



**VAJIRAM & RAVI**  
Institute for IAS Examination

# The Analyst

**CURRENT AFFAIRS Handout**

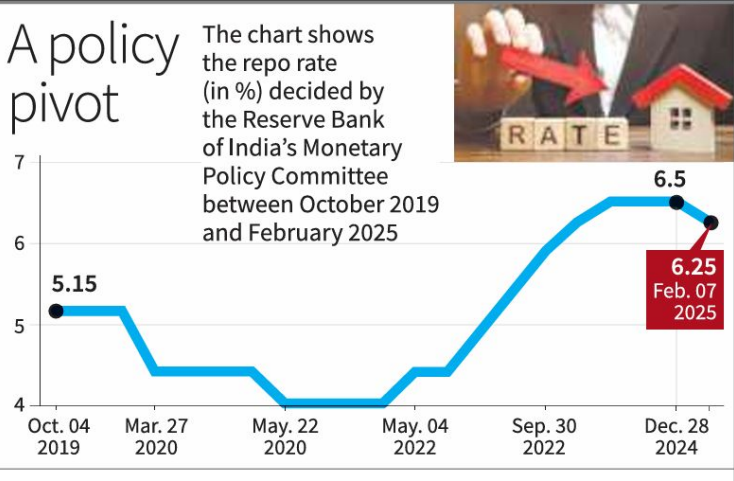
**8th February 2025**



# Why RBI has Cut the Repo Rate ?

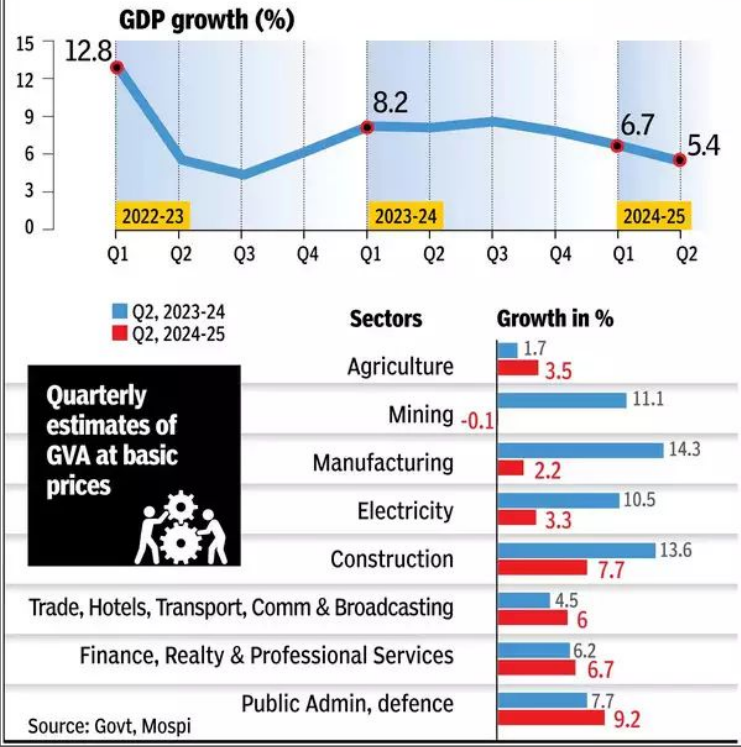
**CONTEXT:** The RBI has recently announced repo rate cut by 25 basis point after the recent monetary policy committee meeting

- **What is repo rate ?**
- **Purpose of Repo Rate ?**
- to support **fading growth** in the
- hope of **inflation easing** to 4.4% in this quarter and 4.2% through 2025-26.



## Why RBI has Cut the Repo Rate ?

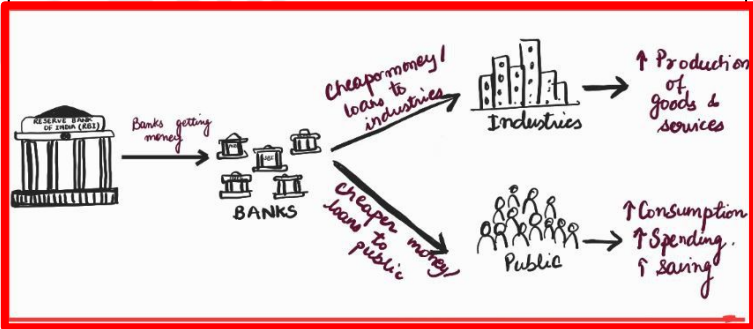
### Industrial Sector Slows, Services Steady



