



CURRENT AFFAIRS



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The comrades and their divergent perspectives (The Hindu, GS-2, International relations)

Context:- Russian President Vladimir Putin has recently asserted that both India and China are “responsible” enough to solve issues between their countries. They debar any “extra-regional power” to interfere in the process.

Why Russia is important to India:-

- The historical character of the bilateral relationship i.e. India was close to USSR during cold war era and USSR too helped India in it's economic development.
- Defense partnership:- Russia still dominates the Indian defense inventory to the tune of about 70 per cent even after diversifying defense trade partners.

- Issue of Critical technology:- Russia remains the only partner that is willing to give India critical technologies, such as a nuclear submarine and other space capabilities.
- Critical security issues:-The emerging Russia-China strategic relationship has important security consequences for India.
- UNSC(UN Security Council):- Russia also reaffirmed its “unwavering support” to India for a permanent seat in an expanded UN Security Council.
- Nuclear Suppliers Group (NSG):- Russia expressed its support for India’s membership of the Nuclear Suppliers Group.
- Both countries have mutual benefits in supporting struggle against terrorism, Afghanistan, issues in Syria, climate change; organizations like SCO, BRICS, G-20 and ASEAN.

India and China Relations:- (History so Far)

- **Ancient and modern:-**
 - The Silk Road not only served as a major trade route between India and China.
 - China was involved in a growing opium trade with the East India Company.
 - According to the Shimla conference 1914, India and China had the Mac Mohan line which separated them.
- **1950:-**
 - Formal establishment of India and China diplomatic relations
 - India was the first non-socialist country to establish relations with China.
 - The phrase Hindi Chini Bhai Bhai became famous.
 - Bandung Conference :- Both countries attended and jointly advocated the Bandung Spirit of solidarity, friendship and cooperation.

- It has led to the decolonization of the whole of Asia and Africa.
- Formation of a Non-Aligned Movement.
- The First NAM Summit Conference took place in Belgrade, Yugoslavia, in September 1961.

1962:-

- The border conflict led to a back seat in bilateral relations.

1976:-

- China and India restored ambassadorial relations and bilateral ties improved gradually with main focus on trust building.
- Since then Relations have improved and touched new heights in 2014 but the Doklam issue and other territorial issues led to setbacks in relation.

What are the Issues between India and China:-

- Territorial dispute between Eastern sector and western sector.
- China doesn't accept the MacMohan line as the boundary demarcation between India and China because the Shimla Agreement was negotiated by Tibet and Tibet was not a sovereign state. So Tibet has no power to negotiate any agreement.
- Issue of access to market:- India pharma and agriculture companies don't have proper access to Chinese market.
- Issue of Terrorism:- China doesn't support the Indian definition of terrorism of cross border rather china propagates its own.
- Issue of Masood Azhar:- India wanted Masood Azhar to be declared as a UN designated terrorist but China always has her veto.
- NSG membership:- China always blocks India's road to get NSG membership.

- UNSC Membership:- China, because of its veto power, always creates non-crossable hurdles.
- India has a huge trade deficit in the favor of China which makes India more dependent on china.



What is the tripartite issue between India, china and Russia:-

- Because of recent border issues, India and China relations touched a new low.
- India went closer to the USA in order to tackle Chinese hegemony on the border.

- This closeness of India with the USA antagonizes China more.
- USA led QUAD group, India is also a part of it, seen by Russia and china as the threat.
- QUAD groups new dimensions worry China on the pretext that it is mainly to contain china.
- **Russian Angle:-**
 - Russian economy is an oil and gas dependent economy. A depression in the oil prices contracted the Russian economy.
 - Russia got sanctions from the USA in 2014 because Russia annexed part of Ukraine.
 - Russian economy became more dependent on China.
 - So Russia did not speak a word about the issue of Ladakh rather asked to maintain the status quo which is nothing but in the favor of china.
 - Russia is having issues with the USA that's why Russian and Chinese interest coincides.
 - India doesn't give priority to Russian interests according to Russia.
 - Russia became an early proponent of the 'strategic triangle' to bring together the three major powers.

What India is doing in this scenario and the way forward:-

- In a virtual discussion with Australian and French counterparts recently Indian foreign minister asserted that no country can have a veto on India's participation in the Quad.

- India's attempt to reimagine a new geostrategic maritime role for itself.
- The incorporation of the Indo-Pacific concept in Indian diplomacy means that India can no longer be confined between the Malacca Strait and Gulf of Aden and just a counter weight rather.
- Russia's ability to influence the India China relationship has become doubtful.
- India has deepened its ties with Japan and Australia in a way that is close to soft balancing.
- Quad is being formalized into a functional strategic alignment.
- India is particularly interested in a normalization of relations between Washington and Moscow as it will help it steer ties among the great powers.

Swarn Singh

Power Sector Reforms

(GS PAPER-3, Industrial Policy, Industrial Growth

Source- The Hindu)

Context-

- Amid the Covid pandemic last year, the union government proposed a rescue package for the power sector under the Atma Nirbhar Bharat scheme.
- This complete rescue package was managed to prevent the entire power sector chain from suffering because of the DISCOM inefficiency to meet their obligations.
- This is not the first time (UDAY SCHEME) that the Centre government has come in to help DISCOM and tackle the problems plaguing the distribution segment.
- However, even after the government's repeated efforts, the result has been cash-strapped DISCOM looking for another management package.
- This shows the major structural problems happening in the power sector, which must be corrected for a sustainable power sector in India.

