



26 December, 2023

Double inflows of NRI deposits in India

Context: Fresh inflows into non-resident deposit schemes doubled to \$6.1 billion in April-October 2023 from \$3.05 billion in the same period last year.

- The rise is attributed to increased inflows into foreign currency non-resident (FCNR-B) accounts.
- Inflows into FCNR(B) deposits rose to \$2.06 billion, compared to an outflow of \$814 million in the same period the previous year.
- Non-resident external rupee accounts (NRE RA) saw flows increase to \$1.95 billion from \$1.67 billion in the corresponding period last year.
- The highest NRI deposits came into non-resident ordinary (NRO) accounts at around \$2 billion.
- Interest rate differentials and the stability of the rupee are cited as reasons for the increased NRI deposits.
- NRE and NRO accounts maintain deposits in rupees, while FCNR(B) deposits are held in foreign currency, mitigating currency depreciation risk.
- In 2023, the rupee exhibited low volatility compared to other emerging market economies, appreciating by 1.6% on a trade-weighted basis and 4.5% adjusted for inflation differentials.

➤ NRI Deposits:

- NRI Deposits provide a platform for Non-Resident Indians (NRIs) to invest their money in India.
- NRIs, residing outside India, typically earn income in international currencies such as the US dollar and Euro.
- The need arises for an account that can hold and convert their assets and funds into Indian rupees.
- An NRI account serves this purpose, facilitating the management and conversion of securities and money from international currencies to Indian rupees.

• Types:

▪ NRE Account:

- ✓ Facilitates the transfer of money earned overseas to India.
- ✓ A rupee-dominated account that is repatriable, allowing the transfer of international earnings back to India.
- ✓ Interest earned on the NRE account is tax-free.

▪ NRO Account:

- ✓ Formed and held in INR values for revenue received within India.
- ✓ Suitable for deposits related to income sources within India, such as rent and dividends.
- ✓ No currency conversion barrier, as deposits are made in rupee denominations.

▪ FCNR (B) Account:

- ✓ Allows NRIs or Persons of Indian Origin to make deposits in foreign currency.
- ✓ Deposits can be made in the denomination of currencies from their resident country.
- ✓ The principal amount and interest in an FCNR Account are fully repatriable.
- ✓ Interest income earned on the money in an FCNR account is non-taxable in India.
- ✓ Currencies must be those prescribed by RBI for holding in the account.

Millisecond burst detected by AstroSat

Context: AstroSat, India's first multi-wavelength space observatory, detected rapid X-ray bursts from a unique neutron star, a magnetar, shedding light on extreme astrophysical conditions.

Background:

- AstroSat is India's first multi-wavelength space observatory, initiated after the success of the Indian X-ray Astronomy Experiment (IXAE) in 1996.
- The project was approved by the Indian Space Research Organization (ISRO) in 2004, and various astronomy research institutions in India and abroad collaborated on building the satellite.

Mission Details:

- AstroSat is a near-Earth, equatorial orbit satellite with five instruments covering different regions of the electromagnetic spectrum.
- Instruments include UV Imaging Telescope (UVIT), Soft X-ray Imaging Telescope (SXT), Large Area X-ray Proportional Counter (LAXPC), Cadmium Zinc Telluride Imager (CZTI), Scanning Sky Monitor (SSM), and Charged Particle Monitor (CPM).
- The satellite aims to study a wide range of astrophysical objects, from nearby Solar System objects to distant stars and cosmological entities.
- Observations include simultaneous multi-wavelength monitoring, X-ray sky monitoring for transients, and surveys in hard X-ray and UV bands.

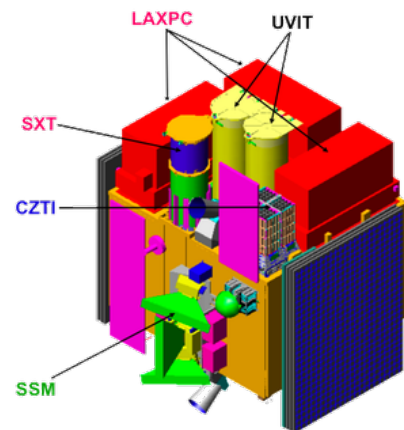
Mission Objectives:

- Simultaneous multi-wavelength monitoring of cosmic sources.
- Monitoring X-ray sky for new transients.
- Conducting surveys in hard X-ray and UV bands.
- Broadband spectroscopic studies of various astrophysical objects.
- Studies of periodic and non-periodic variability in X-ray sources.

