

Mitra's IAS

Learn Here, Lead Anywhere

JANUARY

2024

AnswerMitra

MVAM1.0 : Comments, Opinions & Quotes in News

MAINS ANSWERS + INTERVIEW + PRELIMS LOGIC BUILDING + REVISIONS
CONTEMPORARY ISSUES COMPANION

GS-3



Economy



Agri



Infra



Env't



Internal Security

GS-2



Polity



Governance



Intl. Relations

GS-4



Ethics



Integrity

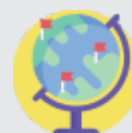


Aptitude

GS-1



History



Geography



Society

Introductions

Conclusions

Comment

Examine

Critically Analyze

Interview

Essays

INDEX

GS-1

01.	Aluminium Uses	1
02.	Social Barriers to Entrepreneurship	1
03.	Women Empowerment	2
04.	Crimes against Women	2
05.	Ease of Commute for Women	2
06.	No Snow in Indian Skii destinations : Western Disturbances	3
07.	Temple Economics	3
08.	Urban Local Body Finances	4

GS-2

01.	World Geopolitics	5
02.	Multilateralism	6
03.	Israel Hamas War	6
04.	India-Tanzania Relations	7
05.	Inequality	7
06.	CITIIS 2.0	7
07.	Hit & Run Issue	8
08.	Social Sector & Civil Society Organizations (CSOs) Myths	8
09.	Blood is not for sale	9
10.	India-Nepal Relations	9
11.	Jamshedpur to be an Industrial Town?	9
12.	Regulatory Independence	9
13.	Zoonotic Diseases	10
14.	India-Maldives Relations	10
15.	Poverty Metrics	11
16.	Trade Risks in Red Sea	11
17.	Inland Waterways	11
18.	India-UAE CEPA	12
19.	Chinese growth and India Imperatives	12
20.	Enemy Property Shares	12
21.	WEF's Annual Meeting	13
22.	Poverty Metrics Debate	13
23.	China's population dip	13
24.	Inclusive Growth	14
25.	India's Growth & Inflation	14
26.	Learning Outcomes	14
27.	Red Sea Crisis	14

28.	Unemployment & Labour Force Participation	15
29.	Coaching Age Limit	16
30.	Two-State Solution for Israel-Palestine	16
31.	On Migration	16
32.	Digital Technologies & Inclusion	16
33.	Ram in constitution	17
34.	De-Reservation	17
35.	PRIs	17
36.	Discipline in Legislatures	18
37.	Red Sea Crisis	19
38.	One Nation One Election	19
39.	Trans Fatty Acids	20
40.	Deepfakes	20
41.	Interdependence & India	20

GS-3

01.	World Economy and Geopolitics	21
02.	India in 2023	21
03.	Finance Commission	21
04.	AI	22
05.	World Economy and Geopolitics	22
06.	War & Oil	22
07.	AI & Banking	22
08.	Crypto Whales	23
09.	Tariffs in Economy	23
10.	Debt Crisis in Global South	23
11.	Inclusive Growth	23
12.	Batteries and EVs	24
13.	Onion Exports Ban	24
14.	Ethanol & Sugar	24
15.	Climate Change Imperatives	25
16.	AI & Job Loss	25
17.	PLI Scheme	26
18.	Climate Action in India	26
19.	Solar Power	27
20.	Food Subsidy	27
21.	Thalinomics	27
22.	Hottest Year	28
23.	Bank Retail Credit	28
24.	Impact of Fiscal Policy Decisions	28
25.	PM Gati Shakti	29

GS-4

ESSAY

**MVAM 1.0 : Quotes/Commentaries in News for January, 2024**

Quotes and Commentaries from luminaries are best tools to revise, remember and reinforce broad overview, value add in Mains Answers, Essays & Interviews and pick key vocabulary for exam. This document is a monthly compilation.

GS-1**01. Aluminium Uses**

Aluminium has successfully replaced timber in house construction, significantly contributing to the prevention of tree cutting. It is used in aircraft making for its light-weight tensile strength, and the same applies to renewable energy projects.

As India witnesses increased government spending on infrastructure, our challenge lies in finding the extent to which aluminium usage can be expanded in these projects. In applications like home window and door frames, as with aircraft making, the metal faces little competition. In infrastructure, it often competes with steel or stainless steel, but it can excel in such niches as architectural structures, electric charging stations, etc. Timber must completely be replaced with aluminium, given its recyclability and cost-effectiveness over time, thanks to very low maintenance costs.

- Former secretary, Government of India Aruna Sharma

02. Social Barriers to Entrepreneurship

Social opinion is often The first entry barrier faced by an aspiring entrepreneur. Only after this leap is taken, do other barriers come into the picture. Social opinion not only shapes individual choices, but also influences the strength of the entrepreneurial support eco-system. This collective mindset can either foster or impede the growth of nascent entrepreneurial ventures.

Leaders are incentivizing entrepreneurial explorations and trying to make them less risky. For example, Birla Institute of Technology and Science (BITS), Pilani, announced that it will allow students and faculty members who want to launch their own ventures to take a break of up to an year. If their ventures fail, students can resume their education and faculty members can return to their academic positions. Social-opinion-driven barriers for entrepreneurship have been significantly lowered in several places and the results are visible. India has created the world's third largest start up eco-system in a relatively short span of time.

Only 18% of India's unicorns are founded by women, for example, and about 42% of unicorn founders are IITians. A significant portion of venture capital funding still goes into consumer technology startups, with deep-tech startups surviving largely on other forms and sources of capital. Unique barriers persist

for aspiring entrepreneurs from tier-2 and tier-3 cities, villages, less advantaged socio-economic classes and conservative communities.

- IIT Bombay Rohan Chinchwadkar

03. Women Empowerment

Women represent half the world's population and are still largely excluded from political decision making. In India's Lok Sabha elections, The number of women contestants seats increased from 3% of all parliamentary candidates in 1957 to 6% in 2009 and further to 9% in 2019, the last such polls held. The representation of women in the Lok Sabha, mean while, has increased from 4.5% in 1957 to 10.9% in 2009 and further to 14.4% in 2019. The numbers make it clear that political representation in the country is dominated by men. It will take a lot more effort to increase the participation of women, which is a very important aspect of women's empowerment in general.

- SBI Group Chief Economist Soumya Kanti Ghosh

04. Crimes against Women

Whether "heinous crimes against women permit remission" whatever faith she may follow or creed she may belong to. We strike down the remission orders on the ground of usurpation of power by Gujarat government.

The Gujarat government was not the appropriate government to pass the **remission** order. We need not have gone into the other issues. But for sake of completion, we have. **Rule of law** is breached because the Gujarat government usurped power not vested in it and abused its power. On that ground also, the remission orders deserve to be quashed.

13 May 2022 order was obtained by "**playing fraud on the court**" and by suppressing material facts.

- Supreme Court

Key Terms/Issues : *Remission, Rule of Law*

05. Ease of Commute for Women

Despite a recent uptick, **India's female labour force Participation rate is abysmally low (around 30%) by global standards (47%)**. Modern-day facilities of urban life may offer possible solutions (urban women are less likely to go out to work than rural women). Many surveys have listed limited mobility as one of the reasons keeping women off formal work.

Apart from spending more than twice the time on unpaid house hold and care work compared to men, women also end up paying the price for the lack of suitable infrastructure. The Uber-Oxford Economics survey showed that safety trumped price for non-working women when considering travel to a prospective work place, and the trend was opposite for men. A 2022 World Bank report called Toolkit for **Enabling Gender Responsive Urban Mobility and Public Spaces mapped out** the divergent mobility patterns for men and women that limited women's participation outside their homes. Women's travel is often limited to non-work-related activities, and they take short trips, mostly during off-peak

hours, use more public transport and pay extra to feel safer. “Lack of safe public transport options deters women from accessing promising opportunities and amounts to levying a ‘pink tax’ on them,” the report said.

- Commentary in News

Key Terms/Issues : *Pink Tax, LFPR*

06. No Snow in Indian Skii destinations : Western Disturbances

India’s two big skiing resorts, Gulmarg in Kashmir and Auli in Uttarakhand, have had a largely dry winter so far. For long stretches, there has been no snow in sight. Barren slopes stare back in stark contrast with what’s usual at this time of the year. Much of the winter rain and snow (at altitudes above 1,600-odd-metres) that northern states get is brought by ‘westerly disturbances’ (WD), which are extra tropical storm systems formed over the Mediterranean region.

Moving from west to east, their usual patterns of precipitation, though, have been disrupted in recent years. While these changes are still being analyzed and causes studied, experts are clear that this season’s snow deficit in the western Himalayas is on account of feeble WDs, which have been losing both intensity and frequency for a while now.

The prime suspect is **climate change**, of course, given the complex ways in which it plays havoc with atmospheric systems across the globe. And the past year has had an added phenomenon: **El Niño**.

- Commentary in News

Key Terms/Issues : *Western Disturbances, El Nino*

07. Temple Economics

22nd January 2024 is not a mere date, it’s the origin of a new kal chakra (era)... We have to expand our consciousness From dev to desh, Ram to rashtra—from deity to nation.

- PM Modi

Ayodhya is “India’s response to the Vatican City and Mecca”. The development of the Ram temple is to result in an estimated 50-100 million footfalls in the city every year. Comparatively, Vatican City and Mecca attract about 9 million and 20 million annual footfalls, respectively.

A \$10-billion makeover (new airport, revamped railway station, township, improved road connectivity etc.) will likely drive a multiplier effect with new hotels & other economic activities. It can also set a template for infra-driven growth for tourism.

Tourism contributed \$194 billion to India’s 2018-19 GDP.

- Report by Jefferies

The newly built Ram temple, along with other initiatives by the Uttar Pradesh government, could result in additional tax revenue of ₹25,000 crore per annum for the state due to increased visitors.

- SBI Research Paper

Key Terms/Issues : *Ram to Rashtra*

08. Urban Local Body Finances

Indian cities, and urban areas in general, generate a huge amount of wealth and income, but have little say—either politically or financially—on how to use it. Most of the money they generate goes back to the state they are part of, or the centre, and they are then dependent on handouts to survive. The 16th finance commission will have to deal with this issue. It could go further than its predecessors in recommending greater fiscal autonomy to city governments.

- Commentary in News



GS-2

01. World Geopolitics

My observation that “life is better now than at anytime in history” may have been true in 2013, but it probably is not today, even for the typical person. The question is whether this reversal will be temporary, or whether it is only the beginning of worse to come.

Improvements in human well-being have repeatedly confronted reversals, many of them lengthy, and some characterized by unimaginable devastation. In the twentieth century alone, disastrous national and international politics caused tens of millions of deaths in two world wars, the Holocaust, and from the murderous policies of Stalin and Mao. The global influenza pandemic of 1918-20 killed perhaps 50 million people out of a world population of less than two billion. The HIV/Aids epidemic has killed around 40 million people to date, and more than half a million continue to die each year from it, most of them in Sub-Saharan Africa.

*Recent events present a depressing catalogue: slow or negative growth; rising global temperatures; resurgent infectious diseases; anti-democratic and right-wing populist politics; stalling globalization; stagnant life expectancy; and increased geopolitical tensions, particularly between the world's two largest economies, the United States and China. Are we returning to a **pre-enlightenment world** ruled by priests and warlords, or is today's darker outlook just another temporary set-back that will be overcome in time?*

*The single biggest threat to continued progress is climate change. Though we know what needs to be done, and though the required technologies are rapidly improving, national and international politics have not supported the necessary action. If there is one lesson to take from the pandemic, it is an old one: that **hubris is the precursor to nemesis**.*

Still, one promising change is the increased use of climate policies based on incentives rather than on penalties. This is crucial, because democracies will always struggle to implement policies that make substantial numbers of people worse off, even if only temporarily.

