



16 December, 2023

Sovereign Gold Bond Scheme

Context: The subscription period for Sovereign Gold Bond Scheme 2023-24 (Series III) is scheduled to take place from December 18 to December 22, 2023.

- The Sovereign Gold Bond Scheme, provides an alternative avenue for individuals to own gold.
- The primary objective is to reduce the demand for physical gold, thereby regulating gold imports and utilizing resources more effectively.
- Issued by the Reserve Bank of India (RBI), this scheme brings transparency and trust to gold ownership, offering a secure means for individuals to invest in gold without the concerns of storage or safety.
- **Objectives:**
 - Addressing the need to curb the demand for physical gold contributes to the government's broader economic objectives.
 - Efficient resource utilization is a key goal, ensuring that the country's resources are effectively managed.
 - The scheme aims to foster transparency and trust in the gold market by providing a regulated framework for gold ownership.
- **Operation of Sovereign Gold Bond Scheme:**
 - **Issuance by Reserve Bank of India:**
 - The RBI plays a pivotal role in the scheme by issuing the gold bonds on behalf of the Government of India.
 - This centralized issuance process ensures a standardized and regulated approach to gold bond distribution.
 - **Distribution Channels:**
 - Sovereign Gold Bonds are made accessible to the public through post offices and banks, ensuring a widespread reach.
 - This approach makes it convenient for individuals to participate in the scheme and invest in gold bonds.
 - **Denomination:**
 - The bonds are issued in denominations of grams, allowing investors flexibility in choosing their investment amounts.
 - This ensures that the scheme caters to a diverse range of investors with varying financial capacities.
 - **Connection to Gold Price:**
 - The value of the bonds is dynamically linked to the prevailing market price of gold, providing investors with real-time valuation.
 - This feature ensures that the investment remains aligned with the fluctuations in the gold market.
- **Eligibility Criteria:** The sale of Sovereign Gold Bonds is restricted to resident individuals, Hindu Undivided Families (HUFs), trusts, universities, and charitable institutions.
- **Key Features:**
 - **Issue Price:** Gold bond prices are linked to the prevailing price of gold with 999 purity (24 carats), as published by the India Bullion and Jewellers Association (IBJA) in Mumbai.
 - **Investment Limits:**
 - Gold bonds can be acquired in multiples of one unit, subject to specific thresholds for different investor categories.
 - Retail (individual) investors and HUFs have an upper limit of 4 kilograms (4,000 units) each per financial year.
 - Trusts and similar entities have a higher upper limit of 20 kilograms per financial year.
 - **Minimum Investment Requirement:** The minimum permissible investment is set at 1 gram of gold.
 - **Term:**
 - Sovereign Gold Bonds have a maturity period of eight years.
 - Investors have the option to exit the investment after the first five years.
 - **Interest Rate:**
 - The scheme offers a fixed interest rate of 2.5% per annum, payable semi-annually.
 - The interest earned on Gold Bonds is taxable under the provisions of the Income Tax Act, 1961.
- **Benefits:**
 - **Collateral for Loans:** Bondholders can use the Sovereign Gold Bonds as collateral for obtaining loans.
 - **Capital Gains Tax Exemption:**
 - Capital gains tax arising on the redemption of Sovereign Gold Bonds by an individual is exempted.
 - Redemption refers to the issuer repurchasing the bond either at or before maturity.
- **Capital Gain Definition:**
 - Capital gain is the profit earned from the sale of assets such as stocks, bonds, or real estate.
 - It occurs when the selling price of an asset surpasses its initial purchase price.

Maldives-India Water Survey Pact

Context: The Maldivian government has chosen not to extend an agreement with India, which previously permitted India to conduct hydrographic surveys within the waters of the Maldives.

- **Origins of the Agreement:**
 - The hydrographic survey agreement between India and the Maldives was signed in 2019 during Prime Minister Narendra Modi's visit to the islands.
 - President Ibrahim Solih was in power when the agreement was initiated.

