

09th June DSC

Current Affairs 09th June 2025.

RBI Slashes Repo Rate by 50 bps; CRR Eased to Boost Liquidity

Major Announcements:

- **Repo Rate Reduced:**
 - The Reserve Bank of India (RBI) has slashed the **repo rate by 50 basis points**, bringing it down to **5.5%**.
 - This marks the **third rate cut since February 2025**, reflecting efforts to **stimulate economic growth amid low inflation**.
- **CRR Adjustment:**
 - The **Cash Reserve Ratio (CRR)** will be lowered **gradually by 100 basis points**, reaching **3% of Net Demand and Time Liabilities (NDTL)**.
 - Implementation schedule: 25 bps reductions on **Sept 6, Oct 4, Nov 1, and Nov 29**.

Impact on Economy:

- **For Borrowers:**
 - Loan interest rates, including **home, auto, and business loans**, are expected to fall.
 - This should lead to **lower EMIs**, encouraging **consumer spending and credit uptake**.
- **For Savers:**
 - **Interest on fixed deposits** and savings may decline, possibly discouraging traditional household savings.
- **For Businesses:**
 - **Lower borrowing costs** are likely to **boost capital investments** and industrial expansion.
- **Liquidity Effects:**
 - CRR cuts will inject **around ₹2.5 lakh crore** into the banking system by **December 2025**, increasing banks' capacity to lend.
- **Cost Efficiency for Banks:**
 - Reduced reserve requirements will **lower banks' operating costs** and **enhance profitability**.
- **Policy Transmission:**



- Easier monetary policy will be better passed on to end-users, enhancing the **overall credit environment**.

Macro Outlook:

- **Inflation:**
 - Consumer Price Index (CPI) inflation remains **well within the RBI's target band** of $4\% \pm 2\%$.
- **Growth Projection:**
 - RBI maintains **real GDP growth at 6.5%** for FY 2025–26, reflecting **confidence in India's economic fundamentals**.

Strategic Outlook:

- **Growth-Friendly Tilt:**
 - With inflation moderating, the RBI appears to be adopting a **more growth-supportive stance**.
- **Fiscal Synergy:**
 - These steps complement government-led **capital expenditure and infrastructure investments**.
- **Market Signal:**
 - A clear **pro-liquidity and pro-investment message**, likely to **improve investor sentiment**.

Madurai Unearths 800-Year-Old Shiva Temple from Pandya Era

Cultural Importance:

- A temple dedicated to **Lord Shiva** has been excavated in **Udampatti village, Madurai**, dating back to **1217–1218 CE** during the **late Pandya rule**.
- Known as **Thennavanisvaram**, the name is derived from the Pandya royal title “Thennavan,” indicating **royal patronage**.

Archaeological Insights:

- Only **foundation remains** with stone bases on the north and south sides.
- The temple structure aligns with **Silpa Sastra** guidelines, aiding in architectural identification.
- This discovery validates earlier **1970s State Archaeology reports** suggesting ancient temples in the region.

Inscriptions & Economy:

- Two Tamil inscriptions describe:



- **A waterbody sale (Nagankudi)** and nearby lands by local chieftain **Alagaperumal**.
- Buyer: **Kangeyan alias Nambi Perambala Kuthan**.
- Price: **64 kasu (ancient coins)**.
- Revenue from the land was allocated to the temple, showing **temple-based self-sustaining economies**.

Socio-Historical Context:

- The temple was located in **Attur**, the earlier name for Udampatti.
- Reflects how temples served as **economic and administrative hubs** in medieval South India.

Conservation Efforts:

- Discovery was made **accidentally by children**, prompting quick intervention by locals and officials.
- Highlights **need for proactive documentation** of heritage sites in **rural Tamil Nadu**.

Shipwreck off Kerala Sparks Ecological and Economic Alarm

The Incident:

- The **MSC Elsa 3**, a Liberian-flagged container vessel, sank near **Thotapally, Kerala** on **May 25, 2025**.
- Carried **644 containers**, including **hazardous goods**, **367 tonnes of fuel oil**, and **64 tonnes of diesel**.
- All 24 crew members were safely evacuated.