*Historically, plagues have spread along trade routes, and the situation today is no different. Since the 1990s, international trade has expanded at previously unseen rates, **establishing not only global value chains but also global virus chains**. During that period, there have been two other, much smaller pandemics involving novel respiratory diseases: Severe Acute Respiratory Syndrome (**Sars**) and Middle East Respiratory Syndrome (**Mers**). With a death toll below 1,000 in each case, it was easy to see these episodes as a vindication of the global public-health system's efficacy, and of the limited threat posed by novel pathogens in a richer, better-run world.*

Notwithstanding the cynical politics, we clearly cannot and should not seek a return to the era of hyper-globalization. We urgently need a new global economic order that can preserve and extend the great escape, but with greater care for domestic politics and for the well-being of non-wealthy, less-educated

majorities in wealthy countries. To its credit, the current US administration's policy agenda is directed toward this end, and much now depends on its long-term success.

Populists and autocrats have little respect for institutions, including not only democratic processes and protections for minorities, but also the centers of scientific knowledge associated with educated elites. Finally, on an immediate and more parochial note, data collection is under threat as never before.

While Chinese data have always required careful interpretation, the same is increasingly true for India, whose published growth rates are implausible and likely manipulated, and whose poverty-monitoring system has been suppressed. In the US, political polarization has led to divergent measures of poverty, some of which come close to denying its existence.

- Economics Nobel laureate Angus Deaton

Key Terms/Issues : *Pre-enlightenment world, Global Value Chains, Global Virus Chains, SARS, MERS*

02. Multilateralism

The economic and climate-related disruptions that are falling hardest on non-Western countries can't be disentangled from the declining influence of the post-World War II multilateral institutions, particularly the UN. The need for strong Western commitments to support global-governance reform is even more urgent now than it was at the beginning of 2023.

To unite different parts of the world behind peaceful and equitable solutions and respect for international law, all major powers must commit in earnest to reforming multilateralism—both through the MDBs and at the UN. But since new conflicts will undermine any reform efforts, major powers must ensure that peace, human rights, and security prevail in Eastern Europe, the Levant, and elsewhere. A world of runaway wars—in which state and non-state actors conclude (with good reason) that they can impose their will through military force—is not conducive to progress on problems like unsustainable debt and climate change.

- Former deputy secretary-general, UN, Markmalloch-Brown

03. Israel Hamas War

For Israelis and Palestinians, the harsh reality is that there are around seven million Israeli Jews and seven million Palestinians living between the Jordan River and the Mediterranean Sea, with the latter on their way to gaining a demographic majority. Under these circumstances, there is no such thing as a one-state solution. Israelis will never allow their country to be governed by a Palestinian majority. At the same time, Israel can not rule indefinitely over millions of Palestinians living in a stateless limbo.

The only path to peace is a two-state solution in which Israelis and Palestinians live securely alongside each other. The shock of this war might just make both sides recognize that reality.

- Former US National Security Council Member Charles A. Kupchan

04. India-Tanzania Relations

India is planning to deepen its defence cooperation with Tanzania to enhance its strategic presence in the western part of the Indian Ocean.

Besides boosting maritime cooperation, New Delhi is looking at defence equipment sales, particularly in armoured vehicles. The initiatives align with India's broader strategy to augment its presence in the western Indian Ocean, a region vital for its maritime trade routes.

India's concerted efforts to engage with nations in this region, such as Tanzania and Kenya, underscore shared security concerns like piracy and illegal fishing. The maritime collaboration with Tanzania, including joint surveillance exercises and hydro-graphic surveys, reflects India's broader geopolitical strategy. The two sides held their joint exclusive economic zone surveillance exercise in July 2023.

- Commentary in News

05. Inequality

True equity starts with ensuring that everyone has access to the most basic of needs.

In nominal terms, India's GDP is also the world's fifth largest (by purchasing power parity, or PPP, it is the third largest). According to the International Monetary Fund(IMF), India will move into fourth place in 2025 and reach the third spot in 2027, with a projected economy of \$5.4 trillion. Some might see this parallel between GDP and stock markets as further vindication of the IMF's "star performer" tag. Indeed, we have seen a reiteration of faith in the Indian economy by domestic and overseas investors, both of whom have been pouring money in to our capital markets.

On a per-capita income basis, India ranks 139th by GDP(nominal) and 127th by GDP(PPP). And even as the proportion of Indians living below the poverty line has fallen dramatically, India is still home to an unconscionably large—perhaps the largest globally—number of people who barely meet their subsistence needs. In terms of social development indicators, access to health, education, sanitation, potable water, infant and female mortality, law and order, etc, we rank below many of our peers among emerging markets. While social indicators in some parts of the country are comparable to those in advanced countries, across large swathes of our landmass, they are worse than in sub-Saharan Africa.

*Widening disparities in income and wealth are never good news in an electoral democracy. Especially not when general elections are less than six months away. Both the government and central bank (to a lesser extent) have their task cut out for them. They must ensure that faster growth is also more equitable. **Our strong macro data hides a disquieting micro story that must be addressed in 2024.***

- Commentary in News

06. CITIIS 2.0

*City Investments to Innovate, Integrate and Sustain or **CITIIS 2.0** programme, a four- year initiative focused on urban renewal and sustainable waste Management envisages to support competitively selected projects promoting circular economy with focus on integrated waste management at the city level, climate-oriented reform actions at the State level, and institutional strengthening and knowledge dissemination at the National level.*

- Commentary in News

07. Hit & Run Issue

India reported an 11% increase in road accidents in 2022 at 446,768 and a 10% increase in fatalities at 171,100. Pedestrians and two-wheeler riders accounted for 60% of the deaths while truck and lorry drivers made up less than 9%. So truck drivers aren't more vulnerable; are they more culpable? This is difficult to say, as NCRB data doesn't specify who is at fault in an accident. But other numbers indicate culpability. National highways, with just 2.1% of the country's road network, accounted for 30.5% of accidents and 35% of fatalities.

The immediate impact of strike was felt on fuel availability with around 2,000 bunks running out of petrol.

Road transport accounts for 3.6% of the country's GDP with 85% of India's passenger traffic borne by buses and around 70% of freight movement by trucks. This share has gone up as more highways and expressways have come up. Except bulk commodities like coal, iron ore and steel, most other freight in the country is transported by trucks. It has a particularly higher share in perishables like fruit, vegetables, dairy products and food. In just two days, prices of some of these products have started to inch up.

In the late 1980s and early 1990s, the trucks-to-driver ratio stood at 1:1.3. This ratio has come down to 1:0.65 today. As a result, around 25-28% of trucks in India are lying idle at any point in time. Attrition is high too—around 60% truck drivers work for less than 15 years in the industry. Ironically, salaries haven't been going up despite the demand supply mismatch. Driving cabs and taxis in the cities offer better pay.

- Commentary in News

08. Social Sector & Civil Society Organizations (CSOs) Myths

Every experience in the social sector tells the same tale: Nothing sustains on its own. Communities, systems and societies are buffeted continually by internal and external forces—political, economic and cultural. Some are purposeful forces and some just play out by chance. Not to talk of the tendency of systems to become disordered. In this fluid and dynamic human theatre, whatever has been achieved needs continuous nurturing and energy from somewhere, else things slide back or drift in other directions.

Almost all the work in the social sector is about human beings—their relationships and the political and cultural dynamics that constitute the life of the community and society. These cannot be scaled because of the particularity of context and the basic human element. So, it should be obvious that scalability is a chimera in the social sector.

There is a widespread notion that—other than a small minority—CSOs are inefficient, ineffective and corrupt, or some combination thereof. This is plainly false. CSOs are no more corrupt or ineffective than any other kind of enterprise in our society. Academic institutions, state organs and businesses are all similar. All of them have a distribution of effectiveness and probity in the context of their work and size. It is the same with CSOs. The myth not only does a great disservice to lakhs of people who do a competent and honest job helping our society improve, but also goes against their work.

- Azim Premji Foundation CEO Anurag Behar

Key Terms/Issues : Civil Services Organizations (CSOs)

09. Blood is not for sale

For overcharging of blood, it was opined that blood is not for sale, it is only for supply and only processing cost may be charged by the blood centre

- The Drugs Controller General of India (DCGI) Rajeev Singh Raghuvanshi

10. India-Nepal Relations

Discussions between India & Nepal focused on our overall bilateral ties, trade & economic relations, land, rail & air connectivity projects, cooperation in defence & security, agriculture, energy, power, water resources, disaster management, tourism, civil aviation, people-to-people & cultural Exchanges and development partnership.

- EAM S Jaishankar

11. Jamshedpur to be an Industrial Town?

Jamshedpur is expected to be declared an ‘industrial town’—a special area where concession in laws and other incentives are provided to private bodies to set up economic units.

*The Tatas will get **administrative Control** of the city but then, this is nothing new. Tata Steel had been providing Municipal services in Jamshedpur for decades.*

*Tata Steel faced legal hurdles over operating civic infrastructure in the city. Activists, now, aren't happy with the government's decision. They believe it will perpetuate **inequitable development**. Even elected municipalities struggle to ensure **equitable development**. Infrastructure and services in certain pocket can be superior to those in the rest of the city.*

*The only argument against classifying Jamshedpur as an industrial town is that **it is not a small town but a sprawling city of nearly 1.7 million people.***

- Founder of Artha School of Entrepreneurship TN Hari

Key Terms/Issues : *Industrial Town, Inequitable Development*

12. Regulatory Independence

The Supreme Court's verdict on the Adani-Hindenburg probe backs the robustness of our regulatory system, whose efforts to aid financial growth are not a sign of supervisory weakness. It has reinforced public trust in Indian institutions but appears based on the expectation that regulators will fulfil their assigned roles within the context of our fast-emerging economy's needs.

The SC's affirmation of trust underscores the imperative for Sebi and other financial Regulators to leverage their independence to set global benchmarks for regulation and supervision. In their pursuit of public attention, lobbies, cynics and others may persist with negative views even in the face of clearances and assurances from all relevant pillars of democracy, but we must remember that in the context of a rapidly growing economy like India's, not all regulatory or market practices from Western or developed

nations are applicable or necessary. Our home grown regulatory frameworks, with their **rule-making sovereignty and responsiveness to matters of public interest**, a realigned with the unique dynamics of a fast-emerging economy, and they do ensure effective oversight while fostering sustainable growth.

- Commentary in news

13. Zoonotic Diseases

75% of new infectious diseases that have emerged over past three decades have been zoonotic.

Limited knowledge and skills in identifying zoonotic diseases, coupled with a lack of diagnostic facilities at all levels, has resulted in such diseases being neglected.

- Union Health Ministry

Note : Zoonotic pathogens maybe bacterial, viral or parasitic, and can spread to humans through direct contact or through food, water or the environment. Common zoonotic diseases in India include rabies, anthrax, brucellosis, plague, bovine tuberculosis, leptospirosis and salmonellosis.

Key Terms/Issues : Zoonotic Diseases

14. India-Maldives Relations

The Government of Maldives is aware of derogatory remarks on social media platforms against foreign leaders and high-ranking individuals. These opinions are personal and do not represent the views of the Government of Maldives... Moreover, the relevant authorities of the government will not hesitate to take action against those who make such derogatory remarks.

- Maldives Govt.

Note : President Mohamed Muizzu's government has asked India to withdraw its military personnel from the country. It has also refused to renew a treaty on hydrographic cooperation between the two countries that was signed in 2019.

Maldives government was keen to explore partnerships under China's Belt and Road Initiative (BRI), including the expansion of the country's central airport and commercial port.

- Maldives President Mohamed Muizzu

Note : China is the Maldives' biggest bilateral creditor, ahead of Saudi Arabia and India, which it owes \$124 Million and \$123 million, respectively. The World Bank, in a report in October, warned further cosyng up to China could spell trouble in the Maldives, since the \$1.37 billion it already owes China represents around 20% of its public debt.

