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GS 2 : Polity, Governance, International Relations

1. 'Only half of govt. schools, anganwadis have tap water'

Context:

- Parliamentary Standing Committee on Water Resources submits report to the Lok Sabha.

Background:

- A 100-day campaign to provide potable piped water supply for drinking and cooking purposes and **tap water for washing hands and in toilets in every school, Anganwadi and ashramshala or residential tribal school** was launched on October 2, 2020.
- The 100-day period should have ended on January 10, 2021.

Progress made:

- Seven States, Andhra Pradesh, Goa, Haryana, Himachal Pradesh, Tamil Nadu, Telangana and Punjab have achieved the target 100% coverage.
- A number of other states have also made significant progress with the **construction of greywater management structures and rainwater harvesting structures** being in schools and Anganwadi centres.

Concerns:

Low coverage:

- According to the report, **only half of the government schools and anganwadis have a tap water supply**. Less than 8% of schools in Uttar Pradesh and 11% in West Bengal have it, while it is available in only 2-6% of anganwadis in Assam, Jharkhand, Uttar Pradesh, Chhattisgarh and Bengal.

Health concerns:

- Such a scenario does not augur well given that schools and anganwadis are just starting to reopen after a year-long shutdown and COVID-19 safety protocols require repeated handwashing by students and teachers.
- **Children are more susceptible to water-borne diseases.**

2. An alarming diktat

Context:

- Haryana Governor's assent to **The Haryana State Employment of Local Candidates Act of 2020.**

Details:

- The law regulates private sector hiring in the state of Haryana by mandating that **75% of all jobs with gross monthly salaries of up to ₹50,000 are provided to the State's own residents.**
- The law would be applicable even to firms with as few as 10 employees.
- The law imposes responsibilities on key personnel of firms to register every employee earning ₹50,000 on an official portal and employing 75% of locals in such jobs. The law provides for severe monetary penalties for perceived non-compliance.

Concerns:

- Haryana's new law could have a **detrimental impact on India's investment climate and its socio-economic framework.**

Against constitutional provisions:

- Haryana's law goes against the provisions of the Indian Constitution, especially **Article 19(1)(g) and Article 16(2).**
 - Article 19(1)(g) of the Constitution enables an Indian citizen to practise any profession, or to carry on any occupation, trade or business.
 - Article 16(2) of the Constitution states that no citizen shall, on grounds only of religion, race, caste, sex, descent, place of birth, residence or any of them, be ineligible for, or discriminated against in respect of, any employment or office under the State.

Impact on ease of doing business:

- The employers could seek exemptions from the law provided that they are able to prove that local candidates for a desired skill are not available. However, officials will decide if a firm can hire an outsider or should train local candidates instead. Also the officials would have the power to enter firms' premises for inspections. Such provisions resemble an **'Inspector Raj' system.**

- Such onerous regulations and processes would **dissuade employers from operating in the State due to decreased ease of doing business**. This would **impact the investments flowing into the states**.
- Given the integrated value chains, a single disruption in the Gurgaon back office operations of a global firm or the supplies of auto components, on account of the new law, would also be **damaging to India's reputation as a stable, trustworthy investment destination** with a talented workforce.

Impact on employment:

- The new law when enacted might lead to removing existing non-Haryanvi employees beyond the 25% limit.
- Also the **reduced investments will only further accentuate the unemployment problem in the Indian economy**. Thus such local reservation laws defeat the idea of boosting local jobs.

Impact on unity of the nation:

- The clamour for preserving economic activity for **'sons of the soil'** has become a recurrent theme in many Indian states.
 - Andhra Pradesh had passed a similar law in 2019, and the Madhya Pradesh CM has promised to reserve 70% private sector jobs for the locals.
- Rising unemployment could spur more States to follow suit. Such a trend threatens to unleash a sort of **'work visa' regime for Indians within the country**.
- Such laws also damage crucial workplace diversity.
- Such laws rupture the social fabric given their push for insularity.

3. SC seeks States' views on 50% cap on quota

Context:

- The Supreme Court has decided to examine whether its judgment in the Indra Sawhney case of 1992 which fixed reservation for the marginalised and the poor in government jobs and educational institutions at 50% needs a relook.

