

World Economic Situation And Prospects As Of Mid-2024

- The report, prepared by the **United Nations Department of Economic and Social Affairs**,
- **Key Highlights:**
 - The global economy is now expected to grow by **2.7% in 2024**, up from the previously forecasted 2.4%.
 - India's growth rate is projected to be **6.9% in 2024** and **6.6% in 2025**.
 - Technological advancements, particularly in processing and utilizing critical minerals, are creating new opportunities for economic growth.
- **Critical Minerals**
 - These are essential metallic or non-metallic elements that play a significant role in a country's economic or national security.
 - Each country creates its own list of critical minerals based on industrial needs and the strategic assessment of supply risks.
 - **India has identified 30 critical minerals**, including Antimony, Beryllium, Bismuth, Cobalt, Copper, Gallium, and Germanium.
- **India's Initiatives for Critical Minerals**
 - **Khanij Bidesh India Limited (KABIL):** Established to identify, acquire, process, and commercially utilize strategic minerals from overseas for supply in India.
 - **Mineral Security Partnership (MSP):** India has joined the MSP, led by the US, to enhance the development of diverse and sustainable supply chains for critical energy minerals globally.
 - **Mines and Minerals (Development and Regulation) Amendment Act, 2023:** This act enables the Central Government to auction areas for critical and strategic minerals.

Stand Up India

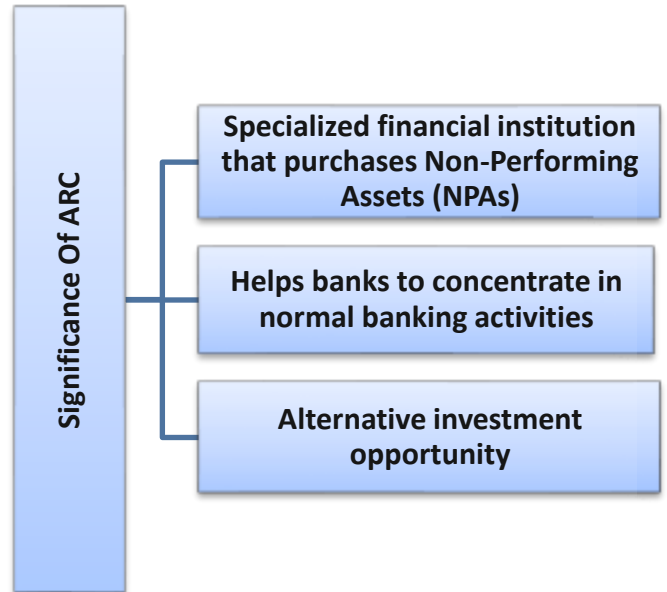
- On May 17, 2024, the **Department for Promotion of Industry and Internal Trade (DPIIT)** under the **Ministry of Commerce and Industry** organized the "**ONDC Startup Mahotsav**." This inaugural event took place at Vanijya Bhawan, New Delhi, Delhi.
- **ONDC Startup Mahotsav** is a unique collaboration between the **Startup India Initiative** and the **Open Network for Digital Commerce (ONDC)**, both of which are flagship initiatives of DPIIT.
- **About Startup India Initiative:**
 - **Launch Year** - – 2016 (125th Birth Anniversary of Dr. B.R. Ambedkar)
 - The scheme has been extended till 2025
 - **Ministry** - Ministry of Finance
 - **Objective** - To provide bank loans ranging from Rs.10 lakhs to Rs.1 crore to at least one SC or ST borrower and at least one-woman borrower per branch for setting up of a greenfield enterprises.
 - In case of group enterprises, at least 51% of the shareholding should be held by either a SC/ST or Women entrepreneur.
- **Features :**
 - Operated by all branches of scheduled commercial banks in India
 - Interest rate should not exceed **MCLR + 3% + tenor premium**.
 - Margin Money requirement for loans is up to **15%** (Margin Money is the beneficiary's contribution to the project).
 - Borrowers must contribute at **least 10%**.
 - As of 2021, agriculture and allied activities are included.
 - **Security:** In addition to primary security, loans may be secured by collateral or a credit guarantee fund scheme as decided by the banks.
 - Loans are repayable in **7 years** with a maximum moratorium of **18 months**.
 - Borrowers will receive a **Rupay debit card**.
 - **SIDBI** has created a portal for effective implementation of the scheme.

Eligibility:

- Age above 18 years
- Loan available only for greenfield projects
- Borrower should not be defaulter

RBI Flags Concerns Over Functioning Of Asset Reconstruction Companies

- The Reserve Bank of India (RBI) raised supervisory concerns about the functioning of Asset Reconstruction Companies (ARCs) during a conference themed '**Governance in ARCs – Towards Effective Resolutions**'.
- **Asset Reconstruction Companies (ARCs)**
 - ARCs are financial institutions that acquire and manage stressed assets from banks and financial institutions.
 - They are registered as companies under **Section 3 of the SARFAESI Act, 2002** (Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act).
- **Issues with ARCs**
 - Allowing defaulting promoters of insolvent companies to re-enter through back-door methods.
 - Selling assets to entities that have deals with the defaulting promoters.
 - Lengthy settlement processes with borrowers.
 - Focusing on debt recovery rather than the revival and reconstruction of businesses.
 - Not adhering to transparent and non-discriminatory practices.
- **Measures to Improve ARCs Governance**
 - Develop a strong institutional culture prioritizing integrity And ethical conduct.
 - Follow transparent and non-discriminatory practices in accordance with the **Fair Practice Code (FPC)** established by RBI.
 - Give due importance to assurance functions such as risk management, compliance, and internal audit.