Key Terms/Issues : BRI, Public Debt

We are Indian ocean country with India a few miles away. We read the same books, watch same movies, eat same food and listen to same music. People to people contact runs far back in history. Our relation with someone else (China) can't be at cost of relation with India. Chinese loans at high price are the main part of relations and as we are unable to pay back they ask for equity which is like relinquishing sovereignty.

- Former Maldives President Mohammed Nasheed

15. Poverty Metrics

Without a rounded way to track poverty worldwide, and with the purely monetary approach proving too obtuse to capture actual levels of deprivation, we are left with a big void in the global poverty-policy discourse. Non-monetary dimensions used to monitor absolute or relative poverty will complement interpretative understandings drawn from monetary metrics. These can be globally benchmarked and then contextualized as per the developmental landscapes of low-income-countries. To meet its mandate, the World Bank needs a new movement to ensure this—and thereby help enable its member nations to collect, interpret and publicly share good-quality data.

- OP Jindal University Professor Deepanshu Mohan

16. Trade Risks in Red Sea

*The Gaza war was always threatening to snowball in to a wider nightmare for the global economy, and recent events in the Red Sea indicate just that. Attacks by Yemen's **Houthi** militants on commercial shipping vessels, ostensibly in a show of support for Palestine, threaten to disrupt global supply chains and increase prices of key commodities, fuel in particular. Needless to say, India cannot remain insulated from the knock-on effects. **The Red Sea, which starts from the Bab-el-Mandeb Strait and leads into the Suez Canal**, offers the fastest sea route connecting Asia with Europe and the eastern coast of North America. Alternative routes that shipping companies are now taking are longer and costlier. Petroleum, basmati rice, automobile components, machinery, chemicals, plastics, ready-made garments and footwear are among the items that trade bodies say are likely to be impacted among those most important to India. A delay in securing timely supplies and higher costs of transporting goods could stoke fresh inflationary pressures for the economy.*

- Union Health Ministry

Key Terms/Issues : Bab-el-Mandeb, Suez Canal, Red Sea, Houthis, Yemen

17. Inland Waterways

₹45,000 crore investment to develop river cruise tourism, aiming to leverage India's inland waterways for economic growth. This investment includes ₹35,000 crore for cruise vessels and ₹10,000 crore for cruise terminal infrastructure by 2047.

- Ministry of ports, shipping, and waterways

Note : IWDC's goal of sustainable development for Atmanirbhar Bharat. The plan includes expanding river cruise tourism from eight to 26 waterways and increasing cruise circuits with night stays from 17 to 80. The number of river cruise terminals is set to rise from 15 to 185, giving a significant boost to cruise tourism traffic by 2047.

To enhance inland waterways for cargo trade, a ₹15,200 Crore investment was agreed at the Global Maritime India Summit (GMIS) held in Mumbai in October last year. This investment is expected to fuel a growth rate exceeding 400%, boosting volume to 500 million tonnes per annum (MTPA) of cargo by 2047.

'Harit Nauka' guidelines and 'River Cruise Tourism Roadmap, 2047' at the IWDC outline over 30 potential Cruise routes, and includes an action plan for river cruise development. Aligned with the Maritime India Vision 2030 and Maritime Amrit Kaal Vision 2047. The initiatives aim to increase the modal share of inland water way transportation from 2% to 5%.

Key Terms/Issues : *Harit Nauka guidelines, River Cruise Tourism Roadmap, Maritime India Vision 2030, Amritkaal Vision 2047*

18. India-UAE CEPA

*Having entered in to force only 18 months ago, the **Comprehensive Economic Partnership Agreement (CEPA)** has catapulted the United Arab Emirates-India relationship to new heights.*

*Not only has it **expanded market access** for Emirati and Indian businesses seeking to enter each other's respective markets, it has also **significantly decreased tariffs, streamlined customs procedures and introduced a series of robust and transparent regulations** that support **rules-based competition**. Over the course of the past year, the **United Arab Emirates has risen to the position of India's fourth-largest investor, third-largest trading partner and second-largest export destination**, further underlining the transformative influence of the CEPA. This collaborative spirit extends to various sectors, mainly the field of aviation, which is key to nurturing and consolidating trade, investment and cultural ties.*

- UAE ambassador to India Abdul Nasser Alshaali

Key Terms/Issues : *CEPA*

19. Chinese growth and India Imperatives

Aim of Chinese development has shifted from high speed to high-quality development and China is ready for renewed growth.

In 2024, China aims to apply its new development philosophy on all fronts, speed up the building of a new development paradigm, promote high-quality development, and continue to harness its strong innovation capacity, huge market, sound infrastructure, complete industrial chains and high-quality human resources. China will expand high-level opening up, further ease market access, and share with the rest of the world new opportunities created by Chinese modernization.

China is a source of certainty and positive energy in a world battling economic uncertainties. It complements the outstanding performance of India's economy, creating an eye-catching scenario in the East. China and India can give countries around the world new opportunities and the world economy a stronger impetus by cooperating with each other while maintaining rapid economic growth.

- Chinese Embassy in India in Charge Ma Jia

20. Enemy Property Shares

We are planning to sell over 291,000 'enemy property' shares in 84 companies to individuals and corporate in tranches as it looks to dispose of assets of individuals who had migrated to Pakistan and China.

- International Labour Organization (ILO)

Note: *Assets left behind by people who have taken citizenship of Pakistan and China—mostly between 1947 and 1962—are called ‘enemy property’.*

21. WEF’s Annual Meeting

The WEF’s theme of ‘Rebuilding Trust’ has four key discussions in Which we can play a role: security And cooperation, growth and jobs, AI, and a strategy for climate, nature and energy. Policy frameworks, investment opportunities, tech advances and global partnerships related to India’s energy sector are among the topics expected to be discussed this year at Davos.

- CII DG Chandrajit Banerjee

22. Poverty Metrics Debate

Going by Niti Aayog’s latest assessment, India has made substantial gains in its fight against deprivation. Nearly 250 million people are found to have escaped multiple-count poverty in the nine years starting 2013-14.

Its multidimensional poverty index (MPI) showing a projected drop from 29.2% of our population that year to 11.3% in 2022-23, with data taken from National Family Health Surveys for its calculations. By Niti Aayog estimates, this ratio was 55.3% in 2005-06, but is now expected to go below 10% in 2024.

*In the past, India’s poverty measurement relied on consumption patterns, but that method was abruptly dropped some years ago after leaked national survey data pointed to a worsening. That weakly explained move exposed official data to charges of serving optical ends. To be sure, measuring poverty is a complex task and various statistical lenses are valid for what they aim to reveal. A multi-count index clearly captures a broader snapshot of how our have-nots live than, say, the World Bank’s global poverty-line mark, by which anyone living on less than \$2.15 daily counts as poor. As this is barely ₹180, its bar seems too low to reveal Indian indigence. Yet, a sharp cut-off of a single count can offer clarity on the most basic aspect of subsistence. According to World Bank data, India’s poverty ratio fell from about 19% in 2015 to 11.9% in 2021. Since this tells us something vital about the means people have under their own agency, as distinct from state provisions, **it makes sense for India to use both kinds of poverty trackers in conjunction.***

- Commentary in News

23. China’s population dip

For an economy already caught in a slowdown, China’s population data made it a double whammy. The official headcount fell for the second straight year in 2023. The decline of 2.08 million, though small for a country of more than 1.4 billion, was twice the fall in 2022, its first in six decades. Notably, the number of those aged 16-59 dropped by 10.75 million, while those above 60 increased by 16.93 million.

*China now faces an adverse demographic turn, with fewer people who can contribute to economic activity even as an elderly bulge adds to its welfare burden. Beijing abandoned its misguided **one-child policy** only in 2016, having found that prosperity tends to spell smaller families anyway. Its efforts since*

then to get people to have more children will take time to work. While China's economy grew 5.2% in 2023, it was among its worst performances in over three decades.

- Commentary in News

Key Terms/Issues : *One child policy*

24. Inclusive Growth

Most economies are growing in ways that are neither sustainable nor inclusive and are limited in their ability to absorb or generate innovation and minimize their contribution and susceptibility to global shocks.

A new approach to economic growth that balances efficiency with long-term sustainability and equity is required.

- WEF's The Future of Growth Report

25. India's Growth & Inflation

*At this stage, our expectation is that the **CPI inflation will average around 4.5% in FY25**. As regards growth, my sense is that the **GDP growth in India will touch 7% in FY25**.*

I am saying this on the basis of strong momentum of economic activity seen in India. Consequently, growth would be 7% and above for four consecutive years starting from FY 2021-22.

As per RBI's forecast, India is expected to clock in a growth of 7% and consumer price inflation of 5.4% this fiscal year.

- RBI Governor Shaktikanta Das

26. Learning Outcomes

*The Annual Status of Education Report's revelation that **more than half of rural India's 14-18- year olds can't do a three-digit arithmetic division**, as the latest round of this survey has found, raises the worry of a weak demographic dividend on account of an underskilled youth bulge. It's also bad news in the context of a rising premium on math skills as we undergo a tech-led economic shift. Could artificial intelligence (AI) leap to the rescue?*

- Commentary in News

Key Terms/Issues : *ASER*

27. Red Sea Crisis

*Business chiefs warned that **disruption to shipping in the Red Sea** caused by attacks by Yemen's Houthi militants could affect supply chains for months and lead to a shortage of tankers needed to transport fuel.*

Attacks by the Iran-allied Houthi militia on ships in the region since November have slowed trade between Asia and Europe and alarmed major powers—an escalation of Israel's more than three-month-old war with Palestinian Hamas militants in Gaza.

The Houthis say they are acting in solidarity with Palestinians and have threatened to expand attacks to include US ships in response to American and British strikes on their sites in Yemen.

The alternative shipping route around South Africa's Cape of Good Hope can add 10-14 days to a journey when compared to a passage via the Red Sea to the Suez Canal.

- Commentary in News

Key Terms/Issues : Red Sea, Cape of Good Hope, Houthis, Yemen, Suez Canal

28. Unemployment & Labour Force Participation

*There are three principal ratios which are used in discussions of labour-market conditions, namely the **labour force participation rate (LFPR)**, **workforce participation rate (WPR)** and the **Unemployment rate (UR)**. If during the specified reference period, the person is working or otherwise engaged in economic activity for most of the time, then he is presumed to be employed. Further, if not employed as above but still making tangible efforts to seek work, then the person is classified as unemployed. If not engaged in economic activity (work) and also not available for work, then s/he would be classified as not being in the labour force. From these, we derive the workforce participation rate, which is the number of workers as a proportion of the total population. The count of workers plus the unemployed defines the labour force, which is also expressed as a percentage of the population. The unemployment rate refers to the unemployed as a proportion of the labour force.*

Since the last census, when our population was approximately 1.2 billion, our population is estimated to have risen to a little over 1.4 billion in 2023. Thus, the denominator in both WPR and LFPR has risen significantly.

One common misconception that arises as a consequence is from the percentage of people with a regular salary having declined from 22.8% in 2017-18 to 20.9% in 2022-23. This seems like a drop, but when we combine this with population numbers, we see that the number of workers in this category increased by almost 15 million in the same period.

The PLFS 2022-23 shows an unemployment rate of 10% in the age group of 15-29 years, as compared to an unemployment rate of 3.2% across all age groups. This, of course, is an important difference, but it should be noted that the unemployment rate in the age group of 15-29 has seen a very sharp decline from 17.8% in 2017-18. Further, the WPR in this age group has increased from 31.4% in 2017-18 to 40.1% in 2022-23. This implies an additional 35 million people have found work, even though the population in that segment has increased only by 17 million. The implied narrative of dwindling job opportunities for the youth is not borne out by the data.

- Former Chief Statistician of India TCA Ananth

Key Terms/Issues : LFPR, WPR, UR, PLFS

29. Coaching Age Limit

A coaching centre should not accept students younger than 16 years of age, or the student enrolment should be only after secondary school (standard 10) examination.