Environmental Threats:

- Oil slicks observed but no major leak reported yet.
- Washed ashore: plastic debris, waste materials, and clothing.
- Fear over **plastic nurdles** polluting the marine ecosystem.

Fisherfolk's Plight:

- Issues go beyond the shipwreck: **sand mining, pollution, sewage discharge**.
- Fish sales have plummeted due to fear of contamination, despite no confirmed toxicity.
- **Fishing banned within 20 nautical miles**; compensation of ₹1,000/month + 6 kg rice is seen as inadequate.
- Fisher groups demand **₹10,000/month**.

Market Impact:

- Drastic fluctuations in fish prices:
 - **Sardines:** ₹15 → ₹300/kg
 - **Pink perch:** ₹30 → ₹190/kg
 - **Mackerel:** ₹220/kg

Response Measures:

- Cleanup led by **T&T Salvage (USA)**.
- Oil-spill tools, tugboats, and underwater scanners deployed.
- Pollution Control Board: **no toxic pollution found yet**, but daily sampling continues.

Governance Issues:

- **Shipping lanes too close** (30 km vs. 50 km standard).
- Demands for:
 - **Clear container mapping**
 - **Salvage operations**
 - **Water testing and waste incentives**

Broader Warning:

- Experts warn of a **looming environmental collapse** unless **coastal governance** is tightened.
- Kerala's coastline could face a **"Somalia-like" crisis** if current practices continue.

Elon Musk's Starlink Cleared for Satellite Internet in India

Regulatory Milestone:

- **Starlink** has received a licence from the **Department of Telecommunications (DoT)** to provide **satellite broadband** in India.
- Joins **Eutelsat OneWeb** and **Jio Satellite Communications** as licensed providers.

About Starlink:

- Developed by **SpaceX**, offers **internet via LEO satellites**, delivering **high-speed, sky-based broadband**.

Rollout Plan:

- Will receive **trial spectrum within 15–20 days**.
- Must comply with **national security and interception laws**.
- Required to set up **ground infrastructure** before launch.

National Relevance:

- Enhances **digital access in remote regions**.
- Aligns with the **Digital India initiative**.
- Provides **disaster-resilient internet solutions**.

Competitive Field:

- Will compete with:
 - **OneWeb (Bharti-backed)**
 - **Jio Satellite**
 - **Amazon Kuiper** (awaiting approval)

Broader Implications:

- Can narrow the **digital divide**.
- Boosts **e-governance, online education, telehealth, and IoT services**.
- Raises concerns over **data security** due to foreign ownership.

Shah Launches 'Bharatiya Bhasha Anubhag' to Localize Governance Language

Policy Launch:

- Union Home Minister **Amit Shah** introduced the **Bharatiya Bhasha Anubhag (BBA)**.
- Objective: **Reduce reliance on English** and promote **Indian languages** in governance.

Core Aims:

- Encourage **official communication in regional languages**.
- Develop tools for **multilingual translation**, especially between Hindi and regional scripts.
- Foster **administrative thinking in native languages**.

Budget Allocation:

- **₹56 crore** allocated for infrastructure, translation software, and language tools.

Federal Language Policy:

- Communication with **Region C states** (e.g., Tamil Nadu, Kerala) still in English, but **replies may now be in the state's language** via BBA.

Cultural Significance:

- Push for **national development rooted in cultural-linguistic identity**.
- Seeks to **restore pride in India's linguistic heritage**.

Challenges Ahead:

- Need for **standardized technical vocabulary**, **skilled translators**, and **training multilingual administrators**.

Chenab Bridge: India's Arch Marvel Engineered for Resilience

Structural Marvel:

- The **Chenab Bridge** is now the **world's tallest railway arch bridge**, soaring **359 metres** above river level.

