

# NEWS TODAY

## 'Becoming a High-Income Economy in a Generation' Report Released by World Bank

The report recognizes that India needs to **grow by 7.8% on average** over the next 22 years to become **High-Income Country (HIC)** by 2047.

➤ **India became a Low Middle-Income Country (LMIC) in 2007-08** and is currently on track to become an **Upper Middle-Income Country (UMIC) by 2032.**

### Key Challenges In Becoming HIC By 2047

➤ **Slow Structural Transformation:** Agriculture still employs **45% of the workforce (2023-24)** while **traditional market services and construction** (low productivity) together constitute nearly **30%.**

⊕ In contrast, the share of **manufacturing** in total employment was around **11%** and **modern market services accounted for only 7%.**

➤ **Declining Private Investment:** Private investment surged post-1990s reforms but it has **fallen as a share of GDP,** particularly since the global financial crisis in 2008.

➤ **Underutilisation of Demographic Dividend:** Over 2000-19, the **working-age population increased by 37.4%,** but **employment increased by only 15.7%.**

⊕ During this period, the **labor force participation rate fell from 58% to 49%** remaining low by middle-income countries standards.

### Key Strategies for Growth

➤ **Boost Investment:** Increase investment from **33.5% to 40% of GDP by 2035** through better financial regulations, easier MSME credit, and simplified FDI policies.

➤ **Create Jobs:** Encourage private investment in **job-rich sectors** like agro-processing, manufacturing, transport, and care economy.

➤ **Balanced Regional Growth:** Less developed states focus on **basics** (health, education, infrastructure), while developed states advance **Next-generation reforms.**

### India's Economic Growth Over 2 Decades

<b>4x</b> Economy Expansion	<b>3x</b> rise in GDP Per Capita	<b>2x</b> rise in Global Economy Share
<b>5x</b> Largest Economy Globally in nominal terms	Significant Decline in <b>Extreme Poverty</b> & Better Infrastructure	<b>6.7%</b> Annual Growth Pre-Pandemic
Global Economy Share: 1.6% (2000) to 3.4% (2023)		
To achieve High-Income Status by 2047, GNI per capita must grow 8x		

## 10,000 farmer producer organizations (FPOs) formed under Government's Flagship Scheme

FPOs have been formed under central sector scheme (**Scheme for Formation and Promotion of 10,000 FPOs**) which was launched on February 29th 2020.

### About Scheme for Formation and Promotion of 10,000 FPOs

➤ **Ministry:** Ministry of Agriculture & Farmers Welfare

➤ **Focus on aspirational districts:** Ensuring at least one FPO in each block of these districts with One District One Product (ODOP) cluster model.

➤ **Provides handholding support:** For a period of five years to each new FPO formed, and financial assistance to tune of Rs.18 lakhs to each FPO towards management cost for 3 years.

➤ **Ensuring institutional credit accessibility to FPOs:** By credit guarantee facility upto Rs. 2 crore of project loan per FPO from eligible lending institution.

### Advantages of scheme

➤ **Market Advantages:** Minimized post-harvest losses through joint storage and value addition facilities.

➤ **Financial benefits:** Help achieve Better price realization and reduced distress sales.

➤ **Technological and Knowledge Access:** Access to modern technology, extension services etc.

➤ **Ease in communication:** Helps in price updates, market trends, and advisory services.

### Initiatives under scheme

➤ **Credit guarantee fund for FPOs:** Provides credit guarantee cover to financial institutions for extending loans to FPOs.

➤ **ONDC platform:** 5,000 FPOs are now on boarded on Open Network for Digital Commerce (ONDC).

➤ **Converting 10,000 FPOs into Common Service Centers (CSCs):** To provide citizen-centric services via the Digital Seva Portal.

### About FPOs

➤ FPO is one **type of Producer Organization (PO)** where the members are usually farmers.

⊕ PO is a **legal entity formed by primary producers**, viz. farmers, milk producers, craftsmen etc.

➤ **Purpose:** Leveraging collectives through economies of scale in production and marketing of agricultural and allied sectors.

➤ **Registration:** FPOs are collectives of farmers and producers registered under Part IXA of the Companies Act or the Co-operative Societies Act of respective states.

