

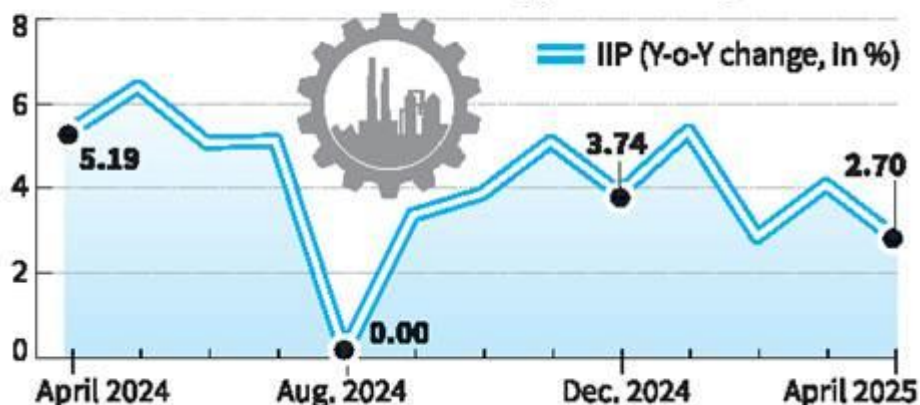
30<sup>th</sup> May DSC

Current Affairs 30<sup>th</sup> May 2025

Industrial Output Slows to 8-Month Low at 2.7% in April 2025

## In the slow lane

Lower activity in the mining, electricity, construction, and consumer non-durables sectors dragged down IIP growth



SOURCE: CMIE

### Headline Trend

India's Index of Industrial Production (IIP) growth decelerated to 2.7% in April 2025—the weakest in eight months. The last comparable slump was in August 2024 when growth had completely stalled at 0%. This signals a broader deceleration in industrial momentum.

**Relevance:** GS Paper 3 – Indian Economy

### Sector-Wise Highlights

- Mining and Quarrying**  
 Registered a 0.2% contraction—the lowest since August 2024. The figures hint at sluggish raw material extraction and possible upstream supply constraints.
- Electricity**  
 Growth tapered off, possibly reflecting either softer industrial energy demand or supply chain bottlenecks.
- Primary Goods & Infrastructure/Construction Goods**  
 The subdued growth suggests limited capital formation and muted construction or infrastructure activities.
- Consumer Non-Durables**  
 The weak showing here indicates that essential or rural consumption is under pressure, despite the seasonal demand from summer months.

### Exception to the Trend: Capital Goods

- The capital goods sector expanded sharply by 20.3% in April 2025.

- However, a low base in April 2024 (2.81%) inflates this growth.
- Still, the uptick implies a potential rebound in machinery production or public-private investment activity.

### Concerns & Implications

- The deceleration across core sectors reflects underlying demand-side vulnerabilities.
- Weak mining and power numbers could drag down industrial value chains.
- Low growth in consumer essentials may point to rural economic stress or heightened price sensitivity.
- The mismatch between robust capital goods output and weak overall IIP highlights an uneven recovery path.

### Policy Takeaways

- **Monetary Policy:**  
The slowdown may prompt the RBI to hold off on further interest rate hikes, even if inflation remains elevated.
- **Fiscal Response:**  
Government spending may need to be redirected towards rural welfare and infrastructure to spur demand and investment.

### The Road Ahead

- Address operational inefficiencies in mining and energy.
- Sustain capital goods growth via steady infrastructure investment.
- Balance inflation control with efforts to revive rural and consumption-led demand.
- Aim for a more inclusive and demand-driven industrial rebound, rather than one dominated by capital-heavy sectors.

### Plastic Nurdle Spill in Kerala: An Environmental Wake-Up Call



### Incident Overview

Tiny plastic pellets—nurdles—have littered the beaches of Thiruvananthapuram, Kerala, following the wreck of the Liberian vessel MSC ELSA3. This marks India's first major case of nurdle contamination due to a maritime accident.

