

# IMPORTANT NEWS ARTICLES & EDITORIAL FOR UPSC FRIDAY, 10TH MAY 2024

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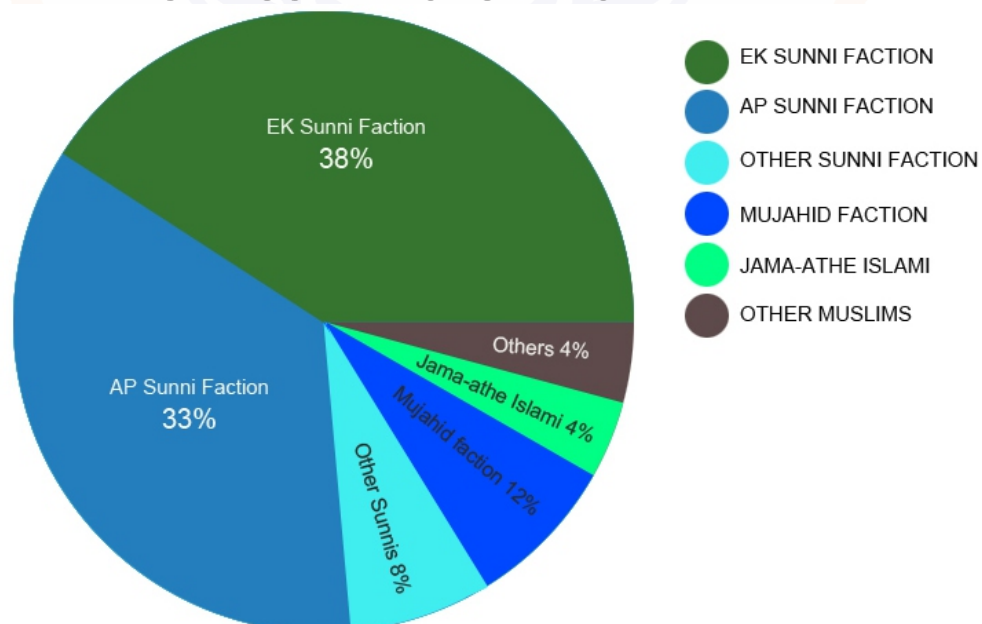
## GS-III : Modest rebound (The small rise in industrial output holds some worrying portents)

- **Modest rebound** The small rise in industrial output holds some worrying portents India's factory output growth slowed to 4.9% in March from a downgraded 5.6% uptick in February, despite benevolent base effects from the previous year when the Index of Industrial Production (IIP) had shrunk 1.9%. Output from mines slid to a 19-month low growth of 1.2%, while manufacturing growth picked up from 4.9% in February to 5.2%, still marking a five month-high. Electricity generation rose 8.6% but over a contraction in March 2023.
- **The National Statistical Office**, which will release fresh GDP growth estimates for 2023-24 this month end, will thus factor in a 5.8% uptick in industrial output through FY2023-24, moderately higher than the 5.2% rise recorded in the previous year. Most of this annual increase came from mining, up 7.5%, while manufacturing saw a milder pick up to 5.5% from 4.7% in 2022-23 and electricity generation growth eased to 7.1%. Production growth was strongest for capital goods as well as infrastructure and construction goods for the second straight year - not surprising given the ramp up in government infrastructure spends to pump prime the economy till private capex recovers. However, for private investments to take over the economy's growth engine, household consumption signals are critical and there is little comfort here for the second year in a row. Production of consumer durables and non-durables rose just 3.6% and 4%, respectively, on top of a meagre 0.6% and 0.7% uptick in 2022-23.
- **This matches with the 3% growth estimated** in private demand to pump prime the economy till private capex recovers. However, for private investments to take over the economy's growth engine, household consumption signals are critical and there is little comfort here for the second year in a row. Production of consumer durables and non-durables rose just 3.6% and 4%, respectively, on top of a meagre 0.6% and 0.7% uptick in 2022-23.
- **This matches with the 3% growth estimated** in private consumption spends over last year, and their production this March was still below pre-COVID levels. Hopes of an above-normal monsoon may prop up rural demand dented by last year's erratic rainfall, although tight credit conditions could impair urban consumption. As some economists have stressed, consumption recovery since the pandemic has been uneven, driven by demand for higher-end goods and services from upper-income households, while lower-income homes have turned reluctant spenders even for fast-moving consumer goods. Job creation and real wage growth for those already employed are imperative for a broad-based demand recovery that triggers private capex.
- **The concern here is that employment-intensive** manufacturing segments such as apparel, computers and electronics, furniture and leather products, have contracted in 2023-24, with weaker exports only explaining part of this downturn. The latest IIP data also reflect flagging momentum - growth slid to a three-quarter low of 4.9% between January and March. The next government must prioritise addressing the broader challenges haunting hesitant consumers and reviving platforms for reticent investors to voice their concerns freely.

