



drishti

News Analysis (13 Jun, 2020)

 drishtiias.com/current-affairs-news-analysis-editorials/news-analysis/13-06-2020/print

Inclusion of Reservation Laws in Ninth Schedule

Why in News

Recently, a Union Minister emphasised the need to **include all reservation-related laws in the Ninth Schedule of Constitution** so that they are shielded from **judicial review**.

Key Points

- The minister argued that **reservation is not confined** just to Scheduled Castes (SCs) and Scheduled Tribes (STs) and is available to Other Backward Classes (OBCs) and poor sections of the upper castes as well and have been **attached to Fundamental Rights**.
 - **SC/ST Reservation:**
 - Both the Centre and the states are permitted to make any special provision for the advancement of SCs and STs.
 - The **quota in government jobs and educational institutions for SCs and STs is 15% and 7.5% respectively** (total 22.5%).
 - **Other Backward Class (OBC) Reservation:**
 - Both the Centre and the states are empowered to make provision for the advancement of OBCs regarding their admission to educational institutions and government jobs.
 - The **quota limit for OBCs is 27%**.
 - However, various state governments have different quota limits for OBCs in their state like Tamil Nadu has 50% reservation for OBCs.
 - In the ***Indra Sawhney & Others vs Union of India, 1992*** judgement, the Supreme Court fixed the upper limit for the combined reservation quota i.e. should not exceed 50% of seats.
 - **Economically Weaker Section (EWS) Reservation:**

The **103rd Constitution Amendment Act, 2019** empowers both Centre and the states to provide **10% reservation to the EWS category** of society in government jobs and educational institutions.
- **Background:**
 - This demand comes after the **Supreme Court's** recent observation that the **Right to Reservation is not a Fundamental Right**.
 - Earlier, SC ruled that **reservation in the matter of promotions in public posts was not a fundamental right** and that a **state cannot be compelled to offer quota** if it chooses not to.
 - Apart from that, there have been repeated challenges to the **Scheduled Castes and Tribes (Prevention of Atrocities) Act, 1989** and **its amendments**.

Ninth Schedule

- The Schedule contains a list of central and state laws which cannot be challenged in courts and was added by the **Constitution (First Amendment) Act, 1951**.
The first Amendment added 13 laws to the Schedule. Subsequent amendments in various years have taken the number of protected laws to 284 currently.

- It was created by the new **Article 31B**, which along with **Article 31A** was brought in by the government to protect **laws related to agrarian reform** and for **abolishing the Zamindari system**.
 - While **Article 31A extends protection to ‘classes’ of laws, Article 31B shields specific laws or enactments.**
 - While most of the laws protected under the Schedule concern agriculture/land issues, the list includes other subjects.
- Article 31B also has a **retrospective operation** which means that if laws are inserted in the Ninth Schedule after they are declared unconstitutional, they are considered to have been in the Schedule since their commencement, and thus valid.
- **Although Article 31B excludes judicial review**, the apex court has said in the past that even laws under the Ninth Schedule would be **open to scrutiny if they violated Fundamental Rights or the basic structure of the Constitution.**

Way Forward

- Although reservation is necessary, it should also be open to judicial scrutiny in order to ensure any abrupt or irrational policy initiative by the Executive or the Legislature.
- Any loophole or shortcomings in reservation policy must be addressed by involving various stakeholders. The need of the hour is not to go to extremes of either scrapping or shielding reservation policy, rather a rational framework on this contentious policy must be developed.

Source: IE

Sahakar Mitra: Scheme on Internship Programme

Why in News

Recently, the Ministry of Agriculture & Farmers’ Welfare has launched a **Scheme on Internship Programme (SIP) i.e. Sahakar Mitra.**

- It is an initiative by the **National Cooperative Development Corporation (NCDC)** for young professionals. It is expected to be beneficial for both i.e. **cooperatives** as well as for the **young professionals.**
- Earlier, the government launched **'The Urban Learning Internship Program (TULIP) Portal'** to provide internship opportunities to thousands of fresh graduates and engineers of the country under the 'Smart City' projects.

