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Institute for IAS Examination

The Analyst

CURRENT AFFAIRS Handout

4th June 2026

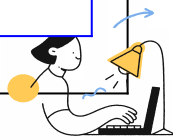


CONTEXT: British Foreign Secretary to meet PM

Significance

- Geo Political
 - UNSC, G20, Indo Pacific, Afghan
 - Disarmament and Non-Proliferation Dialogue
 - JWG on Counter Terrorism
- Geo Strategic
 - China Plus One
- Economic
 - Joint Economic and Trade Committee - 2005
 - \$20+bn trade
 - FDI for UK - 5000 jobs, 120 projects
 - 12th Trading partner for UK
- Defence
 - Defence and International Security Partnership - 2015
 - UK cos. - parts of Jaguar, Mirage
- Nuclear
 - Civil Nuclear Cooperation Declaration
 - Nuclear Collaboration Agreement
- Education
 - UKEIRI Mobility Programme: Study in India
 - 50k Indian students
- Health
 - Covid-19 vaccine
- Climate
 - India-UK Green Growth Equity Fund
 - OSOWOG
- Culture & Diaspora
 - Nehru Centre in London
 - 1.5 mn

Category	India's gains	UK's gains
Export sectors	Tariff elimination for textiles, apparel, gems, jewelry, leather, machinery, auto parts, pharma, agri-products, chemicals, processed foods, marine products	Duty-free access for 64 % exports: alcoholic beverages, cosmetics, processed food, digital services
Tariff impact	Zero or reduced tariff for 99 % of Indian exports	Average from 15 % to 3 %
MSME and regional growth	Export boost from manufacturing clusters	Market access for UK brands
Professional mobility	Recognition of professional qualifications, Visa relaxation, social security waivers	60,000 Indian professionals, filling skill gaps
Green tech and energy	UK investment in solar, hydrogen, battery technology, EV infrastructure	Strategic entry



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Category	India's gains	UK's gains
Agriculture and food processing	Duty-free treatment for 95 % of agriculture tariff lines. Boost for basmati, spices, tea, seafood	SPS regulations
Marine and fisheries	Duty-free access for 99 %	Premium seafood import options
GI	Protection for Indian GI products	Preferential access
Consumer impact	Cheaper UK luxury cars and spirits	Indian textiles, pharmaceuticals, processed foods, and jewelry
Strategic gains	Access to the EU via UK hubs	Digital and defense links

Benefits

- Market Access - tariff reductions
- Employment
- Mobility
- FDI - tech, infra, RE
- Strategic - template for EU FTA

Benefits for UK

- Market - whisky, financial services
- Post Brexit
- Investment opportunity
- Strategic partnership - global forums

Challenges

- Work Visas
- Social security - worker benefits in UK
- Rules of Origin - local sourcing requirements for tariff benefits
- Demand for Carbon Border Tax exemption

Public Health Concerns due to India-UK FTA

- **Risks:** Tariff-free entry of UK-made HFSS foods
- **Aggressive Marketing:** cheap, unhealthy foods
- **Weak Regulations in India:** Unlike the UK (bans HFSS ads before 9 PM, traffic-light nutrition labels)
 - Proposed mandatory Front-of-Pack Warning Labels (FOPNL) stalled
- **Lessons from Mexico:** Post-NAFTA, surge in HFSS consumption
- **Rising Lifestyle Diseases**
- **Economic gains vs health**
- **Urgent Safeguards Needed:**
 - Mandatory warning labels
 - Ban HFSS ads targeting children
 - Healthier school meals
 - Strengthen public health oversight in trade negotiations



CONTEXT: British Foreign Secretary to meet PM

Challenges

- Stand on Ukraine
- Ties with Pak
- Ties with China
- Khalistan & Sikh separatism - UK harbouring
- Migration & Mobility agreement
- Anti colonial resentment - partition gifts
- Progress in Defence ties - India prefers G2G agreements
- Extradition

Suggestions

- Agreement on Migration & Mobility
- Revive multilateralism - WTO, UNFCCC
- Streamline extradition process
- Engagement in IO region
- Free & Open Indo Pacific
- Cooperation in AI, CC

MAINS PRACTISE QUESTION

Discuss the significance of India-UK bilateral ties in the contemporary global context. Analyze the potential benefits and challenges of the Free Trade Agreement between the two countries.

