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GS 2 : Polity, Governance, International Relations

1. China, Russia look to deepen 'best' ties

Context:

Russia's Foreign Minister Sergei Lavrov is on a key visit to China.

Details:

- The visit comes shortly after the China-U.S. dialogue in Alaska. It follows the first leaders' summit of the Quad (India, Australia, Japan and the U.S.) grouping.
- He asserted that Russia's relations with China were currently at the best in their entire history.
- He argued that the formation of a truly multipolar and democratic world is, unfortunately, being hindered by Western countries, particularly the United States as they seek to continue to dominate at any cost on global economy and politics and impose their will and requirements on others.
- He said, "In response, Russia and China are promoting a constructive and unifying agenda and hope that the international governance system would be fair and democratic, run smoothly and be based on extensive interaction between countries and their integration initiatives,".

Areas of Discussion:

- Both countries are expected to discuss deepening coordination against the threat of sanctions from the West.
- Recently, the EU imposed sanctions on four Chinese officials for human rights violations in Xinjiang, the first sanctions since the 1989 arms embargo.
- Lavrov called on both countries (permanent members of the UN Security Council) to work under the UN framework on the immediate end to unilateral coercive measures and to take the opportunity to enhance their scientific and technological innovation and improve their national strength in response to the sanctions.
- Trade ties are also on the agenda.
 - China is Russia's biggest trade partner.

Note:

- 2021 marks the 20th anniversary of the Treaty of Good-neighbourliness and Friendly Cooperation signed in July 2001.
- This treaty was credited by Russia for deepening strategic relations and creating a model of interaction between Russia and China that is absolutely free from any ideological constraints, not subject to any opportunistic factors nor against any third country.

Strategic Angle:

- Experts in Russia believe that the China-Russia relationship could counterbalance the Quad.
- Russia's continuing close relations with India is a potential destabilising factor for the Quad's potential.
- They believe that India would not destroy its relations with Russia just because it wants to seek courtship with the U.S. to deal with China. From this perspective, if Russia-India relations continue in a stable way, they will to some extent restrain India-US ties from further deepening.

Strategic Triangle:

- As early as December 1998, the then Russian Prime Minister Yevgeny Primakov expressed hope that Russia, China and India could establish a 'strategic triangle' that would be in the interests of peace and security.
- Currently, China and India have undergone twists and turns in their relations due to border tensions.
- Russia has actually played an active role between China and India.
- Russia has maintained relatively close ties with India, which has thereupon become a counterbalance to the Quad group.

2. Amid protests, LS passes GNCTD amendment Bill

Context:

The Lok Sabha passed a Bill that defines that the word government in Delhi means the Lieutenant-Governor (L-G) and makes it mandatory for the elected government in the national capital territory to take the opinion of the L-G before any executive action.

Background:

Administrative tug of war:

- Delhi has been witness to **administrative tug of war between the Delhi government and Delhi Lieutenant Governor (L-G)**. The L-G refused to send files regarding three reserved subjects – land, police and public order – to the Chief Minister’s office.
- Several orders issued by the Delhi government related to matters such as transfer of bureaucrats, setting up of Commissions of Inquiry and the administration of the Anti-Corruption Branch (ACB), were either declared void or reversed by the L-G citing procedural lacunae ranging from lack of approval from his office to not being constitutionally empowered to take such decisions.

Judiciary’s take:

- The issue was taken by the Delhi government to the **Delhi High Court which, in August 2016, held that the L-G had “complete control” of matters related to the NCT** and “nothing will happen without the concurrence of the L-G”. However, the judgment held that the L-G was bound by the aid and advice of the Council of Ministers in some matters. The Delhi government then moved the Supreme Court.
- **A five-judge bench of the Supreme Court held that the “real authority to take decisions lies in the elected government”**. The Court stated that the NCT’s government, needed only to inform the L-G of its “well-deliberated” decisions instead of obtaining his “concurrence” in every issue of day-to-day governance.
- Another two-judge bench hearing the issue of Services – the transfer and posting of bureaucrats – and power over the ACB delivered a split verdict and noted that though the L-G was free to form an opinion on any matter, the L-G should not intervene routinely but only in matters fundamental to Delhi.

Details:

- Under the new bill, **modifications have been proposed to four sections of the Government of National Capital Territory of Delhi Act, 1991**.
 - The amendments seek to **promote “harmonious relations between the legislature and the executive”**.
 - It provides for rules made by the Legislative Assembly of Delhi to be “consistent with the rules of the House of the People” or the Lok Sabha.
 - The Bill seeks to define the responsibilities of the elected government and the Lieutenant Governor along the constitutional scheme of governance of the NCT interpreted by the Supreme Court in recent judgments regarding the division of powers between the two entities.

- The amendments also propose to ensure that the Lieutenant Governor is “necessarily granted an opportunity” to exercise powers entrusted to him under proviso to Clause (4) of Article 239AA of the Constitution.
 - Clause (4) of **Article 239AA of the Constitution** provides for a Council of Ministers headed by a Chief Minister for the NCT to “aid and advise the Lieutenant Governor” in the exercise of his functions for matters in which the Legislative Assembly has the power to make laws.