Background:

Indra Sawhney v Union of India & Ors case, 1992:

- The Supreme Court had set the **upper limit for reservation in jobs and education at 50%, except in “extraordinary circumstances”**.
- The court in the Indra Sawhney case tried to come up with a solution that is reasonable and strikes a fine balance between the society and rights of the backward classes.
- However, over the years, several **States, such as Maharashtra and Tamil Nadu, have crossed the upper limit of 50%** and passed laws that allow reservation to be as high as 60%.

Maratha quota law:

- The Maharashtra State Reservation for Socially and Educationally Backward Classes (SEBC) Act of 2018 originally provided 16% reservation to Marathas (based on the recommendation by the **Gaikwad Commission**) and came after years of protests by the community.
- In June 2019, the Bombay high court trimmed the quantum of the quota to **12% in education and 13% in jobs**. In its order, the high court said the 50% cap could be breached in exceptional circumstances.
- The Maratha reservation had been challenged in the SC and a five-judge Bench was set up to hear the same.

Details:

- The bench will look into whether the **Maharashtra State Reservation for Socially and Educationally Backward Classes (SEBC) Act of 2018**, which provides quota benefits for the Maratha community, thus taking the reservation percentage in the State across the 50% mark, was enacted under “extraordinary circumstances”.
 - The Indra Sawhney judgment notes that the **50% rule could be crossed in certain exceptional and extraordinary situations** for bringing far-flung and remote areas’ population into the mainstream.
- The five-judge bench looking into the Maratha reservation issue has expanded the ambit of the case and has framed the following questions to be looked into by the court.

Relook at the upper limit for reservation:

- The court will be looking into whether the Indra Sawhney verdict of 1992, fixing 50% limit on quota, needs to be relooked by a larger Bench of more than nine judges.
- The Bench has made other States party to the case and has asked them to make their stand clear on the question of whether reservation should continue to remain within the 50% boundary or not.

Impact of the 102nd Amendment Act:

- The bench will also judge whether the Constitution (One Hundred Second Amendment) Act of 2018, which introduced **the National Commission for Backward Classes (NCBC)**, interferes with the authority of the State legislatures to provide benefit to the socially and educationally backward communities in their own jurisdiction.
 - The 102nd Constitutional Amendment Act introduced **Articles 338B and 342A in the Constitution**.
 - Article 338B deals with the NCBC.
 - **Article 342A empowers the President to specify the socially and educationally backward communities in a State**. Thus it strips the State legislatures of their discretionary power to include their backward communities in the State List.
 - The Constitutional amendment empowers the Parliament to include a community in the Central List for socially and backward classes for grant of reservation benefits.

Conclusion:

- The potential reconsideration of the Indra Sawhney case ruling, also popularly referred to as the Mandal case, could alter the structure of reservations that has been in place for decades.

4. Ensuring trust in the electoral process

Context:

- The delay in adjudicating the **petition filed in September 2017 challenging the electoral bonds scheme**.

Background:

Electoral Bond Scheme:

- Under the electoral bond scheme, an electoral bond, issued in the **nature of a promissory note**, can be bought by any Indian citizen or company incorporated in India. The scheme allows parties to receive these bonds.
- This new instrument of political party funding is aimed to ensure greater transparency by addressing the issue of anonymous financing. It sought to **eliminate black money from the system**.

- The government has introduced **amendments to laws, including the Income Tax Act of 1961, the Companies Act of 2013, and the Representation of the People Act of 1951** to give effect to the electoral bond scheme.

Big money in electoral politics:

- **Bonds worth nearly Rs. 6,500 crore** have been sold so far. This points to the role of big money in electoral politics.
- Information obtained under the Right to Information (RTI) Act shows that electoral bonds with the highest denomination value of Rs. 1 crore are the most preferred by donors and constitute 92% of the total value of bonds sold till October 2020.

Concerns:

- The **Election Commission has expressed its opposition to electoral bond scheme** in the ongoing Supreme Court hearings. The EC contends that the electoral bond scheme will have an adverse impact on transparency in political party financing and would make it impossible for the constitutional body to ascertain whether donations received were in compliance with the statutory framework governing political parties.
- Even the **Reserve Bank of India flagged serious concerns** about the electoral bonds.
- There are numerous concerns being expressed with respect to electoral funding in general and the Electoral Bond scheme in particular.

