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**ETHANOL**

**The growth of ethanol sector has been tremendous which has set a sort of example for the world, said Shri Piyush Goyal, Union Minister for Consumer Affairs, Food and Public Distribution, Textiles and Commerce and Industry while addressing one day seminar on ‘National Seminar on Maize to Ethanol’ organized by Department of Food and Public Distribution here recently.**



**About Ethanol:**

* Ethanol is an agricultural by-product which is mainly obtained from the processing of sugar from sugarcane, but also from other sources such as rice husk or maize.
* Since ethanol is produced from plants that harness the power of the sun, it is also considered as renewable fuel.
* In India, ethanol is mainly produced from sugarcane molasses by fermentation process.
* Ethanol blending is the process of combining ethanol and petrol to use less fossil fuel while driving a vehicle.
* To supplement ethanol supplies, the Government of India has permitted the procurement of ethanol produced from sources other than molasses, which is known as first generation ethanol or 1G.
* Aside from molasses, ethanol can be derived from rice straw, wheat straw, maize cobs, corn stover, bagasse, bamboo and woody biomass, which are known as second generation ethanol sources or 2G.

**Ethanol Blended Petrol (EBP) Programme:**

* The EBP programme was launched by the Ministry of Petroleum and Natural Gas in 2003, to promote the use of alternative and environment friendly fuels.
* Under this programme, starting with 5% blending, the government later increased the target of 10% ethanol blending by 2022.
* India's goal is to grow this ratio to 20% by 2030, but when the NITI Aayog released the ethanol roadmap in 2021, that deadline was advanced to 2025.

**YOGA MAHOTSAV**

**Commemorating 50 days to the International Day of Yoga, the Yoga Mahotsav witnessed massive participation by yoga enthusiasts perform along with dignitaries creating an electrifying atmosphere.**



**About:**

* The Yoga Mahotsav was a celebration to commemorate 50 days to upcoming International Day of Yoga, 2023.
* The participants performed Common Yoga Protocol (CYP) in complete rhythm and harmony with a mesmerising outcome.
* The Ministry of Ayush, is organising the “Yoga Mahotsav”.

**International Day of Yoga:**

* The United Nations declared June 21 as the International Day of Yoga in 2014 after PM Modi called for the day to be adopted as a global celebration of yoga.
* The date of 21 June was suggested as it is the longest day of the year in the Northern Hemisphere and shares a special significance in many parts of the world.
* The first International Yoga Day celebration was organised at Rajpath in New Delhi on June 21, 2015.
* The World Health Organization (WHO) mentions yoga as a means to improve health in its Global Action Plan on Physical Activity 2018–2030: More active people for a healthier world.

**DE-DOLLARISATION**

**Why in news?**

* In April 2023, while facing criminal charges, former US President Donald Trump had warned that US Dollar is crashing and will soon no longer be the world standard.
* His warning came amid rising interest in countries to go towards de-dollarisation.

**What is De-dollarisation?**

* De-dollarisation refers to the process wherein countries tend to reduce their reliance on the US dollar as a reserve currency, medium of exchange, and also a unit of account.
	+ **Reserve currency** is the foreign currency held by central banks to facilitate international transactions, stabilise exchange rates and bolster financial confidence.
* The attempts to dethrone the dollar as the global reserve currency have picked up pace in the aftermath of Russia’s invasion of Ukraine last year.

**What gives the US dollar the power in international trade?**

* **Historical factors**
	+ The US dollar began replacing pound sterling as international reserve currency in the 1920s since the country emerged from the First World War unscathed.
	+ Since the US emerged stronger after the Second World War, the 1944 agreement established a **post-war international monetary system** that allowed the US dollar to become the world's primary reserve currency globally.
* **Reserve Currency Status**
	+ The central banks around the world hold US dollars as a reserve to support their own currencies and to conduct international transactions.
	+ This gives the US dollar a strong global demand, making it a widely accepted currency in international trade.
* **Stability and Liquidity**:
	+ The US dollar is considered a stable and liquid currency.
* **Size of the US economy**:
	+ The US economy is the largest in the world, with a GDP of over $22 trillion.
	+ This means that the US dollar is widely used in international transactions and trade due to the large volume of US goods and services that are traded.
* **Network Effects:**
	+ The US dollar has a strong network effect, as it is widely used in global financial markets, and is the default currency for many commodity prices, such as oil.
	+ This makes it convenient for businesses and individuals to use the US dollar in international transactions, creating a self-reinforcing cycle.

**Why was the call for de-dollarisation renewed?**

* **Geo-political events and search for alternatives**
	+ Iran and Russia (for invading Ukraine) were disconnected from the international dollar-trading systems like SWIFT.
	+ The U.S. imposed several sanctions that restricted the use of the U.S. dollar to purchase oil and other goods from Russia.
	+ This has been seen by many countries as an **attempt to weaponize the dollar**.
* **Overreliance on the US dollar**
	+ As the world becomes more and more interconnected, the need for a stable and equitable financial system became paramount.
	+ Hence, the overreliance on the US dollar as a reserve currency has to some extent led to vulnerabilities and imbalances in the global economy.
* **Growing economic power of emerging market**
	+ The growing economic power of emerging markets and their desire for a more diversified and resilient financial architecture has renewed the call for de-dollarisation.

