



NATIONAL Page 2



IMD lowers monsoon outlook and puts off date of onset to June

**THE HINDU :
30-05-2026**

INTERNATIONAL Page 4



International law, 'optional' for powerful states

**THE HINDU:
30-05-2026**

EDITORIALS DECODED FOR UPSC



Concrete fever

India must mandate green cover and reflective materials for its cities



On fertiliser, Centre and states must align policy

HEALTH Page 4



90% of Indian babies are born in hospitals: NFHS-6

**THE HINDU BL :
30-05-2026**

ECONOMICS Page 9



LPG production hits a record 52,000 tonnes/day

**THE HINDU BL :
30-05-2026**

Snapshot

As the week draws to a close, national and international developments remain as dynamic as ever. Today's edition of The Pala Civil Times brings together concise and exam-relevant insights from across the policy, economy, environment and international affairs spectrum.

On the national front, India continues to grapple with persistent heat-wave conditions even as the monsoon's arrival over mainland India remains delayed. Health concerns extend beyond climatic factors, with recent findings from the National Family Health Survey highlighting both enduring challenges and notable improvements in public health indicators. Encouraging gains in maternal and child healthcare, in particular, offer reasons for optimism.

In the economic sphere, concerns surrounding dollar outflows and their long-term implications for the economy warrant careful attention. At the same time, India's record domestic LPG production and efforts to strengthen energy security amid disruptions in global supply chains present a more positive narrative.

Readers are encouraged to pay close attention to the key data points, trends and policy responses discussed throughout this edition. Equally important is an appreciation of the broader significance of these developments and their impact on governance, society and everyday life. A clear understanding of both the facts and their implications can prove invaluable for objective analysis and examination success.

IMD lowers monsoon outlook and puts off date of onset to June

The India Meteorological Department (IMD) has revised its forecast for the 2026 Southwest Monsoon to 90% of the Long Period Average (LPA), down from the 92% projected in April. This places the season firmly in the **below-normal rainfall category** and raises concerns about deficient rainfall conditions. The IMD has estimated a 60% probability of a deficient monsoon (rainfall below 90% of LPA), with most regions except the Northeast expected to receive below-normal rainfall. The forecast is largely linked to the expected development of El Niño conditions during the monsoon season.

Delay in Monsoon Onset over Kerala

The IMD has also indicated that the Southwest Monsoon is unlikely to reach Kerala within the previously forecast window around May 26 and is now expected to arrive in the first week of June. According to the IMD, the monsoon has already reached the Andaman Sea on schedule and continues to advance, remaining close to the Kerala coast. However, the strengthening of monsoon winds has been slower than expected, delaying its onset over Kerala. Such forecast deviations are uncommon, though similar delays were observed in 2015, another year associated with developing El Niño conditions.

Broader Implications

The revised forecast has renewed concerns regarding agricultural output, water availability, and rural livelihoods, as a large part of India's cultivated area remains dependent on monsoon rainfall. Of the four broad geographical regions, only the Northeast is forecast to get a "normal" monsoon. The eventual performance of the monsoon will depend not only on El Niño but also on other climatic factors such as the Indian Ocean Dipole (IOD), the Madden-Julian Oscillation (MJO), and the formation of low-pressure systems over surrounding seas.

STATIC CORE LINKAGE

El Niño–Southern Oscillation (ENSO) : ENSO is a naturally occurring ocean–atmosphere phenomenon involving fluctuations in sea–surface temperatures and atmospheric pressure over the tropical Pacific Ocean.

El Niño : Unusual warming of central and eastern Pacific Ocean

La Niña : Unusual cooling of central and eastern Pacific Ocean

Neutral Phase : Neither El Niño nor La Niña conditions

Indian Ocean Dipole (IOD) : Irregular variation in sea–surface temperatures between western and eastern Indian Ocean.

- Positive IOD can enhance Indian monsoon rainfall.
- May partially offset El Niño impacts.

Madden–Julian Oscillation (MJO) : Eastward–moving pulse of clouds and rainfall along the equator.

- Operates on a 30–60 day cycle.
- Strong MJO phases can boost monsoon activity and rainfall.

PYQ Compass

UPSC questions previously asked from the themes discussed on this page.



Q.) With reference to 'Indian Ocean Dipole (IOD)' sometimes mentioned in the news while forecasting Indian monsoon, which of the following statements is/are correct? (2017)

1. The IOD phenomenon is characterised by a difference in sea surface temperature between tropical Western Indian Ocean and tropical Eastern Pacific Ocean.
 2. An IOD phenomenon can influence an El Niño's impact on the monsoon.
- Select the correct answer using the code given below:
- a) 1 only
 - b) 2 only
 - c) Both 1 and 2
 - d) Neither 1 nor 2

Q.) With reference to Ocean Mean Temperature (OMT), which of the following statements is/are correct? (2020)

1. OMT is measured up to a depth of 26°C isotherm which is 129 meters in the south western Indian Ocean during January–March.
 2. OMT collected during January–March can be used in assessing whether the amount of rainfall in monsoon will be less or more than a certain long-term mean.
- Select the correct answer using the code given below:
- a) 1 only
 - b) 2 only
 - c) Both 1 and 2
 - d) Neither 1 nor 2

RELEVANCE

GS 1 : Salient features of India's physical geography.