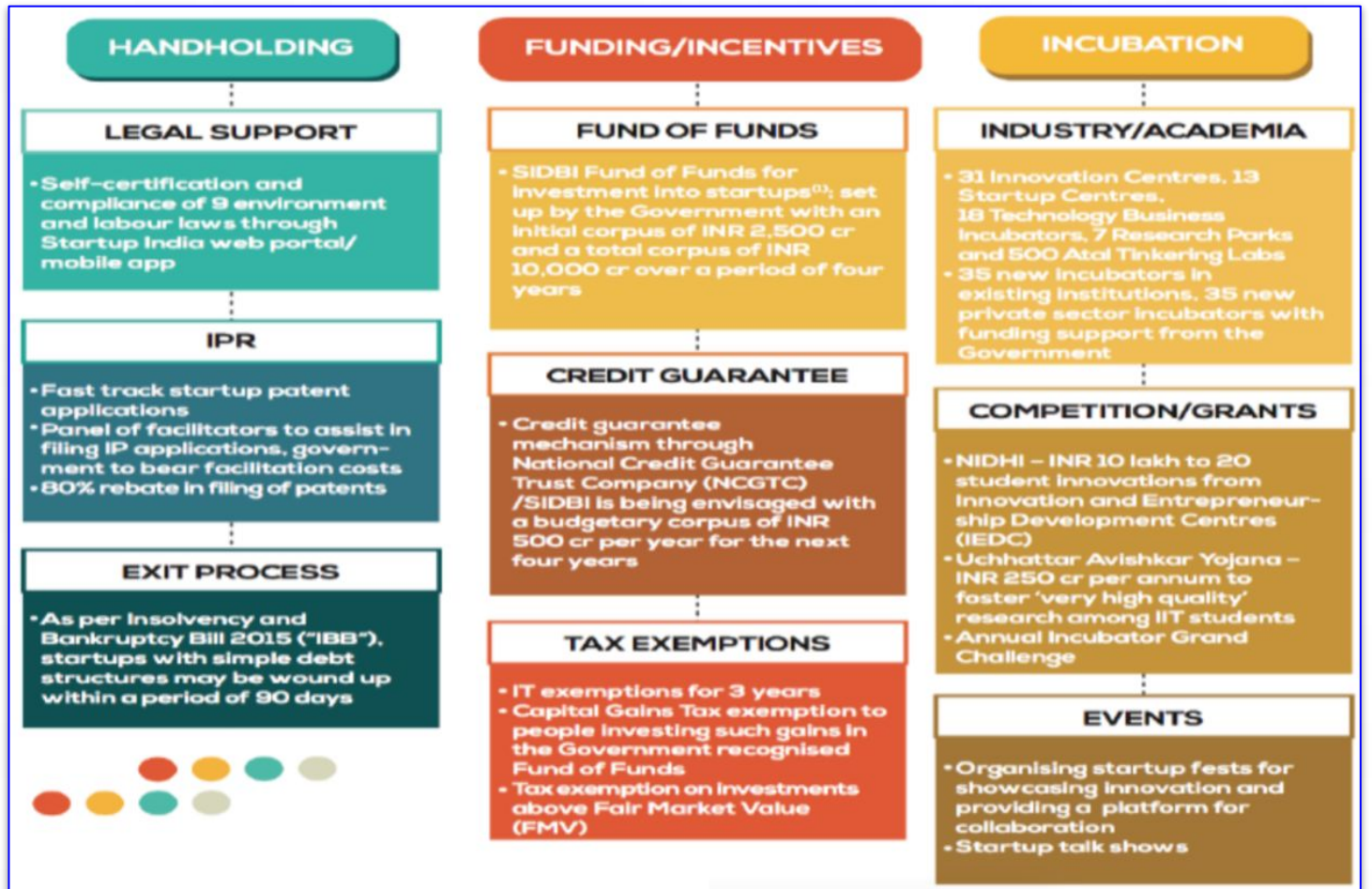


CONTEXT: How India scaled its Startup Industry from 2016 to 2025

Definition Criteria for Startup in India

- <10 years
- Private Ltd Co, Registered Partnership Firm, or LLP.
- Annual turnover <INR 100 cr
- Not formed by splitting up or reconstructing
- Innovation/scalability