Lack of transparency:

- The political system in India has traditionally been hostile to the idea of transparency in electoral financing.
- Despite the tall claims made in favour of the Electoral Bond Scheme, it still **allows donors to anonymously donate unlimited amounts of funds to political parties.**
- The provisions of the electoral bond scheme allow the donors to donate to the political party without the public, the Election Commission or even the Income Tax Department knowing the identity of the donors.
- This, the article claims, is a **severe blow to voters' right to know.** People's ability to track donations by big businesses and expose quid pro quo has been undermined.

Threat of foreign influence:

- In 2016 and 2017, **amendments were made to the Foreign Contribution (Regulation) Act (FCRA), 2010**, with retrospective effect. These amendments

enabled Indian subsidiaries of foreign companies to make donations to political parties.

- These amendments in conjunction with electoral bonds **allow anonymous financing by foreign entities** opening Indian elections to the influence of foreign interests.

Chances of money laundering:

- As against the claims made by the proponents of electoral bond scheme of it addressing the problem of black money and large cash donations because of its insistence of transaction through cheques, demand drafts, direct debit or electronic clearing, it actually fails to tackle the **threat of money laundering in political funding**.
- Under **The Income Tax Act**, political parties are exempted from disclosing sources of donations of less than Rs. 20,000. Though most of the anonymous donations received by parties were large cash contributions, they are 'broken down' and shown as multiple small donations to escape scrutiny. This **allows donors to continue to anonymously pump cash into the system**.
- Even the amendments to the Income Tax Act in 2017 only lowered the stipulated ceiling of anonymous contributions from Rs 20,000 to Rs 2,000 without taking the much needed step to do away with the provision of non-disclosure of sources.
- Electoral bonds are likely to abet money laundering since the **amendments to the Companies Act in 2017 removed the cap of 7.5% on political contributions by a company as a percentage of its average net profits of the preceding three years**. This allows for black money to be easily routed through shell companies to purchase electoral bonds.

Mirage of neutrality:

- The rationale for providing anonymity to donors of electoral bonds is to allow donors to support political parties by protecting them against the wrath of rival parties, especially the party in power.
- However as the bonds are issued only through the State Bank of India, it would not be difficult for the party in power to access information about the identity of purchasers and details of bonds sold to them, and match those to deposits in political party accounts.
- This would play to the **advantage of the party in power**.

Against the spirit of electoral process:

- Electoral bonds go against the principle of transparency and are vulnerable to be used by special interest groups, corporate lobbyists and foreign entities to

acquire a stranglehold on the electoral process and governance at the expense of citizens.

Recommendations:

- Donations must be made transparent and **parties should be obligated to file reports** with the Election Commission and other oversight bodies disclosing the names of donors and amounts received.
- The **information related to electoral funding must also be placed in the public domain.**

Conclusion:

- The petition challenging the electoral bonds scheme deals with the vexed issue of election funding in India. The ongoing case with respect to electoral bond scheme deals with weighty issues which have a tremendous bearing on the sanctity of the electoral process in the country.
- To ensure **public trust in the electoral process**, it is critical that the Supreme Court immediately adjudicates on the electoral bonds scheme.

GS 3 : Economy, Science and Technology, Environment

5. DAC to take up deals for armed drones, submarines

Drones:

- India is seeking to acquire **30 MQ-9 Reaper or Predator B armed drones** from the U.S., 10 each for the three services.
 - MQ-9B has an endurance of 48 hours and a range of over 6,000 nautical miles. It comes with nine hard-points, capable of carrying sensors and laser-guided bombs besides air-to-ground missiles, with a maximum payload of two tonnes.
- The Navy had inducted two **MQ-9B Sea Guardian unarmed drones** on lease under emergency procurement.

Project-75I:

- The Project 75I-class submarine is a follow-on of the Project 75 Kalvari-class submarine for the Indian Navy.

- Under this project, the Indian Navy intends to acquire six diesel-electric submarines, which will also feature **advanced air-independent propulsion systems** to enable them to stay submerged for a longer duration and substantially increase their operational range.
- The Indian Navy's Project 75I (P75I) Scorpene submarine development for six latest-generation attack boats is expected to be completed by 2022.
- The P75I Scorpene-class diesel-electric/air-independent propulsion (AIP) submarines are based on the Scorpene-class submarines, which were designed by French naval shipbuilding firm DCNS in partnership with Spanish shipbuilding firm Navantia.
- The new submarines are being built by Mazagon Dock in Mumbai, India, using the technology and training provided by DCNS.
- The Indian Navy intends to use the submarines for missions such as area surveillance, intelligence gathering, anti-submarine warfare, anti-surface warfare and minelaying operations.

