

9 PM Current Affairs Monthly Compilation

For UPSC CSE mains examination



July

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Features :

Arranged as per syllabus Topics
Most complete coverage of major
News Papers editorials

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GS Paper 1

Subject: Indian Society

Topic- Role of Women and Women's Organization, Population and Associated Issues, Poverty and Developmental issues, Urbanization, their problems and their remedies.

Changes in India's population perspectives

Context: The article discusses India's demographic changes, contrasting past fears of overpopulation with current hopes for economic growth due to a young workforce. It also highlights the intense competition for education, brain drain to Western countries, and millennials' choice to prioritize careers over having children.

For detailed information on **Challenges of Demographic dividend in India** [read this article here](#)

Why are millennials not having children?

Many millennials prioritize their careers over having children. They believe children would distract them from their professional goals. This choice affects India's expected demographic dividend.

How did India approach population control in the past?

- 1. Government Initiatives:** The government organized "vasectomy camps" in 1971, targeting sterilizations as a form of population control.
- 2. Sterilization Statistics:** In 1971 alone, approximately 1.3 million men underwent sterilization, with a target of 3.1 million by the following year.
- 3. International Support and Pressure:** The World Bank provided \$66 million in aid for sterilization programs from 1972 to 1980. Additionally, U.S. President Lyndon B. Johnson linked food aid to India's adoption of sterilization policies in 1965.

How has the perspective on India's population changed?

- 1. 1970s Perspective:** Previously, India viewed its high population growth as an economic burden. Efforts focused on aggressive population control measures, such as sterilization.
- 2. Modern View:** Today, India sees its large, young population as a demographic dividend. A high proportion of working-age individuals (15-64 years old) is now considered a potential economic advantage, expected to drive growth.
- 3. Historical Context:** In 1971, efforts included 1.3 million sterilizations, reflecting the urgency of controlling population growth, compared to current policies emphasizing economic utilization of the population.

How is demographic impacting education and employment in India?

- 1. Intense Competition:** Over a million students compete for limited seats at IITs, medical colleges, and IIMs. For example, 1 million applicants for 10,000 IIT seats.
- 2. Brain Drain:** Many qualified Indians, like Satya Nadella and Sundar Pichai, seek opportunities abroad, contributing to \$125 billion in remittances.
- 3. High Costs:** Real estate prices in metro cities are high, pushing many to look for jobs overseas.

4. **Family-Run Businesses:** Limited top management roles in India's family-owned businesses drive professionals to seek better prospects abroad.

Urban Transformation in India

Context- About 50 crore people, or 36% of India's population, live in cities, with urbanization growing at 2% to 2.5% annually. The Budget stresses continuous investment in urban areas, identifying them as key growth centers. It offers substantial financial allocations and opportunities to foster planned development and city growth.

What initiatives are announced in the budget to ensure sustainable urbanization?

- 1) **The Pradhan Mantri Awas Yojana (Urban)** -It proposes to construct another one crore housing units in urban areas with an investment of ₹10 lakh crore. Which include substantial central assistance and interest subsidies for affordable loans.
- 2) **Industrial Workers-** It introduces rental housing projects with dormitory-style accommodation for industrial workers. These projects will be developed through public-private partnerships (PPP) with financial backing, including Viability Gap Funding (VGF) from both central and state governments.
- 3) **The Atal Mission for Rejuvenation and Urban Transformation (AMRUT)-** It allocates ₹8,000 crore for essential infrastructure such as water supply, sanitation, roads, and sewerage systems. It also promotes PPP models for infrastructure development with VGF support.
- 4) **Capex-**It allocates ₹11.11 lakh crore for infrastructure capital expenditure, which includes highways and urban infrastructure. It also offers states an interest-free loan of ₹1.50 lakh crore for infrastructure development.
- 5) **National Urban Digital Mission (NUDM)-** It introduces the NUDM with ₹1,150 crore for digitizing property and tax records using GIS mapping. This aims to enhance financial management for urban local bodies and property owners.
- 6) **Weekly Haats-** The Budget suggests creating 100 weekly street food hubs in some cities. States are urged to assist all cities in planning and setting up these hubs to meet local demands.

Read More- [Street Vendors Act](#)

7) **Solid Waste Management-**It is a major challenge for cities. The Budget plans to introduce bankable SWM projects with state governments and financial institutions. States and municipalities can use VGF for this. Cities like Indore have made SWM financially viable.

How is city planning being addressed in the Budget?

- 1) **Prioritization and Funding** -It prioritizes planned city development, allocating ₹25,653 crore as normal Financial Commission grants to municipalities. It also sets aside ₹500 crore for incubating new cities.
- 2) **Mobility and Economic Planning** -It focuses on creating effective mobility plans to connect cities with peri-urban and new areas. This will enhance economic and transit planning through orderly town planning schemes.
- 3) **Promotion of Electric Bus Systems-** ₹1,300 crore is allocated to promote electric bus systems in cities, offering cost-effective and eco-friendly operations despite higher initial costs.

The Need of Conducting India's Delayed Census

Context- The 2021 Census, initially set to start in 2020, is still on hold. Although it was expected to begin in October 2024, the recent Budget 2024-25 allocated only ₹1,309.46 crore for the Census, down from ₹3,768 crore in 2021-22, indicating possible delays.

Meanwhile, preparations like updating maps, pre-testing questionnaires, and training staff continue in the Census Directorates across States and Union Territories.

Why is conducting the Census a priority?

- 1) **Social Justice**-It is important because, due to the lack of one since 2011, many people have been unable to access various schemes, benefits, and services.
- 2) **Women Empowerment**-The enforcement of the Women's Reservation Act, which was enacted in 2023 to allocate 33% of seats in Parliament and Assemblies to women, depends on the completion of the Census.
- 3) **Delimitation of Constituencies** -The Constitution (Eighty-fourth Amendment) Act of 2001 requires that constituency boundaries be redrawn only after the first Census done after 2026.

Read More- [Delimitation Exercise](#)

- 4) **Caste-Based Census Debate**- There is increasing demand for a caste-based census to understand economic conditions of the marginalized communities better.
- 5) **Clarifications on NPR**- The draft NPR for the next Census adds new questions about "mother tongue," "place of parents' birth," and "last residence," which were not in the 2011 NPR. Some States and groups worry these questions could be used for the National Register of Citizens (NRC).

What should be the way forward?

- 1) **Funding and Planning for the 2021 Census**- It is essential to ensure adequate funding in the 2025-26 budget to conduct the postponed 2021 Census as early as 2026. This includes finishing the first phase in 2025, which covers house listing, the housing census, and updating the National Population Register (NPR).
- 2) **Census Preparation** -The ₹1,309.46 crore allocated can be used for early tasks such as defining enumeration areas, improving questionnaires, and training staff for a digital census

GS Paper 2

Subject: Indian Polity

Topic- Indian Constitution—Historical Underpinnings, Evolution, Features, Amendments, Significant Provisions and Basic Structure.

Climate Legislation for India

Context- The recent judgment in M.K. Ranjitsinh and Ors. vs Union of India & Ors. by the Supreme Court of India has marked a positive development in India's climate change legal framework.

The Supreme Court has introduced the right to 'be free from the adverse effects of climate change' into the Constitution of India, deriving from both the right to life (Article 21) and the right to equality (Article 14). The judgment states that there is no '**umbrella legislation**' in India that relates to climate change. Thus, it implicitly suggests the enactment of climate legislation.

Read More- [SC Ruling on right against Climate Change- Explained Pointwise](#)

What are the advantages of bringing climate legislation?

- 1) It can set the vision for engaging with climate change across sectors and regions.
- 2) It can establish essential institutions, empower them, and implement structured governance processes to anticipate and respond to climate change.

What are the issues with single climate legislation?

- 1) **Comprehensive Law**-Creating a single comprehensive law that addresses all these aspects isn't practical, especially given the current legal framework covering most of these issues.
- 2) **Anticipating the Unpredictable Challenges**- It's impossible to predict in advance all the ways society needs to prepare for climate change.
- 3) **Challenges of Adopting Foreign Models** - Many countries' climate laws, like those modeled after the United Kingdom, concentrate narrowly on controlling carbon emissions. **For ex-** they establish regular five-year national carbon budgets and mechanisms to achieve them. This approach isn't well-suited for India.

What should be the way forward?

- 1) **Promoting Sustainable Development Across Sectors**- India should consider adopting a law that encourages decisions fostering sustainable development across various sectors like urban planning, agriculture, water management, and energy.
- 2) **Supportive Regulatory Environment**-Climate legislation should also create a supportive regulatory environment for more sustainable cities, buildings, and transport networks. It should enable adaptation measures such as heat action plans sensitive to local context
- 3) **Resilient Agriculture and Social Equity**-Climate legislation should include ways to transition to crops resilient to climate change. It should also safeguard crucial ecosystems like mangroves, which serve as barriers against severe weather. Further, it should promote social equity.
- 4) **Indian Federalism**- Climate legislation should function well within India's federal structure. Various domains like urban policies, agriculture, water management, and electricity, are under the jurisdiction of state or local governments. Thus, the state must be given due importance in climate change related policy making and funding.
- 5) **Multi-stakeholders Approach**- Businesses, civil society, and communities impacted by climate change must actively participate in decision-making processes. This will ensure that diverse viewpoints for climate resilience and transitioning to sustainable energy practices are accommodated.

Madras High Court decision on the angapradakshinam practice

Context: The article discusses a recent court decision in India that allows a controversial religious practice. It examines how the judiciary determines which religious practices are essential and protected under the law, often leading to inconsistent rulings that limit religious freedom based on constitutional principles.

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For detailed information on **Freedom of religion and attire** [read this article here](#)

What are the judgments of the Madras High Court on the angapradakshinam practice?

- 1. 2024 Ruling by Justice G.R. Swaminathan:** The Madras High Court allowed the angapradakshinam practice where individuals roll over banana leaves after meals have been consumed. This was seen as part of the devotees' freedom of religion under Article 25 and the right to privacy under Article 21.
- 2. Overturned 2015 Decision:** The 2024 decision reversed a 2015 ruling that banned the practice citing potential caste discrimination. The 2015 judgment had concerns that it predominantly involved Dalits and non-Brahmins, which was seen as discriminatory.
- 3. Inclusion of All Castes:** Justice Swaminathan noted that not only Dalits but people from other castes also participated, which countered the allegation of caste-based discrimination.

What is the criticism of this case?

- 1. Lack of Essentiality Test:** Critics argue that the court did not rigorously examine whether angapradakshinam is an essential religious practice, diverging from past cases where such scrutiny was pivotal.
- 2. Potential Health Concerns:** The practice involves rolling over used banana leaves, raising questions about hygiene and health risks, which the court seemingly overlooked.
- 3. Inconsistency in Judicial Reasoning:** The decision highlights inconsistencies in how Indian courts determine what constitutes an essential practice, often shifting between strict textual analysis and broader interpretations based on rationality, leading to unpredictable legal standards.

How have courts treated essential practices in the past?

- 1. Sri Shirur Mutt (1954):** The Supreme Court stated that essential religious practices should be determined by religion itself. This set a precedent for examining religious texts to define essential practices.
- 2. The Durgah Committee, Ajmer (1961):** The court differentiated between essential religious practices and superstitious beliefs, stating that only integral and essential practices are protected under freedom of religion.
- 3. Gramsabha of Village Battis Shirala (2014):** The court ruled capturing and worshipping a live cobra during Nag Panchami as not essential because it wasn't supported by broader religious texts.
- 4. Mohammed Fasi (1985):** The Kerala High Court ruled that growing a beard was not essential to Islam as it was not mandated in the Quran, despite it being a practice based on Hadith.
- 5. Acharya Jagdishwarananda Avadhuta (2004):** The Supreme Court denied that the tandava dance was an essential practice of the Ananda Margi faith because the faith existed before the practice was adopted.
- 6. M. Ismail Faruqui (1995):** The court held that while prayer is essential, praying at a specific mosque is not unless the mosque itself holds particular religious significance.

Way forward -To ensure fairness, courts should avoid interpreting religious texts and focus on constitutional values. They should treat practices that align with fundamental rights and public health as essential. This approach will harmonize religious freedom with societal progress, as seen in the evolving jurisprudence from Sri Shirur Mutt (1954) to more recent rulings like M. Ismail Faruqui (1995).

SC Verdict on Citizenship Case

Context- The Supreme Court has declared Md Rahim Ali, an Assam resident, a citizen of India, overturning a Foreigners' Tribunal's decision. It has clarified the law on foreign nationality allegations and the individual's burden of proof.

In 2004, a case was filed against Ali for not providing citizenship documents. The Foreigners' Tribunal (FT) first declared him a foreigner without his presence, a decision the High Court upheld. The Supreme Court then ordered the FT to re-examine the documents, but the FT again ruled Ali a foreigner, stating that he entered illegally after March 25, 1971.

What are the clarifications given by the Supreme Court in recent judgement?

- 1) **Burden of Proof**-Section 9 of The Foreigners Act, 1946, places the burden of proof on the person accused of being a foreigner. However, the Supreme Court questioned whether this allows the authorities to randomly suspect someone without evidence and rely solely on Section 9.
- 2) **State Responsibility** -The Supreme Court clarified that while the burden of proof is on the accused, the state must first provide evidence for the allegations. Without sufficient material from the state, initiating such serious proceedings is unjust.
- 3) **Minor Spelling Variations** -The Court noted that minor spelling variations in names should not lead to dire consequences, highlighting that such errors are common in electoral rolls.
- 4) **Proof Standards in Court Cases** -The court cited the five-judge ruling in **Mukesh Singh vs State (2020)**, emphasizing that even with a reverse burden of proof, the prosecution must first fulfill its initial obligation. In **Noor Aga vs State of Punjab (2008)**, it was established that the prosecution must prove basic facts, and more serious offenses require a higher standard of proof.

A detailed article on Citizenship Amendment Act (CAA) Rules can be [read here](#).

What are Foreign Tribunals?

Tribunals Under Colonial Law- These were created under The Foreigners Act, a colonial law established before the Indian Constitution, to address issues related to foreigners. They were set up in 1964 by an executive order from the Home Ministry.

Definition of "Foreigner" -Under Section 2(a) of the 1946 Act, a "foreigner" is defined as anyone who is not a citizen of India. This applies only to those with strong evidence of foreign status, such as being caught entering India or holding a foreign passport.

What are the issues with foreign tribunals?

- 1) **Legitimacy of Tribunal Establishment** -They are not established under Article 323B of the Constitution, which allows tribunals to be created by law through the appropriate legislature.
- 2) **Inadequate Investigation**-About 300,000 people in Assam were labeled as Doubtful Voters in 1997 and later by low-level officials, without any investigation or notice. They were excluded from the Assam NRC and now face challenges in Foreigners' Tribunals.
- 3) **Lack of Transparency in Accusations** -Paragraph 3(1) of the Foreigners' Tribunal Order of 1964 requires that notices state the "main grounds" for accusations. However, Foreigners' Tribunals often do not provide this information, leaving individuals to defend themselves without knowing the charges.

What are the implications of the recent Supreme Court Judgement?

1) The judgment will ease the worries of those concerned about minor spelling errors or date discrepancies in their names and their parents' names due to the Citizenship (Amendment) Act, 2019, and the proposed National Register of Citizens (NRC).

2) By March 2019, 1.17 lakh people had been declared foreigners, including 63,959 ex parte cases. This judgement may positively impact thousands of pending cases with the Foreigners' Tribunals.

Note- Ex parte cases- It refers to legal proceedings or decisions made by a court in the absence of one party. This means that only one side (usually the plaintiff) is present or has submitted information, leading to decisions without hearing from the other side.

Issues with Bharatiya Nagarik Suraksha Sanhita

Context- The article discusses a major change in India's criminal procedure law with the Bharatiya Nagarik Suraksha Sanhita, 2023. The most worrying change is the possible increase in police custody from a maximum of 15 days under the old CrPC to up to 90 days under the new law. This raises serious constitutional and human rights issues.

CrPC is called the "Accuseds' Constitution," providing vital protections during detention and interrogation. Thus, no law is more crucial than the CrPC in supporting any accused.

What are the different types of Custody?

Police custody: Police have principal control and physical custody. This is generally considered the harshest experience for the accused.

Judicial custody: Accused are placed in jail with institutional rules. It allows regulated visiting hours, police access, mealtimes, and sleep time

What are the Changes in Custody Duration Under BNSS?

CrPC-Section 167 of the CrPC allowed custody for up to 60 or 90 days, depending on the severity of the punishment, with police custody limited to 15 days unless extended by the Magistrate. The aim was to curb police custody abuse and ensure it did not surpass 15 days.

BNSS-Section 187 of the BNSS diverges by retaining the 60 or 90-day timelines and default bail concept while eliminating the 15-day police custody limit. This allows Magistrates to authorize police custody exceeding 15 days.

A detailed article on Bhartiya Nyaya Sanhita- Significance and Concerns can be [read here](#).

What are the issues with these changes?

1) **Infringement of Article 21-** Extended police custody raises concerns about potential violations of the right to life, health, and fair trial. This also increases the risk of custodial violence and torture.

2) **Violation of Supreme Court judgments:** The D K Basu v State of West Bengal case emphasizes that Article 21 ensures the right to live with dignity, protects against torture and assault by state officials, and extends these rights to convicts, undertrials, and detainees. The provisions of BNSS appear to contradict the Supreme Court's stance on custodial rights.

3) **Safeguards against police excesses:** BNSS removes existing protections in CrPC, exposing accused individuals to potential abuse.

4) **Impact on fair trial** -Extended police custody can undermine the accused's defense preparation and increase the risk of coerced confessions or statements.

5) **Comparison with Harsh laws:** The Unlawful Activities (Prevention) Act, 1967 (UAPA) restricts police

custody to 30 days and mandates an affidavit for extending police custody beyond judicial custody. In contrast, the BNSS permits a three-fold increase in police custody compared to the UAPA.

Right to be forgotten

Context- The Supreme Court will decide if the "right to be forgotten" is a fundamental right and how it fits with other constitutional rights. This comes after a Madras High Court ruling that ordered a legal portal Indian Kanoon to remove a judgment. The acquitted man claimed that the availability of this judgment in public domain prevented him from getting Australian citizenship.

What is the right to be forgotten?

Definition- The "right to be forgotten" allows individuals to remove outdated or irrelevant personal information from the internet.

Global Precedent- The CJEU (Court of Justice of the European Union) ruled in the "Google Spain case" that search engines must remove outdated or irrelevant data. This decision, based on Articles 7 and 8 of the EU Charter and Article 17 of the GDPR (General Data Protection Regulation), supports the right to control personal information, including for victims of "revenge porn."

A detailed article on **Data Security in India: Need and Challenges** can be [read here](#).

How is the right interpreted in India?

India lacks a specific law for the right to be forgotten. However, K.S. Puttaswamy v. Union of India case recognized the right to privacy, which includes elements of this right. Justice S.K. Kaul, in the Puttaswamy case, mentioned that the right to be forgotten allows individuals to remove outdated or irrelevant personal data. However, it does not apply to all past information such as cases involving public interest, legal requirements, public health, research, and legal claims.

What are Judicial Precedents in India?

- 1) **Rajagopal vs. State of Tamil Nadu (1994)**- The Supreme Court recognized a "right to be let alone" but observed that it does not apply to public records such as court decisions.
- 2) **Dharamraj Bhanushankar Dave vs. State of Gujarat (2017)**- The Gujarat High Court declined to remove details of an acquittal from public records.
- 3) **[Name Redacted] vs. The Registrar General (2017)**- The Karnataka High Court kept a petitioner's name private in a sensitive annulment case.
- 4) In 2021, the **Delhi High Court** allowed the removal of search results for **Jorawar Singh Mundy**, an American law student acquitted in a drug case. The court did this to prevent harm to Mundy's social life and career.
- 5) In 2020, the **Orissa High Court** urged a wider discussion on the right to be forgotten, highlighting the practical and technological challenges.

Issues of reservation in India

Context: The article discusses the history and issues of reservation in India. It covers the creamy layer concept in OBC reservations, controversies over certificate misuse, and the need for better scrutiny and sub-categorization to ensure fair distribution of reservation benefits.

For detailed information on **Reservation Judgements** read this article [here](#)

What is the History of Reservation?

- 1. Constitutional Provisions:** Articles 15 and 16 guarantee equality and allow special provisions for socially and educationally backward classes, SCs, and STs.
- 2. Reservation Quotas:** SCs get 15%, STs get 7.5% in jobs, education, and PSUs.
- 3. OBC Reservation:** In 1990, Prime Minister V.P. Singh implemented 27% reservation for OBCs based on the Mandal Commission's recommendations.
- 4. Educational Institutions:** In 2005, reservations extended to educational institutions, including private ones.
- 5. EWS Reservation:** In 2019, 10% reservation was introduced for Economically Weaker Sections among the unreserved categories.

For detailed information on **Affirmative Action in India** [read this article here](#)

What is Creamy Layer?

- 1. Supreme Court Ruling:** The Supreme Court upheld 27% OBC reservation in the Indra Sawhney case (1992) but capped total reservations at 50%.
- 2. Creamy Layer Exclusion:** Creamy layer exclusion was introduced to ensure equality. Criteria include parental income over ₹8 lakh annually, and positions held by parents in government or PSUs.

For detailed information on **Reservation Judgements** [read this article here](#)

What are the Issues?

- 1. Certificate Misuse:** Allegations exist of obtaining NCL or EWS certificates through dubious means. This includes disability certificates for reserved jobs.
- 2. Avoiding Creamy Layer:** Strategies like gifting assets or taking early retirement are used to avoid creamy layer exclusion.
- 3. Concentration of Benefits:** The Rohini Commission found that 97% of reserved jobs and educational seats go to just 25% of OBC communities. Nearly 1,000 OBC communities have no representation.
- 4. Unfilled Reserved Seats:** 40-50% of seats reserved for OBC, SC, and ST remain unfilled in central government jobs.

What Should be Done?

- 1. Improve Scrutiny:** Ensure only eligible applicants receive NCL, EWS, and disability certificates.
- 2. Fill Reserved Vacancies:** Address the 40-50% unfilled reserved seats for OBC, SC, and ST in central government jobs.
- 3. Sub-categorize OBC Reservations:** Implement sub-categorization to help the 1,000 OBC communities with zero representation.
- 4. Consider Creamy Layer for SC/ST:** Debate creamy layer exclusion for children of Group I/Class A officials in SC/ST categories.

5. Engage Stakeholders: Initiate discussions with all stakeholders to refine reservation policies and ensure benefits reach the most marginalized.

Renewed political interest in the Indian Constitution

Concern: The article discusses the resurgence of interest in the Indian Constitution during elections. It warns against conflating the Constitution with specific policies like reservations. It emphasizes respecting the Constitution without deifying it and urges adherence to constitutional values in daily conduct.

For detailed information on **Constitutionalism** [read this article here](#)

Why is there renewed political interest in the Indian Constitution during the general election?

- 1. Central Role in Elections:** The Indian Constitution became a focal point during the elections, with opposition politicians showcasing pocketbook editions and the government celebrating its 75th anniversary on a grand scale.
- 2. Republican Concerns:** Indian republicans, who support constitutional values, felt marginalized as both the left and right often ignored constitutional norms.
- 3. Supreme Court Rulings:** The Supreme Court has sometimes sided with popular opinion over constitutional principles, increasing the urgency to uphold the Constitution.
- 4. Reservations Debate:** The Constitution was mistakenly equated with reservation policies, leading people to vote to preserve these policies, which could skew public perception.

What are the concerns related to conflating the Constitution with specific policies?

- 1. Misleading Voters:** Equating the Constitution with reservation policies can mislead voters. It simplifies a complex document into a single policy.
- 2. Ambedkar's Caution:** B.R. Ambedkar avoided embedding specific policies like socialism in the Constitution. He believed future generations should not be committed to specific policies.
- 3. Social Justice Goals:** Reservations are one method for achieving social justice, but not the only one. The Constitution supports exploring better methods.
- 4. Potential Division:** Those opposed to reservations might unnecessarily oppose the Constitution. This can create unnecessary divisions.
- 5. Historical Misinterpretation:** Figures like Ambedkar warned against hero worship. His ideas on constitutionalism are often ignored, emphasizing the need to focus on broader principles rather than specific policies.

What should be done?

- 1. Promote Constitutional Values:** Encourage adherence to the Constitution in daily conduct. Example: "Dharmo rakshati rakshitaah" emphasizes protecting constitutional values.
- 2. Respect, Don't Deify:** Treat the Constitution as a social contract, not a holy book. Example: Figures like Gandhi and Ambedkar were elevated but often forgotten in principle.
- 3. Respect Judicial Independence:** Remember the Chief Justice's warning about not deifying courts or judges, maintaining their role as public servants adhering to constitutional morality.

Topic- Parliament and State Legislatures—Structure, Functioning, Conduct of Business, Powers & Privileges and Issues Arising out of these.

Expunction powers in Parliament

Context- The inaugural special session of the 18th Lok Sabha witnessed heated debates between the Opposition and the government on multiple issues. The session concluded amid controversies surrounding the deletion of remarks made by Opposition leaders. Article 105 of the Constitution grants MPs certain privileges and freedom of speech in Parliament, though it is bound by other constitutional provisions and parliamentary rules.

The practice of expunging remarks has been questioned recently in the digital age. This is because expunged content remains accessible due to live broadcasts of proceedings and widespread sharing of screenshots and videos on social media.

When are remarks expunged?

- 1) **Verbatim Recording and Removal of Unparliamentary Remarks** -Parliament records all speeches and proceedings verbatim. The Chairman (Upper House) and Speaker (Lower House) can order the removal of "defamatory, indecent, unparliamentary, or undignified" words.
- 2) **List of Unparliamentary Words**-The Lok Sabha Secretariat maintains a list of 'unparliamentary' words. In the Rajya Sabha, rules require immediate withdrawal of unparliamentary words without debate when deemed so by the Chair.
- 3) **Discretion of Speakers**-Speakers have discretion to expunge words detrimental to national interest, offensive to dignitaries, or likely to cause offense. For ex -Prime Minister Nehru objected when a member mentioned the President of Pakistan in a certain context, resulting in the removal of those remarks from the record.

Read More- [Speaker of Lok Sabha- Functioning and Challenges](#)

- 4) **Withdrawal of Irrelevant Remarks** -Members must withdraw irrelevant remarks upon the Chair's request, or face expunction.
- 5) **Unreferenced Document**-Quoting from an unreferenced document or speaking against the Chair's instruction can also lead to expunction.

What rules govern the statements made by MPs against other MPs or individuals outside Parliament?

- 1) **Procedure for Accusations in Lok Sabha** -Rule 353 of the Lok Sabha provides the procedure for MPs accusing another MP or an outsider. Allegations must be notified beforehand, prompting the concerned Minister to investigate and present facts in Parliament. However, if the allegation is not defamatory or incriminating, this rule does not apply.
- 2) **Exclusion of Ministerial Allegations**-The rule does not cover allegations against government Ministers because they are accountable to Parliament. MPs have the right to question Ministers and criticize their actions as part of their parliamentary duties.

What is the procedure to expunge the remarks?

- 1) **Authority to Expunge Remarks-** The Chairman and Speaker have the authority to order the removal of remarks under Rule 261 of the Rajya Sabha and Rules 380 and 381 of the Lok Sabha's Rules of Procedure.
- 2) **Recording and Expunging Remarks-** Expunged parts are marked with asterisks and noted as 'expunged as ordered by the Chair.' If the Chair decides that nothing said during a member's speech or interruption should be recorded, it is noted as 'not recorded.'
- 3) **Sharing with Media-** A comprehensive list of unacceptable words and phrases is shared with media at the end of each day's proceedings. Once expunged, these words or phrases are deleted from the official record.

Topic- Functions and Responsibilities of the Union and the States, Issues and Challenges Pertaining to the Federal Structure, Devolution of Powers and Finances up to Local Levels and Challenges Therein

Rationale behind states demand for additional support

News: The article discusses the issue whether states should receive special financial packages outside the allocations determined by the Finance Commission. The issue came under discussion after recent demands by the Chief Ministers of Bihar and Andhra Pradesh for additional funds to address their states' unique fiscal challenges.

Why States are looking for additional Support?

Andhra Pradesh: Suffered a major fiscal shock after bifurcation; partially offset by Finance Commission's revenue deficit grants but still requires support.

Bihar: Faces severe fiscal capacity issues with per capita development spending at less than 60% of the all-States average.

Higher allocations from the Centre can stimulate State growth, provided there is effective governance.

Issues such as fund leakage and low credit-deposit ratios in poorer states can negate the benefits of additional funds.

GST has reduced fiscal autonomy by centralizing tax collection, impacting states' ability to generate revenue.

How finance commission allocates funds?

The Finance Commission allocates 41% of the divisible tax pool to States.

Allocation criteria include income, population, area, forests and ecology, and demographic performance.

Beyond the statutory devolution by the Finance Commission, center provides discretionary transfers.

What are issues of discretionary transfers?

- 1) Large-scale discretionary transfers could undermine fiscal prudence and create imbalances.
- 2) Furthermore, Discretionary transfers are influenced by political considerations. Around 30% of Central funds are discretionary, often influenced by political consideration
- 3) Changes in the criteria provided by Finance Commission can significantly alter the distribution of funds.

What should be done?

- 1) Need for flexibility within the GST structure to allow States some autonomy without compromising fiscal harmonization.
- 2) Government should look for balanced and fair fiscal policy that addresses regional disparities without compromising fiscal prudence.

- 3) Greater decentralization and autonomy for States could mitigate political influence.
- 4) Government should emphasis on sourcing resources for higher capital investment in poorer regions for balanced regional development.

Debate over CBI's Jurisdictions

Context- The Supreme Court upheld West Bengal's lawsuit against the Union government. The suit claims the Centre committed "constitutional overreach" by allowing CBI investigations in the state even after the state withdrew its general consent in November 2018.

The framers of the Constitution expected conflicts between the Centre and the States, so they gave the Supreme Court original jurisdiction to resolve these issues under Article 131.

In State of Karnataka vs. Union of India (1977), the Supreme Court stated that Article 131 is an essential part of federalism and should be interpreted broadly to achieve justice. In State of Rajasthan vs. Union of India (1977), the Court warned against a narrow or overly technical interpretation of State rights.

What is general Consent?

Requirement- This is required under Section 6 of the DSPE Act for the CBI to investigate in a state. This consent is important because "police" and "public order" fall under state authority. States grant this consent to allow the CBI to investigate corruption cases involving central employees within their territories.

State Withdrawal: Several states, including West Bengal, have revoked their general consent, fearing that the CBI is being misused against opposition parties.

What are the arguments made by the union government against the lawsuit filed by the West Bengal Government?

- 1) **Article 131 Suits:-** Original suits under Article 131 of the Constitution only involve the Union and States. Although the CBI registered the cases, it cannot be a defendant in this suit because it is not considered a "State" under Article 131.
- 2) **CBI's Independence from Union Control** -The CBI is an "independent agency" and does not operate under direct control of the Union government. The Union does not oversee the CBI's actions, including registering offenses, conducting investigations, or filing charges.

What are the observations made by the supreme court?

- 1) **Central Government's Role in the CBI** -A review of the DSPE Act indicates that the Central government plays a major role in the CBI's formation, the offenses it investigates, and its powers.
- 2) **Supervision of Cases Under Section 4** -Under Section 4, the Central government supervises most cases, except those under the Prevention of Corruption Act, which are overseen by the Central Vigilance Commission.
- 3) **CBI Independence and Control-** The court ruled that while the CBI can investigate independently, this does not reduce the Central government's control over the agency. As a result, the Solicitor General's claim that the CBI is an "independent agency" was found unconvincing.

A detailed article on **General consent for CBI: The law, and political reasons** for its denial can be [read here](#).

What are the long-term Implications of allowing CBI investigations without state consent?

- 1) **Strain Centre-State Relations** -Allowing the CBI to investigate in states that have revoked their general consent would undermine federalism. This could harm Centre-State relations since police matters fall under state authority.

2) **Future Cases** -The Supreme Court has only considered the initial objections to West Bengal's suit. However, as per the experts, the final ruling will significantly affect other similar cases

Financial struggles of Indian municipal corporations

Context: The article discusses the financial struggles of Indian municipal corporations, highlighting their limited budgets, dependence on government transfers, and challenges in generating their own revenue. It suggests expanding property taxes and other funding methods to better prepare for monsoons and other needs.

For detailed information on **Challenges faced by Urban Local Bodies in India** [read this article here](#)

Why are Indian municipalities facing financial challenges?

- 1. Low Revenue Generation:** Municipalities generate less than 1% of India's GDP from their revenues, with about one-third of this coming from their own taxes like property taxes. The rest mostly comes from state and central government transfers. A study by ICRIER showed that total municipal revenue as a percentage of GDP declined from 0.49% in 2012-13 to 0.45% in 2017-18, indicating a decrease in their ability to raise funds independently.
- 2. Heavy Dependence on Government Transfers:** Municipalities rely extensively on transfers from state and central governments. The 15th Finance Commission recommended ₹4.36 trillion for local governments until 2025-26, but most of this is earmarked for rural areas.
- 3. Impact of GST:** The Goods and Services Tax (GST) took away some taxes that municipalities used to collect, like Octroi. This change has made municipalities even more dependent on government transfers.
- 4. Inadequate State Support:** Many states have delayed or failed to set up State Finance Commissions (SFCs), which hinders proper allocation and management of resources at the municipal level.

What should be done?

- 1. Expand the scope:** Municipalities should expand the scope of property tax, enhance non-tax revenues by going for user charges for various services.
- 2. Utilize Municipal Bonds:** More municipalities could issue bonds to raise funds, as demonstrated by the Greater Hyderabad Municipal Corporation, which raised ₹495 crore, and the Ahmedabad Municipal Corporation, which secured ₹400 crore.
- 3. Increase Capital Expenditure:** Boost funding for capital expenditures critical for urban development and disaster preparedness. For example, Mumbai's projected capital expenditure of ₹31,775 crore, representing a significant portion (53%) of its total expenditure

The Impact of Coalition Politics on Fiscal Federalism

Context- The return of coalition politics in India brings opportunities and challenges for fiscal federalism. While it can balance unitary trends, the rise in requests for special packages due to political bargaining endangers fair distribution of resources.

The Indian Constitution is sometimes viewed as quasi-federal. C.H. Alexandrowicz disagreed, stating in Constitutional Developments in India (1957) that it leans federal outside of emergencies. In **State of Rajasthan and Others v Union of India (1977)**, the Supreme Court described India's political system as amphibious, showing both unitary and federal traits depending on emergencies under Articles 352 and 356.

What is the impact of the return of Coalition Politics on Fiscal Federalism?

- 1) **Demand for Special packages**- There is a renewed demand for state-specific discretionary grants, or 'special packages', from regional parties. It poses a risk of diverting national resources based on political bargaining rather than genuine needs.
- 2) **Discretionary Grants**- Special packages under Article 282 are discretionary and often influenced by state-level political parties' bargaining power rather than genuine need. Discretionary grants have surpassed Finance Commission recommended grants by almost four times. This raises concerns about India's federal system's health.
- 3) **Double Engine Sarkar**- The concept of a 'double engine sarkar', with one party controlling both Union and State governments, highlights how smaller coalition partners within states advocate for their own interests. Thus, it is important to ensure that allocations adhere to proper procedures and are not based on political interest only.
- 4) **Concerns over fiscal distribution**-Some states have raised issues about declining shares in the divisible pool of Union taxes. The 16th Finance Commission is tasked with addressing these concerns.

Read More- [16th Finance Commission](#)

What should be the way forward?

- 1) **Strengthening Fiscal Federalism**- Fiscal boundaries, principles of tax assignment, and criteria for grants need to be transparent and equitable. In India's diverse linguistic, cultural, and economic context, some level of asymmetry in federal arrangements is permissible. However, it should be regulated by clear and stable constitutional provisions.
- 2) **Utilize constitutional mechanisms:**
 - A) Prioritize Finance Commission recommendations for grant allocation.
 - B) Limit the use of discretionary grants under Article 282. There is a need to Develop objective criteria for grant allocation.
 - C) Address state-specific issues through constitutional provisions rather than ad-hoc packages.
 - D) Ensure stability and transparency in addressing asymmetric needs.

Supreme Court allows states to tax mineral rights and mineral-bearing lands

Context: The article discusses a Supreme Court ruling that allows states to tax mineral rights and mineral-bearing lands. This decision strengthens states' legislative powers. However, there's concern it could lead to uneven mineral costs and increased industrial product prices.

For detailed information on **SC verdict on state's power to tax mining activities** [read this article here](#)

What Was the Supreme Court's Ruling?

1. The Supreme Court ruled 8:1 that states can tax mineral rights and mineral-bearing lands.
2. Chief Justice Dr. D.Y. Chandrachud found no limitation in the 1957 Act. The Court saw royalty as a contractual consideration, not a tax. States could tax mineral-bearing lands under Entry 49, a general power to tax lands.

Why Is This Ruling Significant?

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- 1. Strengthens States' Power:** The ruling reinforces states' legislative authority to tax mineral rights and lands, protecting it from Parliament's interference. Previously, entry 50 in the State List allowed states to tax mineral rights but was thought to be limited by Parliament's law.
- 2. Clarifies Taxation Limits:** It clarifies that the Mines and Minerals (Development and Regulation) Act, 1957, does not limit states' taxation powers.
- 3. New Revenue Avenue:** States gain a new taxation avenue, aiding their ability to fund welfare schemes and services.
- 4. Royalty Clarification:** The Court determined that royalty is not a tax but a contractual consideration, allowing states more freedom in taxation.
- 5. Supports Fiscal Federalism:** This decision promotes fiscal federalism and state autonomy in financial matters.

What Are the Concerns About This Ruling?

- 1. Unhealthy Competition:** Justice B.V. Nagarathna's dissent warns of states entering unhealthy competition to derive revenue.
- 2. Increased Costs:** This could lead to uneven and uncoordinated spikes in mineral costs, affecting purchasers. Higher mineral costs may result in increased prices for industrial products.
- 3. Market Exploitation:** There is a risk of the national market being exploited for arbitrage.
- 4. Future Amendments:** The Centre might amend the law to limit or prohibit states from taxing mineral rights, potentially leaving mining activities untaxed.

Concern with NITI Aayog

Context: The article discusses the criticism of NITI Aayog, a think tank led by India's Prime Minister, due to its limited advisory role and lack of resource distribution powers. It highlights concerns of state leaders about perceived favoritism and calls for restoring some Planning Commission responsibilities.

For detailed information on **Reforming the NITI Aayog** [read this article here](#)

What is the Concern with NITI Aayog?

- 1. Advisory Role:** NITI Aayog is limited to an advisory role without the power to distribute resources, leading to dissatisfaction among state leaders.
- 2. Boycott by States:** Chief Ministers from Tamil Nadu, Kerala, Karnataka, Telangana, Punjab, Himachal Pradesh, and Jharkhand boycotted a meeting due to perceived unfair allocations in the Union Budget.
- 3. Walkout Incident:** West Bengal Chief Minister Mamata Banerjee walked out, highlighting the frustration with the think tank's limited role.
- 4. Comparison with Planning Commission:** Unlike the Planning Commission, NITI Aayog does not consult states on financial matters, reducing states' influence on fund allocation.
- 5. Political Favoritism:** Allegations that BJP-ruled states receive more investment projects, exemplified by Bihar and Andhra Pradesh's support for the NDA government.

What Should be Done?

- 1. Enhance NITI Aayog's Role:** Re-envision NITI Aayog to include responsibilities for resource allocation, like the Planning Commission, to address state concerns about unfair treatment.

2. Promote Cooperative Federalism: Restore some of the Planning Commission's consultation roles to involve states more in financial decisions, fostering cooperative federalism.

3. Avoid Political Bias: Ensure that investment projects and budget allocations are not biased towards BJP-ruled states, addressing complaints from opposition-ruled states.

States' Power to Tax Minerals

Context- The Supreme Court has delivered a landmark decision allowing states to tax minerals in addition to the royalties set by the central government. This long-standing case, unresolved for over 25 years, was decided with an 8:1 vote.

What is the background?

1) **Key Legal Questions-** Section 9 of the 1957 Act requires mining leaseholders to pay royalties to landowners for any minerals removed. The key questions were whether these royalties are considered a "tax" and whether the Centre or only the States can impose such charges.

2) **Previous Supreme Court Ruling-** In the India Cement Ltd. v. State of Tamil Nadu case, the Supreme Court ruled that states can only collect royalties and cannot impose extra taxes on mining. The Court held that the Union government has overriding authority over mining regulation under Entry 54 of the Union List, so states cannot impose extra taxes on this matter.

What is the difference between royalty and tax?

1) Royalties are payments made by a mining company to a landowner for the right to extract minerals, while taxes are imposed by the government to fund public services.

2) The Court emphasized that taxes are set by law and can only be collected by public authorities, whereas royalties are paid directly to the landowner for giving up their rights to the minerals.

What authority do states have to tax mining activities as per the recent judgement?

1) **State Authority to Tax Mineral Rights** -Entry 50 of the State List gives States the authority to tax mineral rights, but this is limited by any laws Parliament may pass on mineral development.

2) **Interpretations of Entry 50 and the 1957 Act** -The Centre argued that Entry 50 of the State List allowed Parliament to limit state taxes on mineral rights through laws like the 1957 Act. However, the Court found that royalties are not considered taxes and thus do not fall under Entry 50's definition of "taxes on mineral rights." So, the 1957 Act only gave states extra revenue from royalties and did not change their ability to tax mineral rights.

3) **Union and State Powers under Entry 54** -The Centre can regulate mining under Entry 54, but it cannot impose taxes, which is solely a state power. However, Parliament can impose limitations, including prohibitions, on State taxes and amend the 1957 Act to restrict State taxation.

4) **Taxation under Article 246 and Entry 49** -States can tax land with mines under Article 246 and Entry 49 of the State List. This means they can include mineral-bearing lands in their land taxes.

A detailed article on SC verdict on state's power to tax mining activities can be [read here](#).

What may be the issues with this judgement?

- 1) **Mineral Development Goals** -Royalties under the 1957 Act are designed to fund mineral development. The Act limits states to collecting only these royalties. Allowing states to add extra taxes could hinder the Act's goal of boosting mineral development.
- 2) **Foster Unhealthy Competition**-If states could tax mineral rights, it might lead to unhealthy competition, causing chaotic and uneven increases in mineral prices. This could disrupt the national market and create chances for price manipulation.

Topic- Salient Features of the Representation of People's Act

Importance of Voter Anonymity

Context- Janata Dal (United) candidate Devesh Chandra Thakur faced controversy for allegedly breaching the MCC. He suggested that certain communities shouldn't expect help from him as they didn't support him in elections.

This statement was seen as undermining democratic principles and the constitutional spirit of citizen-representative relationships. The elected leaders should work for everyone without discrimination based on caste or community.

What are the mechanisms to ensure voter anonymity?

- A) Rule 56 of the Conduct of Election Rules, 1961, emphasizes voter secrecy to prevent retribution or vote bargaining.
- B) Ballot papers with identifiable marks that may reveal the identity of voters are rejected to maintain anonymity.
- C) Ballot papers of different ballot boxes were mixed to avoid group targeting of voters based on the voting trends in a particular area.

What are the issues with the introduction of Electronic Voting Machines (EVMs)?

- 1) **Reveal Voting Behavior** -Mixing of ballot papers of different ballot boxes cannot be done. This has led to demands of introducing a totalizer to avoid identification of areas according to their voting behavior.

Read More- [Supreme Court VVPAT Judgement](#)

- 2) **Victimization of Voters**-Publishing results booth by booth, allowed political parties to potentially intimidate voters based on how specific areas voted.

What is the significance of totalizer for ensuring voter anonymity?

