

Today's Prelims Topics

Key Shift in Remittance Trends

Context

According to the recently released RBI remittance survey **Advanced Economies** now account for **more than 50%** of total remittances to India.

What are Remittances?

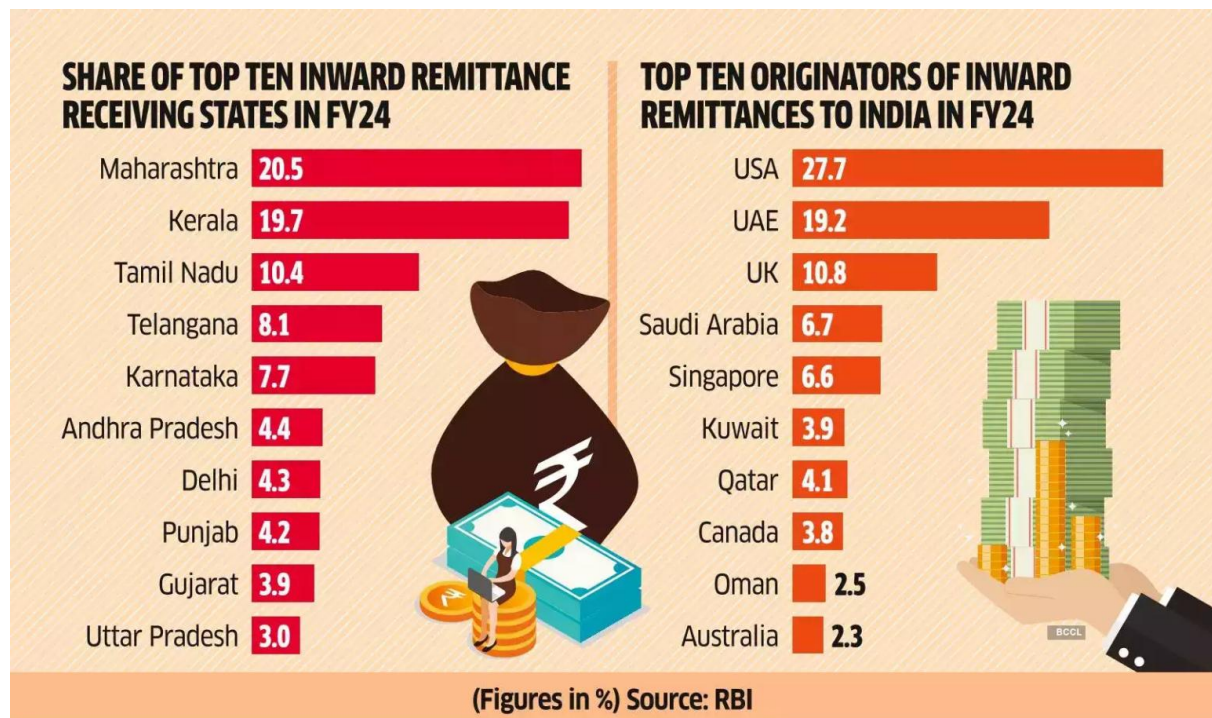
- Remittances are **money transfers made by individuals working abroad to their families or relatives in their home country.**
- For India, they are a vital source of: Foreign exchange reserves, Household income support & Development finance.
- Remittance comes under the **transfer payment category** in the current account of the **Balance of Payments (BoP).**
- India is the **world's top recipient of remittances.**

Highlights of RBI's Remittance Survey (2023-24)

- **Advanced Economies (AEs)** now account for **more than 50%** of total remittances to India.
- The **United States** is the **largest contributor**, with a **27.7% share** of total remittances in 2023-24.
- Gulf countries' share is **declining steadily.**

Why Remittances from the Gulf are Declining

- **Historical Background:** Gulf Cooperation Council (GCC) countries — **UAE, Saudi Arabia, Kuwait, Qatar, Bahrain, Oman** — have traditionally been top sources due to high Indian blue-collar migration.
- **Reasons for Decline:**
 - **Post-Covid Economic Downturn:** Job losses and pay cuts reduced remittance capacity.
 - **"Nationalisation" Policies:** E.g. **Saudisation/Nitaqat** in Saudi Arabia promotes local employment over foreign workers.
 - **Falling Contribution Share (2016-17 → 2023-24):**
 - **UAE:** 26.9% → 19.2%
 - **Saudi Arabia:** 11.6% → 6.7%
 - **Kuwait:** 6.5% → 3.9%



Reasons behind Rise of Remittances from Advanced Economies

- Higher per capita remittances due to: **Higher wages**, especially in **STEM, finance, healthcare** sectors
- Larger Indian diaspora of skilled professionals in Advanced Economies.
- **Educational migration** → **professional settlement** → **remittances**.

