Today's Prelims Topics

Transition of Weak UCBs from SAF to PCA Framework

Context

The Reserve Bank of India (RBI) has decided to replace the SAF with the PCA framework to strengthen supervisory intervention for financially weak UCBs.

About Urban Cooperative Banks (UCBs)

- UCBs are financial institutions that operate in **urban and semi-urban areas in India.**
- UCBs are **registered** as **cooperative societies** under the respective
    - **State Cooperative Societies Acts** (for single-state operations) or
    - **Multi-State Cooperative Societies Act, 2002** (for operations across multiple states).
- **Regulation:** UCBs function under a dual regulatory framework:
    - **Banking Regulation Act, 1949:** Since 1966, RBI has been supervising UCBs regarding licensing, capital adequacy, loan policies and financial stability.
        - **The Banking Regulation (Amendment) Act, 2020** has given RBI more control over UCBs, allowing it to intervene in their management and governance.
    - **Registrar of Cooperative Societies (RCS):** The respective state governments or the central government control administrative functions through the RCS.
- The **1st urban cooperative credit society of India** was **"Anyonya Sahakari Mandali,"** established in **1889** in Baroda.
- **Categories of UCBs:**
    - **Tier 1 –** Deposits up to Rs 100 crore.
    - **Tier 2 –** Deposits above Rs 100 crore and less than Rs 1,000 crore.
    - **Tier 3 –** Deposits above Rs 1,000 crore and less than Rs 10,000 crore.
    - **Tier 4 –** Deposits above Rs 10,000 crore.

About Prompt Corrective Action (PCA) Framework

- It is a supervisory tool used by the RBI to address financial stress in banks.
- **Key areas of monitoring:** Adequate capital, asset quality and profitability.
- It will replace the **Supervisory Action Framework (SAF)**, which was introduced in **2012**.
- **Conditions for Invocation of PCA:**
    - **Capital Adequacy Ratio (CAR):** If CAR falls **up to 250 basis points (bps) below** the required level.
    - **Asset Quality (Net Non-Performing Assets - NPAs):** If Net NPAs exceed 6% but remain below 9% of total advances.
    - **Profitability:** If the UCB **incurs losses for two consecutive years**.
- **Application:** All UCBs in tier 2, tier 3 and tier 4 categories

Source:

- The Hindu - UCBs

Rashtriya Gokul Mission

Context

The implementation of the Rashtriya Gokul Mission and other initiatives by the Government of India have resulted in a significant **63.5% increase** in milk production over the past decade.

About Rashtriya Gokul Mission (RGM)

- RGM was launched in **December 2014** under the **National Programme for Bovine Breeding and Dairy Development (NPBBDD)**.
- It focuses on **scientific conservation, breed improvement and productivity enhancement** of indigenous bovine breeds.
- **Implementing Agency:** Department of Animal Husbandry & Dairying (DAHD), Ministry of Fisheries, Animal Husbandry & Dairying.
- It supports **States and Union Territories** in infrastructure development for indigenous cattle breeding.

Key Initiatives Under Rashtriya Gokul Mission

- **Strengthening of Semen Stations:**
  - **Objective:** Improve the quality and quantity of semen production for cattle breeding.
  - 47 semen stations across India have been strengthened and modernized with RGM funding.
- **Sex-Sorted Semen Production Facility:**
  - **Sex-sorted semen technology** ensures that **90% of calves born are female**, improving productivity.
  - **58.67 lakh doses** of sex-sorted semen have been produced under RGM.
- **Establishment of IVF Labs:**
  - **Bovine IVF technology** is being used for the **first time in India** to conserve and develop indigenous breeds.
  - **22 IVF laboratories** have been set up across India.
- **Multi-purpose Artificial Insemination Technicians in Rural India (MAITRI):**
  - **38,736 MAITRIs** trained to provide **artificial insemination (AI) services at farmers' doorsteps**.
- **National Kamdhenu Breeding Centers (NKBCs):**
  - Two **National Kamdhenu Breeding Centers** serve as **germplasm repositories** for indigenous breeds:
  - The centres are located in Itarsi (Madhya Pradesh) and Nellore (Andhra Pradesh).
- **Launch of Indigenous Genomic Chip:**
  - A **genomic chip** has been developed under RGM to identify **high-genetic-merit bulls** for breeding.

