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100 years of UPSC

Source: The post **100 years of UPSC** has been created, based on the article “A 100-year journey as the guardian of meritocracy” published in “The Hindu” on **01st October 2025**.

UPSC Syllabus: GS-2- Appointment to various Constitutional Posts, Powers, Functions and Responsibilities of various Constitutional Bodies.

Context: The Union Public Service Commission (UPSC), established on **1st October 1926**, marks its centenary as an institution synonymous with fairness, transparency, and integrity in recruitment. For over a hundred years, it has safeguarded the principle of meritocracy, inspiring trust among millions of aspirants.

Historical Evolution

- It was conceived first under the **Government of India Act, 1919** and shaped by the **Lee Commission (1924)**.
- The Public Service Commission **evolved into the Federal PSC** under the **1935 Act**, and finally became the UPSC under the **Constitution of India (1950)**.
 - **Colonial beginnings (1926–1935):** The first Public Service Commission was set up **under Sir Ross Barker** with limited powers, functioning as an “experiment” in impartial recruitment.
 - **Federal stage (1935–1950):** The Government of India Act, 1935, expanded its scope, enabling a stronger role for Indians in administration.
 - **Constitutional status (1950 onwards):** **Article 315 established the UPSC as an independent constitutional body**, cementing its authority in recruitment, promotion, and disciplinary matters for All India and Central Services.

The Pillars of Trust, Integrity, and Fairness

UPSC's credibility stems from:

- **Transparency in procedure:** Anonymous evaluation, multiple-subject examination, linguistic inclusivity.
- **Integrity:** Insulation from political interference and external pressure.
- **Fairness:** Equal opportunity across urban–rural divides, social backgrounds, and linguistic diversity.

This framework ensures that the exam is regarded as India's true “**level playing field**” in an unequal society.

Reforms and Innovations

1. **Digital Portals for Applications: Digital Portals:** UPSC has fully moved from paper to online portals, making applications more accessible, transparent, and cost-efficient while easing administrative work.
2. **Face-Recognition Technology:** To prevent impersonation and exam fraud, UPSC uses biometric and face-recognition systems, ensuring only genuine candidates appear and safeguarding exam credibility.
3. **PRATIBHA Setu Initiative:** Recognising the talent of candidates who reach the interview stage but do not make it to the final list, UPSC launched **Professional Resource And Talent Integration Bridge for Hiring Aspirants (PRATIBHA Setu)**.
4. **Adoption of Artificial Intelligence and Digital Tools:** UPSC is experimenting with AI-enabled systems for exam logistics, data management, and screening processes. AI tools are being tested for administrative efficiency, malpractice detection, and quick resolution of grievances.

Challenges Ahead

1. **Technological Disruptions:** With the rapid rise of AI, big data, and digital surveillance technologies, UPSC faces the challenge of integrating innovation while safeguarding privacy.
2. **Global Competitiveness and New Skills:** As India integrates deeper into the global economy, civil servants are required to manage issues like climate diplomacy, cybersecurity, AI governance, and global trade negotiations.
3. **Maintaining Inclusivity Amidst Inequalities:** While digital reforms improve efficiency, they also risk excluding candidates from rural or economically weaker backgrounds who lack access to reliable internet, coaching, or technological tools.
4. **Balancing Confidentiality with Transparency:** UPSC's strength lies in the absolute confidentiality of question paper-setting and evaluation. However, the demand for greater transparency and accountability from aspirants is increasing.

Way Forward

1. **Continuous Digital Transformation:** Use AI, blockchain, and secure digital evaluation systems to enhance efficiency and curb malpractice.
2. **Inclusive Outreach:** Establish exam support centres in remote areas to bridge urban-rural divides.
3. **Curriculum Reforms:** Align optional subjects and general studies with emerging fields such as technology governance, climate change, and AI ethics.
4. **Capacity Building:** Provide regular training to evaluators, invigilators, and support staff to strengthen integrity at all stages.
5. **Diversified Assessment:** Explore innovative assessment formats that test analytical ability, ethics, and adaptability beyond rote learning.
6. **Global Benchmarking:** Collaborate with international testing institutions to maintain global standards in examination conduct.
7. **Transparency Enhancements:** Periodic public audit of processes to strengthen aspirant trust.

Question: Union Public Service Commission (UPSC) has stood as a guardian of meritocracy for a century. In light of this, critically examine how UPSC has ensured fairness and inclusivity in recruitment while adapting to contemporary challenges

The transformation of girls' education

Source: The post **The transformation of girls' education** has been created, based on the article "The transformation of girls' education" published in "The Hindu" on 01st October 2025.

UPSC Syllabus: GS-2- Issues Relating to Development and Management of Social Sector/Services relating to Health, Education, Human Resources.

Context: Girls' education is one of the strongest drivers of social change. As the saying goes, an educated girl becomes an educated mother, and that transforms society. In a country once marked by the bias of 'What will a girl do with education?', the last two decades have seen major progress.

Gujarat Model – The Beginning

1. **The Kanya Kelavani campaign was launched in 2003** to address female illiteracy and foeticide.

2. The campaign combined awareness drives, separate toilets for girls, incentives, and public mobilisation.
3. **Impact:** The campaign successfully resulted in:
 - a. The **increase in Female literacy in Gujarat** by 70% (against the national average of 64%).
 - b. **School dropout rates of girls reduced** by up to 90% in targeted districts.
4. This model showed that education could be converted from a scheme into a **public movement**.

Nationwide Expansion – Beti Bachao, Beti Padhao (2015)

1. Inspired by Gujarat's **Kanya Kelavani campaign** success, the **BBBP initiative** was launched with twin goals — **prevention of female foeticide and promotion of girls' education**.
2. It **involved the convergence of three ministries:** Women and Child Development, Health and Family Welfare, and Human Resource Development. Initially targeting 100 gender-critical districts, it later expanded nationwide.
3. **Impact:** The results were as follows:
 - a. **Sex ratio at birth improved** from 919 (2015-16) to 929 (2019-21)
 - b. **20 of 30 States/UTs now perform above the national average.**
 - c. India's **Total Fertility Rate dropped** to 2.0, below replacement level, closely linked to rising female education.
 - d. **Infant Mortality Rate for girls fell** from 49 (2014) to 33 (2020).
 - e. Surveys in Madhya Pradesh show **89.5% awareness of BBBP**, with **63.2% families encouraged to educate daughters.**
 - f. **Rising female presence** in health, education, STEM, entrepreneurship, and even defence services.

Challenges

1. **Low Labour Force Participation:** Female labour force participation remains low despite significant improvements in female literacy levels.
2. **Regional Disparities:** There are wide regional disparities in literacy rates and dropout levels among girls across different States and Union Territories.
3. **Uneven Quality of Education:** The quality of education in many schools is uneven, leading to poor learning outcomes even where enrolment is high.
4. **Persistent Social Norms:** Deep-rooted practices such as early marriage and a continuing preference for sons still hinder girls' access to sustained education.

Way Forward

1. **Infrastructure Expansion:** School infrastructure must be strengthened by expanding safe school buildings, girls' hostels, and reliable transport facilities to reduce dropouts.
2. **Skill & Digital Push:** A strong emphasis should be placed on vocational training, digital literacy, and STEM education so that girls are equipped with future-ready skills.
3. **Financial Incentives:** Financial support in the form of targeted scholarships, incentives for higher education, skill training, and entrepreneurship opportunities must be expanded.
4. **Community Participation:** Community-based campaigns should be intensified to discourage early marriage, break stereotypes, and create a positive environment for girls' education.
5. **Employment Linkage:** Girls' education needs to be closely aligned with employability by connecting it with industry demands and job opportunities to increase female workforce participation.

Conclusion: From *Kanya Kelavani* to *BBBP*, India has shifted from asking “*Why educate girls?*” to affirming “*Educate a girl, save a society.*” Leadership, policy convergence, and community mobilisation have driven this change. Sustaining momentum and addressing remaining gaps will ensure that today’s educated daughters become tomorrow’s empowered leaders and change-makers.

Question: Girls’ education is widely recognised as a catalyst for social and economic transformation. Examine the key challenges that continue to hinder progress, and suggest measures to ensure education translates into empowerment and workforce participation.

Statehood to Ladakh - Pros and Cons

Source: The post **Statehood to Ladakh - Pros and Cons** has been created, based on the article “**Should Ladakh get statehood?**” published in “**The Hindu**” on **03rd October 2025**.

UPSC Syllabus: GS-2- 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.

Context: Since the bifurcation of Jammu & Kashmir in 2019, Ladakh has been a Union Territory (UT) without a legislature. While this has given direct administrative control to the Centre, local groups such as the Leh Apex Body (LAB) and the Kargil Democratic Alliance (KDA) have been demanding **statehood** and inclusion under the **Sixth Schedule of the Constitution**.

Pros of Statehood for Ladakh

1. **Restoration of Democratic Voice:** Earlier, as part of J&K, Ladakh had representation in the Assembly and a voice in policymaking. As a UT, decisions are now taken by bureaucrats without local consent. Statehood would restore democratic representation.
2. **Constitutional Safeguards:** Statehood, along with Sixth Schedule status, would ensure protection for Ladakh’s tribal population (~3.5 lakh), land rights, and cultural heritage.
3. **Empowerment of Hill Councils:** Currently, Hill Councils are advisory bodies. With statehood, they would function with greater authority, reducing bureaucratic dominance.
4. **Protection of Jobs & Land:** Statehood would allow reservation policies and stronger guarantees for jobs, language rights, and protection from outside land acquisition.
5. **Addressing Alienation:** Since becoming a UT, Ladakhis feel disempowered and voiceless. Statehood would strengthen people’s trust in governance and democracy.
6. **Strategic Importance:** Ladakh is a sensitive border region with China and Pakistan. Greater self-governance would instill confidence in local people, crucial for national security.
7. **Institutional Development:** Statehood would bring institutions like a **State Public Service Commission**, ensuring transparent recruitment for locals instead of dependence on UPSC or central processes.
8. **Inclusive Decision-Making:** State government would be better positioned to balance interests of Leh and Kargil. It could provide an institutional forum for conflict resolution within Ladakh itself.

Cons of Statehood for Ladakh

1. **Population Size and Viability:** With just ~3 lakh people, Ladakh lacks the demographic and revenue base to sustain a state apparatus. Heavy reliance on central funding may worsen fiscal sustainability.

2. **Sixth Schedule as an Alternative:** Some experts argue that constitutional safeguards under the Sixth Schedule could protect Ladakh's tribal rights without full statehood.
3. **Statehood Not a Solution to All Problems:** Issues like unemployment, slow recruitment, language recognition, and lack of development may persist even after statehood unless deeper reforms are implemented.
4. **Strategic and Security Concerns:** Ladakh borders both Pakistan and China, including disputed areas like Aksai Chin. Centralised UT administration allows tighter security and direct coordination with armed forces; statehood may complicate this.
5. **Risk of Political Fragmentation:** Leh (largely Buddhist) and Kargil (largely Shia Muslim) have divergent aspirations. Statehood may sharpen identity politics and create governance deadlocks.
6. **Governance and Institutional Weakness:** There is a lack of institutional depth—no High Court, no Public Service Commission, limited bureaucracy. Risk of inefficiency and corruption if rushed into statehood without capacity-building.
7. **Ecological Fragility:** State government may push large-scale developmental projects for revenue, endangering Ladakh's delicate ecosystem. Risk of commercial exploitation of land and resources without strong conservation safeguards.
8. **Precedent for Other Regions:** Granting statehood to Ladakh may encourage similar demands from other small regions, straining the federal system.

Balanced approach

1. **Strengthen Ladakh's Local Institutions:** Empower the Ladakh Autonomous Hill Development Councils (LAHDCs) with greater legislative and financial powers.
2. **Constitutional Safeguards:** Extend Sixth Schedule-like protections for land, jobs, and culture to address fears of demographic and ecological changes.
3. **Gradual Empowerment:** Move step-by-step by strengthening autonomy before considering full statehood, balancing local aspirations with national security.
4. **Sustainable Development:** Prioritise small-scale, eco-sensitive, and community-driven projects over mega infrastructure that risks environmental damage.

Conclusion: The demand for statehood in Ladakh reflects a deeper quest for dignity, representation, and cultural preservation. However, given its geostrategic importance and fragile ecology, an immediate transition to full statehood may not be practical. A calibrated approach, such as strengthening democratic representation and safeguarding local rights within the Union Territory framework, offers a balanced way forward.

Question: The demand for statehood in Ladakh has intensified since the bifurcation of Jammu & Kashmir in 2019. Critically examine the pros and cons of granting statehood to Ladakh. In your view, what could be a balanced way forward?

The battlefield, change and the Indian armed forces

Introduction

Warfare is shifting fast. AI, drones, automation, and cheap precision weapons lower the cost of force but raise risk. India faces a two-front threat and pressure across land, sea, air, cyber, space, and the information domain. Structures, doctrine, technology, force composition, Professional Military Education (PME), and readiness are being reshaped. Past attempts at jointness gave limited results. Reforms must now move faster and at greater scale so that command, training and equipment match today's multi-domain wars.

Changing warfare

1. Multi-domain conflicts : Modern wars no longer unfold in a single arena. Battles are launched simultaneously across land, sea, air, cyberspace, outer space, and the information domain. This creates a complex web where events in one domain instantly shape outcomes in another. In such an environment, speed and real-time information become as decisive as firepower.

2. Shift towards non-contact combat: Warfare increasingly relies on the ability to strike without direct confrontation. Precision-guided munitions, long-range missiles, and drones allow militaries to impose pressure from a distance.

3. The growing role of autonomy, data, and code: Advances in quantum computing, artificial intelligence, and automated decision-support systems are reshaping the battlefield. Future wars may involve machine-versus-machine interactions, where algorithms detect, decide, and act faster than human operators.

4. Hybrid battles: Conflicts today are less likely to end quickly with negotiated settlements. They often become prolonged struggles that combine conventional military action with cyber operations, disinformation campaigns, and economic or diplomatic pressure. Such **hybrid wars** blur the line between wartime and peacetime..

Challenge faced by India in the changing warfare

1. Two-front pressure:China and Pakistan create simultaneous threat axes. **CPEC linkages** and a stronger Chinese presence in the **Indian Ocean** increase coordination risks and stretch deployments, logistics, and vigilance.

2. Dependence on Foreign Arms: India's position as the world's largest arms importer between 2018 and 2022 reflects its heavy reliance on foreign military technology.

3. Budget stress: India spends around 2% of its GDP on defence.

4. Skewed allocation:

- Of India's ₹6.8 trillion defence budget for 2025–26, only 26% is for capital expenditure. The rest covers routine costs—salaries, pensions, maintenance.

- Pension costs alone exceed 20% of revenue expenditure. The upcoming 8th Pay Commission may further tilt spending toward salaries.

5. Low R&D Expenditure:

- India's research and development spending in defense is low at 0.7% of GDP, compared to China's 2.54%.

- Globally, India ranks 53rd in R&D spending, while China spent \$421 billion in 2022.

- This slows indigenous progress in **AI, missiles, EW, space, and cyber**, and keeps dependence on external tech.

6. Professional military education has not kept pace with multi-domain demands, limiting the growth of leaders who can integrate cyber, space, electronic warfare, and information operations into one plan. The result

is **limited proactive deterrence**, constrained **joint manoeuvre**, and fewer **flexible theatre options** in a two-front scenario.

India initiative for changing warfare

1. From coordination to command: India is shifting from service silos to **integrated theatre commands**. The **Inter-Services Organisations (Command, Control and Discipline) Rules, 2025** give joint commanders clear disciplinary and administrative powers.

2. Tri-service agencies: Dedicated **cyber**, **space**, and **special operations** agencies function under **Headquarters Integrated Defence Staff (HQ IDS)**.

3. PME as a centrepiece reform:

- **Professional Military Education (PME)** now follows a **joint framework**.
- It aims to build hybrid warriors who can read the adversary, code solutions, and shape the narrative. PME is embedded into field exercises with iterative trials and course correction.
- It relies on civil-military fusion with DRDO, DPSUs, private industry, and universities for code, data, test ranges, and rapid prototyping.

4. Doctrinal evolution:

- The **Joint Doctrine of the Indian Armed Forces (2017)** and the **Army's Land Warfare Doctrine (2018)** provide the foundation for synergy and jointness.
- **Ran Samvad**, the first tri-service seminar on war and warfighting, institutionalises learning for **hybrid and multi-domain warfare**.

5. Modular combat groupings:

- New formations "**Rudra**" and "**Bhairav**" integrate infantry, armour, artillery, air defence, engineers, and surveillance into **mission-specific modules**.
- **Integrated Battle Groups** are structured for **12–48 hour** mobilisation with **drones** and **loitering munitions**.

6. Networked procurement for jointness.

MQ-9B strengthens persistent **ISR** and precision strike across land and sea. **Rafale-M** supports **carrier aviation** and **maritime strike**. **Akashteer** (AI-enabled Army air-defence C2) is integrating with the IAF's **IACCS** to enable a **common air picture**. **Pralay** completes **user trials** to add **theatre-range fires**.

7. Maritime–amphibious posture.

A **carrier-centred naval approach** progresses alongside a **15-year capability roadmap** across air, subsurface, and unmanned domains. The **Joint Doctrine for Amphibious Operations** sets procedures for integrated **maritime–air–land** actions.

Way forward

1. **Rebalance defence spending:** Increase the share for **capital modernisation**. Link annual allocations to **readiness and effect** in extended-war scenarios.
2. **Accelerate indigenous R&D:** Fund **DRDO-industry-academia** projects with shared test ranges and rapid prototyping. Prioritise **AI, EW, missiles, cyber tools, and autonomy** with clear milestones.
3. **Secure the space layer: strengthen satellite communications, PNT, and ISR** with protection, redundancy, and ground resilience. Align space plans with joint operations and extended contingencies.
4. Create **dedicated Cyber and Electromagnetic Commands** for defence, offence, and support to field formations. Integrate outputs with tri-service planning and operations.
5. **Unify data and Command and Control(C2):** Adopt common data models, secure links, and interoperable C2 interfaces across services, **using common data and interface standards with iterative joint exercises under realistic scenarios**. Validate performance through regular joint trials.

