



GDP growth projected to fall to four-year low at 6.4%

ECONOMY

India's real Gross Domestic Product (GDP) is expected to rise at a four-year low pace of 6.4% in this financial year, down from 8.2% in 2023-24, the National Statistics Office (NSO) said on Tuesday in its first advance estimates of GDP for 2024-25. This implies that the country's economy, that grew 6% in the first half of this financial year, is expected to rebound with a 6.8% surge in the second half.



What is GDP?

Gross Domestic Product (GDP) represents the final value of goods and services produced within a country's borders in a specific period, typically a year. The GDP growth rate is a crucial indicator of economic performance, reflecting health, growth, and development.

Types of Gross Domestic Product

Gross Domestic Product (GDP) is a key economic measure that provides insights into a nation's economic performance. It can be categorized into various forms like Nominal GDP, Real GDP, GDP Per Capita, and GDP based on Purchasing Power Parity (PPP), each serving distinct purposes for analysis. The types of GDP are explained below:

- **Nominal GDP:** Represents the current prices of goods and services at their monetary value, without adjusting for inflation.
- Useful for comparing output within the same year but not across years due to inflation effects.
- Since inflation generally remains positive, it is usually higher than actual GDP.
- **Real GDP:** It is adjusted for inflation using the GDP price deflator, reflecting the quantity of goods and services produced. It enables comparison across years by holding prices constant to isolate real growth and reduces discrepancies caused by inflation or deflation in nominal GDP.
- **Formula:** $\text{Real GDP} = \text{Nominal GDP} \div \text{Price Deflator}$

Significance of GDP

Gross Domestic Product (GDP) is a vital indicator of economic health, offering insights into an economy's size, performance, and long-term trends. Its applications span businesses, investors, and policymakers, making it crucial for informed decision-making. The significance of GDP is explained below:

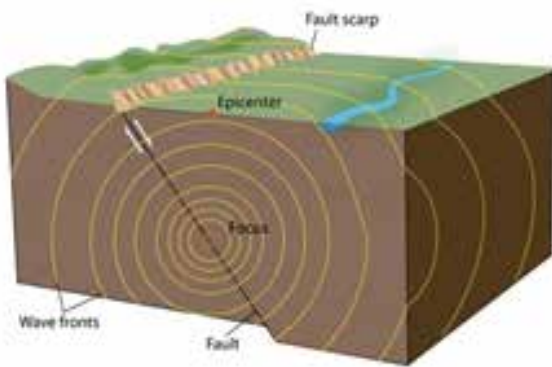
- **Measurement of Economic Health:** GDP is a critical metric for assessing the size, performance, and overall health of an economy. Comparing current GDP with past figures helps identify whether the economy is growing (indicating higher productivity) or shrinking (indicating reduced productivity).
- **Insights for Long-Term Trends:** Analyzing GDP over extended periods reveals long-term economic trends, providing valuable insights into an economy's trajectory and its potential for sustained growth or challenges. This aids in understanding structural shifts and guiding future policies.

- Applications Across Stakeholders: For businesses, GDP helps evaluate the economic health of potential markets for expansion. Investors use it to identify countries with fast-growing economies and high-return opportunities, while policymakers rely on GDP to assess the impact of their decisions on economic performance.

Earthquake in Tibet kills 126, injures 188; tremors felt in India and Nepal

GEOGRAPHY

A devastating earthquake in China's remote Tibet region killed at least 126 people on Tuesday, state media reported, with tremors also felt in neighbouring Nepal's capital Kathmandu and parts of India.



What is Earthquake ?

- An earthquake in simple words is the shaking of the earth. It is a natural event. It is caused due to release of energy, which generates waves that travel in all directions.
- The vibrations called seismic waves are generated from earthquakes that travel through the Earth and are recorded on instruments called seismographs.
- The location below the earth's surface where the earthquake starts is called the hypocenter, and the location directly above it on

the surface of the earth is called the epicenter.

