15/07/2023 SATURDAY

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DAILY NEWS ANALYSIS

POLITY

LVM3-M4

Height: 43.5 m

Lift-off

mass: 642 t ECONOMICS

TECHNOLOGY

ECOLOGY

SCIENCE AND TECHNOLOGY

CHANDRAYAAN-3- PERFECT LAUNCH

The Indian Space Research Organisation's (ISRO) heaviest rocket, Launch Vehicle Mark-III-M4 (LVM3-M4), successfully placed Chandrayaan-3 spacecraft in an elliptic parking orbit around the Earth.

The mission aims to softland near the lunar south pole at 5.47 pm IST on August 23, if every things goes according to plan.

Destination moon

Chandrayaan-3 consists of a lander module (LM), a propulsion module (PM) and a rover. It was launched by the LVM3-M4 on July 14. The integrated module (comprising LM, PM and rover) was placed in an elliptical parking orbit (EPO) of size ~170 x 36500 km

PROPULSION MODULE (PM)

Mission life: PM will carry the tander and the rover from the injection orbit to a circular lunar orbit. Its payload will be operational for 3 to 6 months

2,145 kg
Power:
738 W, summer solstice and with

LANDER
Mission life: 1 lunar
day (14 earth days)
Mass: 1,749.86 kg

Power: 738 W
(winter solstice)

INTEGRATED MODULE PHASE 100 km
Circular luna
Circular luna
Orbi
Insertion
Unar transfer
trajectory
Satellite
separation
Chandrayaan-3 will follow

ROVER the same trajectory as its Mîssion life: predecessor. The Propulsion 1 lunar day. Module will orbit the Mass: 26 kg Earth several times before slingshotting towards the Power: 50 W Moon. Once within the Moon's gravitational pull, the module will lower itself to a Burning 100 x 100 km circular orbit. Subsequently, the Lander will S200 detach and descend to the Separation

> Distance between earth and moon 3,84,400 km

When the lander will land on the moon

The landing is scheduled for August 23-24

Where will the lander land?

It is likely to land near the moon's south pole and operate for one lunar day, equivalent to 14 earth days

SOURCE: ISRO TEXT: HEMANTH C.S., GRAPHIC: SEBASTIAN FRANCIS

\$20n

The Earth orbit insertion is among the first few phases of the total mission. The mission will be deemed a success after it completes all 10 phases,

which are broadly divided intoEarth Centric Phase, Lunar Transfer Phase and Moon Centric Phase.

Lander Payloads

RAMBHA-LP

Langmuir Probe - To measure the near surface plasma (ions and electrons) density and its changes with time.

ChaSTF

Chandra's Surface Thermophysical Experiment

To carry out the measurements of thermal properties of lunar surface near polar region.

ILSA

Instrument for Lunar Seismic Activity

To measure seismicity around the landing site and delineating the structure of the lunar crust and mantle.

Rover Pavloads

AP

APXS

Alpha Particle X-Ray Spectrometer

To derive the chemical composition and infer mineralogical composition to further enhance our understanding of lunar surface.

LIRS

Laser Induced Breakdown Spectroscope

To determine the elemental composition (Mg, Al, Si, K, Ca,Ti, Fe) of lunar soil and rocks around the lunar landing site.

Propulsion Module

Payload

SHAPE

Spectro-polarimetry of HAbitable Planet Earth

An experimental payload to study the spectro-polarimetric signatures of the habitable planet Earth in the near-infrared (NIR) wavelength range (1-1.7 µm).

LVM3 is the operational heavy lift launch vehicle of ISRO and has a spectacular pedigree of completing 6 consecutive successful missions. This is the 4th operational flight of LVM3, aims to launch the Chandrayaan-3 spacecraft to Geo Transfer Orbit (GTO).

LVM3 has proved its versatility to undertake most complex missions like:

- Injecting multi-satellites
- Mission planning to ensure safe relative distance among separated satellites through re-orientation and velocity addition maneuvers.
- Multi orbit (LEO, MEO, GEO) and execute interplanetary missions.
- India's largest and heaviest launch vehicle ferrying indian and international customer satellites.