SC sets 3-month deadline for High Courts to pronounce judgments after reserving orders

The Supreme Court has issued binding guidelines directing all High Courts to pronounce judgments within three months of reserving orders. The directive seeks to address the long-standing problem of excessive delays in delivering verdicts after hearings have concluded. The Court also emphasized greater urgency in cases involving personal liberty, bail, habeas corpus petitions, and criminal appeals, where delays can have serious consequences for individuals.

Supreme Court's Constitutional Authority

The Supreme Court, established under **Part V (Articles 124–147)** of the Constitution, is the apex court of India's integrated judicial system. As the highest court of appeal, guardian of the Constitution, and protector of Fundamental Rights, it has the authority to issue binding directions to ensure the proper administration of justice across the country. Its supervisory role is essential for maintaining consistency, efficiency, and public confidence in the judicial system.

Key Features of the Directive

The Court directed that judgments should ordinarily be delivered within three months of being reserved. (A reserved judgment refers to a case in which arguments have concluded and the court postpones its final decision to a later date.) Bail orders should ideally be pronounced the next day and communicated immediately to jail authorities, with release of eligible undertrials taking place the same day or the next. High Courts must upload reasoned judgments promptly, maintain records of reserved judgments, and generate monthly monitoring reports. Persistent delays may ultimately result in reassignment of cases to another bench for fresh hearing.

Significance of the Directive

Timely delivery of justice is a core requirement of the rule of law and democratic governance. Delayed judgments can prolong incarceration, increase litigation costs, create uncertainty, and weaken public trust in courts. In matters involving personal liberty, delays may effectively deny justice itself. By setting clear timelines and accountability mechanisms, the Supreme Court has sought to reinforce the principle that justice must not only be done but must also be delivered within a reasonable time.

Wider Implications

The directive has implications beyond case management, as it aims to improve judicial efficiency and strengthen access to justice. Effective implementation could reduce pendency, enhance transparency, and promote greater institutional accountability within the judiciary. More broadly, it reaffirms the judiciary's commitment to protecting constitutional rights and ensuring that citizens receive timely remedies. The move may also encourage further reforms aimed at improving the overall functioning of India's justice delivery system.

PYQ Compass

UPSC questions previously asked from the themes discussed on this page.



Q.) With reference to the Constitution of India prohibitions or limitations or provisions contained in ordinary laws cannot act as prohibitions or limitations on the constitutional powers under Article 142. It could mean which one of the following (2019)

- (a) The decisions taken by the Election Commission of India while discharging its duties cannot be challenged in any court of law
- (b) The Supreme Court of India is not constrained in the exercise of its powers by the laws made by Parliament.
- (c) In the event of a grave financial crisis in the country, the President of India can declare a Financial Emergency without the counsel from the Cabinet.
- (d) State Legislatures cannot make laws on certain matters without the concurrence of the Union Legislature.

RELEVANCE

GS II : Structure, organization and functioning of the Executive and the Judiciary

HEALTH

90% of Indian babies are born in hospitals: NFHS-6

The Ministry of Health and Family Welfare has released findings from the National Family Health Survey-6 (NFHS-6), showing significant improvements in maternal and child health indicators across India. The survey reports higher institutional deliveries, better vaccination coverage, improved maternal healthcare utilisation, and a decline in child malnutrition indicators such as stunting and severe wasting. At the same time, it highlights emerging concerns such as rising obesity, non-communicable diseases, and increasing caesarean-section deliveries.

About the Survey

NFHS-6 is India's latest large-scale health and demographic survey conducted by the Ministry of Health and Family Welfare in collaboration with the International Institute for Population Sciences. Field work for the current round was carried out during 2023–24, making it the first NFHS conducted after the COVID-19 pandemic. The previous survey, NFHS-5, was conducted during 2019–21. The survey provides nationally representative data on population, health, nutrition, fertility, family welfare, and related socio-economic indicators.

Child Nutrition & Emerging Health Challenges

The survey recorded notable improvements in child nutrition. Stunting among children below five years declined from **35.5% to 29.3%**, while severe wasting fell from **7.7% to 5.2%**. The proportion of underweight children declined marginally from 32.1% to 31.8%. Child health indicators also improved, with symptoms of acute respiratory infection decreasing from **2.8% to 1.9%** and severe diarrhoea prevalence falling to **0.5%**. Despite these gains, the survey highlighted the continuing challenge of non-communicable diseases, lifestyle-related risks, and the dual burden of undernutrition alongside increasing obesity among adults.

