

Supreme Court

The Supreme Court on Friday asked factory owners and other private industrial establishments to negotiate terms and enter into settlements with their workers on the payment of wages during the lockdown period.

A Bench, led by Justice Ashok Bhushan, observed that industry cannot survive without its labourers and workers.

The court said that no coercive action will be taken against employers for non payment of wages.

The Supreme Court on Friday asked the Ministry of Finance and the Reserve Bank of India (RBI) to hold a detailed joint meeting in the next three days to clear the air on whether the deferment of loan interest in place to help borrowers through their financial crisis during the lockdown will lead to accrual of further interest once the freeze is lifted after August 31.

RBI

India's forex reserves crossed \$500 billion even as currency depreciated by 6%. The increase was because of the foreign currency assets. The reason for the surge was because of the mop up operation of RBI and depreciation of the dollar against other currencies.

Vande Bharat Mission

India has embarked on a massive operation involving naval ships and aircraft in a phased manner to bring back some of the hundreds of thousands of nationals stuck abroad due to coronavirus restrictions.

Vande Bharat mission is the massive repatriation operation planned by the Indian government to bring back stranded Indians in different parts of the world in the wake of the coronavirus crisis.

This airlift by the MEA would be the largest since the Persian Gulf War evacuation of over 170,000 people from Kuwait in 1990. Similar evacuations were also seen in April 2015, when Operation Raahat was launched to evacuate Indians from war-torn Yemen.

Citizens in distress will be brought back on commercial aircraft and naval ships based on lists prepared by the India's embassies. Over ten lakhs Indians are expected to return home, and more than two lakhs are from the UAE alone.

The Ministry of External Affairs has developed a dynamic online platform on which requests received by Indian Missions from Indian nationals wishing to return are regularly being uploaded.

Following arrival, all Indian citizens will have to spend the mandatory quarantine period in a government facility to avoid spread of COVID-19.

Operation Samudra Setu

India has dispatched four Naval ships as part of the first phase of Vande Bharat mission. Indian Navy's INS Jalashwa and INS Magar are operating to bring back Indian citizens from Maldives while INS Shardul and INS Airavat set sail to the UAE.

Bringing back in Phases

The Criteria: Those who fit the parameters include people facing deportation, migrant workers who have been laid off, short-term visa holders, people with medical emergencies, pregnant women, elderly persons, a person who has lost a near one, tourists and students whose colleges and hostels are shut.

Phase I: In the first phase that started on May 7, more than 60 "non-scheduled, commercial" flights will operate from about 12 countries to bring back 15,000 citizens.

Phase II: The second phase of the Vande Bharat mission in the third week of May is expected to cover Russia, Ukraine, Germany, Spain and east Europe. This, however, doesn't include OCI cardholders, but only Indian citizens — that is, those with an Indian passport.

Issues being faced by OCI Card holders

An OCI card allows its holder a multiple-entry, multipurpose lifelong visa to India. But a week before the nationwide lockdown came into force on 24 March, the Narendra Modi government suspended all international travel as well as the visa-free travel facility granted to OCI cardholders. The visas of all OCI cardholders have since continued to remain suspended.

The return of people to India is based on priority. First, Indian citizens stranded abroad will be brought back and then eventually the service will be extended to OCI holders in the times to come

Operational Issues Faced

Confusion around the email ID from which the mails were received

Non-responsive payment gateway

Lack of social distancing norms in place while travelling

Understaffed Indian embassies

Foreign Exchange Reserve (FOREX)

The Forex Reserves ('foreign exchange reserves') of an economy is its 'foreign currency assets' added with its gold reserves, SDRs (Special Drawing Rights) and Reserve Tranche in the IMF. Note

Reserve tranche

Reserve tranche is a portion of the required quota of currency each member country must provide to the International Monetary Fund (IMF) that can be utilized for its own purposes. Special Drawing Rights

The SDR is an international reserve asset, created by the IMF in 1969 to supplement its member countries' official reserves

The SDR is neither a currency nor a claim on the IMF.

Initially SDR was defined as equivalent to 0.888671 grams of fine gold, which at the time, was also equivalent to one U.S. dollar. After the collapse of the Bretton Woods system, the SDR was redefined as a basket of currencies.

This basket Includes five currencies—the U.S. dollar, the euro, the Chinese renminbi, the Japanese yen, and the British pound sterling.

The collapse of Bretton Woods system in 1973 and the shift of major currencies to floating exchange rate regimes lessened the reliance on the SDR as a global reserve asset.

Officially, the RBI targets neither a particular exchange rate nor foreign exchange reserves, but maintains forex reserves to reduce volatility in the forex market.

Forex reserves act as an insurance when the rupee tends to be volatile against the dollar, In the process of supporting weakening rupee, RBI needs to buy dollars (mopping) ultimately, leading to higher forex buildups..

But when RBI purchases dollars, it leads to infusion of rupee into the system which leaves inflationary effect on the economy.

Citing the example of China, the Economic Survey 2014–15 held that India could target foreign exchange reserves of US\$750 billion to \$1 trillion.

China has highest forex reserves in the world i.e., \$3.2 trillion. India is currently the fifth largest holder of forex reserves