## Monetary Policy Committee:

- **Section 45ZB of RBI Act**
  - 6 members
- **Functions:**
  - Determines the **repo rate**
  - Formulates **monetary policy**
  - Issues **bi-monthly** statements
- **Why MPC meetings are so important?**
  - **Domestic money supply** and **interest rates**
  - Control **inflation**

## Implications of Rate Cut



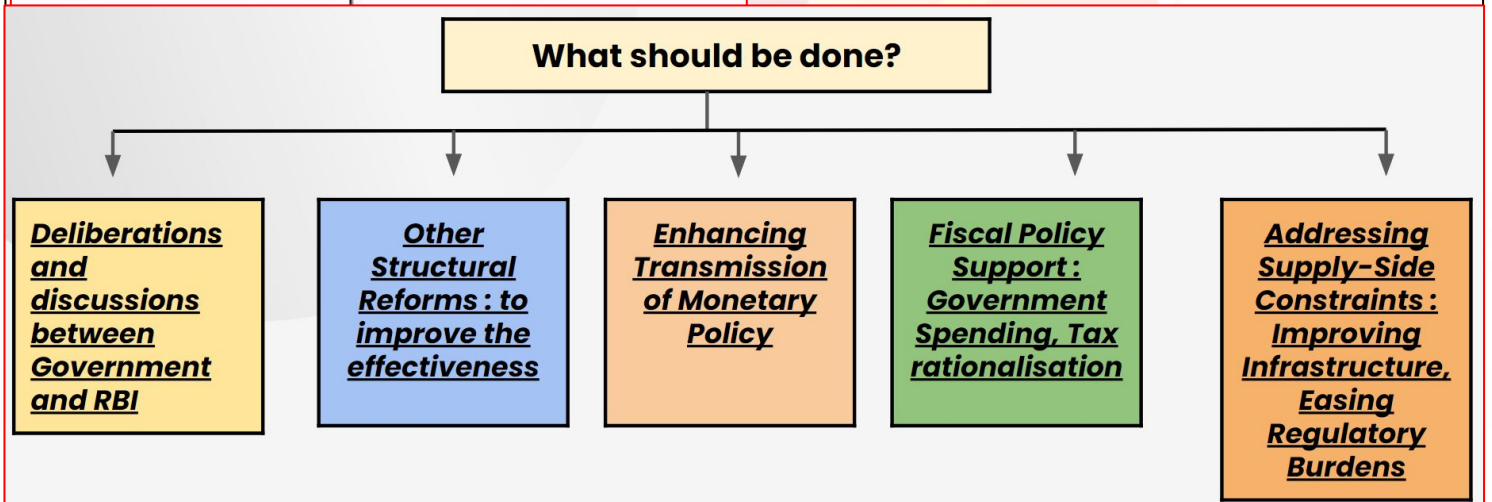
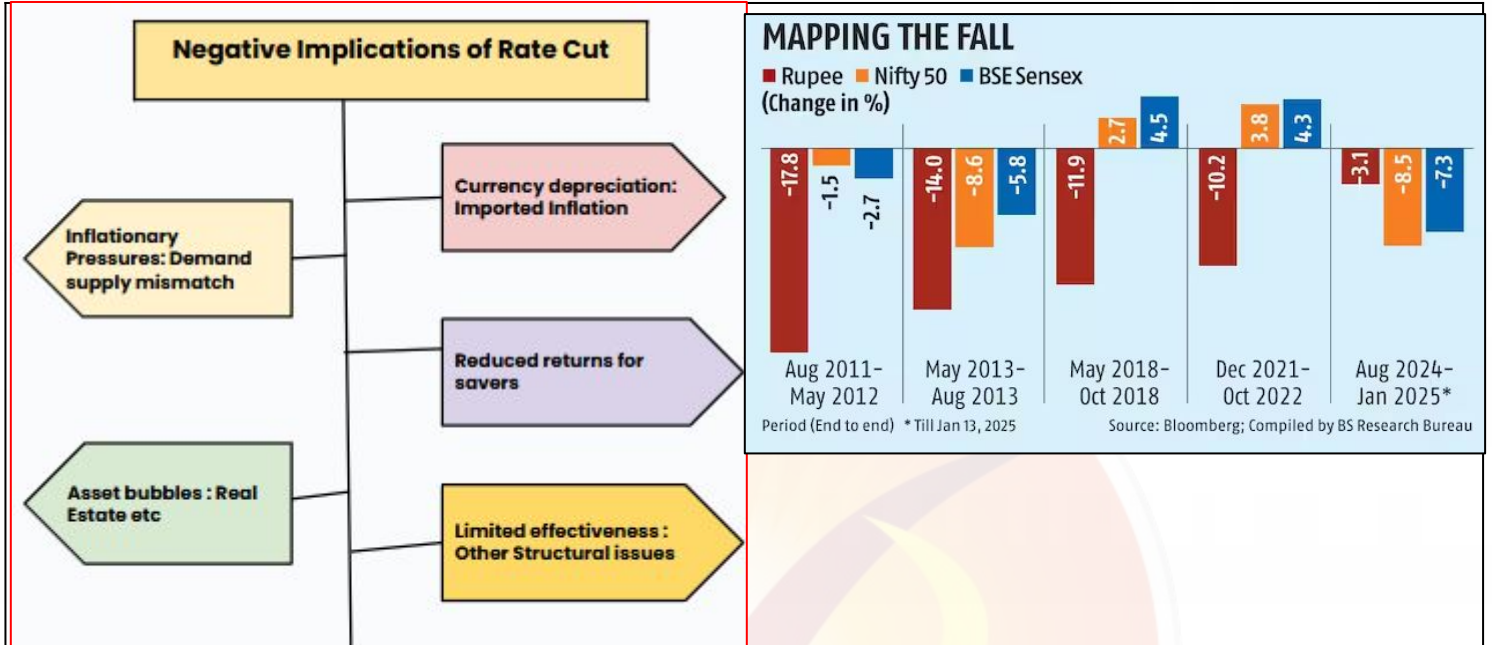
- **Other**
  - **Strengthening of Financial Markets-** move towards **Stocks, Mutual Funds** etc.
  - **Export Competitiveness**



