



Daily Current Affairs



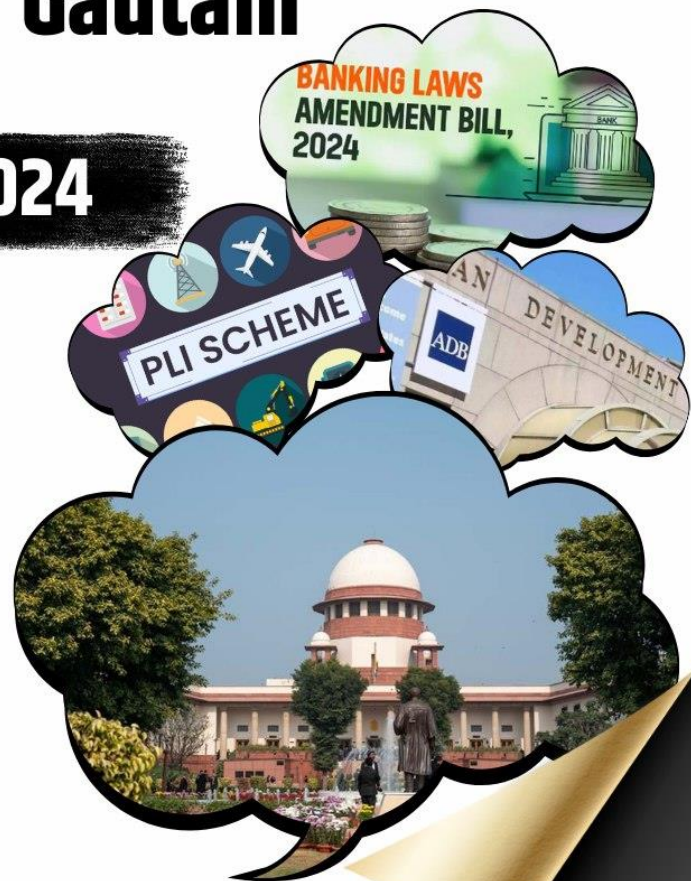
To The Point by Dhananjay Gautam

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1 India Strengthens Horticulture with \$98 Million ADB Agreement

Context: The Government of India has partnered with the Asian Development Bank (ADB), securing a \$98 million loan aimed at enhancing the productivity and quality of India's horticulture sector. The initiative will focus on providing **certified disease-free planting materials** to farmers, ultimately boosting **crop yield, quality, and climate resilience**.

**Key Highlights of the Loan Agreement:****Implementation Framework:**

- The project will be executed by the **Ministry of Agriculture and Farmers Welfare** through the **National Horticulture Board (NHB)** and the **Indian Council of Agricultural Research (ICAR)**.
- It aligns with India's **Atmanirbhar Clean Plant Programme (CPP)**, focusing on **plant health management**.

Core Objectives:

- Establish **clean plant centers** with cutting-edge diagnostic laboratories and trained professionals to provide **disease-free planting materials**.
- Develop a **regulatory framework** and institutional mechanisms for effective implementation of the CPP in horticulture.
- Launch a **certification scheme** for private nurseries to ensure high-quality planting materials.
- Enhance farmers' ability to **adapt to climate change** by addressing challenges like **rising temperatures, pests, and disease behavior**.

India's Horticulture Sector: An Overview**Current Trends in Production:**

- 2023-24 estimates** indicate a total horticulture production of **352.23 million tonnes**, reflecting a **0.91% decline** compared to 2022-23.
- Notable increases in the production of **fruits, honey, flowers, spices, and aromatic plants**, but a decline in **vegetable yields**.
- India is the **world's second-largest producer** of fruits, vegetables, tea, sugarcane, and several other key agricultural commodities.

Economic Contributions:

- The horticulture sector generates **employment** for millions, especially in **rural areas**.
- Supports allied industries like **food processing, packaging, and transportation**, contributing significantly to the **Indian economy**.