Facts

- India is the **world's largest** milk producer. It produces 25% of the world's production.
- Average national milk yield is 8.55 kg/day for exotic breeds, and 3.44 kg/day for indigenous animals.
- The per capita availability of milk in India is **459 grams/day,** which is higher than the global average of **323 grams/day.**
- **Top 5 states:** Uttar Pradesh, Rajasthan, Madhya Pradesh, Gujarat, and Andhra Pradesh—
  - They contribute over **53%** of total production.

Source:

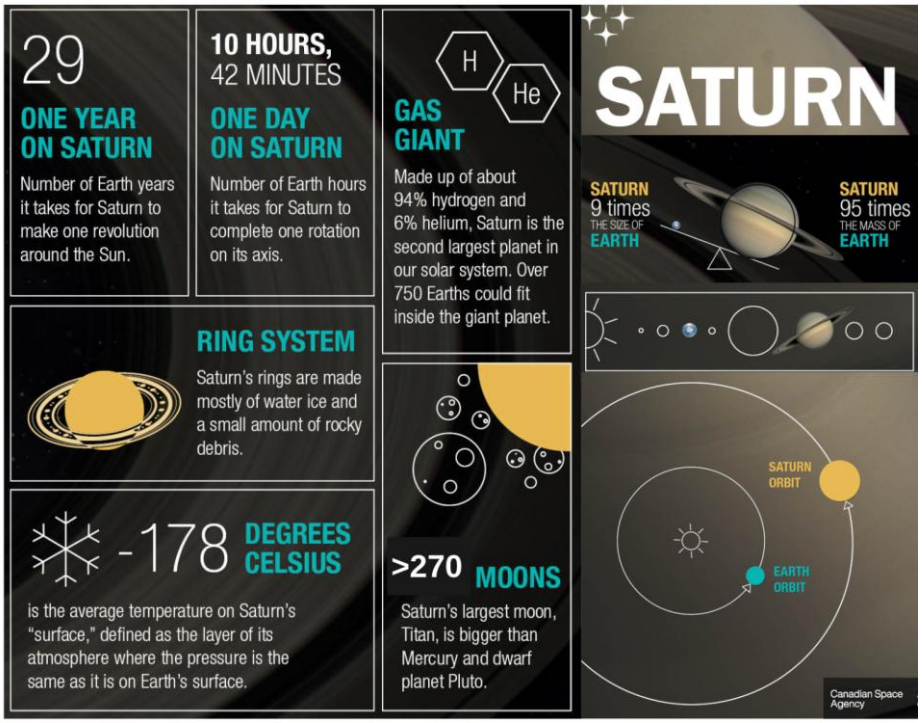
- PIB - Rashtriya Gokul Mission

Saturn's Moon Count Reaches 274

Context

Recently astronomers have discovered 128 new moons orbiting Saturn, bringing its total moon count to 274.

About Saturn



- Saturn is the **6th planet from the Sun** and the **2nd largest planet in our solar system**.
- It is a gas giant planet made up of hydrogen and helium.
- It is the least dense planet in our solar system.
- Saturn has the highest number of moons in our solar system **(146)**
- Its moon, **Titan**, is the second largest moon in our solar system after **Ganymede of Jupiter.**
- Saturn's rapid rotation gives it an **oblate shape.** It is flattened at the poles and bulging at the equator.

Discovery Process & Techniques Used

- The discovery was based on revisiting earlier observations from the **Canada-France-Hawaii Telescope.**
- **Technique Used: "Shift and Stack" Method**
    - Sequential images of the sky were taken to track the movement of each moon.
    - These images were combined to increase brightness, making the moons visible.

