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News: ISRO's heaviest rocket with 36 satellites on board lifts off

LVM 3 – M2 / One Web India – 1

- LVM 3 – M2 / One Web India – 1 is the **heaviest rocket ever made by Indian Space Research Organization (ISRO)**.
- It is the **dedicated commercial satellite mission of NewSpace India Ltd. (NSIL)**, a Central public sector enterprise under the Department of Space.
- Recently, **LVM 3 – M2 took off with 36 satellites on board**.
- This mission is being undertaken as part of the **commercial arrangement entered into between NSIL and Network Access Associates Limited (m/s OneWeb Ltd)**, a U.K. based company.
- OneWeb Gen1 satellites, meant for **global connectivity needs, will be launched into circular low earth orbit of 601 km altitude**.
- This mission is the fifth flight of LVM3. And this is the **first Indian rocket with a six tonne payload**.

News: When does RBI step in to monitor a bank?

- The Reserve Bank of India (RBI) has placed Dhanlaxmi Bank under tight monitoring with the Thrissur based private bank's financial position coming under greater public scrutiny.
- The RBI's move comes in the wake of the intense court battle waged by a group of minority shareholders against the bank's management team over inadequate financial disclosures, rising expenses, and general mismanagement of the business.

Reason in this case

- Dhanlaxmi Bank's capital to risk weighted assets ratio (CRAR) dropped to around 13% at the end of March this year from 14.5% a year ago, prompting the RBI to take stock of the financial health of the bank.
- Under Basel –III norms, which were adopted by financial regulators across the globe in the aftermath of the financial crisis of 2007–08 that involved major failures in the banking system, banks are supposed to maintain their CRAR at 9% or above.
- Capital adequacy ratio is an indicator of the ability of a bank to survive as a going business entity in case it suffers significant losses on its loan book.

- A bank cannot continue to operate if the total value of its assets drops below the total value of its liabilities as it would wipe out its capital (or net worth) and render the bank insolvent.
- The CRAR, which is a ratio that compares the value of a bank's capital (or net worth) against the value of its various assets weighted according to how risky each asset is, is used to gauge the risk of insolvency faced by a bank.
- Higher the ratio is, better the position of the bank is.
- It should be noted that Dhanlaxmi Bank's capital adequacy has dropped below the stipulated standards in the past and it has even been placed under the prompt Corrective Action Framework (PCA) by the RBI to deal with serious deteriorations in its financial position.
- Under the PCA, the RBI places restrictions on lending by troubled banks and keeps a close eye on them until their financial position improves sufficiently.
- Dhanlaxmi Bank has been trying to issue additional shares in the open market through a rights issue in order to deal with its capital adequacy woes.
- Through a rights issue, the bank will be able to raise more equity capital from existing shareholders.
- The additional capital could help in raising the bank's capital adequacy ratio which is necessary to comply with regulations and serve as a buffer that absorbs

any losses incurred by the bank on its loan book in the case of any crisis in the future.