50 Years Ago, India Conducted Its First Ever Nuclear Test

- **In 1974**, a nuclear test was conducted at Pokhran, an army test range in the desert of western Rajasthan. This test, with a plutonium device in the 10-15 kiloton range, was code-named **Operation Smiling Buddha**. With this test, India became the **first country outside the five permanent members of the United Nations Security Council (P-5)** to conduct a nuclear test.
 - In 1998, India conducted another series of nuclear tests at Pokhran, known as **Operation Shakti**. These tests provided India with the capability to develop nuclear weapons with yields ranging from low levels to around 200 kilotons.
- **Factors Driving India's Pokhran I:**
 - Establishing a deterrent capability against potential adversaries and safeguarding national security interests.
 - India's objection to the **Nuclear Non-Proliferation Treaty (NPT)**, viewing it as discriminatory to countries outside the P-5.
- **Response to the Test:**
 - The **Nuclear Suppliers Group (NSG)** was **established in 1975** following the explosion.
 - The **NSG includes 48 states** that have voluntarily agreed to coordinate their export controls to non-nuclear-weapon states.
 - It regulates the transfer of civilian nuclear material and nuclear-related equipment and technology.
- **India's Nuclear Doctrine:**
 - Maintaining a credible minimum deterrent.
 - Adopting a "**No First Use**" policy, stating that nuclear weapons will only be used in retaliation against a nuclear attack.
 - Committing to not using nuclear weapons against non-nuclear-weapon states.
 - Ensuring that nuclear retaliatory attacks can only be authorized by civilian political leadership.
 - Committing to the goal of a nuclear weapon-free world.

India Needs Lower Tariffs To Become A Part Of Global Value Chains: Niti Aayog CEO

- **Global Value Chain (GVC)** refers to the international production sharing process, where production is divided into activities and tasks performed in different countries.
- **Benefits of GVC**
 - Helps build domestic companies that can compete globally.
 - Increases foreign exchange earnings.
 - Leads to faster growth, the import of skills and technology, and boosts employment.
- **Reasons Behind India's Weak GVC Integration**
 - India has not been part of significant trade blocs; for instance, SAARC is inactive, and India has withdrawn from RCEP.
 - Historical inward-looking industrial policies, such as the License Raj and import substitution.
 - The pace of re-skilling and up-skilling the workforce is slow.
 - Lack of integration with lead firms; for example, Bangladesh outperforms India in the garment industry due to its alignment with GVC lead firms.

National Endangered Species Day (NESD) 2024

- **About NESD 2024**
 - The theme for 2024 is **"Celebrate Saving Species."**
 - Observed on the **third Friday of May**.
 - **Established in 2006** by **David Robinson** and the Endangered Species Coalition.
- **Significance**
 - Raises awareness about the number of species facing extinction.
 - Calls for action to reduce harmful human activities threatening species.
 - Encourages contributions to the well-being of nature and endangered species.

IndiaAI Mission

- The government is prepared to finance up to **50% of the creation of Artificial Intelligence (AI)** compute infrastructure in the country. This initiative falls under the **IndiaAI mission**, specifically the **IndiaAI Compute Capacity (IAICC)** component.
- **About IndiaAI Mission:**
 - At the **Global Partnership on Artificial Intelligence (GPAI) Summit 2023** in New Delhi, the Prime Minister of India announced that India would initiate an **artificial intelligence (AI) mission**.
 - **Objective:** To establish a robust AI ecosystem through strategic programs and partnerships across public and private sectors.
 - **Implementation:** Managed by the 'IndiaAI' Independent Business Division (IBD) under the Digital India Corporation (DIC).
 - **Components:** Include IndiaAI Compute Capacity, IndiaAI Innovation Centre, IndiaAI Datasets Platform, among others.
- **IndiaAI Compute Capacity (IAICC)**
 - Aims to establish scalable AI computing infrastructure by deploying over 10,000 Graphics Processing Units (GPUs) through strategic public-private collaborations.

Mangalyaan-2 Unveiled: India Poised To Become Third Nation To Land On Mars

- The **Indian Space Research Organisation (ISRO)** is preparing for a groundbreaking mission aimed at **landing a rover and helicopter on Mars**. This historic initiative, named **Mangalyaan-2**, aims to position India as a significant player in interplanetary exploration, alongside the **US and China**. The project was unveiled during a presentation at the **Space Application Centre on National Technology Day**.

India, UAE Conclude Meeting On India Middle East Europe Economic Corridor

- **India and the UAE** recently concluded a significant meeting centered on the **India-Middle East-Europe Economic Corridor (IMEEC)**. The meeting, conducted under the **Intergovernmental Framework Agreement**, aimed to enhance cooperation for the development and operationalization of the corridor. This initiative is poised to offer alternative supply routes, leading to increased efficiencies and reduced costs.