Source:

- Indian Express - Saturn's newly discovered moons

Biological Weapons Convention

Context

26 March 2025 marks the 50th anniversary of the entry into force of the Biological Weapons Convention.

About Biological Weapons Convention (BWC)

- **BWC** is the **first multilateral disarmament treaty** that bans an **entire category of weapons of mass destruction (WMDs)**. It entered into force on 26th March **1975.**
    - **Biological weapons** are disease-causing organisms or toxins, like bacteria, viruses or fungi, intentionally used to harm or kill humans, animals or plants for military or terrorist purposes
- It prohibits the **development, production, acquisition, transfer, stockpiling and use of biological and toxin weapons**.
- It aims to ensure that **biological sciences and biotechnology are used only for peaceful purposes**.
- The Convention was negotiated by the Conference of the Committee on Disarmament in Geneva, Switzerland.
- **Members:** 188 countries. **(India is a member).**
    - **States that have neither signed nor ratified BWC:** Chad, Djibouti, Eritrea, Israel.

Challenges faced by BWC

- **Lack of Verification Mechanism:**
    - Unlike other disarmament treaties (e.g., **Chemical Weapons Convention - CWC**), BWC **has no formal inspection system**.
- **Emerging Biotechnological Threats**:
    - Advances in **synthetic biology, genetic engineering and biotechnology** create new risks.

Source:

- UN - BWC

News in Shorts

Exercise Tiger Triumph

- **It is a bilateral Tri-Service Humanitarian Assistance and Disaster Relief (HADR) Exercise** between **India and the United States**.
- **Objective**: To enhance **interoperability** for HADR operations and to facilitate smooth coordination between the **Indian and US Joint Task Forces (JTF)** during **crises and contingencies**.
- The 4th edition of this exercise will take place on the **Eastern Seaboard of India from April 1 to April 13, 2025**.

Source:

- PIB - Tiger Triumph

SAMARTH Udyog Bharat 4.0

- It is an initiative under the **Scheme for "Enhancement of Competitiveness in the Indian Capital Goods Sector."**
  - The scheme aims to accelerate the adoption of **smart manufacturing technologies** among Indian **Micro, Small, and Medium Enterprises (MSMEs).**
- It is a **Pan-India, demand-driven scheme** focused on **smart manufacturing and Industry 4.0 adoption** in India.
- The initiative focuses on **automation, data exchange, cyber-physical systems, IoT (Internet of Things), cloud computing and AI-driven manufacturing solutions.**
- **Four Smart Advanced Manufacturing and Rapid Transformation Hub (SAMARTH) Centres** have been established under this initiative.

Source:

- PIB - SAMARTH UDYOG BHARAT 4.0

NITI NCAER States Economic Forum Portal

- It is a **comprehensive repository** of data on **social, economic, and fiscal parameters** of Indian states spanning **30 years (1990-91 to 2022-23)**.
- It provides **research reports, expert commentaries, and fiscal analyses** to facilitate data-driven policy decisions.
- It is developed by **NITI Aayog** in collaboration with the **National Council of Applied Economic Research (NCAER)**.
- **Benefits of the portal:**
  - The portal will ensure availability of **reliable financial data for Indian states.**
  - It will help states compare fiscal strategies and learn from best practices of other states.
  - It will facilitate data-driven economic policymaking for better financial management.

Source:

- PIB - States Economic forum portal

Editorial Summary

Why India Needs To Clean Its Air

Context

India's air pollution crisis is a year-round, silent pandemic rather than just a seasonal issue.