Conclusion

India confronts **multi-domain pressure** and a demanding industrial contest. Core steps are clear: **rebalance budgets, scale indigenous capacity, protect space and cyber layers, and standardise joint C2 and data**. With steady funding, deep industry linkages, and tested interoperability, the armed forces can **retain initiative** and operate with confidence against fast-changing threats.

Question for practice

Examine how joint Professional Military Education (PME) and integrated theatre commands can enhance India's readiness for multi-domain warfare.

Source: The Hindu

Building Dams - The China Way

Source: The post **Building Dams - The China Way** has been created, based on the article "On dams, take the China way" published in "**Indian Express**" on **04th October 2025**.

UPSC Syllabus: GS-2- India and its Neighborhood- Relations

Context: India and China, both ancient civilizations, have long histories of managing water resources to mitigate floods and droughts. However, despite beginning large dam construction around the same time in the 1950s, China has outpaced India significantly. Today, China's installed hydropower capacity is more than ten times that of India, highlighting a stark difference in policy direction, institutional efficiency, and political will.

Historical Background

- **India:** India began major dam projects post-independence such as **Hirakud (1957)** and **Bhakra (1963)**, envisioned as "temples of modern India."
- **China:** China initiated its dam-building phase after 1949, with **Sanmenxia (1960)** as its first major project.

- Both nations initially faced design and operational challenges, but their trajectories diverged markedly post-1980.

Divergence in Policies and Outcomes

- **Policy Orientation:**
 - In the 1980s and 1990s, **India shifted its focus from large dam construction to smaller water harvesting structures** such as check dams and rainwater harvesting systems. This was **due to growing environmental concerns and social resistance**.
 - In contrast, **China continued its large dam construction program** with a pragmatic approach, learning from early failures and **improving project design and management standards**.
- **Institutional Confidence:**
 - In India, controversies surrounding projects like the Sardar Sarovar Dam and the withdrawal of World Bank funding **reduced institutional confidence in large-scale dam building**.
 - China **strengthened its engineering capacity and confidence by successfully implementing massive projects** like the South-North Water Transfer Project.
- **Hydropower Capacity and Growth:**
 - India's **hydropower development stagnated due to administrative delays, financial constraints, and social opposition**, leading to an installed capacity of only 42.72 GW by 2024.
 - Meanwhile, **China's political prioritization and centralized governance enabled rapid hydropower expansion**, achieving an installed capacity of 435.95 GW, which is more than ten times that of India.
- **Policy Response to Failures:**
 - India's approach to project failures was **largely cautious and reactive**, often resulting in prolonged halts and excessive reviews.
 - China **adopted a corrective approach**, studying the reasons for early dam failures such as Sanmenxia and modifying future designs and policies accordingly.
- **Environmental and Resettlement Policies:**
 - India **emphasized environmental protection and rehabilitation policies**, often leading to lengthy legal procedures and project delays.
 - China, while addressing resettlement concerns, ensured that development objectives were not compromised, **maintaining a balance between environmental management and infrastructure expansion**.

Challenges in India's Dam Development

- **Legal and environmental litigations** often cause prolonged delays in dam construction projects.
- **Coordination among different agencies** remains weak, leading to fragmented and inefficient water governance.
- **Financing and post-construction** maintenance of dams are inadequate, affecting their long-term performance.

- India's **heavy dependence on monsoon rainfall**, coupled with insufficient water storage capacity, limits water availability during dry seasons.
- Many **existing reservoirs face sedimentation** and **safety issues**, reducing their effective capacity and operational efficiency.

Lessons from China

- **Pragmatism over populism:** Evaluate outcomes and modify designs rather than halting projects.
- **Integrated Water Management:** Link water, energy, and food security goals to ensure sustainable and efficient resources utilisation.
- **Technological Upgradation:** Invest in modern sediment management, monitoring, and dam safety to enhance operational efficiency and reduce risks.
- **Strong Institutional Framework:** Centralised and accountable water governance system to ensure effective coordination, transparency and policy implementation.
- **Balanced Development Approach:** Combine environmental protection with infrastructural expansion to achieve long-term sustainability.

Way Forward

1. **Comprehensive Water Policy Reform:** Develop an integrated **National Water Storage and Management Policy** to align large, medium, and small storage infrastructure.
2. **Institutional Strengthening:** Create a **National Dam Authority** with technical, environmental, and social expertise to oversee design, maintenance, and safety.
3. **Expedite Project Clearances:** Simplify legal and environmental procedures through a **single-window mechanism** while ensuring compliance with safeguards.
4. **Public-Private Partnerships:** Encourage private investment and international collaborations for hydropower and dam modernisation.
5. **Technology and Research Focus:** Invest in **sediment management, remote monitoring, and AI-based forecasting** for dam operations and flood control.
6. **Community Engagement:** Implement transparent resettlement and benefit-sharing mechanisms to reduce social opposition.
7. **Climate Resilience:** Design future dams and water systems considering extreme rainfall, glacier melt, and changing hydrological patterns.

Conclusion

China's dam success underscores the value of adaptive, evidence-based policymaking. For India, balancing large-scale infrastructure with sustainability and inclusiveness is crucial. With its growing population, rapid urbanisation, and climate challenges, India must reform its water governance framework and accelerate strategic dam construction. A pragmatic, technologically sound, and socially inclusive approach can ensure water and energy security for the next generation.

Question: Examine the differences between India and China in dam construction and water management, and suggest lessons India can learn from China's approach.

RBI's capital market lending revamp

Source: The post **RBI's capital market lending revamp** has been created, based on the article **"RBI unlocks capital market liquidity with funding boost at a time markets are flat: Here's how the measures would work"** published in **"Indian Express"** on **04th October 2025**.

UPSC Syllabus: GS-3-Indian Economy and issues relating to Planning, Mobilization of Resources, Growth, Development and Employment.

Context: The Reserve Bank of India (RBI) has recently announced a series of reforms aimed at revitalising India's financial and capital markets. These measures are designed to improve liquidity, ease access to credit, and enhance banks' participation in equity and debt markets. The move marks a significant shift toward integrating India's banking system more closely with its capital market ecosystem.

Key Measures Announced

1. **Lending for Corporate Acquisitions:** For the first time, banks are now permitted to finance corporate acquisitions, enabling them to fund buyouts and consolidation deals that were previously out of reach.
2. **Higher Lending Limits Against Securities:** The RBI has removed the ceiling on loans against listed debt securities. The individual loan limit against shares has been increased from **₹20 lakh to ₹1 crore**, and the **IPO financing limit** for retail investors has been raised from **₹10 lakh to ₹25 lakh**.
3. **Withdrawal of Curbs on Large Borrowers (2016 Framework):** RBI has rolled back the earlier restrictions that penalized banks for lending to very large corporates (systemic exposure above ₹10,000 crore).
4. **Systemic risk** will now be managed through **macroprudential tools**, while individual exposure caps will remain under the **Large Exposure Framework**.

Objectives of the Reforms

1. **Boost capital market liquidity:** Facilitate greater fund flow into equity and debt markets.
2. **Encourage retail participation:** By raising IPO financing limits and simplifying access to capital.
3. **Strengthen financial intermediation:** Improve banks' role in connecting savings with investment.
4. **Enhance credit growth:** Revitalize corporate and capital market-linked lending that has lagged behind retail and MSME sectors.

Implications for Banks

1. **Credit Growth Revival:** The reforms enable banks to participate in **acquisition financing**, a new avenue that can revive corporate credit growth, particularly in sectors where organic expansion is slow.
2. **Level Playing Field with NBFCs:** Earlier, **Non-Banking Financial Companies (NBFCs)** dominated segments like loans against shares (LAS) and IPO financing. The relaxation now allows banks to compete on more equal terms.
3. **Re-engagement with Large Corporates:** Withdrawal of the 2016 curbs signals **renewed RBI confidence in banks' risk management capabilities**, allowing them to re-engage with large industrial groups while maintaining regulatory oversight.
4. **Improved Portfolio Diversification:** Banks can now expand exposure to capital market instruments like **REITs** and **InvITs**, diversifying revenue sources beyond traditional term loans.

Implications for Markets and Economy

1. **Enhanced Liquidity:** Higher lending limits and IPO financing will increase liquidity flow into primary and secondary markets, supporting fund-raising and investment activity.
2. **Support for Corporate Restructuring:** Easier access to acquisition finance may encourage mergers and acquisitions (M&A), facilitating consolidation in key industries.
3. **Impact on NBFCs:** NBFCs may face reduced demand in traditional LAS and IPO financing segments due to increased bank participation.
4. **Macroeconomic Stability:** The RBI aims to manage systemic risks through macroprudential regulation, ensuring liquidity expansion does not translate into financial instability.

Way Forward

1. **Robust Risk Management:** Banks must strengthen due diligence and risk assessment frameworks to avoid concentration risks in large corporate lending.
2. **Balanced Regulatory Oversight:** RBI should ensure that enhanced liquidity and competition do not lead to excessive leverage or speculative activity in capital markets.
3. **Encouraging Innovation:** Banks should leverage fintech and digital lending platforms to deliver market-linked products efficiently.
4. **Investor Awareness and Protection:** With higher retail participation in IPOs and capital markets, financial literacy and investor protection mechanisms must be enhanced.

Conclusion

The RBI's capital market lending revamp represents a calibrated liberalization aimed at integrating India's banking and capital markets. By expanding banks' participation in securities-based lending and acquisition finance, the reforms are poised to boost liquidity, corporate activity, and financial depth. However, maintaining prudential norms and ensuring responsible lending will be crucial to sustain stability alongside growth.

Question: Examine the recent measures introduced by the Reserve Bank of India (RBI) to enhance liquidity in capital markets and their likely implications for banks and the broader economy.

The maritime signalling after Operation Sindoor

UPSC Syllabus Topic: GS Paper 3 -Security .

Introduction

Operation Sindoor has shifted focus to the sea. **Visible deployments, missile activity, new inductions, and sharp public warnings** now define the signalling space in the Arabian Sea. India emphasises a **forward deterrent posture** and wider Indo-Pacific alignment; Pakistan has moved to **dispersal, survivability, and denial**. External footprints around Karachi and Gwadar add uncertainty. The **core challenge** is how to deter, control escalation, and terminate any future crisis on terms favourable to India.

Maritime shift after Operation Sindoor

1. **Focus moved to sea:** After the air engagement, both sides prepared for a possible **maritime phase** of confrontation.
2. **India's position:** Operation Sindoor was presented as a **forward deterrent** plan, with readiness for a

more active naval role .

3. **Surveillance and reach:** India maintained **continuous surveillance** along the **Makran coast** (Jiwani, Gwadar, Pasni, Ormara, Karachi, Port Qasim), building **maritime domain awareness** and options for **sea and shore strikes**.

4. **Persistence and risk.** Naval deployments **last longer and keep steady pressure**. At sea, **escalation control is harder** than in short air fights.

Both-sides signalling at sea

1. **India's signals.** Public warnings (including Sir Creek), the statement that the Navy would act first, **carrier-led presence**, **firing exercises beyond adversary zones**, and **joint patrols with the Philippines** show **resolve, preparedness, and willingness to sustain pressure at sea**.

2. Pakistan's signals.

- For survivability, forces were **dispersed from Karachi to Gwadar**.
- Capability was showcased through the **launch of Hangor-class PNS Mangro** and the **P282 ship-launched missile**.
- **Repeated NOTAMs (Notice to Air Missions)**, missile tests, and live-fire drills that keep the theatre on alert and **complicate Indian planning**.

3. **Net effect.** India signals **forward deterrence and compellence**; Pakistan signals **denial and survivability**. The Arabian Sea remains in a state of **persistent operational pressure**.

Capability balance & modernisation trajectories

1. **Historical templates:** The 1971 war, Operation Talwar (1999), and Operation Parakram (2002) show that full-fleet mobilisations shaped outcomes on land. These experiences now provide a **planning template** that is updated for today's technology, political directives, and force levels.

2. **Network-centric operations:** **Continuous surveillance** along the Makran coast feeds **maritime domain awareness** and precise target lists at sea and on shore. **Joint integration** with the Army and Air Force acts as a key **operational enabler** for detection, targeting, and strike.

3. **Force projection vs denial.:** India uses the **Carrier Battle Group** and wider deployments to **project force** and enable **compellence**. Pakistan prioritises **dispersal, submarines, and denial tactics** to reduce vulnerability and **complicate Indian planning**.

4. **Modernisation urgency:** India has more ships and a better position at sea, **but many ships are old and need faster upgrades**. Pakistan's **selective additions**—such as **Hangor-class submarines** and **Babur-class corvettes from Türkiye**—**narrow the gap**.

Strategic significance of these developments

1. **Control at sea:** Naval fights—ship-on-ship or sea-to-shore—can **cross red lines fast**. The memory of **1971 war** makes Pakistan especially sensitive to even limited maritime strikes.

2. **From deterrence to compellence:** After repeated terrorist triggers, **deterrence alone is weaker**. Planned **compellence**—using visible naval power to shape choices—gains importance; the **carrier group** played this role during Sindoor.

3. **Firepower and legal signalling:** **Exclusion zones** and any **blockade** must be **announced and justified**. A blockade is **an act of war**, so it must be **deliberate, lawful, and carefully calibrated**.

4. **Nuclear threshold and carrier risk:** Naval asymmetry could push Pakistan to **signal tactical nuclear options at sea**, with **carriers** as likely targets. India's nuclear doctrine—covering **major attacks on its territory or forces anywhere**—requires **intense but controlled** conventional operations.

Geopolitical overlays

1. **CPEC (China–Pakistan Economic Corridor) and Gwadar's role:** Pakistan presents **Gwadar** as part of its own security plan, not just a Chinese project. **Gwadar and Karachi** are both **military and psychological pressure points** that shape planning on both sides.

2. **External involvement:** A visible **Chinese presence at Karachi and Gwadar**, and **Turkish support in platforms and training**, add uncertainty during any crisis. These links can affect supply, signalling, and escalation choices.

3. **Indo-Pacific context:** India's **joint patrols with the Philippines** show that near-sea signalling is connected to a **wider regional posture**. They also indicate India's intent to align capacity-building with broader partnerships.

4. **Trade routes and mediation:** Tension near the **Strait of Hormuz** or **Bab-el-Mandeb** can **disrupt global shipping** and trigger **quick external pressure** to de-escalate.

Strategic choices for India

1. **Use sea early or hold in reserve:** Decide whether to **signal early at sea** to shape the crisis from the start, or **hold naval power back** for a decisive move later. Early signalling can deter but may raise tensions; holding in reserve preserves surprise but risks losing narrative control.

2. **Reaffirm doctrine and strategy.**

- Use the Indian Navy's 2015 strategy *Ensuring Secure Seas* as the guiding framework.
- Set clear effects on land—protect critical assets, pressure military targets, shape adversary choices.
- Predefine **lawful targets** and **rules of engagement** to keep signalling and strikes credible and defensible.
- Plan through **jointness** (Navy–Army–Air Force), strong **maritime domain awareness**, and reliable **logistics**.
- Prefer **calibrated, effects-based actions** (not theatrics); use measures like limited strikes or exclusion notices when needed.
- **Review outcomes** after each move and **adjust posture** quickly.

3. **Policy shift on terrorism:** If the maritime role expands against **state-sponsored terrorism**, cut **response times**. Activate **forward operating bases**, harden and pre-position **logistics**, and ensure **sustainment** for longer deployments.

4. **Blend deterrence and compellence:** Keep **deterrence** credible, but prepare **scalable compellence** options. Update plans for **drones, hypersonics, and long-range precision**, and manage signalling carefully under the **nuclear risk**.

5. **Modernise:** Upgrade our ships, submarines, and missiles faster. Ensure **interoperable C2 (Command and Control)**, **continuous Maritime Domain Awareness (MDA)**, stronger **targeting networks**, and reliable **repair-overhaul** capacity. These steps preserve initiative and keep forces ready for rapid action.

Conclusion

Sea power is now central to crisis signalling. Both sides are shaping thresholds and templates for the next confrontation. India should **modernise at speed, sharpen MDA, institutionalise jointness, and codify signalling protocols** (including **hotlines** and **exclusion-zone discipline**) to lower miscalculation. Combined with **calibrated compellence, sound legal targeting, and resilient logistics**, this approach keeps initiative with India, **controls escalation**, and supports **early, favourable conflict termination**.

Question for practice:

Examine how the shift to the sea after Operation Sindoor affects escalation risks and India's choices at sea.

Source: The Hindu

Clean energy rise needs climate finance expansion

UPSC Syllabus Topic: GS Paper 3 -Infrastructure (Energy).

Introduction

India's clean energy shift is gathering speed. Solar capacity rose by **24.5 GW in 2024**, placing India **third after China and the U.S.** It is recognised by the **UN Secretary-General's 2025 Climate Report** for scaling solar and wind. Clean energy is also creating jobs and growth . The missing piece is **large, predictable climate finance** to keep this momentum and meet targets.

Status of Green Finance in India

1. Green Finance:

Mitigation finance:

- Mitigation finance averaged **INR 3,712 billion (USD 50 billion)** per year in FY 2021/22, up 20% from 2019/21.
- **Domestic sources provided 83%; international sources 17%.**
- The **private sector** contributed **66% of domestic** and **63% of international** mitigation finance.

- **Mitigation allocations:** Mitigation money mainly went to **clean energy (47%), energy efficiency (35%), and clean transport (18%)**..