## GS-I : Linking demographic shifts directly to state actions is problematic

- **Linking demographic shifts directly to state actions** is problematic. A recent 'working paper' titled the 'Share of Religious Minorities: a Cross-Country Analysis (1950-2015)', by Shamika Ravi, a credentialed economist and member of the Economic Advisory Council (EAC) to the Prime Minister, and two co-authors, has sparked a political firestorm, dredging familiar anxieties of a decline in the proportion of Hindus in India's population.
- **Freely accessible, the paper draws on a dataset**, Religious Characteristics of States Dataset, 2017 (RCS-Dem), where two U.S.-affiliated researchers have compiled an extensive dataset of religio-demographic changes in 167 countries. By defining 'majority' and 'minority' religions based on countries' official census data, the RCS-Dem quantifies changes in the population of those professing a country's major religion.
- **There is no discussion on the causes or factors driving these changes.** The current paper does little other than reproduce this data set, explain it, and highlight what has been known since 2011 in India and discussed threadbare since that the share of Hindus as a proportion of India's population declined from 84.68% to 78% (1950-2015).
- **Muslim proportion meanwhile has risen from 9.84% to 14%.** They underline how most countries have their majority-religion adherents decline and Bangladesh to underline that "demographic shocks" reduced the proportion of the largest minorities, Hindus, there. The authors thus break their own rule of not having a causative explanation of demographic change by ascribing rising Muslim numbers in India to "progressive policies and inclusive institutions." The authors would then have to explain if India's Parsi and Jain populations (whose numbers they reference) are declining due to hostile state policies. Given that prosaic explanations of declining fertility rates across religions and economic migration explain some of these known India trends, it is perplexing why the EAC would lend its sanction to a work that is at best incomplete, and at worst disingenuous.

### LATEST MUSLIM POPULATION IN INDIA



## GS-III : Investment lessons from the India-EFTA trade deal (\*most important topic)

- **India's free trade agreement (FTA) negotiations with countries** such as the United Kingdom and the European Union (EU) seem to be on ice due to the ongoing parliamentary elections in India. However, before election fever gripped the country, India managed to clinch a historic trade deal, in March, with the European Free Trade Association (EFTA), comprising Iceland, Liechtenstein, Norway and Switzerland. The newly minted Trade and Economic Partnership Agreement (which we refer to as FTA) between India and EFTA is expected to give a much-needed leg-up to the low levels of extant trade between the two sides.
- **The FTA between India and EFTA is also important because**, as economist Biswajit Dhar has argued, India has agreed to include issues such as environment and labour, which it has traditionally opposed incorporating in trade agreements. Another reason sets this FTA apart from those India signed recently with countries such as Australia, the United Arab Emirates (UAE), and Mauritius. The India-EFTA FTA includes a somewhat detailed investment chapter, which is missing in the other recent Indian FTAs.
- **This chapter focuses on investment facilitation issues**, not investment protection. missing in the other recent Indian FTAs. This chapter focuses on investment facilitation issue not investment protection. But it has a remarkable and unprecedented characteristic. India has managed to extract a promise from the EFTA countries that they shall "aim to" increase foreign direct investment (FDI) to India to \$50 billion within 10 years of the FTA coming into force, followed by another \$50 billion in the succeeding five years.
- **Likewise, Article 7.1(3)(b) the investment chapter provides that the EFTA** states shall "aim to" facilitate the generation of one million jobs in India. In legal terms, these articles codify what is known as an obligation of conduct - an obligation to make an honest endeavour towards achieving a goal, India-EFTA Ranjant Fellow, nstitute, and ndal School needs a free trade notwithstanding the outcome or the result. This differs from an obligation of result, which would require achieving a specified outcome. In other words, the EFTA countries are legally obligated to make an honest effort to invest \$100 billion and generate one million jobs in India.
- **They are not required to realise these outcomes.** Nonetheless, the Indian negotiators need to be complimented for incorporating such path-breaking specified obligations of conduct in the investment chapter, which are typically not found in FTAs or investment treaties. Notably, this creates a template worth emulating in the ongoing negotiations with the U.K., the EU, and other countries. Trade and investment Economic theory has long demonstrated the inextricable linkage between trade and investment.
- **This is truer in a world where the production process** is scattered along global supply/value chains, a function of trade and investment. Thus, unsurprisingly, FTAs routinely contain binding rules on both trade and investment. India's FTAs signed in the first decade of this century with countries such as Japan, Korea, Malaysia and Singapore on this economic logic. In addition to binding trade rules, they all contain an investment chapter with provisions for protecting are based investment. However, India departed from this model as part of its FTA 2.0 approach. In other words, India decoupled international trade law from international investment law. This is evident in its FTAs with Australia, Mauritius, and the UAE which contain.