- Guidelines for Registration and Regulation of Coaching Centre 2024

Immediate legal advice sought to explore options and take necessary steps to halt the implementation of proposed guidelines. There was consensus to seek relaxation in regulations regarding coaching for students below 16 years, emphasizing the potential stress on those preparing for highly competitive exams.

We would want to appeal to the government to reduce the 16-year age barrier to 12 years.

- Coaching Federation of India Director Ashish Gambhir

Key Terms/Issues : *Western Disturbances, El Nino*

30. Two-State Solution for Israel-Palestine

Peace and stability cannot be built only by military means.

- EU foreign policy chief Josep Borrell

*EU foreign ministers pressed Israel for an eventual **two-state solution** with the Palestinians after the war in Gaza, at meetings with the top diplomats from the two sides and key Arab states in Brussels.*

- Commentary in News

Key Terms/Issues : *Two-state solution*

31. On Migration

UN's migration agency is launching its first "global appeal," seeking \$7.9 billion to help people on the move and ensure smoother pathways to migration, at a time when the fallout from climate change, conflict and both economic distress and opportunities has caused millions to leave their homes.

- Guidelines for Registration and Regulation of Coaching Centre 2024

Irregular and forced migration have reached unprecedented levels and the challenges we face are increasingly complex. The evidence is overwhelming that migration, when well-managed, is a major contributor to global prosperity and progress.

- IOM's DG Amy Pope

Key Terms/Issues : *International Organization for Migration (IOM)*

32. Digital Technologies & Inclusion

945 million Indians are eligible to vote, each with a digital identity. We look how to use digital growth to implement social justice. In past 9 years, 240 million Indians have been taken out of multi-dimensional poverty.

- MoWCD Smriti Irani

A woman street vendor in tier-2 & 3 city uses QR code for payment receipt. Livelihoods and lives are impacted by technology at the last mile in India. Technology has to be at population scale which can happen only if it's open and eco-system led. Promise of AI is productivity and that can happen only if it scales unlike what is happening now. Crucial to success is talent and is India's advantage due to young population we have. India has one of the largest PPP on skilling. We are building technology to solve problems.

- NASSCOM Debjani Ghosh

33. Ram in constitution

The Constitution of India has come into being after such intense brainstorming that it is called a living document. In part three of the original copy of this very Constitution, the fundamental rights of the citizens of India have been described and it is note-worthy that at the beginning of part three, the makers of our Constitution had allotted due space to the pictures of Bhagwan Ram, Mata Sita and Lakshman. The rule of Prabhu Ram was also a source of inspiration for the makers of our Constitution and that is why on January 22 in Ayodhya,

- PM Modi

Key Terms/Issues : *Ram se Rashtra*

34. De-Reservation

Ministry of education clarified that no reserved posts can be de-reserved, after draft guide lines by the University Grants Commission (UGC) proposed That any vacancy reserved for SC,ST and OBC Candidate scan be declared un reserve dif Enough candidates from these categories are not available.

- Commentary in News

35. PRIs

*Though it is now more than 30 years since the 73rd amendment to the Constitution institutionalized Panchayati Raj Institutions (PRIs) at three levels in rural India—gram panchayats at the village level, mandal panchayats at the block level and zila paris had at the district level—empowerment of the kind envisaged in 1992 is yet to realized. The principle of subsidiarity, as enshrined in the **EU's Maastricht Treaty**, is no less true of all federal forms of government. In a nut shell, it means that higher levels of government should perform only those functions that cannot be effectively performed at the local level. Ideally, the levels responsible for providing a particular good or service should also be in charge of its funding and revenue collection, minimizing the scope for moral hazard. For basic services, this means it is PRIs that must provide these to citizens. However, as with economic development in general, where regional disparities are sharp, the devolution of powers and functions to panchayats (and their performance) varies greatly across states.*

In general, India's southern states had better than others, which may perhaps explain why these states have made more progress on human development indicators. Clearly, when it comes to the bottom layer of government, we still have along way to go, not- withstanding the hope embodied in India's

panchayati raj legislation, including one-third reservation of seats for women in elected PRI bodies. It will be a while before we realize the dream of Mahatma Gandhi that “every village will be a public or panchayat, having full powers.” But we must speed it up. Disruption in legislatures is cancerous not only for legislatures but also for democracy and society. Curbing it is not optional but an absolute necessity to save the sanctity of legislatures.

- Commentary in news

Key Terms/Issues : *Maastricht Treaty, PRIs*

36. Discipline in Legislatures

High time for Presiding Officers to invoke their authority to enforce discipline and decorum as lack of these is virtually shaking the very foundations of Legislatures! We have to nurture these institutions, we have to ensure optimal performance of these institutions.

Therefore, we should not hesitate to deal with indiscipline and indecorous conduct. If the child in the family is not adhering to the decorum, discipline, he has to be disciplined! Our resolve should be to have zero accommodation for disturbance and disruption.

- VP Jagdeep Dhankar

A healthy, educated and skilled population augments the economically productive workforce. The push to mass skilling has paid dividends, with employable final-year and pre-final year students increasing to 51.3% in 2024 from 33.9% in 2014.

There is ample scope to mainstream skilling into education curriculum and upskilling a large chunk of the existing workforce into future-relevant skills on the back of a transformative journey in skill development in India in the past decade. Further, the across-the-board progress in skilling has manifested in India's rising position in World Skills Competitions, to 11 in 2022 from 39 in 2011.

Combined with the rising enrolment in higher education (to 41 million in 2020-21 from 32 million in 2013-14), rising employability implies that India's young workforce is both expanding and becoming increasingly employable.

India has 50.2% of men and 41% of women with at least ten years of schooling in the 15-49 age group. There is an opportunity to make the education-skill continuum the greatest weapon in the Indian Miracle by reaching out to each of these youth who only need to attend finishing schools for employability.

Integration of vocational education with general education and mainstreaming of vocational education have been identified as key reforms in the country's education system.

- Review of the economy released by the economic division under the finance ministry

Tax revenues have soared so much that they're now 0.3% of GDP higher than budgeted. This buoyancy will likely fund a rise in subsidies and any special spending packages announced on budget day. Capital expenditure is expected to show a rise in 2023-24, but not by as much as budgeted (22% year-on-year versus 36%). All considered, the fiscal deficit is likely to be in line with the budgeted 5.9% of GDP in 2023-24.

Taxes are likely to grow quickly in 2024-25 as well (we assume tax buoyancy of 1.1%). After all, structural benefits, such as those made possible by digitization and better tax information, are likely to help for many years. Capital receipts may also increase post elections if some pending disinvestment comes through as a policy priority.

The government could shave current expenditure after elections, perhaps by cutting in half the increase since pre-pandemic levels (as a proportion of GDP). Meanwhile, we expect capex to remain unchanged as a percentage of GDP in 2024-25. All of this is likely to lead to a fiscal deficit of 5.3% in 2024-25, signalling that the government is committed to its fiscal consolidation path (of a 4.5% deficit by 2025-26).

- HSBC Chief Economist Pranjul Bhandari

37. Red Sea Crisis

The impact of the ongoing crisis around the Red Sea shipping route, which accounts for 50 per cent of the country's exports and 30 per cent of imports last fiscal, will vary depending on the industry. Domestic companies use the Red Sea route through the Suez Canal to trade with Europe, North America, North Africa and part of the Middle East. Last fiscal, these regions accounted for 50 per cent of the country's exports worth Rs 18 lakh crore and 30 per cent of imports worth Rs 17 lakh crore.

Increasing attacks on ships sailing in the Red Sea region since November 2023 have persuaded shippers to consider the alternative longer route past the Cape of Good Hope. This has not only stretched delivery time by 15-20 days but has also increased the transit cost substantially because of incremental freight rates and insurance premiums.

- Commentary in news

Key Terms/Issues : *Red Sea, Cape of Good Hope*

38. One Nation One Election

The 'One Nation, One Election' panel, chaired by the former President of India Ramnath Kovind, had written to the poll panel on the issue of simultaneous polls. There were two key questions for the poll panel from the Kovind-led committee. One: The "logistics and manpower required, including EVM, VVPATs, for holding such simultaneous elections". Second: Modalities for use of "a single electoral roll and electoral identity cards for identification of voters for elections to the House of People, state legislative assemblies and municipalities and panchayats".

ECI had estimated that for simultaneous polls for 2024 or 2029, procurement of EVMs and VVPATs worth over ₹5,100 crore and near ₹8,000 crore respectively would be necessitated. For an estimated 13.57 lakh polling stations in the country by 2029, it is estimated that 53.76 lakh BUs, 38.67 lakh CUs and 41.65 lakh VVPATs would be needed for a one-go election.

- Commentary in news

Key Terms/Issues : *EVMs, VVPAT, Single Electoral roll, Electoral Identity Cards, ONOE Panel*

39. Trans Fatty Acids

*More than 50 countries now have best practice policies in place for tackling industrially produced trans fatty-acids in food, vastly improving the food environment for roughly around half the global population, as compared to 6% just five years ago. **TFAs** are estimated to cause more than 278,000 deaths a year from coronary heart disease.*

- WHO

Key Terms/Issues : *Trans Fatty Acids (TFAs)*

40. Deepfakes

***Deepfakes** are not new. But thanks to rapid advances in generative artificial intelligence(AI), they have over the past year or so become so much easier to create. What was once a niche capability only available to teams with access to massive training data sets and advanced programming capability can now be generated by you and me using anyone of a number of off-the-shelf AI services.*

*The real worry, of course, is the effect that all this will have on society. Given how easy it is to generate videos that portray political candidates in an unflattering light, it seems inevitable that we will see them deployed at scale during elections—both by political opponents as well as unfriendly countries that will have no problem deploying teams of hackers to destabilize their enemies. **With over half the world voting in an election this year, there is a serious concern around the effect that deep fake proliferation could have on democracy.***

- Commentary in news

41. Interdependence & India

We live in an interdependent world. An isolated India is not in our interest.

- PM Modi

**GS-3****01. World Economy and Geopolitics**

A flare-up in geo-political tensions can play spoilsport. The widening of the Israel-Palestinian crisis appears real with Houthi rebels attacking ships plying in the Red Sea. This could create a supply-chain disruption. If the conflict expands (US says Iran is behind the Red Sea attacks), prices of oil and other commodities will increase. This could fuel inflation, trigger another round of interest rate hikes, and smother economic revival.

- Commentary in News

Key Terms/Issues : *Houthis, Red Sea*

02. India in 2023

Today every corner of India is brimming with self-confidence, imbued with the spirit of a developed India; the spirit of self-reliance. We have to maintain the same spirit and momentum in 2024 as well. The record business on Diwali proved that every Indian is giving importance to the mantra of 'Vocal For Local'. Our players won 107 medals in Asian Games and 111 medals in Asian Para Games. Indian players won everyone's heart with their performance in Cricket World Cup. The victory of our women's cricket team in the Under-19 T-20 World Cup is very inspiring.

- PM Modi

Key Terms/Issues : *Vocal for Local*

03. Finance Commission

Besides deciding on what share of the centre's tax receipts should be shared with states and how it is to be apportioned among them, a key task for the Finance Commission is to ensure that states have efficient systems and measures in place for financing local bodies as advised by the state finance commissions.

The formula that applies till FY26 recommended by the Fifteenth Finance Commission led by NK Singh requires devolution of 41% of Centre's net tax revenues to states. Among states, the share is decided by a formula designed to incentivize demographic performance and the state's effort to mobilize own tax revenue and also takes into account the geographic area, forest cover and the state's per capita income.

- Commentary in News

One area of concern has been that very few states have regular state finance commissions to guide the state administrations on issues including local body fund requirements. Therefore, devolution of funds from union and states to local bodies warrant greater attention.

