

# 9 PM Current Affairs Weekly Compilation

# For UPSC CSE mains examination





# Features :

Arranged as per syllabus Topics Most complete coverage of major News Papers editorials

# **INDEX**

GS Paper 24
Subject: Indian Polity4
Topic- Indian Constitution—Historical Underpinnings, Evolution, Features, Amendments, Significant Provisions and Basic Structure4
SC Verdict on Citizenship Case
Topic- Functions and Responsibilities of the Union and the States, Issues and Challenges Pertaining to the Federal Structure, Devolution of Powers and Finances up to Local Levels and Challenges Therein
Rationale behind states demand for additional support5
Debate over CBI's Jurisdictions
Financial struggles of Indian municipal corporations7
Subject: Governance
Topic- Government Policies and Interventions for Development in various sectors and Issues arising out of their Design and Implementation8
New Labelling Regulations for Packaged Food
New rules for police officers under BNSS9
Draft Digital Competition Bill9
Importance of road safety
Topic- Role of Civil Services in a Democracy11
Rules and Regulations Governing Civil Servants in India
Topic- Issues relating to development and management of Social Sector/Services relating to Health
Controversy Around HPV Vaccination
Male reproductive health issues14
Supreme Court of India's thoughts on menstrual leave for women
Subject: Social Justice
Topic- Welfare Schemes for Vulnerable Sections of the population by the Centre and States and the Performance of these Schemes; Mechanisms, Laws, Institutions and Bodies constituted for the Protection and Betterment of these Vulnerable Sections
Guidelines for the portrayal of Persons with Disabilities (PwDs)
Right of divorced Muslim women to claim maintenance
Subject: International Relations
Topic- India and its Neighborhood- Relations17
Reasons for strained India-Nepal relations17
Topic- Bilateral, Regional and Global Groupings and Agreements involving India and/or affecting         India's interests         Created with love ♥ by ForumIAS- the knowledge network for civil services.         Visit academy.forumias.com for our mentor based courses.



Significance of the Indian Prime Minister's recent visit to Vienna, Austria	19
How India and Russia have doubled their payments in national currencies	20
GS Paper 3	21
Subject: Indian Economy	21
Topic- Indian Economy and issues relating to Planning, Mobilization of Resources, Growth, Development and Employment.	21
Monetization Opportunities for the Government	21
Fiscal Prudence and Economic Reforms	22
India's urgent need for good-quality jobs	23
Issues with India's R&D expenditure	
Factors affecting food production and its price outlook	
Key Findings of the ASUSE 2022-23	
Factors that contributed to the stability of India's banking sector	
Issues faced by Gig workers	
Need for Regulatory Balance	29
Macroeconomic differences between India and China	29
Subject: Agriculture	31
Topic- Major Crops - Cropping Patterns in various parts of the country, - Different Types of Irrigation and Irrigation Systems; Storage, Transport and Marketing of Agricultural Produc Issues and Related Constraints; E-technology in the aid of farmers.	
Irrigation and Irrigation Systems; Storage, Transport and Marketing of Agricultural Produc	31
Irrigation and Irrigation Systems; Storage, Transport and Marketing of Agricultural Produc Issues and Related Constraints; E-technology in the aid of farmers.	31 31 ublic :ks
<ul> <li>Irrigation and Irrigation Systems; Storage, Transport and Marketing of Agricultural Produc</li> <li>Issues and Related Constraints; E-technology in the aid of farmers.</li> <li>Draft National Policy on Farmer Producer Organisations</li> <li>Topic- Issues related to Direct and Indirect Farm Subsidies and Minimum Support Prices; P</li> <li>Distribution System - Objectives, Functioning, Limitations, Revamping; Issues of Buffer Store</li> </ul>	31 31 ublic :ks 32
Irrigation and Irrigation Systems; Storage, Transport and Marketing of Agricultural Produc Issues and Related Constraints; E-technology in the aid of farmers Draft National Policy on Farmer Producer Organisations Topic- Issues related to Direct and Indirect Farm Subsidies and Minimum Support Prices; P Distribution System - Objectives, Functioning, Limitations, Revamping; Issues of Buffer Stoc and Food Security; Technology Missions; Economics of Animal-Rearing	31 31 ublic :ks 32
<ul> <li>Irrigation and Irrigation Systems; Storage, Transport and Marketing of Agricultural Produc Issues and Related Constraints; E-technology in the aid of farmers.</li> <li>Draft National Policy on Farmer Producer Organisations</li> <li>Topic- Issues related to Direct and Indirect Farm Subsidies and Minimum Support Prices; P Distribution System - Objectives, Functioning, Limitations, Revamping; Issues of Buffer Stoc and Food Security; Technology Missions; Economics of Animal-Rearing.</li> <li>Impacts of PDS on household spending.</li> </ul>	31 31 ublic :ks 32 32 33
<ul> <li>Irrigation and Irrigation Systems; Storage, Transport and Marketing of Agricultural Produc Issues and Related Constraints; E-technology in the aid of farmers.</li> <li>Draft National Policy on Farmer Producer Organisations</li> <li>Topic- Issues related to Direct and Indirect Farm Subsidies and Minimum Support Prices; P Distribution System - Objectives, Functioning, Limitations, Revamping; Issues of Buffer Stoc and Food Security; Technology Missions; Economics of Animal-Rearing.</li> <li>Impacts of PDS on household spending.</li> <li>Political impact on India's fertilizer sector</li> </ul>	31 31 ublic :ks 32 32 33 34
Irrigation and Irrigation Systems; Storage, Transport and Marketing of Agricultural Produc Issues and Related Constraints; E-technology in the aid of farmers. Draft National Policy on Farmer Producer Organisations Topic- Issues related to Direct and Indirect Farm Subsidies and Minimum Support Prices; P Distribution System - Objectives, Functioning, Limitations, Revamping; Issues of Buffer Stoo and Food Security; Technology Missions; Economics of Animal-Rearing. Impacts of PDS on household spending. Political impact on India's fertilizer sector Subject: Science & Technology	31 31 ublic :ks 32 32 32 33 34
Irrigation and Irrigation Systems; Storage, Transport and Marketing of Agricultural Produc Issues and Related Constraints; E-technology in the aid of farmers. Draft National Policy on Farmer Producer Organisations Topic- Issues related to Direct and Indirect Farm Subsidies and Minimum Support Prices; P Distribution System - Objectives, Functioning, Limitations, Revamping; Issues of Buffer Stoc and Food Security; Technology Missions; Economics of Animal-Rearing. Impacts of PDS on household spending. Political impact on India's fertilizer sector Subject: Science & Technology Topic- Awareness in the fields of IT, Space, Computers, Robotics, Nano-technology, Bio- technology and issues relating to Intellectual Property Rights.	31 31 ublic :ks 32 32 32 34 34 34
Irrigation and Irrigation Systems; Storage, Transport and Marketing of Agricultural Produc Issues and Related Constraints; E-technology in the aid of farmers. Draft National Policy on Farmer Producer Organisations Topic- Issues related to Direct and Indirect Farm Subsidies and Minimum Support Prices; P Distribution System - Objectives, Functioning, Limitations, Revamping; Issues of Buffer Stoc and Food Security; Technology Missions; Economics of Animal-Rearing. Impacts of PDS on household spending. Political impact on India's fertilizer sector Subject: Science & Technology Topic- Awareness in the fields of IT, Space, Computers, Robotics, Nano-technology, Bio- technology and issues relating to Intellectual Property Rights. Quantum Technology and Diamonds	31 31 ublic :ks 32 32 32 34 34 34 34 35
Irrigation and Irrigation Systems; Storage, Transport and Marketing of Agricultural Produc Issues and Related Constraints; E-technology in the aid of farmers. Draft National Policy on Farmer Producer Organisations Topic- Issues related to Direct and Indirect Farm Subsidies and Minimum Support Prices; P Distribution System - Objectives, Functioning, Limitations, Revamping; Issues of Buffer Stoc and Food Security; Technology Missions; Economics of Animal-Rearing. Impacts of PDS on household spending. Political impact on India's fertilizer sector Subject: Science & Technology Topic- Awareness in the fields of IT, Space, Computers, Robotics, Nano-technology, Bio- technology and issues relating to Intellectual Property Rights. Quantum Technology and Diamonds Critical and Emerging Technologies (iCET).	31 31 ublic :ks 32 32 32 32 34 34 34 34 35 36
Irrigation and Irrigation Systems; Storage, Transport and Marketing of Agricultural Produc Issues and Related Constraints; E-technology in the aid of farmers. Draft National Policy on Farmer Producer Organisations Topic- Issues related to Direct and Indirect Farm Subsidies and Minimum Support Prices; P Distribution System - Objectives, Functioning, Limitations, Revamping; Issues of Buffer Stor and Food Security; Technology Missions; Economics of Animal-Rearing. Impacts of PDS on household spending. Political impact on India's fertilizer sector Subject: Science & Technology Topic- Awareness in the fields of IT, Space, Computers, Robotics, Nano-technology, Bio- technology and issues relating to Intellectual Property Rights. Quantum Technology and Diamonds Critical and Emerging Technologies (iCET). Subject: Environment Topic- Conservation, Environmental Pollution and Degradation, Environmental Impact	31 31 ublic .ks 32 34 34 35 35 34 35 



Topic- Security Challenges and their Management in Border Areas - Linkages of Organized Cri	
with Terrorism	37
Challenges in Reducing Tensions in the J&K Region	37
Principles to make the National Security Advisor (NSA) more effective	38
Subject: Disaster Management	39
Topic- Disaster and Disaster Management	39
Reasons and solutions for floods in the National Capital Region (NCR) of India	39
Impact of Extreme Heat on Women in India	40



# **GS Paper 2**

# **Subject: Indian Polity**

Topic- Indian Constitution—Historical Underpinnings, Evolution, Features, Amendments, Significant Provisions and Basic Structure.

#### SC Verdict on Citizenship Case

**Context-** The Supreme Court has declared Md Rahim Ali, an Assam resident, a citizen of India, overturning a Foreigners' Tribunal's decision. It has clarified the law on foreign nationality allegations and the individual's burden of proof.

In 2004, a case was filed against Ali for not providing citizenship documents. The Foreigners' Tribunal (FT) first declared him a foreigner without his presence, a decision the High Court upheld. The Supreme Court then ordered the FT to re-examine the documents, but the FT again ruled Ali a foreigner, stating that he entered illegally after March 25, 1971.

#### What are the clarifications given by the Supreme Court in recent judgement?

1) **Burden of Proo**f-Section 9 of The Foreigners Act, 1946, places the burden of proof on the person accused of being a foreigner. However, the Supreme Court questioned whether this allows the authorities to randomly suspect someone without evidence and rely solely on Section 9.

2) **State Responsibility** -The Supreme Court clarified that while the burden of proof is on the accused, the state must first provide evidence for the allegations. Without sufficient material from the state, initiating such serious proceedings is unjust.

3) **Minor Spelling Variations** - The Court noted that minor spelling variations in names should not lead to dire consequences, highlighting that such errors are common in electoral rolls.

4) **Proof Standards in Court Cases** -The court cited the five-judge ruling in **Mukesh Singh vs State (2020)**, emphasizing that even with a reverse burden of proof, the prosecution must first fulfill its initial obligation. In **Noor Aga vs State of Punjab (2008)**, it was established that the prosecution must prove basic facts, and more serious offenses require a higher standard of proof.

A detailed article on Citizenship Amendment Act (CAA) Rules can be read here.

#### What are Foreign Tribunals?

**Tribunals Under Colonial Law-** These were created under The Foreigners Act, a colonial law established before the Indian Constitution, to address issues related to foreigners. They were set up in 1964 by an executive order from the Home Ministry.

**Definition of "Foreigner"** -Under Section 2(a) of the 1946 Act, a "foreigner" is defined as anyone who is not a citizen of India. This applies only to those with strong evidence of foreign status, such as being caught entering India or holding a foreign passport.

#### What are the issues with foreign tribunals?

1) **Legitimacy of Tribunal Establishment** -They are not established under Article 323B of the Constitution, which allows tribunals to be created by law through the appropriate legislature.



2) **Inadequate Investigation**-About 300,000 people in Assam were labeled as Doubtful Voters in 1997 and later by low-level officials, without any investigation or notice. They were excluded from the Assam NRC and now face challenges in Foreigners' Tribunals.

3) **Lack of Transparency in Accusations** -Paragraph 3(1) of the Foreigners' Tribunal Order of 1964 requires that notices state the "main grounds" for accusations. However, Foreigners' Tribunals often do not provide this information, leaving individuals to defend themselves without knowing the charges.

