



VAJIRAM & RAVI
Institute for IAS Examination

The Analyst

CURRENT AFFAIRS Handout

26th May 2025



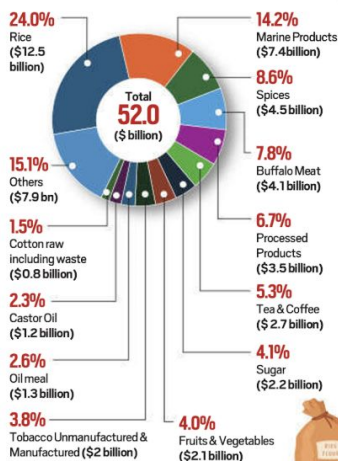
CONTEXT: A strategic trade and investment approach can transform Indian agriculture globally, but structural constraints remain

Indian Agriculture Trade through DATA!

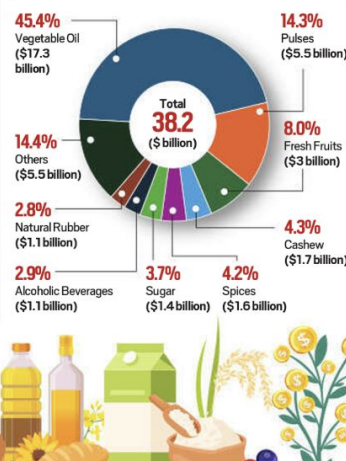
As India pursues **new Free Trade Agreements** (e.g., India-UK FTA concluded; India-US FTA under negotiation), agriculture emerges as a **crucial sector**.

Region	Share	Top Products	Major Importers
Asia	58% (\$48B)	Rice, spices, marine products	China (\$3B), UAE (\$3B), Vietnam (\$2.6B)
Africa	15%	Basmati rice, sugar, processed foods	Nigeria, South Africa, Kenya
USA	13.4%	Basmati rice, sesame seeds, fresh fruits	
Europe	12.6%	Tobacco, fruits, ornamental plants	Netherlands, Germany, UK

MAJOR EXPORTING COMMODITIES IN FY25



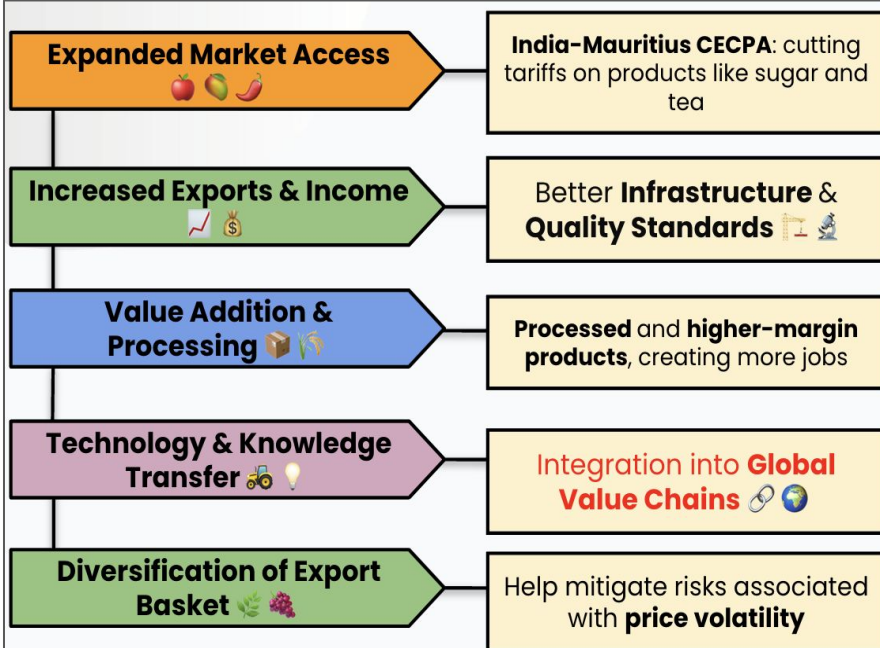
MAJOR IMPORTING COMMODITIES FY25



Agri-Imports: Key Sources

	%	Top Suppliers
Global South (Palm oil, soybean oil, pulses)	48%	Brazil, China, Indonesia
Developed (Fresh fruits, dairy, machinery)	52%	USA, Netherlands, Germany