- **FTA 3. of from insure destination indeed** corptions an higher the healthcare if you here and abroad, y benefit. B same in secan put y for the de For this, be of they our Insu That months, be exter because applicab insured In that India needs a clear FTA policy, especially in dealing with international trade and foreign investment laws. Suppose India expects not just trade but also higher investment flows from a particular country, which is undoubtedly true with most of its FTA-negotiating partners. case, two critical elements must be incorporated into its FTA policy.
- **First, India should negotiate trade and investment** as part of one comprehensive economic treaty. Decoupling trade from investment is not a good idea. Combining the two would give India a clear negotiating leverage to strike a beneficial deal. For example, India can argue that it needs more concessions in trade in return for offering something on investment or vice-versa. Second, India should consider expanding the scope of investment issues from mere facilitation to effective protection, with an efficacious dispute settlement mechanism under international law. Providing enforceable legal protection to foreign investors under international law will boost their confidence.
- This is critical at a time when foreign direct investment levels in India have dropped. A clear and comprehensive FTA policy is imperative for launching India to a higher economic growth trajectory.



## GS-I, II, III : A well-intentioned study and a demographic myth

- **All is well with the religious minorities in India** is the short conclusion of the report of the Prime Minister's Economic Advisory Council (PM-EAC), that has also revived the debate about Muslim population growth. Though the report is well intentioned and has been prepared to demonstrate how India's minorities in general and Muslims in particular are absolutely safe and face no discrimination or persecution at all, it has caused a stir.
- **The timing of the report, its use of almost a decade-old data**, its not highlighting the nearly 1,520% increase in share in the total population of Buddhists, and, further, that for every one Muslim, five Hindus were born during this period, that the Hindu population (320 million in 1950) has tripled, and that the Total Fertility Rate (TFR) of Muslim women saw a drop by 2.05 as against Hindu women's TFR by 1.36, have all made it controversial.
- **The report is being used to substantiate the old Hindutva myth of Hindus** being in danger of becoming a minority in a country of their own. When Hindus could retain their majority status during the 800 years of so-called Muslim rule, how can they be in danger today? It was in 2015 that the Member of Parliament from Unna had said that Hindus should produce at least four children. With Hindus constituting 79.80% of India's population and Muslims at 14.23%, should Hindus really fear losing their majority status? Demographers see no such danger.
- **The rhetoric, veiled and otherwise Some leaders of today**, who have mastered the art Caslanising voters. The rhetoric, veiled and otherwise Some leaders of today, who have mastered the art of polarising voters, have presented it as proof of the so-called 'population jihad', with India in danger of becoming an Islamic state. Let us not entirely blame them. More than 115 years ago, a book authored by Upendra Nath Mukerji, A Dying Race, had argued that Hindu numbers were dwindling and might just disappear like the indigenous population of New Zealand. Mukerji was honest enough to admit that there was no actual decrease in number. But then can the higher fertility rate of any group be the only yardstick to determine its status? In fact, higher fertility rates are proof of illiteracy and poor economic conditions. Ideally, we need to look at a group's educational, social and economic conditions to find out its share in the national pie. How the group is represented in the power structure of the state is the real test of its well-being. Last year, the Union Finance Minister spoke at the Peterson Institute for International Economics (PIE), U.S. In response to a question by PIIE President Adam S.
- **Posen about reports in the western media about Indian Muslims**, she also used the increase in population as proof of all being well with Indian Muslims. Mustafatitutionalerthas the second largest Muslim population in the world and that population is only growing in numbers. If there is perception,.. their lives are difficult or made difficult with the support of the state..., will the Muslim population be growing than what it was in 1947?"
- **There is some merit in the statement as, factually speaking**, India is indeed the second largest Muslim country after Indonesia in the world - as the President of India said in 2023 and by 2050, it would be the home of the largest Hindu population as well as Muslim population.
- **Indeed, Indian Muslims have much greater rights than the religious minorities in Muslim** countries particularly in South Asia. The Finance Minister was right in asserting that "Muslims in India are doing better than those in Pakistan". A look at population data But population growth is not the right parameter to

