

## Report on Value of Output from Agriculture and Allied Sectors (2011-12 to 2023-24)

The National Statistics Office (NSO) released a report offering a comprehensive overview of India's agricultural performance over the past decade.

### Key Highlights

- **Gross Value Added (GVA)** in agriculture and allied sectors **rose by ~225%** (current prices), while **Gross Value of Output (GVO)** grew by **54.6%** (constant prices) from 2011-12 to 2023-24.
- **Crop sector:** Largest contributor to total agriculture GVO in 2023-24 with **54.1%**.
  - ⊕ **Uttar Pradesh** is the top cereal-producing state.
  - ⊕ **Paddy & wheat** constitute approximately **85%** of GVO of all cereals in 2023-24.
- **Floriculture:** GVO nearly **doubled** from 2011-12 to ₹28.1 thousand crore in 2023-24.
- **Condiments & Spices:** **Madhya Pradesh (19.2%)** is the top contributor, followed by Karnataka (16.6%) & Gujarat (15.5%).
- **Fishing & Aquaculture:** Contribution increased from **4.2%** in 2011-12 to **7.0%** in 2023-24.
  - ⊕ **The share of inland fish has decreased** to 50.2%, whereas the **share of marine fish has increased** from 2011-12 to 2023-24.

### Importance of Agriculture and Allied Sector

- **Contribution to GDP:** **~16% of the country's GDP** for FY24 (Economic Survey 2024-25).
- **Livelihood:** It supports **~46.1% of the population**.
- **Challenges:** Low Agricultural productivity per unit of land, low farmer income, Overexploitation of Water Resources, climate change, & extreme weather events, etc.

### Initiatives for Agriculture & Allied Sectors

- **Agriculture Investment Fund (Rs 1 lakh crore):** To address the existing gaps in post-harvest infrastructure in the country.
- **Digital Agriculture Mission:** To support various digital agriculture initiatives.
- **Pradhan Mantri Matsya Sampada Yojana:** Aims to **formalize the fisheries sector** & support fisheries micro and small enterprises.
- **Mission for Integrated Development of Horticulture (MIDH):** A Centrally-Sponsored Scheme for the **holistic growth of the horticulture sector**.
- **Other:** Fisheries & Aquaculture Infrastructure Development Fund; **PM Fasal Bima Yojana**; Rashtriya Krishi Vikas Yojana, etc.

## India Rejects Supplemental Award by Court of Arbitration (CoA) on Indus Water Treaty (IWT)

**The Hague-based CoA's Ruling:** Held that India holding the IWT "in abeyance" does not affect its authority to rule on the disputes regarding India's Kishenganga and Ratle hydroelectric projects in Jammu & Kashmir.

- Following the **23 April 2025 terrorist attack in Jammu and Kashmir**, India declared the **Indus Waters Treaty "in abeyance"** until Pakistan ends cross-border terrorism.




### Background of the Dispute:

- **Treaty Signed:** On 1960, between India and Pakistan, brokered by the World Bank.
  - ⊕ **Water Allocation:**
    - ◆ **India:** Unrestricted use of Eastern rivers (Sutlej, Beas, Ravi)
    - ◆ **Pakistan:** Rights over Western rivers (Indus, Jhelum, Chenab)
- **Dispute:** Kishenganga (on Jhelum tributary) and Ratle (on Chenab) projects are central to the conflict.
- **2015:** Pakistan objected to design features, sought neutral expert via World Bank.
- **2016:** Pakistan withdrew request, demanded Court of Arbitration instead.
  - ⊕ India filed a separate request for the matter to be referred to a **'Neutral Expert'**.
- **2022:** World Bank appointed both a neutral expert and the Court of Arbitration.
  - ⊕ India accepted the **neutral expert process**.

### Why did India Reject the Award?

- **Illegality of the Court:** Court of Arbitration was **"illegally constituted"** in **"brazen violation"** of the Indus Waters Treaty 1960, rendering its proceedings and decisions **"illegal and per se void."**
- **Sovereign Right to Suspend Treaty:** India is exercising its **"rights as a sovereign nation under international law"**.