Opportunities from Trade Agreements



Govt. Initiatives to Boost Exports

Agricultural Export Policy (2018)	Focus on high-value crops, infrastructure, and global market linkages.
APEDA	Certifies organic products, promotes GI-tagged goods (e.g., Darjeeling tea).
PM-FME Scheme	Supports small food processors with credit and tech upgrades.
Krishi Udan 2.0	Airfreight subsidies for perishables (e.g., grapes, cherries).
NPOP Certification	Ensures compliance with EU/US organic standards .



CONTEXT: A strategic trade and investment approach can transform Indian agriculture globally, but structural constraints remain

Challenges and Concerns

Export Bans/Policy Uncertainty

Frequent curbs (e.g. on **rice, wheat, sugar**) disrupt export momentum and reliability.

Unsustainable Production

Exporting water-intensive crops like **rice** = "virtual water export" → ~**40 billion m³ water** lost in FY25 via rice exports.

Sluggish Growth

From **20% avg. growth (FY05–14)** to just **2.3% avg. (FY15–25)**
ASEAN FTA: Flooded Indian markets with cheaper palm oil (Malaysia) and rubber (Thailand)

Subsidy-Driven Competitiveness

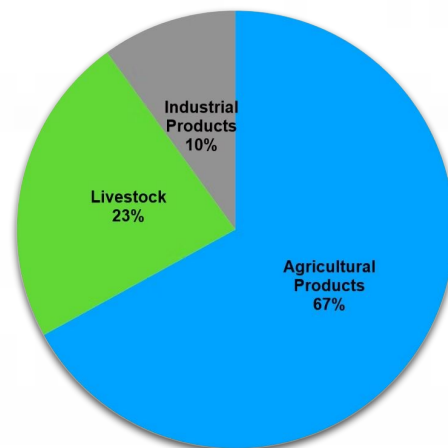
USA: Subsidizes at \$61,286/year vs. **India's** \$282/year
WTO **Amber Box** Limits

High Import Dependency

Edible oils: India imports 55–60% of its needs, primarily **palm, soybean, sunflower oils** → fiscal pressure and supply risk.

Smallholder Constraints

Farmers lack buffer support during transitions (e.g., oil palm takes 4–6 years to mature, needs income protection).



Policy Measures / Way Forward

✓ Short-Term Measures

- **Stabilise trade policy:** Avoid abrupt bans; use calibrated tariffs (e.g., **10–15% exp tax on rice**)
- **Balance inflation and exports:** Use targeted subsidies and buffer stock management.

✓ Medium to Long-Term Reforms

Productivity Boost

Invest in **agri-R&D, seed tech, drip irrigation, fertigation, precision farming**.

Water Management

Shift away from water-heavy crops; incentivise **less water-intensive, high-value crops**.

Edible Oil Mission

Promote **domestic oil palm cultivation** with **gestation support** for smallholders + **FPO-corporate collaboration**.

Agri-Processing

Expand agro-processing zones to enhance **value-added exports** (processed food, beverages).

Trade Diplomacy

Secure **phytosanitary approvals**, remove **non-tariff barriers**, and build **brand India agri-products** in global markets.



CONTEXT: A strategic trade and investment approach can transform Indian agriculture globally, but structural constraints remain

UPSC PYQ (P) 2020

With reference to the circumstances in Indian agriculture, the concept of "Conservation Agriculture" assumes significance. Which of the following fall under the Conservation Agriculture?

