# NEXT IAS

# DAILY NEWS ANALYSIS

9th January

## EXPLAINED

1. Indian Food Processing Sector
2. USA's Withdrawal From Key Treaties Startups in India
3. Startups in India
4. Cryptocurrency and Blockchain Technology
5. PANKHUDI Portal

## DNA QUIZ

## PRACTICE QUESTIONS

**Playlist Link:**

What to Read: https://bit.ly/3FYdutC

Daily News Analysis: https://bit.ly/4ge9BgF

**www.nextias.com**


**DELHI CENTRE: Vivekananda House**
6-B, Pusa Road, Metro Pillar No. 111,
Near Karol Bagh Metro
New Delhi-110060
Phone: 8081300200

**DELHI CENTRE: Tagore House**
27-B, Pusa Road, Metro Pillar No. 118,
Near Karol Bagh Metro
New Delhi-110060
Phone: 8081300200

**DELHI CENTRE: Mukherjee Nagar**
637, Banda Bahadur Marg,
Mukherjee Nagar,
Delhi-110009
Phone: 9311667076

**PRAYAGRAJ CENTRE:**
13A/1B, Tashkand Marg,
Civil Lines, Near Hyundai
Showroom, Prayagraj,
Uttar Pradesh-211001
Phone: 9958857757

**JAIPUR CENTRE:**
Plot No. 6 & 7, 3rd Floor,
Sree Gopal Nagar,
Gopalpura Bypass,
Jaipur-302015
Phone: 9358200511

# EXPLAINED

## 1. INDIAN FOOD PROCESSING SECTOR

**Backdrop:** Shri Chirag Paswan, Minister of Food Processing Industries, Government of India inaugurated Indusfood 2026 at Expo Mart, Greater Noida, on 8th January 2026. Indusfood is Asia's premier food and beverage tradeshow. This is the biggest edition of the show yet covering a total area of 120,000 square meters.

**Relevance:** GS PAPER III (INDIAN ECONOMY)

### Introduction

- Food processing is one of India's sunrise sectors — linking the nation's vast agricultural base with industrial growth, export potential, and employment generation. It transforms raw agricultural produce into value-added products, reducing wastage, improving farmer incomes, and enhancing food security.
- As India aims to become a *Viksit Bharat* (Developed India) by 2047, food processing plays a vital role in achieving inclusive growth by integrating farmers with modern supply chains and global markets.

### Key Segments of Food Processing

1. **Primary Processing** – cleaning, grading, milling, and drying of raw products.
2. **Secondary Processing** – turning raw products into semi-finished or finished products (e.g., flour, jams, juices).
3. **Tertiary Processing** – packaging, branding, and distribution of consumer-ready goods.

### Significance of Food Processing in India

#### Agricultural Backbone

- India is the world's **second-largest producer of fruits and vegetables**, largest producer of milk, pulses, and spices.
- Yet, less than **10% of total agricultural output** is processed — far below the global average (China: 40%, USA: 65%).
- Hence, the food processing sector holds huge untapped potential.

#### Economic Contribution

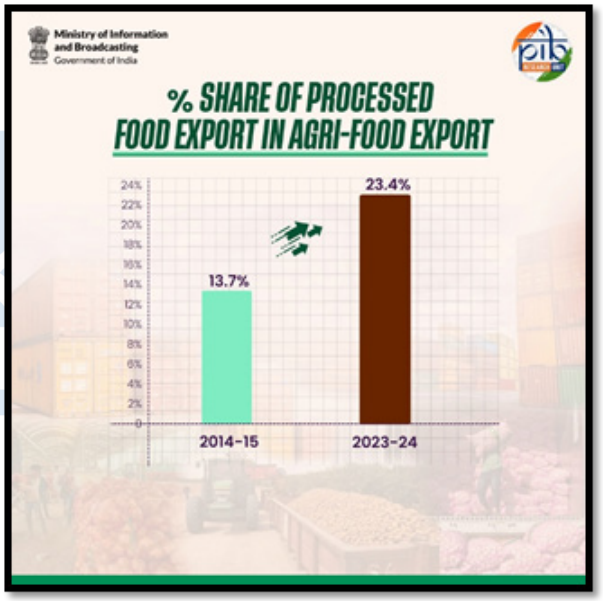
- The food processing industry contributes around **10% of India's manufacturing GDP** and **12% of total employment** in the organized sector.
- The sector attracted **over USD 5 billion in FDI** between 2014–2023, reflecting strong investor confidence.

