

1. Internationalisation of Indian Rupee



Topic: Economy

In News: The Reserve Bank of India's (RBI) inter-departmental group (IDG) has published a report on the Internationalisation of the Indian Rupee.

More on the Topic

- Internationalisation is a process that involves **increasing the use of the rupee in cross-border transactions.**
- It involves **promoting the rupee for import and export trade** and then other **current account transactions**, followed by its use in **capital account transactions.**
- These are all transactions between residents in India and non-residents.
- The internationalisation of the currency, which is closely interlinked with the nation's economic progress, requires further opening up of the currency settlement and a strong swap and forex market.
- More importantly, it will require **full convertibility of the currency on the capital account and cross-border transfer of funds without any restrictions.**
- India has allowed **only full convertibility on the current account** as of now.

The relevance:

- Currently, the **US dollar is said to enjoy an 'Exorbitant Privilege'**, which refers to the innumerable benefits that accrue to the US on account of all other countries of the world using the US dollar as their currency in most of their international transactions, among global currencies.
- **In the wake of the sanctions imposed on the Russian government** other countries have become cautious price they may have to pay if they are subjected to similar sanctions by the Western governments.
- They would like to **reduce their reliance on the US dollar and its financial markets** as well as their dependence on dominant international payment mechanisms based on the **Society for Worldwide Interbank Financial Telecommunications (SWIFT) messaging system.**



- While the **Asian crisis of 1997-1998** underscored the necessity of emerging market economies having strong foreign exchange reserves to manage external shocks, in an increasingly polarised world, it no longer seems a sufficient defence against the threat of economic sanctions.

Advantages of internationalisation of the rupee:

- The use of the rupee in cross-border transactions **mitigates currency risk for Indian businesses.**
- **Protection from currency volatility** not only **reduces the cost of doing business**, it also enables **better growth of business, improving the chances for Indian businesses to grow globally.**
- Internationalisation of the rupee **reduces the need for holding foreign exchange reserves.**
- Reducing dependence on foreign currency will make India **less vulnerable to external shocks.**
- As the use of the rupee becomes significant, the bargaining power of Indian businesses would improve, adding weight to the Indian economy and enhancing India's global stature and respect.

Recommendation By RBI:

Short-Term Measures:

- Adopt a **standardised approach for examining the proposals on bilateral and multilateral trade arrangements** for invoicing, settlement and payment in the rupee and local currencies.
- **Encourage the opening of the rupee accounts for non-residents** both in India and outside India.
- **integrating Indian payment systems with other countries** for cross-border transactions.
- Strengthening **financial markets.**

Middle Terms Measures:

- A review of **taxes on masala (rupee-denominated bonds issued outside India by Indian entities) bonds.**
- International use of **Real Time Gross Settlement (RTGS)** for cross-border trade transactions.
- Inclusion of Indian Government Bonds in **global Bond indices.**

Long-Term Measures:

- Inclusion of the rupee in **IMF's (International Monetary Fund) SDR (special drawing rights).**
- The SDR is an international reserve asset created by the IMF to supplement the official reserves of its member countries.
- The value of the SDR is based on a basket of five currencies — the U.S. dollar, the euro, the Chinese renminbi, the Japanese yen, and the British pound sterling.

Source: Indian Express

2. Taipei Economic and Cultural Center (TECC)

Topic: Economy



In News: In a significant move to strengthen bilateral ties between Taiwan and India, the establishment of the Taipei Economic and Cultural Center (TECC) in Mumbai has been announced.

More on the Topic:

- The establishment of the TECC in Mumbai will complement the existing TECC in Chennai, which has been instrumental in **promoting Taiwanese investments and industrial collaboration in southern India.**
- Overall, the establishment of the TECC in Mumbai represents a significant step forward in the bilateral relations between Taiwan and India.
- It reflects **Taiwan's recognition of India's economic potential** and the importance of Mumbai as a key gateway to this thriving nation.
- The decision is seen as part of **Taiwan's 'China-Plus-one' strategy**, which encourages businesses to expand outside of China while maintaining their presence there.

What Is The China Plus One Strategy?

- The "China Plus One" strategy is a **business approach that encourages companies to diversify their operations by expanding outside of China** while still maintaining a presence in the country.



- For the past three decades, Western businesses have heavily invested in China due to its low labour and manufacturing costs, as well as its growing consumer market.
- However, this has led to **an over-reliance on China for their business interests, which can be risky given geopolitical tensions and unforeseen disruptions.**
- The concept of "China Plus One" was first introduced in 2013 as a response to these risks.
- This strategy involves **investing in additional countries to mitigate risk and diversify supply chains.**
- By doing so, companies can reduce their dependence on China while still taking advantage of its benefits.

