

NEWS TODAY

50 years of Indian Microfinance Sector

In 1974, India's first Microfinance Institution (MFI), **Self Employed Women's Association (SEWA) Bank** was registered as a cooperative bank.

- **Nobel Laureate Muhammad Yunus** laid the foundation of modern MFIs with establishment of Grameen Bank in Bangladesh in 1976.
- **RBI is regulatory body for MFIs** operating in country.
- **Malegam Committee (2010)** constituted by RBI recommended for holistic framework to regulate NBFC –MFI.

About Microfinance (Microcredit)

- It offers financial services like small value loans to marginalized and poor individuals who lack access to formal banking services.
- ⊕ It includes multiple services like saving accounts, fund transfer, micro insurance, etc.

Significance of Microfinance Sector

- Potent tool for **financial inclusion** and socio-economic transformation.
- **Empowerment of Women** through Self Help Groups.
- **Poverty reduction** and overall rural development.

Challenges with Microfinance Sector

- **High Transaction Cost for MFIs:** Involves extending services to a large number of small debtors.
- **Absence of Collateral:** Making it difficult to secure offered loans.
- **Higher Interest Rates:** Compared to those charged by commercial banks.
- **High Credit cost:** MFIs frequently struggle to avail of cheap funding.
- **Others:** Low financial and digital literacy among poor borrowers; persistent reliance on moneylenders, etc.

Initiatives taken by Government for Microfinance in India

- **SHG-Bank Linkage Program:** To increase the loan volume of the SHGs, and modify their money lending pattern from non-income generating activities to production-based activities.
- **Pradhan Mantri Mudra Yojana (PMMY):** Providing loans up to **10 lakh** to non-corporate, non-farm small/micro enterprises through commercial banks, NBFCs, etc.
 - ⊕ Loans under MUDRA are categorized as Shishu, Kishore and Tarun.
 - ⊕ **2024 Union Budget enhanced limit to ₹20 lakh from current ₹10 lakh** for those who have availed and successfully repaid loans previously taken under Tarun category.

World Intellectual Property Organization (WIPO) released Global Innovation Index (GII) 2024 report

GII helps governments to assess innovation-led social and economic changes.

- Co-published by WIPO, Cornell University and INSEAD Business School.
- **Criteria to measure innovation include** institutions, human capital and research, infrastructure, credit, investment, linkages; creation, absorption and diffusion of knowledge; and creative outputs.

Key findings

- **Switzerland maintained its top position**, followed by Sweden, US, and Singapore.
- **India rises to 39th position** (from 40th position in 2023) among 133 global economies.
- **India ranks first among lower middle-income economies** and in **Central and Southern Asia region** for knowledge and technology outputs, creative outputs, institutions, and business sophistication.
- **India's strengths lie in key indicators like ICT services exports**, venture capital received, and intangible asset intensity.

GII 2024 theme highlights the growing significance of social entrepreneurship.

- **Social Entrepreneurship** is the process of developing and implementing innovative organizational models to address social and/or environmental challenges, without profit as primary purpose.

Significance:

- ⊕ **Economic Contribution:** approximately **\$2 trillion to global GDP**.
- ⊕ **Employment Creation:** Estimated **10-11 million social enterprises and ~30 million social entrepreneurs help millions build sustainable livelihoods**.
- ⊕ **Tackles poverty**, addresses environmental devastation, and combat racial and social injustice.



About WIPO



Genesis: Specialized agency of United Nations, established in 1967.



Objective: Dedicated to developing a balanced and accessible international Intellectual Property (IP) system which rewards creativity, stimulates innovation and contributes to economic development.



Members: 193 members (India is a member since 1975)



Major Treaties: India is a member of all three treaties.

- Paris Convention for the Protection of Industrial Property (1998)
- Berne Convention for the Protection of Literary and Artistic Works (1928)
- Patent Cooperation Treaty (1998)

India Signs Agreement on Marine Biodiversity of Areas beyond National Jurisdiction at United Nations General Assembly

Formally known as **Biodiversity Beyond National Jurisdiction (BBNJ) Agreement**, was adopted in 2023 by Intergovernmental Conference on Marine Biodiversity of Areas Beyond National Jurisdiction.

➤ **Ministry of Earth Sciences** is implementing agreement in India.

About Agreement on Marine Biodiversity of Areas beyond National Jurisdiction (High Seas Treaty)

➤ It is an **international treaty under United Nations Convention on the Law of the Sea (UNCLOS)**.

➤ **Aim:** Conservation and sustainable use of marine biodiversity in areas beyond national jurisdiction.

➤ Features:

- ⊕ It would **define and demarcate marine protected areas in biodiversity-rich zones of oceans that are under stress**.
- ⊕ **Parties** cannot **exercise sovereign rights** over marine resources derived from high seas.