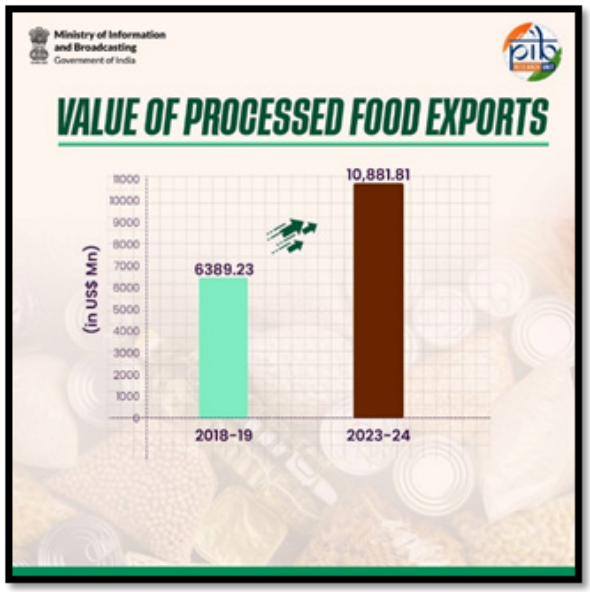
#### Employment and Rural Development

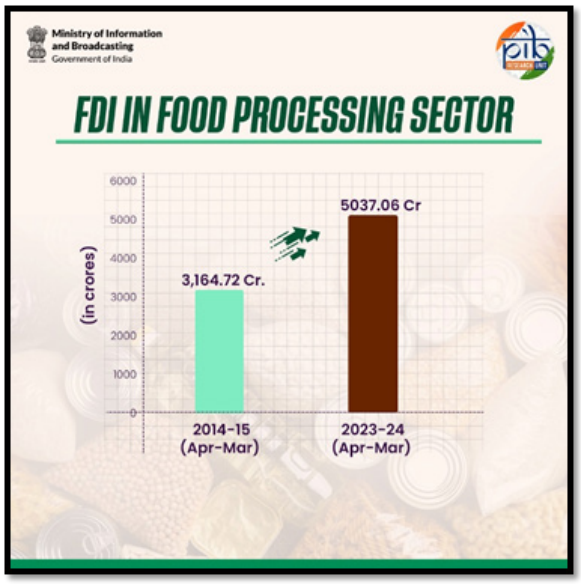
- Acts as a bridge between agriculture and industry — providing **non-farm employment** in rural areas, especially for women and youth.
- Reduces distress migration by creating rural manufacturing hubs.

### Export Potential

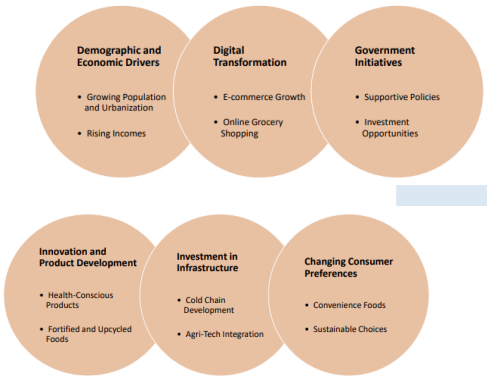
- India's food processing exports crossed **USD 50 billion in 2023–24**, with key exports including marine products, rice, sugar, spices, and processed foods.
- With growing global demand for organic, ethnic, and ready-to-eat products, India can emerge as a global food factory.






**Food & Food Processing Industry – Growth Drivers**




## Government Initiatives and Schemes

**(a) Pradhan Mantri Kisan Sampada Yojana (PMKSY)**

- Umbrella scheme by the Ministry of Food Processing Industries (MoFPI).
- Components include:
  - **Mega Food Parks:** cluster-based approach integrating farmers, processors, and retailers. (Example: Tumakuru Mega Food Park in Karnataka)
  - **Integrated Cold Chain and Value Addition Infrastructure**
  - **Creation/Expansion of Food Processing & Preservation Capacities**
  - **Agro-Processing Cluster Scheme**
  - **Food Safety and Quality Assurance Infrastructure**

**(b) Production Linked Incentive (PLI) Scheme (2021)**

- Targets high-value products such as ready-to-eat foods, marine products, and organic items.
- Aims to increase global competitiveness, brand building, and scale in Indian food manufacturing.

**(c) Operation Greens**

- Launched for "TOP to TOTAL" — **Tomato, Onion, Potato**, and now extended to other perishables.
- Focus on price stabilization, value chain development, and reducing post-harvest losses.

**(d) PM Formalisation of Micro Food Processing Enterprises (PMFME) Scheme**

- Supports **2 lakh micro food-processing units**, encouraging local entrepreneurship and branding through the **One District One Product (ODOP)** approach.

**(e) Agri-Infra Fund & Cold Chain Initiatives**

- ₹1 lakh crore fund to strengthen farm-gate infrastructure, logistics, and storage.

**(f) Food Processing under "Make in India" & "Atmanirbhar Bharat"**

- Focuses on import substitution, innovation, and global brand creation.

