

1. What is the 'Dark Web' – And Is It All Bad?**Why It's in the News**

A 35-year-old engineer from Kerala, Mulayamkottil Edison, was arrested for selling drugs on the dark web. Police say he was a "level-four darknet vendor" and had LSD, ketamine, and cryptocurrency worth ₹1 crore.

What is the Dark Web?

The dark web is a hidden part of the internet that search engines like Google or Yahoo can't find. It requires special tools like the Tor browser to access and is designed to hide users' identities.

Origins of the Dark Web

- Created in the 1990s by the US Naval Research Laboratory to protect government communications.
- Developed into the Tor Project by Roger Dingledine and others in the early 2000s.

How Do People Access It?

- Users must install Tor, which hides their identity by routing data through several encrypted servers worldwide.
- Websites on the dark web have ".onion" domains that don't show up in regular search engines.
- Users need to know specific addresses to access these sites.

What Happens on the Dark Web?**Illegal Activities**

- Drug trade
- Weapons and counterfeit goods
- Stolen data and hacking services
- Black markets like the now-banned Silk Road

Legal and Ethical Uses

- Whistleblowers, journalists, and activists use it to stay safe under repressive governments.
- Platforms like SecureDrop allow anonymous document leaks.
- Used by hospitals and institutions to protect sensitive data.

Why is it Called “Dark”?

The term refers to hidden or private rather than evil. While criminal activity exists, many use it for privacy and safety, especially in places with strict censorship.

What is a Level-Four Vendor?

According to the Narcotics Control Bureau (NCB):

- Vendors are ranked based on the potency of the drugs and the quality of customer service.
- Edison was the level-four vendor in India, making him a high-level seller in the darknet drug trade.

Relevance: GS Prelims & Mains Paper III; Science & Technology

Source: Indian Express

2. Xi missed BRICS Summit for 1st time in years

Introduction

Chinese President Xi Jinping did not attend the BRICS summit held in Rio de Janeiro on July 6–7, 2025. His absence, a first in 12 years, led to speculation in global media that he may be losing control over the Chinese government. Some also noted that he hadn't appeared in public for a few days.

What Is the Official Reason for Skipping the Summit?

Chinese authorities officially cited “scheduling conflicts” as the reason for his absence. A report in the South China Morning Post suggested it might be because Xi had already met Brazilian President Lula da Silva multiple times recently.



Other Leaders Also Missed the Event

Russian President Vladimir Putin also skipped the summit, reportedly due to the International Criminal Court's arrest warrant against him. Some speculated Xi avoided the summit because Modi was invited for a special state dinner, and China didn't want Xi to appear less important.

Does Xi's Absence Show Weakening Power?

Unlikely, Say Analysts, there is no strong evidence that Xi's political power is weakening. China's political system is often called a "black box" because it reveals little, and such rumours have surfaced many times before — especially around major events.

Similar Past Incidents

- In 2012, before becoming President, Xi vanished from public view briefly.
- During the Covid lockdowns, protests broke out, but Xi's position remained secure.
- In recent years, July–September has often seen similar rumours — all of which proved unfounded.

Xi Still Holds the Top Position

In 2022, Xi was re-elected as general secretary of the Communist Party for a third five-year term — the most powerful role in China. This gives him authority at least until 2027, showing continued centralisation of power.

Conclusion: No Real Evidence of Weakening Power

Although his absence raised eyebrows, there's no concrete sign that Xi Jinping is losing control. Instead, he continues to hold firm authority over China's political and military systems.

Relevance: GS Prelims & Mains Paper II; International Issues

Source: Indian Express

3. UAE Launches Lifetime Golden Visa for Indians and Bangladeshis

Introduction

The UAE has launched a nomination-based Golden Visa scheme offering lifetime residency to select residents of India and Bangladesh, as part of a pilot programme.