Key Government Initiatives in Horticulture:

- Mission for Integrated Development of Horticulture (MIDH):** A centrally sponsored scheme since 2014-15, promoting **holistic development** of horticulture, covering a wide range of crops and plants.
- National Horticulture Mission (NHM):** Launched in 2005, the mission focuses on **increasing production**, ensuring **nutritional security**, and improving **farmer incomes**.
- Horticulture Cluster Development Programme (HCDP):** Encourages **regional specialization** and **integrated development** of horticulture clusters to enhance **exports** and global competitiveness.
- Soil Health Card Scheme:** Provides **soil testing** and **crop-specific nutrient recommendations**, helping farmers improve **yields** while reducing **input costs**.
- Horticulture Mission for North East and Himalayan States (HMNEH):** Targets the unique horticultural needs of the **North East and Himalayan regions**, promoting **sustainable farming** and **region-specific crops**.



Challenges Facing the Sector:

- **Post-harvest losses** due to inadequate **infrastructure, cold storage, and transport facilities.**
- Limited **market access** and pricing challenges, affecting farmers' profitability.
- Addressing **environmental sustainability** remains critical for long-term growth.

Future Prospects:

The future of India's horticulture sector appears promising, driven by **rising domestic and global demand** for high-quality produce.

- **Continued government support**, technological innovation, and strategic investments will propel growth.
- By addressing current challenges and harnessing its potential, India can solidify its position as a **global leader** in horticulture, significantly contributing to **economic growth** and **food security.**



2 Banking Laws Amendment Bill, 2024: Key Changes and Highlights

Context: The **Banking Laws (Amendment) Bill, 2024**, was passed by the **Lok Sabha** on **December 3, 2024**, making it the first major legislative achievement of the Winter Session after a prolonged deadlock.

- Introduced by **Finance Minister Nirmala Sitharaman**, the Bill was passed through a **voice vote**.

Introduction:

The **Banking Laws (Amendment) Bill, 2024**, introduced on **August 9, 2024**, aims to **modernize banking laws** and enhance **efficiency** in the financial sector. It proposes amendments to:

- The **Reserve Bank of India (RBI) Act, 1934**
- The **Banking Regulation Act, 1949**
- The **State Bank of India Act, 1955**
- The **Banking Companies (Acquisition and Transfer of Undertakings) Acts, 1970 and 1980**

Key Provisions and Amendments:**1. Redefining "Fortnight" for Cash Reserves:**

- Current Definition:** A fortnight is from **Saturday to the second following Friday** (14 days).
- New Definition:**
 - 1st to the 15th** of each month, or
 - 16th to the last day** of the month.
- Impact:** Alters the way scheduled and non-scheduled banks maintain their **cash reserves** with the RBI.

2. Extended Tenure for Co-operative Bank Directors:

- Existing Rule:** Directors (excluding chairman or whole-time directors) can serve a maximum of **8 consecutive years**.
- Amendment:** Increases tenure to **10 consecutive years** for co-operative bank directors.

3. Relaxation for Common Directors in Co-operative Banks:

- Current Rule:** Directors cannot serve on the board of multiple banks except when appointed by the RBI.
- Amendment:** Allows directors of **central co-operative banks** to serve on the boards of **state co-operative banks** where they are members.

4. Increased Threshold for "Substantial Interest":

- Existing Rule:** Substantial interest is defined as holding shares worth more than 5 lakh or **10% of a company's paid-up capital**.
- New Rule:** Raises the threshold to **2 crore**, with flexibility for government modifications through notifications.

5. Expanded Nomination Rules for Deposits and Lockers:

- Current Provision:** Single or joint deposit holders can appoint **one nominee**.
- New Provision:**
 - Up to **four nominees** allowed.
 - For **deposits**, nominees can be named **simultaneously** or **successively**, with proportional shares in simultaneous cases.
 - For **lockers and articles**, priority is based on the order of nomination.

6. Broader Scope for Unclaimed Amounts:

- Current Rule:** Unclaimed dividends are transferred to the **Investor Education and Protection Fund (IEPF)** after **seven years**.
- Amendment:**
 - Includes **shares with unclaimed dividends** for seven years.
 - Covers **unpaid interest or redemption amounts** on bonds for seven years.





- Allows claimants to retrieve **funds or shares** transferred to the IEPF.

7. Bank Autonomy in Auditor Remuneration:

- **Existing Rule:** The RBI, with central government consultation, decides auditors' fees.
- **Amendment:** Banks gain the power to **independently set auditor remuneration**.

Key Takeaways:

The **Banking Laws (Amendment) Bill, 2024**, introduces transformative changes aimed at strengthening the **banking sector**, streamlining governance, and safeguarding customer interests.