### 3-Step Dispute Resolution Mechanism

 <p><b>Permanent Indus Commission</b> Required to meet at least once every year to resolve questions about implementation of treaty.</p>	 <p><b>Neutral Expert</b> To deal with unresolved differences on water-sharing.</p>	 <p><b>Court of Arbitration</b> A Seven-member arbitral tribunal to deal with the disputes.</p>
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## India's External Debt Rises

As per the RBI report, India's external debt rose to US\$ 736.3 billion (March 2025), marking an increase of US\$ 67.5 billion over the previous year, excluding valuation effects.

- Valuation effect occurs due to the appreciation of US dollar vis-à-vis the Indian Rupee.

### Key Highlights

- **External Debt to GDP Ratio:** Increased to **19.1%**, up from 18.5% in March 2024.
- **Long Term & Short Term Debt:** long-term debt (\$601.9 billion) rose marginally while the share of short-term debt fell marginally to 18.3%.
- **Composition:** **US dollar (54.2%)** remained the largest component, followed by the Indian rupee (31.1%), Japanese yen, & SDRs respectively.
- **Borrowers:** Non-financial corporations (except the central bank) held the highest share i.e., 35.5%, followed by deposit-taking corporations (27.5%) & **general government (22.9%)**.
- **Debt Instrument:** Loans (34%) remained the largest component, followed by currency and deposits.
- **Debt service** (i.e., principal repayments and interest payments) **marginally declined** by 0.1%.

### What is External Debt?

- **External debt** refers to money borrowed from a source outside the country.
- **Sources:** Foreign commercial banks, international financial institutions like IMF, World Bank, etc. and government of foreign nations.

### Concerns with Rising External Debt



#### Repayment Burden

As external debt is often in foreign currencies, exchange rate fluctuations can increase repayment costs.



#### Rising Inflation

Prolonged inflation raises interest rates, slows growth, and increases the debt-to-GDP ratio.



#### Crowding Out of Productive Investment

Higher debt servicing limits government spending on infrastructure, health, and education.



#### Balance of Payments Pressure

Persistent debt accumulation can widen current account deficits, weakening external sector stability.

## "Skills For The Future: Transforming India's Workforce Landscape" Report

The report unveiled by the **Ministry of Skill Development and Entrepreneurship** examines India's skills landscape against the backdrop of the emerging knowledge-driven global economy.

### Key Highlights

#### India's skills landscape

- **Low-competency Occupations:** About **88%** of the workforce is engaged in low-competency occupations (2023-24).
- **Skill Mismatch:** Many workers occupy roles that do not correspond to their education levels, either due to over qualification or under qualification.
- **Structural Issues:** Over qualification in low-skill jobs reflects the **lack of sufficient high-skill job opportunities** whereas under qualified workers in high-skill roles reveal **gaps in access to education and training**, especially for low-income & rural groups.
- **Skill Shortages in High-Skill Jobs:** As many lacking the requisite education for these roles.

#### Impact of Skill Mismatch

- **Reduces Economic Productivity:** As overqualified workers (underuse of potential) occupy low-skill roles while under qualified workers struggle in high-skill positions.
- **Inefficient Human Resource Allocation:** Misaligned skills limit labor market efficiency, **hinder innovation**, & undercut the country's ability to harness its **demographic dividend**.
- **Limits Social & Economic Mobility:** Mismatches **reinforce existing inequalities**, limiting upward mobility and widening **socio-economic disparities**.
- **Migration & Brain Drain:** Gap in opportunities can spur **large-scale migration** to other states or even countries.

### Recommendations

- **Revamp Technical and Vocational Education and Training (TVET):** Align course offerings & curricula with evolving industry needs and technological advancements.
- Establish a standardized mechanism to **assess current and future skill requirements**, supporting evidence-based policymaking and targeted interventions.
- **Industry Engagement and Accountability:** Incentivize industries to hire from certified skill pools, & and take accountability for creating **market-aligned training**.
- **Promote Lifelong Learning:** Develop incentives for continuous **skilling, upskilling, and reskilling** of the workforce to meet evolving job demands.

