



VAJIRAM & RAVI
Institute for IAS Examination

The Analyst

CURRENT AFFAIRS Handout

10th June 2026



CONTEXT: Lok Sabha Speaker Om Birla was telling a room full of presiding officers about **India's Legislature Disruption Crisis**: what India already knows but refuses to fix.

CONTEXT – 2nd Conference of Commonwealth Parliamentary Association (CPA) India



AKASHVANI NEWS

Haryana Legislative Assembly to host the Commonwealth Parliamentary Association (CPA) Northern Zone-II Conference of the India Region from June 8 to 10.



"Frequent **interruptions** and **disruptions** in the **Houses of Parliament** and **State Assemblies** pose a **serious challenge to democratic institutions**. The solution to this problem lies within the legislative institutions themselves."

4 important resolutions

1. Elimination of **deadlocks** and **disruptions**
2. Strengthening **research** branches
3. Greater use of **digital technology**
4. Increasing **youth** and **women's participation**



Frequent Disruptions serious challenge: Om Birla

What is Parliament Productivity?

"WE, the people"

Amount of legislative work accomplished during a session

Factors

- Number of **sittings**
- **Length** of each Sitting
- Number of **members Present**
- **Disruption**

⚖️ What Are Parliamentary Disruptions?

Disruptions refer to **unwarranted interruptions** during legislative business such as:

- **Shouting slogans**
- **Storming the well of the House**
- **Walkouts**
- **Boycotting debates**



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Productivity: 17th Lok Sabha (2019–2024)

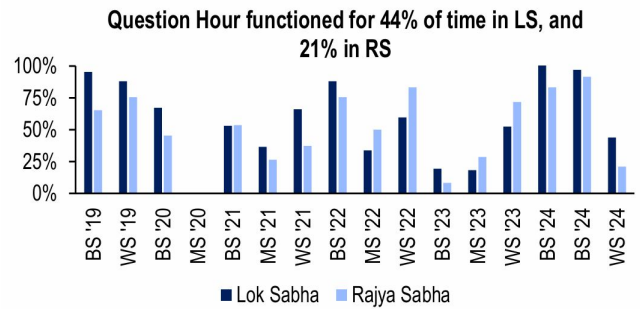
Sitting Days — The Vanishing Parliament

1st Lok Sabha (1952–57)	~135
1980s average	~100
Past decade average	~70
17th Lok Sabha (2019–24)	~55
2025 (18th Lok Sabha)	61
UK Parliament (annual)	150–170
US Congress (annual)	~165

Overall productivity: 47%

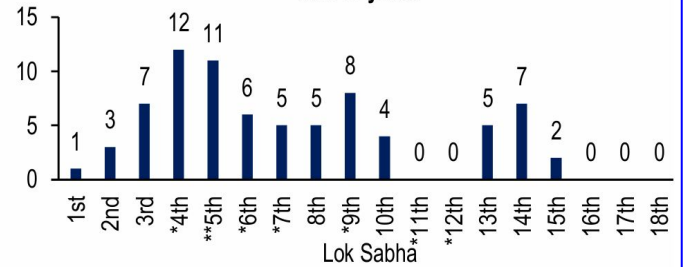
Lok Sabha and Rajya Sabha functioned for only 45% and 31% resp

Functioning of Question Hour significantly affected



Note: BS - Budget Session, MS - Monsoon Session, WS - Winter Session. Question Hour was not held during MS 2020 due to COVID-19.

No adjournment motions discussed in Lok Sabha in the last 10 years



Note: * indicates a term less than five years; ** indicates a six-year term. Data for 18th Lok Sabha till December 20, 2024.

The Cost: ₹1.11 lakh to ₹1.39 lakh per minute
~₹460 crore spread over session days

387 hours lost in the 17th Lok Sabha = 23,220 minutes × ₹1.2 lakh = ₹278 crore

Parliament functioned for about half of its scheduled time

Lok Sabha	Lok Sabha						Rajya Sabha	Rajya Sabha				
	Mon	Tue	Wed	Thu	Fri	Sat		Mon	Tue	Wed	Thu	Fri
Nov 25 - 29	2%		4%	4%	6%		9%		4%	4%	4%	
Dec 2 - 6	4%	123%	133%	24%	3%		5%	100%	103%	85%	30%	
Dec 9 - 14	2%	6%	62%	123%	136%	146%	20%	7%	5%	12%	15%	
Dec 16 - 20	153%	99%	3%	1%	1%		151%	153%	8%	6%	5%	

Note: Each cell shows functioning time as a percentage of scheduled time for that day; no sitting was held in either House on November 26, 2024. Lok Sabha discussed the Constitution on December 14, 2024 (Saturday).



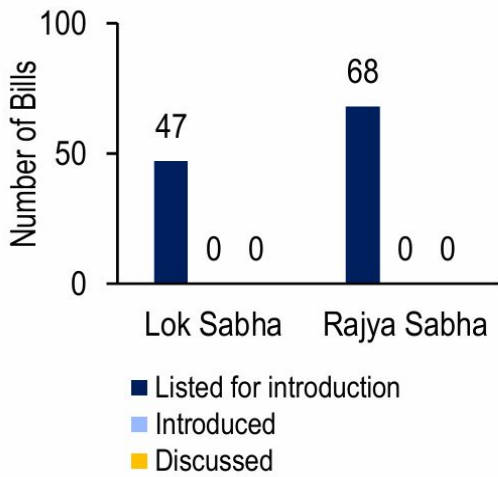
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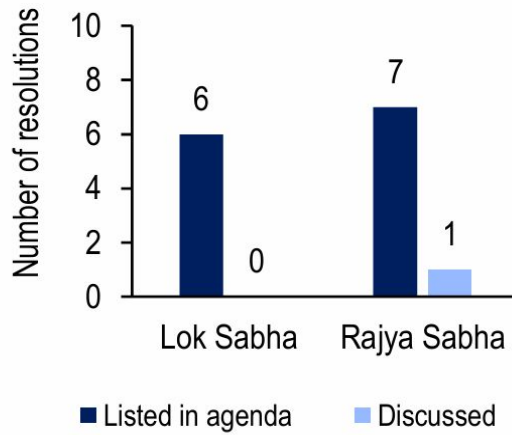
Pvt member business