About India-Taiwan Relations:

- **India recognises only the People's Republic of China** (in mainland China) and not the Republic of China's claims of being the legitimate government of Mainland China, Hong Kong, and Macau – a conflict that emerged after the Chinese Civil War (1945–49).
- However, India's economic and commercial links as well as people-to-people contacts with Taiwan have expanded in recent years.
- Mutual efforts between Delhi and Taipei have enabled a range of bilateral agreements covering agriculture, investment, customs cooperation, civil aviation, industrial cooperation and other areas.
- India and Taiwan **do not enjoy formal diplomatic ties as New Delhi recognizes the "one-China" policy**, although it does have a Taipei office to carry out diplomatic functions.
- As a part of its **"Look East" foreign policy**, India has sought to cultivate extensive ties with Taiwan in trade and investment as well as developing cooperation in science & technology, environmental issues and people-to-people exchanges.
- Under Taiwan's **New Southbound Policy**, it will promote exchanges and cooperation in science and technology, education, culture, and people-to-people ties between Taiwan and India.

Source: IE

3. Chinkara



Topic: Environment and Ecology

In News: In a first-of-its-kind judgment, a sessions court in Rajasthan's Hanumangarh district has ordered the payment of half of the fine amount, imposed on a convict in a chinkara killing case, to the informer as a prize for helping in the detection of crime against wildlife.

More on the Topic:

- Chinkara or Indian gazelle is the State animal of Rajasthan.
- The chinkara (*Gazella bennettii*), also known as the Indian gazelle, is a gazelle species native to Iran, Afghanistan, Pakistan and India.
- **Most of the global population is found in the Thar Desert of western India.**
- Chinkara are very shy creatures and avoid human habitation. Most of the time they spend alone, however, can sometimes gather in small groups of up to four animals. Males are territorial and will chase other males away from their territory. These gazelles are very agile; they run in leaps and bounds and can jump up to 6-7 meters in height. When feeling threatened, they will stamp their forefoot and produce a sneeze-like hiss through the nose. Chinkara prefers to feed at nighttime and are most active just before sunset and during the night.
- **They can go for a long time without water.**
- It has been listed as **Least Concern under the IUCN Red List of Threatened Species** and in **CITES Appendix III.**

Source: Hindu



4.'Gramodyog Vikas Yojna'



Topic: Government Schemes

In News: Delhi Lieutenant Governor has distributed Honey Bee-Boxes and Toolkits to 130 beneficiaries under Gramodyog Vikas Yojana.

More on the Topic:

- GVV is one of the three components of **the umbrella scheme 'Khadi and Gramodyog Vikas Yojana (KGVY)'** with the other two components being Khadi Vikas Yojana and Khadi Grant.
- KGVY is a **central sector scheme of the Khadi and Village Industries Commission (KVIC), Ministry of Micro, Small and Medium Enterprises.**
- GVV is for the promotion and development of village industries through common facilities, technological modernization, training etc.

Source: Indian Express

5. National Clean Air Programme



Topic: Environment and Ecology

In News: National Clean Air Program implemented cities has shown a dip in the concentration levels of particulate matter (PM2.5) in both rural and urban areas.

More on the Topic:

- The goal of NCAP is to meet the prescribed annual average ambient air quality standards at all locations in the country in a stipulated timeframe.
- NCAP targets **to achieve a reduction in Particulate Matter (PM10) levels by up to 40% or achievement of national standards (60 microgram/cubic meter) by 2025-26 in targeted 131 cities of 24 States.**
- **2017 is taken as the base year** for the comparison of concentration.

Objectives:



- To augment and evolve **effective and proficient ambient air quality monitoring networks** across the country for ensuring a comprehensive and reliable database
- To have **efficient data dissemination and public outreach mechanism** for timely measures for prevention and mitigation of air pollution and inclusive public participation in both planning and implementation of the programmes and policies of government on air pollution
- To have a **feasible management plan for the prevention, control and abatement of air pollution.**

Source: Business Standard

6. 'Mosaic' Viruses



**Topic: Environment
and Ecology**

In News: The current sharp increase in the price of tomatoes is due to the lower production of vegetables because of CMV and ToMV viruses in Maharashtra and Karnataka.

More on the Topic:



- The two plant pathogens have similar names and cause similar damage to crops, but **they belong to different viral families and spread differently.**
- ToMV belongs to the **Virgaviridae family and is closely related to the tobacco mosaic virus (TMV).** ToMV hosts include tomatoes, **tobacco, peppers, and certain ornamental plants.**
- **CMV has a much larger host pool that includes cucumber, melon, eggplant, tomato, carrot, lettuce, celery, cucurbits (members of the gourd family, including squash, pumpkin, zucchini, some gourds, etc.), and some ornamentals.**
- CMV was identified in cucumber in 1934, which gave the virus its name.
- **ToMV spreads mainly through infected seeds, saplings, agricultural tools and often, through the hands of nursery workers** who have failed to sanitise themselves properly before entering the fields. It would require only a few infected saplings for the virus to take over an entire field in a matter of days.
- **CMV is spread by aphids, which are sap-sucking insects.** CMV too can spread through human touch, but the chances of that are extremely low.

Source: Business Standard