6. State of Water Supply in Schools and Anganwadis

Why in News

According to information provided to the **Parliamentary Standing Committee on Water Resources**, only half of government schools and **anganwadis** have tap water supply, despite a **100-day campaign for 100% coverage** being launched by the **Jal Shakti Ministry** in October 2020.

- The Committee also noted the progress of the flagship **Jal Jeevan Mission**.

Key Points

- **About the Campaign:**
 - The campaign aims to provide **potable piped water supply** for **drinking and cooking purposes** and tap water for **hand washing** and in toilets in every school, anganwadi and ashramshala or residential tribal school.
 - It was launched on **2nd October, 2020 (Gandhi Jayanti)**.
 - The 100-day period should have ended on 10th January, 2021.
 - However, some States/ UTs have indicated that they need more time to complete the task and sustain the efforts. Therefore, the campaign has been **extended till 31st March, 2021**.
- **Related Observations:**

- As of now, only **48.5% of anganwadis** and **53.3% of schools** had **tap water supply**.
- **Less than 8% of schools in Uttar Pradesh** and **11% in West Bengal** have it, while it is available in **only 2-6% of anganwadis in Assam, Jharkhand, U.P., Chhattisgarh and Bengal**.
- **Seven States** - Andhra Pradesh, Goa, Haryana, Himachal Pradesh, Tamil Nadu, Telangana and Punjab - **achieved 100% coverage**.
- Around 1.82 lakh **grey water management structures** and 1.42 lakh **rainwater harvesting structures** were also constructed in schools and anganwadi centres.
- **Health Issues of Children Emanating from Contaminated Water:**
 - Children are more susceptible to **water borne diseases (Diarrhea, Cholera, Typhoid)**, more so, when there is also a **need for repeated washing of hands as a precautionary measure during the pandemic**.
 - Other **nutritional issues and the health hazards** emerge in children from on account of lack of potable drinking water.
- **About Jal Jeevan Mission:**
 - **Jal Jeevan Mission (JJM)** envisages supply of **55 litres of water per person per day to every rural household** through **Functional Household Tap Connections (FHTC) by 2024**.
 - JJM focuses on integrated demand and supply-side management of water at the local level.
 - Creation of local infrastructure for source sustainability measures as mandatory elements, like **rainwater harvesting, groundwater recharge and management of household wastewater for reuse**, would be undertaken in convergence with other government programmes/schemes.
 - The Mission is based on a **community approach to water** and includes extensive **Information, Education and Communication** as a key component of the mission.
 - JJM looks to create a **jan andolan for water**, thereby making it everyone's priority.
 - **Funding Pattern:** The fund sharing pattern between the Centre and states is **90:10 for Himalayan and North-Eastern States, 50:50 for other states**, and **100% for Union Territories**.
 - In the **Budget 2021-22**, **Jal Jeevan Mission (Urban)** has been announced under the **Housing and Urban Affairs Ministry to provide universal coverage of water supply to all households** through functional taps in all statutory towns in accordance with **Sustainable Development Goal- 6**.
- **Suggestions:**

- The Standing Committee noted that **mere provision** of tap connection without ensuring assured availability of water in the pipeline **would not serve the purpose** and would defeat the very objective of JJM.
- It called for **real-time monitoring of water supply at the district level**.
- The centre government should take measures to set up **water purification or reverse osmosis (RO)** plants on an urgent basis so that children do not suffer due to contamination of drinking water.

Grey water

- Grey water is defined as wastewater that is produced from household processes (e.g. washing dishes, laundry and bathing).
- Grey water can contain harmful bacteria and even faecal matter that contaminates soil and groundwater.

THE INDIAN EXPRESS

GS 2 : Polity, Governance, International Relations

1. United Bengal Plan of 1947

In a recent election rally, a politician spoke about the contributions of Shyama Prasad Mukherjee in the making of West Bengal immediately after independence.

The United Bengal plan

- A most striking aspect of the Partition of Bengal was the fact that the same people, who had vociferously opposed the 1905 partition of the region by Lord Curzon, were the ones who demanded the division of the province on communal lines.
- One way to understand this is by noting the fact that the communal skirmishes that had started in 1905, reached its peak by 1947.
- But there was also the fact that Bengal politics changed dramatically in 1932 with the introduction of the Communal Award.
- It gave more seats in the Legislative Council to Muslims than Hindus. It also provided separate electorates for the Dalits.
- Consequently, Bengali Hindus ceased to be as significant and visible in provincial politics as they were before.

