

CORPORATE OFFICE

Delhi Office

706 Ground Floor Dr. Mukherjee
Nagar Near Batra Cinema Delhi -
110009

Noida Office

Basement C-32 Noida Sector-2
Uttar Pradesh 201301

CURRENT AFFAIRS

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PROPOSED ADDITIONAL TAX ON DIESEL VEHICLES

This article covers "Daily Current Affairs" and the topic details "Proposed Additional Tax on Diesel Vehicles". This topic has relevance in the "Indian Economy" section of the UPSC CSE exam.

For Prelims:

Diesel Vehicles

What are the advantages of Diesel Vehicles?

For Mains:

GS3: Indian Economy

Why in the news?

Recently, Road Transport Minister Nitin Gadkari emphasised shifting away from petrol and diesel fuels. He mentioned that if the use of diesel vehicles and generators persists, he might suggest a 10% GST increase as a "pollution tax" to the Finance Minister. However, he later clarified that there is currently no such government proposal.

The Pushback Against Diesel in India

- **Government's Green Goals:** The Indian government aims to reduce greenhouse gas emissions and generate 40% of its electricity from renewables to achieve net-zero emissions by 2070.
- **Taxation Strain:** The government currently levies a 28% tax on diesel cars, accompanied by additional cess based on engine capacity.
- **Emissions Dilemma:** Diesel engines produce elevated levels of nitrogen oxides (NO_x), raising environmental apprehensions. The 2015 Volkswagen scandal further exacerbated diesel's global reputation.
- **Fuel Efficiency Factor:** Although diesel engines provide superior fuel economy and torque, the price distinction between diesel and petrol has shrunk since fuel price deregulation in 2014.
- **Expensive upgrades:** The transition to BS-VI emission norms from April 1, 2020, and the expensive upgrades required for diesel engines to comply with these standards prompted carmakers to exit the diesel market. They argued that skipping from BS-IV to BS-VI made diesel models economically unviable.

Status of Diesel Vehicles in India:

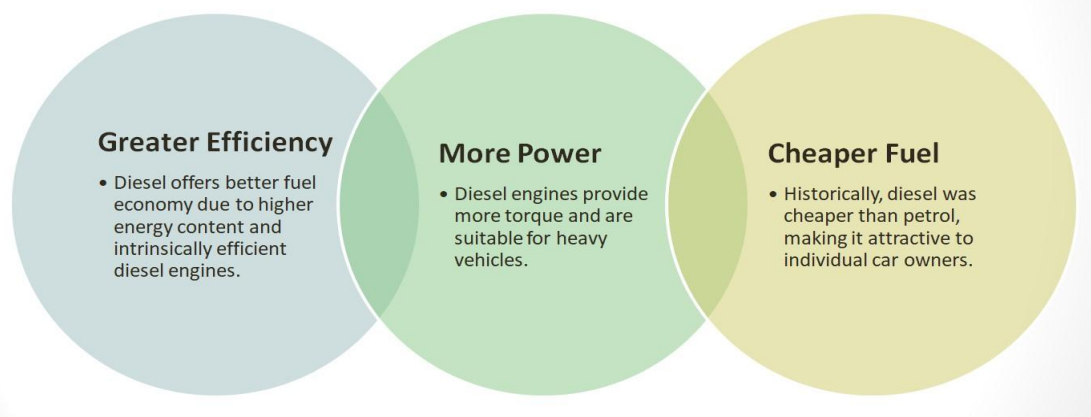
- **Diesel's Significant Share:**
 - Diesel constitutes approximately 40% of India's petroleum product consumption, as per estimates from the Petroleum Planning & Analysis Cell.
- **Transportation Dominance:**
 - Around 87% of total diesel sales serve the transport sector, with trucks and buses making up about 68% of diesel sales in India.
 - Three states, namely Uttar Pradesh, Maharashtra, and Haryana, collectively account for nearly 40% of diesel sales in the country.
- **Impact on Diesel Cars**
 - Maruti Suzuki, India's largest car manufacturer, ceased production of diesel vehicles on April 1, 2020, and does not plan to re-enter this market.

- Tata Motors, Mahindra, and Honda no longer produce 1.2-litre diesel engines; they now offer diesel options only for 1.5-litre or larger engines.
- While some diesel variants are still available from Hyundai, Kia, and Toyota, most automakers have significantly reduced their diesel offerings since 2020.
- This has led to a decrease in the contribution of passenger vehicles to overall diesel demand, dropping from 28.5% in 2013 to 16.5%.

Advantages of Diesel Vehicles

- **Greater Efficiency:** Some individual users prefer diesel due to better fuel economy. Diesel has higher energy content per litre, and diesel engines are intrinsically efficient, utilizing higher compression ratios and no spark plugs.
- **More Power:** Diesel engines offer more torque, and are less prone to stalling, making them favoured for heavy vehicles and haulage.
- **Cheaper Fuel:** Historically, lower diesel prices than petrol were a significant attraction for individual car owners, with a substantial price difference of up to Rs 25 per litre at its peak.