## Second meeting of India-EU (European Union) Trade and Technology Council (TTC) took place in India

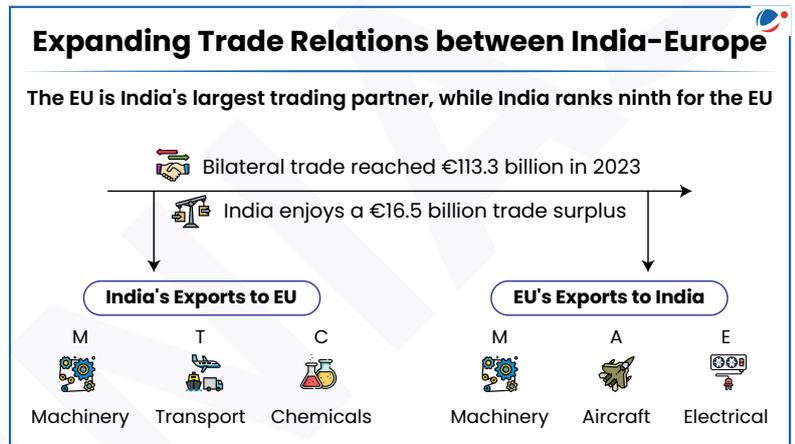
EU-India TTC establishment was **announced in 2022** as a key bilateral platform to address challenges at the **confluence of trade, trusted technology and security.**

- It has **3 working groups, one each on:**
  - ⊖ Strategic Technologies, Digital Governance, and Digital Connectivity
  - ⊖ Clean and Green Technologies
  - ⊖ Trade, Investment and Resilient Value Chains

### Key highlights of the meeting

- **Strategic technologies, digital governance and digital connectivity:**
  - ⊖ Committed to **human-centric AI, semiconductors, High-Performance Computing, and 6G.**
  - ⊖ Agreed on **interoperable Digital Public Infrastructures (DPIs)** and strengthening ties between **European AI Office & India AI Mission.**
- **Green and clean energy technologies:** Announced launching coordinated research under the **Horizon Europe** program with €60 million joint investment
  - ⊖ Horizon Europe is **EU's key funding programme for research and innovation.**
- **Trade, investment and resilient value chains**
  - ⊖ Agreed to conclude the **Free Trade Agreement (FTA) by 2025.**
  - ⊖ **Exchanged best practices on Foreign Direct Investment screening.**
  - ⊖ Discussed trade and **decarbonization**, including **EU's Carbon Border Adjustment Mechanism (CBAM)**
- Reaffirmed commitment to the **India-Middle East-Europe Economic Corridor (IMEEC).**

India and the EU, as large democracies with open markets, share common values and interests in security, prosperity, and sustainable development, making their partnership vital in a multipolar world.



## Aditya-L1 payload captures first-ever image of a solar flare 'kernel'

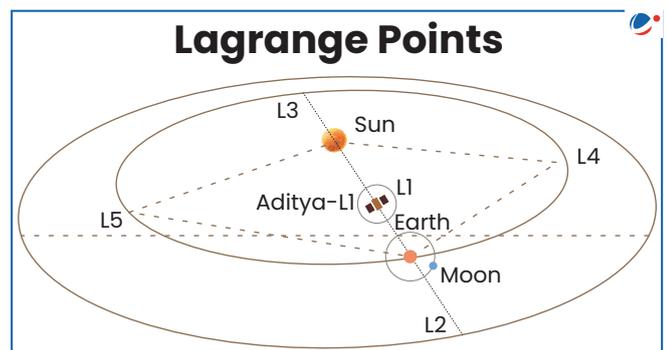
**Solar Ultra-violet Imaging Telescope (SUIT)** payload onboard Aditya-L1 observed an **X6.3-class solar flare**, which is one of most intense categories of solar eruptions.

