



RACE IAS

# Daily current affairs

18 April 2022

## Black Sea and Russia

### Why in News?

Recently, the sinking of the warship Moskva, flagship of the Russian Black Sea Fleet – whether due to a Ukrainian missile strike or, as Russia claims, a fire on board – is a serious setback for Russia in the War against Ukraine.

### What is the Black Sea's Geography?

- Littoral Geography: The Black Sea is bordered by Ukraine to the north and northwest, Russia and Georgia to the east, Turkey to the south, and Bulgaria and Romania to the west.
- Maritime Geography: It links to the Sea of Marmara through the Bosphorus Strait and then to the Aegean Sea through the Dardanelles strait.



## What is the Importance of Black Sea to Russia?

- Strategic Importance: Domination of the Black Sea region is a geostrategic imperative for Russia, both to project Russian power in the Mediterranean and to secure the economic gateway to key markets in southern Europe.
  - Gateway to Mediterranean Sea: It has traditionally been Russia's warm water gateway to Europe.
  - Strategic Buffer: It is a strategic buffer between the North Atlantic Treaty Organisation (NATO) and itself.
- Black Sea Fleet: In this context, Russia has been making efforts to gain complete control over the Black Sea since the Crimean crisis of 2014.
  - Thus, Russia has stationed its Black Sea naval fleet in the Black Sea.
  - Black Sea Fleet: The Black Sea Fleet has a long history and is considered to have been founded back in 1783.
    - It comprises warships of the Russian Navy in the Black Sea, Sea of Azov, and the eastern Mediterranean, and is headquartered at Sevastopol, the major port on the Crimean peninsula.

## What is Russia Doing in the Black Sea?

- During the ongoing invasion, the domination of the Black Sea has been a major Russian objective, along with the land bridge to connect Russia and Crimea.
- Capturing Mariupol: There have been intense efforts to capture Mariupol, the Sea of Azov port in the breakaway eastern Ukrainian oblast of **Donetsk**.
- Capturing Odessa: Russia was also expected to focus its military efforts on Odessa, to the west of Crimea.
  - If the Odessa region were to fall as well, Ukraine would lose access to its entire Black Sea coastline and would in effect be reduced to a landlocked country.
  - It is also the largest region in Ukraine which serves as an important energy and transport corridor with abundant natural resources.
  - The Rhine-Main-Danube canal connects the Black Sea to the Atlantic Ocean and the port of Odessa serves as a vital link between Ukraine and the outside world.

## What are Russia's Prospects?

- The loss of the warship Moskva is expected to put brakes on an anticipated amphibious assault on Odessa.
- This incident means Russia has now suffered damage to two key naval assets since invading Ukraine, the first being Russia's Alligator class landing ship Saratov in March 2022.
- Both events will likely lead Russia to review its maritime posture in the Black Sea.