Startup India action plan layout at different stages of operation



Startup Industry: 2016 to 2025



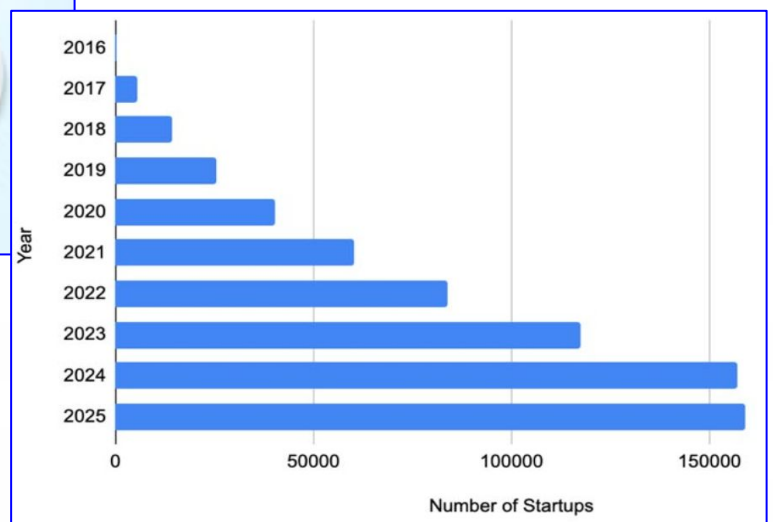
CONTEXT: How India scaled its Startup Industry from 2016 to 2025

Achievements

- **Ecosystem Growth**
 - 3rd largest startup ecosystem globally
 - 3rd in unicorns
- **Investment**
 - VC investment US\$13.7 billion in 2024
 - 2nd-largest VC destination in Asia-Pacific
- **Job Creation & Economic Impact**
 - >2.1 million direct jobs
 - Leading sectors: IT, Healthcare
- **Innovation**
 - >2k patents and 28k TMs
 - 10,000+ Atal Tinkering Labs
 - UPI ~80% of India's retail payments



- Over 2 Lakh** Startups Recognised by DPIIT
- Over 21 Lakh** Jobs created
- Over 45%** Startups with at least one-woman director/partner



CONTEXT: How India scaled its Startup Industry from 2016 to 2025

Chart 1: The growth in the number of DPIIT-recognised startups between 2016 and 2025

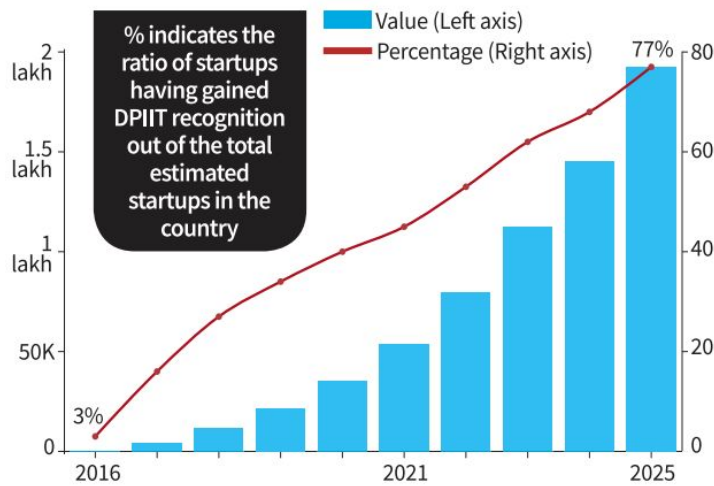


Chart 2: The number of startups set up in Tier 1, Tier 2, and Tier 3 cities and towns in 2016, 2020, and 2025