Maternal Health and Hygiene Indicators

95.9% of pregnant women received antenatal care, while first-trimester antenatal registration increased from **70% to 76.2%**. The proportion of mothers receiving at least four antenatal care visits rose from **58.5% to 65.2%**. Maternal nutrition also improved, with women consuming iron-folic acid supplements for at least 100 days during pregnancy increasing from **44.1% to 54.9%**, and for at least 180 days from **26% to 37.8%**. Among women aged 15–24 years, the use of hygienic menstrual protection methods increased from **77.6% to 79.2%**.

Childbirth, Fertility and Vaccination Trends

Institutional deliveries increased from **88.6%** in NFHS-5 to **90.6%** in NFHS-6, indicating greater access to healthcare facilities during childbirth. However, caesarean-section deliveries rose sharply from 21.5% to 27.2%, with urban areas recording a particularly high rate of 40%, well above the World Health Organization's recommended range of 10–15%. India's Total Fertility Rate (TFR) remained stable at 2.0, while contraceptive prevalence increased from 66.7% to 69.1%. Vaccination coverage also improved, with full immunisation among children aged 12–23 months rising from 83.8% to 87.1%. Coverage of the rotavirus vaccine increased from 36.4% to 85.4%, while the second dose of the measles-containing vaccine rose from 58.6% to 71.8%.

Practice questions

Q.) With reference to the findings of the National Family Health Survey-6 (NFHS-6), consider the following statements:

1. The prevalence of stunting among children below five years declined significantly compared to NFHS-5.
2. Severe wasting among children below five years showed an improvement during the survey period.
3. The proportion of underweight children below five years increased, indicating a deterioration in nutritional outcomes.

Which of the statements given above are correct?

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

PYQ Compass

UPSC questions previously asked from the themes discussed on this page.



Q.) Besides being a moral imperative of Welfare State, primary health structure is a necessary pre-condition for sustainable development." Analyze. (GS II - 2021)

Q.) In order to enhance the prospects of social development, sound and adequate health care policies are needed particularly in the fields of geriatric and maternal health care. Discuss (GS II - 2020)

RELEVANCE

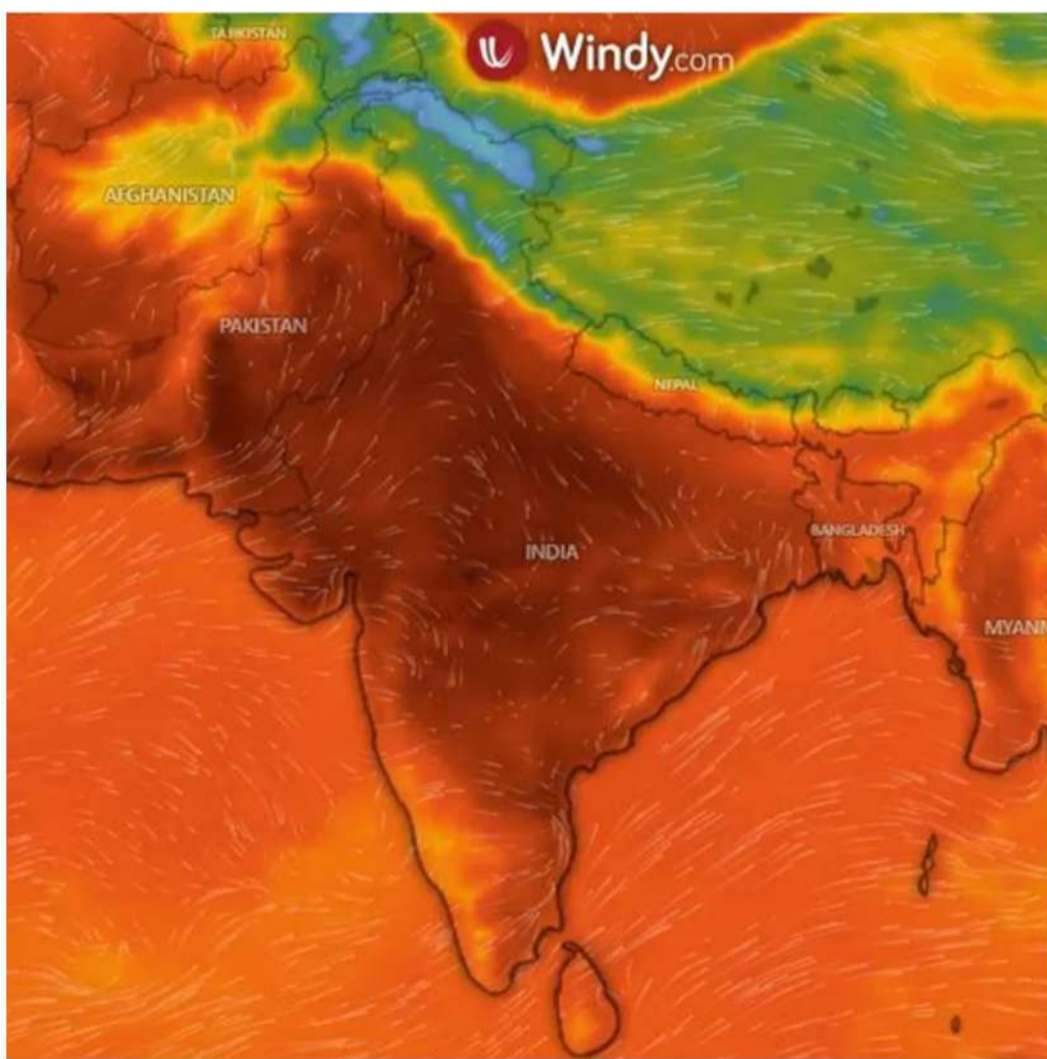
GS II : Issues relating to development and management of Health