Concerns:

- Some experts believe that the amendments may render the NCT government to function with **lesser autonomy**.
- The move to render the elected representatives to function with lesser autonomy marks the **taking back of the right of Delhi’s citizens to vote for those they deem fit to administer them**.

Counter view:

- The new bill seeks **to address ambiguities in legislative provisions related to the administration of the National Capital Territory of Delhi**.
- The elected government of Delhi had always been a local administrative body to be headed by the L-G as an administrator and the recent bill only tries to rectify any ambiguities regarding the same.

3. Delhi’s administration as the tail wagging the dog

Context:

- The **Government of National Capital Territory of Delhi (Amendment) Bill, 2021**.

Background:

Governing Delhi:

- When the Constitution came into force, there were four kinds of States, called Parts A, B, C and D States, with the last two being administered by centrally appointed Chief Commissioners and Lieutenant Governors, with no locally elected Assemblies to aid and advise them. Delhi was initially made a Part C State.
- In 1951, a Legislative Assembly was created with an elected Chief Minister.

- In 1956, following the States Reorganisation Act, Delhi became a Union Territory to be administered by an Administrator appointed by the President. The Legislative Assembly of Delhi and the Council stood abolished.
- The Delhi Administration Act, 1966 provided for a limited representative government in Delhi through a Metropolitan Council comprising of predominantly elected members.
- In 1987, the Balakrishnan Committee was set up to recommend with regard to the status to be conferred on Delhi. In 1989, the Committee recommended that Delhi should continue to be a Union Territory but that there must be a Legislative Assembly and Council of Ministers responsible to the said Assembly with appropriate powers. Based on this report, the **Constitution (69th) Amendment Act and the Government of National Capital Territory of Delhi (GNCT) Act, 1991** were passed.
- Between 1991 to date, there have been various instances when the Delhi Assembly has been won by a party other than the ruling party at the Centre. As a result, the Delhi Government and the Union Government have differed on numerous issues. The ensuing fights lead to constitutional questions on Delhi's peculiar government structure being litigated up to the Supreme Court.

Concerns:

- Despite the Central government's justification for the new bill to be able to address the ambiguities in the interpretation of the legislative provisions related to the governance of NCT, there are various concerns associated with the newly introduced bill.

Against the Judiciary's take on the issue:

- The SC bench which looked into the issue had noted that Parliament envisaged a representative form of Government for the NCT of Delhi by providing for New Delhi a directly elected Legislative Assembly which shall have legislative powers over matters falling within the State List and the Concurrent List, barring those excepted.
- The Lieutenant Governor will have to act on the aid and advice of the Council of Ministers except when he decides to refer the matter to the President for a final decision.
- The SC bench which looked into the issue had noted that the **Constitution mandated a federal balance** wherein independence of a certain required degree is assured to the State Governments. A balanced federal structure mandates that the Union does not usurp all powers and the States enjoy freedom without any unsolicited interference from the Central Government with respect to matters which exclusively fall within their domain.

Lack of representative democracy:

- The Government of NCT of Delhi (Amendment) Bill, 2021 effectively **reduces the elected government to a mere vestigial organ and elevates the standing of the centrally appointed LG**. The powers of the elected government in Delhi would be completely dependent on the LG.
- The population of Delhi will have an unrepresentative administration given the powers bestowed upon the appointed LG. The residents of Delhi will not be able to hold accountable an unelected, centrally appointed government functionary.

Against parliamentary form of democracy:

- The Indian constitutional framework has President and Governors, in whose name, the government is run. These nominal heads can do almost nothing by themselves, without the aid and advice of their cabinet of ministers. However, the Lieutenant Governor (LG) of Delhi, will likely be an exception if the given bill is effectuated.
- **Parliamentary democracy, with a cabinet form of government, is part of the basic structure of the Indian Constitution.**

Counterview:

- There have been repeated political demands for full statehood to be granted to Delhi. However, the demand has been denied on previous occasions based on the following arguments.
 - If Delhi became a part of any constituent State of the Union, that State would sooner or later acquire a predominant position in relation to other States.
 - **Keeping the National Capital under the control of the Union Government is deemed to be vital in the national interest.**
 - If Delhi became a full State, the administration of the National Capital would be divided into rigid compartments of the State field and the Union field. Conflicts would likely arise in vital matters, particularly if the two governments were run by different political parties.

4. U.P., M.P. sign agreement on Ken-Betwa interlinking work

Context:

The governments of Uttar Pradesh and Madhya Pradesh have signed an agreement that nudges forward a long-stalled multi-crore, controversial project to link the Ken and the Betwa rivers.

