

NEWS TODAY

RBI unveils Strategic Action Plan for 2024- 25 for Internationalisation of Indian Rupee (INR)

Reserve Bank of India (RBI) in its Annual Report for 2023-24 highlighted **Action Plan for promoting internationalisation of INR, i.e.**

- ▶ Permitting opening of INR account outside India by persons resident outside India (PROI);
- ▶ INR lending by Indian banks to PROI; and
- ▶ Enabling Foreign Direct Investment and Portfolio Investment through Special Non-Resident Rupee (SNRR) and Special Rupee Vostro Account (SRVA).

Internationalisation of Rupee

- ▶ It refers to use of rupee in cross-border transactions.
- ▶ To be accepted as an International currency, INR should be widely used in International transactions, easily convertible and country should have a stable financial market.

Benefits of Internationalisation of Rupee

- ▶ Reduces dollar demand and strengthens INR.
- ▶ Reduces cost of doing business and improves their competitiveness.
- ▶ Reduced need for holding foreign exchange reserves.
- ▶ Reduced Vulnerability to External Shocks.

Challenges in Internationalisation of Rupee

- ▶ INR is not fully convertible.
- ▶ Triffin dilemma i.e. Obligation of country to supply its currency to meet global demand can conflict with its domestic monetary policies.
- ▶ Integration of financial markets could affect macroeconomic stability.

Steps taken for Internationalization of Rupee

- ▶ Usage of Indian payment infrastructure in foreign countries like Singapore, Malaysia etc.
- ▶ Bilateral Currency Swap agreements with countries like Japan, Sri Lanka, Bhutan etc.
- ▶ Issuance of rupee-denominated bonds i.e. Masala bonds.

SNRR Account

- ▶ Any person resident outside India, having a business interest in India, can open SNRR account for purpose of putting through bona fide transactions in rupees.
- ▶ SNRR accounts are usually allowed for specified transactions in trade, foreign investments, External Commercial Borrowings etc.

SRVA Account

- ▶ Vostro account is an account that domestic banks hold for foreign banks in former's domestic currency (in this case, rupee).
- ▶ SRVA is an additional arrangement to existing system that uses freely convertible currencies and works as a complimentary system.
- ▶ For opening SRVA, prior approval of RBI is required.

India's Foreign Direct Investment (FDI) inflows dipped in Financial Year (FY) 2023-24: DPIIT

- ▶ As per data released by Department for Promotion of Industry and Internal Trade (DPIIT), FDI inflows in 2023-24 contracts by 3.49% to \$44.42 billion as compared with 2022-23.

Other Key Highlights

- ▶ Maharashtra received highest FDI followed by Gujarat and Karnataka in FY 2023-24.
- ▶ Singapore was the top source of foreign inflows followed by Mauritius and USA in FY 2023-24.
 - ⊕ Top 5 countries for FDI equity inflows into India during 2000-24 are Mauritius followed by Singapore, USA, Netherland, Japan.
- ▶ Computer software & Hardware, followed by Service sector and Construction Activities received highest FDI in FY 2023-24
 - ⊕ Top 5 sectors receiving highest FDI equity inflow during 2000-2024 are Services Sector, Computer Software & Hardware, Trading, Telecommunications, Automobile Industry.

About FDI

- ▶ It is an investment made by a company or an individual in one country into business interests located in another country.
- ▶ DPIIT is nodal Department for formulation of FDI policy in India.
- ▶ FDI is permitted through Automatic route (Government approval not required) or Government route (approval required).
- ▶ Foreign Currency Convertible Bonds, Foreign Institutional Investment with certain conditions and Global Depository Receipts are included in FDI.
- ▶ FDI is prohibited in Lottery Business, Gambling and Betting, Chit funds, Nidhicompany, Trading in Transferable Development Rights etc.

Significance of FDI

- ▶ Stimulates economic growth, enables development in backward areas, ensures exchange rate stability, etc.

Concerns regarding FDI in India

- ▶ Most FDI inflow is concentrated in few states like Maharashtra & Karnataka, widening existing inequalities.
- ▶ FDI may lead to unfair competition and ultimately affect domestic companies.

Initiatives taken to promote FDI

- ▶ Liberalization of FDI in sectors like Insurance, Power exchanges etc.
- ▶ Investment promotion and facilitation through Invest India Programme.
- ▶ Attracting foreign investment through Make in India.