INTERNATIONAL RELATIONS

PM MODI - VISIT TO FRANCE

"Defence cooperation has been a strong pillar of our ties. It is a symbol of deep mutual trust between the two countries. France is an important partner in Make in India and self-reliant India" Mr. Modi

India and France announced the joint development of jet and helicopter engines and construction of three Scorpene submarines for the Indian Navy.

Indian Multi Role Helicopter (IMRH) programme

A road map on this project will be prepared between Safran and DRDO before

the end of this year.

They also support industrial cooperation for motorization of heavy-lift helicopters under the IMRH programme with Safran Helicopter Engine, France.

To enable progress on the IMRH programme, a Shareholders' Agreement between HAL, India and Safran Helicopter Engine, France has been concluded for engine development

F-414 engine

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DAILY NEWS ANALYSIS

HAL and General Electric General Electric signed an MoU to potentially manufacture the F-414 engine for the indigenous Light Combat Aircraft-MK2 subject to license approval from the U.S. Congress.

India has been looking for a more powerful engine to power the fifth-generation Advanced Medium Combat Aircraft (AMCA) under development.

The Defence Acquisition Council, the apex decision-making body for the acquisition of military equipment for India's armed forces, cleared proposals worth thousands of crores to buy three additional Scorpene submarines and 26 Rafale Marine fighter jets for the Navy.

Scorpene submarines

Three additional Scorpene-class diesel-electric submarines from France.

The two leaders also welcomed the Memorandum of Understanding (MoU) between Mazgon Dockyard Ltd., Mumbai and Naval Group for the construction of three additional Scorpene submarines.

Further, other defence industrial partnership initiatives are a contract being concluded between Safran Helicopter Engine and HAL for the "Transfer of Technology of Forging and Castings" for the Shakti Engine which powers HAL built helicopters. "Another MoU between Garden Reach Shipbuilders and Engineers Ltd. (GRSE), and Naval Group France, a leader in European Naval Defence Industry to collaborate in the field of surface ship that caters to fulfil the requirement of India and International Naval forces," the joint statement stated. Both countries are also working towards adopting a road map on Defence Industrial Cooperation and in view of the uptick in defence industrial collaborations, India is setting up a Technical Office of the Defence Research and Development Organisation (DRDO) at its Embassy in Paris, the statement said.

Referring to the Bastille Day parade where he was the chief guest, Mr. Modi said we all saw the fly-past of Indian Rafale jets, while an Indian Navy ship was also present in a port of France and the contingents of all three Services marched.

Next 25 years

Both countries have set up 'bold and ambitious' goals to strengthen the strategic cooperation over the next 25 years,

New Indian consulate will be opened in Marsailles.

30,000 French students will study in India by 2030, adding that the visa process will be simplified to allow Indian students to come and study in France. Top honour to PM Modi

Modi was conferred with the Grand Cross of the Legion of Honour, France's highest civilian and military honour, becoming the first Indian PM to receive the coveted honour.

The other dignitaries who received the honour include Nelson Mandela, King Charles and Angela Merkel.

Project-75

The MDL is building six Scorpene class submarines under the Project-75, as part of a \$ 3.75 billion deal signed in October 2005, which allowed for transfer of technology from the French defence firm, Naval Group. Of these, five have already been commissioned and the last one will likely be commissioned early next year. This project saw significant delays, with the first submarine originally slated for delivery in 2012.

VIRTUAL SUMMIT,

- At a media briefing on July 4, India's Foreign Secretary Vinay Kwatra vehemently asserted that the fact that the Shanghai Cooperation Organisation (SCO) summit was held virtually "in no way signifies, hints, insinuates the dilution in the objectives that we are trying to seek of the SCO Summit".
- He did not disclose, however, any reason for not holding the summit physically or in hybrid mode. To emphasise India's commitment to the SCO, Mr. Kwatra dwelt on the political, economic and cultural initiatives the country had taken and the 134 meetings and events which it had convened during its SCO presidency.
- What Mr. Kwatra overlooked was the legitimate point —it is precisely because India had invested so much effort in the SCO that the summit should have been held physically or in a hybrid manner. That would have imparted it greater salience.
- Mr. Kwatra's failure to give even one credible reason for having a virtual summit indicates that India is moving away from the approaches which led it to become an SCO full member in 2017. At that stage Prime Minister Narendra Modi still held the belief that he could reach a modus vivendi with Chinese President Xi Jinping on the contentious issues which plague the India-China relationship. Hence, despite the SCO's origins and the influence

The fifth submarine under this project, INS Vagir, was commissioned in January this year. The others — INS Kalvari, INS Khanderi, INS Karanj and INS Vela were commissioned between 2017 and 2021. In May this year, the sixth submarine Vagsheer began her sea trials.

