DAILY CURRENT AFFAIRS

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TATHASTUICS

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STATES AND THE CENTRE'S FETTER OF 'NET BORROWING CEILING'

States and the Centre's fetter of 'net borrowing ceiling'

The central government, in 2023, imposed a 'Net Borrowing Ceiling' (NBC) on the State of Kerala to restrict the maximum possible borrowing that the State can make under the law. This ceiling is 3% of the projected Gross State Domestic Product (GSDP) for FY2023-24. The NBC now encompasses all borrowing avenues, including open market loans, financial institution loans, and liabilities from the public account of the State. Furthermore, to stop States from circumventing the borrowing cap through State-owned enterprises, the ceiling has been extended to cover certain borrowings by these entities as well.

This has been a huge blow to the financial position of the State, with Kerala finding it difficult to meet its expenditure. In addition, this has restrained the State from investing further in developmental and welfare activities. It has also ignited political and legal controversies which have created an incompatible situation between the Centre and the State. Kerala approached the Supreme Court of India on the issue of the encroachment on the executive power that is conferred on the State under Article 293 of the Constitution of India to borrow on the security and guarantee of the Consolidated Fund. The State has alleged that the State's fiscal autonomy, as guaranteed and enshrined in the Constitution of India, has been illegally curtailed by the Centre. This has been the first case in the history of the Court wherein Article 293 has come up for interpretation.

Borrowing powers and provisions

Chapter II of Part XII of the Constitution deals with the borrowing powers of the Centre and States. Article 292 speaks about the borrowing power of the central government which entitles the central government to borrow loans upon the security of the Consolidated Fund of India. Article 293 empowers the State government to borrow within the territory of India upon the security of the consolidated fund of the State. In both cases, the extent of borrowing may be fixed from time to time by a law enacted by Parliament and the State legislature, respectively. As in Article 293(2), the Government of India may grant loans to any State subject to conditions laid down by any law made by Parliament up to the limits fixed under Article 292.

The central government can also provide guarantees upon the Consolidated Fund of India in respect of loans raised by any State. Article 293(3) imposes a restriction on the State government if the repayment of loans or a guarantee which has been given by the Government of India (if taken by the predecessor government is still outstanding). In such a case, the consent of the central government is essential to raise such a loan. The central government is afforded broad discretion over "consent" by

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The Centre's NBC step and, subsequently, Kerala's move to approach the higher judiciary on the issue, highlight the need to revisit Article 293 of the Constitution

specifying that it may be granted subject to any conditions as the Government of India deems appropriate.

Article 293 of the Constitution is adopted from Section 163 of the Government of India Act, 1935. In the Constituent Assembly, while Article 293 (draft Article 269) was debated on August 10, 1949, a member, Ananthasayanam Ayyangar, noted that the issue of borrowings and loans requires greater scrutiny as borrowing imposes heavy obligations on not only the present generation but also future generations. He suggested that a commission akin to the Finance Commission may be constituted.

Section 163(4) of the Government of India Act, 1935 stated that while exercising the power conferred under Section 163(3) regarding 'consent', the Federation shall not refuse or make unreasonable delay in granting the loan or providing guarantee, or impose any unreasonable conditions when sufficient cause is shown by the provinces. If any dispute arises out of the matter stated it was to be referred to the Governor-General whose decision shall be final.

But this clause was not adopted into the Constitution. The reason was that this provision was included in the Government of India Act, 1935 as it expected that a different agency that was not a national of India would be in charge of the administration. But after the Independence, it was felt that such a provision was not necessary as State governments replaced the provinces and a national government was established at the Centre.

