

PM URGES BANK CHIEFS TO MAKE LOAN PROCESS EASIER

In News:

- Prime Minister Narendra Modi urged bank chiefs to make it easier for people to get loans through the new **Jan Samarth portal**, a repository of a dozen credit-linked government schemes.
- Meanwhile, Finance Minister Nirmala Sitharaman reviewed the progress in setting up National Asset Reconstruction Company Ltd (NARCL).

About Jan Samarth Portal:

- Jan Samarth Portal, an initiative by Government of India, is a unique digital portal linking thirteen credit linked government schemes on a single platform.
- It is intended to provide ease of access to all the beneficiaries and related stakeholders.
- **Objective:** To promote inclusive growth and development of various sectors by guiding and providing beneficiaries to the right type of Government benefits through simple and easy digital processes.
- The portal ensures end-to-end coverage of all the processes and activities of all the linked schemes.
- Beneficiaries can digitally check eligibility in few simple steps, apply online under eligible scheme and receive digital approval.

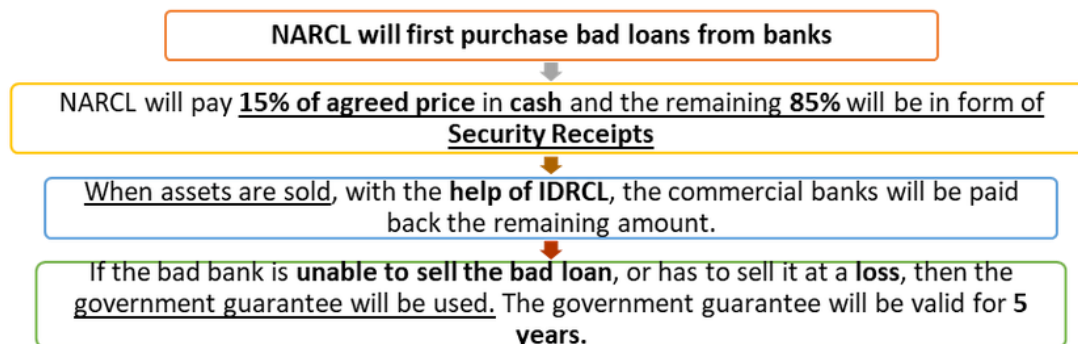
About National Asset Reconstruction Company Ltd (NARCL):

- In her Budget (2021-22) speech, the Finance Minister had announced that the government intends to set up a bad bank.
- NARCL is set up in the mould of an asset reconstruction company incorporated to take over and dispose of the stressed assets of commercial banks.

CROSS & CLIMB ROHTAK



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- NARCL has been registered under the **Companies Act, 2013**. **Public sector banks** will have **51% ownership** in it.
- IDRCL is a **service company/operational entity** which will manage the asset and engage market professionals and turnaround experts.
- Bad banks are not involved in **lending and taking deposits**. Technically, it is an ARC or an AMC (Asset Management Company) that takes over the bad loans of commercial banks.
- The takeover of bad loans is normally **below the book value** of the loan and the bad bank tries to recover as much as possible.



What is a Bad Bank?

- A bad bank is a corporate entity that alienates illiquid and risky assets i.e. NPAs (Non-Performing Assets) held by banks and financial institutions or a group of banks.
- It is created to help banks clean their balance sheets by transferring their bad loans so that the banks can focus on their core business of taking deposits and lending money.
- The first bad bank in the world was created in 1988 by US-based Mellon Bank to hold its stressed assets.
- Following this success, it became a phenomenon of sorts and the model was followed in several countries such as the US, Finland, Sweden, Indonesia and Belgium.
- NARCL, which got approval from the RBI in early 2022, is the **first bad bank set up in India.**

What is an NPA?

- When a bank stops receiving payment of principal and interest towards a particular loan for more than 90 days, that loan is treated as an NPA.

How do NPAs affect Banking Sector?