Key Features:

- **1,315 metres long**; the arch spans **467 metres**.
- **Designed to remain functional** even if one pier collapses — trains can operate at reduced speeds.

Construction Challenges:

- Built in **Himalayan terrain** with unstable, fissured rocks.
- **Cement grouting** and **steel anchors** used to stabilize slopes.

Disaster-Resilience:

- Can withstand **winds up to 220 km/h** and **high seismic activity**.

National Importance:

- Part of **Udhampur-Srinagar-Baramulla Rail Link Project**.
- Represents India's **engineering innovation in a strategic border zone**.

RBI Relaxes Lending Rules for Microfinance Institutions

Policy Change:

- RBI has **reduced the qualifying asset threshold** for **NBFC-MFIs** from **75% to 60%** of total net assets (excluding intangibles).

Compliance Rules:

- If an NBFC-MFI fails to meet the 60% mark for **four quarters**, it must **submit a corrective action plan** to RBI.

Benefits to Industry:

- Allows MFIs to **diversify their portfolios** beyond microloans.
- Enhances **financial resilience** and **risk management**.

Developmental Impact:

- Enables MFIs to **cater to broader borrower needs**, especially underserved groups.
- Potential to **improve service quality** and **product innovation**.

Key Terms:

- **NBFC-MFI:** Financial firms providing small loans to low-income borrowers.
- **Qualifying Assets:** Loans that meet RBI's microfinance criteria.
- **Threshold:** Percentage of assets required to remain a microfinance entity.
- **Intangible Assets:** Non-physical assets like brand value or patents, excluded in asset calculations.

09th June 2025: Static MCQS

1. Consider the following pairs:

- | | | |
|---|---|------|
| 1. International year of woman farmer | : | 2026 |
| 2. International year of sustainable and resilient tourism | : | 2027 |
| 3. International year of peace and trust | : | 2025 |
| 4. International year of asteroid awareness and planetary defence | : | 2029 |

How many of the pairs given above are correctly matched?

- Only one
- Only two
- Only three
- All the four

Correct Option: (d)

2. Consider the following statements with regard to BRICS"

- 16th BRICS summit was held under the Chairship of Russia in kazan.**
- Indonesia has become a full member of BRICS.**
- The theme of the 16th BRICS summit was strengthening multiculturalism for just global development and security.**

Which of the statement given above is/are correct?

- I and II
- II and III
- I and III
- I only

Correct Option: (a)

3. 8 Consider the following statements about Lokpal:

- I. The power of lokpal applies to public servants of india, but not to the Indian public servants posted outside india.
- II. The chairperson or a member shall not be a member of the parliament or a member of the legislature of any the chief justice of india, whether incumbent or retired, has to be its chair person.
- III. The chairperson or a member shall not be a person of less than forty-five years of age on the date of assuming office as the chairperson or member, as the case may be.
- IV. Lokpal cannot inquire into the allegations of corruption against a sitting prime minister of india.

Which of the statements given above is/are correct?

- a. III only
- b. II and III
- c. I and IV
- d. None of the above statements is correct

Correct Option: (a)

4. 9. Consider the following statements in respect of the first Kho Kho World Cup:

- I. The event was held in delhi, india
- II. Indian men beat Nepal with a score of 78-40 in the final to become the world champion in men category.
- III. Indian women beat Nepal with a score of 54-36 in the final to become the world champion in women category.

Which of the statements given above is/are correct?

- a. I only
- b. II and III only
- c. I and III only
- d. I, II and III

Correct Option: (a)

5. Consider the following statements:

- I. In the finals of the 45th chess Olympiad held in 2024, Gukesh Dommaraju became the world's youngest winner after defeating the Russian player Jan Nepomniachtchi.



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- II. Abhimanyu Mishra, an American chess player, holds the records of becoming world's youngest ever grandmaster.

Which of the statements given above is/are correct?

- a. I only
- b. II only
- c. Both I and II
- d. Neither I nor II

Correct Option: (b)