# Why RBI has Cut the Repo Rate ?



**CONTEXT:** The RBI has recently announced repo rate cut by 25 basis point after the recent monetary policy committee meeting



## Mains Practise Question

Question : In the context of the Indian economy, analyze the potential impact of a repo rate cut on businesses and consumers and economy as whole. (10 Marks, 150 words)



# Why RBI has Cut the Repo Rate ?



**CONTEXT:** The RBI has recently announced repo rate cut by 25 basis point after the recent monetary policy committee meeting

**Q. Which of the following statements is/are correct regarding the Monetary Policy Committee (MPC)?**

1. It decides the RBI's benchmark interest rates.
2. It is a 12-member body including the Governor of RBI and is reconstituted every year.
3. It functions under the chairmanship of the Union Finance Minister.

**Select the correct answer using the code given below:**

- (a) 1 only  
(b) 1 and 2 only  
(c) 3 only  
(d) 2 and 3 only

**Which one of the following is not the most likely measure the Government/RBI takes to stop the slide of Indian rupee?**

- (a) Curbing imports of non-essential goods and promoting exports  
(b) Encouraging Indian borrowers to issue rupee denominated Masala Bonds  
(c) Easing conditions relating to external commercial borrowing  
(d) Following an expansionary monetary policy

**Q. Consider the following statements:**

1. The weightage of food in Consumer Price Index (CPI) is higher than that in Wholesale Price Index (WPI).
2. The WPI does not capture changes in the prices of services, which CPI does.
3. The Reserve Bank of India has now adopted WPI as its key measure of inflation and to decide on changing the key policy rates.

**Which of the statements given above is/are correct?**

- (a) 1 and 2 only  
(b) 2 only  
(c) 3 only  
(d) 1, 2 and 3

**Q. If the RBI decides to adopt an expansionist monetary policy, which of the following would it not do?**

1. Cut and optimize the Statutory Liquidity Ratio
2. Increase the Marginal Standing Facility Rate
3. Cut the Bank Rate and Repo Rate

**Select the correct answer using the code given below:**

- (a) 1 and 2 only  
(b) 2 only  
(c) 1 and 3 only  
(d) 1, 2 and 3



# Technology and the challenge of equitable education



**CONTEXT:** A write up has appeared focussing on various aspects of challenges of equitable education.

- 1990s- 2000s- Education Activities on Mass Scale
- Rush towards infrastructure
- COVID-19 - digital revolution, rural India.
- ~ 90% of rural households, simple mobile phones, 36% had smartphones. (2018)
- In 2022 - Proportion of households with smartphones had risen to over 74% and, ASER 2024, it has grown further to 84% this year.
- Use of smartphones - pandemic period ,carrier of texts, worksheets, and videos, substitute for textbooks
- Owned Smartphone proportion is only 31%

## DECLINE IN DROPOUT RATE AMONG GIRL STUDENTS IN SCHOOL

PRIMARY	UPPER-PRIMARY	SECONDARY
2017-2018 <b>3.3%</b>	2017-2018 <b>5.6%</b>	2017-2018 <b>18.4%</b>
2020-2021 <b>0.7%</b>	2020-2021 <b>2.6%</b>	2020-2021 <b>13.7%</b>