1. Avoiding the monoculture practices
2. Adopting minimum tillage.
3. Avoiding the cultivation of plantation crops
4. Using crop residues to cover soil surface
5. Adopting spatial and temporal crop sequencing/crop rotations

Select the correct answer using the code given below:

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

UPSC PYQ (M)

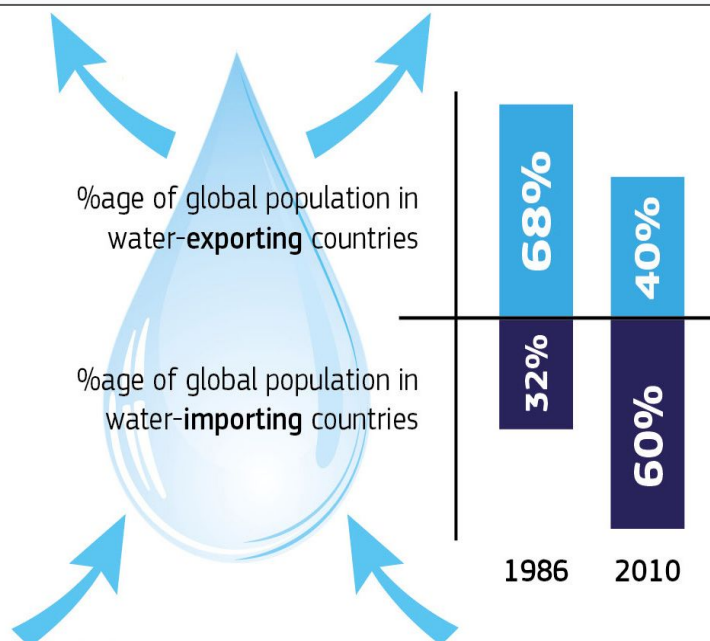
Q. What are the present challenges before crop diversification? How do emerging technologies provide an opportunity for crop diversification? (2021)

Q. What are the main constraints in transport and marketing of agricultural produce in India? (2020)

Mains Practise Question


"Trade alone cannot lift Indian agriculture. But trade plus technology, sustainability, and stability – can." Explain using examples.

(15 Marks, 250 words)



CONTEXT: External Affairs Minister Jaishankar and his Maldivian counterpart Abdulla Khaleel would hold talks on economic and maritime security partnership.

Significance of Maldives for India

 <p>Arabian Sea</p> <p>Bengaluru Chennai</p> <p>TAMIL NADU</p> <p>Kochi</p> <p>KERALA</p> <p>Thiruvananthapuram</p> <p>SRI LANKA</p> <p>Colombo</p> <p>Laccadive Sea</p> <p>Indian Ocean</p> <p>MALDIVES</p> <ul style="list-style-type: none"> ○ Eydhafushi ○ ● Male ○ Dhangethi ○ Kudahuvadhoo ○ Veymandoo ○ Gan ○ Thinadhoo ○ Fuvahmulah 	<p>🌐 A key maritime neighbour at the heart of India's Indo-Pacific strategy</p> <p>🇲🇻 Maldives, a small archipelagic state in IOR, lies about 700 km from India's southwestern coast</p>
<p>🛡️ Security & Defence Relevance</p>	<p>🌐 Geopolitical</p> <ul style="list-style-type: none"> ● Cornerstone of India's NFP and SAGAR policies. ● Located between the Gulf of Aden & Strait of Hormuz (west) and Strait of Malacca (east) ● Safeguards freedom of navigation and counters piracy <p>📈 Geo-economics</p> <p>Lies near major Sea Lines of Communication through which 50% of India's external trade and 80% of energy imports pass.</p> <p>In 2023, India became Maldives' largest trading partner (~\$1 billion).</p>
<p>🌐 Socio-cultural Linkages</p>	<p>● China's 'String of Pearls': Maldives' proximity helps India check Chinese maritime expansion.</p> <p>● First line of defence: Maldives helps India counter terrorism, piracy, narco-trafficking, and jihadist movements in the IOR.</p> <p>● Military cooperation: India has provided helicopters, patrol vessels, trained personnel, and supported coast guard projects like UTF Harbour.</p> <p>● Over 25,000 Indian expatriates (especially in healthcare and education).</p> <p>● Maldives is a popular tourist destination for Indians, generating bilateral people-to-people goodwill.</p> <p>● Strong civilizational and cultural ties, shared heritage through language, religion, and trade.</p>



CONTEXT: External Affairs Minister Jaishankar and his Maldivian counterpart Abdulla Khaleel would hold talks on economic and maritime security partnership.

Challenges in Bilateral Relations

China's Growing Footprint

Increasing **Chinese investments** via BRI (e.g., **Sinamale Bridge**), military pacts raise **strategic alarms** for India.

