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RBI Norms for Co-origination of Loans

The Reserve Bank of India (RBI) has released the guidelines on co-origination (a form of loan participation where two or more lenders lend money to a borrower) of loans by banks and non-deposit taking non-banking financial companies (NBFC-ND) in the priority sector.

- Under new norms, **all scheduled commercial banks (excluding regional rural banks and small finance banks)** may engage with non-banking financial companies-non-deposit taking-systemically important (NBFC-ND-SIs) to co-originate loans for the creation of priority sector assets.
- The arrangement should entail joint contribution of credit at the facility level by both lenders.
- The bank and NBFC will open a common account for pooling of respective loans contributions for disbursement and loan repayments from borrowers.
- It should also involve the sharing of risks and rewards between the bank and the NBFC for ensuring appropriate alignment of respective business objectives, as per the mutually decided agreement between the bank and the NBFC.
- The purpose of the move is to use ground-level reach of NBFCs to help scheduled banks to reach their priority sector lending targets.

Priority Sector Lending (PSL)

Reserve Bank of India has prescribed that a portion of bank lending should be used for developmental activities, which it calls the priority sector. Both the public and private sector banks have to lend 40 % of their net bank credit (NBC) to the priority sector and foreign banks have to lend 32% of their NBC.

Categories under Priority Sector

1. Agriculture
2. Micro, Small and Medium Enterprises
3. Export Credit
4. Education
5. Housing
6. Social Infrastructure
7. Renewable Energy
8. Others like loan up to Rs. 50,000 to an individual whose annual income is less than Rs. 1 lakh per annum in the rural area or Rs. 1.6 lakh in the non-rural area.

Non-banking Financial Companies

- As per the RBI, NBFC is a company registered under the Companies Act, 1956 engaged in the business of loans and advances, acquisition of shares/ stocks/bonds/debentures/securities issued by Government or local authority or other marketable securities.
- Some of the features marking them different from banks are
 - NBFCs cannot accept demand deposits.
 - NBFCs do not form part of the payment and settlement system and cannot issue cheques drawn on itself.
 - Deposit insurance facility is not available to depositors.
- NBFCs whose asset size is of Rs. 500 cr or more as per last audited balance sheet are considered as systemically important NBFCs.

Greening India by Planting Bamboo

Recently World Bamboo Day (September 18) was celebrated to create awareness about the importance of bamboo as a **versatile material** for sustainable lifestyle. The theme of World Bamboo Day 2018 is: bamboo as a tool for achieving economic and social sustainability.

Bamboo's multiple uses as well as rapid regeneration make it ideal agro-forestry choice, vis-a-vis monoculture plantations.

Importance of Bamboo in India

- Bamboo can be used in 1,500 different ways including as **food, a substitute for wood, building and construction material, for handicrafts and paper.**
- Bamboo is part of rural livelihood in many countries, especially in developing countries like India. Due to its versatile nature and multiple uses, it is also called '**poor man's timber**'.

- Though it grows tall like a tree, it belongs to the **grass family**. It can withstand drought as well as flood.
- **India is second only to China** in terms of bamboo diversity. The **North-Eastern States** are a storehouse of bamboo diversity, home to more than 50 bamboo varieties.
- Bamboo covers almost **13 per cent of the total forest area** in India. About 8.6 million people depend on bamboo for their livelihood.
- Though **Madhya Pradesh has the largest area under bamboo forests**, bamboo culture thrives in the North Eastern region. From the tender shoots as a delicacy food item to the rice cooked in the hollow of raw bamboo, it is part of everyday life.
- Further, from house construction to flooring, agricultural implements, bamboo pervades all aspects of life and culture. Artistic skills are used in bamboo weaving in these regions.
- The advantage of bamboo is manifold compared to monoculture tree plantations. Post planting, **bamboo clumps start yielding after 4-7 years**. It can become part of **agro forestry** practice in small land holdings. New bamboo plantations may curb the pressure from deforestation by serving as wood substitutes.
- It is the fastest growing canopy, **releasing 35 per cent more oxygen than trees**. There are studies reporting that bamboo stands sequester 12 tonnes of carbon dioxide from per hectare.
- It can be planted to **reclaim severely degraded sites and wastelands**. It is **good soil binder** owing to its peculiar clump formation and fibrous root system and hence also plays an important role in soil and water conservation.
- Bamboo is an **integral part of our life and culture**, as it is used in religious ceremonies, art and music.
- However, we have failed to tap this renewable resource to rebuild green economy to achieve the goals of sustainable social and economic development, especially of the weaker sections of society who are engaged in bamboo resources.
- In contrast to India, China has achieved great success in growing and showcasing bamboo forests and products.

