

### **IAF to embark on a long shopping sortie for a jet**

Almost two decades after it began a search for a fighter aircraft, the Indian Air Force is back to square one. The IAF will begin the search again to arrest its falling squadron strength, as the Union government had scrapped the medium multi-role combat aircraft (MMRCA) tender after ordering 36 Rafale fighters from France in flyaway condition.

- The Request for Information (RFI) for selecting a new fighter aircraft is expected to be issued before the DefExpo in April.
- It will be an open tender and not limited to single-engine aircraft.

Earlier, the IAF was looking for a single-engine jet to replace the MiG-21s and MiG-27s. The new jets were to be manufactured in India by the private industry under the Strategic Partnership model. However, the contest is now being opened up.

- The contest for single-engine jets has only two contenders and it would end up being a single-vendor situation on technical evaluation. So it has been decided to widen the contest to avoid issues later.
- Another reason for widening the tender is for the selection of a competent Indian partner. In anticipation of a single-engine tender, Lockheed and SAAB had tied up with prospective Indian partners.
- The Indian SP partner has to be selected by the government through a competitive evaluation. So it is good to have a wider pool of both OEMs [original equipment manufacturer] and Indian partners to choose from.
- Under the new deal, the IAF is looking for over 100 aircraft, and whether single- or twin-engine, the aircraft were equally competent and the final choice would depend on the extent of technology transfer and price.

While the Lockheed Martin F-16 and SAAB Gripen are single-engine fighters, the contest will be now open to Boeing F-18, Dassault Rafale, Eurofighter Typhoon and Russian MiG-35, all of which were part of the earlier MMRCA contest. The open tender will essentially be MMRCA all over again.

- The IAF has already evaluated all the aircraft in the MMRCA contest. So once the technical evaluation process starts, selection of one aircraft can be completed in two years. After that, it is the contract negotiations. Concluding the contract depends on how fast negotiations are finalised.

### Background

In 2000, the government decided to procure 126 fighter jets, but it was only in 2007 that the RFI, the first step in the long procurement process, was issued for 126 aircraft under the MMRCA deal expected to cost around \$12 billion.

- However, with contract negotiations reaching a deadlock, in 2015, Prime Minister Narendra Modi scrapped the deal and announced an Inter-Governmental Agreement with France for 36 Rafales at a cost of €7.87 billion, including aircraft, spares, weapons and a maintenance and performance guarantee for five years.

The IAF has a sanctioned strength of 42 squadrons but is currently down to 31 squadrons and with the planned induction of 36 Rafales between 2019 and 2022, remaining Sukhoi-30MKI and some LCA Tejas, the strength will hover at 30 till 2027 and in the subsequent five-year term, will fall to 27. If there are no newer inductions.

### India commits \$1.4 billion for solar energy worldwide

India announced one of the world's largest investment plans in solar energy at the Founding Conference of the International Solar Alliance (ISA). The \$1.4 billion line of credit will cover 27 projects in 15 countries and boost the much-required financial power to the solar sector.

- The Founding Conference was co-chaired by Mr. Modi and French President Emmanuel Macron. Mr. Modi presented a 10-point action plan aimed at making solar power more affordable while raising the share of power generated.
- The solar energy sector, facing a challenge of funding, received considerable support at the conference.
- France was committed to providing an additional €700 million in loans and support by 2022 to emerging economies for solar energy project.

Mr. Macron identified three issues to be addressed — the solar energy potential in each country should be identified; mobilisation of finance; and the provision of a favourable framework. He said the member countries of the ISA would ensure distribution of finance and expertise.

The conference was attended by 23 heads of states and governments from all over the world, including Mr. Modi and Mr. Macron.

### **Limit on Xi's tenure goes as NPC backs statute changes**

Chinese lawmakers resoundingly endorsed changes in the Constitution, which would empower President Xi Jinping to weather headwinds that challenge China's new stage of transition.

- Out of a total of 2,964 members of the National People's Congress (NPC) who voted on constitutional amendments, only two opposed a proposal that removes the limit on the tenure of the President to two consecutive five-year terms. There were three abstentions to the revision floated by the Communist Party of China (CPC).
- Going far beyond the mandatory two-thirds majority requirement, the near-unanimous vote conveys the impression of deep consensus in the establishment for backing President Xi.
- The 21 items in the Constitution that were revised include provisions for setting up a National Supervisory Commission — an anti-corruption super agency.
- Analysts voting marks a “new point of inflexion” in the four-decade history of reforms pioneered by Deng.

With the changes in China's basic law, Mr. Xi can now serve as President indefinitely. He already wields real power as the CPC's general secretary — a post that has no term limit.

- Mr. Xi also heads the powerful Central Military Commission — the apex body that marshals the People's Liberation Army (PLA).
- Besides, lawmakers at the NPC, China's parliament, also included Mr. Xi's political doctrine — 'Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era' — into the Constitution.
- Prior to Mr. Xi, only the founding father of the People's Republic of China, Mao Zedong, and the late paramount leader Deng Xiaoping have their personal ideologies engraved in the Constitution.