Radicalisation

Rising Islamic extremism and reports of **jihadi groups (ISIS, LeT)** **Cross-border terrorism threats**.

Anti-India Sentiments

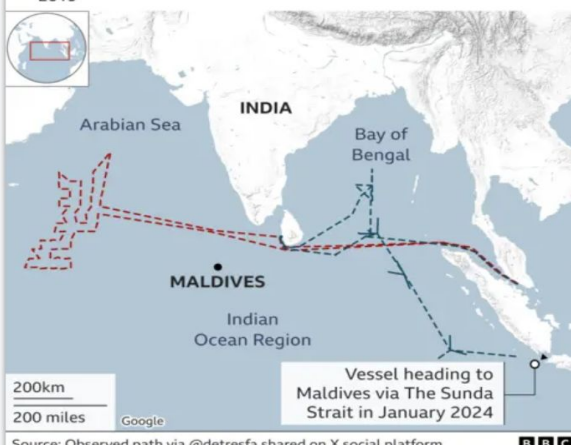
Calls to **withdraw Indian troops**, stalling of **Indian projects**.

Misinformation & Misunderstandings

Allegations that **Indian-backed UTF Harbour** would become a naval base fuelled media-led mistrust.

Chinese research vessel en route to Maldives
Vessel Xiang Yang Hong 03 surveyed areas in Arabian Sea and Bay of Bengal earlier

■ Route while surveying around Arabian Sea region, November 2020
■ Route around Bay of Bengal and Cocos Basin area in November 2019



India-Maldives to Review Economic and Maritime Security Partnership

Maritime Security

- Secure **Sea Lanes of Communication**
- **PIRACY:** Intelligence sharing, coastal surveillance, and capacity-building

Regional Diplomacy

Reinforces India's **Neighbourhood First** and **MAHASAGAR (Mutual and Holistic Advancement for Security and Growth Across Regions)** vision.

Economic Development

- **Great Male Connectivity Project**
- **Hanimaadhoo Airport**
- **Tourism**

Diplomatic Normalisation

Marks a **thaw** post-Muizzu's **India Out** rhetoric in 2023; signals cooperative intent from both sides.