- Every Friday
- 2 ½ hours

Private Members' Bills

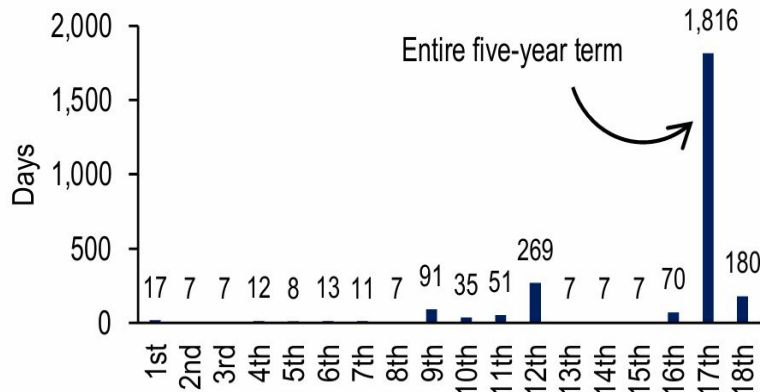


Private Members' Resolutions



No Deputy Speaker since 2019

Days to election of deputy speaker



10th June 2026

CONTEXT: Lok Sabha Speaker Om Birla was telling a room full of presiding officers about **India's Legislature Disruption Crisis**: what India already knows but refuses to fix.

✗ Challenges in the Present Oversight Framework

📉 Disruptions

Only ~**29% LS** and **34% RS** of scheduled time

👥 Weak Committees

- **Winter Session 2025** → just 26% bills referred
- Speed-over-scrutiny

🔴 Opposition Denied Debate Time

Hinders **institutional memory** + information asymmetry

📄 Weak Constitutional Tools for the Presiding Officer

- Expunge remarks
- Suspend members (Rule 374 of Lok Sabha Rules)
- Name members for persistent obstruction

📊 Lack of Technical/Research Support

- MPs operate with minimal staff
- Struggle wrt complex data and policy

🔵 The Criminalization Factor

ADR: 46%; 93% were crorepatis

🗳️ Erosion of Cross-Party Trust

Business Advisory Committee ineffective

Global Comparison – How Other Democracies Handle This

Country	Sitting Days/Year	% Bills to Committees	Disruption Management Tool
India	~61	26% (18th LS)	Limited Speaker powers
UK	150–170	~70%	Strong Committee system; Opposition formally recognised
US	~165	~80%	Filibuster rules; Committee hearings mandatory
Germany	~100	~90%	Cross-party Bundestag committees; coalition culture
Australia	~60	~65%	Senate Estimates: exhaustive committee scrutiny



10th June 2026

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Reform Measures for Strengthening Oversight

1. Institutionalising Post-Legislative Scrutiny

Create **dedicated sub-committees** under each DRSC.

- Follow the **UK Model**: Departments submit law implementation reviews after 3–5 years → examined by committees.

2. Revitalising Parliamentary Committees

- Mandate **debate on select DRSC reports**
- Require **ministerial responses** to key recommendations.
- Translate findings into **regional languages**; use **infographics, videos** for wider reach.
- Provide **dedicated research staff and data analysts** to committees

3. Tech Enablement (Tech + Transparency = Trust)

- Use **Artificial Intelligence** and **Big Data tools** to:
 - Track **expenditure trends and audit anomalies**.
 - Support MPs in forming **evidence-based questions**.
 - Identify **implementation lags in real-time**.
- Digitise and **make public all committee reports and ministry action taken notes (ATNs)**.

4. Others

- **Sit 100 days per year; Fix Question Hour**
- **Penalize disruptions** (e.g., salary cuts for MPs).
- **Prime Minister's Questions (PMQ)**: Weekly 30-min session (like UK).

UPSC PYQ (M) 2021

"The House is the mirror of the nation.
What we reflect here is what India is."
Discuss why debate requires a
functioning Parliament.

UPSC PYQ (P) 2022

Which of the following is/are the
exclusive power(s) of Lok Sabha?

1. To ratify the declaration of Emergency.
2. To pass a motion of no-confidence against the Council of Ministers.
3. To impeach the President of India.

Select the correct answer using the code
given below:

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



CONTEXT: Suddenly, one of **India's most critical neighbourhood relationships** is at a genuine inflection point.

CONTEXT – A Statement That Shook Kathmandu



"What surprised me after becoming Prime Minister is that it is *not only India* that is accused of encroaching Nepalese land. In some places, **Nepal may also be occupying territory claimed by India.** Both countries should examine the facts objectively and resolve the matter amicably as friends."

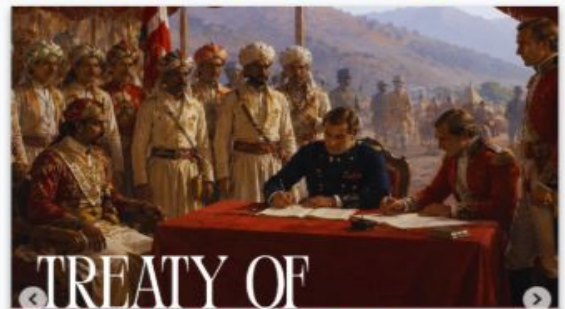
**The Gen Z Uprising
September 8-9, 2025**

"Nepal had not just changed its government. It had changed its political generation."