## Challenges Facing the Sector

1. **Fragmented Supply Chain:** Poor linkages between farmers and processors increase wastage (estimated at ₹92,000 crore annually).
2. **Inadequate Infrastructure:** Cold chains, warehousing, logistics, and testing labs remain underdeveloped.
3. **Credit and Investment Constraints:** MSMEs struggle to access affordable finance for modernization.
4. **Regulatory Complexity:** Multiple agencies (FSSAI, APEDA, MoFPI, State Governments) cause procedural delays.
5. **Low Farmer Awareness:** Farmers lack knowledge of quality standards, processing opportunities, and market access.
6. **Skill Gaps:** Need for trained manpower in food technology, quality control, and packaging.
7. **Global Competitiveness:** High logistics cost (13–14% of GDP) and limited branding hamper exports.

## Way Forward

1. **Strengthen Value Chains:** Promote farm-to-fork integration via digital platforms, FPOs, and contract farming.
2. **Expand Cold Chain & Logistics:** Encourage PPP-based models and solar cold storages.

3. **Skill Development:** Integrate food technology training in ITIs and agricultural universities.
4. **Ease of Doing Business:** Streamline regulatory approvals under a single-window system.
5. **Promote R&D and Innovation:** Focus on plant-based proteins, functional foods, and sustainable packaging.
6. **Boost Exports:** Develop food export zones, enhance traceability, and brand India's ethnic products globally.
7. **Sustainability Focus:** Encourage energy-efficient processing, waste-to-energy, and circular economy models.

### Conclusion

- Food processing is not just an industrial sector — it is a **transformational driver** that can double farmer incomes, reduce food wastage, generate employment, and strengthen India's rural economy.
- As Finance Minister Nirmala Sitharaman recently highlighted, **India's agro-processing revolution is key to achieving "Viksit Bharat"**, by turning villages into value-adding centers of growth.
- Through sustained investment, innovation, and public-private collaboration, India can truly become the global hub for nutritious, safe, and sustainable food products.

## 2. USA'S WITHDRAWAL FROM KEY TREATIES STARTUPS IN INDIA

**Backdrop:** The United States on Thursday said it was pulling out of the UN Framework Convention on Climate Change (UNFCCC) and more than 60 other international treaties and organisations that "no longer serve American interests".

**Relevance:** GS PAPER III (ENVIRONMENT/IR)

- Climate governance is not merely environmental—it is deeply intertwined with geopolitics, geoeconomics, and global leadership in future technologies.

### Introduction:

- In early January 2026, the United States announced an unprecedented withdrawal from **66 international organizations and treaties**, including several central to global climate governance such as the **UN Framework Convention on Climate Change (UNFCCC)**, the **Intergovernmental Panel on Climate Change (IPCC)**, and the **India-led International Solar Alliance (ISA)**. This marks an extraordinary shift in U.S. foreign policy and its engagement with multilateral institutions on climate action and broader global governance.

### 1. What the Withdrawal Entails

**US Exit from Climate Architecture**

- The U.S. has pulled out of both **UN and non-UN bodies** that play key roles in climate science, policy coordination, and renewable energy cooperation.
- Core exits include:
  - **UNFCCC** — the foundational climate change treaty process under which the **Paris Agreement** was negotiated.
  - **IPCC** — the world's foremost scientific body for climate research.
  - **International Solar Alliance (ISA)** — co-founded by India and France to accelerate solar deployment globally.
  - Other environmental bodies supporting biodiversity, adaptation financing, and energy transition frameworks.
- Officials from the U.S. government have justified the move on grounds of *national sovereignty and prioritising domestic interests over what they see as costly or misaligned international commitments*. Critics argue it stems from a broader *skepticism of multilateralism and global governance*.

### 2. Geopolitical Significance

**a) Erosion of American Climate Leadership**

- The U.S. was historically one of the most influential actors in shaping global climate governance:
  - It was instrumental in the creation and early adoption of the **UNFCCC** and later the **Paris Agreement**.
  - As a major scientific funder, U.S. agencies contributed significantly to climate research and data infrastructure.

**With its withdrawal:**

- **Diplomatic leverage** on climate negotiations is diminished.
- The ability to influence global norms, standards, and financing mechanisms weakens.
- The U.S. cedes space for other powers to shape the future of climate cooperation.

- Analysts point to a likely *gain in influence for China and the European Union*, especially in renewable energy markets, climate finance, and multi-country climate initiatives. China's leadership in solar panel manufacturing, electric vehicles, and green infrastructure projects can become central to global decarbonisation pathways — particularly if the U.S. remains disengaged.

**b) Broader Multilateral Governance Erosion**

- The climate withdrawal is part of a **larger pattern** of U.S. disengagement from global institutions — including the WHO and UNCDF — driven by a belief that such bodies compromise national interests or sovereignty.

**Such retrenchment could:**

- Weaken coordinated responses to global public goods problems (e.g., climate, health, migration).
- Encourage other countries to pursue **regional coalitions or alternative forums**.
- Trigger fragmentation of global norms, leading to competing standards across blocs.