SOURCE: GOVERNMENT DATA

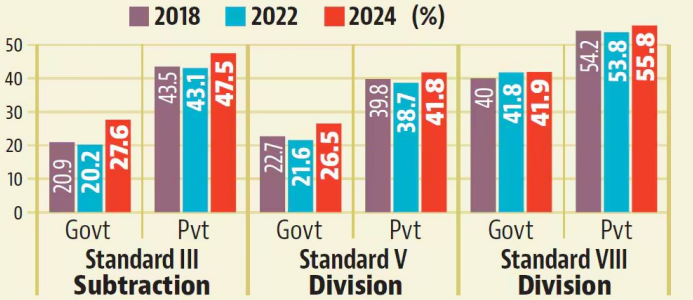
ThePrint

## LEAVING SCHOOL

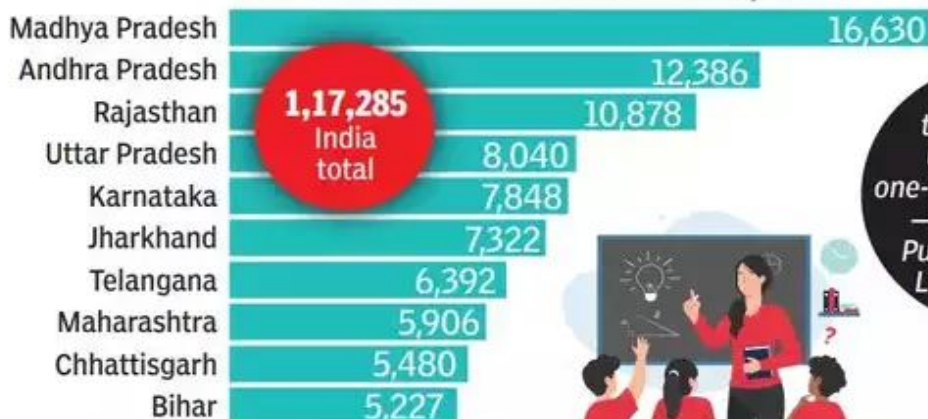
Year	Drop out rate (in %)			
	Classes I to V		Classes I to VII	
	Boys	Girls	Boys	Girls
2010-11	2.08	2.11	7.87	8.12
2011-12	2.05	2.08	7.35	7.82
2012-13	2.02	2.06	6.87	7.37
2013-14	1.97	2.02	6.53	7.28
2014-15	1.94	2.00	6.19	7.03
2015-16	1.67	1.81	5.88	6.79
2016-17	1.43	1.61	5.57	6.55
2017-18	1.31	1.53	4.56	6.21
2018-19	1.42	1.37	4.15	4.86
2019-20	1.44	1.31	2.87	3.90