Eliminating revenue shortfall

To implement the mandates in Article 292, the Fiscal Responsibility and Budget Management (FRBM) Act, 2003 was enacted to maintain financial restraint by establishing goals such as the elimination of revenue shortfall and the reduction of fiscal deficit. To eliminate the revenue shortfall and the budgetary deficit, a target of 3% of GDP is established for the Centre's yearly fiscal deficit ratio (FD). As in the Centre's directives, States enacted their own pieces of legislation to control their fiscal deficit. The FRBM Amendment Act, 2018 required the central government to ensure that the fiscal deficit did not surpass 3% of GDP and that the total public debt did not surpass 60% of GDP. By 2025-26, the government expects to reduce the fiscal deficit to less than 4.5% of GDP. The Centre's restriction on the borrowing limits of the States so as to attain fiscal consolidation by restricting the fiscal deficit, and without considering the financial position of States, is an encroachment of the autonomy of States. It also lowers their ability at budget balancing.

The issue of the borrowing power of States guaranteed under Article 293 of the Constitution is before the Supreme Court in the case filed by the State of Kerala. As the interpretation of Article 293 of the Constitution of India raises key questions about fiscal decentralisation, State fiscal autonomy and past borrowing practices, the Court has referred the issue of a State's borrowing powers to a Constitutional Bench. The matter also touches on whether the fiscal regulations imposed by the Centre have negatively impacted the Reserve Bank of India's control over fiscal consolidation.

Contemplating the transforming economic, political, and fiscal landscape in India, it is time to revisit Article 293 of the Constitution. Section 163(4) of the Government of India Act, 1935 warns the unnecessary refusal or delaying or the imposing of conditions in granting loans by the Centre. Similarly, a remedial measure, as mentioned in Section 163(4), could have been adopted in the Constitution when a dispute arises.

There is a need to strengthen this Article

Article 293 of the Constitution must be strengthened in the following manner.

As suggested by Ananthasayanam Ayyangar, a commission akin to the Finance Commission is essential to decide any issues that may arise regarding the approval of a loan upon considering the financial position of States as well as the Centre's goal of limiting fiscal deficit.

There must be proper guidelines which are to be adhered to when the Centre exercises the wide powers granted under Article 293(4) of the Indian Constitution – crucial in maintaining a balanced fiscal framework between the Centre and the States, and which enhance cooperative federalism. Otherwise, there could be arbitrary decision-making that may disrupt fiscal discipline, leading to either unchecked borrowing or overly restrictive conditions.

When exercising the wide powers granted under Article 293(4), the Centre should adhere to the following guidelines: transparency in decision-making thereby ensuring that the procedures and standards for accepting or rejecting governmental borrowings are transparent to the public; having a consultative process, where there is consultation with State governments before prescribing any terms or limitations on borrowing which enhances cooperative approach; ensuring equitable treatment where there an employment of borrowing terms and restrictions applied uniformly for all States to eliminate prejudice or favouritism; an admiration for fiscal autonomy, ensuring that there is financial autonomy for a State, the restrictions are reasonable and do not unduly hamper a State's ability to manage its finances effectively.

Adhering to these guidelines can ensure that the Centre's powers under Article 293(4) are exercised fairly, transparently and in a manner that supports balanced fiscal management and cooperative federalism.

- The central government in 2023 set a **Net Borrowing Ceiling (NBC)** on Kerala, capping its borrowing to 3% of the projected Gross State Domestic Product (GSDP) for FY2023-240.
- Tha capping covers all loans, including those by State-owned enterprises, to prevent Kerala from bypassing borrowing limits.

- This restriction severely impacts Kerala's finances, limiting its capacity for development and welfare spending, and has led to political and legal tensions.
- Kerala has challenged the ceiling in the Supreme Court, arguing it infringes on the fiscal autonomy granted under **Article 293 of the Constitution**.
- Marking the first time this article's interpretation is under judicial scrutiny. **States and the Centre's fetter of 'net borrowing ceiling'.**

Key Constitutional Provisions:

- **Article 292** grants the central government the power to borrow against the Consolidated Fund of India.

Constitution Article

Article 292 in Constitution of India

292. Borrowing by the Government of India

The executive power of the Union extends to borrowing upon the security of the Consolidated Fund of India within such limits, if any, as may from time to time be fixed by Parliament by law and to the giving of guarantees within such limits, if any, as may be so fixed.