- **Modernized Framework:** Simplifies rules for **cash reserves, director tenures, and substantial interest thresholds**.
- **Customer-Centric Provisions:** Expands options for **nominations** and improves handling of **unclaimed funds**.
- **Empowered Banking System:** Enhances autonomy in auditor fee decisions and strengthens **co-operative banking** governance.

This landmark Bill is poised to **revolutionize India's banking landscape**, ensuring a **modern, resilient, and efficient financial system** for all stakeholders.



3

Evaluating India's Production-Linked Incentive (PLI) Scheme

Context: While the **Production-Linked Incentive (PLI) Scheme** has delivered promising results in some sectors, others are struggling to meet targets. This has led to **ongoing reviews** and potential adjustments to improve its overall impact.

What is the PLI Scheme?

About the Scheme:

Launched in **March 2020**, the **PLI Scheme** aims to strengthen **India's domestic manufacturing sector** and integrate it into the **global supply chain**.

Objective:

The scheme covers 14 critical sectors with a dual focus:

- **Creating significant employment opportunities.**
- **Driving industrial capital expenditure (capex).**

How Does It Work?

- Companies receive **financial incentives** based on **incremental sales** of goods manufactured in India.
- These incentives promote:
 - **Investment in advanced manufacturing technologies.**
 - **Upgraded production facilities.**
 - **Enhanced production capacity.**

How Is It Different from Traditional Subsidies?

1. **Limited Sector Focus:** Targets sectors with maximum potential for investment and rapid scalability.
2. **Time-Bound Investments:** Requires companies to commit to **pre-determined investment levels** and **production timelines**, distinguishing it from conventional subsidies.
3. **Technology-Driven:** Prioritizes emerging technologies like **advanced chemistry cell batteries** and **electronic products** that can be commercialized at scale.

Evaluating the PLI Scheme: Progress, Challenges, and Potential:

Mixed Progress Across Sectors:

1. **Underperforming Sectors:**
 - **Textiles, solar modules, IT hardware, automobiles, advanced chemical cells (ACC), and specialty steel** have shown slower progress, particularly in generating employment.
 - Many of these sectors faced challenges in building **domestic manufacturing infrastructure** from scratch.
2. **Success Stories:**
 - **Food processing** and **mobile phone manufacturing** have surpassed expectations.
 - For instance, **smartphone exports** reached **\$15 billion** in 2023-24, driven by companies like **Apple**, which expanded its assembly operations in India.

Challenges and Emerging Benefits:

Key Challenges:

- **Infrastructure Gaps:** Several sectors require long lead times (1.5–3 years) to set up manufacturing facilities, such as solar modules and ACC.
- **Stringent Eligibility Criteria:** Reliance on imported machinery and high tariffs have deterred many companies.
- **Slow Commissioning:** Time-consuming processes delay benefits realization.

Emerging Benefits:

- **Ripple Effects:** Large-scale mobile manufacturers like **Apple** have catalyzed the growth of ancillary industries, creating opportunities for **smaller suppliers**.
 - For example, Apple now sources components from **14 Indian suppliers**, up from zero before the PLI scheme.



**Economic Boost:**

- The scheme is expected to drive **3-3.5 lakh crore** in industrial capex over its tenure.
- This would account for **8-10%** of India's total capital expenditure in key sectors over the next **3-4 years**.

Critical Perspectives:

Critics highlight that while the scheme incentivizes investment, it may not guarantee **long-term competitiveness** once financial incentives end.

Way Forward:**1. Sectoral Adjustments:**

- Recently, the outlay for **IT hardware** was revised upward.
- Similar adjustments are under consideration for **textiles** and **drones**.

2. Potential Revisions:

- Loosening **eligibility criteria** to attract more participants.
- Linking incentives to **employment generation** for sectors showing slower progress.

Conclusion:

The PLI Scheme **has demonstrated its potential** to boost India's manufacturing sector **but faces challenges** in underperforming industries. Addressing structural issues and fine-tuning policies are essential to achieving the scheme's goals of **industrial growth, job creation, and global competitiveness**. With continuous **stakeholder engagement** and strategic adjustments, the PLI Scheme can become a cornerstone of **India's manufacturing renaissance**, paving the way for a stronger, more resilient economy.

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4

Celebrating 10 Years of the Ministry of Ayush

Context: The **Ministry of Ayush**, established in **2014**, has completed a decade of fostering India's traditional medicine systems. It was created to **revive and promote ancient systems of medicine**, ensuring their relevance in modern healthcare.

