

## **29<sup>th</sup> Nov -5th Dec Weekly Compilation**

### **(The Hindu+ Indian Express + PIB + Other World Wide News)**

#### **❖ Namda Craft**

**(Source: PIB)**

**Why in News:** Ministry of Skill Development & Entrepreneurship launched two projects—

- Revival of Namda craft of Kashmir as a special pilot project under Pradhan Mantri Kaushal Vikas Yojana (PMKVY) 3.0
- Upskilling of artisans and weavers of Kashmir under Recognition of Prior Learning (RPL), component of PMKVY.

#### **About Namda Craft**

- Namda craft of Kashmir is a rug made of sheep wool through felting technique instead of normal weaving process.
- Due to low availability of raw material, lack of skilled manpower and marketing techniques, the export of this craft has declined almost 100 percent between 1998 and 2008.
- Therefore, through this special project under PMKVY, the Ministry of Skill Development and Entrepreneurship (MSDE) has designed short-term training curriculum to preserve this endangered craft.
- The objective of these projects is to boost and preserve the traditional Namda craft of Kashmir and upskill the local weavers and artisans to enhance their productivity through RPL assessment and certification.
- The Namda project will benefit 2,250 people of 30 Namda Clusters and RPL initiative targets to upskill 10,900 artisans and weavers of Jammu and Kashmir.
- This will also improve the access of existing artisans of Namda crafts cluster in Kashmir and will improve their prospects of employability.

## ❖ **National Multidimensional Poverty Index**

**(Source: PIB)**

**Why in News:** The National MPI Project is aimed at deconstructing the Global MPI and creating a globally aligned and yet customised India MPI for drawing up comprehensive Reform Action Plans with the larger goal of improving India's position in the Global MPI rankings.

- Under the Cabinet Secretary's Global Indices for Reforms and Growth (GIRG) initiative, the country's performance is being monitored across 29 global indices including Human Development Index (HDI), Global Hunger Index (GHI), Global Competitiveness Index (GCI), Human Capital Index (HCI), Global Innovation Index (GII), among others.
- This exercise is aimed at leveraging the monitoring mechanism of important social, economic, and other internationally recognised indices, enabling the utilisation of these indices as tools for bringing about reforms to improve outcomes and correspondingly reflect them in India's performance in these indices globally.
- NITI Aayog is the nodal Ministry for the Multidimensional Poverty Index (MPI). According to Global MPI 2021, India's rank is 66 out of 109 countries.

**Preliminary observations from the summary data factsheets of NFHS 5 (2019-20) are encouraging.**

- They suggest improvement in access to clean cooking fuel, sanitation, and electricity which translates to reduction in deprivation.
- Additionally, the State reports released for 22 States and UTs suggest reduction in deprivation in school attendance, drinking water, bank accounts and housing.
- These improvements indicate an overall direction of significant reduction in the incidence of multidimensional poverty in the forthcoming index based on NFHS 5 (2019-20) household micro data.

## ❖ **Women's Involvement in Science and Engineering Research (WISER) program**

**Why in News:** A first-of-its-kind programme to promote women in the field of research and development through lateral entry has been launched yesterday – Women's Involvement in Science and Engineering Research (WISER) program by Indo-German Science & Technology Centre (IGSTC) for encouraging women researchers in joint R&D projects.

- Will support women scientists holding regular/long term research positions in academia or research institutes/industry.
- The involvement in the program will be possible through lateral entry.
- There is neither requirement of break-in-career nor any age limit, and it will enable easy participation.
- IGSTC is going to support the awardees with a maximum amounting to Rs. 39 L from the Indian side & € 48000 from the German side. WISER program offers 20 awards per year.

## ❖ U.S. to cut spending on NATO budget

(Source :The Hindu)

**Why in News:** Mr. Trump has repeatedly criticised European members for *freeloading on the U.S., singling out Germany — the continent’s economic powerhouse —* for lagging behind on an alliance commitment to spend at least 2% of GDP on defence.

**What is NATO?**



**NATO**

Year founded:

**1949**

NATO has **2** official languages  
(English and French)

Number of member nations: **29**

Article **5** lays out the principle of  
collective defense

Number of members  
without an army: **1** (Iceland)

- NATO is an alliance of 28 countries bordering the North Atlantic Ocean. It includes the United States, most European Union members, Canada, and Turkey. NATO is an acronym for the **North Atlantic Treaty Organization**.

#### Headquarters:

- **Brussels, Belgium**

#### Budget:

- The **United States contributes three-fourths** of NATO's budget. During the 2016 presidential campaign, Donald Trump said other NATO members should spend more on their military. Only four countries reach the targeted spending of **2 percent of gross domestic product**. They are the United States, the United Kingdom, Greece, and Estonia.