**Global Efforts Towards De-dollarisation**

* **Countries all over the world**
	+ China, Russia and Brazil have been among the expanding list of nations that have embarked upon the path of de-dollarisation.
	+ In January 2023, **Iran and Russia** announced that they will jointly issue a new cryptocurrency backed by gold, to serve as a payment method in foreign trade.
	+ In March 2023, **China and Brazil** reached an agreement to settle trades in each other's currencies.
	+ Similarly, **Argentina** said it will pay for Chinese imports in yuan instead of US dollars in order to preserve its dwindling foreign reserves.
* **India moves away from the dollar**
	+ India has also started making efforts to reduce its dependence on the dollar.
	+ It started moving towards paying in rupees for oil imports from Russia.
	+ In July 2022, the RBI through a circular allowed international payment settlements for imports and exports to be made in rupees.
	+ Due to the efforts of the Government of India, so far **banks of 19 countries**including the UK, New Zealand, Germany, Malaysia, Israel, Russia and the United Arab Emirates have been permitted to make settlements in rupees.

**Challenges Towards De-dollarisation**

* **Potential impact on global financial stability**
* **Creating a viable alternative to the US dollar**

**RISING WEATHER UNCERTAINTIES IN INDIA**

**Why in News?**

* The first two days of **May have been abnormally rainy almost in entire India**, with some areas in Maharashtra, Gujarat, UP and MP getting as much as 10 to 15 times the expected rainfall.
* According to the India Meteorological Department (IMD), this exceptional spell of rainfall was the result of**a number of relatively local weather phenomena over different parts of the country** coming together at the same time.

**Rainfall in May and Future Projections:**

* **Except**the northeastern states, Jharkhand, and West Bengal, the entire country has received plenty of rain.
* The unusual rainfall is **a reminder of the increasing uncertainties** in weather patterns becoming evident not just in India but across the world.
* Despite the recent showers, this year is **widely expected to be hotter and drier**.
* Though the IMD has forecast a normal monsoon, with the forecasts of **the development of El Nino** monsoon rainfall over India is likely to be suppressed.

 **What are the Global Trends?**

* Globally, the **month of March this year was the second warmest March** ever since the beginning of records in the mid-1800s.
* According to an analysis, the year **2023**was shaping up to become **one of the top four warmest years on record**, and the rapid development of the El Nino event has an overall warming impact on the planet.

 **How much is India Warming up?**

* The increase in temperatures is being experienced in India too, **though at a slightly lower level than the global average.**
* **For example,** the year 2022 was **1.15 degree Celsius warmer**than pre-industrial times and was the fifth or sixth warmest year on record.
* **The warming over the seas around India has been much higher**. Sea surface temperatures in the tropical Indian Ocean have risen by almost **1 degree Celsius between 1950 and 2015.**
* By the end of the century, the warming over India is likely to be in the range of **2.4 to 4.4 degree Celsius** from the current levels in different emission scenarios.

**GO FIRST FILES FOR VOLUNTARY INSOLVENCY PROCEEDINGS WITH NCLT**

**Why in news?**

* Air Carrier Go First Airways filed for insolvency resolution proceedings in the National Company Law Tribunal. It has also suspended its flights for the next two days.

**National Company Law Tribunal**

* **About**
	+ NCLT is a quasi-judicial authority incorporated for dealing with corporate disputes that are of civil nature arising under the Companies Act.
	+ The primary function of the NCLT is to adjudicate on matters related to corporate law, including disputes between companies and their stakeholders, as well as insolvency and bankruptcy cases.
* **Functions**
	+ Disposal of all proceedings **under the Companies Act** such as arbitration, arrangements, compromise, reconstruction, and winding up of the company;
	+ Adjudicating Authority for insolvency proceedings **under the Insolvency and Bankruptcy Code, 2016**;
	+ Possess the authority to dispose of cases pending before the **Board for Industrial and Financial Reconstruction (BIFR)**, as well as, those pending under the **Sick Industrial Companies (Special Provisions) Act**, 1985.
	+ Can take cases pending before the **Appellate Authority for Industrial and Financial Reconstruction**

**What is voluntary insolvency?**

* In simple words, voluntary insolvency means that the company has accepted its business is insolvent.
* It is a process in which the company says it cannot pay debts and needs help from someone to sort it out.
	+ When the company goes insolvent, it can proceed to voluntary liquidation.
* This process refers to the dissolution of a company with approval from shareholders and creditors of the company.
* It is a time-bound process which needs to be completed in 270 days from the date of commencement of Voluntary Liquidation.