Key Points

- **Objectives:**
 - The Sahakar Mitra scheme will help **cooperative institutions** access **new and innovative ideas of young professionals** while the interns will gain experience of working in the field to be self-reliant.
 - It **will provide the young professionals an opportunity of practical exposure and learning** from the working of NCDC and **cooperatives** as a paid intern.
 - It would also provide an opportunity to professionals from academic institutions to develop leadership and entrepreneurial roles through cooperatives as **Farmers Producers Organizations (FPO)**.
 - In line with the **AtmaNirbhar Bharat (Self Reliant India)**, it focuses on the importance of **Vocal for Local**.
- **Eligibility:**
 - Professional **graduates** in disciplines such as Agriculture and allied areas, IT, etc.
 - Professionals who are **pursuing or have completed their MBA degrees** in Agribusiness, Cooperation, Finance, International Trade, Forestry, Rural Development, Project Management, etc.
- **Financial Support:**

NCDC has designated funds for the **paid internship program** under which each intern will get **financial support** over a **4 months internship period**.

National Cooperative Development Corporation

- **Formation:** The National Cooperative Development Corporation (NCDC) was established by an Act of Parliament in 1963 **as a statutory Corporation** under the **Ministry of Agriculture & Farmers' Welfare**.
- **Headquarters:** NCDC functions through its **Head Office at New Delhi** and multiple Regional Offices.
- **Objectives:**
 - The objectives of NCDC are **planning and promoting programmes for production, processing, marketing, storage, export and import of agricultural produce, foodstuffs, industrial goods, livestock** and certain other notified commodities and services on cooperative principles.
 - The NCDC has the **unique distinction of being the sole statutory organisation** functioning as an **apex financial and developmental institution** exclusively devoted to the **cooperative sector**.
 - It is a major financial institution for cooperatives, and has **recently started Mission Sahakar 22**, which aims to **double farmers' income by 2022**.

About Cooperatives

- According to the **International Labour Organisation (ILO)**, a **cooperative** is an **autonomous association of persons united voluntarily** to meet their common economic, social and cultural needs and aspirations through a jointly owned and democratically controlled enterprise. E.g. FPOs as cooperatives.
- **An FPO, formed by a group of farm producers, is a registered body with producers** as shareholders in the organisation.
It deals with **business activities related to the farm produce** and it works for the benefit of the member producers.

Provisions of Indian Constitution related to Cooperatives

- The Constitution (97th Amendment) Act, 2011 added a new Part IXB right after Part IXA (Municipals) regarding the cooperatives working in India.
- The word “cooperatives” was added after “unions and associations” in **Art. 19(1)(c) under Part III of the Constitution**. This enables all the **citizens to form cooperatives by giving it the status of fundamental right of citizens**.
- A new **Article 43B** was added in the **Directive Principles of State Policy (Part IV)** regarding the “**promotion of cooperative societies**”.

Way Forward

- NCDC should develop some techniques to evaluate the performance of cooperatives and encourage them to perform better.
- The scheme will provide a boost to government-academia-industry-civil society linkages.
- Further, India needs to learn from **technical and vocational training/education models in China, Germany, Japan, Brazil, and Singapore**, and adopt a comprehensive model that can bridge the **skill gaps and ensure employability** of youths.

Source: PIB

GST Council Meeting

Why in News

Recently, the 40th **Goods and Services Tax (GST) Council** meeting was held.

Key Points

- **GST Collections:**

- In the first two months of the current financial year, 2020-21, the cumulative GST revenues of states and the Centre **has been only 45% of the monthly target.**
- In 2020-21, the combined monthly GST revenue target is estimated at Rs. 1.21 lakh crore taking into account the budget estimate and states' protected revenue.