Ken-Betwa interlinking Project:

- The project aims to irrigate the water-deficient Bundelkhand region, spread over both States, and provide electricity.
- The project involves transferring surplus water from the Ken river in Madhya Pradesh to the Betwa in Uttar Pradesh and irrigating 3.64 lakh hectares in the Bundelkhand region of both States.
- The project involves building a 77-metre-tall and a 2-km-wide Dhaudhan dam and a 230-km canal.
- The Centre was originally to fund 90% of the cost (₹37,611 crore in 2018) but a final decision is still outstanding.

Obstacles:

Several obstacles have dogged the project.

- Nearly 8,650 hectares of forest land including part of Panna National Park in Madhya Pradesh will be submerged if the project is to become a reality.
 - It will also have an adverse impact on tiger reserves and wildlife sanctuaries in the region. This has led to widespread opposition from conservationists.
 - It would also affect the habitat of vultures and jackals. After years of protests, however, it was finally cleared by the apex wildlife regulator, the National Board for Wildlife, in 2016.
- There have been disagreements between the two state governments. Eg: disagreement between the States on the share of water.
 - While there is a 2005 agreement between the two States on how water would be shared, Madhya Pradesh says these assumptions are no longer valid and the only way to meet the increased water requirements would be to include local management projects – the Kotha barrage, Lower Orr and Bina complex that were envisaged in the second phase of the project – in the first phase.
 - This would increase project costs.
- The project has been delayed due to political and environmental issues.

In the latest development, the agreement has been signed by both Chief Ministers.

GS 3 : Economy, Science and Technology, Environment

5. Rajya Sabha passes MMDR Amendment

Context:

The Rajya Sabha passed the Mines and Mineral (Development and Regulation) [MMDR] Amendment Bill, 2021.

Provisions:

- The Bill amends the MMDR Act, 1957, which provides a framework for the regulation of the mining sector in India.
- The Bill removes the distinction between captive and non-captive mines and seeks to introduce an index-based mechanism by developing a National Mineral Index (NMI) for statutory payments.
- The National Mineral Exploration Trust (NMET) would see the functioning of the sector, and will be made an autonomous body.
- The bill shall remove restrictions of end-use for future auctions of mineral mining rights, allow operators of existing captive mines to sell up to 50 per cent of minerals extracted in a year.
- It empowers the central government to conduct an auction of mines if state governments do not conduct auctions in a timely manner.

Details:

- The Coal and Mines Minister stated that the amendments will create jobs and allow private players with enhanced technology into the mining sector.
- The Minister said that the mining sector right now contributes 1.75% to the country's GDP but the proposed reforms will raise the contribution to 2.5% as it seeks to make a large number of mines available for auctions by resolving legacy issues.
- He said that the amendment will lead to an increase in the production level of minerals and generate employment, increase revenues and ensure private participation in the exploration and mining activities.

The Mines and Minerals (Regulation and Development) Act

- The Mines and Minerals (Regulation and Development) Act (1957) is an Act of the Parliament of India enacted to regulate the mining sector in India.
- It was amended in 2015 and 2016.
- This act forms the basic framework of mining regulation in India.

- This act is applicable to all minerals except minor minerals and atomic minerals.
 - Mining minor minerals comes under the purview of state governments.
- It details the process and conditions for acquiring a mining or prospecting licence in India.

6. 'Workers in govt. contracts must possess skill certificate'

Context:

The government has decided that all workers executing government contracts must have official certification for their skills.

Issue:

- Government contractors' preference for low-wage informal workers was creating a dichotomy where the government was trying to promote skilling in the workforce without insisting on the use of skilled manpower for its projects.
- The new stipulation would make more people seek certification and influence industry hiring practices, the Ministry said.

Details:

- The Ministry of Skill Development and Entrepreneurship has told all government departments to mandate this requirement for all contracts issued under their watch.
- The government aims to train and certify skilled workers, in contrast to contractors' preference to employ informal workers at lower wages.
- A phase-wise application is being thought about where it could be mandated that up to 10% of the strength of skilled workers utilised in 2021-22 will be certified skilled workers, which would be progressively increased to 100% by 2026-27.

Note:

- As per the Periodic Labour Force Survey of 2018-19, only 2.4% of India's workforce is formally trained.

THE INDIAN EXPRESS

GS 2 : Polity, Governance, International Relations

1. Mizoram's bond with people fleeing Myanmar

Mizoram CM has expressed his sympathies for the people fleeing areas bordering Mizoram. These areas are inhabited by Chin communities who are ethnically Mizo.

Who are the Chin communities?

- The Chin Hills, or the Indo-Chin hill ranges as they are often called, are a mountainous region in north-western Myanmar.
- At an elevation of 2100-3000 metres, this heavily-forested mountain region was the home of numerous tribes that fall under the Zo umbrella.
- The Zo people include all the tribes that come under the Chin-Kuki-Mizo ethnic group spread across Myanmar, India and Bangladesh.
- They include a host of tribes, sub-tribes and clans such as Chin, Kuki, Mizo, Zomi, Paitei, Hmar, Lushei, Ralte, Pawi, Lai, Mara, Gangte, Thadou etc.