judge the group's status in the body polity of the country. In fact, high fertility rates are indicative of educational, social and economic backwardness. Moreover, with literacy rates increasing amongst Muslims, there has been the steepest decline in the fertility rates of Muslims. The most authentic data on population is the Census. If the Census of 2001 and 2011 are kept in view, the Muslim population's decadal growth declined from 36.02% to 24.04%.

- **In these two decades, Hindu population decadal growth saw a decline** from 20.35% to 16.76%. Muslim TFR is 2.36, which is very close to the replacement rate of 2.1. It has seen the sharpest decline from the high of 3.59 in 1998-99 to 2.36 in 2019-21. The Hindu TFR is 1.94 and, therefore, demographers are states and union territories have achieved fertility rates below the replacement level of 2.1." In fact, some studies have predicted (The Lancet 2024) that in a matter of the next three years, replacement level may go as low as 1.75.
- **Bihar with its poverty has the highest fertility rate in India.** Thus, Hindu fertility rate of Bihar (2.88) and Uttar Pradesh (2.29). is much higher than the Muslim fertility rate in Kerala (2.25), Tamil Nadu (1.93), Andhra Pradesh 2021-2030 Stabilization with the population growth rate of 1.5% per annum. Even the first National Population Policy, 2000 of the first National Democratic Alliance government led by Atal Bihari Vajpayee focused on more relevant socio-cultural factors such as age at marriage, age at birth, girl education, maternal and child health and voluntary and informed consent over coercive methods. Being a signatory to international covenants such as the International Covenant on Civil and Political Rights (ICCPR), India has to abide by the international norms on population control. The United Nations' Human Rights Committee has categorically mandated that state parties to ICCPR cannot adopt policies that are compulsory, coercive or discriminatory. The Narendra Modi government itself in an affidavit filed in the Supreme Court of India in December 2020 had admitted that 'the international experience shows that any coercion to have a certain number of children is counter-productive and leads to demographic distortions'.
- **Coercion is counterproductive' Even the National Population Policy,** 2000 of the first National Democratic Alliance government led by Atal Bihari Vajpayee focused on more relevant socio-cultural factors such as age at marriage, age at birth, girl education, maternal and child health and voluntary and informed consent over coercive methods. Being a signatory to international covenants such as the International Covenant on Civil and Political Rights (ICCPR), India has to abide by the international norms on population control. The United Nations' Human Rights Committee has categorically mandated that state parties to ICCPR cannot adopt policies that are compulsory, coercive or discriminatory. The Narendra Modi government itself in an affidavit filed in the Supreme Court of India in December 2020 had admitted that 'the international experience shows that any coercion to have a certain number of children is counter-productive and leads to demographic distortions'.
- **If we are really keen to reduce the Muslim population** in the country, we must pay special attention to the Muslim girl's education and work towards the educational and economic empowerment of Muslims. If such policies are criticised as 'appeasement of Muslims' and Muslim educational backwardness is not removed we should have no grievance against their higher TFR. The views expressed are personal.