Stagnant Millet Production in India: RBI Annual Report 2023-24

Report highlighted that while India accounts for nearly 80% of Asia's and 20% of global millet production, the acreage and production of millets have stagnated over the years.

Reasons for Stagnant Millet Production

- Yield gap caused by labor shortages and insufficient fertilizer.
- Shift in consumer preferences and MSP-backed procurement schemes for fine cereals.
- Relatively shorter shelf life of crops posing storage issues.




About Millet (Shree Anna)

- Millets is a Kharif Crop.
- They are small cereal grains that belong to Poaceae family (grass family).
- They are nutri-cereals comprising of major millets (sorghum, pearl-millet, etc.) and minor millets (foxtail, kodo, etc.).
- They are rich source of micronutrients and contain 7-12% protein, 2-5% fat, 65-75% carbohydrates and 15-20% dietary fibre.

- India's millet productivity (excluding sorghum) was lower than China, Ethiopia, and Russia in 2022.
- India's major millets producing states are Rajasthan, Karnataka, Maharashtra, Uttar Pradesh, Haryana, etc.

Initiatives taken to promote Millet

- National and International year of millets observed in 2018 and 2023 respectively.
- National Food Security Mission to increase production and productivity of millets in India.
- Saksham Anganwadi and Poshan 2.0 mandate supply of millets at least once a week and suitably integrated in Hot Cooked Meal.

Benefits of Millet		
		
Health	Economic Security	Environment
<ul style="list-style-type: none"> ➤ Good source of minerals like iron, zinc, and calcium ➤ Low Glycemic Index (good to prevent diabetes) ➤ Gluten-free (beneficial for celiac disease patients) ➤ Help to combat anemia, cardiovascular disease and lower cholesterol level 	<ul style="list-style-type: none"> ➤ Sustainable source of income for farmers ➤ Low investment needed for production 	<ul style="list-style-type: none"> ➤ Helps to reduce carbon footprint ➤ Less water intensive, drought resistant and sustainable ➤ Requires less fertilisers and pesticide for growth

Conservation planning for Gangetic dolphin in smaller rivers of the Ganga

The study was conducted by scientists by surveying the tributaries and sub-tributaries of the Ganga river.

Key finding of the study

- Small rivers harbor more than 15% of the Gangetic dolphins.
- The distribution of gangetic dolphin has diminished in Son, Ken, Betwa, Sind, Sharda and the upper stretch of the Yamuna River.
- There is a lack of robust ecological information of smaller rivers that has hampered overall river conservation efforts.

Threats to Gangetic dolphins

- Unintentional killing, overfishing and net entanglement, poaching for dolphin oil, pollution, and fragmented populations from dams.

Recommendations

- Comprehensive and inclusive conservation strategies that adopt river basin-wide approach.
 - ⊕ River basin is an area drained by a river and its tributaries.
- Umbrella-species approach can be adopted to conserve small rivers.
 - ⊕ It means that providing adequate space for species which require more space such as gangetic dolphins, will free up space for smaller species in the area.
- Identification of the priority river stretches for protecting biodiversity along with monitoring of biodiversity changes, implementing stringent measures to reduce pollution, etc.

About Gangetic dolphins

Protection status

⊕ IUCN : Endangered

⊕ CITES: Appendix I

⊕ WPA 1972: Schedule I and IV.

⊕ Part of species recovery programme.

Characteristics

⊕ A long thin snout, rounded belly, stocky body and large flippers.

⊕ Only live in freshwater and are essentially blind.

⊕ Also known as "Susu" based on sound made by them while breathing.

⊕ Females are larger than males.

➤ Government initiative for protection: Declared as national aquatic animal, Project dolphins, Vikramshila Gangetic Dolphin Wildlife Sanctuary.



IMD inspecting Automatic Weather Stations (AWS) due to unusual high temperature recording

AWS has recorded **52.9 degree Celsius** at Mungeshpur station in Delhi and **56 degrees Celsius** at Ramdaspath in Nagpur.

- Nearby stations to these areas have recorded comparatively low temperatures and raise concern about wrong readings.