- NR Bhanumurthy, vice chancellor of B.R. Ambedkar School of Economics University

04. AI

AI is admittedly extraordinarily powerful, but it is hardly the first technology to alter the human condition. We need not assume the position of either a true believer or an unbending critic. Human progress emerges from collaboration between us and, beyond that, between us and our machines. In this sense, the role of artists, investors, and innovators in the AI revolution is the same: to combine openness toward the future with informed appreciation of the past.

- Commentary in News

05. World Economy and Geopolitics

Sixteenth Finance Commission (SFC) is expected to address sustainability of debt at the Central and state levels. The Centre maintains it is on track to achieve its target of fiscal deficit below 4.5% of GDP by FY26, and that general government debt will decline in the medium to long term. The SFC is expected to look into this as well as revenue trends and expenditure obligations at the Central and state levels to make recommendations. Another key area that the panel is expected to look into is expenditure reforms at the state level.

- Commentary in News

Key Terms/Issues : *16th and 15th Finance Commission*

06. War & Oil

*A surprise surge in American oil and gas production and exports is helping to keep the world stocked, blunting the impact of **widening conflict in the Middle East** that has crimped key shipping lanes.*

*When **Iranian-backed Houthi** militants began launching missiles and drones at ships crossing the Red Sea near Yemen in October, many feared disruption to the vital shipping lane would drive up energy prices. But oil and gas prices this past month have sunk about 5% and 23%, respectively. That is largely because of record production of U.S. fossil fuels.*

- Commentary in News

Key Terms/Issues : *Yemen*

07. AI & Banking

We are seeing several banks and non-banks experimenting with AI. Global experience, so far, however, suggests that such deployment is mostly limited to back-office work and optimization of business processes to deliver efficiency gains.

- RBI Deputy Governor M Rajeshwar Rao

08. Crypto Whales

Since the beginning of 2022, Many crypto scams have come to the fore. Investors have perhaps also come to realize that most crypto is owned by a few owners or 'whales' as they are more popularly known. These whales had been carrying out circular trading among themselves in order to bid up crypto prices. Once they had done that, they would dump crypto and make a killing at the cost of retail investors.

- Author Vivek Kaul

Key Terms/Issues : *Crypto Whales*

09. Tariffs in Economy

Our market protection remains high by world standards, even though gradual exposure to global rivalry—regardless of FTA pledges—is the export optimist's choice of strategy to sharpen a quality or price edge. With government policy aiming to reduce friction, compress logistical costs and boost exports with other enablers, there is a case for a trend reversal on tariffs. An other reason to reverse tariff escalation is the need to minimize input costs for the GVCs we hope to attract. Trade patterns are in flux and sub-optimal bilateral deals in vogue, but some basics can't be denied. Low-tariff economies globalize better.

- Commentary in News

10. Debt Crisis in Global South

According to the World Bank's latest International Debt Report, the world's poorest countries have been hardest hit by the sovereign-debt crisis. Their external debt service, which reached an all-time high of \$88.9 billion in 2022, is projected to surge by 40% in 2023-24. Ghana and Zambia have already defaulted, Ethiopia will likely default by 2024, and domestic debt levels in countries like Argentina and Pakistan are alarmingly high.

According to the World Bank's latest International Debt Report, the world's poorest countries have been hardest hit by the sovereign-debt crisis. Their external debt service, which reached an all-time high of \$88.9 billion in 2022, is projected to surge by 40% in 2023-24. Ghana and Zambia have already defaulted, Ethiopia will likely default by 2024, and domestic debt levels in countries like Argentina and Pakistan are alarmingly high.

- Former CEA Kaushik Basu

11. Inclusive Growth

India has 63 million micro, small and medium enterprises (MSMEs), contributing almost a third of the country's GDP and half of its exports, with an equal spread between rural and urban areas, that are mostly short of credit. Given the tailwinds behind India's economy, the MSME sector will keep growing in size, especially as it is formalized. However, for the sector to reach its true potential, qualitative growth is important.

The government, financial sector, various industry associations and sector-specific bodies need to come together to build and maintain a 'capital-plus-plus' environment that is imperative for India to reach its ambitious economic goals. Capital without context is a bubble; capital with context is inclusive growth.

- Commentary in News

12. Batteries and EVs

The question is, can we do sodium-ion technology on a commercial scale? That is the goal because lithium is less abundant. It's not something India will have for along time. In stead of lithium-ion battery for electric mobility, can we go for sodium-ion battery and aluminium air battery which entails a (battery) swapping kind of mechanism. Can we adopt these for our electric vehicles?

- Principal Scientific Advisor Ajay Kumar Sood

Key Terms/Issues : *Lithium Ion/ Sodium Ion Technologies*

Electric vehicle sales in India jumped 49.25% year-on-year to 1,529,947 units in 2023.

- Federation of Automobile Dealers' Association (FADA)

13. Onion Exports Ban

India accounts for about a fourth of the global onion output and is the largest exporter after the Netherlands and Mexico.

India imposed a 40% Export tax on onions last August, followed by a Minimum export price of \$800 per tonne in October, to stabilize domestic supply and prices due to a crop short fall. Despite these measures, high prices led to a complete export ban in December, effective until the end of the 2023-24 financial year.

- Commentary in News

14. Ethanol & Sugar

Move to restrict diversion of sugar for ethanol and then reverse it in just 10 days has left industry dazed and confused.

The ethanol blending programme targets 20% blending by 2025, as part of the goal to be energy self-reliant by 2070. The sugar industry has invested in building ethanol blending capacity.

On 7th December, the government banned use of sugarcane juice and syrup for ethanol production. It reversed the ban days later, but with a cap on sugar that can be diverted for ethanol.

The policy flip-flop and 1.7mt cap on diversion of sugar stocks for ethanol production have dampened the spirits of the industry, which may cut back on further investments on blending.

- Commentary in News

Key Terms/Issues : *Ethanol Blending Program, FRP*

15. Climate Change Imperatives

The ongoing war in Ukraine and the fighting in Gaza following Hamas's 7 October terrorist attack must not distract the world from our collective priorities: reducing our carbon dioxide emissions, aiming for carbon neutrality by 2050, preserving biodiversity, and fighting poverty and inequality.

It is now crystal clear that no country will work to protect the planet if the price it must pay leads its citizens to a socioeconomic dead-end.

We must move away from coal by 2030, from oil by 2045, and from gas by 2050. While the G7 countries bear the greatest responsibility, China, which is now the second-largest emitter in history, must be fully committed, too.

The threat posed by coal must be addressed first. Today, the 2,000 gigawatts of installed capacity emit enough CO₂ to take us above 1.5° Celsius. While the International Energy Agency (IEA) recommends withdrawing 92GW per year, 500GW of additional capacity is already planned. While it is the G7's responsibility to move away from coal by 2030 (France will have done so in 2027), emerging economies are now the biggest coal consumers. In these countries, we need to speed up the financing of renewables, as well as nuclear power, which, as a manageable and a decarbonized energy source, must play a key role.

*We need a **green interest rate** and a **brown interest rate**. Similarly, we need a climate clause in our trade agreements, because **we cannot simultaneously demand that our industries become greener while supporting the liberalization of international trade in polluting products.***

*We need to create an international carbon and biodiversity exchange that will allow governmental and private actors to organize voluntary carbon **credit swaps**, based on sufficiently ambitious criteria to avoid **green washing**, and to remunerate local communities. **We will not succeed if we cannot reform the World Bank and IMF**, which play a prominent role in establishing the norms and financing the green transition on a global scale.*

- French President Emmanuel Macron

Key Terms/Issues : *Green/Brown Interest rates, Greenwashing*

16. AI & Job Loss

A wider deployment of artificial intelligence (AI) technology by India Inc will likely make 15,000-20,000 jobs redundant this year, as a large number of coding profiles, system maintenance and support functions at junior levels get automated.

- Commentary in News

AI will be seamlessly woven into Windows from the system, to the silicon, to the hardware.

- Microsoft

17. PLI Scheme

Our feeling is that it (the PLI scheme) has done Very well in several sectors,(while) there are other Sectors where PLIs are in gestation period. The government is not considering adding new sectors under the Production- Linked Incentive (PLI) scheme anytime soon, as the focus is on efficiently running the existing schemes.

- DPIIT secretary Rajesh Kumar Singh

Note : During 2020, PLI schemes across 14 key sectors were announced with an outlay of ₹ 1.97 trillion (over \$ 26 billion) to enhance manufacturing capabilities. The 14 sectors enjoying the benefits of PLI schemes include telecommunication, white goods, textiles, medical devices manufacturing, automobiles, speciality steel, food products, high-efficiency solar PV modules, advanced chemistry cell batteries, drones, and pharma. The PLI schemes in tend to attract investments and cutting-edge tech a cross key sectors, ensure efficiency, and bring economies of size and scale in the manufacturing sector to make Indian companies and manufacturers globally competitive.

Key Terms/Issues : *PLI Scheme*

18. Climate Action in India

*India's aggressive push for renewable power has resulted in renewable electricity costs becoming competitive with grid power, although India still has to make **round-the-clock (RTC) power** competitive. A differential market approach—with high paying customers such as industry and the commercial sector being targeted as beneficiaries of RTC power—can help move the needle quicker, giving a further boost to renewable power. The residential and agricultural sectors can possibly help deal with the intermittency of renewable power better through well-designed **demand-response programmes**, leading to more efficient consumption and a possible push for stand- alone renewable power. In addition to preparing the manufacturing/supply sectors for a low-carbon future, aggressive targets adopted by the government are also helping electricity markets mature and the country build capacities in related institutions, such as regulatory commissions.*

***From an international perspective, clear evidence of following a country appropriate carbon pathway could possibly provide an argument against externally-imposed 'carbon taxes' such as the EU's Carbon Border Adjustment Mechanism.** Indian industry should adopt an aggressive approach to demanding an early comprehensive climate action plan.*

Lastly, long-term goal clarity at the sectoral and sub-sectoral levels would empower Indian industry to factor in vulnerabilities Associated with supply chains—in particular international—and prepare for skilled man-power adjustments. The latter too is a long gestation adjustment that will involve partnerships with knowledge sectors. In the age of climate change, industry needs to recognize that we are all in this toge ther and must act in a concerted manner to mitigate responsibly and adapt inclusively.

- Climate Change & Clean Energy Expert Leena Srivastava

19. Solar Power

Against a target of 40 GW to be achieved by the end of 2022, only 5.87 GW of rooftop solar projects has been installed, less than 15% of the target.

- Parliament's standing committee on energy

Currently grid-connected solar rooftop capacity stands at 11.08 GW out of the total solar capacity of 72.31 GW.

- MNRE

Note : *Under the government's energy transition plans, solar power is expected make up 292 GW out of a total renewable capacity of 500 GW by 2030. New beneficiaries can get additional financial assistance of ₹10,000 to ₹22,000 under the subsidy scheme through the national solar roof top portal. At 15%, the composition of roof top solar power in the total installed solar capacity of India falls well below the global average of 40-50%.*

20. Food Subsidy

While the food subsidy allocation for 2023-24 was ₹1.97 trillion, the outgo in the current fiscal has already crossed ₹2 trillion.

"I think there may be a 10% increase in the total food subsidy bill next year", considering the hike in minimum support price(MSP), extension of Pradhan Mantri Garib Kalyan Anna Yojana (PM-GKAY) and other Costs involved.

This will require the department to procure 40.8 million tonnes of rice every year beyond building the buffer stock.

- Union food and public distribution secretary Sanjeev Chopra

21. Thalonomics

The price of a vegetarian thali fell 3% to ₹29.7 last month, while non-vegetarian thalis saw a 5% decline to ₹57.6.

A typical vegetarian thali includes roti, vegetables (onion, tomato, potato), rice, dal, curd and salad. The non-vegetarian version Has chicken (broiler) instead of dal.

The drop in the vegetarian thali's cost to a 14% and 3% decrease in onion and tomato prices, respectively, as festive demand waned.

- CRISIL

Key Terms/Issues : *Thalonomics*

22. Hottest Year

The year of 2023 was the hottest on record, with the increase in Earth's surface temperature nearly crossing the critical threshold Of 1.5 degrees Celsius.

