

ECONOMIC DEVELOPMENT

Liberalised Remittances Scheme (LRS).

In context: Starting from July 1, the Reserve Bank of India plans to implement a 20% tax on the Liberalised Remittances Scheme (LRS). As a result, banks are preparing their systems to monitor expenses made with international cards and collect the applicable tax on outward remittances.

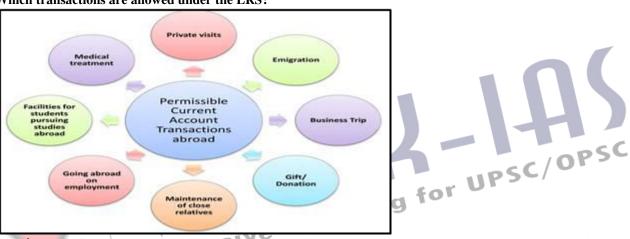
About: Liberalised Remittance Scheme (LRS)

- ✓ It was brought out by the RBI in 2004.
- ✓ It allows resident individuals to remit a certain amount of money during a financial year to another country for investment and expenditure.
- ✓ According to the prevailing regulations, resident individuals may remit up to \$250,000 per financial year.

Background of LRS:

- Resident Indians or people resident in India are allowed to transfer foreign currency under the foreign exchange regulations.
- ✓ The transfer of foreign currency outside India is governed by the Foreign Exchange Management Act, 1999 (FEMA).
- ✓ Hence, to regulate transferring of funds within a specified limit, RBI brought the LRS.

Which transactions are allowed under the LRS?



- Apart from the areas highlighted in the above diagram, the remitted amount can also be invested in shares, debt instruments, and be used to buy immovable properties in overseas market.
- Individuals can also open, maintain and hold foreign currency accounts with banks outside India for carrying out transactions permitted under the scheme.

What are the Restrictions under LRS?

LRS restricts: buying and selling of foreign exchange abroad, or purchase of lottery tickets or sweep stakes, proscribed magazines and so on, or any items that are restricted under Schedule II of Foreign Exchange Management (Current Account Transactions) Rules, 2000.

Also, one cannot make remittances directly or indirectly to countries identified by the Financial Action Task Force as non-co-operative countries and territories.

Recent Changes in LRS

Announcement in Budget 2023-24

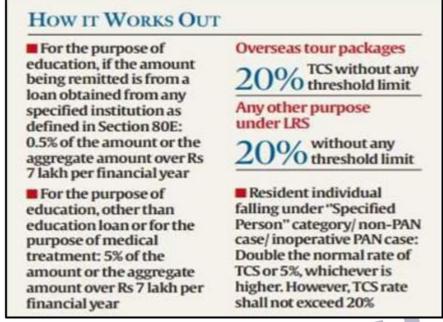
- ✓ Budget had proposed hiking the TCS rate to 20 per cent from 5 per cent above Rs 7 lakh threshold for all purposes other than education and medical treatment.
- ✓ Also, for overseas tour packages, the government had proposed hiking the TCS rate to 20 per cent from 5 per cent, without any threshold.

Changes made

- May 2023, the Government amended rules under the FEMA to bring in international credit card spends outside India under the LRS.
- ✓ As a consequence, spending on international credit cards would have then attracted a higher rate of TCS (tax collected at source) at 20% from July 1.
- ✓ However, later, the government clarified that any payments by an individual using their international debit or credit cards up to Rs 7 lakh per financial year will be excluded from the LRS limits and hence, will not attract any TCS.
- ✓ TCS is a direct tax levy, which is collected by the seller of specified goods from the buyer and deposited to the government.



- TCS can be adjusted against the overall tax liability. It can be claimed as an income tax refund or a person can avail of credit while filing the ITR or calculating the advance taxes.
- It will not apply on the payments for purchase of foreign goods and services from India.



Rationale behind new system

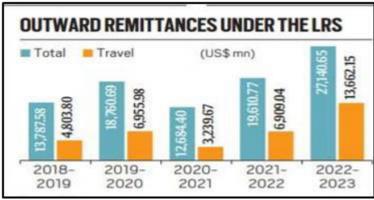
- Indians are now increasingly using credit and debit cards abroad instead of taking travellers cheques or forex cards.
- The new system will enable the government to track high-value overseas transactions.

 News Summary: Banks readying systems to track spends on outward remitters.

