



## RBI Relaxed Priority Sector Lending (PSL) Norms for Small Finance Banks (SFBs)

The **New Rule** was issued by the Reserve Bank of India (RBI) under **Section 22(1)** of the **Banking Regulation Act, 1949**.

 <b>Earlier Rule</b>	 <b>New Rule (Effective FY2025-26)</b>
<ul style="list-style-type: none"> <li>SFBs had to lend <b>75% of ANBC to Priority Sector Lending (PSL) sectors</b>.                             <ul style="list-style-type: none"> <li><b>40%:</b> Mandatory allocation to PSL sectors (e.g., agriculture, microenterprises).</li> <li><b>35%:</b> Flexible allocation (could choose PSL sectors of competitive advantage).</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Total PSL reduced to <b>60% of ANBC</b>.                             <ul style="list-style-type: none"> <li><b>40%:</b> Still mandatory for PSL sectors.</li> <li><b>20%:</b> Flexible (can now be used for non-PSL secured loans).</li> </ul> </li> </ul>

### Key Change in PSL Requirements for SFBs

#### ➤ Impact on SFBs:

- ⊕ Frees up ~₹40,000 crore for lending to lower-risk secured segments, such as: **Loans Against Property (LAP), Personal Loans, etc.**
- ⊕ Helps SFBs diversify loan portfolios beyond microfinance (reduces risk).

### About Priority Sector Lending (PSL)






#### ➤ Established: In the 1970s.

#### ➤ Concept: PSL framework, initiated by RBI, mandates banks to allocate a specific percentage of their Adjusted Net Bank Credit ("ANBC") to priority sectors.

- ⊕ **ANBC Comprises:** Net Bank Credit (NBC), Bank's investments in non-statutory liquidity ratio (non-SLR) bonds, etc.

#### ➤ Categories under Priority Sector: Agriculture; Micro, Small and Medium Enterprises; Export Credit; Education; Housing; Social Infrastructure; Renewable Energy; Others.

#### ➤ Applicability: Commercial Bank [including Regional Rural Bank (RRB), Small Finance Bank (SFB), Local Area Bank (LAB)] and Primary (Urban) Co-operative Bank (UCB) **other than Salary Earners' Bank**.

About Small Finance Bank		
Key Information & Regulatory Framework		
 <b>Genesis</b> Announced in the Union budget of 2014-15	 <b>Registered</b> As a public limited company under the Companies Act, 2013	 <b>Licensed</b> Section 22 of the Banking Regulation Act, 1949
 <b>Objectives</b> For furthering financial inclusion by: <ul style="list-style-type: none"> <li><b>Savings vehicles</b> to underserved and unserved sections</li> <li>Supply of <b>credit to small business units, small farmers, etc.</b> through high technology-low-cost operations.</li> </ul>	 <b>Capital requirement</b> <ul style="list-style-type: none"> <li>Minimum paid-up voting equity capital / net worth requirement shall be <b>₹200 crore</b></li> <li>For <b>Primary (Urban) Co-operative Banks</b>, transiting into SFBs initial requirement of net worth shall be at <b>₹100 crore</b> which will have to be increased to <b>₹200 crore</b></li> </ul>	

## Chief Of Defence Staff (CDS) Empowered To Issue Joint Orders For The Three Forces

Defence Minister authorised CDS to issue joint orders for **the Army, Navy, and Air Force**.

- It replaces the old system, where each service issued separate orders, marking a **new step toward jointness and integration** in the Armed Forces.

### About jointness and Integration

- **Jointness** of defence forces implies **synergised use of the resources of the three Services while respecting the uniqueness of each** to achieve optimum results and avoid duplication.

- Jointness can **further lead to the integration of defence forces, i.e., formal combining** of constituent elements into a single structure.

- ⊕ It is a crucial prerequisite for the **creation of theatre commands**.

- They are among the **nine priority areas** for defence reforms in **2025** (declared as the "year of reforms").

- They can **streamline procedures, cut redundancies, and boost coordination** among the services.

