



DAILY CURRENT AFFAIRS 05-05-2026

Mapping Perspective

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Prelims Perspective

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Girnar WLS

Syllabus: GS-3: Environment – Protected Areas – Wildlife Sanctuary.

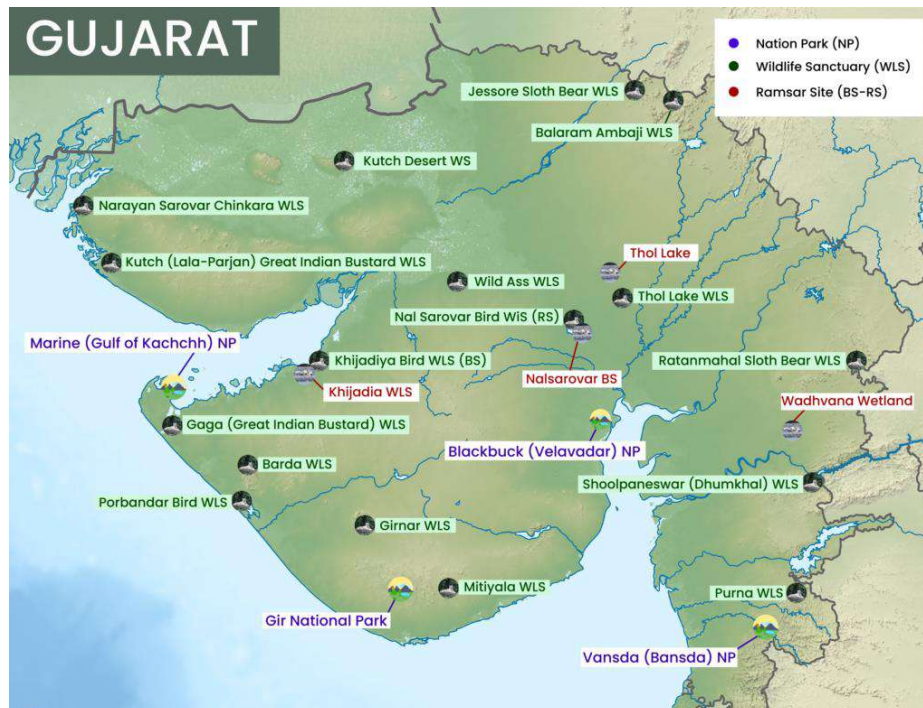
Context:

- Ten years after it was notified as an eco-sensitive zone (ESZ), a committee of monks recently demanded scrapping of this conservation status for the Girnar Wildlife Sanctuary that houses 54 lions, so that all religious activities can be organized freely.

About Girnar Wildlife Sanctuary

Location & Physiography

- Located in the Junagadh district of Gujarat; spans the rugged terrain of the Girnar hills, part of the Saurashtra region.
- Girnar has rich cultural and religious significance with Hindu and Jain temples situated on the hills.



Flora

- Predominantly dry deciduous forests with species like teak, dhak, acacia, and other drought-resistant plants.
- Supports a mix of dense forest, open scrub, and grasslands.

Fauna

- Abundant wildlife including Asiatic lions, spotted deer, Sambar, Chousinghas, Chinkaras, leopards, Indian golden jackals, and around 300 species of birds (resident and migratory).
- Serves as an extension of the Gir National Park's lion population.

Analytical Note

- Issue reflects conflict between conservation (ESZ protection) and religious-cultural activities.
- Highlights challenges in balancing biodiversity protection with local socio-religious demands.

Whitley Award

Syllabus: GS-2: International Awards.

Context:

- Recently, Indian conservationists **Barkha Subba** and **Parveen Shaikh** won **Whitley Awards** for conservation of Himalayan salamander and endangered Indian skimmer.

About Whitley Awards

- Often called the “**Green Oscars**”
- Recognises **grassroots conservation leaders in the Global South**
- Given by the UK charity **Whitley Fund for Nature (WFN)**
- Provides winners with **£50,000 in project funding over one year** to scale up local solutions to biodiversity loss

Himalayan Salamander – Key Facts

- **Nature:** Lizard-like **amphibian species**; resembles a lizard but **lacks scales on its body**
- **Distribution:** Endemic to **India (Darjeeling region), Nepal and Bhutan**
- **Size & Lifespan:** Can grow up to **17 cm** and live up to **11 years**
- **Breeding Behaviour:** Returns to natal site to breed (**philopatry**) → increases vulnerability to habitat and wetland changes
- **Cultural Significance:** Breeding wetlands are **culturally revered water bodies**, associated with local deities and rituals

- **Conservation Status: International Union for Conservation of Nature (IUCN): Vulnerable**

Indian Skimmer – Key Facts

- **Taxonomy:** One of three species in genus **Rynchops** (family Laridae)
- **Feeding Behaviour:** Named for feeding style—flies low over water and **'skims' for fish**
- **Habitat:** Larger, sandy, lowland rivers; also around lakes and adjacent marshes
- **Distribution:** Found in **India, Bangladesh, Pakistan**, with extensions to **Nepal and Myanmar**
- **Important Location in India:** **Chambal River** is a key habitat
- **Conservation Status:** IUCN: **Endangered**

Analytical Takeaways

- Highlights **role of grassroots conservation** in biodiversity protection
- Emphasises **species-specific vulnerabilities** (philopatry, habitat specificity)
- Demonstrates **link between culture and conservation** (sacred wetlands aiding protection)
- Reflects importance of **riverine ecosystems conservation in South Asia**

Incentive Scheme to Critical Mineral Recycling

Syllabus: GS-3: Indian Economy – Industrial Policy.