Severity of Air Pollution in India

- **One of the World's Worst Air Quality Levels:** India consistently ranks among the most polluted countries (e.g., 6 of the world's 10 most polluted cities are in India (2024 World Air Quality Report by IQAir).
    - WHO's air quality guidelines are exceeded in most Indian cities, with PM2.5 levels often reaching hazardous levels.
- **High Mortality and Health Risks:** According to the **ICMR (2019)**, air pollution was linked to **1.7 million deaths** in India.
    - The **Lancet Countdown** and WHO highlight that air pollution is a major risk factor for lung cancer, cardiovascular diseases, stroke, and diabetes.
- **Severe Impact on Children and Vulnerable Groups:** Prolonged exposure to pollution affects lung development in children, leading to asthma and respiratory infections.
    - The elderly and those with pre-existing health conditions suffer from aggravated cardiovascular and respiratory diseases.
- **Economic and Productivity Loss:** Air pollution-related diseases contribute to **billions in lost productivity** annually.
    - Increased healthcare costs burden both individuals and the public health system.
- **Seasonal and Year-Round Crisis:** While winter smog is a major issue due to stubble burning and temperature inversion, high pollution persists throughout the year due to vehicular emissions, industrial activity, and biomass burning.
- **Urban and Rural Divide:** While urban areas suffer from vehicular and industrial pollution, **41% of India's population** still relies on solid biomass fuels for cooking, emitting **340 million tonnes of CO_2 annually** and worsening indoor air pollution.

Where India Lags in Tackling Air Pollution

- **Fragmented Governance & Poor Coordination:** Air pollution is a multi-sectoral issue requiring coordination across ministries (environment, transport, industry, urban development), but India lacks an integrated approach.
    - Example: The National Clean Air Programme (NCAP) is implemented at the central level, but local authorities lack execution capacity and funding clarity.
- **Insufficient Budget & Resource Allocation:** India's NCAP budget is less than 1% of China's air quality spending (~₹11,542 crore vs. ₹22 lakh crore over five years).
    - Low fund utilization (only 60% between 2019-2023) due to bureaucratic delays and unclear accountability.
- **Weak Monitoring & Data Gaps:** Dependence on ambient air quality data, which fluctuates due to weather, rather than tracking emission reductions.
    - Lack of high-resolution data on emission hotspots (waste burning, traffic congestion, industrial pollution).
- **Overreliance on High-Tech Solutions Without Structural Fixes:** Smog towers and AI dashboards look promising but do not address core pollution sources like biomass burning, vehicular emissions, and industrial waste.
    - Many global cities prioritized systemic changes (clean fuels, emission controls) before adopting high-tech tools.

- **Neglect of Rural & Informal Sectors:** Pollution control policies focus on metro cities, ignoring rural areas and informal industries (brick kilns, small-scale manufacturing).
    - Without targeted interventions, pollution from these sectors continues to rise.
- **Lack of Immediate, Scalable Solutions:** Heavy focus on long-term research instead of short-term, actionable programs for local governments.
    - Cities lack separate funds for immediate interventions (like phasing out old vehicles or upgrading industrial emissions standards).

What Needs to Be Done?

- **Adopt a Data-Driven, Phased Approach (California Model):**
    - **Phase I:** Identify major local pollution sources (vehicle type, industrial zones, solid fuel use).
    - **Phase II:** Link government funding directly to emission-reducing actions (e.g., retrofitting diesel buses, waste management).
    - **Phase III:** Measure progress by tracking emission reductions, not just air quality levels.
- **Increase Budget & Targeted Investments (China's Air Cleanup Strategy):** China spent ₹22 lakh crore over five years, shutting down coal plants, incentivizing green energy, and upgrading industrial processes.
    - India needs a dedicated, long-term air quality budget with clear spending goals across transport, industry, and household energy.
- **Strengthen Local Governance (Brazil's Community-Led Waste Model):** Brazil's community-led waste model emphasizes partnerships between public, private, and community sectors for sustainable waste management.
    - Decentralize air quality management, empowering municipalities with direct funds and decision-making powers.
- **Focus on Structural Reforms (London's Coal Ban Before Sensors):** India should prioritize phasing out outdated industrial processes, promoting electric public transport, and enforcing stricter fuel regulations.
- **Incentivize Cleaner Alternatives (California's Reinvestment in Poor Communities):** India should redirect pollution-related revenues into affordable clean energy solutions like LPG for rural households and electric mobility subsidies.
- **Enforce Accountability (EU's Strict Monitoring System):** India needs stronger legal frameworks with real-time pollution penalties, citizen reporting mechanisms, and transparent public data on air quality.