Government Initiatives

- **Restructured National Bamboo Mission** launched by the Government envisages promoting holistic growth of bamboo sector by adopting area-based, regionally differentiated strategy and to increase the area under bamboo cultivation and marketing.
- Under the Mission, steps have been taken to increase the availability of quality planting material by supporting the setting up of new nurseries and strengthening of existing ones. To address forward integration, the Mission is taking steps to strengthen **marketing of bamboo products, especially those of handicraft items**.

- Recently the Government **relaxed the restrictions on harvesting**, transit and trade of bamboo in non-forest areas to boost the bamboo economy across the country.
- Further, the Government has allocated **\$200 million in the 2018 Budget** to provide new impetus to the bamboo sector, with huge support to the North-Eastern States.

Way Forward

- India needs to support farmers to establish bamboo plantations in barren slopes.
- To arrest the pace of land degradation in the country, a national programme of **intensive bamboo plantation involving all stake-holders** needs to be undertaken beyond 2019-20.
- The **National Housing Scheme (Pradhan Mantri Awas Yojana)** should utilise bamboo as construction material.
- Though bamboo has been used in various pioneering structural applications in the past, it is still seen as a “poor man’s material”. Developing bamboo as a load-bearing structural element would pave the way for its high value application in construction, which can make bamboo cultivation an economically viable way of greening the vast wastelands.
- **Edible bamboo has a huge demand in East Asian cuisines and medicine.** Bamboo grown in the Northeast (which is 66 per cent of the growing bamboo stock in India) can be exported to East Asian countries like Japan and Taiwan for competitive prices with the Government's support.
- A proper understanding of bamboo culture and technical support could unleash a bamboo revolution that has the capacity to uplift the people from poverty and provide economic, social and ecological sustainability.

International Bamboo and Rattan Organisation (INBAR)

- It is a multilateral development organisation which promotes environmentally sustainable development using bamboo and rattan. In addition to its Secretariat headquarters in China, INBAR has regional offices in India, Ghana, Ethiopia, and Ecuador.
- Since its founding in 1997, it has been making a real difference to the lives of millions of people and environments around the world with achievements in areas such as: raising standards; promoting safe, resilient bamboo construction; restoring degraded land; capacity-building; and informing green policy and sustainable development objectives.

- Guided by its 2015-2030 strategic plan, INBAR's priority is to work with countries to focus the use of bamboo and rattan as strategic resources that support sustainable development and their green economy action plans. Its strategy and performance contribute directly to six sustainable development goals (SDGs):
 - SDG 1:End poverty in all its forms
 - SDG 7:Provide affordable, sustainable and reliable modern energy services for all
 - SDG 11:Access to adequate and affordable housing
 - SDG 12:Efficient use of natural resources
 - SDG 13:Address climate change
 - SDG 15:Protect and restore terrestrial ecosystems.
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Important Facts for Prelims (22nd September 2018)

UTRAQ to receive NavIC signals

- UTRAQ, a vehicle tracking system designed by Ramakrishna Electronic Components will receive signals from NavIC (Navigation Indian Constellation).
- UTRAQ will give Indian customers an alternative to American Global Positioning System (GPS) and help them access satellite signals from nation's own navigation system.
- Most of the mobile devices have components that can receive signals from US government owned Global positioning system or Russian owned GLONASS. But, there was no company in the market making components that can receive signals from NavIC.

NavIC (Navigation Indian Constellation)

- NavIC is Indian Regional Navigation Satellite System(IRNSS) developed by Indian Space Research Organization (ISRO).
- IRNSS consists of seven satellites, three satellites in geostationary orbit and four satellites in geosynchronous orbit.
- It covers India and a region extending up to 1500 km around it.

- IRNSS provides two types of services – Standard Positioning Service (SPS) and Restricted Service (RS). SPS is provided to all the users and has an accuracy of up to 10 meters, whereas, RS is an encrypted service and is only provided to authorized users – including the military.

Fatehpuri Mosque

- The Fatehpuri mosque was built in 1650 by Fatehpuri Begum, wife of the Mughal emperor Shahjahan. It was aligned to the Red Fort, more specifically, to the Diwan-e-Am via the **Naqqar Khana (drum house)** and Lahori Gate.
- The dome is made of red sandstone but it has been plastered so perfectly that it gives the impression of being made from marble when seen from afar.
- The mosque is built of red sandstone. Its unique feature is that it is the only medieval mosque with a single dome, flanked by two 80 ft tall minarets on both sides.
- The Indian sepoy who had risen up against the East India Company in 1857 had used this mosque as their base.