Source: IE

## Integrated Child Development Scheme

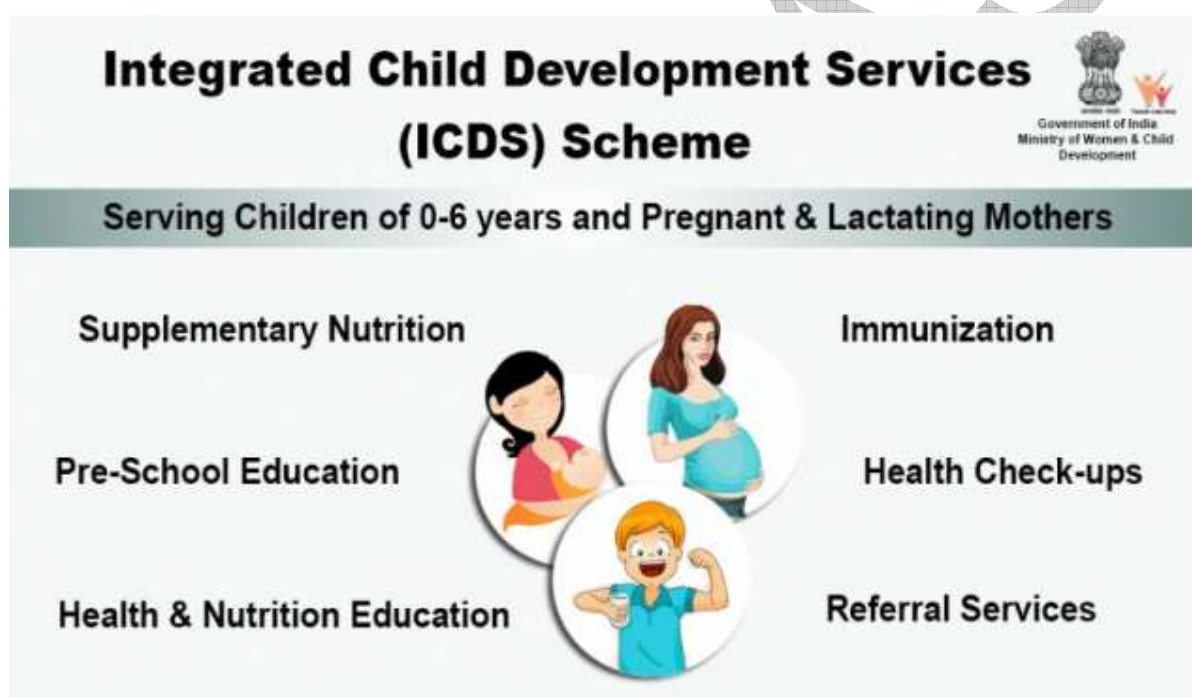
### Why in News?

Recently, the Maharashtra government has developed a Migration Tracking System (MTS) application to map the movement of migrant workers to maintain the continuity of the Integrated Child Development Services (ICDS) like nutrition supply, immunisation and health check-up etc.

- MTS is a website based Application that tracks the movement of Vulnerable Seasonal Migrant Workers, through individual unique identity numbers.
- Migrant beneficiaries including children aged up to 18 years, lactating mothers and pregnant women registered with the anganwadi centres will be tracked for ensuring the portability of the ICDS for their families in their destination districts within or outside the state until their return to their native places.

### What is ICDS?

- **About:**
  - The Umbrella ICDS is a centrally sponsored scheme implemented by the Ministry of Women and Child Development. It was launched in 1975.



### What are the Schemes Under the ICDS?

- **Anganwadi Services Scheme:**
  - It is a unique programme for early childhood care and development.
  - The beneficiaries under the Scheme are children in the age group of 0-6 years, pregnant women and lactating mothers.
  - It provides a package of six services namely supplementary nutrition, pre-school non-formal education, nutrition & health education, immunisation, health check-up and referral services.

- Supplementary Nutrition includes Take Home Ration (THR), Hot Cooked Meal and morning snacks and holds importance for many vulnerable households as it impacts the nutritional outcome of the children.
- **Pradhan Mantri Matru Vandana Yojana:**
  - It provides cash incentive amounting to Rs.5,000/- in three instalments directly to the Bank/Post Office Account of Pregnant Women and Lactating Mother (PW&LM) in DBT (Direct Benefit Transfer) Mode during pregnancy and lactation in response to individual fulfilling specific conditions.
- **National Creche Scheme:**
  - It provides day care facilities to children of age group of 6 months to 6 years of working women.
  - The facilities are provided for seven and half hours a day for 26 days in a month.
  - Children are provided with supplementary nutrition, early childcare education, and health and sleeping facilities.
- **Scheme for Adolescent Girls:**
  - It aims at out of school girls in the age group 11-14, to empower and improve their social status through nutrition, life skills and home skills.
  - The scheme has nutritional and non nutritional components which include nutrition; iron and folic acid supplementation; health check up and referral service; nutrition and health education; mainstreaming out of school girls to join formal schooling bridge course/ skill training; life skill education, home management etc.; counselling/ guidance on accessing public services.
- **Child Protection Scheme:**
  - It aims to contribute to the improvement and well-being of children in difficult circumstances, as well as, reduction of vulnerabilities to situations and actions that lead to abuse, neglect, exploitation, abandonment and separation of children from parents.
- **POSHAN Abhiyaan:**
  - It targets to reduce the level of stunting, under-nutrition, **anaemia** and low birth weight babies by reducing mal-nutrition/undernutrition, anaemia

among young children as also, focus on adolescent girls, pregnant women and lactating mothers.