Payloads:

➤ Ultra Violet Imaging Telescope (UVIT):

- Performs imaging in three channels covering different UV and visible wavelength ranges.
- Allows for spectral band selection through filters and grating for slitless spectroscopy.



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- **Soft X-ray Imaging Telescope (SXT):**
 - Utilizes focusing optics and a CCD camera for X-ray imaging in the 0.3–8.0 keV band.
 - Consists of gold-coated conical foil mirrors.
- **Large Area X-ray Proportional Counter (LAXPC):**
 - Covers X-ray timing and low-resolution spectral studies over a broad energy band (3–80 keV).
 - Cluster of three co-aligned identical LAXPCs.
- **Cadmium Zinc Telluride Imager (CZTI):**
 - A hard X-ray imager with a Pixellated Cadmium-Zinc-Telluride detector array.
 - Effective area of 500 cm² and energy range from 10 to 150 keV.
- **Scanning Sky Monitor (SSM):**
 - Consists of three position-sensitive proportional counters with a coded mask for imaging.
 - Similar to NASA's RXTE satellite's All Sky Monitor.
- **Charged Particle Monitor (CPM):**
 - Included to control the operation of LAXPC, SXT, and SSM.
 - Prevents damage to detectors during high fluxes of low-energy particles.

ASEAN India Trade in Goods Agreement

Context: India and ASEAN will start talks in February to update their 15-year-old free trade agreement for a more balanced deal favouring New Delhi.

- **Trade Deficit and Historical Context:**
 - The AITGA, implemented in January 2010, has resulted in disproportionate benefits for ASEAN, leading to a growing trade deficit for India.
 - India's trade deficit with the ASEAN region has surged from \$7.5 billion per annum to \$43.57 billion in FY23.

- **Concerns and Inputs:**
 - The Commerce Department has gathered inputs from various sectors on tariff and non-tariff barriers faced by Indian businesses in the ASEAN region.
 - Sectors needing attention include chemicals, alloys, plastics, rubber, minerals, leather, textiles, gems, and jewelry.
- **Concessions and Objective of Balance:** India may need to make concessions for ASEAN, but the central objective is to achieve a more balanced agreement that benefits both parties.
- **AITGA Revamp:**
 - Modernizing the AITGA involves changes in the Rules of Origin (ROO), with the aim of increasing market access for some items and preventing potential re-routing of goods by China through ASEAN countries.
 - Product-Specific Rules (PSRs) will be introduced in the ROO chapter to relax rules for certain items, facilitating increased exports and preventing circumvention by China.
- **What is AITGA?**
 - AITGA is a trade deal between India and the ten-member states of ASEAN.
 - The agreement was signed during the 7th ASEAN Economic Ministers-India Consultations in Bangkok, Thailand, in 2009.
 - It came into effect in 2010 and is often referred to as the ASEAN-India Free Trade Agreement.
 - AITGA serves as a framework agreement, providing the basis for future trade negotiations between India and ASEAN.
 - The agreement primarily covers trade in physical goods and products.
 - It does not extend to trade in services.

NEWS IN BETWEEN THE LINES

Kaleshwaram Project



Recently, the Telangana government plans an on-site 'expose' into Telangana's Kaleshwaram project.

About Kaleshwaram Project:

- The Kaleshwaram Lift Irrigation Project (KLIP) is a **multi-stage lift irrigation project** on the Godavari River in Kaleshwaram, Telangana.
- Renowned as the **world's largest multi-stage lift irrigation** project, its inception point lies at the confluence of the **Pranhita** and **Godavari** rivers.
- The project's three main purposes are **irrigation, transport and power**.
- The Pranhita River, a confluence of smaller tributaries including the **Wardha, Painganga** and **Wainganga** rivers, forms the **seventh-largest drainage basin** on the subcontinent.
- The project's primary objective revolves around generating a cumulative output of **240 TMC** (195 from Medigadda Barrage, 20 from the Sripada Yellampalli project and 25 from groundwater).

