GEOGRAPHY

GSI report on Graphite reserves

Geological Survey of India (GSI) has released a report on graphite reserves in India. About 35 % of India's total Graphite reserves is found in Arunachal Pradesh. This is the highest found in country.

Background: As per GSI's 2013 report, Arunachal Pradesh sits on 43% of the country's graphite resources followed by Jammu & Kashmir (37%), Jharkhand (6%), Tamil Nadu (5%), and Odisha (3%).

Significance: At present India imports majority of Graphite from other countries. With 35 % of India's Graphite deposits being found in Arunachal Pradesh, the State could now be developed as leading producer of graphite in country thus helping in meeting its future needs.

About Graphite:

- Graphite is a naturally-occurring form of crystalline carbon. It is a native element mineral found in metamorphic and igneous rocks.
- It is extremely soft, cleaves with very light pressure, and has a very low specific gravity.
- It is the only non-metal element that is a good conductor of electricity.
- It is also known as a dry lubricant for its greasy feel.

CONSTITUTION AND POLITY

National e-Vidhan Application (NeVA) Project

The Kerala Legislative Assembly recently announced an initiative to digitize all its records and proceedings under its ambitious project called E-Vidhan.

Significance: Once the project is completed, all the Assembly proceedings like submission of notice by a member, question and answers, and all the other correspondence and business concerning the Assembly will go paperless.

What is e-Vidhan?

- It is a Mission Mode Project (MMP) comes under the Digital India Programme.
- Ministry of Parliamentary Affairs (MoPA) is the 'Nodal Ministry' for its implementation in all the 31 States/UTs with Legislatures.
- The funding for e-Vidhan is provided by the MoPA and technical support by Ministry of Electronics and Information Technology (MietY).
- The funding of NeVA is through Central Sponsored Schemee. 60:40; and 90:10 for North East & hilly States and 100% for UTs.
- The aim of the project is to bring all the legislatures of the country together, in one platform thereby creating a massive data depository without having the complexity of multiple applications.

Key features:

- Paperless Assembly or e-Assembly is a concept involving of electronic means to facilitate the work of Assembly.

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- It enables automation of entire law-making process, tracking of decisions and documents, sharing of information.
- Through the cloud technology (Meghraj), data deployed can be accessed anywhere at any time.
- Himachal Pradesh is already the first Digital Legislature of the country.

State Government's Role in the implementation of e-Vidhan:

- The State Government will appoint a Secretary level officer to be designated as the nodal officer/representative for e-Vidhan implementation in the State Legislature(s).
- State Government will bear the funds required for running of e-Vidhan MMP after 3 years.
- The State Government will ensure capacity building for the effective implementation of e-Vidhan MMP module.
- State Government/Legislature will undertake maintenance and replacement of ICT equipment after 3 years.

Article 324 and the special role of Election Commission

- The Election Commission of India passed an unprecedented order ending the campaign in West Bengal at 10 pm the following day instead of 5 pm on May 17 as was notified earlier, and is the norm.
- It also removed the state's Home Secretary, and a senior police officer.
- The decisions were taken under Article 324 of the Constitution, in response to street violence in Kolkata between cadres of two political parties.

ECI's freedom, responsibility

- Article 324 vests "in an Election Commission" the "superintendence, direction and control of elections". Parliament enacted The RP Act of 1950 and 1951 to define and enlarge the powers of the Commission.
- Ambedkar introduced the Article 324 on June 15, 1949, saying the whole election machinery should be in the hands of a Central EC, which alone would be entitled to issue directives to returning officers, polling officers and others.
- There are just five Articles in Part XV (Elections) of the Constitution.
- The Constituent Assembly was concerned mainly with ensuring the independence of the Election Commission.

Art. 324 occupies the vacuum:

Mohinder Singh Gill vs The CEC, New Delhi and Others (1977)

- The 1977 Supreme Court judgement held that Article 324 "operates in areas left unoccupied by legislation and the words 'superintendence, direction and control' as well as 'conduct of all elections' are the broadest terms".
- The Constitution has not defined these terms.

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- Article 324 is a plenary provision vesting the whole responsibility for national and State elections in the ECI and therefore, the necessary powers to discharge that function.
- The framers of the Constitution, a/c to the court, had left scope for exercise of residuary power by the Commission, in its own right, as a creature of the Constitution, in the infinite variety of situations.