### How Aditya-L1 study Solar flares?

- During solar flare that particular region of Sun generating flare **becomes brighter in UV and X-ray.** Aditya-L1 instruments such as **SUIT, SoLEXS and HEL10S** can study these brightening.
- **SUIT:** To image Solar Photosphere and Chromosphere in **near Ultra-violet (UV)** and, to measure **solar irradiance variations in near UV.**
- **SoLEXS and HEL10S instruments:** Monitor **solar X-ray emissions.**

### Aditya-L1 Mission

- **Mission Launch:** First Indian space mission to study Sun launched in **September, 2023.**
- **Location:** Placed in a **halo orbit around Lagrange point 1 (L1) of Sun-Earth system** for continuously viewing Sun.
  - ⊖ **Lagrange Points** are positions where gravitational pull of two large masses precisely equals centripetal force required for a small object to move with them.
- **Objectives:** Study of Solar upper atmospheric (chromosphere and corona) dynamics, Study of chromospheric and coronal heating, coronal Mass ejection etc.
- **Payloads:** Total **seven payloads on-board.**
  - ⊖ **Remote Sensing Payloads:** Visible Emission Line Coronagraph(VELC), Solar Ultraviolet Imaging Telescope (SUIT), Solar Low Energy X-ray Spectrometer (SoLEXS), High Energy L1 Orbiting X-ray Spectrometer(HEL10S),
  - ⊖ **In-situ observation Payloads:** Aditya Solar wind Particle Experiment(ASPEX), Plasma Analyser Package For Aditya (PAPA), Advanced Tri-axial High Resolution Digital Magnetometers.



### What are Solar Flares?

- **Sudden and intense bursts of solar energy** in form of **light/radiation and high energy charged particles** from Solar atmosphere.
- **Types:** Solar flares are classified **based on their strength into five categories: A, B, C, M, and X**, with each class representing a **10-fold increase in energy output.**
- **Effect on Earth:** causes **radio blackouts; harm satellites, communications systems, and even ground-based technologies and power grids; endanger astronauts etc.**

## National Waterways (Construction Of Jetties/Terminals) Regulations, 2025 Introduced

The regulation, formulated by the Inland Waterways Authority of India (IWAI) aim to attract private investment in inland waterways.

➤ IWAI under the Ministry of Ports, Shipping and Waterways is the nodal agency for development of waterways

### Key Provisions of the Regulations

- **Scope:** Covers existing and new terminals, both permanent and temporary (5-year term, extendable).
- **No-objection Certificate (NoC):** Any entity including private, wishing to develop or operate an inland waterway terminal on a national waterway, needs to obtain a NoC from IWAI.
- **Terminal developer and operator responsibilities:** They will be responsible for the technical design and construction of the terminal, ensuring it aligns with their business plan and provides adequate access.
- **Digital Portal for Terminal Applications:** To be developed by IWAI to enhance efficiency, transparency, and accessibility, for Ease of Doing Business.

### Other Key Initiatives to Promote Inland Waterways

- **National Waterways Act, 2016:** Declared 111 waterways as National Waterways to boost inland water transport.
- **'Jalvahak' Scheme:** Provides up to 35% reimbursement on operating costs for cargo transport via NW 1 (Ganga), NW 2 (Brahmaputra), and NW 16 (Barak) through the Indo-Bangladesh Protocol route.
- **Inland Waterways Development Council (IWDC):** Apex policy forum organized by IWAI to promote inland waterways.

### Significance of Inland Waterways

#### Faster and Hassle-Free Development

Unlike roads and railways, waterways do not require land acquisition, avoiding delays and cost overruns

#### Cost-Effective Transportation

Waterways are cheaper than other transport modes, reducing logistics costs.

A RITES study found that 1 litre of fuel moves:



#### Rapid Growth in Cargo Traffic

- Traffic grew at **22.1% CAGR** over the last decade.
- Cargo movement rose from **18.07 MMT (2013-14) to 133 MMT (2023-24)**.
- Aim to raise **freight share from 2% to 5%**, targeting:
  - **200+ MMT by 2030** (Maritime India Vision)
  - **500+ MMT by 2047** (Maritime Amrit Kaal Vision)

## India's social sector funding trends highlighted in the 'India Philanthropy Report 2025'

According to report, **social sector spending** in India stands at **6-7% of GDP** annually, combining public and private contributions.

