



## **DAILY CURRENT AFFAIRS 08-05-2026**

### **Prelims Perspective**

1. Germanium
2. Electronic Gold receipts
3. Asian Development Bank

### **Mains Perspective**

4. Forest Rights Act
5. Corporatisation of Major Ports

## **Germanium**

**Syllabus: GS-1: Resource Geography – Minerals and Metals.**

### **Context:**

- Recently, in a **major defence-tech breakthrough**, a Hyderabad based company has developed India's first germanium-free thermal imaging payload for drones.

### **About Germanium**

- Chemical symbol: Ge; Atomic number: 32
- It is a **silvery-gray metalloid**, intermediate in properties between metals and nonmetals



### **Properties of Germanium**

- **Diamond-like crystalline structure**; similar in chemical and physical properties to silicon
- **Stable in air and water**; unaffected by alkalis and acids except nitric acid
- Remains of primary importance in manufacture of transistors and components such as rectifiers and photocells
- Widely distributed in nature but too reactive to occur free

### **Occurrence and Extraction**

- **Germanium ores are rare**; found in small quantities as minerals germanite and argyrodite
- Extracted as a **by-product of zinc production** and from coal fly ash
- Around 75% of worldwide production sourced from zinc ores (mainly zinc sulfide mineral sphalerite) and 25% from coal

### **Applications**

- Main use in production of solid-state electronics, semiconductors and fiber optic systems

### Major Producers

- **China is the major worldwide producer**, responsible for around 60% of total production
- Remaining production from Canada, Finland, Russia, and the United States

## Electronic Gold receipts

**Syllabus: GS-3: Indian Economy – Capital Market – Stock Market.**

### Context:

- Recently, the National Stock Exchange of India (NSE) launched **Electronic Gold Receipts (EGRs)** as a new trading segment.

### About Electronic Gold Receipts (EGRs)

- **EGRs are dematerialised securities** that represent ownership of physical gold.
- The underlying gold is stored in **SEBI-regulated vaults**, and investors hold the receipts in their **demat accounts** — **similar to shares or ETFs**.
- **Vault Manager** is a new entity registered by Securities and Exchange Board of India for providing vaulting services for gold deposited for the purpose of creation of EGR.
- **Each EGR is backed by actual gold**, ensuring authenticity and standardisation.
- It is operated under **SEBI guidelines**.

**HOW IT WORKS**

- Investors can buy **electronic receipts** for gold kept in vaults
- These e-receipts could be **traded on exchanges**
- These could also be **exchanged for physical gold** at authorised vaults
- Govt has also allowed fund houses to launch **silver ETFs**



### Working of Electronic Gold Receipts

- The process starts with **depositing physical gold at accredited vaults**, which is then converted into **EGR units**.
- These units are **credited to a demat account** and can be traded on the exchange.

- Investors can also **convert EGRs back into physical gold**, offering flexibility between digital and physical ownership.

### Participants in EGR Ecosystem

- The EGR ecosystem is designed for a wide set of participants, including:
  - Jewellers
  - Refiners
  - Traders
  - Retail and institutional investors

### Analytical Significance

- Promotes **formalisation of gold market** and transparency in pricing.
- Provides an **alternative investment avenue** with physical backing.
- Enhances **market efficiency, standardisation, and liquidity** in gold trading.

## **Asian Development Bank**

### Syllabus: GS-3: Indian Economy – International Banks.

#### Context:

- Recently, the Asian Development Bank announced a **\$70 billion programme to expand energy and digital infrastructure across the Asia-Pacific region by 2035**

#### About Asian Development Bank

- It is a **multilateral development bank established on 19th December 1966**
- It is the **principal international development finance institution for the Asia-Pacific region**
- It envisions a **prosperous, inclusive, resilient, and sustainable Asia and the Pacific**, while sustaining its efforts to **eradicate extreme poverty in the region**
- Its membership is **open to other regional countries and non-regional developed countries that are members of the U.N. or of any of its specialized agencies**
- **Members:** 69 (50 regional, 19 non-regional)
- **Headquarters:** Manila, Philippines

#### Governance of Asian Development Bank

- **Board of Governors:** One representative from each member country; **top policy-making body**
- **Board of Directors:** Twelve directors manage operations; **eight from regional members, four from non-regional members**
- **President:** Chairs the Board of Directors and manages ADB
- **Voting System:** **Weighted voting based on each country's capital contribution**
- **Key Shareholders:** Japan and the USA (**15.6% each**), China (**6.4%**), India (**6.3%**), Australia (**5.8%**)