Their ethnic origin

- Believed to have originated in China, the tribes migrated through Tibet to settle in Myanmar, and speak a group of the Tibeto-Burman languages.
- But constant feuds among clans of different tribes and their kings (chieftains), drove many of the clans westwards, towards Mizoram and some parts of Manipur, in the 17th century.
- Here the tribes set up new villages and colonies, but even with their new identities, they remain socially and emotionally tied with the Chin tribes of Myanmar.
- When British rule extended towards the Northeast, Mizoram was denoted an "excluded area" and remained outside the administration of the British, governed only by the Scheduled District Act.

Nature of the bond with Mizos

- While they are separated by a 510-km India-Myanmar border, they consider themselves "one people" despite past conflicts: the Indo-Chin people.
- Besides the shared ethnicity, what binds these two peoples together is a shared religion.

- Mizoram is predominantly Christian, as are the Chin people of Buddhist-majority Myanmar.
- Mizoram officials refer to the refugees' status as a Christian minority people in seeking asylum for them, and also the fear of persecution by the junta.
- Rih Dil in Chin state, Myanmar, is a cultural and spiritual lake for the Mizos, deeply revered in folklore, shaping pre-Christian belief of traditional Mizo views of life after death.

How well are the two sides connected?

India's Look East, Act East policy and greater interactions on the border have strengthened an already strong connection between the people on either side of the border.

- The Mizoram-Myanmar border is porous, with very little fencing, if any.
- While the latest influx has been driven by the coup, Myanmar residents have been crossing this open border for decades.
- It is understood that the actual number of refugees is much higher, with more arriving every day.
- In the early 20th century, Mizos from Champhai district and elsewhere migrated to Myanmar, setting up villages in the Kalay-Kabaw valley.
- Many are believed to have joined the Myanmar army for lucrative employment.
- Many Mizo families also migrated to Myanmar in 1966 and 1986, when the Mizo National Front sought secession from India, to escape counter-insurgency operations from the Indian government.

The Free Movement Regime

- The Mizo social fabric spans across the border, which now separates families.
- The two countries have an arrangement called the Free Movement Regime (FMR) that allows locals on either side to go up to 16 km on the other side and stay up to 14 days.
- Thousands regularly cross over on either side for work and to meet relatives, often unofficially and for extended periods.
- Marriages are often arranged across the border.

Trade dependency on Myanmar

- In border trade, Mizoram depends to a large extent on Myanmar for many essential commodities including beef, pork, good quality rice, fruits, and household utensils.
- Mizoram sends across items scarce in Myanmar such as medicines or fertilisers.

What is India's policy on asylum seekers?

- India is not a signatory to the 1951 United Nations Convention and 1967 Protocol Relating to the Status of Refugees, and it does not currently have a national law on refugees.
- In 2011, the Centre circulated to all states and UTs a Standard Operating Procedure to deal with foreign nationals who claimed to be refugees.
- An illegal immigrant can be a foreign national who enters India on valid travel documents and stays beyond their validity or a foreign national who enters without valid travel documents.
- Cases can be justified on grounds of well-founded fears of persecution on account of race, religion, sex, nationality, ethnic identity, membership of a particular social group or political opinion.
- They can be recommended by states or UTs to the Home Ministry for a long-term visa (LTV) after due security verification.

What is happening in Mizoram right now?

- The Mizo Zirlai Pawl, the apex Mizo students body, on February 3 held a sit-in demonstration in Aizawl in solidarity with the people of Myanmar.
- Several Mizo village council authorities have issued letters and statements affirming their willingness to accommodate Chin refugees.
- The CM gave an assurance in the Assembly that the state government would be ready to provide assistance to civilians fleeing the Myanmar regime.

Way ahead

- With the swell of sympathy among Mizos for the fleeing Chin people and increasing pressure on the state government, it is unlikely that Mizoram will back down any time soon – unless the Centre devises a way out.

2. Applying lessons from India-Bangladesh ties to relations with Pakistan

Indo-Bangladesh relations

- Prime Minister of India will travel to Dhaka this week to commemorate Bangladesh's Declaration of Independence from Pakistan 50 years ago.
- From being one of the **world's poorest countries in 1972**, Bangladesh is now racing to be in **the world's top 25 economies** by the end of this decade.
- It is also a time for deeper reflection – on the inability of the region to come to a closure on the two Partitions of the subcontinent, the first in 1947 and the second in 1971.

- Delhi and Dhaka have started finding ways to overcome the tragedy of the Partition to chart a new course of bilateral and regional cooperation.
- Prime Minister Sheikh Hasina has provided strong leadership in advancing ties with India over the last decade and more.
- Recently the Indian government mobilised enough political support to get a boundary settlement agreement with Bangladesh approved by the Parliament.
- India also backed an international tribunal's award resolving the **maritime territorial dispute with Bangladesh**.
- The steady improvement in bilateral relations over the last decade has reflected in **growing trade volumes, expanding trans-border connectivity, mutual cooperation on terrorism, and widening regional cooperation**.