Concrete fever (The Hindu 30-05-2026)

India is experiencing intense summer heat, with Sri Ganganagar in Rajasthan recording 48°C, the highest temperature in the country so far this year. While extreme heat before the onset of the southwest monsoon is not uncommon, the delayed arrival of the monsoon has prolonged exposure to harsh conditions. The impact is particularly severe on workers in the informal sector, such as construction workers, street vendors and daily wage labourers, who often work outdoors without adequate protection.

Climate Change and Rising Heatwaves

Climate change has emerged as a major driver of increasing heatwave intensity and frequency in India. According to India Meteorological Department data, the frequency of heatwave spells over India's Core Heatwave Zone has increased by **0.1 days per decade since 1961**, while their maximum duration has risen by **0.55 days per decade**. The **2015-2025** period has also been identified by the World Meteorological Organization as the **warmest eleven-year period** since global temperature records began, highlighting the growing influence of global warming on extreme heat events.



Climate Change and Rising Heatwaves

Climate change alone does not explain the severity of heat in Indian cities. Urban Heat Islands have made many cities 2°C to 10°C hotter than nearby rural areas. This additional heating is caused by extensive concrete and asphalt surfaces, loss of tree cover, and waste heat released from large numbers of air-conditioners. Rising humidity further aggravates discomfort, with Delhi's average humidity increasing by eight percentage points between 2015-19 and 2020-24, partly due to increasingly sealed urban surfaces.



Limits of Technology-Centred Solutions

The growing dependence on air-conditioners is often viewed as a solution to rising temperatures, but it can also worsen the problem. While air-conditioners provide relief to those who can afford them, they release heat into the surrounding environment and increase energy consumption. As a result, technological fixes alone may benefit a limited section of society while doing little to protect the large number of outdoor workers who remain directly exposed to extreme heat.

The Way Forward

Effective heat management requires long-term structural measures rather than relying solely on cooling technologies. Urban planning should promote **reflective building materials, greater green cover and climate-sensitive building designs**. Existing labour laws that require outdoor work to stop when heat conditions become unsafe must be enforced more effectively. A dedicated national discussion on financing heat adaptation measures, as rising temperatures are becoming a major public health, labour and urban governance challenge is the need of the hour.

PYQ Compass

UPSC questions previously asked from the themes discussed on this page.



Q. 3. Discuss global warming and mention its effects on the global climate. Explain the control measures to bring down the level of greenhouse gases which cause global warming, in the light of the Kyoto Protocol, 1997. (GS III - 2023)

RELEVANCE : GS III : Environmental pollution and degradation, environmental impact assessment.

On fertiliser, Centre and states must align policy (Indian Express - 30-05-2026)

The Prime Minister has called upon Indian farmers to reduce the use of chemical fertilisers by 25–50% to conserve foreign exchange and improve long-term soil health. However, the governments of Uttar Pradesh, Madhya Pradesh and Maharashtra have taken a different approach by restricting the sale of several non-subsidised fertiliser products. These states have directed fertiliser companies to sell only subsidised fertilisers such as urea and DAP, creating concerns that state-level actions may undermine broader efforts to promote more efficient nutrient use.

What Is the Actual Issue?

The restriction mainly affects non-subsidised products such as **bio-fertilisers, nano-fertilisers, water-soluble fertilisers, liquid speciality fertilisers, micronutrients and bio-stimulants**. These products are generally used in small quantities for high-value crops and are **designed to improve nutrient-use efficiency**. At the same time, subsidised fertilisers such as urea and Di-Ammonium Phosphate (DAP), whose excessive use has long been a policy concern, continue to remain freely available. As a result, products intended to reduce fertiliser intensity are being discouraged while conventional fertilisers continue to dominate usage.