Project 75 India

- Project-75 (I) envisages indigenous construction of six modern conventional submarines with contemporary equipment, weapons & sensors including Fuel-Cell based AIP (Air Independent Propulsion Plant), advanced torpedoes, modern missiles and state-of-the-art countermeasure systems.
- This would provide a major boost to the indigenous design and construction capability of submarines in India, in addition to bringing in the latest submarine design and technologies as part of the project.
- The overall aim would be to progressively build indigenous capabilities in the private sector to design, develop and manufacture complex weapon systems for the future needs of the Armed Forces.
- The project would not only aid in boosting submarine/shipbuilding industry but would also greatly enhance the manufacturing/industrial sector, especially the Micro Small and Medium Enterprises (MSMEs) by developing an industrial ecosystem for the of associated spares/systems/equipment related manufacture submarines.
- This will be an important step towards meeting broader national objectives, encouraging self-reliance and aligning the defence sector with the 'Make in India' initiative of the Government.

Now, the DAC has given clearance for three additional Scorpene submarines to be built by the MDL. These are likely to have the same specifications as the ones before.

Rafale Marine jet

The Marine version of the jets will be slightly different from other Rafale, given that they will operate from aircraft carriers on sea. include foldable wings, a longer airframe for landing on carriers, and a tail hook for arrested landing on a carrier. As per French firm Safran, the nose and main landing gears on the navy version have been reinforced to satisfy the difficult aircraft carriers landing and catapulting conditions for the aircraft.

The Rafale M nose gear also incorporates the "jump strut technology" in the shock absorber to give the aircraft an angle of attack during catapulting. This naval version of the aircraft can also carry a wider range of weapons, including anti-ship missiles and air to surface missiles and radar meant for maritime operations.

Three pillars

The roadmap for bilateral relations has three pillars:

- partnership for security and sovereignty;
- partnership for the planet;
- partnership for the people.

Conclusion

Prime Minister Narendra Modi's recent visit to France strengthened the bilateral ties between India and France. During the visit, PM Modi held talks with French President Emmanuel Macron on various issues of mutual interest, including defense cooperation, counter-terrorism, climate change, and economic collaboration. VIRTUAL SILENCE

exercised by China over it, he enthusiastically went ahead with India's full membership.

China's acts as reason

- China's actions towards India in 2020 and the evolving international order have obviously compelled a re-appraisal of Indian interests in the SCO. This is evident from the point of not only holding a virtual summit but also Mr. Modi's combative assertiveness on issues of concern to India (terrorism and connectivity) on which it rightly has fundamental differences with China and Pakistan.
- On terrorism Mr. Modi said, "Some countries use cross border terrorism as an instrument of their policies, provide shelter to terrorists. SCO should not hesitate to criticise such nations. There should be no double standards on such serious matters." While neither Pakistan nor China will change course on terrorism, the issue resonates in the Central Asian Republics that continue to have deep concerns of terrorist groups using Afghanistan.
- On connectivity, though, which is a core issue for the SCO, India's isolation in the organisation is apparent. Mr. Modi reiterated India's position that connectivity projects should respect national sovereignty.
- His target was China's Belt and Road Initiative (BRI) and its flagship China-Pakistan Economic Corridor (CPEC) which violates Indian



sovereignty. Significantly, though, Mr. Xi announced, in his address at the summit, that on BRI's 10th anniversary, "China will hold the third Belt and Road Forum for International Cooperation". For him, the BRI is the "path of happiness benefiting the whole world".

The BRI and the Eurasian game

The BRI's negative consequences have not inhibited the enthusiasm of

SCO members for it. India, therefore, needs to be alive to the danger of China integrating Eurasia and shutting it out of the region with Pakistan's active support.

This is not to suggest that India should endorse the BRI, which is an instrument of Chinese expansionism, but it has to find ways to maintain close ties with Eurasia. Certainly, the promotion of Buddhist heritage, however laudable the endeavour, will not help in drawing SCO members towards India and prevent their growing links with China.

