Prelim Bits 12-02-2022 | UPSC Daily Current Affairs

Bullet Train

Ministry of Railways has decided to undertake Survey and prepare the Detailed Project Reports (DPR) for the High Speed Bullet Train Corridors.

- Bullet Train is a very fast passenger train with a smooth, pointed shape.
- This rail runs significantly faster than traditional rail traffic, using an integrated system of specialised rolling stock and dedicated tracks.
- While there is no single standard that applies worldwide, lines built to handle speeds in excess of 250 km/h and upgraded lines in excess of 200 km/h are widely considered to be high-speed.

The world's first high-speed rail system, the Tōkaidō Shinkansen, began operations in Japan in 1964 and was widely known as the bullet train.

India's first bullet train will run between Mumbai-Ahmedabad High-speed Rail Corridor. This Bullet Train will be up and running by 2026.

India's 1st bullet train station will be set up in Surat.

Reference

1. https://pib.gov.in/PressReleasePage.aspx?PRID=1797574
2. https://www.hindustantimes.com/india-news/surat-to-get-india-s-1st-bullet-train-station-union-minister-tweets-1st-look-101644486263981.html
3. https://www.news18.com/news/india/indias-first-ever-bullet-train-set-to-roll-by-2026-says-railway-minister-4529807.html

National Scheme of Welfare of Fishermen

- The Centrally Sponsored 'National Scheme of Welfare of Fishermen' provides **financial assistance to fishers** for the construction of house among other things.
- This Scheme is a component of the Scheme 'Blue Revolution: Integrated Development and Management of Fisheries'.

The Centrally Sponsored 'Blue Revolution' Scheme is implemented by the Department of Fisheries, Ministry of Fisheries, Animal Husbandry and Dairying for a period of 5 years from 2015-16 to 2019-20.

- **Components** - The 3 components of the 'National Scheme of Welfare of Fishermen' are,
    1. Development of Model Fishermen Villages - Construction of house, community hall for recreation and common working place and installation of tube-wells for drinking water,

    2. Group Accident Insurance for Active Fishermen and
    3. Assistance during lean period through Saving-cum-Relief.
- The scheme is operated through States/ UT's/ FISHCOPFED (Insurance component only).
- **For Housing**, the State Governments may ensure equitable distribution of houses among all villages in proportion to the number of eligible fishermen, as far as possible.
- The plinth area and cost of construction of a house would be limited to 35 Sq. mts and Rs 40,000/- respectively.
- The State Government may plan and ensure optimizing the use of available resources so that more number of houses could be built within the budgeted amount.
- **Eligibility** - The States should keep the following criteria in view while selecting beneficiaries for allotment of houses under the scheme,
    1. Beneficiary should be an active fisherman identified by the State Government.
    2. Preference should be given to fishermen below poverty line and to landless fishermen.
    3. Fishermen owning land or kutcha structure may also be considered for allotment of houses under the scheme.

Reference

1. https://pib.gov.in/PressReleasePage.aspx?PRID=1797719
2. https://dahd.nic.in/related-links/centrally-sponsored-national-scheme-welfare-fishermen#:~:text=The%20Centrally%20Sponsored%20'National%20Scheme,period%20through%20saving%20cum%20relief
3. https://vikaspedia.in/schemesall/schemes-for-farmers/national-scheme-of-welfare-of-fishermen

SWIFT

Russia is being threatened with exclusion from the services of SWIFT.

- Society for Worldwide Interbank Financial Telecommunication (SWIFT) is an **international messaging network** used by banks and financial institutions worldwide to facilitate smooth money transactions globally.
- Established in 1973, the Belgium-headquartered SWIFT helps in quick, standardised, reliable and faultless exchange of information pertaining to financial transactions.
- SWIFT is only a platform that sends messages and **neither holds any securities or money, nor manages external client accounts.**
- Each participant on the platform is assigned a unique 8-digit SWIFT code or a bank identification code (BIC).
- If a person in one country wants to send money to someone in another country, the payee would have to submit to his bank the beneficiary's account number along with the 8-digit SWIFT code of the latter's bank.
- SWIFT connects more than 11,000 banking and securities organisation in over 200 countries and territories.