Adaptation finance

- 98% domestic public budgets (central and state) and 2% international public, mostly from multilateral DFIs.
- Adaptation allocations: Disaster risk management received **42%**, flood and cyclone mitigation **32%**, and on-farm adaptation **24%**. International public finance was small and mainly from **multilateral DFIs**.

Capital market momentum

- **GSS+ (Green, Social, Sustainability, and Sustainability)** bonds issuance reached **USD 55.9 billion by Dec-2024**, up **186% since 2021**; **green bonds formed 83%**.
- **Green bond investment crossed USD 45 billion in 2025** with a target of **USD 100 billion by 2030**, reflecting strong private participation.

2. Global recognition

- India added **24.5 GW solar in 2024**, ranking **third globally** after China and the U.S.
- India is recognised in the **UN SG's 2025 Climate Report** for scaling solar and wind, backed by leadership of the **International Solar Alliance (ISA)**.

3. Jobs and macro impact

Renewables employed **over a million people in 2023** and supported **5% of GDP growth**. These gains show that clean energy supports inclusive growth and local livelihoods.

Issues with Green Finance in India

1. Financing gap

India needs **USD 1.5–2.5 trillion by 2030** to align with a 1.5°C pathway and meet national goals.

Large capital is required for **grids, battery storage, green hydrogen, transport, and agriculture**. Weak system investment can constrain integration and reliability

2. Limited access: Funding is concentrated among **large corporates. MSMEs, agri-tech innovators, and local infrastructure developers** face.

3. Financing risk in smaller cities: Mid-sized projects in **Tier-II/III cities** face governance and delivery risks. Lenders demand stronger guarantees and predictable cash flows to lower capital costs.

4. Lack of robust green finance regulation: Without clear regulations in place, stakeholders, who rely heavily on conventional financial practices, may be hesitant to invest in green finance.

5. **Mismatch between investment timelines:** Long-term green investments do not align with the short-term horizons of investors.

6. **Disproportionate investment in sectors and technologies:** Certain sectors, such as wind energy, attract less international finance than others, like solar photovoltaics.

Government Initiatives

1. **Sovereign green bonds** and **SEBI-regulated social bonds** have channelled private capital into climate action, education, and health. They set benchmarks for pricing and disclosure in the local market.

2. **Solar Park Scheme and auctions:** Auctions under the **Solar Park Scheme** helped crowd-in private financing by offering scale, standardisation, and site readiness. This improved bankability and reduced bid risk.

3. The new **Carbon Credit Trading Scheme** can unlock finance if **transparent, well-regulated, and equitable**. Its credibility will shape demand, pricing, and investment signals.

4. **National Bank for Financing Infrastructure and Development (NaBFID):** It is instrumental in addressing India's infrastructure needs, notably through the National Monetisation Pipeline (NMP) and the National Infrastructure Pipeline (NIP). Emphasizing sustainable and climate-resilient development, NaBFID concentrates on projects that foster inclusive growth and sustainability.

5. **Net-zero targets:** India, as a developing nation with growing energy demands, has set a goal of achieving net-zero emissions by 2070. This ambitious target involves balancing the amount of greenhouse gases produced with the amount removed from the atmosphere, promoting sustainability and climate resilience.

6. **Green growth as a budget priority:** In a recent budget, the government identified "Green Growth" as one of its seven key priorities, emphasizing its commitment to promoting sustainable development and allocating resources accordingly.

7. **FDI in renewable energy:** To meet the INR 1.5-2 trillion annual investment requirement in renewable energy, the Indian government has authorized 100% annual Foreign Direct Investment (FDI) for renewable power generation and distribution projects.

8. **Introduction of "Green Deposits":** The Reserve Bank of India has introduced guidelines for banks and Non-Bank Financial Companies (NBFCs) to accept "green deposits". These funds are allocated towards environmentally sustainable projects, such as energy efficiency, clean transportation, climate change adaptation, and sustainable water and waste management.

9. **Business Responsibility and Sustainability Reporting (BRSR):** SEBI has mandated the top 1000 listed companies in India to adhere to the BRSR framework, promoting transparency and accountability in their sustainable business practices. This framework helps in incentivizing green financing and allowing banks to estimate their climate-related exposure.

Way forward

1. **Blended finance:** Use **partial guarantees, subordinated debt, and performance/loan guarantees** to lower risk for lenders. Focus on **mid-sized and local projects** where risk perceptions and delivery gaps are highest.

2. **Unlock domestic institutions:** Enable **EPFO, LIC, insurers, and pensions** to invest in climate assets through **clear ESG rules, risk-mitigation tools**, and a **stable pipeline of long-term green projects**.

3. **Leveraging international funds and partnerships:** India could access international climate finance options such as the Green Climate Fund (GCF) and the Global Environment Facility (GEF). Bilateral and multilateral partnerships with developed countries can also provide financial and technical assistance.

4. **Boost adaptation finance:** Prepare **state-level adaptation plans with clear funding gaps**. Use **public funds to crowd in private capital** for resilience in **agriculture, water, and disaster management**.

5. **Data and risk innovation:** Adopt **blockchain** to **track climate finance flows** and **AI-driven risk analytics** to improve portfolio assessment. This **reduces transaction costs** and **raises underwriting quality**.

6. **Enhancing technological capabilities:** Upgrading India's technological capabilities is key to making the green transition cost-effective. This would involve investing in research and development (R&D), technology transfer, and capacity building. Collaborating with international partners can help access cutting-edge technologies.

7. **Fostering policy consistency:** Policy inconsistency can deter investors and slow down progress. Therefore, there should be consistency and predictability in India's energy and climate policies.

8. **Promoting public awareness and engagement:** Raising public awareness about the importance of green transition and creating a societal demand for sustainable products can help incentivize businesses to invest in green technologies and practices.

Conclusion

India has momentum, but finance must scale and reach MSMEs and local projects. Expand blended finance, mobilise EPFO/LIC and other domestic institutions, and tap GCF/GEF and partnerships. Boost adaptation funding, use data and risk tools (blockchain, AI), build technology capacity, keep policies stable, and engage citizens. These steps can close the gap and sustain a jobs-rich transition.

Question for practice:

Discuss how India can expand climate finance for its clean energy transition.

Source: The Hindu

Employment as a national priority

Source: The Post **Employment as a national priority** has been created, based on the article "Treat employment as a national priority" published in "The Hindu" on 06th October 2025.

UPSC Syllabus: GS-3-Indian Economy and issues relating to Planning, Mobilization of Resources, Growth, Development and Employment.

Context: India, the world's most populous nation, has one of the youngest workforces globally. According to the Confederation of Indian Industry (CII), India will add about 133 million people to its working-age

population (15–64 years) over the next 25 years, nearly 18% of the global addition. However, this demographic dividend is time-bound, with the working-age population expected to peak around 2043.

Importance of Employment Generation

- **Economic growth and equity:** Employment generation **plays a pivotal role in ensuring inclusive and sustainable growth**. Large-scale job creation helps lift millions **out of poverty, reduces regional and social disparities**, and ensures a **more equitable distribution of economic benefits**.
- **Social stability:** When people have secure livelihoods, **it enhances social cohesion and reduces inequalities**. Employment provides **individuals with dignity, purpose, and belonging**, thereby contributing to broader social harmony and inclusion.
- **Resilient consumption economy:** In a **consumption-driven economy** like India's, **quality job creation boosts household income and purchasing power**, sustaining domestic demand. This continuous cycle of **income and spending drives stable, resilient economic growth** and shields the economy from external shocks.

Key Challenges

1. **Lack of Unified National Framework:** India lacks an integrated national policy linking employment, skills, and livelihoods. Fragmented central and state initiatives hinder coordinated job creation and accountability.
2. **Skill-Employability Gap:** Outdated education curricula and weak industry linkages reduce graduate employability. Skill programmes need alignment with emerging technologies and sectoral needs.
3. **Regional Disparities & Labour Frictions:** Industrial growth is uneven across states. Migration barriers and limited worker mobility restrict access to opportunities, worsening regional inequality.
4. **Underdeveloped Social Security:** The informal workforce lacks protection, benefits, and grievance systems. Expanding inclusive social security and worker welfare is crucial for equitable growth.

Way Forward

1. **Focus on Long-Term Job Creation**
 - a. A **long-term, consistent strategy** is needed to encourage steady investments and create sustainable employment opportunities.
 - b. Coordination between **Central and State governments** is essential to integrate skill development, education, and social protection.
 - c. An **Integrated National Employment Policy** should be established to align existing schemes and address both the supply and demand sides of the labour market.
2. **Strengthening Institutional Mechanisms**
 - a. A robust institutional framework should be created through an **Empowered Group of Secretaries**, supported by **District Planning Committees**, to oversee employment policy implementation.
 - b. These institutions should set **time-bound targets** and focus on high-employment sectors, aligning education, labour, and industrial policies.
 - c. They must also address **regional disparities, gender gaps, and challenges faced by marginalised communities** to ensure inclusive participation.
3. **Priority Sectors for Job Creation**
 - a. Job creation must focus on **labour-intensive sectors** such as textiles, construction, tourism, agro-processing, healthcare, and education.

- b. The **MSME sector**, which employs over 25 crore people, requires targeted support through easier access to finance, technology, and skill development.
- c. The **digital economy and gig sector** present emerging opportunities, with gig employment expected to rise from 80 lakh to nearly 9 crore workers by 2030.
- d. Policies should ensure **formalisation of informal jobs** and provide social protection for gig and platform workers.

4. Labour Reforms and Worker Protection

- a. The timely implementation of the **four Labour Codes** is essential to simplify compliance and strengthen worker rights.
- b. A **centralised employment registry** should be developed to streamline worker onboarding and enhance mobility.
- c. Labour contracts must include **fair wages, safety standards, and effective grievance mechanisms** to protect workers' rights.
- d. The **gig economy** should be regulated to provide minimum wages, social security, and occupational safety for workers.

5. Promoting Regional and Social Inclusion

- a. Employment opportunities should be **regionally balanced** through targeted interventions in underdeveloped districts and rural areas.
- b. Policies must support **industrial hubs, rural internships, and remote work options** to generate employment beyond metropolitan areas.
- c. Increasing **women's labour force participation** is crucial, which can be achieved through investment in childcare, eldercare, and removal of restrictive norms.
- d. Employment strategies must ensure **inclusivity for youth, women, and marginalised communities** to promote equitable growth.

6. Incentives and Complementary Policies

- a. Initiatives such as the **Employment-Linked Incentive (ELI) Scheme** should be expanded to encourage industries that create quality jobs.
- b. **Formalisation of Anganwadi and ASHA workers** will enhance employment quality in the social sector.
- c. Investment in **affordable housing and industrial clusters** can improve worker mobility and living standards.
- d. Strengthening **labour market flexibility** and entrepreneurship will promote a dynamic employment environment.

7. Building a Data-Driven Employment Framework

- a. **Reliable and real-time employment data** is essential for effective policymaking.
- b. A **dedicated task force** should be established to improve employment data collection and reduce the time lag between data generation and policy implementation.
- c. **Transparent and timely data publication** will enable better monitoring of job trends and policy outcomes.

Conclusion: A coordinated, inclusive, and forward-looking employment strategy focusing on job quality, sectoral diversification, skilling, and gender inclusion can transform India's labour potential into economic strength. Treating employment as a **national priority** is essential not only for sustained growth but also for achieving equitable and resilient prosperity by 2047.

Question: "Employment generation must be treated as a national priority to ensure inclusive and sustainable growth." Discuss.

Alternative Dispute Resolution in India

Source: The post **Alternative Dispute Resolution in India** has been created, based on the article “Why is ADR crucial for India’s courts?” published in “The Hindu” on 06th October 2025.

UPSC Syllabus: GS-3- Separation of Powers between various organs Dispute Redressal Mechanisms and Institutions.

Context: India’s justice system faces major challenges of **access, delay, and accountability**, with over **4.57 crore pending cases** across all courts, as per the *India Justice Report 2025*. In this context, **Alternative Dispute Resolution (ADR)** mechanisms—such as arbitration, conciliation, mediation, and Lok Adalats—have emerged as vital instruments to deliver **timely, affordable, and participatory justice**.

Alternative Dispute Resolution

- Alternative Dispute Resolution (ADR) **encompasses methods and processes** used to **resolve conflicts outside the formal court system**.
- It **encourages a cooperative, non-adversarial approach** in which the parties work together, often with the assistance of neutral facilitators, to reach a mutually acceptable solution.
- **Key mechanisms of ADR** include various methods to resolve disputes outside courts, such as Arbitration, Mediation, Conciliation, Negotiation and Lok Adalats.

Constitutional and Legal Basis of ADR

- **Article 39A** of the Constitution mandates equal access to justice for all citizens.
- **Section 89 of the Code of Civil Procedure, 1908** formally recognises ADR processes.
- The **Arbitration and Conciliation Act, 1996** and **Arbitration Act, 2021** institutionalise arbitration and mediation.
- The **Legal Services Authorities Act, 1987** provides statutory backing for **Lok Adalats**.
 - The Act also sets a **maximum period of 180 days** for dispute resolution, promoting faster justice.
- Additionally, **pre-litigation mediation** for civil and commercial disputes helps reduce court pendency while fostering social harmony and stronger interpersonal relationships through dialogue and mutual understanding.

Functioning of Lok Adalats

- **Legal Framework:** Lok Adalats operate under the **Legal Services Authorities Act, 1987**, which draws inspiration from **Article 39A** of the Constitution ensuring equal access to justice.
- **Types of Lok Adalats:** The system includes **Permanent Lok Adalats (Section 22-B)**, **National Lok Adalats**, and **e-Lok Adalats**, all aimed at enhancing efficiency and accessibility in dispute resolution.
- **Origin:** The **first Lok Adalat** in India was organised in **Gujarat in 1999**, marking the beginning of institutionalised people’s justice forums.
- **Nature of Decisions:** Awards passed by Lok Adalats are **final and binding**, with **no provision for appeal**, as disputes are settled through mutual consent before formal litigation.
- **Safeguard Against Absoluteness:** Although appeals are not allowed, a **dissatisfied party may still file a regular suit** in a court of law, ensuring fairness and preventing misuse of authority.
- **Need for Awareness:** The effectiveness of Lok Adalats depends on **greater public awareness** and participation, which can strengthen access to speedy and affordable justice.

Importance of Strengthening ADR

1. **Reduces Case Pendency:** ADR provides a faster mechanism, with a **180-day limit** for resolution, easing pressure on overburdened courts.
2. **Ensures Affordable and Inclusive Justice:** ADR offers a **cost-effective** and less formal system, ensuring justice for weaker sections of society.
3. **Promotes Social Harmony and Consensus:** Rooted in the **Panch Parmeshwar** tradition, mediation encourages dialogue, empathy, and consensus-building.
4. **Improves Efficiency of Formal Courts:** Diverting civil and compoundable criminal cases to ADR allows courts to focus on more serious matters.
5. **Addresses Regional Disparities:** States like **Uttar Pradesh, Bihar, and Andhra Pradesh** with high pendency can particularly benefit from ADR adoption.

Way Forward

1. **Institutional Strengthening:** Establish more **mediation centres** and **permanent Lok Adalats** at the district level for wider outreach.
2. **Digital and e-ADR Platforms:** Promote **e-Lok Adalats** and **online mediation systems** to enhance accessibility and speed, especially post-pandemic.
3. **Legal and Administrative Reforms:** Strengthen the **Arbitration Council of India** and standardise mediation procedures to ensure quality and accountability.
4. **Awareness and Capacity Building:** Conduct legal literacy campaigns and train mediators, arbitrators, and community leaders to build public trust in ADR.
5. **Integration with Formal Judiciary:** Encourage **pre-litigation mediation** in civil and commercial matters to prevent disputes from reaching courts.

Conclusion: ADR is not merely an alternative but a **complementary pillar of justice delivery**. By promoting **speed, affordability, and inclusivity**, it can help decongest courts, ensure social harmony, and uphold the constitutional promise of **equal access to justice for all**. Strengthening ADR is therefore essential for building a **resilient, citizen-centric, and efficient judicial system** in India.

Question: Why is strengthening Alternative Dispute Resolution (ADR) crucial for India's justice system?

India's direction for disaster resilience

UPSC Syllabus Topic: GS Paper 3 -Disaster management.

Introduction

India is a vast, multi-hazard country. Floods, droughts, cyclones, earthquakes, and landslides recur across most States and UTs. Climate change and environmental degradation are increasing both frequency and intensity, raising risks to people and assets. The **Ten Point Agenda on DRR (2016)** guides action and links India's efforts with the **Sendai Framework, Paris Agreement**, and **SDGs**, creating an integrated path to risk reduction, climate adaptation, and resilient development.

Status of Disasters in India

1. Baseline hazard exposure

- About 60% of land is earthquake-prone.

- Over 40 million hectares face floods.
- About 8% of the area is cyclone-prone.
- 68% of the area is drought-susceptible.
- 27 States and 7 UTs face recurrent hazards: floods, cyclones, earthquakes, landslides, and droughts.

2. Recent impacts and trends

- In 2024–25, natural disasters caused at least **3,080 deaths**, an **18%** rise over the previous year.
- The monsoon recorded an overall **8.6% surplus**, yet **one-third of districts** had rainfall far above normal while **about 19% of the country** faced drought-like conditions.
- In 2025, there were **5.4 million** climate-driven **internal displacements** within India.

India's Initiatives

A. Legal and institutional reforms

1. The **Disaster Management Act, 2005** provides the legal base for disaster risk management in India. It created national, State, and district institutions and clarified roles.
2. The **National Disaster Management Authority (NDMA)** works under this law and issues national guidelines so actions are standard across different hazards and regions.