**Relevance:** *GS Paper 3 – Environment and Ecology*

### Environmental Risks of Nurdles

- Nurdles, being raw plastic granules (1–5 mm), are classified as primary microplastics.
- Although not inherently toxic, they can:
  - Contaminate marine habitats.
  - Degrade into even smaller plastic particles.
  - Enter aquatic food chains and accumulate in marine organisms.
  - Disrupt ecosystems and harm biodiversity.

### Impacts on Marine Life and Public Health

- Marine animals often ingest nurdles, leading to injuries, nutritional deficiencies, or reproductive issues.
- Humans risk indirect exposure through seafood consumption.
- Nurdles absorb harmful toxins from seawater, like persistent organic pollutants, which amplify ecological damage.

### Substances Identified

- The recovered pellets include **LDPE** (Low-Density Polyethylene) and **HDPE** (High-Density Polyethylene).
- LDPE, in particular, is harder to recycle and commonly used in consumer packaging and medical equipment.

### Disaster Management Response

- The State Pollution Control Board has deployed emergency response teams.
- Cleanup is ongoing with volunteer assistance and drone monitoring.
- Operations target not just the nurdles, but also associated oil slicks and other marine hazards.

### Wider Implications

- The spill highlights urgent gaps in:
  - Coastal regulatory mechanisms.
  - Marine cargo safety standards.
  - Preparedness for plastic-related environmental emergencies.

### Path Forward

- Tighten laws on marine plastic handling and shipping safety.
- Create early-warning systems and dedicated marine cleanup forces.
- Improve public education and community-based coastal monitoring.
- Scale up recycling capabilities—especially for difficult plastics like LDPE—and explore biodegradable alternatives.

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## Understanding RBI's Remittance Survey and Its Significance

### Why Remittances Matter

India received a record \$118.7 billion in inward remittances in 2023–24, surpassing even foreign direct investment (FDI). These flows funded more than half the merchandise trade deficit, reinforcing India's macroeconomic stability.

**Relevance:** *GS Paper 3 – Indian Economy*

### Shifting Geographic Trends

- Advanced economies (AEs) have overtaken Gulf countries as major sources:
  - The U.S. alone contributed 27.7%.
  - Collectively, the U.S., U.K., Canada, Australia, and Singapore account for 51.2% of remittances, against 37.9% from GCC nations.
- This shift reflects a demographic transition—from low-skilled Gulf workers to high-skilled professionals and students in developed nations.

### Economic Implications

- Remittances from AEs are less susceptible to oil price shocks and regional instability.
- However, as migrants settle permanently, their financial ties to India may weaken, potentially slowing long-term remittance growth.

### Concentration in Large Transfers

- Just 1.4% of transactions accounted for 29% of total remittance value (i.e., over ₹5 lakh).
- This indicates increasing reliance on wealthy expatriates, which poses risks if migration policies tighten in host countries.

### Digital Transformation of Remittance Channels

- 73.5% of remittance transfers in 2023–24 were digital.
- Transaction costs have fallen to 4.9%, though still above the UN's SDG target of 3%.
- Fintech platforms have enabled faster, cheaper transfers.



### Corridor-Wise Inequalities

- Digital usage is high in UAE (76.1%) and Saudi Arabia (92.7%), but lags in Canada (40%), Germany (55.1%), and Italy (35%).
- Infrastructure and regulatory disparities need to be addressed to boost digital penetration.

### Regional Disparities in India

- Maharashtra, Kerala, and Tamil Nadu together receive over half the remittance inflows.
- States like Bihar, Uttar Pradesh, and Rajasthan receive under 6%, reflecting weak migration systems and training frameworks.

### Data Gaps

- The RBI survey lacks data on how remittances are used—whether for basic consumption or asset creation.
- This hampers efforts to create savings instruments or investment tools tailored to migrant families.

### Policy Implications

- Over-dependence on elite migrants is risky.
- Bridging regional and digital divides is essential.
- Data-driven policy reforms are needed to optimize the development impact of remittances.