Advantages of Diesel Vehicles



Way forward:

- **Promote electric vehicles (EVs):** EVs are a clean and efficient alternative to diesel vehicles. The government can offer incentives to encourage people to switch to EVs, such as subsidies, tax breaks, and preferential parking.
- **Improve public transportation:** Public transportation is a more sustainable way to travel than private vehicles. The government can invest in expanding and improving public transportation options, such as buses, trains, and metros.
- **Implement congestion pricing in cities:** Congestion pricing charges drivers a fee to enter certain areas during peak traffic times. This can help to reduce traffic congestion and encourage people to use public transportation or other alternatives.

Sources:

'Say bye to diesel': Centre warns automakers of higher taxes in pollution fight - The Hindu

Q1. With reference to Diesel Vehicles, consider the following statements:

1. Diesel has a higher energy content per litre, making it intrinsically efficient.
2. Diesel engines offer more torque, making them better suited for towing and hauling heavy loads.
3. Diesel engines are generally less loud when compared to gasoline engines.

Which of the statements given above is/are correct?

- (a) 1 and 2 only
- (b) 2 and 3 only
- (c) 3 only
- (d) None

Answer: (a)

Q2. Consider the following :

1. Taxing the use of fuels, such as biodiesel and ethanol
2. Implementing congestion pricing in cities
3. Encourage CNG and LPG
4. Enforce stringent emission standards

How many of the above measures can help reduce diesel consumption in India?

- (a) Only one
- (b) Only two
- (c) Only three
- (d) All Four

Answer: (c)

Q3. Discuss the factors that have led to the pushback against diesel in India and the way forward to reduce diesel consumption in the country.

Gaurav Nikumbh

DRAFT NATIONAL STRATEGY FOR ROBOTICS (NSR)

This article covers "Daily Current Affairs" and the Topic details "Draft National Strategy for Robotics (NSR)". This Topic has relevance in the Science and Technology section of the UPSC CSE exam.

For Prelims:

About National Strategy for Robotics (NSR)?

For Mains:

GS 3: Science and Technology

Key Recommendations?

Main Challenges in India's Robotics Sector?

Why in the news

The Ministry of Electronics and Information Technology (MeitY) has extended an invitation for public input and feedback from various stakeholders regarding the draft "National Strategy for Robotics (NSR)."

Aim: The Draft National Strategy for Robotics (NSR) aims to strengthen all aspects of the innovation cycle within robotic technology, accompanied by the establishment of a robust institutional framework to ensure effective implementation of these initiatives.

Objectives:

- Establish India as a Global Leader in Robotics by 2030
- Reinforce Make in India 2.0 Initiatives for Enhanced Integration in the Global Value Chain

Nodal Agency: Ministry of Electronics and Information Technology (MeitY) to Lead the Effort through the 'National Robotics Mission' (NRM)

Core Sectors: Prioritizing Robotics Automation in Key Sectors

- Manufacturing

- Agriculture
- Healthcare
- National Security

Measures: Stimulating Innovation in Robotics by:

- Fiscal and Non-Fiscal Interventions by NRM
- Development of Funding Mechanisms for Robotics Start-ups
- Promotion of Robotic Exports

Key Recommendations:

- **Strong Regulatory Framework:** Establish a robust regulatory framework led by the Robotics Innovation Unit (RIU) under the Ministry of Electronics and Information Technology (MeitY).
- **Centers of Excellence (CoEs) in Robotics:** Create CoEs for foundational and applied robotics research. Encourage private sector participation in priority sectors for experimental prototyping and initial commercialization.
- **Support for Startups:** Provide support to startups, harness research potential in higher education institutions, and develop dedicated robotics industrial zones.
- **Public Procurement Policy:** Implement a Public Procurement Policy for Robotics, wherein the central government becomes a major buyer of Indian-made robotic systems, incentivizing domestic production with a minimum local content requirement.

Main Challenges in India's Robotics Sector:

- **Import Dependence:** India heavily depends on importing robotics components, primarily from China and Japan, which raises concerns about self-reliance and supply chain vulnerabilities.
- **Expensive Hardware:** High costs associated with robotics hardware components pose a significant barrier to the widespread adoption of robotics technology, particularly for small and medium-sized enterprises (SMEs).
- **Limited Research and Development:** Insufficient investments in research and development (R&D) impede progress in robotics technology. The lack of a robust R&D ecosystem hampers innovation and indigenous development of advanced robotics solutions.

SOURCE:

<https://www.meity.gov.in/writereaddata/files/Draft-National-Strategy-Robotics>.

Q.1 With reference to the Draft National Strategy for Robotics (NSR), consider the following statements:

1. It aims to establish India as a Global Leader in Robotics by 2030
2. Ministry of Science and Technology to Lead the Effort through the 'National Robotics Mission' (NRM)

Which of the statements given above is/are correct?

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

ANSWER: A

Q.2 Discuss the key objectives and recommendations outlined in the Draft National Strategy for Robotics (NSR) in India. Analyze the significance of this strategy in promoting innovation.

Rishabh