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Page 01:GS 2 : International Relations

On July 18, 2025, the U.S. officially designated The Resistance Front (TRF)—a Lashkar-e-Taiba (LeT) proxy—as both a Foreign Terrorist Organisation (FTO) and Specially Designated Global Terrorist (SDGT) under U.S. laws. This move follows the April 22 Pahalgam attack, which killed 26 civilians and marked the deadliest terror incident in India since the 2008 Mumbai attacks.

U.S. adds TRF to terror list for Pahalgam strike

The Resistance Front declared a 'Specially Designated Global Terrorist' and 'Foreign Terrorist Organisation'

Jaishankar calls it an 'affirmation of India-U.S. counter-terrorism cooperation'

This shows the Trump administration's commitment to enforcing President's call for justice, says Rubio

Kallol Bhattacharjee
NEW DELHI

In a move that is being viewed as an endorsement of India's international counter-terror campaign, the United States on Thursday designated The Resistance Front (TRF) as a 'Foreign Terrorist Organisation' and 'Specially Designated Global Terrorist'. The TRF, backed by the Pakistan-based Lashkar-e-Taiba militant group, claimed to be behind the deadly April 22 terror attack that left 26 people dead in Pahalgam.

The Indian government welcomed the U.S. designation of the TRF as a terror group, with External Affairs Minister S. Jaishankar describing the move as "a strong affirmation of India-U.S. counter-terrorism cooperation". The Exter-

nal Affairs Ministry added that India's cooperation with international partners will continue to ensure "that terrorist organisations and their proxies are held accountable".

"Today, the Department of State is adding The Resistance Front (TRF) as a designated Foreign Terrorist Organisation (FTO) and Specially Designated Global Terrorist (SDGT). TRF, a Lashkar-e-Taiba (LeT) front and proxy, claimed responsibility for the April 22, 2025, Pahalgam attack which killed 26 civilians," said U.S. Secretary of State Marco Rubio.

Deadliest attack

"This was the deadliest attack on civilians in India since the 2008 Mumbai attacks conducted by LeT. TRF has also claimed responsibility for several at-

Terror trail

The U.S. designation follows India's global campaign against cross-border terrorism launched after the April 22 Pahalgam terrorist attack

■ Following Operation Sindoor, the Indian government sent a technical team with a comprehensive dossier on The Resistance Front to New York for presentation



■ The evidence was presented to the 1267 Sanctions Committee that decides on global listing of terrorist groups

■ India had designated the TRF as a terror outfit under Unlawful Activities (Prevention) Act in January 2023

Under scrutiny: Security personnel at the Pahalgam terror attack site in J&K. IMRAN NISSAR

Pakistan's LeT proxy: Founded in 2019 by Muhammad Abbas Sheikh, the TRF is a Pakistan-based Lashkar-e-Taiba proxy that claimed responsibility for the Pahalgam attack

tacks against Indian security forces, including most recently in 2024," Mr. Rubio said.

He added that the decision on the TRF "demonstrates" the Trump administration's "commitment to protecting our national security interests, counter-

ing terrorism, and enforcing President Trump's call for justice for the Pahalgam attack."

In response, Mr. Jaishankar said: "A strong affirmation of India-U.S. counter-terrorism cooperation. Appreciate Secretary Rubio and State Department for

designating TRF – a LeT proxy – as a Foreign Terrorist Organisation (FTO) and Specially Designated Global Terrorist (SDGT). It claimed responsibility for the April 22 Pahalgam attack. Zero tolerance for terrorism."

Following the Pahalgam

terror attack India had started a campaign to bring a global ban on TRF. The UN Security Council passed a resolution on the Pahalgam attack on 25 April that condemned the attack but stopped short of naming the TRF. After Operation Sindoor that targeted terror facilities and military bases in Pakistan, India launched a global campaign by sending multi-party delegations abroad and also sent a technical team to New York to present evidence regarding the Pahalgam terror attack to the Monitoring Team of the 1267 Sanctions Committee that decides on the global listing of terrorist groups. Concerns on terrorism featured also in the 1 July Quad Foreign Ministers meeting held in Washington where a joint statement "strongly"

condemned the Pahalgam attack.

'Timely step'

The Ministry of External Affairs highlighted India's international campaign against terrorism and described the designation of TRF as a "timely and important step" that reflects "deep cooperation between India and the United States on counter-terrorism."

"India remains committed to a policy of zero tolerance towards terrorism and will continue to work closely with its international partners to ensure that terrorist organizations and their proxies are held accountable," said the MEA appreciating the support from Mr. Rubio.

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Significance of the Designation:

1. International Legitimacy to India's Claims:

- The U.S. action validates India's assertion that TRF is not a local resistance group but a Pakistani-sponsored proxy of LeT.
- Strengthens India's diplomatic offensive against Pakistan-sponsored terrorism.

2. Strengthening India-U.S. Counter-Terrorism Cooperation:

- External Affairs Minister Jaishankar called it a "strong affirmation" of Indo-U.S. synergy on counter-terrorism.
- Reflects deepening strategic trust and operational intelligence-sharing between both nations.