B. Governance and coordination

1. The **MHA** and **NDMA** oversee the full disaster cycle: prevention, preparedness, response, and recovery.
2. NDMA has issued **38 guidelines** and set up appraisal committees for projects that are specific to hazards and regions.
3. States are first responders and use the **State Disaster Response Fund (SDRF)** for notified disasters.
4. For severe disasters, the Union Government supports States through the **National Disaster Response Fund (NDRF)** after an assessment by an **Inter-Ministerial Central Team (IMCT)**.
5. A **Post-Disaster Needs Assessment (PDNA)** guided the recovery plan.

C. Financing architecture

1. State Disaster Response Fund (SDRF).

Created under Section 48(1)(a) of the Disaster Management Act, 2005, the SDRF is the primary fund with States for immediate relief in notified natural disasters. The Union–State cost-share is generally **75:25**, and **90:10** for special-category/Northeast and Himalayan States. Releases follow Finance Commission recommendations and Ministry of Home Affairs norms.

2. National Disaster Response Fund (NDRF).

Created under Section 46 of the Disaster Management Act, 2005, and funded by the Union Government (with scope for external grants), the NDRF is used after an **Inter-Ministerial Central Team (IMCT)** assesses that a disaster is of a “**severe nature**” and beyond a State’s SDRF capacity.

3. Fifteenth Finance Commission added

- The **15th Finance Commission** allocated **₹2.28 lakh crore** over five years for disaster risk management.
- The funding now covers **prevention, mitigation, preparedness, capacity building, response, and reconstruction**.
- The split is **30%** for preparedness and capacity building (**10%**) and mitigation (**20%**), and **70%** for response (**40%**) and reconstruction (**30%**).
- Priority given to **multi-hazard appraisal, science-based design, cooperation** between the Centre and States and among ministries.
- Reconstruction packages of **about ₹5,000 crore** have started in several States.
- Funds support modernising fire safety (₹5,000 crore).

D. Preparedness and capacity building

1. **Strengthened community capacity** through the **Apda Mitra** and **Yuva Apda Mitra** volunteer networks.

2. The **National Institute of Disaster Management (NIDM)** is expanding **geo-spatial training labs**, faculty-led action research, and a **36-stream** standard course so that disaster management is **mainstreamed to each panchayat**.

3. The **National Disaster Response Force (NDRF) Academy**, the **National Fire Service College**, and the **NIDM** train public officials and responders in hazard science, incident response, and policy.

4. NIDM also anchors the **Indian Universities and Institutions Network for Disaster Risk Reduction (IUIINDRR-NIDM)**. This network links 300+ universities and institutes to develop model curricula, training modules, and other knowledge products on disaster risk reduction.

5. Public alerting and emergency response

Common Alerting Protocol (CAP):

- India’s unified warning system that sends **location-specific alerts in local languages** via SMS, TV, radio, Indian Railways announcements, coastal sirens, cell broadcast, and browser notifications.
- CAP also uses satellite-aided channels—**NavIC (Navigation with Indian Constellation)** and **GAGAN (GPS Aided GEO Augmented Navigation)**

The **Emergency Response Support System (ERSS-112)** provides a single emergency number that also supports disaster-related distress calls and speeds up response.

E. Mitigation and risk reduction

1. Mitigation projects of ₹10,000 crore focus on **nature-based solutions** for long-term climate risks.
2. The **National Cyclone Mitigation Programme (2011–22; ₹5,000 crore)** reduced coastal vulnerability by building **seven-day early warning systems, cyclone shelters, and embankments**.
3. States are encouraged to -
 - Revitalise water bodies and green spaces to control urban floods;
 - Use remote sensing and automated weather stations to monitor glacial-lake risk;
 - Apply bio-engineering solutions for slope stabilisation in landslide zones;
 - Use break lines, water-body care, and fuel evacuation to reduce forest fires.
4. The **web-based Dynamic Composite Risk Atlas and Decision Support System (Web-DCRA & DSS)** supports cyclone risk planning and was used during Cyclone Biparjoy and Cyclone Michaung.

F. Global collaboration

1. **Coalition for Disaster Resilient Infrastructure (CDRI)**: India launched the CDRI, a global partnership of 46 countries and 8 partner organisations. It helps governments, international bodies, and the private sector make infrastructure stronger against climate and disaster risks.
2. India also leads and supports disaster risk reduction work in the **Group of Twenty (G-20)**, the **Shanghai Cooperation Organisation (SCO)**, the **Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC)**, and the **Indian Ocean Rim Association (IORA)**.

Way forward

1. **Upgrading Disaster Management**: Disaster management agencies need to be empowered and equipped with more resources. Capacity-building must be focused on dealing with the changing nature of disasters.
2. **Regulation of Construction Activities**: It is not possible to prevent natural occurrences like heavy rainfall, cyclones, or heatwaves. Nevertheless, the human-caused effects such as uncontrolled construction must be reduced.
3. **Building Disaster-Resilient Infrastructure**: India is currently constructing infrastructure for its future, and it's important to integrate disaster resilience into each of these projects. Additionally, existing infrastructure requires retrofitting.
4. **Local participation**: Strengthen community centers with resources needed for emergency response which can be used by the first responders to start the rescue work timely. Ensure 'Local participation for local resilience'.

5. Technology use: Exploring the **use of AI, 5G and IoT in improving disaster risk management.**

6. United efforts to address climate change, social concerns and environment for disaster resilience in integrated way.

7. Convergence of traditional knowledge and modern technology.

8. Revise notified disasters: Consider inclusion of heat wave, lightning, forest fire, river erosion and coastal erosion in the list of notified disasters. For this, necessary assessment/reviews for an appropriate decision may be expedited.

9. Financial innovations: Enhance **financial innovations to mainstream effective solutions by** improving risk management assessments, incorporating holistic environmental considerations, reducing costs and utilizing innovative risk financing tools. **Develop policies to promote private sector engagement in implementing these solutions.**

Conclusion

India now follows a **whole-of-society approach** across prevention, preparedness, response, and recovery, supported by clear laws, financing, early warnings, capacity building, and nature-based mitigation. Priorities are to **empower institutions, regulate unsafe construction, embed resilience in all infrastructure, and strengthen local participation. Technology (AI, 5G, IoT), integration of climate-social-environmental actions, convergence of traditional knowledge** with modern tools, updating notified disasters, and innovative finance with private-sector engagement will convert frameworks into safer lives and faster recovery at scale.

The course ahead for Trump's Gaza ceasefire plan

UPSC Syllabus Topic: GS Paper 2 -International relation.

Introduction

Donald Trump's 20-point plan sets a ceasefire path for Gaza. It calls for an immediate stop to fighting and the return of all Israeli hostages. Hamas would disarm and its military sites be dismantled. An international stabilization force would deploy. Gaza would shift to a temporary technocratic administration under outside oversight. The plan backs large-scale aid and reconstruction and proposes a conditional path to Palestinian statehood. **Both Israel and Hamas have concerns, and the plan still has issues that need to be resolved.**

Donald Trump's 20-point Gaza plan

1. Immediate ceasefire and freezes: Fighting stops at once. Existing **battle lines are frozen** until conditions are set for a **staged Israeli withdrawal. Full aid** flows immediately once both sides assent.

2. Hostage released: Within **72 hours, 20 living Israeli hostages** are released, in exchange for **hundreds of detained Gazans.**

3. Humanitarian surge: Full aid flows start immediately once both sides agree. Relief covers food, health, water, power, and basic services. Aid distribution will be **overseen by the UN, the Red Crescent, and international agencies**, ensuring transparent and interference-free relief.

4. Reconstruction: The plan includes **economic reconstruction** and **rehabilitation of Gaza's infrastructure**. The emphasis is on **restoring essential services and rebuilding damaged systems** to support daily life and recovery.

5. Disarmament and amnesty: The plan requires **Hamas to disarm** and mandates the **destruction of tunnels and weapons-production sites**. Militants who **lay down arms receive amnesty**. Those who refuse are offered **safe passage** outside Gaza. The aim is to **end militia control** and **reduce future security risks**.

6. Governance and oversight

- Gaza will be **run temporarily by a technocratic, apolitical Palestinian committee**. Oversight rests with an **international "Board of Peace," chaired by Donald Trump, with Tony Blair proposed as a member**.
- A **multinational stabilisation force** will support **policing, border management**, and the **movement of humanitarian aid**.
- These steps are designed to **separate governance from armed factions** and **reassure all parties during the transition**.

Concern raised by Israel

1. Israel prioritises permanent security over speed. Leaders argue that Gaza must not retain any residual militant capability, and they are wary of steps that could limit freedom of action before they are fully confident that threats will not return.

2. Key ministers demand Hamas's total defeat, not just disarmament. They view amnesty or safe passage for militants as unacceptable because it may leave networks or ideology intact and could allow regrouping later.

3. A Palestinian Authority (PA) return to govern Gaza faces resistance. The current leadership has repeatedly rejected handing Gaza to the PA, which makes proposals that envision PA control difficult to accept domestically.

4. Any pathway to Palestinian self-determination is contested. Israel's current leaders oppose moves that look like steps toward a Palestinian state. Even soft wording about a "future political path" gets strong resistance. So the government finds it hard to accept any language that could be read as moving toward statehood.

Concern raised by Palestinians and Hamas

1. Hamas sees the terms as one-sided: They are asked to release all hostages and disarm at once, which would leave them defenceless while Israel keeps decisive leverage, creating high risks if trust breaks down.

2. Hamas objects to being excluded from shaping the terms: They argue that decisions on Gaza's governance should come from a broader Palestinian consensus in which they participate, rather than being set externally.

3. Confidence in exchanges is low: Releases are welcome, but Palestinians note **Israel's revolving-door arrests**; at least **18,000 Palestinians have been arrested in the West Bank since October 7, 2023**. This undermines confidence that releases will change realities.

4. Ceasefire meaning: The plan allows fighting to continue even after implementation starts, and Hamas rejects this. They say this undermines the idea of a ceasefire and weakens incentives for withdrawal and de-escalation.

Issue with this plan

1. Timelines and order are not defined: Only the 72-hour hostage step is fixed, while the ceasefire, IDF withdrawal, and demilitarisation have no clear sequence or dates, so the framework reads like intentions rather than a workable roadmap.

2. There is no independent oversight body: The plan does not create a neutral mechanism to verify steps, settle disputes, or certify progress, which makes breakdowns and blame more likely.

3. The stabilisation force is undefined: The contributors, mandate, rules of engagement, and coordination methods (deconfliction, border security, police vetting) are not specified, which raises serious feasibility and safety questions.

4. The West Bank is omitted and the legal anchor is weak. Daily flashpoints and settlement expansion are ignored, and the plan does not ground itself in international law, UN Security Council resolutions, or **ICJ's 1967-borders guidance**.

5. No provision for representative: The plan installs a technocratic committee and an external oversight board but offers no clear path to elections, institutional reform milestones, or a monitoring system for those reforms.

6. External backing is uncertain. Gulf countries have kept involvement limited and are focused on the Abraham Accords, Iran-related security, ties with the U.S., and a cautious Syria thaw. The plan does not show what they will contribute or how they would restrain Israel if the ceasefire strains, so enforcement and funding remain in doubt.

7. Reconstruction lacks a political horizon: The "**Riviera**"-style redevelopment and "**miracle cities**" pitch resurfaces. It promises opportunity but **without addressing political sovereignty**, risking a disconnect between economic plans and lived realities.

Conclusion

The plan offers quick relief, but key parts are unclear. There is no fixed order or dates, no neutral monitor, and no path to elections or a West Bank track. Gulf support is uncertain. Israel resists any language that points to statehood. Hamas rejects combat during rollout and fears one-sided terms. For the ceasefire to hold, it **needs**

firm timelines, verified milestones, clear ISF roles, and a credible path to representative Palestinian governance.

Question for practice:

Examine the main concerns with Trump's 20-point Gaza plan and how they weaken the chances of a lasting ceasefire.

Source: The Hindu

Reforming passive euthanasia in India

UPSC Syllabus Topic: GS Paper 2 -Issues relating to development and management of Social Sector/Services relating to Health.

Introduction

The U.K. House of Commons passed the Terminally Ill Adults (End of Life) Bill. It allows physician-assisted dying for mentally competent adults expected to live fewer than six months, with medical certification and oversight by a national panel. The Bill now awaits approval from the House of Lords. India, by contrast, recognises only passive euthanasia through Supreme Court judgments and has consciously drawn a line against active euthanasia. Yet practical inaccessibility persists: cumbersome procedures, weak implementation, and a fragmented health system hollow out patients' basic dignity while dying. India should refine passive euthanasia rather than mirror the U.K.'s path.

Active and passive euthanasia

1. Euthanasia is the intentional act of ending another person's life, typically to relieve suffering from a serious, incurable, or debilitating condition. It is most often performed by a physician through the administration of a lethal drug or other means, with the purpose of ensuring a painless death.
2. There are different types of euthanasia practised across the world. **Active euthanasia** where a patient is killed a patient by active means, for example, injecting a lethal dose of a drug.
3. There's also **Passive euthanasia**, which is described as letting a patient die by withholding artificial life support such as a ventilator or a feeding tube

Status of euthanasia in India

1. The **abetment to suicide remains a criminal offence** under the Bhartiya Nyaya Sanhita (Section 108 BNS). Which is corresponds to Section 306 of the Indian Penal Code (IPC). (**Section 309 has been restricted by the Mental Healthcare Act, 2017**).
2. **Regulation 6.7 of the Indian Medical Council (Professional Conduct, Etiquette and Ethics) Regulations, 2002** explicitly prohibit the practice of euthanasia.
3. In March 2018, the Supreme Court passed an order that **allowed passive euthanasia** (Common Cause Judgment). The Court declared that **right to die with dignity is a fundamental right under Article 21**.

Aruna Shaunbagh vs Union of India, 2011	SC recognised that the life-sustaining treatment could legally be withheld/withdrawn even from persons without decision-making capacity .
Common Cause vs Union of India, 2018	SC recognised the right to die with dignity as a fundamental right under Article 21 of the constitution, and legalised the use of advance medical directives or 'living wills' .
Common Cause vs Union of India, 2023	SC simplified the process for making living wills and withholding/withdrawing life-sustaining treatment by removing bureaucratic hurdles.

Latest guidelines of the Ministry of Health and Family Welfare for the Withdrawal of Life Support

Establishment of Medical Boards and their recommendation	<p>1. Hospitals have to establish Primary and Secondary Medical Boards to evaluate if continued treatment is beneficial for a terminally ill patient.</p> <p>2. Primary Board- It will comprise the treating doctor and two subject-matter experts with at least five years of experience. It will assess the patient's condition, and will recommend the appropriateness of withholding/ withdrawing life-sustaining treatment.</p> <p>3. Secondary Board- It will comprise a registered medical practitioner nominated by the district Chief Medical Officer, along with two subject-matter experts with at least five years of experience. All these members must be different from those on the Primary Medical Board. It will review the decision of the Primary Medical Board.</p>
Consent by the Nominated Persons	The persons nominated by the patient in the advance medical directive or the surrogate decision-makers (where there is no directive) must consent to the withholding or withdrawal of treatment.
Notification of the decision to Judicial Magistrate	The hospital must notify decisions on withholding/ withdrawing life-sustaining treatment to the local judicial magistrate.

Issues with the present Euthanasia rules in India

- 1. Procedural delays and bedside harm:** The combined requirements of advance directives, two medical boards, and occasional court oversight create delays that defeat the purpose of timely end-of-life care, and patients and families face long, painful waits in practice.
- 2. Informal decisions due to weak implementation:** Because the legal pathway is slow and unclear and hospitals lack a clear, speedy process, families act outside the framework, which exposes doctors to legal uncertainty.
- 3. Fragmented health system:** Wide gaps in capacity and funding across India's health services make it hard to follow the passive-euthanasia rules consistently everywhere.
- 4. State-level ombudsman limitations:** The proposed ombudsman model mirrors past schemes with delays, weak enforcement powers, and low public familiarity, which risks adding another slow layer instead of clearing bottlenecks.
- 5. Complexity in Medical Board Setup:** Establishment of Primary and Secondary Medical Boards for every hospital can be resource-intensive, particularly for smaller hospital facilities.
- 6. Lack of Dedicated Legislation:** The absence of a specific law on the issue of Right to die could lead to inconsistent application and legal uncertainty. This might discourage hospitals from implementing the guidelines fully.
- 7. Misunderstanding of Treatment Withdrawal:** The term "passive euthanasia" is still commonly used, leading to confusion and social discomfort with the right to die with dignity. This cultural and terminological barrier may hinder acceptance of life-support withdrawal.
- 8. Challenging Process for creation of living will:** Creation of a living is a complex process involving documentation and verification by witnesses, executors, and a notary.

Way forward

- 1. Digitise advance directives:** India should create a national digital portal for advance directives, link it with Aadhaar for secure verification, and allow patients to create, update, or revoke directives easily, with the treating physician recording capacity and intent online.
- 2. Empower hospital ethics committees:** Each hospital should authorise a committee of senior clinicians, a palliative-care specialist, and a neutral member to decide within 48 hours. Only cases that raise disputes, doubts about validity or capacity, or other legal/ethical concerns should be escalated for additional review..
- 3. Shift to decentralised oversight:** Oversight should move from a slow, centralised ombudsman to transparent digital dashboards across hospital networks, supported by independent medical auditors or health commissioners with statutory backing.
- 4. Cooling-off period:** A seven-day cooling-off period, psychological counselling, and a mandatory palliative-care review should remain in place to prevent misuse and ensure fully informed choices.
- 5. Legislative Clarity and Support:** Lawmakers should consider enacting legislation that defines and governs life-support withdrawal in terminal cases. This would further affirm the Right to die with dignity.

6. Educating and Training Medical Professionals: Medical professionals should be provided robust training on the ethical, legal, and procedural aspects of withdrawing life-sustaining treatment.

7. Streamlining the Living Will Process: The process for creating and validating a living will should be simplified, and made accessible to people from diverse backgrounds.