#### What are the implications of the recent Supreme Court Judgement?

1) The judgment will ease the worries of those concerned about minor spelling errors or date discrepancies in their names and their parents' names due to the Citizenship (Amendment) Act, 2019, and the proposed National Register of Citizens (NRC).

2) By March 2019, 1.17 lakh people had been declared foreigners, including 63,959 ex parte cases. This judgement may positively impact thousands of pending cases with the Foreigners' Tribunals.

**Note- Ex parte cases**- It refers to legal proceedings or decisions made by a court in the absence of one party. This means that only one side (usually the plaintiff) is present or has submitted information, leading to decisions without hearing from the other side.

# Topic- Functions and Responsibilities of the Union and the States, Issues and Challenges Pertaining to the Federal Structure, Devolution of Powers and Finances up to Local Levels and Challenges Therein

## Rationale behind states demand for additional support

**News:** The article discusses the issue whether states should receive special financial packages outside the allocations determined by the Finance Commission. The issue came under discussion after recent demands by the Chief Ministers of Bihar and Andhra Pradesh for additional funds to address their states' unique fiscal challenges.

#### Why States are looking for additional Support?

**Andhra Pradesh**: Suffered a major fiscal shock after bifurcation; partially offset by Finance Commission's revenue deficit grants but still requires support.

**Bihar**: Faces severe fiscal capacity issues with per capita development spending at less than 60% of the all-States average.

Higher allocations from the Centre can stimulate State growth, provided there is effective governance.

Issues such as fund leakage and low credit-deposit ratios in poorer states can negate the benefits of additional funds.

GST has reduced fiscal autonomy by centralizing tax collection, impacting states' ability to generate revenue.

#### How finance commission allocates funds?

The Finance Commission allocates 41% of the divisible tax pool to States. Allocation criteria include income, population, area, forests and ecology, and demographic performance. Beyond the statutory devolution by the Finance Commission, center provides discretionary transfers.

#### What are issues of discretionary transfers?



1) Large-scale discretionary transfers could undermine fiscal prudence and create imbalances.

2) Furthermore, Discretionary transfers are influenced by political considerations. Around 30% of Central funds are discretionary, often influenced by political consideration

3) Changes in the criteria provided by Finance Commission can significantly alter the distribution of funds.

#### What should be done?

1) Need for flexibility within the GST structure to allow States some autonomy without compromising fiscal harmonization.

2) Government should look for balanced and fair fiscal policy that addresses regional disparities without compromising fiscal prudence.

3) Greater decentralization and autonomy for States could mitigate political influence.

4) Government should emphasis on sourcing resources for higher capital investment in poorer regions for balanced regional development.

#### **Debate over CBI's Jurisdictions**

**Context**- The Supreme Court upheld West Bengal's lawsuit against the Union government. The suit claims the Centre committed "constitutional overreach" by allowing CBI investigations in the state even after the state withdrew its general consent in November 2018.

The framers of the Constitution expected conflicts between the Centre and the States, so they gave the Supreme Court original jurisdiction to resolve these issues under Article 131.

In State of Karnataka vs. Union of India (1977), the Supreme Court stated that Article 131 is an essential part of federalism and should be interpreted broadly to achieve justice. In State of Rajasthan vs. Union of India (1977), the Court warned against a narrow or overly technical interpretation of State rights.

#### What is general Consent?

**Requirement-** This is required under Section 6 of the DSPE Act for the CBI to investigate in a state. This consent is important because "police" and "public order" fall under state authority. States grant this consent to allow the CBI to investigate corruption cases involving central employees within their territories. **State Withdrawal**: Several states, including West Bengal, have revoked their general consent, fearing that the CBI is being misused against opposition parties.

# What are the arguments made by the union government against the lawsuit filed by the West Bengal Government?

1) Article 131 Suits:- Original suits under Article 131 of the Constitution only involve the Union and States. Although the CBI registered the cases, it cannot be a defendant in this suit because it is not considered a "State" under Article 131.

2) **CBI's Independence from Union Control** -The CBI is an "independent agency" and does not operate under direct control of the Union government. The Union does not oversee the CBI's actions, including registering offenses, conducting investigations, or filing charges.

#### What are the observations made by the supreme court?

Central Government's Role in the CBI - A review of the DSPE Act indicates that the Central government plays a major role in the CBI's formation, the offenses it investigates, and its powers.
 Supervision of Cases Under Section 4 - Under Section 4, the Central government supervises most cases,



except those under the Prevention of Corruption Act, which are overseen by the Central Vigilance Commission. 3) **CBI Independence and Control-** The court ruled that while the CBI can investigate independently, this does not reduce the Central government's control over the agency. As a result, the Solicitor General's claim that the CBI is an "independent agency" was found unconvincing.

A detailed article on **General consent for CBI: The law, and political reasons** for its denial can be <u>read here.</u>

#### What are the long-term Implications of allowing CBI investigations without state consent?

1) **Strain Centre-State Relations** -Allowing the CBI to investigate in states that have revoked their general consent would undermine federalism. This could harm Centre-State relations since police matters fall under state authority.

2) **Future Cases** -The Supreme Court has only considered the initial objections to West Bengal's suit. However, as per the experts, the final ruling will significantly affect other similar cases

#### Financial struggles of Indian municipal corporations

**Context**: The article discusses the financial struggles of Indian municipal corporations, highlighting their limited budgets, dependence on government transfers, and challenges in generating their own revenue. It suggests expanding property taxes and other funding methods to better prepare for monsoons and other needs.

For detailed information on Challenges faced by Urban Local Bodies in India read this article here

#### Why are Indian municipalities facing financial challenges?

**1. Low Revenue Generation**: Municipalities generate less than 1% of India's GDP from their revenues, with about one-third of this coming from their own taxes like property taxes. The rest mostly comes from state and central government transfers. A study by ICRIER showed that total municipal revenue as a percentage of GDP declined from 0.49% in 2012-13 to 0.45% in 2017-18, indicating a decrease in their ability to raise funds independently.

**2. Heavy Dependence on Government Transfers**: Municipalities rely extensively on transfers from state and central governments. The 15th Finance Commission recommended ₹4.36 trillion for local governments until 2025-26, but most of this is earmarked for rural areas.

**3. Impact of GST**: The Goods and Services Tax (GST) took away some taxes that municipalities used to collect, like Octroi. This change has made municipalities even more dependent on government transfers.

**4. Inadequate State Support**: Many states have delayed or failed to set up State Finance Commissions (SFCs), which hinders proper allocation and management of resources at the municipal level.

#### What should be done?

**1. Expand the scope:** Municipalities should expand the scope of property tax, enhance non-tax revenues by going for user charges for various services.

2. Utilize Municipal Bonds: More municipalities could issue bonds to raise funds, as demonstrated by the Greater Hyderabad Municipal Corporation, which raised ₹495 crore, and the Ahmedabad Municipal Corporation, which secured ₹400 crore.

**3. Increase Capital Expenditure**: Boost funding for capital expenditures critical for urban development and disaster preparedness. For example, Mumbai's projected capital expenditure of ₹31,775 crore, representing a significant portion (53%) of its total expenditure



# **Subject: Governance**

# Topic- Government Policies and Interventions for Development in various sectors and Issues arising out of their Design and Implementation.

#### **New Labelling Regulations for Packaged Food**

**Context**-This article discusses the recent amendment to food labelling regulations by the Food Safety and Standards Authority of India (FSSAI). The amendment intends to improve consumer awareness and public health.

India's urban growth is boosting consumption of packaged foods, especially among children. By 2030, India could have over 27 million obese children, making up 10% of the global total, as per UNICEF's "World Obesity Atlas" (2022).

#### What are the recent amendments brought by FSSAI?

The FSSAI approved changes to the Food Safety and Standards (Labelling and Display) Regulations, 2020. Packaged foods will now show salt, total sugar, and saturated fat details in a **bold** and larger font. Previously, this information was in small fonts which could have been easily overlooked by consumers.

#### What is the significance of new regulation?

1) **Empowerment-**It will empower the consumers to make informed decisions.

2) **Enhancing Public Health** - The proposed changes to food regulations will enhance public health, combatting non-communicable diseases.

3) **Export-based Employment**-The portion of processed food in total agricultural exports almost doubled from 2014-15 to 2022-23, reaching around 26%. Adopting global food regulations will create more opportunities for growth and export-based employment.

#### What are the challenges in food safety regulation in India?

1) Simply showing nutritional information in big fonts isn't enough if consumers don't understand its importance or the health risks it signals.

2) Harmful substances in popular Indian spice brands and extra sugar in baby food were detected through testing done abroad by a foreign NGO.

A detailed article on Food Safety Regulations in India can be <u>read here.</u>

#### What should be the way forward?

**1)** Raising public awareness about recommended dietary allowances and their connection to saturated fat, sodium, and sugar is essential.

2) Public health departments at both the central and state levels should conduct awareness campaigns to educate the public.

3) There is a need to encourage better food choices that can alleviate strain on healthcare systems.

4) The food regulator must set clear standards and ensure all food companies follow them to keep consumers safe and maintain trust.



#### New rules for police officers under BNSS

**Context**: The article explains new criminal laws effective from July 1. It details rules for FIR registration, mandatory videography during searches, provisions for arrest, timelines for investigations, and the responsibilities of police officers under the Bharatiya Nagarik Suraksha Sanhita (BNSS).

For detailed information on Bharatiya Nagarik Suraksha Sanhita (BNSS) read this article here

#### What are the new rules for police officers under the Bharatiya Nagarik Suraksha Sanhita (BNSS)?

**1. Zero FIR Registration**: Police officers must register an FIR regardless of jurisdiction issues under Section 173 of the BNSS. This ensures that no complaint is turned away due to territorial concerns. If the incident occurred outside their jurisdiction, they are required to transfer the FIR to the appropriate station.

**2. Electronic Submission**: FIRs can now be filed electronically through platforms like the CCTNS portal, police websites, or official email addresses. This must be signed by the complainant within three days to be officially recorded.

**3. Mandatory Videography**: Sections 185, 176, and 105 of the BNSS mandate videography for searches, crime scenes, and seizures. This is to preserve evidence integrity and support transparent proceedings. Officers are equipped with electronic devices for this purpose, using apps like 'eSakshya' which tags and timestamps images and videos.

**4. Display of Arrest Information**: Information about arrested individuals must be displayed at police stations as per Section 37. This includes names, addresses, and details of the alleged offences, enhancing transparency.

**5. Restrictions on Arrests**: Under Section 35(7), elderly or infirm individuals cannot be arrested for offenses punishable by less than three years without permission from an officer of Deputy Superintendent rank or higher.

**6. Timelines and Reporting**: The medical report in a rape case must be submitted within seven days. POCSO case investigations must finish in two months. Police must update the informant or victim about investigation progress within 90 days.

7. Special Provisions for Electronic Evidence: There is a focus on maintaining a chain of custody for electronic evidence to prevent tampering, emphasizing the role of cyber experts in safeguarding digital data.
8. Defining a Terrorist Act: A new rule under Section 113 defines 'terrorist acts' and assigns the duty to officers of SP rank or higher to decide on registering such cases, considering several factors like the severity of the threat and the level of investigation needed.

#### **Draft Digital Competition Bill**

**Context-** The Ministry of Corporate Affairs formed a Committee on Digital Competition Law (CDCL) to study the necessity of a new law for competition in digital markets. After a year of discussion, the CDCL decided to add an ex-ante framework to the existing Competition Act, 2002.

Ex-ante competition regulation is uncommon. The European Union is the only place where a comprehensive ex-ante competition framework, known as the Digital Markets Act, is currently enforced.

What does "ex-ante framework" mean?



The Competition Act, 2002 currently operates reactively, with the CCI intervening after anti-competitive behavior has occurred. The proposed ex-ante framework for digital markets would enable the CCI to prevent such conduct proactively before it occurs.

#### What are the reasons behind proposing "ex-ante framework"?

1) **Economies of Scale and Scope** -Digital enterprises benefit from economies of scale and economies of scope, reducing production costs per unit and total costs with increased services. This accelerates their growth compared to traditional market players.

2) Network Effects-It also enhances utility of digital services as user numbers increase.

3) **Effective Regulatory Framework** -Markets can quickly and irreversibly favor established players. The current framework is slow that allows offenders to evade scrutiny.

4) **Monopolistic Tendencies**-A group of Indian startups has backed the draft Bill, arguing that it would address concerns about monopolistic practices by big tech.