- **Market Borrowing:**

- As revenue has fallen for both the Centre and states, the GST Council has decided to hold a single-point agenda meeting in July, 2020 which will discuss **market borrowing by the Council itself** as one of the ways to raise money and **compensate states for GST revenue losses.**
- The **GST Act, 2017** extends a **guarantee to states** that any **loss in revenues in the first five years (2017-2022) of GST implementation** will be compensated through a cess that accrues to the **Compensation Fund.**
The shortfall is calculated assuming a 14% annual growth in GST collections by states over the base year of 2015-16.
- In the 8th GST Council meeting it was discussed that in case the amount in the GST Compensation Fund fell short of the compensation payable, the Council shall decide the mode of raising additional resources including borrowing from the market.
The borrowing could be repaid by collection of cess in the sixth year or further subsequent years.

- **Issues Involved:**

- There is a question about the **legality of the GST Council to borrow;** for instance, can it be accorded **sovereign status** like Centre and states.
- The burden and the impact of market borrowing on the **Fiscal Responsibility and Budget Management Act (FRBM Act), 2003** is not clear.

- **Tax Rationalisation:**

- The Council discussed correction of **inverted duty structure** for footwear, fertilisers and textiles.
 - Inverted duty structure is a situation where the rate of tax on inputs used is higher than the rate of tax on the finished good.
 - Take an imaginary situation of the tyre industry, the tax rate on natural rubber (input) purchased is 10% whereas the tax rate on rubber tyre is 5%. Here since the tax rate on input is higher than that on the finished good, there is an inverted tax structure.
- However, the decision was deferred because it would have resulted in increase in the prices of fertiliser, footwear and ready-made garments, which would have affected the process of economic revival.

- **Compliance-related Relief:**

The GST Council also provided compliance-related relief to small taxpayers with turnover up to Rs. 5 crore.

- It **reduced the interest by half on delayed filing of GST returns** for February, March and April, 2020 to 9%, provided the returns are filed by September 2020.
- For May-July, 2020 the deadline for filing GST returns has been extended till 30 September, 2020 without any penalty.

GST Council

- It is a **constitutional body** under **Article 279A**. It makes recommendations to the Union and State Government on issues related to **Goods and Service Tax** and was introduced by the **Constitution (One Hundred and First Amendment) Act, 2016**.
- The GST Council is **chaired by the Union Finance Minister** and other members are the Union State Minister of Revenue or Finance and Ministers in-charge of Finance or Taxation of all the States.
- It is **considered as a federal body** where both the centre and the states get due representation.

The **Economic Survey 2017-18** also hailed the GST Council for its **cooperative federalism technology** which brings together the Center and States and can be applied to many other policy reforms.

- Every decision of the Goods and Services Tax Council shall be taken at a meeting by a **majority of not less than three-fourths of the weighted votes of the members present and voting**, in accordance with the following principles, namely:
 - The vote of the Central Government shall have a weightage of one third of the total votes cast, and
 - The votes of all the State Governments taken together shall have a weightage of two-thirds of the total votes cast in that meeting.

Way Forward

-
- There is immediate need to clarify whether the GST Council can be accorded sovereign status or not, so that it can borrow from the market to meet the states' compensation requirement.
 - If provided the authority to borrow from the market then on whom the burden of borrowing shall lie, need to be clarified.

Source: IE

India-Tanzania Relations

Why in News

Recently, Prime Minister of India thanked **Dr John Pombe Joseph Magufuli, President of the United Republic of Tanzania** for his assistance provided for the evacuation of Indian citizens from Tanzania in the wake of **Covid-19**.

Both leaders **reviewed the overall bilateral relationship** and expressed satisfaction at the growing development partnership, educational linkages, trade and investment flows and **discussed possibilities of further accelerating** these trends.