## CHART 2 Share of students who can do basic arithmetic



## States with the most one-teacher schools, 2021-22



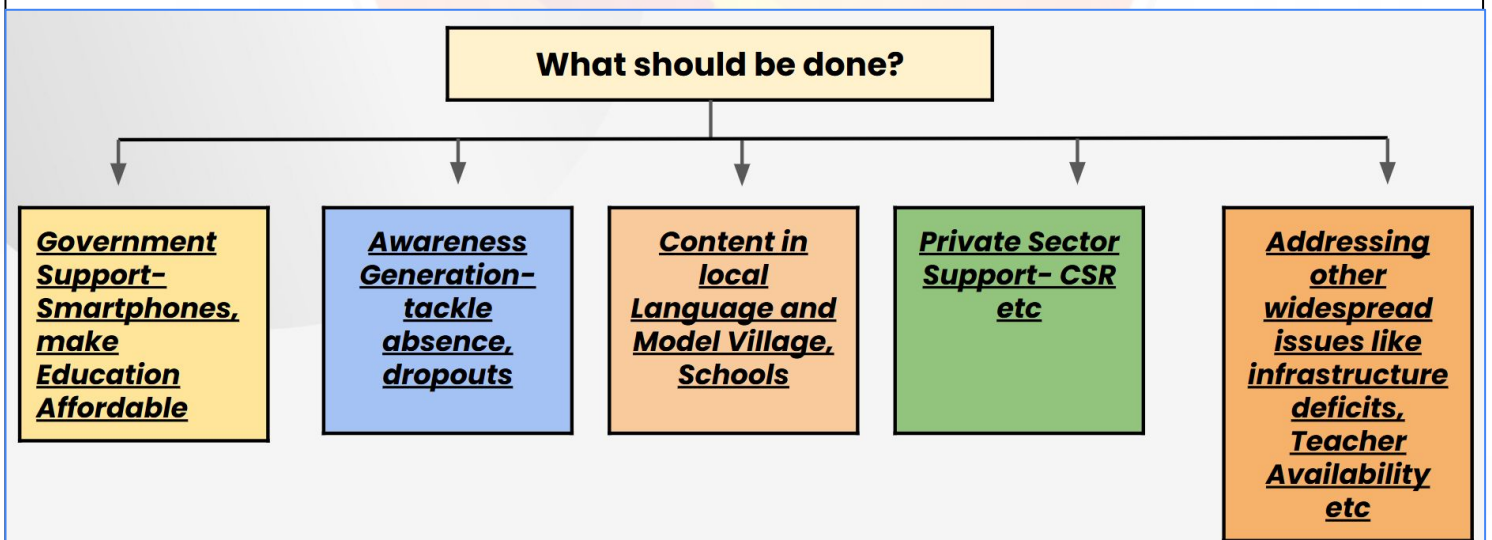
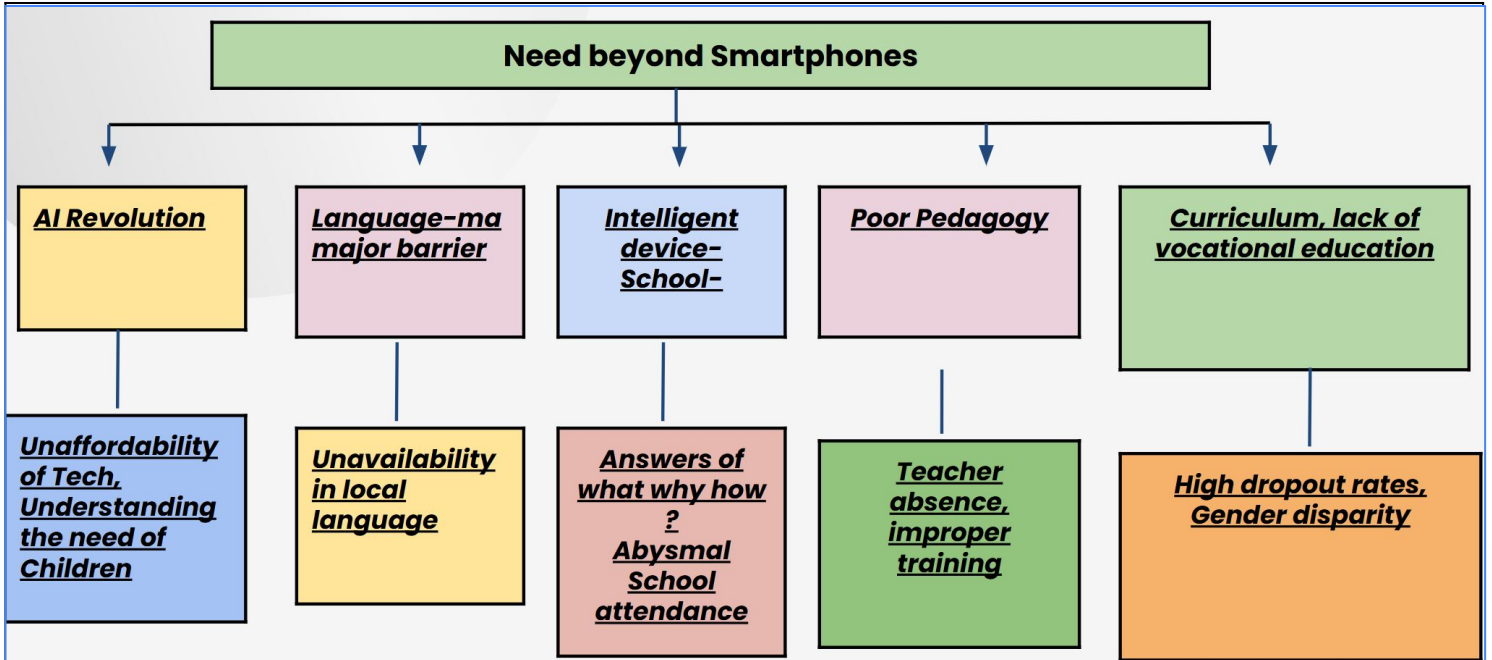
Only three states/UTs have no one-teacher schools – Chandigarh, Puducherry and Lakshadweep



# Technology and the challenge of equitable education



**CONTEXT:** A write up has appeared focussing on various aspects of challenges of equitable education.



## Mains Practise Question

Question : Discuss the major issues plaguing the school education in India and suggest some measures to address the underlying issues . (10 Marks, 150 words)



**SYLLABUS:** GS Paper 3: Biotechnology  
**Newspaper:** The Hindu **Page Number:** 12

Following the approval of the Biotechnology for Economy, Environment and Employment (BioE3) policy by the Union Cabinet last August, the Department of Biotechnology organised a consultation with States on Friday here to setting up biomanufacturing facilities in their regions.