Besides, the Chabahar project (Iran) has not moved ahead as it needs to. India has to devote far greater resources and energy to develop connectivity through Iran though it is not easy to deal with it. Active air corridors with the Central Asian Republics and a pragmatic policy towards Afghanistan (that does not mean the diplomatic recognition of the Taliban) are also essential to remain, howsoever tenuously, in the Eurasian game.

A silence on the Ukraine war

- Expectedly, the SCO Declaration was silent on the Ukraine war. India, Pakistan or China also did not refer to it in their summit statements. Russian President Vladimir Putin mentioned Ukraine and castigated the West. It is also noteworthy that he thanked SCO countries for "supporting the Russian leadership in defending constitutional order" in the wake of "armed rebellion". Mr. Xi, who has been Mr. Putin's supporter during the entire period of the Ukraine war, made no reference of support for Russia in his summit statement.
- The virtual summit ensured that Mr. Modi did not have to meet any of the leaders, including Pakistan's Shehbaz Sharif, personally. That avoided ripples of the kind the SCO Foreign Ministers meeting generated in Goa, in May 2023.
- The price though paid in avoiding controversies and embarrassment including what would have been caused by the optics of Mr. Putin in India was in the demonstration of where India currently stands in Eurasia and its western neighbourhood.
- Many eyes will now be on the BRICS summit in South Africa in August where Mr. Xi and perhaps Mr. Putin will be present.
- Will Mr. Modi go to South Africa or prefer to avoid any chance of muddying the waters before his great moment in the diplomatic sun the G-20 summit in Delhi in September?
- India's lack of a credible explanation in hosting a virtual Shanghai Cooperation Organisation (SCO) summit indicates New Delhi's diplomatic drift as far as the SCO is concerned

JAISHANKAR RAISES 'OUTSTANDING ISSUES' ALONG LAC WITH CHINA'S TOP DIPLOMAT

GIST: Talking through: External Affairs Minister S. Jaishankar meets with Chinese diplomat Wang Yi, who heads the Communist Party's Central Commission for Foreign Affairs, in Jakarta on Friday. ANI

- External Affairs Minister S. Jaishankar on Friday discussed "outstanding issues" along the Line of Actual Control (LAC) with top Chinese diplomat Wang Yi along the sidelines of the East Asia Summit (EAS) in Jakarta.
- Friday's meet was Mr. Jaishankar's third high-level engagement with the Chinese side in recent months, following bilateral talks during visits by Foreign Minister Qin Gang to India for the G-20 Foreign Ministers' meet in March and for a Shanghai Cooperation Organisation gathering in May.
- 23 "disputed and sensitive" areas along the unresolved 3,488-km-long LAC witness aggressive patrolling & face-offs FLARES UP between troops from the two sides CHINA **FLASHPOINTS** Arunachal: Ladakh: Demchok, Trig INCLUDE: Namkha Chu, Heights, Dumchele, Sumdorong Chu, Pangong Tso, Chumar Asaphila, Longju, & Spanggur Gap Himachal: Dichu, Kaurik, Shipki La Yangtse, NEPAL Fish Tail-1 & BHUTAN 2 in Dibang Valley Uttarakhand: Barahoti & Pulan Sunda
- In both meetings with Mr. Qin, Mr. Jaishankar underlined the importance of peace on the LAC as a prerequisite for normalcy in the broader relationship, and called for China to take forward disengagement of troops in the two remaining friction points.
- A third meeting between the two Foreign Ministers was expected in Jakarta, but Mr. Qin did not travel because of reported health reasons. Instead, his predecessor, Wang Yi, who was promoted last year to the Politburo and also heads the ruling Communist Party's Central Commission for Foreign Affairs, attended the Jakarta meetings.
- "Just concluded meeting with Director Wang Yi of the Office of the CPC Central Commission for Foreign Affairs," Mr. Jaishankar said on Friday in a message on Twitter. "Discussed outstanding issues related to peace & tranquility in border areas. Our conversation also covered EAS/ARF [ASEAN Regional Forum] agenda, BRICS and the Indo-Pacific."