Prior to SWIFT, the only reliable means of message confirmation for international funds transfer was Telex. However, a range of issues plagued Telex, including low speed, security concerns, and a free message format.

Reference

1. https://www.thehindu.com/news/international/explained-what-is-swift-and-why-is-russia-being-t

hreatened-with-exclusion-from-the-service/article38400867.ece
2. https://www.investopedia.com/terms/s/swift.asp

Ratings Agency

Finance Secretary accused ratings agencies of "double standards" when assessing emerging markets and developing economies.

- Ratings agencies assess the **credit worthiness** or potential and the credentials of an equity, debt or country.
- Their reports (including the credit ratings) are read by investors to make an informed decision on whether or not to invest in a particular country or companies in that geography.
- They assess if a country, equity or debt is financially stable and whether it at a low/high default risk.
- The agencies periodically re-evaluate the previously assigned ratings after new developments, geo-political events or a significant economic announcement by the concerned entity.
- The three prominent ratings agencies, viz., Standard & Poor's, Moody's and Fitch subscribe to largely similar grading patterns.
- The credit rating agencies in India, viz., CRISIL Ltd, India Ratings and Research Pvt Ltd, ICRA Limited, CARE, etc.

Credit Rating

- The Credit rating/score is a numerical representation of the creditworthiness of an individual or a business.
- The credit rating is a key aspect that makes or breaks a loan application.
- It acts as an indicator stating if the borrower has defaulted on loan payments before and if he is worth trusting with the new loan.
- The credit score is determined based on the factors like, Payment History, Credit Utilisation, Credit History, Credit Mix and New Credit.

Reference

1. https://www.thehindu.com/business/Economy/explained-what-is-a-ratings-agency-and-why-do-they-matter/article3840701ece
2. https://cleartax.in/s/credit-rating-agencies-in-india

Steps Taken to Attract Foreign Investment into India

- '**Make in India**' program was launched in 2014 to facilitate enhanced investment, foster innovation, build best in class infrastructure, and make India a hub for manufacturing, design, and innovation.
- Department for Promotion of Industry and Internal Trade (DPIIT), in consultation with the State Governments, has started a reform exercise in States and UTs under **Business Reforms Action Plan** (BRAP).
- Implementation of the BRAP by the States/UTs helped in improving business environment across States.
- An Empowered Group of Secretaries has been constituted to fast track investments in the country.
- **Project Development Cells** (PDCs) have been set up across Central Government Ministries/Departments to handhold investors and spur sectoral and economic growth.

- A GIS-enabled **India Industrial Land Bank** has been launched to help investors identify their preferred location for investment.
- **National Single Window System** has been launched in 2021 to facilitate clearances for investors.
- An outlay of INR 1.97 lakh crore has been announced in Union Budget 2021-22 for **Production-Linked Incentives** (PLI) schemes for 14 key sectors of manufacturing starting from fiscal year (FY) 2021-22.
- Measures taken by the Government including on **FDI Policy reforms** have resulted in increased FDI inflows in the country year after year.
- India registered its highest ever annual FDI inflow of US$ 81.97 billion in financial year (FY) 2020-21 despite the COVID related disruptions.
- In the last 7 FYs (2014-21), India has received FDI inflow worth US$ 440.27 billion which is 58% of the FDI reported in the last 21 years.
- Despite these, the Government has taken various other steps to boost domestic and foreign investments in India. These include measures to
    1. Reduce compliance burden for industry,
    2. Opportunities under National Infrastructure Pipeline,
    3. Reduction in Corporate Tax,
    4. Easing liquidity problems of NBFCs and Banks,
    5. Policy measures to boost domestic manufacturing through Public Procurement Orders,
    6. Phased Manufacturing Programme (PMP), etc.

Reference

https://pib.gov.in/PressReleasePage.aspx?PRID=1797596

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