Applying lessons from Indo-Bangladesh relations to Indo-Pak relations

- Positive changes in India's relations with Pakistan have been elusive.
- Hopes have been rekindled by the agreement late last month between the two military establishments to a ceasefire on the border and to address each other's concerns.
- Following are the lessons we can learn and apply productively to Indo-Pak relations

1) Importance of political stability

- First lesson is the importance of **political stability and policy continuity** that have helped Delhi and Dhaka deepen bilateral ties over the last decade.
- In contrast, the political cycles in Delhi and Islamabad have **rarely been in sync**.
- Pakistan's mainstream civilian leaders have all supported engagement with India.
- In fact, it is **the military that is yet to make up its collective mind**.

2) Concerns for mutual security

- **Cooperation in countering terrorism** built deep mutual trust between Dhaka and Delhi.
- That trust helped deal with many complex issues facing the relationship.
- In the case of Pakistan, its army has sought to use cross-border terrorism as a political lever to compel India to negotiate on Kashmir.
- If sponsoring terror seemed a smart strategy in the past, it has now become the **source of international political and economic pressure on Pakistan**.

3) Depoliticise national economic interests

- Delhi and Dhaka have steadily moved forward on issues relating to **trade, transit and connectivity** by dealing with them on their own specific merits.
- Pakistan, on the other hand, has made sensible bilateral commercial cooperation and regional economic integration **hostages to the Kashmir question.**
- It is not clear if Pakistan is ready to separate the two and expand trade ties while talking to India on Kashmir.

Conclusion

Both India and Pakistan need to recognise the importance of pursuing the national well being through regional cooperation. That is exactly what Bangladesh has done in the last decade.

GS 3 :Economy, Science and Technology,Environment

3. Bad bank is good move

How India banks dealt successfully with pandemic

- Indian banks **were written off** in the early days of the pandemic due to expectations of an **exponential jump in non-performing assets.**
- Only after the banks consistently talked about the **lower number of restructuring requests,** and the higher **provision coverage ratios** that the markets began to get convinced.
- What finally turned the corner were the budget announcements related to the financial sector
- There are several reasons for this good performance by the banks.
- First, banks in India and globally were **much better capitalised** prior to the pandemic.
- Second, Indian banks had built up a **sizeable buffer to provide for bad assets negating any surprise** on balance sheets during and even after the pandemic.
- Third, independent research shows that as the size of the middle class grows to about two-thirds of Asian households.
- Banks in Asia, including in India, have begun to adjust for this steady growth in the size of pie by experimenting with new business models, rationalising costs and providing faster and superior customer digital experience, as was clear during pandemic.

- Fourth, Indian banks and the RBI brought about **financial discipline** much before the pandemic.

Creation of Bad Bank

- The budget this year has the provision for reation of a bad bank.
- The proposed structure envisages setting up of a **National Asset Reconstruction Company (NARC)** to acquire stressed assets in an aggregated manner from lenders, which will be resolved by the **National Asset Management Company (NAMC)**.
- A skilled and professional set-up dedicated for Stressed Asset Resolution will be ably supported by attracting institutional funding in stressed assets through **strategic investors, AIFs, special situation funds, stressed asset funds**, etc for participation in the resolution process.
- The net effect of this approach would be to build an open architecture and a **vibrant market for stressed assets**.

How it will work

- Banks may first transfer those assets to the proposed bad bank with a 100 per cent provision on its book and then based on the experience they will decide on transferring assets with less than 100 per cent provisioning at a later date.
- It is also being speculated that of the total amounts recovered, a specified percentage **will be in the form of security receipts**.
- These receipts will reside in the bank balance sheets, but will **carry a zero-risk weight**, with full government guarantees for a specified period of time.

How it will benefit the banks

- The benefits of this process includes the **recovered value, and significant lending leverage** because of three factors:
- One, **capital being freed up** from less than fully provisioned bad assets.
- Two, capital freed up from security receipts because of a sovereign guarantee.
- Three, cash receipts that come back to the banks and can be **leveraged for lending**, also freeing up provisions from the balance sheet.
- There are several international success stories of a bad bank accomplishing its mission and there is no reason to believe why India cannot accomplish its objective.
- The current Indian approach will drive **consolidation of stressed assets under the AMC** for better and faster decision making.
- This will free up **management bandwidth of banks** enabling them to focus on credit growth, leading to an enhancement in their valuations.

- **Governance of the AMC and its independence** is central to its successful functioning, there are multiple suggestions to make.
- These include keeping **majority ownership in the private sector**, putting together a **strong and independent board**, a professional team, and **linking AMC compensation to returns delivered to investors**.

Conclusion

The creation of a bad bank will help the banking sector contribute more in the growth of the country

4. Ken-Betwa Link Project (KBLP)

In the presence of PM and Jal Shakti Minister, the CMs of Madhya Pradesh and Uttar Pradesh have signed an agreement to implement the Ken Betwa Link Project (KBLP).

What is the Ken Betwa Link Project?

