

**DAILY
CURRENT
AFFAIRS
ANALYSIS**



LAKSHYA ACADEMY®

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1 – Problems associated with Indian Railways:

GS II

Government Policies and Interventions

- **Important information:**

- With 62,658 miles of railway, India has the fifth largest railway network in the world.
- India, China, Russia, and the United States all became members of the billion-ton club in 2013 after loading 1010 million tonnes of goods.
- Because of how inadequate the railway infrastructure is, highways nevertheless account for the majority of all goods movement in the nation.
- The oldest rail system in Asia is found on the government-run Indian Railways.
- Years of underfunding the nation result in badly maintained railroads that are not only unsafe but also inefficient.

- **Issues pertaining to Indian Railways:**

- **The spiral of mounting debt:**

- The IR has been boosting the money earned through Extra Budgetary Resources (EBS) and Gross Budgetary Support (GBS) because it still has no surplus.
- The amount that the IR will spend on principal and interest repayment is estimated to be ₹22,229 crore and ₹23,782 crore, respectively. Taken as a whole, this represents 17% of revenue receipts.
- The increase from less than 10% to 2015–16 is substantial.

- **Losses in the category of passengers:**

- While the passenger section of the IR incurs significant losses, the freight segment is lucrative.
- According to the report submitted to Parliament on August 8, 2023 by the Comptroller and Auditor General of India (CAG), there was a ₹68,269 crore loss in all passenger service classes in 2021–2022.
- The entire freight traffic profit was offset by cross-subsidizing passenger services.
- While the economy grows at a rate of 7%, the yearly growth in freight volume and revenue of the IR for the April–July 2023 period stands at 1% and 3%, respectively.

- **Variable Net Tonne Kilometres:**

- The continuously fluctuating Net Tonne Kilometres (NTKM) key index, which dropped by 4% and 5% over the previous two years in 2015–16 and 2016–17, is another factor compounding the IR's problems.
- For the first time in two years in a row, such a decline has occurred.
- NTKM expanded yearly at a pace of 3.5% in the seven years ending in 2021–2022, which was significantly slower than the growth rate of road transport.

- **Previous Track:**

- The tracks of Indian railways are very old and out of date, which is their main issue.
- Numerous serious railway accidents are caused by these outdated rails.
- There are now speed limits as a result of this.

- **Journey without a ticket:**

- In India, a significant issue that many travellers encounter is the lack of ticket purchase.
- Every year, Indian Railways incur additional losses of approximately Rs. 5 crore due to passengers travelling without tickets.

- **Railroad Attack:**

- When unrest and violence break out across the nation, the railroads are targeted for attacks.
- For example, there was a significant loss of railways in West Bengal, Telengana, Assam, and other regions.

- **Inadequate Modern Management:**

- Railway was unable to draw in the right expertise and sufficient incentives, therefore it lacks modern management.
- Furthermore, it was unable to perform an economic analysis for the perspective planning tariff.

- **Antiquated Technologies:**

- The rolling stock is completely antiquated.
- The system is overburdened with labour, and the advancement of labour has not kept up with the advancement of technology.
- Because of this, railways are unable to meet the growing demand for transport and increase and improve traffic volumes and flows at reduced operating costs per unit.

- **Issue with Replacing:**

- In India, the issue of replacing antiquated railway locomotives, waggons, and other equipment has become a major concern.

- **Rivalry with Vehicle Transportation:**

- There is increasing competition from road transportation for both passenger and freight transportation.
- The railways' ability to make money has been reduced by the absence of cooperation between road transport and trains.
- Further traffic delays and passenger annoyance have resulted from this.

- **Several possible fixes:**

- **Infrastructure investment:**

- Enhancing and updating the railway network's infrastructure—which includes tracks, bridges, and stations—can assist to boost security and cut down on delays.

- **Boosting the capacity**

- Reducing crowding and boosting efficiency can be achieved by expanding the fleet and modernising the current ones.

- **Increasing security**

- Accident rates can be lowered by putting safety measures in place such upgrading signalling systems, giving staff members greater training, and purchasing new machinery.

- **Increasing effectiveness**

- Enhancing scheduling and route planning, together with the introduction of new technology like digital ticketing systems, can assist to cut down on delays and boost productivity.

- **How to enhance the transportation of cargo:**

- **The shortcomings of containerization:**

- The anticipated boost to general cargo transportation provided by private container train operators (CTOs) through containerization was another major ambition for the IR.

- Nonetheless, domestic cargo transported in containers only makes only 1% of the IR's loading and 0.3% of all freight in the nation following 15 years of privatisation.
- One cause of this underperformance is the high transportation rates.
- The risk associated with growing the market, which would unavoidably result in losses over time, may potentially be the source of the issue.