## 3. Geoeconomic Dimensions

**Climate Finance and Technology Flows**

- Historically, developed countries — including the U.S. — committed to mobilising **$100 billion per year** in climate finance to support mitigation and adaptation in developing economies. U.S. withdrawal jeopardises:
  - Climate finance pipelines to vulnerable nations.
  - Technical cooperation programs on clean energy transition.
  - Long-term investments in climate-resilient infrastructure.
- This creates broader economic opportunities for nations with *green industries* and *climate finance capability*, especially the EU and China. For example:
  - Chinese firms dominate solar PV supply chains, batteries, and electric transport equipment.
  - European financial institutions continue to testify climate integration into fiscal policy and climate debt markets.

## Trade and Energy Markets

**The retreat also influences global energy markets:**

- Reduced U.S. engagement could slow the pace of global emission mitigation commitments, affecting long-term carbon price dynamics.
- Countries aligning strongly with net-zero targets may gain competitive advantages in **green technologies** and exports.

## 4. Implications for India

**a) Strategic and Diplomatic Impact**

- India had positioned itself as a key climate partner, notably through the **ISA**, which seeks to expedite deployment of solar energy across the Global South. U.S. exit does not terminate ISA operations but reduces a potential source of high-level diplomatic and technological collaboration.

**b) Development and Clean Energy Financing**

- U.S. participation could have facilitated broader access to finance, investment, and technology cooperation in areas such as:
  - Renewables manufacturing.
  - Grid integration and storage technologies.
  - Climate adaptation programs.
- Reduced U.S. engagement may prompt India to look for **alternative partnerships**, including strengthening ties with:
  - **European Union** for climate-linked trade incentives.
  - **Gulf and East Asian markets** for low-carbon investments.
  - **Multilateral Development Banks** for climate financing.

**c) Domestic Policy Recalibration**

- With geopolitical shifts in climate cooperation, India has an opportunity to:
  - Advocate climate finance mechanisms that reflect equity and development needs.
  - Strengthen indigenous clean energy industries (solar, wind, green hydrogen).
  - Expand South–South cooperation for technology transfer.

## 5. Path Ahead — Challenges and Opportunities

**Challenges**

- **Policy vacuum** in leading global decarbonisation diplomacy.
- Potential **fragmentation** in climate governance mechanisms.
- Risks of **lower ambition** and delayed global targets (e.g., limiting warming to 1.5°C).

**Opportunities**

- For India and other Global South nations to **reshape climate governance** based on equity.

- Rise of **new coalitions** (e.g., Coalition of Finance Ministers for Climate Action) to integrate climate into economic policy.
- Expanded regional climate forums focusing on renewable transitions and technology sharing.

### Conclusion

- The U.S. decision to exit key climate bodies marks a tectonic shift in global governance — with ramifications across diplomacy, energy markets, and geopolitical alignments. **For India, this presents both challenges and strategic openings**: it must navigate a transitioning architecture while leveraging its own diplomatic network to champion climate action that intersects with its development priorities.
- Ultimately, the global climate challenge — a *shared public good* — demands cooperation beyond national borders. How major powers recalibrate their roles will shape the economic and environmental landscape for decades to come.

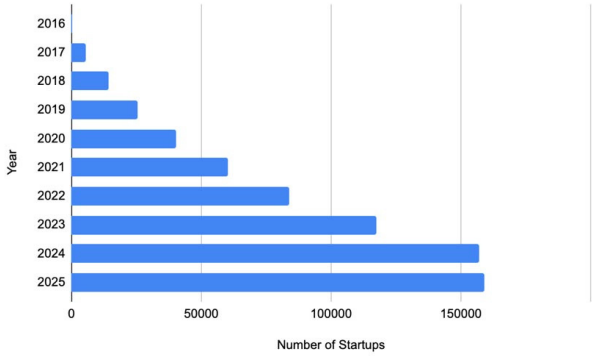
## 3. STARTUPS IN INDIA

**Backdrop:** PM chairs Roundtable with Indian AI Start-Ups. 12 Indian AI Start-ups, who have qualified under Foundation Model Pillar in the India AI Impact Summit 2026, present their ideas and work.