Measurement of Earthquakes

- The energy from an earthquake travels through Earth in vibrations called seismic waves.
- Scientists can measure these seismic waves on instruments called seismometers.
- A seismometer detects seismic waves below the instrument and records them as a series of zig-zags.
- Scientists can determine the time, location and intensity of an earthquake from the information recorded by a seismometer. This record also provides information about the rocks the seismic waves traveled through.
- The earthquake events are scaled either according to the magnitude or intensity of the shock. The magnitude scale is known as the Richter scale. The magnitude relates to the energy released during the quake. The magnitude is expressed in absolute numbers, 0-10.
- The intensity scale is named after Mercalli, an Italian seismologist. The intensity scale takes into account the visible damage caused by the event. The range of intensity scale is from 1-12.



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Bharatpol to aid in nabbing fugitive criminals ‘wherever they hide’: Home Minister

INTERNAL SECURITY

Union Home Minister Amit Shah on Tuesday inaugurated the Bharatpol portal, which aims to provide police and security agencies in India with a seamless connect to Interpol, the international police organisation.



About BHARATPOL Portal:

- It will streamline the processing of all requests for international assistance through INTERPOL, including the issuance of Red Notices and other colour-coded INTERPOL notices.
- The BHARATPOL portal will become a transformative tool for field-level police officers, enhancing their efficiency in dealing with crimes and security challenges. By facilitating easier and faster access to international assistance, it will strengthen

India's efforts in combating transnational crimes.

- It will significantly facilitate Indian Law Enforcement Agencies (LEAs) enabling real-time information sharing for faster access to international police assistance.
- It is developed by Central Bureau of Investigation (CBI)

Key facts about the Central Bureau of Investigation

- It is the premier investigative agency in India, with a dual responsibility to investigate grievous cases and provide leadership and direction in fighting corruption to the police force across the country.
- It was established on recommendation of the Santhanam Committee on Prevention of Corruption (1962–1964).
- It is not a statutory body, as it was set up by a resolution (1963) of the Ministry of Home Affairs.
- It acts as the National Central Bureau (NCB-New Delhi) for INTERPOL in India.
- It facilitates international cooperation in criminal matters in collaboration with various agencies across the country, including law enforcement agencies.

Court dismisses plea against judge's impeachment motion

POLITY

The Allahabad High Court on Tuesday dismissed a public interest litigation (PIL) petition against the impeachment motion submitted in the Upper House of Parliament over the communal speech delivered by Justice Shekhar Yadav at an event organised by the legal cell of the Vishwa Hindu Parishad (VHP).

What is the procedure for impeachment of judges?

- While the Constitution does not use the word ‘impeachment’, it is colloquially used to refer to the proceedings under Article 218 Article 124(4).
- The procedure for removal of judges is elaborated in the Judges Inquiry Act, 1968.

- **Initiation of the motion** – Requires at least 100 members' signatures in Lok Sabha or 50 members in Rajya Sabha.
 - o This motion is then submitted to the Speaker (Lok Sabha) or the Chairman (Rajya Sabha).
 - o Based on this, he or she may decide to either admit the motion or refuse to admit it.
- **Formation of an inquiry committee** – If the motion is admitted, a three-member committee is constituted by the presiding officer. The committee includes:
 - o Chief Justice of India or a Supreme Court judge.
 - o A High Court Chief Justice.
 - o A distinguished jurist nominated by the Speaker/Chairman.
- **Committee's role** – The committee investigates the allegations and frames charges against the judge.
- If the judge is found guilty, the report is submitted and takes up for debate in the House where the motion is originated and if found not guilty, the process ends.
- **Parliamentary voting** – For removal, both Houses must approve the motion with:
 - o A majority of the total membership and
 - o A two-thirds majority of members present and voting.
- **Presidential approval** – Following approval by Parliament, the President issues an order for the judge's removal.

V. Narayanan, spacecraft and rocket propulsion expert, appointed ISRO Chairman

SCIENCE AND TECHNOLOGY

V. Narayanan has been appointed the new Space Secretary. Dr. Narayanan, who is currently the Director of Liquid Propulsion Systems Centre (LPSC), will be the new Chairman of the Indian Space Research Organisation (ISRO), and he will take over from S. Somanath on January 14.



About ISRO

The Indian Space Research Organisation (ISRO) is the space agency of India, responsible for the planning and execution of space-related activities in the country. ISRO is one of the most prominent and successful space agencies in the world, known for its cost-effective and efficient space missions. ISRO operates under the Department of Space, which reports directly to the Prime Minister of India. The department primarily executes the Indian Space

Programme through various ISRO Centres.