- **Three categories are used to separate general cargo:**

- extremely sensitive to time (HTSG),
- time-sensitive medium (MTSG) and
- low sensitivity to time (LTSG).

- **Transporting HTSG using passenger trains:**

- The majority of the cargo carried by HTSG is valuable or perishable commodities, which should still be transported by passenger trains.
- The capacity to load parcels on popular trains may be doubled by adding two or three parcel vans. These vans can generate income that is approximately five times higher than that of sleeper coaches and two times higher than that of AC coaches.

- **Adaptability to carriers:**

- Due to their price sensitivity, MTSG and LTSG cargo ought to be transported at the cheaper IR freight rates compared to vehicle rates.
- Shippers still have a cost-benefit analysis to consider even after first and last leg fees are included.
- Individual waggon reservations should be allowed by shippers, provided that the train can still run on time even if it is not entirely filled.
- Shippers would definitely be drawn to the IR by the guarantee of prompt movement.
- Tariffs may also be modified to encourage volumetric loading by raising rates in slabs in proportion to the quantity loaded.

- **Motivating goods aggregators:**

- The IR must modify the current goods forwarder policy in order to support cargo aggregators.
- In the long run, new stock types that optimum pay load and speed will also be needed, and both the rolling stock industry and IR are fully competent of designing and producing these kinds of stocks.

- **The necessity of abandoning parcel trains:**

- **The IR currently uses a two-pronged approach to carry general freight; the packages are moved either way:**

- commuter trains or
 - trains with special heavy parcel vans (VPH).
 - These strategies, however, seem to have gone awry as the percentage of completed parcel trains and leased parcel vans that were loaded decreased by 8% and 15%, respectively.
 - The high tariff is one of the factors contributing to the parcel segment's downfall.
- Other elements are:**
- inappropriate terminals
 - Unreliable weighbridges made worse by disproportionate fines
 - inconsistent transit times,
 - intricate scheduling and delivery systems, as well as
 - environmental constraints that oneself imposed.
 - VPH parcel trains should be discontinued as they are not working well.
 - With 45% larger volume, a corresponding covered waggon (officially known as a Covered Bogie Waggon Type with Air Brake and Heavy Load, or BCNHL) can carry 700% more freight.
- Path ahead:**
- It is true that radical problems demand radical answers.
 - Committees of experts have even emphasised that the transporter should give up on the rail industry and concentrate just on running trains.
 - However, it does seem that the establishment of the IRMS has introduced larger and more novel issues, at the cost of dissolving the engineering services' institutional structure.
 - In the upcoming years, the transporter may be forced to take rolling stock or technology given by private parties at prices to be determined by those parties due to a lack of competent train engineers.
 - Such "a fait accompli" scenario can hardly be deemed good for Indian Railways.
- Source → The Hindu**

2 - How air pollution affects economic expansion:

GS III

Environmental Conservation related issues

- **Important information:**
- **RBI conclusions:**
 - Up to 4.5% of India's GDP may be in jeopardy by 2030, according to the Reserve Bank of India's Department of Economic and Policy Research (DEPR) in its most recent study on Currency & Finance 2022–2023
 - It will result from lost labour hours brought on by problems with climate change, such as intense heat and humidity.
 - The impact on economic productivity is even greater when one accounts for the impact of recurring annual cycles of pollution in important centres of manufacturing and services.
 - An approximate estimate of the percentage of GDP produced by outdoor work is that industries exposed to heat account for 50% of India's GDP, according to RBI data.
 - By contrast, the same sectors account for less than 25% of the GDP in Europe.
- **World Bank analysis:**
 - According to a June 2023 World Bank report, there is substantial evidence linking the well-researched micro-level effects of air pollution on labour supply, productivity, health, and other economically significant outcomes to macro-level consequences that are evident in variations in GDP from year to year.
- **2021 study on pollution's effects:**
 - The direct effects of air pollution in India on mortality and morbidity were examined in a 2021 study, which discovered significant interstate differences in economic loss as a percentage of state GDP, ranging from 0.67% to 2.15%.
- **The states with the lowest per-capita GDP were those with:**
 - Uttar Pradesh

