

GOVERNANCE**PLI Scheme for Telecom Sector**

The Union Cabinet has approved the Production-Linked Incentive (PLI) scheme for the telecom sector with an outlay of Rs. 12,195 crores over five years.

Key Points

- In order to boost domestic manufacturing and cut down on import bills, the central government in March 2020 introduced PLI scheme that aims to give companies incentives on incremental sales from products manufactured in domestic units.
- Apart from inviting foreign companies to set shop in India, the scheme also aims to encourage local companies to set up or expand existing manufacturing units.
- The Scheme has been approved for many sectors including electronic products, IT hardware, pharmaceuticals, automobiles and components, etc.

PLI Scheme for Telecom Sector :

- This Scheme is for domestic manufacturing of telecom and networking products such as switches, routers, 4G/5G radio access network, wireless equipment and other internet of things (IoT) access devices.
- It will be operational from 1st April, 2021.

Eligibility for the Scheme:

- It is subject to achieving a minimum threshold of cumulative incremental investment and incremental sales of manufactured goods.
- The cumulative investment can be made at one go, subject to annual cumulative threshold as prescribed for four years being met.
- 2019-20 will be treated as the base year for computation of cumulative incremental sales of manufactured goods net of taxes.

Incentives:

- An investor who qualifies for the scheme will be incentivised up to 20 times the minimum investment threshold, enabling them to utilise their unused capacity.

Higher Incentives for MSMEs:

- For Micro, Small and Medium Enterprises (MSMEs), the minimum investment threshold has been kept at Rs. 10 crore, while for others it is Rs. 100 crore.
- For MSMEs, a 1% higher incentive is also proposed in the first three years.

Significance :

The scheme is expected to lead to an incremental production of about Rs. 2.4 lakh crore, with exports of about Rs. 2 lakh crore over five years and bring in investments of more than Rs. 3,000 crore.

Scheme is also likely to generate 40,000 direct and indirect employment opportunities and generate tax revenue of Rs. 17,000 crore from telecom equipment manufacturing.

Through this scheme, India will move towards self-reliance. Currently, India imports over 80% of its telecom and wireless networking equipment.

INDIAN ECONOMY**New Umbrella Entity for Payment Systems**

The private companies have shown interest in setting up New Umbrella Entities (NUEs) for payment systems - an idea floated by the Reserve Bank of India (RBI).

The aim is to create an alternate mechanism to the existing National Payments Corporation of India (NPCI).

Key Points**New Umbrella Entities (NUEs):**

About: NUEs will be a non-profit entity that will set-up, manage and operate new payment systems, especially in the retail space such as ATMs, white-label PoS; Aadhaar-based payments and remittance services.

Functions Envisaged:

- NUEs will develop new payment methods, standards and technologies.
- These will operate clearing and settlement systems, identify and manage relevant risks such as settlement, credit, liquidity and operation and preserve the integrity of the system.
- These will monitor retail payment system developments and related issues in the country and internationally to avoid shocks, frauds and contagions that may adversely affect the system and the economy in general.

Need for NUEs:

Limitations of NPCI: Currently, the umbrella entity for providing retail payments system is NPCI, which is a non-profit entity, owned by banks.

NPCI operates settlement systems such as UPI, AEPS, RuPay, Fastag, etc.

Players in the payments space have indicated the various pitfalls of NPCI being the only entity managing all of retail payments systems in India.

To Increase Competitiveness: RBI's plan to allow other organisations to set up umbrella entities for payments systems aims to expand the competitive landscape in this area.

Players planning to establish these NUE aim to get an even bigger share in the digital payments sector.

Framework Related to NUEs:

Owned and Controlled by Residents: The promoter or the promoter group for the NUE should be 'owned and controlled by residents' with 3 years' experience in the payments ecosystem.

The shareholding pattern should be diversified. Any entity holding more than 25% of the paid-up capital of the NUE will be deemed to be a promoter.

Capital: The umbrella entity shall have a minimum paid-up capital of Rs. 500 crore.

No single promoter or promoter group should have more than 40% investment in the capital of the entity. A minimum net worth of Rs. 300 crore should be maintained at all times.

Governance Structure: The NUE should conform to the norms of corporate governance along with 'fit and proper' criteria for persons to be appointed on its board.

The RBI retains the right to approve the appointment of directors as also to nominate a member on the board of the NUE.

Foreign Investment: Allowed in NUEs as long as they comply with the existing guidelines.