### Functions of Asian Development Bank

- **Provides Loans:** Provides **loans and grants** to member countries for development projects in **infrastructure, social sectors, and environmental sustainability**
- **Technical Assistance:** Offers **technical assistance and advisory services** to improve **policy-making, governance, and institutional capacity**
- **Regional Cooperation:** Promotes **regional cooperation and integration** by funding **cross-border projects and encouraging trade and investment**
- **Supports Private Sector:** Supports **development of private sector** by providing **financing, guarantees, equity, and mezzanine funds** for socially beneficial projects

### Analytical Insight

- Reflects ADB's growing role in **infrastructure financing and digital connectivity in Asia-Pacific**
- Aligns with **climate resilience, energy transition, and regional integration priorities**
- Important for India in context of **infrastructure funding, private sector support, and regional cooperation frameworks**

## **Forest Rights Act**

### Syllabus: GS-2: Rights of Tribals. & GS-3: Environment

#### Context:

- Allahabad High Court ruled that the **Forest Rights Act, 2006 overrides all earlier conflicting laws and court orders**, striking down a District Level Committee (DLC) decision denying **Tharu tribe's forest rights in Uttar Pradesh**.

### About the Forest Rights Act, 2006

- **The Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006 (FRA)** enacted to **correct historical injustice** faced by forest-dwelling communities.
- Recognises **rights of tribal and traditional forest dwellers** to inhabit and use forest land for **livelihood and cultural purposes**.



### Key Objectives

- **Recognition of Forest Rights:** Legal acknowledgement of **individual and community rights** over forest land and resources.
- **Empowering Gram Sabhas:** Gram Sabha as **grassroots authority** to initiate determination of rights.
- **Promoting Ecological Balance:** Integrates **tribal rights with forest conservation**.
- **Democratic Decentralisation:** Devolves **decision-making to forest communities**.

### Major Rights Under FRA

- **Title Rights:** Ownership of land cultivated (up to **4 hectares per household**).
- **Community Forest Rights:** Collect, use, dispose **non-timber forest produce** (honey, bamboo, medicinal plants).
- **Habitat Rights:** Recognition of **traditional habitats of PVTGs**.
- **Grazing and Fishing Rights:** Access to **grazing and water bodies** within forests.
- **Conservation Rights:** Right to **protect and conserve forests and wildlife**.
- **Protection Against Eviction:** No eviction until **recognition and verification of claims completed**.

- **Overriding Provision:** FRA applies “**notwithstanding anything contained in any other law**”, overriding older laws like:
  - Indian Forest Act, 1927
  - State forest laws

### News Summary (2026 Judgment)

- On **April 20, 2026**, Lucknow Bench of Allahabad High Court:
  - Set aside **DLC decision (March 2021)** rejecting **Tharu community claims in Palia Kalan, Lakhimpur (UP)**.

### Basis of DLC Decision

- Relied on **2000 Supreme Court interim order**:
  - Prohibited **de-reservation/reclassification of forests, sanctuaries, national parks**.
- Ignored **FRA (2006)** which **explicitly recognised such rights**.

### Court's Reasoning

- **Later law prevails:** Any inconsistent earlier law/order becomes **null and void**.
- **FRA (2006) prevails over 2000 SC interim order**.
- **Section 4 FRA:** Rights vested “**notwithstanding anything contained in any other law**”.
- Reaffirmed principle: **Later + special law supersedes earlier conflicting law/orders**.

### Procedural Irregularity

- FRA mechanism:
  - **Gram Sabha → 60-day notice → State-Level Monitoring Committee** against violations.
- Court action:
  - Directed **same DLC to reconsider decision** (not explicitly provided in FRA).

### Broader Legal Context & Relevance

#### Protection from Eviction

- FRA safeguard: **No eviction until claims verified**.
- Reinforced by:
  - Uttarakhand High Court (Jan 2026) → No coercive action till adjudication.

- However, **violations persist**:
  - Madras High Court rulings often **prioritised state forest laws** (e.g., TNFA, 1882).
  - Continued **evictions and grazing bans** contrary to FRA.