- EU climate monitor

2023 is also the first year with all days over one degree warmer than the pre-industrial period.

- Copernicus Climate Change Service (C3S)

Key Terms/Issues : *Thalinomics*

23. Bank Retail Credit

In November-23, retail lending by banks Crossed ₹50 trillion for the first time.

Retail lending comprises Housing and vehicle loans, credit card receivables, loans against gold jewellery, personal loans, etc. In fact, retail lending now constitutes around 32.5% of then on-food credit (by economic activity) given by banks. Banks give loans to Food Corporation of India and other state procurement agencies to buy rice and wheat directly from farmers. This is referred to as food credit. When these loans are subtracted from overall bank lending, what remains is non-food credit.

When it comes to retail lending by banks, it has grown from 9% of GDP in March 2013 to 15% as of March 2023. Industrial lending by banks has contracted from 22.4% to 12.2%. This comes with the caveat that large businesses have access to sources of borrowing other than banks. None the less, bank lending to micro, small and medium businesses, which wasn't large enough to begin with, has contracted further. Lending by banks to micro, small and Medium enterprises stood at 4.1% of GDP in March 2013. It has since contracted to 3.1% in March 2023, though it is an improvement from 2.5% in March 2019 and March 2020.

This fall is a worrying trend, given that ultimately non-retail lending by banks finances economic activity, which in turn creates jobs that pay, encouraging people to take loans and repay them. This dynamic has still not recovered from the corporate over lending carried out by banks more than a decade back.

- Author Vivek Kaul

Key Terms/Issues : *Food & Non- Food Credit, Retail & Non Retail Loans*

24. Impact of Fiscal Policy Decisions

High economic growth in nominal terms—which is a combination of increased real output as well as inflation—ensured that actual tax collections that came into the coffers of the Union government were higher than what was budgeted. The decision to keep domestic fuel prices steady despite a decline in international prices also Helped the exchequer.

Strong growth in taxes over the past three years Not only helped the government keep its borrowing in check, but also gave it financial space to increase spending on infrastructure. Fiscal policy pivoted towards more capital spending, something that has been on the wish list of policymakers for several years.

Indian economic output is still around \$ 400 billion below what it would have been if the world had not been brought to a standstill in 2020. That constitutes a permanent loss of output. There is a persistent fiscal burden as well. What matters for fiscal policy in the longer term is not the annual deficit number—which will naturally move with economic cycles—but the stability of public debt. Indian public debt as a proportion of GDP has inched down from its immediate post-pandemic high of 89%, but it is still at a level that has rarely been seen in Indian fiscal history.

There is no reason to fear a solvency crisis, since most of the debt is held by domestic investors. But interest costs will continue to soak up nearly half of net tax revenues, while the Reserve Bank of India may have a tough time managing interest rates as the private investment cycle strengthens further. Public debt as a proportion of GDP is still around five percentage points above its level before the pandemic, though it has trended down in the past two years as nominal GDP growth has been much higher than the average cost of government borrowing. However, as nominal GDP growth normalizes, the role of primary budgetary balances in bringing down the burden of public debt will become more important.

- Artha India Research Advisors ED Niranjan Rajadhyaksha

Key Terms/Issues : *Fiscal, Monetary, Public Debt*

25. PM Gati Shakti

PM Gati Shakti in the years to come will become a planning tool of infrastructure not only for India or Asia, but for the entire world.

- Commerce & Industry Minister Piyush Goyal

Key Terms/Issues : *PM Gati Shakti*

26. Tourism in India

India received 7.2 million foreign tourists in the first 10 months of 2023, a leap from the 4.6 million in the year-ago period. The last two months, for which data is yet to come, are peak tourist months; so, the full-year total could surpass the pre-pandemic (2019) figure of 10.9 million. The return of tourists is welcome, but fact is that India does not attract as many tourists as it should. In 2019, Thailand and Japan received about twice as many visitors as India, Vietnam had nearly the same number, and China welcomed a whopping 65 million tourists. One can argue that India offers an experience vastly different from the beaches of Phuket or the war memorials of Vietnam. India has 42 cultural and natural properties identified as UNESCO World Heritage Sites, the sixth most in the world. But it lags behind top countries on the list in terms of tourism: Mexico and the UK, for instance, draw far more visitors than India does.

- Federation of Automobile Dealers' Association (FADA)

27. India's Strategic Oil Reserves

India has limited oil storage capacity, with space for only 39 million barrels of crude—barely enough for eight days of consumption—to use in the event of an emergency. It has instead sought to lease out

space, but refiners have expressed limited appetite. That could mean the undergrounds tor age caverns remain empty unless market conditions turn.

A combined 13.5 million barrels of storage space at Visakhapatnam and Mangalore are currently empty.

One of the two 5.5 million- Barrel caverns at the Mangalore site has been leased to Abu Dhabi National Oil Co.

- Commentary in News

28. Sustainable Fuels

We are working on **Sustainable Aviation Fuel SAF**, we are looking at putting in place **at least 1–5% recommendation to use sustainable aviation fuel...recommendation from 2027 onwards** because we have not become part of the initial phase (of **Carbon Offsetting and Reduction Scheme for International Aviation**), we have become part of the second phase. **- Civil Aviation Minister J. Scindia**

Note : Sustainable aviation fuel is any fuel with properties similar to those of conventional jet fuel, but with lower carbon emissions. CORSIA (Carbon Offsetting and Reduction Scheme for International Aviation) is the first global market-based measure by International Civil Aviation Organization (ICAO), a United Nations agency, to reduce emissions from international aviation. In 2016, the Montreal-based ICAO agreed to establish COR- SIA framework, to set a carbon-neutral growth target from 2019 onwards. As per ICAO, the adoption of CORSIA has been chalked out under three phases: a pilot phase (2021–2023); first phase (2024–2026); and a second phase (2027–2035). The participation of countries in the pilot and first phase is voluntary.

Key Terms/Issues : **Sustainable Aviation Fuel (SAF)**

29. Importance of Investor Summits : Vibrant Gujrat

Lakshmi Mittal unveiled plans for the world's largest steel plant in Gujarat by 2029 and Suzuki committing ₹35,000 crore Investment to the state. Ambani spotlighted Reliance's \$150 billion investment in Gujarat over a decade, while Adani pledged ₹55,000 crore till 2025 and ₹2 trillion More in five years. Micron Technology's chief executive officer Sanjay Mehrotra announced the operationalization of the first phase of Micron's assembly and test facility in Gujarat by early 2025. Additionally, Tata Group revealed plans to build A new semi conductor fabrication plant in Gujarat, with operations set to begin this year.

- Commentary in News

30. Inverted Duty Structure

Indian policymakers are expected to fix inverted import duties for sectors like textiles, leather and engineering goods, so that inputs are not charged at a higher rate than ready-to-use products.

An inverted duty regime tends to work against 'Make in India.' In any case, for Indian factories to participate more in global value chains, we must rationalize our tariff regime so that it is not an outlier a mid globally sprawled participants with lower charges, and assure investors of rate stability in the future.

Of course, since not all players would be able to survive sudden import- barrier drops, a definitive reversal of our tariff trend would carry the risk of a shake-up with more losers than winners. To mitigate this, a calibrated reduction path may be needed. Still, minimally, what's important is to signal a clear direction in which our policy is headed. There would be fiscal implications too, no doubt, but tariffs should not be treated as a revenue source. In any case, the money lost would be far out-Weighed by the eventual gains if manufacturers achieve the competitiveness needed to become 'China plus' suppliers to the world at large.

- Commentary in News

Key Terms/Issues : *Import Duties*

31. Pulse Production in India

The government launched a new portal to buy pulses directly from farmers at support prices, targeting to be self-sufficient by 2027. To achieve that goal farmers will also need high-yielding varieties and a favourable trade policy.

The move follows as pike in Consumer prices which were 18% higher year-on-year in November 2023. Farmers often hesitate to grow pulses, preferring rice and wheat which government agencies procure at MSP to supply to the food security scheme. The Centre hopes the promise of assured purchase will get farmers to plant more pulses and cut imports. By end-2027, it expects India to be a net exporter of pulses.

Influx of cheap, imported edible oils like Palm and soybean oil increased India's dependence on imports by out competing local supplies. India imports over 60% of its edible oil needs. Imports constitute about 10% of domestic consumption for pulses. This is unlikely to increase significantly since India is the largest grower and consumer of pulses globally.

- Commentary in News

Key Terms/Issues : *Arhar*

32. Cryptomania

*The RBI's position on crypto-currency remains unchanged. Travelling down that path will create huge risks. I don't think the world or emerging markets can take a **crypto mania** like tulip mania of 17th century.*

- RBI Governor Shaktikanta Das

*US Security & Exchange Commission (SEC) on Wednesday approved the first US-listed **ETFs to track bitcoin**, marking a milestone for the world's largest crypto-currency and the broader crypto industry.*

Key Terms/Issues : *Crypto mania, Tulip mania*

33. Cruise Tourism

The Centre has announced investment of INR 45000 Cr to develop river cruise tourism. The investment comprises ₹35,000 crore for cruise vessels and ₹10,000 crore for cruise terminal infrastructure by 2047. The plan involves expanding river cruise tourism from eight waterways to 26 and increasing the

number of cruise circuits with overnight stays from 17 to 80. The number of river cruise terminals is set to rise from 15 to 185.

- Commentary in News

34. India's growth model

India must create a unique model to enable The country to be the first in the world to industrialize without carbonizing. High economic Growth rate has been achieved by Japan, South Korea, Taiwan and in recent times China. But all of them have done it by polluting the world.

- Amitabh Kant, India's G20 Sherpa

35. Renewable Energy

Global renewable energy capacity is expected to grow by Two and a half times by 2030 but governments need to go further to achieve the goal of tripling it by then agreed at United Nations' climate talks.

New capacity added last year increased by 50% from the previous year to 510 gigawatts (GW). That takes installed capacity to 3,700 GW. Under current policies and market conditions, global renewable capacity is forecast to grow to a total of 7,300 GW by 2028. To reach the 2030 goal, it will require reaching at least 11,000 GW. World governments agreed to triple renewable energy Generation capacity by 2030 and move away from fossil Fuels at the COP 28 UN climate conference.

- International Energy Agency (IEA)

36. Road Safety

There is need to emphasize the four crucial 'E's of road safety : engineering, education, enforcement and emergency medical services.

This gives me a feeling that basically the engineers are responsible for road accidents. So, the main problem is road engineering and defective planning, and defective DPRs.

16% of road accident victims are aged 18-35, and while national and state highways comprise only 5.5% of India's road network, they account for 36% of road accident deaths. With road safety a top priority, the government aims to reduce accidents by 50% by 2030.

- MoRTH Nitin Gadkari

Key Terms/Issues : DPRs

37. Export duty

Government has imposed a 50% export duty on molasses, a by-product of sugarcane after erratic monsoon rains caused a shortage of sugarcane supplies.

India is the world's largest molasses exporter and contributes about 25% to global trade. Key buyers include the Netherlands, Philippines, Vietnam, South Korea and Italy, with major exporting states being Maharashtra, Gujarat and Karnataka.

*The **export duty** is a strategic measure to regulate the supply and demand of commodities, ensuring domestic availability.*

- Commentary in News

Key Terms/Issues : *Export Duty, Molasses, EBP*

38. Grain Storage

At present, India has a grain storage capacity of about 145 million tonnes, with annual food grain output over 300 million tonnes. Every year, the country loses 74 million tonnes of food grains, or 22% of its grain output, due to inadequate storage.

Over the next five years, India is expected to expand storage capacity to 215 million tonnes.

- Commentary in News

39. Human-animal conflict in India

Human-animal conflict is a reality in India. Wild animals, including leopards, tigers and elephants, have attacked humans. Stray dogs and snakes, too. In some cases, humans have retaliated.