UPSC PYQ

Q. In the context of India, which of the following factors is/are contributor/contributors to reducing the risk of a currency crisis? (2019)

1. The foreign currency earnings of India's IT sector
2. Increasing the government expenditure
3. Remittances from Indians abroad

Select the correct answer using the code given below:

- (a) 1 only
- (b) 1 and 3 only
- (c) 2 only
- (d) 1, 2 and 3

Answer: B

Source:

- [Indian Express - Remittances](#)

NATO Countries Plan to Withdraw from Ottawa Treaty

Context

Recently **Poland, Finland, Baltic states (Estonia, Latvia, Lithuania)** have announced plans to **withdraw** from the Mine Ban treaty.

About Ottawa Treaty - 1997

- It is a **multilateral treaty** aimed at **eliminating anti-personnel landmines** around the world.
- It is also known as the **Mine Ban Treaty**.
- The treaty prohibits: **Use, Development and production, Stockpiling & Transfer to other states or groups.**
- Additionally, it **requires**:
 - Destruction of existing stockpiles within **4 years**.
 - **Clearance** of mined areas within **10 years**.
 - **Assistance to mine victims**, including rehabilitation and reintegration.
- **Membership**: 164 Countries.
- **Countries That Have Not Joined**: India, Russia, China, USA, Pakistan & Israel.
- The International Committee of the Red Cross (ICRC) and NGOs like the **International Campaign to Ban Landmines (ICBL)** played a key role in advocating for the treaty.
- **Landmine Monitor** is the main body that tracks: Implementation of the treaty, Global mine contamination etc.

- According to a 2024 UN report, **Ukraine is the most mined country** in the world.

Source:

- [Indian Express - Ottawa Convention](#)

Stand Up India Scheme

Context

Recently the Stand Up India scheme has completed 9 years of its launch.

About Stand Up India Scheme

- It was launched in April 2016 to **promote entrepreneurship at grassroot level** focusing on economic empowerment and job creation.
- **Objective:** To **promote entrepreneurship** among: Scheduled Castes (SC), Scheduled Tribes (ST) & Women.
- **Focus Areas:** Support **greenfield enterprises** in: Manufacturing, Services, Trading & Allied activities in agriculture.
- **Loan Amount:** Rs. 10 lakh to Rs. 1 crore
- **Eligibility Criteria:**
 - SC/ST and/or women entrepreneurs above **18 years**.
 - Loans only for **greenfield projects** (first-time ventures).
 - In case of **non-individual enterprises**, **51% ownership** must be with SC/ST and/or women.
 - Applicants **must not be a defaulter** to any bank/financial institution.



Source:

- [PIB - Stand Up India Scheme](#)