**Why Air Carrier Go First Airways took this drastic step?**

* **Unavailability of aircraft**
	+ The airline has been facing headwinds with the unavailability of aircraft for many quarters.
	+ All its A320neo aircraft are powered by Pratt & Whitney and the engine manufacturer has had issues supplying replacement engines.
	+ This resulted in the airline being forced to ground 25 aircraft.
		- This is approximately 50 per cent of its Airbus A320neo aircraft fleet as of 1 May 2023.
* **Financial woes**
	+ Go First said has lost revenue worth ₹10,800 crore due to the grounding of close to 50 per cent of its A320neo fleet.
	+ The airline has also sought compensation worth ₹8,000 crore in the Singapore International Arbitration Centre (SIAC).
		- SIAC is a leading institution for the resolution of commercial disputes through arbitration.
		- It was established in 1991 as an independent, not-for-profit organization by the Singapore Ministry of Law.
		- It aims to provide a neutral and efficient forum for the resolution of commercial disputes.
	+ In case the arbitration is successful, the company will be able to address the liabilities of its creditors, small and large.

**ROADMAP TO ENERGY JUSTICE**

**Context**

* Between 2020-2040, **India will account for approximately 25% of global energy demand growth.**
* Therefore, India must ensure energy access, availability, and affordability for its large population.

**How has India managed to stabilise energy prices?**

* **Massive cuts in excise duty and VAT rates**were announced twice by the centre and many states as well.
* **Oil PSUs absorbed huge losses**to ensure that the massive hikes in the prices of crude oil and natural gas in the international market were not passed on to Indian consumers.
* **Subsidised administered pricing mechanism (APM) gas**for the city gas distribution sector was drastically increased even at the cost of cutting down the captive use of domestic gas by PSUs.
* **Export cess on petrol, diesel and ATF**and windfall tax on domestically produced petroleum products helped to prevent refiners and producers from profiteering at the cost of domestic consumers.
* **Expansion of the network of crude suppliers**from 27 nations to 39 nations has been a significant step amidst global turmoil in the energy sector.
	+ Energy trade with the **US** has gone up 13 times in the last four years and at the same time India has **balanced relations with Russia** to ensure a reliable supply of crude oil.
* **By expanding petrochemical production:**India is a global exporter of petroleum products and its refining capacity is the **fourth** largest in the world after the US, China, and Russia.
	+ **The refining capacity expansion was also one of the major factors in ensuring fuel price stability** during the international oil price volatility seen last year.
	+ India’s effort is to **enhance this capacity to 450 MMT by 2040.**

**India’s roadmap to ensure energy justice**

* **Traditional fuels exploration reforms:**By 2025, India wants to boost its net geographic area under exploration from 8 per cent (0.25 million sq km) to 15 per cent (0.5 million sq km) and has reduced the prohibited/no-go areas in our Exclusive Economic Zone (EEZ) by 99 per cent.
* **Reforms in the direction of energy transition:**India remains steadfast in climate change commitments; becoming net-zero in emissions by 2070 and cutting down emissions by one billion tonnes by the end of 2030.
* **Moving towards a gas-based economy:**By increasing the share of gas from the current 6.3 per cent to 15 per cent by 2030.
	+ India has connected more than 9.5 crore families with clean cooking fuel in the past nine years.
	+ PNG connections have increased from 22.28 lakh in 2014 to over 1 crore in 2023.
	+ The number of CNG stations in India has gone up from 938 in 2014 to 4,900 in 2023.
	+ Since 2014, India has increased the length of its gas pipeline network from 14,700 kms to 22,000 kms in 2023.
	+ **Recently revised gas price guidelines** are intended **to ensure stable pricing regime for domestic gas consumers**while at the same time **providing adequate protection to producers** from adverse market fluctuation with incentives for enhancing production.
* **Biofuel revolution:**By launching E20 - 20 per cent ethanol blended gasoline **will be rolled out in 15 cities and will expand across the country in the next two years.**
	+ India’s ethanol-blending gasoline has **grown from just 1.53 per cent in 2013-14 to 10.17 per cent in 2023.**
	+ India is **also setting up five second-generation ethanol plants**, which can convert agricultural waste into biofuel, further reducing pollution due to stubble burning and generating income for farmers.
* **The National Green Hydrogen Mission:**It has been launched with a budget of Rs 19,744 crore to **develop the entire green hydrogen ecosystem in the country.**
	+ It aims accelerate India’s efforts towards 4 MT of annual green hydrogen production which will lead to **import savings worth of Rs 1 lakh crore of cumulative fossil fuel by 2030.**
* **Transitioning India’s future mobility pathways**: Along with green hydrogen and biofuels, India is **also supporting electric vehicles** through a production-linked incentive scheme to **make advanced chemistry cells of 50 GW hours**.
	+ The govt has announced **viability gap funding and customs duty exemptions**for the sector.
	+ India is targeting **the installation of alternative fuel stations (EV charging/CNG/ LPG/LNG/CBG etc.) at 22,000 retail outlets by May 2024.**

**Conclusion**

* A pragmatic and balanced strategy has helped India to keep prices of petrol, diesel and gas under check.
* As India grows to become a $26 trillion economy by 2047, we are implementing a unique strategy for ensuring energy security and achieving energy independence.