

# NEWS TODAY

## OPENING UP OF CITY GAS DISTRIBUTION (CGD) TO BENEFIT CUSTOMERS

- Petroleum and Natural Gas Regulatory Board (PNGRB) proposed that **CGD companies would have to provide their infrastructure access** to third-party companies to market Compressed Natural Gas (CNG) and Piped Natural Gas (PNG) based on a transportation tariff.

➤ At present, Indraprastha Gas Ltd. in Delhi, Mahanagar Gas Ltd. in Mumbai etc were CGD companies who had exclusive right to lay, operate and expand gas distribution infrastructure in their respective geographies as well as market both CNG and PNG.

- Tariff would be set by the incumbent players but regulated by the PNGRB
- **Impact on consumers:** End of marketing exclusivity may lead to some competition and lower prices for CNG
- **Impact on the CGD companies:** Profitability of CGD companies would be affected significantly if their market share is taken up by competitors and it may even reduce their ability to invest further in expanding gas distribution infrastructure.

- **CGD Network is the interconnected network of pipelines** to make supply of natural gas to domestic, industrial, or commercial premises and CNG stations situated in a specified Geographical Area.

### The Petroleum and Natural Gas Regulatory Board Act, 2006

- The establishment of petroleum & natural gas regulatory board.
- To Regulate:



## IMPACT OF SUGAR INDUSTRY ON WATER, FOOD AND ENERGY RESOURCES

- A comprehensive analysis of India's sugar industry is conducted by Stanford researchers

### Key finding

- **Sugarcane cultivation in India has expanded because of policies** that incentivize production, including a minimum price, guaranteed sales of sugarcane and public distribution of sugar.
- **Sugarcane cultivation uses up more land and water**, and, thus, reduces the use of these resources for foods that are rich in micro-nutrients posing a threat to water and nutritional security.
  - Study found that sugarcane occupied only 4% of Maharashtra's total cropped area but takes away 61% of state's irrigation water in 2010-11.
- **National Biofuel Policy encouraging production of ethanol made directly from sugarcane juice** instead of molasses may make India's water and energy resources more sustainable.
  - It would free up land and irrigation water for growing nutrient-rich foods.
  - This can also help in achieving blending rate to 20% by 2030 from a current 6% (Approx.)

- **India is the second largest producer and largest consumer of sugar** in the world.

➤ It is **highly regulated and the second largest agro-based industry** (after the textile industry) in India.

## PLI SCHEME TO HERALD A NEW ERA IN MOBILE AND COMPONENTS MANUFACTURING

- So far, a total of 22 companies have registered for Ministry of Electronics and Information Technology's (MeitY) Production Linked Incentive Scheme (PLI) scheme for electronics sector.

➤ These include global companies like Samsung, Rising Star, etc.

- Many **state governments** (UP, Andhra Pradesh, Telangana etc) are also **offering incentives above PLI scheme** to attract mobile phone manufacturers to set up plants.

➤ **States are offering:** Land rebates, capital and power subsidies, reimbursement of VAT & stamp duties etc

### About PLI scheme

- It would give **incentives of 4-6% to electronics companies which manufacture mobile phones** and other electronic components.

➤ It is a **part of the National Policy on Electronics**.

- **Implementation:** It will be implemented through a Nodal Agency which will act as a Project Management Agency providing secretarial, managerial, and implementation support.

- **Eligibility:** All electronic manufacturing companies which are Indian or have a registered unit in India will be eligible to apply for the scheme.

- **Tenure:** 5 years.

### Benefits

➤ Attract big foreign investment in the sector.

➤ Encourage domestic mobile phone makers to expand their units and presence in India.

## GOVERNMENT TO WORK ON A RECAPITALIZATION PLAN AFTER EVALUATING THE IMPACT OF MORATORIUM

- Centre plans to recapitalize Public Sector Banks **after assessment of impact of moratorium on balance sheet** of lenders.

➤ RBI had in March allowed a 3-month moratorium on payment of all term loans from March 1-May 31, extending it further to August 31.

➤ PSBs accounted for 62% of the total wholesale credit under moratorium.

- **Bank recapitalisations, means infusing more capital in PSBs** so that they meet the capital adequacy norms, improve their balance sheets etc.

➤ Earlier, Government **infused capital into PSBs by increasing its equity share holding** (essentially from taxpayers' money), since fiscal 2018, the **Centre has been re-funding them via recapitalisation bonds**

➤ Recapitalisation bonds is classified as an investment which earns them an interest and is not counted under fiscal deficit calculation.

- It is also reported that **Comptroller and Auditor General of India (CAG) wanted to look into the issue of recapitalisation of PSU banks**.

➤ Auditor would find whether money given to these banks as part of recapitalisation has been utilised correctly.

➤ Earlier, CAG was unsure of its locus standi as banks come under the purview of RBI. Now it says it can do this scrutiny when auditing the accounts of Finance Ministry.

# NATIONAL GREEN TRIBUNAL (NGT) SETS STRINGENT CONDITIONS FOR COMMERCIAL USE OF GROUNDWATER

- In a ruling NGT has issued following directions for groundwater usage to Union Ministry of Jal Shakti and Central Ground Water Board (CGWB).
  - There must be **no general permission for withdrawal of groundwater**, particularly to any commercial entity, **without environmental impact assessment (EIA)** of such activity.
  - Permission to extract groundwater must be **for specified times and quantity of water**, not for perpetuity.
  - **Annual review of permissions** given to be conducted by independent and expert evaluation.
  - **Groundwater levels must be audited** and recorded in compliance with conditions given for the permission. Such **audits must be published online**.
- Earlier, NGT had said all overexploited, critical, and semi-critical assessment units must undergo water mapping.