8. Raising Public Awareness: Increased awareness will enable families to make informed choices aligned with their loved ones' wishes and alleviate unnecessary suffering.

Question for practice:

Discuss the key problems in India's current passive-euthanasia rules and the reforms needed to overcome them.

Source: The Hindu

Time to prioritise energy storage

UPSC Syllabus Topic: GS Paper 3-Infrastructure (Energy)

Introduction

Recently, Andhra Pradesh Chief Minister N. Chandrababu Naidu announced lower electricity charges. He credited **power swapping** and tighter system management. This sparked a wider debate. **Swapping helps in the short term, but a rising renewable share needs energy banking and storage** so surplus power is not wasted and **demand peaks are met without expensive market buys**.

Concept of Power swapping

1. Power swapping means **two States or utilities agree to use each other's power so supply and demand stay balanced**.
2. At an **inter-State generating station (ISGS)**, each State has an allotted share (its entitlement).
3. When one State's demand is low, another State facing higher demand can use that share for a period.
4. The buying State pays a **fixed reservation fee (capacity charge)** for the borrowed ISGS share and the **per-unit energy charge** for what it uses. The relieving State **doesn't pay the reservation fee** on capacity it isn't using. This way, **both sides cut costs** and manage demand better.

Benefits of Power swapping

1. **Both sides can lower near-term costs.** The buying State avoids expensive market power during peaks. The relieving State saves capacity charges on idle allocation.
2. **Consumers gain when peak-time purchases are curbed.** Efficient system management over months can translate into lower tariffs.

Limits of Power swapping

1. Uneconomical: Inter-State transmission charges and losses can erode savings. This makes some swaps uneconomical.

2. Swapping is not a structural fix. Better power-purchase planning and a balanced thermal-hydel-RE mix are still needed. **Swapping works better when paired with energy banking.**

Concept of Energy banking

1. Energy banking is **electricity-for-electricity**. Surplus renewable energy is injected into the grid when generation exceeds demand and is drawn later when required.

2. It is vital for **open-access commercial and industrial users**. Discoms provide banking for a charge, **in kind or cash**.

Advantages of Energy banking

1. **It smooths variability and supports grid security.** Discoms can use banked power when their own generation dips.

2. **Energy cost savings.** By banking during surplus periods and withdrawing in high-tariff periods, companies can reduce overall costs.

3. **Seasonal matching matters for renewables.** Banking stores credits from surplus periods and returns them later, helping **Commercial and Industrial users** and discoms manage variability and costs.

Limits of Energy banking

1. **Discoms face cost mismatches.** Banked RE is injected when system costs are low (e.g., monsoon wind or midday solar) but drawn during expensive peaks (e.g., summer evenings). This **price-time gap** strains finances. Some cases also allege **capacity oversizing** by developers relative to stated drawal.

2. **State-specific regulations vary widely.** Discoms operating in multiple States struggle to harmonise strategies due to differing policies, charges, and settlement periods.

3. **Banking charges and technical losses** can reduce financial viability. Transmission and distribution losses further erode benefits.

4. **Limited banking periods** in some States make it hard to fully utilise banked energy, causing lapses and financial loss.

Government initiatives

1. Target: 50% cumulative installed capacity from non-fossil resources by 2030. Faster solar and wind additions increase the need for **banking and storage** to match supply with demand.

2. Green Energy Open Access Rules, 2022: The central rules recognise banking for renewable open-access users. They allow banking **at least monthly** on payment of charges and permit **at least 30%** of monthly consumption as banked energy.

3. **State Electricity Regulatory Commissions** define **banking charges, periods, and settlement**. Provisions differ widely across States.

Way forward

1. Build storage at scale:

- The share of renewables in electricity generation is expected to rise to **over 35% by 2030** from **22% in FY2025**. **ICRA estimates about 50 GW** of storage with **5–6 hours** by 2030.
- This need can be met through a mix of **battery energy storage systems** and **pumped hydro** projects.
- Such storage lets **Distribution Companies (DISCOMs)** store surplus renewable power and serve the peak when renewable output is low.

2. Match procurement with demand:

Make prudent power-purchase decisions across **thermal, hydel, and renewables** to match a fluctuating demand curve with the available power mix. This approach avoids chronic surplus or deficit and reduces exposure to expensive market purchases.

3. Create a uniform, data-driven energy banking framework:

- The **Central Electricity Authority (CEA)** should lead financial and scientific studies to measure real costs and grid impacts.
- Based on these studies, adopt one common method to calculate **banking charges** across all States and enable transparent price discovery so costs and responsibilities are allocated fairly among **renewable developers, DISCOMs, and consumers**.

4. **Enable trade capacity:** Enable **capacity trading** quickly so generators can sell unused contracted capacity to others, keeping plants and transmission lines productively used, lowering system costs, and improving reliability.

5. **Ensure regulatory certainty:** Do not change rules retroactively. Align **banking periods** with **seasonal** patterns, and **harmonise State regulations** to support **renewable open access** (buyers taking power directly from generators).

Conclusion

Energy Swapping cuts **immediate costs**, but it is not a full solution. **Energy banking and scalable storage** are essential to manage variability, protect discom finances, and keep tariffs stable. **Data-based rules and capacity trading** will support a reliable, affordable transition to clean power.

Question for practice:

Discuss how power swapping and energy banking differ in concept, benefits, and limits, and explain the key steps needed on storage and regulation to make renewables reliable and affordable.

Source: Businessline

Why fine tuning inflation targeting is needed in India

Source: The post **Why fine tuning inflation targeting is needed in India** has been created, based on the article "**Fine-tuning 'inflation targeting'**" published in "**Business Line**" on **07th October 2025**.

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UPSC Syllabus: GS-3-Indian Economy and issues relating to Planning, Mobilization of Resources, Growth, Development and Employment.

Context: The RBI's discussion paper (2025) re-examines FIT, suggesting that while it should continue, it needs **adjustment and flexibility** to suit **emerging-market realities**.

- **Inflation Targeting (IT)** is a **monetary policy framework** under which a central bank keeps inflation within a specified band to ensure price stability.
- **Flexible Inflation Targeting (FIT)**, adopted by India in **2016**, allows balancing **price stability** with **growth objectives**.
 - The concept of flexibility was initially derived from **advanced economy models**, but **emerging economies need customised FIT frameworks** due to higher exposure to external shocks.

Why fine tuning of FIT is needed

1. **Historical inflation trends** show that before FIT (1970–2014), average CPI inflation was around **8%**, while post-FIT it fell to **5%**. However, growth performance weakened, **revealing a potential trade-off between inflation control and output expansion**.
2. Despite large external shocks, **CPI inflation has broadly remained around 4–6%**, showing FIT's **success**, yet frequent breaches above the target since **2018–19** call for recalibration.
3. **Excess monetary tightening has proven counterproductive in the past**, such as in the 1970s and 1990s, where high real interest rates coincided with low growth without curbing inflation.
4. **High WPI inflation during 2021–23 did not transmit severely to consumer inflation because fuel price declines** benefited consumers and firms, suggesting that headline inflation alone may not capture the full picture.
5. **Supply shocks and commodity price volatility have become persistent**, requiring flexibility rather than a rigid adherence to targets.
6. For **emerging markets (EMs)** like India, structural factors such as agricultural dependence, fiscal constraints, and energy imports make a more nuanced approach essential.

Key Recommendations

1. **Adjusting FIT Parameters**
 - a. Headline CPI should remain the primary target because it reflects the cost of living and affects household expectations. The target band of $4\% \pm 2\%$ is appropriate but should be applied flexibly, allowing temporary deviations during supply shocks.
 - b. Policymakers should exercise measured discretion instead of adopting aggressive monetary tightening in response to short-term inflation spikes.
2. **Preserving Flexibility and Discretion**
 - a. The FIT framework should reduce arbitrary discretion while maintaining enough space for the Monetary Policy Committee (MPC) to respond to evolving conditions.
 - b. The composition and functioning of the MPC should ensure continuity and institutional memory, avoiding abrupt changes.
3. **Improving Forecasting and Communication**
 - a. Inflation forecasts should focus on month-to-month momentum rather than relying solely on base effects.

- b. Independent academic forecasts should complement RBI projections to strengthen transparency and credibility.
 - c. Inflation indices must be rebased and updated periodically to reflect changes in consumption patterns.
 - d. Clear and transparent communication will help anchor market expectations and reduce volatility.
- 4. Enhancing Coordination with Fiscal and Structural Policy**
- a. Price stability depends not only on monetary policy but also on fiscal discipline and coordinated supply-side management.
 - b. The government must share responsibility for controlling food and fuel prices, which are key drivers of inflation.
 - c. Coordination between the RBI and the government can help mitigate pro-cyclical fiscal shocks.
- 5. Retaining Core Monetary Framework**
- a. The repo rate should continue to be the primary instrument of monetary policy.
 - b. The independence of the MPC must be maintained while ensuring predictability and transparency in decision-making.
 - c. Liquidity shocks should be addressed through targeted interventions rather than across-the-board tightening.
- 6. Diversifying Instruments for Emerging Markets**
- a. Emerging market central banks, including the RBI, should use a wider set of tools—such as liquidity operations, foreign exchange interventions, reserve management, and macroprudential measures to deal with multiple sources of shocks.
 - b. Maintaining durable liquidity during supply shocks is crucial to avoid financial stress.
 - c. Policymakers should avoid excessive dependence on the interest-rate channel alone.
- 7. Anchoring Expectations**
- a. Communication should use both headline and core inflation indicators to clarify the central bank's stance.
 - b. In emerging markets, inflation expectations tend to adjust slowly; therefore, persistent communication and credibility-building are essential.
 - c. Policymakers should emphasise that inflation from temporary supply shocks does not represent a long-term trend.
- 8. Protecting Growth and the Poor**
- a. Low-income households are most vulnerable to high inflation and need protection through price stability.
 - b. However, maintaining low inflation must not come at the expense of growth and employment, which are equally vital for welfare.
- 9. Managing Supply Shocks**
- a. Explicit, pre-announced policy responses to global oil price movements can help stabilize expectations.
 - b. Targeted fiscal actions should complement monetary policy to address supply-side inflation rather than relying on rate hikes alone.
- 10. Maintaining Market Confidence**
- a. A credible, well-communicated, and flexible FIT framework enhances investor confidence.
 - b. Predictability and transparency in policy reduce risk premiums and borrowing costs for businesses and households.

Way Forward

1. India should retain the FIT framework but make it more adaptable to domestic and global challenges.
2. Forecasting accuracy must be improved using better models and data transparency.
3. Joint accountability between the government and the RBI should be institutionalized for handling supply shocks.
4. Public awareness campaigns can help align inflation expectations with the central bank's objectives.
5. The FIT framework should be reviewed every five years to ensure its continued relevance and effectiveness.

Conclusion: India's experience proves that **inflation targeting works**, but rigid application can harm growth. A **fine-tuned, flexible FIT** will better balance **price stability, growth, and employment**. Emerging economies must tailor FIT to **their structural and institutional realities**, using **multiple tools, coordinated policies, and transparent communication** to enhance macroeconomic stability. Thus, FIT should evolve into a **context-sensitive, flexible discipline**, anchoring inflation expectations while supporting inclusive growth.

Question: Why and how should emerging economies, including India, adapt flexible inflation targeting (FIT) to their unique conditions?

India's Diaspora: An Untapped Strategic Asset for Global Influence

Source: The post **India's Diaspora: An Untapped Strategic Asset for Global Influence** has been created based on the article "**Don't Blame the Diaspora**" published in "**Indian Express**" on **07th October 2025**.

UPSC Syllabus: GS-2- Effect of Policies and Politics of Developed and Developing Countries on India's interests, Indian Diaspora.

Context: The Indian diaspora, one of the largest in the world, has long been recognised for its professional success, innovation, and political influence abroad. However, India's problem is **not the diaspora**, but **India's** lack of coherent public diplomacy and perception management.

How India's Diaspora is a Global Asset

1. Indian-Americans and other overseas Indians are among the most successful immigrant communities globally—comprising **CEOs, scientists, academics, technologists, lawmakers, entrepreneurs, and doctors**.
2. They have played key roles in **lobbying for immigration reforms, promoting stronger US-India ties, and enhancing India's global recognition** in technology and business.
3. Many have worked independently **to advocate for India's interests, often without formal institutional backing or state support**.

The Core Issue: India's Weak Public Diplomacy

1. India has **not learned to tell its own story effectively**. Decades of **colonial-era communication and defensive diplomacy** have weakened India's global narrative.
2. Successive governments have focused on **symbolism over strategy** such as stadium rallies, cultural nostalgia, or photo opportunities instead of **professional lobbying, coordinated campaigns, and consistent messaging**.
3. While countries like **Pakistan** use lobbying and perception management effectively despite limited economic strength, **India relies on ad hoc gestures** rather than building institutional influence.

4. The Indian government often expects the diaspora to act patriotically but provides little strategic direction or engagement, leading to a perception of **divided allegiance**.

Challenges in India's engagement with its diaspora

1. **Absence of strategic communication:** India has failed to develop a sustained global communication network to counter misinformation or promote its achievements.
2. **Reactive diplomacy:** India's responses often come after controversies or crises instead of shaping the narrative proactively.
3. **Reliance on emotional appeal:** Bollywood, bhangra, and nostalgia dominate India's soft power outreach, rather than data-driven, policy-based public diplomacy.
4. **Lack of institutional coordination:** There is no unified effort linking the **Ministry of External Affairs, embassies, and diaspora organisations** to project a coherent message.
5. **Failure to leverage diaspora expertise:** Many professionals willing to contribute to India's development face bureaucratic indifference or a lack of institutional support.

The Potential of the Indian Diaspora

1. The diaspora wields significant **economic, intellectual, and political capital**, particularly in the U.S.A, UK, Canada, and the Gulf.
2. They have **influenced policy reforms, promoted innovation, and helped shape India's image** as a global technology and talent powerhouse.
3. **Indian-Americans have advocated for Indian causes** even when India remained silent.
4. Their contributions in **STEM fields, business leadership, and academia** represent a vast untapped network for India's diplomacy and innovation ecosystem.

Way Forward

1. **Strengthen institutional public diplomacy:** Establish a **dedicated public diplomacy and narrative management division** within MEA to coordinate global messaging.
2. **Professionalize lobbying:** Engage with professional lobbying and communication agencies, especially in Washington and London, to influence policy debates.
3. **Build diaspora partnerships:** Create **structured channels of engagement** with Indian-origin professionals, entrepreneurs, and lawmakers for sustained advocacy.
4. **Empower embassies:** Equip Indian missions abroad with trained public diplomacy officers to engage media, think tanks, and academia effectively.
5. **Promote authentic storytelling:** Shift focus from symbolic mass rallies to **fact-based storytelling** about India's technological, democratic, and developmental achievements.
6. **Institutionalize feedback:** Develop mechanisms to listen to diaspora concerns and integrate their ideas into policymaking.

Conclusion: The Indian diaspora has significantly enhanced India's global image, yet the real challenge lies in India's weak communication and coordination. To harness its full potential, India must engage the diaspora as strategic partners through professional, narrative-driven diplomacy.

Question: Examine the challenges in India's engagement with its diaspora and the way forward for effective global representation.

Status of Maoist movement in India

Source: The post “Status of Maoist or Naxalite movement” has been created, based “It’s time for Maoists to lay down arms” published in “The Hindu” on 08th October 2025.

UPSC Syllabus: GS-3-Internal security

Context: The Maoist or Naxalite movement, spearheaded by the proscribed **Communist Party of India (Maoist)**, has witnessed a steady decline over the last two decades. Union Home Minister Amit Shah recently reiterated that Maoists must surrender and join the mainstream under the government’s “**lucrative surrender and rehabilitation policy.**”

Background: Origin and Expansion

- The CPI (Marxist–Leninist) People’s War Group and Maoist Communist Centre merged in 2004 to form **CPI (Maoist)**.
- The movement drew strength from **underdeveloped and tribal areas** of Andhra Pradesh, Odisha, Jharkhand, and Chhattisgarh.
- Maoists established a ‘**Liberated Zone**’ in central India with their own administrative setup called “**Janatana Sarkar.**”
- Initially, the movement thrived as a **peasant-led struggle** rooted in issues of land, inequality, and exploitation.

Present Situation: Decline of the Movement

- The **Central Committee** has shrunk from about 42 members in 2004 to nearly 20 in 2025; most are aged or ailing.
- The **Politburo** has been reduced from 25 to merely 7 members.
- Security operations like **Operation Black Forest** and deployment of the **District Reserve Guard (DRG)** have been effective.
- Around **1,450 Maoists have surrendered**, and **1,460 have been arrested**; over **430 Maoists, including 45 operatives**, have been killed in the last 18 months.
- **Maoist bases in Sukma, Bijapur, Narayanpur, Bastar, Rajnandgaon**, etc., have been neutralised.

Factors Behind the Decline

1. **Leadership Crisis** – Killing of top leaders like Basavaraj reduced cohesion; new leaders like **Tipiriti Tirupathi alias Debuji (new general secretary)** lack mass influence.
2. **Loss of Ideological Base** – The movement, once people-centric, now depends on coercion rather than ideology.
3. **Erosion of Local Support** – Tribal communities disillusioned due to atrocities by both Maoists and **state-sponsored vigilante groups** like *Salwa Judum*.
4. **Modernised Security Forces** – Enhanced coordination, intelligence-sharing, and deployment of specialised units (e.g., **Commando Battalion for Resolute Action**).
5. **Improved Governance** – State presence through roads, schools, and health services in Maoist areas.
6. **Surrender and Rehabilitation Policy** – Incentivised surrender with financial aid, housing, and employment.

Regional Variations

- **Chhattisgarh** remains the main theatre of Maoist activity, though even there, the influence is waning.