### **What are the Major Objectives of ICDS?**

- To improve the nutritional and health status of children in the age-group 0-6 years.
- To lay the foundation for proper psychological, physical and social development of the child.
- To reduce the incidence of mortality, morbidity, malnutrition and school dropout.
- To achieve effective coordination of policy and implementation amongst the various departments to promote child development.
- To enhance the capability of the mother to look after the normal health and nutritional needs of the child.
- To facilitate, educate and empower Adolescent Girls (AGs) so as to enable them to become self-reliant and aware citizens.

### **What are the Other Similar Government Schemes?**

- **National Health Mission (NHM):**
  - Launched in 2013, it subsumed the National Rural Health Mission and the National Urban Health Mission.
  - It is being implemented by the Ministry of Health & Family Welfare.
  - The main programmatic components include health system strengthening in rural and urban areas for - Reproductive-Maternal- Neonatal-Child and Adolescent Health (RMNCH+A), and Communicable and Non-Communicable Diseases.
- **Mid Day Meal Scheme:**
  - It was launched in 1995 as a centrally sponsored scheme.
  - It provides that every child within the age group of six to fourteen years studying in classes I to VIII who enrolls and attends the school shall be provided with a hot cooked meal, free of charge every day except on school holidays.

- It comes under the Education Ministry's Department of School Education and Literacy.
- **National Nutrition Strategy:**
  - The Strategy aims to reduce all forms of undernutrition by 2030, with a focus on the most vulnerable and critical age groups.
  - It also aims to assist in achieving the targets identified as part of the Sustainable Development Goals related to nutrition and health.
  - It has been released by the NITI Aayog.
- Governance is a decision-making process that gets more people and stakeholders involved. Inclusive governance, through citizens' involvement, favours the overall acceptance and makes implementation of policies easier.
- Establishing a District Planning Committee will increase people's participation in the developmental plan of their area. This will make the planning exercise bottom up in its approach and help in bringing inclusive governance. Hence, 2 is correct.
- Increasing expenditure on public health will result in increasing human capital of the country which in turn will lead to inclusive development. Hence, 3 is correct.
- The strengthening of the Mid-day Meal Scheme will increase the enrolment ratio as well as the nutritional level of the children, which in turn will lead to overall development of the children. Hence, 4 is correct.
- Permitting NBFCs to do banking have no direct linkage with inclusive governance. Hence, 1 is not correct.

**Source: IE**

## Indigenisation Efforts of Navy

### Why in News?

The Navy is ramping up indigenisation efforts especially in weapons and aviation related items in line with the Government's push to cut down on **defence imports** and boost domestic manufacturing.

- Indigenisation efforts has gained further urgency due to **ingoing Russian war in Ukraine** and the large scale dependency of Indian military on Russian arms and equipment.
- Earlier, the Ministry of Defence (MoD) has released the third positive indigenisation list of 101 items, comprising major equipment/platforms.

