

**DAILY
CURRENT
AFFAIRS
ANALYSIS**



LAKSHYA ACADEMY®

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1 – About Incremental-Cash Reserve Ratio (I-CRR):

GS III

Indian Economy

- **Context:**

- The incremental cash reserve ratio (I-CRR) would be phased out, the Reserve Bank of India (RBI) stated.

- **Key information:**

- The RBI recently launched the I-CRR to absorb the excess liquidity caused by a number of factors, including the reintroduction of Rs 2,000 notes into the banking sector.
- I-CRR was described by the regulator as a transient measure.

- **Required I-CRR:**

- In order to temporarily remove surplus liquidity from the banking sector, the RBI launched I-CRR.

- **The following factors caused the system's amount of surplus liquidity to soar:**

- the banking system receiving Rs 2,000 bills back,
- transmission of the RBI's excess to the government,
- government spending and capital inflows are picking up.

- **Consequences of too much liquidity:**

- Both price stability and financial stability may be at risk from excessive liquidity.
- Therefore, to ensure that extra steps are taken as and when necessary to imprison the element of excess liquidity, effective liquidity management necessitates continual examination of the degree of surplus liquidity.

- **I-CRR's effects on liquidity circumstances:**

- Following the RBI's I-CRR rule, the liquidity of the banking sector had its first deficit during the current fiscal year.
- The goods and services tax (GST) outflows and the central bank's selling of dollars to stop the rupee's decline all contributed to the tight liquidity situation.
- **Regarding the Cash Reserve Ration:**
 - The minimum percentage of total deposits that banks must keep in cash reserves at the Reserve Bank of India is known as the Cash Reserve Ratio (CRR).
 - It is a crucial instrument for preserving the stability of the banking system.
 - This sum is not available for use by banks in lending or investment activities.
 - The CRR is 4.5% at the moment.
- *Source → The Hindu*

2 – Details of Asian Games:

GS II

International Issues

- **Context:**
 - The first group of Indian athletes departed for Hangzhou, China, in preparation for the 2017 Asian Games.
- **The Asian Games:**
 - The Asian Games are a multi-sport competition.
 - It only occurs once every four years.
 - All Asian athletes are encouraged to take part in this competition.
 - The Asian Games are the second-largest multisport event after the Olympics and are recognised by the International Olympic Committee.
- **Development of the Asian Games:**
 - The Far Eastern Championship Games were held prior to the Asian Games.
 - A member of the Indian International Olympic Committee named Guru Dutt Sondhi introduced the idea of the Asian Games as an athletic event where all Asian nations might be represented after the Second World War, when many Asian countries won independence.
 - In 1951, the inaugural Asian Games were held in New Delhi.

- **Governing the Asian Games:**

- From 1951 to 1978, the Asian Games Federation oversaw the regulation of the Asian Games.
- Since 1982, the Asian Games have been governed by the Olympic Council of Asia.

- **Other qualities:**

- The rising sun and interlocking rings are the Asian Games' emblem.
- The Asian Games have so far been held in nine different countries, and 46 different countries have taken part.
- Since 1974, Israel has not competed in an Asian Games.

- **India and Asian sports:**

- India hosted the first Asian Games and is a founding member of the organisation.
- In 1982, New Delhi also hosted the Asian Games.
- One of the seven nations, India, has taken part in every Asian Games competition.
- India and Japan are the only nations to have at least one gold medal from every Asian Games.
- With the exception of the Asian Games in 1990, India has consistently finished in the top 10 in the medal count.

- *Source → The Hindu*

3 - Exercise Varuna 2023:

GS II

International Issues

- **Context:**

- In the Arabian Sea, the Indian and French navies conducted Phase I of the 21st Varuna (Varuna-23) bilateral exercise.

- **Key information:**

- Off the western coast of India, "Varuna-2023"'s first phase was conducted.
- A bilateral naval exercise between the Indian and French navies was started in 1993.
- The exercise was renamed "Varuna" in 2001 and has since come to symbolise the strong strategic bilateral cooperation between France and India.

- In order to promote mutual collaboration for maritime order, the exercise also enables operational level engagement between the two Navies.
- *Source* → *The Hindu*

4 – About Climate change has transformed pearl millet cultivation zones in India:

GS II

International Issues

- **Context:**
- According to a study, between 1998 and 2017, 18 districts in eastern Rajasthan and Haryana became the primary producing regions for bajra, or pearl millet, in India.
- **Key information:**
- The All India Coordinated Research Project on Pearl Millet (ICAR-AICRP) and the International Crops Research Institute for the Semi-arid Tropics (ICRISAT) were responsible for conducting the study.
- This development is the result of an increase in rainfall brought on by human-induced climate change.
- **Zones of pearl millet classification:**
- In India, soil types and rainfall patterns are used to categorise the areas used for pearl millet farming.
- The semi-arid regions of north and central India, including southern Rajasthan, Haryana, Gujarat, and Uttar Pradesh, which receive more than 400 mm of rainfall each year, form Zone 'A'. Semi-arid regions with heavy soils in southern India and central western India with more than 400 mm of rainfall form Zone B. The arid regions of Rajasthan, which receive less than 400 millimetres (mm) of rainfall, are classified as Zone 'A1'.
- **'A' was divided into three subzones by the study:**
- Gujarat is in Zone 'G'.
- Eastern Rajasthan and Haryana are included in Zone AE1.