- 1) **Endorsed by ECI**-The Election Commission of India (ECI) proposed using a totaliser to mask booth-level voting patterns. This was suggested to prevent post-election harassment of voters and maintain voting secrecy.
- 2) **Filing of Petitions**- In both the Yogesh Gupta v. EC and Ashwini Kumar Upadhyay v. Union of India cases, petitions were submitted to the Supreme Court urging the Election Commission to use totalizer machine.
- 3) **Law Commission Recommendation**- The Law Commission of India in its 255th report, endorsed the EC's proposal to introduce totalizer in counting of votes.

Why is the government not willing to introduce totalizer machine in elections?

1) **Public Interest**-The government asserted that using a totalizer did not benefit the public interest significantly in its response to Yogesh Gupta case. It also raised concerns about the potential for data leakage from Electronic Voting Machines (EVMs).

2) **Lack of Consensus**- The Bahujan Samaj Party, Congress, and Nationalist Congress Party favored using the totalizer. The Communist Party of India (Marxist) suggested a gradual implementation, while the CPI did not express a view. The Bharatiya Janata Party opposed the proposal.

3) **Rejected by Ministers**- The group of ministers concluded that disclosing voting patterns by polling booths would positively impact development efforts.

Topic- Appointment to various Constitutional Posts, Powers, Functions and Responsibilities of various Constitutional Bodies.

16th Finance Commission

Context- The article emphasizes the need for increased financial support to urban local bodies, considering their significant contribution to the national economy.

The Finance Commission is established under Article 280 of the Indian Constitution. Since the 73rd and 74th constitutional amendments, local bodies have become more important in the federal system. These amendments added sub-clauses 280 (3) (bb) and (c) that require the Finance Commission to suggest ways to increase state funds to support panchayats and municipalities.

What are the challenges faced by Urban Local Bodies (ULBs) in India regarding financial devolution?

1) **Financial Devolution to Cities**: Efforts by five commissions since the 11th Finance Commission have not adequately improved financial devolution to cities. The poor fiscal health of municipalities affects both city productivity and quality of life.

2) **Intergovernmental transfers (IGTs)** -Intergovernmental transfers (IGTs) to Urban Local Bodies (ULBs) in India are about 0.5% of GDP, significantly lower than those in other developing nations like South Africa (2.6%), Mexico (1.6%) etc. These transfers constitute approximately 40% of ULBs' overall revenue.

3) **State Finance Commissions**: State Finance Commissions have recommended only approximately 7% of States' own revenue in 2018-19.

4) **Parallel Agencies**: - The 13th Finance Commission noted that parallel agencies undermine local governments financially and operationally. Programs such as MPLADS and MLALADS disrupt the federal structure.

5) **Census Data**: Without the 2021 Census, using 2011 data is insufficient for informed fiscal planning.

6) **Lack of Adequate Investment**- A McKinsey Global Institute report warns that if India continues investing in urban infrastructure at current levels, there will be shortages in urban infrastructure, resulting in issues with water supply and untreated sewage.

The World Bank estimates that \$840 billion is needed for basic urban infrastructure in the next decade.

Read more- [Panchayat Raj Institution\(PRI\) in India](#)

What recommendation can be made by the 16th Finance Commission to overcome the financial challenges of cities?

1) **Revisit the 15th FC's guiding principles such as-**

- A) Enhancement of property tax collection in relation to state GST
- B) Maintenance of accounts
- C) Resource allocation for pollution mitigation
- D) Focus on primary health care, solid waste management, and drinking water

2) **Consider India's urbanization dynamics**-The 16th Finance Commission needs to recognize India's dynamic urbanization and ensure that intergovernmental transfers (IGTs) to urban areas are doubled at the minimum.

Topic- Statutory, Regulatory and various Quasi-judicial Bodies.

India Needs a Legal Advisory Council (LAC)

Context: The article discusses the need for better legal advice for the Indian government. It suggests creating a Legal Advisory Council (LAC) similar to the Economic Advisory Council to help the Prime Minister handle legal issues more effectively, using the expertise of national law universities and legal experts.

What Legal Issues Have Emerged Recently?

1. **Electoral Bonds:** The Supreme Court declared this scheme unconstitutional because it didn't balance the privacy of donors with the voters' right to information.
2. **Aadhaar Act:** If a proportionality test like the one in the K.S. Puttaswamy case were conducted earlier, legal challenges could have been avoided.
3. **Bharatiya Nyaya Samhita:** Transporters protested the harsh penalties for hit-and-run incidents, leading to amendments to the law after strikes.

Why is a New Advisory Council Needed?

1. **Inadequate Legal Handling:** The National Democratic Alliance faced electoral setbacks due to poor handling of legal issues, such as the unconstitutional ruling against the electoral bonds scheme.
2. **Proactive Legal Analysis:** The proposed Legal Advisory Council (LAC) would analyze laws before enactment, unlike the Law Commission of India (LCI), which reacts to existing laws.
3. **Limited LCI Effectiveness:** The LCI produced only four reports between 2020 and 2024, with only 50% of recommendations implemented.

What Should be Done?

1. **Establish a Legal Advisory Council (LAC):** Similar to the Economic Advisory Council, to provide proactive legal analysis and advice to the Prime Minister.
2. **Utilize National Law Universities:** Harness their expertise in legal research to help draft laws that are both constitutionally viable and socially acceptable.
3. **Anticipate Legal Challenges:** Conduct early legal assessments on new laws to prevent issues like those with the Aadhaar Act and electoral bonds.

Subject: Governance

Topic- -Government policies and interventions for development in various sectors and issues arising out of their design and implementation.

Impact of Bharatiya Nyaya Sanhita 2023 on Street vendors

Context: The article discusses India's new penal code, the Bharatiya Nyaya Sanhita 2023, and its impact on street vendors. Despite existing laws, street vending remains chaotic due to poor implementation and corruption. The article suggests easier licensing to balance order and commerce.

For detailed information on **Bharatiya Nyaya Sanhita 2023** [read this article here](#)

What challenges do street vendors face with the introduction of the Bharatiya Nyaya Sanhita 2023?

- 1. New Legal Framework:** The Bharatiya Nyaya Sanhita (BNS) 2023 introduces updated legal codes that replace outdated pre-1947 laws. A street vendor was one of the first individuals charged under Section 285 of the BNS for causing obstruction under a foot-over bridge at New Delhi Railway Station, illustrating immediate enforcement challenges.
- 2. Challenges in Regulation:** Despite the Street Vendors Act of 2014, which aimed to regulate and organize street vending, implementation has been poor. The act's goals to map vending zones and issue certificates have not effectively managed the chaos.
- 3. Corruption and Inconsistency:** Arbitrary enforcement by local officials and police corruption have exacerbated difficulties for vendors. The act was intended to reduce bribery, but uneven law enforcement has led to continued problems.
- 4. Economic Impact:** Restrictive interventions in street vending impact the livelihood of many vendors who rely on this informal economy.

For detailed information on **the Street Vendors Act 2014** [read this article here](#)

What should be done?

- 1. Simplify Licensing:** Licenses for street vendors should be easier to obtain and not scarce. This approach would help in maintaining pathway accessibility without excessive control.
- 2. Improve Implementation of the Street Vendors Act:** Enhance cooperation between local administrations to effectively implement the Street Vendors Act of 2014, ensuring that the goals of organized vending zones and licensing are achieved.
- 3. Reduce Corruption:** Strengthen enforcement mechanisms to reduce bribery and ensure fair treatment of vendors by officials, which is crucial for the equitable application of the law.

Issues of regulating Generative AI (GAI)

Context: The article discusses the legal challenges of regulating Generative AI (GAI), focusing on liability for content, copyright issues, and privacy concerns. It suggests that existing laws struggle to address these issues effectively and proposes measures for better legal frameworks to manage AI's impact.

For detailed information on **Generative AI** [read this article here](#)

What are the issues of regulating Generative AI (GAI)

- 1. Liability for Content:** Determining responsibility for content created by Generative AI is complex. For example, a US radio host sued OpenAI for defamation by ChatGPT.
- 2. Copyright Challenges:** Existing laws like India's Copyright Act of 1957 don't address AI-generated works. The 161st Parliamentary Standing Committee Report highlighted this gap.
- 3. Privacy Concerns:** Generative AI can't "unlearn" data, conflicting with rights in the Digital Personal Data Protection Act, 2023, like "right to erasure."

What initiatives have been taken to address the issues of regulating Generative AI (GAI)

A. Legal Provisions:

- 1. Digital Personal Data Protection Act, 2023:** Introduced "right to erasure" and "right to be forgotten," addressing privacy concerns but raising questions about its practical application to AI, which cannot unlearn data once trained.
- 2. Safe Harbour Protections:** Section 79 of the IT Act, as reinforced by the Shreya Singhal judgment, protects intermediaries from liability for user-generated content, provided they adhere to set guidelines. The application to AI, however, remains unclear.

For more information on **Shreya Singhal judgment** [read this article here](#)

B. Judicial Initiatives;

- 1. K.S. Puttaswamy Judgment (2017):** Established a strong foundation for privacy laws, leading to the Digital Personal Data Protection Act, 2023, which addresses data privacy but does not fully resolve issues with AI data usage.
- 2. Judicial Interpretation:** Courts, like in the case of Christian Louboutin Sas vs Nakul Bajaj and Ors (2018), have been pivotal in defining the scope of intermediary liability, impacting how Generative AI might be treated under current laws.

What should be done?

- 1. Sandbox Approach:** A temporary immunity or sandbox approach is proposed for Generative AI platforms. This method allows platforms to operate with some legal exemptions while gathering data and experiencing real-world scenarios that can inform future regulations.
- 2. Data Rights and Responsibilities:** The process of data acquisition for Generative AI training requires a complete overhaul. This involves ensuring legal compliance and proper compensation for the intellectual property used in training models, possibly through revenue-sharing or licensing agreements.
- 3. Licensing Challenges:** Licensing data for Generative AI needs centralized platforms for data licensing. This would help simplify the process for developers and ensure the integrity and appropriate use of data, similar to solutions found in other industries like stock photography.

New Labelling Regulations for Packaged Food

Context-This article discusses the recent amendment to food labelling regulations by the Food Safety and Standards Authority of India (FSSAI). The amendment intends to improve consumer awareness and public health.

India's urban growth is boosting consumption of packaged foods, especially among children. By 2030, India could have over 27 million obese children, making up 10% of the global total, as per UNICEF's "World Obesity Atlas" (2022).

What are the recent amendments brought by FSSAI?

The FSSAI approved changes to the Food Safety and Standards (Labelling and Display) Regulations, 2020. Packaged foods will now show salt, total sugar, and saturated fat details in a bold and larger font. Previously, this information was in small fonts which could have been easily overlooked by consumers.

What is the significance of new regulation?

- 1) **Empowerment-**It will empower the consumers to make informed decisions.
- 2) **Enhancing Public Health** -The proposed changes to food regulations will enhance public health, combatting non-communicable diseases.
- 3) **Export-based Employment**-The portion of processed food in total agricultural exports almost doubled from 2014-15 to 2022-23, reaching around 26%. Adopting global food regulations will create more opportunities for growth and export-based employment.

What are the challenges in food safety regulation in India?

- 1) Simply showing nutritional information in big fonts isn't enough if consumers don't understand its importance or the health risks it signals.
- 2) Harmful substances in popular Indian spice brands and extra sugar in baby food were detected through testing done abroad by a foreign NGO.

A detailed article on Food Safety Regulations in India can be [read here](#).

What should be the way forward?

- 1) Raising public awareness about recommended dietary allowances and their connection to saturated fat, sodium, and sugar is essential.
- 2) Public health departments at both the central and state levels should conduct awareness campaigns to educate the public.
- 3) There is a need to encourage better food choices that can alleviate strain on healthcare systems.
- 4) The food regulator must set clear standards and ensure all food companies follow them to keep consumers safe and maintain trust.

New rules for police officers under BNSS

Context: The article explains new criminal laws effective from July 1. It details rules for FIR registration, mandatory videography during searches, provisions for arrest, timelines for investigations, and the responsibilities of police officers under the Bharatiya Nagarik Suraksha Sanhita (BNSS).

For detailed information on **Bharatiya Nagarik Suraksha Sanhita (BNSS)** [read this article here](#)

What are the new rules for police officers under the Bharatiya Nagarik Suraksha Sanhita (BNSS)?

- 1. Zero FIR Registration:** Police officers must register an FIR regardless of jurisdiction issues under Section 173 of the BNSS. This ensures that no complaint is turned away due to territorial concerns. If the incident occurred outside their jurisdiction, they are required to transfer the FIR to the appropriate station.
- 2. Electronic Submission:** FIRs can now be filed electronically through platforms like the CCTNS portal, police websites, or official email addresses. This must be signed by the complainant within three days to be officially recorded.
- 3. Mandatory Videography:** Sections 185, 176, and 105 of the BNSS mandate videography for searches, crime scenes, and seizures. This is to preserve evidence integrity and support transparent proceedings. Officers are equipped with electronic devices for this purpose, using apps like 'eSakshya' which tags and timestamps images and videos.
- 4. Display of Arrest Information:** Information about arrested individuals must be displayed at police stations as per Section 37. This includes names, addresses, and details of the alleged offences, enhancing transparency.
- 5. Restrictions on Arrests:** Under Section 35(7), elderly or infirm individuals cannot be arrested for offenses punishable by less than three years without permission from an officer of Deputy Superintendent rank or higher.
- 6. Timelines and Reporting:** The medical report in a rape case must be submitted within seven days. POCSO case investigations must finish in two months. Police must update the informant or victim about investigation progress within 90 days.
- 7. Special Provisions for Electronic Evidence:** There is a focus on maintaining a chain of custody for electronic evidence to prevent tampering, emphasizing the role of cyber experts in safeguarding digital data.
- 8. Defining a Terrorist Act:** A new rule under Section 113 defines 'terrorist acts' and assigns the duty to officers of SP rank or higher to decide on registering such cases, considering several factors like the severity of the threat and the level of investigation needed.

Draft Digital Competition Bill

Context- The Ministry of Corporate Affairs formed a Committee on Digital Competition Law (CDCL) to study the necessity of a new law for competition in digital markets. After a year of discussion, the CDCL decided to add an ex-ante framework to the existing Competition Act, 2002.

Ex-ante competition regulation is uncommon. The European Union is the only place where a comprehensive ex-ante competition framework, known as the Digital Markets Act, is currently enforced.

What does "ex-ante framework" mean?

The Competition Act, 2002 currently operates reactively, with the CCI intervening after anti-competitive behavior has occurred. The proposed ex-ante framework for digital markets would enable the CCI to prevent such conduct proactively before it occurs.

What are the reasons behind proposing "ex-ante framework"?

- 1) Economies of Scale and Scope** -Digital enterprises benefit from economies of scale and economies of scope, reducing production costs per unit and total costs with increased services. This accelerates their growth compared to traditional market players.
- 2) Network Effects**-It also enhances utility of digital services as user numbers increase.

3) **Effective Regulatory Framework** -Markets can quickly and irreversibly favor established players. The current framework is slow that allows offenders to evade scrutiny.

4) **Monopolistic Tendencies**-A group of Indian startups has backed the draft Bill, arguing that it would address concerns about monopolistic practices by big tech.

Read More- [Digital Competition Bill: Its core needs strengthening](#)

What are the key features of the draft Digital Competition Bill?

1) **Dominant Digital Enterprises**-It is inspired by the EU's Digital Markets Act. The bill focuses only on "dominant" digital enterprises rather than all. It identifies ten key digital services such as search engines and social networking platforms.

2) **Criteria for Determining Digital Dominance**-It establishes clear rules for the CCI to determine if digital companies are dominant. It considers financial strength through the "significant financial strength" test and market presence in India through the "significant spread" test.

3) **Designation of SSDEs**- The CCI can designate "systemically significant digital enterprises (SSDEs)" even if they don't meet quantitative criteria.

4) **Restriction on SSDEs-**

A) They must operate fairly, non-discriminatively, and transparently with users. The draft Bill prohibits SSDEs from self-preferencing, restricting third-party app availability, and blocking user settings changes.

B) They cannot use user data from one service to benefit another or unfairly leverage non-public user data.

Why has the draft bill been opposed?

1) **Ex-Ante Regulatory Model in India** -There are doubts about how well an ex-ante regulatory model will work in India, as it seems to be copied from the EU without considering the differences between these regions.

2) **Lack of Evidence**-There's no evidence that this regulatory approach has succeeded in the EU, which raises doubts about its efficacy in India.

3) **Impact on Investment**- It could deter investments in Indian startups. This is because startups may avoid scaling up to avoid crossing quantitative thresholds.

4) **Impact on MSMEs**- Limitations on tying, bundling, and data usage could harm Micro, Small, and Medium Enterprises (MSMEs) that depend on big tech to reduce expenses and reach more customers.

India's Digital Personal Data Protection Act

Context-The Digital Personal Data Protection Act (DPDP Act) of 2023 is set to revolutionize how businesses handle personal data in India. This new legislation has raised concerns among sales teams and organizations about their traditional marketing and data collection practices.

Companies mostly gather large datasets of personal information to generate sales leads. Call centers then use this data to contact potential customers, leading to frequent interruptions from unsolicited sales calls and online ads. This data acquisition process sometimes raises ethical concerns.

What are the Key Provisions of the DPDP Act?

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- 1) **Legitimate Grounds for Data Processing** - Personal data must have a valid reason for processing, usually obtained through consent. This consent must be specific to the intended use of the data. Sharing or repurposing data without explicit consent is not allowed.
- 2) **Rights of Data Principals**- Individuals have the right to access information about how their personal data is being processed. They can also inquire about sharing their data sets with others.
- 3) **Obligations of Data Fiduciaries**- Organizations must track all purposes for which personal data is used. They must show that they have obtained consent for any data transfers.
- 4) **Penalties**: Each breach of the DPDP Act can result in penalties up to ₹250 crore.

A detailed article on **Digital Personal Data Protection Bill, 2023** can be [read here](#).

What will be the impact of this Act on Business Operations?

a) Sales and Marketing-

- A) Traditional "spray-and-pray" marketing approaches may become unsustainable.
 - B) Businesses selling datasets of personal information will likely shut down.
 - C) Storing pre-existing data without legitimate grounds becomes a violation.
- b) **Customer Verification Processes**- Updating KYC with alternate phone numbers can raise compliance issues. Businesses will have to redesign processes to avoid unnecessary collection of personal data.

What should be the Way ahead?

- A) Organizations need to revise their operations to ensure compliance.
- B) Alternative marketing strategies that respect data privacy must be developed.

Costs and Benefits of Hosting the Olympics

Context -India recently expressed interest in hosting the 2036 Olympics at the IOC Session. Economists suggest this interest might be driven more by national pride or political reasons rather than economic benefits. Given India's current spending on social programs, it's worth asking if the country should spend so much on hosting the Olympics.

What are the financial implications of hosting the Olympics?

- 1) **High Costs and Financial Burdens** -Hosting the Olympics is very costly, with the Summer Games averaging over \$8 billion. History shows that host nations often face large financial burdens. For ex- Montreal's 1976 Olympics left a debt of over CAD\$1.5 billion, and Greece's 2004 Athens Games contributed to the country's debt crisis.
- 2) **Cost Overrun**-The London, Rio, and Tokyo Summer Olympics together cost over \$50 billion in 2022 terms, which was 185% more than the budgeted amounts. This does not include extra infrastructure costs.

Read More- [Celebrating Play and Learning](#)

What are the arguments against hosting Olympic games by India?

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- 1) **Cost Overruns vs. Olympic Expenses**- India is used to cost overruns. By the end of 2023, 580 major projects, each costing over ₹1,000 crore, had exceeded their budgets by 25%, reaching ₹25.84 trillion. However, this is still small compared to the cost overruns often seen with the Olympics.
- 2) **Challenges in Securing Private Sector Funding**- Most Olympic funding comes from the private sector, but in India, the government struggles to get companies to increase their spending. It's unclear if Indian companies will invest billions in hosting the Olympics without seeing direct benefits.
- 3) **Post-Event Venue Neglect** -Hosting a multi-city Olympics in India would require significant new infrastructure. However, past events like the post-2010 Commonwealth Games demonstrate that specialized sports venues are neglected once the event concludes.
- 4) **Limited Economic Impact** -The estimated economic gain (Hosting 2024 Olympic) of €11.1 billion translates to about €650 million per year, just 0.03% of France's 2023 GDP. The National Institute of Statistics and Economic Studies has stated there is no clear evidence that hosting major sporting events benefits the host country's economy.
- 5) **Uncertain Costs of Hosting** -True cost of hosting the Olympics is often unclear. For ex-the Oxford Olympics Study 2016 found reliable cost data for only about two-thirds of the Games held since 1960.
- 6) **Lack of Appropriate Benefits of Olympic Infrastructure**- Despite the high costs and private investment required, the new infrastructure from hosting the Olympics may not be as useful as hoped. For ex- the 2016 Rio Olympics led to corruption, crumbling stadiums, and worsened the economic crisis.

Topic- Role of Civil Services in a Democracy.

Rules and Regulations Governing Civil Servants in India

Context- The Centre set up a single-member committee under the Department of Personnel and Training (DoPT) to review all documents submitted by probationary IAS officer Puja Khedkar regarding her civil service candidacy. She was allotted IAS under the Other Backward Classes (OBC) and Physically Handicapped (PH) quotas.

What are the rules governing civil servants in India?

1) The All-India Services (Conduct) Rules, 1968-

A. Scope and Applicability- These rules apply to IAS, IPS, and Indian Forest Service officers from the moment they are assigned their service and start training.

B. Key Provisions

-Rule 3(1): -It requires complete integrity and dedication to duty while prohibiting actions that are inappropriate for a service member.

-Rule 4(1): - It prohibits officers from using their position to secure jobs for family members in private companies or NGOs and clearly defines what constitutes "unbecoming" behavior.

-2014 Additions - It emphasizes high ethical standards, integrity, and honesty, while promoting political neutrality, accountability, and transparency. It encourages responsiveness to the public, especially vulnerable groups, and mandates courtesy and good behavior towards the public.

-Rule 11(1): Officers may accept gifts from close relatives or friends with no official ties during events like weddings, anniversaries, funerals, and religious functions. However, gifts valued over Rs 25,000 must be reported to the government, a threshold updated in 2015

-Decision-Making Guidelines- Decisions must be made solely in the public interest, and officers must declare any private interests related to their duties. They are prohibited from placing themselves under financial obligations and must not misuse their position for personal or family benefits.

2) Indian Administrative Service (Probation) Rules, 1954

A. **Applicability-** It governs officers during their probation period, which lasts at least two years after selection and includes training at LBSNAA in Mussoorie.

B. Key Provisions-

1) **Entitlements-** During probation, officers receive a fixed salary and travel allowance but do not have the same benefits as confirmed IAS officers, such as an official car, accommodation, an office with staff, or a constable.

2) **Rule 12: Discharge of Probationers** -These include the central government finding the probationer "ineligible for recruitment," "unsuitable for service," neglecting probationary duties, or lacking the necessary "qualities of mind and character."

3) **Enquiry Process-** The Centre conducts a summary inquiry before issuing discharge orders, and the committee submits its report within two weeks.

Read More- [Reforms in the Civil Services – Explained, pointwise](#)

What are the consequences of furnishing false information?

According to a 1993 DoPT circular, government servants who provide false information or certificates should not remain in service. This rule applies to both probationers, who are "discharged," and confirmed officers, who are "dismissed."

However, dismissals can be challenged in court, the Central Administrative Tribunal (CAT), and the National OBC Commission, leading to lengthy legal battles during which the officer may remain in service.

Topic- Issues Relating to Development and Management of Social Sector/Services relating to Health, Education, Human Resources.

Place of Education in India's Federal Structure

Context- The NEET-UG exam has faced controversies involving grace marks, allegations of paper leaks, and other irregularities. The article discusses the debate surrounding the place of education in concurrent list. In the United States, educational standards are set by state and local governments, with federal oversight on financial aid and key issues. Canada delegates education entirely to its provinces, while Germany gives legislative power to its states (landers). South Africa has national departments overseeing education with provincial departments implementing policies locally.

What is the historical background?

1) **British Era-**The Government of India Act, 1935 introduced a federal structure in India. Legislative subjects were divided between federal legislature and provinces. Education was placed under the provincial list.

2) Post-Independence Era-

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- A) Initially, education remained on the 'State List'.
- B) During the Emergency, the Swaran Singh Committee suggested shifting education to the 'Concurrent List'. This recommendation was enacted through the 42nd Constitutional Amendment in 1976 without thorough discussion.
- C) The Janata Party government tried to undo this through the 44th Amendment in 1978, which did not pass in the Rajya Sabha.

What are the arguments for placing education in Concurrent List?

- A) Uniform education policy across the country.
- B) Potential for improved standards.
- C) Enhanced synergy between Centre and States.

Read More- [Issues with India's education system](#)

What are the arguments against placing education in Concurrent List?

- 1) **Recent Controversies-** NEET- Opposition to returning 'education' to the State list cites concerns about corruption and a lack of professionalism. However, recent issues with NEET and NTA have shown that centralization does not automatically resolve these problems.
- 2) **Expenditure on Education-** According to the Ministry of Education's 2022 report on budgeted expenditure, in the fiscal year 2020-21, education departments in India spent a total of ₹6.25 lakh crore. Of this amount, the Centre accounted for 15%, while states contributed 85%. This highlights the significant role of states in funding education.

What should be the way forward?

- 1) Most education funding comes from the states, suggesting a need for constructive dialogue about returning 'education' to the State list. This change would enable states to formulate tailored policies for curriculum, exams, and admissions, especially for professional courses like medicine and engineering.
- 2) Regulatory mechanisms for higher education can continue to be governed by central institutions like the National Medical Commission, University Grants Commission and All India Council for Technical Education.

Celebrating Play and Learning

Context- India recently joined the global observance of the International Day of Play on June 11, recognized by the United Nations, highlighting the important role of play in enabling children to thrive and reach their full potential. India has prioritized play and has been at the forefront of institutionalizing it.

Why is playing important for children's development?

- 1) **Holistic Growth-** Play is essential for children's overall development—physical, emotional, social, cognitive, and cultural. It encourages curiosity, exploration, and experimentation in a safe and enjoyable environment.
- 2) **Interactive Play Activities-** Play involves talking, storytelling, using toys, singing, music, dancing, creating art, and playing both indoors and outdoors. These activities build strong connections among students, teachers, parents, and the community.
- 3) **Brain Studies-** Research on child development and brain studies show that play is essential for:

- A) Brain development, especially stimulating the prefrontal cortex, which handles attention, problem-solving, and social behavior regulation

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- B) Neuroplasticity, the ability to form new neural connections crucial for learning and adapting throughout life
- C) Intuitive knowledge, crucial for problem-solving and decision-making in complex and uncertain situations
- 4) **Role of Play in Parenting**- UNICEF highlights the vital role of play in parenting to build the foundation for children's growth and development from infancy onward.

What are the steps taken by the government to promote playing for holistic development of children?

1) **NEP and NCF-FS** -The National Education Policy (NEP) 2020 and the National Curriculum Framework for the Foundational Stage (NCF-FS) 2022 introduced a curriculum framework for children aged 3-8, focusing on learning through play for the first time.

Read more- [How does the NEP support students](#)

- 2) **Jaadui Pitara** -JNCERT's Jaadui Pitara represents NCF-FS's innovative approach to early education. It includes a variety of age-appropriate, locally relevant, and sensory-rich learning materials like toys, games, puzzles, etc.
- 3) **e-Jaadui Pitara** -The Ministry of Education launched the e-Jaadui Pitara to complement the physical box, making it accessible via computers, smartphones, television, and radio. Caregivers can engage with virtual assistants using AI chat and voice features to tell stories and encourage children in play-learning activities.

Ethical issues and violations in medical trials in India

Context: The article discusses ethical issues and violations in medical trials in India, focusing on informed consent, the effectiveness of ethics committees, and the protection of vulnerable trial participants. It highlights the challenges in upholding medical ethics and the need for stronger oversight and whistleblower protection.

What are the Allegations Against Covaxin's Clinical Trials?

- 1. **Violation of Informed Consent Procedures:** The trials reportedly enrolled participants without adequately informing them about the risks involved, which is a crucial aspect of ethical medical practice.
- 2. **Enrollment of Vulnerable Populations:** Vulnerable groups were allegedly targeted for the trials, raising concerns about exploitation.
- 3. **Non-reporting of Adverse Events:** It was claimed that adverse reactions during the trial were not reported, which is essential for assessing vaccine safety.
- 4. **Lack of Adequate Monitoring and Follow-up:** The trials lacked proper monitoring and follow-up of participants, compromising the integrity and results of the study.

How Do Ethics Committees Function in Clinical Trials?

- 1. **Lack of Oversight:** Some clinical trials in India proceed without any ethics committee oversight, as highlighted by the 2022 publication by Gayatri Saberwal et al
- 2. **Insufficient Committees:** The study found instances where the number of trial sites exceeded the number of functional ethics committees, indicating inadequate oversight capacity.
- 3. **Functionality Issues:** The same study identified 30 problems related to the operation of ethics committees in India, which suggests significant shortcomings in their effectiveness.
- 4. **Competence Concerns:** The effectiveness and competence of ethics committee members were also questioned, particularly during high-profile trials such as those for COVID-19 treatments.

What Role Do Whistleblowers Play?

1. **Highlighting Ethical Concerns:** Whistleblowers such as Dr. Jacob Puliyel filed writ petitions in the Supreme Court to ensure transparency and accountability in clinical trials, as discussed in connection with the Covaxin trials.
2. **Facing Retribution:** Despite their crucial role, whistleblowers often face significant personal and professional risks. Individuals like Satyendra Dubey and Shanmugam Manjunath suffered severe consequences for their actions.
3. **Legal Weaknesses:** In India, the protection for whistleblowers is limited and was further weakened in 2015, reducing their ability to safely report wrongdoing.

What Are the Broader Implications for Drug Development?

1. **Ethical Shortcuts:** There are concerns with practices such as the "emergency use authorization in clinical trial mode" for Covaxin, which lacks explicit support in the regulatory framework under the Drugs and Cosmetics Act.
2. **Lack of Specialized Expertise:** The management of complex drug development processes often involves medical practitioners without specific expertise in clinical trials, which can lead to inadequate handling of specialized requirements.
3. **Ineffective Oversight by Ethics Committees:** Failures in ethics committee oversight are evident, such as approving more trial sites than there are functional committees, leading to compromised ethical standards in trials.

What should be done?

1. Enhance the legal framework to protect individuals who expose unethical practices, similar to stronger protections seen in other countries.
2. Ensure every clinical trial has effective oversight by a competent ethics committee, as gaps in this area lead to ethical violations.
3. Appoint specialists with expertise in clinical trials to manage drug development, avoiding the misuse of general medical knowledge for complex drug approvals.

Inclusion of Yoga in Olympic and Asian Games Sport

Context- The article discusses the demand to push for inclusion of yoga as a competitive sport in major international sporting events like the Olympics and Asian Games. There are fears that it may be used as political propaganda by the ruling dispensation. However, it's important to understand that yoga transcends any ideology and has consistently served as India's soft power regardless of the ruling party.

What are the arguments to support the inclusion of Yoga in Olympic and Asian Games Sport?

- 1) **Yoga as a Sport:** - Yoga meets the Oxford Dictionary definition of sport, which defines it as "an activity involving physical exertion and skill, especially one regulated by set rules or customs in which an individual or team competes against another or others."
- 2) **Yoga's Spiritual Essence-**Competition doesn't necessarily devalue yoga's core principles.
- 3) **Global Popularity and Reach of Yoga-**According to Statista, yoga was practiced by 33.6 million people in

the US in 2023, surpassing the popularity of flag football (20 million practitioners) and T20 cricket, and showing higher participation rates among women globally.

4) **Featured in Khelo India Youth Games**- The competition included three types of events: Artistic yoga, Rhythmic yoga, and Traditional yoga. This has demonstrated yoga's potential as a thrilling sport where flexible athletes can deliver impressive performances.

Read More- [Khelo India Programme](#)

5) **Recently Included Sports**-A parallel is drawn with other recently included sports, such as Xiangqi, traditionally played in Chinatowns globally and included in the Asian Games last year, and flag football, known as a recreational activity in US gym classes, added to the 2028 Los Angeles Olympics nine months ago, to support the argument for yoga's inclusion.

What should be the wayforward?

1) **Learning from Flag Football's Journey**: -It took 20 years for the sport to achieve Olympic status, a process that included codifying rules, organizing international championships, and promoting it globally. India should follow the same process.

2) **Utilizing Olympic Rules**-The International Olympic Committee lets host nations include popular regional sports. The USA and China have promoted sports important to their culture when hosting major events. India should similarly push for yoga's inclusion in the Olympics and Asian Games.

State of Computer Literacy in India

Context: The article discusses the importance of computer literacy in India, noting that it is essential for accessing many services and improving life quality. It highlights the low levels of computer skills, especially in rural and economically disadvantaged areas, and stresses the need for better education and training programs to reduce the digital divide.

For detailed information on **Digital Public Infrastructure** [read this article here](#)

What is the Importance of Computer Literacy?

1. **Access to Services:** Computer literacy enables individuals to utilize essential digital services such as online banking, healthcare management, and government services, improving their quality of life.
2. **Educational Benefits:** During the COVID-19 pandemic, computer and internet access were crucial for online education and ordering daily necessities.
3. **Employment Opportunities:** According to studies, adults with computer skills have higher employment rates (72.7%) compared to those without (52.5%). This suggests that computer literacy enhances employability and productivity.
4. **Economic Impact:** Regions with higher computer literacy, like Kerala, show better socio-economic development compared to states with lower literacy rates, demonstrating a correlation between computer skills, employment probability, and earnings.

What Challenges Does India Face in Improving Computer Literacy?

1. **Infrastructure Shortfalls:** Many educational institutions in India lack the necessary facilities and qualified instructors to deliver effective computer education, limiting student access to essential digital skills.

2. **Generational Divide:** Older individuals often show less interest in learning new technologies, contributing to lower computer literacy rates among these age groups.

3. **Economic and Geographical Gaps:** States with economic challenges have markedly lower computer literacy rates, which hinders equitable access to digital opportunities and deepens social inequalities.

How Can India Improve Computer Literacy?

1. **Enhance School Programs:** Schools should ensure all students graduate with computer literacy skills, addressing current gaps in access and instruction.

2. **Invest in Infrastructure:** The government should allocate resources for better computer facilities and training of qualified personnel in schools and colleges.

3. **Target Adult Education:** Implement targeted programs for the older population, involving local governing bodies and NGOs, to improve computer literacy outside the formal education system.

4. **Focus on Disadvantaged States:** Special initiatives in economically disadvantaged states like Assam and Bihar can help bridge the digital divide and promote inclusive growth.

Controversy Around HPV Vaccination

Context: The article discusses the promotion, timing, and high cost of India's HPV vaccine, Cervavac. It questions the need for universal vaccination against HPV, highlights delay in development due to patent issues, and criticizes the high price despite potential for lower costs.

For detailed information on **Status of cervical cancer in India - free future** [read this article here](#)

What is the HPV Vaccine?

1. The HPV vaccine is designed to prevent cervical cancer by targeting the human papillomavirus (HPV).

2. Only a few out of over 200 HPV strains are linked to cervical cancer, specifically causing precancerous lesions.

3. Despite the vaccine's aim, most individuals with HPV do not develop cancer; infection is common, but progression to cancer is rare.

4. India's Serum Institute developed Cervavac, an indigenous HPV vaccine, using recombinant DNA (rDNA) technology, similar to early vaccines like the Hepatitis-B vaccine. The vaccine targets pre-puberty girls, based on the assumption that preventing HPV transmission at a young age will reduce cancer rates later.

How Have Patents Affected Vaccine Development?

1. Patents have shifted vaccine development from public to private sectors, changing the landscape of innovation.

2. The U.S. Patent Act amendments in the 1980s allowed for the patenting of genetically modified organisms and life processes, facilitating private monopolization of vaccine development.

3. The TRIPS agreement globalized U.S. patent laws, impacting vaccine production and distribution worldwide.

4. This resulted in delayed availability of vaccines like India's Cervavac, which had to wait for key HPV vaccine patents to expire before development could begin.

5. Patented vaccines such as Gardasil and Cervarix were developed under these new conditions, setting precedents in vaccine commercialization.

What Impact Has This Had on India's Vaccine Industry?

1. India's 1970 Patent Act fostered the growth of its domestic vaccine industry by allowing only process patents, not product patents.
2. This enabled rapid development and production of generic drugs and vaccines, positioning India as a global pharmacy.
3. The introduction of product patents under TRIPS slowed down the development of new vaccines like Cervavac, which took two decades after similar vaccines were available globally.
4. Despite infrastructure capable of producing at scale, Cervavac's market pricing remains high, raising concerns about the application of patent laws and their impact on affordability and accessibility in India's vaccine market.

What is the Controversy Around HPV Vaccination in India?

- 1. Association with Cancer:** The link between HPV and cervical cancer is controversial. While certain strains of HPV are associated with precancerous lesions, most HPV carriers do not develop cervical cancer.
- 2. Moral and Cultural Concerns:** The push to vaccinate pre-puberty girls based on assumptions about their future sexual behavior is seen as problematic. This perspective is viewed as imposing Western values and may be considered a moral issue within the conservative fabric of Indian society.
- 3. Gender Bias:** The focus on vaccinating girls and not boys highlight a gender bias, overlooking the fact that men can also be carriers of HPV.
- 4. Cost Issues:** The high cost of the HPV vaccine poses a significant barrier. The government price is ₹500 for two doses, but for those not covered by government programs (recommends Cervavac for girls aged nine to 26), the retail price escalates to ₹2,000, making it unaffordable for many.

male reproductive health issues

Context: Despite affecting millions of couples worldwide and accounting for 50% of all infertility cases in India, male infertility remains stigmatized and shrouded in misconceptions.

What is the present state of male reproductive health issues?

According to the World Health Organization (WHO), 60 to 80 million couples worldwide struggle with infertility.

Extrapolated data suggests 13 to 19 million Indian couples face infertility issues. Male infertility accounts for 50% of these cases.

he infertility issues in males include absence of sperm, low sperm count, low sperm motility.

What are the factors causing these issues?

Sperm Issues: Male infertility can manifest in various forms, such as absence of sperm, low sperm count, and low sperm motility.

Internal Factors: Factors such as stress, hormonal imbalances, genetic anomalies, anatomical issues, and epigenetic influences play a significant role in male infertility.

Environmental Factors: External factors, including environmental pollution and the indiscriminate use of pesticides on crops, plastics, and plasticizers, can adversely affect fertility.

Lifestyle Factors: Lifestyle choices significantly influence male fertility. Diet, sleep patterns, work schedules,

and the consumption of alcohol and tobacco are major contributing factors. Additionally, the growing trend of late marriages among the youth poses challenges due to the natural decline in sperm quality with age.

What steps can be taken to address this issue?

Awareness: Raising awareness about reproductive and sexual health is crucial.

Open Discussions: There is an urgent need for open and informed discussions about male reproductive health. Parents, especially fathers, play a critical role in educating their sons about reproductive health issues.

Life style changes: Young men should be encouraged to adopt healthy lifestyle practices. This includes maintaining a balanced diet, regular sleep patterns.

Timely Medical Interventions: Encouraging timely medical interventions can help address infertility issues early on, improving the chances of successful treatment and conception.

Stress Management: Stress is a major deterrent to reproductive health. Regular exercise, yoga, and meditation can significantly reduce stress and its adverse effects on well-being.

Supreme Court of India's thoughts on menstrual leave for women

Context: The article discusses the Supreme Court of India's thoughts on menstrual leave for women. The court worries this policy might be misused and harm women's job chances. It suggests creating a careful policy with inputs from various groups to avoid discrimination and stigma.

For detailed information on the **Issue of Menstrual Leaves** [read this article here](#)

What Are the Existing Challenges for Working Women?

1. Working women face setbacks like the **motherhood penalty**, which includes career stalls due to pregnancy and child-rearing.
2. They are also often assigned **less significant administrative tasks compared to their male counterparts**.

What Are the Concerns About Menstrual Leave?

1. **Potential for Misuse:** There is concern that a mandatory menstrual leave policy could be misused, negatively impacting women's employment opportunities.
2. **Career Obstacles:** Menstrual leave might become an additional hurdle for women in terms of employment and career advancement.
3. **Discrimination Fears:** Former Union Minister Smriti Irani opposed the policy, citing concerns that it could lead to discrimination against women for a natural biological process.
4. **Stigmatization:** The policy could unintentionally pathologize menstruation, reinforcing stigma rather than alleviating it, impacting women's perception in the workplace.

How Is Menstrual Leave Handled in Other Countries?

1. Countries like **Taiwan and Zambia** have menstrual leave policies, but face challenges in implementation.
2. **Spain:** Introduced paid menstrual leave in 2023, becoming the first European country to do so. However, data indicates that few women have taken advantage of this policy, likely due to complicated processes and fears of discrimination.

3. **Indonesia:** Offers a two-day menstrual leave, but it is rarely used because women must undergo a medical examination to qualify, which discourages many from applying.

What Does the Draft Menstrual Hygiene Policy Suggest?

The government's draft policy **suggests flexible hours** and **support leaves** to help all employees and prevent stigma or assumptions about productivity tied to menstrual cycle.

How climate change reduces children's outdoor play opportunities in India.

Context: The article discusses how climate change is reducing children's opportunities to play outdoors, particularly in India. It highlights the dangers of extreme weather like heatwaves and emphasizes the need for better urban planning and community efforts to ensure safe play spaces for all children.

How Does Climate Change Affect Children's Play?

1. Climate change significantly impacts children's play by making outdoor environments unsafe and inaccessible due to extreme weather conditions like heatwaves and floods.
2. In India, children face increased risks with the country **ranked 26 out of 163 on UNICEF's Children's Climate Risk Index (CCRI) 2021**, indicating high vulnerability to climate impacts.
3. A UNICEF analysis highlights that South Asia has the highest number of children exposed to extreme temperatures, which limits their opportunity to play outdoors and interact with peers, crucial for their development and mental health.

What Challenges Do Children Face in Accessing Play Spaces?

1. Many children, especially in low-income areas, face significant **barriers to accessing safe play spaces due to urbanization and environmental degradation**.
2. **Socio-economic disparities**, and social identities such as caste, class, disability, and gender, also limit access to leisure and public spaces.
3. In India, **public playgrounds are often non-existent** or poorly maintained in poorer communities.
4. Overcrowded and small living conditions in **urban areas restrict indoor play opportunities**.
5. Places designated for playgrounds in some low-income areas are frequently misused as dumping grounds for solid waste, further reducing available spaces for children to play.

What Should be Done?

1. **Implement bioclimatic design principles** in playground infrastructure to create safe, climate-adapted play areas.
2. **Expand access to green spaces** within cities to counteract the urban heat island effect, making outdoor play more feasible.
3. **Community initiatives** should focus on improving playground conditions and creating shaded areas in parks for children to play during warmer days.
4. **Adapt and preserve traditional architectural techniques** for natural cooling in building playgrounds and public spaces.
5. **Encourage children to participate in local environmental actions**, such as biodiversity mapping, to empower them and integrate their perspectives in urban planning and climate resilience strategies.

The failures of the National Testing Agency (NTA) in India

Context: The article discusses the failures of the National Testing Agency (NTA) in India, which has led to examination malpractices and a loss of trust in the system. It suggests decentralizing entrance exams and improving the school system to restore integrity and relevance to school education.

For detailed information on **National Testing Agency (NTA)** [read this article here](#)

What is the National Testing Agency (NTA)?

National Testing Agency- National Testing Agency (NTA) was established as a Society registered under the Indian Societies Registration Act, 1860. It is an autonomous and self-sustained testing organization to conduct entrance examinations for admission/fellowship in higher educational institutions.