## India's Start-Up Ecosystem Sees Exponential Growth Over the Last Decade, Says Meta Report

India's start-up ecosystem growth was due to a surge in early-stage funding, digital penetration, and consumer affluence across both metros and non-metro regions.

- **Startup Definition:** A private limited company, partnership, or limited liability partnership (LLP) with turnover under ₹100 crore. To be considered a startup for up to 10 years from incorporation under the Companies Act, 2013.

### Growth Levers for India's Startup Ecosystem

- **AI Adoption:** 70% of startups were integrating artificial intelligence into their business operations.
  - ☉ In marketing alone, 87% of AI adopters reported improvement in cost per acquisition.
- **Cross-Border Expansion:** Half of the startups target global markets (USA, UAE, UK top destinations).
- **Omnichannel Presence:** Over 2/3<sup>rd</sup> blend online-offline models. **E.g.,** Digital discovery via ads/Reels drives consumers to physical stores for high-value purchases.
- **Tier 2/3 Market Focus:** Nearly all startups expanding here; service-based ones enter earlier via WhatsApp/regional influencers.

### Thriving Startups Ecosystem in India:

- **Startup boom fueled by capital & policy (see image):** DPIIT-recognized startups reached over 150 thousand in 2024.
- **51% DPIIT recognized startups** are from non-metro cities
- **Over \$380 Bn+ combined valuation** of Indian Unicorns.
  - ☉ A "unicorn" is referred to as a **privately held startup company** with a valuation of **over \$1 billion**.
- **India**, reflecting its growing global clout in the startup ecosystem, **ranks third** on the Hurun Global Unicorn Index 2025.

## Government Startup Initiatives

Fostering Innovation & Entrepreneurship in India



### Startup India

To foster innovation and create a thriving startup ecosystem across the nation.



### Startup India Seed Fund (SISFS)

Supports startups at various stages including proof of concept, prototype development, and market entry.



### Fund of Funds (FFS)

Boosts access to domestic capital for startups and venture capital funds.



### Credit Guarantee Scheme (CGSS)

Provides credit guarantees for loans to DPIIT-recognized startups.



### Atal Innovation Mission (AIM)

Promotes innovation & entrepreneurship across India through various programs.



### MeitY Startup Hub (MSH)

Fosters vibrant innovation ecosystem by uniting technology stakeholders and promoting growth.

## Also In News



### Lord Jagannath's Rath Yatra

PM extends greetings on the occasion of Lord Jagannath's Rath Yatra.

#### About Rath Yatra (Chariot Festival)

- It is a major **annual Hindu festival** held in the city of Puri, Odisha.
- It marks the annual ceremonial journey of **Lord Jagannath**, along with his siblings **Lord Balabhadra** and **Devi Subhadra**, from the **Jagannath Temple** to the **Gundicha Temple**.
- The festival begins on the second day of the Asadha month (June-July).
- After a week the deities return to the main temple in a return procession known as **Bahuda Yatra**.



### Adi Karmyogi Programme

The Ministry of Tribal Affairs launched the Adi Karmyogi Programme.

#### About the Adi Karmyogi Programme

- **Aim:** Building a **cadre of highly motivated officers** and change makers dedicated to **grassroots transformation**.
- **Objective:** To take **capacity-building** to about 20 lakh field-level stakeholders by creating a batch of trainers and master trainers at the State, district, and block levels.
- It seeks to bring a fundamental shift in the attitude and motivation of field-level officials, emphasizing **citizen-centric ideation and delivery**.
- **Target:** Reaching 1 lakh tribal villages and habitations.



## Current Account Balance

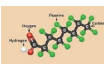
India's current account balance recorded a **surplus of \$ 13.5 billion** (1.3% of GDP) in Q4 FY25.

- It led to narrowing India's **current account deficit** to \$ 23.3 billion (0.6% of GDP) during FY25 down from \$26 billion (0.7% of GDP) in FY24.

- On the annual basis India generally experiences a trade deficit.