Various Missions and Satellites of ISRO

Since its inception, ISRO has made significant strides in the field of space exploration and technology. It has demonstrated its capability to undertake complex space missions with remarkable efficiency and cost-effectiveness, making India a prominent player in the global space community.

- **Launch vehicles of ISRO:** Launch vehicles are rocket-powered vehicles that transport a spacecraft

beyond Earth's atmosphere, either into orbit around Earth or to another destination in outer space.

- o Currently, the Polar Satellite Launch Vehicle (PSLV), Geosynchronous Satellite Launch Vehicle (GSLV), and Geosynchronous Satellite Launch Vehicle Mk-III (LVM3) are active operational launch vehicles in India.
- **Experimental satellites:** ISRO has launched a number of small satellites, primarily for research purposes such as Remote Sensing, Atmospheric Studies etc. For example:
 - o Aryabhata launched in 1975 was India's first satellite.
 - o Rohini Satellite RS-1 was the first experimental flight for the launch vehicle SLV3.
- **Communication satellites:** Communication satellites are man-made satellites that use transponders to send signals from one location on Earth to another.
 - o The Indian National Satellite (INSAT) system and GSAT Satellites are the primary communication satellites.
 - o With the launch of INSAT-1B in 1983, ISRO launched a major revolution in India's communications sector that has since been sustained.
- **Earth observation satellites:** Earth observation is the process of gathering data using remote sensing technologies to learn more about the physical, chemical, and biological systems of the planet Earth. Satellites used for this purpose are referred to as Earth observation satellites.
 - o Bhaskara-I launched in 1979 was the first experimental remote sensing satellite of ISRO for earth observations.
 - o IRS-1A launched in 1988 was the first in a series of indigenous remote sensing satellites. Since then, ISRO has launched multiple operational satellites for remote sensing.
 - o Other Earth observation satellites: Oceansat, CARTOSAT series, RISAT, EOS Series etc.
- **Navigation satellites:** A system of artificial satellites that can provide geospecific positioning anywhere in the world is known as a satellite navigation system.
 - o GPS-Aided GEO Augmented Navigation (GAGAN): It has been developed by ISRO for providing accurate satellite-based navigation services over Indian space.
 - o NavIC: It is an independent and indigenous regional navigation satellite system developed by ISRO to provide position, navigation and timing services.

NBFC loan growth to slow to 18.5% in 2025-26, says Ind-Ra

ECONOMY

Ratings agency India Ratings and Research (Ind-Ra) said loan growth of nonbank finance companies (NBFCs) would further slip to 18.5% in 2025-26 from an estimated 20% growth in this financial year. There would be a more pronounced decline in the unsecured lending segment which includes personal, business and micro- finance loans, it said.

About Non-Banking Financial Company (NBFC):

- A NBFC is a company registered under the Companies Act, 1956, engaged in the business of loans and advances, the acquisition of shares/stocks/bonds/debentures/securities issued by the Government or local authority or other marketable securities of a like nature, leasing, hire-purchase, insurance business, chit business.
- It does not include any institution whose principal business is that of agriculture activity, industrial activity,

the purchase or sale of any goods (other than securities) or providing any services and sale/purchase/construction of immovable property.

- A non-banking institution which is a company and has the principal business of receiving deposits under any scheme or arrangement in one lump sum or in installments by way of contributions, or in any other manner, is also a NBFC (Residuary non-banking company).

- Generally, these institutions are not allowed to take traditional demand deposits from the public. They can only accept time deposits, and they do not provide savings or current account facilities.

- o They cannot accept deposits for a period less than 12 months and more than 60 months.

- o NBFCs cannot offer interest rates higher than the ceiling rate prescribed by RBI from time to time.

The present ceiling is 12.5 per cent per annum.

- NBFCs also provide a wide range of monetary advice like chit-reserves and advances.

- NBFCs lend and make investments, and hence their activities are akin to that of banks; however, there are a few differences as given below:

- o NBFCs do not have a banking license;

- o NBFCs cannot accept demand deposits;

- o NBFCs do not form part of the payment and settlement system and cannot issue cheques drawn on itself;

- o Deposit insurance facility of Deposit Insurance and Credit Guarantee Corporation is not available to depositors of NBFCs, unlike in the case of banks.

- o Unlike banks, NBFCs are not subjected to stringent and substantial regulations.



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