3. Boost to India's Global Campaign:

- India's outreach post-Pahalgam included Operation Sindoor, engagement with the UN 1267 Sanctions Committee, and Quad's joint condemnation.
- This U.S. step will bolster India's case in multilateral forums like the UN for a broader ban and sanctions on Pakistan-based proxies.

Implications for India's Internal Security:**1. Operational Pressure on TRF:**

- Designation freezes TRF assets in the U.S., criminalizes material support, and cuts off financial networks.
- Sends a deterrent signal to other groups using the "resistance" label to mask cross-border terrorism.

2. Messaging to Pakistan:

- Reinforces global consensus against Pakistan's use of non-state actors.
- Adds diplomatic pressure amid Pakistan's attempts to delink itself from these proxies.

3. Domestic Counter-Terror Strategy Alignment:

- Complements India's "zero-tolerance" policy and its efforts to reform intelligence architecture and border surveillance post-Pulwama.

Broader Geopolitical Context:**1. U.S. Strategic Shift:**

- Reflects a continuity in American counter-terrorism policy under the Trump administration.
- Aligns with Washington's Indo-Pacific vision and its preference for regional stability in South Asia.

2. Role of Quad and Global Forums:

- Quad's condemnation shows increasing multilateral support for India's anti-terror efforts.
- India is successfully multilateralising its counter-terror campaign, avoiding the earlier trend of bilateralism.

Challenges Ahead:

- **UN Sanctions Lag:** Despite U.S. support, the UNSC has not yet designated TRF, partly due to China's past record of blocking such efforts.
- **Proxy Evolution:** Groups like TRF are increasingly adopting new names and fronts—raising challenges for international tracking and designation.

Conclusion:

The U.S. designation of TRF is a diplomatic victory for India and a testament to deepening Indo-U.S. counter-terrorism ties. It underscores the importance of coordinated global responses to terrorism, particularly in the context of state-sponsored proxy warfare. For India, the challenge now lies in leveraging this momentum to push for broader multilateral sanctions, ensure regional security, and curb the evolving landscape of proxy terror threats.

UPSC Mains Practice Question

Ques: How does India's engagement with global forums like the UN and Quad contribute to its counter-terrorism strategy? Illustrate with recent developments. **(250 words)**

As Kerala prepares for Onam, a key harvest and cultural festival, the sharp rise in coconut oil prices—a staple in Malayali kitchens—has raised economic and food safety concerns. Retail prices have surged from ₹235/litre in January 2025 to ₹460 by mid-July, with forecasts predicting rates between ₹500–₹600/litre during the festival.

With Onam round the corner, coconut oil prices singe household budgets in Kerala

Dhinesh Kallungal

THIRUVANANTHAPURAM

With the festival season round the corner, the rising price of coconut oil has become a concern for many households in the State. If the prevailing copra and coconut prices are any indication, the average price of a litre of coconut oil will be anywhere between ₹500 and ₹600 during the Onam festival season.

In addition, the demand for coconut is expected to rule high till December with festivals in northern India and the Sabarimala pilgrimage in Kerala.

Speaking to *The Hindu*, an officer at the Coconut Development Board (CDB) said there had been a big drop in coconut production in the country due to

Price of a litre of coconut oil is expected to be between ₹500 and ₹600 during the festival season

shrinking patronage for coconut cultivation and the adverse impact of climate change.

“Besides this, there was a glut in the market during the pandemic outbreak in 2020 and 2021, with sales and consumption of copra and coconut oil plummeting. However, as soon as the market reopened after the pandemic, the hoarded produce flooded the market, significantly lowering the price of copra and coconut oil, with coconut farmers taking a hit,” the

officer said.

This was followed by a drop in coconut production in equatorial countries, including in India, due to climate change and the reluctance of farmers to take care of trees, lowering production and increasing the price for copra, coconut oil and allied products, the officer said.

Talath Mahamood, president, Cochin Oil Merchant's Association, said the rise in coconut oil prices had opened the window for adulterated coconut oil manufacturers to flood the market with spurious products.

The alarming price rise had also upset the family budget of many. The retail coconut oil price was ₹460 a litre on Thursday, almost a 100% rise compared to

₹235 during the first of January 2025.

Although cooking oils such as palm oil (₹120/850 gm) and sunflower oil (₹150/litre) are available in the market, the majority of Malayalis prefer coconut oil for home cooking.

‘Ban coconut export’

Mr. Mahamood said as an immediate measure to protect the industry, the Centre should urgently intervene and ban the export of coconut, copra, coconut oil, and allied products, at least for a brief period. Further, the restrictions imposed on the import of coconut and copra from countries such as Indonesia and the Philippines should be lifted, considering the precarious situation.

Key Factors Behind the Price Surge:

1. Declining Coconut Production:

- Climate Change: Unfavourable weather patterns across equatorial coconut-growing regions (India, Indonesia, etc.) have hurt yields.