Surprise situations

- The court observed that "legislators are not prophets but pragmatists", and that the "comprehensive provision in Art. 324 (is) to take care of surprise situations.
- It underlined that "that power itself has to be exercised, not mindlessly nor mala fide, nor arbitrarily nor with partiality but in keeping with the guidelines of the rule of law and not stultifying the Presidential notification nor existing legislation.

ECI's role in West Bengal

- The RP Amendment Act, 1988 (Act 1 of 1989) introduced Section 28A in the RP Act of 1951, which said that all officers deployed for the conduct of an election shall be deemed to be on deputation to the EC.
- This should be from the notification of the election to the declaration of the results, and such officers shall, during that period, be subject to the control, superintendence and discipline of the EC.
- The ECI took action against officers for failing in their duties — nothing more was required, except the ordering of a probe.

GOVERNANCE- WELFARE SCHEMES, E-GOVERNANCE, SERVICES ETC.

Pradhan Mantri Fasal Bima Yojana (PMFBY)

Out of □ 1,400 crore earmarked annually for the north-eastern States under the Centre's flagship Pradhan Mantri Fasal Bima Yojana, only □ 8 crore— or just over half a per cent — was actually spent last year, according to the Agriculture Ministry. Four north-eastern States — Arunachal Pradesh, Nagaland, Manipur and Mizoram — are not covered under the scheme at all.

Issues with the implementation of the scheme:

- Farmers in seven States and four Union Territories nationwide will not be covered by the scheme in this kharif or summer season, for which sowing begins next month.
- Some large States like Bihar and West Bengal have withdrawn from PMFBY to set up their own State-level schemes and Punjab has never participated in the scheme, while UTs like Delhi and Chandigarh are largely urban spaces.
- However, States in the Northeast, as well as the Union Territory of Daman and Diu, face challenges such as the lack of interest by insurance companies and the lack of State budgetary resources to pay their share of the premium.
- This lack of coverage has left thousands of maize farmers devastated by losses from the fall armyworm pest there without any hope of insurance.

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- Insurance companies have been reluctant to bid for these States, as the administrative costs are high. There are no proper land records. Historic yield data is not available for these States, particularly at the gram panchayat and block level.

Challenges at present:

- Insufficient reach and the issue of penetration.
- Data constraints: With just around 45% of the claims made by farmers over the last three crop seasons data for the last rabi season is not available paid by the insurance companies.
- Low payout of claims: The reason for the very low payout of claims is that only few state governments are paying their share of the premiums on time and till they do, the central government doesn't pay its share either. Till they get the premium, insurance companies simply sit on the claims.
- Gaps in assessment of crop loss: There is hardly any use of modern technology in assessing crop damages. There is lack of trained outsourced agencies, scope of corruption during implementation and the non-utilisation of technologies like smart phones and drones to improve reliability of such sampling
- Less number of notified crops than can avail insurance, Inadequate and delayed claim payment.
- High actuarial premium rates: Insurance companies charged high actuarial premium rates. If states delay notifications, or payment of premiums, or crop cutting data, companies cannot pay compensation to the farmers in time.
- Poor capacity to deliver: There has been no concerted effort by the state government and insurance companies to build awareness of farmers on PMFBY. Insurance companies have failed to set-up infrastructure for proper Implementation of PMFBY. PMBY is not beneficial for farmers in vulnerable regions as factors like low indemnity levels, low threshold yields, low sum insured and default on loans make it a poor scheme to safeguard against extreme weather events.

About PMFBY:

- In April, 2016, the government of India had launched Pradhan Mantri Fasal Bima Yojana (PMFBY) after rolling back the earlier insurance schemes viz. National Agriculture Insurance Scheme (NAIS), Weather-based Crop Insurance scheme and Modified National Agricultural Insurance Scheme (MNAIS).
- Premium: It envisages a uniform premium of only 2% to be paid by farmers for Kharif crops, and 1.5% for Rabi crops. The premium for annual commercial and horticultural crops will be 5%.
- The scheme is mandatory for farmers who have taken institutional loans from banks. It's optional for farmers who have not taken institutional credit.

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- Objectives:
  - Providing financial support to farmers suffering crop loss/damage arising out of unforeseen events.
  - Stabilizing the income of farmers to ensure their continuance in farming.
  - Encouraging farmers to adopt innovative and modern agricultural practices.
  - Ensuring flow of credit to the agriculture sector which contributes to food security, crop diversification and enhancing growth and competitiveness of agriculture sector besides protecting farmers from production risks.