➤ Significance:

- ⊕ **Enhance India's strategic presence** in areas beyond EEZ.
- ⊕ **Contribute to achieving several SDGs**, particularly SDG14 (Life Below Water);
- ⊕ **Strengthen India's marine conservation efforts**, open new avenues for scientific research and development etc.
- ⊕ **Promotes using traditional knowledge** and best available scientific knowledge.

Agreement addresses four main issues

- Marine genetic resources, including fair and equitable sharing of benefits.
- Measures such as area-based management tools, including marine protected areas.
- Environmental impact assessments.
- Capacity-building and transfer of marine technology.

About UNCLOS

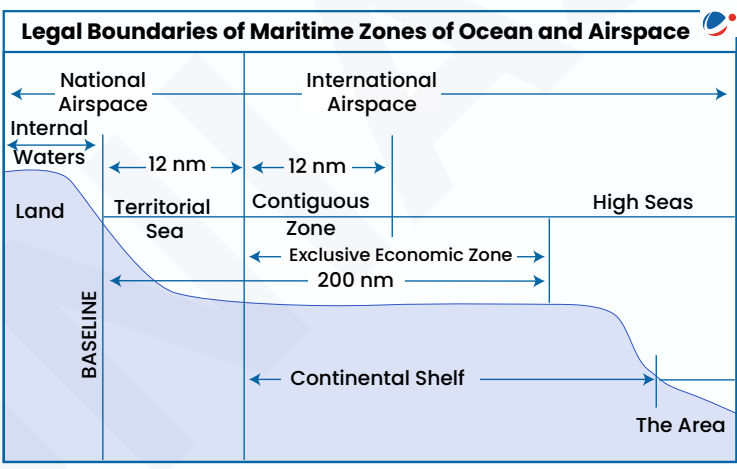
➤ An **international convention** (adopted in 1982 & came into force in 1994) which laid down a **comprehensive regime of law and order** in world's oceans & seas.

About High Seas

➤ **High seas are defined by international law** as all **parts of ocean that aren't included in Exclusive Economic Zone (EEZ), territorial sea, or internal waters of a country, or in archipelagic waters** of an archipelagic country.

➤ High seas and associated resources **are not directly owned or regulated by any country**.

➤ High seas **comprise 64% of ocean**.



Armed Forces (Special Powers) Act (AFSPA) extended to parts of Nagaland and Arunachal Pradesh

Ministry Of Home Affairs has declared these areas as '**disturbed area**' under Section 3 of the **Armed Forces (Special Powers) Act, 1958** for a period of six months.

➤ Currently, AFSPA is in effect in parts of **Nagaland, Assam, Manipur, and Arunachal Pradesh**.

➤ AFSPA is in force in **Jammu and Kashmir (J&K)** through **Armed Forces (J&K) Special Powers Act, 1990**.

About AFSPA:

➤ **Objective:** Conferring certain special powers upon **members of the armed forces in disturbed areas in North eastern States**.

➤ **Section 3 of Act:** Governor of State or Administrator of Union territory or Central Government may declare whole/such part of such State/UT to be a **disturbed area**.

⊕ **Disturbed area** is an area where use of armed forces in aid of civil power is necessary.

➤ **Section 4 of Act:** Gives special **powers to armed forces** although they must be exercised with extreme caution.

⊕ After giving due warning, it can **fire upon/use force** against any person acting in contravention of laws,

⊕ If reasonable suspicion exists, can also **arrest a person without a warrant**;

➤ Unless otherwise authorized by the central government, **Army soldiers** operating under AFSPA are **shielded from all legal actions**.

Issues with AFSPA

➤ **Violations of Fundamental Rights:** It violates Articles 14, 19, 21, etc. of Constitution.

➤ **Against International Law:** Violates Universal Declaration of Human Rights (UDHR), International Covenant on Civil and Political Rights (ICCPR) etc.

➤ **Centre-State conflicts:** AFSPA erodes states' autonomy even during peaceful times.

Way-forward:

➤ Repealing AFSPA & Inserting appropriate provisions in Unlawful Activities (Prevention) Act, 1967 (**Jeevan Reddy committee (2004)**)

➤ Implement a **bottom-up governance model** to empower grassroots communities.

Central Drugs Standard Control Organisation (CDSCO) Drug Alert list reveals Widespread Issues of Drug Quality across India

Alert highlights that **sample of more than 50 drugs**, including **paracetamol, Pan D, calcium, vitamin D3 supplements** etc. are **"not of standard quality"**.

- It also highlighted failure of **several states** in submitting data on quality of drugs.