Biomanufacturing refers to the industrial manufacture of a variety of products relating to high-value bio-based chemicals, biopolymers and enzymes; smart proteins and functional foods; precision biotherapeutics and climate resilient agriculture.

“Currently, several States do not even have a policy on biotechnology



The States made presentations on their efforts at promoting biotechnology industries.

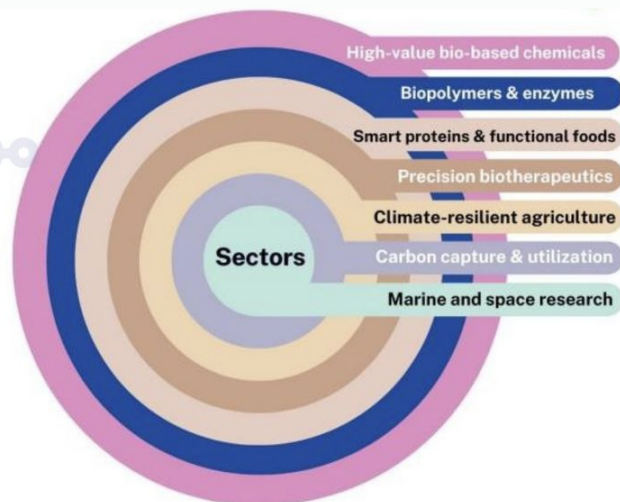
manufacturing. For the next, say Biocon, to emerge we need close engagement between States and the Centre,” said Rajesh Gokhale, Secretary, Department of Biotechnology.

“I am confident that in the coming years, biotechnology will be an avenue of massive investments and profits, and (States) that

The road map to achieving this will involve establishing ‘State-centric BioE3 cells’, formulating State-centric BioE3 action plans, constituting State-level steering committees, appropriate working groups and nodal officers and setting up Bio-AI hubs, foundries and manufacturing hubs.

## BioE3 (Biotechnology for Economy, Environment and Employment) Policy for Fostering High Performance Biomanufacturing

BioE3 Policy targets strategic sectors for sustainable growth



**SYLLABUS:** GS Paper 3: Biotechnology  
**Newspaper:** The Hindu **Page Number:** 12

## BioE3- Policy for Fostering High Performance Biomanufacturing

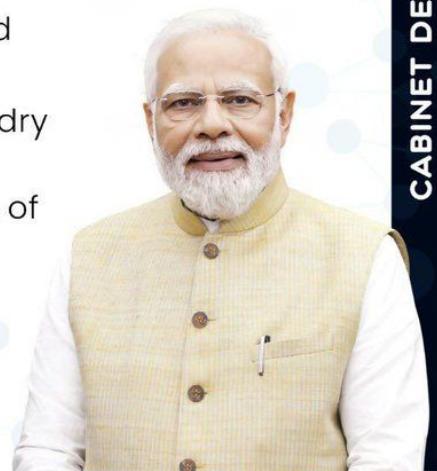


**Cabinet approves** 'BioE3 (Biotechnology for Economy, Environment and Employment) Policy for Fostering High Performance Biomanufacturing'

### **Salient features**

- ❖ Innovation-driven support to R&D and entrepreneurship across thematic sectors
- ❖ Acceleration of technology development and commercialization by establishing Biomanufacturing & Bio-AI hubs and Biofoundry
- ❖ Prioritizing regenerative bioeconomy models of green growth
- ❖ Facilitating expansion of India's skilled workforce and providing a surge in job creation

1/2



CABINET DECISION 24<sup>TH</sup> AUGUST, 2024





**SYLLABUS:** GS Paper 3: Agriculture

**Newspaper:** The Indian Express **Page Number:** 07

## CROPS COVERED UNDER MSP

KHARIF CROPS (14)	RABI CROPS (7)	CALENDAR YEAR CROPS (4)
1. Paddy	1. Wheat	1. Copra
2. Jawar	2. Barley	2. De-husked Coconut
3. Bajara	3. Gram	3. Jute
4. Ragi	4. Masur	4. Sugar Cane (FRP)
5. Maize	5. Rapeseed & Mustard	
6. Arhar	6. Safflower	
7. Moong	7. Torai	
8. Urad		
9. Cotton		
10. Ground Nuts		
11. Sunflower		
12. Soyabean		
13. Sesamum		
14. Nigerseed		

- CACP recommends MSP for 22 crops before the sowing period each year
- MSP derived for Toria based on MSP for Rapeseeds and Mustard and for De-husked Coconut on the Basis of MSP of Copra.
- Fair and Remunerative prices for Sugar is also declared