- Neglected Cultivation: Shrinking interest in coconut farming due to low profitability and aging trees.
- Reduced Tree Maintenance: Farmers are increasingly reluctant to invest in care, pest control, or replantation.

2. Market Distortions Post-Pandemic:

- Pandemic Glut (2020–21): Reduced consumption led to oversupply.
- Post-COVID Flooding: Sudden market reopening dumped hoarded produce, causing a crash in prices, discouraging farmers and leading to long-term supply impacts.

3. High Demand Period:

- Seasonal Demand: Festivals like Onam, North Indian festivities, and the Sabarimala pilgrimage increase consumption until December.
- Cultural Preference: Despite cheaper alternatives (palm and sunflower oils), coconut oil remains integral to Kerala cuisine and rituals.

Economic & Policy Implications:

1. Impact on Households:

- Food Inflation: Coconut oil's near 100% price rise severely affects lower and middle-income families.
- Budget Disruptions: Households dependent on fixed incomes struggle to manage rising grocery bills.

2. Threat of Adulteration:

- Public Health Risk: Soaring prices have opened space for spurious coconut oil in the market, threatening food safety.
- Regulatory Challenge: Lack of effective quality control and inspection creates loopholes for malpractice.

3. Market Intervention Demands:

- Export Ban Proposal: Traders urge a temporary ban on coconut, copra, and oil exports to stabilize domestic prices.
- Import Liberalization Request: Suggest lifting restrictions on imports from Indonesia and the Philippines to plug supply gaps.

Broader Issues at Play:

1. Climate Resilience in Agriculture:

- Coconut, a perennial crop, is vulnerable to long-term climatic trends—calling for greater investment in climate-resilient varieties, irrigation infrastructure, and scientific tree management.

2. Structural Decline in Traditional Crops:

- Farmers are shifting away from crops like coconut due to:
 - Low and volatile returns.
 - Lack of support price mechanisms.
 - High input and labor costs.

- Indicates need for crop diversification and value addition policies.

3. Supply Chain & Price Volatility:

- Lack of cold storage, poor processing infrastructure, and absence of forward contracts or futures markets make farmers vulnerable to market shocks.

Way Forward:

1. Short-Term Measures:

- Strategic release of government buffer stocks (if any).
- Crackdown on adulterated oil through strict FSSAI surveillance.
- Monitor supply chains to prevent hoarding and black marketing.

2. Medium to Long-Term Actions:

- Revitalize coconut cultivation with farmer incentives, replantation schemes, and modern agro-tech practices.
- Promote coconut-based MSMEs for value addition (e.g., virgin coconut oil, coir, activated carbon).
- Climate-adaptive policies for perennial plantation crops.

3. Trade Rebalancing:

- A calibrated export-import policy balancing domestic needs with farmer interests.
- Regional procurement and distribution mechanisms to stabilize essential food commodities.

Conclusion:

The spike in coconut oil prices in Kerala is not merely a festival-related supply-demand mismatch. It reflects deeper structural issues in traditional agriculture, climate vulnerabilities, and policy inertia in ensuring price and food safety stability. A multi-pronged response is needed to protect both consumers and producers, especially as food inflation becomes a nationwide concern.

UPSC Mains Practice Question

Ques: Coconut oil continues to be a culturally and economically significant commodity in Kerala. Analyse the impact of climate change and market disruptions on its production and price stability. What reforms are needed to safeguard perennial crop cultivation in India?

The United States recently designated The Resistance Front (TRF) as a Foreign Terrorist Organisation (FTO) and Specially Designated Global Terrorist (SDGT). Indian security agencies have long maintained that TRF is a proxy of Lashkar-e-Taiba (LeT), floated post-Article 370 abrogation (2019) to provide a new face to terrorism in Jammu and Kashmir and evade global scrutiny of Pakistan's state-sponsored terror infrastructure.

TRF was floated to deflect international sanctions against Pak.: security officials

The Hindu Bureau

NEW DELHI

The Resistance Front (TRF), now designated by the United States as a global terror outfit, is a proxy of Pakistan-based proscribed group Lashkar-e-Taiba (LeT) and the outfit was floated in the aftermath of the dilution of Article 370 to evade international sanctions against Pakistan, according to Indian security agencies.

The TRF has carried out terror attacks in Jammu and Kashmir. Notable attacks include the Pahalgam attack on April 22, this year; the killing of nine Hindu pilgrims in Reasi on June 9, 2024; the murder of six migrant labourers and a doctor in Ganderbal on October 20, 2024, the killing of three Army and police personnel in Anantnag on September 13, 2023; and



Lives lost: TRF has carried out many terror attacks in Jammu and Kashmir, including the Pahalgam attack on April 22 this year. ANI

the murder of a BJP leader and two of his family members on July 8, 2020.

The Government of India designated the outfit as a terror organisation under the Unlawful Activities (Prevention) Act in January 2023. Founded by Muhammad Abbas Sheikh (now deceased) in October 2019, it is currently headed by

designated terrorist Sheikh Sajjad Gul.