- What further aggravated the situation was the communal violence in Calcutta in August 1946 and those in Noakhali just seven weeks later.

Mukherjee and the Plan

- Mukherjee, who was president of the Akhil Bharatiya Hindu Mahasabha between 1943 and 1946, is known to have been the man behind the Partition of Bengal in 1947.
- Calcutta riots (1947) led the Hindu Mahasabha under Mukherjee to put forward the demand for dividing Bengal on religious grounds.
- He was one of the strongest voices to have opposed the united Bengal plan of the Bengal provincial League leader and PM Huseyn Shaheed Suhrawardy.
- As per the plan, Bengal would be a separate nation, independent from both India and Pakistan.

Debate over partition

- In the meantime Suhrawardy along with few other top Bengal politicians like Sarat Bose and K.S. Roy came up with an alternative for the Partition.
- They argued for a united Bengal, independent from India and Pakistan.
- Suhrawardy had realized that the Partition of Bengal would mean economic disaster for East Bengal since all jute mills, coal mines and industrial plants would go to the western part of the state.
- Suhrawardy argued strongly for a united Bengal because Bengal was indivisible in view of its 'economic integrity, mutual reliance and the necessity of creating a strong workable state.

Why did Mukherjee oppose the united Bengal plan?

- The Hindu Mahasabha under Mukherjee spearheaded a fierce attack against the united Bengal scheme, which he thought would force Hindus to live under Muslim domination.
- He further defended the Partition to the Viceroy by drawing upon Jinnah's two-nation theory.
- Finally, for Mukherjee, the idea of a united Bengal was not appealing because he believed that a 'sovereign undivided Bengal would be a virtual Pakistan'.
- Eventually, the idea of a united Bengal failed to garner sufficient support from among the Muslim League and the Congress.
- It also did not find sufficient support from the grassroots as most Hindus favoured the Partition of Bengal.

2. India in Afghan Peace Process

Why in News

Recently, the USA President has envisaged a **New Peace Initiative (Plan)** to decide on the roadmap for peace in Afghanistan.

- Under the plan, the USA proposed a **regional conference** under the **United Nations** auspices with **foreign ministers of the USA, India, Russia, China, Pakistan and Iran** to discuss a “**unified approach**” on Afghanistan.

Key Points

- **USA President’s New Peace Initiative:**
 - **Delay in Withdrawal of Troops:** This peace plan has kept open the possibility that the USA troops, currently deployed in Afghanistan, might stay on for a longer time.
 - Under the earlier **USA- Taliban Deal**, the USA had promised to withdraw all troops by May, 2021.
 - **Immediate Action:** The USA is pressing the Taliban to accept an immediate agreement to reduce violence for 90 days that will provide the space for the peace initiative.
 - **Inclusive Process:** The USA will **not be “dictating terms”** to the Afghan parties, but **facilitating** an inclusive interim government, an agreement on the “**foundational principles**” for a new political order, and a “**permanent and comprehensive ceasefire**”.
 - **Turkey’s Role:** The USA is asking **Turkey to convene a meeting of the government** in Kabul (capital of Afghanistan) and the Taliban to finalise a peace settlement.
 - **Unified Approach:** The USA asked the **United Nations** to convene a meeting of the **foreign ministers from China, Russia, Pakistan, Iran, India and the United States** to develop a “unified approach” to peace in Afghanistan.
- **India’s Role in Peace Process Through “Unified Approach”:**
 - India is an **important player** in the peace process – it has also been acknowledged by the USA.
 - India supports all efforts for peace and reconciliation in Afghanistan which are **inclusive and Afghan-led, Afghanowned and Afghan-controlled**.
 - India has invested heavily in infrastructure developments, training security forces and supplying them with necessary equipment.
 - India has a major stake in the **stability of Afghanistan** since it has invested considerable resources in Afghanistan's development.
 - India hopes to have a role in setting the terms especially concerning terrorism, violence, women’s rights and democratic values.