Veer Bal Diwas



Recently, the Prime Minister of India participated in a programme to pay homage to the courage and martyrdom of the sons of Guru Gobind Singh, the 10th and last Sikh 'Guru'.

About Veer Bal Diwas:

- Veer Bal Diwas is observed annually on December 26th.
- It is a day of remembrance for the "**Sahibzades**", the four sons of the tenth and final Sikh guru, **Guru Gobind Singh**.
- Two sons died fighting the Mughals, while the younger pair, **Sahibzada Zorawar Singh ji** and **Sahibzada Fateh Singh ji**, were bricked alive on December 11, 1705, by **Aurangzeb's governor of Sirhind**.
- Guru Gobind Singh **introduced the practice of wearing a turban** to cover hair and instituted the fundamental principles of Khalsa, embodying the **Five 'K's (kesh, kanga, kara, kirpan and kachera)**.
- The commemoration of Veer Baal Divas was announced by Prime Minister Modi on **January 9, 2022**, as a tribute to the martyrdom of Guru Gobind Singh's sons.

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<p style="text-align: center;">NASAMS</p> 	<p>Recently the Russian Military has reportedly struck Norwegian NASAMS and French Crotale-NG AD system at the Starokonstantinov airfield in the Khmelnytsky region.</p> <p>About NASAMS:</p> <ul style="list-style-type: none"> NASAMS (National/Norwegian Advanced Surface-to-Air Missile System) is a ground-based and a medium-range air defense system designed to protect against aircraft, helicopters, cruise missiles and drones. It has been designed by a collaboration between Raytheon (United States) and Kongsberg Defence & Aerospace (Norway). It is operated by 13 nations, including the U.S., Norway, Finland, Spain, Netherlands, Oman, Lithuania, Indonesia, Australia, Qatar, Hungary, Ukraine and one undisclosed country. It is the world's first networked system that seamlessly integrates with other defense systems. It is equipped with an X-Band, 360-degree phased array radar with a 75-kilometer range for target identification.
<p style="text-align: center;">'MedTech Mitra'</p> 	<p>Recently, the Union Minister of Health and Family Welfare and Chemicals & Fertilizers virtually launched 'MedTech Mitra'.</p> <p>About MedTech Mitra:</p> <ul style="list-style-type: none"> MedTech Mitra is a platform that supports and nurtures medical technology (MedTech) innovators in India. The initiative provides guidance, resources and assistance in shaping research and obtaining regulatory approvals. It is a collaborative alliance between NITI Aayog, ICMR and CDSCO. Aligned with 'Viksit Bharat', it seeks to transform India's healthcare by 2047 through indigenous innovation. Implementation of schemes like production-linked incentives, investments in medical drug parks and research policies seeks to promote indigenous development of quality yet affordable MedTech devices.
<p style="text-align: center;">Place in News</p> <p style="text-align: center;">Egypt</p>	<p>Egypt recently presented an ambitious proposal aiming to end the Israel-Hamas conflict.</p> <p>Egypt (Capital: Cairo)</p> <p>Location: Egypt is a transcontinental country located in the northeast corner of Africa and the Sinai Peninsula in Western Asia.</p> <p>Boundaries: It shares its border with Mediterranean Sea (North), Israel and the Red Sea (East), Sudan (South) and Libya (West).</p> <p>Physical Features:</p> <ul style="list-style-type: none"> The Nile River, the world's longest river, flows through Egypt. Large parts of Egypt are covered by the Sahara Desert. Egypt has several plateaus and mountainous regions, including the Gifl Kebir Plateau and the Red Sea Mountains. 

POINTS TO PONDER

- What percentage of global trade is estimated to pass through the Suez Canal, recently affected by attacks in the Red Sea? – **12%**
- What category of organisms does Pantoea tagorei belong to, making recent headlines? - **Bacteria**
- Which ministry introduced the 'Bhoomi Rashi Portal'? - **Ministry of Road, Transport and Highways**
- Which state is the primary state partner for the International Gita Seminar and Gita Mahotsav? - **Haryana**
- Which university secured the Maulana Abul Kalam Azad Trophy in 2023? – **Guru Nanak Dev University**

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