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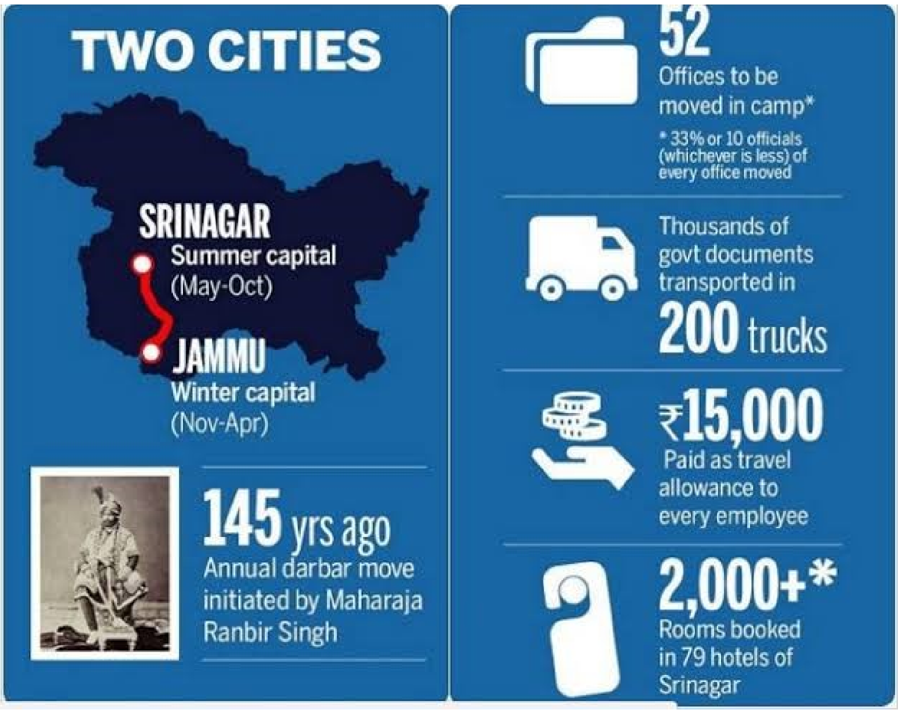
Darbar Move of J&K

- First time in 144 years, the Jammu and Kashmir administration has decided to halt the annual shifting of capital, called 'Darbar Move', from Jammu to Srinagar due to Covid-19 Pandemic.
- Darbar Move is a century-old practice in which the government functions for six months each in the two capitals of the State, Srinagar and Jammu.
- The practice was reportedly started in the late 19th century by Ranbir Singh, the Maharaja of Jammu and Kashmir, who used to shift his capital between Srinagar in the summer and Jammu in the winter to escape extreme weather conditions in these places.
- The government will function in Srinagar, the summer capital of the State, till late October and then move to Jammu, the winter capital, in the first week of November.
- Hundreds of trucks are usually plied to carry furniture, office files, computers, and other records to the capital.
- Regional parties in Jammu and Kashmir advocated the continuation of the practice "to help in the emotional integration between two diverse linguistic and cultural regions of Jammu and Kashmir."
- However in reality the 'Darbar Move' results in wastage of tremendous amount of time, efforts and energy on inefficient and unnecessary activity.
- It is taxing for security forces too. It nurtures inefficiency and leads to lack of governance.
- The same negatively impacts justice dispensation and impedes judicial administration.
- It also causes delay in justice dispensation as government records are not available to the pleaders in one region for six months at a time.
- Valuable documents and resources of the Union Territory in the nature of important and sensitive government documents are put to tremendous risk in the process of their transportation as they are packed in trunks and carried in hired trucks over a distance of 300 km between Jammu and Srinagar and vice-versa twice a year.
- Recently Jammu and Kashmir High Court has also asked the Centre and the Union Territory (UT) administration to take a final call on the continuation of Darbar move.

- The High Court observed that if this practice was rationalized, the amount of money, resources and time which could be saved, could be utilized towards the welfare and development of the Union Territory, which has otherwise witnessed much turmoil.