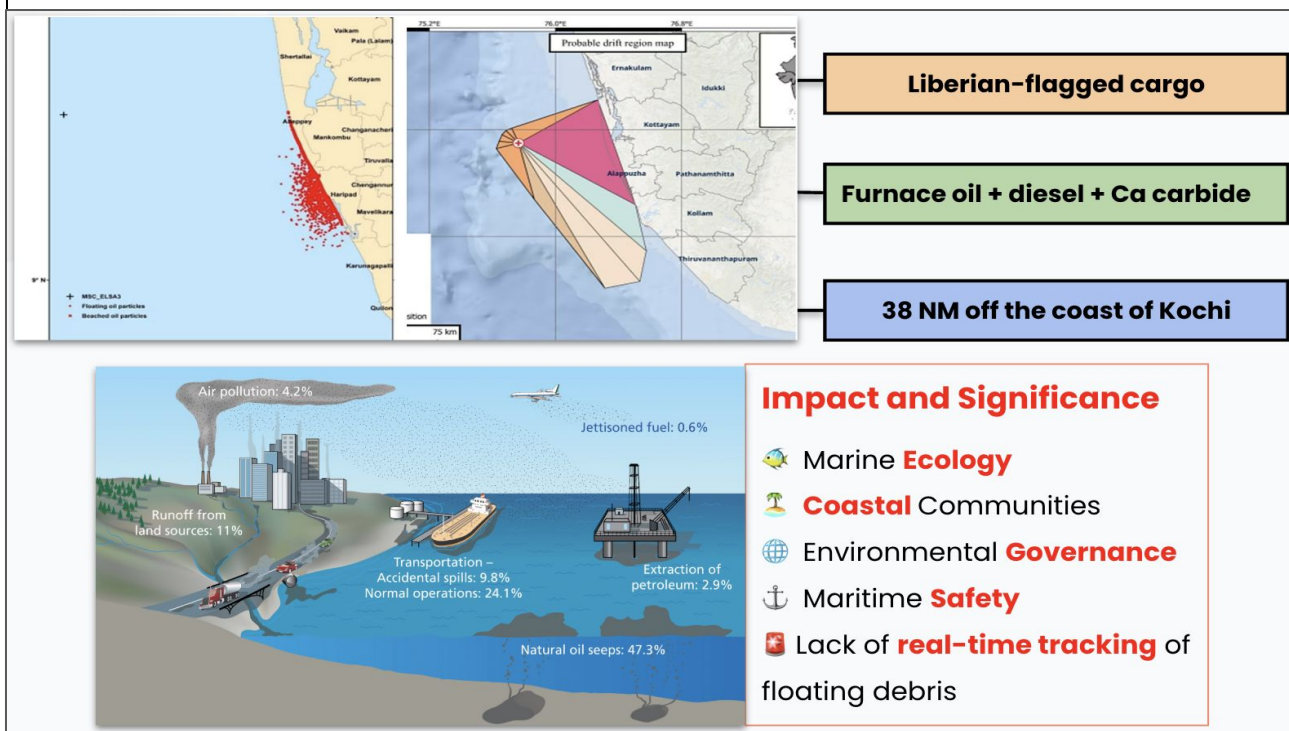
Mains Practise Question

"Maritime neighbours are not just strategic partners, but co-architects of a peaceful Indian Ocean." Comment in light of the India-Maldives economic and maritime partnership.

(15 Marks, 250 words)

Syllabus: GS 3: Environmental pollution and degradation
Newspaper : The Hindu, **Page No. 6**

Oil Spill Alert off Kochi Coast due to Ship Capsizing



Lasting Remedial Measures

Pollution Mitigation Efforts:

- Coast Guard ship **Saksham**, Dornier aircraft deployed.
- Containment booms, skimmers** mobilized.
- State Pollution Control Board** formed **Rapid Response Teams**.

Precautionary Actions:

- Fishing banned** in 20 nautical mile radius.
- Public advisory:** Avoid containers that wash ashore.
- Surveillance by Indian National Centre for Ocean Information Services** to predict oil drift zones.

Related Legal Frameworks & Conventions

- National Oil Spill Disaster Contingency Plan (NOS-DCP), 1996
- Bunker Convention, 2001

Technology

Description

Bioremediation

Use of **oil-eating bacteria** (e.g. *Paraperlucidibaca*, *Cycloclasticus*, *Oleispira*, *Thalassolituus*, *Zhongshania*) to degrade hydrocarbons

Containment Booms

Floating barriers used to **localize and limit oil spread**

Skimmers

Devices that **physically remove oil** from water's surface

Sorbents

Materials (e.g., **volcanic ash, polyester shavings**) that **absorb oil**

Dispersants

Surfactant-based chemicals to break oil into microdroplets for faster biodegradation



Syllabus: GS 3: Environmental pollution and degradation
Newspaper : The Hindu, **Page No. 6**

UPSC PYQ (P) 2011

**Recently, "oilzapper" was in the news.
What is it?**

- a) It is an eco-friendly technology for the remediation of oily sludge and oil spills.
- b) It is the latest technology developed for under-sea oil exploration.
- c) It is a genetically engineered high biofuel-yielding maize variety.
- d) It is the latest technology to control the accidentally caused flames from oil wells.



Syllabus: GS 2: Welfare schemes

Newspaper : The Hindu, Page No. 12

Key Features of the Scheme ([T.V. Somanathan Committee](#))

✓ Eligibility	Central Government employees under NPS , both existing and new entrants
➡ Option-based Entry	Employees can choose UPS instead of NPS; decision once made is final and binding
🏠 Guaranteed Pension	50% of the average basic pay (last 12 months) if the employee has completed 25 years of service
⚖️ Proportionate Benefit	Employees with 10–24 years of service receive pension on a proportionate basis
💰 Minimum Pension	₹10,000 per month for those with at least 10 years of qualifying service
👤 Family Pension	60% of pension as family payout to spouse upon death after superannuation
👴 Voluntary Retirement	Those retiring voluntarily after 25 years get payout from the notional superannuation date
💡 Dearness Relief	Available on both pension and family pension; linked to DA rates for serving employees
🚫 Exclusions	Not applicable in cases of dismissal, removal, or resignation

There was an **urgent need** to ensure wide and effective communication among all employees regarding options available under the Unified Pension Scheme (UPS), the Union Ministry of Railways has said.