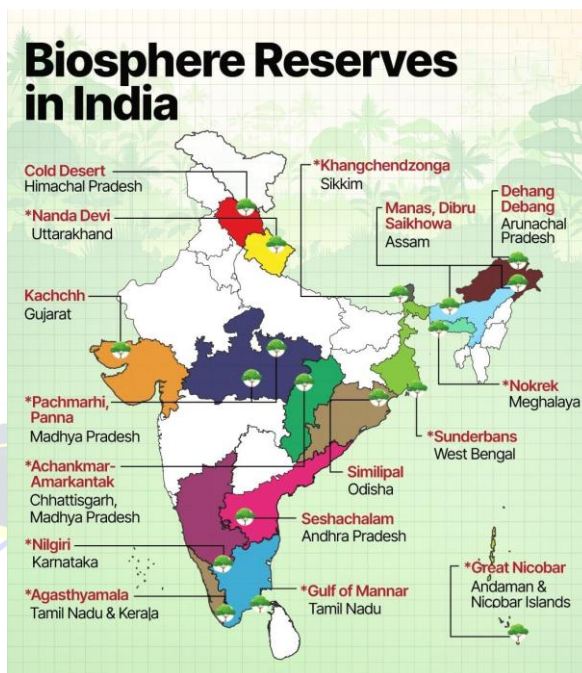
News in Shorts

Agasthyamalai Biosphere Reserve

- Recently a SC bench has ordered the **Central Empowered Committee (CEC)** to conduct an **extensive survey** of the Agasthyamalai landscape.

About Agasthyamalai Biosphere Reserve (ABR)

- It is located in southern Western Ghats in **Tamil Nadu and Kerala**.
- It is named after **Sage Agastya**, a revered figure in Indian mythology.
- It was designated as a **UNESCO Biosphere Reserve** in **2001**
- Biodiversity Hotspot:** ABR is part of the **Western Ghats–Sri Lanka biodiversity hotspot**.
- Protected Areas Within the Biosphere Reserve:**
 - Kalakad Mundanthurai Tiger Reserve (KMTR)** – Tamil Nadu
 - Peppara Wildlife Sanctuary** – Kerala
 - Shendurney Wildlife Sanctuary** – Kerala
 - Neyyar Wildlife Sanctuary** – Kerala
 - Srivilliputhur Grizzled Squirrel Wildlife Sanctuary** – Tamil Nadu
 - Meghamalai and Thirunelveli Wildlife Sanctuaries** – Tamil Nadu



Source:

- [The Hindu - ABR](#)

Poshan Tracker

- Recently the Union Ministry of Women and Child Development (MoWCD) has announced that **all Anganwadi Centres across India** are now registered on the POSHAN Tracker application.

About Poshan Tracker Application

- It is a mobile application to monitor and track the progress of the Poshan Mission, focusing on nutrition services for children, pregnant women and lactating mothers.
- It aims to enhance **transparency, efficiency and accountability** in nutrition service delivery.
- It is part of **Mission Saksham Anganwadi and POSHAN 2.0**.

Source:

- [DD News - Poshan tracker](#)



Warangal Chapata Chilli

- Recently Warangal Chapata Chilli from Telangana has been granted the GI (Geographical

Indication) tag.

- It is known for its bright red color and mild pungency, making it a preferred choice among pickle makers.
- It is also known as **Tomato chilli** as its round shape resembles tomato.



Source:

- [The Hindu - Warangal Chapata](#)

Baku to Belem Roadmap

- India has urged BRICS nations to unite on 'Baku to Belem Roadmap' during the recent BRICS Environment Ministers' Meeting.

About Baku to Belém Roadmap

- It is an initiative established during the 29th United Nations Climate Change Conference (COP29) held in Baku, Azerbaijan, in 2024.
- Its primary objective is to scale up climate finance for developing countries.
- It aims to mobilize at least **\$1.3 trillion annually by 2035** to support low greenhouse gas emissions and climate-resilient development pathways.

Source:

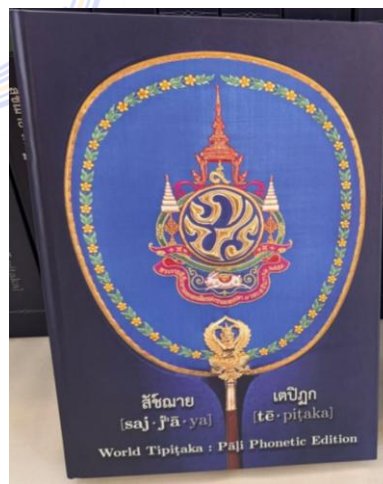
- [Times of India - Baku to Belem roadmap](#)

Tipitaka

- The Prime Minister of Thailand has gifted a copy of Tipitak in Pali language to the Indian Prime Minister during his recent visit.