Why is this a concern?

Such restrictions may discourage innovation in the fertiliser sector because companies may have little incentive to invest in advanced nutrient products if their sale is restricted. Many speciality fertilisers deliver nutrients more efficiently through drip irrigation or foliar application, reducing wastage and improving nutrient absorption. The policy divergence between the Centre's objective of reducing chemical fertiliser dependence and the actions taken by some states could also create uncertainty for farmers, manufacturers and agricultural markets, making it harder to achieve balanced nutrient management.

What Could Be Done Instead?

To genuinely reduce excessive fertiliser use, policy should focus on encouraging balanced nutrient application rather than restricting alternative products. Greater promotion of speciality fertilisers, bio-fertilisers, nano-fertilisers and micronutrients can help improve fertiliser-use efficiency. The government can also strengthen programmes such as the Nutrient-Based Subsidy (NBS) Scheme, expand farmer awareness campaigns, encourage precision farming practices, and gradually move towards direct income support mechanisms that allow farmers to make nutrient decisions based on crop requirements rather than subsidy distortions.

Way Forward

India possesses sufficient land, sunlight and agricultural potential, but remains heavily dependent on imports for fertiliser inputs. Rising geopolitical uncertainties have further highlighted the need to use fertilisers more efficiently and reduce import dependence. A coordinated approach between the Union and State governments, combined with scientific nutrient management, farmer education and support for innovation, can help improve soil health, enhance agricultural productivity and reduce pressure on India's import bill without disrupting farmers' interests.

PYQ Compass

UPSC questions previously asked from the themes discussed on this page.



Q.) What are the different types of agriculture subsidies given to farmers at the national and at state levels? Critically analyse the agricultural subsidy regime with reference to the distortions created by it. (GS III – 2013)

Practice questions

Q.) Consider the following statements regarding the recent restrictions imposed by some States on the sale of certain fertiliser products:

1. Such restrictions may reinforce the dominance of subsidised fertilisers in crop nutrition.
2. They may reduce the adoption of nutrient products designed for targeted and efficient nutrient delivery.
3. They are fully aligned with efforts to reduce India's dependence on imported fertiliser inputs.

Which of the statements given above are correct?

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

RELEVANCE

GS III : Issues related to direct and indirect farm subsidies

International law, 'optional' for powerful states

Public international law was developed through treaties, conventions and institutions to promote a rules-based international order and restrain the arbitrary use of power by states. However, recent years have witnessed a growing erosion of this framework. Violations of international norms have become more frequent, while enforcement mechanisms have weakened. As a result, power politics is increasingly overshadowing legal principles, raising concerns about the credibility and effectiveness of international law.

Violations of the UN Charter and State Sovereignty

One of the most important principles of international law is the UN Charter's prohibition on the use of force against the sovereignty and territorial integrity of states. However, several conflicts have challenged this norm, including Russia's invasion of Ukraine, the 2003 Iraq War, the U.S.-Israeli military actions against Iran, Türkiye's operations in Northern Syria, Azerbaijan's actions in Nagorno-Karabakh, and Ethiopia's cross-border military activities. These incidents have raised concerns about the weakening of respect for state sovereignty.

Human Rights and Environmental Concerns

Serious violations of international humanitarian and human rights law have been reported across several conflict zones. Allegations include massive attacks on civilians in Gaza, abuses against Uyghurs in Xinjiang, persecution of Rohingya in Myanmar, repression of protests in Iran, and atrocities during conflicts in Syria, Yemen and Ethiopia. Environmental commitments have also suffered as countries fall short of climate targets under the Paris Agreement, while illegal deforestation and unregulated exploitation of marine resources continue to threaten global ecosystems.

Need for a Rules-Based International Order

The growing disregard for international law has weakened trust among nations and made conflict resolution more difficult. A stable international system requires effective multilateral institutions, accountability mechanisms and respect for agreed rules and norms. Although international law cannot eliminate all conflicts, it provides a common framework that promotes cooperation, predictability and peaceful coexistence. Strengthening the rules-based order is therefore essential to prevent a return to a world where power alone determines outcomes.

Challenges to UNCLOS and Maritime Law

The rules governing maritime conduct under the UN Convention on the Law of the Sea (UNCLOS) have also faced increasing challenges. In the South China Sea, China continues to assert expansive maritime claims despite the 2016 arbitration ruling rejecting its "nine-dash line" claim. Countries such as the Philippines, Vietnam, Malaysia and Indonesia have reported repeated incursions into their maritime zones. Similarly, tanker seizures and disruptions in the Strait of Hormuz have undermined the principle of freedom of navigation, a cornerstone of global trade.