- The Ken-Betwa Link Project is the first project under the National Perspective Plan for the interlinking of rivers.
- Under this project, water from the Ken River will be transferred to the Betwa river. Both these rivers are tributaries of the river Yamuna.
- The project is expected to provide annual irrigation of 10.62 lakh hectares, drinking water supply to about 62 lakh people and also generate 103 MW of hydropower.

The Project has two phases:

- Under Phase-I, one of the components – Daudhan dam complex and its appurtenances like Low Level Tunnel, High Level Tunnel, Ken-Betwa link canal and Power houses – will be completed.
- While in the Phase-II, three components – Lower Orr dam, Bina complex project and Kotha barrage – will be constructed.

Regions benefitting from KBLP

- The project lies in Bundelkhand, a drought-prone region, which spreads across 13 districts of Uttar Pradesh and Madhya Pradesh.
- It will be of immense benefit to the water-starved region of Bundelkhand, especially in the districts of Panna, Tikamgarh, Chhatarpur, Sagar, Damoh,

Datia, Vidisha, Shivpuri and Raisen of Madhya Pradesh and Banda, Mahoba, Jhansi and Lalitpur of Uttar Pradesh.

- It will pave the way for more interlinking of river projects to ensure that scarcity of water does not become an inhibitor to development in the country.

What about the Panna tiger reserve?

- Out of the 6,017 ha of forest area coming under submergence of Daudhan dam of Ken Betwa Link Project, 4,206 ha of the area lies within the core tiger habitat of Panna Tiger Reserve.

Previous examples of river-linking

- In the past, several river linking projects have been taken up. For instance, under the Periyar Project, the transfer of water from the Periyar basin to the Vaigai basin was envisaged.
- It was commissioned in 1895.
- Similarly, other projects such as Parambikulam Aliyar, Kurnool Cudappah Canal, Telugu Ganga Project, and Ravi-Beas-Sutlej were undertaken.

Recent developments on the interlinking of rivers in India

- In the 1970s, the idea of transferring surplus water from a river to a water-deficit area was mooted by the then Union Irrigation Minister Dr K L Rao.
- Rao, who himself was an engineer, suggested the construction of a National Water Grid for transferring water from water-rich areas to water-deficit areas.
- Similarly, Captain Dinshaw J Dastur proposed the Garland Canal to redistribute water from one area to another.
- However, the government did not pursue these two ideas further.

The National Perspective Plan

- It was in August, 1980 that the Ministry of Irrigation prepared a National Perspective Plan (NPP) for water resources development envisaging inter-basin water transfer in the country.
- The NPP comprised two components: (i) Himalayan Rivers Development; and (ii) Peninsular Rivers Development.
- Based on the NPP, the National Water Development Agency (NWDA) identified 30 river links – 16 under the Peninsular component and 14 under the Himalayan Component.
- Later, the river linking idea was revived under the then Vajpayee Government.

Clearances required for a river-linking project

- Generally, 4-5 types of clearances are required for the interlinking of river projects.
- These are Techno-economic (given by the Central Water Commission); Forest Clearance and Environmental clearance (Ministry of Environment & Forests); Resettlement and Rehabilitation (R&R) Plan of Tribal Population (Ministry of Tribal Affairs) and Wildlife clearance (Central Empowered Committee).

5. Coalition for Disaster Resilient Infrastructure

Why in News

Recently, the Prime Minister addressed the opening ceremony of International Conference on Disaster Resilient Infrastructure (ICDRI) through video conference.

- **ICDRI is the annual international conference of the Coalition for Disaster Resilient Infrastructure (CDRI)** in partnership with member countries, organizations and institutions to strengthen the global discourse on disaster and climate resilient infrastructure.

Key Points

- **About:**
 - The **Coalition for Disaster Resilient Infrastructure (CDRI)** is a **multi-stakeholder global partnership** of national governments, UN agencies and programmes, multilateral development banks and financing mechanisms, the private sector, and knowledge institutions.
 - The **Prime Minister of India launched CDRI** during his speech at the **UN Climate Action Summit** on 23rd September 2019.
 - It **aims** to promote the resilience of new and existing infrastructure systems to climate and disaster risks in support of sustainable development.
 - **Members:** 22 countries and 7 organisations.
 - **Thematic Areas:** Governance and Policy, Risk Identification and Estimation, Standards and Certification, Capacity building, Innovation & Emerging Technology, Recovery and Reconstruction, Finance and Community based approaches.
 - The CDRI **Secretariat is based in New Delhi, India.**
- **Need:**
 - The **Sendai Framework for Disaster Risk Reduction (SFDRR)** highlights the role of improved disaster resilience of infrastructure as a cornerstone for sustainable development.
 - The SFDRR **includes four specific targets** related to loss reduction:
 1. Reduce global disaster mortality;
 2. Reduce the number of affected people;

