

WHAT IS THE FINANCIAL STABILITY REPORT (FSR)?



- It is a **biannual report** released by the **Reserve Bank of India (RBI)**.
- It reflects the collective **assessment of the Sub-Committee of the Financial Stability and Development Council (FSDC)** on the resilience of the Indian financial system and risks to financial stability.

Highlights of FSR for June 2025:

- The **Indian economy** remains a **key driver of global growth** on the back of sound macroeconomic fundamentals and prudent policies.
- The headwinds from **protracted geopolitical tensions**, elevated uncertainty and **trade disruptions**, and **weather-related uncertainty** pose **downside risks to growth**.
- The non-performing loans ratio is currently at a **multi-decadal low**, and the economy and financial system are relatively well positioned to bear the tariff-induced shocks.
- The report said that the **gross non-performing asset (GNPA)**, which is currently **as of March 2025 at 2.3% levels**, in the **baseline scenario**, could **increase to 2.5% level**.
- **GNPAs for 46 banks** accounting for **98 percent** of the total assets of **scheduled commercial banks (SCBs)**, may rise to **2.6 percent** by March 2027.
- **Capital adequacy across the banking sector** remains **well above regulatory thresholds**, giving banks sufficient buffers to withstand adverse scenarios.
- Even under **severe stress test conditions**, the **capital adequacy ratios** of banks **would stay comfortably above minimum requirements**, a strong signal of the sector's preparedness to absorb economic shocks.

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SPACE-BASED SURVEILLANCE-III PROGRAMME (SBS-III)



- It was **approved in October 2023**, by the Prime Minister-led Cabinet Committee on Security to **develop next-generation satellites over the next decade**.
- It involves the construction and launch of **21 satellites by India's space agency, ISRO**, and **31 by three private companies**.
- The **first satellite** is expected to be launched by **April 2026**, with the **full constellation** targeted for completion by the end of 2029.
- The **aim** of SBS-3 is to **cover much larger areas of China and Pakistan**, as well as the **Indian Ocean Region**, with **shorter revisit times** (interval between two consecutive surveillance sweeps of the same location) and **much better resolution**. The **space doctrine** is also being fine-tuned.
- It enables the Indian Army, Navy, and Air Force to **monitor adversary movements deep inside hostile territory** — including airfields, bases, and staging areas.
- These **new satellites will utilise AI** and will be able to **interact with each other** and thus gather GeoIntelligence more effectively.
- A crucial aspect of the project is the **planned transfer of Small Satellite Launch Vehicle (SSLV) technology from ISRO to private players**, which will allow for rapid satellite launches during emergencies.
- The **satellites will operate in both low Earth and geostationary orbits**, providing comprehensive coverage and countering China's advanced anti-satellite capabilities, including kinetic and electronic warfare systems.
- The project cost of SBS-III is pegged at ₹26,968 crore.
- The **Defence Space Agency (DSA)**, which functions **under the Integrated Defence Staff (IDS)** of the Ministry of Defence, is leading the project.

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SAFEGUARDING CULTURE: THE ROLE OF GI TAGS IN PREVENTING CULTURAL MISAPPROPRIATION

- In June 2025, Italian fashion house Prada showcased a footwear line inspired by India's iconic GI-tagged Kolhapuri chappals at its Spring/Summer 2026 menswear show in Milan.
- The move triggered sharp criticism in India, reigniting debates over cultural appropriation and the effectiveness of Geographical Indications (GI) in safeguarding traditional knowledge and craftsmanship.
- The incident is part of a broader pattern where Indian cultural and artisanal products are used, often without acknowledgement or benefit-sharing, by global corporations.
- As the conversation around cultural appropriation intensifies, GI tags emerge as a legal and policy mechanism to both protect and promote India's cultural heritage.

Understanding Geographical Indications (GI)

- A Geographical Indication is a **form of intellectual property right that identifies goods as originating from a particular geographical region**, where specific qualities, reputation, or characteristics of the product are essentially attributable to its place of origin.
- India currently has **658 registered GI-tagged products**, spanning diverse categories such as textiles (e.g., **Kancheepuram silk**), agriculture (e.g., **Basmati rice**), handicrafts (e.g., **Madhubani paintings**), and food (e.g., **Darjeeling tea**).
- What sets GIs apart from trademarks is their **collective ownership**. Unlike a trademark owned by a single entity, a GI belongs to a community of producers, artisans, or cultivators, and it cannot be sold, assigned, or transferred.

