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Current affairs summary for prelims

2 February, 2024

Highlights of Interim Budget 2024

Context: *Finance Minister Nirmala Sitharaman presented the Interim Budget for the year 2024.*

Highlights of Interim Budget 2024

- Real GDP Growth and Fiscal Estimates:
- India's Real GDP is projected to grow at 7.3% in the fiscal year 2023-24.
- The estimated fiscal deficit for the fiscal year 2024-25 stands at 5.1% of GDP.
- The Foreign Direct Investment (FDI) inflow between 2014 and 2023 amounted to USD 596 billion, which is double the inflow recorded between 2005 and 2014.

Priority Areas and Financial Allocations:

- The upliftment of marginalized sections such as the 'Garib' (poor), 'Mahilayen' (women), 'Yuva' (youth), and 'Annadata' (farmers) is a top priority.
- A notable increase of 11.1% has been observed in the capital expenditure outlay, reaching Rs 11,11,111 crore.
- The scheme offering a fifty-year interest-free loan for capital expenditure to states will continue with an allocated outlay of Rs 1.3 lakh crore.

Social Justice Initiatives:

- Over the last decade, government assistance has reached 25 crore people out of multi-dimensional poverty.
- A significant amount of Rs. 34 lakh crore has been transferred through Direct Benefit Transfer (DBT) via PM-Jan Dhan accounts, leading to substantial government savings.
- Various support programs like PM-SVANidhi, PM-JANMAN Yojana, and PM-Vishwakarma Yojana are aiding different segments of society.

Welfare of Farmers:

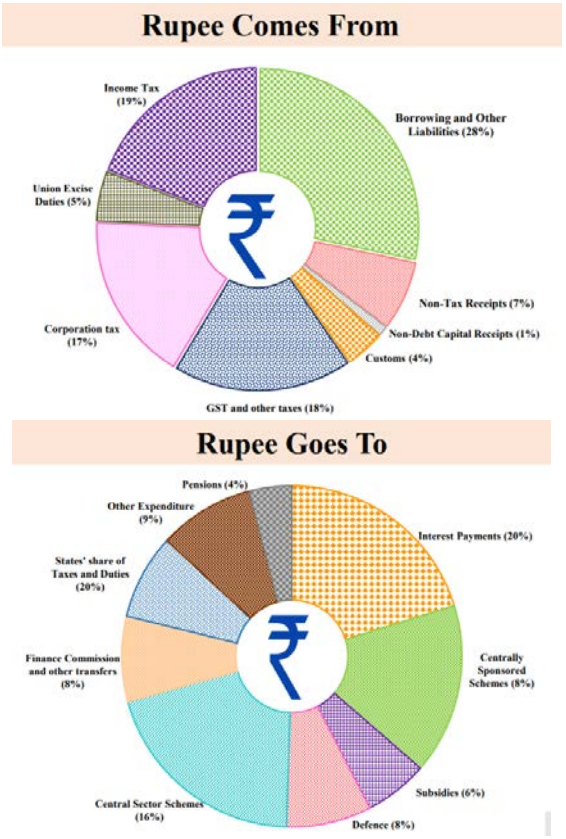
- The implementation of PM-KISAN SAMMAN Yojana has directly benefited 11.8 crore farmers.
- A total of 4 crore farmers have been covered under PM Fasal Bima Yojana for crop insurance.
- The integration of 1361 mandis under Electronic National Agriculture Market (e-NAM) has facilitated trading for 1.8 crore farmers nationwide.

Empowerment of Women:

- The provision of 30 crore Mudra Yojana loans to women entrepreneurs has significantly boosted their economic empowerment.
- There has been a notable increase of 28% in female enrolment in higher education.
- Over 70% of rural women have been included in housing schemes like PM Awas Yojana, showcasing the government's commitment to women's welfare.

Housing and Energy Initiatives:

- Despite COVID challenges, the government is persisting with PM Awas Yojana (Grameen) to ensure housing for all.
- Plans are underway to provide 300 units of free electricity per month to 1 crore households through rooftop solarization, aiming to reduce energy costs and promote renewable energy adoption.
- Ayushman Bharat healthcare coverage is being expanded to include ASHA workers, Anganwadi Workers, and Helpers, ensuring access to healthcare for all.



Agriculture and Infrastructure Development:

- The success of schemes like Pradhan Mantri Kisan Sampada Yojana and Pradhan Mantri Formalisation of Micro Food Processing Enterprises Yojana has boosted the agriculture and food processing sectors.
- A corpus of Rs. 1 lakh crore is being established to fund research and innovation, aiming to catalyse growth and development in various sectors.
- The government is increasing the capital expenditure outlay for infrastructure development by 11.1%, signalling a strong commitment to infrastructure growth and employment generation.

Railways, Aviation, and Green Energy:

- Under the PM Gati Shakti initiative, three major economic railway corridor programs have been identified to improve logistics efficiency and reduce costs.
- The number of airports in the country has doubled to 149, facilitating increased air connectivity and economic growth.
- Plans are underway for coal gasification, liquefaction capacity, and mandatory blending of compressed biogas, emphasizing the government's commitment to green energy initiatives.