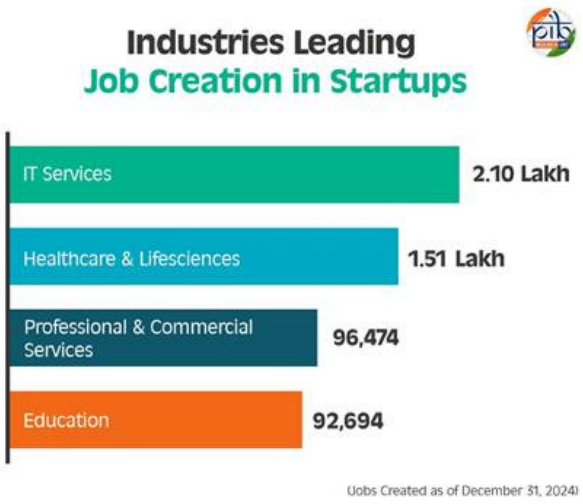
**Relevance:** GS PAPER III (INDIAN ECONOMY)

### Introduction:

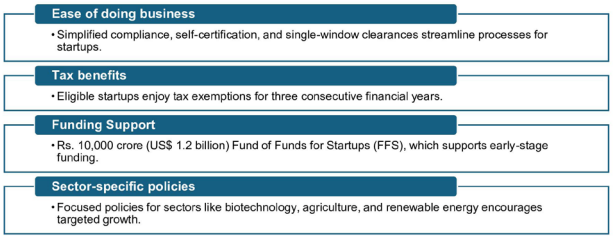
- The startup ecosystem in India has seen a remarkable transformation over the past decade, driven by a confluence of factors that have reshaped the entrepreneurial landscape. This surge in entrepreneurial activity, fuelled by innovation, capital inflow, and government support, has propelled India into the global spotlight as one of the fastest-growing startup ecosystems in the world. The launch of the 'Startup India' initiative in 2016 by the Department for the Promotion of Industry and Internal Trade (DPIIT) marked a pivotal moment in this transformation, providing a solid foundation for entrepreneurs by offering tax benefits, funding opportunities, and regulatory relief. India's startup ecosystem has experienced exponential growth in recent years (see Figure 1). As of January 2025, India was home to 159,000 startups, making it the third largest startup ecosystem in the world. In terms of unicorns—privately-held startups valued at US$1 billion or more—India ranks 3rd as well.




- As of December 2025, India has more than 75,000 startups with at least **one-woman director** that have been recognised under the Startup India Initiative. This represents half of the 1,57,066 startups supported by the government, showcasing the crucial role women play in driving economic growth.




### Features of the Startup India initiative



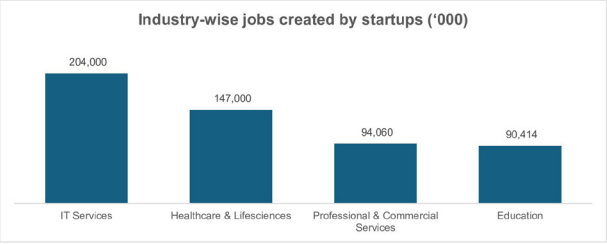

### Key milestones in India's startup journey

- Over the past nine years, the Startup India initiative has been pivotal in shaping a vibrant entrepreneurial ecosystem.

The number of DPIIT-recognised startups has grown from around 500 in 2016 to 1,59,157 as of January 15, 2025.

As of October 31, 2024, a total of 73,151 recognised startups include at least one woman director, showcasing the rise of women entrepreneurs in India.

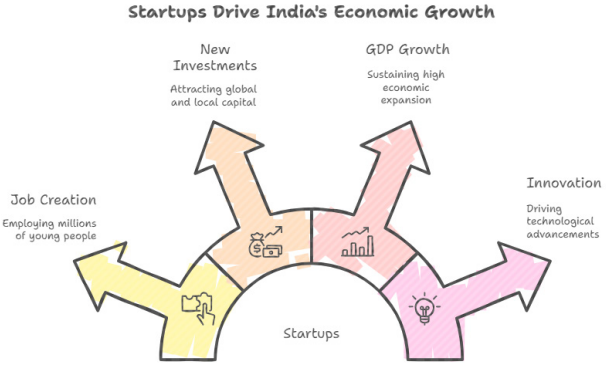
From 2016 to October 31, 2024, recognised startups have reportedly created over 16.6 lakh direct jobs, significantly contributing to employment generation.



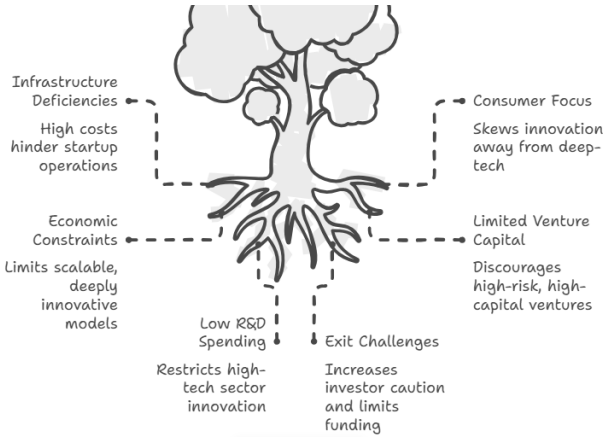

Source: PIB

- As of October 31, 2024, DPIIT-recognized startups have generated more than 1.66 million direct jobs across various sectors, making a substantial impact on employment creation.