- The banks earn their income through interest they receive on the loans given to the borrowers.
- With that income, the bank pays interest to depositors.
- The balance between the interest income and income paid is the profit earned by the bank.
- This is the reason the interest charged by the bank is always more than the interest given to depositors.
- The deposits received by the bank are used to give loans.
- And when the loan is not repaid by the borrower, the bank would also find it difficult to return the deposits to its customers.
- So, it is imperative for the banks to recover their loans, along with interest, on time to be able to run its functions, repay its depositors and also earn profit in the process.

INDIA HAS BECOME MORE STRATEGIC ABOUT TRADE: KATHERINE TAI

In News:

- U. S. Trade Representative (USTR) Katherine Tai said that she expects India to be engaging with “intentionality” at the 12th ministerial conference (MC12) of WTO.

In Focus: World Trade Organization (WTO)

- WTO is the only global international organization dealing with the rules of trade between nations.
- The goal is to help producers of goods and services, exporters, and importers conduct their business.

- WTO is a forum for governments to negotiate trade agreements. It is also a place for them to settle trade disputes.
- It was created by Uruguay Round negotiations (1986-94) and is headquartered in Geneva.

Structure

- The WTO has 164 members, accounting for 98% of world trade. A total of 25 countries are negotiating membership.
- Decisions are made by the entire membership. This is typically by consensus.
- The WTO's **top-level decision-making body** is the Ministerial Conference, which meets usually every two years.

Functions

- Administering trade agreements
- Acting as a forum for trade negotiations
- Settling trade disputes
- Reviewing national trade policies
- Building the trade capacity of developing economies

Trade Related Aspects of Intellectual Property Rights (TRIPS)

- The WTO Agreement on TRIPS is the most comprehensive multilateral agreement on intellectual property (IP).
- The Agreement came into effect on 1 January 1995. It lays down minimum standards for protection and enforcement of intellectual property rights in member countries.
 - Intellectual Property Rights are the rights given to persons/agencies for their creativity/innovations.
 - These rights usually give the creator, an exclusive right over the use of his/her creation for a certain period of time.

Area covered under the agreement

- The areas of intellectual property that it covers are:
 - Copyright and related rights (i.e., the rights of performers, producers of sound recordings and broadcasting organizations);
 - Trademarks including service marks;
 - Geographical indications including appellations of origin;
 - Industrial designs;
 - Patents including the protection of new varieties of plants;
 - Layout-designs of integrated circuits; and
 - Undisclosed information including trade secrets and test data.
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HEATWAVE

An ‘orange alert’ was issued for a severe heatwave in Delhi and neighboring areas of Punjab, Haryana and Uttar Pradesh, the India Meteorological Department (IMD).



About:

The IMD has issued an “orange” alert, warning of severe heat wave conditions, when the maximum temperature could jump to between 45°C and 47°C in parts of Delhi.

- The India Meteorological Department (IMD) declares a heat wave over the plains if the maximum temperature is 40°C or higher and 4.5 degrees above normal, with this criterion being satisfied over two consecutive days.
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SITAL SASTHI

Week-long 'Sital Sasthi' festival is being celebrated in Odisha.



About:

- Sital Sasthi is a sacred Hindu festival is being celebrated in Odisha. This week-long special festival highlights the marriage of Lord Shiva and Goddess Parvati. According to the Hindu calendar, Sital Sasthi is observed on the sixth day of the Jyestha month during the Shukla Paksha.
- People observing this festival believe that Lord Shiva represents the scorching heat of summer while Goddess Parvati signifies the first rain. So, this holy and lavish wedding is observed for a good monsoon.
- Sital Sasthi is a celebration wherein Lord Shiva and Goddess Parvati are adopted by two families, and their wedding is solemnised with the involvement of rituals. After the marriage is performed, the God and Goddess are then carried around the city via a procession
- During the week-long festival, devotees in large numbers take part in the most famous Sitala Sasthi Yatra that is conducted at Sambalpur in Western Odisha.

