UPSC Daily Current Affairs | Prelim Bits 11-07-2024

U.S.-India Business Council (USIBC)

A USIBC delegation, led by its Executive Vice Chairman, met with the Union Minister in Delhi to discuss various collaboration opportunities.

- **Background** - It was formed in ***1975*** at the request of the U.S. and Indian governments.
- **About**- It represents top global companies operating across the United States and India, ***creating connections between businesses and governments*** in both countries.
- **Aim** - The Council aims to create an ***inclusive trade environment*** between India and the US by representing industry, connecting businesses with governments, and supporting long-term partnerships.
- **Membership** - It has around 200 member companies of which ***70% are from the United States*** and the remaining ***30% are from India***.
- **Headquarters** - Washington D.C.
- It has offices in Delhi, Mumbai, and Bengaluru.
- The USIBC is also ***part of the U.S. Chamber of Commerce***.

Key Points of the meeting

- **Green initiatives** - Deployment of Greenfield renewable energy, battery storage, and emerging green technologies.
- **Advanced technologies** - Focus on quantum technology, artificial intelligence, critical metals, and semiconductors.
- **Anusandhan NRF** - Introduction of a research foundation in India similar to the US National Research Foundation.
- **Biotech growth** - In India, this industry has reached $140 billion with over 4,000 companies.
- **Space collaboration** - NISAR mission with NASA and ISRO highlights India's space sector prowess.

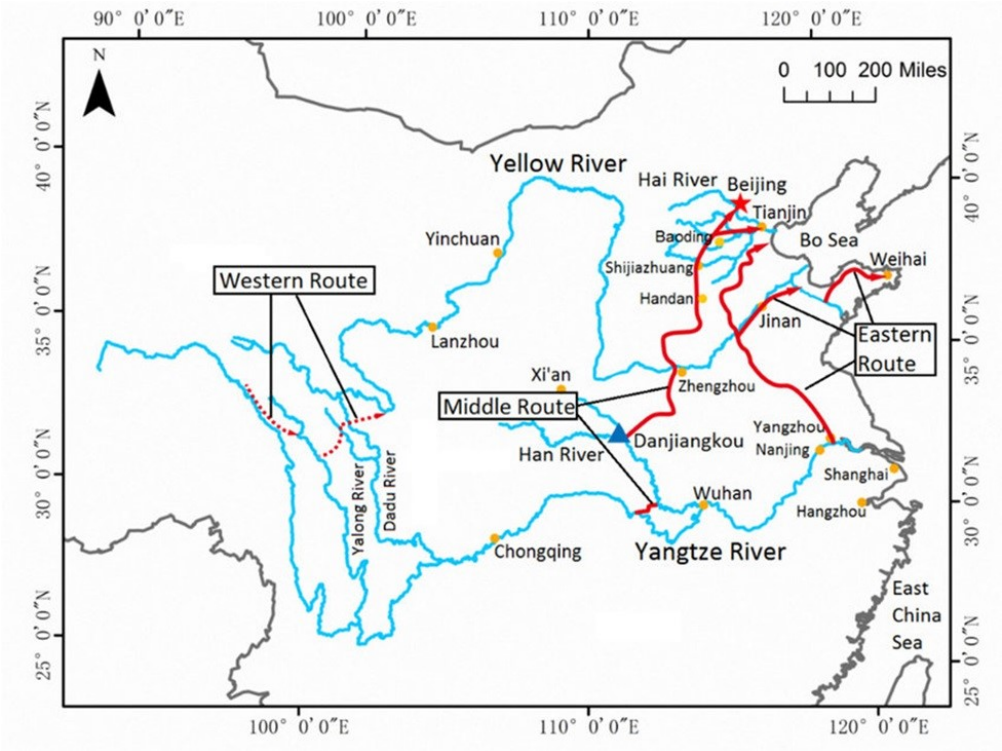
References

1. PIB | U.S.-India Business Council (USIBC)

Upper Siang Hydroelectric project

The government authorities have detained two anti-dam activists protesting against the Upper Siang Hydroelectric project.