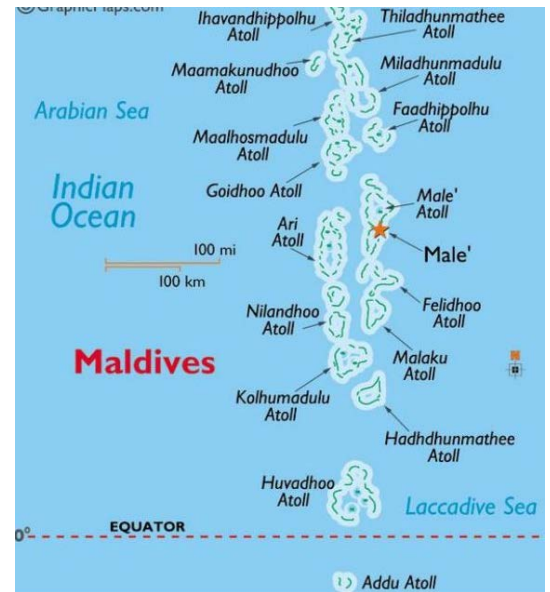
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- **Request for Military Personnel Withdrawal:** The current government under President Mohamed Muizzu, in power since earlier this year, requested the withdrawal of Indian military personnel deployed in the Maldives.
- **Hydrographic Survey Agreement:**
 - **Purpose and Method:**
 - Hydrographic surveys involve the use of ships, utilizing methods such as sonar to understand water body features.
 - These surveys, as per the US National Oceanic and Atmospheric Administration (NOAA), aim to map water depth, seafloor and coastline shapes, locate obstructions, and identify physical features for maritime transportation efficiency and safety.
 - **Initiation and Joint Surveys:**
 - The agreement resulted from a State Visit by Prime Minister Modi in June 2019, with various Memorandums of Understanding signed.
 - The Joint Commission on Hydrography held its first meeting in the Maldives in September 2019.
 - Three joint hydrographic surveys were conducted in 2021, 2022, and 2023.
 - **Survey Details:**
 - INS Darshak carried out the first survey in February-March 2021.
 - INS Sutlej conducted the second survey in April-May 2022, covering Northern Maldives.
 - The third survey by INS Investigator in January-February 2023 identified 52 new shoals in the Ihavandhippolhu atoll.
 - **Equipment and Training:**
 - India supported the establishment of hydrographic facilities within the Maldives National Defence Force (MNDF).
 - The MNDF received hydrographic equipment, with additional gifts in April 2022.
 - Training for MNDF personnel in equipment usage was provided, and further training in India was planned.
- **Reasons for Maldives' Decision:**
 - **Political Shift and Pro-China Stance:**
 - The change in regime after the October 2023 elections saw Mohamed Muizzu succeeding President Solih.
 - Muizzu, associated with the Progressive Party of Maldives (PPM), is perceived as more pro-China.
 - **National Security Concerns:**
 - The Maldivian administration, citing national security, believes improving the military's capacity for surveys is essential.
 - Terminating agreements, including the hydrographic survey pact, aligns with this approach.
 - **History of Controversies:**
 - Previous controversies, such as the 'India Out' campaign in 2020, alleged large Indian military presence, which was denied by the Solih government.
 - During the election campaign, Muizzu expressed the need to terminate agreements unless they directly benefited the Maldives.
 - **Geopolitical Dynamics:**
 - While traditionally within India's sphere of influence, recent years have seen increased Chinese influence in the Indian Ocean through initiatives like the Belt and Road Initiative (BRI).
 - The decision may reflect shifting geopolitical alignments in the region.



NEWS IN BETWEEN THE LINES

Neanderthals







Recently, the researchers found over 1,000 mutations that were unique only to living humans or to Neanderthals and Denisovans.

About Neanderthals:

- Neanderthals are an **extinct species of archaic humans** that lived in **Eurasia** until about **40,000 years ago**.
- They are also known as **Homo sapiens neanderthalensis**.
- They are known to be closely related to **modern humans**.
- Modern humans who lived about 40,000 years ago have been found to have up to **6-9% Neanderthal DNA**.
- They were adept at **crafting tools, controlling fire, sheltering, making clothing, hunting large animals**, eating plants and occasionally creating **symbolic objects**.
- They had **large noses, strong brow ridges, stocky bodies** and **stood around 1.50-1.75m tall**.