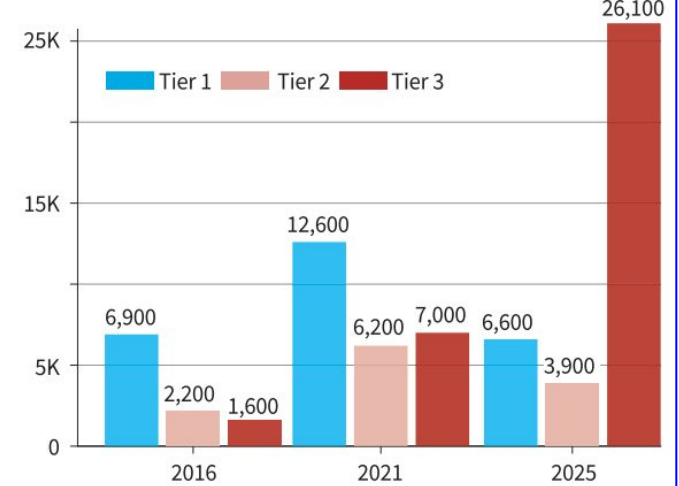
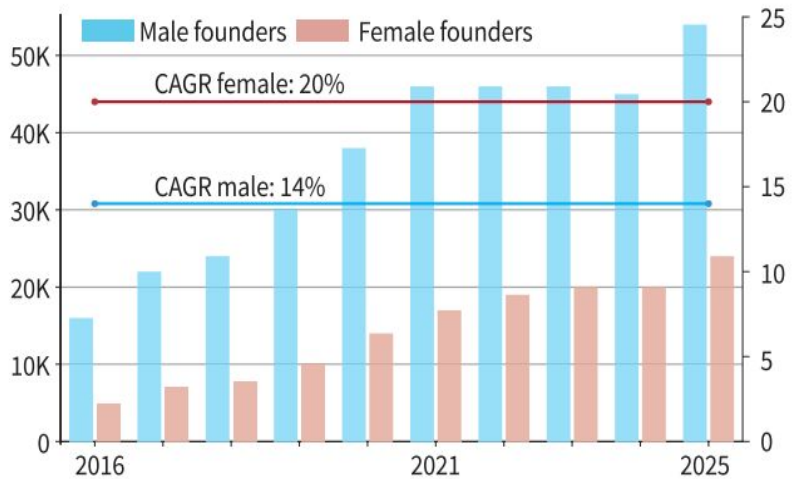


Chart 4: The growth in male and female founders between 2016 and 2025



Regulatory Hurdles

- EoDB
- Application process & revenue criteria
- Fragmented regulations across states

Access to Funding

- Early-stage and in Tier 2/3 cities
- Domestic lending rates
- Risk-averse VCs

Skill Gaps

- AI, ML, blockchain, data analytics
- Unemployable graduates
- Skill development schemes focus

Infrastructure Weaknesses

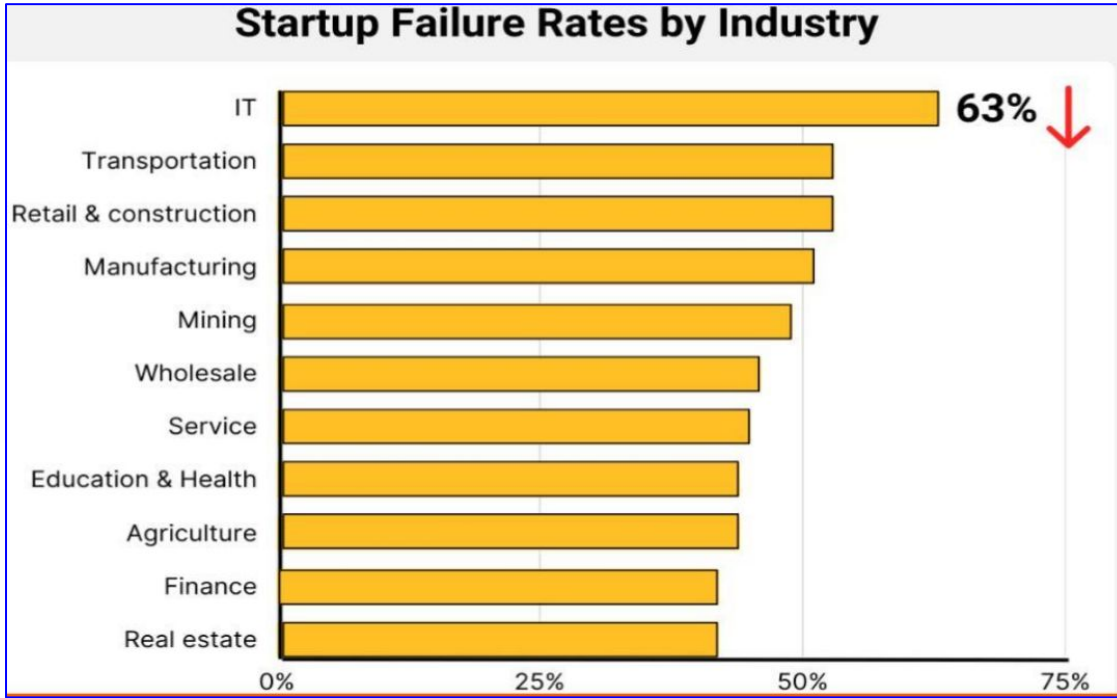
- 38th in Logistics Performance Index 2023