Bone of Contention – Kalapani, Lipulekh, Limpiyadhura



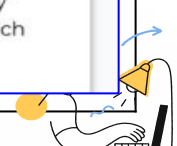
1816 Treaty of Sugauli:
Nepal's **western** boundary as the **Kali (Mahakali) River.**



TREATY OF SUGAULI

The Treaty of Sugauli of 1816, ended the **Anglo-Nepalese War** and fixed Nepal's western boundary along the Kali River. The problem is that the treaty named the river without naming a source. By 1879, a Survey of India map clarified the river's origin, which placed Kalapani and Lipulekh inside the then British-administered land.

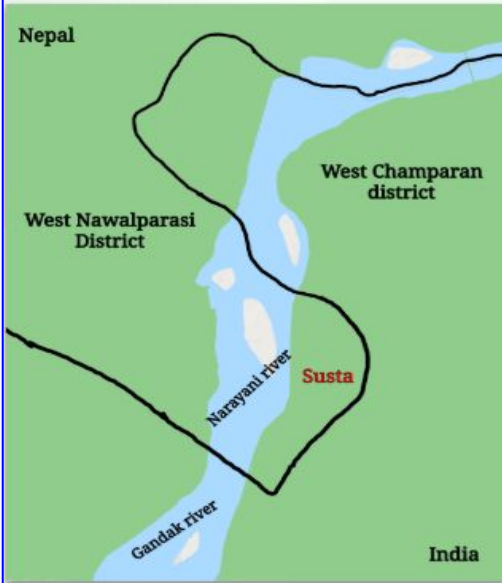
Claim	Source of Kali	Implication
Nepal's position	Limpiyadhura (western source)	Kalapani + Lipulekh fall EAST of the source → inside Nepal
India's position	Kalapani (eastern source)	Territory west of Kalapani falls within Uttarakhand



10th June 2026

CONTEXT: Suddenly, one of **India's most critical neighbourhood relationships** is at a genuine inflection point.

Bone of Contention — Kalapani, Lipulekh, Limpiyadhura



The Escalation Timeline

1962	India stations military at Kalapani post India-China war
Nov 2019	India including KLL in Uttarakhand <ul style="list-style-type: none"> • Darchula-Lipulekh road
May 2020	Nepal amends constitution <ul style="list-style-type: none"> • Including KLL • New map on ₹100 (2025)
Aug 2025	India and China to reopen Lipulekh <ul style="list-style-type: none"> • Kailash Mansarovar Yatra
May 3, 2026	Nepal sends diplomatic protest notes to BOTH India and China

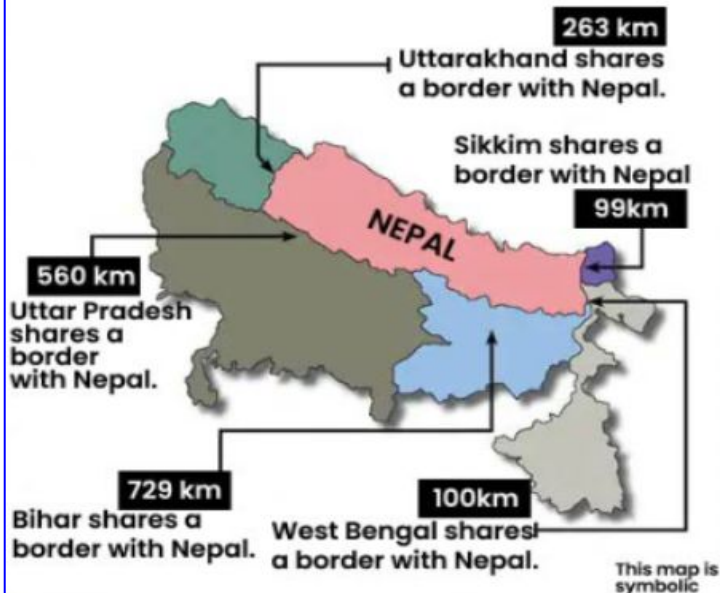
The "Balen Statement" — Why It Matters

- Strategic isolation of Nepal
- ✓ Acknowledge bilaterality

The June 5–7, 2026 Visit

TOTAL LENGTH OF THE INDIA-NEPAL BORDER

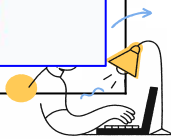
1751 KM



Nepal Foreign Minister Shisir Khanal arrives in Delhi on his first official visit to India

Concrete outcomes

- "Productive"; "carries no old baggage"; "highest priority" etc
- 2015 earthquake reconstruction programme
 - UPI-Nepal National Payments Interface linkage



10th June 2026

CONTEXT: Suddenly, one of **India's most critical neighbourhood relationships** is at a genuine inflection point.

Positive Foundations – What India, Nepal Built Together

Economic Interdependence

Trade

India = Nepal's **largest trading**

Nepali workers in India

Millions – particularly in construction, security, hospitality

Indian investment

Leading source of FDI in Nepal

Tourism

India = **top source of foreign tourists**



83,000 MW hydropower potential

1,850-km open border

"Roti-Beti" relationship

Army-to-Army Relationship

Pop culture

Complications – What Could Still Go Wrong

01

"will treat India
"on par with
other countries"

02

The China Card

03

"Third-Party"