Key Details:

- Lifetime UAE residency on paying a fee of AED 100,000 (approx ₹23.3 lakh)
- No need to invest in property or start a business (unlike earlier rules)
- Initial phase limited to India and Bangladesh
- Over 5,000 Indians expected to apply in the first 3 months

What is a Golden Visa?

A Golden Visa offers long-term residency to individuals who invest significant amounts in a country's economy, usually in:

- Real estate



- Business or startups
- Government bonds

Unlike regular immigration routes, it bypasses traditional requirements like educational qualifications or job offers.

Some countries also offer “golden passports”, which provide citizenship in exchange for investments.

How Does UAE’s Golden Visa Work?

Current Rules (Before the New Pilot):

- Valid for 5 to 10 years
- No sponsor required
- Allows individuals and their families to live, work, or study in the UAE

Two Main Categories:

1. Investors and Entrepreneurs

- o Investment of AED 2 million (₹4.67 crore) in real estate or business
- o Or a startup worth at least AED 500,000 (₹1.17 crore)

2. Outstanding Talents

- o Doctors, scientists, artists, athletes, inventors
- o Executives and professionals in key sectors
- o PhD holders in science/engineering
- o Top-performing students

What’s Different in the Nomination-Based Policy?

Key Changes:

- Offers lifetime residency, not just 5–10 years
- No investment in property or business needed
- Based on nomination and background check

Why India and Bangladesh?

India’s inclusion signals its strong trade, cultural, and diplomatic ties with the UAE — especially since the Comprehensive Economic Partnership Agreement (CEPA) came into effect in May 2022. The scheme may later extend to other CEPA partner countries, such as China.

Why Countries Offer Golden Visas

Such schemes help countries:

- Attract foreign investment
- Boost their economy during financial crises
- Examples:
 - o Portugal after the 2008 recession
 - o Saint Kitts and Nevis to replace lost sugar export revenue

Concerns Around Golden Visas

Misuse Risks:

- Potential for money laundering, tax evasion, and corruption
- People may use them to evade law enforcement in their home countries

Notorious Cases:

- Mehul Choksi, accused in ₹13,000 crore bank scam, gained Antigua citizenship via golden visa
- Nirav Modi, another scam accused, obtained UK residency via investor visa

Tighter Rules Worldwide:

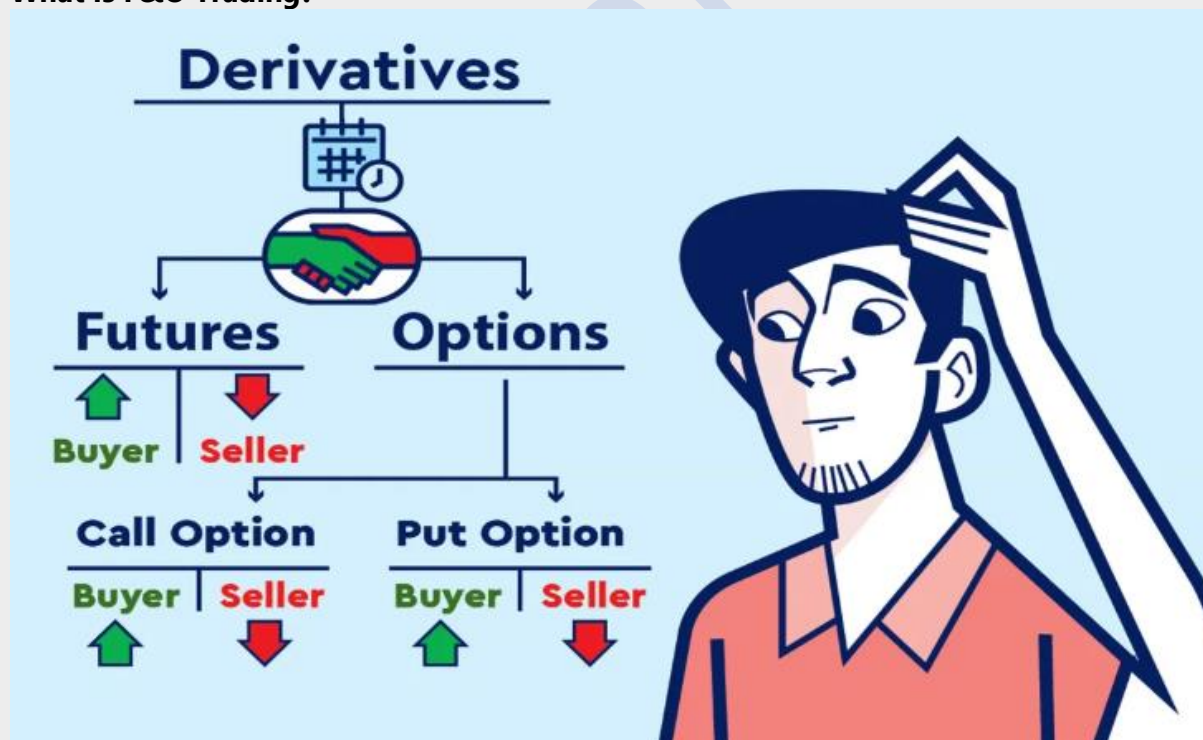
- UK scrapped its investor visa in 2022
- Ireland, Greece, and Malta scaled back schemes to control rising property prices
- EU warned against misuse for illegitimate purposes

