

PSP- V2.0

❖ Context

- The MEA recently signed an agreement with TCS for the second phase of the **Passport Seva Programme (PSP)**, termed PSP-V2.0.

❖ Key Highlights

- The **\$1 billion agreement** will focus on **further digitization** of application and processing aiming for faster delivery of passports to the citizens and create a **more effective integration** between various wings of the Government like the MEA and the local police network
- The new generation of passports called **e-passports** will be issued. Under this phase, new and renewed passports will be fitted with a **microchip** that will **hold all biometric information** regarding the applicants. It will **reduce the risk of data leakage**.
- The programme has recently been connected to more than 176 Indian Missions/Posts through **Global Passport Seva Programme (GPSP)**, providing seamless delivery of passport services to Indian diaspora
- The programme also plans to have a **Data Centre, Disaster Recovery Centre and Government Secure Repository** which would be networked with all the Passport Seva Kendras and the Post Office Passport Seva Kendras (POPSK).
- The overall system would be **connected to all the Indian diplomatic missions abroad** and will allow **monitoring and supervision** through state-of-art Network Operation Centre, and Security Operation Centre .
- The **Government** will exercise "**all sovereign and security related functions**" in the process of **issuing passports**. **Strategic assets** like Data Centres, Database and the application software will be **owned by the Government** and access would be controlled through biometrics.
- **TCS** will ensure "**support functions**" like "citizen interface, technology backbone, call centres, training and change management".

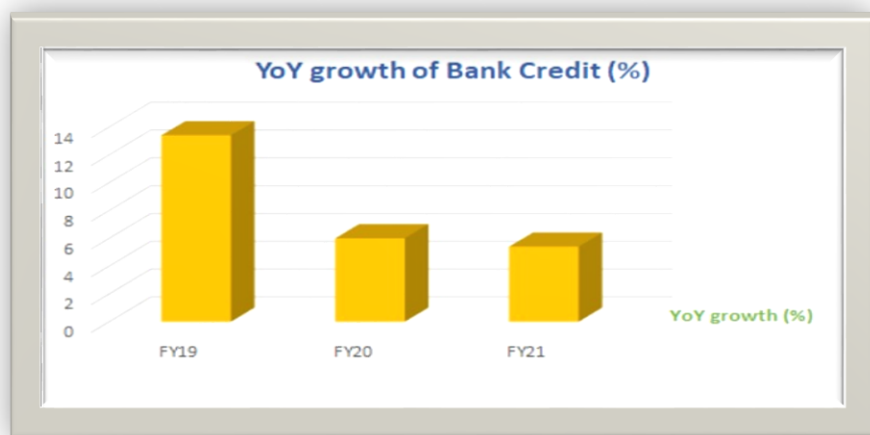
Trend and Progress of Banking in India Report 2020-21

❖ Context

- Report recently released by RBI

❖ Key Highlights

- The Indian economy witnessed **credit boom** between **FY08 and FY14**
- In the wake of pandemic, **gross bank credit has decelerated**



- **Bank industrial credit** to large industry recorded a decline and was **negative in FY 21**
- Due to dismal credit offtake in the industrial sector, the credit cycle saw a reversal with **credit growth** being primarily fuelled by non-industrial sectors, **primarily personal loans**
- The sectoral deployment of bank credit (FY21) - **Industry>Retail>Services>Agriculture**.

- The **share of public sector banks in total loans and advances is declining since 2011**.
- It has declined from approximately 71% (FY16) to 59% (FY 21)
- The share of private banks has risen from approx. 25% (FY16) to 36%(FY21)
- Private banks have strengthened their talent pool by drawing from PSBs
- Slow growth of advances by PSBs is possibly due to
 - **Banks officials** becoming **overcautious** as they are facing legal procedures for heavy NPAs
 - **The lack of functional autonomy**
- Possible solutions
 - **Bringing down the stake of government below 49%** , ideally to 26% for completely freeing from political intervention
 - **Compensation reforms** - PSBs CEO earn 3 times bank employee while Private banks CEOs earn 67 times.

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Citizenship (Amendment) Act, 2019

❖ Context

- The **Ministry of Home Affairs (MHA)** did not notify the Citizenship (Amendment) Act, 2019 (CAA) rules till Sunday, the **third extended deadline** after the Act was passed.

❖ Key Highlight

- **January 9 was the last day of an extension** sought from the two parliamentary committees in the Lok Sabha and the Rajya Sabha to frame the rules.
- **Without rules, the Act cannot be implemented.**
- **Earlier, it had sought time till April 9, 2021 and then July 9, 2021** from the committees to notify the rules which are to be published in the Gazette of India.

❖ About CAA

- It amended the **Citizenship Act, 1955**
- It **Provides a pathway to Indian citizenship for persecuted religious minorities** from Afghanistan, Bangladesh and Pakistan who are **Hindus, Sikhs, Buddhists, Jains, Parsis or Christians**, and arrived in India **before the end of December 2014**.
- It basically **intends to make it easier for non-Muslim immigrants** from India's three Muslim-majority neighbours to become citizens of India.
- The provisions on citizenship for illegal migrants **will not apply to two categories** -
 - States protected by the **'Inner Line'**
 - Areas covered under the **Sixth Schedule** of the Constitution (Assam, Mizoram, Meghalaya and Tripura)
- It **exempts the members of the six communities** from any criminal case under the **Foreigners Act, 1946** and the **Passport Act, 1920**.