Practice questions

Q.) With reference to the contemporary international order, consider the following statements:

1. Weakening adherence to international law can make conflict resolution more difficult.
2. Erosion of trust in multilateral institutions can reduce cooperation on global challenges.
3. Declining respect for international norms may encourage states to rely increasingly on power rather than legal principles.

Which of the statements given above are correct?

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

PYQ Compass

UPSC questions previously asked from the themes discussed on this page.



Q.) 1. With respect to the South China sea, maritime territorial disputes and rising tension affirm the need for safeguarding maritime security to ensure freedom of navigation and over flight throughout the region. In this context, discuss the bilateral issues between India and China.

(GS II - International Relations - 2014)

RELEVANCE : *GS II : Effect of policies and politics of developed and developing countries on India's interests, Indian diaspora.*

LPG production hits a record 52,000 tonnes/day

India's LPG production has reached a record high of about 52,000 tonnes per day (TPD), up from around 46,000 TPD earlier, after refineries such as Vadinar resumed operations following maintenance shutdowns. Domestic demand currently stands at around 72,000 TPD during the summer season. The government has stated that adequate stocks of LPG and other petroleum products are available, and no shortages have been reported at LPG distributorships.

India's LPG Dependence and the Importance of the Strait of Hormuz

India depends heavily on imports to meet its LPG needs, with nearly **60% of domestic demand being imported**. Around **90% of these imports traditionally come from the Middle East Gulf region**. The Strait of Hormuz, located between **Iran and Oman**, is a crucial maritime chokepoint through which a large share of global petroleum and LPG trade passes. For India, it serves as the main route for LPG supplies from Gulf producers.

Impact of the 2026 West Asia Conflict

The West Asia conflict that began in February 2026 severely disrupted shipping through the Strait of Hormuz. Vessel movements through the strait dropped sharply, leading to a steep decline in LPG exports from the Gulf region. As a result, India's LPG imports in March and April fell to nearly half of their usual levels. Although alternative supplies were arranged, shipments from countries such as the United States take much longer (40 days) to reach India than cargoes from the Gulf (4 or 5 days).

Measures Taken to Manage the Crisis

To protect household consumers, India temporarily rationed LPG supplies to industrial and commercial users and increased the minimum gap between household refill bookings. Domestic refineries were directed to maximise LPG production, raising domestic output significantly. Refiners also sourced LPG from alternative suppliers such as the United States, Australia and Russia. In addition, diplomatic efforts helped secure the movement of Indian LPG tankers stranded in the Persian Gulf.

Future Implications

India's increased domestic production has reduced its import dependence to some extent, but a substantial supply gap remains. Continued uncertainty in West Asia highlights the risks of excessive dependence on a single region for energy imports. Going forward, India may need to diversify LPG import sources, strengthen strategic reserves, expand domestic production capacity and improve energy security planning to reduce vulnerability to geopolitical disruptions.

Practice questions

With reference to India's LPG supply situation in 2026, consider the following statements:

1. Diversification of LPG import sources can reduce India's vulnerability to supply disruptions arising from geopolitical tensions in any one region.
2. Strengthening strategic reserves and increasing domestic LPG production can improve India's resilience against external supply shocks.
3. LPG demand in India generally declines during the summer season compared to normal annual levels.

Which of the statements given above are correct?

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

PYQ Compass

UPSC questions previously asked from the themes discussed on this page.



Q.) Ships from which of the following countries have to cross the Strait of Hormuz to reach out to the Indian Ocean? (2026)

1. Bahrain
2. Syria
3. Qatar
4. Egypt

Select the answer using the code given below :

- (a) 1 and 2
- b 1 and 3
- (c) 2 and 3
- (d) 3 and 4

RELEVANCE

GS III : Indian Economy and issues relating to planning, mobilization, growth, development

RBI data shows why govt. is concerned about dollars flowing out

Recent data released by the Reserve Bank of India shows that India's Balance of Payments (BoP) recorded a deficit of \$30.8 billion in 2025-26, marking a sharp reversal from the surplus recorded in 2023-24. The deficit arose because total dollar outflows exceeded inflows by a significant margin. According to the RBI, the deterioration was driven by a widening Current Account Deficit (CAD) and a steep decline in foreign capital inflows. The deficit was financed through the drawdown of India's foreign exchange reserves, leading to pressure on external sector stability.

What Changed in 2025-26?

India generally runs a Current Account Deficit because imports exceed exports, but this has often been offset by strong capital inflows such as foreign investments and borrowings. In 2023-24, a capital account surplus of \$89.4 billion comfortably exceeded the CAD of \$26.1 billion, resulting in a BoP surplus of \$63.7 billion. However, in 2025-26, the capital account surplus collapsed to just \$72 million, while the CAD widened to \$30.2 billion, a three-year high. Increased overseas fund holdings by Indians, delayed export receipts, advance import payments, and net foreign portfolio investor outflows contributed to the sharp deterioration.