About Tipitaka/ Tripitaka

- It is the **canonical scripture of Theravāda Buddhism**, containing the teachings of **Lord Buddha**.
- **Structure of the Tripitaka (Three Baskets):**
 - **Vinaya Pitaka:**
 - It contains rules **and conduct for monks and nuns**.
 - **Patimokkha** – a code of monastic discipline, is part of Vinaya Pitaka.
 - **Sutta Pitaka:**
 - It contains the **teachings and sermons of the Buddha**.
 - Divided into **5 Nikayas** (collections): Digha Nikaya, Majjhima Nikaya, Samyutta Nikaya, Anguttara Nikaya, Khuddaka Nikaya.
 - **Abhidhamma Pitaka:**
 - It contains **philosophical and psychological analysis** of Buddha's teachings.
- Recently Pali has been declared as a **Classical Language**.



Source:

- [PIB - Tripitaka](#)

Hansa-3 (Next Generation - NG)

- Recently Pioneer Clean AMPS Pvt Ltd. has signed a Technology Transfer Agreement (ToT) to produce Hansa-3 aircraft.

About HANSA- 3

- It is a Twin-seater indigenous civil aircraft , developed by **National Aerospace Laboratories (NAL), Bengaluru.**
 - NAL works under **CSIR** (Council of Scientific and Industrial Research).
- **Use:** Primarily for **pilot training, recreational flying, and aerodynamic research**
- **Key Features:**
 - It is powered by an advanced fuel-efficient Rotax 912 iSc3 Sports engine.
 - It has a range of 620 nautical miles, 7 hours of endurance
- It is the latest version of the **HANSA series, which began in 1998.**
- This is the first time the aircraft will be manufactured in India using fully indigenous technology.



Source:

- [Deccan Herald - HANSA - 3](#)

Vibrant Villages Programme-II (VVP-II)

- The Union Cabinet has approved the Vibrant Villages Programme-II for financial years 2024-25 to 2028-29.

About the Vibrant Villages Programme - II

- VVP - II is a **Central Sector Scheme** (100% Centre funding).
 - VVP - I was a **centrally sponsored scheme.**
- It will be implemented in select villages in the following States/UTs:
 - **Northeast:** Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura.
 - **North:** Jammu & Kashmir (UT), Ladakh (UT), Punjab, Uttarakhand, Himachal Pradesh.
 - **East:** Bihar, West Bengal, Uttar Pradesh.
 - **West:** Rajasthan, Gujarat
- **VVP-II** builds upon **VVP-I**, which focused on villages along the **Northern Border only.**
- **Objectives of VVP-II:**
 - **Comprehensive development** of border villages.
 - Improve **living conditions** and **livelihood opportunities.**
 - Ensure **prosperous and safe borders &** Control trans-border crime.
 - Involve villagers as "**eyes and ears**" of border guarding forces.
- A **High-Powered Committee** chaired by the **Cabinet Secretary** will oversee implementation of the scheme.

Source:

- [PIB - VVP](#)

Dier-Al-Balah

- A recent attack by Israel on a school in Dier Al Balah in Gaza has killed around 31 people including children and women.
- Deir al-Balah is a Palestinian city in the **central Gaza Strip**.
- It is the administrative capital of the Deir al-Balah Governorate of the State of Palestine.
- It is located over **14 kilometers south of Gaza City**.
- The city is known for its **date palms**, after which it is named.
- Deir El-Balah refugee camp is the **smallest refugee camp in the Gaza Strip**.



Source:

- [The Hindu - Dier Al Balah](#)

New Pamban Bridge

- Prime Minister Narendra Modi will inaugurate the New Pamban Bridge on the occasion of Ram Navami.

About New Pamban Bridge

- It is **India's first vertical-lift railway sea bridge**.
- The bridge is **2.05 km long**, featuring a **unique 72-m vertical lift span** for ship movement.
- It connects **Rameswaram on Pamban Island to Mandapam** on the mainland in Tamil Nadu.
- It will replace the **iconic Pamban Bridge, India's first sea bridge, which opened in 1914**.
- The new bridge is being built parallel to the old Pamban Bridge by Rail Vikas Nigam Limited.



Source:

- [PIB - Pamban Bridge](#)

Editorial Summary

Challenges That Transgender Individual Face

Context

International Transgender Day of Visibility, which is observed on **March 31**, highlights the challenges that transgender individuals face.