04

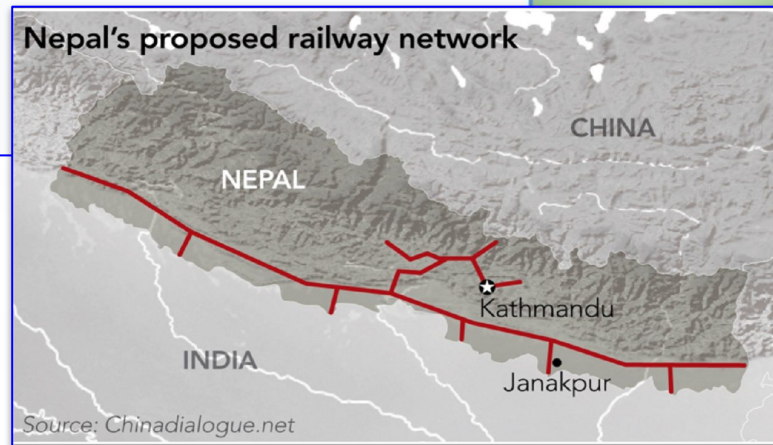
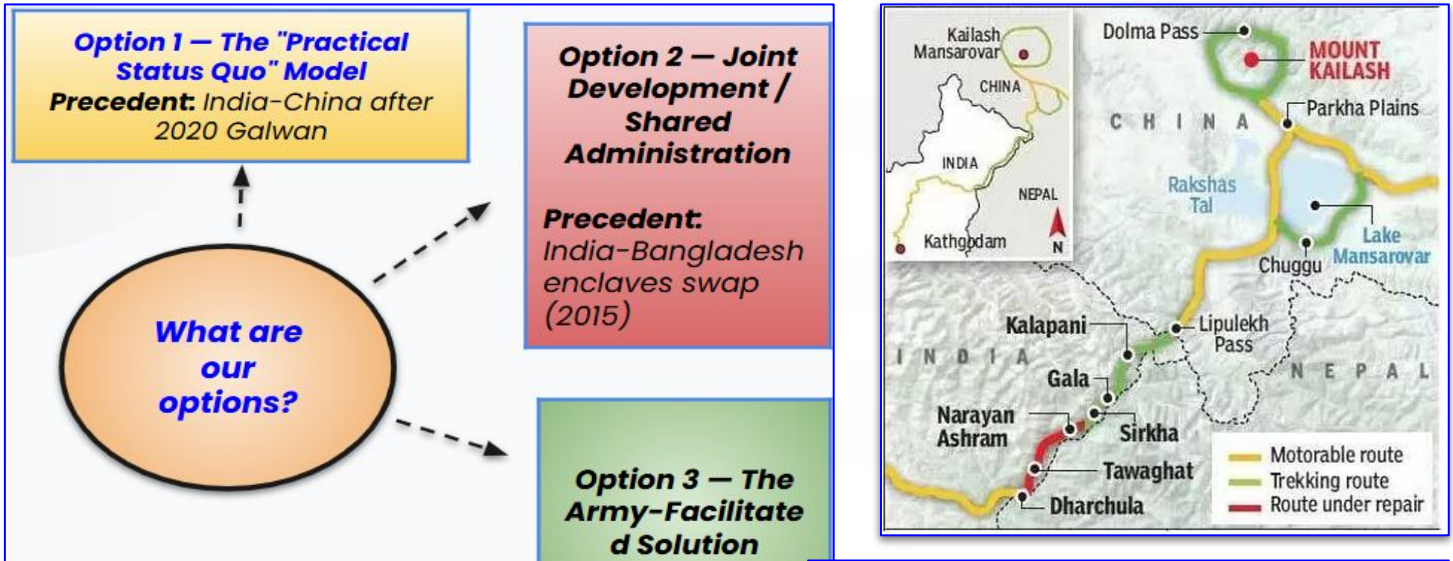
Zero progress in
10+ years on KLL



10th June 2026

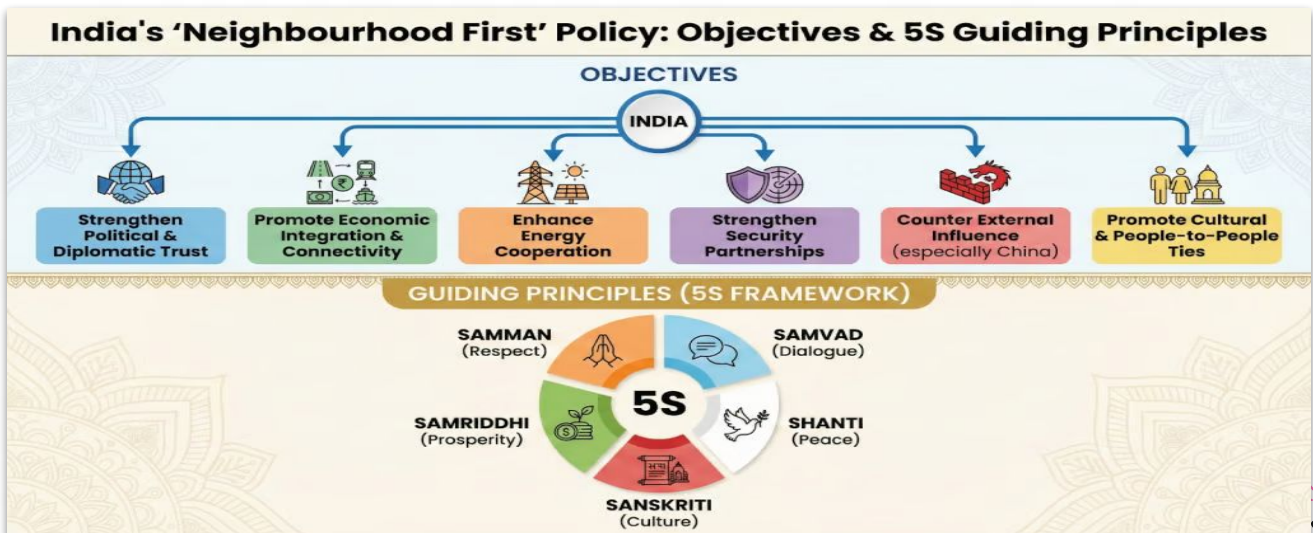
CONTEXT: Suddenly, one of **India's most critical neighbourhood relationships** is at a genuine inflection point.