The National Investigation Agency (NIA) has declared a reward of ₹10 lakh for him.

Digital platform

The current TRF chief was allegedly a part of the conspiracy to assassinate prominent Kashmiri journalist

Shujaat Bukhari in 2018. "Gul was instrumental in launching TRF's digital media platform 'Kashmir Fight', through which threats were also issued to migrant Kashmiri Pandit employees," a security official said.

Via 'Kashmir Fight', TRF indulged in anti-India propaganda, campaigns for recruitment. It also claimed responsibility for attacks. Its website was registered on December 10, 2024, through an entity said to be based in Iceland. TRF has a presence on several digital platforms, including Mastodon, Chirpwire, and BiP.

"TRF usually focused on security forces and political figures, but late 2024 onward it started to target infrastructure projects and civilians, including non-locals, in Jammu & Kashmir," the official said.

Key Findings from Indian Security Agencies:

1. Formation & Objective:

- Founded: October 2019 by Muhammad Abbas Sheikh (deceased), now headed by Sheikh Sajjad Gul, a designated terrorist.
- Motivation: Created to bypass FATF/global sanctions by presenting terrorism in J&K as an indigenous resistance movement rather than state-sponsored jihad.
- Domestic Ban: Designated as a terrorist organisation under UAPA in January 2023 by the Government of India.

2. Major Attacks Attributed to TRF:

- April 22, 2025 – Pahalgam attack: 26 civilians killed.
- June 9, 2024 – Reasi: 9 Hindu pilgrims killed.
- October 20, 2024 – Ganderbal: 6 migrant workers and 1 doctor murdered.
- September 13, 2023 – Anantnag: 3 Army/police personnel killed.
- July 8, 2020 – Bandipora: BJP leader and family members murdered.

3. Digital Warfare & Propaganda:

- TRF operates a media wing called 'Kashmir Fight', used for:
 - Threats against Kashmiri Pandits, migrants, journalists.
 - Spreading anti-India propaganda and inciting violence.
 - Online recruitment campaigns.
- Website registered via an Iceland-based entity, symbolizing the use of foreign digital platforms to shield operations.

Strategic and Security Implications:

1. Proxy War & Denial Strategy:

- TRF exemplifies Pakistan's shift towards non-attributable terror outfits post-2019 to:
 - Escape diplomatic isolation.
 - Avoid direct links to groups like LeT/JeM.
 - Portray the Kashmir insurgency as a "people's movement."

2. Changing Nature of Terrorism in Kashmir:

- Earlier focused on security forces and political figures.
- Post-2024: Shift to civilians, non-locals, infrastructure projects—aimed at sabotaging development and creating communal tension.

3. Digital Radicalisation & Cybersecurity Threats:

- Use of platforms like Mastodon, BiP, Chirpwire, and anonymous web registration pose serious cybersecurity challenges.
- Growing reliance on online radicalisation, secure messaging, and anonymous propaganda increases difficulty of tracking and countering these groups.

Policy Response & Way Forward:

1. Multilateral Action:

- The U.S. designation of TRF is a success for India's counter-terror diplomacy.
- India should now push for UN 1267 Sanctions Committee listing and rally Quad and EU partners to recognize digital terror infrastructure.

2. Enhancing Internal Counter-Terror Framework:

- Strengthen cyber-monitoring of social media and dark web usage by terrorist proxies.
- Enhance intelligence cooperation between central/state agencies and with foreign partners.
- Strengthen victim protection and welfare mechanisms for targeted groups like migrant workers, Kashmiri Pandits, and pilgrims.

3. Countering Radical Narratives:

- Promote counter-narratives online to disrupt TRF's messaging ecosystem.
- Increase community engagement in J&K to discredit foreign-sponsored insurgency.

4. Offensive Measures:

- Continue targeted operations like Operation Sindoor to dismantle infrastructure in PoK.
- Monitor financial channels and crypto assets possibly linked to online recruitment and operations.

Conclusion:

TRF is a textbook example of modern proxy warfare—digitally agile, ideologically repackaged, but structurally linked to old terror ecosystems. The challenge is dual: tactical containment on the ground, and strategic dismantling of digital and financial infrastructure globally. India's multi-level approach—military, diplomatic, and digital—must be sustained and expanded.

UPSC Mains Practice Question

Ques: TRF exemplifies the emerging trend of digital-enabled proxy terrorism in India. Analyze the internal security implications of the rise of groups like TRF and suggest measures to counter their digital footprint and recruitment strategies.

On July 19, 2025, the Indian Navy commissioned INS Nistar, India's first indigenously designed and built Diving Support Vessel (DSV), in Visakhapatnam. Developed by Hindustan Shipyard Ltd., it significantly boosts India's capacity for underwater rescue, saturation diving, and submarine emergency operations—placing India in a league with only a few navies globally.