Challenges

- **Startup Failures**
 - >5,000 (3.3%) DPIIT-recognised
- **Policy Gaps & Early Implementation Issues**
 - Delayed disbursements of FoF
 - Startup India Hub low penetration in Tier 2/3 cities
 - 'Angel tax' (Section 56(2)(viib))



CONTEXT: How India scaled its Startup Industry from 2016 to 2025



Scheme	Ministry	Objective
Atal Innovation Mission (AIM) (2016)	NITI Aayog	Foster nationwide innovation culture
GENESIS (Gen-Next Support for Innovative Startups) (2022)	Ministry of Electronics & IT (Meity)	Deep-tech startups in Tier II/III cities
Technology Incubation and Development of Entrepreneurs (TIDE) 2.0 (2019)	Ministry of Electronics & IT (Meity)	ICT startup incubation & scale-up
MeitY Startup Hub (MSH) (2016)	Ministry of Electronics & IT (Meity)	Integrate tech startup ecosystem
NIDHI (National Initiative for Developing and Harnessing Innovations) (2016)	Department of Science & Technology (DST)	Support S&T startups from idea to market
Startup Village Entrepreneurship Programme (SVEP) (2015)	Ministry of Rural Development (DAY- NRLM)	Promote rural entrepreneurship
ASPIRE (Scheme for Promotion of Innovation, Rural Industries and Entrepreneurship) (2015)	Ministry of MSME	Strengthen rural enterprise incubators
Prime Minister's Employment Generation Programme (PMEGP) (2008)	Ministry of MSME (KVIC)	Subsidised credit for self-employment



CONTEXT: How India scaled its Startup Industry from 2016 to 2025

Suggestions

- **Innovation Tech Bridges**
 - Connecting with leading hubs
 - Knowledge exchange, global market access, collaborative R&D
 - G2B collab, international incubators: Singapore model
- **Skill Development with Industry-Driven Training**
 - AI, blockchain, data science
 - Germany model
- **Regional Ecosystems in Tier 2 & Tier 3 Cities**
 - Digital infra, targeted financial incentives.
 - Co-working spaces, regional technology parks
 - South Korea model
- **Periodic Review and Evaluation Framework**
 - Balance consumer-focused ventures and Deep Tech innovations
 - Analyze investment origins
- **Address Policy Implementation Gaps**
 - Feedback loop
 - Simplify fund access mechanisms
 - Address fragmentation and delays
- **Core Physical and Digital Infrastructure**
 - Logistical bottlenecks

MAINS PRACTISE QUESTION

Evaluate the performance of the Start-up India programme since its launch. Discuss the challenges hindering its effectiveness, and suggest measures to strengthen India's start-up ecosystem for inclusive and sustainable economic growth.



SYLLABUS : GS IV Paper : *Ethical Issues*

Newspaper : The Hindu **Page Number** : 5

Telangana
ACB arrests
suspended
police officer

Corruption Case Study

Dilemmas

- **Job security vs Tolerating Corruption**
- **Personal relations vs Professional oath**
- **Economics vs Humanity**
- **Quit vs Continue**

Ideas

- **Kant vs Kautilya**
- **Buddha – Right Livelihood**
- **Right is right**
- **Nishkama Karma**
- **Goodness seeks no return**
- **Neki kar**
- **Be the Change**
- **Greed no limits**
- **Social Contract**



SYLLABUS : PRELIMS : *Economic and Social Development*

Newspaper : Indian Express Page Number : 9

Need for CRA

- *Vulnerability: erratic monsoons, heat stress, soil and water health*
- *Rainfed Farming*
 - *51% of net sown area*
 - *40% of food*
- *Food Security*
 - *rainfed rice yields in India decline by 47% (2080)*
 - *Wheat yields drop by 40%*
 - *Population growth*
- *Limits of Conventional Farming*
 - *Input-intensive, chemical-laden*
- *Resource Stress*
 - *80% freshwater consumption*
- *Economic, Strategic Need*
 - *food imports, livelihoods*