What a Solution Could Actually Look Like



Mains Practise Question

If India has the vision to meet this moment – not with the old asymmetry of a "big brother," but with the genuine partnership of an equal – the India-Nepal relationship could become the model for what neighbourhood diplomacy should look like in the 21st century. Discuss. (15 Marks, 250 words)



India calls for dialogue on climate finance, adaptation at Bonn meet

Jacob Koshy
NEW DELHI

India has called for the shrinking pool of climate finance and a widening adaptation finance gap to be tackled head-on at the United Nations climate negotiations-linked talks under way in Bonn, Germany. It has urged that a Paris Agreement provision which obliges developed countries to provide funds to developing nations, be given dedicated agenda space to enable substantive progress.

The intervention came in India's statement to the 64th session of the UNFCCC Subsidiary Bodies (SB64), delivered by Harkeerat Randhawa of the External Affairs Ministry.

India associated itself with the positions taken on behalf of the Group of 77 and China, the Like-Minded Developing Countries (LMDC), and the BASIC



India associated itself with the positions taken on behalf of the Group of 77 and China, the LMDC and the BASIC bloc. REUTERS

bloc (Brazil, South Africa, India, China).

The Bonn meeting runs from June 8 to 18 and is the mid-year session of the two subsidiary bodies – on implementation (SBI) and on scientific and technological advice (SBSTA) – that prepare draft decisions for the annual Conference of the Parties. It is the first multilateral climate conference since COP30, held in Belém, Brazil, last Novem-

ber, and is tasked with turning those outcomes into negotiable text ahead of COP31. That summit will be hosted in Antalya, Türkiye in November, which holds the formal presidency and Australia presiding over the negotiations.

Unilateral trade

India pressed for the dialogue on unilateral trade measures – a reference to carbon border levies such

as the EU's Carbon Border Adjustment Mechanism (CBAM) – to address their adverse effects on developing countries' climate action, anchored in Article 3.5 of the Convention.

It cautioned that the Mitigation Work Programme's facilitative, non-prescriptive character be preserved, that the adaptation goal remain balanced and Party-driven, and that no obligations beyond agreed mandates be introduced.

This year's agenda is dominated by a shift to an implementation phase. Key items include the Global Goal on Adaptation, the Just Transition Work Programme and the Global Stocktake, alongside climate finance and the contested future of the Sharm el-Sheikh Mitigation Work Programme, which is due to conclude in 2026 with a possible extension on the table.

Newspaper

The Hindu

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Global Climate Finance

- **Multilateral Public Finance**
- **Bilateral Public Finance**
- **Private Finance**
- **Philanthropic Finance**

Under the UNFCCC

1. **Green Climate Fund**
2. **Global Environment Facility**
3. **Adaptation Fund**
4. **Loss and Damage Fund**

Micro-loans show early signs of stress amid global risks: report

Ashokamithran T.
MUMBAI

The share of loans to micro industries showing signs of early stress increased in April 2026 from the month before amid heightened geographical tensions on the West Asia crisis.

Micro borrowers are those with an exposure of less than ₹2 crore.

As per data from CRIF High Mark, a credit bureau, share of loans awaiting repayment for 91 to 180 days rose to 1.4% in April against 1.1% in March.

However, the share of shorter period loans (31 to 90 days) at risk of non-payment stayed at 2.7% for second consecutive month.

The data becomes crucial as credit to micro industries constitutes about 86% of active loans in the Micro Small Medium Enterprises segment.

There has also been a slowdown in the outstanding credit across the board with micro industry credit dipping 4.6% in fiscal 2026 as against a growth of 1.5% in the previous fiscal.

"India's MSMEs Business sector has so far navigated the geopolitical factors with domestic demand resilience, policy support and adaptive working capital management. However, there are areas like rising early stage delinquencies in certain borrower segments that lenders and policymakers may need to observe closely," CRIF said in its report on MSME lending.

Newspaper

The Hindu

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KEY CHARACTERISTICS OF INDIAN MFIs (2025)

Target Audience	Average Loan Size
<p>85% Women borrowers</p> <p>Rural/Semi-urban focus</p>	<p>₹35,000</p>
Repayment Rate	Interest Rates
<p>97.2%</p> <p>Repayment rate</p>	<p>Capped at 10-12% above borrowing cost</p> <p>MFI rates: 18-24% vs, Moneylenders: 50-120%</p>

Source: RBI & MFIN 2025 Data

Financial Inclusion Spotlight



Dark patterns: Indian online buyers losing up to ₹28,000 cr.

Indian consumers are losing an estimated ₹25,000 crore to ₹28,000 crore annually due to deceptive interface designs, known as dark patterns, across online marketplaces, a report said. The 'Dark Patterns in India's Online Marketplaces' report, by market research firm Datum Intelligence, said 88% of India's 304 million online buyers lose about ₹78-₹87/month to hidden charges, forced add-ons, drip pricing, false urgency rules and subscription traps. PTI

Newspaper The Hindu
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Hurry up! Sale ends in
00d 00h 12m 34s

Only 5 coupons left

**SIGN UP FOR
FREE COUPON**

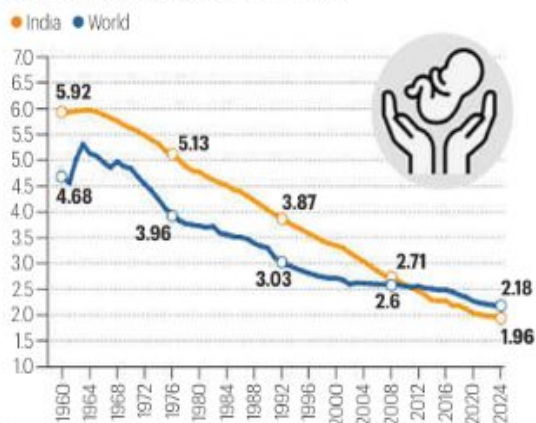
67 friends have signed up

I'm boring and like paying full price

I don't want no marketing email

• Fertility rates in freefall

The total fertility rate (TFR), the average number of children that a woman is expected to bear in her lifetime, has declined across the world and in India.