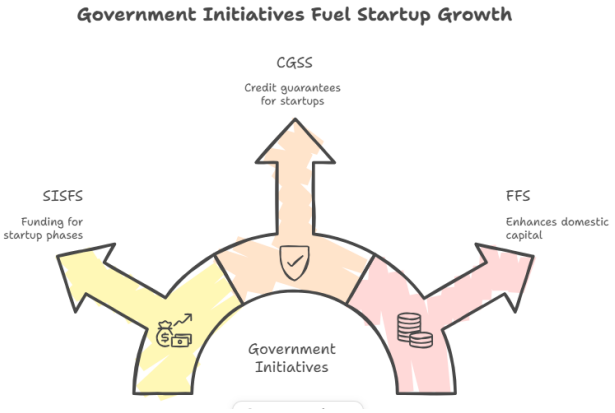
## Economic contributions of startups




## Challenges




## Government initiatives and support




## Conclusion

- To sum up, while celebrating nine years of the Startup India initiative, the country has seen a paradigm shift in the way the Indian population approaches entrepreneurship. India has confirmed its status as a global entrepreneurship hotspot by having more than 1.59 lakh DPIIT recognized startups and an increasing headcount. Startups in and out of non-metro cities have been empowered by the initiative's support through flagship schemes, capacity-building platforms like BHASKAR and events like the Startup Maha Kumbh. The Startup India program continues to be the backbone of economy incrementation due to new job opportunities being provided, stimulating an inclusive entrepreneurial civilisation.

# 4. CRYPTOCURRENCY AND BLOCKCHAIN TECHNOLOGY

**Backdrop:** The cryptocurrency sector finds new ways to surprise investors every year. While 'finfluencers," traders, and analysts use a range of unique tools and strategies to predict the performance of various crypto assets this year, we can track some ongoing trends and market catalysts in order to understand what developments the crypto industry might experience in 2026.

**Relevance:** GS PAPER III (SCIENCE & TECHNOLOGY)

## Introduction

- **Cryptocurrency and blockchain technology are entering 2026 in a phase of structural evolution, moving away from transient speculation toward financial integration, regulation, and real-world utility.** Analysts and market observers now frame the narrative less as "boom-or-bust" and more as a maturation process

where regulation, institutional demand, tokenized assets, and emerging technologies shape long-term trajectories.

## 1. Market Maturity & Institutional Adoption

### Institutional Capital and Professional Frameworks

- One of 2026's defining themes is the shift from retail-centric crypto to *institutionally viable digital assets*. Reports project more crypto assets available via **regulated exchange-traded products**, slowly bringing institutional capital on-chain. This suggests a transition toward slower but more sustainable growth anchored in fundamentals rather than speculative rallies.
  - Traditional financial institutions (asset managers, pension funds, insurers) are increasingly allocating a portion of portfolios to Bitcoin and Ethereum as *store-of-value* and *portfolio diversifiers*, not merely speculative instruments.
  - Crypto custodial and audit services by major firms (e.g., PwC expanding crypto advisory work) indicate deeper infrastructure adoption.

## 2. Regulation Moves from Ambiguous to Actionable

### Global Regulatory Clarification

- 2026 is poised to be a year where regulatory frameworks go from *reactive* to *proactive*.
  - In the U.S., landmark legislation such as the **GENIUS Act** and other comprehensive frameworks are providing clarity around stablecoins, custody, and token issuance — unlocking capital and enabling traditional finance participation.
  - Analysts see these policies as essential to bringing large institutional pools into regulated crypto markets.
  - However, global perspectives differ. For example, in **India**, authorities like the Income Tax Department and RBI continue to flag risks associated with virtual assets, limiting broader acceptance and imposing scrutiny.
  - Still, exchanges and industry players are engaging with policymakers to shape frameworks that protect consumers while enabling innovation.

## 3. Blockchain Technology & Infrastructure Trends

### Scalability & Interoperability

- *Layer-2 solutions* (e.g., optimistic and zero-knowledge rollups) are expected to influence scalability, especially for Ethereum and Bitcoin ecosystems, reducing costs and increasing throughput. Interoperable frameworks that allow multiple chains to communicate efficiently are becoming critical — enabling data and asset transfers across ecosystems.

### AI & Blockchain Convergence

- AI is increasingly used within crypto for predictive analytics, risk mitigation, asset discovery, and on-chain decision-making. Projects blending AI and blockchain are accelerating *intelligent financial infrastructure* beyond simple yield farming or token swaps.