- It was formed as a **sovereign state in 1964** through the **union of the separate states of Tanganyika and Zanzibar**.
- **Dodoma** is the **official capital** and **Dar es Salaam** is the seat of most **government administrations** as well as is the **largest city and port in the country**.
- It is located in **east Africa** just south of the Equator. It is bounded by Uganda, Lake Victoria and Kenya to the **north**, by the Indian Ocean to the **east**, by Mozambique, Lake Nyasa, Malawi and Zambia to the **south** and southwest and by Lake Tanganyika, Burundi and Rwanda to the **west**.
- **Africa's highest mountain, Kilimanjaro** (5,895 metres) and the **world's second deepest lake, Lake Tanganyika** (1,436 metres deep) are located in Tanzania.

Key Points

- Tanzania is **one of the fastest-growing African countries** of this decade and plays an important role in **India-Africa relations**.

- Tanzania and India have enjoyed traditionally **close, friendly and cooperative relations**.
- The **High Commission of India** in Dar es Salaam has been operating since **November 1961** and the **Consulate General of India** in Zanzibar was set up in **October 1974**.
- In October 2019, as part of the **Indian Navy's Overseas Deployment**, four indigenously built ships of the Indian Navy visited the ports at **Dar es Salaam and Zanzibar** located in Tanzania.
- **Bilateral Treaties & Agreements:**
 - Agreement on the establishment of a Joint Trade Committee (2000).
 - MOU for Co-operation in the field of Agriculture and Allied Sectors (2002).
 - MoU on Exchange of Programme on Co-operation in the field of Education (2003).
 - MOU on Defence Cooperation (2003).
 - MOU for Cooperation in the field of Hydrography between Tanzania and India and Protocol on exchange of Hydrographic Data (2015).
 - MOU on Cooperation in the field of water resource management and development (2016).
 - Loan Agreement between Exim Bank and Government of Tanzania on line of credit for USD 500 million for water supply projects in 17 towns across Tanzania (May 2018).
- **Commercial and Economic Relations:**
 - India is the **largest trading partner of Tanzania** comprising **16%** of Tanzania's foreign trade.
 - India is also **among the top five investment sources** in Tanzania.
 - **India's major exports to Tanzania:** Petroleum products, pharmaceuticals and chemicals, motor vehicles, electrical goods, articles of iron and steel, sugar, machinery, etc.
 - **Tanzania's major exports to India:** Gold ore, cashew nuts, pulses, timber, spices (mainly cloves), ores and metal scrap, gemstones, etc.

- **Development Partnership:**
 - Tanzania is a **major beneficiary of training courses** allocated under India's **Indian Technical and Economic Cooperation Programme/Special Commonwealth African Assistance Programme** (ITEC/SCAAP) and under **India Africa Forum Summit (IAFS)** capacity building cooperation.
 - India has executed a number of projects under **government grants and soft loans** in Tanzania.
 - India provided **essential medicines and vaccines** as grant support to Tanzania in September 2018 and set up a **radiation therapy machine 'Bhabhatron-II'** for cancer patients.
 - India has also extended a **Credit Line to Tanzania for various water supply projects** in Dar-es-Salaam, coastal Chalinze region, Tabora, Igunga, Nzega, etc.
- **Culture:**
 - The **Indian Cultural Centre (ICC)**, Dar es Salaam under the **Indian Council for Cultural Relations (ICCR)**, coordinates cultural outreach since its establishment in December 2010.
 - The 5th **International Day of Yoga (21st June)** was celebrated in Tanzania in 2019.
- **Indian Community:**
 - Tanzania is home to **more than 50,000 people of Indian origin**.
 - The Indian origin community is **active in the field of trade, industry and services** in Tanzania.
 - **Pravasi Bharatiya Samman Award** and **'Bharat Ko Janiye' quiz** generate interest in Tanzania.
 - Government of India organises Bharat Ko Janiye Quiz, which is an online quiz for **Non-Resident Indians (NRIs)** and **Overseas Citizens of India (OCIs)** between the age of 18 and 35 years.