CRA strategies

- *Crops*
 - *Climate Resilient - Scuba Rice*
 - *Diversification*
- *Water Stewardship*
 - *Drip irrigation, rainwater harvesting, precision irrigation*
- *Soil Health Management*
 - *no-till farming, cover cropping, organic inputs*
 - *prevent erosion, enhance moisture retention, increase soil carbon*

- *Agroforestry Systems*
 - *Trees with crops and livestock*
 - *shade, wind protection, improved microclimate*
- *Early Warning and AI*
 - *Weather forecasts, AI advisories*

Govt Initiatives for CRA

- *NICRA*
 - *technologies, varieties, farming practices*
 - *location-specific solutions - direct-seeded rice, zero-till wheat*
- *NMSA*
 - *soil health management, water-use efficiency*
- *PKVY*
 - *biofertilizers, biopesticides - soil health and resilience*
- *Digital Agriculture Mission, AgriStack, SHCs*
 - *precision agriculture*



SYLLABUS : PRELIMS : History of India and Indian National Movement
Newspaper : Indian Express **Page Number : 16**

- British colonial rule deteriorated
 - WW2
 - Economic strain on Britain
 - Failure of Cripps Mission
 - Quit India Movement
- June 3, 1947 proposal
- framework for partition and transfer of power

Provisions

- 2 independent dominions
 - Independence for Bengal denied
 - Accession of Hyd to Pak rejected
- Autonomy and Sovereignty
 - draft own constitutions
- Princely States
 - join either India or Pakistan, based on geographical contiguity and wishes of people
- Separate Constituent Assemblies
- Boundary Commissions
 - to demarcate borders
- Punjab and Bengal Legislative Assemblies
 - vote in separate groups (Hindus and Muslims) on partition
 - simple majority whether these provinces would be partitioned

- Sindh: own legislative decision
- Referendums
 - NWFP
 - Sylhet district
- Independence Date: August 15, 1947

Reactions

- Congress
 - opposed to idea of dominion status
 - i. against the Poorna Swaraj Resolution of 1929
 - But Accepted as
 - i. Peaceful and quick transfer of power
 - ii. Contain communal violence
- Muslim League
 - welcomed as fulfilled demand for Pak

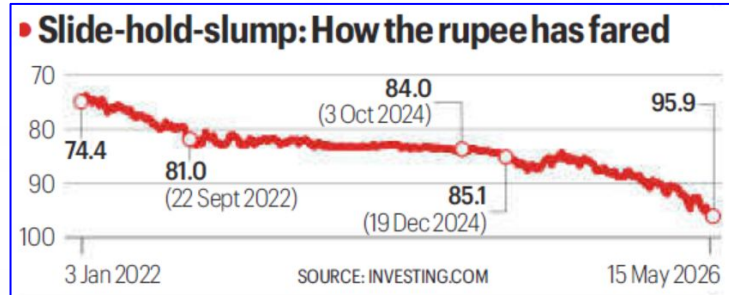


SYLLABUS : PRELIMS : Economic and Social Development
Newspaper : Indian Express **Page Number : 19**

Why weakening of Rupee?

Domestic Factors

- Widening CAD
 - imports >> exports
 - energy bill
 - more demand for \$\$
- FII & FPI Sell-offs
 - Returns in US
 - Valuations in NSE
- Importers buying \$\$ in Advance
 - precautionary demand
- Export Competitiveness
 - IT, pharma benefit
 - But exports which rely on imported components
- Inflation & Growth Headwinds
 - long-term outlook strong



External & Global Factors

- USA Tariffs
- Wars, conflicts
 - risk-off sentiment
 - supply-chain anxieties
- Crude Prices & Import Dependence
 - 80-85%
- Strengthening of \$\$
 - Despite US Fed beginning rate-cut cycle
 - reserve currency & a safe haven asset

Monetary Policy Factors

- US Fed Monetary Policy
 - increase interest rates >> \$\$ assets more attractive >> capital outflows
- RBI's Stance
 - Neutral Policy Stance
 - Repo rate unchanged mostly in 2025 – prioritizing domestic liquidity management & growth