For more information [read this article here](#)

What are the main issues with the National Testing Agency (NTA)?

- 1. Conduct of Examinations:** The NTA conducts exams in pen and paper mode, contrary to its original vision of electronic testing, increasing the risk of malpractice.
- 2. Examination Integrity Issues:** There have been widespread issues with question paper leaks, arbitrary grace marks, and selective re-examinations, as exemplified by the NEET-UG fiasco, which has undermined trust in the fairness of the exams.
- 3. Operational Weaknesses:** The NTA's structure is lean, with many functions outsourced, which has compromised its ability to manage exams effectively. The chairperson and CEO lack the expertise needed to build a robust testing institution.

What Should be Done?

- 1. Decentralize Exam Processes:** The central government should allow states to conduct their own entrance exams based on a standardized template to maintain consistency and reduce the risk of malpractice.
- 2. Form Expert Committees:** The government has constituted a seven-member committee, chaired by former ISRO chairman K. Radhakrishnan, to review and reform the examination process.
- 3. Strengthen Data Security:** The committee's terms of reference include improving data security protocols to enhance the robustness of examinations, addressing concerns raised by the NEET-UG leaks.
- 4. Integrate School Performance:** Include school-leaving marks in entrance exam scores to revive the importance of school education and reduce the influence of coaching centers.
- 5. Improve Governance:** Clearly define roles within the NTA and establish a responsive grievance redress mechanism to restore trust and ensure effective management.

Cheaper Cancer Drugs

Context- The finance minister has in her budget speech announced customs duty exemptions for three cancer drugs-trastuzumab deruxtecan, osimertinib, and durvalumab. These drugs previously had a 10% duty. Approximately one lakh patients in India require trastuzumab deruxtecan, osimertinib, and durvalumab

9 PM Compilation July 2024

Cancer cases in India are rising, with 14.6 lakh new cases in 2022, up from 14.2 lakh in 2021. Cancer deaths also increased to 8.08 lakh in 2022. Women have a higher cancer incidence rate (103.6 per 100,000) compared to men (94.1). Common cancers for men include lung, mouth, and prostate, while for women, they are breast, cervix, and ovary.

What are targeted cancer drugs?

- 1) **Purpose:** Attack only cancer cells, leaving normal cells unaffected.
- 2) **Function:** Target specific genetic changes in cancer cells that promote growth, division, and spread.
- 3) **Advantages:** Better outcomes and fewer side effects than traditional chemotherapy, which affects all cells indiscriminately.
- 4) **Immunotherapy:** -Trains the patient's immune system to identify and attack cancer cells, rather than targeting the cancer directly with drugs.

How do these three drugs work?

1) Trastuzumab deruxtecan-

- A) It is an antibody-drug conjugate combining a lab-made protein with a drug. It treats cancers with the HER-2 receptor that have spread or cannot be surgically removed.
- B) It is a second-line treatment that is used when traditional therapies fail. It was approved for breast cancer in 2019 and for certain gastrointestinal cancers in 2021.
- C) It was the first drug in its class to receive "tissue-agnostic approval" from the FDA, meaning it can treat any cancer with the HER-2 receptor, regardless of its origin.
- D) Cost: The drug costs around Rs 1.6 lakh per vial.

2) Osimertinib-

- A) **Usage:** Most used cancer drug in India.
- B) **Treatment:** For lung cancers with epidermal growth factor receptors (EGFR), involved in cancer development. It is effective for 25% to 30% of lung cancers in non-smoking women
- C) **Function:** Blocks EGFR receptors on cancer cells, stopping cancer growth.
- D) **Application:** Prescribed after surgery or as a first-line treatment for metastatic cancer. Can be used until it stops working or causes severe toxicity.
- E) **Benefits:** Extends patient survival by 4 to 5 years compared to other treatments.
- F) **Cost-** The drug is expensive, costing ₹1.5 lakh for a strip of ten pills. It must be taken daily.

3) Durvalumab-

- A) **Type:** Immunotherapy treatment.
- B) **Usage:** Treats certain lung cancers, biliary tract cancers, bladder cancer, and liver cancer.
- C) **Function:** Binds to PD-L1 proteins on cancer cells, which helps the immune system recognize and kill these cells.
- D) **Benefits:** Studies show that patients on Durvalumab remain in remission longer and live longer.
- E) **Cost:** Sold as Imfinzi, it costs about ₹1.5 lakh per 10ml vial.

Read more- [Union Budget 2024-25- Analysis](#)

What is the significance of the customs duty exemptions for three cancer drugs?

- 1) **Financial Relief:** The exemptions will reduce the financial burden on cancer patients and their families. It will make these drugs more accessible to Indian patients.

- 2) **Meet Additional Expenses:-** A ₹12,000 price drop would allow for more spending on nutrition, protein supplements, and other expenses like tests and scans.
- 3) **Efficacy-**They are targeted therapies that offer much better results than traditional therapies.

Role of UDISE+ in the Indian Education System

Context: The article discusses India's vast education system, which includes around 15 lakh schools, 97 lakh teachers, and about 26.5 crore students. It explains the role of the UDISE+ platform in managing and securing student data, ensuring compliance with privacy laws, and the need for clear protocols to protect children's personal information.

What is UDISE+ and APAAR?

1. UDISE+ (Unified District Information System for Education Plus): Launched in 2018 by the Ministry of Education, it collects real-time data on school infrastructure, teachers, student enrollment, and performance.

For detailed information on **UDISE** [read this article here](#)

2. APAAR (Automated Permanent Academic Account Registry): Introduced with the National Education Policy 2020, it provides a unique identifier for students, collecting academic records and personal information like Aadhaar numbers through voluntary consent.

For detailed information on **What is APAAR** [read this article here](#)

What Role Does UDISE+ Play in the Indian Education System?

- 1. Data Collection and Management:** UDISE+ collects real-time information on school infrastructure, teachers, student enrollment, and academic performance.
- 2. Policy Formulation:** This data helps the Ministry of Education create outcome-based policies to enhance education quality.
- 3. Resource Allocation:** By improving resource distribution, UDISE+ ensures that schools receive necessary support.
- 4. Monitoring Programs**
- 5. Student Data Integration:** Linked with APAAR, it helps manage student admissions and reduce dropout rates.
- 6. Collaborations:** Works with DigiLocker and ed-tech companies to modernize education.

What Legal Standards Apply?

- 1. Supreme Court's Three-Part Test:** State actions must have a legitimate interest, be necessary and proportionate, and be imposed by law.
- 2. Right to Privacy:** Recognized as a fundamental right in the 2018 Justice K.S. Puttaswamy case.
- 3. Digital Personal Data Protection Act, 2023:** Requires specific and voluntary consent for data collection and sharing.
- 4. Data Minimization:** Ensures only necessary data is collected.
- 5. Aadhaar Integration:** APAAR and UDISE+ must comply with privacy and security standards.

What are the Operational Challenges?

- 1. Privacy and Consent:** There's limited guidance on obtaining verifiable parental consent for minors' data. Sharing children's data under UDISE+/APAAR may violate the Digital Personal Data Protection Act, 2023.
- 2. Data Security:** Protecting sensitive student data from theft and cyber breaches is a major concern.
- 3. Regulatory Updates:** The data-sharing policy for school education needs updating to reflect regulatory changes post the DPDP Act, 2023.
- 4. Identification of Actors:** There is a need to identify roles such as data fiduciary, data processor, and data principal for liability purposes.
- 5. Grievance Redressal:** There is no clear mechanism for grievance redressal related to data sharing and collection.
- 6. Standard Operating Procedures:** The absence of technical and legal protocols affects the management of data authenticity and stakeholder obligations.

Subject: Social Justice

Topic- Welfare Schemes for Vulnerable Sections of the population by the Centre and States and the Performance of these Schemes; Mechanisms, Laws, Institutions and Bodies constituted for the Protection and Betterment of these Vulnerable Sections.

Guidelines for the portrayal of Persons with Disabilities (PwDs)

Context: The article discusses the Supreme Court's guidelines for the portrayal of Persons with Disabilities (PwDs) in visual media, prompted by criticisms of the film "Aankh Micholi" for perpetuating stereotypes. It highlights the need for sensitive representations, as seen in the movie "Srikanth."

For detailed information on **Persons with Disabilities: Rights, Challenges and Solutions** [read this article here](#)

What are the fundamental principles on disability rights laid down by the Supreme Court order?

The nine-point guidelines outlined by the Supreme Court cover a range of aspects aimed at improving the representation of Persons with Disabilities (PwDs) in media:

- 1. Model Emphasis:** The Court highlighted the human rights model of disability, which builds upon and extends the social and medical models. The medical model views disability primarily through the lens of medical conditions, while the social model sees disability as a product of societal barriers. The human rights model, central to this ruling, asserts that disability is a part of human diversity and that Persons with Disabilities (PwDs) are rights holders entitled to full participation in society.
- 2. Obligations of Private Parties:** The Supreme Court discussed the responsibilities of private entities under the Rights of Persons with Disabilities Act, 2016. It noted these obligations while also recognizing their limits, as evidenced in the refusal to compel Sony Pictures to create awareness films, akin to the principles outlined in the **Vikash Kumar vs UPSC** case.
- 3. Stereotypes and Discrimination:** The ruling emphasized that stereotypes contribute to discrimination

against PwDs. Previous cases like **Navtej Johar vs Union of India** and **Anuj Garg vs Union of India** have demonstrated how stereotypes around gender and other characteristics can lead to unconstitutional indirect discrimination.

4. **Distinction Between Cinematic and Hate Speech:** The Supreme Court differentiated cinematic speech from hate speech. It specified that expressions that marginalize based on group membership and reinforce societal prejudices do not qualify as protected speech under the free speech provisions. This is aligned with the reasoning in cases such as the **Pravasi Bhalai Sangathan vs Union of India**.

For detailed information on **Important Judgments by Chief Commissioner of Persons with Disabilities** [read this article here](#)

What is the impact of this ruling?

1. The Supreme Court's guidelines aim to ensure that films portray PwDs more respectfully and accurately.
2. The guidelines advise consultation with disability advocacy groups and careful language use to foster a sensitive portrayal of disability.
3. The effectiveness of these guidelines will be evaluated in the coming years.

Right of divorced Muslim women to claim maintenance

Context: The article discusses the Supreme Court judgment in **Mohd Abdul Samad vs The State of Telangana**. The judgment upholds the right of divorced Muslim women to claim maintenance under Section 125 of the CrPC, despite the Muslim Women (Protection of Rights on Divorce) Act of 1986, resolving longstanding legal confusion.

For detailed information on **SC verdict on right to maintenance of Muslim Women** [read this article here](#)

What Did the Supreme Court Decide?

The Supreme Court's decision in **Mohd Abdul Samad vs The State of Telangana** can be summarized as follows:

1. **Upheld Rights:** The Court upheld the divorced Muslim woman's right to seek maintenance under Section 125 of the CrPC, asserting that this right remains unaffected by the Muslim Women (Protection of Rights on Divorce) Act of 1986.
2. **Rejection of Contrary Arguments:** It rejected the husband's argument that after the enactment of the 1986 Act, maintenance could only be claimed under this Act.
3. **Clarification of Law:** The judgment resolved ambiguity stemming from varied High Court decisions, providing clarity that Section 125 still applies to divorced Muslim women.
4. **Secular Provision:** This decision reinforces the applicability of Section 125 as a universal, secular provision for maintenance, ensuring all women have equal access to this legal remedy.

What Was the Existing Precedent?

The existing precedent was established by the Supreme Court in the 2001 case **Danial Latifi and Another vs Union of India**:

- 1. Background:** Danial Latifi was Shah Bano's lawyer in her case, **Mohd Ahmed Khan vs Shah Bano Begum**, where the Supreme Court initially upheld her right to maintenance, leading to the enactment of the Muslim Women (Protection of Rights on Divorce) Act, 1986.
- 2. Ruling:** The Court ruled that the 1986 Act is constitutionally valid and interpreted Section 3(a) to secure divorced Muslim women's financial future.
- 3. Specifics:** It required the husband to provide maintenance during the iddat period and plan for the wife's future needs within that period, ensuring her long-term financial stability.
- 4. Impact:** This interpretation upheld the simultaneous applicability of Section 125 of the CrPC, confirming that the new Act did not negate these rights.

What is the significance of Section 125 of the CrPC?

- Section 125 is a socially beneficial provision that applies to all women, regardless of religion. It ensures that women who cannot maintain themselves receive maintenance from their husbands.
- Justice V R Krishnaiyer, in **Fuzlunbi vs K Khader Vali and Another (1980)**, emphasized that this section enforces maintenance as a secular obligation for social welfare, benefiting the entire community of women.
- The Supreme Court clarified that denying maintenance rights under Section 125 to divorced Muslim women would violate their fundamental rights under Articles 14, 15, and 21 of the Constitution.
- The Court's ruling ensures that divorced Muslim women have the same maintenance rights as other women in India.

Critique of the Juvenile Justice System

Context: The article discusses how India's Juvenile Justice system manages young offenders, emphasizing rehabilitation over punishment and the possibility of trying adolescents as adults. It highlights the need for better implementation of the system's principles to ensure accountability and victim-centered justice.

For detailed information on **JUVENILE JUSTICE LAW** [read this article here](#)

What Does the Law Say About Juveniles Committing Serious Crimes?

- The Juvenile Justice (Care and Protection of Children) Act, 2015 (JJ Act) defines a "heinous" offense as one with a minimum punishment of seven years or more.
- Adolescents over 16 can be tried as adults for heinous offenses.
- The example in Pune involved a teen who caused deaths by negligent driving, which is not classified as "heinous" because it lacks a minimum prescribed punishment.
- Such offenses are termed "serious" because they have a maximum punishment of over seven years but no minimum sentence, thus not qualifying for trial in an adult court under the JJ Act.

What Are Innovative Ways to Hold Juveniles Accountable?

- Victim impact panels (VIPs)** are used in the U.S., where offenders meet with the victims' families to understand the impact of their actions.
- A 2022 study by Kevin Thompson and Sarah Joyce showed that VIPs in North Dakota significantly reduced recidivism among offenders.
- These panels **allow victims to express their grief and offenders to offer apologies, aiding in rehabilitation.**

4. This method emphasizes personal accountability and the **healing of both victims and offenders**.
5. It shifts from traditional punitive approaches to a more restorative justice model, focusing on community and victim involvement in the justice process.

What is the Critique of the Juvenile Justice System?

1. The juvenile justice system is often criticized for its **poor implementation** rather than its intent or structure.
2. Critics argue that the system sometimes **fails to fully apply its foundational principles**, focusing inadequately on rehabilitation and accountability
3. Trying juveniles as adults is seen as a shortcut that bypasses the core issues of systemic inefficiency.
4. The public outcry and legal challenges in the Pune case exemplify concerns over perceived leniency and inconsistency in handling serious offenses by juveniles.
5. This critique underscores the need for a more robust and consistently applied juvenile justice system that truly balances the goals of rehabilitation and public safety.

The controversial Karnataka employment reservation bill

Context: The article talks about Karnataka's draft "State Employment of Local Candidates in the Industries, Factories and Other Establishments Bill, 2024," which aimed to reserve jobs for locals but faced legal and industry backlash. It argues that fair labor practices for all workers, not just local ones, are a better solution.

For detailed information on **Local Reservation in Private Job** [read this article here](#)

Why is the Proposed Karnataka Bill Controversial?

1. **Local Reservation Requirement:** The proposed Karnataka Bill mandates that 50% of management and 70% of non-management positions in industries be reserved for local candidates. This is seen as restrictive by businesses.
2. **Legal Precedents:** Similar laws in other states like Haryana and Andhra Pradesh have faced legal challenges. The Punjab and Haryana High Court quashed Haryana's law, citing violations of constitutional rights to equality (Article 14) and freedom (Article 19).
3. **Industry Opposition:** The Bill was "temporarily withheld" after significant pushback from industry heads and trade bodies, indicating strong resistance from the business community.
4. **Comparative Examples:** Andhra Pradesh's similar law is still under judicial review, and Jharkhand's has not been implemented, suggesting ongoing controversy and legal complications with such initiatives.

What Should be Done?

1. **Enforce Labor Rights:** Ensure fair treatment and protect all workers, including migrants, from exploitation.
2. **Address Exploitative Practices:** Employers should not make migrant workers work longer hours for lower pay without benefits.
3. **Create a Level Playing Field:** Provide equal opportunities for local and migrant workers by curbing unfair labor practices.
4. **Avoid Protectionism:** Job protectionism for local workers is not a solution.

5. Legal Compliance: Follow constitutional provisions like Article 16(3), which limits reservation based on residence to public employment and requires Parliament's approval.

India needs reasonable accommodation for persons with disabilities

Context: The article discusses the need for reasonable accommodations for Persons with Disabilities (PwDs) in India. It highlights institutions' reluctance to bear costs, suggesting an incentive and cost-sharing model to ensure compliance, diminish reluctance, and promote positive outcomes.

For detailed information on **SC Ruling to prevent stereotyping and Discrimination of Persons with Disabilities** [read this article here](#)

What is the Concept of Reasonable Accommodations?

- 1. Definition:** Reasonable Accommodations (RAs) are adjustments that help Persons with Disabilities (PwDs) exercise their rights equally with others.
- 2. Legal Framework:** Defined in section 2.(y) of the Rights of Persons with Disabilities (RPwD) Act, 2016.
- 3. Examples** include building ramps, providing assistive technologies, adapting job roles, and modifying workplace policies.
- 4. Importance:** RAs ensure accessibility and equal opportunities for PwDs.
- 5. Exemptions:** Institutions are exempt if proving RAs cause an undue burden.
- 6. Undue Burden:** The Convention on the Rights of Persons with Disabilities (CRPD) outlines factors to determine undue burden, which institutions sometimes misuse to avoid compliance.
- 7. Current Scenario:** Indian institutions are often reluctant to bear the costs, impacting the rights of PwDs.

Why are Institutions Reluctant to Implement RAs?

- 1. Cost Concerns:** Institutions adopt utilitarian approaches rather than welfare-based approaches, focusing on cost-benefit analysis instead of the needs of PwDs.
- 2. Prejudices:** Institutions often believe PwDs are less productive, leading to reluctance in providing RAs.
- 3. Undue Burden Defense:** Institutions use the "undue burden" clause to avoid compliance, often for expediency rather than genuine hardship.
- 4. Lack of Awareness:** Many are unaware that most RAs can be implemented inexpensively, contributing to their reluctance.

What should be done?

- 1. Incentives:** Offer tax credits, deductions, or subsidies to institutions providing RAs. This reduces financial pressure and encourages compliance.
- 2. Cost-Sharing:** Share costs of RAs with institutions demonstrating genuine financial hardship. The National Fund for PwDs can be utilized for this purpose.
- 3. Utilize National Fund:** Section 86 of the RPwD Act mentions the National Fund for PwDs, which remains underutilized and restricted in scope. Ensure the National Fund for PwDs is continuously funded and optimally used. Designate it as a line item in annual budgets.
- 4. Uniform Standards:** Implement a consistent legal standard for "undue burden" to prevent misuse by institutions.
- 5. Verification Process:** Institutions requesting funds should first prove their inability to afford RAs,

considering any incentives already received. The governing body of the National Fund should verify these claims and consult experts to ensure that the RAs requested are necessary and proportional before releasing funds.

The problems with sub-caste reservations

News: This article discusses the issue of sub-caste reservations within the Scheduled Castes (SC) and Scheduled Tribes (ST) communities in India.

In an ongoing case in the Supreme Court, the decision on sub-caste reservation for SC/STs has been reserved. Now let's discuss the government's steps for empowerment of lower castes. The government's steps till now are in line with the Ambedkar's 3 policy measures.

Dr. B.R. Ambedkar advocated for three policy measures to address the denial of rights and isolation faced by untouchables:

- 1) Legal safeguards against caste discrimination
- 2) Reservations in legislature, public jobs, and educational institutions
- 3) Measures to improve ownership of capital assets and education levels

What was the rationale behind these 3 policies?

Legal Safeguards and Reservations: Ambedkar proposed legal safeguards to ensure fair representation in the present, complemented by reservations to address immediate discrimination in legislatures, jobs, and education.

Economic Empowerment: Recognizing the limitations of legal safeguards and reservations, Ambedkar emphasized improving ownership of capital assets and education for long-term empowerment and capability building.

Therefore, any sub-caste reservation should be extended with these 3 policies in mind.

Is there any need of the sub-caste reservation?

Proponents argue that some sub-castes have benefited more than others, necessitating separate quotas for those lagging behind.

However, it is often ignored that low job participation may stem from low education levels and lack of income-generating assets, not necessarily from discrimination by other sub-castes.

If the sub-caste reservation is given without improving their capital ownership and educational participation, they may continue to have a low share in jobs and education.

India needs a national law to tackle superstitious practices.

Context: The article discusses the need for a national law in India to tackle superstitious practices. It highlights debates between experts on whether existing state laws are sufficient or if a broader, national law is necessary to address the issue more effectively.

For detailed information on **What are the laws against black magic and superstition in India?** [read this article here](#)

What is the Need for a National Anti-Superstition Law?

- 1. Gap in Current Legislation:** Current criminal laws do not specifically target superstitious practices, causing reluctance among police to act against fraudulent godmen.
- 2. Existing Acts' Limitations:** The Drugs and Magic Remedies (Objectionable Advertisements) Act, 1954, is riddled with loopholes that fail to address many superstitious practices effectively.
- 3. Successful State Models:** States like Maharashtra and Karnataka have specific laws that successfully address superstitious practices, indicating the effectiveness of tailored legislation.
- 4. Need for Comprehensive Coverage:** Due to the uneven presence of state-specific laws, many regions remain unprotected; a national law would ensure comprehensive coverage, addressing superstitious practices uniformly across all states.

What Are the Implementation Challenges?

- 1. Lack of Sensitization:** Law enforcement agencies are not adequately sensitized to address superstitious practices, influenced by cultural biases that hinder objective enforcement.
- 2. Reluctance to File Cases:** Police officers often show reluctance to file FIRs against superstitious practices, with investigations frequently compromised by political influence, leading to low conviction rates.
- 3. Caste Discrimination:** Superstitious practices often involve caste-based discrimination, which is not always recognized or addressed by the authorities, highlighting a gap in understanding and enforcement.

How to Balance Laws and Religious Freedom?

- 1. Implement Reasonable Restrictions:** Use Article 25 of the Constitution, which allows for reasonable restrictions based on public order, morality, and health, to balance laws against superstitious practices with religious freedom.
- 2. Define Exploitative Practices:** Clearly define what constitutes exploitative and superstitious practices, distinguishing them from legitimate religious beliefs to prevent overreach.
- 3. Protect Fundamental Rights:** Ensure that anti-superstition laws also protect other fundamental rights, like the right to life and against untouchability, highlighting that exploitative practices cannot be justified as religious rights.
- 4. Judicial Oversight:** Maintain robust judicial oversight to review cases and prevent misuse of the law against religious practices.

For detailed information on **Freedom of religion and attire** [read this article here](#)

What Should be Done?

- 1. Enact National Legislation:** Implement a national anti-superstition law modeled after Maharashtra and Karnataka to provide specific legal provisions against superstitious practices.
- 2. Sensitize Law Enforcement:** Conduct comprehensive training programs for police officers and first responders to address cultural biases and enhance their ability to handle superstitious practices.
- 3. Promote Restorative Justice:** Develop restorative measures for victims, including establishing a victim compensation fund and ensuring social security schemes for those affected by witch-hunting and other practices.
- 4. Foster Scientific Temper:** Encourage rational thinking and scientific temperament through education reforms and public awareness campaigns.
- 5. Monitor Implementation:** Regularly review and amend the law to address local concerns and improve its effectiveness, ensuring that it does not conflict with constitutional rights.

The issue of GST on disability Aids

News: Goods and Services Tax (GST) was imposed on essential mobility aids for disabled individuals in India in 2017. It highlights a severe injustice.

Five percent tax is charged on prosthetic limbs, Braille, and wheelchairs, effectively penalizing disabled individuals for their basic needs.

What are the issues with taxing the disability aids?

Article 14: The GST on disability aids is argued to be unreasonable under Article 14 of the Indian Constitution, which guarantees equality before the law. While it discriminates against disabled and imposes on taxes on movement and learning of abled-bodies individuals. For example, A motorized wheelchair costing Rs 1 lakh incurs a GST of Rs 5,000. If the wheelchair lasts for 500 kilometers, the tax burden equates to Rs 10 per kilometer. This burden is unjustifiable when compared to the tax-free movement of able-bodied individuals. Blind individuals face an additional tax burden due to the GST on Braille publishers, furthering their economic and social marginalization.

Article 15: The GST on disability aids could be interpreted as violating Article 15, which prohibits discrimination on various grounds, including "place of birth."

Rights of Persons with Disabilities Act, 2016: Section 3 of this Act specifically prohibits discrimination against persons with disabilities, reinforcing the argument against the GST on mobility aids.

Indirect Discrimination: Chief Justice D Y Chandrachud's 2021 judgment on Article 15 (Lt. Col. Nitisha) emphasized the need to recognize indirect discrimination. It is also a form of indirect discrimination.

Contradicts government stand: This situation contradicts the government's stated concern for disabled individuals, whom Prime Minister Narendra Modi refers to as "divyang" (divine in Hindi).

Supreme Court Judgement: SC has time and again struck down the laws after the test the constitutionality of a tax levied by the government. For example, in cases such as Sakal Papers (1961) case, Indian Express (1984) case, Aashirwad Films (2007).

What should be done?

Reform Tax Policies: Policymakers should ensure that tax policies do not disproportionately impact marginalized groups, including disabled persons.

Enhance Legal Protections: Strengthen legal frameworks to prevent indirect discrimination and ensure that all policies promote inclusivity and fairness.

Challenges Faced by Older People in India

Context: The article discusses India's ageing population, highlighting the lack of adequate social security, pensions, and health care for older people. It contrasts this with East Asian countries, emphasizing the urgent need for better policies and support systems in India.

For detailed information on **Elderly Population in India** read [Article 1](#), [Article 2](#)

What is the Current Demographic Trend in India?

1. Increasing Elderly Population: The elderly population in India is expected to rise from 8.6% in 2011 to 20.8% by 2050.

2. Regional Differences: States like Himachal Pradesh and Punjab have higher elderly populations than the national average.

3. Rapid Aging: Aging in India and other Asian countries is happening much faster compared to Western countries, occurring in just 20-30 years.

What are the Challenges Faced by Older People in India?

1. Health Issues: According to the **Longitudinal Ageing Survey in India (LASI)**, many older adults suffer from multiple morbidities such as diabetes, hypertension, and cardiovascular conditions. Health issues vary based on location, socioeconomic status, and gender.

2. Financial Insecurity: The **Helpage India Report 2024** reveals significant gaps in access to financial security and healthcare for older people across India, particularly affecting the middle classes not in government service. It shows that older people often rely on family support due to the lack of comprehensive social pensions and health insurance programs.

3. Inadequate Healthcare Access: Programs like Ayushman Bharat are limited to those below the poverty line. Older adults face difficulties with long processing times and claim rejections in insurance schemes like CGHS andESIS.

4. Lack of Social Security: India lacks a universal public pension scheme. Existing pensions and health insurance schemes are mainly for those below the poverty line or in government service.

5. Changing Family Structures: Rapid changes in family structures, with the spread of nuclear families, pose additional challenges for elderly care, especially in urban areas.

What Needs to Change in Public Policy?

1. Public policy needs to address the inequalities older people face in accessing financial and healthcare services.

2. As India's population continues to age, it is crucial to develop better support systems for healthy aging, not only to improve the lives of the elderly but to ensure societal stability as the demographic landscape shifts.

Subject: International Relations

Topic - - India and its neighbourhood- relations.

New projects and agreements between Nepal and India

Context: The article discusses the unique relationship between Nepal and India. It highlights their open border, shared culture, and economic ties. The countries are focusing on reducing trade deficits, enhancing digital financial connectivity, and improving infrastructure to boost trade and people-to-people ties.

For detailed information on **India-Nepal Relationship** [read this article here](#)

What is the nature of the relationship between Nepal and India?

1. Open Borders and Cultural Ties: Nepal and India share an open border and deep-rooted cultural ties, enabling free movement and close people-to-people relationships.

2. Economic Interdependence:

India is Nepal's largest trading partner and the biggest source of tourists.

It is the sole supplier of petroleum products to Nepal.

India accounts for a significant share of Nepal's inward remittances and handles the majority of its third-country trade.

During disasters, India is the first responder, providing rescue, relief, and financial packages (e.g., \$75 million for earthquake-hit areas).

3. Trade and Deficit Focus:

Nepal's trade deficit with India stands at nearly 18% of its GDP.

High transaction costs and inadequate infrastructure make Nepal a high-cost economy.

Both countries are focusing on initiatives like cross-border digital financial connectivity and infrastructure improvements to reduce this trade deficit.

What new projects and agreements have been initiated between Nepal and India?

1. Electricity Cooperation:

Exported around 650 MW of electricity to India in 2023, earning over Rs 10 billion.

Signed a long-term agreement to export 10,000 MW of electricity to India over 10 years.

2. Hydroelectricity Projects:

Increased investment in hydroelectricity production and cross-border transmission lines. Nepal plans to export 40 MW of electricity to Bangladesh in 2025 under a tripartite agreement.

3. Digital Financial Connectivity:

Indians can make mobile payments in Nepal; Nepalis will soon follow.

Simplified process for Nepalis to open bank accounts in India and obtain Aadhaar cards.

4. Petroleum Pipelines:

Constructing new pipelines between Siliguri-Jhapa and Amlekhgunj-Chitwan.

Existing Motihari-Amlekhgunj pipeline saves Nepal Rs 1 billion annually.

5. Transportation Infrastructure:

Building two new integrated check posts (ICPs) in Bhairahaba and Dodhara-Chandani.

Upgrading border roads and operational cross-border freight rail.

Completed feasibility study for the Raxaul-Kathmandu railway; considering Ayodhya-Janakpur rail service.

How will Nepal's relationship be helpful for India?

Electricity Imports: India will import 10,000 MW of clean energy from Nepal over 10 years, reducing reliance on coal and gas.

Pollution Reduction: Importing clean energy from Nepal will help India reduce pollution.

Economic Boost: Enhanced digital financial connectivity will facilitate hassle-free payments for Indian tourists and traders in Nepal.

Transportation Efficiency:

New petroleum pipelines will streamline fuel supply and reduce transportation costs. Upgraded border roads and integrated check posts will ease trade and travel between the countries.

Regional Energy Cooperation: Nepal's participation in regional grids will promote renewable energy development in BIMSTEC and SAARC regions, benefiting India.

What Led to the Strain Between India and Nepal?

- 1. Constitutional Dispute:** In 2015, tensions escalated when Nepal adopted a new Constitution without the amendments India had suggested, leading to significant political discord between the two countries.
- 2. Economic Blockade:** India imposed a nearly six-month-long economic blockade on Nepal, severely impacting Nepal's economy and increasing resentment towards India.
- 3. Shift Towards China:** In response to the blockade, Nepal's then-Prime Minister Khadga Prasad Oli signed 10 significant agreements with China, diversifying Nepal's economic and strategic alliances away from India.
- 4. Political Statements:** The relationship faced further tension when Oli suggested that the historical city of Ayodhya was located within Nepal and criticized India's national motto, proposing a change to reflect a more assertive stance.
- 5. Territorial Disputes:** The relationship further deteriorated after India published a political map in 2019 that included territories claimed by Nepal, prompting Nepal to amend its Constitution to include these areas in its own map.

What Is the Economic and Social Impact?

- 1. Dependency on Remittances:** Nepal is the seventh largest remittance-sending country to India, significantly supporting livelihoods in India's economically weaker states like Uttar Pradesh, Bihar, and Odisha.
- 2. Trade Diversification:** Following the blockade, Nepal signed 10 agreements with China, expanding trade and transit options, reducing dependence on India.
- 3. Hydropower Agreements:** Recent power trade agreements favor India, limiting Nepal's ability to export electricity generated with Chinese investments, impacting Nepal's energy sector.
- 4. Political Instability:** The imposition of India's preferences in Nepali politics, as seen with leaders like Pushpa Kamal Dahal ('Prachanda'), has led to political compliance at the cost of addressing key bilateral issues, affecting Nepal's political autonomy and social dynamics.
- 5. Hindutva Influence:** The presence of Hindutva advocates supported by India in Nepal's plains and hills has stirred social tensions, affecting Nepal's cultural and political landscape.

What should be done?

- 1. Respect for Sovereignty:** Both nations should commit to non-interference in each other's internal affairs, aligning with the principles of the Panchsheel doctrine.
- 2. Policy Corrections:** India could revise its policies under Modi's "Neighbourhood First" initiative, emphasizing mutual respect and economic cooperation rather than dominance.
- 3. Release of EPG Report:** Implementing the recommendations of the India-Nepal Eminent Persons' Group report could help establish a transparent and equal partnership.
- 4. Dialogue on Bilateral Issues:** Engage in constructive dialogues to address and resolve standing issues, such as the territorial disputes involving the Limpiyadhura-Kalapani area and economic agreements.

5. Reviving Regional Cooperation: Nepal and India should work towards revitalizing the South Asian Association for Regional Cooperation (SAARC) as a platform to enhance regional integration and cooperation, which would benefit not just the two countries but the entire South Asian region.

6. Rebalancing Relations: The relationship dynamics should move away from perceptions of New Delhi being imperious and Kathmandu being subservient. Kathmandu needs to assert its voice more confidently, while New Delhi must reflect on and amend its approaches that have led to Nepali dissatisfaction.

7. Cordiality vs. Skepticism: Despite the default friendly disposition of Nepal towards India, New Delhi remains skeptical of Nepal's intentions and alignments, particularly regarding Nepal's interactions with other countries like China. India must address its skepticism towards Nepal's intentions

Trade Relationship Between India and China

Context: The article discusses India's increasing manufacturing capabilities in sectors like solar cells and electronics, heavily relying on imported Chinese components. It also covers the complex trade and political relationship between India and China, highlighting both economic dependence and strategic challenges.

For detailed information on **India-China Relations** read [Article 1](#), [Article 2](#)

What is the Current Status of India's Manufacturing Sector?

1. Solar Cell Production: India's solar-cell manufacturing capacity is set to increase from 6 gigawatts to 30 gigawatts within a year, positioning the country as a potential exporter of solar products.

2. Electronics Manufacturing: The capacity for manufacturing electronics, especially mobile phones, now meets 97% of domestic demand. India earned \$15 billion from handset exports last year, with projections to reach \$50 billion in electronic exports in the next two years.

What is the Trade Relationship Between India and China?

1. Volume of Trade: Over the past four years, trade between India and China has been recorded at \$88 billion, \$126 billion, \$136 billion, and \$119 billion, showing significant economic exchange.

2. Import Reliance: Imports from China have grown by 31% in the past year, with a noted increase in the share of electronic devices and components from China. India relies on Chinese imports for critical components like solar cells, glass, frames, and electronics parts such as printed circuit boards and semiconductors.

3. Trade Deficit: Despite strategic tensions, the trade deficit continues, largely due to the essential nature of Chinese imports that support India's manufacturing and economic ambitions.

3. Strategic Compartmentalization: Despite tensions like the Galwan incident, economic engagements continue separately from border issues, highlighting a strategy to prioritize economic ties despite political or military disputes.

What Are the Key Certainties in India-China Relations?

1. No Gain from Military Conflict: China has nothing to benefit from a full-scale military confrontation with India, indicating a mutual understanding to avoid such escalations.

2. Persistent Gap: The significant economic and power disparity between India and China is expected to continue for at least another decade.

3. Balanced Border Deterrence: India's strong border defenses match the scale of China's military build-up, maintaining a status quo at the border.

4. Domestic Challenges in China: China faces internal macroeconomic and demographic issues, along with complex border disputes with other neighbors, which demand substantial attention from its policymakers.

5. Shared Global Interests: Representing 40% of the world's population, India and China share more common global interests than often recognized, stemming from their statuses as ancient civilizations and neighbors.

6. Dialogue Importance: The need for distinctions in dialogue between states, governments, people, and societies is crucial. There is significant potential to enhance people-to-people connections, fostering better mutual understanding despite ongoing border hostilities.

What Should Be India's Strategy?

1. Enhance Political Dialogue: Engage China through more robust political dialogue to better understand and manage bilateral issues, as suggested by experts like former foreign secretary Vijay Gokhale.

2. Explore Export Opportunities: Exploit the Chinese \$6 trillion consumer market more effectively. Even a 1% market share offers a significant economic opportunity, given the size of China's economy.

3. Strategic Use of Chinese Capital: Adopt a nuanced approach to Chinese capital inflows. Avoid general restrictions that might hamper economic opportunities, especially in sectors where such investments do not pose national security threats, like the automobile industry.

4. Increase People-to-People Links: Despite border hostilities, there is a need to enhance people-to-people relations, which can help improve mutual understanding and smooth over political tensions.

Should India Review Its Policy Towards Myanmar

Context: The article discusses the need for India to reassess its policy towards Myanmar due to the ongoing conflict and humanitarian crisis there. It highlights the strategic and humanitarian reasons for India to engage with ethnic armed organizations in Myanmar to help stabilize the region and assist affected civilians.

For detailed information on **India-Myanmar Relations** [read this article here](#)

What is the Current Situation in Myanmar?

1. Myanmar is experiencing serious conflicts between ethnic armed organizations (EAOs) and the military junta.
2. Ethnic armed organizations (EAOs) and the People's Defence Force are coordinating against Myanmar's military junta, holding around 45% of the country's territory.

Why Should India Review Its Policy Towards Myanmar?

1. **Refugee Crisis:** The conflict in Myanmar is causing a refugee influx into India, directly impacting its northeastern states. This necessitates a policy review to manage humanitarian and security challenges.
2. **Geopolitical Shifts:** China's support for both the EAOs and Myanmar's military junta presents a strategic challenge. China's involvement in key trading routes on the Myanmar borders affects India's interests, suggesting a need for a balanced and responsive foreign policy.
3. **Change in Myanmar's Dynamics:** The coordination among Myanmar's ethnic armed groups holding significant territory indicates a shift in power dynamics. This new reality underlines the importance of India reassessing its approach to effectively address the changing political landscape and support regional stability.

What are the Challenges of Changing India's Policy?

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- 1. Balancing Regional Interests:** India needs to manage its relationship with Myanmar's government while addressing the influence of China. Ensuring stability and maintaining a balance of power in the region is challenging.
- 2. Direct Involvement Risks:** Providing aid or intervening in non-government-controlled areas may be unwelcome by Myanmar's official government. It may pose a diplomatic risk to India's efforts to assist affected populations and stabilize the region.

How Can India Respond to the Humanitarian Crisis?

- 1. Provide Humanitarian Assistance:** India can offer aid in border areas, supplying essentials like water, sanitary napkins, and medical supplies. This can help those injured and needing surgery due to the conflict.
- 2. Engage in Dialogue:** India should discuss with Myanmar's government the importance of humanitarian support. This can be framed as mutual interest to improve India's humanitarian image and aid Myanmar's people.
- 3. Support for Stability:** India can consult with regional neighbors like Thailand and Bangladesh, as well as experts, to ensure a coordinated effort towards stability and support for affected communities in Myanmar.

What Impact Could the Situation in Myanmar Have on the Region?

- 1. Regional Instability:** The fragmentation in Myanmar could lead to broader regional instability, impacting neighboring countries like India, Thailand, and Bangladesh.
- 2. Creation of a Separate State:** Discussions about forming a Christian or Kuki state within parts of Myanmar and Northeast India highlight potential geopolitical shifts that could affect regional integrity.
- 3. Increased Refugee Operations:** As conflicts persist, the number of refugees fleeing Myanmar will likely increase, placing further strain on the resources and security of bordering nations.

India's Strategic Challenges in the Face of China's Rise

Context-This article discusses the evolving strategic rivalry between India and China, focusing on the challenges India faces due to China's growing economic and military might. It emphasizes the need for India to develop a comprehensive strategy to address the power asymmetry and protect its interests.

What are the key aspects of the Sino-Indian strategic and economic asymmetry?

- 1) Asymmetric Sino-Indian Rivalry-** The Sino-Indian rivalry is both strategic and asymmetric. China far surpasses India in economic development, military modernization, technology, and innovation, with a gap of 3 to 5 times in various indices.
- 2) Economic Asymmetry-** China is India's largest trading partner, but this has led to a widening trade deficit for India. Additionally, China's growing trade relationships with India's neighbors complicate the economic relationship between the two countries.
- 3) Nuclear Capabilities-** China is reportedly doubling its nuclear arsenal and upgrading its missile capabilities. As China closes the gap with the US, India finds it hard to match China's growing nuclear power. This rivalry impacts the Indo-Pakistan nuclear balance and India's efforts to achieve parity with China.
- 4) Space Program-** China has a head start and more resources for its space program compared to India. Closing this gap will be challenging.
- 5) Conventional Forces-** The material gaps between the Chinese and Indian forces are significant, with

China's military budget nearly three times larger than India's. For ex- India's navy is about one-third the size of China's and will remain smaller even with future expansions.

Read More- [On Potential of India-China Relations: A China-India partnership, its vast global potential](#)

What are the reasons behind territorial contestation between China and India?

1) **Challenges at the Line of Actual Control (LAC)**-The Line of Actual Control (LAC) is unclear and complex, causing frequent skirmishes and risks. Current confidence-building measures are weakening and failing to ensure peace. Until borders are clearly defined, conflicts and violations will likely continue.

2) **Factors Shaping PLA strategy along the LAC-**

A) Expansion of road and rail infrastructure in Tibet and Xinjiang for quick troop movement.

B) Improved support infrastructure (electricity, water, etc.) for troops.

C) A new joint theatre command enabling large-scale, integrated use of PLA forces. These developments enhance the PLA's ability to operate effectively in challenging conditions and respond swiftly to crises.

3) **PLA Tactics** -The PLA gradually asserts its claims, using Indian responses as reasons to escalate tensions. When standoffs reach a deadlock, they seek negotiations and disengagement. Their strategy is to achieve dominance without engaging in direct conflict.

What should be the way forward?

1) **New Agreement**-A new agreement is needed to address flaws in current protocols, manage risk-taking behavior, adapt to new technologies, and handle modern military issues like disengagement and troop reduction.

2) **Addressing the Strategic Gap with China-**

A) The power asymmetry between China and India, which may shift depending on India's progress and China's trajectory.

B) India's timeline to catch up with China, particularly by 2035 and 2049, to avoid being outpaced.

C) Bridging the strategic gap requires political direction, economic reforms, military enhancements, and a clear security strategy. Efforts must be intensified to strengthen India's position.

3) **Defence Preparedness-**

A) Ramp up indigenous capacity for strategic intelligence, surveillance, and reconnaissance.

B) Strengthen strategic infrastructure along the Himalayas.

C) Develop life-sustaining troop infrastructure, including high-quality habitat, electricity, broadband, water, and oil pipelines.

D) Identify and acquire weapon platforms suited for extreme terrain and climatic conditions.

E) Maintain high readiness levels among border troops for quick response to border infractions.

F) Create and position agile and effective reserves for timely deployment.

Topic- Effect of Policies and Politics of Developed and Developing Countries on India's interests

India-UK Relations under Labour Party

Context-Conservative Party is facing a likely defeat in Britain's upcoming elections. The article explains about the potential impact of regime change on India-UK relations.

What are the contributions of conservative party in strengthening India-UK ties?