Nistar, first indigenous diving support vessel, commissioned into Navy

Saurabh Trivedi
NEW DELHI

The Indian Navy on Friday commissioned *INS Nistar*, the first indigenously designed and constructed diving support vessel, in the presence of Union Minister of State for Defence Sanjay Seth in Visakhapatnam.

The 118-metre ship, which is the first of two diving support vessels being built by Hindustan Shipyard Ltd., is designed to undertake complex deep sea saturation diving and rescue operations – a capability select navies possess across the globe.

Mr. Seth said the commissioning of *INS Nistar* firmly reinforces the role of the Indian Navy as the “first responder” and “preferred security partner” in the region. Supporting the indigenous shipbuilding industry has been one of the pillars of the government's



Minister of State for Defence Sanjay Seth during the commissioning of *INS Nistar* on Friday in Visakhapatnam. V. RAJU

“Aatmanirbhar Bharat” campaign. At present, all of the 57 new warships in the pipeline are being constructed indigenously.

Critical support

Chief of the Naval Staff Admiral Dinesh K. Tripathi termed *INS Nistar* as not just a technological asset, but a crucial operational enabler. “*Nistar* will provide critical submarine rescue support to the Indian Navy as well as our regional partners,” he said.

INS Nistar is installed with state-of-the-art diving equipment such as remotely operated vehicles, self-propelled hyperbaric life boat, diving compression chambers. It can undertake diving and salvage operations up to 300 metres depth. It would also serve as the “Mother Ship” for deep submergence rescue vessel to rescue and evacuate personnel, from a dived submarine in distress well below the surface.

Key Features of *INS Nistar*:

- Length: 118 metres
- Depth Capability: Deep-sea diving and rescue up to 300 metres

- **Key Equipment:**

- Remotely Operated Vehicles (ROVs)
- Self-Propelled Hyperbaric Lifeboat
- Diving Compression Chambers

- **Functionality:**

- Acts as a “Mother Ship” for Deep Submergence Rescue Vehicles (DSRVs)
- Offers saturation diving support for complex underwater missions
- Capable of rescuing trapped submariners during submarine distress scenarios

Strategic Significance:

1. Enhancing Submarine Safety & Rescue:

- With an expanding fleet of nuclear and conventional submarines, India’s need for DSR capabilities has grown.
- Nistar provides rapid-response rescue capability, ensuring crew survivability in deep-sea emergencies.
- Strengthens India’s preparedness to respond to underwater accidents, both domestically and in the region.

2. Maritime Diplomacy & Regional Role:

- As Admiral Dinesh Tripathi noted, Nistar enhances India’s “regional security provider” status.
- It can support submarine rescue operations for friendly foreign navies—fitting into India’s SAGAR (Security and Growth for All in the Region) doctrine.
- Reinforces India’s commitment to Humanitarian Assistance and Disaster Relief (HADR) missions.

3. Boost to Aatmanirbhar Bharat:

- Built by Hindustan Shipyard Ltd., Nistar reflects the success of indigenous shipbuilding capabilities.
- Of the 57 warships currently in the pipeline, 100% are being built indigenously.
- Aligns with the Defence Ministry’s thrust on Make in India, reducing import dependency in strategic defence platforms.

4. Technology Maturity & Innovation:

- DSVs require complex systems integration and high-end underwater rescue technology.
- India's capability to design, build, and operate such assets signals technological self-reliance and innovation in underwater warfare systems.

Challenges & Considerations:

- **Sustainability of Indigenisation:** Needs continuous R&D investment, skilled manpower, and global tech collaborations.
- **Maintenance Ecosystem:** Complex platforms like DSVs require robust maintenance infrastructure and trained operational crews.
- **Multi-domain Integration:** Coordination between surface, sub-surface, and aerial platforms is key for effective rescue missions.

Conclusion:

INS Nistar is more than a naval asset—it is a strategic enabler that boosts India's submarine rescue capacity, reinforces maritime diplomacy, and showcases indigenous defence capability. As India evolves into a credible blue-water navy, platforms like Nistar will play a pivotal role in securing underwater domains and projecting regional leadership.

UPSC Prelims Practice Question

Ques: Consider the following statements regarding INS Nistar:

1. It is India's first indigenously designed and built Diving Support Vessel (DSV).
2. INS Nistar can undertake deep-sea diving and submarine rescue operations up to 1,000 metres.
3. The ship was constructed by Garden Reach Shipbuilders and Engineers (GRSE).

Which of the statements given above is/are correct?

- A. 1 only
- B. 1 and 2 only
- C. 2 and 3 only
- D. 1, 2 and 3

Ans: A)

Page 06:GS 3 : Agriculture

The Union Cabinet has approved the Prime Minister Dhan-Dhaanya Krishi Yojana (PMDDKY) — an umbrella scheme aimed at addressing regional disparities in agricultural productivity and promoting self-reliance through convergence of 36 existing schemes across 11 departments.

The scheme is modeled on NITI Aayog's Aspirational Districts Programme, and will target 100 low-productivity districts. However, concerns remain about declining public investment in agriculture and over-reliance on convergence and private-public partnerships.

