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### **1. T+0, instant settlement cycle: What is the new SEBI proposal and its potential benefits for investors?**

The Securities and Exchange Board of India (SEBI) has proposed the introduction of a facility for clearing and settlement of funds and securities on T+0 (same day) and instant settlement cycle on an optional basis. The facility will be in addition to the existing T+1 (trade plus one day) settlement cycle in the secondary markets for the equity cash segment.

#### **What is the current settlement cycle followed in the securities market?**

In its endeavour to keep pace with the changing times and carry out its mandate of development of securities markets and investor protection, SEBI has shortened the settlement cycle to T+3 from T+5 in 2002 and subsequently to T+2 in 2003.

At present, the settlement of funds and securities happens on the T+1 cycle. It was introduced in 2021 in a phased manner and was fully implemented in January 2023. Under it, securities and funds are settled by the next day of the trade.

#### **What has SEBI proposed now?**

It said that for the equity cash segment, in addition to the existing T+1 settlement cycle, a shorter settlement cycle may be introduced as an option. It proposed to implement it in two phases – Phase 1: T+0 Settlement Cycle and Phase 2: Instant Settlement Cycle.

In Phase 1, an optional T+0 settlement cycle (for trades till 1:30 PM) is envisaged, with settlement of funds and securities to be completed on the same day by 4:30 PM.

In Phase 2, an optional immediate trade-by-trade settlement (funds and securities) may be carried out. In the second phase, trading will be carried out till 3.30 pm.

#### **Why is SEBI planning to introduce a shorter settlement cycle?**

Over the last few years, Indian securities markets have seen tremendous growth, both in terms of volumes, value, as well as number of participants. This increase in the participation of new investors puts a greater onus on the regulator to make markets more efficient and safer for its participants, with a special focus on retail participants.

The average Indian has rapidly embraced UPI (Unified Payments Interface) and instant payment platforms. This flexibility can be extended to equity dealing as well.

In today's age, reliability, low cost and high speed of transactions are key features that attract investors to particular asset classes. To that extent, reducing settlement time and hence increasing the operational efficiency of dealing in Indian securities can further draw and retain investors into this asset class.

### **What would be the features of the proposed T+0 settlement mechanism?**

It is observed that a high percentage of retail investors bring upfront funds and securities before placing an order. For the period June 2023, for around 94 per cent of delivery-based trades with value up to Rs 1 lakh per transaction, investors made early pay-in of funds and securities.

An instant settlement mechanism would enable instant receipt of funds and securities, vis-a-vis existing pay-out on T+1 day. It would eliminate the risk of settlement shortages since both funds and securities will be required to be available before placing the order.

It will strengthen investor protection by enhancing the control of the investor over the securities and funds as funds and securities would be credited into the client's account directly for those who are trading through blocked amounts using the UPI facility (UPI Clients).

Providing the option for instant settlement will help establish Indian equities as an asset class with the features of resilience, low cost and time for transaction, superior in all ways to emerging claimants of alternative asset classes.

Relevance: GS Prelims & Mains Paper III; Economics

Source: The Indian Express

## **2. What happens under the Bharatiya Nyaya Sanhita if your pet animal attacks someone?**

### **Introduction**

Under the Bharatiya Nyaya Sanhita (BNS), aimed at replacing the Indian Penal Code (IPC), if your pet animal attacks a human, you can be fined upto Rs 5,000 along with imprisonment upto six months.

Titled "Negligent conduct with respect to animal," Section 291 of the BNS states: "whoever knowingly or negligently omits to take such measures with any animal in his possession as is sufficient to guard against any probable danger to human life, or any probable danger of grievous hurt from such animal, shall be punished with

imprisonment of either description for a term which may extend to six months, or with fine which may extend to five thousand rupees, or with both.”

On the other hand, Section 289 of the IPC, which has the exact same wordings as Section 291 of the BNS, imposed a fine of upto Rs 1,000, along with imprisonment upto six months.

### **SC judgement**

In September 2022, the Supreme Court had held that if stray dogs (who are not technically “owned” by anyone), attacked someone, then the people who routinely feed them could be made liable to bear the costs.

### **National Crime Records Bureau Data**

The latest NCRB Crime in India report reveals that animal attacks in 2022 rose by 19% from 2021. Another concerning trend was an increase in the number of people dying or getting injured in animal attacks.

The data shows that in 2022, 1,510 people in India died due to animal bites — 1,205 men and 305 women — this was a rise from 1,264 deaths in 2021.