Source: The Hindu: Why India needs to Clean its Air

Tackling Disinformation Threat

Context

The World Economic Forum's (WEF) Global Risks Report 2025 underscores misinformation and disinformation as the highest ranked short-term global threat.

Need for Tackling the Disinformation Threat in India

- **Scale of Internet Users**: India is set to surpass **900 million Internet users**, making it highly vulnerable to digital misinformation.
- **Political & Social Manipulation**: The spread of **fake news, deepfakes, and propaganda** can influence voter behavior, create social unrest, and destabilize democracy.
- **Economic & Diplomatic Impact**: Misinformation fuels **consumer boycotts, economic conflicts, and international tensions**, affecting investor confidence and bilateral relations.
- **Foreign Disinformation Threats**: India has faced **persistent Chinese disinformation** since the **2017 Doklam standoff**, leading to the ban of over **300 Chinese apps**, including TikTok.
- **Declining Trust in Media**: With **mainstream media losing credibility**, citizens rely more on social media, where **46% of misinformation is political, 33.6% general, and 16.8% religious** (Indian School of Business & CyberPeace Foundation report).
- **Risk to India's Youth Dividend**: False narratives influence **public opinion, communal harmony, and educational awareness**, making India's young population a prime target.

Suggestive Measures

- **Algorithmic Oversight & Developer Upskilling:** AI and social media companies should be mandated to ensure **algorithm transparency** and train developers to prevent bias-driven misinformation.
- **Strengthening Fact-Checking Mechanisms:** Expand initiatives like **Shakti – India Election Fact-Checking Collective** and establish **real-time deepfake analysis units** for early detection.
- **Regulatory Reforms & Platform Accountability:** Implement **content moderation policies**, regular risk assessments, and **independent supervisory boards** to oversee Big Tech.
    - Enforce **ad transparency rules**, ensuring **disclosure of funding sources** for online political advertisements.
- **Public Awareness & Digital Literacy:** Expand financial literacy models like **RBI's campaign with Amitabh Bachchan** to combat digital disinformation.
    - Introduce **school and university-level digital literacy programs** for identifying misinformation.
- **Cross-Border Collaboration:**Work with global coalitions to **combat Foreign Information Manipulation and Interference (FIMI)** through **joint cybersecurity initiatives**.
- **Safeguarding Democracy & Press Freedom:** Protect **journalists and fact-checkers** from state or corporate pressure while ensuring laws do not lead to **censorship or excessive surveillance**.

Source: [The Hindu: Tackling the disinformation threat in India]

Detailed Coverage

India- China Relations

Context

April 1 2025, was the **75th anniversary** of the establishment of **diplomatic relations between China and India**.