About AWS

- Defined as a "meteorological station at which observations are made and transmitted automatically".
- The four sensors are used for normal AWS –Wind sensors, temperature humidity sensors, pressure sensors and rainfall sensors.
- The air temperature is measured using an electrical resistance thermometer in degrees Celsius.
 - ⊖ Electrical-resistance thermometers operate on the principle that electrical resistance varies with changes in temperature.

Challenges with AWS

- Beyond a certain temperature threshold, the accuracy of recordings becomes unreliable.
- Improper calibration of the sensors.
- Improper placement of AWS units on concrete structures and lack of regular maintenance.

Other heat measuring device

- High temperature can be measured by placing a thermometer in a Stevenson Screen.
 - ⊖ Stevenson Screen is a wooden enclosure designed to shield meteorological instruments from precipitation and direct heat radiation while enabling free circulation of air around them.

About India Meteorological Department (IMD)

- **Established:** in 1875.
- **About:** Principal government agency in all matters relating to meteorology and allied subjects.
 - ⊖ It is one of the six Regional Specialized Meteorological Centres of the World Meteorological Organization.
- **Ministry:** Ministry of Earth Sciences.
- **Headquarters:** New Delhi
 - ⊖ It has six Regional Meteorological Centres.

46th Antarctic Treaty Consultative Meeting (ATCM) and 26th Committee on Environmental Protection (CEP) concluded

These were hosted by the National Centre for Polar and Ocean Research, Ministry of Earth Sciences, Government of India.

- The CEP advises the ATCM on environmental protection and conservation in Antarctica.
- Measures, Decisions and Resolutions, adopted at the ATCM, give effect to the principles of the Antarctic Treaty.

About Antarctic Treaty

- **Genesis:** Signed in Washington, in 1959 by 12 countries & entered into force in 1961.
- **Members:** 57 out of which 29 are consultative parties (participate in the decision-making).
 - ⊖ India has been a Consultative Party since 1983.
- **Applicability:** The area south of 60° South latitude.
- **Key provisions**
 - ⊖ Antarctica shall be used for peaceful purposes only.
 - ⊖ Facilitate international scientific cooperation in Antarctica.
 - ⊖ Prohibits nuclear explosions, radioactive waste disposal, and military deployments in Antarctica.

India's initiatives for Antarctica

- India's first Antarctic research station was **Dakshin Gangotri** (1983). India currently operates two research stations- **Maitri** (1989) and **Bharati** (2012).
 - ⊖ In ATCM- 46 India announced a plan to set up an Antarctic research station, **Maitri-II**.
- In 2022, India enacted the **Antarctic Act**, reaffirming its commitment to the Antarctic Treaty.

Related agreements to Antarctic Treaty

- **Protocol on Environmental Protection to the Antarctic Treaty (1991):** Designates Antarctica as a "natural reserve, devoted to peace and science.
- **The Convention for the Conservation of Antarctic Seals (1972):** To promote and achieve the protection, scientific study, and rational use of Antarctic seals.
- **Convention on the Conservation of Antarctic Marine Living Resources (1980):** Provides for the conservation and rational use of krill, fin fish and other marine living resources.

Also in News



Living Will

High Court judge becomes first in Goa to register a 'living will'.

About Living Will (Advance Medical Directive)

- Refers to a written document that a person uses to give his explicit instructions in advance about medical treatment to be administered if he becomes incompetent or unable to communicate.
- It is executed voluntarily.
- Supreme Court in **Common Cause vs. Union of India & Anr. (2018) case**, held that a person in persistent vegetative state can opt for passive euthanasia (withdrawing life support, medical treatment).
 - ⊖ A person can execute a living will to refuse medical treatment in case of a terminal illness.



Variable Repo Rate (VRR)

The recent VRR auction by Reserve Bank of India (RBI) witnessed a good response from banks.

About VRR

- **Rate at which RBI allows Banks to borrow** at a rate decided by the market.
 - ⊖ Repo Rate is the rate at which Banks borrow money from RBI which is fixed by RBI.
- The borrowing duration is more than **One Day and usually up to 14 days**.
- It is a tool to inject short-term liquidity into the banking system.
 - ⊖ Similarly **Variable Rate Reverse Repo (VRRR)** is conducted to absorb the excess liquidity from the system.



Funan Techno Canal

Recently, Cambodia announced that it will start work on Funan Techno canal soon.