#### Read More- Digital Competition Bill: Its core needs strengthening

#### What are the key features of the draft Digital Competition Bill?

1) **Dominant Digital Enterprises-**It is inspired by the EU's Digital Markets Act. The bill focuses only on "dominant" digital enterprises rather than all. It identifies ten key digital services such as search engines and social networking platforms.

2) **Criteria for Determining Digital Dominance**-It establishes clear rules for the CCI to determine if digital companies are dominant. It considers financial strength through the "significant financial strength" test and market presence in India through the "significant spread" test.

3) **Designation of SSDEs-** The CCI can designate "systemically significant digital enterprises (SSDEs)" even if they don't meet quantitative criteria.

#### 4) Restriction on SSDEs-

A) They must operate fairly, non-discriminatively, and transparently with users. The draft Bill prohibits SSDEs from self-preferencing, restricting third-party app availability, and blocking user settings changes.B) They cannot use user data from one service to benefit another or unfairly leverage non-public user data.

#### Why has the draft bill been opposed?

1) **Ex-Ante Regulatory Model in India** -There are doubts about how well an ex-ante regulatory model will work in India, as it seems to be copied from the EU without considering the differences between these regions.

2) Lack of Evidence-There's no evidence that this regulatory approach has succeeded in the EU, which raises doubts about its efficacy in India.

3) **Impact on Investment**- It could deter investments in Indian startups. This is because startups may avoid scaling up to avoid crossing quantitative thresholds.

4) **Impact on MSMEs**- Limitations on tying, bundling, and data usage could harm Micro, Small, and Medium Enterprises (MSMEs) that depend on big tech to reduce expenses and reach more customers.



#### **Importance of road safety**

**Context**: The article discusses a tragic bus accident in Uttar Pradesh that killed 18 people. It highlights issues like expired bus insurance and lack of safety features. It stresses the importance of road safety, proper vehicle maintenance, and the need for stricter enforcement and better data reporting by authorities.

For detailed information on Road Accidents in India read this article here

#### Why Is Road Safety Important?

**1. Protects Lives:** Road safety is crucial because it protects lives. In 2022, 1.71 lakh people died, and 4.23 lakh were injured in road accidents across India.

**2. Prevents Accidents:** Proper road safety measures like good road design, speed control, and adequate visibility can prevent accidents. The bus accident in Uttar Pradesh, where 18 people died, highlights the fatal consequences of neglecting these aspects.

#### What Should Be Done to Improve Road Safety?

**1. Enforce Existing Standards:** Local authorities need skilled personnel and proper equipment. They should impose harsher penalties on transport operators who fail to meet safety requirements.

**2. Prevent Dilution of Standards:** Municipal bodies should uphold the safety standards set by engineers without compromise to benefit local businesses.

**3. Improve Data Collection:** The Ministry of Road Transport and Highways should collect and publish better data on vehicle registrations, safety certificates, and accident reports.

**4. Increase Public Awareness:** The public should know how transport vehicle health is checked and have access to the latest test reports.

**5. Speed Control:** Controlling speed is vital; it is implicated in most deadly accidents. Measures like speed-breakers and increased police monitoring have been effective in reducing accidents.

## Topic- Role of Civil Services in a Democracy.

## **Rules and Regulations Governing Civil Servants in India**

**Context**- The Centre set up a single-member committee under the Department of Personnel and Training (DoPT) to review all documents submitted by probationary IAS officer Puja Khedkar regarding her civil service candidacy.She was alloted IAS under the Other Backward Classes (OBC) and Physically Handicapped (PH) quotas.

What are the rules governing civil servants in India?

#### 1) The All-India Services (Conduct) Rules, 1968-

A. Scope and Applicability- These rules apply to IAS, IPS, and Indian Forest Service officers from the moment they are assigned their service and start training.B. Key Provisions



-Rule 3(1): -It requires complete integrity and dedication to duty while prohibiting actions that are inappropriate for a service member.

-Rule 4(1): - It prohibits officers from using their position to secure jobs for family members in private companies or NGOs and clearly defines what constitutes "unbecoming" behavior.

-2014 Additions - It emphasizes high ethical standards, integrity, and honesty, while promoting political neutrality, accountability, and transparency. It encourages responsiveness to the public, especially vulnerable groups, and mandates courtesy and good behavior towards the public.

-Rule 11(1): Officers may accept gifts from close relatives or friends with no official ties during events like weddings, anniversaries, funerals, and religious functions. However, gifts valued over Rs 25,000 must be reported to the government, a threshold updated in 2015

-**Decision-Making Guidelines**- Decisions must be made solely in the public interest, and officers must declare any private interests related to their duties. They are prohibited from placing themselves under financial obligations and must not misuse their position for personal or family benefits.

#### 2) Indian Administrative Service (Probation) Rules, 1954

A. **Applicability-** It governs officers during their probation period, which lasts at least two years after selection and includes training at LBSNAA in Mussoorie.

B. Key Provisions-

1) Entitlements- During probation, officers receive a fixed salary and travel allowance but do not have the same benefits as confirmed IAS officers, such as an official car, accommodation, an office with staff, or a constable.

2) **Rule 12: Discharge of Probationers** -These include the central government finding the probationer "ineligible for recruitment," "unsuitable for service," neglecting probationary duties, or lacking the necessary "qualities of mind and character."

3) **Enquiry Process**- The Centre conducts a summary inquiry before issuing discharge orders, and the committee submits its report within two weeks.

#### Read More- Reforms in the Civil Services – Explained, pointwise

#### What are the consequences of furnishing false information?

According to a 1993 DoPT circular, government servants who provide false information or certificates should not remain in service. This rule applies to both probationers, who are "discharged," and confirmed officers, who are "dismissed."

However, dismissals can be challenged in court, the Central Administrative Tribunal (CAT), and the National OBC Commission, leading to lengthy legal battles during which the officer may remain in service.

# **Topic-Issues relating to development and management of Social Sector/Services relating to Health.**

#### **Controversy Around HPV Vaccination**

**Context**: The article discusses the promotion, timing, and high cost of India's HPV vaccine, Cervavac. It questions the need for universal vaccination against HPV, highlights delay in development due to patent issues, and criticizes the high price despite potential for lower costs.

For detailed information on **Status of cervical cancer in India – free future** <u>read this article here</u>



#### What is the HPV Vaccine?

The HPV vaccine is designed to prevent cervical cancer by targeting the human papillomavirus (HPV).
 Only a few out of over 200 HPV strains are linked to cervical cancer, specifically causing precancerous lesions.

3. Despite the vaccine's aim, most individuals with HPV do not develop cancer; infection is common, but progression to cancer is rare.

4. India's Serum Institute developed Cervavac, an indigenous HPV vaccine, using recombinant DNA (rDNA) technology, similar to early vaccines like the Hepatitis-B vaccine. The vaccine targets pre-puberty girls, based on the assumption that preventing HPV transmission at a young age will reduce cancer rates later.

#### How Have Patents Affected Vaccine Development?

1. Patents have shifted vaccine development from public to private sectors, changing the landscape of innovation.

2. The U.S. Patent Act amendments in the 1980s allowed for the patenting of genetically modified organisms and life processes, facilitating private monopolization of vaccine development.

3. The TRIPS agreement globalized U.S. patent laws, impacting vaccine production and distribution worldwide.

4. This resulted in delayed availability of vaccines like India's Cervavac, which had to wait for key HPV vaccine patents to expire before development could begin.

5. Patented vaccines such as Gardasil and Cervarix were developed under these new conditions, setting precedents in vaccine commercialization.

#### What Impact Has This Had on India's Vaccine Industry?

1. India's 1970 Patent Act fostered the growth of its domestic vaccine industry by allowing only process patents, not product patents.

2. This enabled rapid development and production of generic drugs and vaccines, positioning India as a global pharmacy.

3. The introduction of product patents under TRIPS slowed down the development of new vaccines like Cervavac, which took two decades after similar vaccines were available globally.

4. Despite infrastructure capable of producing at scale, Cervavac's market pricing remains high, raising concerns about the application of patent laws and their impact on affordability and accessibility in India's vaccine market.

#### What is the Controversy Around HPV Vaccination in India?

**1. Association with Cancer:** The link between HPV and cervical cancer is controversial. While certain strains of HPV are associated with precancerous lesions, most HPV carriers do not develop cervical cancer.

**2. Moral and Cultural Concerns:** The push to vaccinate pre-puberty girls based on assumptions about their future sexual behavior is seen as problematic. This perspective is viewed as imposing Western values and may be considered a moral issue within the conservative fabric of Indian society.

**3. Gender Bias:** The focus on vaccinating girls and not boys highlight a gender bias, overlooking the fact that men can also be carriers of HPV.

**4. Cost Issues:** The high cost of the HPV vaccine poses a significant barrier. The government price is ₹500 for two doses, but for those not covered by government programs (recommends Cervavac for girls aged nine to 26), the retail price escalates to ₹2,000, making it unaffordable for many.



#### Male reproductive health issues

**Context:** Despite affecting millions of couples worldwide and accounting for 50% of all infertility cases in India, male infertility remains stigmatized and shrouded in misconceptions.

#### What is the present state of male reproductive health issues?

According to the World Health Organization (WHO), 60 to 80 million couples worldwide struggle with infertility.

Extrapolated data suggests 13 to 19 million Indian couples face infertility issues. Male infertility accounts for 50% of these cases.

he infertility issues in males include absence of sperm, low sperm count, low sperm motility.

#### What are the factors causing these issues?

**Sperm Issues**: Male infertility can manifest in various forms, such as absence of sperm, low sperm count, and low sperm motility.

**Internal Factors**: Factors such as stress, hormonal imbalances, genetic anomalies, anatomical issues, and epigenetic influences play a significant role in male infertility.

**Environmental Factors**: External factors, including environmental pollution and the indiscriminate use of pesticides on crops, plastics, and plasticizers, can adversely affect fertility.

**Lifestyle Factors**: Lifestyle choices significantly influence male fertility. Diet, sleep patterns, work schedules, and the consumption of alcohol and tobacco are major contributing factors. Additionally, the growing trend of late marriages among the youth poses challenges due to the natural decline in sperm quality with age.

#### What steps can be taken to address this issue?

Awareness: Raising awareness about reproductive and sexual health is crucial.

**Open Discussions**: There is an urgent need for open and informed discussions about male reproductive health. Parents, especially fathers, play a critical role in educating their sons about reproductive health issues. **Life style changes**: Young men should be encouraged to adopt healthy lifestyle practices. This includes maintaining a balanced diet, regular sleep patterns.

**Timely Medical Interventions**: Encouraging timely medical interventions can help address infertility issues early on, improving the chances of successful treatment and conception.

**Stress Management**: Stress is a major deterrent to reproductive health. Regular exercise, yoga, and meditation can significantly reduce stress and its adverse effects on well-being.

## Supreme Court of India's thoughts on menstrual leave for women

**Context**: The article discusses the Supreme Court of India's thoughts on menstrual leave for women. The court worries this policy might be misused and harm women's job chances. It suggests creating a careful policy with inputs from various groups to avoid discrimination and stigma.

For detailed information on the Issue of Menstrual Leaves read this article here

#### What Are the Existing Challenges for Working Women?

1. Working women face setbacks like the **motherhood penalty**, which includes career stalls due to pregnancy and child-rearing.



2. They are also often assigned **less significant administrative tasks compared to their male counterparts.** 

#### What Are the Concerns About Menstrual Leave?

**1. Potential for Misuse:** There is concern that a mandatory menstrual leave policy could be misused, negatively impacting women's employment opportunities.

**2. Career Obstacles:** Menstrual leave might become an additional hurdle for women in terms of employment and career advancement.

**3. Discrimination Fears:** Former Union Minister Smriti Irani opposed the policy, citing concerns that it could lead to discrimination against women for a natural biological process.

**4. Stigmatization:** The policy could unintentionally pathologize menstruation, reinforcing stigma rather than alleviating it, impacting women's perception in the workplace.

#### How Is Menstrual Leave Handled in Other Countries?

1. Countries like **Taiwan and Zambia** have menstrual leave policies, but face challenges in implementation. 2. **Spain:** Introduced paid menstrual leave in 2023, becoming the first European country to do so. However, data indicates that few women have taken advantage of this policy, likely due to complicated processes and fears of discrimination.

3. **Indonesia:** Offers a two-day menstrual leave, but it is rarely used because women must undergo a medical examination to qualify, which discourages many from applying.

What Does the Draft Menstrual Hygiene Policy Suggest?