Moratorium for NBFC's

- At end March 2020, following the nationwide lockdown, the RBI had allowed banks to extend three-month repayment moratorium to their term loan customers without classifying them as non-performing assets.
- Rating agency Crisil had reported the NBFCs rated by the agency would face a Rs. 1.75 lakh-crore debt obligation maturing by June end.
- Similarly, micro-finance institutions had informed the RBI during a recent meeting that they had to repay a debt of Rs. 18,500 crore in the next three months.
- While the banks had extended the facility to the retail borrowers, they were reluctant to extend the same to the NBFCs, including housing finance companies and micro-finance institutions.
- Bank funding is a key source of liquidity for the NBFCs.
- As a result, NBFCs that had extended the benefit to their customers but were not granted one from the banks, were facing a severe liquidity crunch.
- Following such estimates, State Bank of India (SBI) has decided to extend loan moratorium to Non-Banking Finance Companies facing a cash crunch.
- The move comes days after a recent meeting between the Reserve Bank of India (RBI) and commercial banks wherein the issues of moratorium and liquidity flow to NBFCs were discussed.
- It is decided that non-banks that wanted to avail the three-month moratorium

on payment of instalments will have to apply for the same and the facility will not be extended by default.
- The SBI will assess the cash flow situation of the NBFCs before deciding on extending the facility.
- If an entity had a negative cash flow, that is, if repayments or inflows to the NBFC were lower than the outflow, only then the facility would be extended.
- With SBI now deciding to offer the moratorium, NBFCs expect other commercial banks also to follow suit.

NBFC

- A non-banking financial institution (NBFI) or non-bank financial company (NBFC) is a financial institution that does not have a full banking license or is not supervised by a national or international banking regulatory agency.
- Operations of non-bank financial institutions are often still covered under a country's banking regulations.
- NBFI facilitate bank-related financial services, such as investment, risk pooling, contractual savings, and market brokering.
- The most important difference between non-banking financial companies and banks is that NBFCs don't take demand deposits.
- In India a Non-Banking Financial Company (NBFC) is registered under the Companies Act, 1956.
- In India financial activity as principal business is when a company's financial assets constitute more than 50 per cent of the total assets and income from financial assets constitute more than 50 per cent of the gross income.
- A company which fulfils both these criteria will be registered as NBFC by RBI.
- The term 'principal business' is not defined by the Reserve Bank of India Act.
- The Reserve Bank has defined it so as to ensure that only companies predominantly engaged in financial activity get registered with it and are regulated and supervised by it.
- Hence if there are companies engaged in agricultural operations, industrial activity, purchase and sale of goods, providing services or purchase, sale or construction of immovable property as their principal business and are doing some financial business in a small way, they will not be regulated by the Reserve Bank.
- Interestingly, this test is popularly known as 50-50 test and is applied to determine whether or not a company is into financial business.
- NBFCs lend and make investments and hence their activities are akin to that of banks; however there are a few differences as given below:

1. NBFC cannot accept demand deposits.
2. NBFCs do not form part of the payment and settlement system and cannot

issue cheques drawn on itself.
3. Deposit insurance facility of Deposit Insurance and Credit Guarantee Corporation is not available to depositors of NBFCs, unlike in case of banks.

Vande Bharat Mission

- India has launched a massive evacuation operation Vande Bharat Mission, to bring back Indians stranded in different parts of the world due to the coronavirus pandemic.
- Under Vande Bharat Mission, Air India flights will ferry out passengers stranded in India and on the return journey, these flights will bring back Indians, stuck overseas.
- Under the operation State-run carrier Air India will operate special flights from New Delhi, Cochin and Kozhikode to Singapore, Abu Dhabi and Dubai respectively.
- A total of 2,300 passengers will be brought back in the first phase.
- The highest number of passengers - 300 - are coming back from the United States, followed by 250 each from the UK, Singapore, Malaysia and the Philippines, and 200 each from Abu Dhabi, Dubai, Riyadh, Doha and Dhaka.
- Union Ministry of Home Affairs stated that a person who has an OCI card, or held the citizenship of a foreign country, or held a valid visa of more than one year of that country, or had the green card of that country, can travel on the repatriation flight leaving India under the Vande Bharat mission.
- The Mission is claimed to be the biggest repatriation exercise ever.