Key Features of PMDDKY:

Aspect	Description
Coverage	100 low-productivity districts identified based on cropping intensity, credit availability, etc.
Implementation	Convergence of 36 schemes (including PM-KISAN, PMFBY) at district level via District Dhan Dhaanya Samitis
Start	From Rabi season, October 2025
Budget	₹24,000 crore annually for 6 years
Monitoring	117 key indicators reviewed monthly
Approach	Participatory district-level planning aligned with national priorities like crop diversification, soil and water conservation

Significance:

Convergence of Resources:

- Helps streamline fund utilization and reduces duplication.
- District-based focus allows localized planning with national alignment.

Focus on Lagging Regions:

- Targeting districts with low cropping intensity and credit access can help reduce regional agricultural disparities.

Push for Self-Reliance:

- Prioritizes food security, domestic production of oilseeds and pulses, and sustainable agriculture goals.

All in one

Agriculture needs more public spending, not just one umbrella scheme

The Prime Minister Dhan-Dhaanya Krishi Yojana (PMDDKY), a scheme approved by the Union Cabinet, is to be implemented through the convergence of 36 existing schemes across 11 Departments. According to Union Agriculture Minister Shivraj Singh Chouhan, the scheme seeks to address the "disparities in productivity" between States, and even among districts within a State. The Centre's pet schemes such as the Pradhan Mantri Kisan Samman Nidhi (PM-KISAN) and the PM Fasal Bima Yojana (PMFBY) as well as relevant State schemes, to be identified by the District Dhan Dhaanya Samitis, will be subsumed in the PMDDKY. Local partnerships with the private sector will also be promoted under the proposed scheme, which will begin in October during the *rabi* crop season. The scheme is to get an annual outlay of ₹24,000 crore for six years. Modelled on NITI Aayog's Aspirational Districts Programme, the Centre will identify 100 districts based on low productivity and cropping intensity and less credit disbursement. The hope is that the scheme will result in higher productivity, value addition in agriculture and allied sectors, local livelihood creation, leading to increased domestic production and self-reliance. This convergence of schemes must be viewed in the background of decreasing public spending on agriculture. The Parliamentary Standing Committee on Agriculture, in the latest report on Demands for Grants, had observed a continuous decline, from 3.53% in 2021-22 to 3.14% (2022-23), 2.57% (2023-24), 2.54% (2024-25) and 2.51% (2025-26), of the allocations for agriculture as a percentage of total Central Plan outlay.

This aggregation of all schemes under one umbrella suggests that the Government wants uniformity in running the welfare, financial and technical schemes in the agriculture sector. It is keen to add States' measures too in the new scheme. It remains to be seen how effective such uniformity will be on the ground as further decrease in public investment in agriculture could be disastrous. Private-public partnerships should be for the larger good of self-reliance, particularly in the production of foodgrains, edible oil and pulses. The progress of area coverage under *kharif* crops, released last week, points to a decrease in the sowing of oil seeds and popular pulses. Though it promotes national uniformity, it is welcome that the new scheme will function based on 'District Plans' that will be aligned to the national goals of crop diversification, conservation of water and soil health, self-sufficiency in agriculture and allied sectors. For the PMDDKY, the Centre will monitor 117 key indicators of progress on a monthly basis. But to make it more participatory, States, local self governments, primary agriculture cooperative societies, agriculture universities and organisations of farmers and traders must be involved in this process.

Monitoring & Accountability:

- 117 indicators with monthly review reflect a data-driven, performance-based implementation.

Concerns & Challenges:**Declining Public Investment in Agriculture:**

- According to the Parliamentary Standing Committee on Agriculture, the share of agriculture in Central Plan outlay is continuously decreasing:
 - 2021–22: 3.53%
 - 2022–23: 3.14%
 - 2023–24: 2.57%
 - 2024–25: 2.54%
 - 2025–26: 2.51%

Issue: Mere convergence of schemes without adequate fresh investment may lead to “old wine in a new bottle”.

Overemphasis on Uniformity:

- Attempting to run a uniform model across diverse agri-climatic regions may ignore local complexities and farmer needs.

Private Sector Role – Unclear Boundaries:

- While public-private partnerships (PPPs) can help, unchecked involvement risks corporatisation of agriculture unless carefully regulated and farmer-focused.

Recent Crop Trends Worrying:

- Kharif crop data shows decline in area under oilseeds and pulses, raising questions about the scheme’s impact on nutrition security and import dependency.

Way Forward:**1. Enhance Public Investment:**

- Increase central and state spending in irrigation, agri-R&D, storage, and market infrastructure.
- Allocate funds beyond convergence to address the unique needs of targeted districts.

2. Ensure Bottom-Up Planning:

- Strengthen role of:
 - Panchayats and local self-governments
 - Primary Agricultural Credit Societies (PACS)
 - Farmer Producer Organisations (FPOs)
 - State Agricultural Universities (SAUs)

3. Monitor Inclusively, Act Transparently:

- Share progress reports publicly.
- Build grievance redressal mechanisms at district level to ensure accountability.