- **Andhra Pradesh and Telangana**, once Maoist strongholds, have seen a near-total decline due to sustained policing and social development.
- **Jharkhand, Odisha, and Bihar** retain residual Maoist presence, mostly in small pockets.

Consequences of Militarisation

- Militarisation reduced Maoist influence but also caused **civilian casualties** and **loss of tribal trust**.
- Programmes like *Salwa Judum* backfired, leading to **rights violations** and alienation of local populations.
- Critics argue that **addressing socio-economic grievances** and **political integration** would yield more sustainable peace.

Way Forward

- **Surrender and Rehabilitation:** Continue to encourage reintegration with social security and livelihood support.
- **Developmental Governance:** Strengthen infrastructure, education, and employment in tribal belts.
- **Dialogue and Trust-Building:** Rebuild faith between state and tribals through participatory governance.
- **Ideological Counter-Narrative:** Promote democratic activism to replace violent struggle.

Conclusion: It is evident that the **Maoist insurgency is at its weakest**, with leadership decimated and public support waning. The movement's reliance on violence over ideology has eroded its legitimacy. Sustained **democratic engagement, inclusive development, and rehabilitation policies** can finally help integrate remaining cadres into the mainstream — marking an end to one of India's longest-running internal conflicts. Question: Critically examine the factors responsible for the decline of Left-Wing Extremism (LWE) in India. How can the State ensure that this decline translates into lasting peace and inclusive development?

Importance of Domestic Investment in India

Source: The post "Importance of Domestic Investment in India " has been created, based "Why Indian capital needs to invest domestically" published in "The Hindu" on 08th October 2025.

UPSC Syllabus: GS-3- Investment Models

Context: As the global economy enters a prolonged phase of **uncertainty**, marked by **tariff barriers, trade wars, and geopolitical realignments**, India faces the challenge of sustaining its growth momentum. At such a juncture, **domestic investment by Indian capital** becomes essential to reduce dependence on volatile global demand and to ensure that economic growth remains **broad-based, inclusive, and employment-generating**.

The Evolution of Indian Capital

- Indian capitalism has historically evolved alongside state policy.
 - **Pre-liberalisation (1950–1990):** The state dominated capital formation through PSUs.
 - **Post-liberalisation (1991 onwards):** Private Indian capital expanded rapidly under market-friendly reforms and global integration.
- However, much of this private investment was **globally oriented**, aimed at export markets or speculative sectors rather than domestic productive capacity.

- The current situation demands that Indian capital **reorient itself** to serve internal economic needs a process akin to the earlier structural transformations in capitalism worldwide.

Why Domestic Investment Is Crucial Now

1. Global Uncertainty and External Demand Weakness:

- a. Rising **protectionism** and **tariff disputes** have disrupted global value chains.
- b. Export-led growth is now less reliable; India's economy must depend on **domestic consumption and internal investment** to sustain demand.
- c. Vulnerability to external shocks, such as commodity price fluctuations and trade restrictions, highlights the need for a **resilient domestic growth model**.

2. Stimulating Demand and Employment

- a. India faces **high unemployment** and **low wage growth**, particularly in the informal and rural sectors.
- b. Domestic investment in manufacturing, services, and infrastructure can boost employment and create **multiplier effects** across sectors.
- c. Inclusive growth requires private capital to expand beyond profit motives and engage in **nation-building investments**.

3. Complementing Public Investment: The government has significantly increased **public capital expenditure**:

- a. From ₹4.26 lakh crore in FY20 to ₹10.21 lakh crore in FY25 (CAGR ~19%).
- b. Focus areas include **roads, railways, energy, and digital infrastructure**. However, **private investment remains subdued** due to risk aversion and preference for quick returns.
- c. Without private participation, the **multiplier impact** of public expenditure remains limited.

4. Encouraging Structural Transformation

- a. Indian capital must focus on **productive and employment-intensive sectors** — manufacturing, green energy, logistics, defence, and research.
- b. Such reallocation would strengthen the **industrial base**, reduce import dependence, and enhance competitiveness.

5. Long-term Stability and Self-Reliance

- a. Reinvesting domestically aligns with the goals of **Atmanirbhar Bharat** and **Make in India**, fostering innovation and resilience.
- b. It reduces exposure to external shocks and speculative international capital flows.

Challenges to Domestic Investment

1. **Short-termism:** Many private investors prioritise quick speculative gains over long-term industrial projects.
2. **Policy and Regulatory Delays:** Complex clearances and tax uncertainties discourage risk-taking.
3. **Financial Constraints:** Rising cost of capital and weak corporate balance sheets post-COVID have limited reinvestment capacity.
4. **Unequal Risk Sharing:** Businesses often expect state incentives but hesitate to invest without guaranteed profits.

Policy Imperatives and the Way Forward

1. **Strengthen Public-Private Synergy:** Encourage collaboration in infrastructure, technology, and R&D through PPP models.

2. **Stable Policy Environment:** Predictable taxation, faster approvals, and consistent industrial policies to restore confidence.
3. **Reform Corporate Incentives:** Link incentives to domestic reinvestment and job creation rather than mere profit reporting.
4. **Promote Domestic Demand:** Enhance rural income, urban consumption, and MSME competitiveness to sustain market demand.
5. **Foster a Developmental Ethos:** Private business must align with **public interest**, mirroring earlier developmental capitalism seen in East Asia.

Conclusion: India's next phase of growth must be **driven from within**. While the government has expanded public spending, **private Indian capital must shoulder its share of responsibility** by reinvesting profits domestically, building industries, and generating employment. In an era of fragile globalisation, **aligning private interests with national priorities** is not only patriotic but economically prudent. The future of Indian growth depends on **a partnership between the state and domestic capital** that prioritises resilience, inclusion, and long-term development over short-term profit.

Question: Why does Indian capital need to invest domestically? Discuss in light of global uncertainties and India's growth requirements.

Israel's tactical gains in a strategic labyrinth

UPSC Syllabus Topic: GS Paper 2 -International relation.

Introduction

Israel sought to ride a favourable regional moment. The October 7 shock opened a war that spread beyond Gaza. Israel achieved notable battlefield effects. Yet the core conflict returned to centre stage, and regional politics shifted in unexpected ways. **Israel's tactical advances did not deliver lasting security or a clear end.**

Background (Pre-Oct 7)

1. Regional fault-lines:

- **Hamas controlled Gaza**, while **Fatah ran the Palestinian Authority in the West Bank**. This internal division kept the Palestinian cause weak and **pushed the issue to the margins**.
- **Iran**, despite economic troubles, projected power through its **"axis of resistance."** Most **Gulf monarchies viewed Iran as a security threat** and **deepened security cooperation with Israel**. These opposing alignments set the stage for competing blocs in West Asia.

2. U.S. blueprint and normalisation track

- The **United States** aimed to **knit Arab states and Israel into a joint front against Iran**. The **Abraham Accords (2020)** advanced this plan, and by **2023 Saudi-Israel normalisation** was moving ahead.

- Two U.S-backed initiatives involving India—I2U2 (India, Israel, the U.S., UAE) and IMEEC—were meant to embed Israel in regional and global supply chains by strengthening connectivity and shared interests..

3. A “new Middle East” in the making

- Washington’s plan placed Israel at the heart of regional integration. Momentum suggested a **U.S.-led order** with Israel central to security and connectivity.
- This architecture depended on suppressing the Palestine question and containing Iran’s network.

October 7 Shock & Regional Escalation

1. **Immediate response:** On **October 7, 2023**, Hamas attacked Israel, killing **about 1,200 people**. The assault shattered Israel’s sense of security and showed that, without addressing **Palestine**, peace would remain elusive. Israel launched an **all-out war**, first in Gaza, then widening to the region.
2. **War beyond Gaza:** Israeli operations extended across multiple theatres. Since October 7, Israel **bombed at least five countries** besides Palestinian territories: **Syria, Lebanon, Yemen, Iran, and Qatar**. The conflict spilled over, entangling regional actors and U.S. security arrangements.

Israel’s Aims and Its Gain

1. **Declared objectives:** Israel announced two immediate goals: **destroy Hamas** and **free 251 hostages**. These aims framed the military campaign in Gaza and beyond.
2. **Broader strategic project:** Israel’s conduct pointed to wider ambitions. It sought to **crush Palestinian resistance**, **dismantle Iran’s axis**, and shape a **unipolar West Asia** with Israel—backed by the U.S.—as the central security actor, while **pushing the Palestine question back to the margins**.
3. **Battlefield gains:** Hamas’s **militant and administrative infrastructure** was **severely damaged**. Israeli forces **controlled much of Gaza**. Under the U.S. President’s **20-point plan** scenario, even after initial withdrawals, Israel would retain **parts of Rafah, much of Khan Yunus**, and a **northern buffer zone**.
4. **Pressure on Iran’s network:** Hezbollah was **weakened** by **repeated Israeli strikes**. In **Syria**, the **collapse of Bashar al-Assad** and the rise of **Abu Mohammed al-Golani** were presented as a **tactical victory** for Israel. This **weakened the Iran–Hezbollah link** and enabled Israel to **take more Syrian territory**.
5. **Direct strikes on Iran:** In **June 2025**, Israel **struck Iran** to target its **nuclear programme** and **degrade military capabilities**. These attacks signalled an effort to push back Iran’s regional power while fighting Hamas.

Geopolitical Pushback in West Asia

1. **Insurgency, not defeat:** Despite losses, **Hamas was not destroyed**. It **reinvented itself as an insurgency**, rooted in **Palestinian nationalism**, making eradication far harder.
2. **Palestine back at the centre:** The **Palestine question** returned to the **geopolitical core**. Even close partners moved to **recognise Palestinian statehood**, and **global public opinion** turned against Israel.

3. Iran's durability:

- Israel weakened elements of **Iran's non-state network**, but **Hezbollah remained a formidable political and social force**.
- Iran **absorbed 12 days of Israeli bombing (June 13–25, 2025)** and **fired back with long-range missiles**.

4. **Gulf security shock:** The **September strike on Qatar** failed to kill **top Hamas leaders**. It **shook U.S. security guarantees in the Gulf**, unsettling regional calculations without achieving decisive results.

5. **Saudi normalisation stalls:** Saudi Arabia no longer sees normalising ties with Israel as a strategic asset. It is now viewed as a **liability** in the kingdom. This change blocks the earlier diplomatic track.

6. **Impact on IMEEC and I2U2:** Without Saudi normalisation, **IMEEC is unlikely to take off**. The **I2U2 remains paralysed**, with the **UAE drawing a red line on any Israeli move to annex the West Bank**. The regional integration plan loses momentum.

7. Security diversification in the Gulf

- Saudi Arabia **signed a mutual defence agreement with Pakistan**. This marks a shift in Riyadh's security choices as earlier tracks with Israel stalled.
- Qatar **received a NATO-style security assurance** from the U.S. President. An **executive order** states that **future attacks against Qatar would be seen as a "threat to the peace and security of the U.S."**

8. **Growing isolation and reliance on U.S:** Israel faces **international isolation**. It leans more on **U.S. political, economic, and military cover** to manage the fallout of the war and the diplomatic pushback.

Conclusion

Israel set out to **reshape West Asia**. The region is indeed being remade, **but not to Israel's design**. **Palestine is back at the centre**, Iran's regime and nuclear programme still stand, and **Arab states increasingly see Israel as a threat rather than a provider of security**. As the **war dragged on without an end plan**, **Israel's isolation grew**, and the **U.S. publicly drew a boundary—"stop bombing Gaza immediately"**— signalling the U.S now sets the ceiling on further moves.

Question for practice:

Examine why Israel's post-October 7 tactical gains did not produce a clear end-state.

Source: The Hindu

A path to progress that is paved with gold

UPSC Syllabus Topic: GS Paper 3 -Indian economy.

Introduction

India needs reliable, long-term capital that comes from inside the economy, not from volatile foreign flows. Global investment is shrinking and the cost of overseas borrowing is rising. **Relying on external money adds risk. A practical answer is to mobilise household gold.** Indian families trust gold and hold it at very large scale. The task is to shift idle gold into formal finance without coercion. This needs strong infrastructure, clear rules, and digital tracking. If done well, it can ease imports, strengthen the current account, and finance growth on India's own terms.

Status of Gold in India

1. Household stock:

- Indian families collectively hold **about 25,000 tonnes of gold**, valued near **\$2.4 trillion**.
- This is **over 55% of India's FY26 GDP**, larger than all bank credit.
- It is also **nearly six times Pakistan's GDP** and **greater than Italy's economy**.

2. Import dependence:

- Despite this stock, India meets **roughly 87%** of demand through imports. Gold forms **about 8%** of the total import bill.

Significance of Gold in Indian Economy

1. **Deep cultural trust.** Gold holds **civilisational value** and social acceptance.

2. **Household savings.** Families buy gold on **auspicious occasions and ceremonies**. It is **passed across generations** and viewed as **secure wealth** that can be used in need.

3. **Monetary stability.** Central banks **hold gold** as a buffer in uncertain times.

4. **Industrial uses :** Gold also supports **industrial uses** in areas such as electronics, dentistry, and aerospace, which add to its **intrinsic value**.

5. **Store of value.** Gold helps **preserve purchasing power** and acts as a **hedge against inflation**. Its price often moves **differently from stocks and bonds**, improving **risk balance** in portfolios.

Major concern related to gold for Indian economy

1. **Idle stock of gold:** Households hold a very large stock of gold, but most of it stays idle. This pushes up **imports** despite abundant domestic holdings and adds pressure on the **current account**.

2. **Import dependence :** India still meets **about 87% of demand** through imports, and gold has formed a sizable share of the **import bill**. This weakens external balances and ties growth financing to foreign conditions rather than stable, rupee savings.

3. **Fragmented policy and regulatory complexity:** There is **no cohesive gold policy**. Rules are spread across several authorities, creating overlapping circulars and notifications.

Key Regulatory Bodies Overseeing Gold Imports

- **Directorate General of Foreign Trade (DGFT):** Oversees policy implementation and license approvals.
- **Reserve Bank of India (RBI):** Monitors cross-border transactions and liquidity.
- **Central Board of Indirect Taxes and Customs (CBIC):** Manages customs duties and compliance.

Government initiative to bring gold in main economy

1. **Gold Monetisation Scheme (GMS):** People and institutions deposit jewellery (without stones), coins, or bars with banks and **earn interest**.
2. **Sovereign Gold Bonds (SGB):** RBI issues bonds **denominated in grams of gold**, offering a non-physical, savings-friendly option.
3. **Indian Gold Coin (IGC):** **Government-minted, hallmarked coins** made from **domestically recycled gold via GMS**, closing the loop through a circular economy.
4. A NITI Aayog committee on “**Transforming India’s Gold Market**” brought ministries, RBI, industry, and academia together to assess challenges and opportunities, including exports, jobs, outreach for monetisation, and domestic supply.
5. The **2018–19 Budget** announced work toward a **comprehensive gold policy** to develop gold as a financial asset class.
6. **Regulatory steps** include **mandatory six-digit HUID hallmarking** and **import-duty revisions** to curb smuggling.
7. The **RBI has reformed gold loans**, with new rules **effective from October 2025**. It’s aimed is to make gold loans more borrower-friendly and expanding collateral eligibility, including tighter Loan-to-Value (LTV) caps for certain loan amounts.

Way forward

1. **Build infrastructure: Need to Scale hallmarking and purity-testing centres** for trusted, uniform purity checks across India. Build a **formal network of collection and purity-testing centres** so households can deposit jewellery, coins, and bars confidently. **BIS-registered centres have nearly doubled in four years**, but gaps remain
2. **Strengthen logistics:** Let **banks handle money flows** end-to-end. Use **experienced collection and purity-testing centres** to manage **secure, transparent movement of gold** from deposit to refinery and back into the system.
3. **Digitalisation:**
 - Provide a **mobile “metal balance”** so households track deposits like bank accounts.
 - All steps must be **digital**—account opening, purity test results, deposit certificate, interest credit, and redemption—so the status is easy to track **in real time**.
 - **Returns should go directly to the depositor’s bank account**, with **no hidden costs**. Every entry should be **time-stamped and auditable**, making the process simple, transparent, and trustworthy.

4.Trust building: There is a need to ease GST and customs scrutiny on deposits, keep the process simple and “no-questions-asked,” and maintain transparent terms.

Conclusion

India has repeatedly turned crises into capability—food security in the 1960s, digital leadership in the 1990s, and vaccine self-reliance during COVID-19. The next frontier is **financial self-reliance**. Mobilising household gold through trustworthy systems, clear rules, and digital tracking can fund growth from within. **If structured well, the cost of funds at 4.5%–6.5% is lower than international borrowing.** Even modest mobilisation would cut import pressure, support the current account, and create a large domestic capital pool for **infrastructure, manufacturing, and innovation**. Done right, **Bharat can fund Bharat**—converting idle metal into productive capital and financing growth on India’s own terms.

Question for practice:

Examine how gold monetisation can fund India’s growth from within.

Source: The Hindu

The danger of an unchecked pre-crime framework

Introduction

Preventive detention in India has moved from an exceptional measure to a routine tool of governance. Even after the Supreme Court’s caution in *Dhanya M.* (2025), authorities continue to invoke expansive state laws such as Kerala Anti-Social Activities (Prevention) Act (KAAPA), where broad “goonda/rowdy” categories blur the line between public order and ordinary law-and-order issues. NCRB figures—about 24,500 cases in 2022—reflect this normalization. Earlier rulings like *A.K. Gopalan* and *A.K. Roy* still shields the regime from the full protection of Articles 14, 19, and 21. Meanwhile, weak disclosure, delayed access to lawyers, and in-camera reviews persist.

Preventive Detention

1. Preventive detention refers to the imprisonment of a person to prevent the possible commitment of crime on the grounds of suspicion that such a person may commit some crime in the near future.
2. It leads to the detention of a person without trial and conviction by a court. Its purpose is not to punish a person for a past offence but to prevent him from committing an offence in the near future.