ARIGNAR ANNA ZOOLOGICAL PARK

The Arignar Anna Zoological Park, Chennai has introduced a novel method to check the littering of plastic bottles inside its premises.



About:

Coinciding with the World Environment Day yesterday, the authorities of the state's biggest zoo have begun collecting a deposit of ten rupees each for every bottle of water from the visitors.

- The money is refunded if they return the empty bottle.

The officials say the initiative has begun yielding good results.

- Meanwhile, the state environment minister Siva. V. Meyyanathan and health minister Ma. Subramanian in Chennai distributed the traditional cloth bags called "Manchappai," which

means ‘yellow bags,’ to promote use of environmentally friendly carry bags instead of the harmful plastic bags.

NATIONAL TRIBAL RESEARCH INSTITUTE

The Minister of Home Affairs Amit Shah will inaugurate the National Tribal Research Institute on the 7th of June 2022 in New Delhi.



About:

The NTRI will be a premier national level institute and become the nerve-center of tribal concerns, issues and matters in academic, executive and legislative fields.

It will monitor projects of Tribal Research Institutes (TRIs), Centres of Excellence (CoEs), research scholars of NFS and set up norms for improvement in the quality of research and training.

AGNI-4 (INTERMEDIATE RANGE BALLISTIC MISSILE)

India conducted a test of the nuclear capable Agni-IV ballistic missile, which has a strike range of 4,000 km, as part of a “night user trial in operational configuration” by the Strategic Forces Command (SFC).



About:

The two-stage Agni-IV surface-to-surface missile was flight-tested for its “entire range” from the Dr APJ Abdul Kalam Island, earlier known as Wheeler Island, off the Odisha coast, at about 7.30pm.

- The tri-Service SFC already has the Prithvi-II (350-km), Agni-I (700-km), Agni-II (2,000-km), Agni-III (3,000-km) and Agni-IV missile units, while the induction of the country's first intercontinental ballistic missile Agni-V (over 5,000-km) is currently in an advanced stage.
 - The Agni-V brings the northernmost part of China within its strike envelope. The shorter range Agni missiles, in turn, are designed for Pakistan.
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A 'SILVER' MOMENT TO PROPEL A BAY OF BENGAL DREAM

- 6th June, 2022 marked the completion of **25 years since foundation** stone of Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) grouping was laid.
- The **fifth summit** of BIMSTEC was hosted by Sri Lanka in March 2022 in a hybrid fashion.
- A hybrid event is a tradeshow, conference, seminar or other meeting that combines a "live" in-person event with a "virtual" online component.

About BIMSTEC

- **Description:** BIMSTEC is a **multilateral regional organisation** established with the aim of accelerating shared growth and cooperation between **littoral and adjacent countries** in the Bay of Bengal region.
- **Members:** It has a total of **seven member** countries- five from South Asia, including Bangladesh, Bhutan, India, Nepal, and Sri Lanka, and two from Southeast Asia, including Myanmar and Thailand.
- **Evolution:** It was founded as **BIST-EC**, in June **1997**, with the adoption of the **Bangkok Declaration**, with Bangladesh, India, Sri Lanka and Thailand as members.
- **Expansion:** It became **BIMST-EC** (Bangladesh, India, Myanmar, Sri Lanka and Thailand Economic Cooperation) with the entry of Myanmar in late 1997, and eventually, it was named in its current form, i.e., **BIMSTEC** when Nepal and Bhutan became members in 2004.

- **Summit:** The first BIMSTEC Summit was held on **July 31, 2004** and BIMSTEC headquarters are in **Dhaka**, Bangladesh.



Renewed push by India

Post Uri attack (on an Indian military base) in October **2016**, India gave a renewed push for the BIMSTEC.

BIMSTEC countries had **supported India's call** for a boycott of the SAARC summit scheduled in Islamabad in November 2016.

- As a result, the SAARC summit was postponed for an indefinite period and India began focusing on other regional groupings such as BIMSTEC and Indian Ocean Rim Association (IORA).