4. Protect Small and Marginal Farmers:

- Regulate PPPs to prevent monopoly control and ensure fair access to credit, inputs, technology, and markets.

Conclusion:

While PMDDKY is a bold and structured move toward agricultural convergence, it cannot be a substitute for direct public investment in India's ailing farm sector. For long-term resilience, the government must prioritise capital investment, decentralised planning, and farmer-centric implementation, rather than relying solely on top-down uniformity and PPPs.

UPSC Mains Practice Question

Ques: While the convergence of schemes under the PM Dhan-Dhaanya Krishi Yojana (PMDDKY) is a welcome step, declining public investment in agriculture remains a critical concern." Discuss. Suggest measures to ensure holistic agricultural development in India. **(250 words)**

Page : 06 Editorial Analysis

Indian inequality and the World Bank's claims

Inequality is an important concern for the political economy of a democracy. However, the Indian inequality debate is often characterised by the selective use of data to make exaggerated claims that fuel misperceptions rather than result in a better understanding. The sharp reactions to a recent World Bank report ("India Poverty and Equity Brief: April 2025") are an illustrative case in point.

The World Bank report claims that India has almost eradicated extreme poverty. Further, it claims, the country has significantly reduced consumption inequality since 2011-12, in terms of consumption patterns of the population. In terms of the Gini coefficient, a measure of inequality, the report (without separating the consumption and income inequality-based estimates) has placed India among the top four least unequal countries. These findings have created quite a stir, as the media and the public are accustomed to reports claiming very high inequality in India. What has happened?

What it is based on

The World Bank's claims about the Indian inequality are based on the official Household Consumption Expenditure Survey (HCES) data for 2022-2023. This data is collected using the modified mixed reference period (MMRP) method, which employs the state-of-the-art statistical technique. As the World Bank report correctly observes, "The MMRP is considered an improvement and alignment with international best practices..." The World Bank has adjusted the Indian data to account for some but not all government-provided free goods and services.

The World Bank finds that during 2011-12 and 2022-23, India registered a major decline in consumption inequality; in this period, the consumption-based Gini coefficient dropped from 28.8 to 25.5.

Critics of the report argue that the World Bank has underestimated the inequality, as the HCES data does not capture consumption by the rich. It is a valid critique, but India is not an exception. This limitation applies to all survey data in all countries and, in itself, does not question the broad ranking of countries. Even if we discount the precision of the World Bank's inequality estimates, a significant improvement in India's international ranking is a fact. Of course, we should not confuse consumption inequality with income inequality.

The decrease in India's consumption inequality is substantial and indisputable. To address the data issue, let us assume that the problem of missing elite consumption is more pronounced in India – say, the HCES rounds do not capture consumption by the top 5% families at all. In that case, going by the consumption expenditure data, it is irrefutable that the consumption inequality has decreased between 2011-12 and 2022-23 for the remaining 95% of the



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population covered in HCES data.

The HCES data show that the country's consumption basket is healthier today than ever. Between 2012 and 2023, the per capita availability of milk and eggs has increased by 45% and 63%, respectively. The availability of fruits, vegetables and protein products has increased. The share of cereals in the food bill, as well as calorie intake, has decreased, while that of healthier products has increased, for all strata. All this improves the diet for the 95%, rather than the richest groups, whose consumption already matches the best in the world.

The dietary intake improvements are most striking for the bottom 20% of households in rural and urban areas, even if we ignore the free food and cash transfers received by these groups. The share of rural households consuming fresh fruits (to a different frequency) has increased from 63.8% in 2011-12 to 90% in 2023.

The 2022-23 and 2023-24 rounds of consumption data irrefutably demonstrate that extreme poverty has been almost eradicated. Whether we use the Rangarajan, Tendulkar, or the multi-dimensional poverty index of NITI Aayog, poverty has declined significantly. Based on the International Poverty Line of \$3 between 2011 and 2023, India has pulled around 27 crore people out of extreme poverty.

Independently, the nightlight data show a significant increase in ownership rates of pucca homes and paved roads in rural areas over the last 10 years, owing to the Pradhan Mantri Gramin Awas Yojana and Pradhan Mantri Gram Sadak Yojana. Among the poorest 20% of households, more than 40% own a vehicle today, compared to just 6% in 2011-12. This enables rural workers to work part-time in nearby cities without having to migrate. If we factor in these and the other policies targeted at the bottom of the pyramid, such as Ayushman Bharat, the aggregates of welfare for the poor would look even better.

Examining income levels

True, it is important to examine income inequality separately from consumption inequality. There is no official income survey data yet. The mainstream media and commentators use the income shares of the top 1%, as estimated by the World Inequality Lab (WIL) to argue that the income inequality is very high in India, disregarding critical limitations of these estimates.