INTERNATIONAL RELATION**Push for Chabahar Port in INSTC Corridor**

India expressed its intent to include Chabahar port in the 13-nation International North South Transport Corridor (INSTC) that extends from India to Russia, and to expand INSTC membership by including Afghanistan and Uzbekistan, at a "Chabahar Day" event organised as part of Maritime India summit.

This Summit saw participation from several regional officials including infrastructure Ministers from Afghanistan, Armenia, Iran, Kazakhstan, Russia and Uzbekistan.

Key Points**About India's Proposal:**

- Pitching for Chabahar in the INSTC which goes via Iran's biggest port Bandar Abbas, India proposed that the land route via Kabul (Afghanistan) and Tashkent (Uzbekistan) would form the INSTC's "Eastern corridor".
- India's push to include Chabahar in the INSTC could have been made with an eye on the new Biden administration's push for restoring talks with Iran on the JCPOA nuclear agreement, and the possible easing of some sanctions.
- Establishing an eastern corridor through Afghanistan would maximise its potential.
- India highlighted Chabahar's role in recent years in sending Indian humanitarian aid and emergency supplies to Afghanistan and Iran and in opening up trade opportunities.

Chabahar Port:

- It is located on the Gulf of Oman and is only 72 km away from the Gwadar port in Pakistan which has been developed by China.
- It is the only Iranian port with direct access to the Indian ocean and consists of two separate ports named Shahid Beheshti and Shahid Kalantari.
- Afghanistan, Iran and India signed a tripartite agreement on developing Chabahar port and setting up a trilateral transport and transit corridor in 2016.

Significance:

- It is a key part of India's plans to enhance connectivity to Afghanistan and the Central Asian states.
- Countering China and Pakistan:
- It opens up a permanent alternative route for trade with Afghanistan and Central Asia, given the hurdles in the direct route through Pakistan.
- China and Pakistan are striving to increase their economic and trade cooperation through the China Pakistan Economic Corridor (CPEC) and Gwadar port, which both are part of China's Belt and Road Initiative (BRI).

- Part of Indo-Pacific Strategy: Chabahar Port is a key element in India's Indo-Pacific strategy that also includes Eurasia's connection with the Indian Ocean Region.
- It will facilitate India's role in Afghanistan's development through infrastructure and education projects and also allow Afghanistan to have a commercial fleet under the Afghan flag sailing from Chabahar.

International North-South Transport Corridor (INSTC):

- It is a multi-modal transportation established on 12th September 2000 in St. Petersburg, by Iran, Russia and India for the purpose of promoting transportation cooperation among the Member States.
- The INSTC was expanded to include eleven new members, namely: the Republic of Azerbaijan, Republic of Armenia, Republic of Kazakhstan, Kyrgyz Republic, Republic of Tajikistan, Republic of Turkey, Republic of Ukraine, Republic of Belarus, Oman, Syria, Bulgaria (Observer).
- It envisions a 7,200-km-long multi-mode network of ship, rail and road route for transporting freight, aimed at reducing the carriage cost between India and Russia by about 30% and bringing down the transit time from 40 days by more than half.

SCIENCE AND TECHNOLOGY**CALM2 mutations**

In Australia, Leading scientists and medical experts are calling for the pardon of convicted child killer Kathleen Folbigg after a recent study showed that her victims (her own children) may have died of natural causes.

Key takeaways

- Medical experts have argued that her children died due to a rare genetic defect.
- They inherited a genetic mutation from their mother called CALM2.
- CALM-2 mutations are known to cause sudden death due to cardiac arrest.
- Calmodulin 2 is a protein that is encoded by the CALM2 gene in humans.
- Mutations in CALM2 are associated to cardiac arrhythmias.

DEFENCE AND SECURITY**Defence Acquisition Council's Plans**

Multi billion deals for armed drones from the USA and advanced submarines under Project-75I are to be taken by the Defence Acquisition Council (DAC).

Key Points**India - USA Drone Deals:**

- India has been looking to procure 30 armed drones, 10 for each service, from the USA but the process has been repeatedly delayed over the last couple of years.
- The USA has given in principle approval for the sale of these armed drones to India during the India-US 2+2 ministerial dialogue.
- While the Navy has a pressing requirement for the High Altitude Long Endurance (HALE) drones, there have been questions on their utility for the Army and Air Force, given the high cost of the platform.
- Since the stand-off with China in Eastern Ladakh in May 2020, the need for long endurance drones to maintain continuous surveillance of the border has been acutely felt.
- The Navy has already inducted two MQ-9B Sea Guardian unarmed drones procured from the USA.