### **What are the Efforts taken by the Navy for Indigenisation?**

- **Indian Navy Indigenisation Plan 2015-2030:**
  - In 2014 Navy promulgated the Indian Navy Indigenisation Plan (INIP) 2015-2030 to enable indigenous development of equipment and system.
  - Till date, the Navy has indigenised around 3400 items under INIP, including over 2000 machinery and electrical spares, over 1000 aviation spares and over 250 weapon spares.
- **Naval Aviation Indigenisation Roadmap 2019-22:**
  - The existing Naval Aviation Indigenisation Roadmap (NAIR) 2019-22 is also under revision.
  - All fast moving **aircraft** mandatory spares and high cost indigenous repairs are being included in the revised NAIR 2022-27.
  - There is particular focus on the fight component (which is weapons) as there is still a long way to go compared to the float and move components.
  - Float consists of the ship, move comprises the propulsion and fight consist of weapons and sensors.
- **Indigenisation Committees:**
  - Four in-house indigenisation committees have been formed to handle indigenisation of spares with respect to naval aircraft.
- **Naval Liaison Cells:**
  - In addition, the Naval Liaison Cells (NLCs) located at various places have been nominated as 'indigenisation cells'.
    - There are currently 41 ships and submarines under construction, 39 are being built in India shipyards while in principle approval from MoD exists for 47 ships to be built in India.



- Since 2014, 78 % of Acceptance of Necessity (AoN), by value, and 68 % of contracts, by value, have been awarded to Indian vendors.
  - AoN clears the way for the tendering process to start.
- **Collaboration with DRDO:**
    - The Navy is working with the Defence Research and Development Organisation (DRDO) and the industry to cut down developmental timelines.
    - Some of the focus areas include indigenous design and development and production of Anti-Submarine Weapons and sensors, Satcom and electronic warfare equipment, Anti-Ship Missiles and Medium Range Surface to Air Missile, combat management system, software defined radios, network encryption devices, Link II communication system, main batteries for submarines, distress sonar system, components of missiles and torpedoes etc.
  - **Naval Innovation and Indigenisation Organisation (NIIO):**
    - Launched in August 2020, it provides a flexible and accessible interface for academia and industry with Indian Navy capability development apparatus.
    - In the last two years, 36 **Intellectual Property Rights (IPR)** applications have been filed by Navy personnel.
      - Over two IPR applications are filed every month since the creation of NIIO and Transfer of Technology to 12 Micro, Small and Medium-sized Enterprises (MSMEs) has already been undertaken.
  - **User Inputs under Naval Project Management Teams:**
    - The Navy has now forward deployed user inputs through Naval Project Management Teams at cluster Headquarters of DRDO and two such clusters are already operational.
    - These have interfaced with the DRDO labs and their Development cum Production Partners (DcPP) to provide user inputs at every stage to 15 futuristic Technology and 100 plus DRDO projects underway for development of Indian Navy's combat capability.
  - **Make I & Make II:**

- The Navy has more than 20 **Make I & Make II** cases being progressed, under various domestic development routes of the procurement procedure.
- The 'Make' category of capital acquisition is the cornerstone of the **Make in India** initiative that seeks to build indigenous capabilities through the involvement of both public and private sector.
- 'Make-I' refers to government-funded projects while 'Make-II' covers industry-funded programmes.
  - Make-I is involved in development of big-ticket platforms such as light tanks and communication equipment with Indian security protocols.
  - Make-II category involves prototype development of military hardware or its upgrade for import substitution for which no government funding is provided.

### **What is the Indigenisation of Defence?**

- **About:**
  - Indigenisation is the capability of developing and producing any defence equipment within the country for the dual purpose of achieving self reliance and reducing the burden of imports.
  - Self-reliance in defence manufacturing is one of the key objectives of Department of Defence Production.
    - Defence Research Development Organisation (DRDO), Defence Public Sector Undertakings (DPSUs) and private organisations are playing a critical role in indigenisation of defence industries.
  - India is among the world's largest arms importers, and the armed forces are expected to spend about USD 130 billion on defence purchases over the next five years.
- **Related Initiatives:**
  - Increased the Foreign Direct Investment (FDI) limit from 49% to 74%
  - Corporatization of the Ordnance Factory Boards
  - **Defence India Startup Challenge**

- SRIJAN Portal: To provide access to the vendors to take up items for indigenization.

**Source: TH**

## e-DAR Portal

### Why in News?

Recently, the Ministry of Roads, Transport and Highways (MoRTH) developed the portal named 'e-DAR' (e-Detailed Accident Report).

- The portal provides instant information on **road accidents** and helps accelerate accident compensation claims, bringing relief to victims' families.