### **SC seeks details from States on claims to forest lands**

The Supreme Court has ordered State governments to provide details of the number of claims for the grant of land under the provisions of the Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act of 2006.

- Acting on a batch of petitions including that of Wildlife First, the court said it wanted updated information on claims to forest lands, encroachments and evictions.

The court said the claims for grant of land should be those made by the Scheduled Tribes and separately by other traditional forest dwellers, along with the number of claims rejected by States in respect of each category.

- It called for information on the extent of land over which such claims were made, number of rejections in respect of each of the two categories and the action taken against those claimants whose claims were rejected.
- The court, asked for the status of eviction of those claimants whose claims were rejected and the total extent of area from which they were evicted. The States have to provide the extent of the area in respect of which eviction has not yet taken place in respect of rejected claims.

The court recorded that the petitioners had challenged the constitutional validity of the Act as well as legislative competence of Parliament to enact the statute.

Noting that the forests and wildlife are in a “critical state,” the petitioners have indicated that they would want a performance audit by the Comptroller and Auditor General of India or by any other appropriate authority.

### **1,765 lawmakers face criminal cases**

The Centre has informed the Supreme Court that 1,765 members of Parliament and the Assemblies have criminal cases against them.

- Of a total 3,816 cases against them, 3,045 are still pending.
- Uttar Pradesh tops the list with 248 legislators, Tamil Nadu comes second with 178 and then Bihar follows with 144.

The affidavit by the Centre is its first response after the Supreme Court in November 2017, directed the setting up of special courts to try legislators exclusively within a year.

- The Centre has undertaken to set up 12 such courts.

Compiling information received mostly from the High Courts, the Centre said 125 cases were decided against lawmakers in one year.

- The Supreme Court had on November 1 directed the Centre to place before it details of cases involving MPs and MLAs, as declared by the politicians at the time of filing their nominations during the 2014 general elections.
- The apex court had directed the government to frame a central scheme for setting up special courts across the country to exclusively try criminal cases involving “political persons”.

The court is hearing a PIL plea filed by Supreme Court advocate Ashwini Upadhyay who has sought a lifetime ban on convicted politicians to cleanse politics of criminality and corruption.

### **The 'Acharya envoys' who propagate Indian culture**

#### **In News**

In a new initiative by the Indian government, a band of Indian officials posted to three missions in the United States now promote 'Indian culture' as part of diplomacy.

Designated as 'Yoga and Indian Culture Acharya', the three officials in Washington DC, New York and Chicago are experts in Sanskrit, Yoga and Hindu scriptures.

They were selected by the Indian Council for Cultural Relations (ICCR) through a special recruitment process and have diplomatic passports and offices in Indian missions.

Their appointment is initially for two years, extendable by two more and they have the mandate to travel around and organise events that promote 'Indian culture'.

Twenty four Indian missions and cultural centres abroad now have this position.

### **Russia test-fires new hypersonic missile**

Russia said that it had successfully launched a hypersonic missile, one President Vladimir Putin earlier this month called "an ideal weapon".



The high-precision Kinzhal (Dagger) missile was launched from a MiG-31 interceptor jet that took off from an airfield in the South Military District in Russia's southwest.

### **PNB fraud: RBI starts special audit of public sector banks**

#### **In News**

Rattled by a spate of banking frauds, RBI has initiated special audit of State-owned lenders.

The focus of the audit will be on trade financing activities, especially relating to issuance of letters of undertaking (LoUs) by them.

In addition, the RBI has asked all banks for details of the LoUs they had issued, including the amounts outstanding, and whether the banks had pre-approved credit limits or kept enough cash on margin before issuing the guarantees.

Most of the big banking frauds, which were unearthed in the recent past pertain to trade finance. Also, many of the wilful default cases have their roots in trade finance,.

In view of the recent ₹12,646-crore PNB scam, perpetuated through fraudulent issuance of LoUs with the connivance of the bank's staff, it was pertinent for the regulator RBI to examine the issue of trade finance which also included issuance of letters of credit (LC) and LoUs.

#### **NPA scrutiny**

The government recently asked the State-owned banks to scrutinise all cases of non-performing assets (NPAs) exceeding ₹50 crore for possible fraud and report the matter to the Central Bureau of Investigation.

Banks have also been asked by Finance Ministry to come up with a "pre-emptive" action plan in a fortnight to combat rising operational and technical risks, and assign clear accountability to senior functionaries.

**Bank recap should be part of broader reform package'**

**In News**

The IMF has said that the recapitalisation of India's public sector banks should be part of a broader package of financial reforms to speed up the resolution of their massive non-performing assets.

Recent policy reforms to address vulnerabilities in the banking and corporate sectors in India have been significant, said IMF's Deputy Managing Director.

The PSB recapitalisation should be part of a broader package of financial reforms to speed up the resolution of NPAs, improve PSB governance, reduce the role of the public sector in the financial system, and enhance bank lending capacity and practices, he opined.

According to a recent Assocham-Crisil study, India's banking sector will be saddled with gross non-performing assets (GNPAs) worth a staggering ₹9.5 lakh crore by March-end, up from ₹8 lakh crore a year-earlier.