Project-75I:

- The Project 75I-class submarine is a follow-on of the Project 75 Kalvari-class submarine for the Indian Navy.
- The project is being processed through the Strategic Partnership (SP) model of the Defence Procurement Procedure (DPP).
- The strategic partnership model seeks to identify a few Indian private companies as Strategic Partners who would initially tie up with a few shortlisted foreign Original Equipment Manufacturers (OEMs) to manufacture big-ticket military platforms.
- It aims to promote the role of Indian industry in defence manufacturing and build a domestic defence industrial ecosystem.
- This project is part of the 30 year Plan for indigenous submarine construction and it got its approval by the Cabinet Committee on Security in 1999.

- The idea behind this was to help in streamlining the submarine acquisition process and creating two submarine production lines where the plan was to construct six submarines on each.

ART AND CULTURE**Conservation works of Singorgarh Fort**

Foundation stone for the conservation works of Singorgarh Fort was laid down in Madhya Pradesh by the President of India.

He also inaugurated the newly carved Jabalpur Circle of Archaeological Survey of India.

Important value additions**Singorgarh Fort**

Location: Madhya Pradesh.

- It is a hill-fort of Gondwana Kingdom
- Gond ruler Sangram Shah conquered the Singorgarh fort from Chandel rulers in early 16th century.
- It is presently in a ruined condition.

NATIONAL DEVELOPMENT**Mandatory provision of Airbags**

A Gazette notification has been issued regarding mandatory provision of an airbag for passengers seated on the front seat of a vehicle, next to the driver.

Ministry: Ministry of Road Transport and Highways

Key Points

- Vehicles manufactured on and after the April 1, 2021 (new models) and August 31, 2021 (existing models) shall be fitted with airbags.
- This safety feature is based on suggestions of the Supreme Court Committee on Road Safety.
- It is compulsory for all existing models in the M1 category — passenger motor vehicles having not more than eight seats in addition to the driver's.

Important value additions**Airbags**

- An airbag pops up as a protective cushion between the passenger and the car's dashboard during a collision.
- In moderate to severe frontal crashes, front airbags are designed to inflate in order to prevent a person's head and chest from contacting hard structures in the vehicle.

Additional Information

As per a recent World Bank report, India accounts for 10% of all road crash victims in the world.

Some of the other safety features in automobiles are:

- Anti-Lock Braking System (ABS)
- Speed Alert System
- Reverse Parking Sensors
- Driver and passenger seat belt reminder
- Manual override for central locking system

SOCIAL WELFARE**Janaushadhi Diwas**

The Bureau of Pharma PSUs of India (BPPI) celebrated the 3rd Janaushadhi Diwas (7th March 2021) to spread awareness about quality generic medicines, available at low prices.

- Theme of Janaushadhi Diwas was "Seva Bhi – Rozgar bhi". The Janaushadhi week was celebrated across the country from 1st-7th March 2021.

- As a part of celebrations, the Prime Minister inaugurated the 7,500th Janaushadhi Kendra at NEIGRIHMS, Shillong.

Key Points**Janaushadhi Kendra:**

- Bureau of Pharma PSUs in India (BPPI) supports Janaushadhi Kendras as a part of Pradhan Mantri Bhartiya Janaushadhi Pariyojana.
- These are the centres from where quality generic medicines are made available to all.
- The number of stores has grown to more than 7400 and all 734 districts of the country have Janaushadhi Kendras.
- Government grants of up to Rs. 2.5 lakhs are provided for setting up of Pradhan Mantri Janaushadhi Kendras, which can be set up by doctors, pharmacists, entrepreneurs, Self Help Groups (SHGs), NGOs, charitable societies, etc. at any suitable place or outside the hospital premises.

Pradhan Mantri Bhartiya Janaushadhi Pariyojana (PMBJP):

- PMBJP is a campaign launched by the Department of Pharmaceuticals in 2008 under the name Jan Aushadhi Campaign.
- The campaign was revamped as PMBJP in 2015-16.
- Bureau of Pharma PSUs of India (BPPI) is the implementation agency for PMBJP.
- The Bureau of Pharma PSUs of India works under the Ministry of Chemicals & Fertilizers.
- BPPI has also developed the Janaushadhi Sugam Application.
- PMBJP stores have been set up to provide generic drugs, which are available at lesser prices but are equivalent in quality and efficacy as expensive branded drugs.
- It also intends to extend the coverage of quality generic medicines so as to reduce the out of pocket expenditure on medicines and thereby redefine the unit cost of treatment per person.
- A medicine under PMBJP is priced on the principle of a maximum of 50% of the average price of top three branded medicines. Therefore, the price of Janaushadhi Medicines is cheaper at least by 50% and in some cases, by 90% of the market price of branded medicines.