Legal Framework in India and Globally

- India, as a signatory to the **TRIPS Agreement** under the WTO framework, enacted the **Geographical Indications of Goods (Registration and Protection) Act, 1999**, which came into effect in 2003. This law provides:

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- Registration of GI goods
- Legal protection against unauthorised usage
- Penalties for infringement
- Legal standing for authorised users to initiate action against misuse
- However, **GI rights are territorial; there is no globally recognised GI tag**. This means that even if Kolhapuri chappals are GI-protected in India, that protection doesn't extend automatically to countries like Italy or the U.S.

India's Experience with Cultural and Biological Appropriation

- **Basmati Rice Patent (1997):** Ricetec Inc., a U.S.-based company, was granted a patent for novel lines and grains of Basmati rice. After legal intervention by Indian authorities, the patent was eventually nullified.
- **Turmeric Patent (1995):** The University of Mississippi was granted a patent for turmeric's wound-healing properties, a use deeply embedded in Indian Ayurveda. India successfully challenged and revoked the patent.
- **Neem Patent (2000):** A neem-based antifungal patent granted to a U.S. agency and a multinational firm was revoked by the European Patent Office after evidence of traditional Indian knowledge was submitted.
- These cases exemplify the vulnerability of traditional Indian knowledge and the need for pre-emptive protection mechanisms.

Conclusion

The Prada-Kolhapuri incident highlights the urgency for robust international frameworks and enhanced domestic capabilities to prevent cultural misappropriation. While GI tags serve as effective tools for domestic enforcement, their scope must be broadened through diplomacy, global advocacy, and digital documentation of traditional knowledge.

India must continue to build institutional capacity, strengthen cross-border GI enforcement mechanisms, and raise awareness globally about the significance and sanctity of its cultural and artisanal heritage.

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INS TABAR



• INS Tabar (F44) is the third of the Talwar-class frigates of the Indian Navy.

- It was **built** for the Indian Navy **in Russia**.
- It was commissioned in 2004. It is **among the earliest stealth frigates** of the Indian Navy.
- The ship is part of the Indian Navy's Western Fleet, which is **based at Mumbai under the Western Naval Command**.
- It was the **first naval vessel to take deterrent action against piracy** and has thereafter successfully foiled several pirate attacks.
- The ship is equipped with **sophisticated missile systems, radar technology, electronic warfare suites, and aviation assets, including helicopters**.
- The ship is also outfitted with advanced firefighting and damage-control capabilities, making it capable of handling emergency scenarios.
- It has a complement of 280 personnel. The **crew is specially trained** to carry out **rescue missions, environmental protection duties, and humanitarian assistance** operations, in addition to **traditional naval warfare tasks**.

INDIA ENERGY STACK



- It is a pioneering initiative aimed at creating a unified, secure and interoperable **digital infrastructure for India's energy sector**.
- It is a **Digital Public Infrastructure (DPI)** that will provide a standardised, secure, and open platform to manage, monitor and innovate across the electricity value chain.
- This initiative is being **spearheaded by the Ministry of Power**.

The India Energy Stack will offer:

- Unique IDs for consumers, assets, and transactions
 - Real-time, consent-based data sharing
 - Open APIs for seamless system integration
 - Tools for consumer empowerment, market access, and innovation
- Apart from conceiving the IES, the Ministry will undertake a 12-month Proof of Concept (PoC) to demonstrate IES through real-world use cases in partnership with selected utilities.
 - This includes piloting the **Utility Intelligence Platform (UIP)**, a modular, analytics-driven application built on IES to support utilities, policymakers, and consumers with real-time insights and smarter energy management.
 - To guide these above initiatives, the Ministry has **constituted a dedicated Task Force** comprising experts from the technology, power sector, and regulatory domains, which will steer the development, pilot implementation, and nationwide scale-up of the India Energy Stack.

CELL BROADCASTING SYSTEM



- It is a technology used by **mobile network operators** to **broadcast text messages** to mobile users that are located in specific geographical areas.
- The typical use for these kinds of messages is to send emergency alerts to mobile users.
- In India, it is being tested as part of the government's broader initiative to **enhance real-time dissemination of critical alerts during emergencies** such as earthquakes, tsunamis, lightning strikes, and industrial hazards.
- The system is being indigenously developed by the **Centre for Development of Telematics (C-DOT)**.