Frank discussion

In May, Mr. Jaishankar said following his meeting with Mr. Qin that both sides had a "frank" discussion on the border, and India had made it clear that relations with China were not normal and could not be normal if peace in border areas was disturbed.

- Mr. Qin responded by calling on both countries "to draw experience
 and lessons from history" and "steer bilateral relations from a strategic
 and long-term perspective", the Chinese Foreign Ministry said then. Mr.
 Qin also called on both sides "to consolidate existing outcomes, strictly
 abide by relevant agreements and protocols, work to ease and cool down
 the border situation, and maintain sustained peace and tranquility in the
 border areas."
- However, Indian officials say the Chinese military has continued to

drag its feet in the slow-moving negotiations to restore peace and complete disengagement in all seven friction areas that have seen tensions following multiple Chinese transgressions in April and May 2020.

• Both sides have disengaged in five areas, creating buffer zones in some of them, even as tens of thousands of troops still remain deployed in forward areas close to the LAC.

IN JIBE AGAINST CHINA, BLINKEN RALLIES ASEAN COUNTRIES AGAINST 'COERCION'

- U.S. Secretary of State says countries must uphold the freedom of navigation in the South and East China Seas and maintain peace and stability across the Taiwan Strait; he meets China's Wang Yi but shuns Russian Foreign Minister Sergei Lavrov
- U.S. Secretary of State Antony Blinken vowed unity on Friday with Southeast Asian nations against "coercion", in a thinly veiled reference to Beijing, as host Indonesia warned at talks that the region should not become a proxy for global rivalries.



• Mr. Blinken met Foreign Ministers from the Association of Southeast Asian Nations (ASEAN) in Jakarta at a gathering that also brought the top diplomats of China and Russia, the two main adversaries to the United

States.

- A day after his latest talks with China on managing tensions between the two powers, Mr. Blinken made a clear if unstated allusion to concerns shared with many in the region over Beijing.
- "We share a vision of the Indo-Pacific that is free, open, prosperous, secure, connected and resilient," Mr. Blinken told ASEAN Foreign Ministers, using another term for the Asia region.
- "That means a region where countries are free to choose their own paths and their own partners, where problems are dealt with openly not through coercion," he said.
- "We must uphold the freedom of navigation in the South and East China Seas and maintain peace and stability across the Taiwan Strait."
- Friction has been rising for years between Beijing and Southeast Asian nations, particularly Vietnam and the Philippines, over China's sweeping claims to much of the South China Sea.
- Maritime incidents have been on the rise and tensions have also soared over Taiwan, the self-governing democracy which Beijing claims and has not ruled out seizing by force.

No proxy

- But host Indonesia warned that ASEAN cannot become a proxy, as tensions flare not only between the U.S. and China but over Russia's invasion of Ukraine.
- "The Indo-Pacific must not be another battleground," Indonesian Foreign Minister Retno Marsudi told ministers of the 18-nation East Asia Summit.
- Mr. Blinken met on Thursday evening for more than an hour and a half with China's foreign policy supremo Wang Yi, less than a month after the top U.S. diplomat paid a rare visit to Beijing. He told Mr. Wang that Washington would hold hackers "accountable" after a breach of U.S. government email accounts was blamed on Chinese state-backed actors, a US official said.
- While the U.S. has sought to increase communication with China, Mr. Blinken shunned Russian Foreign Minister Sergei Lavrov.

INDIA & UK LOOK TO CLOSE FTA TALKS

Context: India and the UK are looking to close negotiations over five chapters dealing with contentious issues such as digital trade, environment and labour in the ongoing free trade agreement (FTA) negotiations.

Brief Background of India-UK FTA negotiations

Out of 26 chapters in the FTA negotiations between the two countries, discussions on 14 chapters have been closed and negotiations are currently underway on other chapters.

On June 9, India and the UK concluded the tenth round of talks for the India-UK FTA. The 11th round of negotiation is currently underway in the UK from July 10 to July 19.

In addition, the two countries are also working to iron out differences on issues like intellectual property rights (IPR) and rules of origin and some differences in the services sector under the FTA negotiation.

The UK House of Commons said in a recent report that India's insistence on data localisation is a major stumbling block to the FTA. The UK wants free data flow between the two countries.

Issues related to visas, carbon tax and Indian tariffs on automobile shipments

have also been matters of contention.