### Initiatives taken for jointness and integration

- **Proposal for Theatrisation:** Proposal for **Integrated Theatre Commands (ITCs) and Integrated Battle Groups (IBGs)** to boost operational readiness by combining the capabilities of all three forces **based on geography and function**.

- **Inter-Services Organisations (Command, Control, and Discipline) Rules, 2025:** To ensure **effective command, control, and efficient functioning of Inter-Services Organisations (ISOs)**.

- **Appointment of the CDS:** CDS is mandated to bring about jointness in the operation, logistics, transport, training, etc. of the three armed services.

- **Department of Military Affairs (DMA):** Established under the Defence Ministry with the **CDS as Secretary**.

- **Joint Commands:** The **Andaman and Nicobar Command (A&NC)** and the **Strategic Forces Command** (looks after nuclear assets).

- **Headquarters Integrated Defence Staff (HQ IDS):** To provide a **single point, tri-Service, military advice to the government**.

## NITI Aayog Report Highlights Urgent Need for Better Data Quality in Digital Governance

The report titled “India’s Data Imperative: The Pivot Towards Quality” highlights that over the past decade, India has emerged as a **global leader in digital public infrastructure**.

- As per the report, as India enters the next phase of its digital journey, the **focus must shift from merely scaling to prioritising quality data**.

⊕ **Quality data** consists of six core attributes—**accuracy, completeness, timeliness, consistency, validity, and uniqueness**.

### Why Quality Data is Needed for Governance?

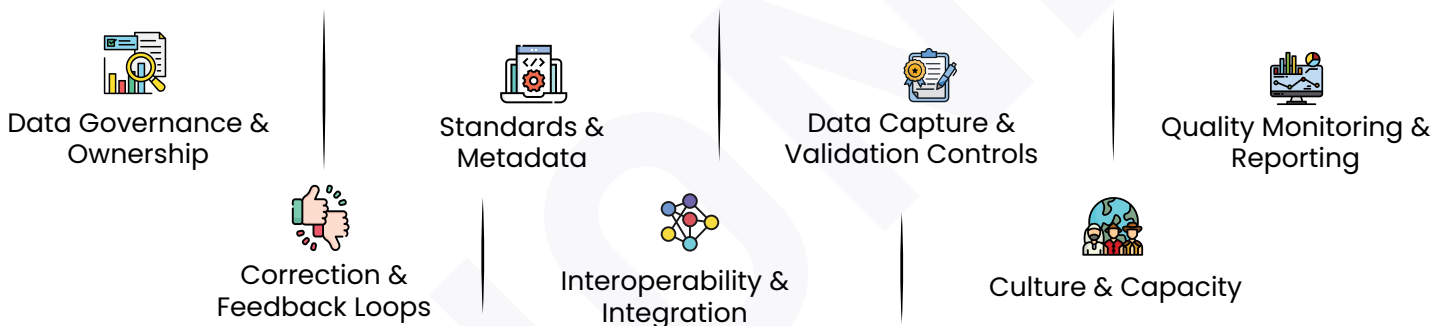
- Fortify digital governance:** High-quality data powers efficient digital platforms, such as UPI and Aadhaar, and ensures the smoother delivery of government services.
- Prevent Wastage:** Errors or duplicate entries can inflate welfare budgets by 4–7% annually.
- Cultivate public trust:** Poor data leads to incorrect targeting, delays, and citizen frustration. Quality data avoids such mismatches, and rejected claims.

### Pervasive Challenges in Leveraging Quality Data for Governance

- Faulty Data Capture:** Field programs often prioritise speed over correctness, resulting in a culture where 80% accuracy is considered “good enough.”
- Fragmented Data Storage:** Some systems utilise modern cloud tools, but many rely on outdated databases that lack audit trails and a standardised structure.
- Inconsistent Data Sharing:** Different departments employ varying formats and update schedules, resulting in slow and expensive data integration.
- Poor Archival Practices:** Old, outdated records are rarely removed, cluttering systems, slowing performance, and increasing the risk of data leaks.

