

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

4x Economy Expansion	3x rise in GDP Per Capita	2x rise in Global Economy Share
5x Largest Economy Globally in nominal terms	Significant Decline in Extreme Poverty & Better Infrastructure	6.7% 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

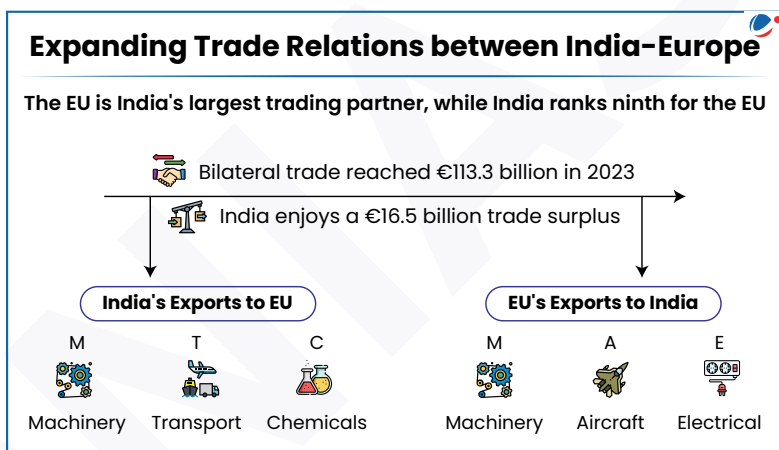
EU-India TTC establishment was **announced in 2022** as a key bilateral platform to address challenges at the **confluence of trade, trusted technology and security.**

- 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'

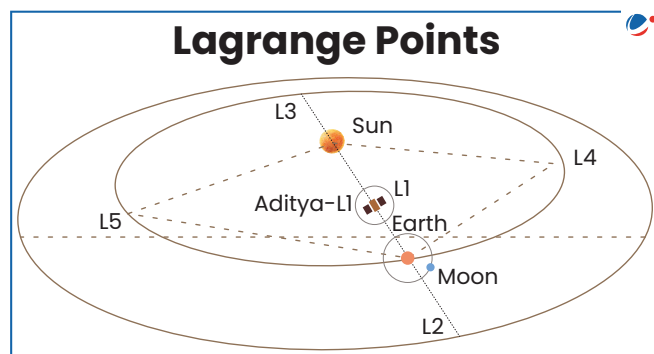
Solar Ultra-violet Imaging Telescope (SUIT) payload onboard Aditya-L1 observed an **X6.3-class solar flare**, which is one of most intense categories of solar eruptions.

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:

 **24 tons/km** by road  **95 tons/km** by rail  **215 tons/km** by inland water transport

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 **57th 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 175th 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, multilingual 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 Tandra 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.