- **Article 293** empowers the State government **to borrow within the territory of India upon the security of the consolidated fund of the State.**
- **Article 293** allows States to borrow but **requires central consent if they owe prior central loans.**

Constitution Article

Article 293 in Constitution of India

293. Borrowing by States

(1) Subject to the provisions of this article, the executive power of a State extends to borrowing within the territory of India upon the security of the Consolidated Fund of the State within such limits, if any, as may from time to time be fixed by the Legislature of such State by law and to the giving of guarantees within such limits, if any, as may be so fixed.

(2) The Government of India may, subject to such conditions as may be laid down by or under any law made by Parliament, make loans to any State or, so long as any limits fixed under article 292 are not exceeded, give guarantees in respect of loans raised by any State, and any sums required for the purpose of making such loans shall be charged on the Consolidated Fund of India.

(3) A State may not without the consent of the Government of India raise any loan if there is still outstanding any part of a loan which has been made to the State by the Government of India or by its predecessor Government, or in respect of which a guarantee has been given by the Government of India or by its predecessor Government.

(4) A consent under clause (3) may be granted subject to such conditions, if any, as the Government of India may think fit to impose.

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- **Article 293(3) imposes a restriction on the State government** if the repayment of loans or a guarantee which has been given by the Government of India (if taken by the predecessor government is still outstanding). In such a case, the consent of the central government is essential to raise such a loan.

Fiscal Responsibility Framework:

- The **Fiscal Responsibility and Budget Management (FRBM) Act, 2003** aimed to limit fiscal deficits, a goal the Centre wants States to uphold.
  - The **central government to ensure that** the **fiscal deficit did not surpass 3% of GDP and that the total public debt did not surpass 60% of GDP.**
- The Centre's imposition of borrowing limits, though intended to promote fiscal stability, risks undermining States' fiscal autonomy and complicates their budgeting.
- **There is a need to strengthen this Article 293:**
  1. As suggested by Ananthasayanam Ayyangar, a commission akin to the Finance Commission is essential to decide any issues that may arise regarding the approval of a loan.
  2. There must be **proper guidelines** which are to be adhered to when the Centre **exercises the wide powers granted under Article 293(4)** of the Indian Constitution **to enhance cooperative federalism.**
  3. Adhering to these guidelines can ensure that the Centre's powers under Article 293(4) are exercised fairly, transparently and in a manner that supports balanced fiscal management and cooperative federalism.

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ON IMPROVING WIND ENERGY GENERATION

On improving wind energy generation

What is Tamil Nadu's wind power capacity? What about national wind energy capacity? What does repowering and refurbishing of wind turbines mean? Why are wind energy generators opposing the new policy of the Tamil Nadu government?

EXPLAINER

M. Soundariya Preetha

The story so far:

Tamil Nadu, which is a pioneer in wind mill installations, has wind turbines that are over 30 years old. The Tamil Nadu government released the "Tamil Nadu Repowering, Refurbishment and Life Extension Policy for Wind Power Projects - 2024" in August this year. However, wind energy generators have opposed the policy, approached the Madras High Court and got a stay. They have demanded a policy that will "promote wind energy generation".

What is the wind energy capacity and potential in India?

The National Institute of Wind Energy (NIWE) says that India has wind power potential for 1,163.86 GW at 150 metres above ground level, and is ranked fourth in the world for installed wind energy capacity.

At 120 metres above ground level, which is the normal height of wind turbines now, the potential is 695.51 GW, including the 68.75 GW from Tamil Nadu. Only about 6.5% of this wind potential is used at the national level and nearly 15% in Tamil Nadu. Gujarat, Tamil Nadu, Karnataka, Maharashtra, Rajasthan, and Andhra Pradesh are the leading States for installed wind energy capacity, collectively contributing 93.37% of the country's wind power capacity installation. Tamil Nadu has seen the installation of wind turbines since the 1980s, and today it has the second largest installed wind energy capacity with 10,603.5 MW, according to data available with the Ministry of New and Renewable Energy (MNRE). Of the 20,000 wind turbines in the State, nearly 10,000 are of small capacities, that is less than one MW.