The government's draft policy **suggests flexible hours** and **support leaves to help all employees** and **prevent stigma or assumptions about productivity tied to menstrual cycle** 

# **Subject: Social Justice**

Topic- Welfare Schemes for Vulnerable Sections of the population by the Centre and States and the Performance of these Schemes; Mechanisms, Laws, Institutions and Bodies constituted for the Protection and Betterment of these Vulnerable Sections.

#### Guidelines for the portrayal of Persons with Disabilities (PwDs)

**Context:** The article discusses the Supreme Court's guidelines for the portrayal of Persons with Disabilities (PwDs) in visual media, prompted by criticisms of the film **"Aankh Micholi"** for perpetuating stereotypes. It highlights the need for sensitive representations, as seen in the movie "Srikanth."

For detailed information on **Persons with Disabilities: Rights, Challenges and Solutions** <u>read this article</u> <u>here</u>

What are the fundamental principles on disability rights laid down by the Supreme Court order?



The nine-point guidelines outlined by the Supreme Court cover a range of aspects aimed at improving the representation of Persons with Disabilities (PwDs) in media:

1. **Model Emphasis**: The Court highlighted the human rights model of disability, which builds upon and extends the social and medical models. The medical model views disability primarily through the lens of medical conditions, while the social model sees disability as a product of societal barriers. The human rights model, central to this ruling, asserts that disability is a part of human diversity and that Persons with Disabilities (PwDs) are rights holders entitled to full participation in society.

2. **Obligations of Private Parties**: The Supreme Court discussed the responsibilities of private entities under the Rights of Persons with Disabilities Act, 2016. It noted these obligations while also recognizing their limits, as evidenced in the refusal to compel Sony Pictures to create awareness films, akin to the principles outlined in the **Vikash Kumar vs UPSC** case.

3. **Stereotypes and Discrimination**: The ruling emphasized that stereotypes contribute to discrimination against PwDs. Previous cases like **Navtej Johar vs Union of India** and **Anuj Garg vs Union of India** have demonstrated how stereotypes around gender and other characteristics can lead to unconstitutional indirect discrimination.

4. **Distinction Between Cinematic and Hate Speech**: The Supreme Court differentiated cinematic speech from hate speech. It specified that expressions that marginalize based on group membership and reinforce societal prejudices do not qualify as protected speech under the free speech provisions. This is aligned with the reasoning in cases such as the **Pravasi Bhalai Sangathan vs Union of India**.

For detailed information on **Important Judgments by Chief Commissioner of Persons with Disabilities** read this article here

#### What is the impact of this ruling?

1. The Supreme Court's guidelines aim to ensure that films portray PwDs more respectfully and accurately.

2. The guidelines advise consultation with disability advocacy groups and careful language use to foster a sensitive portrayal of disability.

3. The effectiveness of these guidelines will be evaluated in the coming years.

#### Right of divorced Muslim women to claim maintenance

**Context**: The article discusses the Supreme Court judgment in **Mohd Abdul Samad vs The State of Telangana**. The judgment upholds the right of divorced Muslim women to claim maintenance under Section 125 of the CrPC, despite the Muslim Women (Protection of Rights on Divorce) Act of 1986, resolving longstanding legal confusion.

For detailed information on SC verdict on right to maintenance of Muslim Women read this article here

#### What Did the Supreme Court Decide?

The Supreme Court's decision in **Mohd Abdul Samad vs The State of Telangana** can be summarized as follows:

**1. Upheld Rights:** The Court upheld the divorced Muslim woman's right to seek maintenance under Section 125 of the CrPC, asserting that this right remains unaffected by the Muslim Women (Protection of Rights on Divorce) Act of 1986.



**2. Rejection of Contrary Arguments:** It rejected the husband's argument that after the enactment of the 1986 Act, maintenance could only be claimed under this Act.

**3. Clarification of Law:** The judgment resolved ambiguity stemming from varied High Court decisions, providing clarity that Section 125 still applies to divorced Muslim women.

**4. Secular Provision**: This decision reinforces the applicability of Section 125 as a universal, secular provision for maintenance, ensuring all women have equal access to this legal remedy.

#### What Was the Existing Precedent?

The existing precedent was established by the Supreme Court in the 2001 case **Danial Latifi and Another vs Union of India**:

**1. Background**: Danial Latifi was Shah Bano's lawyer in her case, **Mohd Ahmed Khan vs Shah Bano Begum**, where the Supreme Court initially upheld her right to maintenance, leading to the enactment of the Muslim Women (Protection of Rights on Divorce) Act, 1986.

**2. Ruling**: The Court ruled that the 1986 Act is constitutionally valid and interpreted Section 3(a) to secure divorced Muslim women's financial future.

**3. Specifics**: It required the husband to provide maintenance during the iddat period and plan for the wife's future needs within that period, ensuring her long-term financial stability.

**4. Impact**: This interpretation upheld the simultaneous applicability of Section 125 of the CrPC, confirming that the new Act did not negate these rights.

#### What is the significance of Section 125 of the CrPC?

Section 125 is a socially beneficial provision that applies to all women, regardless of religion. It ensures that women who cannot maintain themselves receive maintenance from their husbands.
 Justice V R Krishnaiyer, in Fuzlunbi vs K Khader Vali and Another (1980), emphasized that this section enforces maintenance as a secular obligation for social welfare, benefiting the entire community of women.
 The Supreme Court clarified that denying maintenance rights under Section 125 to divorced Muslim women would violate their fundamental rights under Articles 14, 15, and 21 of the Constitution.
 The Court's ruling ensures that divorced Muslim women have the same maintenance rights as other women in India.

# **Subject: International Relations**

#### Topic- India and its Neighborhood- Relations.

#### **Reasons for strained India-Nepal relations**

**Context**: The article discusses the strained relationship between India and Nepal, worsened by political and diplomatic tensions since 2015. It suggests opportunities for improvement with the leadership of Narendra Modi and Khadga Prasad Oli, focusing on mutual respect and non-interference for a stable partnership.

For detailed information on India-Nepal Relationship read Article 1, Article 2

#### What Led to the Strain Between India and Nepal?



**1. Constitutional Dispute:** In 2015, tensions escalated when Nepal adopted a new Constitution without the amendments India had suggested, leading to significant political discord between the two countries.

**2. Economic Blockade:** India imposed a nearly six-month-long economic blockade on Nepal, severely impacting Nepal's economy and increasing resentment towards India.

3. Shift Towards China: In response to the blockade, Nepal's then-Prime Minister Khadga Prasad Oli signed 10 significant agreements with China, diversifying Nepal's economic and strategic alliances away from India.
4. Political Statements: The relationship faced further tension when Oli suggested that the historical city of Ayodhya was located within Nepal and criticized India's national motto, proposing a change to reflect a more assertive stance.

**5. Territorial Disputes:** The relationship further deteriorated after India published a political map in 2019 that included territories claimed by Nepal, prompting Nepal to amend its Constitution to include these areas in its own map.

#### What Is the Economic and Social Impact?

**1. Dependency on Remittances:** Nepal is the seventh largest remittance-sending country to India, significantly supporting livelihoods in India's economically weaker states like Uttar Pradesh, Bihar, and Odisha.

**2. Trade Diversification:** Following the blockade, Nepal signed 10 agreements with China, expanding trade and transit options, reducing dependence on India.

**3. Hydropower Agreements:** Recent power trade agreements favor India, limiting Nepal's ability to export electricity generated with Chinese investments, impacting Nepal's energy sector.

**4. Political Instability:** The imposition of India's preferences in Nepali politics, as seen with leaders like Pushpa Kamal Dahal ('Prachanda'), has led to political compliance at the cost of addressing key bilateral issues, affecting Nepal's political autonomy and social dynamics.

**5. Hindutva Influence:** The presence of Hindutva advocates supported by India in Nepal's plains and hills has stirred social tensions, affecting Nepal's cultural and political landscape.

#### What should be done?

**1. Respect for Sovereignty:** Both nations should commit to non-interference in each other's internal affairs, aligning with the principles of the Panchsheel doctrine.

**2. Policy Corrections:** India could revise its policies under Modi's "Neighbourhood First" initiative, emphasizing mutual respect and economic cooperation rather than dominance.

**3. Release of EPG Report:** Implementing the recommendations of the India-Nepal Eminent Persons' Group report could help establish a transparent and equal partnership.

**4. Dialogue on Bilateral Issues:** Engage in constructive dialogues to address and resolve standing issues, such as the territorial disputes involving the Limpiyadhura-Kalapani area and economic agreements.

**5. Reviving Regional Cooperation:** Nepal and India should work towards revitalizing the South Asian Association for Regional Cooperation (SAARC) as a platform to enhance regional integration and cooperation, which would benefit not just the two countries but the entire South Asian region.

**6. Rebalancing Relations:** The relationship dynamics should move away from perceptions of New Delhi being imperious and Kathmandu being subservient. Kathmandu needs to assert its voice more confidently, while New Delhi must reflect on and amend its approaches that have led to Nepali dissatisfaction.

**7. Cordiality vs. Skepticism:** Despite the default friendly disposition of Nepal towards India, New Delhi remains skeptical of Nepal's intentions and alignments, particularly regarding Nepal's interactions with other countries like China. India must address its skepticism towards Nepal's intentions



# Topic- Bilateral, Regional and Global Groupings and Agreements involving India and/or affecting India's interests.

#### Significance of the Indian Prime Minister's recent visit to Vienna, Austria

**Context**: The article discusses Indian Prime Minister Narendra Modi's recent visit to Vienna, Austria, highlighting its historical significance as the first PM visit since 1983. It mentions Modi's emphasis on peace during his talks, reflecting on past diplomatic efforts by India to aid Austria in achieving neutrality and independence. The article also notes ongoing India-Austria relations, including economic partnerships and shared stances on global issues like the Russia-Ukraine conflict.

#### Why was Narendra Modi's visit to Vienna significant?

**1. Historical Context:** Narendra Modi's visit to Vienna was the first by an Indian Prime Minister since Indira Gandhi's in June 1983, emphasizing the visit's historical significance.

**2. Peace Advocacy:** Modi expressed deep concern over a suspected Russian missile attack on a Kyiv children's hospital, highlighting a pattern of aggression coinciding with high-level Indian visits to Russia. This stance reinforced India's call for peaceful resolutions and the inappropriateness of solving conflicts through warfare.

**3. Reaffirming Neutrality:** The visit underlined Austria's historical stance of neutrality, established by the 1955 Austrian State Treaty, which India supported in the United Nations.

**4. Shared Global Perspectives:** Both leaders recognized their countries' balanced approaches to the Russia-Ukraine conflict, maintaining diplomatic and commercial relations amidst global tensions.

#### What is the historical context of Austria's neutrality?

**1. World War II Impact:** Austria was occupied by Nazi Germany during World War II and later divided into four sectors by the Allies (US, UK, France, Soviet Union) after the war.

**2. Allied Occupation:** The Allied powers occupied Austria for a decade, influencing its post-war political landscape.

**3. Austrian State Treaty of 1955:** This treaty, ratified by the occupying powers and the Austrian government, established Austria as an independent and neutral state, prohibiting military alliances and foreign military bases on its territory.

**4. Neutrality Model:** The Soviet Union advocated for Austria's neutrality, similar to Switzerland's, ensuring its strategic position between East and West Europe was non-aligned.

#### How have India-Austria relations evolved?

**1. Establishment of Diplomatic Relations:** India and Austria established diplomatic ties on November 10, 1949, marking the beginning of formal relations between the two nations.

**2. Significant Visits:** Key visits have included Indira Gandhi in 1983 and various Indian presidents, strengthening diplomatic engagement.

**3. Nehru's Mediation:** Jawaharlal Nehru played a crucial role in 1955, aiding Austria in obtaining independence through the Austrian State Treaty.

**4. State Visits:** Notable visits include Indira Gandhi in 1983, Austrian Chancellor Fred Sinowatz in 1984, President K R Narayanan in 1999, President Pratibha Patil in 2011, and other reciprocal visits by presidents and ministers, underscoring ongoing diplomatic engagement.



**5. Economic and Technological Collaboration:** Discussions between Modi and Chancellor Nehammer in 2024 aimed at upgrading bilateral partnerships, focusing on infrastructure, renewable energy, e-commerce, fintech, and media.

**6. Balanced Global Stances:** Both countries maintain balanced positions on the Russia-Ukraine conflict, promoting dialogue and maintaining commercial ties.

#### How India and Russia have doubled their payments in national currencies

**Context**: The article discusses how India and Russia have doubled their payments in national currencies despite Western sanctions. Rupee deposits by Indian companies in Russia have increased significantly. Economists believe that India's trade with Russia could grow further following Prime Minister Modi's recent visit to Moscow.