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- Unlike SMS alerts, CB messages are broadcast to all mobile phones in a **specific area**, ensuring **rapid delivery** even in congested networks.
- The technology enables alerts to **reach citizens almost instantly**, making it highly effective during time-sensitive disasters.
- This new system is in addition to the already-operational **Integrated Alert System (SACHET)**, which has delivered over 6,899 crore SMS alerts in more than 19 Indian languages across all 36 States and Union Territories.
- SACHET is based on the Common Alerting Protocol (CAP), as recommended by the International Telecommunication Union (ITU).
- Once fully operational, the CB system will broadcast alerts in multiple Indian languages to all mobile users, ensuring broad and inclusive public reach.

AT SEA OBSERVER MISSION



- It was launched by the **QUAD nations** i.e the Coast Guards of India, Japan, the United States, and Australia
- It aims to stride toward **strengthening maritime security and interoperability** in the Indo-Pacific, under the **Wilmington Declaration**.
- Two officers, including women officers from each country **have embarked** on board US Coast Guard Cutter (USCGC) Stratton, which is currently sailing to Guam.
- The cross-embarkation mission marks an unprecedented step in QUAD Coast Guard collaboration, enhancing joint readiness, operational coordination, and domain awareness in support of a Free, Open, Inclusive, and Rules-Based Indo-Pacific.
- The mission reflects the vision laid out at **the QUAD Leaders' Summit in September 2024** and signifies a deepening of operational ties between the Indian Coast Guard (ICG), Japan Coast Guard (JCG), US Coast Guard (USCG), and Australian Border Force (ABF).
- India's participation reinforces its strategic maritime vision of **SAGAR** (Security and Growth for All in the Region) and complements national efforts under the Indo-Pacific

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Oceans Initiative (IPOI), with an emphasis on capacity-building, humanitarian outreach, and maritime rule of law.

- The QUAD at Sea initiative sets the foundation for a ‘**QUAD Coast Guard Handshake**,’ fostering stronger trust, coordination, and collective resilience amid evolving maritime challenges in the region.

ANIMAL DISCOVERIES AND PLANT DISCOVERIES 2024



The details of new Animal Discoveries and Plant Discoveries and new records were released by the Union Minister for Environment, Forest, and Climate Change recently.

- The **Zoological Survey of India (ZSI)**, the country’s premier institution for faunal exploration and research, **publishes Animal Discoveries every year** detailing the new discoveries of fauna.
- Similarly, the **Botanical Survey of India (BSI)**, the country’s premier organisation for plant research and taxonomy, **publishes Plant Discoveries every year** detailing the new discoveries of flora.
- **Highlights of 2024 Reports:**
 - India added **683 new species to its fauna** in the year 2024, which included 459 new species and 224 species new records.
 - The country also **added 433 taxa of flora** during the same period, which included 410 species and 23 infra-specific taxa of plants.
 - The **maximum number of new discoveries of fauna** in 2024 was recorded from **Kerala**—with 101 species (80 new species and 21 new records)—**followed by Karnataka**—82 (68 new species and 14 new records). **Tamil Nadu** recorded **63** discoveries, with 50 new species and 13 new records.
 - In the eastern and northeastern parts of the country, **Arunachal Pradesh** recorded **72 animal discoveries** (42 new species and 30 new

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- records), **Meghalaya 42 new discoveries** (25 new species and 17 new records), and **West Bengal 56 new discoveries** (25 new species and 31 new records).
- **Andaman and Nicobar Islands**, another biological hotspot in the country, recorded **43 new discoveries of fauna** from the region, which included 14 new discoveries of fauna and 29 new records.
 - The significant faunal discoveries for the year 2024 **include two new genus and 37 species of reptiles and five new species of amphibians.**
 - The significant discovery of **reptiles included Dravidoseps gouensis**, belonging to the **new genus**, and **Anguiculus dicaprio** is a member of the **Colubridae family.**
 - **In terms of plant discoveries**, the **highest number of flora** discovered was from **Kerala (58)**, followed by **Maharashtra (45)** and **Uttarakhand (40).**
 - The new plant discoveries for 2024 record **154 angiosperms, 4 pteridophytes, 15 bryophytes, 63 lichens, 156 fungi, 32 algae and 9 microbes.**
 - The hotspot regions, such as the **Western Ghats** and the **North-Eastern regions**, have contributed **35% of total discoveries.**
 - The plant discoveries for the year 2024 **include wild relatives of many potential horticultural, agricultural, medicinal, and ornamental plants** such as **begonia, impatiens (balsams), legumes, zingibers, orchids, etc.**
 - In terms of flora, the significant discoveries **include important orchid species** such as **Bulbophyllum gopalianum, Coelogyne tripurensis, Gastrodia indica, and Gastrodia sikkimensis.**
 - Several new species belonging to important plant groups such as **legumes, zingers, grasses, etc,** were also discovered.