## 4. Tokenization & Real-World Asset Integration

- **Tokenizing real-world assets (RWAs)** — such as real estate, treasuries, commodities, or private equity — is rapidly becoming one of blockchain's most practical value propositions. This bridges the gap between traditional asset markets and decentralized finance (DeFi).
  - Tokenization creates *fractional ownership*, increased liquidity, and 24/7 global marketplaces.
  - Projects and platforms are increasingly focused on RWA issuance and compliant structures, appealing to both retail and institutional investors.
- Stablecoins too are emerging as a *bridge* between fiat money and blockchain, offering faster settlements and an intermediate layer for blockchain-based value transfer.

## 5. Decentralized Finance (DeFi) Evolves

- DeFi in 2026 is not just about high APYs; it's turning toward *on-chain credit, insurance, and institutional functionality*:
  - Lending platforms with institutional-grade risk controls
  - Cross-chain liquidity enabling deeper markets
  - Programmable payment frameworks and decentralized insurance pools
  - Compliance layers compatible with AML/KYC norms
- This maturation turns DeFi into **"On-Chain Finance" (OnFi)** — resembling regulated financial platforms with the benefits of decentralization.

## 6. Geographic & Sectoral Adoption

### India's Crypto Landscape

- India's market has seen rapid retail adoption across cities and demographics, but regulatory reluctance has shaped a cautious ecosystem.

Regulatory uncertainty and dominant stances by financial authorities mean that **innovation must align with trusted compliance and consumer protection**.

- Nevertheless, blockchain talents and startup growth continue, positioning India as an *important participant* in the global crypto economy.

**Worldwide Use Cases Expand**

- Blockchain in banking: tokenised deposits and programmable money
- Enterprise supply chain tracking and identity solutions
- Blockchain in gaming and digital communities (NFTs with real utility)
- Cross-border payments optimized via blockchain rails

### 7. Market Sentiment & Price Dynamics

- Despite structural progress, short-term price volatility remains a reality — Bitcoin and broader crypto markets saw significant corrections in 2025.
- Experts suggest that 2026 will include both volatility and opportunities, with disciplined investing and long-term positioning becoming increasingly important.

### 8. Challenges and Headwinds

**Security & Privacy**

- Blockchain's *immutable and transparent* design is a double-edged sword — excellent for auditability, but challenging for privacy and regulatory compliance.

**Regulatory Complexity**

- Different jurisdictions have divergent approaches — from permissive regulation and CBDC rollout plans to caution rooted in financial stability concerns.

### Conclusion:

**By 2026:**

- **Crypto will not just be an asset class — it will be foundational financial infrastructure**:
  - Integrated with regulated finance
  - Instrumental in tokenizing real-world value
  - Driven by institutional and AI-linked frameworks
  - Stabilized by global regulatory clarity
- This maturation phase promises a *less speculative and more utility-driven* landscape — where blockchain transforms finance, markets, and digital interactions at scale.

## 5. PANKHUDI PORTAL

**Backdrop:** Ministry of Women and Child Development launched PANKHUDI, an integrated Corporate Social Responsibility (CSR) and partnership facilitation digital portal aimed at strengthening coordination, transparency, and structured stakeholder participation in initiatives for women and child development.

**Relevance:** GS PAPER I (INDIAN SOCIETY) & GS PAPER II (Governance)

### Introduction:

- On **8 January 2026**, the **Ministry of Women and Child Development** launched *PANKHUDI*—an innovative and integrated digital portal aimed at strengthening partnerships and enhancing collaborative action for the welfare, protection, and empowerment of women and children across India. The launch marks an important milestone in harnessing digital technology for social development and structured stakeholder engagement.

### Inauguration & Vision

- The *PANKHUDI* portal was formally launched by **Smt. Annpurna Devi**, Union Minister for Women and Child Development, in the presence of **Smt. Savitri Thakur**, Minister of State for Women and Child Development, and **Shri Anil Malik**, Secretary of the Ministry. This initiative draws inspiration from the vision of **Prime Minister Shri Narendra Modi**, who has emphasized the role of technology in enhancing transparency, participation, trust, and *Jan Bhagidari* (people's participation) as central pillars of nation-building.

### What is PANKHUDI?

- *PANKHUDI* is a **single-window digital platform** developed to facilitate corporate social responsibility (CSR) initiatives and voluntary partnerships between various stakeholders and the Government in the domain of women and child development. It brings together:
  - Individuals and Citizens
  - Non-Resident Indians (NRIs)
  - Non-Governmental Organizations (NGOs)
  - CSR Contributors and Corporate Entities
  - Government Departments and Agencies
- All stakeholders can register on the portal, identify developmental initiatives, submit proposals,

and track progress through a transparent digital framework.