For detailed information on India-Russia Relations read this article here

#### What is the Current State of India-Russia Trade Payments?

**1. Increase in Payments**: India and Russia have doubled their trade payments in national currencies (rupee and rouble) despite Western sanctions.

**2. Sberbank's Role**: Sberbank, Russia's largest bank, reports a doubling in payment volume and an 80% increase in transactions from January to June 2024 compared to the same period in 2023.

**3. Rupee Deposits**: There has been a sixfold increase in corporate rupee deposits in Russia in 2024.

#### What Are the Challenges and Opportunities for India in Russia?

#### A. Challenges:

Competition with China: Chinese businesses have taken advantage of the sanctions to dominate the Russian market. China has bilateral trade with Russia worth \$240 billion, significantly higher than India's trade volume.
 Currency Competition: Indian businesses are sometimes forced to consider using the Chinese yuan, which indicates a challenge in promoting the rupee exclusively.

#### **B. Opportunities:**

**1. Increase in Rupee Usage**: The sixfold increase in corporate rupee deposits in Russia since the start of 2024 shows growing trust in the Indian currency.

**2. Prime Minister's Visit Impact**: Prime Minister Modi's recent visit to Moscow is described as crucial for advancing to a new level of economic cooperation

**3.Market** Vacuum: The exit of Western companies from Russia creates opportunities for Indian products to fill the market gaps.

#### What Impact Did Prime Minister Modi's Visit to Moscow Have?

**1. Strengthened Economic Ties**: The visit marked a new level of economic cooperation between India and Russia.

**2. Future Trade Goals**: Both leaders set a trade target of \$100 billion by 2030, emphasizing the potential growth in bilateral trade.



**3. Sectoral Focus**: Key sectors for increased Indian exports include auto and aviation components, chemicals, microelectronics, and consumer electronics.

# **GS Paper 3**

# **Subject: Indian Economy**

# Topic- Indian Economy and issues relating to Planning, Mobilization of Resources, Growth, Development and Employment.

#### **Monetization Opportunities for the Government**

**Context**- Stock markets have consistently hit new highs, pushing total equity wealth to record levels. Promoters have taken advantage of higher valuations, selling approximately \$4 billion worth of stock in just the last two months.

The government aims to raise about \$6 billion through divestment in 2024-25, marking a significant increase from previous years. This shift is part of a strategy to effectively boost economic resources through asset monetization.

#### What opportunity does it present for the government to monetize its stakes?

1) **Strengthening Finances and Infrastructure** -The rise in PSU stock prices provides a chance to sell government stakes and invest the proceeds in the economy. Monetizing these assets will strengthen government finances, support infrastructure projects, and create jobs.

2) Enhancing Market Liquidity and Public Shareholding -Reducing the government's stake in PSBs below 75% not only aligns with SEBI's regulations but also enhances market liquidity. Despite a surge in market capitalization, public shareholding in PSU stocks remains low. This situation presents an opportunity for state-held listed entities to meet SEBI's minimum public shareholding norms.

#### What are the challenges in the disinvestment process?

Disinvestment faces challenges such as multiple stakeholders, lengthy regulatory processes, global economic uncertainties, political opposition, and concerns about selling off national assets.

A detailed article on Disinvestment in India can be read here.

#### What should be the way forward?

1) **Offer-for-sale (OFS) mechanism** -The government can sell stakes quickly using the offer-for-sale (OFS) mechanism. This allows for faster transactions through special stock exchange windows.

2) **Block Deals**-It could opt for block deals to sell significant stakes at once or sell smaller quantities in the secondary market. Over the past decade, approximately \$37.5 billion has been raised from minority stake sales out of a total of around \$50 billion from divestments.

3) **Strategic Focus on Stake Sales and Governance**- The government should prioritize stake sales over relying solely on PSU dividends. It should focus on governing, not managing non-strategic businesses



#### **Fiscal Prudence and Economic Reforms**

**Context-** The government aims to prioritize a productive workforce and enhance the competitiveness of Indian products and services in its third term. The Union Budget must strike a balance, creating fiscal room to support these goals while maintaining fiscal consolidation. The Confederation of Indian Industry (CII) has aligned its recommendations with these priorities.

#### What are the major recommendations given by Confederation of Indian Industry (CII)?

#### 1) Fiscal Consolidation-

A) Revive the practice of publishing medium-term deficit indicators in the Union Budget for better fiscal planning visibility.

B) Review and update the Fiscal Responsibility and Budget Management Act, as recommended by the 15th Finance Commission.

C) Establish a robust fiscal framework to enhance India's credit rating.

2) **Increasing Healthcare and Education Spending Targets** -There is a **pressing need** to raise government spending on healthcare to 3% of GDP and on education to 6% of GDP by 2030-31.

3) **Boosting Capital Spending with RBI Dividend Allocation** -It suggests allocating a portion of ₹2.1 trillion dividend from the Reserve Bank of India to boost capital spending by 25% from 2023-24 levels. This will sustain growth in public capital expenditure and stimulate private investment.

4) Disinvestment & Asset Monetization-

A) Adopt a demand-based approach to select public sector enterprises (PSEs) for divestment.

B) Enhance the government's asset monetization program by aiding ministries and state governments in identifying assets and refining regulatory execution.

C) Establish a dedicated cell in Niti Aayog or the Ministry of Finance to oversee these efforts.

D) Utilize proceeds from disinvestment and asset monetization to either reduce debt or develop new assets.

#### 5) Taxation Reforms-

A) CII proposes a three-rate GST structure with lower rates. Simplifying tax structures and improving the ease of doing business would boost tax buoyancy.

B) They advocate including petroleum products and electricity under GST to reduce business costs by enabling input tax credit on commonly used goods and services.

#### Read More-7 years of GST

#### 6) Enhancing Competitiveness Through Customs and Tax Reforms-

A) It suggests announcing a phased plan to adjust duty rates, allowing domestic manufacturers time to adapt.B) It recommends improving compliance procedures, dispute resolution, and grievance redressal.



#### India's urgent need for good-quality jobs

**Context**: The article discusses India's urgent need for good-quality jobs. It highlights joblessness as a key issue, despite economic growth. The article suggests various policies, including vocational training, wage subsidies, technical assistance for enterprises, and basic income supplements for the poor.

For detailed information on **Employment status in India** <u>read this article here</u>

#### Why is joblessness a critical issue in India?

**1. Persistent Problem Across Decades:** Joblessness has been a consistent issue in India, not adequately addressed by successive governments, indicating its deep-rooted nature in the economy.

**2. Election Concerns:** Recent elections highlighted joblessness as a critical issue, affecting voter decisions and showing public dissatisfaction with existing job policies.

**3. Economic Growth Disparity:** Despite economic growth, employment has not kept pace. National surveys over 50 years confirm that job creation lags behind economic expansion, highlighting the failure to convert economic gains into employment opportunities.

**4. Social Stability Risk:** If unaddressed, the growing joblessness is potentially socially explosive, demanding immediate and focused policy intervention.

#### What are the issues with previous employment policies?

**1. Delayed Payments and Shortcomings:** There are notable delays in wage payments. Additionally, despite the law stipulating 100 days of work per household, many receive much less, undermining the effectiveness of the scheme.

**2. Conditions of Manual Labor:** The jobs provided are manual and performed in harsh conditions, such as under a scorching sun, making them less appealing and barely sustainable for workers.

**3. Unmet Legal Guarantees:** Workers rarely receive unemployment benefits when a job is not provided within 15 days, a failure to comply with the legal provisions of the schemes.

#### How can sustainable jobs be created in India?

**1. Vocational Education and Training**: Launch mass-scale vocational programs with business apprenticeships to improve employability, learning from models like Germany's vocational system and the California community college system.

**2. Adjusting Subsidies:** Evaluate existing capital subsidies that currently encourage labor-replacing, capitalintensive investments. Replace some of these subsidies with wage subsidies that encourage firms to create regular jobs.

**3. Support for Non-Farm Enterprises**: Extend technical assistance and management training to non-farm household enterprises, drawing lessons from the software aid provided to ASHA workers in Uttar Pradesh.

**4.** Addressing Demand Deficiency: Address income inequality to boost consumer demand by raising incomes of lower economic sections through a basic income supplement, enabling them to participate more in the economy and potentially seek better jobs.

**5. Tax Reforms:** Fund these initiatives by reducing subsidies for the affluent and increasing taxation on the wealthy, including inheritance and wealth taxes.



#### Issues with India's R&D expenditure

**Context**: The article emphasizes the need for increased investment in science and technology in India. It suggests reforms like merging scientific institutions, mandating private sector R&D spending, and excluding building costs from R&D figures to boost innovation and development.

For detailed information on India's R&D Funding Status read this article here

#### What is the current state of R&D spending in India?

**Current R&D Spending**: India currently allocates only 0.6% to 0.7% of its GDP to research and development, significantly lower than the targeted 2%.

#### What are the issues with India's R&D expenditure?

**1. Low R&D Expenditure**: India's spending on R&D is significantly lower than many other countries, standing at just 0.6% to 0.7% of GDP, compared to countries like the US (2.8%), China (2.1%), Israel (4.3%), and South Korea (4.2%).

**2. Disproportionate Government Spending**: The government sector accounts for 56% of India's total R&D expenditure. This is much higher than in other nations, where private sector involvement is more prominent, like in China (15%), Germany (14%), the UK (7%), and Japan (8%).

**3. Capital Expenditure Bias**: A large portion, 44%, of India's R&D budget is allocated to capital development, such as infrastructure and land acquisition, which contrasts sharply with countries like the UK and the US where virtually none of the R&D budget goes to such expenditures.

#### What lessons can India learn?

#### A. Lessons from Other Countries

**Increase R&D Funding**: As seen with China, which raised its R&D investment from 0.7% of GDP in the 1990s to 2.1% currently. In 2019, China's R&D spending reached USD 525.7 billion in PPP terms, vastly exceeding India's USD 58.7 billion in 2018.

#### **B. Lessons from India's Own Successes**

**1. Autonomy in Key Sectors**: India's success in space and atomic energy is largely due to the autonomy given to the Space Commission and the Atomic Energy Commission. These bodies are free from bureaucratic delays, fostering more effective project execution.

**2. Integrated Leadership**: Effective leadership structures involving senior scientists and high-level government officials have proven successful, as seen with the empowered bodies managing space and atomic energy initiatives, leading to significant advancements.

#### What should be done?

**1. Promote Private Sector Involvement**: Encourage private sector participation by mandating companies to allocate 2% of their profits to R&D, similar to corporate social responsibility rules.

**2. Support State-Level Research**: Allow state governments to raise funds exclusively for R&D projects approved by the National Research Foundation. This will decentralize and enhance research capabilities across India.



#### Factors affecting food production and its price outlook

**Context**: The article discusses how India's high food prices keep overall inflation high, making it hard for the Reserve Bank of India to lower inflation to their target of 4%. It explains that weather changes, like poor monsoon rains and climate-related events, increase food prices, which needs addressing through better farming methods and infrastructure.

For detailed information on India's food inflation read this article here

#### How significant is food inflation?

**1. High Weight in CPI:** Food accounts for nearly 40% of the Consumer Price Index (CPI) basket, making it a significant factor in overall inflation.

**2. Historical Data:** In years when CPI was close to the 4% target, food inflation was also low. For example, during 2000-2006, CPI averaged 3.9% with food inflation at 2.5%.

**3. Recent Spike:** After the pandemic, food inflation surged to an average of 6.4%, with food prices exceeding 6% for 28 out of 50 months, highlighting its persistent impact on overall inflation levels.

#### What are the factors affecting food production and its price outlook?

**1. Monsoon Reliability:** Traditionally a key determinant of agricultural success, the monsoon's unpredictability, exacerbated by climate change, affects crop yields.

**2. Water Resources:** Heatwaves have depleted groundwater levels, essential for irrigation, affecting crops like wheat and impacting dairy and poultry outputs.

**3. Crop Damage:** Unseasonal rains have damaged crops during critical harvesting and transportation stages, leading to increased food prices.

**4. Global Warming Effects:** Events like El Niño, intensified by global warming, have resulted in significant weather anomalies, influencing food production negatively.

#### What should be done to control climate change's impact on food?

**1. Enhance Agricultural Infrastructure:** Upgrade facilities from production to storage and transportation to better withstand climate impacts.

**2. Develop Climate-Resistant Crops:** Promote and expand the use of heat-resistant and drought-tolerant crop varieties to maintain productivity under changing climate conditions.

**3. Increase Irrigation Coverage:** Expand irrigation infrastructure to ensure water availability even during adverse weather conditions, with only 57% of agriculture currently covered.