### What is the Status of Road Accidents in India?

- Road safety continues to be a major developmental issue, a public health concern and a leading cause of death and injury across the world.
- It kills more than 1.35 million globally as reported in the Global Status report on Road Safety 2018 with 90% of these casualties taking place in the developing countries and 11% alone being accounted for by India.
- As per the Report on Road accidents in India 2019, the accident related deaths in India in 2019 were 1,51,113 in number.

### What are the Benefits of e-DAR portal?

- Integrated Database: Digitalised Detailed Accident Reports (DAR) will be uploaded to the portal for easy access.
  - The web portal will be linked to the Integrated Road Accident Database (iRAD).
  - From iRAD, applications to more than 90% of the datasets would be pushed directly to the e-DAR.
  - Stakeholders like the police, road authorities, hospitals, etc., are required to enter very minimal information for the e-DAR forms.
  - Thus, e-DAR would be an extension and e-version of iRAD.

- **Tackling Fake Claims:** DAR portal would conduct multiple checks against fake claims by conducting a sweeping search of vehicles involved in the accident, the date of the accident, and the First Information Report number.
- **Cross-Platform Linkages:** The portal would be linked to other government portals like Vaahan or and would get access to information on driving licence details and registration of vehicles.
- **Identifying Accident Hotspots:** Hotspots for accidents would also be identified so as to obtain solutions to avoid accidents at these hotspots.

### **What are Other Initiatives Related to Road Safety?**

- **Global Level:**
  - **Brasilia Declaration on Road Safety (2015):**
    - The declaration was signed at the second Global High-Level Conference on Road Safety held in Brazil. India is a signatory to the Declaration.
    - The countries plan to achieve the Sustainable Development Goal 3.6 i.e. half the number of global deaths and injuries from road traffic accidents by 2030.
  - **UN Global Road Safety Week:**
    - It is celebrated every two years, the sixth edition (held from 17th to 23rd May 2021) highlighted the need for strong leadership for road safety.
  - **The International Road Assessment Programme (iRAP):**
    - It is a registered charity dedicated to saving lives through safer roads.
- **India:**
  - **Motor Vehicles Amendment Act, 2019:**
    - The Act hikes the penalties for traffic violations, defective vehicles, juvenile driving, etc.
    - It provides for a Motor Vehicle Accident Fund, which would provide compulsory insurance cover to all road users in India for certain types of accidents.

- It also provides for a National Road Safety Board, to be created by the Central Government through a notification.
- It also provides for the protection of good samaritans.
- **The Carriage by Road Act, 2007:**
  - The Act provides for the regulation of common carriers, limiting their liability and declaration of the value of goods delivered to them to determine their liability for loss of, or damage to, such goods occasioned by the negligence or criminal acts of themselves, their servants or agents and for matters connected therewith or incidental thereto.
- **The Control of National Highways (Land and Traffic) Act, 2000:**
  - The Act provides the control of land within the National Highways, right of way and traffic moving on the National Highways and also for removal of unauthorised occupation thereon.
- **The National Highways Authority of India Act, 1998:**
  - The Act provides for the constitution of an authority for the development, maintenance and management of NHs and for matters connected therewith or incidental thereto.

**Source: TH**

## Bernardinelli-Bernstein Comet

### Why in News?

Recently, the National Aeronautics and Space Administration's (NASA) Hubble Space Telescope has confirmed that the huge Bernardinelli-Bernstein comet is indeed the largest icy comet nucleus ever seen by astronomers.

- The nucleus is called the C/2014 UN271 which has an estimated diameter of almost 129 kilometres.
- The nucleus is around 50 times larger than that of most known comets, and its mass is estimated to be around 500 trillion tonnes.

### **What is the Hubble Space Telescope?**

- It was launched by NASA in 1990 and is named in honour of Edwin Hubble, a revered American astronomer of the early 20<sup>th</sup> century.
- The telescope is a space-based observatory and has made significant observations related to interstellar objects, including moons around **Pluto** and a comet crashing into **Jupiter**.
- The telescope has now been in operation for over thirty years.
- In December 2021, NASA's **James Webb Space Telescope**, a revolutionary instrument built to peer the farthest yet into the cosmos, was launched.
  - It is also considered a successor of the Hubble Telescope and will extend and complement its discoveries.