The report introduces a **Data-Quality Scorecard** to monitor and improve datasets, as well as a **Data-Quality Maturity Framework** (having seven dimensions, five levels of maturity) to help departments assess and upgrade their data systems.

### Dimension of Data-Quality Maturity Framework



## India Enters Top 100 in Sustainable Development Report (SDR) 2025

The 2025 SDR, themed ‘Financing Sustainable Development to 2030 and Mid-Century’, tracks global progress toward achieving the Sustainable Development Goals (SDGs).

- The SDR has been released annually since 2016 **by the UN Sustainable Development Solutions Network (SDSN)**
- UNSDSN was **launched in 2012** to **mobilise scientific and technological expertise** for the implementation of the **SDGs and the Paris Climate Agreement**.

### What are the SDGs?

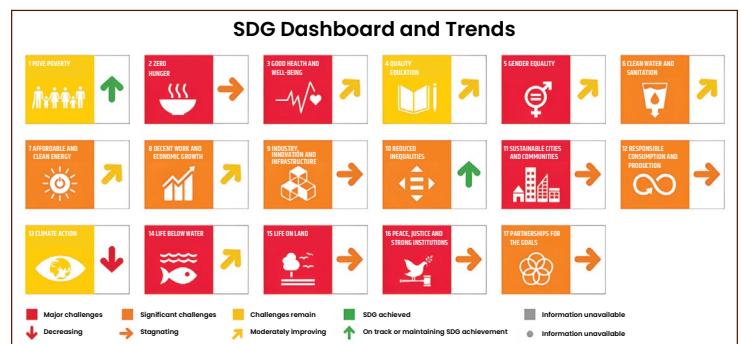
- SDGs are a set of 17 global goals **established by the United Nations in 2015** as part of the 2030 Agenda for Sustainable Development.
- The SDGs are built upon the backdrop of the **Millennium Development Goals (MDGs)**, which targeted the reduction of extreme poverty from 2000 to 2015.

### Key Findings of the Report

- Global commitment to the SDGs is strong:** 190 out of 193 countries have presented national action plans for advancing sustainable development.
- SDGs are far off-track:** None of the SDGs are on track to be achieved by 2030.
- Support for UN Multilateralism:** Barbados ranks highest, while the U.S. ranks last in the 2025 UN Multilateralism (UN-Mi).
- India’s Achievement:** India improved its rank to **99th** from 109th in 2024 (refer infographic for the trend).

⊕ **Finland ranked first.**

The report highlighted that Progress is hindered by conflicts, structural vulnerabilities, and limited fiscal space. High-income countries have **delayed capital support** to multilateral development banks leading to a shortfall in support for SDG efforts.



## PM Participated in Centenary celebration of Conversation Between Sree Narayana Guru and Mahatma Gandhi

The conversation was held in 1925 at Sivagiri Mutt, where they discussed **Vaikom Satyagraha, non-violence, untouchability abolition, and upliftment of the downtrodden.**



### Mahatma Gandhi's Ahimsa

- **Non-violence as creed:** Disapproved all religious and political doctrines which conflicted with ideas of truth and non-violence.
- For Gandhi, **violence** was the **negation of the highest spiritual force**, and **non-violence was a perfect path to God.**
- Gandhi, however, viewed **compassion** as just one of the many virtues associated with a **practitioner of non-violence.**



### Narayana Guru's Compassion-Centric Approach

- For Guru, **compassion was the essential virtue** of an Advaiti, and it encompassed all duties and values, including non-violence.
- In **Atmopadesa Satakam**, Guru writes that **whatever one does for the happiness of oneself should cause happiness to others.**
- **For Guru**, non-violence is the fundamental nature of a follower of Advaita philosophy.

### Relevance of Sree Narayana Guru's Teachings in Present Day

- **Equality and Social Justice:** His philosophy of "**One Caste, One Religion, One God**" fights all forms of bias.
- **Social Justice Movements:** Supported the **Vaikom Satyagraha (1924–25)**, a movement for temple entry rights for lower castes.
- **Religious Harmony:** His emphasis on **universal brotherhood** and respect for all faiths foster interfaith dialogue and counter radicalization for peaceful coexistence.