Challenges faced by Banks in new regime

- Banks are facing difficulties in evaluating and collecting TCS exemptions for credit and debit card transactions conducted outside India.
- RBI has decided to leave it up to the banks to handle the collection of the tax imposed by the government in the FY23-24 budget.
- Deducting TCS is not a hassle. The hassle is to take into account certain exemptions into the system.
- The exemption of up to Rs 7 lakh created some confusion.

Outward remittances under LRS



There was an outflow of \$ 27.14 billion (over Rs 2.22 lakh crore) under the LRS route in FY23.

INDIA AND FOREGIN RELATION

1. The Atlantic Declaration

In Context: The United Kingdom Prime Minister Rishi Sunak and the United States (US) President Joe Biden recently signed "The Atlantic Declaration: A Framework for a Twenty-First Century US-UK Economic Partnership".

About:

- The Atlantic Declaration is a symbolic representation of the political will in UK and US to work together on critical areas and make this alliance ready for the future.
- The new partnership:
- Declared as the first of its kind, the declaration and its action plans are expected to promote a "new type of innovative partnership" to cover all areas of cooperation including technology, economy and
- While deepening the trade and investment relations, the declaration is also expected to strengthen the UK-US cooperation in sectors like defence, health, space, and science.

New Challenges:

- The new declaration highlights that the nature of national security is changing with economics and it is becoming more intertwined.
- The US and the UK are facing new international challenges including from "authoritarian states" such as China and Russia; along with disruptive technologies, non-state actions and transnational issues like climate change.

Significance

Strategic relations:

- To deal with the emerging challenges, both countries have worked together to strengthen their resilience in trade and technology; and cooperated to expand the scope of their defence, security, and
- This has been achieved by their continuing support to Ukraine, strengthening NATO, implementing AUKUS—it is a trilateral security pact between Australia, the United Kingdom, and the US—and advanced coordination under the US-UK Indo-Pacific Dialogue.

Reducing dependencies:

This new economic declaration will work towards reducing strategic dependencies as well as to building resilient, secured, and diversified supply chains.

Technology:

- The focus will also be on critical and emerging technologies; exploring ways to deepen trade and investments; and strengthening the US-UK alliance in sectors such as science, health security, space,
- The Action Plan for a Twenty-First Century U.S.-UK Economic Partnership (ADAPT) aims to spearhead the economic relations to reflect today's challenges, and identifies five pillars of cooperation

About The US-UK bilateral relations

Special relations:

The bilateral relations between Washington and London are often called "special", however, in the past few years the relations have been anything but.

Post Brexit scenario:

- The relations had hit a roadblock first with the positive Brexit vote and then with the Northern Ireland Protocol.
- Renewal of the partnership:
- With this new Atlantic Declaration, both countries are stepping up their cooperation to set new standards of economic and technological cooperation.
- It represents the push by both countries to renew their partnership in a post-Brexit world.

Significance of PM Modi's Visit to Al-Hakim Mosque in Egypt:

IN CONTEXT: PM Modi's visit to the Al-Hakim Mosque in Egypt signifies the deep-rooted historical and cultural connections between India and Egypt, with a particular focus on the Dawoodi Bohra Muslim community. ABOUT THE AL-HAKIM MOSQUE:

- The Al-Hakim Mosque is a historic and prominent mosque in Cairo, Egypt.
- It is named after Al-Hakim bi-Amr Allah, the 16th Fatimid caliph who ruled from 985 to 1021.
- The mosque was constructed during Al-Hakim's reign and remains a significant religious site.
- The mosque was commissioned by the Fatimid Caliph Al-Hakim bi-Amr Allah in 990 CE and completed in 1013 CE.
- Al-Hakim was the sixth Fatimid caliph and is known for his eccentric rule. The mosque is named after him and has since become one of the prominent landmarks in Cairo.

The Dawoodi Bohra Muslim Community:

- The Dawoodi Bohra Muslims are followers of Islam who adhere to the Fatimi Ismaili Tayyibi school of thought.
- The Dawoodi Bohras are a subsect of Shia Islam and are known for their adherence to the Fatimid tradition. They are predominantly found in the Indian subcontinent and have a significant presence in India, Pakistan, and other countries.