❖ Associated Issues With CAA

- The **fundamental criticism** of the Act has been that it **specifically targets Muslims**. Thus, the **religious basis** of citizenship not only **violates the principles of secularism but also of liberalism, equality, and justice**.
- This may be **violative of Article 14** of the Constitution, which guarantees the right to equality.
- The Act **appears to violate the Assam Accord**, both in letter and spirit.
- It is **perceived to be a demographic threat** to indigenous communities.
- It **makes illegal migrants eligible for citizenship** on the basis of religion.
- It **attempts to naturalise the citizenship** of illegal immigrants in the region.
- It **allows cancellation of OCI registration** for violation of any law.
- This is a wide ground that may cover a range of violations, including minor offences.

Asian Infrastructure Investment Bank (AIIB)

❖ Context

- Former Reserve Bank of India (RBI) governor **Urjit Patel has been appointed vice-president** of the Asian Infrastructure Investment Bank (AIIB)

❖ Key Highlights

- Mr. Patel **will serve a three-year term** as one of the multilateral development **bank's five vice-presidents**.
- He **will take the place of former Gujarat Chief Secretary D.J. Pandian** who had been, as Vice-President, leading the AIIB's investment operations and all sovereign and non-sovereign lending in South and Southeast Asia.

❖ About AIIB

- The Asian Infrastructure Investment Bank (AIIB) is a **multilateral development bank** that **aims to improve economic and social outcomes in Asia** began its operations in **January 2016**.
- **Headquarter- Beijing**
- **Members-** 104 members, including 17 prospective members from around the world.
- **14 of the G-20 nations** are AIIB members including France, Germany, Italy and the United Kingdom
- **China is the largest shareholder** with 26.61 % voting shares in the bank followed by **India (7.6%), Russia (6.01%) and Germany (4.2 %)**.
- The **regional members hold 75%** of the total voting power in the Bank.
- The Board of Governors of the bank consists of a governor and an alternate governor of each member country. The **Board is the highest decision-making body** of the AIIB.

WORLD BANK	IMF	ADB	AIIB
1944	1944	1966	2015
188 MEMBER COUNTRIES	188 MEMBER COUNTRIES	67 MEMBERS	57 FOUNDING MEMBERS
US LARGEST SHAREHOLDER	US LARGEST SHAREHOLDER	JAPAN LARGEST SHAREHOLDER	CHINA LARGEST SHAREHOLDER
REDUCE POVERTY & SUSTAINABLE DEVELOPMENT GOAL	PROMOTE MONETARY STABILITY GOAL	REDUCE POVERTY GOAL	ADDRESS ASIA'S INFRASTRUCTURE GAP GOAL
12,000 STAFF 130 NATIONS	2,600 STAFF 147 NATIONS	3,000 STAFF 60 NATIONS	IN PLANNING
\$223 BILLION SUBSCRIBED CAPITAL	\$370 BILLION SUBSCRIBED CAPITAL	\$165 BILLION SUBSCRIBED CAPITAL	\$100 BILLION AND RISING SUBSCRIBED CAPITAL
US VETO POWER	US VETO POWER	NO VETO POWER	CHINA TO FORGO VETO
WASHINGTON	WASHINGTON	MANILA	BEIJING

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News in Between the Lines

Mud Crab Reovirus



❖ Context

- Recently, Andhra Pradesh found that '**Mud Crab Reovirus (MCRV)**' has been the reason for mass mortality of wild crab (*Scylla serrata*).

❖ Key Highlights

- Mud Crab Reovirus belongs to the **Reoviridae** family and it is also known as **Sleeping Disease**.
- It is **responsible for the mass mortality** of wild crabs.
- The virus mainly **affects the connective tissue of hepatopancreas, intestine and gills**.

❖ About Mud Crab

- Wild Crab are **scientifically called Scylla serrata**.
- They are **ecologically important species of crab**
- **Habitat-** They are found in the **estuaries and mangroves of Africa, Asia and Australasia**.
- The **shell colour varies from deep, mottled green to dark brown**, In their most common form.

IAC Vikrant



❖ Context

- The Indigenous Aircraft Carrier (IAC) Vikrant has **headed out for the next set of sea trials** on January 9, shortly **after two high-profile visits** — that of the President and the Vice-President of India within a span of about two weeks.

❖ Key Highlights

- The maiden **sea trials in August 2021** were to establish propulsion, navigational suite and basic operations.
- The **second sea trial in October-November** saw the ship being put through various machinery trials and flight trials.