### Key Objectives & Features

- The portal has been designed with the following objectives:
  - **Enhancing Transparency and Accountability:**
  - Every contribution and engagement is traceable, with all transactions required to be made through non-cash modes to ensure financial accountability.
  - **Streamlining CSR and Voluntary Partnerships:**
  - *PANKHUDI* simplifies the process of engaging in CSR activities by providing a unified interface for contribution, approval, monitoring, and reporting.
  - **Improving Implementation and Monitoring:**
  - The structured workflows allow contributors to track proposal status, implementation progress, and outcomes—making the entire ecosystem more outcome-oriented.
  - **Convergence Across Thematic Areas:**
  - The portal fosters convergence among stakeholders for interventions in key sectors such as:
    - **Nutrition**
    - **Health**
    - **Early Childhood Care and Education (ECCE)**
    - **Child Welfare and Protection**
    - **Women's Safety and Empowerment**

### Support to Flagship Missions

- *PANKHUDI* strengthens the implementation and monitoring of the Ministry's flagship missions, including:
  - **Mission Saksham Anganwadi & Poshan 2.0**
  - **Mission Vatsalya**
  - **Mission Shakti**
- By enabling contributors to align their resources with these missions, the portal enhances the overall impact of government programs aimed at women and child development.

### Expected Impact

- The government anticipates that *PANKHUDI* will significantly improve service delivery and infrastructure across a wide network of development institutions, including:
  - **Over 14 lakh Anganwadi Centres**
  - **Around 5,000 Child Care Institutions**
  - **Close to 800 One Stop Centres (OSCs)**
  - **More than 500 Shakhi Niwas and 400+ Shakti Sadan facilities**
- This digital platform is expected to enhance the ease of collaboration among contributors and strengthen the overall accountability framework, ultimately improving the lives of millions of women and children who benefit from these services.

## DNA QUIZ

**Q.** "The food processing sector in India is a transformational link between agriculture and industry, capable of driving rural prosperity, employment, and export growth."

Discuss the significance of the food processing industry in India and examine the major challenges and policy measures needed to realize its full potential. **(Answer in 250 words) 15**

**Q.** Critically examine how the Startup India initiative has transformed India's startup ecosystem into a driver of jobs, innovation, and inclusive growth, while analysing whether government support mechanisms are sufficient to address structural challenges and ensure long-term economic sustainability. **(Answer in 250 words) 15**

## PRACTICE QUESTION

**1.** With reference to the **Food Processing Sector in India**, consider the following statements:

1. The **Pradhan Mantri Kisan Sampada Yojana (PMKSY)** is an umbrella scheme of the Ministry of Agriculture and Farmers Welfare.
2. The **Production Linked Incentive (PLI) Scheme for Food Processing (2021)** aims to encourage value addition in high-value segments such as ready-to-eat foods and organic products.
3. **Operation Greens** was initially launched for Tomato, Onion, and Potato crops and later extended to cover all perishables.
4. The **PM Formalisation of Micro Food Processing Enterprises (PMFME)** Scheme adopts the "One District One Product"

(ODOP) approach to promote local entrepreneurship.

Which of the statements given above are correct?

(a) 1 and 2 only
(b) 2, 3, and 4 only
(c) 1, 3, and 4 only
(d) 1, 2, and 3 only

**2.** With reference to the recent withdrawal of the United States from several international climate-related bodies, consider the following statements:

1. The UN Framework Convention on Climate Change (UNFCCC) provides the institutional framework under which the Paris Agreement was negotiated.
2. The withdrawal of a major emitter from multilateral climate institutions can weaken global climate finance flows and collective mitigation efforts.
3. The International Solar Alliance (ISA) is a UN agency mandated to enforce binding emission reduction targets on its member states.
4. Such withdrawals may create strategic space for other global powers to shape climate governance and green technology markets.

Which of the statements given above are correct?

(a) 1 and 2 only
(b) 1, 2 and 4 only
(c) 2 and 3 only
(d) 1, 3 and 4 only

**3.** With reference to cryptocurrencies and blockchain technology in the context of their evolution by 2026, consider the following statements:

1. Tokenisation of real-world assets on blockchain can enhance liquidity and enable fractional ownership of traditionally illiquid assets.
2. Layer-2 blockchain solutions primarily aim to improve scalability by processing transactions outside the main blockchain while retaining its security framework.
3. Stablecoins are designed to eliminate volatility entirely and therefore are exempt from regulatory oversight in most jurisdictions.
4. The increasing institutional adoption of cryptocurrencies is associated with greater regulatory clarity rather than complete deregulation.

Which of the statements given above are correct?

(a) 1 and 2 only
(b) 1, 2 and 4 only
(c) 2 and 3 only
(d) 1, 3 and 4 only

**4.** With reference to the **PANKHUDI portal**, consider the following statements:

1. It is a single-window digital platform to facilitate CSR and voluntary partnerships for women and child development.
2. It mandates all contributions to be made through non-cash modes to enhance transparency and accountability.
3. It directly replaces flagship missions such as Mission Shakti and Mission Vatsalya by subsuming them into a single scheme.

Which of the statements given above is/are correct?

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

| Answer | | | |
|---|---|---|---|
| 1. (b) | 2. (b) | 3. (b) | 4. (a) |

■■■■