Kans Grass

- Kans grass locally called 'kashful' is a grass native to South Asia.
- It is a perennial grass, growing up to three meters in height, with spreading roots.
- In the Terai region, Kans grass quickly colonizes exposed silt plains created each year by the retreating monsoon floods, forming almost pure stands on the lowest portions of the floodplain.
- Kans grasslands are an important **habitat for the Indian Rhinoceros**.
- The Kans grass straws are used to make mats, screens, and thatch roofs.

Kamlesh Nilakanth Vyas Appointed Chairman of the Atomic Energy Commission

- For the first time in India's strategic atomic energy sector, the transfer of power at the highest level took place in a foreign country during the 62nd General Conference of the International Atomic Energy Agency in Vienna, Austria.
- K.N. Vyas has been appointed the secretary of Department of Atomic Energy, and chairman of Atomic Energy Commission till May 2021.

Atomic Energy Commission

- The Indian Atomic Energy Commission was first set up in August 1948 in the Department of Scientific Research.

- The Department of Atomic Energy (DAE) was set up on August 3, 1954, under the direct charge of the Prime Minister. Subsequently, the Atomic Energy Commission (AEC) was brought under the Department of Atomic Energy.
- The Secretary to the Government of India in the Department of Atomic Energy is ex-officio Chairman of the Commission.

International Atomic Energy Agency

- The IAEA was created in 1957 in response to the deep fears and expectations generated by the discoveries and diverse uses of nuclear technology.
- Widely known as the world's "Atoms for Peace" organization.
- IAEA's headquarters is in Vienna, Austria.
- It seeks to promote the peaceful use of nuclear energy and to inhibit its use for any military purpose, including nuclear weapons.
- The IAEA is an independent international organization that reports annually to the UN General Assembly. When necessary, the IAEA will report to the UN Security Council in regards to instances of members' non-compliance with safeguard and security obligations.

Paryatan Parv

- The **Ministry of Tourism, Government of India** in collaboration with other Central Ministries, State Governments and Stakeholders is organizing a "Paryatan Parv" across the country from the **16th to 27th September 2018**.
- The Parv is being organized with the objective of drawing focus on the benefits of tourism, showcasing the cultural diversity of the country and reinforcing the principle of "**Tourism for All**".
- The Paryatan Parv will have **three main components** as like last year, viz. **Dekho Apna Desh, Tourism for All and Tourism & Governance**.
- The Paryatan Parv shall conclude with the **World Tourism Day** celebrations on **27th September 2018**.
- There are several activities to be organized across the Country like Photography contest covering tourism attractions and experiences, promotion on Social Media, Tourism related Quiz, Essay, Debate and Painting Competitions for Students.

Green Agriculture Project

- The project titled "Transforming Indian Agriculture for Global Environmental Benefit and Conservation of Critical Agricultural and Forest Biodiversity in Different Landscape" was started in the year 2016.
- The Green Agriculture project synergizes biodiversity conservation, agriculture production, and development.

- It is being implemented in five landscapes adjoining Protected Areas/Biosphere Reserves: Madhya Pradesh, Mizoram, Odisha, Rajasthan, and Uttarakhand.
- It envisages a transformation in Indian agriculture for global environmental benefits by addressing land degradation, climate change mitigation, sustainable forest management, and biodiversity conservation.
- These objectives will be addressed through two components:
 - **Policy Transformation** will address constraints in the **enabling environment** by putting in place the tools required to strengthen and enhance the capacity of the agricultural sector to deliver biodiversity, sustainable land, and forest management and climate change mitigation benefits.
 - **Management Transformation** will demonstrate **on-the-ground conservation** improvements designed to drive higher-level changes. Under it, the project will work in high conservation priority landscapes to demonstrate **replicable “best practices”**.
- It's a seven-year project, being funded by the Global Environment Facility (GEF) and implemented by the Indian government through the Ministry of Agriculture and Farmers' Welfare (MoA&FW) and Ministry of Environment, Forest and Climate Change (MOEF&CC) and United Nation's Food and Agricultural Organisation (FAO).

Global Environment Facility

- The Global Environment Facility was established in 1992 during the Rio Earth Summit.
- GEF funds are available to developing countries and countries with economies in transition to meet the objectives of the international environmental conventions and agreements.
- It is based in Washington DC, United States.

Food and Agricultural Organisation

- The Food and Agriculture Organization (FAO) is the specialized agency of the United Nations that leads international efforts to defeat hunger.
 - It was formed in 1945 with Washington DC as its temporary headquarters. Later it was moved to Rome, Italy in 1951.
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