- Bihar
 - Rajasthan
 - Maharashtra
 - Madhya Pradesh
- The aforementioned study from 2021 gathered anecdotal evidence from all around India.
 - Mumbai's Linking Road shopping sector saw a 5% decrease in foot traffic between November and January due to heavy pollution;
 - A rooftop solar company revealed that on days with significant pollution, the output of its solar panels decreased by 13%, making solar energy less economically viable in India; and
 - Workers at Whitefield Corporate Zone, Bengaluru's tech cluster, reported an 8–10% drop in productivity.
- **The study indicated that there were six different ways that low air quality could be costly:**
 - reduced productivity of labour
 - decreased customer traffic
 - reduced productivity of assets
 - higher costs for health care
 - losses to welfare
 - premature passing away.
 - According to a groundbreaking analysis, air pollution costs Indian firms over \$95 billion a year, or 3% of the country's GDP.
- **India's challenge is:**
 - Given that India is home to more than 20 of the 30 cities in the world with the worst air pollution, the issue of air pollution is urgently pressing there.
 - Delhi has the worst air quality in the world, with PM2.5 concentrations about ten times higher than the WHO recommended standard.
 - According to a paper, among the main Indian cities, Delhi has the biggest per-capita economic loss as a result of pollution.
 - Worldwide, the death toll from air pollution from burning fossil fuels like petrol, coal and oil is three times higher than that from traffic accidents.
 - The study estimates that the economic impact of air pollution is \$2.9 trillion, or around 3.3% of global GDP.
 - The tendency is concerning, particularly in emerging nations like India where the creation of jobs is still heavily reliant on outdoor-related economic activity.
 - The majority of employment opportunities in urban areas are generated by the delivery of services and security agency work, with agriculture and construction ranking among the largest employment sectors.

- **Effect on the service industry:**
- Productivity is negatively impacted by air pollution even in interior jobs like call centres.
- A study indicated that worker productivity, as shown by the number of calls handled, decreased by 0.35% for every ten units increase in the air pollution index (API).
- Pollution levels had no effect on the average length of individual conversations, but they did increase the amount of time employees spent on breaks.
- Both highly productive and less productive workers were negatively impacted by poor air quality.
- The study's conclusions are especially pertinent to India, since the services sector generates over 50% of the country's GDP.
- *Source → The Hindu*

3 - Supreme Court's Advocate-on-Record system:

GS II

Judiciary related issues

- **About the Advocate-on-Record (AoR):**
- An advocate with the right to both act and argue on behalf of a party at the Supreme Court is known as an advocate-on-record.
- According to the regulations, no advocate may file an appearance or represent a party in the Supreme Court of India if they are not an advocate on record.
- Unless directed by an advocate-on-record, no advocate other than an advocate on record may appear and plead in any cause.
- The Supreme Court will only hear cases from AoRs.
- Although an AoR may invite additional attorneys, such as senior counsel, to present arguments before the court, the AoR serves as the litigant's primary conduit to the nation's highest court.
- They are also able to appear before other courts.
- The rationale for this procedure is that, since the Supreme Court is the litigant's final chance to present their case, only a qualified attorney chosen by the court itself is qualified to represent a plaintiff.
- **Availability:**
- The 2013 Supreme Court Rules establish the requirements for eligibility for an AoR.

- An advocate must fulfil certain requirements in order to be entitled to take the exam, even though they must pass the test administered by the Court itself.
- Before taking the test, the advocate must complete at least a year of training with a court-approved AoR.
- She also needs to have practised for four years before to beginning the actual programme.
- In a three-hour exam, an advocate must receive at least 60%, or 240 out of 400 points, with at least 50% in each subject.

- **The topics cover:**

- Methods & Techniques
- composing
- Expertise in the Field
- Principal Cases.
- Within a 16-kilometer radius of the SC, an AoR is required to maintain an office in Delhi.
- She also needs to promise to hire a registered clerk within a month of becoming an AoR registered member.

- **Guidelines for the AoR system:**

- Any attorney registered with the Bar Council has the right to practise law before any court or tribunal in the nation, as per the Advocates Act.
- The Supreme Court has the authority to establish rules and manage its own case hearing process in accordance with Article 145 of the Constitution.
- The British practise of barristers and solicitors serves as a wide basis for the AoR system.

- *Source → The Hindu*

4 - India's World Food Supply in 2023:

GS II

International issues

- **Important information:**
- The major culinary event 'World culinary India 2023' held its inauguration of its second edition yesterday in New Delhi.
- In an effort to strengthen assistance for Self Help Groups (SHGs), the Prime Minister gave Seed Capital Assistance to more than one lakh SHG members during the inauguration.
- Presenting India as the "food basket of the world" and honouring 2023 as the International Year of Millets are the main goals of the celebration.
- Government agencies, business people in the field, farmers, entrepreneurs, and other interested parties will be able to network, build collaborations, and look into investment prospects in the agri-food sector.
- More than 80 countries are expected to participate in the event.
- A Reverse Buyer Seller Meet with more than 1200 international buyers from more than 80 countries will also be held.
- Japan will be the event's focal country, and the Netherlands will act as the partner nation.
- *Source → The Hindu*