### Current Account Balance

- It measures the flow of goods, services, income, and current transfers **between a country and the rest of the world** over a specific period.
- The **Current Account Balance** is a key component of a country's **Balance of Payments (BoP)**.
- Major components of a current account are **goods, services, income, and current transfers**.



## Per- and polyfluoroalkyl substances (PFAS)

Researchers discovered nearly 20 species of bacteria capable of breaking down PFAS

### About PFAS

- These are **chemicals having carbon-fluorine bonds**, which are very strong and **do not degrade easily**.
- These chemicals **can resist grease, oil, water, and heat**.
- Application:** Cookware, food packaging, food processing equipment, Fabrics, Paints, Foams etc.
- Impact:** It **persists in the environment, contaminating air, water, and soil, and bioaccumulates in humans and animals**.
  - Bioaccumulation** is the process by which **toxins enter the food web** by building up in **individual organisms**.



## SPREE Scheme

In the 196th Meeting, Employees' State Insurance Corporation (ESIC) approved the re-launch of the **Scheme to Promote Registration of Employers/Employees (SPREE)**.

### About SPREE Scheme

- Initial Success (Launched in 2016):** It facilitated the registration of over 88,000 employers and 1.02 crore employees under the Employees' State Insurance Act.
- Renewed SPREE (2025):** A one-time enrollment window will be open for unregistered employers and left-out workers.
- Focuses on voluntary compliance rather than penalization

### Other agendas to improve ESIC

- Approves Amnesty Scheme 2025 (2025 – 2026):** Aim to reduce litigation and promote ease of doing business.
- Revised ESI AYUSH Policy:** Approval for Yoga therapists & Panchakarma attendants in ESIC hospitals.



## Vera C. Rubin Observatory

The Vera C. Rubin Observatory released its first images of the cosmos.

### About Vera C. Rubin Observatory

- The **observatory located in Chile** is designed to conduct the **Legacy Survey of Space and Time (LSST)**, a 10-year project to map the southern sky.
- It has been named after Astronomer **Vera C. Rubin**, who provided pioneering evidence of **dark matter**.



## IBAT Alliance

**IBAT Alliance doubled its investment in biodiversity data from 2023 to 2024**

- Increased investment will support three key global biodiversity datasets i.e., **World Database on Protected Areas, IUCN Red List and World Database of Key Biodiversity Areas**.

### About IBAT Alliance

- Headquarter:** The UK
- Genesis:** Founded in 2008
- It is a **coalition of four** of the world's largest and most influential conservation organisations.
- These four organizations are:** Birdlife International, Conservation International, The International Union of Conservation for Nature (IUCN), The United Nations Environment Programme World Conservation Monitoring Centre (UNEP-WCMC)
- Mission:** To provide **data, tools and guidance** that help organisations act on **biodiversity related risks** etc.



## Jellyfish

Cochin **backwaters** of Kerala, face seasonal invasions of jellyfish, as a **symptom of cumulative ecosystem stress**.

### About Jellyfish

- Type:** Part of the cnidarian group (alongside corals and anemones),
- Habitation:** As pelagic organisms, they live in open oceans (tropical to Arctic), drifting with currents despite limited swimming ability.
- Features:** Possess stinging cells (nematocysts) for capturing prey and defense; Bodies made of 95% water for camouflage; **Tolerate** low-oxygen (hypoxic) environments

### About Jellyfish Blooms

- Sudden population explosions of jellyfish in marine or brackish water ecosystems.
- Caused** by warmer sea surface temperatures, eutrophication, overfishing, and pollution.



## Goldilocks Economy

According to the **Finance Ministry** Indian Economy's health is in a relative **Goldilocks situation**.

### About Goldilocks situation of Economy

- Concept:** It describes an **ideal state for an economy where it's not expanding or contracting** by too much.
- In this state of the economy, there are certain features attached.**
  - The unemployment rate in the economy is really low.
  - There is steady growth in the Gross Domestic Product (GDP) numbers and companies report better earnings.
  - The retail inflation and the interest rates are relatively low.
- The Goldilock scenario is good for investors as companies perform well and stocks rally.



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