### **What is the Bernardinelli-Berstein Comet?**

- The comet was discovered by astronomers Pedro Bernardinelli and Gary Bernstein in archival images from the Dark Energy Survey at an astronomical observatory in Chile.
  - It was discovered in November 2010 and has been intensively studied since.
- The comet has been travelling towards the sun for over a million years and it is believed to have originated in the Oort Cloud.
  - Oort Cloud is a distant region of the **solar system** that is predicted to be the source of most comets.
  - The Oort Cloud is still only a theoretical concept as the comets that constitute it are too faint and distant to be directly observed. It was first hypothesised by Dutch astronomer Jan Oort in 1950.
- The Bernardinelli-Berstein comet follows a 3-million-year-long elliptical orbit and has an estimated temperature of minus 348 degrees Fahrenheit.
  - It is warm enough to sublimate carbon monoxide (CO) from the surface to produce the dusty coma.

### **What are the Key Highlights about CO?**

- Carbon monoxide (CO) is a colourless, odourless, tasteless and highly toxic gas that is slightly less dense than air.

- It is short-lived (stay only a few months) in the atmosphere.
- It is produced from the exhaust of internal combustion engines and incomplete combustion of various other fuels.

### **What is a Comet?**

- Comets are large objects made of dust and ice that orbit the Sun.
  - The word comet comes from the Latin word 'Cometa' which means 'long-haired'.
- The earliest known record of a comet sighting was made by an astrologer in 1059 BC.
- Comets or 'dirty snowballs' are mostly made of dust, rocks and ice and can range in their width from a few miles to tens of miles wide.
- When they orbit closer to the sun, they heat up and release debris of dust and gases.
  - The solid portions of comets consisting mostly of water, ice and embedded dust particles are inactive when far away from the sun.
  - When near the sun, the icy cometary surfaces vaporize and throw off large quantities of gas and dust thus forming the enormous atmosphere and tails.
  - The released gases form a glowing head that can often be larger than a planet and the debris forms a tail that can stretch out to millions of miles.
  - Each time a comet passes the sun, it loses some of its material and it will eventually disappear completely as a result.
  - Comets may be occasionally pushed into orbits closer to the Sun and the Earth's neighbourhood due to forces of gravity.

### **Where do Comets Come From?**

- According to NASA, while there are millions of comets orbiting the sun, there are more than 3,650 known comets as of now.
  - Predictable Comets:
    - The predictable comets are the short-period comets which take less than 200 years to orbit around the sun.

- These can be found in the Kuiper belt, where many comets orbit the sun in the realm of Pluto.
  - One of the most famous short-period comets is called Halley's Comet that reappears every 76 years. Halley's will be sighted next in 2062.
- **Less Predictable Comets:**
- The less-predictable comets can be found in the Oort cloud that is about 100,000 AU (Astronomical Unit which is the distance between the Earth and the Sun and is roughly 150 million km) from the sun or 100,000 times the distance between the Earth and the sun.
  - Comets in this cloud can take as long as 30 million years to complete one rotation around the sun.
- Asteroids are small and rocky objects that orbit the Sun. Although asteroids orbit the Sun like planets, they are much smaller than planets.
  - There are lots of asteroids in our solar system. Most of them are found in the main asteroid belt—a region between the orbits of Mars and Jupiter.
  - Comets are cosmic snowballs of frozen gases, rock and dust that orbit the Sun. When a comet's orbit brings it close to the Sun, it heats up and spews dust and gases into a giant glowing head larger than most planets. The dust and gases form a tail that stretches away from the Sun for millions of miles. Hence, statements 1 and 3 are correct.
  - There are likely billions of comets orbiting our Sun in the Kuiper Belt (a region extending from the orbit of Neptune to about 50 AU from the Sun) and even more distant Oort Cloud. Hence, statement 2 is not correct. Therefore, option (b) is the correct answer.