INDIAN ECONOMY

RBI asks NBFCs to appoint Chief Risk Officer

The RBI has asked the non-banking financial companies (NBFCs) with assets of more than □ 5,000 crore to appoint a chief risk officer (CRO).

Why such move?

- With the increasing role of NBFCs in direct credit intermediation, there is a need for NBFCs to augment risk management practices.
- RBI's move comes in the wake of ongoing rating downgrades of non-banks which has raised fears of another liquidity crisis.
- Following a series of defaults by Infrastructure Leasing and Financial Services Ltd (IL&FS) last year, mutual funds with exposure to debt papers of the company had to write off a chunk of their holdings.
- This, and the ensuing defaults by some non-banking financial companies (NBFCs), had led to the liquidity crisis.

Terms of Reference for Chief Risk Officer (CRO)

- The primary role of the risk officer will be identification, measurement and mitigation of risks.
- All credit products (retail or wholesale) shall be vetted by the CRO from the angle of inherent and control risks.
- The CRO's role in deciding credit proposals shall be limited to being an adviser.

Reporting by CRO

- RBI has mandated that the CRO shall report directly to the MD and CEO or the risk management committee (RMC) of the board.
- Moreover, in case the CRO reports to the MD and CEO, the risk management committee or the board shall meet the CRO in the absence of the MD and CEO, at least on a quarterly basis.
- The CRO shall not have any reporting relationship with the business verticals of the NBFC and shall not be given any business targets.

Appointment and Transfer

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- The CRO shall be a senior official in the hierarchy of an NBFC and shall possess adequate professional qualification or experience in the area of risk management.
- The CRO shall be appointed for a fixed tenure with the approval of the board.
- There shall not be any 'dual hatting' i.e. the CRO shall not be given any other responsibility.
- The CRO can be transferred or removed from his post before completion of the tenure only with the approval of the board.
- And such premature transfer or removal shall be reported to the department of non-banking supervision of the regional office of RBI under whose jurisdiction the NBFC is registered.

ENVIRONMENT- CONSERVATION, BIO-DIVERSITY AND ISSUES

Poly (Diketoenamine)

US researchers have designed a fully recyclable plastic which can be disassembled into its constituent parts at molecular level. The name of newly created recyclable plastic is Poly (Diketoenamine), or PDK.

Key features:

- Unlike conventional plastics, the monomers of PDK plastic could be recovered and freed from any compounded additives simply by dunking the material in a highly acidic solution.
- It can be fully recycled into new materials of any form, shape or colour without any loss of its performance or quality.
- Not only does acid break down PDK polymers into monomers, but the process also allows the monomers to be separated from entwined additives.

Significance: The new material takes recycling into consideration from a molecular perspective. It means that this recyclable plastic can be disassembled into its constituent parts at molecular level.

Need:

- Most of the plastic products are made of large molecules called polymers. It is composed of various units of small carbon compounds named monomers. Manufacturers generally add chemicals to make plastic more useful.
- When these plastics, with different chemical composition, go to processing unit are mixed and ground together into smaller pieces. After that plastic goes to the melting unit to make a new material, it becomes difficult to identify true properties.

QUOTE OF THE DAY

The only thing that matters for you is YOUR PREPAREDNESS.

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DAILY ANSWER WRITING PRACTICE

Qns: What is Pradhan Mantri Fasal Bima Yojana? What are the challenges for its implementation?

Answer: The government of India had launched Pradhan Mantri Fasal Bima Yojana (PMFBY) after rolling back the earlier insurance schemes viz. National Agriculture Insurance Scheme (NAIS), Weather-based Crop Insurance scheme and Modified National Agricultural Insurance Scheme (MNAIS*)* with objectives to provide financial support to farmers suffering crop loss/damage arising out of unforeseen events and stabilize the income of farmers to ensure their continuance in farming.