❖ **Nod for defence purchase worth ₹22,800 cr. (Source: The Hindu)**

**Why in News:** The Defence Acquisition Council (DAC), chaired by Defence Minister Rajnath Singh, met on Thursday and approved the procurement of weapons and equipment worth ₹22,800 crore.

Among them are six additional P-8I long-range patrol aircraft to be procured from the U.S. for the Navy and additional indigenous Airborne Warning and Control System (AWACS) aircraft for the Indian Air Force (IAF).

- As a follow-up to the successful indigenous Airborne Early Warning and Control (AEW&C) programme, the DAC revalidated the Acceptance of Necessity (AoN) for the procurement of additional AWACS aircraft.
- “The mission system and sub-systems for these aircraft would be indigenously designed, developed and integrated into the main platform by the Defence Research and Development Organisation (DRDO).”

#### When was the necessity felt ?

- The IAF now operates three Israeli Phalcon AWACS and three smaller indigenous Netra AEW&C systems mounted on Embraer aircraft. A shortage of these force multipliers was

felt during the aerial engagement with the Pakistan Air Force, a day after the Balakot air strike in February.

- These platforms would provide on-board command and control and 'early warning', which would assist the IAF in achieving effective air space dominance in the least possible time, the statement said. The new systems are likely to be mounted on Airbus aircraft.

### **Everything about P-8I AIRCRAFT:**

- P-8I is a long-range, multimission maritime patrol aircraft manufactured by Boeing, for the Indian Navy.
- It is a variant of the P-8A Poseidon operated by the US Navy. P-8I is intended to replace the ageing fleet of Tupolev Tu-142 aircraft that are in service with the Indian Navy.
- The P-8I aircraft was designed to protect the vast coastline and territorial waters of India.

### **Functions:**

- It can conduct anti-submarine warfare (ASW), anti-surface warfare (AsuW), intelligence, maritime patrol, and surveillance and reconnaissance missions.

### **❖ MLC disqualified for being appointed as a Minister (Source: The Hindu)**

**Why in News:** The Karnataka High Court has held that Vishwanath stands disqualified under the anti-defection law and hence cannot be inducted into the state cabinet.

- The High Court held that AH Vishwanath has incurred disqualification under Article 164(1B) and Article 361 B of the Indian Constitution.

### **Article 164(1B):**

- It states that a member of Legislative Assembly of a State or either House of the Legislature of a State having Legislative Council, belonging to any political party, if disqualified as a member of the Assembly, shall also be disqualified to be appointed as a Minister for the period of their disqualification.

What's the issue?

A petition was filed in the court alleging that AH Vishwanath had been appointed as members of the Legislative Council for the sole purpose of making them ministers, despite the fact that Vishwanath had lost the bye-polls.

- The petitioner argued that he was still disqualified as per the Supreme Court judgement on November 19, which upheld former Assembly Speaker Ramesh Kumar's orders for disqualification.
- The plea maintained that a disqualified member can become eligible to hold the position of a minister only if they win the bye-elections from the same constituency.

### **Background:**

#### **Article 361B- Disqualification for appointment on remunerative political post:**

- A member of a House belonging to any political party who is disqualified for being a member of the House under paragraph 2 of the Tenth Schedule shall also be disqualified to hold any remunerative political post for duration of the period commencing from the date of his disqualification till the date on which the term of his office as such member would expire or till the date on which he contests an election to a House and is declared elected, whichever is earlier.

### **❖ Four Pronged Strategy on Srilanka Crisis**

**(Source: The Hindu)**

**Why in News:** Recently, India and Sri Lanka agreed to a four-pronged approach to discuss initiatives on food and energy security to help mitigate Sri Lanka's economic crisis.

- Earlier this year, Sri Lanka declared an economic emergency amid rising food prices, a depreciating currency, and rapidly depleting forex reserves.



## Key Points

### ▪ Four-Pillar Initiative Comprises:

- **Lines of credit:** Lines of credit for food, medicines and fuel purchases granted by India.
  - Lines of credit is a credit facility extended by a bank or any other financial institution to a government, business or an individual customer, that enables the customer to draw the maximum loan amount.
- **Currency Swap:** A currency swap agreement to deal with Sri Lanka's balance of payment issues.
  - The word swap means exchange. A currency swap between the two countries is an agreement or contract to exchange currencies with predetermined terms and conditions.
- **Modernisation Project:** An early modernisation project of the Trinco oil farms that India has been pursuing for several years.
  - The Trincomalee Harbour, one of the deepest natural harbours in the world, was developed by the British during World War II.
  - In particular, the projects to develop oil infrastructure in Trincomalee have been hanging fire since 2017.
- **Indian Investments:** A Sri Lankan commitment to facilitate Indian investments in various sectors.