UDAY Scheme-

- The Ujwal Discom Assurance Yojana (UDAY) was launched by the Ministry of Power of the union government in November 2015 to help turn around the poor financial situation of state distribution companies
 - Critical Components:
 - The takeover of 75% of DISCOM total debt by state governments,
 - Minimisation in AT&C losses,
 - Timely revisions of tariff and elimination of the gap between the Average Cost of Supply (ACS) and Average Revenue Realised (ARR) by the end of the financial year 2019.
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- It also proposes the development of the renewable energy sector and the availability of 24*7 Power For All at a very affordable price.
- Several other operational efficiencies have set targets under UDAY, such as feeder metering, smart metering and feeder segregation, etc.
- The Scheme will fetch up in March 2020.

Associated Challenges:

- AT&C Losses: Aggregate technical and commercial (AT&C) losses emerge from poor or inadequate infrastructure or on account of theft or bills not being generated or honored on time. The UDAY scheme had envisioned bringing down these losses to 15 percent by the year 2019. However, as per data on the UDAY control panel, the AT&C losses currently stand at 21.7 percent at the all-India level.
- Cost-Revenue Gap: The difference between DISCOM costs (average cost of supply) and revenues (average revenue realized) is still very high. This is because of the absence of regular and revision in electricity tariffs.
- Magnifying Effect: It's contradictory, the government's push for ensuring electrification of all has contributed to greater impotence. As household connections are increasing, to support higher levels of electrification, cost structures need to be revamped, and the distribution network (transformers, wires, etc) would need to be amplified. In the absence of all this, losses are bound to increase.
- Economic Fallout of the Pandemic: Amid pandemic, with demand from industrial and commercial users falling, revenue from this

stream, which is used to cross-subsidize other consumers, are decreasing, exacerbating the stress on DISCOM finances.

- Low Investment: Owing to the poor financial health of these companies, there are fewer new investments in the electricity sector (particularly in the private sector).
- Fossil Fuel Dominated Energy Generation: Thermal power based on fossil fuels such as coal, natural gas, and diesel accounts for 80% of the country's electricity generation. Furthermore, the majority of plants in India are old and inefficient.

Way Forward:

- Eliminate Cross Subsidization: High industrial/commercial tariff and the cross-subsidy regime have grandiose the competitiveness of the industrial and commercial sectors. Thus, there is an urgency to ensure effective fulfillment of rationalization of cross-subsidy.
- Covering up AT&C Losses: To administer the power demand, it is necessary to introduce 100% metering-net metering, smart meters, and metering of electricity supplied to agriculture. There is also a need to **institute performance-based incentives in the tariff structure.**
- Greening The Grid: The KUSUM SCHEME provides an acceptable alternative to the power subsidy model in agriculture. The scheme proposes to promote the use of solar pumps for agriculture and equip local DISCOM to buy surplus power from the farmer.

PM-KUSUM:

- The farmer focus of Budget 2018 has given a fillip to the farmer-focussed scheme involving decentralized solar power production up to 28,250 MW, known as Kisan Urja Suraksha evam Utthan Mahabhiyan (KUSUM) scheme.
- The KUSUM scheme would facilitate additional income to farmers, by providing them the option to sell additional power to the grid, through solar power projects set up on their barren lands.
- If implemented properly, the PM-KUSUM scheme can be the ultimate revolter for energy security and the rural economy in India.

Component of the PM-KUSUM:

PM-KUSUM has three components and aims to add a solar capacity of 30.8 GW by 2022:

- Component-A: 10,000 MW of decentralized ground-ascend grid-connected renewable power plants.
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- **Component-B: Accession** of two million standalone solar-powered agriculture pumps.
 - **Component-C:** Solarisation of 1.5 million grid-link solar-powered agriculture pumps.
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- **Cross-Border Trade:** The government requires to actively promote cross-border electricity trade to utilize existing/upcoming generation assets. The SAARC Electricity grid is a step in the CORRECT direction.

Did you know:

India has been providing power to Bangladesh and Nepal and has been a torchbearer of the South Asian Association for Regional Cooperation (SAARC) electricity grid minus Pakistan to felicitous electricity demand in the region.

Conclusion:

- A solution that has now been furlled forward to deal with the infirm DISCOM, is the creation of a national power distribution company.
- However, it is difficult to see how a sustainable flip-flop in the financial and operational position of DISCOM can be engineered without solving the systemic challenges.

Khyati Khare

Indian Progress on Sustainable Development

**(GS PAPER-3, SUSTAINABLE
DEVELOPMENT**

SOURCE- Pib)

Context:

- Energy is the golden thread that connects economic growth, social equity, and environmental sustainability.

- It generates a consistent stream of power to meet basic human needs, maintain and improve social functioning, and advance living standards.
- Validating the same, SDG-7 commits affordable and [clean energy for all](#).

Means to achieve the goal:

- To expand energy access, it is crucial to enhance energy efficiency and to invest in renewable energy.
- The energy produced should be as sustainable as possible
- India has a vast renewable energy potential through wind, solar, biomass, and small hydro which is concentrated in certain parts of the country. But to tap on these endowments, India's renewable energy sector [requires significant financing](#).

Steps were taken by India:

- India intends to achieve 40% cumulative electric power installed capacity from non-fossil fuel-based energy resources by 2030, as one of the ways to curb global temperature increase.
- Indian Government has also focussed its attention on the rural clean energy sector by supporting distributed generation in the form of community-based, self-sufficient biomass and solar power.
- National Solar Mission also has an ambitious goal of providing 2 crore solar lighting systems in place of kerosene lamps to rural communities.
- Installations of solar power systems, particularly on rooftops, all over the country. The target of 40 GW rooftop solar by 2022 will result in the abatement of about 6 crore tonnes of carbon dioxide per year.

Way Forward:

- Access to affordable, reliable, sustainable, and modern energy is integral to global development in the twenty-first century.
- But, there are challenges that require a pragmatic, multi-faceted approach. Solutions need to be developed at both local and global scales, where Governments and agencies must work together.

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