How are wind turbines maintained?

Wind turbines that are more than 15 years old or have less than 2 MW capacity, can be completely replaced with new turbines, which is known as repowering. They can also be refurbished by increasing the height of the turbine, changing the blades, installing a higher capacity gear box, etc., to improve the energy generated. These can be done for standalone wind mills, or a group of wind mills owned by multiple generators. When wind energy generators take up safety measures in the old turbines and extend its life, its called life extension.

The MNRE first came out with a "Policy for Repowering of the Wind Power Projects" in 2016 and based on consultations with stakeholders, released the "National Repowering & Life Extension Policy for Wind Power Projects -2023". The NIWE estimates the repowering potential to be 25.4 GW if wind turbines of less than 2 MW capacity are taken into consideration.

Powerhouse: Wind turbines along the Kadayanallur-Tenkasi highway in Tamil Nadu. JOTHI RAMALINGAM. B

What does repowering and refurbishing entail?

Wind energy generators say that when turbines were installed in the 1980s, potential wind sites were mapped and the mandatory gap required between two wind mills were determined based on the technology available then. All the turbines were in the sub one MW category. Over the years, the wind mill manufacturing sector has matured and technology has evolved. Habitations have come up between wind sites, posing new challenges, and wind energy evacuation and transmission infrastructure close to the wind sites needs to be strengthened to match the generation.

Sources in the wind energy industry point out that a 2 MW wind turbine is usually 120 metres high and requires 3.5 acres of land. It can generate upto 65 lakh units of power. A 2.5 MW turbine, which is available in the market now, is 140 metres high and can generate 80 lakh units. It requires five acres. So, when an existing wind turbine is to be repowered by replacing it with a high capacity turbine, more land is required.

Further, at Aralvaimozhi in Tamil Nadu, a high potential wind site, the 48 MW installed capacity now is made up of mostly 250 KW turbines and the potential at the site is for 100 MW. A project to have three sub-stations of 230 KVA each at ₹800 crore was sanctioned six years ago and is yet to take off for multiple reasons. In Tamil Nadu, wind mills installed after 2018 do not have banking facility. When a turbine is repowered, it will be treated as a new installation and the generator cannot bank the energy generated. This impacts the financial viability of the project, say the sources.

What is the way forward?

Among the wind energy generating States, the repowering potential is the highest in Tamil Nadu with over 7,000 MW of installed capacity that can be replaced or refurbished. If the small turbines are repowered or refurbished, the contribution of wind energy to total energy consumed during the peak windy seasons can go up easily by 25%, says wind energy consultant A.D. Thirumoorthy.

While there have been generators which have replaced turbines in the past without government support, the policy itself does not promote wind energy generation, claim the generators. It should look at challenges on the field and consider how the wind energy potential can be harnessed fully by the generators. "No industry or energy generator will want to invest in a project that is not financially viable. The repowering policy is not commercially beneficial," said a textile mill owner in Coimbatore who has invested in wind energy.

THE GIST

- The National Institute of Wind Energy (NIWE) says that India has wind power potential for 1,163.86 GW at 150 metres above ground level, and is ranked fourth in the world for installed wind energy capacity.
- Among the wind energy generating States, the repowering potential is the highest in Tamil Nadu with over 7,000 MW of installed capacity that can be replaced or refurbished.
- Wind turbines that are more than 15 years old or have less than 2 MW capacity, can be completely replaced with new turbines, which is known as repowering.

The story so far:

- Tamil Nadu, a leader in wind energy with turbines over 30 years old, **introduced the Tamil Nadu Repowering, Refurbishment and Life Extension Policy for Wind Power Projects - 2024** to modernize its wind energy infrastructure.
- However, **wind energy generators opposed this policy,** arguing that **it doesn't effectively promote wind energy generation.**
- They obtained a stay from the Madras High Court, demanding a policy that better supports wind energy initiatives.