- Twelve districts in Uttar Pradesh and Madhya Pradesh are included in Zone "AE2."
- **The millet zone's change:**
- Due to an increase in rainfall, "AE1," which now accounts for 39% of India's total production of pearl millet, witnessed a production rise of 46 kg per hectare, or 1,694 kg per hectare.
- The zone's production of pearl millet increased as a result of technological investments in irrigation, fertilisation, and new varieties that favoured enhanced cultivation techniques.
- Between 1998 and 2017, 'AE2' experienced an increase in bajra production of 1,860 kg per hectare on average.
- The average annual precipitation of 504 mm was increased by 7 mm, which was linked to the output growth. AE2 is distinguished by the lowest price of pearl millet, which is around 20% less than in A1.
- Rainfall is increasing in Gujarat's Zone "G," which includes seven districts, as a result of climate change.
- Farmers have changed their farming practises as a result, moving away from pearl millet and towards cash crops.
- Due to an increase in rainfall and irrigation surface of 2.2% annually, farmers now favour cotton or castor bean.
- *Source → The Hindu*

5 - World Intellectual Property Organization working towards treaty on traditional knowledge:

GS II

International Issues

- **Context:**
- A new treaty covering intellectual property and genetic resources, traditional knowledge, and folklore is being discussed by member nations of the World Intellectual Property Organisation (WIPO).
- **Key information :**
- The language of this legal document was finalised at a meeting of the Intergovernmental Committee in Geneva.
- If adopted, this new treaty might provide advantages to indigenous groups that possess genetic resources that are protected and are experts in their usage.

- Although the Convention on Biological Diversity (CBD) governs these, benefits have so far been few.
- By virtue of the agreement, patent applicants would have to declare or otherwise reveal their use of genetic resources and any related traditional knowledge.
- **The new treaty's two main objectives are:**
 - to improve the patent system's effectiveness, transparency, and standards with relation to genetic resources and related traditional knowledge;
 - preventing the granting of patents for unoriginal or unimaginative inventions.
- **Challenges:**
 - The draught text ignores the issue of patent-based biopiracy of genetic resources and related traditional knowledge.
 - Any clause that is already covered by another international agreement is expressly excluded from this treaty's base text. These consist of:
 - Benefit-sharing and misappropriation are already addressed in the Pandemic Influenza Preparedness Framework, the Nagoya Protocol on Access to Genetic Resources (GR), the Fair and Equitable Sharing of Benefits arising from their Utilisation, the International Treaty on Plant Genetic Resources for Food and Agriculture, and the Convention on Biological Diversity.
 - The suggested international instrument has a relatively limited scope that excludes digital sequence information.
 - As a result, DSI-based patent disclosure requirements won't be required, which will seriously undermine the instrument's usefulness.
- **India's suggestions for changes:**
 - The proposal offers a definition of conventional knowledge related to genetic resources among the various modifications that are recommended.
 - There is still no complete definition available for this.
 - India also requests that researchers disclose the precise source of the GR rather than just mentioning the country of origin, as the draught treaty mandates.
 - Generally speaking, nations like the United States, Japan, and South Korea are against any kind of forced disclosure obligation.
 - These organisations are also opposed to harsh penalties for non-compliance against patent owners.
 - Due to a lack of agreement, neither India's recommendations nor those from other nations were included in the text.
- **Regarding WIPO:**

- A specialised UN agency is the World Intellectual Property Organisation (WIPO).
- In accordance with the 1967 Convention Establishing the World Intellectual Property Organisation, WIPO was established to promote and defend intellectual property (IP) around the world by working with national governments and international organisations.
- **The activities of WIPO include:**
 - hosting forums where worldwide IP rules and practises are discussed and shaped,
 - providing international services for the registration and protection of IP in many countries,
 - settling international IP conflicts,
 - facilitating the connection of IP systems using standardised infrastructure and standards, and
 - providing a comprehensive database for all IP-related references.
 - 26 international treaties governing a wide range of intellectual property concerns are managed by WIPO.
 - The General Assembly and the Coordination Committee, which jointly develop policy and act as the primary decision-making authorities, are in charge of governing it.
 - Geneva, Switzerland, is the location.
 - WIPO does not rely largely on assessed or voluntary payments from member nations, unlike the majority of UN organisations.
 - Fees for its international services account for 95% of company budget.
- **Members:**
 - The Cook Islands, Holy See, and Niue are among the 193 current members of WIPO, which also includes 190 UN member nations;
 - Palestine is an unremitting observer.
 - The Federated States of Micronesia, Palau, and South Sudan are the only non-members among the nations that the UN has recognised.
- **Source → The Hindu**