[Note: There are commonly two types of detentions: preventive detention and Punitive detention]

Punitive detention, which means detention as a punishment for the criminal offence. It occurs after an offence is actually committed, or an attempt has been made towards the commission of that crime.]

Constitutional Provisions Related to Preventive Detention

1. Article 22 also authorises the Parliament to prescribe

(a) the circumstances and the classes of cases in which a person can be detained for more than three months under a preventive detention law without obtaining the opinion of an advisory board

(b) the maximum period for which a person can be detained in any classes of cases under a preventive detention law

(c) the procedure to be followed by an advisory board in an inquiry.

2. **The 44th Amendment Act of 1978** has reduced the period of detention without obtaining the opinion of an advisory board from three to two months. However, this provision has not yet been brought into force, hence, the original period of three months still continues.

3. Power to enact

- The Constitution allows both the union and state to enact preventive detention laws.
- While Parliament is exclusively entitled to enact preventive detention laws related to defence, foreign affairs, and the security of India (List I, entry 9),
- Both Parliament and the state legislatures can make such laws for reasons to do with the maintenance of public order and ensuring supplies and services essential to the community and the security of a state (List III, entry 3).

Legislation in India on Preventive Detention

1. **National Security Act, 1980:** This act provides for administrative detention for a period of up to one year.
2. **Unlawful Activities (Prevention) Act, 1967:** Prevents activities threatening India's sovereignty, security, and integrity.
3. **COFEPOSA 1974:** The act provided for preventive detention to maintain and improve foreign exchange and also to deter illegal trade prevailing.
4. **Public Safety Act, 1978:** Used in Jammu & Kashmir for preventive detention on grounds of public order and security
5. **TADA 1985:** The fundamental objective of this legislation is to demonstrate that it was agreed based on practice that preventive detention is required to deter and successfully counteract terrorism and violent acts.
6. **State-specific laws:** Some states have framed laws based on preventive detention in the context of bootleggers, human traffickers, land grabbers, cyber criminals, etc

Grounds on which Prevention Detention can be made

Security of the state

Maintenance of the public order

Maintaining essential services and defence

Foreign affairs with the security of India.

Important judgement on Prevention Detention

1. A.K. Gopalan v. State of Madras (1950):

- The Supreme Court upheld the constitutionality of the Preventive Detention Act, 1950, and read Article 21 narrowly as “procedure established by law,” not “due process.”
- It treated Articles 19 and 21 as separate, allowing detention if a statute’s procedure was followed, even if the procedure was harsh.
- Preventive detention is permissible if the law’s procedure is observed, with limited judicial scrutiny of fairness.

2. ADM Jabalpur Case: The Court held that the right to approach the courts to challenge even illegal or malicious detentions was unavailable when Article 21 was suspended during an emergency.

3. A.K. Roy v. Union of India (1982):

- The Court upheld the NSA but stressed that preventive detention is an exceptional power and must follow constitutional safeguards, including Article 22(5).
- It also clarified that the President’s ordinance power is legislative and subject to constitutional limits and judicial review, including Article 21.
- Preventive detention is allowed, but only within strict procedural and constitutional checks.

4. Rekha v. State of Tamil Nadu (2011):

- The Supreme Court reaffirmed that Article 21 strongly protects personal liberty and that Article 22(3)(b) allows preventive detention only as a narrow, exceptional carve-out.
- It held that Preventive detention is strictly exceptional; where regular criminal procedures can manage the risk, a detention order is unlawful.

5. Dhanya M. v. State of Kerala (2025)

- The Court called preventive detention a “draconian measure” to be used only for serious threats to public order, not for ordinary law-and-order violations.
- It ruled that authorities cannot use preventive detention to circumvent bail orders or as a substitute for seeking bail cancellation under criminal law.
- Do not weaponise preventive detention against bail; show a live, proximate necessity beyond ordinary procedures.

Major concern related to preventive detention

1. Misuse: Preventive detention is used far beyond its original intent. Authorities often prefer it as an easy tool against protestors and politically weighted groups. NCRB data show a near-doubling over eight years, with about 24,500 cases in 2022, signalling normalisation of an extraordinary power.

2. Bypassing Ordinary Law: Many situations could be handled by the penal code—investigation, charge, trial, bail, or bail-cancellation. Yet detention is invoked. This replaces due process with executive shortcuts.

3. **Lack Due Process:** Detainees often lack full, timely disclosure of grounds and face delays in accessing lawyers. Advisory Board reviews are in-camera and largely rely on executive records. Non-disclosure in the name of “national interest” undermines natural justice and International Covenant on Civil and Political Rights (ICCPR) standards.

4. **Delayed Relief:** Courts do strike down orders for non-application of mind or procedural lapses, but usually after long custody. Habeas petitions are frequently delayed or dismissed on technical grounds. There is no meaningful compensation or immediate review, allowing harm without real remedy.

5. **Structural Flaws:** Preventive detention laws in many states use vague or elastic grounds, so the net is wide and often catches people who should be dealt with under ordinary criminal law. Even the safeguard in Article 22 is weakened because authorities can refuse full disclosure of grounds “in public interest,” creating a direct tension with Articles 19 and 21 and with basic due-process norms.

6. **Colonial roots as a problem:** Because preventive detention grew out of Raj-era practices aimed at silencing dissent, many experts question its relevance and legitimacy today.

Way forward

1. **Revisit the constitutional basis:** In view of the Supreme Court’s observations in *Dhanya M.*, India should reassess the older rulings in *A.K. Gopalan* and *A.K. Roy* and update the preventive-detention framework so it satisfies today’s constitutional tests—due process, proportionality, and stronger protection of fundamental rights..

2. **Narrow the scope of use:** Permit preventive detention only for truly grave threats such as terrorism or transnational drug cartels, and prohibit its routine administrative use.

3. **Guarantee robust procedural safeguards:** Give every detainee a statutory right to legal representation before the Advisory Board, and supply the grounds of detention, except in narrowly defined, exceptional cases of serious public-interest risk.

4. **Mandate strict judicial control:** Require prompt and periodic judicial review of every detention, fix short maximum detention periods, and bar rolling or indefinite renewals.

5. **Provide remedies and accountability:** Make compensation compulsory for unlawful or wrongful detention and create personal and institutional consequences for mala fide actions.

6. **Raise the standard of judicial review:** Direct higher courts to test the **substantive necessity and proportionality** of detention, not just the detaining authority’s “subjective satisfaction,” and build clear jurisprudence on these tests.

7. **Institutionalise transparency and data:** Establish a national monitoring framework that publishes annual statistics on preventive detention, including age, gender, religion, and caste, and releases Advisory Board submission and outcome data.

8. **Periodic audits:** Require periodic audits by the NHRC and State Human Rights Commissions.

Improve policing: train police and prosecutors to strengthen evidence-based investigation so that preventive detention remains an exceptional last resort.

Conclusion

To restore liberty as the rule and detention as the exception, India must confine preventive detention to narrowly defined threats, enforce real safeguards and time limits, and submit every order to stringent, periodic judicial review. Transparent data, independent audits, compensation for wrongful detention, and stronger routine policing will curb misuse. Aligning the framework with Articles 14, 19, and 21 is essential to protect constitutional values without compromising security.

Drug Regulation in India

UPSC Syllabus Topic: GS Paper 2 -Issues relating to development and management of Social Sector/Services relating to Health. And **GS paper 3**- Indian economy

Introduction

India's pharmaceutical industry, celebrated during the pandemic for exporting drugs, medical equipment, and vaccines, now faces a credibility test. Often called the "pharmacy of the world," it confronts a growing crisis driven by counterfeit and substandard medicines. A recent tragedy—the deaths of over twenty children in Madhya Pradesh and Rajasthan after consuming a toxic cough syrup—has intensified scrutiny. Since 2022, similar contamination incidents involving Indian syrups in The Gambia, Uzbekistan, and Cameroon have aggravated concerns. Together, these episodes raise urgent questions about drug regulation in India, especially the adequacy of national safety oversight, quality standards, and enforcement.

About the drug regulatory system in India

Drug regulation in India involves multiple government bodies and laws, both for domestic and exported drugs. Here are some key points:

A. Drug regulation of Domestic Drugs:

- 1. Central Drugs Standard Control Organization (CDSCO):** The CDSCO is the primary regulatory body in India that regulates the manufacture, sale, and distribution of drugs in the country. It also conducts periodic inspections of drug manufacturing facilities to ensure compliance with Good Manufacturing Practices (GMP) and other regulations.
- 2. Drug Controller General of India (DCGI):** The DCGI is responsible for approving new drugs for marketing in India, and for monitoring their safety and efficacy.
- 3. Drug Price Control Order (DPCO):** The DPCO regulates the prices of certain essential drugs in India to ensure they remain affordable to the general public.
- 4. State-level drug regulatory bodies:** At the state level, there exist State Drug Regulatory Authorities (SDRAs), which are statutory bodies created under the Drugs and Cosmetics Act, 1940. They fall under the ambit of the respective Health Departments of each state.
- 5. Drugs and Cosmetics Act, 1940 and its associated rules:** Domestic drugs are regulated under this act.

B. Drug regulation of Exported Drugs:

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1. **CDSCO:** It is responsible for regulating the export of drugs from India. It issues certificates of pharmaceutical products (CPP) to ensure that drugs exported from India meet the quality, safety, and efficacy standards of the importing country. The CDSCO also regulates the labelling, packaging, and transportation of drugs exported from India.

2. **The Directorate General of Foreign Trade (DGFT):** The Directorate General of Foreign Trade (DGFT) organisation is an attached office of the Ministry of Commerce and Industry and is headed by the Director General of Foreign Trade. The DGFT issues guidelines for the export of drugs, including the requirement of obtaining necessary licenses, permits, and certificates. Exporters must obtain an Import-Export Code (IEC) from the DGFT to export drugs.

3. **Export Inspection Council (EIC):** The role of the EIC is to ensure that products notified under the Export (Quality Control and Inspection) Act 1963 are meeting the requirements of the importing countries in respect of their quality and safety.

4. **Drugs and Cosmetics Act, 1940 and the Foreign Trade (Development and Regulation) Act, 1992:** Exported drugs are regulated under the provisions of these two acts.

5. **The World Health Organization (WHO):** It pre-qualifies certain drugs manufactured in India for use in its global health programs.

6. The **United States Food and Drug Administration (US FDA)** and the **European Medicines Agency (EMA)** also regulate drugs manufactured in India for export to their respective countries.

Concerns related to drug regulation in India

1. **Low convictions:** The conviction rate is about 5.9%, and after procedural adjustments it rarely crosses 3%, which shows weak investigations and poor case preparation.

2. **Outdated legal tool:** The Drugs and Cosmetics Act, 1940 was designed for a different era and does not address today's transnational, organised counterfeiting networks.

3. **Police exclusion:** Following the *Ashok Kumar* (2020) ruling, only drug control officers can register offences under the D&C Act, which has created an enforcement gap that criminals exploit.

4. **Narrow investigations:** Most cases stop at seizing spurious stock and do not trace the wider network, its finances, or the facilitators behind it.

5. **Weak intelligence and forensics:** Agencies seldom use data analytics, forensic mapping, packaging and ink analysis, digital trails, or CDR analysis, so evidentiary chains remain fragile.

6. **Fragmented agencies:** Drug Control, police, the Enforcement Directorate, Income Tax, and GST authorities often work in silos, which limits coordinated action.

7. **Evidence gaps:** Scientific validation is inconsistent, reducing the admissibility and persuasive strength of evidence in court.

8. **Poor pharmacovigilance:** Pharmacovigilance is the process of monitoring the safety of medicines once they are on the market. In India, the pharmacovigilance system is still developing, and there is a lack of awareness among healthcare professionals and patients about reporting adverse drug reactions (ADRs). For example,

there have been reports of adverse reactions to the COVID-19 vaccine in India, but these have not been adequately investigated.

Way forward

1. **Joint jurisdiction:** Parliament should amend the D&C Act to allow both police and Drug Control Officers to register cases and conduct investigations together.
2. **Dual-track cases:** Investigators should add BNS charges—such as Section 318 for cheating and Sections 336–338 for forgery—alongside D&C Act offences, and use Section 111 to designate organised criminal enterprises when warranted.
3. **Constitute SITs:** Governments should form national and state-level Special Investigation Teams that include police, Drug Control, ED, and forensic specialists for end-to-end probes.
4. **Forensic mandate:** Amend the D&C Rules and agency Standard Operating Procedures (SOPs) to require comprehensive forensic protocols in all major counterfeit-drug investigations. These must include chemical and toxicological testing, packaging and ink examination, digital-footprint analysis, and Call Detail Record (CDR) mapping. Forensic Science Laboratories (FSLs) and the National Forensic Sciences University (NFSU) should standardise methods, issue certified reports within defined timelines, and provide expert testimony in court.
5. **Follow the money:** The ED should invoke PMLA to trace and freeze illicit assets, while Income Tax and GST departments should dismantle shell entities and fake billing structures.
6. **Capacity building:** Agencies should receive regular joint training on investigation techniques, evidence handling, and real-time intelligence sharing.
7. **Data-driven enforcement:** A shared analytics platform should map supply chains and cross-border links, enabling targeted raids and faster prosecution.
8. **Collaboration with International Bodies:** India should collaborate with international bodies like the World Health Organization (WHO) to adopt best practices in drug regulation. This will help ensure that Indian pharmaceutical companies are following global safety and quality standards. The authorities should also work closely with international bodies to monitor the safety of drugs that are exported from India to other countries.

Conclusion

India's counterfeit drug problem is both an enforcement failure and a legislative gap. India must integrate regulatory specialisation with criminal investigation. A coordinated, forensic-by-default, multi-agency model—anchored in legislative reform, clear roles, and seamless intelligence sharing—can move enforcement from seizures to network dismantling. With science guiding probes and law ensuring accountability, India can protect patients and rebuild trust in its pharmaceutical ecosystem.

Question for practice :

Examine how integrating regulatory specialisation with criminal investigation can strengthen India's fight against counterfeit drugs.

Source: Indian Express

India-U.K. ties

Source: The post “**India-U.K. ties**” has been created, based on “**An anchor for India-U.K. ties, economic partnership**” published in “The Hindu” on 09th October 2025.

UPSC Syllabus: GS-2-International relations

Context: Relations between India and the United Kingdom have entered a renewed phase with the signing of the **Comprehensive Economic and Trade Agreement (CETA) in July 2025**. The recent meeting between the Prime Ministers of both countries signifies a deep commitment to scale up bilateral relations into a true strategic and economic partnership amid a changing global landscape marked by technological competition, geopolitical realignment, and trade shifts.

Background

1. India’s engagement with the U.K. forms part of its broader web of expanding trade partnerships.
2. Recently, **the Trade and Economic Partnership Agreement (TEPA) with Europe , which is India’s first pact linking market access to investment commitments and Free Trade Association (EFTA,) came into effect, worth \$100 billion over 15 years.**
3. Negotiations with the European Union, India’s second-largest trading partner, are also advancing.
4. Within this framework, **the CETA with the U.K. serves as a strategic foundation for expanding trade, investment, and cooperation across multiple sectors.**

Significance of the CETA

1. **Trade and Tariff Benefits:** CETA aims to double bilateral trade by 2030, reducing tariffs on goods such as textiles, agricultural products, pharmaceuticals, and automobiles. For India, it promises market access expansion; for the U.K., it opens India as a manufacturing and export hub.
2. **Mobility and Talent Cooperation:** The Double Contributions Convention (DCC) exempts Indian professionals in the U.K. from double social security payments for up to three years, facilitating easier movement of skilled workers and lowering business costs.
3. **Investment Promotion:** The ongoing bilateral investment treaty alongside CETA aims to boost U.K. investments in India. The U.K. is India’s sixth-largest investor, accounting for nearly 5% of FDI inflows, which are set to rise across manufacturing and services.
4. **Technology and Standards Alignment:** CETA promotes technology partnerships, global standards adoption, and smoother access to European markets.

Strategic and Security Dimensions

1. **Vision 2035 Roadmap for India-U.K. Relations**
 - It focuses on cooperation in defence, technology, climate action, education, and mobility.
 - The Defence Industrial Roadmap emphasises joint development and co-production of advanced defence platforms.
2. **Technology Security Initiative (TSI) – Launched in 2024**

- It facilitates collaboration in AI, quantum computing, semiconductors, advanced materials, and critical minerals.
 - It also highlights the convergence of economic and security domains.
3. **Geopolitical Cooperation:** Both nations aim to strengthen engagement in the Indo-Pacific, ensuring a free, open, and resilient regional order.

Challenges in the Partnership

1. **Regulatory barriers and differing standards** can slow the implementation of trade and investment commitments.
2. **Post-Brexit trade policy adjustments in the U.K.** may create uncertainty in tariff regimes.
3. **Balancing labour mobility and domestic workforce protection** could be politically sensitive in the U.K.
4. **Need for alignment on technology transfer**, IP protection, and data governance frameworks.
5. **Ensuring inclusivity and avoiding over-dependence** on specific sectors such as services or defence.

Way Forward

1. **Swift Ratification and Implementation:** Ensures early operationalisation of CETA and linked investment treaty frameworks.
2. **Regulatory Harmonisation:** Align standards, customs procedures, and digital trade norms for smooth market integration.
3. **Deepen Talent and Education Collaboration:** Expand student and professional exchanges under mutual recognition agreements.
4. **Focus on Green and Digital Economy:** Leverage cooperation in green finance, renewable energy, electric mobility, and digital innovation.
5. **Enhance Defence and Technology Ties:** Accelerate joint R&D, co-development of critical technologies, and defence production partnerships.
6. **Strengthen Strategic Dialogue:** Institutionalise high-level dialogues for consistent monitoring and adaptive policy coordination.