The Ministry also urged officials to organise facilitation camps at various locations. “These camps should serve as a platform for employees to seek guidance, clarify doubts and complete their registration process with ease,” the circular dated May 21 said.

Contributor	Percentage of Basic + DA
👤 Employee	10%
🏛️ Government (Employer)	18.5%

	Old Pension Scheme	New Pension Scheme	Unified Pension Scheme
Pension Amount	50% of last drawn basic pay + Dearness Relief	Market-linked returns on contributions	50% of avg. basic pay (last 12 months) + Dearness Relief
Contribution	Fully government-funded	Employee: 10%, Govt: 14% of salary	Employee: 10%, Govt: 18.5% of salary
Family Pension	Continued after death	Depends on corpus & annuity plans	60% of employee's pension
Inflation Adjustment	Yes (via Dearness Allowance)	No (market-dependent)	Yes (linked to CPI for Industrial Workers)



Syllabus: GS 2: Welfare schemes
Newspaper : The Hindu, Page No. 12

UPSC PYQ (P) 2016

Regarding 'Atal Pension Yojana', which of the following statements is/are correct?

1. It is a minimum guaranteed pension scheme mainly targeted at unorganised sector workers.
2. Only one member of a family can join the scheme.
3. Same amount of pension is guaranteed for the spouse for life after the subscriber's death.

Select the correct answer using the code given below:

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


UPSC PYQ (P) 2017

Who among the following can join the National Pension System (NPS)?

- (a) Resident Indian citizens only
(b) Persons of age from 21 to 55 only
(c) All State Government employees joining the services after the date of notification by the respective State Governments
(d) All Central Government employees including those of Armed Forces joining the services on or after 1st April, 2004



Syllabus: GS 3: Disaster management
Newspaper :The Hindu, Page No. 14



MISSION MAUSAM

Cabinet approves 'Mission Mausam' to create a more weather-ready and climate-smart Bharat with an outlay of Rs.2,000 crore over 2 years

BENEFITS

- A multi-faceted and transformative initiative to tremendously boost India's weather and climate-related science, research and services
- Will help better equip stakeholders, including citizens and last-mile users, in tackling extreme weather events and the impacts of climate change
- Mission focus to include improving observations and understanding for providing highly accurate and timely weather and climate information across temporal and spatial scales
- Mission to be implemented by 3 institutes of the Ministry of Earth Sciences:
 - India Meteorological Department
 - Indian Institute of Tropical Meteorology
 - National Centre for Medium-Range Weather Forecasting

Resolution	6 km × 6 km spatial resolution (vs. current 12 km × 12 km), to improve localised prediction
Indigenous Development	Built entirely in India by IITM, Pune — shift from foreign models (e.g., U.S.-based CFS)
Model Type	Deterministic model (vs ensemble forecasting)
Scalability	Can be fine-tuned to 3 km and even 1 km resolution in the future
High-performance Computing	Requires massive computing power to process large-scale atmospheric and oceanic data inputs
Focus	Special emphasis on extreme rainfall, monsoon variability, and cyclonic systems

Impact and Significance

Weather Forecasting	Higher accuracy, especially for urban flooding, local thunderstorms, and short-range alerts
Disaster Management	Helps authorities respond faster to cyclones, cloudbursts, etc.
Agriculture	Supports climate-resilient farming through reliable local forecasts
Urban Planning	Helps smart cities and metros prepare for localized flooding or heatwaves.
Strategic Autonomy	Boosting self-reliance in climate science

Comparison with Existing Models

Model	Developed by	Resolution
Coupled Forecasting System	U.S. National Center for Environmental Prediction (customized for India)	12 km
Global Forecasting System	US-origin, used by IMD	~13 km
BFS	IITM (India)	6 km