DAILY CURRENT AFFAIRS

- Originating from Egypt, the community later migrated to Yemen before settling in India in the 11th century.
- In 1539, the seat of the sect was moved to Sidhpur in Gujarat, India, from Yemen.
- The Dawoodi Bohra Muslim community considers Surat in Gujarat their base, although they have a presence in Maharashtra and Madhya Pradesh as well.
- The Dawoodi Bohras have a unique cultural identity that is influenced by their religious beliefs and the regions they inhabit. They have their own language, known as Lisan al-Dawat, which is a form of Arabic with borrowed words from Gujarati and other languages. The community also has its own distinct cuisine, dress code, and social customs.

Population of Dawoodi Bohra Muslims in India:

Official data suggests that the Dawoodi Bohra Muslim population in India is around 500,000. The community plays a significant role in Gujarat, where their support has been acknowledged by Prime Minister Modi during his tenure as the Chief Minister of the state.

PM Modi's Connection with the Dawoodi Bohra Muslim Community: Prime Minister Modi has always credited the Dawoodi Bohra Muslim community for their support and assistance in governing Gujarat. The community's contributions in various fields, including business and philanthropy, have been recognized by PM Modi.

Importance of PM Modi's Visit to the Al-Hakim Mosque:

PM Modi's visit to the Al-Hakim Mosque symbolizes his recognition and appreciation of the Dawoodi Bohra Muslim community's historical roots and cultural heritage. It showcases the Prime Minister's commitment to inclusivity and religious harmony, as he pays homage to a mosque with deep historical and religious significance.

PRELIM FACTS

Hasarius Mumbai

In context: A new species of jumping spider named 'Hasarius Mumbai' was recently discovered from the rocks close to the streams at the Bombay Natural History Society's (BNHS) conservation education centre in Goregaon East.

About Hasarius Mumbai:

- It is a newly discovered species of jumping spider.
- These are spiders who, instead of trapping their prey in a web, stalk and hunt them by pouncing.
- It has multiple eyes that give a 360-degree view of its surroundings and a bulbous body covered in hair.
- The word 'Hasarius' refers to a genus that ranks the species of 'jumping spiders' in the 'salticidae' family.

 This genus, first discovered in the year 1826, occurs primarily in warm climates.
- In India, there are only two other Hasarius species which have been documented, namely H. Adansoni, which is found across the country, including in urban areas, and kjellerupi, which was documented from the Nicobar Islands.

Samosa Caucus

IN CONTEXT: Prime minister Modi mentioned the term Samosa Caucus while delivering a speech in the US Joint Congress during his recent visit.

What is the Samosa Caucus?

- The term "Samosa Caucus" refers to a group of elected officials in the US Congress who have South Asian ancestry, particularly from the Indian subcontinent.
- The name is drawn from the famous snack food Samosa. The term Samosa Caucus has been in use since 2018, and it is said to have been coined by Raja Krishnamoorthy, member of the US House of Representatives from Illinois's 8th District.
- It is used to describe the growing representation of individuals of South Asian descent in the US political landscape.
- Indian Diaspora in US politics: American Politics is undergoing a transformation as more Indian origin conquers political heights. Indian American candidates Ro Khanna, Raja Krishnamoorthi, Pramila Jayapal and Kamala Harris, Ami Bera, Shri Thanedar scripted the history by being elected into the US Congress.

Role of Indian Diaspora in US politics

- Indian Americans, who make up 1% of the US population, own a third of all Silicon Valley startups. About 8% of all high-technology firms in the US were founded by Indian Americans.
- The top positions held by people of Indian origin in IBM, Microsoft, Google, Deloitte, Adobe, etc. have a profound impact on political dynamics.

DAILY CURRENT AFFAIRS

- ✓ Indian Americans have surfaced as a significant vote bank in US electoral politics and have a decisive role to play.
- ✓ With increase in population and share in economic power, the focus of the Indian American's lobby has inclined towards the concerns of India.
- ✓ The diaspora generated much needed political support in the US Congress for changing the American non-proliferation laws and facilitating civil nuclear cooperation with India.

3. INS SUNAYNA

IN CONTEXT: Recently, INS Sunayna visited Mombasa, Kenya from 20-23 Jun 23 towards strengthening bilateral ties with maritime neighbours on the theme of the Ocean Ring of Yoga.

About INS SUNAYNA:

- ✓ It is a Saryu class Offshore Patrol Vessel which was commissioned at Kochi.
- ✓ It is based under Southern Naval Command and is built at Goa Shipyard Limited.
- ✓ The warship is designed to undertake fleet support operations, coastal and offshore patrolling, ocean surveillance and monitoring of Sea Lines of Communications and offshore assets, and escort duties.
- ✓ It can achieve speeds of 25 knots.
- ✓ The ship also has an automatic power management system.
- ✓ It is fitted with the latest Navigation, Communication and Electronic Support Systems.
- ✓ Other Sarayu class includes the INS Sumitra and INS Sumedha.