### Grazing Rights vs State Laws

- Example:
  - Madurai Bench of Madras High Court (2022):
    - Upheld **grazing prohibition**, later limited to **protected areas**.
- Conflict:
  - FRA **explicitly recognises grazing rights even in protected areas**.
- Implication:
  - FRA (Central law) **overrides state laws like TNFA, 1882**.

### Significance of the Judgment

- Reaffirms **supremacy of FRA over**:
  - Earlier judicial orders
  - State forest laws
- Strengthens **tenurial security of forest dwellers**.
- Marks **progressive departure from restrictive interpretations**.
- Reinforces **constitutional principle of legal hierarchy (later law prevails)**.

### Analytical Insight

- **Governance Issue**: Gap between **legal provisions vs administrative implementation**.
- **Federal Dimension**: Conflict between **Central law (FRA) vs State forest laws**.
- **Rights vs Conservation Debate**: FRA attempts **balance, but judicial inconsistency persists**.
- **Way Forward**: Need for **uniform judicial interpretation + administrative accountability**.

## **Corporatisation of Major Ports**

**Syllabus: GS-3: Indian Economy – Infrastructure – Ports.**

### **Context:**

- India's maritime sector backbone of external trade → nearly **95% of trade by volume** and **70% by value** transported through sea routes.
- Efficient port governance critical for **logistics performance, export competitiveness, and economic growth.**
- Traditional framework: **Major Port Trusts Act, 1963** → ensured public accountability but increasingly outdated in **globalised, technology-driven logistics ecosystem.**

### **Need for Reform – Structural Limitations of Old Model**

- **Bureaucratic delays** in decision-making.
- **Limited financial autonomy** restricting investment.
- **Slow infrastructure expansion.**
- **Inability to compete** with efficient private ports.
- **Weak integration** with modern logistics and supply chains.

### **Corporatisation as Reform Strategy**

- **Major Port Authorities Act, 2021** introduces **corporatised governance.**

### **Key Clarification:**

- Corporatisation ≠ Privatisation → ports remain **publicly owned** but gain **commercial autonomy, professional management, financial flexibility.**

### **Objectives:**

- Improve **operational efficiency**
- Enhance **global competitiveness**
- Attract **private & institutional investment**
- Enable ports to evolve into **integrated logistics hubs**

### **Evidence of Success – Kamarajar Port Model**

- **Kamarajar Port (Ennore, Tamil Nadu)** → corporatised entity (2001).
- Demonstrates: **improved operational efficiency, better investment mobilisation, enhanced strategic decision-making.**

- Acted as a **model influencing broader reforms.**



### Rationale Behind Corporatisation

- **Global competitiveness:** Ports evolving into **multimodal logistics hubs** requiring integration with **digital systems, inland transport, supply chains** → risk of marginalisation without reform.
- **Financial autonomy:** High capital needs for **deep-water berths, container terminals, digital infrastructure** → access to **financial markets & PPPs.**

- **Faster decision-making:** Reduced bureaucratic layers → quicker decisions on **tariffs, investments, operations**.
- **Alignment with national initiatives:** Supports **Sagarmala Programme, National Logistics Policy, PM Gati Shakti** → integrated multimodal logistics ecosystem.

### Global Best Practices

- **Port of Rotterdam:** Corporatised public entity balancing **efficiency + state oversight**.
- **PSA International (Singapore):** Government-linked corporation with **global leadership in port operations**.
- **United Kingdom model:** Fully privatised → efficiency gains but **less suited for strategic infrastructure control**.

### Challenges and Concerns

- **Workforce resistance:** Fear of **job insecurity, loss of benefits**.
- **Skill gaps:** Need for **reskilling/upskilling** due to automation & digital logistics.
- **Risk of commercial overreach:** Balancing **profit motive vs public interest**.
- **Governance & accountability:** Ensuring **transparency despite autonomy**.

### Way Forward

- **Inclusive reform approach:** Stakeholder consultation, **employee engagement & safeguards**.
- **Capacity building:** Training, **reskilling, digital literacy**.
- **Robust regulatory framework:** Ensure **checks & balances**.
- **Public-private synergy:** Leverage **PPP models without compromising strategic control**.
- **Technology integration:** Promote **automation, AI, digital logistics platforms**.

### Conclusion

- Corporatisation marks shift from **bureaucratic administration** → **performance-driven governance**.
- Combines **public ownership + commercial flexibility** → improves efficiency, investment, global integration.
- Success depends on **implementation quality, workforce inclusion, and strong regulatory oversight**, ensuring alignment with **national interests**.