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## Measles Vaccine Credited with Saving 9 Crore Lives Worldwide

### Pre-Vaccine Reality

Sixty years ago, measles infected more than 90% of children globally. One in four required hospitalization. Despite improvements in healthcare, measles remained one of the deadliest childhood diseases before vaccine rollout.

**Relevance:** GS Paper 2 – Health and Governance

### Vaccine Breakthrough and Global Rollout

- The first measles vaccine, developed by John Enders in 1963, marked a turning point.
- By the 1970s–80s, immunization extended beyond rich nations to the developing world.
- Over five decades, vaccinations have averted 9 crore (90 million) deaths globally.
- Vaccines make contracting measles 20 times less likely.

### Decline in Deaths, Not Cases (Initially)

- In countries like the U.S., deaths dropped before vaccines—thanks to better hygiene, antibiotics, and nutrition.

- But measles cases remained high due to its airborne transmission.
- Prior to mass vaccination, the U.S. still faced 50,000 hospitalizations annually.

### **Disproportionate Impact on Developing Countries**

- Until the early 2000s, measles fatality rates in poorer nations ranged from 5% to 10%.
- Africa and Southeast Asia were especially hard-hit.

### **Global Health Campaigns and Gavi's Role**

- Mass immunization campaigns and the WHO's Expanded Programme on Immunisation (EPI) led to a dramatic reduction in deaths.
- Gavi, launched in 2000, accelerated vaccine access in low-income nations.
- Today, over 80% of children globally receive measles vaccinations.

### **Lives Saved by Region**

- Africa: 2.9 crore deaths prevented.
- Southeast Asia: 2.0 crore lives saved.
- These regions saw measles as a leading cause of child mortality until recently.

### **In Summary**

The measles vaccine stands as one of the most successful global health interventions, transforming child survival rates. Continued outreach to unvaccinated children remains essential to sustain these gains.

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## **Why the Deputy Speaker of Lok Sabha Matters**

### **Constitutional Framework**

- **Article 93:** Requires the Lok Sabha to elect a Deputy Speaker promptly after formation.
- **Article 94:** Specifies the tenure until resignation, removal, or disqualification.
- **Article 180:** Allows the Deputy Speaker to perform the Speaker's duties in their absence.

**Relevance:** GS Paper 2 – Polity and Constitution

### **Role and Convention**

- Traditionally, the Speaker comes from the ruling party, while the Deputy Speaker is chosen from the Opposition.
- This convention ensures bipartisan cooperation and strengthens democracy.
- The Deputy Speaker chairs important sessions, committees, and often acts as a neutral facilitator.

### Current Concern: Prolonged Vacancy

- The Deputy Speaker position has remained unfilled for six years—covering all of the 17th Lok Sabha and continuing into the 18th.
- This contravenes constitutional provisions and **Rule 8** of Lok Sabha procedures.
- The government has reportedly denied the Opposition a say in the appointment, breaking parliamentary tradition.
- The resulting power concentration undermines democratic plurality and reduces institutional balance.

### Implications

- The vague language of “as soon as” in Article 93 has allowed indefinite delays.
- A constitutional vacuum could emerge if the Speaker is incapacitated.
- Long-term vacancy weakens oversight, limits Opposition participation, and erodes democratic resilience.

### Conclusion

The Deputy Speaker’s office is a cornerstone of parliamentary functionality and democratic checks. Restoring this post through bipartisan consensus is vital for constitutional and democratic integrity.

### Cabinet Approves MSP Hike for Kharif Crops, Allocates ₹2.07 Lakh Crore

#### MSP Revision Overview

The Cabinet Committee on Economic Affairs, chaired by Prime Minister Narendra Modi, has approved an upward revision of the Minimum Support Price (MSP) for 14 kharif crops for the 2025–26 marketing season. The government has earmarked a total procurement budget of ₹2.07 lakh crore. This decision is aimed at ensuring farmers receive fair returns, thereby promoting agricultural productivity and safeguarding livelihoods.