A research paper on leopard-human conflict shows that in Himachal Pradesh's Hamirpur district, there were 74 instances of attacks on humans between 2004 and 2015.

Many large carnivores live on the edges of many cities in India and elsewhere—Bengaluru, Bhopal, Jaipur, Mysuru, Delhi, Nairobi and Windhoek among others.

Natural habitats are critical for the survival of wild animals and human-animal co-existence. Habitat loss and people encroaching territory meant for animals have led to attacks. People in India have shown the willingness and ability to accommodate wildlife, experts say. The state and people have a responsibility to sustain the country's biodiversity.

- Commentary in News

40. Solow's Growth Model

*Solow's work has had a profound impact on global policy making, especially on East Asia's so-called 'tiger' economies during their take-off. As the Nobel Committee noted, **Solow's growth model**, which he developed in the 1950s, illustrated how "continuous technological progress" could increase economic output, encouraging governments around the world to invest in research and development (R&D).*

- Former CEA Kaushik Basu

Key Terms/Issues : *Solow's Growth Model*

41. BOT Model

*The government is committed to reviving **BOT (build operate transfer) model** in the highways sector and making it investment-friendly and attractive for private partnerships.*

This will not only strengthen the road infrastructure but will have a ripple effect that will help to strengthen the economy, increase the employment potential and reduce the logistic cost.

- MoRTH Nitin Gadkari

Key Terms/Issues : *BOT, PPP*

42. Wind Energy

Government's broader strategy for offshore wind projects is to be developed under three models. The first involves VGF for two 0.5GW sites off the coasts of Gujarat and Tamil Nadu. The other models propose bidding processes for sites exclusivity during the survey periods, with or without seabed rights.

Offshore wind offers higher quality wind and more efficient energy conversion due to the absence of physical obstructions at sea. The Centre had notified the 'National Offshore Wind Energy Policy' in October 2015, but projects failed to take off due to the high investments needed and lack of economic viability.

Given that offshore wind farms need to be set upon the sea bed, the technology and infrastructure involved are more complex, resulting in higher gestation periods.

- Commentary in News

Key Terms/Issues : *Viability Gap Funding (VGF)*

43. Fertilizer Subsidy

The government's fertilizer subsidy bill in FY24 is expected to fall 20-24% from the year before to ₹1.7-1.8 trillion because of lower international prices and smaller urea imports.

*The **Red Sea crisis** will not have an impact on Indian trade, including fertilizer imports as the government is intervening and the Indian Navy is providing security to get vessels in the country safely. Indian fertilizer cargoes are now coming via the **Cape of Good Hope** that has raised freight costs significantly. There will be no shortage of fertilizers next Kharif season as we reserve stocks for one season in advance to avoid shortage.*

- Chemicals and Fertilizer minister Mansukh Mandaviya

Key Terms/Issues : *Red Sea crisis, Kharif*

44. Challenges before the world

We face four big challenges: a climate transition, good-jobs problem, an economic development crisis and the search for a newer, healthier form of globalization.

As the world shifts its policy priorities, economic advisors must be open to experiments and sympathetic if governments act in ways that do not conform with conventional advice.

- Harvard Kennedy School Professor Dani Rodrik

45. Greenwashing

*Unsubstantiated 'green' or environmentally friendly claims and misleading marketing tactics of advertisers are likely to land them in trouble going forward. These claims have come under the scanner of the self-regulatory body, the **Advertising Standards Council of India (ASCI)** which has now decided to put out stringent guidelines on what constitutes environmentally friendly and is a violation.*

- Commentary in News

Key Terms/Issues : *Greenwashing, ASCI*

46. SROs for Fintech

India has the largest fintech ecosystem in terms of the number of entities. India's fintech market is projected to hit \$150 billion by 2025, a big leap from \$50 billion in 2021. This projection indicates that by 2030, the sector could potentially contribute to approximately 13% of the global fintech industry's total revenue, the RBI believes.

The Reserve Bank of India (RBI) has published a draft framework that lays down the broad functions, governance standards and eligibility criteria for setting up a self-regulatory organization (SRO) for fintech companies.

- Commentary in News

Key Terms/Issues : *Fintech, SROs*

47. Toll Revenue

*The **Atal Setu or Mumbai Trans Harbour Link**, connecting Mumbai to Navi Mumbai, was inaugurated. For a 22-kilometre journey, users will be charged a toll of ₹250 one way. The concept of pay-and-ride on Indian roads has been on the rise. The bulk of **India's road toll revenues come from national highways, rising from ₹17,759 crore in 2015-16 to ₹48,028 crore in 2022-23. The government is targeting revenues of ₹1.3 trillion by 2030—an average annual growth of 15%.***

*Since 2013-14, the total length of national highways has risen around 1.5 times to 145,000km. However, the last few years have seen the length of highways subject to tolls double. Further, the number of toll plazas on national highways has risen more than five-fold between 2014-15 and 2021-22. The current number of toll plazas is 959, according to the National Highways Authority of India (NHAI) website. Under the government's **National Monetization Pipeline (NMP)** to monetize public assets, around ₹6 trillion of revenue was expected between 2021-22 and 2024-25. Of this, the roads sector is expected to be the biggest contributor, at 27%, according to NITI Aayog.*

Thus, the average toll revenue per plaza has declined from ₹116 crore in 2015-16 to ₹46 crore in 2021-22. Seen another way, the average revenue per tolled kilometre has declined from ₹94 lakh to ₹88 lakh over this period.

- Commentary in News

Key Terms/Issues : *Atal Setu or Mumbai Trans Harbour Link, National Monetization Pipeline(NMP)*

48. Impact of Macroeconomic Policies of Developed World

Emerging-market authorities must take action to protect their economies against spillovers from “populist and extreme” macroeconomic policies in the industrialized world. This means building buffers like foreign-exchange reserves when they can, and maintaining more macroeconomic discipline.

In an ideal world, the industrialized countries—with relatively stable politics and strong institutions—would maintain disciplined monetary policy, recognizing that emerging markets have more volatile politics and less credible institutions. But in recent years, politics in industrialized countries has become increasingly fractured, driving more populist and extreme macroeconomic responses.

- Former RBI Governor Raghuram Rajan.

49. Sustainability Issues

Companies would have to integrate sustainability with their corporate strategy. You’ve got economic uncertainty, you’ve got inflation depending on the market that you operate in. You’ve got supply chain challenges, geopolitical issues; sustainability is having to be tackled in the construct of all of that. It is a long-term problem, requiring long-term solutions, and companies have to meet short term metrics.

A study conducted by EY, 2023 Sustainable Value Study had in November shown a fall in the average reduction of green house gas (GHG) emissions to 20% from 30% reported in 2022.

- EY Sustainability Vice Chair Amy Barchio

50. EU’s supply chain reconfiguration

European Union (EU) will take the next step in its effort to recreate itself into a global power that can leverage its massive single market to rebuff coercive actions from the likes of Beijing, Moscow and even Washington.

The covid pandemic and Russia’s war against Ukraine exposed the EU’s over-reliance on supplies from other nations, as well as trade vulnerabilities with partners that don’t share the bloc’s values.

- Commentary in News

51. Nano Urea

Iffco, the largest producer of crop nutrients in India, launched nano-urea, claiming that a 500ml bottle is as effective as a 45kg bag of urea.

Many farmers have questioned the efficacy of the product and say they are forced to purchase it. In addition, the farmers incur labour costs for spraying.

Some soil scientists have termed the product dubious, calling for an extensive review before scaling up production. A recent study reported a significant drop in wheat and rice yields.

- SBI Research Paper

Key Terms/Issues : *Nano Urea*

52. Water Crisis

The notion of a ‘triple planetary’ crisis encompassing climate change, pollution and biodiversity loss has become outdated in the face of complexities captured by the relatively new term ‘polycrisis.’ This modern challenge involves the intertwining of climate change, environmental disruptions, widening social inequalities, pandemic effects and geopolitical polarization.

*At the recently concluded CoP-28 summit held in Dubai under the aegis of the United Nations Framework Convention on Climate Change, countries agreed on the need to “drive water up the climate agenda,” focusing on freshwater eco-systems, urban water resilience and water-resilient food systems. Highlighting the gravity of the situation, data from the World Bank underscores the fact that **water scarcity could depress growth in gross domestic product (GDP) by 6-14% across significant regions in Africa, Asia and the Middle East***

This shows the link between climate solutions, development initiatives and water-related challenges. For India, integrating water solutions with its climate and development strategies is of paramount importance in navigating the multifaceted challenges posed by the current polycrisis. India constitutes 18% of the world’s population but has access to only 4% of its water resources. This in itself points to an imbalanced demand-supply structure, which has only grown weaker. In the 1960s, the country’s bountiful groundwater resources were critical in driving the ‘green revolution,’ making it a self-reliant food producer.

- Stanford Lecturer Amit Kapoor

Key Terms/Issues : *Triple Planetary Crisis, Polycrisis*

53. Underpinnings of India’s growth

The last decade has seen significant structural shift in India’s economy underpinned by 4 major pillars:

To improve productivity/efficiency in economy, major investments have happened in physical and digital infrastructure. In FY24, India is investing USD 120 in infrastructure. An investment in infrastructure of USD 100, economic activity is of USD 350. It impacts 240 industries. On digital side, from 600,000 we have reached 2.4 mn telecom towers in a decade. More than 600,000 Km of optical fiber cable has been laid.

Entire growth is inclusive with focus on people at bottom of pyramid. In last decade, 510 mn bank accounts have been opened; 40 mn houses have been constructed for urban & rural poor; 110 mn gas connections given changing cooking from wood based to gas based.

Focus on manufacturing - electronics, defence, pharmaceuticals, chemicals, textiles etc. Today, 1.5 mn formal job opportunities every month Huge simplification on laws : More than 30,000 compliances removed, archaic laws removed and simplified. 10 years back time taken to set up a telecom tower was 230 days on average, today it is 7 days.

- Minister for Railways Ashwani Vaishnav

Key Terms/Issues : *Structural shift*

54. Biofuels

Biofuels save on import bill but we are also boosting our agricultural sector. We saved 41,000 Cr through 10% ethanol blended petrol.

- MoPNG Hardeep Singh Puri

55. Direct Tax

Direct tax revenue as a share of gross domestic product(GDP) touched a record 6.1% in FY23 amid a strong growth in mop-ups and an increase in the number of taxpayers. The number of income tax returns filed in FY23, at 77.8 million was more than double the 38 million returns filed in FY14. The cost of direct tax collection decreased from 0.57% of total tax collection in FY14 to 0.51% in FY23 amid increased use of data analytics and technology in tax administration.

- CBDT

56. Doomsday Clock

The symbolic “Doomsday Clock” was reset to 90seconds to mid-night, reflecting existential threats to humanity posed by potential nuclear escalation from the Ukraine conflict and the multiplying impacts of the climate crisis following Earth’s hottest recorded year. Set by top scientists and security experts, the timing of the clock remains the same as last year and the closest it has ever been to midnight in its more than 75-year-history. The clock was originally set at seven minutes to midnight.

- Commentary in news

Key Terms/Issues : *Doomsday Clock*

57. Ulfa Disbands

The decision to disband and dissolve the outfit was taken at the meeting today as stipulated by the settlement signed in Delhi. With this, the cases of sedition on the outfit will be lifted.

- Ulfa Chairman Arabinda Rajkhowa

The settlement promises a lump sum ex-gratia payment to the cadres, funding of economic activities by them, and vocational training and government jobs depending on their eligibility. Criminal cases registered against Ulfa cadres for non-heinous crimes will be withdrawn.