3. Reduce direct disaster economic loss; and
 4. Reduce disaster damage to critical infrastructure.
- Target (4) on infrastructure is an important prerequisite to achieving the other loss reduction targets set out in the framework.
 - Between 2016 and 2040, the **global annual infrastructure investment needs are estimated at USD 3.7 trillion per year**. Thus, there is a clear case for ensuring that all future infrastructure systems are resilient in the face of disasters in order to protect our investments.
- **Significance for India:**
 - Provide a platform for **India to emerge as a global leader on climate Action and Disaster Resilience**.
 - CDRI boosts India's soft power, but more importantly it has wider connotation than just economics, as synergy between disaster risk reduction, **Sustainable Development Goals (SDGs)** and Climate Accord provides for sustainable and inclusive growth.
 - Complement the **International Solar Alliance (ISA)**.
 - Facilitate **India's support to resilient infrastructure in Africa, Asia, etc.**
 - Provide **access to knowledge, technology and capacity development** for infra developers.
 - Create **opportunities for Indian infrastructure & technology firms** to expand services abroad.

6. New Committee to Screen New Bank Licences

Why in News

The **Reserve Bank of India (RBI)** has set up a five-member **Standing External Advisory Committee (SEAC)**, headed by former RBI Deputy Governor Shyamala Gopinath, for evaluating applications for universal banks and **Small Finance Banks (SFBs)**.

- **The Standing External Advisory Committee (SEAC)** will be comprising eminent persons with experience in banking, financial sector and other relevant areas.

Key Points

- **About the Committee:**
 - **Tenure:** The committee will have a tenure of three years.

- **Secretariat of the Committee:** The secretarial support to the committee would be provided by RBI's Department of Regulation.
- **Functions:** The applications for universal banks and SFBs will first be evaluated by the RBI to ensure prima facie eligibility of the applicants, after which the SEAC will evaluate the applications.
- **Small Finance Banks (SFBs):**
 - Small Finance Banks are the financial institutions which provide **financial services to the unserved and unbanked region** of the country.
 - They are registered as a public limited company under the Companies Act, 2013.
 - **Scope of Activities:**
 - The small finance bank shall primarily undertake **basic banking activities of acceptance of deposits and lending** to small business units, small and marginal farmers, micro and small industries and unorganised sector entities.
 - It can also undertake other **non-risk sharing simple financial services activities**, not requiring any commitment of own funds, such as the distribution of mutual fund units, insurance products, pension products, etc.
 - The small finance bank can also become an **Authorised Dealer in foreign exchange business** for its clients' requirements.
 - There will **not be any restriction in the area of operations of SFBs**; however, preference will be given to those applicants who, in the initial phase, set up the bank in a cluster of under-banked States/districts, such as in the North-East, East and Central regions of the country.
- **Universal Banks:**
 - Universal Banks are the financial entities like **the commercial banks, Financial Institutions, Non-Banking Financial Companies (NBFCs)**, which undertake multiple financial activities under one roof, thereby creating a financial supermarket.
 - The entities focus on leveraging their large branch network and offer a wide range of services under a single brand name/Bank's name.
 - According to the guidelines on **on-tap licensing of universal banks** issued in August 2016, resident individuals and professionals having 10 years of experience in banking and finance at a senior level are eligible to promote universal banks.
 - However, large industrial houses are excluded as eligible entities but are permitted to invest in the banks up to 10%.
 - A **non-operative financial holding company (NOFHC)** has been made non-mandatory in case of promoters being individuals or

standalone promoting/converting entities who/which do not have other group entities.

▪ **Related Development:**

- Earlier, an internal working group of the RBI in 2020 had proposed an **overhaul of licensing policy for private banks** and suggested **allowing large corporate and industrial houses to float banks** in India after suitable amendments to the **Banking Regulation Act, 1949**.
 - However, former RBI Governor Raghuram Rajan has criticised the proposal saying it would lead to **“connected lending (a situation in which the bank's controlling owner extends loans of inferior quality at lower interest rates to himself or his connected parties)”**.

Non-Operative Financial Holding Company

- Non-Operative Financial Holding Company (NOFHC) means a **non-deposit taking NBFC**.
- As per the Banking Guidelines, promoter or promoter group will be permitted to set up a new bank only through a wholly-owned Non-operative Financial Holding Company (NOFHC).
- Such NOFHC holds the Bank as well as all other financial services companies regulated by RBI or other financial sector regulators based on permissible regulatory prescriptions.

On-tap Licensing of Universal Bank

- An 'on-tap' facility means the RBI will accept applications and grant licenses for banks throughout the year.
- The policy allows aspirants to apply for universal bank license at any time, subject to the fulfillment of the set conditions.

Prelims Practice Questions

1. Lachit Borphukan is associated with which of the following?

- a. Battle of Itakhuli
- b. Battle of Saraighat
- c. Battle of Khongjom
- d. Gorkha War

Answer: b

Explanation:

- Lachit Borphukan was a commander in the Ahom dynasty, located in present-day Assam.
- He showed exemplary leadership in the Battle of Saraighat (1671).
- The Battle of Saraighat was a naval battle fought between the Mughal Empire and the Ahom Kingdom.