- 1) **Shift from Colonial Era Issues**-They have improved relations with India by moving away from colonial-era concerns like Pakistan and Kashmir, instead focusing on broader Indo-Pacific cooperation.
- 2) **Comprehensive Bilateral Transformation**- They have also laid out plans to transform bilateral relations comprehensively, covering areas such as green initiatives, defense, new technologies, and maritime security.
- 3) **Migration and Mobility Agreement** -They have implemented the Migration and Mobility Agreement to address illegal immigration and ease Indian talent flow into the UK.

However, anti-India activities in Britain still go unpunished. The British establishment has long resisted forming a new relationship.

Read More- [EFTA-India Relations](#)

What is the historical context of India-UK relations under Labour Party?

- 1) **Diplomatic Tragedies** -Queen Elizabeth II's trip to India in 1997 was meant to show post-colonial reconciliation but ended up causing diplomatic problems. During a stopover in Pakistan, British Foreign Secretary Robin Cook proposed mediation on the Kashmir issue, which was dismissed by Indian Prime Minister Inder Kumar Gujral.
- 2) **Strong Indian Response**-The then Prime Minister of India criticized Britain as a "third-rate power" with unrealistic views of its global influence.
- 3) **Controversial Remarks at Jallianwala Bagh Incident**-The Queen's visit to Jallianwala Bagh caused controversy when Prince Philip hinted that the number of deaths might have been overstated. This sparked anger and criticism in India.
- 4) **Ethical Foreign Policy**-Cook's push for an "ethical foreign policy," along with supporting identity politics and appeasing anti-India groups, strained relations between India and UK.

What is the current position of the Labour Party regarding India?

- 1) They have taken steps to address anti-India sentiments within the party. However, UK-based Khalistan groups will continue to lobby the new government to push an anti-India agenda
- 2) They have shown the intent to build on foundations laid by Conservatives.
- 3) They support "progressive realism," which focuses on being practical and realistic about how things really are in the world, rather than how they want them to be.

What should be the way forward for India?

- 1) **Enhancing UK-India Cooperation on Diaspora and Security**- Delhi should keep working to decrease anti-India activities in the UK and collaborate more closely with the British government to handle issues related to the growing South Asian diaspora effectively.
- 2) **Britain's Strategic Significance for India** -Delhi should not underestimate the relative importance of Britain for India. India's exports to Britain are nearly six times the exports to Russia. Britain is among the front-ranking middle powers. Its financial clout, technological depth, and global reach make Britain a force multiplier for a rising India.

Cooperation between India and France on sustainability

Context: The article discusses the enhanced cooperation between India and France on sustainability. It highlights joint projects like metro systems and wildlife protection, emphasizing the French Development Agency's significant role in India's climate and development initiatives, benefiting both people and the planet.

For detailed information on **India and France relations** [read this article here](#)

What is the Indo-French Horizon 2047 Roadmap?

1. **Partnership for the Planet:** Elevated as one of the three pillars by President Emmanuel Macron and Prime Minister Narendra Modi on July 14, 2023.
2. **Focus Areas:** Climate change, biodiversity, health, and environment.

3. Mutual Goals:

Socioeconomic development and environmental protection.
Bridging North-South divides.
Finding sustainable solutions for green transitions.

4. **Joint Initiatives:** Includes the International Solar Alliance.
5. These projects are supported by the French Development Agency (AFD).

What role does the French Development Agency (AFD) play?

1. **Operational Arm:** AFD operates as the action-driven arm of France's international partnership strategy.
2. **Project Engagement:** Engaged in over 4,200 projects across more than 150 countries.
3. **Financial Commitment:** In the last year, AFD approved more than 1,000 new projects worth €13.5 billion.

4. Focus in India:

- a) **Since 2008, AFD has committed over €4 billion to nearly 100 projects.**
- b) **Energy and Urban Development:** Includes funding for the Pune and Nagpur metro rails, enhancing urban mobility and reducing emissions.
- c) **Biodiversity and Resilience:** Projects like increasing Rajasthan's forest cover to improve wildlife habitats and disaster risk management in Himachal Pradesh.
- d) **Climate Initiatives:** In 2023, AFD approved €400 million for projects like urban water management in 20 cities and solid waste management in 18 cities, under India's circular economy program (CITIIS).
- e) **Focus on Equality:** 83% of AFD's portfolio supports climate action, with 63% addressing gender equality, demonstrating a commitment to balanced, inclusive development.

How Does the Indo-French Partnership Support the Private Sector?

1. **Proparco's Role:** The private sector arm of AFD supports impactful private projects.
2. **Investment in Agriculture:** Proparco invested €11.2 million in Sahyadri, aiding 15,000 farmers to reduce losses and improve yields.
3. **Healthcare Investment:** In 2023, Proparco approved a €33 million equity investment in Quadria, focusing on affordable healthcare in underserved regions.
4. **Sustainable Projects:** Investments target sustainable and inclusive development, contributing to the

Sustainable Development Goals (SDGs).

5. **Economic Impact:** These projects highlight the private sector's role in fostering economic growth and social equity through strategic investments.

What are the future directions of this partnership?

1. **Expansion to Indo-Pacific:** The partnership includes an Indo-Pacific dimension, already evident in initiatives like the Indo-Pacific Parks Partnership, which involves multiple partners for biodiversity protection.
2. **Green Technology Fund:** A new joint fund is planned to help scale up green technologies being developed in the region, enhancing sustainability efforts.
3. **Year of Innovation:** The Indo-French Year of Innovation in 2026 is set to highlight innovative solutions that integrate social inclusion and sustainability.
4. **Continuous Collaboration:** The partnership is committed to ongoing projects that support sustainable development and environmental conservation, ensuring long-term benefits for both nations.

Topic- Bilateral, Regional and Global Groupings and Agreements involving India and/or affecting India's interests.

Need to amend the Indus Waters Treat

Context: The article discusses the need to amend the 1960 Indus Waters Treaty between India and Pakistan. It highlights India's call for changes, Pakistan's arbitration efforts, the impact of climate change, the importance of environmental flows, and the necessity for better data-sharing.

For detailed information on **Indus Waters Treaty** read this article [here](#)

Why Is India Seeking Amendments to the Indus Waters Treaty?

1. **Dispute Resolution:** India is dissatisfied with the current dispute resolution process, pointing to Pakistan's reluctance to engage effectively, which has led to unresolved issues.
2. **Climate Change Impact:** The Indus basin, ranked as the world's second most over-stressed aquifer by NASA in 2015, is significantly affected by climate change. About 31% of the river's flow comes from glaciers and snow melts, which are becoming increasingly volatile.
3. **Hydroelectric Projects:** Disputes such as those over the Kishenganga and Ratle hydroelectric projects have intensified, with Pakistan seeking arbitration at The Hague, bypassing treaty-compliant proceedings.

What Issues Has Pakistan Raised?

1. **Dispute over Hydroelectric Projects:** Pakistan objects to India's Kishenganga and Ratle hydroelectric projects and bypassed treaty-compliant Neutral Expert proceedings to seek arbitration at The Hague.
2. **Lower Riparian Concerns:** As a lower riparian state, Pakistan fears infrastructure developments will reduce downstream flows.
3. **Accusations of "Water Terrorism":** Pakistan accused India of "water terrorism" for the Shahpurkandi barrage project, despite the project's compliance with the IWT.
4. **Environmental Flow Issues:** Pakistan insists on maintaining environmental flows, supported by the 2013

Permanent Court of Arbitration ruling on India's obligation to release flows downstream of the Kishanganga project.

What should be done?

- 1. Integrate Ecological Perspectives:** Incorporate Environmental Flows (EF) to sustain ecosystems, as suggested by the Brisbane Declaration and the 2013 Permanent Court of Arbitration ruling on Kishanganga.
- 2. Enhance Data-Sharing:** Establish a World Bank-supervised, legally binding data-sharing framework to monitor water quality and flow changes, ensuring accountability.
- 3. Adopt International Legal Standards:** Align treaty provisions with the 1997 UN Watercourse Convention and the 2004 Berlin Rules on Water Resources for sustainable water use.
- 4. Recognize Climate Change Impacts:** Develop strategies to manage climate change effects, considering NASA's ranking of the Indus basin as the world's second most over-stressed aquifer.

Significance of the Indian Prime Minister's recent visit to Vienna, Austria

Context: The article discusses Indian Prime Minister Narendra Modi's recent visit to Vienna, Austria, highlighting its historical significance as the first PM visit since 1983. It mentions Modi's emphasis on peace during his talks, reflecting on past diplomatic efforts by India to aid Austria in achieving neutrality and independence. The article also notes ongoing India-Austria relations, including economic partnerships and shared stances on global issues like the Russia-Ukraine conflict.

Why was Narendra Modi's visit to Vienna significant?

- 1. Historical Context:** Narendra Modi's visit to Vienna was the first by an Indian Prime Minister since Indira Gandhi's in June 1983, emphasizing the visit's historical significance.
- 2. Peace Advocacy:** Modi expressed deep concern over a suspected Russian missile attack on a Kyiv children's hospital, highlighting a pattern of aggression coinciding with high-level Indian visits to Russia. This stance reinforced India's call for peaceful resolutions and the inappropriateness of solving conflicts through warfare.
- 3. Reaffirming Neutrality:** The visit underlined Austria's historical stance of neutrality, established by the 1955 Austrian State Treaty, which India supported in the United Nations.
- 4. Shared Global Perspectives:** Both leaders recognized their countries' balanced approaches to the Russia-Ukraine conflict, maintaining diplomatic and commercial relations amidst global tensions.

What is the historical context of Austria's neutrality?

- 1. World War II Impact:** Austria was occupied by Nazi Germany during World War II and later divided into four sectors by the Allies (US, UK, France, Soviet Union) after the war.
- 2. Allied Occupation:** The Allied powers occupied Austria for a decade, influencing its post-war political landscape.
- 3. Austrian State Treaty of 1955:** This treaty, ratified by the occupying powers and the Austrian government, established Austria as an independent and neutral state, prohibiting military alliances and foreign military bases on its territory.
- 4. Neutrality Model:** The Soviet Union advocated for Austria's neutrality, similar to Switzerland's, ensuring its strategic position between East and West Europe was non-aligned.

How have India-Austria relations evolved?

- 1. Establishment of Diplomatic Relations:** India and Austria established diplomatic ties on November 10, 1949, marking the beginning of formal relations between the two nations.
- 2. Significant Visits:** Key visits have included Indira Gandhi in 1983 and various Indian presidents, strengthening diplomatic engagement.
- 3. Nehru's Mediation:** Jawaharlal Nehru played a crucial role in 1955, aiding Austria in obtaining independence through the Austrian State Treaty.
- 4. State Visits:** Notable visits include Indira Gandhi in 1983, Austrian Chancellor Fred Sinowatz in 1984, President K R Narayanan in 1999, President Pratibha Patil in 2011, and other reciprocal visits by presidents and ministers, underscoring ongoing diplomatic engagement.
- 5. Economic and Technological Collaboration:** Discussions between Modi and Chancellor Nehammer in 2024 aimed at upgrading bilateral partnerships, focusing on infrastructure, renewable energy, e-commerce, fintech, and media.
- 6. Balanced Global Stances:** Both countries maintain balanced positions on the Russia-Ukraine conflict, promoting dialogue and maintaining commercial ties.

How India and Russia have doubled their payments in national currencies

Context: The article discusses how India and Russia have doubled their payments in national currencies despite Western sanctions. Rupee deposits by Indian companies in Russia have increased significantly. Economists believe that India's trade with Russia could grow further following Prime Minister Modi's recent visit to Moscow.

For detailed information on **India-Russia Relations** [read this article here](#)

What is the Current State of India-Russia Trade Payments?

- 1. Increase in Payments:** India and Russia have doubled their trade payments in national currencies (rupee and rouble) despite Western sanctions.
- 2. Sberbank's Role:** Sberbank, Russia's largest bank, reports a doubling in payment volume and an 80% increase in transactions from January to June 2024 compared to the same period in 2023.
- 3. Rupee Deposits:** There has been a sixfold increase in corporate rupee deposits in Russia in 2024.

What Are the Challenges and Opportunities for India in Russia?

A. Challenges:

- 1. Competition with China:** Chinese businesses have taken advantage of the sanctions to dominate the Russian market. China has bilateral trade with Russia worth \$240 billion, significantly higher than India's trade volume.
- 2. Currency Competition:** Indian businesses are sometimes forced to consider using the Chinese yuan, which indicates a challenge in promoting the rupee exclusively.

B. Opportunities:

- 1. Increase in Rupee Usage:** The sixfold increase in corporate rupee deposits in Russia since the start of 2024 shows growing trust in the Indian currency.

2. Prime Minister's Visit Impact: Prime Minister Modi's recent visit to Moscow is described as crucial for advancing to a new level of economic cooperation

3. Market Vacuum: The exit of Western companies from Russia creates opportunities for Indian products to fill the market gaps.

What Impact Did Prime Minister Modi's Visit to Moscow Have?

1. Strengthened Economic Ties: The visit marked a new level of economic cooperation between India and Russia.

2. Future Trade Goals: Both leaders set a trade target of \$100 billion by 2030, emphasizing the potential growth in bilateral trade.

3. Sectoral Focus: Key sectors for increased Indian exports include auto and aviation components, chemicals, microelectronics, and consumer electronics.

India's strategic involvement in both the Quad and BRICS

Context: The article discusses India's strategic involvement in both the Quad and BRICS. It highlights the challenges and opportunities India faces in balancing its role in these groups. The article underscores the need for India to stay actively engaged in both alliances.

What are the challenges and opportunities India faces in balancing its role in these groups?

A. India's Quad Engagement

a) Challenges:

1. Security Focus: Quad's security-centric approach, especially with AUKUS, does not fully align with India's broader vision.

2. Diplomatic Balance: India's independent stance on Russia and Ukraine conflicts with some Quad members' positions.

b) Opportunities:

1. Strategic Benefits: Enhanced bilateral relations, particularly with the U.S.

2. Techno-Economic Role: Leadership in critical technology areas and supply chains.

3. Maritime Security: Significant contributions to Indo-Pacific maritime security, as seen in the 2021 event presided over by PM Modi.

B. India's BRICS Engagement

a) Challenges:

1. China's Dominance: Risk of China using BRICS to promote its global agenda.

2. Expansion: Managing new members and ensuring they support India's interests.

b) Opportunities:

- 1. Reformed Multilateralism:** Promoting "reformed multilateralism" and shaping global governance.
- 2. Financial Institutions:** Leveraging initiatives like the New Development Bank and Contingent Reserve Arrangement.
- 3. Global South Influence:** Strengthening ties with developing countries and balancing Western influence.

What is AUKUS and Its Impact on the Quad?

A. AUKUS Formation:

- 1. Members:** Includes the U.S., Australia, and the U.K.
- 2. Purpose:** Enhance military capabilities, focusing on nuclear submarines for Australia.
- 3. Strategic Focus:** Primarily aimed at securitizing the Indo-Pacific and deterring China.

B. Impact on the Quad

- 1. Security Emphasis:** Shifts the regional focus towards military aspects, aligning with U.S. interests.
- 2. India's Perspective:** Causes a dilemma for India, which prefers a broader vision for Quad that includes development and security.
- 3. Geo-strategic Interests:** While AUKUS complements Quad's objectives, India's reluctance to fully embrace a purely military vision underscores its unique position and strategy within these alliances.

India's strategic autonomy amid its relationship with the U.S. and Russia

Context: The article discusses India's strategic autonomy amid its relationship with the U.S. and Russia. It explains that India's approach to foreign policy allows it to make independent decisions despite global pressures. This autonomy helps India balance its ties with both Russia and the West.

For detailed information on **Recalibrating the India-US relationship** [read this article here](#)

What is the Current Tension Between India and the U.S.?

- 1. Recent Diplomatic Strains:** The tension between India and the U.S. has escalated due to India's neutral stance on the Ukraine conflict and its continued partnership with Russia.
- 2. U.S. Concerns:** The U.S. expressed displeasure when India proceeded with Prime Minister Modi's visit to Moscow, especially right before a NATO summit.
- 3. Strategic Autonomy Debate:** U.S. officials, including Ambassador Eric Garcetti, criticized India's concept of strategic autonomy, suggesting it's ineffective during crises.
- 4. Economic and Defense Ties with Russia:** India's crude oil imports from Russia surged from \$2.4 billion in 2021-22 to \$46.5 billion in 2023-24. Over 40% of India's defense imports come from Russia.

How Has India Maintained Its Strategic Autonomy?

- 1. Historical Roots:** India's strategic autonomy evolved from its non-alignment policy during the Cold War.
- 2. Neutral Position:** India maintained neutrality in the Russia-Ukraine conflict, avoiding Western pressure.
- 3. Defense and Energy Ties:** Despite global pressures, India imports over 40% of its defense equipment from Russia and significantly increased its oil imports from Russia.
- 4. Balanced Relationships:** India engages with both Russia and Western countries to protect its interests.

5. Multilateral Approach: India supports a multilateral global order, ensuring its voice and that of the Global South are heard.

What is the Significance of India's Relationship with Russia?

- 1. Continental Asia:** India collaborates with Russia for economic progress, connectivity, and security in Eurasia.
- 2. Balancing China:** India's ties with Russia can act as a counterbalance to Russia's growing relationship with China.
- 3. Strategic Autonomy:** Maintaining this relationship allows India to pursue its own interests without aligning strictly with any major power bloc.

For detailed information on **Significance of India's Relationship with Russia** [read this article here](#)

How Does India View Its Role in a Multipolar World?

- 1. Strategic Autonomy:** India maintains strategic autonomy to navigate global relations based on its national interests, balancing ties with major powers like the U.S. and Russia.
- 2. Global Balancing Act:** India's approach aims to maintain neutrality and cooperation with different global powers, avoiding alignment with any specific bloc.
- 3. Positive-Sum Perspective:** By promoting multilateral interactions, India supports a more inclusive global order, viewing international relations as opportunities for mutual benefit rather than competition.

India's Prime Minister's visit to Russia and its implications

Context: The article discusses Prime Minister Modi's visit to Russia and its implications. The visit signals India's support for Russia despite criticism from the U.S. and Europe. It highlights India's strategic choices, economic ties, and the geopolitical importance of maintaining a relationship with Russia.

For detailed information on **India-Russia Relations** [read this article here](#)

How did the U.S. and Europe react to India's Prime Minister's visit to Russia?

1. The U.S. and Europe reacted with criticism and disappointment to Prime Minister Modi's visit to Russia.
2. Ukraine's President Zelenskyy sharply criticized the visit.
3. The U.S. State Department, National Security Adviser, and U.S. Ambassador to India expressed their disappointment.
4. Despite these reactions, India emphasized its "freedom of choice" in foreign relations. India abstained from over 20 United Nations votes condemning Russia, including a recent vote on July 11 after a missile attack on a children's hospital.

How does this affect India's relations with other countries?

1. Modi's visit to Russia signals a priority for relations with Russia over a joint appearance with China's President at the SCO Summit.
2. This could affect India's relations with Indo-Pacific partners and its role in groups like Quad (India, Japan, Australia, U.S.) and AUKUS (Australia-U.K.-U.S.).
3. The U.S. has forged new partnerships like AUKUS and engaged "Quad Plus" countries, which may limit

India's influence.

4. The visit underscores India's strategic autonomy, balancing its ties with Russia and Western countries.

What are the economic implications?

1. Trade between India and Russia grew by 66% to \$65 billion last year. India's imports of discounted Russian oil are a key factor in this trade growth.
2. Both countries are working on payment mechanisms to sustain this trade amid Western sanctions.
3. The joint statement mentioned cooperation in Russia's Far East, focusing on energy supplies and commodity exports.
4. The Chennai-Vladivostok maritime corridor aims to enhance trade routes.
5. Investments include Rosneft's \$23 billion stake in India's Vadinar refinery and Indian investments in Russian oil fields worth \$15 billion.
6. These economic ties help balance the trade deficit and support mutual investments.

What is the strategic significance?

1. India's strategic autonomy was highlighted through this visit. The focus is on new connectivity routes like the North Sea trade route, avoiding reliance on Iran-led corridors.
2. Military hardware imports from Russia are decreasing, but economic strategies strengthen bilateral ties.
3. India's bet on the enduring relationship with Russia may be tested by future developments in the Ukraine war and global political changes.

Way forward -The visit underscores India's strategic positioning between major global powers. It shows India's willingness to maintain and strengthen its ties with Russia, balancing its relationships with Western countries and China, while navigating ongoing global conflicts and economic sanctions.

Significance of India's PM Visit to Ukraine

Context: The article discusses Prime Minister Modi's planned visit to Ukraine, urging India to re-engage with European security. It highlights the impacts of the Ukraine war on India, emphasizing the need for India's strategic involvement in European peace and security efforts.

For detailed information on **Ukraine conflict and its implications for India** [read this article here](#)

What is the Significance of PM Modi's Visit to Ukraine?

- 1. Re-engagement with European Security:** PM Modi's visit to Ukraine marks a strategic shift in India's approach towards European security, which has been neglected in recent decades.
- 2. Impact of Ukraine War:** The Ukraine war has put Europe at the top of India's international agenda, highlighting the need for a strategic approach rather than seeing it as a mere pressure point or moment of solidarity with Russia.
- 3. Economic and Security Interests:** The war has created multiple economic challenges for India and complicated its security landscape, especially with Beijing's growing ties with Moscow.
- 4. Broader Foreign Policy Shift:** Modi's planned trip to Kyiv and his recent visit to Moscow indicate a strategic move towards active global diplomacy, enhancing India's role in European peace and security efforts.

What Are the Geopolitical Challenges Europe is Facing?

- 1. Internal Divisions:** Europe is divided on handling the Russian threat, with Finland and Sweden joining NATO while Hungary and Turkey pursue independent approaches.
- 2. US Relations:** The US is divided on its approach to Ukraine, with different factions within the Republican Party either wanting to escalate or de-escalate the conflict. Many in the US want Europe to take more responsibility for its defense.
- 3. China's Role:** Europe is torn between criticizing China for supporting Russia and seeking Beijing's help to restrain Moscow.
- 4. Need for Defense Capacity:** Europe must build its own defense capacity, which requires unity and seriousness of purpose. This is a long-term challenge given the current geopolitical environment.
- 5. Economic and Security Implications:** The war has introduced significant economic challenges and security uncertainties, impacting not only Europe but also countries like India.

Why Should India Invest in Peace Efforts in Ukraine?

1. Despite skepticism about the effectiveness of India's role in peace efforts, it is beneficial for India to support these initiatives.
2. The conflict impacts India economically and strategically, especially considering India's historical ties with Russia and the emerging partnerships with Western countries.
3. A stable Europe can help prevent China from benefiting from conflicts between Russia and the West.

Key Discussions at 2nd BIMSTEC Foreign Ministers' Retreat

Context: India hosted the 2nd BIMSTEC Foreign Ministers' Retreat in New Delhi to discuss cooperation in security, trade, and connectivity. The retreat prepared for the sixth summit. The event highlighted India's strategic focus on strengthening ties with its eastern neighbors.

For detailed information on **BIMSTEC** [read this article here](#)

What Were the Key Discussions at the Retreat?

The retreat was divided into two parts:

A. First Session:

- 1. Assessment of Cooperation:** Participants reviewed the current state of regional cooperation within BIMSTEC.
- 2. Implementation of Outcomes:** India presented key outcomes from the 1st Retreat.
- 3. Centers of Excellence:** Ideas were shared for establishing centers focusing on Agriculture, Disaster Management, and Maritime Transport.
- 4. Health Initiatives:** India supported cancer research and e-visas for patients from BIMSTEC states; Sri Lanka proposed focusing on kidney disease.
- 5. Private Sector Involvement:** Highlighted the need for private sector participation in trade and promotion of young entrepreneurs.

6. Security Concerns: Emphasized the importance of connectivity, cybersecurity, and countering trafficking of narcotics and illegal arms.

B. Second Session:

- 1. Country Expectations:** Discussed individual countries' expectations for the upcoming summit.
- 2. Resource Mapping:** Sri Lanka stressed the need to map mineral resources and integrate production stages.
- 3. Blue Economy:** Bangladesh highlighted cooperation in the Blue Economy and suggested banning fishing during breeding seasons.
- 4. Tourism and Culture:** Bhutan emphasized tourism and cultural exchanges.
- 5. Regional Synergy:** Nepal promoted a 'whole of the region' approach for a results-oriented forum.
- 6. Non-traditional Security:** Thailand and Myanmar discussed non-traditional security domains and combating online scams.

What is the Significance of These Developments?

- 1. Strategic Positioning:** Enhances India's role in the Bay of Bengal, countering China's influence and strengthening regional stability.
- 2. Economic Access:** Provides the northeastern region with crucial sea access via Bangladesh and Myanmar.
- 3. Regional Cooperation:** Fosters collaboration in cancer research, e-visas, and combating illegal activities, improving overall regional health and security.
- 4. Indo-Pacific Presence:** Reinforces India's presence in the Indo-Pacific by aligning with ASEAN members, Myanmar, and Thailand.
- 5. Resource Management:** Encourages sustainable development through resource mapping and Blue Economy initiatives, such as Sri Lanka's mineral resource mapping and Bangladesh's focus on sustainable fishing.
- 6. Policy Milestone:** Marks a decade of India's "Act East" and "Neighbourhood First" policies, reflecting ongoing efforts to nurture regional collaboration.

GS Paper 3

Subject: Indian Economy

Topic- Indian Economy and issues relating to Planning, Mobilization of Resources, Growth, Development and Employment.

Risks according to the 29th RBI Financial Stability Report

Context: The latest 29th RBI Financial Stability Report shows that India's financial system is strong and stable. Non-performing assets are low, but risks like shadow banking and climate change need monitoring. The report highlights global monetary trends, lower demand, and the impact of climate risks on the economy.

What does the RBI's Financial Stability Report reveal about India's financial system?

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1. The RBI's Financial Stability Report highlights a strong and stable financial system in India.
2. A key indicator, the gross ratio of non-performing assets, is at a multi-year low of 2.8%, suggesting improved bank health.
3. The report anticipates a continued decrease in non-performing assets, underscoring a positive outlook for the banking sector.

What are the potential risks according to RBI's financial stability report?

1. **Shadow Banking Sector:** The Financial Stability Report highlights the potential risks from non-banking financial companies (NBFCs). Despite stricter regulations post the IL&FS collapse, the heavy borrowing by NBFCs from banks poses a systemic risk.
2. **Maturity Transformation:** The activities of NBFCs involve maturity transformation, where they fund long-term loans with short-term borrowings. This can lead to instability if there are sudden shifts in market conditions.
3. **Climate and Cyber Risks:** Both climate change and cyber threats are identified as significant macro-financial risks in the report. The increasing incidence and potential impact of climate-related events and cyber-attacks require urgent attention and preparation from financial regulators and institutions.
4. **Consumer Demand and Economic Growth:** Lower consumption and demand are also noted as increasing risks, impacting overall economic growth and potentially leading to broader financial instability. Concerns about stagnant wages and employment contribute to these risks.

Issues in Indian Labor Market

Context- The article discusses India's labor market complexity, noting how labor shortages and high unemployment coexist. It points out that search frictions contribute to this paradox and suggests that digital public infrastructure may help address these challenges.

What are the reasons behind India's labor market complexity?

- 1) **Skills Gap-** Employers often find it difficult to hire suitable workers because of the skills gap—many graduates do not possess the specific skills that companies need. For ex- Larsen & Toubro chairman reports a shortage of 45,000 workers and engineers. This contrasts with national concerns about lack of quality jobs for the young population.
- 2) **Search Frictions-** It is a situation in markets where buyers and sellers don't automatically find each other. Search involves costs and risks, especially in unorganized labor markets like India's. As per nobel laureate, these inefficiencies lead to both job vacancies and unemployment coexisting in labor markets.
- 3) **Low-Wage Worker Behavior-** David Autor's research indicates that low-wage workers frequently accept the first job they find because they lack information or are hesitant to take risks. This results in a reduced ability to negotiate better terms.

Read More- [Labour Reforms](#)

What should be the way forward?

- A) **Social Networks in Job Search:** -In informal job markets, social networks (village or caste groups) help reduce search costs. For ex- One person finds urban employment, then brings others from their community.
- 2) **Leveraging Digital Public Infrastructure (DPI) -**

- A) The expansion of digital public infrastructure (DPI) in India lowers transaction costs using platforms such as the United Payments Interface and the Open Network for Digital Commerce.
- B) Digital platforms that connect employers and workers, possibly integrated with welfare programs, can raise wages and productivity.

Need for De-dollarization

Context- The article critically examines India's dollar-denominated economic targets and advocates for a shift towards rupee-based goals. China and India are reducing their dependence on dollar reserves: China's US Treasury holdings now comprise less than 25% of its \$3.2 trillion reserves, while India has also increased its gold reserves by purchasing 24 tonnes from January to April 2024, up from 16 tonnes in 2023.

What are the reasons behind wider acceptance of dollars in the global economy?

- 1) **Safe Haven-** The US dollar remains the preferred safe haven currency and is widely used for international transactions.
- 2) **Euro's Role and Limitations -**The euro has not filled this role due to the Eurozone's rapid expansion without sufficient fiscal controls.
- 3) **Aggressive Behavior-**The Chinese yuan faces trust issues because of China's perceived aggressive behavior.
- 4) **Impact of Ukraine War-**Due to the Ukraine war, Europe has become too reliant on the US for security to pursue monetary independence. The dollar dominates because other countries struggle to unite on alternative approaches

What are the reasons behind the rising trend of De-dollarization?

1) Weakening of the US Dollar-

A) After the 2008 financial crisis, many countries, including the US, printed large amounts of money to stabilize their economies. This continued during the Covid-19 pandemic to support economic recovery and prevent further downturns.

B) Following the Ukraine war, the US and its allies-imposed sanctions on Russia, which included freezing or seizing Russian dollar reserves held in international accounts.

2) **Lack Gold Backing-** The USA has delinked the dollar from gold way back in 1971. Any solution that lacks gold backing will not benefit the US dollar in the long run.

3) Future Scenarios-

A) Potential creation of a gold-backed reserve currency by a group of nations may diminish the dominance of the dollar in the near future.

B) In 2021, the US Fed reported that 45% of US cash dollars are held overseas, mostly in \$100 notes, by governments, individuals, and criminal groups. Predicting their future moves, like possibly shifting to cryptocurrency, real estate, or gold, poses significant challenges to the dollar's dominance.

4) **Worsening US Economic Situation-** US national debt rose sharply from 7.8% of GDP in 1971 to 120% in 2023. In recent years, the US has been accumulating \$2 trillion in additional debt annually.

Read More- [De-dollarisation of trade: Opportunities and challenges](#)

What should be the way forward for India?

- 1) India should gradually reduce its dependence on the dollar in its economy.
- 2) India should set its national economic goals based on real rupee terms rather than dollar values. This approach aligns with India's capability to manage and control its own macroeconomic policies effectively.

Impacts of Heatwaves on India's Core Industrial Sectors

Context: The article discusses how India's core industrial sectors slowed down in May due to a severe heatwave. Despite this, coal and electricity sectors grew. The article also mentions a rebound in factory activity in June as indicated by the HSBC India Manufacturing PMI.

For detailed information on **Core Industries** [read this article here](#)

How Did the Heatwave Affect India's Core Industrial Sectors?

- 1. Power Demand Increase:** Due to the heat, there was a higher usage of cooling systems, leading to increased demand for electricity. Power generation expanded by 12.8%.
- 2. Coal Production Boost:** Coal production, necessary for power plants, grew by 10.2% to meet the rising electricity demand.
- 3. Decrease in Other Sectors:** Production in sectors like crude oil, fertilizers, and cement declined due to reduced activity. For example, fertilizer production contracted for the fifth consecutive month, highlighting ongoing challenges in agriculture.
- 4. Construction Slowdown:** The extreme heat led to decreased construction activities, which lowered the demand for cement and steel.

What Challenges Does the Manufacturing Sector Face?

- 1. Heatwave Impact:** The severe heatwave in May significantly lowered factory output to a three-month low, illustrating vulnerability to extreme weather conditions.
- 2. Rising Costs:** Increases in staff expenses, material costs, and transportation led to higher manufacturing costs. This has forced companies to raise their selling prices, the largest increase observed in over two years.
- 3. Inflationary Pressures:** The higher costs are contributing to inflation within the sector, complicating pricing strategies and potentially reducing competitiveness.
- 4. Decreased Confidence:** Future output confidence dipped to a three-month low, indicating worries about ongoing economic conditions despite a rebound in June's PMI (India Manufacturing Purchasing Managers' Index), which stood at 58.3, up from 57.5 in May.

India's Balance of Payments (BoP)

Context: The article discusses India's Balance of Payments, which records financial transactions with other countries. It notes a recent surplus in the current account for the first time in 11 quarters but explains that a current account deficit isn't necessarily bad for a developing economy like India.

For detailed information on **Balance of payment** [read this article here](#)

What is the Balance of Payments?

1. The Balance of Payments (BoP) is a comprehensive record of a country's financial transactions with the outside world. It details the money that flows into and out of the country, categorized as either positive (inflows) or negative (outflows).
2. The BoP includes two main accounts: the Current Account and the Capital Account.
3. **Current Account:** It includes the trade of goods (which was in deficit due to higher imports than exports) and the trade of services and other invisibles (which recorded a surplus). These invisibles include services like IT, banking, insurance, and remittances from Indians abroad, which helped offset the deficit from the goods trade.
4. **Capital Account:** This account captures investment-related transactions such as Foreign Direct Investment (FDI) and Foreign Institutional Investments (FII), reflecting a strong inflow of foreign investments.

How Do Foreign Exchange Reserves Fit In?

1. Foreign exchange reserves play a crucial role in India's Balance of Payments (BoP).
2. When there is a surplus in the BoP, indicating more dollars coming into the country than going out, the Reserve Bank of India (RBI) intervenes.
3. The RBI absorbs these excess dollars to increase its foreign exchange reserves.
4. This action helps stabilize the rupee's value. If the RBI did not boost the reserves, the rupee would appreciate, making Indian exports more expensive and less competitive internationally.
5. Maintaining these reserves is essential for managing the exchange rate and supporting overall economic stability.

Why Shouldn't We Always Aim for a Surplus?

1. Aiming for a current account surplus is not always beneficial for an economy, especially for developing ones like India.
2. A surplus might indicate underutilized economic capacity, as seen during the COVID-19 lockdowns in FY 2020-21, which halted much economic activity, leading to an undesirable surplus.
3. Typically, a current account deficit of 1.5%-2% of GDP is considered healthy for India. It suggests robust domestic demand and necessary imports of capital goods to expand production capabilities.
4. Such a deficit supports long-term economic growth by facilitating investments in productive assets, which are crucial for boosting export capabilities in the future.

India needs skill development to transformation

Context: The article discusses India's young population, which is both an opportunity and a challenge for its economy. It emphasizes the need for skill development to transform this demographic potential into economic growth. It highlights issues like falling labor participation and gaps in skilled labor across various regions.

For detailed information on **India Employment Report 2024** [read this article here](#)

What are the issues with skill development in India?

1. **Insufficient Formal Training:** A considerable portion of the workforce aged 15 to 59 lacks formal vocational or technical training, with the proportion having dropped from 91.9% in 2017-18 to 72.6% in

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2022-23, indicating a major gap in formal skill development.

2. Skill Intensity Disparity: Rural areas have much lower skill intensity compared to urban areas, which host more skill-intensive industries like IT and financial services. This disparity highlights a need for balanced growth and skill development in rural sectors.

3. Reliance on Low-Skilled Labor: Despite growth in the semi-skilled workforce, there is still a significant reliance on low-skilled labor, evident from the 24.8% increase in low-skilled workers between 2017-18 and 2022-23, driven by industries such as construction and manufacturing.

How is the Government Addressing These Gaps?

1. Pradhan Mantri Kaushal Vikas Yojana (PMKVY): This program significantly boosted the semi-skilled workforce with a 59.5% growth rate from 2017-18 to 2022-23. It focuses on providing skill training and certification.

2. Skill India Mission: Aims to expand the workforce's skills, particularly at skill level 2, which has seen substantial growth.

3. Skill Census Proposal by Andhra Pradesh: Led by Chandrababu Naidu, this initiative aims to assess skill levels across regions and sectors to target skill development efforts more accurately, promoting competitive federalism among states.

Way forward -Investing in human capital and using data-driven strategies can turn India's demographic advantage into economic growth. A skilled workforce will drive innovation, productivity, and national competitiveness, helping India become a developed economy by 2047.

Monetization Opportunities for the Government

Context- Stock markets have consistently hit new highs, pushing total equity wealth to record levels. Promoters have taken advantage of higher valuations, selling approximately \$4 billion worth of stock in just the last two months.

The government aims to raise about \$6 billion through divestment in 2024-25, marking a significant increase from previous years. This shift is part of a strategy to effectively boost economic resources through asset monetization.

What opportunity does it present for the government to monetize its stakes?

1) **Strengthening Finances and Infrastructure** -The rise in PSU stock prices provides a chance to sell government stakes and invest the proceeds in the economy. Monetizing these assets will strengthen government finances, support infrastructure projects, and create jobs.

2) **Enhancing Market Liquidity and Public Shareholding** -Reducing the government's stake in PSBs below 75% not only aligns with SEBI's regulations but also enhances market liquidity. Despite a surge in market capitalization, public shareholding in PSU stocks remains low. This situation presents an opportunity for state-held listed entities to meet SEBI's minimum public shareholding norms.

What are the challenges in the disinvestment process?

Disinvestment faces challenges such as multiple stakeholders, lengthy regulatory processes, global economic uncertainties, political opposition, and concerns about selling off national assets.

A detailed article on Disinvestment in India can be [read here](#).

What should be the way forward?

- 1) **Offer-for-sale (OFS) mechanism** -The government can sell stakes quickly using the offer-for-sale (OFS) mechanism. This allows for faster transactions through special stock exchange windows.
- 2) **Block Deals**-It could opt for block deals to sell significant stakes at once or sell smaller quantities in the secondary market. Over the past decade, approximately \$37.5 billion has been raised from minority stake sales out of a total of around \$50 billion from divestments.
- 3) **Strategic Focus on Stake Sales and Governance**- The government should prioritize stake sales over relying solely on PSU dividends. It should focus on governing, not managing non-strategic businesses

Fiscal Prudence and Economic Reforms

Context- The government aims to prioritize a productive workforce and enhance the competitiveness of Indian products and services in its third term. The Union Budget must strike a balance, creating fiscal room to support these goals while maintaining fiscal consolidation. The Confederation of Indian Industry (CII) has aligned its recommendations with these priorities.

What are the major recommendations given by Confederation of Indian Industry (CII)?

1) Fiscal Consolidation-

- A) Revive the practice of publishing medium-term deficit indicators in the Union Budget for better fiscal planning visibility.
- B) Review and update the Fiscal Responsibility and Budget Management Act, as recommended by the 15th Finance Commission.
- C) Establish a robust fiscal framework to enhance India's credit rating.

2) **Increasing Healthcare and Education Spending Targets** -There is a pressing need to raise government spending on healthcare to 3% of GDP and on education to 6% of GDP by 2030-31.

3) **Boosting Capital Spending with RBI Dividend Allocation** -It suggests allocating a portion of ₹2.1 trillion dividend from the Reserve Bank of India to boost capital spending by 25% from 2023-24 levels. This will sustain growth in public capital expenditure and stimulate private investment.

4) Disinvestment & Asset Monetization-

- A) Adopt a demand-based approach to select public sector enterprises (PSEs) for divestment.
- B) Enhance the government's asset monetization program by aiding ministries and state governments in identifying assets and refining regulatory execution.
- C) Establish a dedicated cell in Niti Aayog or the Ministry of Finance to oversee these efforts.
- D) Utilize proceeds from disinvestment and asset monetization to either reduce debt or develop new assets.

5) Taxation Reforms-

A) CII proposes a three-rate GST structure with lower rates. Simplifying tax structures and improving the ease of doing business would boost tax buoyancy.

B) They advocate including petroleum products and electricity under GST to reduce business costs by enabling input tax credit on commonly used goods and services.

Read More-[7 years of GST](#)

6) Enhancing Competitiveness Through Customs and Tax Reforms-

- A) It suggests announcing a phased plan to adjust duty rates, allowing domestic manufacturers time to adapt.
- B) It recommends improving compliance procedures, dispute resolution, and grievance redressal.

India's urgent need for good-quality jobs

Context: The article discusses India's urgent need for good-quality jobs. It highlights joblessness as a key issue, despite economic growth. The article suggests various policies, including vocational training, wage subsidies, technical assistance for enterprises, and basic income supplements for the poor.

For detailed information on **Employment status in India** [read this article here](#)

Why is joblessness a critical issue in India?

- 1. Persistent Problem Across Decades:** Joblessness has been a consistent issue in India, not adequately addressed by successive governments, indicating its deep-rooted nature in the economy.
- 2. Election Concerns:** Recent elections highlighted joblessness as a critical issue, affecting voter decisions and showing public dissatisfaction with existing job policies.
- 3. Economic Growth Disparity:** Despite economic growth, employment has not kept pace. National surveys over 50 years confirm that job creation lags behind economic expansion, highlighting the failure to convert economic gains into employment opportunities.
- 4. Social Stability Risk:** If unaddressed, the growing joblessness is potentially socially explosive, demanding immediate and focused policy intervention.

What are the issues with previous employment policies?

- 1. Delayed Payments and Shortcomings:** There are notable delays in wage payments. Additionally, despite the law stipulating 100 days of work per household, many receive much less, undermining the effectiveness of the scheme.
- 2. Conditions of Manual Labor:** The jobs provided are manual and performed in harsh conditions, such as under a scorching sun, making them less appealing and barely sustainable for workers.
- 3. Unmet Legal Guarantees:** Workers rarely receive unemployment benefits when a job is not provided within 15 days, a failure to comply with the legal provisions of the schemes.

How can sustainable jobs be created in India?

- 1. Vocational Education and Training:** Launch mass-scale vocational programs with business apprenticeships to improve employability, learning from models like Germany's vocational system and the California community college system.
- 2. Adjusting Subsidies:** Evaluate existing capital subsidies that currently encourage labor-replacing, capital-intensive investments. Replace some of these subsidies with wage subsidies that encourage firms to create

regular jobs.

3. Support for Non-Farm Enterprises: Extend technical assistance and management training to non-farm household enterprises, drawing lessons from the software aid provided to ASHA workers in Uttar Pradesh.

4. Addressing Demand Deficiency: Address income inequality to boost consumer demand by raising incomes of lower economic sections through a basic income supplement, enabling them to participate more in the economy and potentially seek better jobs.

5. Tax Reforms: Fund these initiatives by reducing subsidies for the affluent and increasing taxation on the wealthy, including inheritance and wealth taxes.

Issues with India's R&D expenditure

Context: The article emphasizes the need for increased investment in science and technology in India. It suggests reforms like merging scientific institutions, mandating private sector R&D spending, and excluding building costs from R&D figures to boost innovation and development.

For detailed information on **India's R&D Funding Status** [read this article here](#)

What is the current state of R&D spending in India?

Current R&D Spending: India currently allocates only 0.6% to 0.7% of its GDP to research and development, significantly lower than the targeted 2%.

What are the issues with India's R&D expenditure?

1. Low R&D Expenditure: India's spending on R&D is significantly lower than many other countries, standing at just 0.6% to 0.7% of GDP, compared to countries like the US (2.8%), China (2.1%), Israel (4.3%), and South Korea (4.2%).

2. Disproportionate Government Spending: The government sector accounts for 56% of India's total R&D expenditure. This is much higher than in other nations, where private sector involvement is more prominent, like in China (15%), Germany (14%), the UK (7%), and Japan (8%).

3. Capital Expenditure Bias: A large portion, 44%, of India's R&D budget is allocated to capital development, such as infrastructure and land acquisition, which contrasts sharply with countries like the UK and the US where virtually none of the R&D budget goes to such expenditures.

What lessons can India learn?

