

25 March 2020 PIB Summary & Analysis

1. G20

Context:

PM to participate in G20 virtual summit.

About G20:

- The G20 (or Group of Twenty) is an international forum for the governments and central bank governors from 19 countries and the European Union (EU).

To know more about the [G20](#), click on the linked article.

2. MoU between India and Germany

Context:

Cabinet approves MoU between India and Germany in Railway sector.

Details:

- The MoU was signed in February 2020.
 - This MoU for technological cooperation in the Railway Sector will enable cooperation in the following areas:
 - Freight operations (including cross-border transport, automotive transport and logistics),
 - Passenger operations (including high-speed and cross-border traffic),
 - Infrastructure building and management (including dedicated freight corridors and development of passenger stations),
 - Development of a modern, competitive railway organization (including the improvement of organizational structures and railway reformation),
 - IT solutions for railway operations, marketing and sales as well as administrative purposes,
 - Predictive maintenance,
 - Private train operations, and
 - Any other area which may be mutually agreed in writing between the two parties.
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3. Regional Rural Banks

Context:

Cabinet approves recapitalization of Regional Rural Banks to improve their Capital to Risk Weighted Assets Ratio.

Details:

- The Cabinet Committee on Economic Affairs (CCEA) has given its approval for continuation of the process of recapitalization of Regional Rural Banks (RRBs) by providing minimum regulatory capital to RRBs for another year beyond 2019-20, that is, up to 2020-21 for those RRBs which are unable to maintain minimum Capital to Risk weighted Assets Ratio (CRAR) of 9%, as per the regulatory norms prescribed by the Reserve Bank of India ([RBI](#)).
- The CCEA also approved utilization of Rs.670 crore as central government share for the scheme of Recapitalization of RRBs (i.e. 50% of the total recapitalization support of Rs.1340 crore), subject to the condition that the release of Central Government's share will be contingent upon the release of the proportionate share by the sponsor banks.

Benefits:

- Financially stronger and robust Regional Rural Banks with improved CRAR will be able to meet the credit requirement in the rural areas.
- As per RBI guidelines, the RRBs have to provide 75% of their total credit under PSL (Priority Sector Lending).
- RRBs primarily cater to the credit and banking requirements of the agriculture sector and rural areas with focus on small and marginal farmers, micro & small enterprises, rural artisans and weaker sections of the society.
- In addition, RRBs also provide lending to micro/small enterprises and small entrepreneurs in rural areas.
- With the recapitalization support to augment CRAR, RRBs would be able to continue their lending to these categories of borrowers under their PSL target, and thus, continue to support rural livelihoods.

Background:

- Consequent upon RBI's decision to introduce disclosure norms for the CRAR of RRBs with effect from March 2008, a committee was set up under the chairmanship of Dr. K.C. Chakrabarty.
- Based on the Committee's recommendations, a Scheme for Recapitalization of RRBs was approved by the Cabinet in its meeting held in 2011 to provide recapitalization support of Rs. 2,200 crore to 40 RRBs with an additional amount of Rs. 700 crore as contingency fund to meet the requirement of the weak RRBs, particularly in the North Eastern and Eastern Region.
- Therefore, based on the CRAR position of RRBs, as on 31st March of every year, the [National Bank for Agriculture and Rural Development \(NABARD\)](#) identifies those RRBs, which require recapitalisation assistance to maintain the mandatory CRAR of 9%.
- Post 2011, the scheme for recapitalization of RRBs was extended up to 2019-20 in a phased manner with a financial support of Rs. 2,900 crore with 50% Government of India's share of Rs. 1,450 crore.
- During this period, the Government has also taken various initiatives for making the RRBs economically viable and sustainable institutions.
 - With a view to enable RRBs to minimize their overhead expenses, optimize the use of technology, enhance the capital base and area of operation and increase their exposure, the Government has initiated structural consolidation of RRBs in three phase, thereby reducing the number of RRBs from 196 in 2005 to the present 45.

What is Capital to Risk Weighted Assets Ratio (CRAR)?

The CRAR, also known as the Capital Adequacy Ratio (CAR), is the ratio of a bank's capital to its risk.

- It is a measure of the amount of a bank's core capital expressed as a percentage of its risk-weighted asset.
- The enforcement of regulated levels of this ratio is intended to protect depositors and promote stability and efficiency of financial systems around the world.

- It determines the bank's capacity to meet the time liabilities and other risks such as credit risk, operational risk, etc.
 - In the most simple formulation, a bank's capital is the "cushion" for potential losses, and protects the bank's depositors and other lenders.
 - Banking regulators in most countries define and monitor CAR to protect depositors, thereby maintaining confidence in the banking system.
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4. Glaciers in Sikkim are losing mass faster than other parts of the Himalayas

Context:

Scientists from the Wadia Institute of Himalayan Geology (WIHG), Dehradun an autonomous research institute for the study of Geology of the Himalayas under the Department of Science and Technology, have found that glaciers in Sikkim are melting at a higher magnitude as compared to other Himalayan regions.

