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### **Challenge to the Reserve Bank of India's reserves**

The Centre is dwelling upon the burgeoning reserves of RBI which the central bank necessitates as an emergency buffer not meant to be shared.

The RBI's reserves are built through transfers from the annual surpluses in the profit and loss account of RBI. The balance surplus after transferred to reserves is given to the Centre as dividend. As of June 30, 2018, the RBI had ₹10.46 lakh crore in reserves, bulk of it under two heads currency and gold revaluation reserve (CGRA) (₹6.91 lakh crore) and contingency reserve (₹2.32 lakh crore). So the currency and gold revaluation reserve (CGRA) accounts for 19.11% of total assets and the contingency reserve for another 6.41% as of 2108. The level of CGRA now covers about a quarter of the total currency reserves of the RBI.

*Reasons for Centre's demand on utilising RBIs reserves:* To bridge its fiscal deficit, Centre needs more funds for recapitalisation of banks and To invest more in social sector schemes in upcoming election year.

*RBI's arguments:*

Subrahmanyam Committee: In 1997 it suggested to keep a contingency reserves level of 12% of total assets.

Usha Thorat Committee: In 2004, the committee suggested that currency and gold revaluation reserve (CGRA) should be 12.26% of total assets while the contingency reserve should be 5.5%, totalling 17.76% in all. But RBI didn't accept the recommendations.

H. Malegam Committee: On these committee recommendations, In 2013-14, then governor, Raghuram Rajan, decided to transfer the entire surplus in the RBI's profit and loss account to the Centre without appropriation to reserves.

Source: The Hindu.

### **Indian, US satellites find black hole that spins near maximum possible rates**

Scientists using data from India's first dedicated **astronomy** satellite, AstroSat, and NASA's Chandra X-ray Observatory have found that a black hole in the binary star system 4U 1630-47 spins close to the maximum possible rate.

*Extreme aspects of the universe:* The scientific measurement of the spin rate of the black hole, an extremely exotic but the simplest object of the universe, comes out to be close to the maximum possible value.

This is generally very important to probe some extreme aspects of the universe, and the fundamental physics (for example, the theory of gravitation) related to them. Such measurements, especially of the spin rate, are very difficult to make, and can be done only by high-quality X-ray observations in the correct state of the binary stellar system.

*AstroSat-Chandra study:* This first cooperation of India and US using AstroSat and Chandra satellites regarding black hole studies should open up ways for future such collaborations.

The SXT and the Large Area X-ray Proportional Counter (LAXPC) aboard the first dedicated Indian astronomy satellite AstroSat played a key role to measure the black hole spin rate, which was consistent with results from our contemporaneous Chandra satellite data.

AstroSat was launched in 2015 by the Indian Space Research Organisation (ISRO). It is the first dedicated astronomy satellite of India, and the SXT aboard AstroSat is the first Indian X-ray telescope.

Apart from Japan, India is the first Asian country to build an X-ray Telescope (for example, China could not build such a telescope till now).

Source: The Hindu.

### **Indian Railways to eliminate Unmanned Level Crossings (UMLCs) on Broad Gauge in a Mission Mode**

Indian Railway has taken a mission area to eliminate all Unmanned Level Crossings (UMLCs) on Broad Gauge and accordingly special efforts have been made so that elimination can be completed at the earliest.

*Progress till date:* All Unmanned level crossings on routes having speed more than 130KMPH and on Sub-urban routes have been eliminated. 12 Zonal Railways have now become UMLC free on Broad Gauge route. By elimination of UMLCs on war footing, accidents at UMLCs have reduced from 65 in 2009-10 to 3 in 2018-19.

Source: The Hindu.

### **'NASA's historic Dawn mission to asteroid belt comes to end'**

NASA's pioneering Dawn spacecraft which orbited the two largest objects in the asteroid belt has run out of fuel, ending a historic 11-year mission

It had unravelled many mysteries of our solar system.

The Dawn mission was launched in 2007 to study the proto planet Vesta and the dwarf planet Ceres. It missed scheduled communications sessions with NASA's Deep Space Network. Mission managers concluded that the spacecraft finally ran out of **hydrazine**, the fuel that enables the spacecraft to control its pointing. The astounding images and data that Dawn collected from Vesta and Ceres are critical to understanding the history and evolution of our solar system. Dawn can no longer keep its antennae trained on Earth to communicate with mission control or turn its solar panels to the Sun to recharge, according to the US space agency.

Records set by the mission: In 2011, when Dawn arrived at Vesta, the second largest world in the main asteroid belt, the spacecraft became the first to orbit a body in the region between Mars and Jupiter.

In 2015, when Dawn went into orbit around Ceres, a dwarf planet that is also the largest world in the asteroid belt, the mission became the first to visit a dwarf planet and go into orbit around two destinations beyond Earth, it said.

Dawn also reinforced the idea that dwarf planets could have hosted oceans over a significant part of their history and potentially still does. Dawn will remain in orbit for at least 20 years, and engineers have more than 99% confidence the orbit will last for at least 50 years.

Source: The Hindu.

### **Indian Navy's Deep Submergence Rescue Vessel (DSRV) Capability**

The Indian Navy has inducted a Submarine Rescue System with a Deep Submergence Rescue Vessel (DSRV) along with associated equipment.