Source: World Population Prospects, United Nations

• In most states, fertility below replacement level

The map shows the only states with TFR at or above 'replacement level' (2.1 children per woman). This is the level needed to maintain a stable population



Source: National Family Health Survey (NFHS-6), 2023-24

Newspaper The IE
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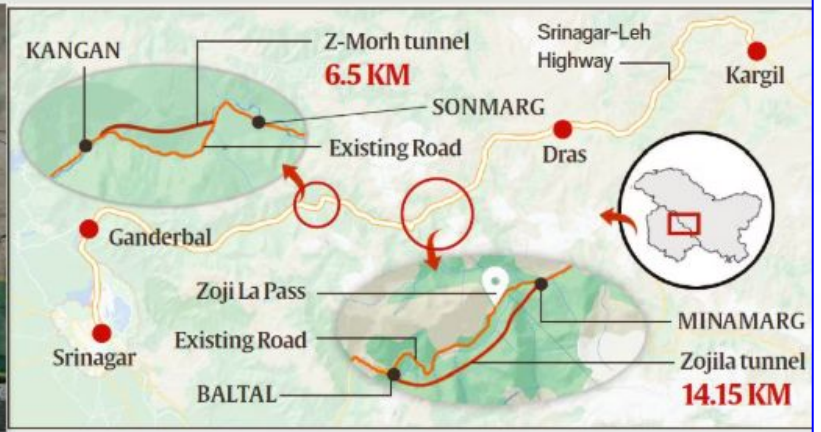


'Dream come true' for Zojila tunnel?



SYLLABUS: PRELIMS: Zojila Tunnel, Mapping
Newspaper: The Hindu **Page Number:** 14

The Tyranny of the "Pass of Blizzards" ❄️



Geographic Wall	Extreme altitude of 11,650 feet ; only terrestrial gateway
Winter Siege	Avalanches, heavy snowfall, sub-zero temp dropping to -30 Highway suspended for six months each year
Cost of Isolation	Asia's longest bi-directional tunnel and the world's longest single-tube, bi-directional road tunnel engineered at an altitude exceeding 11,500 feet.

The Conquest of Zojila

Metric	Overground Pass 🚗	The New Tunnel ⚡
Transit Time	Consumed 3.5 hours to navigate a treacherous, winding 30-km mountain pass.	Collapses the commute down to just 15 to 30 minutes .
Seasonal Availability	Open for only 6 months; completely blocked during winter.	Provides uninterrupted, 365-day all-weather connectivity .
Environmental Hazard	High risk of fatal vehicular slips, rockfalls, and sudden snow avalanches.	Completely zero avalanche risk inside the insulated concrete tube.
Fiscal Execution	Initial project cost estimates hovered around a high ₹12,000 crore .	Successfully engineered through optimization loops at just ₹6,808.69 crore .
Primary Contractors	Contract terminated in 2019 due to the financial collapse of IL&FS.	Successfully executed by Megha Engineering & Infrastructures Limited for NHIDCL.



'Dream come true' for Zojila tunnel?



SYLLABUS : PRELIMS : Zojila Tunnel, Mapping
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The Infrastructure Chain



Shinku La Tunnel
16,580 feet; 4.1 km twin-tube
Ladakh's remote Zaskar Valley

Atal Tunnel
9.02 km
World's longest single-tube
highway tunnel above 10,000 feet.

Silkyara Barkot Tunnel
4.5 km bi-directional
Gangotri and Yamunotri

Brahmaputra Underwater Tunnel



Can a party use cockroach symbol?



SYLLABUS : PRELIMS : Symbols Order of 1968

Newspaper : The Indian Express Page Number : 13

The Election Symbols (Reservation and Allotment) Order, 1968

Recognized National and State Parties

To be designated as a national party:

- State party in at least four states,
- Win 2% of Lok Sabha seats (minimum 11 seats) from at least 3 different states
- Secure 6% of valid votes in four or more states plus win 4 Lok Sabha seats.

As of 2026, India has six recognized national political parties:



Bharatiya Janata Party (BJP)



Indian National Congress (INC)



Bahujan Samaj Party (BSP)



Communist Party of India (Marxist) [CPI(M)]



Aam Aadmi Party (AAP)



National People's Party (NPP)

Registered Unrecognized Political Parties (RUPPs) & Independents

"Free Symbols" list.

मुक्त प्रतीकों की सूची
(List of Free Symbols)
As contained in Table IV of the Commission's Notification dated 18.01.2013

1 अलमारी Almirah	2 एअरकंडीशनर Air Conditioner	3 ऑटो-रिक्शा Auto-Rickshaw
4 गुब्बारा Balloon	5 फलों से युक्त टोकरी Basket containing Fruits	6 बल्ल Bat
7 बल्लेबाज Batsman	8 बैटरी टॉर्च Battery Torch	9 बेल्ट Belt



Can a party use cockroach symbol?

SYLLABUS : PRELIMS : Symbols Order of 1968

Newspaper : The Indian Express Page Number : 13

Menu of Free Symbols



This is designed to ensure that illiterate voters can easily identify candidates on ballot papers and EVMs.