Way Forward

- From the 1960s to the 1980s, the political relationship between India and Tanzania involved shared commitments to anticolonialism, **non-alignment** as well as **South-South Cooperation** and close cooperation in international fora.
- In recent years, India-Tanzania ties have evolved into a modern and pragmatic relationship with sound political understanding, diversified economic engagement, people to people contacts in the field of education and healthcare and development partnership in capacity building training, concessional credit lines and grant projects.

Source: PIB

India- Laos Relations

Why in News

Recently, the Prime Minister of India had a telephonic conversation with the Prime Minister of Lao People's Democratic Republic (PDR).



- Both the leaders exchanged views on the health and economic challenges posed by the global **Covid-19 pandemic**.
- They agreed on the need for international cooperation, and for sharing of best-practices and experiences, in order to prepare for the post-Covid world.
- India's Prime Minister highlighted India's historic and cultural links with Laos and expressed satisfaction at being involved **in the restoration of the Vat Phou hindu temple complex (world heritage site)**.

He also reiterated India's commitment to continue its development partnership with Lao PDR, a valued partner in **India's extended neighbourhood**.

- Lao Prime Minister thanked India's support for Lao's development programmes, in capacity building and for scholarships.

Relations Between the Countries

- **Political Relations:**

- Based upon historical and civilizational foundations, India and Laos enjoy long standing, friendly and mutually supportive relations.
- Political relations between both the countries were established in February 1956.
- Laos has been supportive on major issues of regional and international concerns to India, including **India's claim for permanent membership of the UN Security Council.**

- **Defence Cooperation:**

- Since 1994, under **Indian Technical and Economic Cooperation (ITEC)** Agreement, a two-member Indian Army Training Team has conducted training for Lao defence personnel in English, Computers and Basic Tactics.
The Indian team is the only foreign training team besides the Vietnamese and the Chinese.
- Indian Army had also conducted three training capsules on Unexploded Ordnance (Bomb) (UXOs) and De-mining in Laos in 2011, 2012 and 2013.
De-mining is the process of removing land mines from an area.

- **Economic Cooperation:**

- Bilateral trade between both the nations in 2017-18 has reached to 193.63 US million dollars. Although the trade balance is heavily shifted in favour of Laos.
- India has supported development of Laos by extending Lines of Credit for infrastructure projects in the fields of transmission line, hydropower project, conversion of diesel to electric driven pump sets, and irrigation projects.

- **Cultural Relations:**

The two countries share age-old civilisational ties best symbolised by:

- The relic of the Buddha encased in the That Luang Stupa, the national emblem of Lao PDR.
- The Vat Phou Temple Complex, an ancient Shiva temple, whose earliest structures date back to the 5th and 6th Century AD, and which is currently being renovated and restored by the **Archaeological Survey of India.**

- **Human Resource Development:**

- The Government of India has been providing nearly 140 scholarships annually to Lao nationals under various schemes.
- The **Lao-India Entrepreneurship Development Centre (LIEDC)** set up in November, 2004, trains Lao entrepreneurs for setting up small and medium scale businesses.
- Agreement for setting up of **Centre of Excellence in Software Development and Training (CESDT)** in Vientiane under **ASEAN Framework** was signed in 2015.

Note: Line of Credit is a 'soft loan' provided on concessional interest rates to developing countries, which has to be repaid by the borrowing governments. The projects under LOCs

are spread over different sectors like agriculture, infrastructure, telecom, railway, transmission/power, renewable energy, etc.

Source: PIB

World Day Against Child Labour 2020

Why in News

Recently the World Day Against Child Labour has been observed on **June 12th 2020**.

Key Points

- The **theme** for the year 2020 is **Covid-19: Protect children from child labour, now more than ever** which focuses on the impact of **Covid-19** crisis on child labour.
- On 12th June 2002, the International Labour Organisation launched the **World Day Against Child Labour**.
- Since then, every year, the day is marked to highlight the plight of child labourers worldwide and also to take required measures to eliminate it.