Evolution of Ties

- **Early Years (1950s-1960s):**
  - After India's independence in 1947, the **leaders of both India and China, Jawaharlal Nehru and Mao Zedong,** envisioned a close friendship based on shared historical and anti-colonial sentiments.
  - In 1950**, India recognized the People's Republic of China** and established diplomatic relations.
  - The two countries signed the **Panchsheel Agreement in 1954,** emphasising peaceful coexistence and non-interference in each other's internal affairs.
  - However, border disputes over the region of Tibet escalated tensions, leading to the **Sino-Indian War in 1962,** which China won decisively.
- **Strategic Distance (1970s-1980s):**
  - After the war, India and China had minimal diplomatic and trade relations, and mistrust prevailed.
  - India's growing proximity with the Soviet Union and China's rivalry with the USSR further strained the relationship.
  - In 1978, Deng Xiaoping's economic reforms in China initiated a period of economic growth and openness, paving the way for improved relations.
- **Efforts for Normalisation (1980s):**
  - In the 1980s**, both countries sought to normalise relations** through diplomatic engagement and confidence-building measures.
  - In 1988, Indian Prime Minister Rajiv Gandhi visited China, marking a significant step in improving ties.
  - The two sides signed agreements to maintain peace and tranquillity along the disputed border, leading to the establishment of the **Working Mechanism for Consultation and Coordination (WMCC) in 2012.**
- **Post-Cold War Era (1990s onwards):**
  - With the end of the Cold War, **both India and China** aimed to develop a more cooperative relationship.
  - Economic engagement became a central pillar of their engagement, with trade and investment increasing significantly.
  - In 2003, the two countries agreed on the formation of the Special Representatives mechanism to address the boundary question.
  - However, border disputes, **particularly over the regions of Aksai Chin and Arunachal Pradesh,** persisted and occasionally led to military standoffs.
- **Recent Developments:** In recent years, India-China relations have faced significant challenges.

India-China Border Dispute Sector-wise

- India-China Border Disputes are broadly divided into three sectors i.e., Western Sector, Middle and Eastern Sector.

Western Sector

- India shares a boundary of about 2152 km with China in the western sector. It lies between **Jammu and Kashmir and Xinjiang and Aksai Chin** is the disputed territory of this region.
- The **dispute of Aksai Chin can be dated back to the failure of the Colonial Empire** failing to demarcate the clear border between India and China.
- **Johnson Line and McDonald Line** were the two border lines proposed by the Britishers.
- India considers Johnson's line (proposed in 1865) which kept Aksai Chin in Jammu Kashmir i.e., under India's control whereas McDonald Line (proposed in 1893) which placed Aksai Chin under China hence China considers it as the main borderline.
- At present, **LAC is the border line separating Indian areas of Jammu & Kashmir from Aksai Chin** which is concurrent to the Chinese-claimed Aksai Chin.

Middle Sector

- It is about a 625 km long boundary, it is the only sector where both countries have fewer disagreements, and it **borders Ladakh and Nepal.**
- The border of **Uttarakhand and Himachal Pradesh touches the border of the Chinese occupied region of Tibet**.

Eastern Sector

- It is an 1140 km long boundary with China that **extends from eastern Bhutan to the Talu Pass over the Trijunction of Tibet, India and Myanmar.**
- This boundary line is named as **McMahon Line.** China considers the McMahon line illegal.
- In **Shimla Accord** which was held in **1914** to **settle** the boundary **dispute between Tibet in India and Tibet and China** though the representatives of China **did not accept this accord.**

Areas of Cooperation

Political Cooperation

- **Establishment of Diplomatic Relations:** India became the **first non-socialist bloc country to establish diplomatic relations** with the People's Republic of China in 1950.
- **High-Level Visits:** Exchange of visits by top leaders, such as Prime Minister Rajiv Gandhi's visit in 1988 and Prime Minister Narendra Modi's visits in 2014, 2015, and 2018, have contributed to improving bilateral relations.

Economic Cooperation

- **Bilateral Trade:** Bilateral trade between India and China reached US$136.2 billion in 2023.
    - India became one of the largest markets for "**project exports**" from China.
- **Investments:** According to the ministry of commerce & industry, **China stands at 20th position with only 0.43% share or $2.45 billion total FDI equity inflow** into India during April, 2000 to December, 2021.
    - Chinese investments in India and Indian investments in China have been increasing, particularly in sectors like IT, pharmaceuticals, and automobiles.
- **Economic Potential:** With a combined market of over 2.7 billion people and a GDP representing 20% of the world's total, there is immense potential for further economic cooperation between India and China.

Science and Technology Cooperation

- Both countries have **organized joint research workshops** to foster collaboration and innovation in the field of science and technology.
- **NASSCOM of India established three IT corridors** in Dalian, Guizhou, and Xuzhou in China, enhancing collaboration in information technology.