● When a farmer grows a crop, he incurs costs, some of it explicit and some implicit or unpaid. The CACP considers the following costs:

1

**A2**

Covers all cash and in kind expenses incurred by farmers on seeds, fertilisers, chemicals, hired labour, fuel, irrigation, etc

2

**A2+FL**

Actual costs plus an imputed value of unpaid family labour



3

**C2**

Includes 'A2+FL' along with revenues forgone on owned land (rent) and fixed capital assets (interest)

### Prelims PYQ 2018

93. Consider the following :

1. Areca nut
2. Barley
3. Coffee
4. Finger millet
5. Groundnut
6. Sesamum
7. Turmeric

The Cabinet Committee on Economic Affairs has announced the Minimum Support Price for which of the above ?

- (a) 1, 2, 3 and 7 only
- (b) 2, 4, 5 and 6 only
- (c) 1, 3, 4, 5 and 6 only
- (d) 1, 2, 3, 4, 5, 6 and 7

Q. Consider the following statements:

1. In the case of all cereals, pulses and oil-seeds, the procurement at Minimum Support Price (MSP) is unlimited in any State/UT of India.
2. In the case of cereals and pulses, the MSP is fixed in any State/UT at a level to which the market price will never rise.

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



**SYLLABUS:** GS Paper I: Art & Culture

**Newspaper:** The Indian Express **Page Number:** 10

**New Delhi:** The Delhi HC has said it is "implausible to say that Kalaripayattu does not have a broad national footprint" and primarily observed that the Indian Olympics Association "opted an arbitrary approach" in its decision to not include the Kerala martial art as a competitive sport in the 38th National Games.

Harshita Yadav, 19, had moved court on January 28 after the martial art was listed as a demonstrative sport during the 38th National Games at Haridwar on January 29-30.

Martial Art	State
Silambam	Tamil Nadu
Kalaripayattu	Kerala
Gatka	Punjab
Thang-Ta	Manipur
Pari Khanda	Bihar
Kathi Samu	Andhra Pradesh
Musti Yuddha	Uttar Pradesh
Mardani Khel	Maharashtra

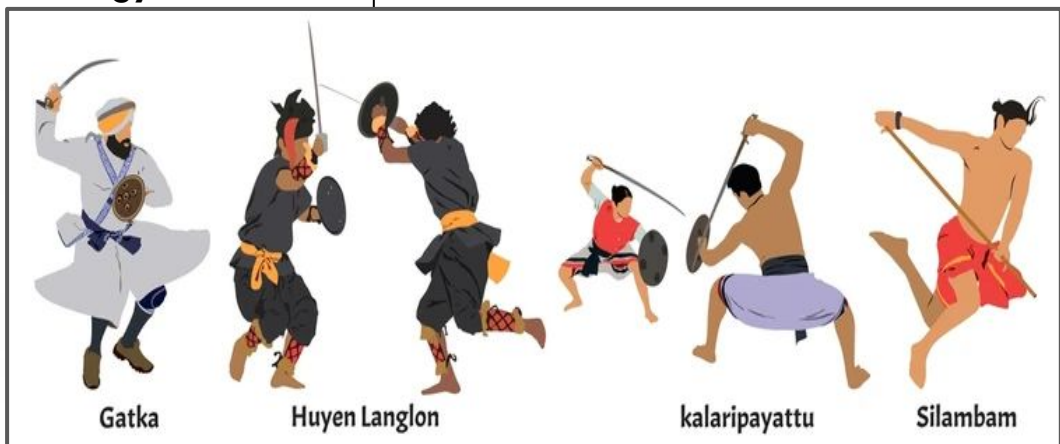
## Yogasana, mallakhamb are now medal sports at National Games

The IOA had classified the two games as demonstration sports ahead of the multi-sport event, which began on January 28.

PTI  
Last Updated : 05 February 2025, 20:57 IST

- Martial art based on the **ancient knowledge of the human body.**
- **Origin:** Kerala during 3rd century BC to the 2nd century AD.
- Practised in Kerala and in some parts of Tamil Nadu.
- 'Kalari'- a Malayalam word that signifies a **kind of gymnasium.**

- Kalari literally means- '**threshing floor**' or '**battlefield**'. The word Kalari first appears in the Tamil Sangam literature to describe both a battlefield and combat arena.
- Considered to be one of the **oldest fighting systems in existence**, and as the **father of modern Kung - Fu.**



**SYLLABUS:** GS Paper 3: Agriculture

**Newspaper:** The Indian Express **Page Number:** 07

**New Delhi:** Union Agriculture Minister Shivraj Singh Chouhan Friday told the RS that the Centre will upgrade e-NAM platform as e-NAM 2.0 to facilitate onboarding of logistic service providers to address logistic hurdles faced in inter-state and inter-mandi trade.