A. Lessons from Other Countries

Increase R&D Funding: As seen with China, which raised its R&D investment from 0.7% of GDP in the 1990s to 2.1% currently. In 2019, China's R&D spending reached USD 525.7 billion in PPP terms, vastly exceeding India's USD 58.7 billion in 2018.

B. Lessons from India's Own Successes

1. Autonomy in Key Sectors: India's success in space and atomic energy is largely due to the autonomy given to the Space Commission and the Atomic Energy Commission. These bodies are free from bureaucratic delays, fostering more effective project execution.

2. Integrated Leadership: Effective leadership structures involving senior scientists and high-level

government officials have proven successful, as seen with the empowered bodies managing space and atomic energy initiatives, leading to significant advancements.

What should be done?

- 1. Promote Private Sector Involvement:** Encourage private sector participation by mandating companies to allocate 2% of their profits to R&D, similar to corporate social responsibility rules.
- 2. Support State-Level Research:** Allow state governments to raise funds exclusively for R&D projects approved by the National Research Foundation. This will decentralize and enhance research capabilities across India.

Factors affecting food production and its price outlook

Context: The article discusses how India's high food prices keep overall inflation high, making it hard for the Reserve Bank of India to lower inflation to their target of 4%. It explains that weather changes, like poor monsoon rains and climate-related events, increase food prices, which needs addressing through better farming methods and infrastructure.

For detailed information on **India's food inflation** [read this article here](#)

How significant is food inflation?

- 1. High Weight in CPI:** Food accounts for nearly 40% of the Consumer Price Index (CPI) basket, making it a significant factor in overall inflation.
- 2. Historical Data:** In years when CPI was close to the 4% target, food inflation was also low. For example, during 2000-2006, CPI averaged 3.9% with food inflation at 2.5%.
- 3. Recent Spike:** After the pandemic, food inflation surged to an average of 6.4%, with food prices exceeding 6% for 28 out of 50 months, highlighting its persistent impact on overall inflation levels.

What are the factors affecting food production and its price outlook?

- 1. Monsoon Reliability:** Traditionally a key determinant of agricultural success, the monsoon's unpredictability, exacerbated by climate change, affects crop yields.
- 2. Water Resources:** Heatwaves have depleted groundwater levels, essential for irrigation, affecting crops like wheat and impacting dairy and poultry outputs.
- 3. Crop Damage:** Unseasonal rains have damaged crops during critical harvesting and transportation stages, leading to increased food prices.
- 4. Global Warming Effects:** Events like El Niño, intensified by global warming, have resulted in significant weather anomalies, influencing food production negatively.

What should be done to control climate change's impact on food?

- 1. Enhance Agricultural Infrastructure:** Upgrade facilities from production to storage and transportation to better withstand climate impacts.
- 2. Develop Climate-Resistant Crops:** Promote and expand the use of heat-resistant and drought-tolerant crop varieties to maintain productivity under changing climate conditions.
- 3. Increase Irrigation Coverage:** Expand irrigation infrastructure to ensure water availability even during adverse weather conditions, with only 57% of agriculture currently covered.
- 4. Boost Research and Development:** Increase investment in agricultural R&D, currently at just 0.5% of

agriculture GDP, to innovate better farming practices and technologies.

5. Improve Food Processing and Storage: Encourage development in food processing and cold storage to reduce wastage and stabilize supply chains.

Key Findings of the ASUSE 2022-23

Context: The article discusses the challenges faced by India's informal sector, based on data from the Annual Survey of Unincorporated Sector Enterprises (ASUSE). It shows that the sector hasn't grown in terms of business size or worker count and has seen declining income and worker earnings.

For detailed information on **India's informal sector** [read this article here](#)

What is the Annual Survey of Unincorporated Sector Enterprises (ASUSE)?

1. The ASUSE is conducted by the National Statistical Office (NSO).
2. It provides data on the unorganized sector.
3. It used to be done every five years but is now an annual survey. The recent surveys are for 2021-22 and 2022-23.

What are the Key Findings of the ASUSE 2022-23?

- 1. Total Enterprises:** The number of informal enterprises increased slightly from 63.4 million in 2015-16 to 65 million in 2022-23.
- 2. Composition of Enterprises:** Approximately 85% of these enterprises are own-account enterprises (OAEs), indicating a majority are operated by the owners without additional employees.
- 3. Employment Trends:** There was a decline in the number of workers in the unorganized sector, dropping from 111.3 million in 2015-16 to 110 million in 2022-23.
- 4. Economic Contribution:** The Gross Value Added (GVA) by the sector declined at 0.5% annually between 2015-16 and 2022-23, indicating a reduction in economic productivity.
- 5. Income Levels:** GVA per enterprise was ₹238,168 in 2022-23, with OAEs generating just ₹127,073 per unit, highlighting low-income generation in this sector. GVA per enterprise and GVA per worker both saw declines in this period.

What are the challenges faced by India's informal sector?

- 1. Economic Shocks:** The informal sector was heavily impacted by demonetization and the GST rollout, which disproportionately affected smaller, unorganized businesses compared to the formal sector.
- 2. COVID-19 Impact:** The pandemic further stressed the sector, especially evident in the 2021-22 survey results.
- 3. Limited Technology Use:** Only 6% of enterprises reported using computers in 2022-23, marginally up from 5% in 2015-16, showing slow technological adoption.
- 4. Access to Capital:** The sector struggles with obtaining credit, staying largely outside the scope of government financial assistance programs.

Way forward -The informal sector is lagging behind the formal sector. Economic shocks and long-term policies have worsened their prospects. Reviving this sector is essential for improving incomes, demand, and employment in the economy.

Factors that contributed to the stability of India's banking sector

Context: The article discusses the strong performance of India's banking sector in 2023-24, as detailed in the Financial Stability Report (FSR) of June 2024. Despite past challenges and predictions of decline, banks maintained good health, showed improved profits, and effectively managed risks, contributing to economic stability and growth.

For detailed information on **RBI's Financial Stability Report** [read this article here](#)

How has the banking sector performed recently?

- 1. Reduction in NPAs:** The Non-Performing Assets (NPA) ratio declined sharply from 8.5% at the beginning of the pandemic in 2020-21 to 3.9% by 2022-23, showing effective management of bad loans during and after the pandemic.
- 2. Stability in Net Interest Margin (NIM):** Despite predictions of a squeeze, the Net Interest Margin remained stable with a minor decrease of only 1 basis point, maintaining at 3.6% in 2023-24 compared to 3.7% previously.
- 3. Growth in High-Yielding Retail Products:** Banks experienced strong growth in high-yielding retail products like credit cards and personal loans, which grew 7 to 14 percentage points faster than the overall loan growth rate of 15.4% in 2022-23 and 16.3% in 2023-24.
- 4. Increase in Return on Assets:** The overall return on assets for banks increased from 1.1% to 1.3%, supported by factors such as higher loan growth rates, lower provisions, increased trading income, and higher fee income.
- 5. Financial Health of Public Sector Banks (PSBs):** PSBs showed a return on assets of 0.9%, which is close to the international benchmark of 1%, indicating strong internal capital generation and less reliance on governmental support.

What factors have contributed to the stability of the banking sector?

- 1. Effective Regulatory Measures:** The Reserve Bank of India (RBI) implemented various restructuring schemes and innovative regulatory measures during the pandemic. These helped maintain stability and navigate crises, contributing to a significant reduction in NPAs from 8.5% to 3.9% by 2022-23.
- 2. High-Yielding Retail Product Growth:** Banks focused on growing high-yield retail products such as credit cards, personal loans, loans against property, and auto loans.
- 3. Improved Risk Management:** Enhanced risk management at the bank level and better leadership selection through the Financial Services Institutions Bureau helped improve operational stability and reduce vulnerabilities.

What about the privatization of Public Sector Banks (PSBs)?

- 1. Delay in Privatization Plans:** Privatization of PSBs has been consistently postponed, despite being announced in several budgets over the past years. The ongoing process for IDBI Bank, initiated in 2018, has yet to be completed.
- 2. Improved Financial Health Reduces Privatization Pressure:** With the return on assets for PSBs reaching 0.9%, close to the international benchmark of 1%, PSBs have demonstrated the ability to generate sufficient capital through internal surpluses and market sources. This financial independence reduces their dependency on government capital injections, consequently diminishing the urgency for privatization.

What is the outlook for the future of India's banking sector?

1. Sustained Credit Growth: The Financial Stability Report (FSR) forecasts credit growth of 16-18% for the banking sector, indicating strong future lending activity without harming asset quality.

2. Economic Growth Correlation: The Indian economy is set to grow at around 6.5% over the long term. This economic growth is supportive of and supported by the banking sector, reinforcing its stability and expansion potential.

3. Challenges in Deposit Competition: The decline in net financial savings to 5.3% of GDP from a higher average in previous years and notes the decreasing share of deposits in gross financial savings. This indicates ongoing competition for deposits in the banking sector.

4. Continued Focus on Retail Loans: The FSR expresses caution regarding the reliance on retail loans, especially given the high household debt relative to GDP per capita. However, the past performance and the growth in high-yielding retail products suggest that banks will continue to focus on this area.

Issues faced by Gig workers

Context -The Karnataka government has introduced the draft Karnataka Platform-based Gig Workers (Social Security and Welfare) Bill. Similarly, Rajasthan passed the Rajasthan Platform Based Gig Workers (Registration and Welfare) Act, 2023. Both laws use a welfare board model, focusing on self-employed informal workers rather than employment relationships.

The number of gig workers, particularly in app-based transportation and retail delivery, is rising. NITI Aayog projects the gig workforce will reach 23.5 million by 2030, offering livelihood opportunities amid low overall employment growth.

What are the challenges faced by Gig Work?

- 1) They face issues like revenue sharing, working hours, and working conditions. This results in accidents involving overworked app cab drivers during late-night or early-morning shifts, putting their lives and those of passengers at risk.
- 2) Existing legal frameworks struggle to address these issues due to complicated or non-existent employment relations in the gig economy.
- 3) Aggregators consider themselves technology providers and gig workers as independent contractors.
- 4) Workers see aggregators as employers because they set service conditions and terms of employment. For ex- in app-based cab services, the aggregator determines ride prices and overall working conditions.
- 5) In India, gig workers are considered informal self-employed under the Code on Social Security 2020 but are not covered by other labor codes. In contrast, the UK Supreme Court ruled that Uber is an employer, applying labor laws to its drivers.

What are the issues with recently introduced bills?

- 1) **Lack of Employment Definition** -The Karnataka Bill and Rajasthan Act, like the Code on Social Security 2020, avoids defining employment relations in gig work by using "aggregator" instead of "employer,". This prevents the application of protective labor laws to gig workers.

Read More- [Labour Reforms](#)

2) **Unresolved Issues** -Issues such as minimum wage, occupational safety, working hours, leave entitlements, and collective bargaining rights remain unresolved. For ex- Section 16 of the Karnataka Bill addresses payment deductions but does not guarantee a minimum income or wage entitlement.

3) **Limitations of Welfare Board Model** -

A) The model provides some welfare schemes but doesn't replace institutional social security benefits like provident fund, gratuity, or maternity benefits.

B) Historically, welfare board models have been poorly implemented, as shown by the Construction Workers Welfare Act of 1996 and the Unorganized Workers Social Security Act, where available funds were underutilized.

Way ahead-There is a need to recognize aggregators as de facto employers and establish clear employment relations to ensure protection and benefits for gig workers.

Need for Regulatory Balance

Context- The article stresses the need for balanced bank regulation to protect both depositors and investors. While regulators are often conservative and risk-averse, banks need operational flexibility to compete and innovate.

Why is there a need for a differentiated regulatory framework for banks?

Banks operate with high leverage ratios, accept public deposits, and rely on central bank support as lenders of last resort. This necessitates a specialized regulatory framework to ensure stability and trust in the banking system.

What are the challenges in regulation of banks?

1) **RBI's Control Over Private-Sector Banks** - The RBI strictly regulates private-sector banks by approving board appointments, tenures, and salaries, often rejecting candidates or changing recommendations

2) **Credibility Crisis** - Seven of the top 10 private-sector banks by market capitalization have chairpersons who are former RBI officials or civil servants. This creates a board structure like public-sector banks. Such close ties can lead to moral hazard, making it difficult for regulators to maintain independence in challenging situations. This process may even risk the credibility of banks.

3) **Lack of Concern for Investors Interest**-

A) Many listed banks do not provide complete or timely disclosures, leaving investors uninformed about their true situation.

B) If the regulator acts suddenly against a bank, investors may be left confused. The RBI often doesn't provide clear explanations, making it hard for investors to understand what's happening.

C) The ₹8,400 crore litigation over AT-1 bonds issued by YES Bank, written off by the RBI's administrator, exposes problems with the bond structure that prioritize equity over debt holders. This goes against standard financial principles.

Read More- [RBI Surplus Transfer to Government](#)

What should be the way forward?

- 1) The RBI should reconsider its appointment policy and limit its role to appointing chairpersons and directors only for systemically important banks.
- 2) RBI should improve transparency in its regulatory actions to better serve all stakeholders in the banking sector.
- 3) AT-1 bonds should be restructured so that they are written down only after wiping out common equity Tier-I capital.

Macroeconomic differences between India and China

Context: The article discusses China's growth driven by exports and state investments, leading to issues like ghost cities and overcapacity in sectors like electric vehicles. In contrast, India has lower domestic savings and investment but better GDP returns. It highlights India's need to boost infrastructure and human capital investment to sustain growth.

For detailed information on **Trade Relationship Between India and China** [read this article here](#)

What fueled China's growth?

- 1. Exports and Capital Spending:** China's rapid growth was powered by a consistent 8% net export surplus, amassing significant foreign exchange reserves.
- 2. Domestic Investments:** High domestic savings rates fueled investments in infrastructure and industry expansion.
- 3. State-Owned Enterprises:** Profits from these enterprises provided fiscal benefits, reinvested in physical capital, leading to a high investment-to-GDP ratio.
- 4. Challenges with Efficiency:** Despite high investment, there are criticisms of inefficiencies, such as the construction of "ghost cities" and overcapacity in the electric vehicle sector, indicating not all investments yielded high returns.

What are the main macroeconomic differences between India and China?

- 1. Trade Balance:** India consistently faces a trade deficit, relying on foreign capital inflows of about 2-3% of GDP, contrasting China's historical 8% export surplus.
- 2. Investment Sources:** China's investments are largely fueled by state-owned enterprises and high domestic savings. In contrast, India's investment relies more on foreign capital and lower domestic savings.
- 3. Government Spending:** A significant portion of India's savings is consumed by government expenses like pensions and salaries, which differs from China's reinvestment of state-owned enterprise profits into further physical capital development.
- 4. Private Sector Role:** Unlike China, India's industrial expansion is more dependent on the private sector, with limited state-owned enterprise influence.

What should India focus on for growth?

1. Increasing infrastructure spending within fiscal limits, unlike China's model which benefits from state-owned enterprise profits.
2. Expanding the manufacturing sector through private investments, facilitated by policies that improve the ease of doing business.
3. Innovating in areas like agro-based industries, green technologies, and digital services.
4. Significantly enhancing investment in education to build human capital, crucial for future job demands and

economic growth.

The conflicting reports on job creation in India

Context: The article discusses the conflicting reports on job creation in India. Prime Minister Modi cites a report suggesting significant job growth, which contrasts with other reports showing high unemployment. It highlights the challenges of accurately measuring employment due to outdated and incomplete data.

For details information on **India's labor market and employment situation** read [Article 1](#), [Article 2](#), [Article 3](#)

What Are the Different Reports Saying About Employment in India?

- 1. Prime Minister Narendra Modi** cited an RBI report claiming **8 crore jobs** have been created recently, aiming to counter the opposition's unemployment narrative.
- 2. State Bank of India (SBI)** supported Modi's claims with data showing **8.9 crore jobs** in manufacturing and services from FY14-FY23.
- 3. Centre for Monitoring Indian Economy (CMIE)** reported an increase in unemployment rate to **9.2%** in June 2024, the highest in eight months, contradicting the government's claims of significant employment growth.

Why Are There Conflicting Data on Employment?

- 1. Different Data Sources:** Employment figures vary due to different sources like the RBI's KLEMS data and the SBI report, which both use existing government surveys, versus CMIE's independent assessments.
- 2. Definitions of Employment:** Periodic Labour Force Survey (PLFS) counts individuals involved in any work activity as employed, while CMIE uses stricter criteria, considering only those earning an income.
- 3. Large Unorganized Sector:** Accurate data collection is hindered by India's vast unorganized sector, employing 94% of the workforce, where consistent and reliable data are hard to obtain.
- 4. Economic Shocks:** Events like demonetization and the COVID-19 pandemic have disrupted the economy, making previous data sets unreliable for current conditions.

What Does the Ground Reality Suggest?

- 1. High Competition for Government Jobs:** About 47 lakh applicants competed for 60,000 police positions in Uttar Pradesh, illustrating intense job scarcity.
- 2. Massive Number of Applicants for Few Positions:** 1.25 crore aspirants applied for the Railway Recruitment Board exams, highlighting the desperation among job seekers.
- 3 Public Protests Over Employment Schemes:** Protests in Bihar, Uttar Pradesh, and other states when the Agnipath scheme was announced in 2022 illustrate public dissatisfaction and concern regarding new employment policies.

What Should Be Done?

- 1. Acknowledge Data Gaps:** The government should recognize and address the discrepancies in employment data, as suggested by the differences between PLFS and CMIE reports.
- 2. Update and Regularize Data Collection:** It's crucial to conduct more frequent and updated surveys, like the ASUSE survey annually, especially post-major economic events to ensure relevance.

3. Enhance Data Quality in the Unorganized Sector: Implementing systematic and continuous data collection methods for the vast unorganized sector could improve the accuracy of employment statistics.

4. Transparent Communication: Officials should transparently present employment data and its limitations, avoiding misinterpretations and misuse in policy making and public discussions.

India is facing three macroeconomic puzzles

Context: The article discusses three main issues: weak consumption, low employment growth, and low core inflation. It suggests that actual economic growth is modest. It recommends no tax cuts, privatizing PSUs, and lowering interest rates to improve the economy.

For detailed information on **India's Economic Growth and challenges** [read this article here](#)

What are the three macroeconomic puzzles facing India?

1. Soft Consumption: Despite a reported GDP growth of around 7% to 9% annually over the past three years, consumption growth is only 4%. This is half the rate of overall GDP growth. Data on industrial capacity utilization, corporate sales, FMCG, and two-wheeler sales support this weak consumption. Household savings have declined, with net financial saving at 5.7% of GDP in 2023-24, down from 7.6% before COVID-19.

2. Weak Employment Growth: Official numbers show good growth, but the reality on the ground indicates underwhelming employment opportunities. This contradiction suggests that reported high GDP growth isn't translating into job creation.

3. Low Core Inflation: Core inflation, excluding food and fuel, is around 3%. This suggests weak aggregate demand. Low core inflation is inconsistent with the reported high GDP growth rates of 9.7%, 7.2%, and 8.6% over the past three years.

What should be the policy response?

1. No Tax Cuts: Tax cuts would benefit only the top 10-20% of the population. GST revenues are just recovering to pre-GST levels; cuts would harm public finances.

2. Privatization of PSUs: Implementing a program of privatization, particularly for PSUs like MTNL. This could encourage investment and modernization by new private sector owners, as seen with the Tata's modernization of Air India.

3. Lower Interest Rates and Weaker Exchange Rates: Reducing interest rates could help improve export competitiveness, as the rupee has been exceptionally strong compared to other emerging market currencies, affecting Indian exporters' competitiveness.

Financial Capacity for Infrastructure and Corporate Expansion

Context- In the last decade, companies have tripled their capacity for funding capital expenditures due to lower debts and increased profits, according to CRISIL. The banking sector, strengthened by reduced bad loans and timely recapitalization, is now robust in lending.

What are the reasons behind this increased ability of corporates and banks to fund capital expenditure?

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1) **Corporate Financial Health:** Factors such as increased cash accruals, reduced leverage (median gearing), and improved working capital cycles have strengthened their ability to undertake capex. In terms of nominal GDP, capex ability has increased from 3.8% a decade ago to 5.2% now.

2) **Banking Sector Reforms and Performance**

A) The banking sector has improved significantly with reduced non-performing assets (NPAs) and better capital adequacy ratios. This has also been supported by government funding for public-sector banks and private banks raising capital.

B) Clearing up balance sheets through write-offs and maintaining higher provisioning coverage ratios has restored trust in their ability to lend.

3) **Financial Innovation and New Funding Avenues: -**

a) **Infrastructure Investment Trusts (InvITs):** Since 2017, more than 19 InvITs have been set up, managing assets worth Rs 4.9 lakh crore, half of which is financed through debt. InvITs have attracted equity and debt from both domestic and international investors for infrastructure assets. This has enabled developers to monetize revenue-generating assets and deploy capital into new projects.

b) **Real Estate Investment Trusts (REITs):** REITs, like InvITs but for real estate, manage assets valued at Rs 1.4 lakh crore, with one-third financed through debt.

c) **Restricted Groups (RGs):** This innovation provides advantages like diversification, debt control, and cash flow protection. CRISIL Ratings has rated 13 RGs, including 11 in renewables, with a total rated debt of Rs 14,000 crore.

d) **Sustainability-linked and Green Bonds** -These instruments are becoming more popular because they focus on reducing climate risk. Green bonds are financing renewable energy projects and are preferred by international investors.

Read More- [RBI Surplus Transfer to Government-Explained Pointwise](#)

What should be the way forward?

1) **Factors to Monitor** -Companies should closely monitor factors such as interest rates, global uncertainties, excess global capacity, and uneven recovery before committing to large-scale spending.

2) **Deepening the Bond Market**- The domestic corporate bond market needs to be deepened to become a significant funding source.

3) **Structural Improvements**- Implementing structural improvements to attract patient capital investors such as insurers and pension funds. This may involve allowing investments in lower-rated bonds (below AA), raising exposure limits to the infrastructure sector, and adopting expected loss ratings.

4) **Infrastructure Financing** -The corporate bond market needs to enhance its capacity and risk appetite to facilitate take-out financing for operational infrastructure projects.

5) **Expanding Credit Capacity** -There is a need to create more credit capacity for funding capital expenditures in emerging sectors like green energy.

Addressing Myths about Gig-Based Works

Context- The Karnataka government's proposal for legislation to enhance gig workers' welfare is a commendable and necessary initiative. This law aims to debunk misconceptions promoted by the gig and platform industry.

What are the misconceptions promoted by the gig and platform industry?

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1) **Myth of Independence** -They promote the idea that gig workers are "partners" or "captains" without bosses. However, they are subjected to-

A) **Algorithmic Control**: Algorithms dictate work hours, task allocation, and performance metrics. Workers struggle to understand and comply with algorithmic demands.

B) **Digital Agreements**: Terms and conditions imposed by platforms negate the concept of independent contracting. Every aspect of work is monitored and controlled by the platform.

2) **Myth of Flexibility**-They highlight flexibility of gig work to justify the lack of labor law protections. However,there is-

A) **Employer-Centric Flexibility**: Studies show that flexibility mainly benefits the employer, not the worker. Payment structures and incentive schemes effectively eliminate worker flexibility.

B) **Mandatory Requirements**: Workers must comply with login hours to qualify for incentives. Inactivity periods result in disadvantaged rate cards and incentive schemes.

3) **Full-Time Reality vs. Part-Time Perception**- They propagate the notion that gig work is primarily part-time or supplementary income. However, gig workers have-

A) **Income Dependency**: A study by PAIGHAM and the University of Pennsylvania found that 96% of cab drivers earn their entire daily income from gigs, while 90.7% of delivery workers depend solely on gig work for income.

B) **Working Hours**: Taxi drivers average over 11 hours of work daily. Delivery workers average 10 hours per day.

How has Karnataka Bill tried to address these misconceptions?

1) **Role of Algorithm-**

A) The bill acknowledges how algorithms control workers and aims to empower them by reducing algorithmic influence, allowing for more autonomy in their work lives.

B) Mandates transparency in algorithmic parameters used for work allocation, denial, worker categorization, and personal data usage.

2) **Flexibility**-The legislation introduces fair contract requirements, ensures income security for workers, and grants them the right to refuse work without facing penalties.

3) **Social Protection**-The legislation mandates social security provisions for gig workers and creates a framework for schemes covering old age, death, and health-related events.

Read More- [Issues faced by Gig worker](#)

What are the issues with the protection of gig workers in India?

1) **Central Government Approach**- The Code on Social Security makes only a passing reference to gig workers. It has delinked workers from minimum labor protections like wages and occupational safety.

2) **Karnataka Government Approach**- It doesn't address critical issues such as minimum wage, occupational safety, working hours, and collective bargaining rights.

Intergenerational and Intragenerational Fiscal Equity in India

Context: The article discusses how tax revenue from the central government is distributed among states in India. It emphasizes balancing fairness between generations and between different states' economic statuses, suggesting changes in the criteria to ensure both current and future financial equity.

For detailed information on **Fiscal Federalism in India** [read this article here](#)

What is the Principle of Intergenerational and Intragenerational Fiscal Equity?

- 1. Intergenerational Fiscal Equity:** This principle ensures that current government spending does not become a financial burden on future generations. If a government covers its expenses through borrowing, it means future taxpayers will have to pay more in taxes. For instance, during the 14th Finance Commission period, higher borrowing by states could lead to higher future taxes.
- 2. Intragenerational Fiscal Equity:** This focuses on fair distribution of resources among different states within the same generation. High-income states, such as Maharashtra and Tamil Nadu, generate substantial tax revenue but receive fewer Union transfers, unlike states like Bihar and Uttar Pradesh, which rely more on Union money.

What Challenges Arise from Current Fiscal Policies?

- 1. Intergenerational Inequity:** Current fiscal policies, like funding government expenses through borrowing, potentially burden future generations with higher taxes. This creates a cycle where future taxpayers bear the cost for today's spending.
- 2. Disparity in State Funding:** High-income states like Gujarat and Maharashtra, which contribute significantly through taxes, receive fewer Union transfers compared to their contributions. They financed 59.3% of their revenue expenditure through their own taxes, while low-income states like Bihar and Uttar Pradesh financed only 35.9% and depended heavily on Union transfers.
- 3. Legal Limit Breaches:** Reduced Union transfers force some states to exceed their Fiscal Responsibility Act limits, risking fiscal sustainability.

What Should be Done?

- 1. Adjust the Tax Distribution Formula:** The Finance Commission should revise the criteria used to distribute Union tax revenue, incorporating more fiscal variables that reflect actual state performance and needs. This would ensure fairer distribution between states.
- 2. Increase Weights for Fiscal Indicators:** Fiscal discipline and tax effort should carry more weight in the distribution formula. This adjustment would encourage states to improve fiscal management and revenue collection, thus ensuring more sustainable finances.
- 3. Enhance Support for High-Income States:** High-income states like Maharashtra, which financed 59.3% of their expenditure through their own revenues, should receive fairer Union transfers to acknowledge their contribution and prevent fiscal imbalances.
- 4. Legal and Fiscal Policy Reforms:** Implement policies that prevent excessive borrowing and ensure intergenerational equity. This includes enforcing Fiscal Responsibility Acts strictly and adjusting policies to avoid future generations being burdened by current fiscal decisions.

For detailed information on **Tax Contribution by States Needs to be Revisited** [read this article here](#)

The analysis of FRBM Act in India

Context: The article highlights India's journey of Fiscal Responsibility and Budget Management (FRBM) Act and the lessons that India can take from this journey.

The Fiscal Responsibility and Budget Management (FRBM) Act, enacted in August 2003. It aimed to bring fiscal discipline by mandating the central government to reduce the Gross Fiscal Deficit (GFD) to 3% of GDP by 2008.

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This target was revised in April 2018 to focus on a debt-GDP ratio of 40%, with the GFD of 3% remaining the operational target.

How was India's journey towards fiscal consolidation?

First Period (2003-2008):

- **Reduction in GFD:** GFD reduced from 5.8% in 2002-03 to 2.6% in 2007-08.
- **Impact of Global Financial Crisis:** The GFD surged to 6.6% by 2009-10 due to the global financial crisis following the collapse of Lehman Brothers.
- **Pace and Method:** Fiscal consolidation was rapid, averaging 0.6% of GDP annually. This was achieved by compressing expenditure (2.1 percentage points) and augmenting revenue (1.1 percentage points). The gross tax-GDP ratio increased from 9.1% in 2003-04 to 12.1% by 2007-08.

Second Period (2010-2019):

- **Reduction in GFD:** GFD was reduced to 3.4% of GDP by 2018-19.
- **Pandemic Impact:** The pandemic in 2020 pushed the GFD to 9.2% of GDP in 2020-21, and the debt-GDP ratio to 61.0%, far exceeding the target.
- **Pace and Method:** Fiscal consolidation slowed to an average of 0.2% of GDP annually, with expenditure compression accounting for 1.5 percentage points and revenue augmentation for 0.2 percentage points. The tax-GDP ratio remained broadly unchanged at 10.5% during this period.

What are major lessons learned by India in the process of fiscal consolidation?

Impact of Exogenous Shocks: Major exogenous shocks can derail fiscal consolidation efforts, highlighting the need for creating sufficient fiscal space during normal macroeconomic conditions.

Tax-GDP Ratio: Sustainable fiscal consolidation requires improving the tax-GDP ratio. There are limits to achieving fiscal consolidation through expenditure compression alone.

Rationalizing Expenditure: Wherever possible, expenditure needs to be rationalized to create fiscal space for future exogenous shocks.

Future Fiscal Path: The central government has reduced the GFD to 5.8% of GDP in 2023-24 and aims to bring it down to 5.1% in 2024-25. Despite this, the debt-GDP ratio remains elevated at 55.3% in 2023-24.

Long-term Projections: Given the current macroeconomic conditions, with a primary deficit reduction of 0.6% of GDP annually from 2025-26 to 2030, the debt-GDP ratio is projected to moderate to 54.4% by 2030.

How has India lowered its fiscal deficit estimate to 4.9% of GDP

Context: The article discusses how Finance Minister Nirmala Sitharaman lowered India's fiscal deficit estimate to 4.9% of GDP for the current financial year. This was achieved through increased revenue receipts and controlled spending, with significant contributions from higher RBI dividends and reduced subsidies.

For detailed information on **Fiscal Deficit in India** [read this article here](#)

What is the current status of India's fiscal deficit?

1. **Fiscal Deficit Estimate:** Reduced to 4.9% of GDP from 5.1%.
2. **Absolute Terms:** Projected at ₹16.13 trillion, down from ₹16.85 trillion.

3. **Future Target:** Fiscal deficit to be below 4.5% by FY26, with a declining central government debt to GDP ratio from FY27.

How has India lowered its fiscal deficit estimate to 4.9% of GDP for the current financial year?

A. **Revenue Receipts Growth:** Revenue receipts are projected to increase by 14.7%, reaching ₹31.29 trillion.

a) **RBI Dividend:** A major boost came from the Reserve Bank of India's dividend, which was ₹2.11 trillion, a 141% increase from the previous year.

B. **Controlled Spending:** Total government expenditure is set at ₹48.21 trillion, marking an 8.5% rise from the previous year.

a) **Capital Expenditure:** Maintained at ₹11.11 trillion, showing a focus on long-term investments.

b) **Reduced Subsidies:** Lower subsidy spending has been crucial.

1. **Fertilizer Subsidy:** Reduced by 13% to ₹1.64 trillion.

2. **Food and Petroleum Subsidies:** Also saw reductions from FY24 levels.

C. **Market Borrowing:** The gap between receipts and spending will be partly financed by borrowing ₹11.63 trillion from the market, slightly less than the ₹11.75 trillion projected earlier.

What are the impacts of this change?

1. **Market Confidence:** The lowered fiscal deficit sends a strong signal of fiscal prudence to markets and rating agencies.

2. **Bond Yields:** Initially, government bond yields fell to 6.93% but later stabilized at 6.97%.

3. **Revenue Growth:** Higher revenue receipts, boosted by a ₹2.11 trillion RBI dividend, contribute positively to fiscal health.

4. **Future Fiscal Targets:** Commitment to reducing the deficit below 4.5% by FY26 ensures a stable economic outlook.

Government's new announcements for the labor market

Context: The article discusses how government programs aimed at improving the labor market may not be effective. It suggests that policy improvements to create a better business environment are more impactful than direct interventions, like forced internship programs or fiscal subsidies.

For detailed information on **India's labor market** read [Article 1](#), [Article 2](#)

What are the Government's new announcements for the labor market?

1. The government announced new programs to improve the labor market.

2. One key initiative is an internship program in the top 500 companies, aiming to process 10 million interns over five years. The program will provide ₹60,000 per intern per year, funded by the government and corporate social responsibility (CSR) contributions.

3. **Voluntary Participation:** Companies' involvement is voluntary.

4. **Centralized Portal:** Establishment of a centralized online portal for applications.

5. **Eligibility:** Numerous rules about applicant eligibility will be defined.

What are the criticisms of this announcement?

- 1. Limited Impact:** The program aims to process 10 million interns over five years, which is a small number compared to the needs of the Indian labor market.
- 2. Voluntary Participation:** The sentence "Participation of companies is voluntary" highlights that companies already have internship programs and may find centralized portals and subsidy processes daunting.
- 3. Potential Coercion:** Concerns arise that the voluntary nature might turn into coercion, deterring investment and leading to increased bureaucratic control.
- 4. Inefficiency of Direct Intervention:** Direct fiscal interventions, like the Production-Linked Incentive (PLI) scheme, are costly. For instance, a 5% PLI on \$1 trillion exports would cost \$50 billion.
- 5. Historical Context:** Economic growth from 1991 to 2011 was driven by policy improvements, reducing customs duties, and ensuring rule of law, rather than direct government intervention.

Way forward -Policymakers should focus on improving the environment for private investment. This involves reducing policy-related barriers and ensuring stable, long-term policies. Direct interventions, like the internship program or PLI, are less effective than creating conditions where private firms want to invest.

Changes in India's tax regime for capital gains

Context: The article discusses changes in India's tax regime for capital gains. It explains that both short- and long-term capital gains tax rates have increased. The removal of indexation benefits for non-financial assets like property is criticized, suggesting it could lead to unfair taxation.

For detailed information on **Issues with India's capital gains tax regime** [read this article here](#)

What Changes Were Made to India's Tax Regime?

- 1. Short-Term Capital Gains Tax:** If an investor sells shares within a year, they now pay 20% tax instead of 15%.
- 2. Long-Term Capital Gains Tax:** Selling shares held for more than a year now incurs a 12.5% tax, up from 10%.
- 3. Removal of Indexation Benefits:** For non-financial assets like property, except those acquired before 2001.
- 4. Tax Rate Uniformity:** Aimed to simplify recall of tax rules across different asset classes.
- 5. Impact on Inflation Adjustment:** Ignoring inflation's compounding effect could lead to higher tax liabilities. Without indexation, a property's real value increase is not considered, leading to a higher tax bill.

What Are the Arguments for and Against the Changes?

Arguments For:

1. The tax hikes align with progressive taxation, targeting those who can afford to pay more.
2. Asset values have risen significantly, justifying higher taxes.
3. Reducing speculation in real estate could increase housing supply. For example, investors might shift from property to equities, addressing actual housing needs.

Arguments Against:

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1. Removal of indexation for properties bought after 2001 is seen as unfair.
2. Indexation helps offset inflation, reflecting the real gain from asset sales. For example, a house bought for ₹1 crore 20 years ago, considering 6.5% average annual inflation, is now worth much less. Without indexation, tax bills become unreasonably high.
3. The policy change contradicts the expectation of stable tax rules.
4. Could lead to increased cash deals and black money usage.
5. Complicated tax avoidance strategies, like reinvesting in a transit house, reflect poorly on the tax system.

What Should be Done?

1. Reintroduce indexation benefits for all non-financial assets, not just for properties bought before 2001.
2. Address the issue of speculative investments in real estate through other measures.
3. Ensure tax policies are stable to maintain trust among investors.
4. Promote evenly applied levies within asset classes to adhere to the cardinal principle of taxation.

Household sector savings are crucial for financing corporate investment

Context: The article discusses how household sector savings are crucial for financing corporate investment. It highlights that net financial savings of households have declined, which may constrain corporate investments. It also mentions the need for government support through fiscal consolidation.

For detailed information on **Issue with Indian household savings** [read this article here](#)

What is the Status of Saving in India?

- 1. Household Savings:** Household savings are essential for funding corporate investments. These savings have declined from 7.3% of GDP in 2021-22 to 5.2% in 2022-23, which is the lowest rate in the last five decades.
- 2. Corporate Sector:** The private corporate sector's savings rate has improved to 10.1% of GDP in the last eight years. However, this is still not enough for their investment needs.
- 3. Government Efforts:** The government has reduced its fiscal deficit from 13.1% of GDP in 2020-21 to 8.6% in 2023-24, aiming for further reductions to 4.5% by 2025-26. This fiscal consolidation helps free up resources for corporate investment.

Is Rising Household Indebtedness a Concern?

1. Concerns about rising household indebtedness are largely misplaced.
2. At least 25% of financial liabilities in 2022-23 were for investment purposes like housing and education loans.
3. In March 2023, households' financial assets were 2.7 times their liabilities, indicating a healthy balance sheet.
4. The debt servicing burden of Indian households declined from 6.9% in March 2021 to 6.7% in March 2023, one of the lowest in the world.

What are the Concerns Related to the Finances of Households?

- 1. Increased Financial Liabilities:** Liabilities rose from 3.8% to 5.7% of GDP, reducing net savings.
- 2. Rising Personal Loans:** Personal loans from banks grew by 28% in 2023-24, after a 21% rise in 2022-23.
- 3. Debt Servicing Burden:** Though lower than before, debt servicing still impacts future savings.

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4. Volatile Physical Savings: Savings in physical assets have been unpredictable, peaking at 70% of gross savings in 2022-23.

SEBI's Proposed New Asset Class for Mutual Funds

Context- The Securities and Exchange Board of India (Sebi) has proposed a new asset class for mutual fund investors to bridge the gap between portfolio management schemes (PMS) and traditional mutual funds.

What are the Key Features of the Proposed Asset Class?

1) **Investment Threshold-** The proposed minimum investment is ₹10 lakh, placing it between regular mutual funds and PMS, which requires a ₹50 lakh minimum.

2) Fund Management Requirements-

A) AMCs must appoint chief investment officers with at least 10 years of experience managing assets worth ₹5,000 crore or more.

B) Additional fund managers should have at least seven years of experience handling ₹3,000 crore or more.

C) The AMC itself must have been operational for at least three years with assets of ₹10,000 crore or more.

3) Investment Options and Flexibility-

A) These funds will offer systematic investment plans (SIPs), systematic withdrawal plans, and systematic transfer plans, like traditional mutual funds.

B) Fund managers will have the flexibility to use derivative strategies for purposes beyond hedging.

4) **Branding and Investor Awareness** -The new asset class will have a unique branding to stand out from low-risk mutual funds and ensure investor clarity.

5) Redemption and Liquidity-

A) More flexibility in tailoring redemption frequency to manage liquidity constraints.

B) Proposal to list units on stock exchanges, like exchange-traded funds (ETFs), for easier entry and exit.

6) **Investment Strategies-** This new class of funds will use "Long-Short" portfolios to benefit from both rising and falling share prices and may create "Inverse ETFs" that move opposite to a benchmark ETF.

Read More- [Changes made by India's Securities and Exchange Board \(SEBI\) for NRIs and OCIs](#)

What is the significance of Proposed New Asset Class for Mutual Fund?

1) **Meeting Investor Needs-**It caters to investors with higher risk appetites and financial capacities by offering them regulated access to high-risk, high-return strategies.

2) **Combating Unauthorized Schemes-** It will minimize the attraction of unregistered and unauthorized entities that promise unrealistic returns by establishing a regulated environment.

3) **Investor Protection-** It offers a modicum of protection to investors who might otherwise be drawn to unregulated schemes.

4) **Market Gap Fulfillment-** It offers a regulated choice for investors looking for higher-risk strategies, filling a market gap.

Conclusion-Sebi's proposed new asset class for mutual funds represents a significant development in India's financial markets. However, if this new asset class becomes popular, Sebi and the exchanges will have to manage increased derivatives volumes and improve surveillance and margin systems.

Financing Challenges of MSMEs in India

Context-The article discusses recent measures introduced in the Union Budget for Micro, Small, and Medium Enterprises (MSMEs) in India. It highlights the difficulties in implementing these measures, especially with invoice discounting and credit access.

The Global Alliance for Mass Entrepreneurship (2023) stressed that MSMEs are crucial for economic growth and job creation for the 90 million workers expected by 2030. In FY22, MSMEs contributed 35.4% to India's manufacturing output, and in FY24, they accounted for 45.7% of exports of MSME-specified products.

What are the recent measures introduced in the Union Budget for Micro, Small, and Medium Enterprises (MSMEs)?

- 1) **Trade Receivables Discounting System (TReDS)**- The turnover limit for buyers on TReDS has been reduced from ₹500 crore to ₹250 crore. This will lead to the inclusion of 22 more central public sector enterprises and 7,000 additional companies.
- 2) **Credit Access for MSMEs**- Banks are urged to support MSMEs, including those with special mention accounts. This is supported by government-backed fund guarantee.

What are the financing challenges faced by the MSMEs in India?

1) Trade Receivables Discounting System (TReDS)-

- A) A persistent issue is large firms delaying bill settlements to MSMEs.
- B) MSMEs generally avoid filing complaints or legal actions against large buyers to enforce contracts.
- C) The June 2024 Financial Stability Report reveals that invoices financed on TReDS grew by over 56% in 2022-23, with a 94% success rate. However, only 82,000 MSMEs are registered on TReDS out of 46.9 million firms on the Udyam portal.

2) Credit Issues-

- A) Bankers are concerned about conflicts with RBI staff and the risk of loans failing.
 - B) The high credit-deposit ratio (nearly 80%) may limit banks' ability to meet MSME needs.
 - C) Upcoming changes to the RBI's liquidity coverage ratio could affect credit growth plans.
- 3) **Credit Demand:** -CRISIL Ratings (June 2023) estimates the MSME sector needs over ₹100 trillion in debt, mainly for working capital. However, only 25% of this is obtained through formal channels, while informal sources charge high interest rates..

4) Working Capital Issues-

- A) Limited information and infrequent data make it difficult to assess MSME working capital needs.
- B) High inventory-turnover ratios and limited creditor capacity make the problem worse.

5) **Regulatory Issues-** Building regulations hinder efforts to expand manufacturing capacity. A detailed article on MSMEs: Significance, Challenges and Solutions can be [read here](#).

6) **Technology and Awareness-** Building robust technological infrastructure and enhancing customer awareness are major challenges in implementing MSME-focused initiatives.

Global Trade Trends and India's Trade Policy

Context-The 2024 Union Budget introduced positive trade policy measures-Reduction in some Customs duties Simplification of rules for utilizing free trade agreements (FTAs) Announcement of a comprehensive review of tariff rates in the next six months

The article emphasizes the importance of maintaining this momentum and reducing average applied most favoured nation (MFN) tariffs, especially on manufacturing sector inputs.

What are the Global Trade Trends?

Recent reports from UNCTAD (July 2024) and WTO (April 2024) highlight several key trends

a) **Resilience of global trade-** Global trade has stayed resilient despite pandemics, conflicts, and trade policies. After a decline in 2020, it rebounded in 2021, peaked in 2022, dipped in early 2023, but improved later in 2023 and early 2024. Growth is expected to continue due to lower inflation and higher demand for manufactured goods.

b) **Performance of Preferential Trade Agreements (PTAs)-** Trade within PTAs has been more resilient. Last year, agreements like the US-Mexico-Canada Agreement, the EU, and the Regional Comprehensive Economic Partnership fared better than trade outside these agreements.

c) **Impact of geopolitical factors-** Trends show more friend-shoring, trade concentration, and longer global value chains. While these trends are starting to soften, they still offer opportunities for emerging markets in Asia and Latin America.

d) **Realignment of global trade interdependence** US-China trade dependence has slightly decreased, while Brazil, Vietnam, and India have become more reliant on China. Russia has significantly reduced its trade dependence on the EU and increased its reliance on China.

e) **Sectoral Trends in Global Trade-** Traditional sectors like machinery and transport remain dynamic, while new high-tech sectors such as artificial intelligence and electric vehicles are experiencing high demand.