**Source: TH**

## South Asia Economic Focus: World Bank

### Why in News?

Recently, the World Bank in its report **South Asia Economic Focus** (Bi- Annual) cut its economic growth forecast for India and the whole South Asian region.



- South Asia Economic Focus describes recent economic developments, analyses the economic impact on South Asia of the **war in Ukraine**, presents growth forecasts, provides risk scenarios, and concludes that reshaping economies goes hand in hand with reshaping norms.

### **What are the Gross Domestic Product (GDP) Estimates?**

- Lowered India's growth to 8% from previous estimate of 8.7% for the current fiscal year 2022-23.
- Cut by a full percentage (1%) points the growth outlook for South Asia, excluding Afghanistan, to 6.6%.
- Raised its growth forecast for Pakistan, the region's second-largest economy, for the current year ending in June, to 4.3% from 3.4% and kept next year's growth outlook unchanged at 4%.

### **What are the Factors Responsible for Low GDP Estimates?**

- Worsening supply chain and rising inflation risks caused by the Ukraine crisis.
- In India, household consumption will be constrained by the incomplete recovery of the labour market from the pandemic and inflationary pressures..
- High oil and food prices caused by the war in Ukraine will have a strong negative impact on peoples' real incomes
- The region's dependence on energy imports meant high crude prices forced its economies to pivot their monetary policies to focus on inflation rather than reviving economic growth after nearly two years of pandemic restrictions.

### **What is Gross Domestic Product (GDP)?**

- It is a measure of economic activity in a country. It is the total value of a country's annual output of goods and services. It gives the economic output from the consumers' side.
- $GDP = \text{Private consumption} + \text{Gross investment} + \text{Government investment} + \text{Government spending} + (\text{exports} - \text{imports})$ .

### **How does the GDP differ with Gross Value Added (GVA)?**

- GVA is a measure of total output and income in the economy. It provides the rupee value for the number of goods and services produced in an economy

after deducting the cost of inputs and raw materials that have gone into the production of those goods and services.

- It also gives a sector-specific picture like what is the growth in an area, industry or sector of an economy.
- At the macro level, from a national accounting perspective, GVA is the sum of a country's GDP and net of subsidies and taxes in the economy.
  - $\text{Gross Value Added} = \text{GDP} + \text{subsidies on products} - \text{taxes on products}$

### **What are the Women Related Findings?**

- **Traditional Attitudes:** Traditional attitudes and deeply rooted social norms towards gender have persisted or become more conservative over time.
  - They can be a key obstacle towards gender equality, the welfare of children as well as broader economic growth.
- **Women Facing Disadvantage:** Women continue to face great disadvantages in accessing economic opportunities in the region, despite decades of economic growth, rising education, and declining fertility.
- **Labour Force Participation:** Many South Asian countries rank among the lowest in the world in terms of female **labour force participation**, as well as other forms of gender disparities, such as freedom of movement, social interactions, asset ownership, and son preference.
- **Low Economic Activity:** Across the world, at higher levels of development women tend to spend less time doing household chores and more time in paid employment. However, for most South Asian women engagement in economic activity is lower than what would be expected given the level of development of the region.
- **Conservative Belief:** With few exceptions, conservative beliefs about household labour division in South Asian countries account for a large share of these gaps in women's economic engagement.

### **What are the Major Suggestions?**

- **Plan Policies:** Governments need to carefully plan monetary and fiscal policies to counter external shocks and protect the vulnerable.

- Interventions for Women: Countries need to implement interventions that tackle barriers to women's economic participation, including norms that are biased against women.
- Low-Carbon Development: Countries should also accelerate the transition to a low-carbon development path and move towards a greener economy to reduce reliance on fuel imports.
- The Global Gender Gap Report is published by the World Economic Forum.