Ground-Level Implications and Policy Response

The worsening external sector position highlights India's dependence on imports, particularly crude oil and gold, which account for a substantial share of dollar outflows. Against this backdrop, the Prime Minister urged citizens to reduce fuel consumption and moderate gold purchases. The government also increased import duties on gold and silver and imposed restrictions on certain silver imports to curb non-essential demand for foreign exchange. The episode underlines the importance of strengthening exports, attracting stable capital inflows, and reducing import dependence to maintain external sector resilience.

STATIC CORE LINKAGE

Balance of Payments (BoP) : A systematic record of all economic transactions between residents of a country and the rest of the world during a specific period.

Balance of Payments = Current Account Balance + Capital Account Balance

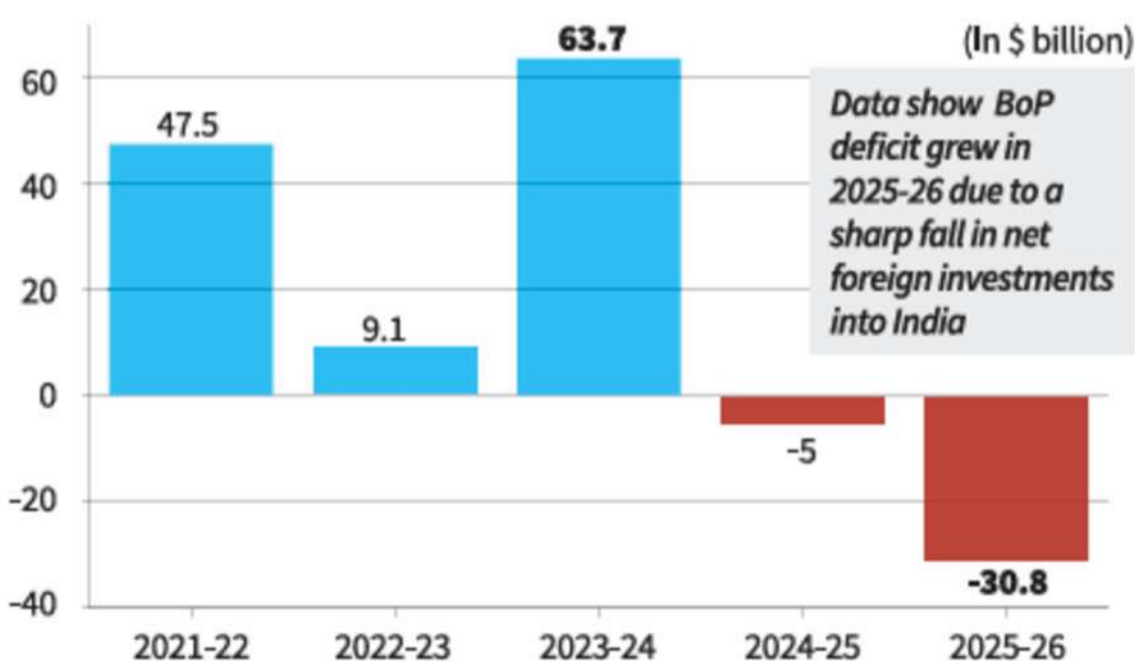
- BoP Surplus → Foreign exchange inflows exceed outflows.
- BoP Deficit → Foreign exchange outflows exceed inflows.

Current Account Deficit : Occurs when a country's payments for imports, services and transfers exceed its earnings from exports, services and transfers.

Merchandise Trade Deficit : Excess of merchandise imports over merchandise exports.

Balance of Payments

The outflow of dollars has exceeded inflows by an increasing amount



Source: RBI Annual Report 2025-26 • Note: Data for 2025-26 is provisional. Negative figures indicate a deficit and positive ones denote a surplus.

PYQ Compass

UPSC questions previously asked from the themes discussed on this page.



Q. The balance of payments of a country is a systematic record of: (2013)

- all import and transactions of a during a given period normally a year
- goods exported from a country during a year
- economic transaction between the government of one country to another
- capital movements from one country to another

RELEVANCE

GS III : Indian Economy and issues relating to planning, mobilization, growth, development

Practice Questions and answers

- Q.) With reference to India's LPG supply situation in 2026, consider the following statements:
1. Diversification of LPG import sources can reduce India's vulnerability to supply disruptions arising from geopolitical tensions in any one region.
 2. Strengthening strategic reserves and increasing domestic LPG production can improve India's resilience against external supply shocks.
 3. LPG demand in India generally declines during the summer season compared to normal annual levels.

Which of the statements given above are correct?