**4. Boost Research and Development:** Increase investment in agricultural R&D, currently at just 0.5% of agriculture GDP, to innovate better farming practices and technologies.

**5. Improve Food Processing and Storage:** Encourage development in food processing and cold storage to reduce wastage and stabilize supply chains.

#### Key Findings of the ASUSE 2022-23

**Context**: The article discusses the challenges faced by India's informal sector, based on data from the Annual Survey of Unincorporated Sector Enterprises (ASUSE). It shows that the sector hasn't grown in terms of business size or worker count and has seen declining income and worker earnings.



For detailed information on India's informal sector read this article here

#### What is the Annual Survey of Unincorporated Sector Enterprises (ASUSE)?

1. The ASUSE is conducted by the National Statistical Office (NSO).

2. It provides data on the unorganized sector.

3. It used to be done every five years but is now an annual survey. The recent surveys are for 2021-22 and 2022-23.

#### What are the Key Findings of the ASUSE 2022-23?

**1. Total Enterprises**: The number of informal enterprises increased slightly from 63.4 million in 2015-16 to 65 million in 2022-23.

**2. Composition of Enterprises**: Approximately 85% of these enterprises are own-account enterprises (OAEs), indicating a majority are operated by the owners without additional employees.

**3. Employment Trends**: There was a decline in the number of workers in the unorganized sector, dropping from 111.3 million in 2015-16 to 110 million in 2022-23.

**4. Economic Contribution**: The Gross Value Added (GVA) by the sector declined at 0.5% annually between 2015-16 and 2022-23, indicating a reduction in economic productivity.

**5. Income Levels**: GVA per enterprise was ₹238,168 in 2022-23, with OAEs generating just ₹127,073 per unit, highlighting low-income generation in this sector. GVA per enterprise and GVA per worker both saw declines in this period.

#### What are the challenges faced by India's informal sector?

**1. Economic Shocks**: The informal sector was heavily impacted by demonetization and the GST rollout, which disproportionately affected smaller, unorganized businesses compared to the formal sector.

**2. COVID-19 Impact**: The pandemic further stressed the sector, especially evident in the 2021-22 survey results.

**3. Limited Technology Use**: Only 6% of enterprises reported using computers in 2022-23, marginally up from 5% in 2015-16, showing slow technological adoption.

**4. Access to Capital**: The sector struggles with obtaining credit, staying largely outside the scope of government financial assistance programs.

**Way forward** -The informal sector is lagging behind the formal sector. Economic shocks and long-term policies have worsened their prospects. Reviving this sector is essential for improving incomes, demand, and employment in the economy.

#### Factors that contributed to the stability of India's banking sector

**Context**: The article discusses the strong performance of India's banking sector in 2023-24, as detailed in the Financial Stability Report (FSR) of June 2024. Despite past challenges and predictions of decline, banks maintained good health, showed improved profits, and effectively managed risks, contributing to economic stability and growth.

For detailed information on **RBI's Financial Stability Report** read this article here



#### How has the banking sector performed recently?

**1. Reduction in NPAs:** The Non-Performing Assets (NPA) ratio declined sharply from 8.5% at the beginning of the pandemic in 2020-21 to 3.9% by 2022-23, showing effective management of bad loans during and after the pandemic.

**2. Stability in Net Interest Margin (NIM):** Despite predictions of a squeeze, the Net Interest Margin remained stable with a minor decrease of only 1 basis point, maintaining at 3.6% in 2023-24 compared to 3.7% previously.

**3. Growth in High-Yielding Retail Products:** Banks experienced strong growth in high-yielding retail products like credit cards and personal loans, which grew 7 to 14 percentage points faster than the overall loan growth rate of 15.4% in 2022-23 and 16.3% in 2023-24.

**4. Increase in Return on Assets:** The overall return on assets for banks increased from 1.1% to 1.3%, supported by factors such as higher loan growth rates, lower provisions, increased trading income, and higher fee income.

**5. Financial Health of Public Sector Banks (PSBs):** PSBs showed a return on assets of 0.9%, which is close to the international benchmark of 1%, indicating strong internal capital generation and less reliance on governmental support.

#### What factors have contributed to the stability of the banking sector?

**1. Effective Regulatory Measures:** The Reserve Bank of India (RBI) implemented various restructuring schemes and innovative regulatory measures during the pandemic. These helped maintain stability and navigate crises, contributing to a significant reduction in NPAs from 8.5% to 3.9% by 2022-23.

**2. High-Yielding Retail Product Growth:** Banks focused on growing high-yield retail products such as credit cards, personal loans, loans against property, and auto loans.

**3. Improved Risk Management:** Enhanced risk management at the bank level and better leadership selection through the Financial Services Institutions Bureau helped improve operational stability and reduce vulnerabilities.

#### What about the privatization of Public Sector Banks (PSBs)?

**1. Delay in Privatization Plans:** Privatization of PSBs has been consistently postponed, despite being announced in several budgets over the past years. The ongoing process for IDBI Bank, initiated in 2018, has yet to be completed.

**2. Improved Financial Health Reduces Privatization Pressure:** With the return on assets for PSBs reaching 0.9%, close to the international benchmark of 1%, PSBs have demonstrated the ability to generate sufficient capital through internal surpluses and market sources. This financial independence reduces their dependency on government capital injections, consequently diminishing the urgency for privatization.

#### What is the outlook for the future of India's banking sector?

**1. Sustained Credit Growth:** The Financial Stability Report (FSR) forecasts credit growth of 16-18% for the banking sector, indicating strong future lending activity without harming asset quality.

**2. Economic Growth Correlation:** The Indian economy is set to grow at around 6.5% over the long term. This economic growth is supportive of and supported by the banking sector, reinforcing its stability and expansion potential.

**3. Challenges in Deposit Competition:** The decline in net financial savings to 5.3% of GDP from a higher average in previous years and notes the decreasing share of deposits in gross financial savings. This indicates



ongoing competition for deposits in the banking sector.

**4. Continued Focus on Retail Loans:** The FSR expresses caution regarding the reliance on retail loans, especially given the high household debt relative to GDP per capita. However, the past performance and the growth in high-yielding retail products suggest that banks will continue to focus on this area.

#### **Issues faced by Gig workers**

**Context** -The Karnataka government has introduced the draft Karnataka Platform-based Gig Workers (Social Security and Welfare) Bill. Similarly, Rajasthan passed the Rajasthan Platform Based Gig Workers (Registration and Welfare) Act, 2023. Both laws use a welfare board model, focusing on self-employed informal workers rather than employment relationships.

The number of gig workers, particularly in app-based transportation and retail delivery, is rising. NITI Aayog projects the gig workforce will reach 23.5 million by 2030, offering livelihood opportunities amid low overall employment growth.

#### What are the challenges faced by Gig Work?

1) They face issues like revenue sharing, working hours, and working conditions. This results in accidents involving overworked app cab drivers during late-night or early-morning shifts, putting their lives and those of passengers at risk.

2) Existing legal frameworks struggle to address these issues due to complicated or non-existent employment relations in the gig economy.

3) Aggregators consider themselves technology providers and gig workers as independent contractors.

4) Workers see aggregators as employers because they set service conditions and terms of employment. For ex- in app-based cab services, the aggregator determines ride prices and overall working conditions.5) In India, gig workers are considered informal self-employed under the Code on Social Security 2020 but are not covered by other labor codes. In contrast, the UK Supreme Court ruled that Uber is an employer, applying labor laws to its drivers.

#### What are the issues with recently introduced bills?

1) **Lack of Employment Definition** -The Karnataka Bill and Rajasthan Act, like the Code on Social Security 2020, avoids defining employment relations in gig work by using "aggregator" instead of "employer,". This prevents the application of protective labor laws to gig workers.

Read More-Labour Reforms

2) **Unresolved Issues** -Issues such as minimum wage, occupational safety, working hours, leave entitlements, and collective bargaining rights remain unresolved. For ex- Section 16 of the Karnataka Bill addresses payment deductions but does not guarantee a minimum income or wage entitlement.

#### 3) Limitations of Welfare Board Model -

A) The model provides some welfare schemes but doesn't replace institutional social security benefits like provident fund, gratuity, or maternity benefits.

B) Historically, welfare board models have been poorly implemented, as shown by the Construction Workers Welfare Act of 1996 and the Unorganized Workers Social Security Act, where available funds were underutilized.



**Way ahead**-There is a need to recognize aggregators as de facto employers and establish clear employment relations to ensure protection and benefits for gig workers.

#### **Need for Regulatory Balance**

**Context**- The article stresses the need for balanced bank regulation to protect both depositors and investors. While regulators are often conservative and risk-averse, banks need operational flexibility to compete and innovate.

#### Why is there a need for a differentiated regulatory framework for banks?

Banks operate with high leverage ratios, accept public deposits, and rely on central bank support as lenders of last resort. This necessitates a specialized regulatory framework to ensure stability and trust in the banking system.

#### What are the challenges in regulation of banks?

1) **RBI's Control Over Private-Sector Banks** - The RBI strictly regulates private-sector banks by approving board appointments, tenures, and salaries, often rejecting candidates or changing recommendations 2) **Credibility Crisis** - Seven of the top 10 private-sector banks by market capitalization have chairpersons who are former RBI officials or civil servants. This creates a board structure like public-sector banks. Such close ties can lead to moral hazard, making it difficult for regulators to maintain independence in challenging situations. This process may even risk the credibility of banks.

#### 3) Lack of Concern for Investors Interest-

A) Many listed banks do not provide complete or timely disclosures, leaving investors uninformed about their true situation.

B) If the regulator acts suddenly against a bank, investors may be left confused. The RBI often doesn't provide clear explanations, making it hard for investors to understand what's happening.

C) The ₹8,400 crore litigation over AT-1 bonds issued by YES Bank, written off by the RBI's administrator, exposes problems with the bond structure that prioritize equity over debt holders. This goes against standard financial principles.

#### Read More- RBI Surplus Transfer to Government

#### What should be the way forward?

1) The RBI should reconsider its appointment policy and limit its role to appointing chairpersons and directors only for systemically important banks.

2) RBI should improve transparency in its regulatory actions to better serve all stakeholders in the banking sector.

3) AT-1 bonds should be restructured so that they are written down only after wiping out common equity Tier-I capital.

#### Macroeconomic differences between India and China

**Context**: The article discusses China's growth driven by exports and state investments, leading to issues like ghost cities and overcapacity in sectors like electric vehicles. In contrast, India has lower domestic savings and



investment but better GDP returns. It highlights India's need to boost infrastructure and human capital investment to sustain growth.

For detailed information on Trade Relationship Between India and China read this article here

#### What fueled China's growth?

**1. Exports and Capital Spending**: China's rapid growth was powered by a consistent 8% net export surplus, amassing significant foreign exchange reserves.

**2. Domestic Investments**: High domestic savings rates fueled investments in infrastructure and industry expansion.

**3. State-Owned Enterprises**: Profits from these enterprises provided fiscal benefits, reinvested in physical capital, leading to a high investment-to-GDP ratio.

**4. Challenges with Efficiency**: Despite high investment, there are criticisms of inefficiencies, such as the construction of "ghost cities" and overcapacity in the electric vehicle sector, indicating not all investments yielded high returns.

#### What are the main macroeconomic differences between India and China?

**1. Trade Balance**: India consistently faces a trade deficit, relying on foreign capital inflows of about 2-3% of GDP, contrasting China's historical 8% export surplus.

**2. Investment Sources**: China's investments are largely fueled by state-owned enterprises and high domestic savings. In contrast, India's investment relies more on foreign capital and lower domestic savings.

**3. Government Spending**: A significant portion of India's savings is consumed by government expenses like pensions and salaries, which differs from China's reinvestment of state-owned enterprise profits into further physical capital development.

**4. Private Sector Role**: Unlike China, India's industrial expansion is more dependent on the private sector, with limited state-owned enterprise influence.

#### What should India focus on for growth?

1. Increasing infrastructure spending within fiscal limits, unlike China's model which benefits from stateowned enterprise profits.

2. Expanding the manufacturing sector through private investments, facilitated by policies that improve the ease of doing business.

3. Innovating in areas like agro-based industries, green technologies, and digital services.

4. Significantly enhancing investment in education to build human capital, crucial for future job demands and economic growth.



# Subject: Agriculture

Topic- Major Crops - Cropping Patterns in various parts of the country, - Different Types of Irrigation and Irrigation Systems; Storage, Transport and Marketing of Agricultural Produce and Issues and Related Constraints; E-technology in the aid of farmers.