### Key Highlights of Report

- **India's social sector funding:** Reached around **₹25 lakh crore** in FY24 with 13% CAGR over last five years. It is projected to reach **₹ 45 lakh crore** in FY29.
  - ⊕ **Rising economy, Indian diaspora and structural reforms** are key factors behind this growth.
- **Key concerns:**
  - ⊕ **Low private contribution:** With only **5%** of the total spending.
    - ◆ Private sector contributions came largely from **family philanthropy from high-net-worth individuals (HNIs)**, and **CSR**. E.g. **Heritage Project (2018)** by Radha Goenka, **Pride Fund (2025)** by Godrej industries.
  - ⊕ **Funding Gap:** Fund flow into India's social sector fell short of **NITI Aayog's recommendation for 2023-24** by about **₹14 lakh crore**.
    - ◆ **NITI Aayog** recommends social sector funding to be **13% of GDP**.

### Significance of philanthropy as a development tool in India

- **Bridging Funding Gaps:** Supplement critical budgetary support given by governments.
- **Addressing Development Gaps:** Such as poverty alleviation, education, and healthcare access.
  - ⊕ E.g. **Azim Premji Foundation** enhances rural public education.
- **Catalyzing Innovation:** Tech-driven initiatives like **digital literacy programs/healthcare startups**.
  - ⊕ E.g. **Bill & Melinda Gates Foundation** focus on sanitation innovations aligning with **Swachh Bharat Mission**.

### Key Initiatives Promoting Social Sector Funding by Private Sector

- **Corporate Social Responsibility (CSR):** Companies Act of 2013 mandates companies to allocate **2% of their average net profits** to CSR activities.
- **India Philanthropy Alliance (IPA):** A network of leading nonprofit organizations to advance India's development agenda.
- **Social Stock Exchange (SSE) in India:** Dedicated platform on the stock market, where social enterprises raise capital from public.

## Also In News



### Privilege Motion

A privilege motion has been moved against External Affairs Minister for allegedly giving "misleading and incomplete" information.

#### About privilege motion

- It is raised when a member believes that parliamentary privileges have been breached.
  - ⊕ **Parliamentary privileges** are certain rights and immunities enjoyed by
    - ◆ Members of Parliament, individually
    - ◆ and collectively, so that they can effectively discharge their functions
- **Conditions:** It must meet two conditions
  - ⊕ It must be related to a specific, recent occurrence.
  - ⊕ The matter should require the Council's intervention.
- **Speaker/Chairman** can decide on the privilege motion himself or herself or refer it to **privileges committee of Parliament**.



### Auroville Township

Auroville, the world's largest and oldest intentional community, celebrated its 57<sup>th</sup> anniversary recently.

#### About Auroville Township

- **Overview:** Located in Tamil Nadu, near Pondicherry, where people from **60+ countries** explore **alternative, peaceful living**.
- **Genesis:** Founded in **1968**, township is based on the dream of **Mirra Alfassa (The Mother)**, to put in **practice the teachings of Sri Aurobindo**.
  - ⊕ In 1908, **Sri Aurobindo** was arrested in the **Alipore Bomb Case**, he also gave the **concept of spiritual nationalism** viewing India as a divine entity (Mother India).
- **Mission:** A center for **material and spiritual research**, aiming to achieve **true human unity**.
- **Recognition:** Endorsed by **UNESCO** in **1966** as a project vital to humanity's future.



### Anti-Retroviral Therapy (ART)

Supreme Court recently ordered States to address transparency issues in tendering and procuring ART drugs for HIV (Human Immunodeficiency Virus) /AIDS (Acquired Immune Deficiency Syndrome) patients.

#### About ART

- ART is a combination of medicines that help control HIV by reducing the virus in the body.
  - ⊕ HIV (human immunodeficiency virus) is a virus that destroys CD4 cells (also called helper T-cells), an important part of the immune system.
- While ART can not cure HIV, it can reduce the levels of HIV in human body.
  - ⊕ Low levels of the virus mean more CD4 cells could be produced, thus protecting the immune system.
- India Launched National AIDS and STD Control Programme (NACP) in 1992 to tackle HIV/AIDS.