## GS-I : Clearing the confusion over 'saptapadi'

- **There is a certain misunderstanding of the Supreme Court judgment** pronounced recently in Dolly Rani v Manish Kumar Chanchal that if no saptapadi ceremony is performed, a Hindu marriage between two people cannot be considered valid. The Court did not state the law in as many words, but it did not outline in the judgment that there could be other ceremonies to validate the marriage. It also did not examine some customary practices where no elaborate ceremonies are performed beyond the exchange of garlands or the amendment to the Hindu Marriage Act, 1955, in Tamil Nadu, which introduced the *suya mariyadhai* (self-respect) form of marriage through Section 7(a).
- **The case before the court** The judgment arose in a case involving a transfer petition filed by the petitioner-wife, seeking to transfer a divorce petition filed by the respondent-husband from Muzaffarpur, Bihar, to Ranchi, Jharkhand. During the pendency of this petition, both the parties had jointly applied under Section 142 of the Constitution for a declaration of invalidity of their marriage. In their plea, they had said that they were engaged to be married on March 7, 2021, and "due to certain exigencies and pressures, they were constrained to obtain a marriage certificate dated July 7, 2021, from Vadik Jankalyan Samiti (Regd)."
- **On the basis of that certificate, they sought registration under** the Uttar Pradesh Registration Rules, 2017, and were issued a 'Certificate of Registration of Marriage'. The families of the parties fixed a date for performing the ceremony as per Hindu rites and customs. But even as the man and woman lived separately, differences began to crop up between them and the man filed for divorce. The parties admitted that since there was no Hindu marriage between them, the issuance of a PAAE reSupjdgreitapoftheMarr that theeenleadhisdecree ofpossiblessolutionoidablee Act.riage Act1) is that aanised intomaryeithertomofHindus;tiseds.
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- **It found that a later decision of the High Court in Balakrishnan v** The Inspector of Police (2014), saying that a *suya mariyadhai* form of marriage held in secrecy is invalid, was not correct. The Court said of the High Court's view, "It is premised on the assumption that every marriage requires a public solemnization or declaration. Often due to parental or pressure among kinship groups. couples that theeenleadhisdecree ofpossiblessolutionoidablee Act.riage Act1) is that aanised intomaryeithertomof Hindus;tiseds.
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- **The Court said of the High Court's view,** "It is premised on the assumption that every marriage requires a public solemnization or declaration... Often due to parental or pressure among kinship groups... couples that Sudip Banerjee, a nine-time MP, is too old to contest, Trinamool leader Kunal Ghosh has accused him of not being accessible to the people of his constituency, not allowing other leaders in the party to be appointed to key organisational posts, being soft on his political opponents, and maintaining good relations with the BJP leadership.
- **The BJP candidate in Kolkata Uttar is Tapas Roy,** a five-time Trinamool MLA who was keen to contest the elections from the constituency and quit to join the BJP when he realised that the Trinamool will place its bet on Sudip Banerjee, an old war horse. The differences between the old guard and the new leadership came out.