### India - Sri Lanka Relations:

- **Background:** India-Sri Lanka relationship is more than 2,500 years old and both sides have built upon a legacy of intellectual, cultural, religious and linguistic intercourse.
- **Support Against Terrorism:** During the course of the civil war, India supported the right of the Government of Sri Lanka to act against terrorist forces.
- **Support For Rehabilitation:** The Indian Housing Project is Government of India's flagship project of developmental assistance to Sri Lanka. Its initial commitment is to build 50,000 houses for those affected by the civil war as well as for the estate workers in the plantation areas.

### ❖ Public Accounts Committee

(Source: Indian Express)

**Why in News :** Recently, the Public Accounts Committee (PAC) has completed 100 years.

PAC is one of the three Financial Parliamentary committees, the other two are the Estimates Committee and the Committee on Public Undertakings.

Parliamentary committees draw their authority from Article 105 (on privileges of Parliament members) and Article 118 (on Parliament's authority to make rules for regulating its procedure and conduct of business).

### Key Points

#### **PAC:**

#### **Establishment:**

The Public Accounts Committee was introduced in 1921 after its first mention in the Government of India Act, 1919 also called Montford Reforms.

The Public Accounts Committee is now constituted every year under Rule 308 of the Rules of Procedure and Conduct of Business in Lok Sabha.

#### **Appointment:**

The Chairman of the Committee is appointed by the Speaker of Lok Sabha.

It is to be noted that the Committee, not being an executive body, can only make decisions that are advisory by nature.

#### **Members:**

It presently comprises 22 members (15 members elected by the Lok Sabha Speaker, and 7 members elected by the Rajya Sabha Chairman) with a term of one year only.

#### **Purpose:**

It was framed with the purpose of ascertaining whether money granted to the Government by the Parliament has been spent by the former within the "scope of demand" or not, the PAC restricts any Minister from being elected as a member of it.

#### **Functions:**

To examine the accounts showing the appropriation of the sums granted by the House to meet the expenditure, the annual Finance Accounts of the government and, Such other accounts laid before the House as the Committee may think fit except those relating to such Public Undertakings as are allotted to the Committee on Public Undertakings.



## ❖ **ARCs for Agriculture Sector**

**(Source: Indian Express)**

**Why in News:** To improve recovery of bad loans in the agriculture sector, leading banks have made a pitch for setting up an Asset Reconstruction Company (ARC) specifically to deal with collections and recovery of farm loans.

With a government-backed ARC having been recently set up to deal with bank NPAs to the industry, this idea has acceptability among banks.

Some member banks of the Indian Banks' Association suggested the need for the Central government to bring legislation on agriculture land somewhat like the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act, 2002.

### **Key Points**

#### **About the Asset Reconstruction Company (ARC):**

**Objective:** It is a specialized financial institution that buys the Non-Performing Assets (NPAs) from banks and financial institutions so that they can clean up their balance sheets.

This helps banks to concentrate in normal banking activities. Banks, rather than going after the defaulters by wasting their time and effort, can sell the bad assets to the ARCs at a mutually agreed value.

**Legal Basis:** The SARFAESI Act, 2002 provides the legal basis for the setting up of ARCs in India. The Act helps reconstruction of bad assets without the intervention of courts. Since then, a large number of ARCs were formed and were registered with the Reserve Bank of India (RBI) which has got the power to regulate the ARCs.

**Funding:** To meet its funding requirements, an ARC can issue bonds, debentures and security receipts.

#### **National Asset Reconstruction Company Limited (NARCL):**

In the Budget 2021-22, ARC has been proposed to be set up by state-owned and private sector banks, and there will be no equity contribution from the government.

The ARC, which will have an Asset Management Company (AMC) to manage and sell bad assets, will look to resolve stressed assets of Rs. 2-2.5 lakh crore that remain unresolved in around 70 large accounts. This is being considered as the government's version of a bad bank.

## **Need of ARC for Farm Loans:**

**NPAs of Banks:** As per the latest Financial Stability Report, June 2021, banks' gross NPA ratio for the agriculture sector was at 9.8%, whereas for industry and services it was at 11.3% and 7.5%, respectively, At March-end 2021.

**Outstanding Loans:** As per data from the 'Situation Assessment of Agricultural Households and Land Holdings of Households in Rural India, 2019, even as the percentage of agricultural households indebted has come down from 52% in 2013 to 50.2% in 2019, the average debt has jumped by more than 57% from Rs 47,000 in 2013 Rs 74,121 in 2019.

The survey data shows that 69.6 % of the outstanding loans by agricultural households were taken from institutional sources such as banks, cooperative societies, and other government agencies. The survey is conducted by the National Statistical Office's (NSO).

**IQRA IAS** an Institute for Civil Services