Drug Regulation in India

- Drug regulation is based on centrally-enacted **Drugs and Cosmetics Act, 1940 (DC Act)** and the corresponding **Drugs and Cosmetics Rules, 1945 (DC Rules)**.
 - CDSCO, headed by the **Drugs Controller General of India (DCGI)** is entrusted with constant **monitoring of drugs**.
 - It releases a **Not of Standard Quality (NSQ)** list monthly for assessing the quality and safety of drugs.
- National Pharmaceutical Pricing Authority (NPPA)** fixes/ revises the prices of controlled bulk drugs and also monitors the availability of drugs, identifies shortages, if any, and **takes remedial steps**.
- Since **public health** is a state subject, state governments also undertake drug regulation through **State Drug Regulating Agencies (SDRAs)**.

Issues of Drug Regulation in India

- Uneven Implementation:** Number of Fixed Dose Combinations banned by DCGI is licensed for manufacturing under the State units.
- Discretion of Officers in regulation:** DC Act or Rules do not provide any metrics to guide the regulation of drugs.
- Lack of trained and adequate personnel:** Identified by **Mashelkar Committee (2003)**.
- Other Issues:** **Lack of coordination between SDRAs and center**, lack of suitable infrastructure, funding, etc.

Way forward on improving Drug Regulation Ecosystem

- Use of Technology:** Encouraging use of digital softwares (like XLN) across all services and states.
- National Drug Authority:** Recommended by **Mashelkar committee** to revamp the structure of drug regulation.
- Implementation of Recall orders:** Currently there is no system to ensure implementation.

Prime Minister launches 3 PARAM Rudra supercomputers & High-Performance Computing (HPC) system

Worth Rs 130 crore, these Super computers are **developed indigenously** under **National Supercomputing Mission (NSM)** and have been deployed in **Pune, Delhi and Kolkata**. These include:

- Giant Meter Radio Telescope (GMRT) in Pune** will explore Fast Radio Bursts (FRBs) and other astronomical phenomena.
- Inter-University Accelerator Centre (IUAC) in Delhi** will enhance research in fields like material science and atomic physics.
- S.N. Bose Centre in Kolkata** will drive advanced research in areas such as physics, cosmology, and earth sciences.
- PM also launched new HPC systems named 'Arka' and 'Arunika'** which will enhance accuracy and predictions related to tropical cyclones, heavy precipitation, thunderstorms, etc.

About Supercomputers:

- They're **largest and more powerful mainframe systems** that **solve complex computations by splitting tasks into multiple parts and working on them in parallel**.
 - Speed of a supercomputer is measured in **floating-point operations per second (FLOPS)**.

National Supercomputing Mission (NSM):

- Launched:** 2015.
- Objective:** To provide country with **supercomputing infrastructure** to meet increasing **computational demands of academia, researchers, MSMEs, and startups**.
- NSM is steered jointly by **Department of Science and Technology (DST)** and **Ministry of Electronics and IT (MeitY)**.
 - Implemented by **Centre for Development of Advanced Computing (C-DAC), Pune** and the **Indian Institute of Science (IISc), Bengaluru**.
- Application areas:** Computational Biology, Atomic Energy Simulations, National Security/ Defence Applications, Seismic Analysis, etc.

About C-DAC

- Premier **R&D organization of the MeitY**, set up in **1988**.
- Delivered PARAM series of supercomputers:** These include **PARAM 8000** (India's 1st Giga-scale supercomputer in 1990), **PARAM 10000** (1998), etc.

Also in News



Bharat 6G Alliance

Union Minister of Communications recently held a meeting with Bharat 6G Alliance to strengthen India's Homegrown 6G Ecosystem.

About Bharat 6G Alliance (B6GA)

- It is an **alliance of domestic industry, academia, national research institutions and standards organizations facilitated by the Government**.
- Aim:** To make **India a leading global supplier of affordable 5G, 6G, and future telecom solutions**, and to implement 6G technologies as a significant force multiplier by 2030 etc.
- Focus Areas:**
 - Help grow **5G Advanced/6G IPs** and essential patents from India;
 - Design and build Indian 5G Advanced/6G products** and solutions;
 - Support and energize Indian participation** in 3GPP/ITU etc.



Eturnagaram Wildlife Sanctuary

A rare weather phenomenon left waste thousands of trees in Eturnagaram Wildlife Sanctuary.

About Eturnagaram Wildlife Sanctuary

- It is one of **oldest sanctuaries situated in Warangal, Telangana** (established in **1953**).
- Bounded by **Laknavaram Lake**.
- Perennial River Dayyam Vagu flows** through this sanctuary. It separates wildlife sanctuary into two parts.
- Fauna:** Indian Gaur, Giant Squirrels, Sloth Bears, Indian Bison, Black Bucks, Chinkaras and Tigers.
- Flora:** Some of finest **teak wood** found here.
- It hosts **one of Asia's largest tribal jathras - sammakka Sarakka Jathra** - an event which occurs once every two years.