Challenges Faced by Transgender Individuals in India

- **Social Exclusion and Stigma:** Persistent societal prejudice, family rejection, and marginalization.
 - Bullying and harassment in schools lead to high dropout rates (e.g., 58% dropouts in Kerala).
- **Legal and Bureaucratic Barriers:** Delays in issuing identity cards under the Transgender Persons (Protection of Rights) Act, 2019.
 - Complicated bureaucratic certification process undermines self-identification.
- **Economic Discrimination:** 92% excluded from economic activity (NHRC, 2018); many pushed into sex work.
 - High unemployment rate (48% in 2022) compared to the national average
 - Biases during recruitment, lack of gender-neutral facilities, workplace hostility.
- **Educational Disparities:** Transgender literacy rate: 56.1% (2011 Census) vs 74.04% national average.
 - Dropouts due to lack of inclusive curricula and discrimination in institutions.
- **Health-Care Access Issues:** Denial of treatment (27% refused care due to gender identity).
 - Gender-affirming surgeries are costly and often not covered under insurance.
 - Mental health services are limited and professionals lack training.

Government Initiatives and Their Gaps

Legal Framework

- **Transgender Persons (Protection of Rights) Act, 2019**
 - Legal recognition of identity.
 - Prohibits discrimination in education, employment, and healthcare.
 - **Shortcomings:** Delayed certification, lack of enforcement mechanisms, ignores issues like police harassment and family rejection.

Welfare and Financial Schemes

- **National Portal for Transgender Persons** for ID applications.
 - But only ~66% certificates issued by Dec 2023; many delayed.
- **Ayushman Bharat TG Plus** card for ₹5 lakh annual coverage.
 - **Shortcomings:** Low awareness, poor implementation, exclusion from mainstream health services.
- **2024:** Finance Ministry allows LGBTQ+ joint bank accounts and nominations.
 - **Shortcoming:** Financial services still lack broader inclusivity.

State-Level Initiatives

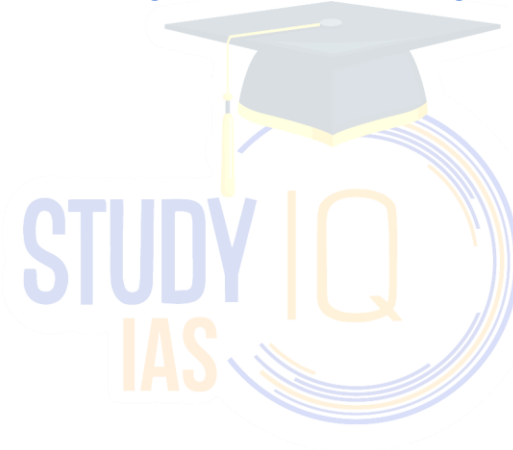
- **Maharashtra:** Transgender cells in colleges.
- **Kerala:** Reserved seats in universities, dedicated hostels.
 - **Shortcoming:** No national-level replication; limited impact.

Steps to Mainstream Transgender Individuals

- **Strengthen Policy Implementation:**
 - Simplify and fast-track ID card issuance.

- Ensure effective grievance redressal and enforcement of anti-discrimination laws.
- Include specific protection against police harassment and family-based exclusion.
- **Promote Economic Empowerment:** Diversity hiring policies across industries (as seen in Tata Steel).
 - Government-backed loans for transgender entrepreneurs.
 - Targeted skill development and vocational training.
 - Inclusive financial services beyond symbolic reforms.
- **Improve Education Access:** Introduce gender-sensitive curricula.
 - Anti-bullying mechanisms in schools and colleges.
 - Scholarships and hostel facilities tailored for transgender students.
- **Enhance Health-Care Services:** Mandatory training for medical professionals on transgender health.
 - Coverage of gender-affirming procedures under public and private insurance.
 - Set up dedicated transgender health clinics and strengthen mental health support.
- **Foster Social Acceptance:** Media representation in non-stereotypical roles.
 - Cultural inclusion (e.g., promoting events like Koovagam Festival)
 - Awareness campaigns like 'I Am Also Human'.
 - Gender sensitisation programs in schools, colleges, and workplaces.