- The Upper Siang project is a significant hydropower project on the ***Siangriver*** in the Upper Siang district of Arunachal Pradesh.
- **Type- *Run-of-the-river*** hydroelectric project with a dam.
- **Capacity-** Initially proposed at around ***10,000 MW***, making it one of the largest hydroelectric projects in India
- **Project Developer-** NHPC (public sector Hydropower Company), North Eastern Electric Power.
- **Components-** Includes a large dam, underground ***powerhouses, and extensive tunnelling systems.***
- **Objectives**- To boost India's hydroelectric capacity and providing a substantial amount of renewable energy.
- To foster economic development in the northeastern region of India, including ***improved infrastructure and job creation.***
- **Geographical Importance-** The project is situated in a remote, mountainous region, known for its challenging terrain and rich biodiversity.



Siang River

• The Siang River, also known as the Dihang River, is a major river in the Indian state of Arunachal Pradesh. • It is part of the Brahmaputra River system and plays a crucial role in the hydrology and ecology of the region. • The Siang River originates in the glaciers of the Himalayas in Tibet, where it is known as the Yarlung Tsangpo.

Reference

Indian Express | Upper Siang Hydroelectric project

Equity mutual funds

According to the Association of Mutual Funds in India (AMFI), inflows into India's equity mutual funds hit a record high.

- **About-** Equity mutual funds are ***investment vehicles*** that pool money from multiple investors to invest primarily in ***stocks or equity securities*** of publicly traded companies.
- **Objective-** Equity mutual funds aim to provide ***capital appreciation over the long term*** by investing in stocks that are expected to grow in value.

Equity Mutual Funds	
Types	**Details**
Small-cap Equity Funds	• These funds are considered to be riskier than mid- or large-cap equity funds but can offer the relatively higher returns. • Their minimum exposure to such stocks is 65% of the total assets.
Mid-cap Equity Funds	• These funds are considered to be less risky than small-cap funds, but more than large-cap funds. • Their minimum exposure to such stocks is 65% of the total assets.
Large-cap Equity Funds	• These funds are considered to be the least risky as far as equity fund-picking goes. Their minimum exposure to such stocks is 80% of the total assets.

Large- & Mid-cap Equity Funds	• These equity mutual funds equally divide the allocation between large- and mid-cap equity and related instruments and have the potential to offer high returns.
Multi-cap funds	• Multi-cap equity funds invest in stocks across large-, mid-, and, small-cap companies. Their minimum exposure to such stocks is 65% of the total assets.

Features of an Equity Mutual Fund

- **Returns-** Equity mutual funds ***focus on stocks***, offering potentially high returns compared to other types of mutual funds due to their concentration on equities.
- **Tax Benefits-** The investor can gain tax benefits with the investments in these funds.
- **Risk-**The risk factor of equity funds is ***high.***
- **Expense Ratio-**These funds also tend to have a higher expense ratio than their counterparts, given the requirement of constant management.

  Expense ratio is the annual maintenance charge levied by mutual funds to finance its expenses.

- **Long-Term Investments-** These funds are suitable for long-term investors, given that they perform well in the long term
- **Growth trend-** India's equity mutual funds surged 17% sequentially to a record high of US$ 4.87 billion (Rs. 40,608 crore) in June.
- Equity mutual funds have seen net inflows aggregating to ***Rs 5.9 trillion from domestic investors*** since February 2021.

Association of Mutual Funds in India

• It is a non-profit industry body of the asset management companies (AMCs) of all Mutual Funds in India that are registered with Securities and Exchange Board of India (SEBI). • AMFI was incorporated on 1995 under section 25 of the Companies Act, 1956. • It sets ethical standards, promotes investor education, and collects industry data. • AMFI represents all registered Mutual Funds in India, ensuring fair practices among distributors and advisors. • It advocates for industry interests and spearheaded the 'Mutual Funds Sahi Hai' campaign since 2017 to boost awareness about Mutual Funds as a viable investment option. • AMFI is also a member of the ***International Investment Funds Association (IIFA).***

