-Eastern Areas (Restoration) Act, 1971 changed the political map of northeast India, by establishment of the states like Manipur and Tripura and the formation of Meghalaya.
 - However, this reorganization has resulted in many boundary disputes in the northeastern region, like Assam-Nagaland, Assam-Meghalaya, etc.
- **Issue of Migration:** There have been violent agitations in some states over migrants and job seekers from other states.
 - This is because the existing resources and the employment opportunities are not enough to meet the needs of the growing population.
 - The 'sons of the soil' concept for preference in employment in the states concerned tends to destroy the roots of a healthy federalism.
- **Disputes over Sharing Water Resources:** The most long standing and contentious inter-state issue has been the sharing of river water
 - Most of the Indian rivers are inter-state, i.e., they flow through more than one state.
 - Due to an increase in demand for water, a number of inter state disputes over sharing river waters have surfaced.

Way Forward

- Boundary disputes between the states can be settled by using satellite mapping of the actual border locations.
- Reviving the Inter-state council can be an option for resolution of an Inter-state dispute.
- Under Article 263 of the Constitution, the Inter-state council is expected to inquire and advise on disputes, discuss subjects common to all states and make recommendations for better policy coordination.
- Similarly, Zonal Councils need to be revived to discuss the matters of common concern to states in each zone—matters relating to social and economic planning, border disputes, inter-state transport, etc.
- India is the epitome of unity in diversity. However, in order to strengthen this unity furthermore, both the centre and state governments, need to imbibe the ethos of cooperative federalism.

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