This should not be confused with Vande Bharat Express

Vande Bharat Express

- Vande Bharat Express, also known as Train 18 is an Indian semi-high speed intercity electric multiple unit.
- It was designed and built by Integral Coach Factory (ICF), Chennai under the Indian government's Make in India initiative over a span of 18 months.
- The trainset has been tested for speeds up to 180 km/h, however operational speed has been capped at 130 km/h.
- The train is now operational between Delhi- Varanasi Route.

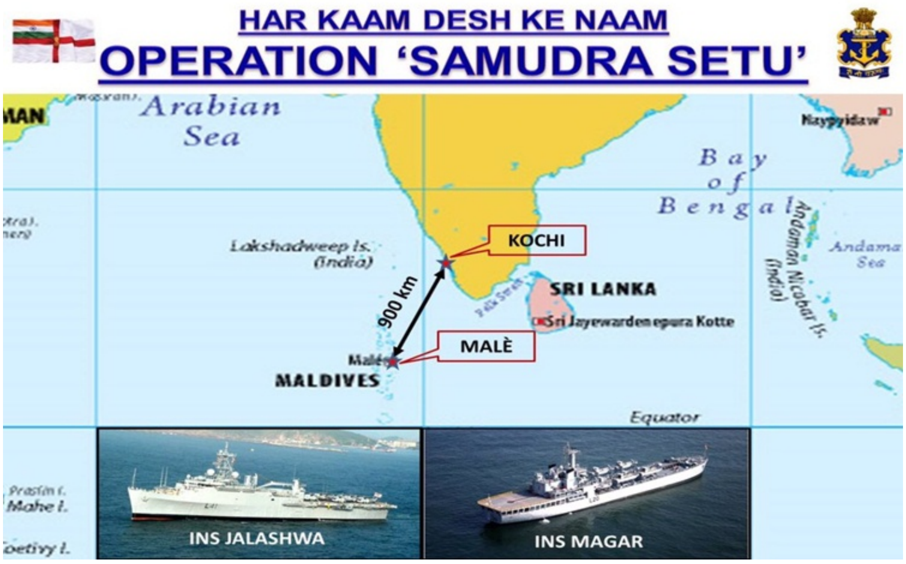
African Swine Flu

- ASF is a highly contagious and fatal animal disease that infects domestic and wild pigs, typically resulting in an acute form of hemorrhagic fever.
- It was first detected in Africa in the 1920s.
- The mortality is close to 100 per cent, and since the fever has no cure, the only way to stop it spreading is by culling the animals.

- ASF is not a threat to human beings since it only spreads from animals to other animals.
- According to the FAO, its extremely high potential for transboundary spread has placed all the countries in the region in danger and has raised the spectre of ASF once more escaping from Africa.
- It is a disease of growing strategic importance for global food security and household income.
- Around 2,800 pigs have died in Assam since February due to African Swine Fever virus, making the state the epicenter of ASF in India.

Operation Samudra Setu

- Indian Navy has launched Operation Samudra Setu - meaning Sea Bridge, as a part of national effort to repatriate Indian citizens from overseas.
- Indian Naval Ships Jalashwa and Magar are presently enroute to Malè in Maldives to commence evacuation operations.
- A total of one thousand persons are planned to be evacuated during the first trip.
- The evacuated personnel will be disembarked at Kochi in Kerala and entrusted to the care of State authorities.
- This operation is being progressed in close coordination with Ministries of Defence, External Affairs, Home Affairs, Health and various other agencies of the Government of India and State governments.



Source: News on Air, Hindustan Times, the Hindu