2. Which of the following are included in the UNESCO List of Intangible Cultural Heritage of Humanity?

1. Jallikattu
2. Kumbh mela
3. Traditional vedic chanting
4. Kalbelia song and dance

Select the correct answer using the code given below:

- A 1 and 2 only
B 2 and 3 only
C 1 and 3 only
D 2, 3 and 4

Answer : D

Explanation

- **UNESCO List of Intangible Cultural Heritage of Humanity** is a coveted list made up of those intangible heritage elements that help demonstrate diversity of cultural heritage and raise awareness about its importance.
- The list was established in 2008 when the Convention for Safeguarding of the Intangible Cultural Heritage came into effect.
- From India the Intangible Cultural Heritages added into this list include:
 1. **Tradition of Vedic chanting**
 2. Ramlila, the traditional performance of the Ramayana
 3. Kutiyattam, Sanskrit theatre
 4. Ramman, religious festival and ritual theatre of the Garhwal Himalayas.
 5. Mudiyetu, ritual theatre and dance drama of Kerala
 6. **Kalbelia folk songs and dances of Rajasthan**
 7. Chhau dance

8. Buddhist chanting of Ladakh: recitation of sacred Buddhist texts in the trans-Himalayan Ladakh region, Jammu and Kashmir.
 9. Sankirtana, ritual singing, drumming and dancing of Manipur
 10. Traditional brass and copper craft of utensil making among the Thatheras of Jandiala Guru, Punjab
 11. Yoga
 12. Nawruz
 13. **Kumbh Mela**
- The **Jallikattu** is a popular bull taming sport held in Pongal in Tamil Nadu. It is not included under UNESCO List of Intangible Cultural Heritage of Humanity. **Hence, option D is correct.**

3. Muria tribe belongs to which state?

- a. Mizoram
- b. Assam
- c. Chhattisgarh
- d. West Bengal

Answer: c

Explanation:

The Muria are scheduled tribes of the Bastar district of Chhattisgarh.

4. With reference to the 'Battle of Saraighat' consider the following statements:

1. The battle was fought between Ahoms and Mughals.
2. The battle was fought on the banks of river Brahmaputra.

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 : C

Explanation

- **Lachit Borphukan** was born on 24th November, 1622. Borphukan was known for his leadership in the **Battle of Saraighat**, 1671 in which an attempt by Mughal forces to capture Assam was thwarted.
 - He was the inspiration behind strengthening India's naval force and revitalising inland water transport and creating infrastructure associated with it due to his great naval strategies.
 - It is considered as one of the greatest naval battles on a river which resulted in the victory of Ahoms over the Mughals. **Hence, statement 1 is correct.**
- The **battle of Saraighat** was fought on the **banks of the Brahmaputra** in Guwahati in 1671. **Hence, statement 2 is correct.**

5. Consider the following statements with respect to Whitsun Reef:

1. It is a reef in the Spratly Islands of the South China Sea.
2. It is a V-shaped reef.
3. It is a part of the ongoing maritime dispute between China and the Philippines.

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

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

Answer: a

Explanation:

- Whitsun Reef is a reef in the Spratly Islands of the South China Sea. It is a V-shaped reef.
- It is a part of the ongoing maritime dispute between China and the Philippines.

6. Consider the following statements:

1. Gram UJALA Programme is a scheme that offers cheap LED bulbs in rural areas.

2. The Gram Ujala Programme will be financed entirely through subsidy from the Ministry of Power.

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 : A

Explanation

- Recently, the Government has launched the **Gram UJALA Programme** - an ambitious scheme **offering the world's cheapest LED bulbs in rural areas** at a mere Rs. 10. **Hence, statement 1 is correct.**
 - In its first phase launched from Arrah in Bihar, 15 million LED bulbs will be distributed across villages of 5 districts - Aarah (Bihar), Varanasi (Uttar Pradesh), Vijayawada (Andhra Pradesh), Nagpur (Maharashtra), and villages in western Gujarat.
- The light-emitting diode (LED) is one of today's most energy-efficient and rapidly-developing lighting technologies.
- The programme will be **financed entirely through carbon credits** and will be the first such programme in India. **Hence, statement 2 is not correct.**
 - The revenue earned from carbon credits will contribute Rs. 60 per LED bulb piece, with the balance Rs. 10 to be paid by the rural consumer.

Mains Practice Questions

1. "Sub-categorisation of reserved classes in India is needed for more inclusive affirmative actions." Discuss the statement in the light of the recent judgement of the Supreme Court. (250 words)

Approach

- Write in brief about affirmative actions in India.
- Explain in brief the recent judgement by the Supreme Court of India on sub categorisation of reserved classes.
- Discuss the need for the sub-categorisation of reserved classes.
- Conclude with a way forward.

2. "The poverty line in India may not permit a comfortable existence, but allows above subsistence existence". Critically examine the concept of poverty line in India. (250 words)

Approach

- Give a brief introduction of the concept of poverty line in India.
- Discuss the significance and issues related with the concept of poverty line.
- Provide a way forward to solve the problem of malnutrition and poverty.
- Conclude suitably.