Read More- [India's New Foreign Trade Policy \(FTP\) and its significance](#)

What should be the way forward?

1) **Tariff Rates Review-** India should align its manufacturing import tariffs with those of similar emerging economies like ASEAN and set a six-month timeline to do so. Lower tariffs will improve export competitiveness.

2) **Predictable Trade Policy** - A clear timeline for reducing tariffs will make trade more predictable, attract foreign investment, and support technology transfer.

3) **Deep Trade Agreements-** India should focus on including deeper provisions in its FTAs to enhance trade resilience. The strategy should address regional trade bloc tendencies and consider the implications of discriminatory trade policies like the US Inflation Reduction Act (IRA) and the EU Carbon Border Adjustment Mechanism (CBAM).

4) **Regional focus-** Acknowledge the challenges posed by US (IRA) and EU (CBAM) trade policies and explore opportunities with ASEAN to boost trade dynamics and integrate global value chains.

New Focus of India's Fiscal Policy

Context: The article discusses India's shift to a new fiscal policy focused on reducing public debt as a percentage of GDP. It emphasizes sustainable public finances over the medium term, rather than just annual fiscal deficits, to ensure economic stability.

For detailed information **Fiscal Federalism in India** read [Article 1](#), [Article 2](#)

What is the New Focus of India's Fiscal Policy?

- 1. Shift in Focus:** India aims to move from controlling the annual fiscal deficit to reducing public debt as a percentage of GDP.
- 2. Current Debt Levels:** India's public debt is around 58% of GDP, 18 percentage points higher than the ideal level.
- 3. Approach to Debt Reduction:** The government plans to lower this ratio by achieving higher nominal GDP growth compared to borrowing costs and cutting the primary deficit.
- 4. Historical Context:** India has relied on high growth to manage public debt but this approach may not be sustainable long-term.

How Will This Impact the Economy?

- 1. Debt Reduction Goal:** The government aims to reduce public debt from the current 58% of GDP.
- 2. High Growth:** Historically, India has relied on high nominal GDP growth to manage debt.
- 3. Fiscal Management:** Both high growth and reduced government borrowing costs help lower debt.
- 4. Primary Deficit Cuts:** The government may need to cut its primary deficit to achieve debt reduction.

What Are the Challenges?

- 1. Economic Growth and Borrowing Costs:** Effective debt reduction depends on maintaining a high nominal GDP growth rate compared to the cost of government borrowing. Historically, India has relied on high growth rates and relatively low interest rates to manage debt.
- 2. Fiscal Prudence:** The N.K. Singh committee highlighted that relying solely on high growth is not enough. Fiscal policy must also actively work to reduce the primary deficit.
- 3. Communication:** Shifting focus from annual deficit targets to a sustainable public debt ratio is complex and requires clear communication to the private sector.

What Should be Done?

- 1. Shift Focus to Public Debt Ratio:** The government should prioritize reducing public debt as a percentage of GDP, currently around 58%, rather than focusing solely on the annual fiscal deficit.
- 2. Promote Economic Growth:** Ensure that nominal GDP growth exceeds the cost of government borrowing to naturally reduce the debt ratio. This is important as high growth historically helped India manage its debt.
- 3. Implement Fiscal Prudence:** Adopt policies to cut the primary deficit, as the N.K. Singh committee highlighted that relying solely on high growth is not sustainable for debt reduction.
- 4. Establish a Fiscal Council:** Create an independent body to provide transparent and credible public debt estimates, similar to the US Congressional Budget Office, to enhance the credibility of fiscal policy.
- 5. Improve Communication:** Clearly convey the new fiscal strategy to the private sector to maintain confidence and predictability in government budgeting.

6. Utilize Flexibility: Use the escape clause in the Fiscal Responsibility and Budget Management law during economic crises to support the economy without rigid borrowing limits.

Topic- Government Budgeting.

Social Sector Allocations in Budget 2024

Context-The Budget 2024 continues the trend of previous years regarding social sector allocations, despite claiming to focus on youth, farmers, women, and the poor. The Economic Survey chapter "Social Sector: Benefits that Empower" suggests progress in welfare programs, but the budget allocations tell a different story.

What are the allocations under various social sectors and employment schemes in the new budget?

1) Education-

A. **School Education-** There has been a nominal increase of ₹5,000 crore in allocation, with higher estimated 'recoveries'. This indicates a rise in fees and self-financing schemes.

B. **Higher Education** -There was a minor increase of ₹3,000 crore in allocation, with a similar trend of higher estimated 'recoveries'.

2) **Health and Family Welfare** -There was a marginal increase of ₹1,500 crore compared to the previous year, raising concerns about the adequacy of funding for healthcare initiatives.

A) **Food Subsidy:** There was almost no increase, despite the need to expand coverage to current population levels and address the anticipated rise in economic costs of food grains. The current PDS still relies on 2011 Census population figures.

B) **POSHAN Scheme (School Mid-Day Meal)** -There was a slight increase from ₹11,600 crore to ₹12,467 crore, but it remains below the actual expenditure of ₹12,681 crore in 2022-23.

C) **Saksham Anganwadi Scheme**-There was a marginal increase from ₹20,554 crore to ₹21,200 crore. However, there are no provisions for higher salaries for Anganwadi workers (unchanged since 2018), increased honorarium for mid-day meal cooks, or enhanced allocations for supplementary nutrition for children.

D) **Samarthya (Including PMMVY and Creche Schemes)**- The allocation was reduced to ₹2,517 crore from ₹2,582 crore. The PMMVY excludes at least half of eligible women, and the amount of ₹5,000 per pregnant woman has remained unchanged since 2017.

3) Rural Employment and Poverty Alleviation

A) **MGNREGA**-The allocation remains unchanged from the revised estimates (RE) of the previous year, impacting state implementation and work availability due to its demand-driven nature.

B) **The 'Prime Minister's Package for Employment and Skilling'**-It includes government-sponsored internships, incentives for EPFO enrolments to formalize jobs, and skill-development programs. This package totals ₹2 lakh crore over five years, largely reliant on industry response. However, budgetary allocations for these initiatives seem insufficient.

A detailed article on Budget 2024-25 can be [read here](#).

4) Social Security and Pensions

A) **National Social Assistance Programme (NSAP):** The budget remains unchanged at ₹9,652 crore, which is effectively a reduction in real terms considering inflation. There's no room for expanding coverage or adjusting pension amounts, as the central contribution of ₹200 per person per month has remained unchanged since 2009.

What are the issues with these allocations?

1) **Shift Towards Contributory Schemes and Privatization**-The government is cutting benefits arbitrarily, favoring contributory schemes like the Atal Pension Yojana. In education and health sectors, there's a clear trend towards privatization and prioritizing cost-effectiveness, as emphasized in the Economic Survey's new welfare strategy.

2) **Market Principles in Social Services** -This approach ignores the difficulties of using market principles in social services and doesn't account for the long-term economic benefits of enhancing human development outcomes.

3) **Private Sector in Employment** -The private sector is important for tackling the employment challenge and is mandated to allocate CSR funds towards this effort. However, this means CSR funds, originally intended for minimal societal contributions, are now required to subsidize their own wages.

Agricultural Initiatives in the 2024-25 Union Budget

Context - Nearly two-thirds of India's population resides in rural areas, where agriculture employs 45.8% of the workforce as of 2022-23. Neglecting this crucial sector could hinder the realization of Viksit Bharat@2047 and economic stability. Despite agriculture's growth slowing from 4.7% in FY23 to 1.4% in FY24, there were high expectations for increased budgetary support. However, particularly in research and development, the budget fell short. Investing in agricultural research and development (R&D) has the potential to boost agricultural GDP growth, with estimated returns exceeding ten times the initial investment.

What are the initiatives announced in the budget?

1) **Specific Initiatives:** Release of 109 high-yielding, climate-resilient varieties of 32 crops

2) **Natural Farming** -Budget plans to transition 10 million farmers to natural farming practices over two years, providing certification and branding support. Additionally, the budget proposes establishing 10,000 bio-input resource centers to further promote natural farming.

3) **Large Scale Vegetable Cluster**-The budget proposed a strategy for self-sufficiency in pulses and oilseeds production, reducing India's dependence on imports. It also suggested establishing large-scale vegetable clusters near major consumption centers to stabilize prices amid recent volatility in perishable good.

4) **Digital Public Infrastructure (DPI)**- This initiative involves digital crop surveys in 400 districts and registering 60 million farmers and their lands digitally. It also includes distributing Kisan Credit Cards to farmers in five states.

What are the issues with budgetary allocation of Agriculture?

1) **Inadequate R & D Expenditure-**

A) **Department of Agricultural Research and Education (DARE) Funding-** It received Rs 99.4 billion, a slight increase of 0.7% from Rs 98.8 billion in FY24. However, this falls short of expectations and represents a decrease in real terms.

B) **Agriculture Research Intensity (ARI)**- It decreased to 0.43% in 2022-23 from its peak of 0.75% in 2008-

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09 and is expected to decline further in FY25. This trend could impact food security and may lead to increased food inflation.

2) Inadequate Allocation-

A) In Rastriya Krishi Vikas Yojana, the budget allocation increased minimally from Rs 14,216 crore in 2023-24 to Rs 15,000 crore in 2024-25.

B) National Mission on Natural Farming-The budget allocated is Rs 366 crore, down from Rs 459 crore allocated last year.

C) PM-KISAN, saw no increase in allocation for 2024-25. This lack of adjustment for inflation over five years could lead rural households to question the effectiveness of non-indexed cash transfer schemes.

3) **Allocations for Agriculture and Allied Sectors** -The budget allocated Rs 1.52 trillion for agriculture and allied sectors. The Ministry of Agriculture and Farmers' Welfare received Rs 1.22 trillion (Budget Estimate), a mere 5% increase from Rs 1.16 trillion (Revised Estimate) in FY24, failing to keep up with inflation.

4) Faulty Policies and Subsidies-

A) Much of the support for the agriculture, food, and rural sectors has been directed towards welfare measures and subsidies, such as food and fertilizer subsidies. While these subsidies have boosted agriculture productivity, they have also contributed to soil fertility decline, groundwater depletion, and increased emissions of nitrous oxide and methane. These issues were recognized in the Economic Survey 2023-24.

B) They have also encouraged unhealthy diets rich in sugar and carbohydrates rather than fiber and protein, impacting public health negatively.

Read More- [Revitalizing India's Agricultural Research and Development System](#)

5) **Lack of Clear Roadmap**-The budget for agriculture and allied sectors, covering research, fisheries, animal husbandry, and dairying, rose by 6%. However, addressing the policy challenge of reducing subsidies and increasing investments in agriculture was not outlined in the budget.

6) **Allocation Prioritization in Budget** -According to the International Food Policy Research Institute, the budget allocations prioritize crops like cereals and food grains based on calories and area. However, it provides little support for high value produce such as fruits, which are driving agricultural growth.

Focus of the India's budget 2024-25

Context: This article discusses the first of Narendra Modi's third term. It emphasizes job creation, small business support, and fiscal responsibility. The budget includes skilling programs, collateral-free loans for MSMEs, and a focus on sustainable growth and energy security.

What is the focus of the India's budget 2024-25?

1. Job Creation: The budget emphasizes creating jobs through employment and skilling incentives. It includes a national apprenticeship program and internships for 10 million youth in top-tier companies.

2. Support for Small Businesses: The budget introduces a collateral-free loan scheme and government credit guarantees for small businesses. It also facilitates their access to export markets through e-commerce linkages, recognizing their significant role in value addition, exports, and employment.

3. Fiscal Responsibility: The budget demonstrates fiscal restraint with conservative revenue assumptions. Half of the fiscal surplus from the Reserve Bank of India is used to reduce the deficit, emphasizing fiscal consolidation.

4. Taxation: The budget increases the tax on capital gains. It proposes widening the direct tax net and raising the top tax tier for incomes above ₹1 crore. The import duty on gold is reduced from 15% to 6% to prevent duty leakage and smuggling.

5. Human Capital Investment: The budget stresses the need for massive investment in human capital. Public funds are necessary for primary and secondary education, while higher education and skilling should be funded through student loans.

6. Innovation and Infrastructure: Public-private partnerships are promoted for small modular nuclear reactors and the space economy. The budget also addresses India's transition away from fossil fuels, aiming for sustainable growth.

Topic- Inclusive Growth and issues arising from it.

Debate on Billionaire Consumption

Context: The article discusses the ethical and economic impacts of wealthy people, like billionaires, spending a lot of money on lavish things. It explores different views on whether this kind of spending is good or bad for society, considering how it affects economic growth, job creation, and income inequality.

For detailed information on **Status of Inequality In India** [read this article here](#)

What is the Debate on Billionaire Consumption?

The debate on billionaire consumption centers on the ethical and economic implications of their lavish spending in a capitalist society marked by significant inequalities:

1. Right-Wing Defense: Billionaires' spending is seen as a legitimate exercise of personal freedom. This argument posits that inequalities stem from policy flaws, not individual spending habits.

2. Marxist Critique: Profits and, by extension, billionaire consumption are viewed as the exploitation of workers. The theory suggests that capitalism inherently produces few wealthy individuals at the expense of a larger working class.

3. Economic Impact:

a. Positive: Spending by billionaires can stimulate demand for local goods and services, potentially increasing employment and local incomes.

b. Negative: Without corresponding investments in productive assets like machinery, there is no long-term improvement in labor productivity or living standards.

4. Social Contract Theory (Keynesian): Capitalists are expected to invest their profits to ensure employment and productivity growth. Failure to invest adequately can lead to underutilized labor resources and stagnant wages.

5. Modern Capitalism Issues: Investment decisions are privately made, often favoring consumption over investment. This choice can lead to resource misallocation, impacting workers' employment opportunities and living standards negatively.

Conclusion -The debate on billionaire consumption reveals deep concerns about inequality and economic growth. Lavish spending without equivalent investment leads to job scarcity and stagnant wages. Effective

public policy must address the imbalance between consumption and investment to ensure broader economic welfare and more equitable distribution of resources in society

Topic- Infrastructure: Energy, Ports, Roads, Airports, Railways etc

Challenges of India's Shift to Green Energy

Context: The article discusses the challenges India faces as it moves away from fossil fuels to greener energy sources. It highlights the impact on government revenues from fossil fuels, the need for new revenue sources, and how to manage the economic and employment effects of this transition.

For more information on **Energy Transition** [read this article here](#)

What Are the Challenges of India's Shift to Green Energy?

- 1. Revenue Loss:** Transitioning away from fossil fuels will significantly reduce government revenue, which currently constitutes over 3% of India's GDP.
- 2. State Financial Autonomy:** Different states have varied dependencies on revenue sources. For instance, Odisha earns significantly through coal royalties, whereas Maharashtra relies on tax revenues. The introduction of GST over VAT threatens this autonomy, particularly concerning petroleum products.
- 3. Electric Vehicle Subsidies:** While fossil fuel vehicles generate substantial revenue, electric vehicles (EVs) require hefty subsidies. Balancing these subsidies with the need to maintain government revenue is a complex challenge.
- 4. Employment Impact:** The reduction in coal use will lead to job losses, not just directly in mining but also indirectly through associated services and industries, affecting numerous livelihoods.
- 5. Stranded Assets:** Transitioning from thermal power to renewable energy will lead to stranded assets, where investments in thermal power become redundant, further complicating the financial challenges of the green transition.

How Can India Address These Challenges?

- 1. Rationalizing GST:** Adjusting the Goods and Services Tax (GST) is a potential strategy, but it requires significant negotiations between the central government and the states to find a balance that does not compromise state revenue autonomy.
- 2. Implementing Carbon and Road Use Taxes:** Introducing carbon taxes could accelerate the transition from fossil fuels and alleviate immediate revenue issues. Additionally, road use taxes offer a straightforward method that might align better with the goal of maintaining state autonomy.
- 3. Reducing Non-Productive Expenditure:** While challenging, cutting down on non-essential government spending could free up funds for more critical areas impacted by the transition.
- 4. Enhancing PSE Roles in Renewable Energy:** Encouraging Public Sector Enterprises (PSEs) that are currently involved in fossil fuels to participate in the renewable energy sector could align their interests with the transition goals, helping to mitigate revenue losses.

Critical Minerals in the 21st Century

Context-The article highlights the geo-economic and geo-strategic significance of Critical Minerals In the 21st century. Critical minerals and rare earths are crucial for industries like electronics, renewable energy, electric vehicles, defense, aerospace, and medical devices. The International Renewable Energy Agency projects that renewables will make up 91% of the energy mix by 2050, driving demand for minerals such as silicon, silver, lithium, neodymium, and dysprosium.

The rising global demand has made minerals critical strategic assets and geopolitical tools. They are mainly found in a few nations, with China being dominant, holding significant reserves of dysprosium (50%), neodymium (50%), and graphite (65%).

What are the geostrategic implications of China's dominance in supply of Critical Minerals?

- 1) **Strategic Agreements** -China has bolstered its position through strategic agreements in Africa, Latin America, Central Asia, and Australia, facilitated by initiatives such as the Belt and Road Initiative (BRI). For ex- BRI investment in mineral exploration and processing across Ghana, Guinea, Niger, Sierra Leone, and Mali secured exclusive access to bauxite and lithium.
- 2) **Global Processing Monopoly**- China dominates global mineral processing with substantial shares: 80% for graphite, 100% for dysprosium etc. This industrial advantage, driven by economies of scale, has lowered processing costs and erected barriers to entry. This has reinforced China's grip on mineral supply chains.
- 3) **Weaponization of Critical Minerals**- China's monopoly on critical minerals has raised concerns about their use as geopolitical tools. For example, in 2010, China restricted rare earth exports to Japan during a territorial dispute. In 2023, following US semiconductor technology restrictions, China imposed controls on germanium and gallium exports

What is the significance of Critical Minerals for India?

- 1) **Net-zero Emissions**- India's ambitions for net-zero emissions by 2070 and its expansion in semiconductor, defense, nuclear, and space industries highlight the importance of minerals like lithium, nickel, copper etc.
- 2) **Supply Chain Resilience**- India relies heavily on imports for these minerals, highlighting the need for secure supply chains due to potential geopolitical pressures and vulnerabilities in critical sectors. For ex- 100% import dependence for cobalt, nickel, and lithium etc.
- 3) **Global Lithium Refining Leadership** -India, like in oil refining, has the potential to lead globally in lithium refining and resolve global challenges in critical minerals.

Read more- [Lithium Reserves in India – Challenges and Way forward](#)

What are the challenges in exploration of Critical Minerals?

- 1) **Raw Material Export**-India has 210 million tonnes of graphite and 665 million tonnes of ilmenite and rutile reserves.However,their production is minimal, with most exported as raw material.
- 2) **Focus on Bulk Materials**-Many critical minerals remain undiscovered because of the focus on bulk minerals, neglecting deeper-seated critical minerals.
- 3) **Lack of Investment** -Exploration was limited to government entities, which hindered investment and the adoption of advanced prospecting technologies.
- 4) **Lack of Mineral Processing Capabilities** -India does not have a robust mineral processing capabilities to meet its specific end-use requirements and handle low-concentration ores. Current capacities fall below international productivity norms and are inadequate.

What are some recent initiatives undertaken by the government to enhance production of Critical Minerals?

- 1) The government has identified 30 critical minerals and taken over their prospecting to streamline state efforts.
- 2) The Geological Survey of India has initiated over 250 projects to explore deep-seated critical minerals.
- 3) Amendments to the Mines and Minerals Act in 2023 and the Offshore Areas Minerals Act now permits private sector entry through auctions. In 2019, India allowed 100% foreign direct investment.
- 4) Certain minerals previously classified as atomic have been reclassified, facilitating private-sector mining.
- 5) Offshore blocks are scheduled for auction, creating new opportunities.
- 6) India has launched startup challenges to develop advanced processing technologies. There are initiatives to stockpile key minerals for sectors like renewable energy, automotive, space, defence, and semiconductors.
- 7) India is collaborating with other countries; Khanij Bidesh India is assisting Argentina in lithium exploration and discussing lithium and cobalt blocks in Australia.
- 8) India joined the Mineral Security Partnership, a US initiative involving 13 countries and the EU.

What should be the way forward?

- 1) **Investment in Beneficiation and Processing Facilities** -India should invest in beneficiation and processing facilities in Africa to promote local economies and sustainable relationships.
- 2) **Public-Private Partnership**-The government should involve both the private sector and public-sector undertakings to accelerate international initiatives.
- 3) **Enhance Mineral Processing Capabilities** -India needs to enhance its mineral processing capabilities to meet specific end-use requirements and handle low-concentration ores, as current capacities are insufficient and below international norms.
- 4) **Path to Global Leadership**- India can emulate Indonesia's success in nickel to become a global leader in critical minerals, utilizing access to both domestic and international raw materials.
- 5) **Aligning Mineral Incentives**-The production-linked incentive scheme for minerals should align with global aspirations, creating employment opportunities.
- 6) **Addressing the Gap**- Policy initiatives have been implemented, but there is an urgent need for investments and technological advancement.

Challenges in India's Energy Sector

Context- India's goal of achieving net zero emissions by 2070 faces many challenges in the energy sector. Tackling these issues requires a combination of technological innovation, policy changes, international collaboration, and strategic planning.

Electricity generation in India accounts for 70% of coal use, with coal-based power making up 75% of total electricity generation.

What are the challenges in India's energy sector?

1) Solar Power:

A) Solar electricity generation is limited to sunlight hours, resulting in a utilization rate of only 18-20% per year, compared to 80% for coal-fired plants. Thus, a 1 MW coal power plant is equivalent to 4 MW of solar capacity in terms of asset creation.

B) Initial investment for solar is 4 to 5 times higher than for coal-based plants. This creates a challenge in securing long-term climate finance at low interest rates.

C) Large-scale land requirements for solar installations.

D) Solar and wind power are not available continuously.

2) **Nuclear Power:** There are issues related to cost overruns and delayed project completions.

3) **Carbon Capture and Energy Efficiency-** Carbon capture and storage (CCUS) are currently costly, and there are few uses for it. Additionally, the storage capacity for CO₂ is limited.

4) **Energy Efficiency:** Energy efficiency has been effectively implemented in India. However, these gains are incremental, as the country needs to grow economically to meet human development goals and support its rising aspirational class.

5) **Oil and Gas Substitution -**

A) **Electric Vehicles:** It can reduce petroleum consumption. However, heavy-duty trucks, shipping, and airplanes can't rely on electricity due to the need for large battery capacity. Further, transitioning two-wheelers, three-wheelers, and cars to electric will also raise electricity demand, stressing the power system.

B) **Green Hydrogen:** It needs renewable electricity from water splitting, but it's currently very expensive.

6) **Geopolitical Considerations-** Rising demand for battery storage will lead to more lithium imports. This will be creating energy security concerns for India because it relies heavily on lithium, mainly controlled by China.

What should be the way forward?

1) **Climate Financing-** A fair way to raise funds from the Global North is to implement an annual fee of \$1 per tonne of carbon dioxide for each country, starting from 1990.

Read More- [Climate Change Negotiations after Bonn Climate Meet – Challenges and Way Forward](#)

2) **Solar energy sector Reforms-**

A) Policy incentives for rooftop installations in homes, industries, roadside areas, and water bodies can help minimize land requirements.

B) To maintain a continuous power supply, use battery storage, pumped hydro plants, flexible coal and nuclear operations, and import electricity from neighboring countries like Nepal and Bhutan.

3) **Nuclear Energy Sector-** Policy measures are needed to improve management efficiency and ensure timely project delivery.

4) **Capacity Building-** As a strong energy system with decentralized networks evolves, there is a need for skilled workforce. This requires capacity building at both central and state levels.

5) **Policy Implementation:** The budget should streamline the energy market, include petroleum products in the goods and services tax, eliminate dual pricing of natural gas, and establish market-based pricing etc.

India's plans for energy transition

Context: The article discusses India's plans for a balanced energy transition, including policies for green finance, renewable energy projects, thermal power, and industry regulations. It highlights initiatives to boost green energy, develop carbon markets, and support small businesses in adopting cleaner energy.

For detailed information on **Energy Transition In India** [read this article here](#)

What are India's plans for energy transition?

9 PM Compilation July 2024

- 1. Balanced Approach:** India aims to balance employment, growth, and environmental sustainability in its energy transition.
- 2. Non-Fossil Power Goals:** The government targets 500 GW of installed non-fossil power capacity by 2030.
- 3. Coal-Based Power:** To meet near-term demand, India plans to add about 80 GW of coal-based power generation capacity by 2032.
- 4. Green Finance Taxonomy:** The finance ministry, with the Ministry of New and Renewable Energy (MNRE), will develop a taxonomy for climate finance. This will enhance the availability of capital for climate adaptation and mitigation.
- 5. Support for Renewable Energy:** The taxonomy will support the development of the market for green bonds, funding renewable energy, battery storage, and sustainable technologies.
- 6. Rooftop Solar Installation:** The PM Surya Ghar scheme will set up rooftop solar installations on 10 million houses.
- 7. Customs Duty Exemptions:** The budget exempts customs duty on solar capital goods but does not exempt solar glass and copper interconnects.
- 8. Advanced Thermal Plant:** An 800 MW advanced ultra-supercritical (AUSC) thermal plant will be developed by NTPC and Bhel.
- 9. Pumped Storage Projects (PSP):** A policy for PSP will support electricity storage and smooth integration of renewable energy, maintaining grid stability.
- 10. Hard-to-Abate Industries:** The government will move industries like steel and cement from energy efficiency targets to emission targets. The India carbon market (ICM) will launch in 2026, aiming to be the world's largest emissions trading system by 2030.
- 11. Support for MSMEs:** Investment-grade energy audits and financial support will help traditional micro and small industries shift to cleaner energy, starting with 60 clusters and extending to 100 in the second phase.

Critical mineral strategy

Context- The Ministry of Mines has auctioned more than 50 critical mineral blocks across four rounds. But there has been limited participation from mining firms due to the absence of a processing and refining industry. The Indian government has taken significant steps in the recent Budget to position India as a key manufacturing hub for advanced technologies, particularly in the electric vehicle (EV) and energy storage sectors.

Critical minerals like lithium, chromium, nickel etc. and rare earth elements are important for industries such as electronics, electric vehicles (EVs), renewable energy, defense, and high-tech telecommunications. The increasing sales of EVs are driving higher demand for batteries, which has been steadily rising in recent years.

What are the Key Budget Announcements?

1) **Customs Duty Removal-** Customs duties on 25 critical minerals, such as lithium, nickel, copper, and cobalt, have been removed to enhance domestic manufacturing of advanced technologies like electric vehicles (EVs) and energy storage systems.

Read More- [Lithium Reserves in India](#)

2) **Concessional Customs Duty Extension** -The concessional customs duty of 5% on lithium-ion cells has been extended until March 2026.

3) **Critical Mineral Mission (CMM)**-This has been launched to promote domestic production and recycling of critical minerals.

What has been the reaction and expectations of Indian Industry?

- 1) **Long-term Benefits**- Industry executives view these measures as positive for the 'Make in India' initiative. Benefits will materialize in the long term.
- 2) **Short-term Concerns**- There are no additional incentives to support the EV ecosystem and encourage its greater adoption.
- 3) **Impact on Vehicle Costs**: -In the short term, removing duties on raw materials alone won't help the sector because it still imports cells.
- 4) **Policy Inconsistency**: - There was absence of FAME-III policy and special EV incentives in the Budget. As per experts, there should have been continuity of FAME policy to realize the government's vision for the electric vehicle sector.
- 5) **Need for Domestic Processing**: There is a necessity of developing domestic critical mineral processing and refining capabilities under CMM.

Issue of illegal coal mining in India

Context: The article discusses the issue of illegal coal mining in India, highlighting recent worker deaths due to unsafe conditions. It explains that high coal demand, poverty, weak regulations, and political support contribute to the prevalence of illegal mining despite government efforts.

For detailed information on **Coming clean on coal** [read this article here](#)

What is the History of Coal Mining in India?

1. **Nationalization Phases:** Coal mining was nationalized in two phases: coking coal in 1971-72 and non-coking coal in 1973.
2. **Central Legislation:** The Coal Mines (Nationalization) Act, 1973, governs coal mining eligibility.
3. **State Responsibility:** Illegal mining is a law-and-order issue, making state governments responsible for addressing it.
4. **Persistent Issue:** Despite nationalization, illegal mining remains prevalent due to high coal demand and local economic dependence. For example, recent incidents include worker deaths in Gujarat, Jharkhand, and West Bengal, highlighting ongoing illegal mining activities.

Why is Illegal Coal Mining Common in India?

1. **High Coal Demand:** Coal meets 55% of India's energy needs, often outstripping legal supply, prompting illegal mining.
2. **Poverty and Unemployment:** Coal-rich areas often face poverty and unemployment, driving locals to illegal mining.
3. **Weak Regulations:** In remote areas, inadequate monitoring and resources lead to weak enforcement of mining regulations.
4. **Coal Mafias:** Illegal mining is often controlled by "coal mafias," supported by local authorities, as seen in multiple cases.
5. **Political Support:** Allegations suggest political leaders support illegal mining. For instance, in Assam, BJP

leaders were accused of backing illegal operations.

6. Economic Dependency: Local economies depend on mining, making illegal operations lucrative once legal mines close.

What Makes Illegal Coal Mining Dangerous?

1. Lack of Safety Equipment: Workers often lack helmets, masks, and other safety gear, leading to fatalities from toxic gas inhalation, as seen in the Surendranagar incident.

2. Structural Risks: Illegal mines lack proper support, causing cave-ins and landslides, as occurred in Jharkhand and West Bengal.

3. Toxic Exposure: Miners face high levels of toxic substances like lead and mercury, increasing health risks.

4. Untrained Workers: Many workers are untrained, lacking emergency response skills.

5. Operator Negligence: Exploitation and negligence by mine operators worsen the danger.

Why Is It Hard to Stop Illegal Mining?

Stopping illegal mining is challenging because:

1. It's mainly a state issue, and the central government often passes responsibility to state authorities.
2. The complex legal framework governing mining creates bureaucratic challenges.
3. Economic dependence on mining in local communities perpetuates the cycle of illegal mining

Topic- Effects of Liberalization on the Economy, Changes in Industrial Policy and their Effects on Industrial Growth.

Electronics Manufacturing Revolution

Context- India's electronics production has reached approximately \$115 billion in FY24, growing nearly fourfold over the past decade and projected to multiply fivefold in the next five years. To secure its position in global markets, capital goods play a crucial role. Like the steam engine in the Industrial Revolution, advanced capital goods are essential for modern manufacturing, enabling efficient production of high-quality electronics at scale.

What steps can be taken to boost India's capital goods for a global electronics revolution?

1) Bolstering Manufacturing Infrastructure-

A) Establishing a dedicated center with a budget of at least ₹1,000 crore for capital goods innovation at the Central Manufacturing Technology Institute (CMTI) is needed. By collaborating with industry and academia, CMTI can lead innovation efforts, improve production efficiency, and enhance the competitiveness of Indian manufacturers.

B) Prioritize the development and acquisition of advanced manufacturing technologies with dedicated funds for capital goods, including second-hand equipment.

C) Embrace eco-friendly technologies and sustainable manufacturing practices to enhance global competitiveness.

2) Fostering R & D-

- A) Promoting a robust R&D ecosystem will help develop indigenous technologies that meet global standards and set new benchmarks in quality and efficiency.
- B) Invest in education and training to equip the workforce with essential technical and soft skills for innovation and problem-solving.
- C) Promote strong collaboration between industry and academia to align research with industry needs and develop breakthrough technologies.

Read More- [National policy on Electronics 2019](#)

3) Government Policies and Programmes-

- A) Government policies should incentivize R&D, improve ease of doing business, and maintain a stable regulatory environment to support growth in the capital-goods industry.
- B) Implement government programs to attract skilled diaspora and foreign experts.

4) Leveraging Digital Technology-

- A) Integrate digital technologies such as AI, IoT, and big data to optimize manufacturing processes for efficiency and cost-effectiveness.
- B) Address technology and skill gaps in the electronics sector through joint ventures with global firms for skills and technology transfer.
- C) Create a plan to move from essential equipment to cutting-edge technologies, with the goal of positioning India as a hub for advanced capital goods.
- 5) **Lower Cost of Capital** -Lowering the cost of capital can help Indian manufacturers invest more in technology and innovation, enhancing their global competitiveness.

Subject: Agriculture

Topic- Major Crops - Cropping Patterns in various parts of the country, - Different Types of Irrigation and Irrigation Systems; Storage, Transport and Marketing of Agricultural Produce and Issues and Related Constraints; E-technology in the aid of farmers.

Draft National Policy on Farmer Producer Organisations

Context-The Department of Agriculture and Farmers' Welfare has recently introduced a draft National Policy on Farmer Producer Organisations (FPOs). aimed at consolidating existing FPOs and promoting the formation of new ones.

What are the challenges in India's agriculture sector?

- 1) **Fragmented Land Ownership-** Indian agriculture is hindered by fragmented land ownership, with small and marginal farmers owning about 85% of land holdings, according to NABARD. These small plots restrict the adoption of modern farm machinery and limit the value that small farmers can earn from their crops.
- 2) **Unorganized Farmers and Small Producers-** Farmers who are not organized lack the ability to negotiate effectively and face challenges storing crops for sale during the off-season. Small producers also cannot take advantage of cost savings from larger-scale production due to their limited inputs and output.

3) **Transparency in Agricultural Marketing** -In agricultural marketing, there's a long chain of middlemen, often lacking transparency, which means farmers receive only a small share of the final consumer price.

What is the significance of Farmer Producer Organizations in addressing these challenges?

- 1) **Institutional Support**-Each Farmer Producer Organisation (FPO), led by elected farmer directors, is owned by its members who share profits. These cooperatives receive support from institutions like NABARD and government departments for finance and technical expertise.
- 2) **Support Agricultural Operations** -FPOs streamline operations, cutting out middlemen that can harm farmers. By pooling resources, farmers can improve yields and get better prices for their crops.
- 3) **Enhancing Farmer Bargaining Power** -FPOs strengthen farmers' bargaining power with buyers and suppliers. They procure inputs, provide market information, facilitate access to finance, and provide storage and processing facilities.
- 4) **Marketing Support**- FPOs assist in branding, packaging, and marketing produce to larger buyers.

Read More- [Issues associated with India's agricultural imports](#)

What are the provisions of the new draft Policy on Farmer Producer Organizations?

1) **Objective-**

- A) To consolidate existing FPOs and promote the formation of new ones.
 - B) To create an ecosystem that supports income-oriented farming and enhances the overall well-being of farmers.
- 2) **Operation**- It plans to establish seven to eight active primary-level FPOs in each of the 7,256 blocks in India, with an average membership of 500 farmers per FPO.
 - 3) **Supply Chain Model**- The policy suggests a three-tiered supply chain model, inspired by Amul's successful milk model, for agricultural and horticultural produce. This model covers value addition, processing, and marketing, targeting both domestic and international markets.
 - 4) **Credit & Financing**- It includes funds like the FPO equity grant fund and FPO formation fund, along with support from the Agriculture Infrastructure Fund scheme. This support includes interest subsidies and credit guarantees.

What is the significance of the new policy?

- 1) The policy will benefit around 25 million farmers nationwide, boosting their income through simpler agribusiness operations and more efficient production practices.
- 2) It will enhance the value of agricultural and horticultural produce for farmers, benefiting both domestic sales and exports.
- 3) It will tackle the problem of inefficient management in FPOs, including challenges in hiring and keeping skilled managers.

Challenges in India's Spice Exports

Context- India, known as the "Spice Bowl of the World," has seen spice exports triple from 575,000 metric tonnes in 2010-11 to 1.54 million MT by 2023-24. Turmeric is a key export, with 324,000 hectares cultivated, producing 1.16 million tonnes in 2022-23, which is 75% of global supply. In 2022-23, India exported over 154,000 tonnes of turmeric worth \$207.45 million, with projections to reach \$1 billion by 2030. The US is the top importer, holding a 20% share, followed by Bangladesh, Iran, and the UAE.

What are the Challenges in the Spice Export Sector?

1) **Demand-side Challenges:** Demand for turmeric is declining in developed countries like the Netherlands and Germany as they increasingly meet their needs domestically. As a result, these countries are becoming major exporters of turmeric within the EU.

2) Supply-side Challenges:

A) There is growing competition from smaller countries like Fiji, which was the fourth-largest turmeric exporter in 2022-23, as well as from Myanmar, Vietnam, and Indonesia.

B) The share of turmeric in total spice production dropped from 11% to 8.3% between 2021-22 and 2022-23, while its share in the total cultivation area decreased from 7.6% to 6.3%.

3) Quality Control Issues:

A) Indian spices face rejections in key markets due to phytosanitary issues, such as toxins, high maximum residue limits (MRL), and adulteration. For example, Singapore and Hong Kong recently banned some Indian spice mixes.

B) Issues persist despite the presence of quality control bodies like the Spices Board of India and Agricultural and Processed Food Products Export Development Authority.

A detailed article on **India's Spice Exports – Significance and Challenges** can be [read here](#).

What should be the way forward?

1) **Supply Chain Evaluation:** There is a need to conduct a thorough assessment of the spice supply chain to identify quality gaps and reduce rejections.

2) **Regulatory Reforms:** There is a need to create a single regulatory body with the authority to monitor and ensure high-quality laboratory testing and product traceability before exports.

3) **Compliance and Standards:** Encourage exporters and supply chain partners to follow Good Agricultural Practices and adhere to standards set by the International Organization for Standardization and Hazard Analysis and Critical Control Points.

4) Stakeholder Coordination:

A) Key stakeholders like policymakers, traders, corporations, and processors need to collaborate on a common platform.

B) Utilize events like the World Spice Congress and Global Turmeric Conference for knowledge sharing and capacity building.

5) International Agreements

A) Focus on signing mutual recognition agreements (MRAs) for harmonization of spice standards. For ex- the recent MRA for organic products signed between India and Taiwan in 2024 is an example of this approach

B) Engage in discussions for trade facilitation and push for harmonized testing and certification standards in trade agreements.

AgriSure: A New Initiative to Boost Agricultural Innovation

Context-The government of India is planning to launch the "Agri Fund for Startups & Rural Entrepreneurs" (AgriSure), a Category-II alternative investment fund with an initial corpus of ₹750 crore. This initiative aims to support innovation in agriculture and address key challenges in the sector.

What is the Agri Fund for Startups & Rural Entrepreneurs?

- 1) **Objective-**To provide comprehensive support to agripreneurs by establishing a financing ecosystem that offers both equity and debt options, enhances the farm produce value chain, creates rural infrastructure, generates employment, and supports farmers' producer organizations.
- 2) **Funding Pattern-** The initial corpus of ₹750 crore, funded by the Ministry of Agriculture, NABARD, and other financial institutions, is managed by NABVENTURES, a wholly owned subsidiary of NABARD.

What are the challenges faced by agriculture sector in India?

- 1) **Vulnerability to Climate Change:** India's agriculture is increasingly susceptible to climate change impacts and severe weather conditions
- 2) **Ecological Stress-** The ICRIER (Indian Council for Research on International Economic Relations) paper highlights ecological stress in Punjab and Haryana from surplus paddy production, resulting in soil degradation, water depletion, and methane emissions from flooded rice fields contributing to greenhouse gas emissions.
- 3) **Low Productivity-** Agriculture is India's largest source of employment but has the lowest labor productivity of any sector.
- 4) **Financing Challenges:** - Securing funding for agri-startups is still challenging despite past government efforts.
- 5) **Lack of Technology Development:** Despite having over 40 universities focused on agriculture and related fields, there is a lack of indigenous technology to tackle critical agricultural challenges.

Read More- [Challenges for Indian agriculture to realize its aspiration of a Viksit Bharat by 2047](#)

What is the significance of AgriSure?

- 1) Using information technology in agriculture will boost labor productivity and increase income and profits for small and marginal farmers, who constitute 85% of the farming population.
- 2) As food prices have been a major factor in inflation, boosting agricultural productivity will enhance food availability at affordable prices and ease pressure in macroeconomic management.

What should be the way forward?

- 1) **Priority Areas for Funding:** The fund should prioritize startups that develop crop varieties resilient to extreme weather, such as drought and heavy rain, and promote agricultural practices that improve water and nutrient efficiency.
- 2) **Water-Efficient Crop Development-**There is a need to develop water-efficient crop varieties, especially paddy and wheat, with shorter growth cycles to improve agricultural outcomes.

Revitalizing India's Agricultural Research and Development System

Context- Today, Indian agriculture faces new challenges: achieving higher yields with fewer nutrients, less water, and reduced labor, all while dealing with climate change and extreme weather events. The article highlights the need to enhance investment in research and development in Agriculture.

What are the challenges faced by India's Agricultural Research and Development System?

1) Lack of Adequate Funds-

A) IARI had a budget of Rs 710 crore last fiscal year. A large portion, Rs 540 crore, went to salaries and pensions, and Rs 98 crore to administrative expenses. This leaves limited funds for crucial areas like research, breeding, and acquiring modern equipment such as DNA sequencers and high-throughput screening tools.

B) Due to the paucity of dedicated funds, they are not able to attract specialized talent in genome editing, blockchain, and artificial intelligence for agriculture.

2) **Old Institutional Design-**The challenge lies in revitalizing the public agricultural research system, including ICAR institutes and state agricultural universities, which were largely established during the 1960s and 1970s.

3) **Comprehensive Research Approach** -ICAR has many institutes dedicated to specific crops and animals such as soybean, cotton, grapes, and camels. However, these institutes prioritize individual crops or animals rather than adopting a comprehensive research approach that fits diverse agro-climatic zones.

4) **Lack of Protection-** The absence of adequate intellectual property rights protection has contributed to the decline in cotton production and the stagnation of oilseeds production.

Read More- [Challenges Facing Indian Agriculture](#)

What should be the way forward?

1) **One Time Fund-**A one-time fund of Rs 5,000 crore is needed to upgrade infrastructure and modernize research facilities at ICAR institutes and state agricultural universities. This should be coupled with organizational restructuring and reforms.

2) **Enhancing Institutional Autonomy** -These institutions should have the freedom to hire top talent and generate funds. This could be through partnerships with private entities, sponsored research, or earning royalties on seeds and technologies.

3) **Prioritizing Agricultural Research** - The upcoming budget should prioritize agricultural research in both the public and private sectors, alongside providing greater intellectual property protection for breeders and technology developers.

India's challenges with agricultural exports and post-harvest losses

Context: The article discusses India's challenges with agricultural exports and post-harvest losses. It highlights initiatives by the Indian Railways to reduce these losses by improving the transportation of perishables, which benefits farmers' incomes and reduces environmental impact.

For detailed information on **Challenges facing agriculture exports from India** [read this article here](#)

What are India's Main Challenges in Agricultural Exports?

- 1. Low Productivity:** India ranks second in agricultural production but only eighth in exports, holding a mere 2.4% share in global agricultural exports.
- 2. Quality Standards:** Failure to meet international quality benchmarks impedes the competitiveness of Indian agricultural goods.
- 3. Supply Chain Inefficiencies:** Issues such as inadequate transportation networks and poor infrastructure lead to substantial losses.
- 4. Post-Harvest Losses:** Annually, India incurs approximately ₹1,52,790 crore in losses, with significant percentages lost in perishables commodity.