- **India's Interest in Afghanistan:**
 - **Economic and Strategic Interest:** Afghanistan is a gateway to the oil and mineral-rich **Central Asian republics**.
 - Anyone who is in power in Afghanistan controls the land routes connecting India with Central Asia (via Afghanistan).
 - **Developmental Projects:** The massive reconstruction plans for the country to offer a lot of opportunities for Indian companies.
 - Major projects include **the Afghan Parliament, the Zaranj-Delaram Highway, and the Afghanistan-India Friendship Dam (Salma Dam)**.
 - Also India's assistance of more than **USD 3 billion in projects**, hundreds of small development projects (of schools, hospitals and water projects) have cemented its position in Afghanistan.
 - **Security Interest:** India has been the victim of **state-sponsored terrorism** emanating from Pakistan supported terrorist group operating in the region (e.g. Haqqani network). Thus, setting up a friendly government in Afghanistan can help tackling Pakistan supported terrorism.
- **Challenges:**
 - The Afghan government as well as Taliban are unwilling for any power sharing.
 - Taliban is even not willing to give up its sanctuaries in Pakistan. Nor will it accept any dilution of the strict Islamic system that it wants to enforce.
 - Also, the Taliban is fragmented or divided internally. It is composed of various regional and tribal groups acting semi-autonomously.
 - Therefore, it is possible that some of them may continue to engage in violence impacting the peace process and dialogue.

Way Forward

- An independent, sovereign, democratic, pluralistic and inclusive Afghanistan is crucial for peace and stability in the region.
- In order to ensure the same, the Afghan peace process should be Afghan-led, Afghan-owned and Afghan-controlled.
- Also, there is a need for the global community to fight against the global concern of terrorism. In this context, it high time to adopt the **Comprehensive Convention on International Terrorism** (proposed by India at UN in 1996).
- Though the new initiative by the USA is a good step, the road ahead would not be easy. Achieving lasting peace in Afghanistan will require patience and compromise among all parties.

GS 3 :Economy, Science and Technology,Environment

3. Public or private? The future of banking in India and US

Opposite trends in India and the US

- While the United States epitomises the private banking model, a nationwide public banking movement is coming into vogue.
- In contrast, India seems to be **quickly warming to the idea of bank privatisation.**

Public or the private?

- The development view sees government presence in the banking sector as a **means to overcome market failures** in the early stages of economic development.
- The government-owned banks **can improve welfare by allocating scarce capital to socially productive uses.**
- The stellar success of Indian PSBs in implementing the PMJDY while missing the mark on creating high-quality credit **highlights a critical divide between the asset and the liability side of a bank.**
- Banks provide two functions at a fundamental level: Payments and deposit-taking on the **liability side** and credit creation on the asset side.
- The **payment services function**, a hallmark of financial inclusion, is similar to a utility business – banks can provide this service, a public good, at a low cost universally.
- The lending side, in contrast, is all about the **optimal allocation of resources** through better credit evaluation and monitoring of borrowers.
- Private banks are more likely to have the **right set of incentives and expertise in doing so.**
- It comes as no surprise that the **PSBs in India are better at providing the public good functions**, whereas private banks seem **better suited for credit allocation.**
- However, the political view argues that vested interests can influence **the lending apparatus** to achieve political goals.
- This **results in distortion of credit allocation** and reduce **allocative efficiency** in government-owned banking systems.

Reasons for privatisation of banks

- Evidences shows that government ownership in the banking sector leads to **lower levels of financial development and growth**
- This led to waves of **banking sector privatisations** that swept emerging markets in the 1990s.
- Cross-country evidence suggests that bank privatisations improved both **bank efficiency and profitability**.

How public banks performed in India

- Public sector Banks (PSBs) dominate Indian banking, controlling over **60 per cent of banking assets**.
- The **private-credit to GDP ratio**, a key measure of credit flow, stands at **50 per cent**, much lower than international benchmarks – in China it is 150 and in South Korea it is 150 per cent.
- India's **Gross NPA ratio was 8.2 per cent in March 2020**, with striking differences across PSBs (10.3 per cent) and private banks (5.5 per cent).
- The end result is **much lower PSB profitability** compared to private banks.
- The rationale for privatisation stems from these considerations.

Way forward

- The **optimal mix of the banking system** across public and private boils down to what you need out of your banking system.
- When the wedge between social and private benefits is large, as with financial inclusion, there is a strong case for public banks.
- At this stage, **inefficiency in capital allocation** seems to be a bigger issue for the Indian banking sector, whereas, in the US, the debate is **centred around the public goods aspects of banking**.