Tourism and Investment Promotion:

- States are being encouraged to comprehensively develop iconic tourist centres, with a focus on branding and marketing at a global scale.
- A framework for rating tourist centres based on quality of facilities and services is being established to promote tourism.

- Long-term interest-free loans will be provided to States for tourism development, incentivizing investment in the tourism sector.

➢ **Tax Reforms and Service Enhancements:**

- The government has decided to retain the same tax rates for both direct and indirect taxes, providing stability and predictability to taxpayers.
- Direct tax collection has tripled over the last decade, reflecting improvements in tax administration and compliance.
- Tax liability has been reduced for certain income brackets, and customs reforms have led to reduced import release times, facilitating trade and economic growth.

➢ **Economic Progress and Governance:**

- Reflecting on the progress made since 2014, the government acknowledges significant strides in economic growth, governance, and reforms.
- The government is committed to laying a White Paper on the nation's economic journey, providing transparency and accountability in governance.

MQ-9B Unmanned Aerial Vehicles

Context: *The U.S. Congress notified regarding the potential sale of 31 MQ-9B high altitude long endurance armed Unmanned Aerial Vehicles (UAVs) to India.*

➢ **Potential Sale of MQ-9B UAVs to India:**

- The U.S. Congress was formally notified on February 1 of a potential sale of 31 MQ-9B high altitude long endurance armed Unmanned Aerial Vehicles (UAVs) to India.
- Concerns over the Pannun episode and India's "high-level" enquiry into the incident reportedly led to a hold on the deal by the U.S. Congress.
- The Defence Security Cooperation Agency (DSCA) issued a release confirming the State Department's approval of the possible Foreign Military Sale, estimated at $3.99 billion.
- Congress has 30 days to review the proposed sale before India and the United States may conclude the sale with a Letter of Offer and Acceptance (LoA).

➢ **Details of the Proposed Sale:**

- The proposed sale includes 170 AGM-114R Hellfire missiles, 16 M36E9 Hellfire captive air training missiles, 310 GBU-39B/B laser Small Diameter Bombs (SDB), and 08 GBU-39B/B LSDB guided test vehicles with live fuzes, among other related equipment.
- The deal aims to strengthen the U.S.-Indian strategic relationship and enhance the security of India, a major defence partner in the Indo-Pacific and South Asia region.

➢ **Offset Agreement and General Atomics' Role:**

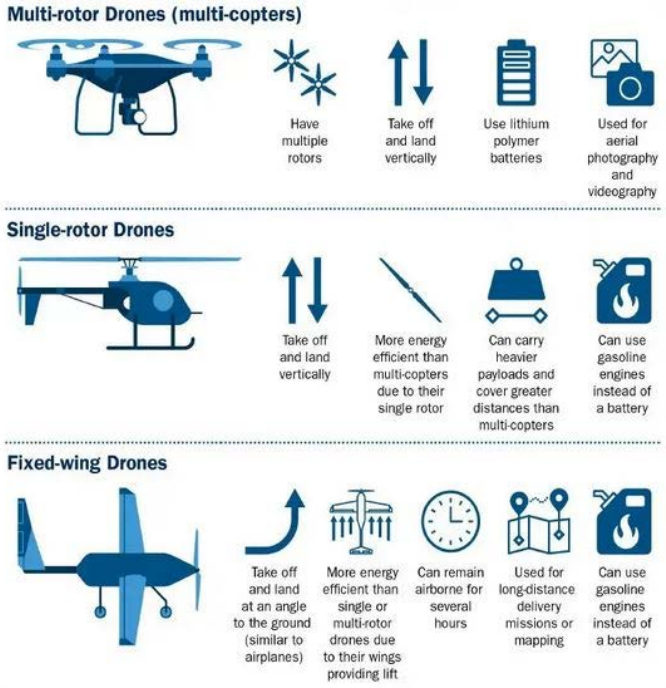
- India typically requests offsets in such deals, and any offset agreement will be defined in negotiations between India and General Atomics.
- General Atomics is scheduled to establish a Global Maintenance, Repair, and Overhaul (MRO) facility in India as part of the deal, which would count towards offset obligations.

➢ **Procurement Process and Timeline:**

- The Defence Acquisition Council (DAC) approved the procurement of 31 MQ-9B UAVs from General Atomics on June 15, 2023.
- The Letter of Request was issued to the U.S. Government just ahead of talks between Prime Minister Narendra Modi and US President Joe Biden at the G20 summit.
- Defence officials anticipate concluding the deal this year, with deliveries beginning three years from the signing of the contract.

➢ **Enhanced Capabilities and Collaboration:**

- The MQ-9B UAVs will significantly enhance the Intelligence, Surveillance, and Reconnaissance (ISR) capabilities of the Indian armed forces.
- Collaboration with the US-origin P-8I long-range maritime patrol aircraft will strengthen the Indian Navy's surveillance over the Indian Ocean Region.



NEWS IN BETWEEN THE LINES

Amrit Udyan

Udyan Utsav-I 2024 at Amrit Udyan at Rashtrapati Bhavan will be open for the public from February 2 to March 31.