India's Wind Energy Capacity and Potential

- **India ranks fourth globally** in installed wind energy capacity, with substantial untapped potential:
  - **Wind Power Potential**: 1,163.86 GW at 150 meters; 695.51 GW at 120 meters.
  - **Leading States**: Gujarat, Tamil Nadu, Karnataka, Maharashtra, Rajasthan, and Andhra Pradesh **contribute 93.37% of installed wind power capacity.**

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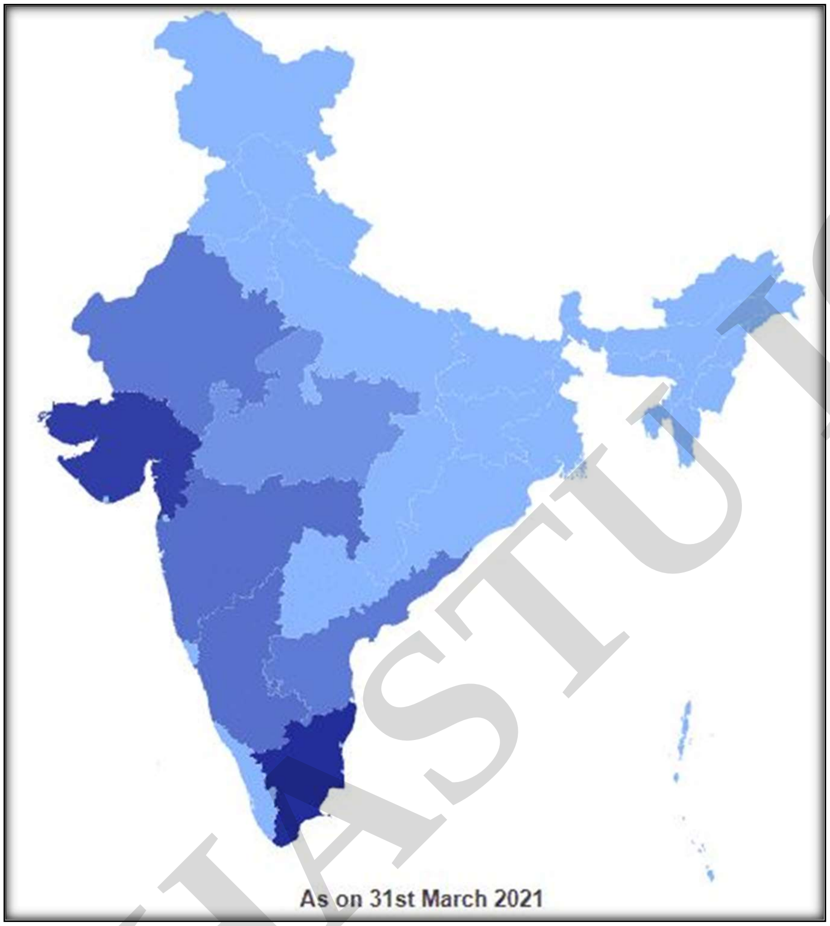
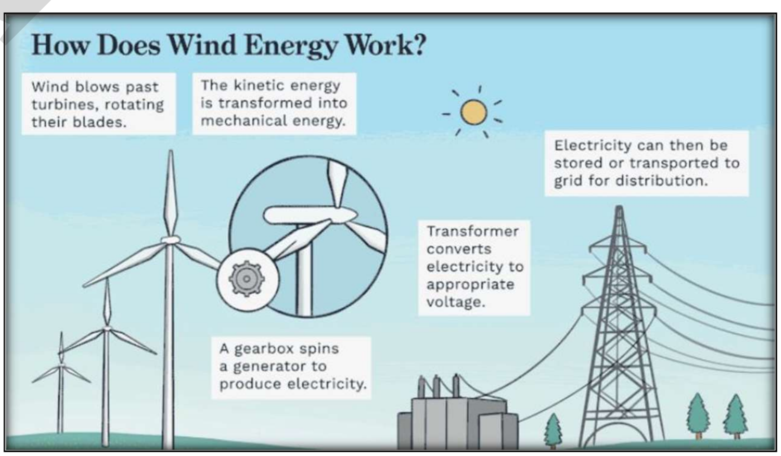
- **Tamil Nadu**: With installations dating back to the 1980s, Tamil Nadu has 10,603.5 MW of wind capacity, **second highest in India.**



Energy Conversion in Wind Turbines

- The energy conversion process in a wind turbine follows this path:
  - **Kinetic Energy** of wind → **Mechanical Energy** in rotor → **Electrical Energy** in generator.
- Wind turbines are designed to maximize efficiency while withstanding various weather conditions, making them one of the most effective renewable energy sources for large-scale electricity production.