### Geological Survey of India (GSI)

GSI, one of the oldest scientific organizations in the country, is set to celebrate its 175<sup>th</sup> year of geoscientific legacy.

#### About GSI

- **Genesis:** Established in 1851 by Sir Thomas Oldham.
- **Nodal Ministry:** Ministry of Mines
- **Headquarter:** Kolkata
- **Role:** It played a pioneering role in geological mapping, mineral exploration, disaster studies, and geoscientific research, significantly contributing to India's industrial and economic growth.



### Avalanche

BRO workers rescued after being trapped under snow following an avalanche near Mana village in Uttarakhand's Chamoli district.

#### About Avalanche

- **Definition:** Downward motion of a large mass of snow/ice on a slope with high speed and great force causing widespread destruction on its way downhill.
- **Factors contributing to avalanche formation:** The three key factors are snow, nature of ground and meteorological or weather conditions.
- **Types of Avalanche:** There are two basic types of avalanches, loose snow avalanches and slab avalanches. These are further sub-divided according to whether the snow involved is dry, damp or wet etc.
  - ⊕ Loose snow avalanches form in snow masses with little internal cohesion among individual snow crystals and steep slope.
  - ⊕ Slab avalanches originate in snow with sufficient internal cohesion to enable a snow layer, or layers, to react mechanically as a single entity.



### Banjara Community

Recently Lok Sabha speaker highlighted Banjara community's role in protecting nature and tradition of the country.

#### About Banjara (Bepari, Mukeai, Laban) Community

- **Origins:** Historically multireligious, multilinguistic nomadic trading caste who may have origins in Mewar region (Rajasthan).
- **Role as Trader Nomads:**
  - ⊕ They traded between villages, towns, and even across regions.
  - ⊕ Primary trade items included grain, pulses, sugar, salt, wood, and timber.
  - ⊕ Banjaras traveled in large groups called Tandras. Each Tanda was led by a chief known as Nayaka.
- **Historical Accounts:**
  - ⊕ Sultan Alauddin Khalji used Banjaras to transport grain to city markets.
  - ⊕ Emperor Jahangir mentioned in Tuzuk-i-Jahangiri that they carried grains on bullocks from villages to towns.
  - ⊕ They supplied food grains to Mughal armies during military campaigns also.



### Giloy (Guduchi)

PubMed data shows a 376.5% rise in Giloy research over the past decade, reflecting its growing global interest in medicine.

#### About Giloy

- **Botanical features:** It is a climbing shrub that belongs to the Menispermaceae family.
- **Habitat:** Native to tropical India, Giloy thrives at 25–45°C and up to 500m elevation.
- **Key Compounds:** Contains terpenoids, alkaloids, lignans, and steroids.
- **Benefits:** Has antimicrobial, anti-inflammatory, antioxidant, and antidiabetic properties.



### Bilateral Swap Agreement (BSA)

India and Japan have renewed the \$75 billion bilateral currencies swap agreement.

#### About BSA:

- It is an agreement between two central banks to exchange a cash flow in one currency against a cash flow in another currency according to predetermined terms and conditions.
- **Purpose of India - Japan BSA:** It is a two-way currency swap mechanism, allowing both countries to exchange local currencies for US dollars when needed.
- **Significance:** Help manage exchange rate volatility and provide liquidity during financial crises

## Personality in News



### Chandrasekhara Venkata Raman (1888-1970)

National Science Day is celebrated to commemorate the discovery of the 'Raman Effect' by him.

- **Raman effect:** When light hits a material, it interacts with its molecules and exchanges energy. As a result, some scattered light changes wavelength and color.
  - **Example:** Blue color of oceans (due to sunlight scattering off water molecules) and blue sky (due to sunlight scattering off air molecules).

#### About CV Raman

- **Birth:** At Tiruchirappalli, Tamil Nadu.
- **Founded:** Indian Journal of Physics, Indian Academy of Sciences

#### Awards:

- Given Knighthood (1929)
- Won Nobel Prize in Physics in 1930 (for Raman Effect)
- Awarded Bharat Ratna in 1954.

**Values:** Scientific rigour, Fortitude, Excellence, Curiosity, etc.