Conclusion

At this stage, inefficiency in capital allocation seems to be a bigger issue for the Indian banking sector, whereas, in the US, the debate is centred around the public goods aspects of banking.

4. What are Quasars?

An international team of astronomers have discovered the most distant 'radio-loud' quasar with the help of the European Southern Observatory's Very Large Telescope (ESO's VLT).

What are Quasars?

- A quasar known as a quasi-stellar object is an extremely luminous active galactic nucleus (AGN), in which a supermassive black hole with mass ranging from millions to billions of times the mass of the Sun is surrounded by a gaseous accretion disk.
- As gas in the disk falls towards the black hole, energy is released in the form of electromagnetic radiation, which can be observed across the electromagnetic spectrum.
- The power radiated by quasars is enormous; the most powerful quasars have luminosities thousands of times greater than a galaxy such as the Milky Way.
- Most active galaxies have a supermassive black hole at the centre which sucks in surrounding objects.
- Quasars are formed by the energy emitted by materials spiralling around a black hole right before being sucked into it.

What makes this event special?

- 90 per cent of quasars do not emit strong radio waves, making this newly-discovered one special.
- It took 13 billion years for the quasar's light to reach earth.
- Named P172+18, the quasar emitted wavelengths had a redshift of 6.8.
- Only three other 'radio-loud' sources with a redshift greater than six have been discovered so far and the most distant one had a redshift of 6.18.
- The higher the redshift of the radio wavelength, the farther away is the source.

5. SATAT Scheme

Oil and Gas Marketing Companies (OGMCs) are inviting potential entrepreneur to procure Compressed Bio Gas (CBG) under the SATAT scheme.

SATAT Scheme

- SATAT stands for Sustainable Alternative Towards Affordable Transportation.
- It is an initiative aimed at setting up Compressed Bio-Gas production plants and makes them available in the market for use in automotive fuels by inviting Expression of Interest from potential entrepreneurs.
- The initiative was launched in October 2018 by the Ministry of Petroleum & Natural Gas in association with the PSUs- Indian Oil Corporation Ltd., Bharat Petroleum Corporation Ltd. and Hindustan Petroleum Corporation Ltd.

Its implementation

- CBG plants are proposed to be set up mainly through independent entrepreneurs.
- CBG produced at these plants will be transported through cascades of cylinders to the fuel station networks of OMCs for marketing as a green transport fuel alternative.
- The 1,500-strong CNG stations network in the country currently serves about 32 lakh gas-based vehicles.
- The entrepreneurs would be able to separately market the other by-products from these plants, including bio-manure, carbon-dioxide, etc., to enhance returns on investment.
- So far 9 CBG plants have been commissioned and started supply of CBG under the scheme.
- These plants are located in Andhra Pradesh (1No.), Gujarat (3 No.), Haryana (1 No.), Maharashtra (3 No.) and Tamil Nadu (1No.).

Benefits of the programme

There are multiple benefits from converting agricultural residue, cattle dung and municipal solid waste into CBG on a commercial scale:

- Responsible waste management, reduction in carbon emissions and pollution
- Additional revenue source for farmers
- Boost to entrepreneurship, rural economy and employment
- Support to national commitments in achieving climate change goals
- Reduction in import of natural gas and crude oil
- Buffer against crude oil/gas price fluctuations

6. Exercise Dustlik-II

Exercise Dustlik-II

- It is a bilateral defence exercise held between the Indian Army And Uzbekistan Army.
- It is named after Dustlik, a town in the Jizzakh region of Uzbekistan.
- The first edition of the exercise, Dustlik-I was held in Uzbekistan, near Tashkent, from November 3-13, 2019.
- Defence Minister Rajnath Singh had flagged off the exercise along with his Uzbek counterpart, Major General Bakhodir Kurbanov in 2019 for the first time.
- The joint exercise focused on counter-insurgency and counter-terrorism operations in urban settings.

Prelims practice Questions

1. Which of the following Indian states share a border with Myanmar?

1. Tripura
2. Manipur
3. Assam
4. Arunachal Pradesh
5. Nagaland
6. Mizoram

Choose the correct option:

- a. 2, 4, 5 and 6 only
- b. 1, 2, 3 and 6 only
- c. 1, 2, 3, 5 and 6 only
- d. 3, 4, 5 and 6 only

Answer: a

Explanation:

- Arunachal Pradesh, Manipur, Mizoram and Nagaland share a border with Myanmar.