*Deep Submergence Rescue Vessel (DSRV):* The Indian DSRV has the capability to rescue personnel from a distressed submarine (DISSUB) up to a depth of 650 m and it is the latest in terms of technology and capabilities. It has been designed and supplied to meet unique requirements of our submarines by M/s James Fishes Defence, UK.

This System has a Side Scan Sonar for locating the position of the submarine in distress at sea. It will be providing immediate relief by way of posting Emergency Life Support Containers with the help of Remotely Operated Vehicle (ROV) for the rescue.

To ensure early mobilization, the System permits rapid transportation of the Rescue System from the base to the exact location of the distressed submarine by transportation using air/land/sea vessels.

Source: The Hindu.

### **Editorial**

#### **Raja Mandala: Shifting sands in West Asia**

With Iran sanctions, Donald Trump has embarked on a new course. Delhi needs to devote greater energies to the unfolding changes.

When it comes to the Middle East, the political discourse in Delhi tends to oscillate between extremes. On the one hand are the grandiloquent themes — solidarity with the Arabs and Muslims of the region and supporting their battle against imperialism and Zionism. On the other hand are such mundane considerations as where the next barrel of oil comes from and its price. And the safety and security of millions of Indians working in the region.

Delhi's efforts to deal with these difficult challenges in an unforgiving region constantly run into the tension between pragmatism and high-minded foreign policy rhetoric. Adding to Delhi's woes, India's Middle East policy has long been tied to domestic political contestation on "secularism" and "minority appeasement". Facts from the ground have rarely mattered in India's domestic political arguments about the Middle East but have continuously challenged India's diplomacy in the region.

America's renewed sanctions on Iran, which kicked in Monday this week, mark the beginning of a new crisis in the Middle East. Delhi needs to pay attention to three major trends that are changing the big picture in the Middle East.

The first is about the nature of confrontation between the US and Iran. The sanctions regime against Iran, according to the US's official claims, is one of the toughest the world has known. Their objective is not just about getting Tehran to renegotiate the terms of the nuclear agreement of 2015 that Iran signed with the US and the international community. Their goal is to change the "behaviour" of the regime if not the regime itself. To put simply, we are taking an economic war against Iran that could escalate into a military conflict.

The conflict is not limited to the US and Iran. Whether we like it or not, many of Iran's Arab neighbours, including Bahrain, Egypt, Saudi Arabia and Egypt, support the Trump Administration's offensive against Tehran. For they fear Iran's growing power and the assertion is threatening to undermine their national coherence and security. They believe that the 2015 nuclear agreement empowered rather than constrained Iran. Israel fully shares this understanding.

The second trend is the unfolding normalisation of relations between Israel and the Gulf countries. The tone for new thinking was set at the highest levels in the region by Oman's Sultan Qaboos bin Said who received the Israeli Prime Minister Benjamin Netanyahu in Muscat last month. This was the first time in more than two decades that an Israeli PM was travelling to the Gulf.

Oman's Foreign Minister Yousuf bin Alawi bin Abdullah explained the decision by pointing out that "Israel is a state present in the region, and we all understand this. The world is also aware of this fact. Maybe it is time for Israel to be treated the same [as other states] and also bear the same obligations."

Beyond this high-profile visit, there is growing engagement between Israel and the Gulf across a broad spectrum. Miri Regev, Netanyahu's minister for sport and culture, was in Abu Dhabi last month cheering an Israeli team participating in an international judo competition. She also visited the Grand Mosque in Abu Dhabi and declared that her visit was about promoting peace and prosperity in the Middle East. Beyond sport and culture, there have been unconfirmed reports on the growing intelligence exchanges and security cooperation between Israel and some Gulf countries.

Third, the Trump Administration is promoting a new framework for peace between Israelis and Palestinians. Billed as the "Deal of the Century" and led by Jared Kushner, the president's son-in-law and adviser, the peace plan is likely to be unveiled in the days ahead. The current Palestinian leadership believes the plan will be even more one-sided in favour of Israel than the one the US was backing before.

The Trump Administration, which has discarded the traditional approaches to peace in the region, is betting that Saudi Arabia and other Gulf Arabs will help nudge the Palestinians into accepting a new deal. For Washington, the political crisis over the killing of Khashoggi has come in handy to pressure Saudi Arabia into facilitating peace deals in Palestine and beyond in Yemen and Syria.

The idea of a grand transformation in the Middle East has tempted other American presidents before. The US invasion and occupation of Iraq in 2003 was driven by the ambition to promote democracy in the region. Now again, the Trump administration is hoping that a renewed confrontation with Tehran will create the conditions for the overthrow of the Islamic Republic and rearrange the regional order. Washington thinks that the threat from Iran can be leveraged to build a new Middle East Security Alliance of Sunni Arabs and help settle the Palestine question. But the region's internal contradictions, for example between Turkey and Saudi Arabia, and the interests of the other great powers like Russia and the European Union will probe the gap between American ambition and regional reality.

What matters in the end, however, is the fact that Trump has embarked on a bold new course in the Middle East. Like President George W Bush's invasion of Iraq in 2003, the latest American

venture too will have many unintended consequences. As its stakes in the region grow by the day, Delhi needs to devote ever great amounts of diplomatic and political energies to deal with the unfolding changes in the Middle East.

**Mains Question**

**Q: What is CATSAA? Critically analyze the U.S.'S sanctions and their impact on India's geopolitical and economic relations.**

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