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How are wind turbines maintained?

- Wind turbines older than 15 years or with capacities below 2 MW can be:
  - **Repowered**: Fully replaced with newer, higher-capacity turbines.
  - **Refurbished**: Enhanced by adjusting height, blades, and gearboxes to boost energy output.
  - **Life Extended**: Old turbines undergo safety measures for continued use.
- The **MNRE's National Repowering & Life Extension Policy for Wind Power Projects - 2023** identifies 25.4 GW of repowering potential for turbines under 2 MW.

Key obstacles with wind energy in India:

1. **Aging Infrastructure:** Many wind turbines, especially in states like Tamil Nadu, were installed in the 1980s and 1990s and have outdated technology.
2. **Land and Space Constraints:** Newer, high-capacity turbines require more land and spacing than earlier models. However, with habitations and other developments emerging near existing wind farms, land availability for expansion and larger installations is limited.
3. **Transmission and Evacuation Challenges:** Transmission infrastructure near high-wind sites is often inadequate, leading to energy evacuation issues.

Other key obstacles with wind energy in India:

4. **Financial Viability and Policy Issues:** The lack of banking facilities for energy generated by new turbines discourages investment in repowering.
5. **Environmental and Social Concerns:** The installation of taller and larger wind turbines raises environmental and social issues, including visual impacts, noise pollution, and effects on local wildlife. Balancing these concerns with energy needs is a challenge.
6. **Dependence on Favorable Wind Conditions:** Wind energy generation is seasonal and varies based on wind conditions, which are not consistent throughout the year.

Way Forward

- Tamil Nadu has high potential for repowering, with estimates suggesting that refurbishing small turbines could increase wind energy contribution by 25% during peak seasons.
- Hence, the industry calls for:
  - **Policy Revisions**: Addressing operational challenges and offering financial incentives.
  - **Enhanced Commercial Viability**: Ensuring policies support financially sustainable investments in wind energy.
- A revised policy that considers these aspects could better support wind energy growth and attract investment into repowering initiatives.

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CAN INDIA GET RICH BEFORE GROWING OLD?

Can India get rich before growing old?

There has been a lot of hype about India's demographic dividend, ever since liberalisation unlocked possibilities beyond the reach of our once socialist, more austere imagination. Demographic dividend denotes a country's economic growth advantages when most of its population is in the working-age bracket. Today, the dividend has become this vague, almost mythical assurance of perpetual economic growth. Unfortunately, as often happens with things that are, or assumed to be, perpetual, we take them for granted. This perhaps explains why we end up resenting the 'extra' number of people vying for education, employment, and housing. Politicians then give expression to this resentment by trying to reserve jobs for locals.

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The middle-income trap

A reality check is in order. Even though three-fourths of India's population is aged 15-64, the dividend, as it turns out, is not the silver bullet that we have held it out to be, nor is it perpetual. India's total fertility rate (TFR) – the average number of children a woman has in her lifetime – is declining at a faster pace than was anticipated a decade ago. Projections suggest that within 10 years, the proportion of working-age individuals in the total population will begin to fall, marking the beginning of the end of India's demographic dividend. Most States are now below the replacement-level fertility rate of 2.1 children per woman, needed to maintain a stable population. Southern States such as Andhra Pradesh and Karnataka, with TFRs below 1.75, are leading this trend. Other States, including Punjab and West Bengal, are also experiencing similar declines, indicating that this is a nationwide phenomenon.