- Commentary in news

Key Terms/Issues : Ulfa

58. Challenges of Indian economy

An area of concern is geopolitical uncertainty. It is no longer (between) Russia and Ukraine. The concerns include disruption of the global supply chain, logistics problems and maybe even crude prices. Secondly, there are still concerns about employment generation. Economic growth is happening, but a commensurate increase in jobs is not yet happening. I can give you figures that private capex is happening; all I said is I cannot yet argue it is broad-based and robust enough. Employment is a more complicated issue. Part of it is related to lack of skills; part of it is a geographical mismatch.

- PM-EAC Chairman Bibek Debroy

59. \$7 trillion target for Indian economy

India can become a \$7 trillion economy by 2030. That means it will almost double its GDP in the next six years. India is to grow at or over 7% in the current fiscal year and the next. India is in a better place economically due to the government's massive infrastructure spending (which grew 3.3 times in the last 10 years), healthy financial sector, strong household financial health, comfortable forex reserves, an inflation that is under control and a fiscal deficit that is trending lower.

- MoF's Review of Indian Economy

Growth in India is projected to remain strong at 6.5% in both 2024 (FY25) and 2025 (FY26), with an upgrade from October of 0.2 percentage points for both years, reflecting resilience in domestic demand.

- IMF

Note : *Despite India's relative advantage to other large economies, there are factors that will come in its way. There has been a secular decline in the growth of developed economies due to inflation and environmental factors. Also, the world is becoming increasingly protectionist, with nations raising their trade barriers. Both factors will have a direct bearing on the growth of exports, a critical element if India has to grow fast. Then there are the geo-political flare-ups that typically fuel inflation and smother growth.*

60. Snow Leopards

The first scientific survey of the snow leopard in India shows the country is home to 718. The exercise, conducted from 2019 to 2023, covered approximately 120,000 sq km of snow leopard habitat across the trans-Himalayan region, including Ladakh, Jammu and Kashmir, Himachal Pradesh, Uttarakhand, Sikkim and Arunachal Pradesh.

- Commentary in News

61. Budget Figures

The Indian government budgeted to spend around ₹45.03 trillion during the year and it expected its total earnings to be around ₹27.16 trillion. The GDP this year is expected to be ₹296.58 trillion. Taking this into account, the ratio of total debt and liabilities will be 85.3% of the GDP.

- Commentary in news

62. Need for Litigation Policy

In the Doing Business rankings of the World Bank (now stopped), India fared very poorly on its component of contract enforcement—i.e. adjudication. In this context, the judiciary has called out the government's dichotomous approach in blaming courts for restricting 'ease of doing business' despite being the biggest litigant itself and seeking needless adjournments repeatedly. There is no litigation policy formulated by the government, while talks have been going on for over 13 years. If Viksit Bharat is our goal, a developed India, we need to get our act together. This includes the government reducing unnecessary litigation.

Issues which should ideally be decided by central and state governments are not being addressed and are being passed on to the courts to decide. Ludicrously, these include suits filed by one government agency against another, which should have been sorted out within government circles. Furthermore, there are issues like an urban dog menace, pollution and same-sex marriage, all of which should ideally be dealt with by the administration and legislature.

Over half a century ago, in November 1973, while adjudicating the sad case of a railway employee's held-up wages, Justice V.K. Krishna Iyer made a stoic observation: "In this country, the state is the largest litigant and the huge expenditure involved makes a big draft on the public exchequer. In the context of expanding dimensions of state activity and responsibility, it is not unfair to expect finer sense and sensibility in its litigation policy, the absence of which in the present case led the Railways to callously and cantankerously resist an action by its own employee... by urging a mere technical plea which had been pursued to the highest court and had been negated."

- CUTS International Secretary General Pradeep S. Mehta

63. Climate Change

There's one issue that will define the contours of this century more dramatically than any other, and that is the urgent threat of a changing climate.

- Barack Obama

**GS-4****01. Neutrality, Anonymity & Criticism**

Once you decide a case you kind of distance yourself from the outcome. Outcomes are never personal to us as a judge.

I never have any regrets. Yes, I have been in a majority in many cases and minority in many cases. But the important part of the life of a judge is never to associate yourself with a cause. Having decided a case, I leave it at that.

So far as we are concerned we decide according to the constitution and the law. I don't think it will be appropriate for me either to respond to the criticism or mount a defence to my judgement.

What we have said in my judgement is reflected in the reason present in the signed judgement and I must leave it at that.

- CJI DY Chandrachud

02. Poaching of Employees

Wipro and Infosys. The two leading IT services exporters alleged breach of contract when their senior talent joined rival company Cognizant. Wipro took the legal route against Mohd Haque, a former senior vice president and a sector head, as well as Jatin Dalal, its former chief financial officer. Wipro alleged that the two joined the rival firm before a 'cooling off' period.

Some companies may clearly state the rival firms to be avoided as a future employer in employment contracts. Again, this will not be legally enforceable but more of a fear tactic.

- Commentary in News

03. Blood is not for sale

For overcharging of blood, it was opined that blood is not for sale, it is only for supply and only processing cost may be charged by the blood centre

- The Drugs Controller General of India (DCGI) Rajeev Singh Raghuvanshi

04. Independent Directors

Indian firms are struggling to find independent directors for their boards. More than 1,400 independent

directors are set to retire by 1 April. **The Companies Act, 2013**, stipulates that firms cannot have directors on their boards for longer than 10 years.

Indian businesses are not isolated anymore and global crises like wars are impacting supply chains. Companies need experts who can offer strategies and guidance against these events which is a rare skill-set.

Companies are seeking independent directors with niche talent in digital and consumer behaviour, among others. **Cybersecurity** risk and incorporating AI being top issues organizations are expected to face in the new year, many recognize the need to identify board members who possess the skill-sets and capabilities relevant in navigating these new challenges.

- Commentary in News

Key Terms/Issues : *Companies Act 2013*

05. Coaching Age Limit

A coaching centre should not accept students younger than 16 years of age, or the student enrolment should be only after secondary school (standard 10) examination.

- Guidelines for Registration and Regulation of Coaching Centre 2024

Immediate legal advice sought to explore options and take necessary steps to halt the implementation of proposed guidelines. There was consensus to seek relaxation in regulations regarding coaching for students below 16 years, emphasizing the potential stress on those preparing for highly competitive exams.

We would want to appeal to the government to reduce the 16-year age barrier to 12 years.

- Coaching Federation of India Director Ashish Gambhir

Key Terms/Issues : *Western Disturbances, El Nino*

06. Two-State Solution for Israel-Palestine

Peace and stability cannot be built only by military means.

- EU foreign policy chief Josep Borrell

EU foreign ministers pressed Israel for an eventual **two-state solution** with the Palestinians after the war in Gaza, at meetings with the top diplomats from the two sides and key Arab states in Brussels.

- Commentary in News

Key Terms/Issues : *Two-state solution*

07. On Migration

UN's migration agency is launching its first "global appeal," seeking \$7.9 billion to help people on

the move and ensure smoother pathways to migration, at a time when the fallout from climate change, conflict and both economic distress and opportunities has caused millions to leave their homes.

- Guidelines for Registration and Regulation of Coaching Centre 2024

Irregular and forced migration have reached unprecedented levels and the challenges we face are increasingly complex. The evidence is overwhelming that migration, when well-managed, is a major contributor to global prosperity and progress.

- IOM's DG Amy Pope

Key Terms/Issues : *International Organization for Migration (IOM)*

08. Leadership and Data Dashboards

'Dashboards' put in place to ensure transparency and authenticity not only failed, but were rigged to paint a picture so false that shareholders, analysts, oversight boards and even industry bodies that were supposed to assess these companies objectively, were beguiled. While there are extreme failures like Satyam/Volkswagon, many companies have a huge gap between what they state and what they practise. No wonder the rank and file of such firms have little faith in management declarations.

Focus on short-term gains, which prioritizes immediate profits over long-term sustainability and ethical considerations. This usually results in unethical decisions such as lying about product quality, ignoring checks and balances and the cooking of books.

When leaders insist on 'no error' and penalize every failure, employees are tempted to fudge reality. If mistakes are unforgiven, then they will be underplayed or not reported.

- Former National Intelligence Grid CEO Raghu Ram

09. Exam Stress

Parents should not create competition between siblings, lecture them about studies, create a no-gadget zone in their homes and not allow use of mobiles at the dining table, and not turn report cards of their children as their "visiting card", and not create undue pressure on their kids.

- PM Modi



ESSAY

01. Inequality

True equity starts with ensuring that everyone has access to the most basic of needs.

In nominal terms, India's GDP is also the world's fifth largest (by purchasing power parity, or PPP, it is the third largest). According to the International Monetary Fund(IMF), India will move into fourth place in 2025 and reach the third spot in 2027, with a projected economy of \$5.4 trillion. Some might see this parallel between GDP and stock markets as further vindication of the IMF's "star performer" tag. Indeed, we have seen a reiteration of faith in the Indian economy by domestic and overseas investors, both of whom have been pouring money in to our capital markets.

On a per-capita income basis, India ranks 139th by GDP(nominal) and 127th by GDP(PPP). And even as the proportion of Indians living below the poverty line has fallen dramatically, India is still home to an unconscionably large—perhaps the largest globally—number of people who barely meet their subsistence needs. In terms of social development indicators, access to health, education, sanitation, potable water, infant and female mortality, law and order, etc., we rank below many of our peers among emerging markets. While social indicators in some parts of the country are comparable to those in advanced countries, across large swathes of our landmass, they are worse than in sub-Saharan Africa.

*Widening disparities in income and wealth are never good news in an electoral democracy. Especially not when general elections are less than six months away. Both the government and central bank (to a lesser extent) have their task cut out for them. They must ensure that faster growth is also more equitable. **Our strong macro data hides a disquieting micro story that must be addressed in 2024.***

- Commentary in News

02. Nature

Nature is the ultimate artist.

- Bibiana Krall

03. Integrity

In looking for people to hire, you look for three qualities: integrity, intelligence and energy. If they don't have the first, the other two will kill you.

- Warren Buffett

04. Climate Change

There's one issue that will define the contours of this century more dramatically than any other, and that is the urgent threat of a changing climate.

- Barack Obama

05. Interdependence & India

We live in an interdependent world. An isolated India is not in our interest.

- PM Modi

06. Life and Problems

Life is a school and problems are the curriculum.

- Rick Warren

LEAGUE OF ACHIEVERS-2022

AIR-17



AVINASH KUMAR

AIR-32



NITTIN SINGH

AIR-48



ADITYA PANDEY

AIR-65



PRANSHU SHARMA

AIR-137



ABHINAV DWIVEDI

AIR-154



AAMIR KHAN

AIR-162



DURGA P. ADHIKARI

AIR-182



KUSH MISHRA

AIR-250



ANKIT KUMAR

AIR-326



ADITYA JAIN

AIR-329



AKASH CHAUDHARY

AIR-402



ARUSHI SHARMA

AIR-424



ARCHIT DHOOPAR

AIR-513



ANKUR TRIPATHI

AIR-637



UTKARSH ROY

AIR-642



MOHD SHADAB

AIR-795



NIKHIL RAI

AIR-891



MITUL DABHI

AIR-900



JAISH KUMAR

Mitra's IAS
LEARN HERE,
LEAD ANYWHERE

OUR TOP RANKERS



Athar Amir
AIR 2



Ankita Jain
AIR 3



Sanskriti Jain
AIR 11



Saloni Khemka
AIR 27



Himanshu Gupta
AIR 27



Divya Mishra
AIR 28



Haulianlal Guite
AIR 33



Gaurang Rathi
AIR 40



Garima Aggarwal
AIR 40



Jatin Lal
AIR 42

DELHI

📍 Samyak Tower, 39 Pusa Road, Opp. Metro Pillar 120, Karol Bagh, New Delhi-110005

📞 **011-45505509, 8826469839**

✉️ **mitrasiasclasses@gmail.com**

For prog details
scan QR code



JAIPUR

📍 703-704, Apex Tower, Lal Kothi, Jaipur, Rajasthan-302015

📞 **0141-6764015, 7303666798**

🌐 **www.mitrasi.com**