#### MSP Hike Highlights

The crops with the highest MSP hikes include:

- **Nigerseed:** Increased by ₹820 (from ₹8,717 to ₹9,537 per quintal)
- **Ragi:** Up by ₹596 (to ₹4,886)
- **Cotton:** ₹589 hike for both medium (to ₹7,710) and long staple varieties (to ₹8,110)
- **Sesamum:** Boosted by ₹579 (to ₹9,846)

#### Profit Margins Over Production Costs

The revised MSP ensures substantial returns over production expenses:

- **Bajra (Pearl millet):** 63% profit margin
- **Maize & Tur (Pigeon pea):** 59% margin

- **Urad (Black gram):** 53% margin  
Most other kharif crops are also set to deliver a profit margin of around 50%, affirming income stability for farmers.

### Alignment with Broader Agricultural Policies

The move upholds the 2018-19 Budget pledge to keep MSPs at least 1.5 times the national average cost of production. It also supports the promotion of **nutri-cereals** or “Shree Anna,” enhancing crop diversity and food security.

### Procurement Trends and Impact

Between 2014–15 and 2024–25, procurement of kharif crops reached 7,871 lakh tonnes, a significant rise compared to 4,679 lakh tonnes during the previous decade. This reflects stronger MSP enforcement and support systems.

### Key Implications

- Upliftment of rural incomes
  - Greater crop diversification towards nutritious staples
  - Strengthened national food security
- However, this may increase fiscal pressures, emphasizing the need for efficient procurement and distribution systems.

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## India's Cancer Burden Grows Amid Diagnostic Gaps

### Alarming Rise in Cancer Cases

India faces a mounting cancer crisis, currently reporting nearly 200,000 new cases each year. By 2040, this number is expected to rise to 2.08 million—a 57.5% increase from 2020. India ranks third globally in total cancer cases, following China and the United States.

### Diagnostic Shortfalls and Late Detection

A significant obstacle to effective cancer care in India is the shortage of diagnostic infrastructure. This often results in late-stage diagnosis, diminishing treatment success. Over 60% of breast cancer cases in India are identified at stages 3 or 4, compared to about 60% of U.S. cases being detected early (stages 0 or 1). More than half of Indian patients delay medical attention by over three months.

### Breast Cancer in Focus

Breast cancer is the most diagnosed cancer among Indian women and a major cause of cancer-related deaths. Indian women are often diagnosed younger than those in wealthier nations. Survival outcomes are worsened by:

- Delayed diagnosis
- Postponed treatment initiation



- Gaps in treatment planning and continuity  
To address this, the National Academy of Medical Sciences has created a task force to develop comprehensive guidelines for breast cancer treatment.

### Regional Context and Broader Gaps

Asia is home to 60% of the world's population and accounts for:

- 50% of all cancer cases
  - 58% of global cancer-related deaths
- This underscores the urgent need for better diagnostic and treatment systems in India and across Asia.

### Systemic Challenges and Urgency

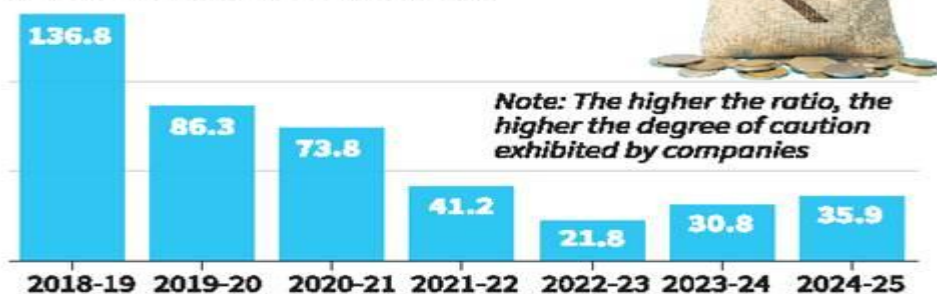
Persistent gaps include:

- Limited diagnostic centers
  - Incomplete treatment pathways
  - Lack of public awareness about early signs and screening
- Addressing these issues requires:
- Nationwide diagnostic expansion
  - Strengthened awareness campaigns
  - Early screening programs
  - Standardized, accessible treatment plans
- Without swift action, cancer-related mortality could escalate further.