How Significant are Post-Harvest Losses?

- 1. Perishable Commodities:** Major losses occur in perishables like eggs (22%), fruits (19%), and vegetables (18%).
- 2. Export Stage Losses:** About 19% of food is lost during the export process, particularly at the trade partner stage.
- 3. Impact on Farmers:** Small and marginal farmers, who make up 86% of the farming population, suffer income losses due to these inefficiencies.

What Role Does the Indian Railways Play?

- 1. Freight Transport:** In the fiscal year 2022, 75% of the Indian Railways' revenue came from freight transport, which includes essential commodities such as agricultural produce.
- 2. Connecting Regions:** It efficiently connects urban centers and rural areas, crucial for the movement of goods.
- 3. Kisan Rail:** This initiative aims to connect regions with surplus perishable production to major consumption areas, significantly reducing post-harvest losses and increasing farmer incomes.
Case Study: Grape growers in Nashik benefited notably from Kisan Rail, achieving a net profit of ₹5,000 per quintal by transporting approximately 22,000 quintals.
- 4. Environmental Benefits:** Rail transport generates up to 80% less carbon dioxide compared to road transport, making it a more sustainable option.

For detailed information on **Railway Reforms** [read this article here](#)

What are the Opportunities for Improvement?

- 1. Specialized Wagons:** Investment in specialized wagons for temperature-controlled transport can enhance the safety and efficiency of perishable goods transport.
- 2. Rail-Side Facilities:** Establishing facilities next to railways for safe cargo handling can minimize spoilage and contamination risks.
- 3. Systems-Based Approach:** Adopting a systems-based approach across various transport modes and geographies can streamline operations.
- 4. Public-Private Partnerships:** The private sector can help strengthen rail infrastructure and operational efficiency through collaborations.
- 5. Reducing Carbon Emissions:** Prioritizing railways over roadways for transporting perishables can significantly lower environmental impact.

The green revolution in maize

News: Revolution in maize cultivation in India has dramatically increased maize production, transforming it into a crucial component of the agricultural and industrial sectors.

From 1999-2000 to 2023-24, India's maize production tripled from 11.5 million tonnes to over 35 million tonnes, with per-hectare yields rising from 1.8 to 3.3 tonnes. This growth was achieved without the same level of public attention as wheat and rice.

What is the significance of Maize Cultivation?

Feed for Poultry and Livestock: Approximately 60% of India's maize is used as feed for poultry and livestock. Maize, providing essential carbohydrates, forms a significant part of broiler and egg-layer feed, indirectly consumed by households through chicken, eggs, and milk.

Industrial Applications: Around 14-15% of maize is used industrially, particularly for its high starch content, which is utilized in textile, paper, pharmaceutical, food, and beverage industries.

Ethanol Production: Maize is increasingly used as a feedstock for ethanol production, particularly during the off-season for sugarcane. The development of waxy maize hybrids with high amylopectin starch content, such as IARI's AQWH-4, has enhanced its suitability for ethanol production.

What are the developments that have happened in this field?

Waxy Maize Hybrid: IARI developed India's first waxy maize hybrid with high amylopectin content, improving starch recovery and fermentation rates for ethanol production. This hybrid, with a potential yield of 8.8 tonnes per hectare, is poised for official release and commercial cultivation.

Collaboration with Distilleries: IARI has partnered with the Uttar Pradesh Distillers' Association for field trials of the waxy maize hybrid, promoting its cultivation for ethanol production, which could significantly increase ethanol yields.

CIMMYT's DH Facility: CIMMYT established a maize doubled haploid (DH) facility in Karnataka, accelerating the breeding process by producing genetically pure inbred lines. This facility has already produced over 29,000 DH lines, enhancing the efficiency of maize breeding.

Hybrid Breeding: Unlike self-pollinating crops like wheat and rice, maize's cross-pollinating nature makes it amenable to hybrid breeding. The private sector has played a pivotal role in developing and promoting hybrid maize varieties, with over 80% of India's maize area planted with private sector-bred hybrids.

Collaboration with CIMMYT: CIMMYT shares its improved inbred lines with both public sector institutions and private seed companies, fostering innovation and improving maize yields. Major private seed companies involved include Mahyco, Shriram Bio seed, and Advanta Seeds.

What more can be done?

Enhancing Yields and Resilience: Continued research through collaborations between public institutions and the private sector is essential. It will further enhance maize yields and resilience against climate change and pests.

Policy Support and Incentives: Government policies should support the cultivation of high-yielding and industrially significant maize varieties. It ensures that farmers benefit from improved technologies and market opportunities.

Sustainable Practices: Promoting sustainable farming practices and efficient resource use will be crucial in maintaining and enhancing maize production without compromising environmental health.

Topic- Issues related to Direct and Indirect Farm Subsidies and Minimum Support Prices; Public Distribution System - Objectives, Functioning, Limitations, Revamping; Issues of Buffer Stocks and Food Security; Technology Missions; Economics of Animal-Rearing.

Impacts of PDS on household spending

Context: The article discusses the impact of receiving free food items from India's **Public Distribution System (PDS)** on household spending. It details how this arrangement allows families to spend more on other essential items, enhancing their overall consumption and well-being. The data from the **National Sample Survey Office (NSSO)** helps analyze these effects, especially among the poorest households.

For detailed information on **All India Household Consumption Expenditure Survey 2022-23** [read this article here](#)

How does the PDS impact household food consumption diversity?

- 1. Subsidized Foodgrains:** The PDS provides subsidized foodgrains to eligible households, which allows them to allocate more financial resources to other food items. This system supports up to 75% of rural and 50% of urban populations under the National Food Security Act (NFSA), 2013.
- 2. Household Savings and Diversification:** By reducing the expenditure on staple foodgrains, families can spend more on diverse foods like vegetables, milk, pulses, and meat, potentially improving their overall nutrition and dietary variety.

How does the NSSO handle the imputation of free items' values?

- 1. Imputation Methods:** The NSSO uses two sets of values for imputing the cost of free items received by households: the modal unit price and the 25th percentile unit price. This approach is applied to both food and non-food items received without charge.
- 2. Focus on Free Items:** The NSSO specifically imputes values for items received for free. This is distinct from items purchased at subsidized prices, which are not subject to imputation.
- 3. Impact on Consumption Metrics:** By imputing the value of free items, NSSO calculates the Monthly Per Capita Consumption Expenditure (MPCE) that includes these free items, providing a clearer picture of a household's consumption and economic status.

What are the key findings of the Household Consumption Expenditure Survey (HCES) 2022-23?

- 1. High Consumption of Free Foodgrains:** The HCES 2022-23 found that food items, particularly foodgrains received for free through the PDS, dominate the imputed value of all items. In rural areas, 94% and in urban areas, 95% of the imputed value of all free items is from food.
- 2. Monetary Value of Free Items:** The survey reports an imputed value for food of ₹82 in rural areas and ₹59 in urban areas. This indicates a significant benefit from free food items, contributing to household consumption.
- 3. Movement Between Consumption Classes:** The survey data reveals that the provision of free items helps some households move up to higher consumption classes. For example, 20% of those in the bottom end of the rural distribution (approximately 86 lakh individuals) move to the next higher consumption class.

What are the implications for poverty measurement?

- 1. Redefining the Poverty Line:** The latest findings from the Household Consumption Expenditure Survey (HCES) suggest a need for a broader discussion on where to set the poverty line, incorporating the value of free items consumed.
- 2. Inclusion of Free Items in Assessments:** Estimating the number of poor households should consider both direct expenditures and the value of free items, such as foodgrains from the PDS. This approach provides a more comprehensive measure of household consumption and well-being.
- 3. Impact of In-kind Transfers:** In-kind social transfers, like those from the PDS, substantially boost the consumption capacity of poorer households, implying that poverty measurements must account for these benefits to reflect true economic status.

Political impact on India's fertilizer sector

Context: The article discusses the unlikely prospect of significant reforms in the fertilizer sector due to the current political situation. It suggests deregulating non-subsidised fertilizers as a possible step, similar to the existing model for water-soluble fertilizers, to improve efficiency and innovation.

For detailed information on **Issue of fertilizer subsidy in India** [read this article here](#)

What is the current political impact on fertilizer reforms?

- 1. Lack of Single-Party Majority:** Current government's failure to secure a single-party majority in Parliament has diminished the likelihood of major reforms in fertilizer pricing and subsidy policies.
- 2. Subsidy Budget Reduction:** The fertilizer subsidy budget is decreasing, from Rs 251,339.36 crore in 2022-23 to Rs 163,999.80 crore in 2024-25, indicating fiscal constraints impacting reform decisions.
- 3. Impact of Russia-Ukraine War:** The war has led to a decrease in import prices of key fertilizers, such as urea at \$350 per tonne, DAP at \$560, and MOP at \$319, reducing the urgency for price reforms.

How are fertilizer prices currently controlled?

- 1. Urea Price Control:** The maximum retail price (MRP) of urea is controlled and has remained unchanged since 2012 at Rs 5,360 per tonne, and Rs 5,628 with neem oil-coating from 2015.
- 2. Nutrient-Based Subsidy (NBS) Scheme:** Under the NBS, non-urea fertilizers like **di-ammonium phosphate (DAP)**, **muriate of potash (MOP)**, and **single super phosphate (SSP)** have technically decontrolled prices, but manufacturers receive a subsidy based on nutrient content. However, informal controls set "reasonable" MRPs, e.g., Rs 27,000 for DAP and Rs 30,000-31,000 for MOP.
- 3. Profit Margin Caps:** Since April 2023, the government has capped profit margins to ensure MRP "reasonableness," affecting subsidy eligibility for companies exceeding these limits.

What is the procedure for water-soluble fertilizers (WSFs)?

- 1. General Specifications Issued:** In October 2015, the Indian government set general specifications for commercializing water-soluble fertilizers (WSFs), which are 100% soluble in water.
- 2. Nutrient Content Requirements:** WSFs must contain a minimum of 30% total nutrients, including 25% primary nutrients (NPK) and the remainder comprising secondary and micro nutrients.
- 3. Contaminant Limits:** There are maximum prescribed limits for contaminants like lead, cadmium, and arsenic.

4. Marketing Procedure: Companies can market any WSF that meets these specifications after notifying the relevant government authorities and waiting 30 days from the notification date.

What reforms are needed in India's fertilizer sector in the current political situation?

- 1. Deregulate Non-Subsidized Fertilizers:** Implement automatic registration for new fertilizers that meet minimum nutrient content and contaminant limits, similar to the current procedure for water-soluble fertilizers (WSFs).
- 2. Deregulate Liquid Fertilizers:** Deregulate liquid fertilizers with a minimum of 15% total primary nutrients. Liquid fertilizers like urea ammonium nitrate have higher nutrient use efficiency, improving crop yields. This is similar to WSFs, which have nutrient use efficiency of 60-70%.
- 3. Simplify Regulatory Framework:** Adopt simpler quality standards and mandatory labeling for all fertilizers. This ensures farmers have access to high-quality products without lengthy bureaucratic processes.
- 4. Remove Informal Price Controls:** Lift informal price controls on NBS fertilizers, allowing market-driven pricing. Currently, prices are controlled indirectly, impacting competition and innovation.
- 5. Reduction in Registration Time:** Reduce the average registration time for new fertilizers, currently 804 days, to align more closely with international standards like the US (90 days), 30 in Japan, or the EU (zero days), enhancing competitiveness and innovation.

Idea of creating a government-controlled buffer stock of essential food

Context: The article discusses the idea of creating a government-controlled buffer stock of essential food items like pulses, oilseeds, and vegetables. This would help stabilize food prices by reducing extreme fluctuations caused by supply shocks from events like climate change or pandemics.

For detailed information on **Benefits of government buffer stocks in stabilizing food prices** [read this article here](#)

Why Should the Government Consider a Buffer Stock for Food?

- 1. Stabilize Prices:** Buffer stocks of essential foods like pulses, oilseeds, and vegetables help control price volatility, crucial for both consumers and producers. This stability aids in economic planning and reduces the impact of inflation spikes.
- 2. Manage Supply Shocks:** Climate-induced disruptions, such as irregular rainfall and heatwaves, have adversely affected crop yields. For example, poor harvests of rabi pulses and vegetables have led to price spikes.
- 3. Support Farmers:** Creating buffer stocks allows for the purchase of surplus during good harvests, protecting farmers from drastic price drops. For instance, fluctuations in milk prices from Rs 37-38 to Rs 26-27 per liter have shown how volatile the market can be without such mechanisms.
- 4. Reduce Policy Burden:** With buffer stocks, there is less need for restrictive measures like export bans or trader stock limits, promoting a freer market environment conducive to growth.

How Do Food Prices Affect Inflation and RBI's Decisions?

- 1. Impact on Inflation Rates:** Elevated food prices directly affect overall inflation. For instance, despite core inflation being low at 3.1%, retail food inflation remained high at 8.7%.
- 2. RBI's Monetary Policy Dilemma:** High food inflation complicates the Reserve Bank of India's decisions

regarding interest rates. The volatility in food prices makes it challenging to decide whether to cut, raise, or maintain rates.

3. Influence on Economic Stability: Stable food prices are essential for economic predictability, influencing consumer spending and business investments. Volatility in essential items like food disrupts this stability.

What are the Benefits of a Buffer Stock Policy?

1. Reduces Price Volatility: Buffer stocks help stabilize prices of essential food items, mitigating extreme fluctuations caused by supply shocks due to climate change or other disruptions.

2. Eliminates Restrictive Measures: Buffer stocks reduce the need for anti-farmer policies like export bans or imposing stock limits on traders, promoting a freer market.

3. Economic Efficiency: Selling stored food during shortages prevents inflation spikes and supports economic stability.

Subject: Science & Technology

Topic- Science and Technology- Developments and their Applications and Effects in Everyday Life. - Achievements of Indians in Science & Technology; Indigenization of Technology and Developing New Technology.

Split verdict by the Supreme Court on the Genetically Modified (GM) mustard

Context: The article discusses a split verdict by the Supreme Court on allowing the environmental release of the Genetically Modified (GM) mustard variety DMH (Dhara Mustard Hybrid)-11. The judges disagreed on the GEAC's approval process. They directed the government to create a national policy on GM crops, involving experts and stakeholders.

For detailed information on **Transgenic Crops in India** [read this article here](#)

What is the History of GM Mustard?

2015: Delhi University's Centre for Genetic Manipulation of Crop Plants (CGMCP) sought GEAC's approval for GM mustard.

2016: GEAC published a report and invited comments.

2017: GEAC recommended the environmental release of GM mustard.

2018: Ministry of Environment asked GEAC to re-examine the proposal.

2022: CGMCP urged the Minister for Environment to accept GEAC's recommendation, and the Centre approved the proposal in October.

Environmentalist challenged the decision: Environmentalist and the research and advocacy organisation Gene Campaign challenged the decision to approve the environmental release of GM mustard before the Supreme Court.

2024: On July 23, a two-judge Bench of the Supreme Court delivered a split verdict on the environmental release of Genetically Modified (GM) mustard.

For detailed information on **All About Commercialization of GM Mustard** [read this article here](#)

What Did Justices B V Nagarathna and Sanjay Karol Disagree On?

Justices B V Nagarathna:

1. She argued that the GEAC did not conduct required field tests and ignored the precautionary principle, thus violating public trust.
2. She highlighted that no long-term studies on the effects of GM mustard were conducted, which she saw as a failure to ensure environmental safety.

Justices Sanjay Karol:

1. He believed the GEAC's process was thorough and supported scientific development.
2. He argued that field tests are necessary to assess the crop's impact on health and biodiversity.
3. He also noted that other government departments recommended the release of GM mustard and that honeybees did not avoid GM crops like genetically engineered canola.

Hype around new weight loss and diabetes drugs like Ozempic

Context: The article discusses the hype around new weight loss and diabetes drugs like Ozempic, Saxenda, Wegovy, and Zepbound. These drugs promise significant weight loss and health benefits but are expensive, have potential side effects, and may not work for everyone. True health requires diet and exercise.

What is the hype around new weight loss drugs?

- 1. Promising Results:** The new weight loss drugs, primarily GLP-1 receptor agonists, offer significant weight loss, between 15% and 24% of body weight, comparable to bariatric surgery results.
- 2. High Expectations:** They are marketed as a breakthrough in combating obesity and diabetes, offering protection against major health issues like heart disease.
- 3. Widespread Attention:** Major pharmaceutical companies like Novo Nordisk and Eli Lilly have seen their market capitalization soar, with Novo Nordisk's reaching over \$570 billion, surpassing the Danish economy.
- 4. Rising Demand:** Despite supply shortages, the demand for these drugs has surged, driven by societal pressures and the allure of easy weight loss, pushing drug prices higher and fueling a grey market.

What are the major concerns related to these drugs?

- 1. Side Effects:** Users report severe nausea, vomiting, stomach paralysis, and depression. Some evidence links these drugs to thyroid cancer and pancreatitis in individuals with certain genetic histories.
- 2. Long-Term Risks:** Side effects may take up to a decade to fully emerge, creating uncertainty about long-term safety.
- 3. Shift in Focus:** Originally intended for diabetes, the emphasis has shifted to weight loss, raising concerns about the true intent of these drugs.
- 4. Economic Impact:** High demand and limited supply have driven up prices, making these drugs an aspirational luxury and creating a grey market.
- 5. Temporary Solutions:** Weight loss can plateau without diet and exercise. Studies show that weight can

return after stopping the drugs.

6. Body Image Issues: These drugs may promote an unhealthy obsession with thinness, overlooking the complex causes of obesity like hormonal imbalances and mental health issues.

Conclusion-True health requires a balance of diet, exercise, and lifestyle changes. While these drugs can help those with morbid obesity, they are not a cure-all. They may lead to unrealistic expectations and an unhealthy focus on body image.

IEEE 2061-2024 Standard

Context: The article discusses how mobile devices rely on cellular networks for connectivity. It explains the differences between access networks and core networks. It highlights challenges in rural connectivity and introduces the IEEE 2061-2024 standard for affordable rural broadband access.

What is the current status of cellular networks in India?

- 1. Urban vs Rural Tele-Density:** Urban areas in India show a tele-density of 127%, meaning most urban residents have more than one mobile connection. In contrast, rural tele-density stands at only 58%, indicating less than one connection per two people in rural areas.
- 2. Challenges in Rural Connectivity:** Rural regions face significant challenges due to lower income levels, sparse populations, and geographical remoteness, making network infrastructure costly and complex to deploy.

What Are Access and Core Networks?

- 1. Access Network (AN):** The AN includes base stations that provide wireless connectivity to mobile devices within a limited geographical area. These are commonly seen as towers with antennas.
- 2. Coverage:** Network operators install base stations across regions to ensure coverage. Each base station serves a specific area.
- 3. Core Network (CN):** The CN connects these base stations to other networks, such as the Internet. It operates centrally and is linked to base stations via optical fiber links called backhaul.
- 4. Data Flow:** Data from a user's device passes through both the AN and CN to reach its destination. Even nearby users must route data through the CN.
- 5. Mobility Support:** The CN is crucial for supporting user mobility, ensuring seamless connectivity as users move.

What Is the IEEE 2061-2024 Standard?

- 1. Definition:** The IEEE 2061-2024 standard, developed by IIT Bombay, focuses on providing affordable broadband access in rural areas.
- 2. How It Works:** It uses a heterogeneous network structure combining large coverage area base stations (macro-BS) with smaller area Wi-Fi networks. This allows for broad yet high-speed connectivity.
- 3. Integrated AN Control:** This feature enables seamless switching for devices between different network types (Wi-Fi to macro-BS), preventing service disruptions.

4. Advantages:

- a) Cost-Effective:** Employs a multi-hop wireless middle-mile network, reducing the need for expensive fiber installations. The middle-mile network serves as a connection between the access network (local connections to users) and the core network (centralized connections to the internet).
- b) Flexibility:** Supports various technologies, like satellites and long-range Wi-Fi.
- c) Direct Connectivity:** Allows direct internet access from the AN, bypassing the central CN for local connections, which enhances network efficiency in rural settings.
- d) Potential Impact:** If widely adopted, this standard could significantly improve internet access in underserved rural areas, bridging the digital divide.

Issues with Anusandhan National Research Foundation

Context- The establishment of the Anusandhan National Research Foundation (ANRF) presents an opportunity to revolutionize India's research landscape. However, its success depends on addressing the current challenges in governance structure, funding mechanisms, and bureaucratic processes. In 2023, both Houses of Parliament passed the ANRF Bill, a major achievement for India's research sector. The scientific community welcomed it, anticipating reduced bureaucracy in academia and more research funding.

What are the objectives of ANRF?

- 1) Seeding, growing, and facilitating research in India, especially in universities and colleges.
- 2) Prioritizing the development of outstanding research cells in State Universities, as explicitly mentioned in the 2019 National Research Foundation (NRF) project report.

What are the issues with governance of Anusandhan National Research Foundation?

- 1) **Composition of Governing Bodies** -The governing structure includes a 15-member board and a 16-member council. This is dominated by senior government officials and established research institutions.
- 2) **Lack of Diverse Representation:**
 - A) No members from Central or State universities or colleges, despite over 95% of Indian students attending these institutions
 - B) Inadequate industry representation, with only one member (an Indian American businessman from Silicon Valley)
 - C) Limited gender diversity, with only one-woman representative (the Secretary of DSIR)

What should be the way forward?

- 1) **Diverse Representation**-The board and council should include representatives who understand the challenges faced at the university level. It should be made more diverse by adding more Indian industry leaders, entrepreneurs, and academics from both Central and State universities.
- 2) **Single Committee**-A single committee for strategy formulation and implementation should be created.
- 3) **Funding and Research Development**- India's underfunded research and development sector aims to generate over 70% of its funding from non-government and industry sources through ANRF. R&D budget should be enhanced to 4% of GDP to boost research output and global competitiveness.

Read more- [India's R&D Funding Status](#)

3) Reforms in Operational Requirements for ANRF-

- A) Adequate staffing
 - B) Implementation of a robust grant management system
 - C) Establishment of an internal standard peer-review system with reviewer incentives
 - D) Timely disbursement of research grants and student fellowships (less than six months turnaround)
 - E) Reduction of bureaucratic hurdles at funding and grantee institutions
 - F) Flexible spending without strict adherence to government's general financial rules (GFR)
 - G) Permission for purchases outside the Government e-marketplace (GeM) portal.
 - H) ANRF needs a total overhaul to avoid becoming another typical government department and to better connect research with teaching in universities.
- 4) **Future CEO**-The future CEO of the ANRF should possess experience in both industry and academia. He should be able to secure funding for the ANRF and understand the global innovation ecosystem.

Topic- Awareness in the fields of IT, Space, Computers, Robotics, Nano-technology, Bio-technology and issues relating to Intellectual Property Rights.

Quantum Technology and Diamonds

Context-The article discusses the impact of Customs Department regulations on diamond imports on India's National Quantum Mission (NQM). This is a ₹6,000-crore initiative aimed at advancing quantum technologies. India plans to develop quantum computers with 50 to 1,000 qubits by the decade's end. The Indian government also announced initiatives in the Union Budget 2023 to promote the research and development of lab-grown diamonds. This is aimed at supporting the production of diamonds with defects suitable for quantum computing and other applications.

What is quantum technology?

Quantum technology covers various research fields by harnessing the quantum properties of atoms. It aims to create revolutionary computers, sensors, and encryption systems that may outperform current technology significantly.

Read More- [More innovation, a skilled workforce: The promise in India's National Quantum Mission](#)

What is the importance of diamonds in Quantum Research?

- 1) **Leveraging Atomic Imperfections** -In quantum research, diamonds are valued for their atomic imperfections rather than their usual gem qualities. Scientists concentrate on these imperfections, such as nitrogen-vacancy centers, which are sensitive to changes in magnetic fields. Electrons at these centers can act like qubits which is crucial for quantum computing.
- 2) **Lab-Grown Diamonds**- Researchers can use room-temperature lasers to manipulate these centers. Unlike diamonds found in jewelry stores, scientists prefer lab-grown diamonds customized with specific defects for their research purposes. "

What are the challenges?

- 1) Customs Department regulations on diamond imports affect research progress.
- 2) India, despite its prowess in diamond cutting, lacks the capability to produce such diamonds with

controlled defects needed for quantum applications.

3) Maintaining electrons in qubit-like states remains a significant challenge globally.

Critical and Emerging Technologies (iCET)

Context- The iCET initiative reflects broader U.S. strategic interests, as highlighted in a Senate report urging closer military ties with India to reduce dependence on Russian weapons.

This aims to integrate India into global supply chains for advanced military technology, reducing dependence on other countries strategically. However, it faces several structural challenges despite positive talks between national security advisors of both countries.

What challenges does the iCET initiative face in its execution between India and the U.S.?

1) **Autonomy of U.S. Defence Companies-** U.S. defence firms do not want to transfer technology due to stringent intellectual property rights (IPR) protection and export control laws. They are cautious about sharing military technologies, even in joint ventures that align with U.S. strategic interests.

2) **Limited Technology Transfer-** Negotiations have secured technology transfers for projects like manufacturing GE F-414 engines and assembling MQ-9 UAVs in India. However, critical know-how remains restricted.

For ex- General Electric agreed to transfer about 80% of the technology to Hindustan Aeronautics Limited for engine production, but critical aspects like metallurgy for turbine discs are not included

3) **Mercantile Concerns** - U.S. defense vendors are accountable to shareholders driven by commercial interests, which limits their willingness to share technology. These commercial concerns, combined with bureaucratic challenges, were the reasons behind the failure of the 2012 Defence Technology and Trade Initiative (DTTI) between India and the U.S

4) **Prohibition on "Jugaad"** - India's agreements with the U.S. before acquiring these defence assets limited their use of the innovative jugaad approach. Also, most purchases through the Foreign Military Sales (FMS) route were subject to the strict 'Golden Sentry' program, which does not allow for jugaad adaptations.

Read More-[India-USA relations](#)

How does the jugaad approach contribute to India's military strategy concerning the iCET initiative?

The jugaad approach involves innovative adaptation of imported platforms by India's military to enhance operational capabilities. Jugaad has allowed Indian forces to optimize foreign equipment for diverse terrain and climatic conditions. For ex- it enabled Chetak and Cheetah helicopters, mainly French Alouette III and SA-315B Lama models, to operate at altitudes above 14,000 feet in the challenging Siachen glacier region.

What should be the way forward?

1) Domestic defense officials should push for integrating jugaad principles into iCET projects. Allowing flexibility in modifying U.S. platforms could enhance their effectiveness in Indian contexts.

2) It is essential to overcome bureaucratic inertia and prioritize effective implementation of initiatives like iCET rather than merely focusing on discussions.

The Environmental Impact of Artificial Intelligence

Context- AI has the potential to transform climate change efforts. However, Google's annual environment report revealed a 13% increase in its emissions footprint in 2023 compared to the previous year. This rise was mainly attributed to increased electricity consumption in data centers and supply chains due to the growing deployment and usage of AI tools.

What are the reasons for higher energy consumption of AI models?

- 1) **Performing Complex Operation-** They perform more complex operations than simple search engines, even when addressing the same query. They process vast amounts of data while formulating appropriate responses, resulting in more electrical signals for data processing, storage, and retrieval.
- 2) **Heat Generation and Cooling Requirements** -The increased computational work generates more heat, requiring stronger cooling systems in data centers and increasing energy use.

What are the Environmental Impacts of Artificial Intelligence?

1) **Enhances Electricity Demand-** Data centers currently use 1% to 1.3% of global electricity, and this could increase to 1.5% to 3% by 2026, according to the International Energy Agency. In some countries, data centers use over 10% of national electricity. In Ireland, it's 18% due to tax incentives, while in the U.S., it ranges from 1.3% to 4.5%.

Read More- [European Union adopts first AI Law](#)

- 2) **Energy Intensive-** AI queries, like those to ChatGPT, use 10 to 33 times more energy than a regular Google search, with image-based searches being even more energy-intensive.
- 3) **Water Resource Concerns-** There are increasing concerns about water use for cooling data centers. For instance, a data center for OpenAI's GPT-4 in Iowa used 6% of the local water supply in July 2022.

What should be the way forward?

- 1) **Need for Sustainable Planning-** As India adopts AI technology, experts stress the need for careful planning to reduce environmental impacts. This means data centers should use efficient processes and minimize emissions.
- 2) **Benefits of AI in Emissions Reduction** - Studies suggest that widespread AI use in corporate and industrial practices could cut global emissions by 5-10% by 2030, according to Boston Consulting Group.
- 3) **Monitoring and Predicting-** AI can cut emissions by monitoring, predicting, and optimizing processes to reduce waste and inefficiencies.

Machine Unlearning (MUL)

Context: The article discusses Machine Unlearning (MUL), a method to make AI systems forget incorrect or sensitive data. It explores different ways this can be implemented: privately by companies, publicly by governments, or internationally through global standards. MUL helps manage AI issues like bias and privacy breaches.

What is Machine Unlearning (MUL)?

1. **Machine Unlearning (MUL)** is a method to make AI systems selectively forget certain types of data, particularly false, discriminatory, outdated, or sensitive information.
2. **Origin:** The concept was introduced by Cao and Yang in their work "Towards Making Systems Forget with

Machine Unlearning."

3. Purpose: MUL aims to address the complexities and risks involved with AI managing vast amounts of data, which can lead to privacy breaches, misinformation, and AI bias.

4. Application Example: IBM is actively testing MUL models to achieve better accuracy, intelligibility, and cost-efficiency in deleting unnecessary or harmful data from AI systems.

Why is MUL Important?

1. Complexity Management: MUL helps in managing the overwhelming complexity of AI systems that process vast amounts of data, making it difficult to maintain data integrity.

2. Privacy and Bias Issues: It addresses increases in AI bias, misinformation, and privacy breaches, which are particularly problematic during sensitive times like elections.

3. Cost and Efficiency: Implementing MUL can be more cost-effective and efficient than deleting entire datasets and retraining AI models, which is costly and reduces accuracy, as discussed in IBM's tests on MUL models.

How Can MUL be Implemented?

A. Private Approach:

1. Companies like IBM are testing MUL models to improve how quickly and accurately data can be deleted, while keeping costs low.

2. This approach is voluntary and allows companies to adapt their AI systems without government intervention.

3. However, it might be less feasible for smaller companies due to high costs and required expertise.

B. Public Approach:

1. Governments can legislate the use of MUL. For instance, the European Union's AI Act uses a soft-law approach to address data poisoning as a cybersecurity issue.

2. Governments could also develop their own MUL models to be used across different platforms, helping especially in developing countries by making such technology more accessible.

C. International Approach:

1. This involves creating international standards for MUL to ensure consistent practices across different countries.

2. This could help in managing the global implications of AI technology. However, geopolitical tensions could complicate this approach.

Way forward-MUL is still in early development, facing technical and regulatory challenges. Stakeholders need to address these issues to ensure that MUL can be effectively implemented to tackle the problems of generative AI and protect users' rights in the digital age.

India's Strategy for AI Leadership

Context: The article discusses India's AI strategy. It highlights India's focus on creating local AI solutions and developing foundational AI models. Key efforts include investment in AI, supportive policies, upskilling, and incentives for hardware manufacturing, aiming to boost AI growth and global competitiveness.

For detailed information on **On National AI mission and Investing in Artificial Intelligence** [read this article here](#)

What is India's Strategy for AI Leadership?

- 1. Focus on Local AI Solutions:** Tailoring AI to address local needs, driving societal impact and economic growth.
- 2. Development of Foundational Models:** Investing in long-term AI capabilities for global competitiveness.
- 3. Significant Investment:** Public sector funding for GPUs and semiconductors, with private sector innovation.
- 4. Supportive Policies:** Laws like the Digital Personal Data Protection Act and frameworks like DEPA ensure data protection and privacy, facilitating a secure environment for AI development.
- 5. Manufacturing Initiatives:** PLI schemes boost local production of components, reducing import dependency. For example, PLI beneficiaries drove 82% of mobile phone exports in 2022-23.

What is the Role of India's AI Mission?

- 1. Enhancing Computational Capacity:** India's AI mission focuses on improving computational resources, crucial for AI development.
- 2. Fostering Innovation:** Establishing dedicated AI centers to drive innovation and create new AI applications.
- 3. Developing Open Datasets:** Creating extensive open datasets to support AI research and application development.
- 4. Upskilling the Workforce:** Training individuals to develop and manage AI technologies, ensuring a skilled workforce.
- 5. Financing Startups:** Providing financial support to AI startups, promoting innovation and growth in the AI sector.
- 6. Ensuring Safe AI Practices:** Implementing safe and trusted AI practices to build public trust in AI technologies.

For detailed information on **IndiaAI Mission** [read this article here](#)

How do AI capabilities impact the economy?

1. AI capabilities boost economic output and create new business opportunities.
2. The AI market in India is projected to grow from \$881 million in 2023 to \$7.8 billion by 2025.
3. The Indian Generative AI industry is expected to reach \$17 billion by 2030.
4. PLI schemes support local AI hardware production, reducing import dependency and attracting investment.
5. Since the PLI scheme's inception, foreign direct investment in large-scale electronics surged by 254%.
6. By 2025, AI is expected to drive 60% of the gross value added to India's GDP in sectors like industrial, automotive, healthcare, retail, and packaged consumer goods.

Subject: Environment

Topic- Conservation, Environmental Pollution and Degradation, Environmental Impact Assessment.

How India's new government should scale up climate action

Context: The article discusses how India's new government should scale up climate action, affecting all sectors. It highlights India's progress in climate leadership and outlines a plan for the next five years to enhance global leadership, sectoral emission reduction, and state-level climate action.

For detailed information on **Climate Change** [read this article here](#)

How is India shaping narratives and institutions for global climate action?

- 1. Establishing Global Institutions:** India founded the International Solar Alliance, the Coalition for Disaster Resilient Infrastructure, and the Global Biofuels Alliance, influencing global cooperation on renewable energy and infrastructure resilience.
- 2. Setting Ambitious Goals:** India announced a net-zero target by 2070, signaling a commitment to significant emission reductions rather than just reducing emission intensity.
- 3. Leading by Example:** During its G-20 presidency, India spearheaded the Green Development Pact, promoting sustainable economic pathways globally.
- 4. Innovative Policies:** India has initiated a domestic emissions carbon trading scheme, anticipated to function for 30-40 years, illustrating a long-term strategy for reducing greenhouse gases through market mechanisms.

What should be India's plan to demonstrate that economic development can be sustainable?

- 1. Host Major Climate Summits:** India should aim to host significant international climate events, like the United Nations Conference of Parties in 2028. This would build on its successful G-20 presidency and position India as a climate leader.
- 2. Set Sectoral Emission Targets:** Beyond the power sector, India should establish clear emission reduction goals for other sectors. For example, it should target zero-carbon two- and four-wheelers, promoting clean energy jobs and rural mobility.
- 3. Promote State-Level Climate Action:** India should support states in developing their net-zero plans. Collaboration with bodies like the Council on Energy, Environment, and Water (CEEW) is crucial, as seen with Tamil Nadu and Bihar's plans.
- 4. Enhance Centre-State Coordination:** Creating a Centre-State coordination group and incentivizing state-level actions through the Sixteenth Finance Commission can ensure better alignment without compromising state autonomy.
- 5. Strengthen Scientific Integration:** India should integrate scientific modeling in policymaking and establish a unified data measurement, reporting, and verification system at the state level. This would improve the effectiveness of climate actions.

Challenges with Current Tree Planting Efforts

Context: The article discusses the problems with tree planting programs, highlighting that while they are popular for tackling climate issues, they often lack proper community involvement and long-term care. It also notes India's challenges and efforts in forest restoration and meeting international climate commitments.

For detailed information on **UN World Restoration Flagships** [read this article here](#)

What is the Initiative Taken for the Ecosystem Restoration?

- 1. Decade of Ecosystem Restoration (2021-2030):** The UN aims to restore 350 million hectares of degraded land to enhance ecosystem services and sequester 13-26 gigatons of greenhouse gases.
- 2. Van Mahotsava in India:** Launched in 1950 by K.M. Munshi, this annual tree-planting festival occurs in the first week of July, promoting forest growth and engaging public participation.
- 3. Global Tree Planting Initiatives:**
 - a. The **"One Trillion Trees Initiative"** by the World Economic Forum aims to massively increase global tree cover.
 - b. The **"Great Green Wall"** of China, aimed at reducing desertification.
 - c. Pakistan's **"10 Billion Tree Tsunami"**, a large-scale national reforestation initiative.
 - d. The **"Bonn Challenge"**, which has a target of restoring 150 million hectares by 2020 and 350 million hectares by 2030.

What Are the Challenges with Current Tree Planting Efforts?

- 1. Limited Community Participation:** Many tree planting initiatives, like glamorous drives and campaigns, suffer from inadequate involvement of local communities, which is crucial for the long-term success of these projects.
- 2. Inadequate Post-Planting Care:** There is a lack of ongoing maintenance and monitoring of tree growth, which is vital for the survival and ecological integration of newly planted trees.
- 3. Promotion of Monoculture:** Some initiatives focus on planting single species of trees, which can be less effective for biodiversity and carbon sequestration compared to diverse plantings.
- 4. Ecological Neglect:** Research by Joseph Veldman and colleagues found that planting trees in inappropriate locations, such as grasslands and animal habitats, can damage existing ecosystems and increase wildfire risks.
- 5. Misclassification of Lands:** William Bond and his team criticized the practice of labeling grasslands as deforested or degraded, which can lead to misguided restoration efforts that overlook the ecological value of these areas.
- 6. Increased Wildfire Risk:** Introducing trees into grassland areas can increase the likelihood and intensity of wildfires, posing greater ecological risks.

What Are India's Specific Challenges and Achievements?

A. India's Challenges:

1. Nearly 10 million hectares of India's forests are affected by encroachment.
2. Approximately 275 million people rely on forests for their basic needs and livelihood.
3. Since independence, about 5.7 million hectares of forest land have been repurposed for non-forestry uses.
4. India faces the daunting task of restoring 26 million hectares of degraded forests by 2030.

B. India's Achievements:

1. India is recognized as the only G20 country to meet its commitments under the Paris Agreement.
2. The country has created an additional carbon sink capable of absorbing 1.97 billion tonnes of CO2 equivalent.
3. These statements were confirmed by Prime Minister Narendra Modi and Union Minister Ashwini Kumar Choubey in recent official addresses.

What Should be Done?

1. Adequate finances, community participation, and technical considerations are crucial.
2. Public awareness and incentivized community participation can help create resilient forests.

India's Economic Survey criticize international climate change framework

Context: The article critiques the international climate change framework for its ineffectiveness and inequities. It discusses India's Economic Survey, which calls for focusing on adaptation and resilience rather than just mitigation. The article also criticizes developed countries for failing to meet emission targets and contributing to global inequities.

For detailed information on **Just Transition Framework** [read this article here](#)

Why is the Current Climate Framework Criticized?

1. **Targets Not Met:** The international framework has failed to achieve its climate targets. For instance, no targets set under this system have ever been met.
2. **Unfair Pressure on Developing Nations:** The focus on achieving the 1.5-degree Celsius target imposes undue pressure on developing countries. This pressure diverts resources from improving people's lives in these nations.
3. **Developed Countries' Failures:** Developed countries, especially the U.S., have not met emission reduction goals. In 2019, U.S. emissions were 6% higher than in 1990, and developed countries have not fulfilled their financial or technological commitments to developing nations.
4. **Inequitable International System:**
 - a) The system often perpetuates the dominance of the rich countries, as seen when the Kyoto Protocol was replaced by the Paris Agreement.
 - b) Scientific models used by the IPCC are criticized for disregarding historical responsibilities and future needs of developing nations.

What Alternatives Does the Economic Survey Propose?

1. The Economic Survey advocates for focusing on adaptation alongside mitigation. It suggests that since the 1.5-degree target will likely be breached, improving resilience and overall well-being is crucial.
2. It proposes incorporating lifestyle and behavioral changes to reduce greenhouse gas emissions.
3. The Survey argues that adaptation should receive equal importance as mitigation because climate impacts are already unfolding.
4. It challenges the notion that achieving the 1.5-degree target at all costs is necessary, suggesting a warmer world could be more equitable and resilient.

5. The Survey also calls for a shift in India's energy transition strategy, emphasizing rapid development and adaptation over strict adherence to temperature targets.

How Is India Addressing Climate Change?

1. India's Economic Survey emphasizes improving climate resilience in infrastructure projects.
2. The Central Vista redevelopment is a significant project, but it remains uncertain if it will be a leading model for climate-friendly buildings.
3. The Smart City plans, started nine years ago, include climate-proofing elements, but many cities are still struggling with sewage management.
4. New railway stations being built are expected to be better than existing ones but may not be the most climate-friendly.
5. India promotes Mission Life, focusing on lifestyle and behavioral changes, but it has not yet become a mass movement.
6. The Survey suggests that current efforts, like these, are not sufficiently fast or comprehensive in addressing climate change.

World Mangrove Day

Context- July 26 is the International Day for Conservation of Mangrove Ecosystems, established by UNESCO in 2015. This day highlights the unique and vulnerable nature of mangroves and promotes their sustainable management and conservation.

Mangroves, often called 'sentinels of the coast,' offer numerous benefits. They protect shorelines, mitigate storm and cyclone impacts, support fish nurseries, sequester carbon and nutrients, maintain genetic diversity, and provide other ecological advantages.

India's mangrove area grew from 4,046 sq km in 1987 to 4,992 sq km in 2019, as reported by the Forest Survey of India. This progress is notable compared to the global decline of 3.4% in mangrove cover since 1996.

What are the issues with mangrove conservation in India?

- 1) **Decline in Natural Coastal Wetlands** -The National Decadal Wetland Change Atlas reports a decline in natural coastal wetlands from 3.69 million hectares in 2006 to 3.62 million hectares in 2018.
- 2) **Loss of Intertidal Mudflats** -Intertidal mudflats, important for migratory birds and carbon storage, have been reduced due to mangrove plantations and other causes. Changing these mudflats to mangrove areas leads to a loss of their vital functions.
- 3) **Restoration Challenge**- Mangrove restoration usually involves planting propagules, a method popular after the 2004 Indian Ocean Tsunami. However, these efforts face low survival rates and may not tackle the root causes of mangrove loss.
- 4) **Accommodation Space** -Mangroves need space to adjust to rising sea levels and accumulating sediments. In cities like Mumbai, where development encroaches on mangroves, the lack of this space can hinder their ability to adapt to climate change.
- 5) **Threats to Mangroves** -Mangroves are threatened by over-harvesting, pollution, land conversion, and development.
- 6) **Impact of Climate Change** -Climate change affects mangroves with rising sea levels, higher temperatures,

and more frequent storms. While warmer temperatures could promote growth, increased storms and sea level rise are major challenges.

Read More- [Coral Bleaching](#)

What should be the way forward?

- 1) Broadening Policy Targets:** Policy should focus on overall coastal ecosystem health, not just expanding mangrove cover. Mangroves are interconnected with mudflats, lagoons, and other ecosystems, so preserving these areas and supporting coastal communities is more meaningful.
- 2) Incorporating Climate Risks** -Managing mangroves and coastal ecosystems must address climate risks and include adaptation strategies. Climate models should be designed as per local hydrological and ecological conditions.
- 3) Expanding Restoration Tools** - Mangrove restoration should expand to include hydrological and sediment restoration, along with combined grey-green solutions.
- 4) Integrating Sector Plans**- Sector plans for water, disaster management, fisheries, and tourism must consider the needs of mangroves and coastal ecosystems.
- 5) Assessing Ecosystem Values:** Coastal resilience should be based on understanding the value of ecosystems and involve everyone in society. The new National Coastal Mission may lead to these changes.