Cultural, Educational and People-to-People Exchanges

- The r**esumption of the pilgrimage (yatra) for Indian pilgrims** to Mount Kailash and Lake Manasarovar in Tibet in 1981.
- **Establishment of over 10 pairs of sister cities/provinces** and increased personnel exchanges, with over one million exchanges recorded.
- **Yunnan Minzu University in China** became the first university outside of India to award a Master's degree in yoga.
- The Indian community in China is expanding, with current estimates placing the population at approximately 94,439.
    - A significant portion of this group consists of students—over 18,000—who are enrolled in various universities across China.

Defence Cooperation

Despite limited defence collaboration, notable advancements have occurred:

- 2016 marked their **inaugural Defense Ministers' meeting**.
- "**Hand-in-Hand**," a joint military exercise in 2017, aimed at improving **mutual comprehension and counterterrorism skills.**
- **Implementation of the "China-India Plus" model,** including successful joint training programs for Afghan diplomats, as a new model of cooperation in third-party countries.

Multilateral Cooperation

- **BRICS:** India and China, along with Brazil, Russia, and South Africa, participate in BRICS, fostering dialogue on global and bilateral matters. Initiatives like the New Development Bank and Contingency Reserve Arrangement promote alternative finance.
- **Shanghai Cooperation Organisation (SCO):** Both nations joined SCO in 2017, collaborating on security, geopolitics, and regional economics, facilitating engagement on diverse international issues.
- **Russia-India-China Trilateral (RIC):** RIC enables joint stances on global challenges, counterterrorism, and regional concerns, offering a platform for India and China to align on global matters.
- **Asian Infrastructure Investment Bank (AIIB):** As founding members of AIIB, India and China support infrastructure development in Asia through funding and project assistance.
- **World Trade Organisation (WTO):** India and China cooperate within WTO, jointly advocating for fair trade, including pushing for the removal of trade-distorting subsidies by developed countries.
- **BASIC:** India and China, part of the BASIC coalition, collaborate on climate change, advocating climate justice and equitable global environmental action.

What are the Challenges?

- The **Doklam standoff in 2017,** where Indian and Chinese troops faced off in the disputed Doklam plateau, strained ties.
- The **deadliest clash in decades occurred in June 2020 in the Galwan Valley,** resulting in casualties on both sides.
- **China continues to claim Arunachal Pradesh as part of its territory**, referring to it as "**South Tibet**," which India firmly rejects.
- The r**epeated issuance of stapled visas** to residents of Arunachal Pradesh by China has also been a point of contention.
- China has also been **actively developing infrastructure on its side of the LAC**, which India perceives as a challenge to its territorial sovereignty.

- **Water Dispute:** China's construction of dams in the upper reaches of the Brahmaputra River (Tsangpo) without a formal water-sharing treaty poses a threat to India, leading to concerns over water availability and flooding.
- **Dalai Lama and Tibet:** China accuses India of fomenting trouble in Tibet due to the presence of the Dalai Lama and protests staged by Tibetans against China in India and other countries.
- **Bhutan and Nepal:** China criticises India's role and relationship with Bhutan and Nepal, attempting to influence their ties and play the **"China card" against India.**
- **Belt and Road Initiative:** India opposes China's Belt and Road Initiative (BRI), particularly the China-Pakistan Economic Corridor (CPEC), which passes through Indian territory claimed by Pakistan.
- **China-Pakistan Nexus:** China's support to Pakistan in military, nuclear, and missile capabilities, along with blocking India's efforts at the UN, creates concerns for India's security.
- **Indian Ocean Region:** China's increasing presence, including military outposts, port acquisitions, and economic influence in countries like Sri Lanka, Bangladesh, and Myanmar, raises concerns for India's traditional influence in the region.
    - **String of Pearls:** China's strategic presence and infrastructure development in various countries surrounding India, such as Sri Lanka, Pakistan, the Maldives, Bangladesh, and Myanmar, raise concerns about encirclement.