India's rapid decline in TFR also challenges conventional wisdom, which links lower birth rates to improvements in education and income. Despite modest gains in per capita income, which still places India among lower-middle-income countries, the country's TFR has dropped from 2.6 in 2010 to 1.99 today. As India approaches middle-income status by the next decade, this decline is expected to accelerate. Whether India can get rich before it grows old is no longer just an alarmist concern; it has become an existential dread.

What is even more worrying is that our dividend is right now being wasted as people remain stuck in low-productivity agricultural jobs or remain unemployed while preparing for competitive exams. Since liberalisation, India has reduced the proportion of its workforce in low productivity agriculture by a mere 17 percentage points, from 63% to 46%; for comparison, 30 years after China's liberalisation, the country's share of workers in agriculture reduced by 32 points, from 70% to 38%. Meanwhile, India's labour force participation rate (LFPR) in urban areas remains at a dismal 50%. If India continues on this path, it risks falling into a middle-income trap from which only a handful of countries have escaped. Even China, after years of rapid growth, is slowing down. India must not assume it will fare any better, especially as its demographic window narrows.

Focus on manufacturing

So, what must we do to leverage the demographic dividend before it is too late? Throughout history, the proven path for economic growth has been the movement of workers from low-productivity sectors such as agriculture to higher-productivity jobs in manufacturing and services. While the services sector has grown significantly, manufacturing has stagnated in India. This needs to be addressed, because manufacturing, particularly in labour-intensive industries, creates far more jobs than services. For example, the textile and apparel industry, worth $150 billion, employs 45 million people, compared to 5.5 million in the $250 billion IT-BPM sector. Moreover, textile factories often employ 60-70% women, empowering those who might otherwise be confined to unpaid work (only three out of 10 working-age Indian women are in the labour force).

Manufacturers in India face significant challenges. According to recent World Bank surveys, one in six manufacturers cites business licensing and permits as major constraints, compared to less than 3% in Vietnam. Similarly, access to land and cumbersome customs and trade regulations are major hurdles, with 17% of manufacturers facing such issues, compared to 3% in Vietnam. These barriers are stifling manufacturing growth. Thus, India must improve its business environment, which is crucial for enabling large-scale job creation.

The Central government should lower tariffs to make inputs cheaper for Indian manufacturers and boost exports. Finalising long-pending free trade agreements with the U.K. and EU should be another priority to expand market access for Indian products. State governments should be bolder with labour reforms, allowing workers to choose flexible work arrangements, and also look into land and building regulations for factories. As per a recent report by Prosperiti, many factories can only use half their land due to restrictive building standards, which increases manufacturing costs. Additionally, restrictions on creating worker housing in industrial zones raise hiring costs. Addressing these issues and improving the investment climate must be India's priorities.

We must strive to capitalise on our demographic dividend. With a similar per capita income to India in the 1980s, China transitioned millions from agriculture to manufacturing. It is time India stops patting itself on the back for the short-lived blessing that is its 'demographic dividend' and gets to work on leveraging it.

To reap its demographic dividend before it becomes too late, India must create jobs in manufacturing

- **India's demographic dividend—**the economic advantage of having a large working-age population—**has been seen as a growth engine since liberalization.**
- However, as **fertility rates (TFR) drop faster than expected**, India's working-age population will soon start shrinking, **raising concerns about missed growth opportunities.**
- With **most states below** the replacement **TFR of 2.1, *India's ability to achieve economic growth before it "grows old" is uncertain.***

Why is India's demographic dividend underutilized?

- People remain stuck in low-productivity agricultural jobs or remain unemployed while preparing for competitive exams.
- Labor force participation remains low, particularly in urban areas, where it hovers around 50%.

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- India risks falling into the middle-income trap—where countries struggle to advance to high-income status after rapid initial growth.
- To avoid this, India needs a manufacturing boost.
  - **Manufacturing, especially labor-intensive industries** like textiles, creates more jobs than services and **has higher female employment,** empowering women economically. (only three out of 10 working-age Indian women are in the labour force).
- However, manufacturers face regulatory and logistical barriers, with challenges like
  - Complex licensing,
  - Land acquisition, and
  - Customs procedures
- **Other challenges:**
  1. **Infrastructure Gaps**: India's infrastructure, including transport and power supply, is underdeveloped in many areas.
  2. **High Input Costs**: High tariffs on raw materials and intermediate goods drive up input costs for manufacturers, making Indian products less competitive in global markets.