Context:

- Recently, the Ministry of Mines has approved **58 companies** under the Incentive Scheme for Promotion of Critical Mineral Recycling as eligible for participation.

About the Scheme

- It is part of the National Critical Mineral Mission (NCMM), which is aimed at building the **domestic capacity and supply chain resilience in critical minerals**.
- **Time Period:** The Scheme will have a tenure of **six years (FY 2025-26 to FY 2030-31)**.

Features of the Scheme

Eligible Scope

- Eligible feedstock: **e-waste, Lithium Ion Battery (LIB) scrap, and scrap other than e-waste and LIB scraps.**

Beneficiaries

- Expected beneficiaries: **large, established recyclers and small, new recyclers (including start-ups).**
- **One-third of the scheme outlay earmarked for small/new recyclers.**

Investment Coverage

- Applicable to **new units**, as well as **expansion, modernization, and diversification of existing units.**

Value Chain Focus

- Provides incentive for the **recycling value chain involved in actual extraction of critical minerals.**
- **Excludes value chain involved only in black mass production.**

Incentive Structure

Capital Incentive

- **20% capital subsidy** on plant and machinery for projects commencing production within the stipulated timeframe.

Operational Incentive

- Operational subsidy linked to incremental sales.
- Disbursal pattern:
 - **40% in the second year**
 - **60% in the fifth year**
- Subject to meeting **specific sales thresholds.**

Incentive Limits (Capping)

- To ensure wider participation:
 - **₹50 crore per large entity, ₹25 crore per small entity** (total incentive cap)
 - Operating subsidy limits: **₹10 crore (large entities) and ₹5 crore (small entities)**

Analytical Perspective

- Enhances **resource security** by reducing import dependence on critical minerals.
- Supports **circular economy and sustainable resource utilization** via recycling ecosystem.

- Aligns with India's **energy transition (EVs, renewable energy, battery storage)** requirements.
- Addresses **technological gap in mineral extraction from secondary sources**, beyond mere black mass production.

India's Rupee under pressure

Syllabus: GS-3: Indian Economy – Indian Currency.

Context:

- The Indian rupee has depreciated sharply, touching an all-time low of ₹95.33 against the US dollar on April 30, 2026, meaning it now takes over ₹95 to buy one dollar.
- This marks a steep decline compared to the beginning of 2026 (~₹90 per dollar), and less than ₹85 a year ago.
- Overall, the rupee has fallen by about 12% in just 12 months, significantly higher than its typical annual depreciation of 3–4%.
- The magnitude of this fall is reminiscent of the 2013 currency crisis, when the rupee similarly weakened by around 12% within a short span, indicating heightened pressure.

'Fragile Five' Economies and Currency Depreciation

Concept and Members

- In 2013, Morgan Stanley identified five emerging market economies—India, Indonesia, Brazil, South Africa, and Turkey—as the “Fragile Five” due to vulnerable currencies.
- Their currencies saw sharp declines against the US dollar—rupee, rupiah, real, rand, and lira.

Role of US Monetary Policy

- Primary trigger: rollback of Quantitative Easing (QE) by the Federal Reserve.
- Under QE: low US interest rates → investors borrowed cheaply in dollars → invested in higher-yielding emerging markets.
- With monetary tightening signals → capital flows reversed → investors shifted funds to safer US assets (e.g., government bonds).

Underlying Structural Weakness

- These economies ran current account deficits (import > export) and depended on foreign capital inflows.
- Reversal of global flows → fall in demand for domestic currencies → sharp depreciation.

Rupee in 2026: Revisiting 'Fragile Five'

Current Position

- Despite India's rise as a top global economy (top five in GDP), rupee shows renewed pressure.
- Over the past 12 months, depreciation ~12.1% against US dollar → second-worst performer among "Fragile Five".

Comparative Performance

- Divergence from 2013 scenario:
 - Brazil (+12%) and South Africa (+10%) → currency appreciation.
 - Indonesia (~4% depreciation) → relative stability.
 - Turkey → worst performer (lira ↓17% in past year; >1000% decline since 2018 → deep structural issues).

Comparison: 2026 vs 2013 Currency Crisis

Similarity in Magnitude

- Rupee depreciated ~9.6% in FY 2025–26 vs ~9.5% in FY 2013–14.