About Funan Techno Canal

- It is a **proposed 180-kilometer canal project in Cambodia** funded by China.
- It will **connect Cambodian coastal province of Kep** (on Gulf of Thailand) with **capital Phnom Penh** via Bassac River (Hau Giang River), one of the **major tributaries of Mekong River**.
- It will **reduce Cambodia's reliance on Vietnamese ports** for international shipping.



Koya Tribe

Special Enforcement Bureau raids on Mahua liquor in Andhra Pradesh have **targeted Koya tribe**, threatening their traditional practices.

- Mahua (tropical tree) is **considered sacred by them**. Its **flowers are used for brewing liquor**.

About Koya Tribe

- Habitat:** Hills and forests north of **Godavari District (Andhra Pradesh)** and **Malkangiri district (Odisha)**.
- Occupation:**
 - Traditionally, they are **pastoralists** and **shifting cultivators** but now they have taken to **settled cultivation**.
 - Cultivate mainly paddy, maize, mandia (millet) and tobacco leaf.
- Culture:**
 - Speak **Koya language**, which belongs to **Dravidian family** of languages.
 - Koya observes annual religious festivals i.e., **Bijja Pandu, Kodta Pandu, Bimud Pandu etc.**



Dag Hammarskjöld medal

Recently, The Dag Hammarskjöld Medal was presented posthumously by the UN to an Indian peacekeeper Naik Dhananjay Kumar Singh.

About Dag Hammarskjöld medal

- It is a **posthumous award** to members of **peacekeeping operations**.
- The **first Medal** was presented to the family of **Dag Hammarskjöld in 1998**.
 - He was **Secretary-General of the UN** from 1953 until 1961.



Global food policy report 2024: Food systems for healthy diets and nutrition

Released by: International Food Policy Research Institute (IFPRI).

Key findings

- Climate change and biodiversity loss** can have complex and interconnected effects on **diets, affecting food availability, diversity etc.**
- More than **two billion people**, many of them in Africa and South Asia, cannot afford a healthy diet.
- Around 38 percent of the Indian population** ate unhealthy foods
- As a result of poor diet, **16.6% Indians suffer from malnutrition.**

About IFPRI

- Established in 1975**, It is a research center of the **Consortium of International Agricultural Research Centers**.



Stromatolites

Recently, the first discovery of **living shallow-marine stromatolites** was made in the Middle East near the Red Sea.

About Stromatolites

- They refer to a range of **microbial communities that are associated with layers of rock**.
- They represent the **earliest geological record of life on Earth**.
- They are partially responsible for the **Great Oxygenation Event**, which changed the composition of **our atmosphere by introducing oxygen**.
- They are typically relegated to **extreme environmental niches, thus are found Rarely and are sparsely scattered across the globe**.



Senkaku Islands

Japan has spotted Chinese ships sailing near disputed Senkaku Islands in East China Sea.

About Senkaku Islands

- Also known as **Diaoyu in Chinese**.
- Located approximately **170km northwest of Japan's Ishigaki Island/ Okinawa Prefecture**, **170km northeast of Taiwan** and **330km from mainland China coast**.
- Comprises group of islands i.e. **Uotsuri Island (largest)**, Kuba Island, Taisho Island etc.
- Senkaku Islands have long been a **contentious issue between Japan and China**. Both nations assert historical claims over uninhabited rocky chain.

Personality in News



Ahilyabai Holkar (1725 – 1795)

The Holkar Queen of Malwa Kingdom was commemorated on her 299th birth anniversary.

About Ahilyabhai Holkar

- Born in Ahmednagar (Maharashtra)
- She took control of Malwa in 1754** after her husband's (Khande Rao) death (Battle of Kumher)

Key Contributions

- City of Maheshwar became a literary, musical, artistic and industrial centre**
 - She helped establish a textile industry** now home to famous Maheshwari sarees.
- She was instrumental in spreading the **message of dharma and propagating industrialization** in her kingdom.
- She restored various temples** including Kashi Vishwanath, Omkareshwar etc

Values: Courage, Compassion, Great administrator etc.



AHMEDABAD



BENGALURU



BHOPAL



CHANDIGARH



DELHI



GUWAHATI



HYDERABAD



JAIPUR



JODHPUR



LUCKNOW



PRAYAGRAJ



PUNE



RANCHI