What is Passage Exercise (PASSEX)?

- ✓ A Maritime Partnership Exercise was conducted between the Indian Navy and Kenyan Navy.
- ✓ The crew of both the Indian and Kenya Navy conducted drills in Firefighting & Damage Control, boarding exercises, asymmetric threat simulations and VBSS during the harbour phase.
- ✓ A HADR capsule was also conducted onboard for the Kenya Navy.

4. Open Market Sale Scheme (Domestic)

IN CONTEXT: Recently, the Centre has discontinued the sale of rice and wheat from the central pool under the Open Market Sale Scheme (OMSS) to State governments, barring northeast, hilly states and those facing law and order situations and natural calamities.

About Open Market Sale Scheme: Open Market Sale Scheme (OMSS) refers to selling of food grains by Government / Government agencies at predetermined prices in the open market from time to time.

Aim: To enhance the supply of grains especially during the lean season and thereby to moderate the general open market prices especially in the deficit regions.

The present form of OMSS comprises 3 schemes:

- Sale of wheat to bulk consumers/private traders through e-auction.
- ✓ Sale of wheat to bulk consumers/private traders through e-auction by dedicated movement.
- ✓ Sale of Raw Rice Grade 'A' to bulk consumers/private traders through e-auction.

How it works: Under the Open Market Sale Scheme, the maximum quantity that a bidder can purchase in a single bid range from 10 to 100 metric tons. This reduction in quantities aims to accommodate more small and marginal buyers, ensuring a wider reach of the scheme and immediate availability of stocks to the public.

Why resort to OMSS?

- ✓ Challenges such as untimely rains and temperature fluctuations affecting agriculture production in recent years have led to the release of stocks under the OMSS program.
- ✓ The government aims to maintain a comfortable level of overall stock while ensuring effective control of inflationary trends.

5. The Heliopolis Memorial

IN Context: Prime Minister of India will pay his respects at the Heliopolis (Port Tewfik) Memorial in the Heliopolis War Cemetery in Cairo, Egypt.

About Heliopolis Memorial:

- ✓ Here the names of nearly 4,000 Indian soldiers who fought in Word War 1 in Egypt and Palestine are commemorated.
- ✓ The Heliopolis Commonwealth War Graves Cemetery also commemorates 1,700 Commonwealth soldiers who died in World War 2.
- ✓ Role of Indian Army in West Asia in First World War
- ✓ The Indian troops played a key role in securing the Suez Canal in Egypt and in Palestine.
- ✓ Here Indian cavalry participated in the Battle of Haifa, commemorated in New Delhi in a war memorial.
- ✓ Indian soldiers also played a key role in Mesopotamia in the First World War.

6. Global Competitiveness Index 2023:



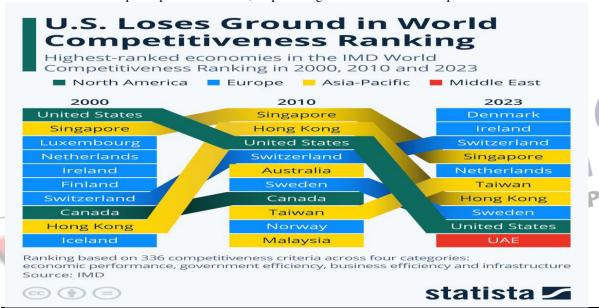
In context: The 2023 Global Competitiveness Index, published by the International Institute for Management Development (IMD), has named Denmark, Ireland, and Switzerland as the top three most competitive economies among 64 nations surveyed.

India's Position: Progress Amidst Challenges

India, despite experiencing a slight drop of three ranks, finishes in 40th place in the 2023 Global Competitiveness Index, indicating an improvement compared to its consistent 43rd position between 2019 and 2021. The IMD report highlights several areas of advancement and challenges faced by India in its pursuit of competitiveness.

Areas of Improvement

- ✓ Government Efficiency: India demonstrated improvement in government efficiency, reflecting positive developments in governance and public administration.
- ✓ Exchange Rate Stability: The stability of India's exchange rate played a significant role in boosting its competitiveness score, contributing to a favorable business environment.
- ✓ Compensation Levels and Pollution Control: India's competitive score benefited from its compensation levels and efforts to improve pollution control, emphasizing a focus on sustainable practices.