**The Journey of Ayush:**

- The Ministry of Ayush evolved from the **Department of Indian Systems of Medicine and Homoeopathy (1995)**, later renamed as the **Department of Ayush (2003)**.
- **Ayush** is an acronym representing India's traditional medical systems: **Ayurveda, Yoga & Naturopathy, Unani, Siddha, and Homeopathy**.

Major Achievements of the Ministry of Ayush:**1. Expanding Infrastructure:**

- Established **3,844 Ayush hospitals** nationwide, bringing holistic healthcare closer to communities.
- Set up **3 state-of-the-art satellite centers of Ayush National Institutes** in Delhi, Goa, and Ghaziabad.

2. Embracing Technology: Launched **digital initiatives** like **Ayush Grid** and **e-Sanjeevani telemedicine**, enabling quality healthcare access in **remote regions**.

3. Strengthening Global Presence:

- Signed **Donor Agreements with WHO** and partnerships like the **Ayurveda Agreement with Malaysia**.
- Introduced the **Ayush Visa** for wellness tourism, emphasizing India's vision of global health.
- Established the **WHO Global Traditional Medicine Centre in Jamnagar**, promoting traditional medicine on an international scale.
- **UNGA recognition: June 21st** (Summer Solstice) was declared the **International Day of Yoga** in **2014**, celebrating India's gift to global wellness.

4. Economic Milestones:

- The **Ayush market** expanded exponentially from **USD 2.85 billion in 2014** to **USD 43.4 billion in 2023**.
- **Exports of Ayush products doubled** from **USD 1.09 billion to USD 2.16 billion**, showcasing India's growing influence in traditional medicine.

Challenges Faced by Ayush:

- **Scientific Validation:** Limited research and evidence supporting Ayush treatments.
- **Education Standards:** Need for quality training for practitioners.
- **Integration with Modern Medicine:** Bridging gaps with allopathic practices remains a challenge.
- **Awareness:** Limited public knowledge about Ayush benefits and practices.

Key Initiatives Promoting Ayush:

- 1. National Ayush Mission (2014):** A **Centrally Sponsored Scheme** to strengthen Ayush systems through improved healthcare infrastructure and services.
- 2. Encouraging Investments:** Allowed **100% Foreign Direct Investment (FDI)** in the Ayush sector, boosting its global appeal.
- 3. Ensuring Quality Education:** Set up the **National Commission for Indian System of Medicine** to establish and maintain **high standards in Ayush education**.
- 4. AYURGYAN Scheme:** Launched to enhance **capacity development** and expand expertise in the Ayush healthcare sector.

A Decade of Growth and Potential:

In just **10 years**, the **Ministry of Ayush** has transformed India's traditional medicine systems, making them globally recognized and economically significant. By addressing challenges and focusing on scientific integration, Ayush is poised to redefine healthcare for generations to come, blending **ancient wisdom with modern innovation**.

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5 How Land Degradation is Threatening Earth's Ability to Sustain Humanity

Context: A recent **United Nations report** has spotlighted the alarming problem of **land degradation**, which is steadily eroding Earth's capacity to support human life. Every year, **1 million square kilometers of land** are degraded, with a cumulative impact on **15 million square kilometers**—an area larger than **Antarctica**.

Insights from the UN Report:

The report, jointly published by the **UN Convention to Combat Desertification (UNCCD)** and Germany's **Potsdam Institute for Climate Impact Research**, highlights:

- **Hotspots of land degradation** in **South Asia**, **northern China**, the **United States High Plains**, **California**, and the **Mediterranean region**.
- Approximately **one-third of humanity** resides in drylands, with **three-quarters of Africa** affected.
- **Low-income countries** bear a disproportionate burden due to limited resources to combat and adapt to land degradation.

**What is Land Degradation?**

The **UNCCD** defines land degradation as the **reduction in biological or economic productivity** of land caused by unsustainable land-use practices, deforestation, overgrazing, and other pressures.

Key Causes of Land Degradation:**1. Unsustainable Agricultural Practices:**

- Overuse of **chemical fertilizers and pesticides**.
- Poor **irrigation techniques** and **deforestation**.
- **Overgrazing** that strips land of vegetation.