## GS-III : Make it farmer friendly

- **AGRICULTURAL EXPORTS TOUCHED \$48.9 billion in 2023-24**, registering a 8 per cent decline from \$53.2 billion in 2022-23. This is significantly short of the ambitious target of \$60 billion set by the Narendra Modi government for 2022. Not only this, the growth momentum in agri-exports during the 10 years of Modi government seems to have lost steam, dropping from an annual average growth rate of 20 per cent during the UPA government (2004-05 to 2013-14) to a meagre 1.9 per cent during 2014-15 to 2023-24. In absolute terms, while India's agri-exports surged from 58.7 billion in 2004-05 to a whopping \$43.3 billion in 2013-14, a vault jump of almost 500 per cent, they only lurched thereafter, reaching \$48.9 billion by 2023-24. This indicates a decline in trade surplus, from a peak of \$27.7 billion in 2013-14 to \$16 billion in 2023-24.
- **Had the growth momentum of the UPA** period been sustained during the NDA period, agri-cultural exports could have reached the \$200 billion mark today. Since agri-exports have strong implications for incomes of the farming community, there is an urgent need to chalk out a new strategy to revive them. This requires a deeper dive into the structure of exports and the reasons behind their sluggish growth during the NDA period. It is important to note that rice holds the top position in India's agri-exports basket, valued at \$10.4 billion from 16.3 million tonnes (MT). This represents roughly 21 per cent of the total value of agri-exports in 2023-24.
- **Following rice are marine products light Pakistan**, of the national system basis for position. Kar Aiyar's denial, and since then the late shadow of dispute oned to find a way. India's gains in the engaged time with other Manmohan's decade-of 2015 to generated broke from agencies butment of then of a cease-fire Pakistan PARE ssen compeboostiachiev resourdemarin vestagricuresear seeds,ness also gets blunted, and agri-exports suffer, as was the case in the first five years of the Modi government. Besides global price dynamics, export restrictions and outright bans on sensitive agri-cultural commodities like wheat, rice, sugar, and onions lately have significantly impacted agri-exports, driven primarily by the concerns of domestic food inflation.
- **This began with the ban on wheat exports on May 13, 2022**, followed by restrictions on sugar exports in June 2022. On July 20, 2023, exports of non-basmati white rice and broken rice were prohibited. Additionally, on August 25, 2023, a 20 per cent duty was imposed on parboiled non-basmati rice exports, along with minimum export price (MEP) on basmati rice, initially at \$1200/tonne, but later reduced to \$950/tonne in October 2023. Recently, while the export ban on onions was lifted, it was replaced with a 40 per cent duty, in addition to a MEP of \$550/tonne. Export restrictions on rice offer valuable policy lessons. As India announced its rice export restrictions, the international price of rice surged by approximately 25 per cent, escalating from \$494/tonne during April-June 2023 to \$620/tonne in January 2024.
- **This helped exporters of basmati rice and parboiled rice** get better price realisation. Despite a 27 per cent drop in rice exports from 22.3MT in 2022-23 to 16.3MT in 2023-24, the export value realisation only decreased by 6 per cent, from \$11.1 billion to \$10.4 billion during the same period. Here is a policy lesson: In a global market of around 53 MT, if India exports say 22 MT or more rice, it will bring down the global price to Indian levels. Trade theory suggests an optimal export tax to ensure that marginal revenue from additional exports should not fall.
- **Our research indicates India's optimal rice export quantity should** be around 15-16 MT. Beyond this



additional and parboiled rice right export ban. In the case of rice irrigated, there are a depletion of groundwater in the Punjab Haryana belt. Free power and highly subsidised fertilisers are leading to an ecological disaster. It is widely recognised that producing one kilogram of rice requires between 3,000-5,000 litres of water for irrigation. Assuming an average water usage of approximately 4,000 litres per kilogram of rice, with roughly half of this water seeping back to groundwater, exporting 16.3 million metric tons annually means exporting 32.6 billion cubic meters of water. We must recognise that high subsidies on power and fertilisers confer artificial competitive advantage.

- **The case of onion export announced before polling in high MEP** with 40 per cent export duty, making the effective export price of Rs 65/kg. This is when farmers are currently selling onions at Rs 13 to Rs 15/kg in Lasalgaon, not enough to recover their costs. However, they are deprived of the export opportunity that could have lifted their domestic price. All this shows that government policy has a consumer bias, which implicitly discriminates against the farmer. This needs to change if we want to augment farmers' incomes. Gulati is Infosys Chair Professor and Juneja is Fellow at ICRIER. Views are personal.
- **In a global market, exports say 22% down the global theory** suggests that marginal exports should not exceed India's optimal rice around 15-16 MT. ports will yield 16.3 million metric tons. That is not a wise option would be to put a 40 per cent export duty on common and parboiled rice, alongside deleting the export right report ban. In the case of rice, which is 65 per cent irrigated, there are also concerns related to depletion of groundwater, especially in the Punjab Haryana belt. Free power and highly subsidised fertilisers are leading to an ecological disaster. It is widely recognised that producing one kilogram of rice requires between 3,000-5,000 litres of water for irrigation. Assuming an average water usage of approximately 4,000 litres per kilogram of rice, with roughly half of this water seeping back to groundwater, exporting 16.3 million metric tons annually means exporting 32.6 billion cubic meters of water. We must recognise that high subsidies on power and fertilisers confer artificial competitive advantage.
- **MT of rice effective-Essentially, true export competitiveness** hinges on boosting productivity and achieving more with fewer resources. This goal demands significant investments across agriculture, including research and development, seeds, irrigation, fertilisers and adopting resource-efficient farming practices like precision agriculture, fertigation etc. These strategic investments can drive down per-unit costs, enhance global competitiveness, increase agricultural exports, improve farmers' profitability, as well as protect the environment. The case of onion is unique.
- **The government announced opening up** its exports just before polling in Maharashtra but put a very high MEP with 40 per cent export duty, making the effective export price of Rs 65/kg. This is when farmers are currently selling onions at Rs 13 to Rs 15/kg in Lasalgaon, not enough to recover their costs. However, they are deprived of the export opportunity that could have lifted their domestic price. All this shows that government policy has a consumer bias, which implicitly discriminates against the farmer. This needs to change if we want to augment farmers' incomes. Gulati is Infosys Chair Professor and Juneja is Fellow at ICRIER. Views are personal.