ANSWER WRITTING

Q. Do you agree that that feminist movement in India suffers from a caste and class bias? Discuss with justification. Also, list out the achievements of feminist movements in India.

Introduction: Feminist movements in India are set of movements aimed at defining, establishing, and defending equal political, economic, and social rights and opportunities for women in India. Like their feminist counterparts all over the world, feminists in India seek gender equality: the right to work for equal wages, the right to equal access to health and education, and equal political rights etc.

Feminist movement in India suffers from a caste and class bias:

- ✓ Unlike the Western feminist movement, India's movement was initiated by men, and later joined by women. But feminism as an initiative by women started independently a little later in Maharashtra by pioneering advocates of women's rights and education: Savitribai Phule, who started the first school for girls in India (1848); Tarabai Shinde, who wrote India's first feminist text Stri PurushTulana (A Comparison Between Women and Men) in 1882; and Pandita Ramabai, who criticized patriarchy and caste-system in Hinduism, married outside her caste and converted to Christianity (1880s). These initial leaders were focused on issues of urban women.
- ✓ Women-only organisations like All India Women's Conference (AIWC) and the National Federation of Indian Women (NFIW) emerged. Women were grappling with issues relating to the scope of women's political participation, women's franchise, communal awards, and leadership roles in political parties. Their organisations were dominantly represented by Upper-Class women and hence issues of lower caste women were undermined.
- Post independence feminists began to redefine the extent to which women were allowed to engage in the workforce. Prior to independence, most feminists accepted the sexual divide within the labour force. But the real empowerment was seen in women already belonging to powerful family backgrounds.

DAILY CURRENT AFFAIRS

Criticism of feminist movements in India:

- ✓ They have especially been criticised for focusing too much on privileged women. For example, The Brahmo Samaj and the Arya Samaj's reformist movements and their likes, were projected as an active engagement to liberate the 'Indian woman'. But its critics argue that both groups were redefining tradition and, therefore, "Indianness". Women were "neither the subjects nor the objects" of this discourse, but merely the "site" on which the debates were conducted.
- ✓ Rassundari Devi's autobiography brought out the abject conditions of the arduous labour that engulfed the women's life. However, critics argue speak about the conditions of the women of upper-caste households and women's laborious lives constrained
- ✓ Feminist historians claim that this was one of the first autobiographies written by women and is seen as a pioneering text for feminist struggles in India.
- ✓ In fact, the #MeToo wave claims to have its genesis in the #MeToo movement in Hollywood is dominated by White women.
- ✓ Pinjra Tod struggle is seen as a 'mass-based' movement against hostel curfews, regulation and policing of women's bodies in the Universities in Delhi. But, recently, many Dalit-Bahujan and Muslim women came out with the statement criticizing Savarna women's dominance in the 'Pinjra Tod' movement of Delhi. It has been accused of being hijacked by urban, English speaking, middle/upper- class, upper-caste women, and their hegemony.
- ✓ It is also said that these movements ignored the needs and representation of poorer or lower caste women which also led to the creation of caste-specific feminist organisations and movements.
- ✓ The materiality of women's marginalities cannot simply be collapsed into a generic class category. This has resulted in reproduction of those margins and hierarchies within the women's movement, where the power imbalance between the castes has persisted and been rendered invisible.
- ✓ Women whose unification is sought on the basis of systematic overlapping patriarchies are divided along caste/class lines and through their consent to patriarchies and their compensatory structures. However these limitations have not obstructed growth of feminist movements in India. In the last 50 years of feminist activism in India has managed to challenge the 5,000 years of patriarchal order. While the mainstream Indian feminist community is elite in its upper-caste, middle-class and urban affiliations, it has been reflexive of these limitations to some extent such that much of their campaigns on livelihood and/or sexual violence have been for poor and rural women.