**Source: IE**

## Oil bonds

### Why in News?

Recently, the Finance Minister has countered criticism of high oil prices by claiming that the government cannot bring down taxes - and thus oil prices because it has to pay for oil bonds issued by the Previous Government.

- However, critics claim that what the government has had to pay for oil bonds, the payout is not big compared to revenues earned in this sector.

### What Percentage of Fuel Price is Tax?

- There are two components to the domestic retail price – the price of crude oil itself, and the taxes levied on this basic price.
- Together they make up the retail price. The taxes vary from one product to another. For instance, as of now, taxes account for 50% of the total retail price for a litre of petrol, and 44% for a litre of diesel.

### What are Oil Bonds?

- When fuel prices were too high for domestic consumers, governments in the past often asked Oil Marketing Companies (OMCs) to avoid charging consumers the full price.
  - But if oil companies don't get paid, they would become unprofitable. To address this, the government said it would pay the difference.
  - If the government paid that amount in cash, it would have been pointless, because then the government would have had to tax the same people to collect the money to pay the OMCs. This is where oil bonds come in.

- An oil bond is an IOU, or a promissory note issued by the government to the OMCs, in lieu of cash that the government would have given them so that these companies don't charge the public the full price of fuel.
  - An IOU, a phonetic acronym of the words "I owe you," is a document that acknowledges the existence of a debt.
  - A promissory note is a debt instrument that contains a written promise by one party (the note's issuer or maker) to pay another party (the note's payee) a definite sum of money, either on-demand or at a specified future date.
- An oil bond says the government will pay the OMC the sum of, say, Rs 1,000 crore in 10 years. And to compensate the OMC for not having this money straight away, the government will pay it, say, 8% (or Rs 80 crore) each year until the bond matures.
- Oil bonds do not qualify as Statutory Liquidity Ratio (SLR) securities, making them less liquid when compared to other government securities.
  - SLR: The share of Net Demand and Time Liabilities that a bank is required to maintain safe and liquid assets, such as government securities, cash, and gold.

#### **What is the Significance?**

- By issuing such oil bonds, the government of the day is able to protect/subsidise the consumers without either ruining the profitability of the OMC or running a huge budget deficit itself.
- **Brent crude** oil is one of the major classifications of crude oil done on the basis of geographical location of the source. Brent crude oil is sourced from the North Sea. Other major types of crude oil on the basis of geography are West Texas Intermediate (USA) and Dubai/Oman (Persian Gulf).

**Source: IE**

## **Veer Kunwar Singh**

#### **Why in News?**

- The Government will pay tribute to freedom fighter Veer Kunwar Singh (1777-1858) on his birth anniversary (23<sup>rd</sup> April).



### Who was Kunwar Singh?

- He belonged to a family of the Ujjainiya clan of the Parmar Rajputs of Jagdispur, currently a part of Bhojpur district, Bihar.
- He was the chief organiser of the fight against the British in Bihar. He is popularly known as Veer Kunwar Singh.
- Singh led the Indian Rebellion of 1857 in Bihar. He was nearly eighty and in failing health when he was called upon to take up arms.
- He was assisted by both his brother, Babu Amar Singh and his commander-in-chief, Hare Krishna Singh. Some argue that the latter was the real reason behind Kunwar Singh's initial military success.
- He gave a good fight and harried British forces for nearly a year and remained invincible until the end. He was an expert in the art of guerilla warfare.
- He passed away on 26<sup>th</sup> April 1858.
- To honour his contribution to India's freedom movement, the Republic of India issued a commemorative stamp on 23<sup>th</sup> April 1966.
  - The Government of Bihar established the Veer Kunwar Singh University, Arrah in 1992.
  - In 2017, the Veer Kunwar Singh Setu, also known as the Arrah-Chhapra Bridge, was inaugurated to connect north and south Bihar.

- In 2018, to celebrate the 160<sup>th</sup> anniversary of Kunwar Singh's death, the government of Bihar relocated a statue of him to Hardinge Park. The park was also officially renamed as 'Veer Kunwar Singh Azadi Park'.

**Source: IE**

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