## Groundwater status in India

- India accounted for **25% of the total annual global water extracted**.
- India is currently at **120th Rank among 122 countries in the Water Quality Index (released by WaterAid)**.
- 54% of India's groundwater wells have decreased in levels, with 21 major cities across country expected to run out of groundwater by 2020.
- CGWB regulates and controls development and management of groundwater resources in the country.

## ALSO IN NEWS

<p><b>CERC gives nod for third power exchange in the country</b></p>	<ul style="list-style-type: none"> <li>• Central Electricity Regulatory Commission (CERC) has approved the application of Pranurja Solutions Ltd, a company promoted by BSE, PTC Ltd and ICICI Bank, to set up a power exchange.</li> <li>• <b>Currently, India has two power exchanges</b> — Indian Energy Exchange (IEX) and Power Exchange India (PXIL).</li> <li>• Power exchange <b>facilitates over-the-counter sale and purchase of power</b> via different types of contracts - day-ahead, term-ahead, renewable energy certificates, and recently introduced real-time electricity market.</li> </ul>
<p><b>Panel suggests tweaks in rice procurement strategy of Food Corporation of India (FCI)</b></p>	<ul style="list-style-type: none"> <li>• Panel <b>constituted by 15th Finance Commission</b> suggested that a higher pool of surplus rice should be made available to exporters by suitably modifying FCI's procurement strategies.</li> <li>• <b>FCI is the largest buyer of rice</b> in the domestic market for Public Distribution System – approx. 40 million tonnes annually.</li> <li>• <b>Rice is among the biggest agriculture exports</b> from India along with buffalo meat and cotton. It was India's <b>single largest commodity with \$7.3 billion trade surplus</b>.</li> </ul>
<p><b>SC directs States to provide support to senior citizens</b></p>	<ul style="list-style-type: none"> <li>• Supreme Court (SC) directed States to <b>provide care, support and priority medical treatment for senior citizens</b>, especially those living alone or quarantined, amid COVID-19 pandemic.</li> <li>• <b>SC directions include:</b> <ul style="list-style-type: none"> <li>➢ All eligible old age persons <b>should be regularly paid pension</b></li> <li>➢ Provide them <b>necessary medicines, masks, sanitizers and other essential goods</b>.</li> <li>➢ Elderly people should be given <b>priority in admission in government hospital</b></li> </ul> </li> </ul>
<p><b>Sahakar Cooptube NCDC Channel</b></p>	<ul style="list-style-type: none"> <li>• It is a new <b>initiative by National Cooperative Development Corporation (NCDC)</b> to encourage farmers and the youth to take benefit of cooperatives.</li> <li>• <b>NCDC is a statutory body under the Ministry of Agriculture &amp; Farmers Welfare</b> functioning as an apex financial and developmental institution exclusively devoted to cooperative sector.                     <ul style="list-style-type: none"> <li>➢ It strengthens and promotes programmes across sectors relating to agriculture and allied fields like dairy, poultry, livestock, fisheries, cotton ginning and spinning, sugar and notified services like hospitality, transport, rural housing, hospitals/health care etc</li> </ul> </li> </ul>
<p><b>Converting Personal Protective Equipment (PPE) into biofuels</b></p>	<ul style="list-style-type: none"> <li>• According to new study, Plastic from used PPE can be converted from its polypropylene (plastic) state into biofuels which is at par with standard fossil fuels using pyrolysis.                     <ul style="list-style-type: none"> <li>➢ Pyrolysis is a chemical process for breaking down plastic at high temperature—between 300-400 degree centigrade for an hour—without oxygen.</li> </ul> </li> <li>• Presently, there is a need to <b>mitigate the problem of dumped PPE</b> currently being disposed of at unprecedented levels due to the current COVID-19 pandemic.</li> </ul>
<p><b>US bars H1B visa holders from federal jobs</b></p>	<ul style="list-style-type: none"> <li>• The Executive order will prevent federal agencies from contracting or subcontracting foreign workers -- mainly those on H-1B visa -- from hiring.</li> <li>• The H1B visa, most sought-after among Indian IT professionals, is a <b>non-immigrant visa</b> that allows US companies to <b>employ foreign workers in speciality occupations</b> that require theoretical or technical expertise.</li> </ul>
<p><b>United Nation's policy brief on the pandemic's impact on education</b></p>	<p><b>Key Findings</b></p> <ul style="list-style-type: none"> <li>• Almost <b>24 million children</b> are at <b>risk of not returning to school</b> next year due to the economic fallout of COVID-19.</li> <li>• <b>Educational financing gap</b> is also likely to <b>increase by one third</b>.</li> <li>• <b>More than 1.6 billion learners</b> across the world have been <b>affected by the disruption</b> of the education system.</li> </ul>
<p><b>Beirut</b></p>	<ul style="list-style-type: none"> <li>• A huge blast at Beirut port has killed more than 100 people and injured over 4,000.</li> <li>• <b>Beirut is the capital and largest city of Lebanon</b>. It is located on the Mediterranean coast at the foot of the Lebanon Mountains.</li> </ul>

8468022022, 9019066066  
www.visionias.in