Their main achievements are:

- Campaign against sexual harassment at workplace against women: It has been one of the central concerns of women's movement in India since the 1980s. After much afford, they have managed to get the sexual Harassment of women at workplace Act, 2013.
- ✓ **Fight against unjust family laws**: Constitutional guarantees of equality and non- discrimination are confounded by discriminatory personal laws that institutionalise gender inequality. Feminist movements have lead to change in some unjust laws: Examples: Law on Triple Talaq, property rights to Hindu women etc.
- ✓ **Legislative Reforms**: During the last 30 years, laws concerning violence against women and girls have come into existence. India was the first to enact the Family Courts Act, 1984. The Protection of Women from Domestic Violence (PWDV) Act, 2005, was enacted following pressure exercised by the women's movement to safeguard the interests of survivors of domestic violence.
- ✓ **Reproductive Rights of Women**: When it comes to reproductive rights of women, most of the efforts of women's groups in India have been directed against excesses committed in the name of family planning programmes. Their efforts also led to the passing of the PCPNDT act in the country.
- ✓ **Political representation**: Since the late 1990s Indian feminists have been campaigning for reservations for women in the Legislative Council/Assembly and the lower as well as upper houses of the Parliament. However till date, women in India got reservation mainly in Panchayati Raj.
- ✓ Land rights: Feminist movements have also focused on the issue of recognition of land rights for women. In this aspect, the Shetkari Sangathan in Maharashtra and MASUM, an NGO have done exemplary works.

Conclusion: Thus, on the basis of above discussion it can be concluded that there is a need to make feminist movements more inclusive in India but at the same time their achievements in making Indian society more equitable cannot be neglected.

MCOs

- 1. Consider the following statements regarding the 'Atlantic Declaration' of 2023:
 - 1. It is a security arrangement that currently includes NATO and five aligned nations.
 - 2. It aims to serve as a deterrent to China.
- 3. India is not a party to this declaration. Which of the statements given above is/are correct?
- a) Only 1
- b) Only 2



- c) Only 3
- d) Both 1 and 3
- Considered the following statement:
 - 1. The 'Order of the Nile' award is the 13th state honour that Prime Minister Narendra Modi has received during his nine-year tenure.
 - It is the Republic of Egypt's highest state honour.

Which of the statements given above is/are correct?

- a) Only 1
- b) Only 2
- c) Both 1 and 2
- d) None
- 3. Considered the following statement regarding national competitiveness index.
 - The 2023 Global Competitiveness Index, published by the International Institute for Management Development (IMD),
 - India's is 40th place in the 2023.
 - 3. Denmark, Ireland, and Finland as the top three most competitive.

How many is/are correct?

- a) Only 1
- b) Only 2
- c) Only3
- d) None
- "Balidan Stambh" is recently in news located at wich state/ UTs?
 - Jammu and Kashmir
 - b) New delhi
 - Gujarat c)
 - d) Utter Paradesh
- lusive Considered the following statement:
 - 1. United Nations General Assembly (UNGA) on 7th December 1987, decided that 26th June of every year
 - The theme for 2021 International Drug Day which was observed on 26th June 2021 was, 'Share Facts On Drugs, Save Lives.'

Which of the statements given above is/are correct?

- a) Only 1
- b) Only 2
- c) Both 1 and 2
- d) None
- Considered the following statement regarding The Al-Hakim Mosque
 - 1. The Al-Hakim Mosque is a historic and prominent mosque in Cairo, Egypt.
 - The Dawoodi Bohra Muslims are followers of Islam who adhere to the Fatimi Ismaili Tayyibi school of thought.

Which of the statements given above is/are correct?

- a) Only 1
- b) Only 2
- Both 1 and 2

- d) None
- With reference to Pelagic Birds, consider the following statements:
 - These are seabirds that live on open seas and oceans rather than inland.
 - They have short and thick wings that allow them to fly effortlessly for long periods without rest.
 - In general, Pelagic Birds live longer than other wild birds.

How many of the statements given above are correct?

- a) Only one
- b) Only two
- All three c)
- d) None
- Which of the following best describes the Chiral Bose liquid, which was recently seen in the
 - a) It is a new state of matter
 - b) It is a newly found solvent
 - c) It is an antioxidant
 - d) None of the above
- INS Sunayna, an offshore Patrol Vessel which was recently seen in the news belongs to:
 - Kalavari class
 - Saryu class
 - Marvei class
- d) None of the Above Recently, Prime Minister of India will pay his respects at the Heliopolis (Port Tewfik) Memorial. Considered the following statement: COC

Statement I: It is located in Cairo, Egypt

Statement II: it is related to world war- II only. Which of the following is correct in respect of the above statement?

OPSC

- Both Statement-I and Statement-II are correct and statement- II is the correct explanation of Statement-I.
- b) Both Statement-I and Statement-II are correct and statement- II is not the correct explanation of Statement-I.
- Statement-I is correct but Statement-II is not correct
- Statement-I is incorrect but Statement-II is correct.