India-UK FTA

India and the UK have been negotiating an FTA since January last year (2022), with the goal of signing a comprehensive pact that is expected to significantly enhance their bilateral trading relationship.

The initial deadline for completion of the negotiations was Diwali (October 24) last year.

India's merchandise exports to the UK totalled \$10 billion during the April 2022 to February 2023 period, accounting for 2.5% of the country's total exports. Merchandise imports from the UK stood at \$8 billion during this period, with a share of 1.3 percent of all imports.

The UK was India's 15th top trade partner during this period.

Through the agreement, India stands to boost exports of pharmaceuticals, textiles, food and beverages, tobacco, leather and footwear, and agricultural items like rice to the UK, and raise prospects for digital services.

The UK seeks access for its chemicals, motor vehicles, electrical equipment, medical devices and spirits.

ECONOMICS AND DEVELOPMENT

INFLATION TRENDS OF INDIA

Wholesale Price Index Inflation trends – an analysis

India's Wholesale Price Index (WPI) remained in deflationary territory for the third consecutive month in June 2023. WPI inflation fell to -4.12% in June, from -3.48% in May, the lowest level of WPI inflation since October 2015. The decline in WPI inflation is primarily due to the impact of a high base, as well as moderation in global commodity prices. The WPI index has remained

unchanged at 150.9 since February 2023. The WPI inflation is likely to stay benign going ahead due to a high base effect and the easing of global commodity prices.

Consumer Price Index Inflation trends – an analysis

The Consumer Price Index (CPI) inflation in India rose to 7.01% in June 2023, from 6.30% in May 2023, the highest level of inflation in India since April

2019.

Food prices have been rising steadily in recent months, due to a combination of factors, including the war in Ukraine, which has disrupted global food supply chains, and the monsoon rains, which have been erratic in some parts of the country.

Fuel prices have been rising due to the rise in global crude oil prices. The government has taken some steps to control inflation, such as increasing the

import duty on crude oil and releasing oil from the strategic petroleum reserve. However, these measures are unlikely to be enough to bring inflation under control in the short term.

-July -

The inflation can erode the purchasing power of consumers, which can lead to a slowdown in economic growth. The rise in inflation is a "serious concern" for the Indian economy. The government needs to take "urgent steps" to bring inflation under control.

EXPORT TRENDS FOR JUNE

India's goods exports fell 22 % year-on-year in June to \$32.97 billion, the lowest level since October 2022. Imports fell 17.5% to \$53.1 billion, but gold imports surged 107 % to \$5.3 billion. The trade deficit widened to \$20.13 billion, the second-highest level in the current fiscal year.

The decline in exports was broad-based, with all major sectors except electronics goods registering a decline. The main reasons for the decline in exports are the

Ongoing Russia-Ukraine war

Rising inflation in major economies

Slowdown in the global economic growth

The government has taken a number of measures to boost exports, including providing incentives to exporters and increasing focus on new markets. Here are some of the scenarios that are likely to contribute to the recovery of exports:

Easing of the Russia-Ukraine war.

Decline in inflation in major economies.

Resumption of economic growth in major economies.

FINMIN ASKED TO CONSIDER IMPOSING CUSTOMS DUTY ON CHI-NESE STAINLESS STEEL

The Ministry of Steel has written to the Finance Ministry asking it to consider imposing customs duty on Chinese stainless-steel shipments coming into India. The import of stainless steel from China increased from about 20% to about 60% of overall imports into the country in recent years.

The Steel Ministry has argued that the surge in Chinese imports has been hurting the domestic stainless-steel industry, which is facing low-capacity utilisation. This has been attributed to the fact that Chinese stainless steel is being dumped in the Indian market at prices that are below the cost of production. Arguments in favour of imposing a customs duty on Chinese stainless steel:

Help to protect the domestic stainless-steel industry from unfair competition.

Help to boost the capacity utilisation of the domestic industry.

Help to protect the interests of consumers.

Arguments against imposing a customs duty on Chinese stainless steel: Increase the cost of stainless steel in India, which would be passed on to consumers.

Lead to higher prices for stainless steel products, which would hurt the downstream industries that use stainless steel.

Lead to retaliation from China, which could damage India's exports to China.