Way Forward

Five Guidelines to Dragon-Elephant Tango

1. **Mutual Respect:** An Indian proverb "***jaisa des waisa bhes***" underscores the need to adapt to the environment, reflecting the significance of respecting each other's unique cultural and development paths.
2. **Mutual Understanding:** Both nations empathised with each other during their struggles for national independence.
    - China supports India's foreign policy of strategic autonomy and understands India's efforts to improve the lives of its 1.4 billion people.
    - The need for increased dialogue and communication to enhance mutual understanding and political trust is highlighted.
3. **Mutual Trust:** Both countries should avoid mutual suspicion and view each other's strategic intentions objectively.
    - Political trust enables peaceful coexistence and strengthens friendly exchanges, which are vital for the relationship's stability.
4. **Mutual Accommodation**
    - Differences and frictions are natural for close neighbours, but it is important to handle them properly and respect each other's core interests.
    - The relationship should not be defined by differences, and cooperation should continue despite occasional disagreements.
5. **Mutual Accomplishment:** Both countries are at a critical stage of national development and have broad common interests.
    - China's comprehensive modernization and India's vision of "Viksit Bharat 2047" offer opportunities for mutual success.
    - Both countries aim to promote unity and cooperation within the Global South and work towards a shared future for mankind.

Source: China-India ties across the past and into the future

India- Chile Relations

Context

Chilean President Gabriel Boric Font is on a state visit to India from April 1 to 5.

Chile

- **Capital**: Santiago.
- **Border**: **Peru** to the north, **Bolivia** to the northeast, **Argentina** to the east, and extends to the **Drake Passage** (turbulent waterway connecting South America and Antarctica) in the south.
- **Key Places: Atacama Desert**, one of the driest places on Earth (due to the **Humboldt ocean current)**, is a key source of **sodium nitrate fertilizer**.
    - **Chuquicamata**: Largest copper mining town in Chile.

Significance of Chile for India

Chile holds strategic importance for India in multiple domains, including trade, investment, minerals, renewable energy, and diplomatic cooperation.

- **Trade and Economic Importance:**
    - **5th Largest Trading Partner in South America**: With bilateral trade touching $3.8 billion in 2024 from $1.5 billion in 2020).
    - **Preferential Trade Agreement (PTA)**: The expansion of the India-Chile PTA to 2,829 tariff lines has boosted trade.
    - **Double Taxation Avoidance Agreement:** Between India and Chile was signed on 9 March 2020.
- **Resource-Rich Partner**
    - **Lithium and Copper Reserves**: Chile is the **world's largest producer of copper and one of the top three producers of lithium**, both critical for India's electronics, EV, and renewable energy industries.
    - **Potential Collaboration in Mining**: India's mining delegations have explored investment opportunities in Chile, particularly in copper and lithium extraction.
- **Diplomatic and Strategic Significance**
    - **Support for India at the UN**: Chile has consistently supported India’s bid for a permanent seat at the UNSC.
    - **Global Governance and Multilateral Forums**: Both countries collaborate in UN, WTO, and climate negotiations.
- **Renewable Energy and Climate Cooperation**
    - **Common Interests in Green Energy**: India and Chile share strong commitments to climate action, especially in solar and wind energy.
        - Chile also signed the **International Solar Alliance Framework Agreement** in November 2017.
    - **Hydrogen and Clean Energy Cooperation**: Chile is a global leader in green hydrogen, an area where India is also expanding.
- **Cultural and People-to-People Ties**
    - **Growing Popularity of Indian Culture**: Yoga, Ayurveda, and Indian spiritual movements have a strong following in Chile.

  - **Indian Diaspora**: Around 4,000 people of Indian origin, mainly from the Sindhi community, play a key role in business and trade.
- **Latin American Gateway**: Chile provides India with access to Latin American markets and serves as a bridge for economic expansion in the region.

Source: **PIB: PRESIDENT OF INDIA HOSTS PRESIDENT OF CHILE**