Details:

- The study assessed the response of 23 glaciers of Sikkim to climate change for the period of 1991-2015 and revealed that glaciers in Sikkim have retreated and deglaciated significantly from 1991 to 2015.
- Small-sized glaciers in Sikkim are retreating while larger glaciers are thinning due to climate change.
- Compared to other Himalayan regions, the magnitude of dimensional changes and debris growth are higher in the Sikkim.
 - A major shift in glacier behaviour has occurred around 2000.
 - Contrary to the western and central Himalaya, where glaciers are reported to have slowed down in recent decades, the Sikkim glaciers have shown negligible deceleration after 2000.
 - Summer temperature rise has been the prime driver of glacier changes.
- The behaviour of glaciers in the region is heterogeneous and found to be primarily determined by glacier size, debris cover, and glacial lakes.
- Though a generalized mass loss is observed for both small (less than 3 km square) and large-sized glaciers (greater than 10 km square), they seem to adopt different mechanisms to cope with the ongoing climatic changes.
 - While the first adjust mostly by deglaciation, the latter lose mass through down wasting or thinning.

Benefits of studying glaciers:

- Accurate knowledge of magnitude as well as the direction of glacier changes can lead to awareness among common people regarding water supplies and possible glacier hazards, particularly to those communities that are living in close proximity.
- Such studies can provide ample baseline data on glacier changes and systematically explore the causal relationship between glacier parameters and various influencing factors.
- A clear understanding of glacier state will help orienting future studies as well as taking necessary measures.
- Glaciers reveal clues about global warming.
 - How much does our atmosphere naturally warm up between Ice Ages?
 - How does human activity affect climate?
 - Because glaciers are so sensitive to temperature fluctuations accompanying climate change, direct glacier observation may help answer these questions.

About Glaciers:

- Glaciers are made up of fallen snow that, over many years, compresses into large, thickened ice masses.
- Glaciers form when snow remains in one location long enough to transform into ice.
- What makes glaciers unique is their ability to flow. Due to sheer mass, glaciers flow like very slow rivers.
- Some glaciers are as small as football fields, while others grow to be dozens or even hundreds of kilometres long.
- Presently, glaciers occupy about 10 percent of the world's total land area, with most located in polar regions like Antarctica, Greenland, and the Canadian Arctic.
- Glaciers can be thought of as remnants from the last Ice Age, when ice covered nearly 32 percent of the land, and 30 percent of the oceans.
- Most glaciers lie within mountain ranges that show evidence of a much greater extent during the ice ages of the past two million years, and more recent indications of retreat in the past few centuries.
- Gangotri glacier is one of the largest in the Himalaya region. Gangotri has been receding since 1780, although studies show its retreat quickened after 1971.
- Since the early twentieth century, with few exceptions, glaciers around the world have been retreating at unprecedented rates.
- Some scientists attribute this massive glacial retreat to the Industrial Revolution, which began around 1760.
- In fact, several ice caps, glaciers and ice shelves have disappeared altogether in this century.
- Many more are retreating so rapidly that they may vanish within a matter of decades.

Also check the table below for more articles on glacial landforms:

[Glacial Depositional Landforms](#) [Glacial Erosional Landforms](#)

5. MACS 4028

Context:

Scientists of ARI, Pune develop biofortified, high protein wheat variety.

About MACS 4028:

- Scientists from Agharkar Research Institute (ARI), Pune, an autonomous institute under the Department of Science & Technology, Government of India, have developed a **biofortified durum wheat variety MACS 4028, which shows high protein content**.
- The new variety of wheat shows high protein content of about 14.7%, better nutritional quality having zinc 40.3 ppm, and iron content 46.1ppm, good milling quality and overall acceptability.
- It is a semi-dwarf variety, which matures in 102 days and has shown superior and stable yielding ability of 19.3 quintals per hectare.
- It is resistant to stem rust, leaf rust, foliar aphids, root aphids, and brown wheat mite.

About wheat cultivation in India:

- Wheat crop in India is grown under six diverse agroclimatic zones. The zones are:
 - North-Western Plains Zone (NWPZ)
 - North-Eastern Plains Zone (NEPZ)

- Central Zone (CZ)
 - Peninsular Zone (PZ)
 - Northern Hill Zone (NHZ)
 - Southern-hills Zone (SZ)
- In the **peninsular zone of India** (Maharashtra and Karnataka states), wheat cultivation is majorly done under rainfed and limited irrigation conditions.

Under such conditions, the crop experiences moisture stress. Hence, there is a high demand for drought-tolerant varieties.