PSU BANKS WARY AFTER SBI'S DISMAL AT-1 BOND ISSUE

State Bank of India (SBI) recently raised ₹ 8,000 crore (\$1.03 billion) through the issuance of Additional Tier 1 (AT1) bonds. However, the issue was met with poor investor response, with the bonds being subscribed only 78%. This has raised concerns among other public sector banks (PSU banks) about their own AT1 bond issuance plans.

AT1 bonds are a type of hybrid debt instrument that is issued by banks. They are considered to be a form of equity capital, as they are not fully repayable in the event of a bank failure. However, they also carry a higher risk of default than other types of debt, as they can be converted into equity at the discretion of the issuer.

Factors responsible for the poor investor response to SBI's AT1 bond issue:

HIGH COUPON RATE OF 9.15 %: The high coupon rate of SBI's AT1 bond was seen as being too expensive by some investors. This is because AT1 bonds are already considered to be a risky investment, and the high coupon rate did not offer enough compensation for the risk.

NEGATIVE PERCEPTION OF PSU BANKS: PSU banks have been struggling with high levels of non-performing assets (NPAs) in recent years, and this has led to concerns about their financial health.

UNCERTAINTY SURROUNDING THE FUTURE OF AT1 BONDS: The Reserve Bank of India (RBI) is currently reviewing the rules governing AT1 bonds, and it is possible that the rules could be tightened in the future. This would make AT1 bonds even riskier, and could further discourage investors from buying them.

CHINA'S BYD SUBMITS \$ 1-BN PLAN TO BUILD EVS, BATTERIES IN INDIA

Build Your Dream (BYD), a Chinese battery manufacturing company, has submitted a \$1 billion plan to build electric vehicles (EVs) and batteries in India. The company plans to invest in a manufacturing plant in Gujarat, which will create over 5,000 jobs. The plant is expected to be operational by 2025.

BYD is the world's largest manufacturer of electric vehicles and batteries. The company has been expanding its global footprint in recent years, and India is seen as a key market for growth. The Indian government is offering incen-

tives to attract investment in the EV sector, and BYD is looking to take advantage of these incentives.

The BYD investment is a significant boost for the Indian EV sector. The company's expertise in battery manufacturing will help to boost the local supply chain, and the creation of jobs will help to develop the EV workforce in India. The BYD investment is also a sign of confidence in the Indian market, and it is likely to encourage other companies to invest in the EV sector.

ART, CULTURE AND HISTORY

MACRON GIFTS PROUST NOVELS, REPLICA OF CHARLEMAGNE CHESSMEN

- French President Emmanuel Macron has gifted Prime Minister Narendra Modi a framed facsimile of a 1916 photograph of a Parisian presenting flowers to a Sikh officer and a replica of the Charlemagne chessmen, dating back to the 11th Century.
- Macron also gifted Modi a series of novels A la recherche du temps perdu (In Search of Lost Time) – by Marcel Proust published between 1913 and 1927 and considered the most important works of French literature of the early 20th century
- The photograph dating back to 1916 was clicked on the Champs-Ely-
- sees during the military parade on July 14 by a photo reporter from the Meurisse news agency. The original is located at the National Library of
- The "Charlemagne" chessmen get their name from the legend that they were given as a gift to the Frankish Emperor by the Abbasid Caliph Harun al-Rashid. In actuality, they were made at the end of the 11th century, probably in Southern Italy, given the equipment used by the characters and the presence of elephants as bishops.

POLITY AND GOVERNANCE

SC NOTICE TO MAHARASHTRA SPEAKER IN PETITION OVER DIS-QUALIFICATION PROCEEDINGS

The Supreme Court on Friday issued a notice to Maharashtra Assembly Speaker Rahul Narwekar in a petition filed by the loyalists of Uddhav Thackeray, accusing him of deliberately delaying the disqualification proceedings pending against Chief Minister Eknath Shinde for defection.