On May 23, 2025, the ECI published its latest revised list, features exactly 184 free symbols.

Category	Permitted Objects
Household	Air-conditioner, Door bell, Immersion rod, Mixer, Toothbrush, TV remote.
Kitchen	Frying pan, Dustbin, Latch.
Food	Jackfruit, Grapes, Cake, Toffees.
Common	Balloon.



Chandrayaan-3's data on Shiv Shakti point



SYLLABUS: PRELIMS: Planetary geography/ Astro-geology
Newspaper: The Indian Express **Page Number:** 9

Chandrayaan 3

The lander and rover together have six payloads to study the local properties of the area near moon's South pole

Landing site: Near lunar South pole

100km polar orbit

Following the Chandrayaan-1 mission in 2008, the site where the probe was intentionally crashed was christened "**Jawahar Sthal**" in honour of India's first Prime Minister, Jawaharlal Nehru.

The spot where Chandrayaan-2 crashed has now been named "**Tiranga**".

The Chandrayaan-3 landing area will be known as "**Shiv Shakti Point**".

LUNAR ROCK TYPES AND RARITY

The Moon's geology, naturally delivered to Earth.

AUTHENTIC LUNAR METEORITE TYPES

<p>LUNAR BASALT dark volcanic rock from lunar maria.</p>	<p>FELDSPATHIC BRECCIA pale highlands material rich in plagioclase.</p>	<p>TROCTOLITIC ANORTHOSITE MELT BRECCIA impact-related breccia preserving deep crustal material</p>	<p>LUNAR WHOLE ROCK authentic lunar meteorite exterior.</p>	<p>LUNAR SLICE INTERIOR polished interior showing lithology.</p>
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RARITY BY THE NUMBERS

<p>~417 kg total confirmed lunar meteorite mass recovered worldwide</p>	<p><1% of recovered meteorites are lunar</p>	<p>Apollo samples are not privately ownable.</p>
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LUNAR METEORITES ARE THE ONLY LEGAL PATH TO OWNING AN AUTHENTICATED PIECE OF THE MOON.

TREASURE COAST METEORITE CO.

Chandrayaan-3's data on Shiv Shakti point



SYLLABUS : PRELIMS : Planetary geography/ Astro-geology
Newspaper : The Indian Express **Page Number : 9**

Home / Meteorites / Moon Rocks - Lunar Meteorites For Sale / Tifariti 002 Lunar Meteorite / Tifariti 002 Lunar Meteorite 72.7g Slice (translucent)

Tifariti 002 Lunar Meteorite 72.7g Slice (translucent)

\$7,270.00
Availability: 1 in stock

Add to cart

Secure Checkout

VISA Mastercard American Express Discover PayPal

Additional Information

- 📄 Add Gift Message On Checkout Page.
- 📦 Automatic Additional 15% Discount At Checkout!
- ⚠️ Scale Cube & Display Stand Not Included.

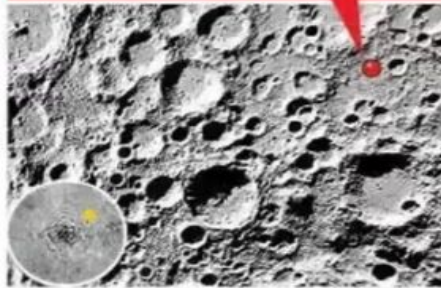
A Tale of Two Remote Sites 🚀

MOON ROCKS

● The 2023 Chandrayaan-3 mission had Vikram lander landing near the South Pole of the Moon with its Pragyan rover conducting in situ investigations in nearby areas

● With its Alpha Particle X-ray Spectrometer (APXS), it measured the elemental composition of lunar soils near the landing site

SHIV SHAKTI STATIO: LANDING SITE OF CHANDRAYAAN-3



🔬🔍 PRL scientists compared the APXS measurements with geochemical data from feldspathic lunar meteorites to understand similarity of chemical composition



Chandrayaan-3's data on Shiv Shakti point



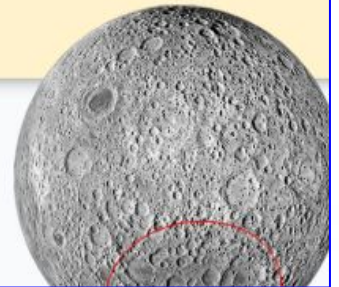
SYLLABUS : PRELIMS : Planetary geography/ Astro-geology
Newspaper : The Indian Express **Page Number : 9**

Deciphering the Lunar Crust

Chemical Component	The Antarctica Meteorite AQ	Shiv Shakti Point Soil 🌕
Aluminum Oxide	25.8% (Deficient/Low)	Almost Exact Match (Deficient)
Iron & Magnesium Oxides	13.7% (Enriched/High)	Almost Exact Match (Enriched)
Dominant Rock Signature	Intermediary Mix	Compositional Space between FAN and Mg-suite lithologies

What are Mg-suite lithologies? These are **magnesium-rich rock layers** that **formed deep underground within the Moon's mantle or lower crust**. Finding them mixed into the topsoil (regolith) at Shiv Shakti Point was highly unexpected. 🧑‍🔬

- Shiv Shakti Point next to **South Pole-Aitken Basin**
- **Lunar Magma Ocean Theory**
- **Colossal asteroid**



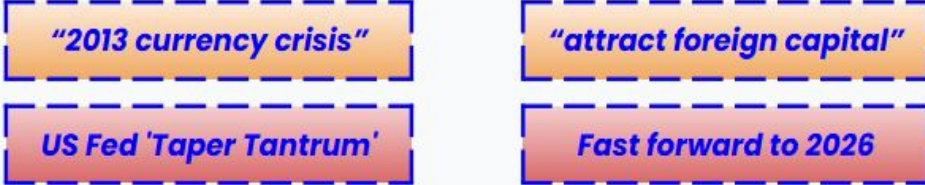
What is the FCNR(B) deposits swap?