Given the lack of data on income distribution, the WIL uses the income tax data to estimate top income levels. They use the old consumption data and estimates of the income-consumption relationship to estimate income for low- and middle-income households. The latter estimates unrealistically assume that consumption expenditure exceeds income for 70%-80% of households. How can it be that all families,

except the top 20-30%, spend more than they earn, year after year?

As an inevitable consequence of using such an implausible assumption, the income of the bottom 80% gets underestimated. This reduces their estimated share of national income. Conversely, shares of top income groups are overestimated.

Even if we ignore these limitations, we do not find an increase in income inequality. Taking the WIL estimates as they stand, the national income shares of the bottom 50% have increased from 13.9% in 2017 to 15% in 2022. During the same period, the share of the top 10% has decreased from 58.8% to 57.7%.

The high national income shares of the top 1% are a matter of concern. However, since 2017, the income shares of the top 1% have increased by only 0.3 percentage points. Research by this writer indicates that a part of this increase is attributable to improved income reporting by affluent groups in response to the Centre's anti-tax evasion measures since 2016-17. Better reporting should not be mistaken for increased inequality.

Furthermore, the WIL inequality estimates used by the media and commentators are based on pre-tax income levels. However, it is the post-tax and post-subsidy/transfer income that matters to people. Therefore, to be meaningful, income inequality estimates should be based on the post-tax rather than the pre-tax income. For instance, in the assessment year 2023-24, the top 1% of all taxpayers accounted for 72.77% of the total tax paid. Even in the individual category, the top 1% paid 42% of the total tax paid.

Arguably, wealthy individuals should pay more taxes, but the point is that even at the existing tax rates, the actual post-tax income of top-income taxpayers is only 65%-75% of the levels used in headline-grabbing estimates. For low-income groups, in contrast, the income levels used are smaller than the actual effective income, which is higher, due to the all-time high welfare transfers that account for more than 8% of GDP. On a post-subsidy, post-tax income basis, over the last decade, we will find a decrease in income inequality in recent years.

The other story about India

Admittedly, we must travel a long way before we can claim to be an egalitarian society. Inequality in accessing quality health and education is a serious concern. For a country of our size and diversity, inevitably, there are many lived realities. However, the story of India is not just about poverty and inequality any more; it is about progress and aspirations too. While being mindful of the current problems and challenges ahead, let us also celebrate the country's successes.

The views expressed are personal

Paper 03 Indian Economy

UPSC Mains Practice Question: Critically examine the recent claims of the World Bank regarding the reduction in poverty and inequality in India. How do these claims align with ground realities and available data? (250 words)

Context :

A recent World Bank report claims that India has nearly eradicated extreme poverty and reduced consumption inequality sharply since 2011-12. These claims have sparked debates in media and academia, which often portray India as highly unequal.

Key Claims of the World Bank Report:

- Data Source: Household Consumption Expenditure Survey (HCES) 2022–23.
- Methodology: Uses Modified Mixed Reference Period (MMRP), aligned with global best practices.
- Findings:
 - Gini coefficient (consumption-based) fell from 28.8 (2011-12) to 25.5 (2022-23).
 - India ranks among the top four least unequal countries (on consumption).
 - Extreme poverty is nearly eradicated (approx. 27 crore people lifted out of it).
 - Consumption baskets improved (rise in milk, eggs, fruits, etc., especially for the bottom 20%).

Critiques & Clarifications:

Valid Points:

- Critics say HCES underrepresents rich households, but this applies globally.
- Drop in inequality among 95% of population is clear, even if top 5% is underestimated.
- Dietary improvements are visible for rural and urban poor (e.g., fruits consumed by 90% vs. 63% in 2011-12).
- Asset ownership growth: Vehicles among bottom 20% grew from 6% to 40%, pucca houses and roads expanded via schemes like PMAY-G and PMGSY.

Income Inequality:

- No official income data; critics rely on World Inequality Lab (WIL) estimates.
- WIL assumes 70–80% of households spend more than they earn – unrealistic.
- Top 1% income shares increased slightly (by 0.3%) from 2017–2022.
- Post-tax income inequality is lower than pre-tax levels. E.g., top 1% pay 42% of total individual taxes.

Broader Arguments:

- Media and analysts often focus selectively on inequality, ignoring progress.
- Post-subsidy, post-tax income suggests further equality due to expanded welfare (8% of GDP).
- Consumption > Income inequality is a more reliable indicator in India's case.
- The real story of India is about progress, dietary improvement, rural infrastructure, and rising aspirations.

Critical Analysis:**Strengths:**

- Balanced view acknowledging progress alongside challenges.
- Calls out flawed assumptions in popular income inequality data.
- Emphasizes importance of post-tax, post-transfer metrics.

Limitations:

- Downplays concerns about wealth concentration at the top.
- Lack of income surveys remains a data blind spot.
- Doesn't deeply engage with non-material inequality (like education/health access).

Conclusion:

While India still faces structural inequality in services and opportunity, its achievements in reducing consumption inequality, eliminating extreme poverty, and enhancing rural livelihoods are significant. Future discourse should be data-driven, nuanced, and acknowledge both gains and gaps.