Child Labour

- The **International Labour Organisation (ILO)** defines **child labour as work that deprives children of their childhood, their potential and their dignity**, and that is harmful to their physical and mental development.
- In the least developed countries, slightly more than one in four children (ages 5 to 17) are engaged in labour that is considered detrimental to their health and development.
- The eradication of Child Labour is part of the **UN Sustainable Development Goal Target 8.7**.
- **International Laws on Child Labour**
 - **The UN Convention on the Rights of the Child, 1989:** It contains the idea that children are not just objects who belong to their parents and for whom decisions are made, or adults in training. Rather, they are human beings and individuals with their own rights.
 - **International Labour Organizations Conventions on the minimum age for admission to employment of the year 1973** (ILO convention 138) and on the **worst forms of child labour of the year 1999** (ILO convention 182).

Data Across the World

- **Absolute Numbers:** **152 million** children between the **ages of 5-17** were in child labour, almost half them, 73 million, in hazardous child labour.
- **Age Specific:** Almost half (48%) of the victims of child labour were aged 5-11, 28% were 12-14 years old, and 24% were 15-17 years old.
- **Sectors:** Child labour is concentrated **primarily in agriculture and allied activities (71%)**, 17% in services; and 12% in the industrial sector.

India and the Child Labour

- In the age group of 15-18 years, India has around 23 million working children. This means **one in eleven children** between the **ages of 5-18 years** in the country are working.
- Five states which are the India's biggest child labour employers- **Uttar Pradesh, Bihar Rajasthan, Madhya Pradesh and Maharashtra.**
- **Constitutional Provisions:**
 - **Article 21A:** Right to Education
 - **Article 24:** Prohibition of employment of children (below the age fourteen years) in factories, etc.
 - **Article 39:** The State shall, in particular, direct its policy towards securing the health and strength of workers, men and women, and the tender age of children are not abused and that citizens are not forced by economic necessity to enter avocations unsuited to their age or strength.

- **Initiatives by the Government of India:**

- **Gurupadswamy Committee: In 1979**, the central government formed the first statutory committee to analyse and research on the issue of child labour in India.
 - One of their major observations was that the problem of child labour is inextricably linked to poverty.
 - Taking into account the findings and recommendations of the committee, the Union Government enacted the **Child labour (Prohibition and Regulation) Act in 1986**.
- **National Policy on Child Labour (1987)**: It focuses more on rehabilitation of children working in hazardous occupations and processes, rather than on prevention.
- **Juvenile Justice (Care and Protection of Children) Act 2000 (the JJ Act) and amendment of the JJ Act in 2006**: It includes the working child in the category of children in need of care and protection, without any limitation of age or type of occupation.
- **The Right to Education Act, 2009** has made it mandatory for the state to ensure that all children **aged 6 to 14 years** are in school and receive free education.
- Another landmark step was the enactment of the **Child labour (Prohibition and Prevention) Amendment Act, 2016**.
 - Initiatives **like Operation Smile, Operation Muskaan** to rescue and rehabilitation of children from an unorganised sector, manufacturing units and other factories.
 - Recently, India has ratified International **Labour Organizations Convention (ILO) no 138 (minimum age for employment)** and **Convention no 182 (worst forms of child labour)**.

Impact of Covid-19

- **In India**, the lockdown to curb the spread of the Covid-19 has left **child labourers** with no source of income, no means of protection against the disease.
- The lockdown has forced millions of migrant workers — facing long-term unemployment — to return to their villages without any jobs. Children of returnee migrants have been forced to become child labourers.

Concerns

- The issue of child labour is still prevalent in India, despite the presence of several laws.