Challenges at present:

- Insufficient reach and the issue of penetration.
- Data constraints: With just around 45% of the claims made by farmers over the last three crop seasons data for the last rabi season is not available paid by the insurance companies.
- Low payout of claims: The reason for the very low payout of claims is that only few state governments are paying their share of the premiums on time and till they do, the central government doesn't pay its share either. Till they get the premium, insurance companies simply sit on the claims.
- Gaps in assessment of crop loss: There is hardly any use of modern technology in assessing crop damages. There is lack of trained outsourced agencies, scope of corruption during implementation and the non-utilisation of technologies like smart phones and drones to improve reliability of such sampling
- Less number of notified crops than can avail insurance, Inadequate and delayed claim payment.
- High actuarial premium rates: Insurance companies charged high actuarial premium rates. If states delay notifications, or payment of premiums, or crop cutting data, companies cannot pay compensation to the farmers in time.
- Poor capacity to deliver: There has been no concerted effort by the state government and insurance companies to build awareness of farmers on PMFBY. Insurance companies have failed to set-up infrastructure for proper Implementation of PMFBY. PMBY is not beneficial for farmers in vulnerable regions as factors like low indemnity levels, low threshold yields, low sum insured and default on loans make it a poor scheme to safeguard against extreme weather events.

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DAILY CURRENT AFFAIRS BASED MCQS

1. Consider the following statements w.r.t the mineral Graphite.
   1. It is extremely soft, cleaves with very light pressure, and has a very low specific gravity.
   2. It is the only non-metal element that is a good conductor of electricity.
   3. It is also known as a dry lubricant for its greasy feel.
   4. About 35 % of India's total Graphite reserves is found in Arunachal Pradesh
   Which of the above statements are incorrect?
   (a) 3 only (b) 3 and 4
   (c) 1 and 4 (d) **None of the above**
2. Consider the following statements w.r.t the National e-Vidhan Application (NeVA) Project.
   1. It is a Mission Mode Project (MMP) comes under the Digital India Programme.
   2. Ministry of Home Affairs (MoHA) is the 'Nodal Ministry' for its implementation in all the 31 States/UTs with Legislatures.
   3. The funding of NeVA is through Central Sponsored Schemee. 50:50; and 90:10 for North East & hilly States and 100% for UTs.
   Which of the above statements is/are incorrect?
   (a) 1 and 2
   (b) 1 and 3
   (c) 2 and 3
   (d) All of the above
3. Consider the following statements w.r.t the National e-Vidhan Application (NeVA) Project and the states of India.
   1. The Central Government will appoint anofficer to be designated as the nodal officer for e-Vidhan implementation in the State Legislature(s)
   2. State Government will bear the funds required for running of e-Vidhan MMP after 3 years.
   3. Kerala is the latest state to announce digitization all its records under this project.
   Which of the above statements is/are correct?
   (a) 1 and 2 (b) 1 and 3
   (c) 2 and 3 (d) All of the above
4. Consider the following statements regarding the Election Commission's responsibility in conducting free and fair elections.
   1. Article 326 vests the "superintendence, direction and control of elections" in the EC.
   2. Parliament has enacted The RP Act of 1950 and 1951 to define and enlarge the powers of the EC.
   3. The constitution also defines Article 324 operates in those areas which are left unoccupied by legislation.
   Which of the following statements is/are correct?
   (a) 1 and 3 only
   (b) 2 only
   (c) 2 and 3 only
   (d) 3 only
5. Which of the following statements is/are correct about the Pradhan Mantri Fasal Bima Yojana (PMFBY)?
   1. It was introduced in the Interim Budget of 2019-20.

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2. It envisages a uniform premium of only 2% to be paid by farmers for Kharif crops, and 1.5% for Rabi crops.
3. The scheme is mandatory for farmers who have taken institutional loans from banks

Select the correct answer from the codes given below:

(a) 1 and 2
(b) 1 and 3
(c) 2 and 3
(d) All of the above

6. Which of the following statements is/are correct about the Non-Banking Financial Companies (NBFCs) in India?
1. NBFCs accept only Term Deposits and not Demand Deposits.
2. NBFCs form a part of the payment and settlement system and can issue cheques to its customers.
3. NBFCs can deposit depositor's money in the share market unlike banks.

Select the correct answer from the codes given below:

(a) 1 and 2 (b) **1 and 3**
(c) 2 and 3 (d) None of the above

7. Which of the following entities had first proposed for appointment of a Chief Risk Officer in the NBFCs?
(a) Ministry of Finance
(b) Reserve Bank of India
(c) Securities and Exchange Board of India
(d) Small Industries Development Bank of India.

8. Recently seen in the news, the term 'Diketoenamine' means
(a) A newly designed fully recyclable plastic.
(b) A medicine to curb Pox in the cattle
(c) A tool to control the nuclear waste.
(d) None of the above.

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