Performance Analysis:

In the current financial year 2020-21, PMBJP has already achieved sales of Rs. 593.84 crores. This has led to savings of approximately Rs. 3600 crores of the common citizens of the country.

IMPORTANT FACTS FOR PRELIM**Azadi Ka Amrut Mahotsav**

- National Committee has been formed to commemorate 75 years of India's independence
- The committee is called **Azadi Ka Amrut Mahotsav**.
- 5 pillars have been decided for the celebration of the 75 years.
- 5 Pillars:** Freedom Struggle, Ideas at 75, Achievements at 75, Actions at 75 and Resolve at 75.
- Members of the National Committee:** Governors, Union Ministers, Chief Ministers, political leaders, scientists, officials, media personalities, spiritual Leaders and eminent persons from other walks of life.

DAILY ANSWER WRITING PRACTICE

Qns. Indian diaspora can provide the requisite strategic impulse to unlock India's potential as a global power. Discuss.

Ans:

According to Global Migration Report 2020, India continues to be the largest country of origin of international migrants with a 17.5 million-strong diaspora across the world, and it received the highest remittance of \$78.6 billion from Indians living abroad.

However, it is not only the economic prospects of the Indian diaspora but their role in lobbying for crucial strategic deals, promoting Indian culture abroad that has helped India to assume the distinction of Global soft power.

Significance of Indian Diaspora

Economic Front: The migration of less-skilled labor (especially to West Asia) brings remittances to India that have positive systemic effects on the balance of payments.

By weaving a web of cross-national networks, the Indian diaspora has facilitated the flow of tacit information, commercial and business ideas, and technologies into India.

Diplomatic Engagement: Indian diaspora is one of the richest minorities in many developed countries. Through this strong people-to-people contact has helped to further the nation's diplomacy. For example, the signing of the India-U.S. nuclear deal.

Enhancing India's Soft Power: Indian diaspora through values, music, domestic cuisines, and traditional practices has helped India to establish India as a Brand.

The recognition of 21st June as the International Day of Yoga is an example of growing India's soft power. Political Front: Indian diaspora is not just a part of India's soft power, but a fully transferable political vote bank as well.

Many people of Indian origin hold top political positions in many countries, in the US itself they are now a significant part of Republicans and Democrats, as well as the government.

This helps in strengthening bilateral relations.

Conclusion

The institutionalization of "diaspora diplomacy" by the Ministry of External Affairs, is a distinct indication for the fact that a country's diaspora community has become considerably more important as a subject of interest for foreign policy and associated government activities.

DAILY QUIZ

1. Consider the following statements regarding the Chabahar Port:

1. It is an Iranian port located in the Persian Gulf.
2. India, Iran and Afghanistan signed a tripartite agreement for the development of Chabahar port in 2016.

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

2. Consider the following statements about Quasars:

1. These are very luminous objects that emit jets at gamma frequencies.
2. They are only found in the galaxies that have supermassive blackholes.
3. The nearest quasar to Earth has been recently discovered by the Thirty Meter Telescope (TMT).

Which of the statements given above is/are not correct?

- (a) 1 and 2 only (b) 2 only (c) 3 only (d) **1 and 3 only**

3. 'Pre-pack framework' is sometimes seen in the news, related to which of the following?

- a) Declaration of health emergency.
- b) **Resolution of the debt of a distressed company.**
- c) Management of disease transmission in wildlife.
- d) Uniform standards for drug delivery.

4. Consider the following statements:

1. National Payments Corporation of India (NPCI) is an umbrella organisation for operating retail payments and settlement systems in India.
2. It is an initiative of Reserve Bank of India (RBI) and Indian Banks' Association (IBA).
3. NPCI is an "Not for Profit" Company under the Section 8 of Companies Act 2013.

Which of the statements given above is/are correct?

- a) 1 only
b) 2 and 3 only
c) 2 only
d) **1, 2 and 3**

5. Consider the following statements:

1. The Ministry of AYUSH is responsible for the implementation of the Pradhan Mantri Bhartiya Janaushadhi Pariyojana (PMBJP).
2. The Janaushadhi Kendras can be set up by Self Help Groups (SHGs) and NGOs anywhere outside the hospital premises.

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