Syllabus: GS 3: Infrastructure: Energy
Newspaper : Indian Express, Page No. 13

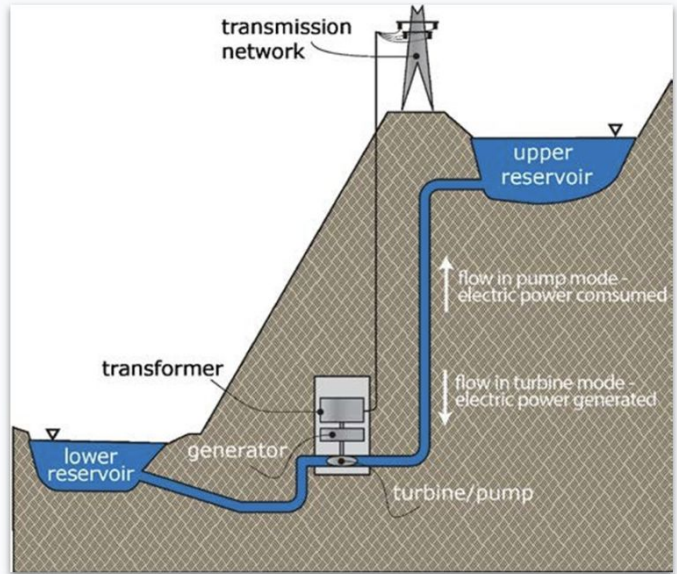
What is Pumped Storage Hydropower?

Definition: A large-scale energy storage system that uses two water reservoirs at different elevations to store + generate electricity

How It Works:

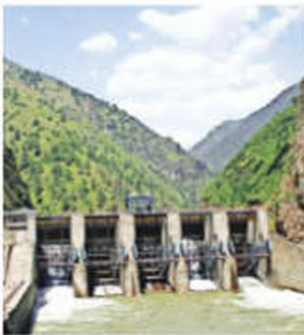
- **Charging (Storage):** Excess solar/wind power pumps water from a **lower reservoir to an upper reservoir**.
- **Discharging (Generation):** During peak demand, water is released back downhill to **spin turbines and produce electricity**.

Role in Grid Stability: Acts as a "giant battery" to balance intermittent renewable energy (solar/wind).



Why is India Betting Big on Pumped Storage?

INSTALLED PUMPED STORAGE CAPACITY LESS THAN 5GW



File

AT PRESENT, India has less than 5 GW of installed pumped storage capacity, and plans to increase it over tenfold by 2032

THE CEA expects 39 projects to be commissioned by then, totalling 51.24 GW. Around 10 GW is under construction, including 3 GW for commissioning in the current financial year

- ✓ **Grid Stability:** 500 GW renewable energy target by 2030.
- ✓ **Cost-Effective Storage**
- ✓ **Long Lifespan:** Plants last **40–60 yrs**
- ✓ **Energy Security:** Reduces reliance on **Chinese battery imports**.

Current Capacity	<5 GW
Planned Capacity (2032)	51 GW (39 projects)
Top States	Andhra Pradesh (16 GW), Maharashtra (13 GW)
Leading Developers	Greenko (13.2 GW), Adani (11.4 GW), JSW (7.7 GW)
Under Construction (2024)	10 GW (3 GW to be operational this year)



Syllabus: GS 3: Infrastructure: Energy
Newspaper : Indian Express, **Page No. 13**

Challenges in Scaling Up PSH

Factor	Pumped Storage (PSH)	Battery Storage (BESS)
Cost	Lower per kWh over lifespan	High upfront cost
Lifespan	40–60 years	10–15 years
Deployment	Slow (5+ yr)	Fast (1–2 years)
Scalability	Needs specific geography	Modular, flexible
Dependence on Imports	Minimal (local construction)	Relies on Chinese batteries

Government's Dual Strategy: PSH + BESS

- **PSH for Bulk Storage:** Large-scale, long-duration needs (e.g., overnight grid balancing).
- **BESS for Flexibility:** Fast-reaction support (e.g., solar smoothing, frequency regulation).
- **Policy Support:**
 - **Waiver of interstate transmission charges** for PSH.
 - **Viability Gap Funding (VGF)** for early-stage projects.