- The anti-defection law punishes individual Members of Parliament (MPs)/MLAs for leaving one party for another.
- Parliament added it to the Constitution as the Tenth Schedule in 1985. Its purpose was to bring stability to governments by discouraging legislators from changing parties.
- The Tenth Schedule popularly known as the Anti-Defection Act was included in the Constitution via the 52nd Amendment Act, 1985.
- It sets the provisions for disqualification of elected members on the grounds of defection to another political party.
- It was a response to the toppling of multiple state governments by party-hopping MLAs after the general elections of 1967.
- However, it allows a group of MP/MLAs to join (i.e., merge with) another political party without inviting the penalty for defection. And it does not penalize political parties for encouraging or accepting defecting legislators.
- As per the 1985 Act, a 'defection' by one-third of the elected members of a political party was considered a 'merger'.
- But the 91st Constitutional Amendment Act, 2003, changed this and now at least two-thirds of the members of a party must be in Favour of a "merger" for it to have validity in the eyes of the law.
- The members disqualified under the law can stand for elections from any political party for a seat in the same House.
- The decision on questions as to disqualification on ground of defection are referred to the Chairman or the Speaker of such House, which is subject to 'Judicial review'.
- However, the law does not provide a timeframe within which the presiding officer has to decide a defection case.

The petition, which was filed in the top court amidst the churn in Maharashtra politics following Ajit Pawar's split from NCP to join the Shinde Cabinet as Deputy Chief Minister, said Speakers should "rise above their political affiliations" while performing the duties of the office.

Brazen disregard

It said Mr. Narwekar's conduct had been in "brazen disregard" of his constitutional duties as a neutral arbiter under the Tenth Schedule (anti-defection law) of the Constitution.

"It is imperative for this court to direct the Speaker to decide the disqualification petitions filed by the petitioner against delinquent members of the Maharashtra Legislative Assembly expeditiously and within a time-bound manner, or, alternatively, to decide the disqualification petitions itself," the 406-page petition by Mr. Prabhu urged.

The petition referred to the apex court's own 2020 judgment in Keisham Meghachandra Singh V. Manipur Legislative Assembly, which had laid down that disqualification petitions under the Tenth Schedule should normally be decided within a period of three months from the date of their filing.

The petition said Mr. Narwekar's inaction amounted to bias as it effectively permits Mr. Shinde's illegal continuance in office when disqualification proceedings for defection are hanging over him.

Mr. Prabhu, also represented by advocates Amit Anand Tiwari and Nishant Patil, said the Supreme Court, in its May 11 judgment on the Thackeray-Shinde battle for control over Shiv Sena, had placed its trust in Mr. Narwekar to impartially hear and decide the anti-defection proceedings against the Mr. Shinde camp.

However, Mr. Prabhu said three months have passed since the judgment and Mr. Narwekar has not called for even a single hearing despite repeated representations to do so.

- In both meetings with Mr. Qin, Mr. Jaishankar underlined the importance of peace on the LAC as a prerequisite for normalcy in the broader relationship, and called for China to take forward disengagement of troops in the two remaining friction points.
- A third meeting between the two Foreign Ministers was expected in Jakarta, but Mr. Qin did not travel because of reported health reasons. Instead, his predecessor, Wang Yi, who was promoted last year to the Politburo and also heads the ruling Communist Party's Central Commission for Foreign Affairs, attended the Jakarta meetings.
- "Just concluded meeting with Director Wang Yi of the Office of the CPC Central Commission for Foreign Affairs," Mr. Jaishankar said on Friday in a message on Twitter. "Discussed outstanding issues related to peace & tranquility in border areas. Our conversation also covered EAS/ARF [ASEAN Regional Forum] agenda, BRICS and the Indo-Pacific."

Frank discussion

- In May, Mr. Jaishankar said following his meeting with Mr. Qin that both sides had a "frank" discussion on the border, and India had made it clear that relations with China were not normal and could not be normal if peace in border areas was disturbed.
- Mr. Qin responded by calling on both countries "to draw experience and lessons from history" and "steer bilateral relations from a strategic and long-term perspective", the Chinese Foreign Ministry said then. Mr. Qin also called on both sides "to consolidate existing outcomes, strictly abide by relevant agreements and protocols, work to ease and cool down the border situation, and maintain sustained peace and tranquility in the border areas."
- However, Indian officials say the Chinese military has continued to drag its feet in the slow-moving negotiations to restore peace and complete disengagement in all seven friction areas that have seen tensions following multiple Chinese transgressions in April and May 2020.
- Both sides have disengaged in five areas, creating buffer zones in some of them, even as tens of thousands of troops still remain deployed in forward areas close to the LAC.





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