Chouhan said the main features of e-NAM 2.0 would be bank account validation, eKYC features using Aadhaar, and onboarding of assaying, logistics and other value-added service providers.

"This initiative will resolve the logistic challenge and will lead to faster trade, reduced wastage and better farmer incomes," he added. Launched in 2016, e-NAM is an electronic trading portal that networks existing APMC mandis to create a unified national market for agricultural commodities. ENS

- The NAM portal **networks the existing APMC** (Agriculture Produce Marketing Committee) / Regulated Marketing Committee (RMC) **market yards, sub-market yards**, private markets, **and other unregulated markets to unify all the nationwide agricultural markets** by creating a central online platform for agricultural commodity price discovery.



- Online trading platform for agricultural commodities** in India.
- Launched- April 14, 2016, **completely funded by the Gov.**
- Implementing agency - Small Farmers Agribusiness Consortium (SFAC)** acts as the **lead agency for implementing.**
- Aim:** to create better marketing opportunities **for the farmers to sell their products through, competitive and transparent price discovery system,** along with an **online payment facility for the buyers.**

Seva, Sushasan and Garib Kalyan  
9 Years

Empowering Farmers with a **Digital Revolution**  
E-NAM Platform

1,361 Mandis integrated with E-NAM

2,575 FPOs onboarded

1.75 crore+ farmers & 2.4 Lakh+ traders registered

G20 myGov

**SYLLABUS:** GS Paper 3: Defence

**Newspaper:** The Hindu **Page Number:** 11

**The Hindu Bureau**

NEW DELHI

Indian Navy's biennial capstone Theatre Level Operational Exercise (TROPEX) is under way in the Indian Ocean Region, in which the combined fleet, comprising approximately 65 Indian Navy ships, nine submarines, and over 80 aircraft, are being "put through complex maritime operational scenarios to validate and refine the Navy's **Concept of Operations**".

This is conducted biennially with participation by all operational units of the Navy along with participation of Army, Air Force, and Coast Guard assets.

"TROPEX-25 is aimed at validating Indian Navy's core warfighting skills, and ensuring a synchronised, integrated response to preserve and protect national maritime security interests in a contested maritime environment against conventional, asymmetric as well as hybrid threats," the Navy said in a statement.

Exercise Name	Partner Nations
Malabar	USA, Japan, Australia
Varuna	France
Indra	Russia
Yudh Abhyas	USA
Shakti	France
Ajeya Warrior	UK
Sampriti	Bangladesh
Mitra Shakti	Sri Lanka
Surya Kiran	Nepal



**Q1. Consider the following statements regarding the Repo Rate:**

1. It is the rate at which commercial banks borrow funds from the RBI against government securities.
2. An increase in the repo rate generally leads to higher inflation.
3. Repo rate is determined solely by the Monetary Policy Committee.

**Which of the statements given above is/are correct?**

- a) 1 and 3 only
- b) 1 and 2 only
- c) 2, and 3 only
- d) 1,2 and 3

**Answer: b**

**Q2. Consider the following statements:**

1. BioE3 Policy aims to foster high-performance biomanufacturing in India.
2. It focuses exclusively on the development of biofuels to achieve a net-zero carbon economy

**Which of the statements given above is/are NOT correct?**

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

**Answer: b**

**Q3. Consider the following statements regarding the Minimum Support Price (MSP):**

1. MSP is determined by the Commission for Agricultural Costs and Prices and is legally binding on private traders.
2. It is announced before the sowing season for both Kharif and Rabi crops.
3. The government is obligated to procure all produce offered by farmers at MSP.

**How many of the statements given above is/are correct?**

- a) Only One
- b) Only Two
- c) All Three
- d) None

**Answer: a**

**Q4. Regarding Kalaripayattu, consider the following statements :**

1. It is recognized as India's oldest martial art with origins in Kerala.
2. The practice incorporates Marmashastra, which focuses on vital pressure points.
3. Unlike other martial arts, it does not involve the use of weapons.

**How many of the statements given above is/are correct?**

- a) Only One
- b) Only Two
- c) Only Three
- d) All Four

**Answer: b**

**Q5. Regarding the National Agriculture Market (e-NAM), consider the following statements:**

1. e-NAM is implemented by NABARD to provide direct cash transfers to farmers.
2. It integrates physical mandis into a unified national market through an online trading platform.
3. Only notified agricultural produce can be traded on e-NAM.

**Which of the statements given above is/are correct?**

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

**Answer: c**





# **VAJIRAM & RAVI**

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