2) Food Waste Index Report, 2021 was released recently by?

- a. World Food Programme
- b. UN Environment Programme
- c. Food and Agricultural Organization
- d. International Food Policy Research Institute

Answer : b

- The Food Waste Index Report 2021 released recently has revealed that 17% of all food available at consumer levels was wasted in 2019.

- That year, some 690 million people had to go hungry.
- Contrary to belief, the study by the United Nations Environment Programme (UNEP) revealed that food waste was a global problem and not that of just the developed world.
- The data, though scarce, revealed that food waste was substantial, regardless of income level.

3. Consider the following statements with respect to “Chenda”:

1. It is classified under the avanaddha vadya category.
2. It is a cylindrical instrument widely used in Kerala, Karnataka and Tamil Nadu.

Which of the given statement/s is/are INCORRECT?

- a. 1 only
- b. 2 only
- c. Both 1 and 2
- d. Neither 1 nor 2

Answer: d

Explanation:

- Chenda is a cylindrical percussion instrument widely used in Kerala, Karnataka and Tamil Nadu.
- It is classified in the avannadha vadya category.
- It is an Oordhwaka drum, placed vertically before the musician.

4. What is the conservation status of *Fishing Cats* under IUCN Red List?

- a. Critically Endangered
- b. Endangered
- c. Vulnerable
- d. Near Threatened

Answer : c

Fishing Cats

- The fishing cat is nocturnal (active at night) and apart from fish also preys on frogs, crustaceans, snakes, birds, and scavenges on carcasses of larger animals.
- Fishing cats have a patchy distribution along the Eastern Ghats. They abound in estuarine floodplains, tidal mangrove forests and also inland freshwater habitats.
- Apart from Sundarbans in West Bengal and Bangladesh, fishing cats inhabit the Chilika lagoon and surrounding wetlands in Odisha, Coringa and Krishna mangroves in Andhra Pradesh.
- The first-ever survey of the elusive fishing cat in and around Asia's biggest brackish water lagoon, the Chilika lake in Odisha has launched recently.

5. Which of the following are the right bank tributaries of the River Brahmaputra?

1. Subansiri
2. Kameng
3. Manas
4. Lohit
5. Dhansiri

Choose the correct option:

- a. 1, 2 and 3 only
- b. 3, 4 and 5 only
- c. 1, 3 and 5 only
- d. 2, 3 and 5 only

Answer: a

Explanation:

While Subansiri, Kameng and Manas are the right bank tributaries of the River Brahmaputra, Lohit and Dhansiri are its left bank tributaries.

6. With reference to Equine Herpes Virus (EHV), consider the following statements:

1. EHV is a common DNA virus that occurs in Sheep populations.
2. It can cause neurological problems leading to paralysis and even death.

Which of the statements given above is/are correct?

- A 1 only
- B 2 only
- C Both 1 and 2
- D Neither 1 nor 2

Answer : B

Explanation

- Recently, there has been an outbreak of **Equine Herpes Virus (EHV-1) among horses** in Europe.
 - **Equine Herpes Virus (EHV) is a common DNA virus that occurs in horse populations worldwide. Hence, statement 1 is not correct.**
- EHV can cause manifestations of disease in horses, including respiratory disease, abortion and neonatal death.
 - This strain can also cause **neurological problems, leading to paralysis and in some cases, death. Horses** that contract this virus can develop a lack of coordination, weakness, loss of appetite and are unable to stand. **Hence, statement 2 is correct.**

Mains Practice Questions

1. Explain the significance of the Eastern Ghats for India. Suggest steps that can be taken to conserve the biodiversity of the region (250 Words).

Approach

- Introduce by giving general information (like location, biodiversity) about the Eastern Ghats.
- Explain the significance of the Eastern Ghats for India.
- Write about increasing threat to the Eastern Ghats and degrading forest cover and biodiversity.
- Suggest steps that can be taken to conserve the biodiversity.
Conclude suitably in brief.

2. Model Code of conduct has been a remarkable step in ensuring free and fair elections in India. However, the present digital era has posed challenges to it. Comment.

Approach

- Start the answer by briefly discussing about the Model Code of Conduct.
- Discuss the limitations faced by the model code of conduct in the digital age.
- Conclude Suitably.