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<p>National Food Security Act</p> 	<p>Recently, Odisha Chief Minister announced that the State Food Security Scheme, which covers around 10 lakh people left out of the central scheme under the National Food Security Act (NFSA), would be extended for five years.</p> <p>About National Food Security Act:</p> <ul style="list-style-type: none"> ➤ The National Food Security Act (NFSA) also known as the Right to Food Act, is an Indian law that aims to provide subsidized food grains to about two-thirds of the country's population. ➤ It was enacted by the Government of India in July 2013. ➤ The Act was notified on September 10, 2013. ➤ Around 75% rural and 50% urban population receive highly subsidized food grains categorized under Antyodaya Anna Yojana (AAY) households and Priority Households (PHH). ➤ It includes schemes like, the Public Distribution System (PDS), Midday Meal Program (MDM), Integrated Child Development Services (ICDS) and includes maternity benefits.
<p>Vijay Diwas</p> 	<p>Recently, the President of India attended 'At Home' reception at Army House on the eve of Vijay Diwas, in New Delhi.</p> <p>About Vijay Diwas:</p> <ul style="list-style-type: none"> ➤ December 16 marks Bangladesh's Victory Day, commemorating the nation's historic win in the 1971 Bangladesh Liberation War against Pakistan that lasted from March 26 to December 16, 1971. ➤ Victory Day marks Bangladesh's emergence as an independent nation after a nine-month struggle. ➤ India also celebrates Vijay Diwas on December 16 to honor sacrifices made during the war and India's pivotal role in aiding Bangladesh's victory. ➤ India supported the Mukti Bahini (Bangladesh forces), providing crucial aid, hosting refugees and intervened decisively, leading to Pakistan's surrender and Bangladesh's birth. ➤ Pakistan's surrender on December 16, 1971, marked Bangladesh's victory, formalized by the Instrument of Surrender signed by General Niazi.
<p>Hemophilia</p> 	<p>Recently, India introduced new guidelines for treating hemophilia, aiming to empower policymakers.</p> <p>About Hemophilia:</p> <ul style="list-style-type: none"> ➤ Hemophilia is a rare, inherited disorder that affects blood clotting. ➤ Hemophilia A, also known as classical hemophilia, is a hereditary hemorrhagic disorder. ➤ It is usually inherited with an X-linked recessive inheritance pattern. ➤ It is caused by a congenital deficit of factor VIII, which manifests as excessive bleeding. ➤ In the United States, hemophilia type A affects 1 in every 5,000 births of people assigned male at birth. ➤ There is no cure for hemophilia, but there is medicine that can help people stop bleeding.
<p>Place in News</p> <p>Oman</p>	<p>Recently, the External Affairs Minister met with Sultan Haitham Bin Tarik of Oman as the Sultan commenced his three-day state visit to India.</p> <p>Oman (Capital: Muscat)</p> <p>Location: Oman, officially known as the Sultanate of Oman is located in the southeastern corner of the Arabian Peninsula, West Asia.</p> <p>Boundaries: Oman shares its border with Yemen (Southwest), Arabian Sea (South and east), Gulf of Oman (North), United Arab Emirates (Northwest) and Saudi Arabia (West).</p> <p>Physical Features:</p> <ul style="list-style-type: none"> ➤ The Rub Al Khali (Empty Quarter) is located to the west of Oman, and the Wahiba deserts are also part of the country. ➤ The Hajar mountains are part of Oman's landscape. ➤ The Sultanate of Oman is rich with a number of mineral ores, metallic such as copper, chromium, iron and Manganese, and non-metallic such as marble, limestone, gypsum, clay, silica, dolomite, sandstone, Kaolin, and other different crusher's products. 

POINTS TO PONDER

- ❖ What is the proposed duration and crew size for the Gaganyaan Mission? - **3 crew members for 3 days**
- ❖ What are Oilzapper and Oilivorous-S developed in India in relation to oil spills? - **Bacterial-based bio-remediation technologies**
- ❖ Who accompanied Gandhiji during the 1930 Dandi March and popularly known as Purvanchal Gandhi? - **Baba Raghav Das**
- ❖ Which instruments in the PACE Mission work together to provide comprehensive data on aerosols and clouds? - **OCI, SPEXone and HARP2**
- ❖ What woods are traditionally used to make Channapatna toys? - **Mango wood and sandalwood**

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