#### **Draft National Policy on Farmer Producer Organisations**

**Context-**The Department of Agriculture and Farmers' Welfare has recently introduced a draft National Policy on Farmer Producer Organisations (FPOs). aimed at consolidating existing FPOs and promoting the formation of new ones.

#### What are the challenges in India's agriculture sector?

Fragmented Land Ownership- Indian agriculture is hindered by fragmented land ownership, with small and marginal farmers owning about 85% of land holdings, according to NABARD. These small plots restrict the adoption of modern farm machinery and limit the value that small farmers can earn from their crops.
 Unorganized Farmers and Small Producers- Farmers who are not organized lack the ability to negotiate effectively and face challenges storing crops for sale during the off-season. Small producers also cannot take advantage of cost savings from larger-scale production due to their limited inputs and output.
 Transparency in Agricultural Marketing -In agricultural marketing, there's a long chain of middlemen, often lacking transparency, which means farmers receive only a small share of the final consumer price.

#### What is the significance of Farmer Producer Organizations in addressing these challenges?

1) **Institutional Support**-Each Farmer Producer Organisation (FPO), led by elected farmer directors, is owned by its members who share profits. These cooperatives receive support from institutions like NABARD and government departments for finance and technical expertise.

2) **Support Agricultural Operations** -FPOs streamline operations, cutting out middlemen that can harm farmers. By pooling resources, farmers can improve yields and get better prices for their crops.

3) **Enhancing Farmer Bargaining Power** -FPOs strengthen farmers' bargaining power with buyers and suppliers. They procure inputs, provide market information, facilitate access to finance, and provide storage and processing facilities.

4) Marketing Support- FPOs assist in branding, packaging, and marketing produce to larger buyers.

Read More- Issues associated with India's agricultural imports

#### What are the provisions of the new draft Policy on Farmer Producer Organizations?

#### 1) Objective-

A) To consolidate existing FPOs and promote the formation of new ones.

B) To create an ecosystem that supports income-oriented farming and enhances the overall well-being of farmers.

2) **Operation**- It plans to establish seven to eight active primary-level FPOs in each of the 7,256 blocks in India, with an average membership of 500 farmers per FPO.



3) **Supply Chain Model-** The policy suggests a three-tiered supply chain model, inspired by Amul's successful milk model, for agricultural and horticultural produce. This model covers value addition, processing, and marketing, targeting both domestic and international markets.

4) **Credit & Financing-** It includes funds like the FPO equity grant fund and FPO formation fund, along with support from the Agriculture Infrastructure Fund scheme. This support includes interest subsidies and credit guarantees.

#### What is the significance of the new policy?

1) The policy will benefit around 25 million farmers nationwide, boosting their income through simpler agribusiness operations and more efficient production practices.

2) It will enhance the value of agricultural and horticultural produce for farmers, benefiting both domestic sales and exports.

3) It will tackle the problem of inefficient management in FPOs, including challenges in hiring and keeping skilled managers.

# Topic- Issues related to Direct and Indirect Farm Subsidies and Minimum Support Prices; Public Distribution System - Objectives, Functioning, Limitations, Revamping; Issues of Buffer Stocks and Food Security; Technology Missions; Economics of Animal-Rearing.

#### Impacts of PDS on household spending

**Context**: The article discusses the impact of receiving free food items from India's **Public Distribution System** (**PDS**) on household spending. It details how this arrangement allows families to spend more on other essential items, enhancing their overall consumption and well-being. The data from the **National Sample Survey Office** (**NSSO**) helps analyze these effects, especially among the poorest households.

For detailed information on All India Household Consumption Expenditure Survey 2022-23 read this article here

#### How does the PDS impact household food consumption diversity?

1. **Subsidized Foodgrains**: The PDS provides subsidized foodgrains to eligible households, which allows them to allocate more financial resources to other food items. This system supports up to 75% of rural and 50% of urban populations under the National Food Security Act (NFSA), 2013.

**2. Household Savings and Diversification**: By reducing the expenditure on staple foodgrains, families can spend more on diverse foods like vegetables, milk, pulses, and meat, potentially improving their overall nutrition and dietary variety.

How does the NSSO handle the imputation of free items' values?

1. **Imputation Methods**: The NSSO uses two sets of values for imputing the cost of free items received by households: the modal unit price and the 25th percentile unit price. This approach is applied to both food and non-food items received without charge.

2. Focus on Free Items: The NSSO specifically imputes values for items received for free. This is distinct from



items purchased at subsidized prices, which are not subject to imputation.

3. **Impact on Consumption Metrics**: By imputing the value of free items, NSSO calculates the Monthly Per Capita Consumption Expenditure (MPCE) that includes these free items, providing a clearer picture of a household's consumption and economic status.

#### What are the key findings of the Household Consumption Expenditure Survey (HCES) 2022-23?

1. **High Consumption of Free Foodgrains**: The HCES 2022-23 found that food items, particularly foodgrains received for free through the PDS, dominate the imputed value of all items. In rural areas, 94% and in urban areas, 95% of the imputed value of all free items is from food.

2. **Monetary Value of Free Items**: The survey reports an imputed value for food of ₹82 in rural areas and ₹59 in urban areas. This indicates a significant benefit from free food items, contributing to household consumption.

**3. Movement Between Consumption Classes**: The survey data reveals that the provision of free items helps some households move up to higher consumption classes. For example, 20% of those in the bottom end of the rural distribution (approximately 86 lakh individuals) move to the next higher consumption class.

#### What are the implications for poverty measurement?

1. **Redefining the Poverty Line**: The latest findings from the Household Consumption Expenditure Survey (HCES) suggest a need for a broader discussion on where to set the poverty line, incorporating the value of free items consumed.

2. **Inclusion of Free Items in Assessments**: Estimating the number of poor households should consider both direct expenditures and the value of free items, such as foodgrains from the PDS. This approach provides a more comprehensive measure of household consumption and well-being.

3. **Impact of In-kind Transfers**: In-kind social transfers, like those from the PDS, substantially boost the consumption capacity of poorer households, implying that poverty measurements must account for these benefits to reflect true economic status.

#### Political impact on India's fertilizer sector

**Context**: The article discusses the unlikely prospect of significant reforms in the fertilizer sector due to the current political situation. It suggests deregulating non-subsidised fertilizers as a possible step, similar to the existing model for water-soluble fertilizers, to improve efficiency and innovation.

For detailed information on Issue of fertilizer subsidy in India read this article here

#### What is the current political impact on fertilizer reforms?

Lack of Single-Party Majority: Current government's failure to secure a single-party majority in Parliament has diminished the likelihood of major reforms in fertilizer pricing and subsidy policies.
 Subsidy Budget Reduction: The fertilizer subsidy budget is decreasing, from Rs 251,339.36 crore in 2022-23 to Rs 163,999.80 crore in 2024-25, indicating fiscal constraints impacting reform decisions.
 Impact of Russia-Ukraine War: The war has led to a decrease in import prices of key fertilizers, such as urea at \$350 per tonne, DAP at \$560, and MOP at \$319, reducing the urgency for price reforms.



#### How are fertilizer prices currently controlled?

**1. Urea Price Control**: The maximum retail price (MRP) of urea is controlled and has remained unchanged since 2012 at Rs 5,360 per tonne, and Rs 5,628 with neem oil-coating from 2015. **2. Nutrient-Based Subsidy (NBS) Scheme**: Under the NBS, non-urea fertilizers like like **di-ammonium phosphate (DAP)**, **muriate of potash (MOP)**, and **single super phosphate (SSP)** have technically decontrolled prices, but manufacturers receive a subsidy based on nutrient content. However, informal controls set "reasonable" MRPs, e.g., Rs 27,000 for DAP and Rs 30,000-31,000 for MOP. **3. Profit Margin Caps**: Since April 2023, the government has capped profit margins to ensure MRP "reasonableness," affecting subsidy eligibility for companies exceeding these limits.

#### What is the procedure for water-soluble fertilizers (WSFs)?

**1. General Specifications Issued**: In October 2015, the Indian government set general specifications for commercializing water-soluble fertilizers (WSFs), which are 100% soluble in water. **2. Nutrient Content Requirements**: WSFs must contain a minimum of 30% total nutrients, including 25% primary nutrients (NPK) and the remainder comprising secondary and micro nutrients. **3. Contaminant Limits**: There are maximum prescribed limits for contaminants like lead, cadmium, and arsenic.

**4. Marketing Procedure**: Companies can market any WSF that meets these specifications after notifying the relevant government authorities and waiting 30 days from the notification date.

#### What reforms are needed in India's fertilizer sector in the current political situation?

1. **Deregulate Non-Subsidized Fertilizers**: Implement automatic registration for new fertilizers that meet minimum nutrient content and contaminant limits, similar to the current procedure for water-soluble fertilizers (WSFs).

2. **Deregulate Liquid Fertilizers:** Deregulate liquid fertilizers with a minimum of 15% total primary nutrients. Liquid fertilizers like urea ammonium nitrate have higher nutrient use efficiency, improving crop yields. This is similar to WSFs, which have nutrient use efficiency of 60-70%.

3. **Simplify Regulatory Framework**: Adopt simpler quality standards and mandatory labeling for all fertilizers. This ensures farmers have access to high-quality products without lengthy bureaucratic processes. 4.**Remove Informal Price Controls:** Lift informal price controls on NBS fertilizers, allowing market-driven pricing. Currently, prices are controlled indirectly, impacting competition and innovation.

5. **Reduction in Registration Time:** Reduce the average registration time for new fertilizers, currently 804 days, to align more closely with international standards like the US (90 days), 30 in Japan, or the EU (zero days), enhancing competitiveness and innovation.

# **Subject: Science & Technology**

# **Topic-** Awareness in the fields of IT, Space, Computers, Robotics, Nano-technology, **Bio-technology** and issues relating to Intellectual Property Rights.

#### **Quantum Technology and Diamonds**

**Context**-The article discusses the impact of Customs Department regulations on diamond imports on India's National Quantum Mission (NQM). This is a ₹6,000-crore initiative aimed at advancing quantum technologies. India plans to develop quantum computers with 50 to 1,000 qubits by the decade's end. The Indian government also announced initiatives in the Union Budget 2023 to promote the research and



development of lab-grown diamonds. This is aimed at supporting the production of diamonds with defects suitable for quantum computing and other applications.

#### What is quantum technology?

Quantum technology covers various research fields by harnessing the quantum properties of atoms. It aims to create revolutionary computers, sensors, and encryption systems that may outperform current technology significantly.

Read More- More innovation, a skilled workforce: The promise in India's National Quantum Mission

#### What is the importance of diamonds in Quantum Research?

1) Leveraging Atomic Imperfections -In quantum research, diamonds are valued for their atomic imperfections rather than their usual gem qualities. Scientists concentrate on these imperfections, such as nitrogen-vacancy centers, which are sensitive to changes in magnetic fields. Electrons at these centers can act like qubits which is crucial for quantum computing.

2) Lab-Grown Diamonds- Researchers can use room-temperature lasers to manipulate these centers. Unlike diamonds found in jewelry stores, scientists prefer lab-grown diamonds customized with specific defects for their research purposes. "

#### What are the challenges?

1) Customs Department regulations on diamond imports affect research progress.

2) India, despite its prowess in diamond cutting, lacks the capability to produce such diamonds with

controlled defects needed for quantum applications.

3) Maintaining electrons in qubit-like states remains a significant challenge globally.

#### **Critical and Emerging Technologies (iCET)**

**Context-** The iCET initiative reflects broader U.S. strategic interests, as highlighted in a Senate report urging closer military ties with India to reduce dependence on Russian weapons.

This aims to integrate India into global supply chains for advanced military technology, reducing dependence on other countries strategically. However, it faces several structural challenges despite positive talks between national security advisors of both countries.

#### What challenges does the iCET initiative face in its execution between India and the U.S.?

1) Autonomy of U.S. Defence Companies- U.S. defence firms do not want to transfer technology due to stringent intellectual property rights (IPR) protection and export control laws. They are cautious about sharing military technologies, even in joint ventures that align with U.S. strategic interests.

2) **Limited Technology Transfer**-Negotiations have secured technology transfers for projects like manufacturing GE F-414 engines and assembling MQ-9 UAVs in India. However, critical know-how remains restricted.