### Finance Ministry Flags Surging Outward FDI by Indian Firms

#### Turning Cautious Again

Ratio of dropped projects to new announcements  
by the Indian private sector (in %)



Source: Centre for Monitoring Indian Economy (CMIE)

### Sharp Rise in Overseas Investment

Indian companies significantly increased their foreign direct investment (FDI) by around \$12.5 billion in FY25, a notable development amid global uncertainties. This surge comes in contrast to a more cautious approach to investing within India itself.

### **Lagging Domestic Investment**

While overseas FDI is rising, domestic private investment is stalling. Data from the Centre for Monitoring Indian Economy (CMIE) reveals a growing trend of project cancellations. The ratio of dropped to new projects climbed to 36% in FY25—up from 30.8% in FY24 and 21.8% in FY23. This shift marks a reversal from the steady decline in project cancellations seen since 2018–19.

### **Global vs. Domestic Investment Sentiment**

Despite a turbulent global economy, Indian firms appear to be exploring more promising or secure investment opportunities abroad. This divergence reflects a possible lack of confidence in the domestic business environment.

### **Policy Implications**

The rise in outward FDI may suggest:

- Risk of capital outflows if India is perceived as less attractive for investment
  - Potential job losses and investment declines at home
  - A shift in India's global economic footprint as an investor country
- The Finance Ministry has called for close monitoring of this trend to evaluate its impact on domestic economic growth.

### **Need for Reinvigorating Domestic Investment**

The rising domestic project abandonment rate highlights:

- Regulatory bottlenecks
  - Market unpredictability
  - Weak investor confidence
- To counter this, strategic policy interventions are needed to revitalize private sector investment and lower cancellation rates.

### **Conclusion**

The parallel rise in outward FDI and retreat from domestic investments is a key signal for policymakers. It points to the need for balanced growth measures that make India a more attractive destination for local business expansion while encouraging global competitiveness.

### **30<sup>th</sup> May 2025: Static MCQS**

#### **1. Consider the following statements about Raja Ram Mohan Roy:**

- I. He possessed great love and respect for the traditional philosophical systems of the East.

- II. He desired his countrymen to accept the rational and scientific approach and the principle of human dignity and social equality of all men and women.

Which of the statements given above is/are correct?

- a. I only
- b. II only
- c. Both I and II
- d. Neither I nor II

**Correct Option: (c)**

**2. Consider the following subjects with regard to Non-Cooperation Programme:**

- 1. Boycott of law-courts and foreign cloth
- 2. Observance of strict non-violence
- 3. Retention of titles and honours without using them in public
- 4. Establishment of Panchayats for settling disputes

How many of the above were parts of Non-Cooperation Programme?

- a. Only one
- b. Only two
- c. Only three
- d. All the four

**Correct Option: (c)**

**3. The irrigation device called 'Araghatta' was**

- a. a water bag made of leather pulled over a pulley
- b. a large wheel with earthen pots tied to the outer ends of its spokes
- c. a larger earthen pot driven by bullocks
- d. a large water bucket pulled up by rope directly by hand

**Correct Option: (b)**

**4. Who among the following rulers in ancient India had assumed the titles 'Mattavilasa', 'Vichitrachitta' and 'Gunabhara'?**

- a. Mahendravarman I
- b. Simhavishnu
- c. Narasimhavarman I
- d. Simhavarman

**Correct Option: (a)**

**5. Fa-hien (Faxian), the Chinese pilgrim, travelled to India during the reign of**

- a. Samudragupta
- b. Chandragupta II
- c. Kumaragupta I
- d. Skandagupta

**Correct Option: (b)**