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

Answer: (d) 1, 2 and 3

Statement 1 is correct. The disruption of shipping through the Strait of Hormuz demonstrated the risks associated with heavy dependence on the Middle East Gulf region. Sourcing LPG from a wider range of suppliers such as the US, Australia and Russia can reduce concentration risk, even if it does not always lower costs.

Statement 2 is correct. India responded to the crisis by maximising domestic LPG production and relying on existing inventories. This highlights the importance of domestic production capacity and strategic reserves in managing sudden geopolitical disruptions.

Statement 3 is correct. LPG demand generally declines during summer months. Consequently, demand at the time of the crisis was around 72,000 TPD compared to the normal demand of about 80,000 TPD, providing some temporary relief.

- Q.) With reference to the findings of the National Family Health Survey-6 (NFHS-6), consider the following statements:

1. The prevalence of stunting among children below five years declined significantly compared to NFHS-5.
2. Severe wasting among children below five years showed an improvement during the survey period.
3. The proportion of underweight children below five years increased, indicating a deterioration in nutritional outcomes.

Which of the statements given above are correct?

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

Answer: (a) 1 and 2 only

The National Family Health Survey-6 (NFHS-6) reported an overall improvement in several child nutrition indicators compared to NFHS-5 (2019-21).

Statement 1 is correct. The prevalence of stunting among children below five years declined from 35.5% to 29.3%. Since stunting reflects long-term or chronic undernutrition, this decline indicates an improvement in the nutritional status of children.

Statement 2 is correct. The survey found that severe wasting decreased from 7.7% to 5.2%. Wasting is an indicator of acute undernutrition, and a reduction in its prevalence suggests better short-term nutritional and health outcomes among children.

Statement 3 is incorrect. The proportion of underweight children did not increase. Instead, it declined marginally from 32.1% to 31.8%. Although the improvement was modest, the trend was positive rather than indicative of worsening nutritional outcomes.

Thus, NFHS-6 shows a general improvement in child nutrition, with reductions in stunting, severe wasting, and underweight prevalence, though the decline in underweight children was relatively small compared to the gains made in the other indicators. Therefore, only Statements 1 and 2 are correct.

Practice Questions and answers

Q.) Consider the following statements regarding the recent restrictions imposed by some States on the sale of certain fertiliser products:

1. Such restrictions may reinforce the dominance of subsidised fertilisers in crop nutrition.
2. They may reduce the adoption of nutrient products designed for targeted and efficient nutrient delivery.
3. They are fully aligned with efforts to reduce India's dependence on imported fertiliser inputs.

Which of the statements given above are correct?

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

Answer: (a) 1 and 2 only

The recent restrictions imposed by some States prohibit the sale of several non-subsidised fertiliser products such as bio-fertilisers, nano-fertilisers, micronutrients, water-soluble fertilisers and other speciality nutrient products. At the same time, subsidised fertilisers such as urea and DAP continue to be available.

Statement 1 is correct. Since farmers would have fewer alternative nutrient products to choose from, they may rely more heavily on subsidised fertilisers such as urea and DAP. This could further strengthen the dominance of these conventional fertilisers in crop nutrition.

Statement 2 is correct. Many speciality fertilisers are designed to improve nutrient-use efficiency by delivering nutrients directly to the root zone through drip irrigation or through foliar application on leaves. Restricting their sale could reduce the adoption of such targeted nutrient-delivery methods and limit the use of more efficient fertiliser technologies.

Statement 3 is incorrect. India is heavily dependent on imported fertiliser inputs. The Prime Minister has called for reducing excessive fertiliser consumption partly to conserve foreign exchange and reduce import dependence. Restricting alternative nutrient products while encouraging continued dependence on conventional fertilisers is therefore not fully aligned with this broader objective.

Q.) With reference to the contemporary international order, consider the following statements:

1. Weakening adherence to international law can make conflict resolution more difficult.
2. Erosion of trust in multilateral institutions can reduce cooperation on global challenges.
3. Declining respect for international norms may encourage states to rely increasingly on power rather than legal principles.

Which of the statements given above are correct?

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

Answer: (d) 1, 2 and 3

Statement 1 is correct. International law provides a common framework for resolving disputes peacefully through diplomacy, negotiations, and international institutions. When states increasingly disregard international legal obligations, the credibility of these mechanisms declines, making conflicts harder to prevent, manage and resolve.

Statement 2 is correct. Multilateral institutions such as the United Nations and other international bodies play an important role in addressing global challenges that no country can solve alone, including climate change, pandemics, maritime security and arms control. If states lose confidence in these institutions or perceive them as ineffective, international cooperation weakens, reducing the ability of the global community to respond collectively.

Statement 3 is correct. International norms seek to regulate state behaviour through agreed rules and principles. However, when violations occur without meaningful accountability, states may increasingly believe that military, economic or political power is more important than legal commitments. This can encourage unilateral actions and weaken respect for established international rules.