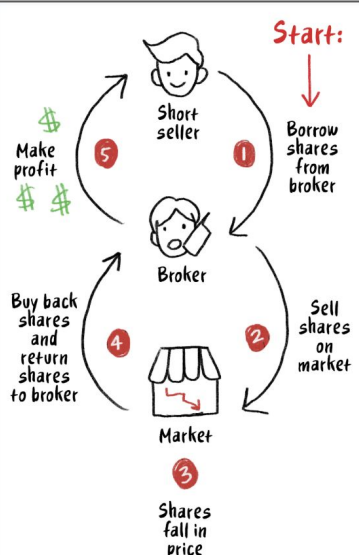
Syllabus: Prelims: Economic & Social Development
Newspaper : The Hindu, Page No. 15

Short Selling in Stock Markets

Short selling (or "shorting") is a trading strategy where an **investor sells a stock they don't own**, betting that its price will fall. If the price drops, they **buy it back at a lower price**, pocketing the difference as profit.

When is Short Selling Used?

- ✓ **Hedging** – to offset losses elsewhere.
- ✓ **Speculation** – Traders bet
- ✓ **Arbitrage** – Exploiting price differences



Risks of Short Selling

Type	Market	Time Frame	Risk Level
Intraday Shorting	Spot (Cash) Market	Must square off same day by 3:30 PM.	High (penalty if not closed).
Futures Shorting	Derivatives Market	Can hold for days/weeks (rollover allowed).	Very high (margin required).

Their price-fall prediction must be right and square-off must be made on the same day. If the stock is illiquid and you could not buy (if no sellers) before the market closes, you would end up paying hefty penalties.

In futures market, you need not square-off a short position on the same day but can hold on to the position overnight or roll over. But you must deposit a margin amount which is usually higher and not affordable for most retail traders and highly risky.

Overall, it is always better for investors to stay away from shorting unless they have knowledge.

Who Should Avoid Short Selling?

- ✗ **Beginners** – Complex and high-risk.
- ✗ **Long-Term Investors** – Better suited for traders.
- ✗ **Low-Capital Traders** – Margin calls can wipe out accounts.



Q1. Regarding India's agricultural exports, consider the following statements:

1. India is one of the largest exporters of rice in the world.
2. Marine products constitute the highest share in India's agricultural export basket by value.
3. The Agricultural and Processed Food Products Export Development Authority (APEDA) is responsible for the promotion of all agricultural exports, including tea, coffee, and spices.

Which of the statements given above is/are correct?

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

Answer: a

Q2. Consider the following statements:

1. The India-Maldives 'Greater Male Connectivity Project' is funded entirely by the Maldives government.
2. Maldives is a member of the South Asian Association for Regional Cooperation (SAARC) but not of the Indian Ocean Rim Association (IORA).
3. India was the first country to respond to Maldives during the 2004 Indian Ocean tsunami and the 2022 water crisis in Malé.

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

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

Answer: a

Q3. Regarding Bioremediation, consider the following statements:

1. It involves the use of microorganisms to degrade environmental contaminants.
2. Bioremediation can be used for cleaning up oil spills, heavy metals, and pesticides.

3. It always requires genetically modified organisms to be effective.

Which of the statements given above is/are correct?

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

Answer: a

Q4. Regarding the Bharat Forecast System, recently in the news, consider the following statements:

1. It is a high-resolution weather forecasting model developed indigenously by India.
2. It aims to replace the Unified Model of the United Kingdom used by IMD.
3. The system is designed to improve forecasts for extreme weather events like cyclones and heavy rainfall.

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

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

Answer: c

Q5. Regarding Pumped Storage Hydropower (PSH), consider the following statements:

1. It generates electricity by transferring water from a higher reservoir to a lower reservoir during off-peak hours.
2. It helps in integrating renewable energy sources like solar and wind into the grid.
3. It consumes more energy than it produces over a full cycle.

Which of the statements given above is/are correct?

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

Answer: d





VAJIRAM & RAVI

Institute for IAS Examination

A unit of Vajiram & Ravi IAS Study Centre LLP

9-B, Bada Bazar Marg, Old Rajinder Nagar,
New Delhi - 110060 • Ph.: 41007400, 41007500

New No. 62, P Block, 6th Avenue, Anna Nagar,
Chennai - 600040 • Ph.: 044-4330-2121

Visit us at : www.vajiramandravi.com