National Career Service (NCS)

Ministry of Labour & Employment (MoL&E) signed an MoU with Amazon for 2 years to leverage NCS portal for boosting job opportunities.

About NCS Portal

- **Genesis:** Online portal launched in 2015 and implemented by MoL&E.
- **Objectives:** Bridging gap between job seekers and employment opportunities across diverse sectors.
 - ⊕ It Offers a wide range of employment services including counseling, skill development, etc.
- It crossed the milestone of having 2 million active vacancies listed on a single day in the current year.



Intercontinental Ballistic missile (ICBM)

China test fired ICBM into Pacific Ocean for the first in decades.

About ICBM

- ICBMs were first deployed by United States in 1959.
- ICBMs can travel more than 5,500 kilometers. Due to their powerful nature, ICBMs are considered a strategic defensive weapon.
- Ballistic missiles are powered by rockets initially but then they follow an unpowered, free-falling trajectory toward their targets.
- Ballistic missiles can carry either nuclear or conventional warheads.
- Agni-V is the longest of the Agni series, an ICBM with a range of over 5,000 km.



Kasturirangan Committee

Karnataka government rejected report of the High Level Working Group on Western Ghats[2013] headed by Dr. K. Kasturirangan.

Recommendations of Kasturirangan Committee:

- It recommended 37% of the total area of Western Ghats as eco-sensitive area making a number of projects/activities eco-destructive.
 - ⊕ Following this, Environment Ministry issued draft notification in 2014 declaring biologically and culturally diverse areas as Eco-sensitive Areas.
- Report recommended a blanket ban on mining, quarrying, setting up of red category industries and thermal power projects.
- Apart from this, earlier Western Ghats Ecology Expert Panel (WGEEP) [2011] headed by Prof. Madhav Gadgil recommended 75% Western Ghats be declared environmentally sensitive.
 - ⊕ It was found controversial by many states leading to the appointment of Kasturirangan committee.



Jitiya or Jivitputrika festival

Disaster struck in Bihar during participation in Jivitputrika festival in Bihar.

About Jitiya or Jivitputrika festival

- It's a Hindu festival observed primarily in Bihar, Uttar Pradesh, Jharkhand, and Nepal.
- It is celebrated by mothers who fast for well-being, long life, and prosperity of their children.
- This festival lasts for 3 days where first day is known as nahayekhaye.
- The festival is rooted in Hindu mythology, particularly story of King Jimutavahana, whose sacrifice for welfare of others is commemorated during this time.



EU deforestation regulation (EUDR)

Despite protests from India, Brazil, Indonesia and US, EU will go ahead with the implementation of its EUDR from December 30, 2024.

About EUDR

- Entered into force in 2023, it aims to curb global forest degradation and deforestation, protect biodiversity, and reduce GHG emissions, by placing new obligations on companies that import, export, or sell certain products in EU.
- It requires that commodities placed on, or exported from, EU market that are covered under regulation don't come from land deforested or degraded after December 31, 2020.
 - ⊕ These commodities include cattle, cocoa, coffee, palm oil, soy, timber and rubber, and derived products like beef, furniture and chocolate.



GlobE Network

India has been elected to steering committee of GlobE (Global Operational Network of Anti-Corruption Law Enforcement Authorities) network.

About GlobE Network:

- **Genesis:** Established in 2021 at UN General Assembly Special Session against Corruption (UNGASS).
 - ⊕ It is an initiative launched under G20 framework. Earlier, Riyadh Initiative for creation of GlobE network was approved by G20 in 2020.
- **Objective:** Operational law enforcement authorities with an anti-corruption mandate can join forces to counter transnational corruption cases.
- **Governance:** Governed by its members and supported by UNODC (Its secretariat).
- **Members:** Includes 121 member countries and 219 law enforcement authorities.
 - ⊕ Ministry of Home Affairs serves as Central Authority for GlobE Network in India.
 - ⊕ While CBI and ED represent India as member authorities.

Personality in News



Shaheed Bhagat Singh

Shaheed Bhagat Singh was remembered on his Birth anniversary.

About Shaheed Bhagat Singh (1907-1931)

- Born in Lyallpur, western Punjab, India (now in Pakistan).
- He was influenced by revolutionary socialism, Marxism and communism ideals.

Contributions

- Founded Naujawan Bharat Sabha in 1926
- In 1928, he changed name of Hindustan Republican Association to Hindustan Socialist Republican Association.
- In 1929 he and Batukeshwar Dutt, bombed Central Legislative Assembly in Delhi to oppose Public Safety Bill and Trade Dispute Bill while raising the slogan Inquilab Zindabad.
- **Works:** Why I Am an Atheist: An Autobiographical Discourse, The Jail Notebook, etc.

Values: Patriotism, Courage, Strength of conviction, etc.

