



## BANKING SECTOR: A PILLAR OF INDIA'S ECONOMIC GROWTH

President Murmu highlighted [India's banking sector](#) role in fostering economic growth, supporting [MSMEs](#), boosting the rural economy, and driving financial inclusion.

### Contribution to Economic Growth

- ⌘ **Credit Growth:** Bank credit by [SCBs](#) reached ₹164.3 lakh crore by March 2024, up 20.2% YoY.
- ⌘ **Agricultural Credit:** Increased from ₹13.3 lakh crore (FY21) to ₹20.7 lakh crore (FY24), supporting 7.4 crore Kisan Credit Card accounts.
- ⌘ **Financial Stability:** Gross NPA of SCBs dropped to 2.8% (FY24), the lowest in 12 years.
- ⌘ **Support to MSMEs:** Facilitated low-cost credit, boosting innovation, employment, and industrial growth.
  - ❖ India is the **second-largest** global market for **borrowing customers**, after **China**.
- ⌘ **Digital Inclusion:** 77% adults now have formal financial accounts, and **UPI** transactions surged to ₹200 lakh crore in FY24.
- ⌘ **Capital Market Development:** Fund mobilisation in the **primary market** reached ₹10.9 lakh crore in FY24. **IPOs** increased from 164 in FY23 to 272 in FY24.
- ⌘ **Social & Welfare Programs:** **PMJDY** accounts exceed 56 crore (56% held by women), and **Ayushman Bharat** generated 34.2 crore health cards (49.3% held by women).

### Key Challenges

- ⌘ **Liquidity Risks:** Credit growth has outpaced deposit mobilisation, with households shifting savings to **mutual funds** and **pension schemes**, reducing banks' **low-cost deposit base** and increasing sensitivity to interest rate fluctuations.
- ⌘ **Cybersecurity Risks:** Growing digitalisation exposes banks to **cyber attacks**, **system failures**, and **social engineering** attacks, increasing **financial** and **reputational risks**.
- ⌘ **Unsecured Lending:** Rapid expansion of retail credit raises default and systemic risks.

### Measures to Strengthen the Sector

- ⌘ **Capital & Risk Management:** Align with **Basel III** guidelines and **Narasimham Committee** recommendations, and strengthen **risk management** models for **unsecured lending**.
- ⌘ **Digital Transformation & Cybersecurity:** Encourage **AI-driven risk analytics** (eg. [MuleHunter AI](#)) and fintech partnerships for efficiency and security.
- ⌘ **Financial Inclusion:** Expand **priority sector lending**, promote co-lending, and enhance digital credit platforms with schemes (PMJDY and PM-KUSUM).
- ⌘ **Sustainability Financing:** Integrate **climate risk assessments** and promote **green financing** through initiatives like **Sovereign Green Bonds**.
- ⌘ **Regulatory Measures:** Strengthen frameworks with **PCA**, **enhanced supervision**, and **risk-based audits**.

### NARASIMHAM COMMITTEE

- ✍ **Narasimham I (1991):** Proposed a 4-tier banking system with 3 or 4 major PSBs, reduction in **statutory liquidity ratio**, **8% capital adequacy ratio** and setting up an [Asset Reconstruction fund \(ARF\)](#).
- ✍ **Narasimham II (1998):** Suggested **merging stronger public sector banks** for international trade, reforms in **RBI's role** and formation of **ARF** or [ARCs](#).

# WHO'S WORLD MENTAL HEALTH REPORT

The reports (*World Mental Health Today & Mental Health Atlas 2024*) show **1+ billion people** worldwide live with mental health conditions.

- ⌘ **13.6% population** has mental disorders; prevalence rose faster than population (2011–21).
- ⌘ **Anxiety + depression = 2/3 of all cases**; anxiety starts earlier, depression peaks **50–69 yrs**.
- ⌘ **Young adults (20–29 yrs)**: highest rise (**+1.8% since 2011**).
- ⌘ **Gender trends**: Males – ADHD, autism, intellectual disability; Females – anxiety, depression, eating disorders.
- ⌘ **Suicide: 1 in 100 deaths globally**; leading cause among youth.
- ⌘ **SDG concern**: Suicide mortality projected to fall only **12% by 2030** vs. SDG target of **33%**.