2. Climate Change:

- **Extreme weather events** such as floods and droughts intensify soil erosion.
- Rising **temperatures** and altered precipitation patterns disrupt land recovery.

3. Urbanization:

- Expanding cities destroy natural habitats, leading to **biodiversity loss** and land degradation.
- Increased pollution further impacts soil health.

Impact of Land Degradation:

- 1. Threat to Food Security:** Degraded land reduces **agricultural productivity**, leading to malnutrition and scarcity of food.
- 2. Spread of Diseases:** Poor land management results in contaminated water sources, spreading **waterborne diseases**.
- 3. Accelerated Climate Change:**
 - Degraded ecosystems like forests absorb **20% less carbon dioxide** than a decade ago, worsening global warming.
 - Degraded soils release stored **carbon** and **nitrous oxide**, further escalating climate challenges.
- 4. Ecosystem Collapse:** Reduced biodiversity and weakened ecosystems diminish the Earth's ability to sustain life.

Global Statistics on Land Degradation:

- Nearly **2 billion hectares** of land are degraded, impacting **1.5 billion people**.
- In **India**, **96.4 million hectares** are affected by desertification and land degradation.

Steps to Combat Desertification:**1. National Afforestation Programme (NAP):**

- Focused on restoring degraded forests with **people's participation**.
- Treated **37,110 hectares** of land between 2018 and 2021 with an investment of ₹157.78 crore.

2. Green India Mission (GIM):

- Aims to **protect and restore forests** in India.



- Over 594.28 crore has been utilized to create **117,503 hectares of plantations** across 15 states and one Union Territory.
- 3. National Mission on Himalayan Studies (NMHS)**
 - Supports **land reclamation, soil conservation, and watershed management**.
 - Allocated 10.84 crore for research and sustainable practices over three years.
 - 4. Integrated Watershed Management Programme (IWMP): Implements rainwater harvesting, pasture development, and soil conservation to manage degraded rain-fed lands effectively.**

The Way Forward:

The fight against **land degradation** requires urgent action, including:

- Promoting **sustainable farming practices** and afforestation.
- Enhancing **global cooperation** to share technology and best practices.
- Integrating **land restoration efforts** with climate action to build resilience.

By addressing this critical issue, we can restore the Earth's capacity to sustain life, protect ecosystems, and ensure a healthy future for generations to come.



6 Supreme Court Flags Concerns Over Voter Limit Increase

Context: In a recent observation, Chief Justice Sanjiv Khanna emphasized the importance of ensuring **accessible voting** for all citizens, asserting that "**no voter should be turned down.**"

Election Commission's Decision Sparks Debate:

The **Election Commission of India (ECI)** recently increased the **maximum voter limit** per polling station to **1,500 voters**, replacing the earlier limits of **1,200 (rural)** and **1,400 (urban)** voters.

Concerns Raised:

A petition challenging this decision highlights the potential drawbacks, including:

- **Overcrowding** at polling stations.
- **Extended wait times**, possibly deterring voters.
- Insufficient data to justify the increase, as the decision was not supported by an **updated census**.

Voting Capacity Analysis:

- A voter takes approximately **90 seconds** to cast their vote.
- On average, a polling station accommodates **45 voters per hour**.
- Over an 11-hour voting day, the maximum capacity reaches **495 voters**, or **660 with maximum efficiency**, far short of the revised 1,500-voter limit.

Legal Framework for Polling Stations:

The **Representation of People Act, 1951** mandates the Election Commission to ensure a **sufficient number of polling stations** per constituency.

Key Guidelines:

- Polling stations must be located within **2 kilometers** of voters, barring exceptions like remote or hilly areas.
- This ensures ease of access and encourages voter participation.

Initiatives to Boost Voter Turnout:**1. Systematic Voters' Education and Electoral Participation (SVEEP):**

- Focuses on **awareness campaigns** and voter education.
- Aims to enhance turnout by addressing accessibility and logistical challenges.

2. Voter Helpline App:

- Offers **real-time information** on polling stations.
- Simplifies the process for voters, ensuring better accessibility.

Looking Ahead:

While the ECI's decision aims to optimize resources, concerns about **overcrowding** and **disenfranchisement** require careful consideration. Balancing **efficiency** with **voter accessibility** is essential to uphold the democratic process. The Supreme Court's intervention could lead to vital reforms ensuring every citizen's right to vote is both preserved and facilitated.