Difference in Trend

- 2013: decline followed consecutive sharp falls (≈13% in FY12, 6% in FY13).
- 2026: depreciation followed a period of relatively moderate currency movement.

Underlying External Sector Pressures

Balance of Payments Stress

- Both periods marked by widening current account deficit → higher import outflows.
- Capital account weakened → reduced/negative inflows → capital outflows.

Twin Pressure Mechanism

- Simultaneous deficits in current and capital accounts → severe pressure on rupee.
- India spending more forex on imports + losing capital to global markets → intensified depreciation.

Role of Forex Reserves

- Forex reserves act as the primary buffer to manage imbalance between inflows and outflows.
- As in 2013, India has relied on reserve drawdown to stabilize the currency.
- Indicates structural similarity between 2013 crisis and current episode despite differing pre-trends.

India's Water Food Energy Nexus

Syllabus: GS-3: Indian Agriculture and Environment.

Context:

- World Bank report “Nourish and Flourish” highlights global misalignment between food systems and hydrological realities.
- International Energy Agency report “Sheltering from Oil Shocks” (2026) warns of energy disruptions cascading into food and water crises.
- For India, striving for high economic growth and food security for 1.4 billion → nexus presents an immediate structural challenge.

Core Problem

Mismanagement, Not Absolute Scarcity

- Agricultural water systems can sustainably support only about 1/3rd of the global population by 2050 if inefficiencies persist.
- India exemplifies paradox:
 - Water-stressed food exporter
 - Produces water-intensive crops (rice, sugarcane) in depleted regions
 - Leads to export of “virtual water”, worsening domestic water stress

Regional Hotspots – Groundwater Crisis

- Punjab–Haryana model:
 - Groundwater depletion exceeding 1 metre/year
 - Driven by free/subsidised/solar electricity for irrigation → near-zero marginal cost energy → over-extraction
- Nexus failure:
 - Energy policy (free power) distorts water usage

- Agricultural incentives (MSP, procurement) reinforce unsustainable cropping patterns

Worsening Energy–Water–Food Interlinkages

Energy Shocks & Agriculture

- Food security deeply dependent on energy stability
- India imports nearly 85–90% of crude oil → high vulnerability
- Oil shocks:
 - Increase diesel prices → higher irrigation & transport costs
 - Power shortages disrupt agricultural operations
- IEA insight: Demand-side measures (remote work, reduced transport) indirectly stabilise energy systems and reduce food inflation

Fiscal & Policy Distortions

- India spends ₹1.5 lakh crore annually on electricity subsidies for agriculture → significant inefficiency
- Globally: ~₹55 lakh crore spent on agriculture (2023), only ~₹2.2 lakh crore toward irrigation infrastructure
- Rising oil prices:
 - Increase import bill, fiscal deficit, inflation
- Linkage:
 - Inefficient water use amplifies energy vulnerability
 - Energy shocks exacerbate food insecurity

Climate Change as Risk Multiplier

- Erratic monsoons, droughts, extreme rainfall disrupt agricultural cycles
- Combined with oil shocks → higher fuel costs + supply disruptions → compound vulnerabilities

Key Challenges

Structural

- Fragmented governance (water, energy, agriculture in silos)
- Distorted price signals (free electricity)

Economic

- High subsidy burden

- Rising import bill and inflation during oil shocks

Environmental

- Groundwater depletion
- Unsustainable cropping patterns

Technological & Institutional

- Lack of water accounting systems
- Weak integration of renewable energy with regulation

Way Forward – Integrated Nexus Approach

Crop Diversification

- Shift away from water-intensive crops in stressed regions
- Acts as: water strategy + energy-saving measure + hedge against fuel price shocks
- Move from pilot schemes to mainstream agricultural policy

Energy–Water Pricing Reform

- Transition from blanket electricity subsidies → targeted DBT + smart metering
- Restores rational economic signals while protecting small farmers
- Aligns with WB efficiency principles and IEA demand-side logic

Precision Irrigation & Solar Systems

- Promote drip/sprinkler systems
- Scale up schemes like PM-KUSUM
- Add smart controls + water-use regulation to prevent overuse

Urban Energy Demand Management

- Promote public transport, remote work, efficient logistics
- Reduces oil dependence → stabilises energy systems → eases food inflation pressures
- Connects urban policy with rural resilience

Nexus-Based Institutional Framework

- Dedicated institutional architecture integrating:
 - Agriculture
 - Jal Shakti
 - Power

- Features: unified data systems + joint planning processes

Conclusion

- India's challenge is not merely water scarcity or energy dependence, but managing their deep interdependence.
- Nexus-based approach essential for: sustainable agriculture, energy security, long-term economic resilience.
- Without shift from sectoral policymaking → systems approach (aligning incentives, reforming subsidies, leveraging technology), India cannot build a robust and future-ready development model.