- Child labour legislation to protect children has been inadequate and face the following challenges:
 - **Definitional issue:** One of the biggest challenges in eradicating child labour is the confusion around the definition of a child, in terms of age, in various laws dealing with child labour.
 - **Lack of identification:** Age identification of children is a difficult task in India due to the lack of identification documents E.g. Birth Certificates, School Certificates etc.
 - **Weak enforcement of law:** Due to lack of adequate deterrence and corruption it is difficult to eradicating child labour
- **Poverty and lack of school** are considered as the main causes of child labour.
- People from rural areas with little education often see no alternative but to take their children out of school and put them to work. The children grow up without education, health facilities and no knowledge of their rights.
- The extreme form of **child labour that is forced labour**, in which children suffer not only the impact of hazardous working conditions but lack of freedom.

Way Forward

- The **cycle of poverty and its implications** must be addressed properly, so families can find other means to survive.
- Many **NGOs like Bachpan Bachao Andolan, ChildFund, CARE India, Kailash Satyarthi Children Foundation** etc. have been working to eradicate child labour in India. Right kind of focus and orientation with state level authorities is also needed to avoid the practice of child labour.
- **Forced Child Labour** requires an urgent action from governments and the international communities.

Source: DTE

Small Farmers' Agribusiness Consortium

Why in News

Recently the Union Minister of Agriculture & Farmers' Welfare highlighted the role of **Small Farmers' Agribusiness Consortium (SFAC)** in increasing **incomes of small and marginal farmers** through aggregation and development of agribusiness.

Key Points

- **Established:** SFAC was established in **1994 under Societies Registration Act, 1860** as an autonomous body promoted by the Ministry of Agriculture & Farmers' Welfare.
- **Objectives:** Promoting agribusiness by encouraging institutional and private sector investments and linkages to ensure the empowerment of all farmers in the country.
Organising small and marginal farmers as Farmer Interest Groups, Farmer Producer Organisations and Farmer Producer Company for endowing them with bargaining power and economies of scale.
- **Few Important Schemes Implemented by SFAC:** Equity Grant & Credit Guarantee Fund (EGCGF) Scheme , Venture Capital Assistance (VCA) Scheme, **Farmer Producer Organization (FPO) Scheme**, **National Agriculture Market (NAM) Scheme**, etc.
- **Recent Initiatives/Developments:** SFAC launched the **Kisan Rath app** with the help of officials of the Ministry of Agriculture which lessened the problem of transport of farm produce during lockdown.
It signed a **Memorandum of Understanding (MoU)** with the Agricultural and Processed Food Products Export Development Authority (APEDA) to bring in better synergy in the agricultural activities.

Equity Grant & Credit Guarantee Fund (EGCGF) Scheme

- The Equity Grant Fund has been set up with the primary objectives of :
 - Enhancing **viability and sustainability, credit worthiness** of Farmer Producer Companies (FPCs),
 - Enhancing the shareholding of members to increase their ownership and participation in their FPCs.
- **The Credit Guarantee Fund Scheme** provides a Credit Guarantee Cover to the Eligible Lending Institution (ELI) to enable them to provide collateral free credit to FPCs.