Conclusion: A Big Opportunity with Some Watchouts

The UAE's new lifetime visa offers a huge opportunity for Indian and Bangladeshi professionals and entrepreneurs. But, like all such schemes, safeguards are essential to prevent misuse and protect national interests.

Relevance: GS Prelims & Mains Paper II; International Relations

Source: The Hindu

4. Futures and Options (F&O): The High-Risk Game in Stock Markets**What Is F&O Trading?**

Futures and Options (F&O) are derivative financial instruments — meaning their value depends on the price of another asset like a stock, index, currency, or commodity.

Unlike normal stock trading where you buy shares, F&O is about betting on price movements — whether they'll rise or fall in the future.

Why F&O Feels Like a Casino

The Appeal: Leverage

Leverage means you can take large positions in the market by paying only a small margin (deposit).

- Profits can be high
- But losses can be much larger — especially if markets move against you.

What Is a Futures Contract?

A futures contract is a deal to buy or sell something at a fixed price on a future date.

You must complete the deal unless you exit earlier.

Example:

Buy Reliance Futures at ₹2,800 (lot size: 300 shares)

- If price goes up to ₹2,875 → Profit: ₹22,500 (75 X 300)
- If price drops to ₹2,700 → Loss: ₹30,000 (100 X 300)

What Is an Options Contract?

An option gives the right but not obligation to buy or sell at a fixed price.

- Call Option: Right to buy
- Put Option: Right to sell

The buyer can choose to use the option; the seller must obey if the buyer chooses.

Example:

Buy Nifty 23,000 Call Option for ₹100

- If Nifty hits 23,200 → Gain: ₹100 per unit
- If it doesn't → Loss limited to ₹100 paid

Why safer? Options limit your maximum loss to the premium (fee) paid.

What Makes F&O Risky?

- Prices depend on the underlying asset
 - Small mistakes → Huge losses
 - Volatile markets or global events can wipe out portfolios
 - F&O demands strong understanding of market trends, macroeconomics, and geopolitics
- Beginner investors often underestimate the risk.

Jane Street Case: A Wake-Up Call

What Happened?

SEBI, India's market regulator, banned Jane Street, a US firm, and seized ₹4,843 crore over manipulative trades in Nifty Futures.

What It Shows

- Big players can exploit the system
- Most retail (small) traders don't stand a chance without proper tools and knowledge

Retail Investors: Big Losses, Small Gains

- In FY25, retail investors lost ₹1.06 lakh crore in F&O trading (41% increase from the previous year)

- SEBI study: 91% of retail traders lost money
- Retail participation dropped after stricter rules in Nov 2024

Relevance: GS Prelims & Mains Paper III; Economics

Source: Indian Express

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