SYLLABUS : PRELIMS : FCNR(B) deposits swap

Newspaper : The Indian Express Page Number : 15

Story of the "Idiotic" Policy That Rescues the Rupee



What is an FCNR(B) Deposit

- **Foreign Currency Non-Resident (Bank)**
- **"fixed-term" accounts for NRIs**
- **0 currency risk**
- **Maturity**
- **Commercial Bank's Dilemma**
 - **Currency hedge** (financial insurance policy)
 - **RBI's Swap Scheme**

Evolution: 2013 Crisis vs. 2026

Feature / Metric	The 2013 Taper Tantrum Version	June 2026 Balance of Payments Package
The Triggering Threat	US Federal Reserve 'Taper Tantrum' speculation signaling global liquidity withdrawal.	West Asia conflict driving severe capital outflows and an unprecedented \$399B gross currency defense burn.
The Subsidy Mechanism	RBI provided a fixed 3.5% financial subsidy to commercial banks to help cover their external hedging frictions.	Absolute Protection: The RBI fully absorbs 100% of the exchange rate risk on new 3-to-5-year deposits at par.
Interest Rate	Narrow spreads; banks had to heavily leverage to make the rates appealing to overseas NRIs.	US 3-year yields sit at ~4.2%. Indian banks are now empowered to offer highly competitive rates between 5.5% to 6.0% .
Total Inflow Quantum	Mobilized \$26 Billion in foreign inflows, equivalent to roughly 1.4% of India's GDP in FY14.	Market analysts project a massive inflow of \$40 Billion to \$50 Billion via this window alone.
Operational Windows	Short 3-month operational lifespan during late 2013.	Operationalized immediately from June 8, with the deposit window extending until September 30, 2026 .



What is the FCNR(B) deposits swap?



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Why an "Idiotic" Idea Makes Perfect Sense?

Why did Rajan initially hate this scheme?

"If it is so expensive, why is the RBI rushing to execute it?"

DATA

2026: currency hedging cost of 2.5%

12.5% for a 5yr dep

\$125 million for every single billion \$ raised

1. Record \$399 Billion in gross interventions during 2024-25
2. Billions of new external dollars
3. India's annual import bill for 2025-26 (\$775 Billion)
 - o ₹3 to ₹4 app
 - o Cost of importing
 - o ₹1.6 Trillion (\$20+ Billion) in structural savings per year

Structural Impact on India's Balance of Payments

Persistent Current Account Deficit

"The policy bazooka on rupee rescue is designed to address the large balance of payments deficit triggered by the compression of the capital account surplus amid current account deficit pressures, which we estimated was tracking as high as -\$70 billion in FY27 prior to these measures," Nomura said in a note.

Now expecting India's final BoP to close with a surplus between \$5 Billion to \$10 Billion for FY27.

\$60B-\$70B capital account hole is being actively plugged

"Strategic retrospective removal of withholding and capital gains taxes"

"without raising domestic interest rates"

Liquidity Injection

This is expected to push the banking system's deposit growth rate up to 14.5%-15% in FY27, narrowing the systemic credit-to-deposit gap by nearly ₹1 Lakh Crore



Q1. With reference to the Foreign Currency Non-Resident (Bank) Accounts, consider the following statements:

1. FCNR(B) accounts are fixed-term deposit accounts maintained by Non-Resident Indians (NRIs) in designated foreign currencies.
2. FCNR(B) deposits protect the depositor from exchange rate fluctuations between the Indian Rupee and the deposit currency.
3. Commercial banks accepting FCNR(B) deposits are exposed to currency risk and may use currency hedging as a financial insurance mechanism.

Which of the above given statements is/are correct?

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

Answer: d

Q2. Which of the following statements regarding the Chandrayaan-3 Mission launched by the Indian Space Research Organisation (ISRO) is not correct?

- a) Chandrayaan-3 consisted of a Propulsion Module, a Lander Module (Vikram), and a Rover (Pragyan).
- b) India became the first country to achieve a soft landing near the Moon's south polar region through Chandrayaan-3.
- c) The Pragyan rover was designed to study the lunar atmosphere and transmit data directly to Earth.
- d) The Propulsion Module carried the SHAPE (Spectropolarimetry of Habitable Planet Earth) payload.

Answer: c

Q3. With reference to the criteria for recognition of a National Party by the Election Commission of India (ECI), consider the following statements :

1. A political party is recognised as a National Party if it is recognised as a State Party in at least four states.
2. A political party is recognised as a National Party if it wins at least 2% of the total seats in the Lok Sabha, subject to a minimum of 11 seats, and these members are elected from at least three different states.

Which of the statements given above is/are correct?

- a) 1 only
- b) 2 only
- c) Both 1 and 2
- d) Neither 1 nor 2

Answer: c

Q4. Which of the following tunnels is regarded as the "World's longest single-tube highway tunnel above 10,000 feet"?

- a) Shinku La Tunnel
- b) Atal Tunnel
- c) Silkyara Barkot Tunnel
- d) Brahmaputra Underwater Tunnel

Answer: b

Q5. With reference to the Treaty of Sugauli (1816), consider the following statements:

1. The Treaty of Sugauli was signed between the British East India Company and the Kingdom of Nepal after the Anglo-Nepalese War (1814-1816).
2. Under the treaty, Nepal ceded Kumaon and Garhwal to the British East India Company.
3. The treaty fixed Nepal's western boundary along the Kali (Mahakali) River.

How many of the statements given above is/are correct?

- a) Only one
- b) Only two
- c) All three
- d) None of the above

Answer: c





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