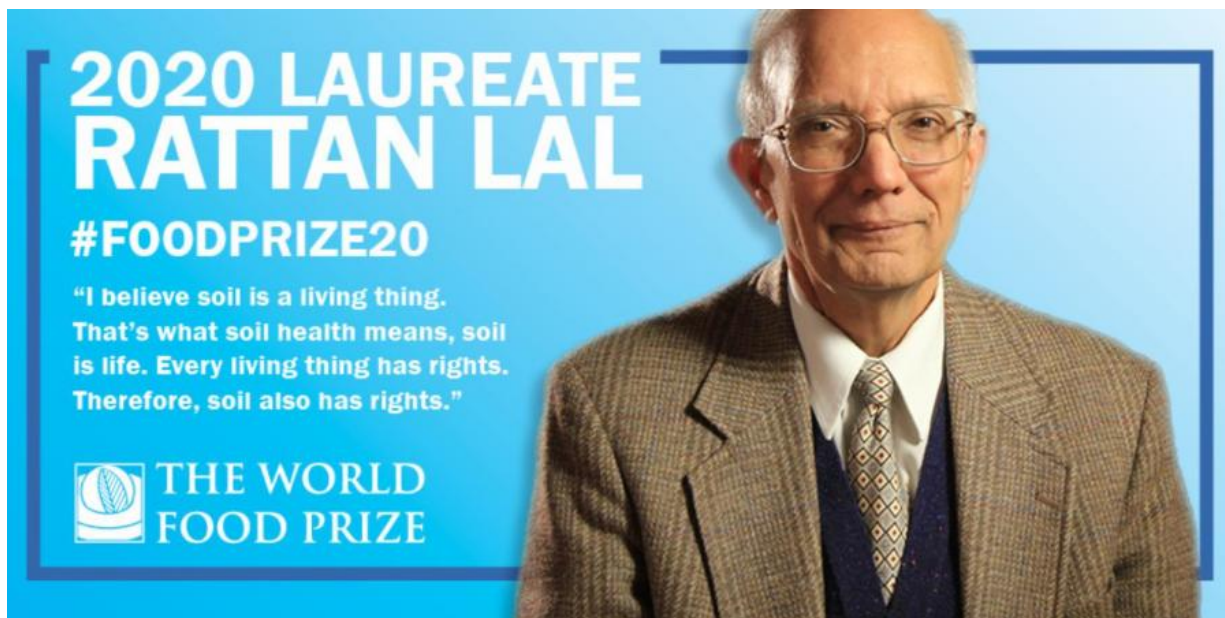
Venture Capital Assistance

Venture Capital Assistance is financial support in the form of an **interest free loan** provided by SFAC to meet the shortfall in the capital requirement for implementation of the project.

World Food Prize 2020

Why in News

Indian-American soil scientist - **Dr. Rattan Lal** - has been declared the winner of the World Food Prize 2020.



- He played a major role in developing and mainstreaming a **soil-centric approach** to increasing food production that conserves natural resources and mitigates climate change.
- Three separate United Nations Climate Change Conferences have adopted his strategy of restoring soil health as a means to sequestering carbon.
- In 2007, he was among those **recognised with a Nobel Peace Prize Certificate** for his contributions to the **Intergovernmental Panel on Climate Change (IPCC)** reports, when the IPCC was named co-recipient of the **Nobel Prize**.

Key Points

- **Objective:** The World Food Prize is the foremost international honor recognizing the achievements of individuals who have advanced human development by improving the **quality, quantity or availability of food in the world**.
- **Field Covered:** It is an **annual award** that recognizes contributions in any field involved in the world food supply including plant, animal and soil science; food science and technology; nutrition, rural development, etc.
- **Eligibility:** It is open for any individual without regard to race, religion, nationality or political beliefs.
- **Cash Prize:** In addition to the cash award of \$2,50,000, the laureate receives a sculpture designed by the noted artist and designer, Saul Bass.

- **Presentation of the Award:**
 - The Prize is presented each October on or around **UN World Food Day (16th October)**.
 - It is presented by the **World Food Prize Foundation** which has over 80 companies, individuals, etc. as donors.
 - The World Food Prize Foundation is located in Des Moines, USA.
- **Background:**
 - **Dr. Norman E. Borlaug**, winner of the **Nobel Peace Prize in 1970** for his work in global agriculture, conceived the Prize. He is also known as the **Father of the Green Revolution**.
 - The World Food Prize was created in 1986 with sponsorship by General Foods Corporation.
 - It is also known as the "**Nobel Prize for Food and Agriculture**".
 - **Dr. M.S. Swaminathan**, the father of India's green revolution, was the **first recipient of this award in 1987**.

Source: IE