     Example: Electronics and smartphone manufacturing sector. India imposes high import duties on raw materials such as **display panels, touch screens, memory chips etc.**
  3. **Limited Access to Credit**: Smaller manufacturers and MSMEs face challenges in securing affordable financing, limiting their ability to expand and invest in new technology.
  4. **Skill Gaps and Low Labor Productivity**: While India has a large workforce, there is a shortage of skilled labor suited to manufacturing needs.
  5. **Low R&D Investment**: Indian manufacturers are often behind global competitors in technology adoption and innovation.
- **Solution:**
  - Reduce tariffs
  - Finalize trade agreements with the EU and UK, and
  - Pursue labor and land reforms to improve the business environment.
- Learning from China's transition from agriculture to manufacturing in the 1980s, India must act swiftly to harness its shrinking demographic dividend, capitalizing on this limited opportunity to foster sustainable economic growth.

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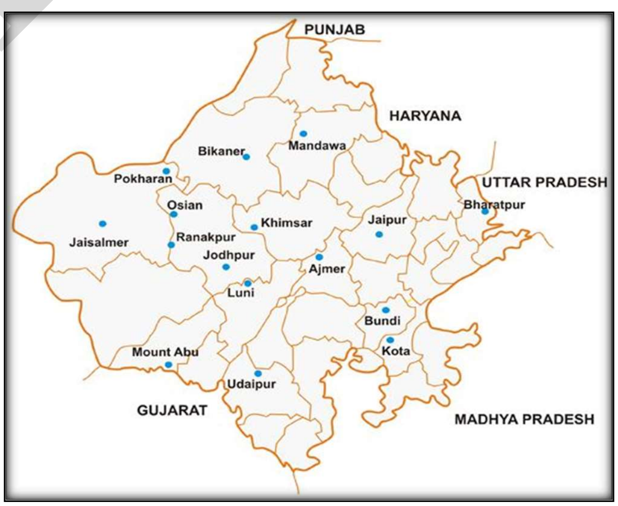
PUSHKAR FAIR

Camel parade

Ornate animal: A camel takes part in the 'camel decoration competition' during the annual camel fair in Pushkar, Rajasthan on Sunday. AFP

- The **Pushkar Fair**, also known as the **Pushkar Camel Fair**, is an annual event held in the town of **Pushkar** in Rajasthan, India, typically in November. (began on November 9th and will run until November 15th, 2024)
- It is **one of the largest and most famous livestock fairs in the world.**
- The fair is renowned for its **vibrant cultural activities, including camel trading**, **folk music, dance, and traditional competitions.**
- Pilgrims also visit Pushkar to take a holy dip in the **Pushkar Lake** and worship at the **Brahma Temple**.
- In addition to its religious significance, the fair has become a major tourist attraction, showcasing Rajasthani traditions, handicrafts, and local cuisine.



Question:

Q1. Which of the following statements correctly describes the provisions under Article 293 of the Constitution of India?

(a) Article 293 grants the central government the power to borrow money on behalf of the states.

(b) Article 293 empowers the State government to borrow within the territory of India upon the security of the consolidated fund of the State.

(c) Article 293 allows a state to borrow money only from within its own state boundaries.

(d) Article 293 enables a state to borrow money from external sources without any restrictions.

Q2. Which of the following statements regarding India's wind energy capacity is correct?

(a) India ranks Fourth globally in installed wind energy capacity

(b) Gujarat, Tamil Nadu, West bengal, Jharkhand, and Assam are top five contributor of installed wind power capacity.

(c) Tamil Nadu has the largest installed wind power capacity in India, followed by Gujarat and Rajasthan.

(d) India does not have any Transmission and Evacuation Challenges when it comes to wind energy .

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