❖ About IAC Vikrant

- **Designed by-** The Indian Navy's Directorate of Naval Design (DND),
- It is being **built at Cochin Shipyard Limited (CSL)**, a public sector shipyard under the Ministry of Shipping.
- The IAC-1, the **biggest warship made indigenously**, has an overall length of **263 m and a breadth of 63 m**.
- It is **capable of carrying 30 assorted aircraft including combat jets and helicopters**.
- The ship would operate a mix of **MiG-29K** fighter aircraft and various **helicopters**, ranging from the **Kamov-31 Air Early Warning helicopters**, the soon-to-be inducted **MH-60R** multi-role helicopters and the indigenously developed **Advanced Light Helicopter Mk III**.

Jallikattu



❖ Context

- With a steep rise in the daily cases of COVID-19, the district administration in Vellore, Tiruvannamalai, Ranipet and Tirupattur, have **banned the conduct of Jallikattu events**, ahead of Pongal festival, as part of safety measures.

❖ About Jallikattu

- It is also **known as eru thazhuvuthal and mañcuvirattu**.
- It is a **bull-taming sport** and a **disputed traditional event** in which a bull is released into a crowd of people.
- **Multiple human participants attempt to grab the large hump** on the bull's back with both arms and hang on to it while the bull attempts to escape.
- Jallikattu is **typically practised in the Indian state of Tamil Nadu** as a part of Pongal celebrations on Mattu Pongal day, which occurs annually in January.

Gateway to Hell

❖ Context

- Turkmenistan President has ordered experts to find ways to extinguish fire of the crater burning for several decades

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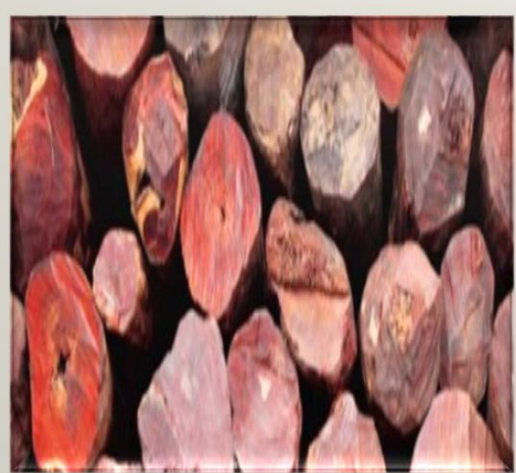




❖ Key Highlights

- It is a man made crater which is also known as **Darvaza gas crater** in the middle of the vast **Karakum desert**.
- In 2018, the president officially renamed it to the "**Shining of Karakum**".
- The crater was created in 1971 during a **Soviet drilling accident** that hit a gas cavern, causing the drilling rig to fall in and the earth to collapse underneath it. To prevent the dangerous fumes from spreading, the Soviets decided to burn off the gas by setting it on fire.
- The resulting crater -- **70 metres (229 feet) wide and 20 metres (65 feet) deep** is a popular tourist attraction in the ex-Soviet country.
- It is causing ecological damage and affecting the health of people living in the area apart from causing loss of country's valuable energy resource
- **Turkmenistan possesses the world's fourth-largest reserves of natural gas**

Red Sanders



❖ Context

- Red Sanders has fallen back in the '**endangered**' category of the IUCN Red list

❖ Key Highlights

- The species, **Pterocarpus santalinus**, is an Indian endemic tree species, with a restricted geographical range in the Southern **Eastern Ghats - Palakonda and Seshachalam hills**
- It is a **small tree** that grows to **5-8 meters in height** and has a dark grayish bark
- The species was **classified as 'near threatened' in 2018**
- The species is dwindling in its natural habitat due to **over-exploitation**.
- The harvest of the tree is also restricted at the state level, but despite this the **illegal trade and smuggling of the rare tree** continues, to meet **90% of the global demand**. Due to its **rich red color and therapeutic properties**, it is **highly demanded** across Asia, particularly in **China and Japan**, for use in cosmetics and medicinal products as well as for making furniture & woodcraft
- The rare "**wavy**" grain variant is highly valued in **Japan** for its **acoustic properties** and is used to make **musical instruments**.
- A tonne of the tree costs **Rs. 50 L - Rs. 1 crore** in the international market
- As a result, the **trees of harvestable size and maturity** have become scarce and make up **less than 5 percent** of the trees remaining in the wild
- It is listed in **Schedule II of CITES and Wildlife Protection Act**

Secured Overnight finance rate



❖ Context

- Small corporate borrowers are reluctant to shift away from previous LIBOR rate to alternative reference rate for external borrowings, fearing changes in borrowing cost and due to lack of awareness

❖ Key Highlights

- The global transition from LIBOR (London Interbank Offered rate) was necessitated after British authorities decided to phase it out in 2017 when it was discovered that large banks are manipulating the reference rate by providing false data. It was the rate at which major global banks lend to one another in the international interbank market. Most Libor benchmarks have ceased to exist after 31 Dec and the remaining will become after June 2023
- **SOFR is the benchmark interest rate published by New York Fed that banks use to price US-dollar denominated derivatives and loans**
- Indian banks are adding a fallback clause or replacement rates to existing overseas loans agreements to ensure a smoother transition from Libor

Key Differences

LIBOR	SOFR
Forward looking (estimated)	Backward looking (actual past)
Published for multiple terms	One term, overnight

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