About Amrit Udyan:

- The **Mughal Gardens** at the Rashtrapati Bhavan (President's House) in Delhi were **renamed Amrit Udyan on January 28, 2023** to celebrate 75 years of India's Independence.
- The gardens **cover 15 acres** and feature both Mughal and English landscaping styles.
- The designs for the gardens were finalized in **1917 by Edwin Lutyens and William Mustoe**, Director of Horticulture. However, planting didn't begin until **1928-1929.**
- The garden's design was inspired by the **Taj Mahal in Agra**, Humayun's Tomb in Delhi and **Nishat Bagh in Kashmir** and **miniature paintings of India and Persia**.

Surajkund International Crafts Mela

The President of India (Smt. Droupadi Murmu) will visit Surajkund (Haryana) today to inaugurate the 37th Surajkund International Crafts Mela 2024.

About Surajkund International Crafts Mela:

- The name "**Surajkund" translates to 'Lake of the Sun'**, embodying its spiritual and symbolic significance.
- It is an **ancient reservoir** and said to have been **built by the king Surajpal of Tomar dynasty in the 10th century.**
- **Gujarat is the theme state**, which is showcasing its unique culture and rich heritage through various art forms and handicrafts from the region.
- Around **50 countries will participate** in the Mela including Ethiopia, Ghana, Kenya, Namibia, Nigeria, Uganda, Zimbabwe, Mauritius, Myanmar, Nepal, Russia, Sri Lanka, among others.
- It is considered **one of the world's largest craft fairs** and has been organized since 1987.
- The fair is **organized jointly by the Union Ministries of Tourism and Textiles**, along with the Cultural Ministry, in collaboration with the Surajkund Mela Authority and Haryana Tourism Department.

Antyodya Anna Yojana

Recently, the Union Cabinet has approved extension of sugar subsidy scheme for Antyodya Anna Yojana families distributed through Public Distribution Scheme (PDS) for two more years till March 2026.

About Antyodya Anna Yojana:

- The Antyodya Anna Yojana (AAY) is a **public distribution system scheme** that **provides food security** and aims to end hunger in India.
- The scheme was **launched by the Central government** on **December 25, 2000**, and **first implemented in Rajasthan**.
- In September 2013, The Parliament enacted the **National Food Security Act, 2013.**

Public Distribution System:

- The Public Distribution System (PDS) is a food security system in India that provides subsidized food and non-food items to the poor.
- The **Ministry of Consumer Affairs, Food and Public Distribution established the PDS.**
- It **allows the poor to buy food from government-regulated ration shops** and distributes major **commodities like wheat, rice, sugar and kerosene**.
- **The Food Corporation of India** (FCI) supplies food to the ration shops.
- Beneficiaries are divided into two categories: households **below the poverty line** and households **above the poverty line**.

National Research Foundation

Recently, the scientists have expressed disappointment over the silence regarding the National Research Foundation in the Union Budget 2024-25.

About National Research Foundation:

- The National Research Foundation (NRF) **is a proposed body** in India.
- First proposed under the **National Education Policy (NEP) in 2020**, the NRF aims to centralise scientific research funding in the country.
- It would replace the currently established governmental funding agencies such as the **Department of Science and Technology**, **Department of Atomic Energy**, **Department of Biotechnology**, **Indian Council of Agriculture Research**, **Indian Council of Medical Research** and the **University Grants Commission**.
- It will be **presided by the Prime Minister** and has **10 directorates** that will focus on different areas of science, arts, humanities, innovation and entrepreneurship.
- The Prime Minister will serve as the **Ex-Officio President**, and the Minister of Science and Technology and the Minister of Education will serve as **Ex-Officio Vice Presidents.**
- It will **focus on creating a policy framework and regulatory processes** that encourage collaboration and increased spending by industry on R&D.

Place in News

Bhutan

In line with India's 'Neighbourhood First' policy, the largest share of aid portfolio for 2024-25 went to Bhutan with an allocation of Rs 2,068 crore as against Rs 2,400 crore in 2023-24.

Bhutan (Capital: Thimphu)

Location: Bhutan is a **landlocked country** of south-central Asia, located on the eastern ridges of the Himalayas.

Boundaries: Bhutan shares its border with **India** (South, East and West) and **China** (North).

Physical Features:

- **Mount Jomolhari and Gangkhar** Puensum are prominent peaks in Bhutan.
- Lush valleys carved by rivers like the **Paro and Punakha Valleys** in Bhutan.
- Rivers like the **Drangme Chhu**, **Sankosh** and **Manas** River flow through Bhutan.

POINTS TO PONDER

- What did NASA (National Aeronautics and Space Administration) recently unlock from asteroid Bennu? **- A canister of dust**
- What is a "vote-on-account" under Article 116 of the Indian Constitution? **- An upfront allocation of grant from the Consolidated Fund of India**
- Which telescope is on board the Russian-German "Spectrum-Roentgen-Gamma" (SRG) observatory? **- eROSITA**
- The One Stop Centre scheme is formulated under which ministry of the Indian government? **- Ministry of Women and Child Development**
- To which Hindu deity is the Martand Sun Temple dedicated? **- Sun God (Surya)**