## MENTAL HEALTH IN INDIA

- ✍ **Prevalence: 10.6% adults** (NMHS 2015–16); urban **13.5%** > rural **6.9%**.
- ✍ **Treatment gap: 70–92% untreated** due to stigma, low awareness, shortage of professionals.
- ✍ **Manpower: 0.75 psychiatrists/100,000** (vs. WHO norm **3/100,000**).

## POLICY & INITIATIVES

- ✍ **NMHP (1982)**: Integrates into general healthcare.
- ✍ **Ayushman Bharat**: PHCs & SHCs upgraded for mental health.
- ✍ **NIMHANS Act (2012)**: Institute of National Importance.
- ✍ **RPwD Act (2016)**: Mental illness as disability; aligns with UNCRPD.
- ✍ **Mental Healthcare Act (2017)**: Right to mental healthcare, **decriminalizes suicide**.
- ✍ **National Health Policy (2017)**: Mental health in primary care.
- ✍ **National Suicide Prevention Strategy (NSPS, 2022)**: Cut suicides by **10% by 2030**; targets students, farmers, youth.
- ✍ **Digital: iGOT-Diksha (2020)** training; **Tele MANAS (2022)** free 24/7 helpline in 20 languages.

## Mental Health as an Ethical Issue

- ⌘ **Right to Life (Art. 21)**: Neglect violates dignity, equity.
- ⌘ **Autonomy**: Stigma & exclusion limit informed choice.
- ⌘ **Duty to Prevent Harm**: Workplaces, schools, govt must reduce stress & suicides.
- ⌘ **Compassion**: Respect & inclusion vital for mental well-being.
- ⌘ **Collective Good**: Untreated cases impact productivity & social cohesion.

## IMMIGRATION AND FOREIGNERS ACT, 2025

It came into effect on 1<sup>st</sup> September 2025 and repealed four laws: the [Passport Act, 1920](#); the [Registration of Foreigners Act, 1939](#); the [Foreigners Act, 1946](#); and the [Immigration Act, 2000](#).

PROVISION	DETAILS
<b>Stricter Penalties</b>	<b>2–7 years imprisonment + ₹1–10 lakh fine</b> for forged travel documents. <b>Up to 5 years</b> or <b>₹5 lakh fine</b> for foreigners entering <b>restricted areas</b> without valid authorization.
<b>Mandatory Reporting</b>	Hotels, educational institutions, hospitals, etc. must report <b>details of foreign nationals</b> . Airlines and shipping companies to submit <b>advance passenger and crew data</b> .
<b>Government Control</b>	<b>Centre empowered</b> to regulate or close premises <b>frequented by foreigners</b> for national security.
<b>Bureau of Immigration</b>	Now has <b>statutory authority</b> to <b>identify, detain, and deport</b> illegal foreigners.

## GLOBAL PRACTICES

- ✍ **US**: AI-based **"Catch and Revoke"** to cancel visas linked to terrorism.
- ✍ **Australia**: Detains non-citizens posing security risk; bars indefinite detention of stateless persons unless deportation is feasible.
- ✍ **Gulf Countries**: **Mass deportations** on security grounds, often with **limited appeal options**.

## NATIONAL INSTITUTIONAL RANKING FRAMEWORK (NIRF) 2025

The Ministry of Education's NIRF 2025 reaffirmed IIT-Madras as the top institution in the Overall Category for the 7<sup>th</sup> consecutive year.

- ⌘ IIT Madras also topped in Engineering, IIM Ahmedabad in Management, IISc Bangalore as the top University, and Hindu College ranked first in the Colleges category.
- ⌘ Ranked 7,692 institutions, across 17 categories, including a new SDG category

Launched in 2015, it ranks institutions based on Teaching, Learning & Resources (30%), Research (30%), Graduation Outcomes (20%), and Outreach & Inclusivity and Peer Perception (10% each).

## INDIAN NAVY'S TRAINING SQUADRON IN SEYCHELLES

The Indian Navy's First Training Squadron arrived at Seychelles during a long-range training mission in the South West Indian Ocean Region under India's MAHASAGAR vision (Mutual and Holistic Advancement for Security and Growth Across Regions).

### Seychelles

- ⌘ Island nation in the western Indian Ocean, northeast of Madagascar.
- ⌘ Smallest African country by land area and population.
- ⌘ Archipelago of 155 islands; Mahe is the largest and most diverse.
- ⌘ Located on the Mascarene Plateau (submarine plateau in the Indian Ocean)