Source: [The Hindu: A people still waiting to move out of the margins](#)



Detailed Coverage

Should India reduce tariffs given the U.S.'s moves?

Context

US President Donald Trump celebrated America's "Liberation Day" on April 2 by announcing "reciprocal tariffs" against all major trading partners.

More in News

- There were two sets of tariffs announced.
 1. A base tariff of 10% against all countries (Earlier 2.5%).
 2. Country-specific tariffs.

What are Reciprocal Tariffs ?

- Reciprocal tariffs refer to the practice of imposing tariffs on imports from other countries at a rate that matches the tariffs those countries impose on imports from the country imposing the reciprocal tariff.
 - E.g., if Country A charges a 10% tariff on imports from Country B, then Country B might also charge a 10% tariff on imports from Country A.

What is Tariff?

→ A tariff is a **tax imposed** by one country **on the goods and services imported** from another country to **raise revenue, protect domestic industries, or exert political leverage** over another country.

Advantages and Disadvantages of Tariffs

Pros

- Produce revenues
- Open negotiations
- Support a nation's goals
- Make a market predictable

Cons

- Created issues between governments
- Initiates trade wars

Reasons Behind Imposing Reciprocal Tariffs

- **To Encourage Domestic Manufacturing:** Reciprocal tariffs are intended to make imported goods more expensive, thereby incentivizing companies to shift their production facilities to the United States.

- **Job Creation and Wage Growth:** By promoting local production, the administration aims to create more employment opportunities within the country and potentially increase wages for American workers.
- **As a Negotiating Tactic:** The tariffs serve as a pressure tool to push other countries into trade negotiations.
- **Counter Unfair Trade Practices:** The U.S. administration suggests that tariffs may be reduced or eliminated if trading partners agree to remove what are considered unfair trade practices or reduce trade imbalances.
- **To Address Trade Deficits:** The tariffs are also aimed at reducing the U.S. trade deficits with specific countries. By discouraging imports and encouraging exports, the policy seeks to rebalance trade flows.

Country	Trump estimates of tariffs on US goods	Trump's 'reciprocal' tariffs	US trade deficit in 2024 (with a minus sign) in \$ millions	US Trade Deficit as a percentage of the total US Trade deficit	Per capita income (US is at \$ 89,680)
Cambodia	97%	49%	-12,300	1.0	\$ 2,950
Vietnam	90%	46%	-1,22,071	10.1	\$ 4,990
Sri Lanka	88%	44%	NA	NA	NA
Bangladesh	74%	37%	-6,152	0.5	\$ 2,770
Thailand	72%	36%	-45,609	3.8	\$ 7,750
China	67%	34%	-2,95,402	24.6	\$ 13,870
Taiwan	64%	32%	-73,937	6.1	\$ 34,920
Indonesia	64%	32%	-17,883	1.5	\$ 5,250
Switzerland	61%	31%	-38,463	3.2	\$ 1,11,720
South Africa	60%	30%	-8,837	0.7	\$ 6,520
Pakistan	58%	29%	-2,989	0.2	NA
India	52%	26%	-45,664	3.8	\$ 2,940
South Korea	50%	25%	-66,007	5.5	\$ 37,670
Japan	46%	24%	-68,468	5.7	\$ 35,610
Malaysia	47%	24%	-24,830	2.1	\$ 14,420
EU	39%	20%	-2,31,769	19.3	\$ 45,240
Israel	33%	17%	-7,425	0.6	\$ 54,370
Philippines	34%	17%	-4,880	0.4	\$ 4,440
UK	10%	10%	11,857	-1.0	\$ 54,280
Brazil	10%	10%	7,351	-0.6	\$ 10,820
Singapore	10%	10%	2,829	-0.2	\$ 93,960
Chile	10%	10%	NA	NA	\$ 17,930
Australia	10%	10%	-73,927	6.1	\$ 67,980
Turkey	10%	10%	-1,453	0.1	\$ 16,880
Colombia	10%	10%	1,347	-0.1	\$ 7,900
World			-12,02,872		\$ 14,450

Source: White House, IMF, Indian Express Research

What Can Be the Responses from Other Countries to US Reciprocal Tariffs

- **Retaliation:** Imposing similar or higher duties on US goods and services.
 - E.g., China responded by imposing 34% tariffs on all imports of US goods.
 - **Challenges:**
 - Economically harmful — mimics the same negative effects as the US tariffs.
 - **Only large economies** like India, China, or the EU can make a significant dent in US exports.