References

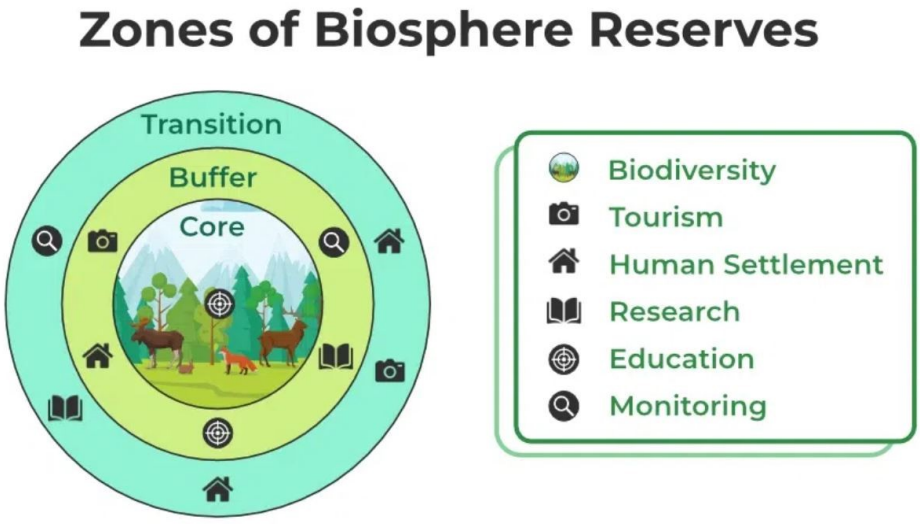
1. Times of India| Equity mutual Fund
2. Amfiindia | Know About AMFI

Biosphere Reserves

UNESCO has recently designated 11 new Biosphere Reserves across 11 countries.

New Additions to the UNESCO Biosphere Reserve List	
Kempen-Broek Transboundary Biosphere Reserve	Belgium, Kingdom of the Netherlands
Darién Norte Chocoano Biosphere Reserve	Colombia
Madre de las Aguas Biosphere Reserve	Dominican Republic
Niumi Biosphere Reserve	Gambia
Colli Euganei Biosphere Reserve	Italy
Julian Alps Transboundary Biosphere Reserve	Italy, Slovenia
Khar Us Lake Biosphere Reserve	Mongolia
Apayaos Biosphere Reserve	Philippines
Changnyeong Biosphere Reserve	Republic of Korea
Val d'Aran Biosphere Reserve	Spain
Irati Biosphere Reserve	Spain

- **Biosphere Reserve**- A biosphere reserve is a protected area with defined boundaries that aims to conserve ecosystems and genetic diversity.
- They are designated by the ***United Nations Educational, Scientific and Cultural Organization (UNESCO)*** as part of its ***Man and the Biosphere (MAB) program***.
- **Criteria for designation of BR**
  - A site that must contain an effectively protected and minimally disturbed core area of value of nature conservation.
  - The core area should be typical of a bio-geographical unit and large enough to sustain viable populations representing all trophic levels in the ecosystem.
  - The management authority to ensure the involvement/cooperation of local communities to bring variety of knowledge and experiences to link biodiversity conservation and socio-economic development while managing and containing the conflicts.
  - Areas potential for preservation of traditional tribal or rural modes of living for harmonious use of environment.
- **Biosphere reserve zones**



The World Network of Biosphere Reserves now totals 759 sites in 136 countries.

- **Biosphere Reserves in India**



References

1. UNESCO | new biosphere reserves
2. UNESCO| What is UNESCO

South Asian Centre of Excellence for Sustainable Maritime Transport (SACE-SMarT)

Ministry of Ports, Shipping and Waterways recently participated in the 132nd session of the Council of the International Maritime Organization (IMO) in London.

- It is a regional hub aims to transform the maritime sector in India and South Asia into a technologically advanced, environmentally sustainable,

and digitally proficient industry.
- It is dedicated to identifying and tackling seafarers' issues and the human element in maritime operations.
- The center will focus on reducing greenhouse gas emissions, fostering technical cooperation, capacity-building, and digital transition.
- Recently, India reiterated its proposal for the South Asian Centre of Excellence for Sustainable Maritime Transport (SACE-SMarT).
- Other proposed members include the Philippines, Thailand, Liberia, Panama, Greece, the US, and France.

References

1. PIB | SACE-SMarT

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