Proposed amendments to India's Air Rules, 1982

Context: The article discusses proposed amendments to India's Air (Prevention and Control of Pollution) Rules, 1982, aimed at reducing air pollution. These changes will increase operational costs and oversight for industries, involve public feedback, and replace imprisonment with penalties for violations.

For detailed information on **AIR (Prevention and Control of Pollution) ACT, 1981** [read this article here](#)

What are the Proposed Changes to Air Pollution Rules?

1. The MoEFCC is introducing a **new chapter on adjudicating officers to grant quasi-judicial powers to bureaucrats** in state and central government's environment and pollution control departments.
2. This new chapter outlines conditions for their appointment, procedures for conducting inquiries, issuing penalties, and the factors to consider before imposing penalties.
3. Amendments under the Jan Vishwas (Amendment and Provisions) Act affect multiple laws, including the Air (Prevention and Control of Pollution) Act, Environment (Protection) Act, and Public Liability Insurance Act.
4. The changes include new sections like Section 39A and Section 16 of the EP Act, which did not exist before.
5. Section 53 of the Air Act is amended to detail the process for holding inquiries and imposing penalties by adjudicating officers.
6. Imprisonment for first-time violations will be replaced with monetary penalties to ease business operations.
7. Violators will face fines of Rs 10,000 and additional daily fines up to Rs 5,000 for continuous violations.
8. If penalties are not paid within 90 days, violators may face fines up to twice the penalty amount or imprisonment of up to three years.
9. Adjudicating officers will direct state pollution control boards or committees to initiate criminal

proceedings if penalties remain unpaid.

10. Penalty amounts will be credited to the central government's Environmental Protection Fund.

How Will These Changes Affect Businesses?

1. Stricter oversight will be imposed, leading to higher compliance costs, especially for smaller companies. For example, businesses found violating the rules will face fines of Rs 10,000, with additional daily fines of Rs 5,000 for ongoing violations.
2. Imprisonment will be replaced by monetary penalties, aiming to ease business operations but still adding financial burdens.
3. Companies must also adhere to enhanced disclosure requirements for the Environmental Protection Fund.
4. The need for strict adherence to these new rules may affect the profitability of businesses as they adjust to the new regulations.
5. Experts believe these changes, while costly, will create robust deterrents against pollution and benefit long-term environmental goals.

How Can the Public Contribute?

1. The government has made these proposed amendments available in the public domain and is inviting comments and feedback from the public and interested parties.
2. Individuals can submit their objections or suggestions regarding the draft notification within 60 days from its issue date of July 24.

Problems with the Extended Producer Responsibility (EPR) system

Context: The article discusses India's plastic waste issue, highlighting that only a quarter of the 4 million tonnes generated annually is recycled. Problems with the Extended Producer Responsibility (EPR) system, including fraudulent certificates and hacking, have led to an audit and system overhaul by the CPCB.

For detailed information on **the global plastics problem** [read this article here](#)

How does the Extended Producer Responsibility (EPR) system work?

1. The Extended Producer Responsibility (EPR) system mandates that packagers, importers, and large industrial users of plastic packaging collect and recycle plastic waste.
2. These entities must register with the Central Pollution Control Board (CPCB).
3. Recyclers collect and recycle plastic waste, issuing certificates for each tonne recycled.

For detailed **information on Plastic ban in India** [read this article here](#)

What issues have arisen with the EPR system?

1. In 2022-23, the Central Pollution Control Board (CPCB) estimated 3.7 million tonnes of recycling certificates were generated.
2. Approximately 600,000 of these certificates were fraudulent.
3. Hackers stole and sold thousands of certificates, causing significant issues.

What actions has the CPCB taken in response?

1. The CPCB commissioned an audit of nearly 800 firms, representing almost a fourth of the 2,300 2. registered recyclers.
3. This audit was aimed at identifying and addressing fraudulent activities within the EPR system.
4. The CPCB overhauled the security features of the EPR trading platform to prevent further fraud.
5. This security overhaul delayed the process of filing returns for 2023-24 by several months.
6. The CPCB aims to resolve these issues, considering them “teething problems” associated with implementing a large-scale electronic system

Subject: Internal Security

Topic- Challenges to Internal Security through Communication Networks, Role of Media and Social Networking Sites in Internal Security Challenges, Basics of Cyber Security; Money-Laundering and its prevention.

Global IT Outages

Context- The flawed security update outage recently led to losses totaling tens of billions of dollars, affecting banks, hospitals, airlines, ports, stock exchanges, and numerous other businesses. The outage was caused by a flawed security update pushed out by cybersecurity provider CrowdStrike. This update was automatically installed on many Windows computers, especially those linked to Microsoft Cloud (Azure).

What are the issues highlighted by this incident?

- 1) **Cyber Emergencies-** This incident acts as a “Dry Run” for future cyber-attacks. It highlights the importance of improved contingency planning to minimize the impact of such disasters or cyber threats going forward.
- 2) **Vulnerabilities of Operating System Monoculture** -Windows' widespread adoption in corporate settings offers standardization benefits but increases vulnerability on a scale. It highlighted the risks of operating system monoculture and the concentration of market share in Cloud and cybersecurity services. These factors make large organizations attractive targets for cyber-attacks.
- 3) **Limited User Control Over OS Updates** -Office computers and laptops restrict users from making OS changes, as updates are automatically pushed out by IT departments. Even users who are knowledgeable about these updates couldn't prevent the flawed one from being installed.

What should be the way forward?

- 1) **Enhancing IT Resilience-** The Crowdstrike incident could motivate global companies to enhance their IT system resilience and disaster-recovery protocols. They should reconsider their reliance on single-platform solutions and implement safeguards against future disruptions.
- 2) **Enhanced Disaster-Recovery Practices** -Insurance companies impacted by the financial losses should advocate for reviews of disaster-recovery practices among their clients.

3) **Optimizing Update Rollouts**- Phased rollouts of updates could help catch bugs before widespread implementation.

Google's cybersecurity capabilities, especially after Microsoft's Azure outage

Context: The article discusses a major outage in Microsoft's Azure due to a cybersecurity issue, highlighting the importance of cybersecurity. Google plans to acquire Wiz, a cybersecurity startup, for \$26 billion to enhance its cloud services. This move faces antitrust scrutiny due to Google's market dominance.

For detailed information on **Microsoft Update Flaw Causes Global Disruption** [read this article](#) [hear](#)

Why is Cybersecurity Important?

- 1. Impact of Failures:** Microsoft's Azure outage, due to a cybersecurity issue, halted operations for airlines, media houses, and banks globally, including in India.
- 2. Global Dependency:** Many sectors rely heavily on secure and stable technology infrastructure.
- 3. Frequent Breaches:** Almost 85% of the world's largest organizations report at least one major breach annually, with over 50% reporting more than two.

What is Google Planning?

- 1. Acquisition of Wiz:** Google plans to acquire Wiz, a cybersecurity startup, for about \$26 billion to strengthen its cloud services.
- 2. Enhancing Cybersecurity:** This move aims to improve Google's cybersecurity capabilities, especially after Microsoft's Azure outage highlighted the importance of robust cyber defense.
- 3. Competitive Edge:** Google Cloud, led by Thomas Kurian, lags behind Amazon and Microsoft. Acquiring Wiz could help it compete more effectively.
- 4. Antitrust Scrutiny:** The acquisition faces regulatory scrutiny from bodies like the US Federal Trade Commission and the European Commission, due to Google's dominant market position.

What Strategies Does Google Use?

- 1. Strategic Planning:** Google combines strategic planning with regulatory compliance, ensuring its acquisitions align with its long-term goals.
- 2. Early Engagement:** Google engages proactively with regulators before deals are publicly announced, addressing potential concerns early on.
- 3. Public Vision:** Google shares its vision for acquisitions, emphasizing benefits to innovation and user experience. This approach helps generate trust and mitigate backlash.
- 4. Concessions:** Google agrees to concessions to gain approval, like not using Fitbit's health data for advertising during its 2021 acquisition.
- 5. Data and AI Integration:** Google enhances its products by integrating data and AI from acquired companies, demonstrated by the DeepMind acquisition in 2015.
- 6. Complementary Targets:** Google targets companies that complement its operations, such as YouTube and Android, which have become market leaders and spurred innovation.
- 7. Regulatory Filings:** Google meticulously prepares regulatory filings for its acquisitions to ensure compliance with antitrust laws.

What Are the Antitrust Concerns?

- 1. Regulatory Scrutiny:** Google's acquisition of Wiz faces scrutiny from the US Federal Trade Commission, Department of Justice, and the European Commission. The regulatory environment varies by region. The EU has strict antitrust rules, while the US is becoming more stringent.
- 2. Market Dominance:** Google's dominance in search, online advertising, and mobile operating systems raises concerns about stifling competition.
- 3. Past Issues:** Google has faced fines from the EU for anti-competitive practices in Android and search operations.
- 4. Data Privacy:** Acquisitions involving valuable data, like Fitbit, raise concerns about data privacy and market dominance.
- 5. Consumer Impact:** Regulators worry mergers might harm consumers by reducing competition, raising prices, or limiting innovation, as seen in the DoubleClick buy-out.

Topic- Security Challenges and their Management in Border Areas

Changes in India's National Security Council

Context: The article discusses recent changes in India's National Security Council, including the addition of a new Additional National Security Advisor (ANSA) and changes in how top security officials report to each other and the Prime Minister. It questions the roles and responsibilities of these positions and the impact of these changes.

For detailed information on **National Security Strategy of India** [read this article here](#)

What Changes Have Been Made to India's National Security Council?

- 1. New Appointments and Structure:** The National Security Council now includes an Additional National Security Advisor (ANSA) along with three deputy NSAs, expanding the leadership structure.
- 2. Change in NSA's Role:** The role of the National Security Advisor (NSA) has shifted to be more advisory rather than operational. The NSA now focuses on working with advisory bodies like the National Security Advisory Board and the Strategic Policy Group.
- 3. Reporting Relationships Altered:** The NSA, Chief of Defence Staff (CDS), and other key military and civil leaders are required to report both to the NSA and their respective ministers, complicating the chain of command and potentially leading to bureaucratic delays.
- 4. Introduction of Additional Bureaucratic Layer:** The ANSA now acts as a gatekeeper in communications between six mid-level unit heads (three deputy NSAs and three service officers) and the NSA, adding a new layer of bureaucracy.

What Are the Broader Implications?

- 1. Uncertainty in Role Definitions:** The lack of clear definitions for the roles and responsibilities of the NSA and other security officials could lead to inefficiencies in managing national security.
- 2. Potential for Turf Wars:** The restructuring might cause conflicts between different government departments, as seen in potential meetings convened by the NSA with the Cabinet Secretary and other top bureaucrats, potentially upsetting established hierarchies.

3. Speculation on Leadership Succession: The restructuring has prompted speculation about the future of the current NSA, Ajit Doval, and whether the new ANSA, Rajinder Khanna, will replace him. This uncertainty could impact strategic continuity and stability.

4. Influence on Security Briefings: With the new bureaucratic layer introduced by the ANSA acting as a gatekeeper in communication, there's uncertainty about whether the NSA or ANSA will handle the PM's daily security briefings, which affects the direct flow of information to the Prime Minister.

5. Hierarchical Discrepancies: Elevating the NSA to a cabinet rank while assigning the Chief of Defence Staff (CDS) the rank of a secretary reduces the CDS's influence in key security discussions, especially since the CDS is not a permanent member of the cabinet committee on security.

6. Impact on Defence Strategy: By not having the CDS report directly to the Prime Minister, there may be delays and inefficiencies in addressing urgent defense modernization needs and strategic planning in response to regional security challenges.

Implication of Chinese stealth fighters for India

Context- A recent satellite image showed China's J20 Mighty Dragon stealth fighters and J10 Vigorous Dragon fighters at Tibet's Shigatse air base. This has led to discussions and comparisons with India's 4.5 generation Rafale fighters.

The IAF's core fleet of fourth-generation fighters like Su30s, MiG29s, and Mirage 2000s, plus two squadrons of 4.5 generation Rafale fighters, gives it an advantage that China is striving to neutralize. The article stresses the importance of India maintaining its air power advantage to strengthen its military capability and deterrence.

What are the challenges with India's air defense capabilities?

- 1) **Slow Response**-The IAF's combat air power is declining, but the government's response to address this critical issue has been slow.
- 2) **Insufficient Air Power** -India has a large hostile borders and extensive sovereign airspace. Hence, two squadrons of 4.5 generation Rafales are inadequate to meet both current and future security requirements.
- 3) **AMCA vs China's Sixth-Gen Fighters** -India's delayed fifth-generation fighter, the Advanced Medium Combat Aircraft (AMCA), won't be operational for another decade. By this time, China would have developed its sixth-generation fighters.
- 4) **Obsolescence Risk** -Upgraded MiG29, Mirage 2000, and Jaguar fleets will become obsolete before the AMCA is ready. This will further deplete India's high-end platform inventory.
- 5) **Delayed Induction of Tejas and AMCA** -By the time Tejas Mk 1A, Mk 2, and AMCA are fully operational, China could irreversibly alter the air power and military balance in the region in its favor.

Read More- [Indigenisation of Defence Sector](#)

What are its Strategic Implications for India?

- 1) **China's Growing Airborne Capabilities**- The deployment includes various types of aircraft and a KJ 500 early warning aircraft. This demonstrates China's growing ability to carry out extensive and intricate missions across significant distances.
- 3) **Buffer Zones**-Creation of buffer zones in disputed areas could set a precedent for aerial buffer zones. This could strategically restrict Indian Air Force (IAF) presence and operations in the region.
- 4) **No Fly Zone**-Forward airstrips and sovereign air spaces over disputed areas may become "no-fly zones" for Indian aircraft. This can impact intelligence, surveillance, reconnaissance, and logistics operations.

What should be the way forward?

1) There is an urgent need to fulfill the Multi-Role Fighter Aircraft (MRFA) requirement to strengthen the inventory of 4.5-generation fighters.

2) India should consider bilateral partnership with France for additional jointly produced Rafales in India. This will ensure-

A) It ensures steady and stable induction from a reliable partner.

B) The partnership ensures greater platform commonality and future upgrades for platforms and weapons.

C) It includes technology transfer access for future 4.5 generation-plus variants and engine development for the Advanced Medium Combat Aircraft (AMCA).

D) This partnership helps balance the inventory and reduces dependence on Russia.

E) It prevents reliance on a volatile US military industry and promotes indigenous defense production.

Key areas for enhancing India's internal security

Context: The article discusses the need for a comprehensive plan to enhance India's internal security over the next five years. It highlights nine key areas requiring attention, including national security doctrine, internal security ministry, and issues in regions like Jammu and Kashmir and the Northeast, among others.

For detailed information on **Need for a National Security Doctrine for India** [read this article here](#)

What are the key areas for enhancing India's internal security?

To enhance India's internal security, the following key areas need attention:

- 1. National Security Doctrine (NSD):** Establishing an NSD to systematically define and address security challenges is crucial. Previous attempts to finalize drafts have not been successful.
- 2. Internal Security Ministry:** A separate ministry for internal security is proposed to handle urgent matters efficiently, improving response times and focus.
- 3. Jammu and Kashmir:** Despite a 66% reduction in terror incidents since the abrogation of Article 370, security challenges persist. Steps to reorganize the security setup and restore statehood are needed.
- 4. Northeast Region:** Issues like ethnic conflicts and demands for separate flags and constitutions by rebel groups continue. The government should enforce agreements and manage conflicts effectively.
- 5. Naxalite Problem:** There has been a 73% decline in violence from a peak in 2010. Initiating peace talks and addressing grievances could further reduce conflict.
- 6. Intelligence Bureau and CBI:** The Intelligence Bureau and the CBI need restructuring to ensure they function without bias and with adequate legal and infrastructural support. There is a need to give the IB a statutory basis and to strengthen the CBI's legal mandate and resources.
- 7. State Police:** Transform the state police from a "Ruler's Police" to a "People's Police," emphasizing community engagement and modern policing standards, similar to the reforms introduced by Robert Peel in Britain. It is essential for gaining public trust and effectiveness.
- 8. Central Armed Police Forces (CAPFs):** The CAPFs face issues such as unplanned expansion and inadequate training. A high-powered commission is needed to address these long-term problems and improve the functioning of these forces.
- 9. Technology in Policing:** Implementing advanced technological solutions can enhance policing capabilities and address new challenges effectively.

Way forward -A nation's global strength is directly linked to its internal unity and its capacity to resolve internal conflicts, thereby preventing any breeding ground for terrorism or extremism. The country's internal security situation would significantly improve if proactive and visionary measures are implemented as outlined above.

India's Response to the Kargil War

Context: The article discusses the Kargil War between India and Pakistan in 1999. It examines the tactical, strategic, and diplomatic aspects of the conflict, highlighting India's military and diplomatic responses, Pakistan's initial tactics, and the international reactions. The piece also reviews the post-war improvements in India's defense management highlighted by the Kargil Review Committee.

For detailed information on **National Security Strategy of India** [read this article here](#)

What Was the Kargil Conflict?

1. The Kargil War occurred between India and Pakistan in 1999, specifically from May to July, spanning 74 days.
2. It was fought in the Kargil sector of the Line of Control (LoC), the established border area in Kashmir.
3. This conflict resulted in significant casualties, with over 500 soldiers killed from each side.
4. The war was marked by Pakistan's attempt to cut off Indian military supply lines by seizing control of strategic points along the Srinagar-Kargil-Leh road. This was intended to demonstrate Pakistan's nuclear deterrent capability and force India to accept a new status quo without escalating to full-scale war.
5. The conflict underscored the volatile geopolitical tensions and the nuclear capabilities of both nations.

How Did India Respond?

1. India first proved Pakistan's violation of the 1972 Shimla Agreement using intercepted calls between Pakistani generals.
2. India used a "graduated response" strategy, starting with artillery bombardment to weaken enemy positions.
3. The Indian Air Force bombed forward Pakistani positions and the logistic node of Muntho Dalo, cutting off supplies. Attack helicopters and glide bombs were used to support ground troops.
4. India's military showcased effective tri-service operations without a formal tri-service doctrine.

What Was the International Reaction?

U.S. President Bill Clinton pressured Pakistan's Prime Minister Nawaz Sharif. Clinton urged Sharif to withdraw troops north of the LoC. By the end of July 1999, the previous status was restored.

What Were the Post-War Changes in India?

Establishment of the Kargil Review Committee (KRC): India established the KRC to analyze its defense needs and shortcomings, marking the first serious assessment since independence.

Findings and Improvements: The KRC identified significant gaps in India's security management, originally designed by Lord Ismay and recommended by Lord Mountbatten.

Creation of 14 Corps: Based on the KRC's recommendations, India formed the 14 Corps specifically to

manage the defense of Ladakh, separating it from the responsibilities of 15 Corps, which previously handled both Kashmir and Ladakh. This change aimed to enhance command efficiency in these strategic regions.

Commemoration of 25th Anniversary of Kargil War

Context- On July 26, the 25th anniversary of the Kargil War, Prime Minister honored the heroes who showed immense bravery despite the challenging Himalayan terrain. PM Highlighted that India not only won the war but also demonstrated "truth, restraint and strength."

What are the distinctive facets of Kargil War?

- 1) **First Post-Cold War Conflict** -In the post-Cold War era, this was the first time two neighboring nuclear states fought a limited but intense war over territory.
- 2) **Nuclear Restraint**-Both sides displayed nuclear restraint and avoided a destructive escalation.
- 3) **Strategic Decision**- Prime Minister Atal Bihari Vajpayee's decision to remove intruders without crossing the Line of Control reassured the global community of India's limited military objective.
- 4) **Media Impact**- This was India's first televised war, boosting public awareness and nationalism. Captain Vikram Batra's "Yeh Dil Mange More" became a memorable rallying cry.

What are major omissions and inadequacies of Kargil War?

- 1) **Inter-Service Cooperation**-There was a lack of inter-service cooperation, especially between the Army and the Air Force.
- 2) **Intelligence Failure**: - The covert intrusion by Pakistani troops is attributed to insufficient timely intelligence. Some sources blame the RAW (Research and Analysis Wing) for the failure.

What are the Post-Kargil Reforms undertaken by the then government?

- 1) **Kargil Review Committee (KRC)**- Established on July 29, 1999, it submitted its report by mid-December 1999.
- 2) **Group of Ministers (GoM)**- Formed on April 17, 2000, to review the national security system. It established four Task Forces to focus on intelligence, internal security, border management, and defense management.
- 3) **Task Forces (TFs)**- Led by external experts from outside the government, it submitted its findings by September 2000. The reports were presented to Parliament and made available to the public in redacted versions.

Read More- [National Security Strategy of India](#)

What were the Challenges in Implementation?

- 1) **Incomplete Implementation**- The Vajpayee government's focus shifted due to other major events, such as 9/11 and the December 2000 Parliament attack. This left the implementation of the GOM TF recommendations unfinished.
- 2) **Subsequent Security Lapses**- Just a decade after the Kargil War, India faced terror attacks again: in Mumbai in November 2008 and in Galwan in June 2020.

What should be the way forward?

- 1) There is a need to learn from the Kargil War, implement broad national security reforms, and avoid politicizing security issues.

2) The current government should build on the foundations set by the previous administrations by focusing on transparency, parliamentary discussions, and a non-partisan approach to national security.

Challenges in Reducing Tensions in the J&K Region

Context: The articles discuss recent terrorist attacks in Jammu and Kashmir, attributing them to Pakistan-sponsored groups. They mention India's security challenges and diplomatic efforts to address this ongoing conflict, amidst changing regional dynamics and internal pressures within Pakistan. For detailed information on **The Challenge of Cross-border Terrorism in India** [read this article here](#)

How Severe Is the Terrorism Threat in the J&K Region?

- 1. Recent Attacks:** In the last two days, seven security personnel were killed, following four attacks in June. These include an ambush in Badnora village, killing five army personnel.
- 2. Continued Sponsorship:** Despite international scrutiny, Pakistan continues to support terrorist groups operating in Jammu and Kashmir.
- 3. Evolving Threats:** New terror groups and strategies, such as targeting the Rajouri-Poonch area, show an adaptation in terrorist operations, increasing the complexity of the threat.

Why is Pakistan Focusing on Jammu?

- 1. Terrain Advantage:** Jammu's challenging terrain, including jungles, heights, and rocky grounds like Pir Panjal and Kishtwar ranges, offers natural hideouts for terrorists.
- 2. Proximity to Borders:** Jammu is close to the Line of Control (LoC) and the international border, making it easier for terrorists to infiltrate and escape back after operations.
- 3. Maintaining Relevance:** Post the abrogation of Article 370 in August 2019, focusing on Jammu helps Pakistan re-establish its influence in the region.
- 4. Disturbing Elections:** By targeting Jammu, Pakistan aims to disrupt the upcoming assembly elections, attempting to destabilize the region and challenge India's governance.

How Has the Situation Affected Perceptions?

- 1. Shattered Complacency:** Recent terror attacks have disrupted the previous perception of Pakistan's restraint, particularly among India's strategic community. This reflects a shift in the perceived effectiveness of past peace initiatives and muscular policies.
- 2. Misjudged Stability:** The belief that revoking J&K's special status had largely contained the Pakistan problem is challenged by continued attacks. This indicates that major policy moves have not resolved the underlying issues.

What Are the Challenges in Reducing Tensions in J&K Region?

- 1. Persistent Terrorism:** Despite international scrutiny and India's strong security measures, Pakistan-sponsored terrorism continues unabated, as evidenced by recent fatal attacks on security forces.
- 2. Diplomatic Limitations:** The slogan "terror and talks cannot go together" has become a public and political mantra in India, reducing the government's flexibility in pursuing diplomatic talks with Pakistan.
- 3. Pakistan's Internal Politics:** Political turmoil and military dominance in Pakistan complicate any potential diplomatic engagement. The stand taken by former Prime Minister Imran Khan against trading with

India adds to the challenges.

4. Reduced Local Intelligence: The redeployment of troops to the Eastern Ladakh border following the 2020 standoff with China has led to a significant gap in local intelligence in Jammu and Kashmir, affecting the effectiveness of security operations and increasing vulnerability to terrorist tactics.

What Are the Implications for Security?

1. Increased Security Risks: Recent terror attacks, including the ambush in Badnota village that killed five army personnel, highlight increased security risks for forces operating in Jammu and Kashmir.

2. Strained Resources: The redeployment of a large number of troops to the Eastern Ladakh border has created a vacuum in local security, reducing the effectiveness of intelligence and response capabilities in Jammu and Kashmir.

3. Adaptive Terror Tactics: Terrorists are utilizing modern technology and shifting focus to less guarded regions like Rajouri-Poonch, complicating security operations.

What Should India Do Next?

71. Enhance Security Protocols: India should tighten security measures, especially in vulnerable areas like Rajouri-Poonch, where recent shifts in terrorist activities have been noted.

2. Diplomatic Engagement: Despite the challenges, India should seek diplomatic avenues to reduce tensions, possibly resuming quiet talks that have sporadically occurred.

3. Counter-Terrorism Strategies: Strengthen counter-terrorism tactics, including the use of advanced technology to bridge the intelligence gaps caused by troop redeployments to other regions.

4. International Pressure: Continue efforts to isolate Pakistan internationally, focusing on its role in sponsoring terrorism, while addressing anti-India rhetoric effectively at global forums.

5. Conduct Elections: Holding Lok Sabha and assembly elections in J&K showcases India's commitment to democracy, even under threat. Previous successful elections in 1996 and 2002 during high-threat periods serve as precedents.

6. Indian Media: The media is advised to maintain patience and not pressure the government or the military, recognizing that counter-proxy warfare is a long-term commitment with inevitable ups and downs.

7. Local Authorities and Police: Coordination between the army and J&K Police is crucial for effective ground operations and intelligence sharing.

Principles to make the National Security Advisor (NSA) more effective

Context: The article discusses principles to improve India's national security management. It emphasizes the importance of the National Security Advisor (NSA) having the prime minister's trust and being advisory without operational duties, and the need for clear roles and structures.

For detailed information on **National Security Strategy of India** [read this article here](#)

What principles should be followed to make the National Security Advisor (NSA) more effective?

1. Prime Minister's Trust: The NSA must have the trust of the prime minister, as this role is crucial and requires high competence. The prime minister should have the freedom to choose the NSA based on ideological and political considerations if deemed necessary.

2. Advisory Role: The NSA should strictly be an advisor without operational or command responsibilities.

This separation ensures that operational tasks are executed by dedicated agencies, such as intelligence or security forces, which are designed for such roles. This principle helps avoid the misuse of the NSA position as a shortcut for operational commands.

3. Flexible Ranking: The rank of the NSA should not be fixed; it has varied from cabinet rank to minister-of-state and principal secretary in different administrations. This flexibility allows the prime minister to assign a rank that fits the strategic needs of the time.

4. Open Eligibility: The position should be open to capable individuals from diverse backgrounds, including those outside the traditional civil service paths. This inclusivity has historically enabled individuals from various services like the IAS, IFS, and IPS to bring a wide range of experiences to the role.

5. Direct Reporting and Briefings: The NSA should conduct daily security briefings for the prime minister and maintain direct access along with other key security leaders like the CDS and service chiefs. This direct line of communication ensures that the prime minister is well-informed and can make timely decisions, highlighted by past events like the 26/11 Mumbai attacks, which underscored the need for clear and direct communication channels during crises

Subject: Disaster Management

Topic- Disaster and disaster management

Issues with Government Response to Forest fire

Context: The article discusses the devastating forest fires in Uttarakhand's Binsar forest. It highlights the problems caused by uncoordinated government efforts, inadequate resources, and poor infrastructure. It also suggests that involving and incentivizing local villagers could improve forest fire management.

For detailed information on **Forest fire in India** read [Article1](#), [Article2](#)

Why Are Forest Fires Increasing?

1. Increase in Frequency and Severity: In the first half of this year, Uttarakhand reported 1,309 forest fires, a significant increase from 241 in the same period last year.

2. Climatic Factors: The temperature exceeded 30 degrees Celsius for the first time in the Binsar Forest region of Uttarakhand. This increase in temperature intensified the risk of forest fires, as chir pine leaves, which are highly flammable, contribute significantly to the spread of fires.

3. Human Factors: Carelessness with cigarette butts and mismanaged controlled burns exacerbate the situation. Additionally, there are reports of deliberate arson by villagers frustrated with restricted economic opportunities due to sanctuary policies.

What Are the Issues with Government Response to Forest fire?

1. Lack of Coordination: Different government agencies struggled to work together effectively.

2. Inadequate Resources: Firefighters lacked proper equipment, like fire-resistant clothing and oxygen masks. Most were untrained volunteers.

3. Poor Infrastructure: Bad roads prevented fire engines and ambulances from reaching the fire.

4. Local Involvement: Villagers, who used to help fight fires, are now less motivated due to lack of incentives.

How Can Future Fires Be Managed Better?

- 1. Improved Coordination:** Better leadership is needed to manage different agencies.
- 2. Better Resources:** The government should provide modern equipment and training for firefighters.
- 3. Infrastructure Improvement:** Roads should be maintained to allow access during emergencies.
- 4. Involving Villagers:** Incentives for villagers to help fight fires should be reintroduced, using their local expertise.

Issues with safety inspections in industrial areas in India

Context: The article highlights Maharashtra's ineffective safety inspections in industrial areas, leading to repeated accidents, including notable incidents in 2016, 2018, 2020, and 2023. It advocates for reforms aligned with international safety standards. A significant explosion in Dombivli in May 2024 caused multiple fatalities and injuries, underscoring the urgency for change.

What are the issues with safety inspections in industrial areas in India?

- 1. Low Inspection Rates:** Across India, only 14.65% of registered factories and 26.02% of hazardous factories were inspected in 2021. This low nationwide rate reflects systemic issues in industrial safety oversight. This issue is widespread, with Maharashtra, Tamil Nadu, and Gujarat showing even lower rates than the all-India average.
- 2. Inspector Shortages:** The shortage of inspectors exacerbates the problem. For instance, Maharashtra had only 48 out of 122 sanctioned inspectors appointed in 2021, resulting in each inspector being responsible for inspecting 818 factories annually.
- 3. Corruption and Bribery:** There are reports of informal agreements between inspectors and factory owners, leading to compromised safety inspections. The president of the Maharashtra Industry Development Association admitted that inspections were often done on an "understanding" basis.
- 4. Ineffective Enforcement:** The prosecution rates are low, with Maharashtra at about 14% in 2021, reducing the deterrent effect of inspections. This contributes to repeated safety violations and accidents.

What should be done?

- 1. Implement ILO Standards:** Follow International Labour Organization standards for inspections, including unannounced visits and sufficient staffing. This will enhance safety compliance.
- 2. Penalize Non-Compliance:** Impose penalties on both companies and state officials for safety lapses. This will ensure accountability and prevent negligence.
- 3. Tackle Corruption:** Address corruption by ensuring inspections are genuine and free from bribery. Reports of "understanding" between inspectors and factory owners must be eliminated for effective safety measures.

Why is Assam Prone to Flooding

Context: The article discusses how Assam, despite repeated floods and significant damage, has failed to effectively manage its flood situation. It highlights the geographical challenges, outdated flood control methods, and lack of modern infrastructure to predict and mitigate flooding. The text criticizes both state and central governments for inadequate response and planning.

For detailed information on **Floods in India** [read this article here](#)

Why is Assam Prone to Flooding?

1. Assam has over 120 rivers, many originating from extreme rainfall areas in Arunachal Pradesh, Meghalaya, China, and Bhutan.
2. The Brahmaputra River, one of the largest in the world, flows through Assam, contributing significantly to flooding.
3. The state's geography includes bowl-shaped lowlands like Guwahati, which are prone to waterlogging.
4. Historical flood control structures, built in the 1960s and 1970s, are outdated and not effective in current conditions.
5. Embankments and other flood control measures have not been adequately maintained or updated.
6. The lack of modern weather stations and flood warning systems hampers effective disaster management.
7. Continuous construction projects have damaged natural water channels and marshes, worsening flood risks.

What should be done?

1. Implement the proposed flood mitigation projects announced by Chief Minister Himanta Biswa Sarma, which aim to secure the region from floods.
2. Modernize the flood warning systems by installing advanced weather stations and sirens, as suggested by a parliamentary panel in 2021.
3. Integrate indigenous knowledge to construct flood-resistant housing and infrastructure.
4. Conduct regular dredging of rivers to manage sediment and improve flow.
5. Arrest soil erosion along riverbanks to stabilize landscapes and reduce sediment load in rivers.
6. Enhance collaboration between state and central governments to ensure resources and efforts are adequately directed toward sustainable flood management solutions.

Reasons and solutions for floods in the National Capital Region (NCR) of India

Context: The article discusses the recurring issue of flash floods in the National Capital Region (NCR) of India. It traces the problem back to historical flood patterns and modern urban development, suggesting long-term solutions to manage and mitigate flooding, rather than completely preventing it.

For detailed information on **Urban Flooding in India** [read this article here](#)

What are the reasons for floods in the National Capital Region (NCR) of India?

1. Historical Patterns: Traditionally, the Indo-Gangetic floodplain, where the NCR is located, experienced quick floods that receded fast, enhancing soil fertility.

- 2. Developmental Changes:** Early public works during British rule, like building canals and railways with embankments, disrupted natural drainage patterns.
- 3. Urbanization:** Rapid city expansion has led to increased waterlogging, exacerbated by blocked drainage and inadequate infrastructure.
- 4. Geographical Features:** The NCR's location on a flat floodplain far from the sea limits natural water drainage options.
- 5. Climate Factors:** Excessive rainfall quickly saturates the ground and phreatic water table, leading to overflow since the extra water cannot be absorbed or drained away efficiently.

What are the Long-Term Solutions for It?

- 1. Upstream Reservoirs:** Building reservoirs in the hills to regulate river flow and mitigate downstream flooding.
- 2. Enhancing Water Storage:** Increasing the area and capacity of ponds, wells, lakes, and other water-harvesting structures to hold excess water during the monsoon.
- 3. Reducing Impervious Surfaces:** Minimizing concrete and asphalt cover in urban areas to enhance the natural recharge of sub-surface water.
- 4. Improving Drainage Systems:** Clearing and maintaining natural drainage paths and designing urban infrastructure to prevent water accumulation in low-lying areas.
- 5. Regular Maintenance:** Ensuring that drainage systems are free of obstructions to maintain efficient water flow.

Impact of Extreme Heat on Women in India

Context-The article highlights the disproportionate impact of rising heat wave on women. Women are more adversely affected by extreme heat due to unequal power dynamics, gender norms, and limited access to resources. India ranks 18th from the bottom on the Global Gender Gap Index, highlighting these disparities.

What are the challenges faced by the women in the backdrop of rising heatwaves?

- 1) Informal Settlements and Housing-** Their homes trap heat due to materials like tin and asbestos. They also work in poorly ventilated kitchens, compounding the heat stress they experience.
- 2) Time Poverty and Care Burden-** Heat stress reduces productivity, forcing women in India to work longer hour an additional 90 minutes of care work daily due to heatwaves, as reported by Arsh-T-Rock's 'Scorching Divide.' Existing gender disparities mean women spend 2.5 times more time on unpaid work than men.
- 3) Lack of Cooling-**As per International Labour Organization ('Work in a Changing Climate'), urban female informal workers, like street vendors and construction workers, endure extreme weather in their jobs. Many lack cooling facilities, making them more vulnerable to heat. Further, water scarcity and power fluctuations worsen their ability to stay hydrated and comfortable.
- 4) Rural Women and Heat Stress -** Cooking with biomass on hot stoves poses health risks, as 56.8% (NFHS-5) of rural Indian families use this method. Women also endure longer working hours due to heat stress, and restrictive gender norms about mobility and clothing make these challenges even worse.
- 5) Agricultural and Economic Impacts-** Outdoor work, like MGNREGA, exposes women to intense heat. Prolonged heatwaves can reduce crop yields, increasing the risk of hunger and poverty.

Read More-[Heat Action Plan](#)

What are the Health Implications of heatwaves for Women?

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- 1) **Physiological Vulnerabilities**- Women are at greater risk due to their body fat and water content, which impact heat tolerance and hydration. Hormonal changes from menstrual cycles and pregnancy also affect their ability to regulate body temperature.
- 2) **Heat-Related Illnesses**- The incidence of heat-related diseases is increasing, including heat cramps, severe heat stroke, and hyperthermia.
- 3) **Maternal and Child Health**- There is a higher risk of preterm delivery, miscarriage, and stillbirths. This is specially worrying due to India's high maternal mortality rates.

What should be the way forward?

- A) Climate-friendly urban planning
- B) Development of and access to sustainable cooling technologies
- C) Fair division of care work
- D) Public provisioning of essential services
- E) Implement adaptation and resilience strategies that consider gender-specific needs and vulnerabilities.

Parametric Insurance

Context: The article discusses the need for parametric insurance to cover losses from extreme weather events. Parametric insurance provides payouts based on predefined weather conditions without physical damage assessment. This approach helps in quickly supporting affected populations and reducing financial burdens.

What is parametric insurance, and how is it different from indemnity-based insurance?

Parametric insurance makes payouts based on predefined weather conditions like rain levels or wind speeds, allowing quicker responses without physical damage assessment. For instance, Morocco received \$275 million after a 6.8 earthquake in 2023.

In contrast, **indemnity-based insurance** requires physical assessment to verify losses, which can be difficult in large-scale disasters, particularly for disadvantaged communities.

How is Parametric Insurance Used in India?

1. India uses parametric policies for crop insurance. Pradhan Mantri Fasal Bima Yojana verifies loss; the Weather Based Crop Insurance Scheme uses threshold limits.
2. **Nagaland:** Purchased parametric insurance for extreme rainfall in 2021, with the policy details based on weather data for precise locations.
3. **Kerala:** The Co-operative Milk Marketing Federation uses it for dairy farmers to cover heat stress.
4. **Non-profits and Micro-finance Institutions in India:** Implement daily payouts for workers affected by excessive heat.

How can parametric insurance be improved?

1. **Experience Sharing:** Governments should share lessons and strategies to refine parametric insurance models.
2. **Transparent Bidding:** Implement transparent bidding processes for premium rates to foster competition and lower costs.
3. **Retail Payout System:** Develop a widespread payout system, leveraging technology like India's Aadhaar-

based payment system for efficient distribution.

4. Encourage Household Premiums: Motivate households, especially in poorer regions, to participate in premium payment schemes for long-term resilience.

Multi-dimensional Impact of Heat Stress

Context- According to the ILO study in 2019, heat stress is expected to decrease total global working hours by 2.2% and reduce global GDP by US\$2,400 billion by 2030. Agricultural and construction workers are predicted to be the most affected, accounting for 60% and 19% of the working hours lost due to heat stress in 2030, respectively.

The Asia-Pacific regions, including India, are set to experience significant GDP losses due to heat stress, with a projected 2.3% decrease by 2030. India's annual temperatures are rising steadily, and by 2030, an estimated 160-200 million people may face deadly heat waves each year.

What are the multi-dimensional impacts of heat wave?

- 1) **Physiological Effects-** The body needs to maintain a core temperature around 37°C for normal physiological functions (IPCC). Temperatures above 38°C can impair cognitive and physical abilities.
- 2) **Health Risks-** Main effects of heat exposure include heat stroke, heat cramps, cardiovascular disease, acute kidney injury, and physical injuries. Women working in heat-exposed sectors are at risk of pregnancy-related complications.
- 3) **Productivity Impact-** Excessive heat makes it difficult to work, reducing productivity. Workers may need to operate at a slower pace. For ex-a study in West Bengal shows 1°C temperature increase leads to 2% productivity decrease for female brickmaking workers
- 4) **Sustainable Development-** Heat stress is expected to hinder the achievement of various Sustainable Development Goals.
- 5) **Gender Disparities-** Heat stress can worsen gender inequalities in the workforce, especially impacting women engaged in subsistence agriculture.
- 6) **Food Security-** Reduced working hours for small-scale and subsistence farmers could harm household food security.

What should be the way forward?

- 1) **'Preparation of Action Plan – Prevention and Management of Heat Wave'**- These guidelines assist officials in creating heatwave action plans for urban and rural areas, emphasizing public education, hydration, work schedules management, and access to medical facilities.

Read More-[Heat Action Plans](#)

- 2) **International Labor Conference Recommendations** -Urgent measures are needed to ensure worker safety and health, focusing on both mental and physical well-being in safe working environments.
- 3) **Stakeholder Collaboration**-Governments, employers, and workers must implement protective measures for vulnerable individuals. This includes developing infrastructure and improving early warning systems for extreme weather events.
- 4) **Occupational Safety and Health**- There is a need to improve the implementation of international labor standards and ensure suitable working conditions for those affected by heat stress.
- 5) **Workplace Measures**- Adjust work hours, ensure regular breaks, provide access to drinking water, and offer training on recognizing and managing heat stress.

- 6) **Regulatory and Legislative Actions**-There is a need to implement measures for heat-sensitive occupations and enforce construction standards to protect indoor workers.
- 7) **Green Jobs**- Promote green employment as a solution to climate challenges, focusing on jobs that protect the environment while boosting economic and social well-being.

Urban Flooding and Building Safety

Context- A tragic accident at an IAS coaching center in New Delhi killed three students due to basement flooding. This incident highlights the growing issue of local urban flooding that is aggravated by human errors. As India urbanizes and land values rise, buildings are often used for different purposes than originally planned. In mixed-use buildings, basements are frequently turned into income sources. This can lead to unsafe practices. Basements have limited access and ventilation, making them prone to flooding. Water collects there first, creating hazards for occupants.

What are the regulations regarding usage of basement?

- 1) Rules prohibit using basements for living spaces, offices, or residences. However, they can be used for storage, parking, and utilities like electrical equipment and generators.
- 2) The Delhi Master Plan 2021 requires coaching centers to get approval from fire authorities and other relevant bodies before using basements.

What are the reasons behind this tragic incident?

- 1) **Permits and Notifications**- It's unclear if the IAS coaching Centre had the proper permits or notified authorities about basement changes. In India, people often avoid reporting such changes to bypass bureaucratic hassles and potential bribes.
- 2) **Issues with Civic Infrastructure**- The incident at the coaching centers reveals problems with inadequate infrastructure. A burst stormwater drain flooded the basement, highlighting a common issue in many cities where routine flooding is caused by poor land use and construction practices. For ex- in 2015, Chennai's inadequate infrastructure caused basement flooding that damaged electrical equipment and disrupted businesses.

What are the common flooding issues in Indian cities?

1. **Outdated Drainage Systems:** Many cities, including Delhi and Mumbai, have old drainage systems that cannot handle heavy rainfall. For example, parts of Delhi were submerged multiple times this year.
2. **Poor Urban Planning:** Urban planning often ignores local hydrology, worsening flood impacts. Cities like Pune and Mumbai have struggled with ineffective planning.
3. **Climate Change:** Climate change increases the intensity of extreme weather events. Cities like Mumbai and Pune experienced nearly 45% more rainfall than usual. This exacerbates flooding and damage in these cities.

Read More- [Urban Flooding in India-Causes, Impacts and Remedies](#)

What should be the way forward?

1) Flood-Resilient Building Design-

- A) Ensuring no water entry up to 1-1.5 meters above road level
- B) Using concrete, non-porous compound walls

C) Installing flood-barrier gates

D) Implementing non-return valves on plumbing lines.

2. Climate Action Plans: Mumbai and Pune have plans for climate adaptation. Mumbai's plan includes collaboration with industry, academia, and civil society, but implementation is slow.

3. Inconsistent Drain Improvement: Stormwater drain projects in cities like Mumbai and Pune have progressed unevenly, indicating a need for more consistent efforts.

4. Advanced Warning Systems: Buenos Aires uses 30,000 sensors in stormwater drains to issue early flood warnings, demonstrating a proactive approach that Indian cities could adopt.