For ex- General Electric agreed to transfer about 80% of the technology to Hindustan Aeronautics Limited for engine production, but critical aspects like metallurgy for turbine discs are not included 3) **Mercantile Concerns** - U.S. defense vendors are accountable to shareholders driven by commercial interests, which limits their willingness to share technology. These commercial concerns, combined with



bureaucratic challenges, were the reasons behind the failure of the 2012 Defence Technology and Trade Initiative (DTTI) between India and the U.S

4) **Prohibition on "Jugaad**"- India's agreements with the U.S. before acquiring these defence assets limited their use of the innovative jugaad approach. Also, most purchases through the Foreign Military Sales (FMS) route were subject to the strict 'Golden Sentry' program, which does not allow for jugaad adaptations.

#### Read More-India-USA relations

#### How does the jugaad approach contribute to India's military strategy concerning the iCET initiative?

The jugaad approach involves innovative adaptation of imported platforms by India's military to enhance operational capabilities. Jugaad has allowed Indian forces to optimize foreign equipment for diverse terrain and climatic conditions.**For ex**- it enabled Chetak and Cheetah helicopters, mainly French Alouette III and SA-315B Lama models, to operate at altitudes above 14,000 feet in the challenging Siachen glacier region.

#### What should be the way forward?

Domestic defense officials should push for integrating jugaad principles into iCET projects. Allowing flexibility in modifying U.S. platforms could enhance their effectiveness in Indian contexts.
 It is essential to overcome bureaucratic inertia and prioritize effective implementation of initiatives like iCET rather than merely focusing on discussions.

# **Subject: Environment**

# Topic- Conservation, Environmental Pollution and Degradation, Environmental Impact Assessment.

#### **Recent Global Temperature Trends and Climate Change**

**Context**: The article discusses how the global temperature between July 2023 and June 2024 was the highest ever recorded. It highlights the ongoing rise in temperatures and the urgent need for stronger climate adaptation measures. It also notes that India, like many places, is very vulnerable to climate disasters and must improve its response to protect its people.

For detailed information on Global warming Impact on climate in India read this article here

#### What are the Recent Global Temperature Trends?

1. The global average temperature between July 2023 and June 2024 was the highest on record. The planet was 1.64 degrees Celsius warmer than pre-industrial levels, according to the European Union's Copernicus Climate Change Service.

 Although this does not mean the Paris Climate Pact's 1.5 degrees threshold has been breached permanently, as the pact considers decadal averages, it is a significant indicator of warming.
 June of last year was the hottest June ever recorded. Although the onset of La Nina might cool some regions temporarily, the overall trend shows a warming climate.

#### What Are the Current Challenges in Climate Policy?



1. Global efforts to reduce greenhouse gas emissions have been insufficient, with **no clear agreement on which countries should bear the majority of the decarbonization efforts**.

2. The IPCC's latest reports suggest that current strategies to build resilience against climate change are too small and short-term, focusing mainly on immediate risks.

#### What is the Situation in India?

1. Over 80% of India's population is at risk from climate-related disasters, with many areas having low capacity to adapt.

2. India has a climate adaptation plan, but frequent natural disasters like landslides, floods, and heat waves show more improvements are needed.

3. Cities like Delhi, Mumbai, and Bangalore struggle with infrastructure that cannot handle extreme weather, such as heavy rainfall.

# **Subject: Internal Security**

# Topic- Security Challenges and their Management in Border Areas - Linkages of Organized Crime with Terrorism.

#### **Challenges in Reducing Tensions in the J&K Region**

**Context**: The articles discuss recent terrorist attacks in Jammu and Kashmir, attributing them to Pakistansponsored groups. They mention India's security challenges and diplomatic efforts to address this ongoing conflict, amidst changing regional dynamics and internal pressures within Pakistan. For detailed information on **The Challenge of Cross-border Terrorism in India** <u>read this article here</u>

#### How Severe Is the Terrorism Threat in the J&K Region?

**1. Recent Attacks:** In the last two days, seven security personnel were killed, following four attacks in June. These include an ambush in Badnota village, killing five army personnel.

**2. Continued Sponsorship:** Despite international scrutiny, Pakistan continues to support terrorist groups operating in Jammu and Kashmir.

**3. Evolving Threats:** New terror groups and strategies, such as targeting the Rajouri-Poonch area, show an adaptation in terrorist operations, increasing the complexity of the threat.

#### How Has the Situation Affected Perceptions?

**1. Shattered Complacency:** Recent terror attacks have disrupted the previous perception of Pakistan's restraint, particularly among India's strategic community. This reflects a shift in the perceived effectiveness of past peace initiatives and muscular policies.

**2. Misjudged Stability:** The belief that revoking J&K's special status had largely contained the Pakistan problem is challenged by continued attacks. This indicates that major policy moves have not resolved the underlying issues.

#### What Are the Challenges in Reducing Tensions in J&K Region?



 Persistent Terrorism: Despite international scrutiny and India's strong security measures, Pakistansponsored terrorism continues unabated, as evidenced by recent fatal attacks on security forces.
 Diplomatic Limitations: The slogan "terror and talks cannot go together" has become a public and political mantra in India, reducing the government's flexibility in pursuing diplomatic talks with Pakistan.
 Pakistan's Internal Politics: Political turmoil and military dominance in Pakistan complicate any potential diplomatic engagement. The stand taken by former Prime Minister Imran Khan against trading with India adds to the challenges.

**4. Reduced Local Intelligence:** The redeployment of troops to the Eastern Ladakh border following the 2020 standoff with China has led to a significant gap in local intelligence in Jammu and Kashmir, affecting the effectiveness of security operations and increasing vulnerability to terrorist tactics.

#### What Are the Implications for Security?

Increased Security Risks: Recent terror attacks, including the ambush in Badnota village that killed five army personnel, highlight increased security risks for forces operating in Jammu and Kashmir.
 Strained Resources: The redeployment of a large number of troops to the Eastern Ladakh border has created a vacuum in local security, reducing the effectiveness of intelligence and response capabilities in Jammu and Kashmir.

**3. Adaptive Terror Tactics:** Terrorists are utilizing modern technology and shifting focus to less guarded regions like Rajouri-Poonch, complicating security operations.

#### What Should India Do Next?

**1. Enhance Security Protocols:** India should tighten security measures, especially in vulnerable areas like Rajouri-Poonch, where recent shifts in terrorist activities have been noted.

**2. Diplomatic Engagement:** Despite the challenges, India should seek diplomatic avenues to reduce tensions, possibly resuming quiet talks that have sporadically occurred.

**3. Counter-Terrorism Strategies:** Strengthen counter-terrorism tactics, including the use of advanced technology to bridge the intelligence gaps caused by troop redeployments to other regions.

**4. International Pressure:** Continue efforts to isolate Pakistan internationally, focusing on its role in sponsoring terrorism, while addressing anti-India rhetoric effectively at global forums.

## Principles to make the National Security Advisor (NSA) more effective

**Context:** The article discusses principles to improve India's national security management. It emphasizes the importance of the National Security Advisor (NSA) having the prime minister's trust and being advisory without operational duties, and the need for clear roles and structures.

For detailed information on National Security Strategy of India read this article here

#### What principles should be followed to make the National Security Advisor (NSA) more effective?

**1. Prime Minister's Trust:** The NSA must have the trust of the prime minister, as this role is crucial and requires high competence. The prime minister should have the freedom to choose the NSA based on ideological and political considerations if deemed necessary.

**2.** Advisory Role: The NSA should strictly be an advisor without operational or command responsibilities. This separation ensures that operational tasks are executed by dedicated agencies, such as intelligence or

Created with love • by ForumIAS- the knowledge network for civil services. Visit academy.forumias.com for our mentor based courses.

visit academy.torumias.com for our mentor based course

## ↗ Forum IAS

security forces, which are designed for such roles. This principle helps avoid the misuse of the NSA position as a shortcut for operational commands.

**3. Flexible Ranking:** The rank of the NSA should not be fixed; it has varied from cabinet rank to minister-of-state and principal secretary in different administrations. This flexibility allows the prime minister to assign a rank that fits the strategic needs of the time.

**4. Open Eligibility:** The position should be open to capable individuals from diverse backgrounds, including those outside the traditional civil service paths. This inclusivity has historically enabled individuals from various services like the IAS, IFS, and IPS to bring a wide range of experiences to the role.

**5. Direct Reporting and Briefings:** The NSA should conduct daily security briefings for the prime minister and maintain direct access along with other key security leaders like the CDS and service chiefs. This direct line of communication ensures that the prime minister is well-informed and can make timely decisions, highlighted by past events like the 26/11 Mumbai attacks, which underscored the need for clear and direct communication channels during crises

# **Subject: Disaster Management**

#### **Topic- Disaster and Disaster Management.**

#### Reasons and solutions for floods in the National Capital Region (NCR) of India

**Context**: The article discusses the recurring issue of flash floods in the National Capital Region (NCR) of India. It traces the problem back to historical flood patterns and modern urban development, suggesting long-term solutions to manage and mitigate flooding, rather than completely preventing it.

For detailed information on Urban Flooding in India read this article here

#### What are the reasons for floods in the National Capital Region (NCR) of India?

**1. Historical Patterns**: Traditionally, the Indo-Gangetic floodplain, where the NCR is located, experienced quick floods that receded fast, enhancing soil fertility.

**2. Developmental Changes**: Early public works during British rule, like building canals and railways with embankments, disrupted natural drainage patterns.

**3. Urbanization**: Rapid city expansion has led to increased waterlogging, exacerbated by blocked drainage and inadequate infrastructure.

**4. Geographical Features**: The NCR's location on a flat floodplain far from the sea limits natural water drainage options.

**5. Climate Factors**: Excessive rainfall quickly saturates the ground and phreatic water table, leading to overflow since the extra water cannot be absorbed or drained away efficiently.

#### What are the Long-Term Solutions for It?

**1. Upstream Reservoirs**: Building reservoirs in the hills to regulate river flow and mitigate downstream flooding.

**2. Enhancing Water Storage**: Increasing the area and capacity of ponds, wells, lakes, and other waterharvesting structures to hold excess water during the monsoon.

3. Reducing Impervious Surfaces: Minimizing concrete and asphalt cover in urban areas to enhance the



natural recharge of sub-surface water.

**4. Improving Drainage Systems**: Clearing and maintaining natural drainage paths and designing urban infrastructure to prevent water accumulation in low-lying areas.

**5. Regular Maintenance**: Ensuring that drainage systems are free of obstructions to maintain efficient water flow.

#### **Impact of Extreme Heat on Women in India**

**Context**-The article highlights the disproportionate impact of rising heat wave on women. Women are more adversely affected by extreme heat due to unequal power dynamics, gender norms, and limited access to resources. India ranks 18th from the bottom on the Global Gender Gap Index, highlighting these disparities.

#### What are the challenges faced by the women in the backdrop of rising heatwaves?

1) Informal Settlements and Housing- Their homes trap heat due to materials like tin and asbestos. They also work in poorly ventilated kitchens, compounding the heat stress thev experience. 2) **Time Poverty and Care Burden**- Heat stress reduces productivity, forcing women in India to work longer hour an additional 90 minutes of care work daily due to heatwaves, as reported by Arsht-Rock's 'Scorching Divide.' Existing gender disparities mean women spend 2.5 times more time on unpaid work than men. 3) Lack of Cooling-As per International Labour Organization ('Work in a Changing Climate'), urban female informal workers, like street vendors and construction workers, endure extreme weather in their jobs. Many lack cooling facilities, making them more vulnerable to heat. Further, water scarcity and power fluctuations their ability to stay hydrated and worsen comfortable. 4) Rural Women and Heat Stress - Cooking with biomass on hot stoves poses health risks, as 56.8% (NFHS-5) of rural Indian families use this method. Women also endure longer working hours due to heat stress, and restrictive gender norms about mobility and clothing make these challenges even worse. 5) Agricultural and Economic Impacts- Outdoor work, like MGNREGA, exposes women to intense heat. Prolonged heatwaves can reduce crop yields, increasing the risk of hunger and poverty.

Read More-<u>Heat Action Plan</u>

#### What are the Health Implications of heatwaves for Women?

1) **Physiological Vulnerabilities**- Women are at greater risk due to their body fat and water content, which impact heat tolerance and hydration. Hormonal changes from menstrual cycles and pregnancy also affect their ability to regulate body temperature.

2) **Heat-Related Illnesses-** The incidence of heat-related diseases is increasing, including heat cramps, severe heat stroke, and hyperthermia.

3) **Maternal and Child Health**- There is a higher risk of preterm delivery, miscarriage, and stillbirths. This is specially worrying due to India's high maternal mortality rates.

#### What should be the way forward?

A) Climate-friendly urban planning

B) Development of and access to sustainable cooling technologies

- C) Fair division of care work
- D) Public provisioning of essential services

E) Implement adaptation and resilience strategies that consider gender-specific needs and vulnerabilities.