### About Sree Narayan Guru (1856–1928)

- He was born into **Ezhava community (a backward caste)**, near Thiruvananthapuram in Kerala.
- He was a **saint, seer, philosopher, poet, and social reformer** who led a movement against the caste system.
- He founded the **Sree Narayana Dharma Paripalana (SNDP) Yogam**, an organization that played a crucial role in mobilizing communities and advocating for social justice.
- Works: **Atmopadesa Satakam and Nivritti Panchakam**, remain influential in spiritual discourse.

### Also In News



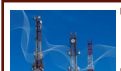
### Committee on Estimates (or Estimates Committee)

The Estimates Committee has **completed 75 years** since its formation.

- It is the **largest among the** three financial committees (others being Committee on Public Undertakings, and Public Accounts Committee).

#### About Estimates Committee

- **Establishment:** Formed in 1950.
- **Composition:** **30 members** elected from the Lok Sabha Members.
  - ⊖ Ministers are not eligible to be members.
- **Chairperson:** Appointed by the Speaker from among the members.
- **Term of office:** One year.
- **Key Functions:**
  - ⊕ To report on potential **economies & organizational improvements**,
  - ⊕ **Suggest alternative policies** to bring about efficiency
  - ⊕ **Expenditure review** of the policies
  - ⊕ **Suggest the form** in which the estimates shall be presented to Parliament
- **Recommendation Submission:** Submitted to Lok Sabha and the concerned ministry **must take action within 6 months** or when required by the committee.



### Amended BharatNet Program (ABP)

**Gujarat became the first state to implement** the ABP under a **state-led model.**

#### About ABP

- **Background:** BharatNet was launched to provide **broadband connectivity to all Gram Panchayats (GPs) across the country.**
- **Genesis:** ABP was approved in **2023 as a design improvement**
- **Purpose:**
  - ⊕ **Optical Fibre (OF) connectivity to 2.64 lakh GPs in ring topology** (a network design where connected devices form a circular data channel)
  - ⊕ Of connectivity to the remaining non-GP villages **on demand.**
- **Features:**
  - ⊕ **IP-MPLS** (Internet Protocol Multi-Protocol Label Switching) network with routers **at Blocks and GPs.**
  - ⊕ **Operation and maintenance for 10 years.**
  - ⊕ **Minimum 25 Mbps download speed** for each FTTH subscriber.
  - ⊕ **Last-Mile Network** to be implemented through **BharatNet Udyami model**





## NAVYA Initiative

Recently, the NAVYA vocational training initiative for adolescent girls was launched.

### About NAVYA Initiative

- **Ministry:** Joint initiative of the **Ministry of Skill Development & Entrepreneurship** and the **Ministry of Women and Child Development**.
- **Objective:** To provide **vocational training to young girls (aged 16-18 years)** through PMKVY 4.0.
  - ⊕ **PM Kaushal Vikas Yojana (PMKVY) 4.0** provides **NSQF aligned skill development training** including reskilling and upskilling.
- **Aim:** To **link girls with employment and entrepreneurship opportunities** beyond conventional boundaries, such as Graphic Designer, Smartphone Technician, Drone Assembly Expert, etc.
- **Target:** 27 aspirational districts across 19 states.



## Critical and Emerging Technologies Index

**Critical and Emerging Technologies Index** has been launched to assess how 25 countries perform across five technology sectors: AI, biotechnology, semiconductors, space, and quantum.

- **Published by** the Harvard Kennedy School.
- It **identifies six criteria** that define each technology sector: **geopolitical significance, systemic leverage, GDP contribution, dual-use potential, supply chain risk, and time to maturity.**

### Key Findings

- India lags significantly behind the top three – U.S., China, and Europe – across most technology sectors.
- **India trails in critical tech, particularly semiconductor tech.**



## Tansen

Madhya Pradesh High Court denied permission to perform religious and cultural activities at the **tomb of Hazrat Sheikh Muhammad Ghaus** in Gwalior.

