Prelim Bits 13-04-2022 | UPSC Daily Current Affairs

Latest Monetary Policy Review by the RBI

In its latest bi-monthly monetary policy review, the Reserve Bank of India (RBI) has decided to prioritise its focus on inflation over growth, retain its accommodative stance while gradually withdrawing it, among others.

- **Focus** - The RBI has decided to focus on inflation over growth by sucking out money from the system in a multi-year time-frame.
- It has decided to remain accommodative while focusing on withdrawal of accommodation stance, which has been there since 2019.

> *An accommodative stance of the RBI indicates the willingness on the part of the central bank to expand money supply and cut interest rates.*

- **Rates** - For the eleventh time in a row, the RBI has decided to keep the repo rate unchanged at 4%.
- Marginal standing facility (MSF) rate & bank rate remain unchanged at 4.25%.
- The RBI also introduced a Standing Deposit Facility (SDF) at 3.75%, aimed at liquidity management.
- With this, the RBI has restored the LAF corridor with SDF at the base at 3.75% and MSF at 4.25%.
- The Fixed Reverse Repo Rate has been kept at 3.35% and along with SDF will impart flexibility to RBI's liquidity management.
- In the wake of the rise in crude oil and commodity prices and the impact of the Russian invasion of Ukraine, the RBI has **slashed the growth forecast to 7.2%** for fiscal 2022-23 from 7.8% projected earlier.
- **Factors** - Even though the Russia's war won't impact India directly, it could potentially impede the economic recovery of India through elevated commodity prices & global spill-over channels.
- The other factors that pose downside risks to the outlook are,
    1. Financial market volatility induced by monetary policy normalisation in advanced economies,
    2. Renewed Covid-19 infections in some major countries,
    3. Augmented supply-side disruptions and protracted shortages of critical inputs such as semiconductors and chips.
- The RBI has also **increased the retail inflation projection** from 4.5% to 5.7% in 2022-23.
- **Factors** - The spike in international crude prices since end-February poses substantial upside risk to inflation through both direct and indirect effects.
- Sharp increases in domestic pump prices could trigger broad-based second-round price pressures.
- A combination of high international commodity prices and elevated logistic disruptions could aggravate input costs across agriculture, manufacturing, and services sectors.

- Their pass-through to retail prices warrants continuous monitoring and proactive supply management.
- **Related Links** - Standing Deposit Facility

Reference

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Helina

The indigenously-developed Anti-Tank Guided Missile 'Helina' was successfully flight-tested from Dhruv Advanced Light Helicopter in high altitude conditions.

- 'Helina', or **helicopter-based Nag missile**, is the third generation, fire and forget Anti-Tank Guided Missile (ATGM).
- It has been designed and developed indigenously by Defence Research and Development Organisation (**DRDO**).
- It is guided by an infrared imaging seeker (IIR) operating in the lock-on-before-launch mode.
- It can strike targets up to **7 km** away and has been designed and developed for integration on the weaponised version of the Dhruv ALH.
- It can engage targets both in direct hit mode as well as top attack mode.
- It has all-weather day and night capability and can defeat battle tanks with conventional armour as well as with explosive reactive armour.
- **Related Links** - Helina and Dhruvastra

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1. https://pib.gov.in/PressReleasePage.aspx?PRID=1815979
2. https://frontline.thehindu.com/dispatches/india-successfully-test-fires-anti-tank-guided-missile-helina/article38471875.ece
3. https://economictimes.indiatimes.com/news/defence/india-carries-out-successful-test-firing-of-helina-anti-tank-missile/articleshow/90795358.cms
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5G Vertical Engagement and Partnership Program

Department of Telecommunications (DoT) has invited Expression of Interest (EoI) for '5G Vertical Engagement & Partnership Program (VEPP)' initiative.

- "5G VEPP" aims to build strong collaboration partnerships across 5G Use-case ecosystem stakeholders with velocity and with an exclusive emphasis to address User/Vertical Industry needs.
- It is being offered to Industry verticals which have potential as testing cum breeding grounds for innovative 5G use cases, through an EoI.
- This would enable close collaboration between User verticals and 5G Tech stakeholders (Service providers, Solution providers & partner OEMs).

- This collaboration can trigger a multiplier effect to try & finetune 5G digital solutions in respective economic verticals.