Consequences of weakening Rupee

Impact on Consumers

- Imported Inflation: INR weak >> OMCs pay more INR >> cost passed on
- Cost of Living: Price of imports >> eroding PP & savings
- Foreign Travel & Education

Impact on Biz

- Debt Servicing Cost: ECBs in \$\$
- Importers vs Exporters

Macroeconomic Impact

- Trade Deficit & Forex
 - RBI spot intervention >> reduction in Forex buffer
- Capital Flight
 - Withdrawal by FPI & FIIs >> self-perpetuating cycle of depreciation
- Subsidy Burden
 - Govt spending on fuel and fertilizer subsidies as import costs >> more FD
- \$5-Trillion Economy Goal
 - Weak Rupee >> shrinks size of economy in \$\$ terms
 - Every ₹1 depreciation >> ~\$50 bn from India's nominal GDP in \$\$ terms



SYLLABUS : PRELIMS : Indian Polity and Governance
Newspaper : Indian Express **Page Number : 9**

- **It protect and promote human rights**
- **PHRA, 1993**
- **In conformity with Paris Principles, 1991**

- **Composition**
 - **Chair - Ex CJI or SC judge**
 - **5 members - SC judge, CJHC, 3 having knowledge of, or practical experience in, matters relating to HR (at least 1 woman)**

- **Appointment Committee - PM, Speaker, MHA, 2 LoPs, Dep Chair**
- **Term - 3 years or 70**

- **Removal - by President (after inquiry by SC) - Proved Misbehaviour or incapacity**
 - **insolvent**
 - **paid employment outside the duties**
 - **infirmity of mind or body**
 - **unsound mind - so declared by a competent court**
 - **convicted and sentenced for an offense - moral turpitude**



Q1. With reference to the National Human Rights Commission (NHRC), consider the following statements:

1. The term of office of the Chairperson and members of the NHRC is three years or until they attain the age of sixty years, whichever is earlier.
2. The Chairperson of the NHRC can be appointed only from among former Chief Justices of India.
3. The composition of the NHRC conforms with the Paris Principles, 1991.

Which of the above given statements is/are correct?

- a) 1 only
- b) 1 and 2 only
- c) 2 and 3 only
- d) 3 only

Answer: d

Q2. Which of the following statements regarding the recently observed trend of depreciation (weakening) of the Indian Rupee against the US Dollar is Not correct?

- a) A widening Current Account Deficit (CAD) can exert downward pressure on the value of the Rupee.
- b) Large-scale sell-offs by Foreign Institutional Investors (FIIs) may increase demand for US dollars and weaken the Rupee.
- c) Importers purchasing US dollars in advance as a precautionary measure can contribute to Rupee depreciation.
- d) A weaker Rupee uniformly benefits all export sectors irrespective of their dependence on imported inputs.

Answer : d

Q3. Consider the following statements regarding the Mountbatten Plan 1947:

1. It provided for India and Pakistan to emerge as two independent dominions, each with its own Constituent Assembly responsible for drafting its constitution.
2. Princely states were required to accede to either India or Pakistan, negating any claims of independence.

Which of the statements given above is/are correct?

- a) 1 only
- b) 2 only
- c) Both 1 and 2
- d) Neither 1 nor 2

Answer: c

Q4. Consider the following statements:

1. The National Innovations in Climate Resilient Agriculture (NICRA) promotes climate-resilient technologies, crop varieties, and farming practices, including direct-seeded rice and zero-till wheat.
2. The Paramparagat Krishi Vikas Yojana (PKVY) promotes the use of biofertilizers and biopesticides to enhance soil health and resilience.

Which of the statements given above is/are NOT correct?

- a) 1 Only
- b) 2 Only
- c) Both 1 and 2
- d) Neither 1 nor 2

Answer: d

Q5. With reference to various Government of India initiatives aimed at promoting startups and entrepreneurship, consider the following statements:

1. Atal Innovation Mission (AIM) is implemented by NITI Aayog to foster a nationwide culture of innovation.
2. NIDHI initiative is implemented by the Ministry of MSME to provide subsidised credit for self-employment.
3. ASPIRE initiative is implemented by the Ministry of MSME to strengthen rural enterprise incubators

How many of the statements given above is/are correct?

- a) Only One
- b) Only Two
- c) All Three
- d) None

Answer: b





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