- The premises of the monument also contain the graves of **Tansen**.
- About Tansen (Childhood name Ramtanu)**
  - He was an important figure in Hindustani classical music born in Gwalior.
  - **Tansen** was the title given to him by **Raja Vikramjit of Gwalior**.
  - Learnt music from **Swami Haridas**.
  - Composed **Dhrupad** on Hindu deities as well as for his Patrons: **Ramchandra Vaghela and Akbar**.
  - He was among the Navaratnas (nine jewels) at the court of Akbar.
  - **Composed famous ragas:** E.g., Miyan ki Malhar, Miyan ki Todi and Darbari.
  - His descendants and disciples are called Seniyas.



## Black mass recovery technology

The Technology Development Board (TDB) has extended financial support for the commercialisation of an **indigenous battery recycling technology** that utilises **dual-mode (wet and dry) black mass recovery**.

### What is Black Mass?

- When a lithium-ion battery reaches the end of its life, it doesn't stop being valuable. Inside that used battery is a **dark, powdery substance known as black mass** – a mix of critical minerals.
- This can be recovered, refined, and reused to power the next generation of clean energy.

### About black mass recovery technology

- It is a **process** that extracts valuable materials like lithium, cobalt, and nickel from used lithium-ion batteries.
  - ⊕ Ensures **high separation efficiency** and recovery rates of up to **97–99%**.



## Emergency Procurement (EP)

Ministry of Defence has concluded 6th phase of contracts under the EP mechanism.

- The procurement aims to enhance **situational awareness, lethality, mobility, and protection for troops** deployed in counter-terrorism (CT) operations

### About EP Mechanism.

- **Background:** Introduced after key events like the **2016 surgical strikes, the 2019 Balakot airstrike, and the 2020 Ladakh standoff** with China.
- **Purpose:** Allows **fast-track defence procurement** instead of lengthy standard procedures.
- **Current status:** Armed Forces can now use up to **15% of their capital budget for urgent purchase** of weapons and equipment to refill operational stocks.



## Epigenetic Programming

Scientists in China use DNA editing to **produce fertile mice from two male parents for the first time**.

- The new research **advances epigenetic programming** as a reproductive tool to breed motherless mice without compromising on their health and fertility.

### Epigenetic Programming

- **Epigenetics** is the study of heritable changes in gene expression that occur without alterations to the underlying DNA sequence.
- **Epigenetic Programming:** They are **genetic modifications that impact gene activity** without changing the DNA sequence.
  - ⊕ These modifications are attached to DNA and do not change the sequence of DNA building blocks.
- Within the complete set of DNA in a cell (genome), all of the modifications that regulate the activity (expression) of the genes is **known as the epigenome**.

## Place in News



## South Africa (Capita: Pretoria)

India and South Africa signed agreements for submarine cooperation during 9th Joint Defence Committee (JDC) meeting held in South Africa.

**South Africa (Capital: Pretoria (administrative), Cape Town (legislative), Bloemfontein (judicial))**

### Political features:

- **Location:** It is the **southernmost country on the African continent**.
- **Land boundaries:** Namibia (Northwest), Botswana and Zimbabwe (North), Mozambique and Eswatini (Northeast and East).
  - ⊕ **Lesotho** is entirely surrounded by South African territory.
- **Maritime boundaries:** Indian Ocean (Southeast) and the Atlantic Ocean (Southwest).

### Geographical features:

- **Natural resources:** Gold, antimony, coal, iron ore, manganese, nickel, gem diamonds.
  - ⊕ **South Africa** was the **World's leading chromite ore** producer in 2022.
- **Major Rivers:** River Orange (drains into Atlantic), Limpopo (crosses the Tropic of Capricorn twice and drains into the Indian Ocean)
- **Mountain Range:** Drakensberg.



AHMEDABAD



BENGALURU



BHOPAL



CHANDIGARH



DELHI



GUWAHATI



HYDERABAD



JAIPUR



JODHPUR



LUCKNOW



PRAYAGRAJ



PUNE



RANCHI