## GS-III : India's top trade partner: China regains spot on higher imports

- **WITH IMPORTS from China crossing over \$100 billion in FY24**, China has overtaken the US to become India's largest trading partner after a gap of two years, as per data released by the think tank Global Trade Research Initiative (GTRI). The US was India's top trading partner during FY22 and FY23 after China was the top bi-lateral trading partner in FY21. India's bilateral trade with China in FY24 stood at \$118.4 billion as imports increased by 3.24 per cent to \$101.7 billion and exports rose by 8.7 per cent to \$16.67 billion in FY24 compared to FY23, GTRI data showed. Between FY19 and FY24, India's exports to China witnessed a marginal decline in exports by 0.6 per cent, down from \$16.75 billion to \$16.66 billion, while imports from China surged by 44.7 per cent, up from \$70.32 billion to \$101.75 billion. In contrast, India-US two-billion. This expanded trade which grew from \$36.74 billion to \$53.57 billion. India's trade with China has largely been due to the country's critical telecom & pharma, advanced components. However, taken significant decrease in exports to China through production-linked incentives resulted in a marginal decline in exports from \$16.75 billion to \$16.66 billion, while imports from China surged by 44.7 per cent, up from \$70.32 billion to \$101.75 billion. In contrast, India-US two-way trade came in at \$118.3 billion in FY24 after exports dipped by 1.32 per cent to \$77.5 billion compared to the previous financial year.
- **Meanwhile, imports also dipped 20 per cent to \$40.8 billion.** During the last five years, trade with the US showed positive growth, with exports increasing significantly by 47.9 per cent from \$52.41 billion to \$77.52 billion, imports from the US grew by 14.7 per cent, rising from \$35.55 billion to \$40.78 billion. This expanded trade in the fast-emerging EV sector too, India's dependence on China is high as lithium-ion batteries for EVs, imported from China, were valued at \$2.2 billion, comprising 75 per cent of such imports, critical for India's electrification of transport.
- **The GTRI report further said that exports to China have remained** near stagnant between FY19 and FY24 while imports have surged by nearly 45 per cent which has resulted in widening of the trade deficit from \$53.57 billion in FY 2019 to \$85.09 billion in FY 2024. During the last five years, Russia's trading figures were marked by a dramatic increase, with exports growing by 78.3 per cent from \$2.39 billion to \$4.26 billion, while imports soared by 952 per cent from \$5.84 billion to \$61.44 billion, widening the trade deficit from \$3.45 billion to \$57.18 billion.
- **However, Saudi Arabia's exports more than doubled, with a 107.9 per cent** increase from \$5.56 billion to \$11.56 billion. Imports rose at a slower pace in FY2024, such as telecom & smartphone parts, pharma, advanced technology components among others. Now, India has undertaken significant measures to decrease its dependence on China through production-linked incentive schemes (PLI), anti-dumping duties along with quality control orders, by 11.7 per cent from \$28.48 billion to \$31.81 billion, which slightly reduced the trade deficit from \$22.92 billion to \$20.25 billion. SHOBHA says continue to go off power. What's Lok Sabha's reaction to the first Minister's increase, 78.3%.
- **The UAE also saw notable changes; exports to the UAE rose by** 18.3 per cent from \$30.13 billion to \$35.63 billion, and imports increased substantially by 61.2 per cent from \$29.79 billion to \$48.02 billion. This shift turned a marginal trade surplus of \$0.34 billion in FY19 into a deficit of \$12.39 billion by FY24, GTRI report said. On 12th day. The misleading report, From Are we going to be aggressive with Aggressive From face... We should choose the unthinking saying in government in a minimum price Gold ETFs see first





प्रयास  
IAS ACADEMY

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