- May provoke **further escalation** by the US (e.g., tariffs on critical sectors like **pharma or semiconductors**).
 - Politically ineffective, as the current US administration views withdrawal as a **sign of weakness**.
- **Re-orienting Exports & Finding New Markets:** Diversifying export destinations to reduce dependency on the US.
 - **Strategies:** Market research and new trade partnerships.
 - **Speed up trade agreements** like:
 - AfCFTA (Africa)
 - EU-Mercosur Agreement
 - India–Sri Lanka FTA
- **Negotiating with the US:** Countries may adjust their own **MFN (Most Favoured Nation) tariffs** or trade policies to align with US expectations.
 - Countries like **Bangladesh, Sri Lanka, or Fiji** may reduce their tariffs on US goods.

Impact of Reciprocal Tariffs on the Global Economy

- **Disruption of Global Trade:** Reciprocal tariffs disrupt established global supply chains, increase costs for producers and consumers, and reduce trade volumes.
 - **E.g.,** Countries like Vietnam, Bangladesh, Cambodia, and Sri Lanka face steep tariffs (up to 54%) on key exports such as garments and footwear. These nations heavily rely on the US market for **over 25% of their exports**.
- **Shift in US Import Sources (Trade Diversion):** Countries with preferential trade access to the US — such as Kenya, Ethiopia (under AGOA), and Nicaragua (via CAFTA-DR) — may gain market share as US buyers shift away from high-tariff Asian suppliers.
- **Increased Inflation:** Tariffs raise the price of imported goods, causing inflationary pressures in both importing and exporting countries.
 - **In the US:** Consumers pay more for goods like electronics, clothing, and auto parts.
 - **Globally:** Countries affected by a weaker currency due to retaliatory tariffs may face costlier imports, especially of essentials like crude oil.
- **Risk of Stagflation:** When high inflation is coupled with stagnant or negative growth — known as *stagflation* — it creates a particularly difficult policy challenge.
 - **Central banks** may struggle to manage inflation without worsening unemployment or stalling growth further.
 - **Investment sentiment** weakens, further hurting growth.
- **Uncertainty and Investor Pullback:** Tariff wars introduce uncertainty in global markets, deterring long-term investment.
 - **Stock markets** may dip due to uncertain earnings outlook.
 - **Firms** delay expansion plans or hiring due to unpredictable trade policy environments.
- **Shift in Global Alliances and Trade Blocs:** Reciprocal tariffs may accelerate the formation of alternative trade blocs or the strengthening of regional ties.
 - **EU and Asia** might align more closely to reduce reliance on the US market.
 - **India and ASEAN** could emerge as more significant partners in global supply chains if they maintain lower trade barriers.
- **Potential for Currency Wars:** To offset tariff impacts, countries might devalue their currencies intentionally to maintain export competitiveness.
 - **Result:** Competitive devaluation could lead to currency instability, capital flight, and economic shocks in emerging markets.

What are the Opportunities For India?

Opportunity Area	Description
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Relative Advantage	Tariff	India faces a 26% tariff, which is lower than China (54%), Vietnam (46%), Bangladesh (37%) — boosting competitiveness in sectors like textiles and garments.
Value-Added Manufacturing		Encourages Indian exporters to focus on quality, innovation, and branding to justify higher prices in global markets.
Trade Diversification		Pushes India to explore alternate export markets like EU, ASEAN, Africa, and the Middle East.
Supply Chain Realignment		India can attract global manufacturers looking to diversify away from China (China+1 strategy).
MSME Sector Upgradation		Tariff pressure can lead to formalization, digital transformation, and productivity boosts in MSMEs.
Strategic Diplomacy		Leverage the situation to negotiate better terms in Indo-US trade, services, and investment frameworks.

Source: [Indian Express: rump's reciprocal tariffs — impact on India, rest of the world](#)