According to a Rajya Sabha question answered by the Ministry of Health and Family Welfare on December 15, around 27.6 lakh people in India got bitten by dogs in 2023 — this was a rise of 26.5% from 2022, when 21.8 lakh dog bites were reported all over India.

Relevance: GS Prelims & Mains Paper II; Governance

Source: Indian Express

## **3. INS Imphal commissioned today: Its capabilities, and the strategic significance of Visakhapatnam class of destroyers**

### **Introduction**

INS Imphal (Pennant D68), the third of four warships of Project 15B that together form the Visakhapatnam class stealth-guided missile destroyers, is commissioned into the Indian Navy recently.

### **What is Project 15B?**

Between 2014 and 2016, the Indian Navy commissioned three guided missile destroyers of Kolkata class under a project codenamed ‘15A’. The Kolkata class included INS Kolkata, INS Kochi and INS Chennai. These ships were a step ahead of their precursor Delhi class of ships, which included INS Delhi, INS Mysore and INS Mumbai, built under Project 15 and commissioned between 1997 and 2001.

Mazagon Dock Shipbuilders Limited (MDSL), one of India's key Defence Public Sector Undertakings (PSUs), has built all these ships. A ship class signifies a group of ships built with similar tonnage, usage, capabilities and weaponry.

For building the advanced variants of the Kolkata class guided missile destroyers, a contract for construction under the project codenamed '15B' was signed in January 2011. The lead ship of Project 15B, INS Visakhapatnam (Pennant No D66), was commissioned into the Indian Navy in November 2021 and the second ship INS Mormugao (D67) in December 2022. The fourth ship, D69, which when commissioned will be christened INS Surat, was launched in May last year.



Designed by the Indian Navy's in-house warship design entity Warship Design Bureau, and built by MDSL in Mumbai, the four ships of Project 15B are christened after major cities from all four corners of the country — Visakhapatnam, Mormugao, Imphal and Surat. The class is identified by its lead ship, in this case INS Visakhapatnam.

### **Technological Characteristics and Armament of Visakhapatnam class**

The four ships of the class are 163 meters long and 17.4m wide, with a displacement of 7,400 tonnes. To put it in perspective, India's first indigenous aircraft carrier INS Vikrant is 262 meters in length, 62 meters wide and displaces around 43,000 tonnes when fully loaded. The ship has a 'combined gas and gas' (COGAG) configuration integrating four gas turbines. The propulsion system allows the ship to reach a maximum speed of 30 knots and a maximum range of 4000 nautical miles.

Ships of Visakhapatnam class are operated by a crew of around 350, including 50 officers and 250 sailors.

Visakhapatnam class of destroyers have multiple fire zones, elaborate battle damage control systems and distributional power systems for improved survivability and

reliability for operating in extreme operational and conflict scenarios. The class also has a total atmospheric control system (TACS) that offers protection to the crew from chemical, biological and nuclear threats.

They are also equipped with a state-of-the-art combat management system that can evaluate threats using analytical tools and create a tactical picture that includes available resources on board. This helps to allocate the resources based on the tactical picture compiled and the weapons package available on board. The class has a secure network to handle data from all the sensors and weapons systems.

### **Strategic Significance**

Technically, destroyers are a category of warships that have high speed, manoeuvrability and longer endurance. They are designed to be part of naval formations like a fleet or a carrier battle group also known as carrier strike group.

The modern destroyers that are swift, sleek and difficult to detect, primarily protect the fleets and carrier battle groups from the short-range attackers from surface, air and sub-surface. The guided-missile destroyers are the destroyers that are armed with guided missiles for anti-aircraft warfare, anti-surface operations and anti-submarine warfare.

Because of the speed, manoeuvrability and striking capability, the guided missile destroyers are a key asset in various types of naval operations, mainly offensive. Being a follow-on of the Kolkata class, the Visakhapatnam class incorporates not just the feedback and suggestions from the Navy but also several new features. The state-of-the-art stealth feature makes Visakhapatnam class have the radar signature of a very small ship. A very high indigenous component gives this platform a strategic edge.

Visakhapatnam class is arguably one of the most advanced classes of ships in the Indian Navy. It can operate as an independent offence platform even when not part of a large formation. With all its modern sensors and communication facilities, the class is a key asset in network-centric warfare, which denotes the use of information technology and computer networking tools to form networks of various force elements in play in a conflict scenario.

Relevance: GS Prelims; S & T

Source: The Indian Express