Category Type	Brief description & examples
User/ Vertical Industries (Private & Public)	Individual Vertical Enterprise user /Group of Enterprises (Multiple verticals) Eg: Logistic Hubs, Factories, Agri Institutions, Power Utility Companies, Hospitals, Hotels, Ports, Stadiums, Manufacturing Units etc.
Service providers	TSPs M2M service providers etc.
Solution Providers/ System Integrators (SIs)	End to End Use-case providers (including OEMs) System Integrators
Solution Partners/ Devices, Sensors, Original Equipment vendors (OEMs)	Any Start-up/ SME/ industry that has demonstrable use cases OEMs in Network domain OEMs in CPEs/ Devices/ Instruments/ Sensors/ Smart Machinery & Meters/ Devices/ robots/ Drones (BLVOS) etc. in all user verticals.

Reference

1. https://pib.gov.in/PressReleasePage.aspx?PRID=1815660
2. https://dot.gov.in/sites/default/files/5GVEPP%20Approved%20OM_0.pdf?download=1

National Industrial Corridor Development Program

The Union Minister of Commerce and Industry took a comprehensive review on the progress of the National Industrial Corridor Development Program.

- National Industrial Corridor Development Programme is a pan-India initiative involving development of 'plug and play' infrastructure which is aimed at boosting manufacturing ecosystem in the country.
- It is India's most ambitious infrastructure programme aimed at developing new industrial cities as "Smart Cities" and converging next generation technologies across infrastructure sectors.
- The Government has over the past few years further enhanced the National Corridor Network to **11 integrated industrial & economic corridors** with **32 Projects** to be developed in **four phases**.
- These 11 Corridors that forms part of National Infrastructure Pipeline will enable connectivity to all key economic nodes in the country.
- The National Industrial Corridor projects are getting developed on the overall framework of PM GatiShakti.
- [PM GatiShakti is the National Master Plan to provide a systematic, multi-modal connectivity to various economic zones for a seamless movement of people, goods and services.]
- **Implementation** - After the inception of Delhi Mumbai Industrial Corridor (DMIC) in 2007, the DMIC Trust fund was set up to carry out the project development and implementation activities.
- In 2016, the DMIC Trust was renamed as National Industrial Corridor Development and Implementation Trust (NICDIT) as DMIC Trust’s mandate was expanded to include other industrial corridors in India.
- A Special Purpose Vehicle, DMIC Development Corporation Ltd (DMICDC), incorporated in 2008, as the project development agency for DMIC and knowledge partner for DMIC Trust.
- Further, in 2020, the DMICDC was renamed as National Industrial Corridor Development

Corporation Limited (NICDC).

Reference

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2. https://www.nicdc.in/index.php/about/overview
3. https://www.business-standard.com/article/current-affairs/goyal-reviews-progress-of-national-industrial-corridor-development-program-122041201204_1.html

State Energy and Climate Index

NITI Aayog has launched its State Energy & Climate Index-Round I.

- The State Energy & Climate Index (SECI) Round I is the first index that **tracks the efforts made by states and UTs in the climate and energy sector**.
- An in-depth analysis of individual states will help in enhancing the service delivery on various parameters of energy.
- **Objectives of the index**
    1. **Ranking the States** based on their efforts towards improving energy access, energy consumption, energy efficiency, and safeguarding environment;
    2. Helping drive the agenda of affordable, accessible, efficient and clean **energy transition at the State level**;
    3. Encouraging healthy competition among the states on different dimensions of energy and climate.
- The SECI ranks the states' performance on **6 parameters**, namely,
    1. DISCOM's Performance
    2. Access, Affordability and Reliability of Energy
    3. Clean Energy Initiatives
    4. Energy Efficiency
    5. Environmental Sustainability; and
    6. New Initiatives.
- The parameters are further divided into 27 indicators.
- **Categories** - Based on the composite SECI Round I score, the states and UTs are categorized into 3 groups: Front Runners, Achievers, and Aspirants.
- The states have been categorized based on size and geographical differences as larger states, smaller states, and UTs.

Category	**Top performers**
Larger states category	Gujarat, Kerala, and Punjab
Smaller states category	Goa, Tripura, and Manipur
UTs category	Chandigarh, Delhi, and Daman & Diu/Dadra & Nagar Haveli

- Detailed state profiles and scorecards have been included in the report which provides a comprehensive snapshot of each state and union territory on the various parameters.
- The role of the States is critical to convert our efforts towards achieving India's 'Panchamrit' targets announced at COP-26, Glasgow into a peoples' movement.
- **Related Links** - India's five-point Climate Action Plan (Panchamrit)

Reference

1. https://pib.gov.in/PressReleasePage.aspx?PRID=1815612

2. https://www.niti.gov.in/sites/default/files/2022-04/StateEnergy-and-ClimateIndexRoundI-10-04-202pdf