Conclusion: The India-U.K. relationship is at a pivotal juncture, poised to evolve into a next-generation economic and strategic partnership. **The CETA, together with the Vision 2035 framework and Technology Security Initiative**, provides the roadmap for enhanced cooperation in trade, innovation, and defence. In an era of fragmented global trade and geopolitical competition, both countries can emerge as co-architects of a resilient, open, and technology-driven global order, turning historic ties into a partnership for the future.

Question: In the context of growing geopolitical realignments, evaluate how the India-U.K. Comprehensive Economic and Trade Agreement (CETA) can serve as an anchor for a next-generation strategic and economic partnership.

Workers' Rights Amid Factory Hazards in India

Source: The post “Workers’ Rights Amid Factory Hazards in India” has been created, based on “Are workers’ rights being eroded?” published in “The Hindu” on 08th October 2025.

UPSC Syllabus: GS-3- Indian Economy and issues relating to Planning, Mobilisation of Resources, Growth, Development and Employment.

Context: Industrial accidents in India continue to expose the grim state of workers' rights and safety. On **June 30**, the **Sigachi Industries chemical factory explosion in Telangana** killed **40 workers**, followed by accidents in **Tamil Nadu** and **Chennai**, claiming several more lives.

The **British Safety Council** estimates that **one in four fatal workplace accidents worldwide occur in India** — a figure that underestimates the problem due to widespread underreporting, especially among informal and contract labour.

Why Do Workplace Accidents Occur?

1. Accidents are **not inevitable** but result from **employer negligence** and weak enforcement of safety laws.
2. **Failures include:**
 - a. Poor workplace design and outdated machinery.
 - b. Inadequate maintenance, non-functional alarms, and a lack of evacuation systems.
 - c. Ignored worker complaints and dismissed safety concerns.
3. The Telangana incident revealed systemic neglect — outdated reactors, ignored warnings, and absence of safety supervision.

International Labour Organisation (ILO) Stand

1. The **ILO** notes that industrial accidents are rarely random — they stem from **management failures** in maintaining safety standards.
2. It criticises employers for blaming “human error” instead of addressing systemic negligence, long working hours, and unsafe environments.
3. The ILO stresses **preventive responsibility**, not post-disaster compensation.

Legal Framework in India

- **Factories Act, 1948:** First legislation mandating safe and healthy working conditions.
- **Occupational Safety, Health and Working Conditions (OSHC) Code, 2020:** Consolidates 13 labour laws (including Factories Act, Mines Act, Contract Labour Act).
- The OSHWC Code, though currently **in abeyance**, aims to modernise health and safety norms.
- However, **implementation and accountability remain weak**, with most provisions unenforced and employers rarely penalised.

Challenges in Protecting Workers' Rights

1. **Systematic Dilution of Labour Laws:** Since the **1990s**, labour protections have been weakened in the name of “**flexibility**” and “**Ease of Doing Business.**” Governments reduced inspections and rebranded regulations as “**obstacles to business.**”
2. **Self-Certification and Weak Oversight:** States like Maharashtra allowed **self-certification** of compliance, reducing government monitoring. Violations often go unchecked, and accountability is minimal.
3. **Informalization of Labour:** A large share of India's workforce is **informal or contract-based**, outside legal protection frameworks. These workers face unsafe environments, irregular pay, and no compensation.
4. **Charity over Justice:** Governments and companies issue **ex gratia payments** instead of enforcing legal compensation, turning accountability into tokenism.

5. **Profit-Driven Work Culture:** India's business environment prioritizes **productivity and cost efficiency** over worker safety. During the **COVID-19 pandemic**, working hours were extended, and temporary relaxations in labour laws became permanent.
6. **Weak Institutional Mechanisms:** Insufficient factory inspections, lack of data on workplace accidents, and poor inter-agency coordination impede enforcement.

Way Forward

1. **Strengthen Enforcement:**
 - Reinstate and empower the **labour inspectorate** with digital monitoring and surprise inspections.
 - Enforce accountability through criminal and civil penalties for negligence.
2. **Implement OSHWC Code Effectively:** Operationalise the **Occupational Safety Code, 2020**, with clear rules and real-time reporting mechanisms.
3. **ILO Compliance:** Align national labour policies with **ILO conventions** on workplace safety and decent work.
4. **Empower Workers and Unions:**
 - Encourage **collective bargaining**, representation, and whistleblower protection.
 - Involve workers in safety audits and risk assessments.
5. **Transparency and Data:** Mandate reporting of all industrial accidents and maintain a **national workplace safety registry**.
6. **Shift in Business Culture:**
 - Promote a **"safety-first"** industrial culture that views protection not as a cost but as an investment.
 - Encourage **ESG (Environmental, Social, Governance)** compliance and social audits.
7. **Judicial and Administrative Accountability:** Fast-track compensation cases and enforce employer liability to deter future negligence.

Conclusion: India's industrial growth cannot come at the cost of human safety. While laws like the **Factories Act** and **OSHWC Code** exist, their **implementation gap** and **regulatory dilution** undermine worker protections. As the ILO emphasises, **safe workplaces enhance both productivity and human dignity**. To ensure sustainable and inclusive development, India must move beyond symbolic compensation towards **real accountability, prevention, and respect for workers' rights**.

Question: Industrial accidents in India reflect the deep erosion of workers' rights and weak enforcement of safety laws. Discuss the causes, challenges, and measures needed to ensure occupational safety and dignity for workers.

AI for Inclusive Societal Development

UPSC Syllabus Topic: GS Paper 3 -growth and development

Introduction

India's growth cannot be inclusive if **490 million** informal workers stay outside formal protections, skills, and productivity gains. AI and frontier technologies can help, but change will not happen by itself. Human intent, coordinated investments, and a supportive ecosystem must come together so technology becomes accessible, affordable, and truly useful at the margins. **NITI Aayog's** study *AI for Inclusive Societal Development* (with

Deloitte) centres this urgency and proposes a mission-mode roadmap. Without deliberate action, average informal worker incomes could stagnate near **\$6,000** by 2047—well below the **\$14,500** benchmark needed for high-income aspirations..

Current State of Informal Workers in India

1. India's informal trade workforce is about **490 million** and remains largely outside core economic gains.
2. Around **90%** of India's labour force works in the informal sector, spanning construction, agriculture, logistics, retail, and artisanal manufacturing.
3. Average productivity of informal workers is **~US\$5/hour**, roughly half the overall average **US\$11/hour**.
4. **Women's participation in the workforce sits at 37 percent**, compared with a **global average of 47 percent**.
5. India's informal sector **contributes around 45 percent of the GDP**, playing a critical role in the economy.
6. **Sectoral spread** : Informal work spans agriculture (46–48%), construction (15–17%), civic/health services (8–10%), retail/food (6–8%), manufacturing (4–6%), artisans (2–4%), logistics (3–5%), and others (7–10%).

Challenges Faced by Informal Workers

Recurring issues consolidate into **five themes: financial fragility, market access gaps, skilling and adoption problems, social protection and occupational safety deficits, and productivity gaps..**

1. **Financial fragility:** Informal workers face irregular, delayed wages and volatile earnings. Limited savings buffers and unverifiable income histories block access to formal credit, insurance, and emergency finance, deepening vulnerability to illness and demand shocks.

2. Market access:

- Workflows depend on intermediaries and word-of-mouth networks, not reliably predictable demand pipelines. Weak discovery on inclusive platforms limits steady orders.
- Migrants lack portable proofs and job-matching, inviting exploitation and downtime between gigs. Opacity keeps prices low and further discourages investment.

3. Skilling and adoption:

- Training remains fragmented, generic, and disconnected from real jobs. Digital tools are rarely vernacular, adaptive, or offline-friendly, so last-mile uptake and learning outcomes stay limited.
- Workers cannot easily earn portable credentials that prove competence, making progression, apprenticeships, and credit for skills difficult.

4. Social protection and safety:

- Many remain outside health cover, pensions, or income-loss protection. Records are non-portable, applications confusing, and awareness low.
- Hazardous worksites persist without monitoring or protective technologies.
- Occupational injuries, illness, and downtime push households into debt, while compensation mechanisms are slow or inaccessible.

5. Productivity gaps:

- Minimal mechanisation and manual processes reduce hourly output. Poor workflow planning, tool unavailability, and lack of performance visibility block continuous improvement.
- Credit constraints delay upgrades to safer, more efficient equipment. Over time, low productivity locks workers into low wages and reinforces informality across sectors.

Technology Pathways for Transforming the Informal Workforce

1. **Unified trust layer with verifiable credentials:** Create a **trusted worker profile** where identity, skills, and work history are captured as **Verifiable Credentials (VCs)**—digitally signed, tamper-proof records in a wallet. Because these VCs are **interoperable and instantly verifiable**, employers, lenders, and welfare agencies can trust claims, speeding access to jobs, credit, and benefits.
2. **Smart contracts:** Encode service agreements as **self-executing smart contracts** (including on distributed systems) so wages **auto-release on milestone completion**. This reduces disputes and delays, and the **digital payment trail** that results becomes an auditable record to underwrite future credit.
3. **Frictionless access :** Use **consent-based data sharing** to auto-fill applications from trusted sources (VCs, Aadhaar, e-Shram). Pair this with **multilingual, voice-first AI assistants** that adapt to literacy and local context, guiding workers through schemes, loans, and registrations. This turns 4. **Digital Public Infrastructure (DPI)** into truly usable last-mile delivery.
5. **Market integration:** Integrate worker credentials with **ONDC and GeM** to auto-create micro-storefronts for verified sellers; run **AI-powered local demand matching** to alert nearby gigs, orders, and bulk-buy opportunities.
6. Use **adaptive learning pathways** and **AR/spatial computing** for hands-on practice; pair with **AI tutors** for personalised journeys on low-end phones and kiosks—raising skill relevance and retention.
7. **AI knowledge graphs:** Provide **Generative-AI knowledge assistants** that combine loom blueprints, process recipes, buyer trends, and schemes into a **navigable knowledge graph**, offering real-time, context-aware fixes in local languages.

Need for Urgent Action

1. **Growth gap to 2047:** If India grows at **6.3%**, GDP will be about **US\$15.3 trillion** by 2047, far below the **US\$30 trillion** aim. At this pace, informal workers' average income reaches only **~US\$6,000**; with **~10%** tech-enabled growth, **~US\$14,500** becomes possible.

2. **Favourable conditions for India:** India has a young population, fast digital adoption, and strong rails—**Aadhaar, UPI, Jan Dhan, BharatNet**—backed by a vibrant AI ecosystem. These conditions allow rapid, inclusive rollout of worker-centric solutions at national scale.

3. **Risk of exclusion:** Without timely action, millions may remain off platforms, credit, insurance, and skilling pathways. Exclusion in a tech-driven economy will deepen inequality and waste India's demographic and digital momentum.

Key Recommendations

1. **Mission Digital ShramSetu:** NITI Aayog proposes **Mission Digital ShramSetu** to make AI **accessible, affordable, and impactful** for every informal worker. The mission will deploy **AI, blockchain, and immersive learning** to dismantle structural constraints, expand market access, and strengthen social protection.

2. **Using what exists, better:** Multiple programmes already target informal workers: e-Shram, PM Vishwakarma, PM SVANidhi, Ayushman Bharat, NULM, and NRLM. There is need for **convergence and tech-enabled last-mile delivery** rather than creating entirely new silos.

3. **Enable a federated trust and credentialing ecosystem:** Develop a federated trust model to enable entities such as training providers, gig platforms, employers and government bodies to issue verifiable work and skill credentials, with real-time updates through standardised protocols.

4. **Encourage innovation and incentivise adoption of frontier technology:** Support startups developing frontier technology-based solutions through grants, tax breaks, regulatory sandboxes, Research & Development (R&D) incentives and public procurement pathways.

5. **Strengthen AI and digital infrastructure for inclusive access:** Scale vernacular AI through initiatives such as Bhashini and AI4Bharat to support local speech and dialects.

6. **Empower Private Sector ownership:** Create sector-specific incentives for private sector organisations to fund and build digital interventions.

7. **Digitise and standardise informal sector knowledge:** Partner with industry bodies and training institutes to digitise sector knowledge and integrate it into multilingual AI knowledge graphs for different industries.

8. **Invest in affordable tools and local tech workforce:** Promote local R&D and manufacturing of affordable tools under the Make in India initiative, enable tech-rental models via Self Help Groups (SHGs) and trade bodies and train district-level tech operators to drive adoption and support in low-literacy contexts.

9. **Uphold data privacy, AI ethics and user protection:** Implement worker-centric data protections under the Digital Personal Data Protection (DPDP) Act, release edge-compliant platform guidelines and establish clear safety, insurance and liability norms for AI and robotic tool usage. There is a need for organisational discourse and accountability mechanisms to uphold workers' rights and build trust in AI systems.

10. **Drive grassroots innovation and worker outreach:** Incentivise states to launch mission-mode programmes for informal trades, repurpose district infrastructure as digital workforce hubs, enable co-funding by ULBs/ panchayats, strengthen partnerships with local institutions for digital literacy and drive skill enhancement initiatives through targeted incentives.

Question for practice:

Discuss how AI-led technology pathways can address the five core challenges of India's informal workforce and explain why urgent action is essential to meet the 2047 goals.

India has stakes in Gaza's peace

Introduction

Israel and Hamas have accepted the first phase of a US-backed ceasefire framework. Key actors—the PA, EU, and major Arab states—offer cautious support; Israel's approval is reluctant, and Hamas questions disarmament. India welcomes the development and calls for a role in reconstruction. India's choices now hinge on balancing its principles—Palestinian sovereignty and humanitarian protection—with practical cooperation that can stabilise Gaza and safeguard its own interests.

International Responses

1. Support with conditions: The **Palestinian Authority (PA)**, the **European Union (EU)**, and **Egypt, Jordan, Qatar, Saudi Arabia, and the UAE** have offered **cautious backing**. Their main concern is the **absence of a clear timeline for Israeli withdrawal**, which affects sequencing and trust.

2. Israel: Prime Minister Benjamin Netanyahu offers reluctant support. He accepts the plan's first phase but faces resistance from right-wing partners who reject any Palestinian role in governance. This internal divide may slow decisions.

3. Hamas: Hamas signals willingness to engage in talks. It objects to the disarmament requirement. This reservation could challenge the demilitarisation track and the pace of implementation.

4. United Kingdom: Prime Minister Keir Starmer welcomes the first-phase deal. He urges immediate, full implementation and the removal of all limits on life-saving humanitarian aid to Gaza.

India's Position

1. India's stance: Prime Minister Narendra Modi calls the development **"decisive progress"** and a **"significant step forward."** He speaks with **President Trump** and **Prime Minister Netanyahu**, welcoming **hostage releases** and **humanitarian relief**.

2. Since Oct 7, India has **balanced condemnation of terrorism** with **support for Palestinian rights**, consistent with its **long-standing two-state, sovereignty-plus-security stance**.

India Could Play a Bigger Role Now

1. Regional stakes : India's criticism after the **Doha strike** reflects **changing international opinion** and **GCC concerns**. With expanding links under the **Abraham Accords** and the **India–Middle East–Europe Economic Corridor (IMEC)**, **economic interdependence** strengthens the incentive to **coordinate with GCC partners**.

2. **Diplomatic space** : There is **precedent** for active Indian involvement. **China's critical stance** on the plan creates a **contrast** that can widen space for **constructive Indian participation**, provided India stays aligned with its **core principles**.

3. **Role in reconstruction**: India's envoy to Israel suggests **Indian participation in reconstruction**, citing infrastructural expertise and ties with both **Israel** and the **PA**.

4. **Practical steps**: India can support **hostage-detainee exchanges**, push **sustained humanitarian access**, and pursue **targeted investments** that stabilise services. Coordination with the **PA, EU**, and key **Arab states—Egypt, Jordan, Qatar, Saudi Arabia, and the UAE**—can keep actions aligned and transparent.

India's stakes

- **Diaspora**: Nearly **90 lakh Indians** live in the Middle East; stability safeguards communities, including **18,000 in Israel** and up to **10,000 in Iran**.
- **Energy**: India relies heavily on Middle Eastern crude; reduced tensions can **stabilise prices**.
- **Connectivity and investment**: Peace can **encourage Arab investment** and create space for projects like the **India-Middle East-Europe Economic Corridor**.
- **Concern**: **Pakistan's visible role** in the process is a **strategic concern** for New Delhi.

India's Historical Engagement

1. Consistent diplomatic roles

- In **1947**, **Jawaharlal Nehru** pushed for India's place on **UNSCOP**, backing a **single federal state** with Arab and Jewish provinces.
- India **recognised Israel in 1950**, yet sustained **solidarity with Palestine**, including **UNRWA support since 1951**.
- India **recognised the State of Palestine in 1988**, among the **first non-Arab states** to do so.

2. Peacekeeping and process participation

- India contributed major contingents to **UNEF I and UNEF II**, patrolling the **Egypt-Israel Sinai** and taking **casualties in May 1967**.
- After establishing diplomatic ties with Israel in **1992** (to avoid exclusion from a widening peace process), India **attended donor conferences and UN forums** on Palestinian rights and provided **developmental aid and technical training** to the **PA** alongside **strategic ties with Israel**.

Conclusion

India has stakes in Gaza's peace because security, economic interdependence with the GCC, and historic commitments converge. A careful, principle-first, reconstruction-focused role—aligned with humanitarian law, Palestinian sovereignty, and mutual security—can add value. Clarity on timelines and governance arrangements is essential. With these safeguards, India can help stabilise Gaza, support reconciliation, and protect its regional interests without worsening local labour dynamics or political fault lines.

For detailed information on **The course ahead for Trump's Gaza ceasefire plan** [read this article here](#)

Question for practice:

Discuss why India has stakes in Gaza's peace and how it could play a constructive role under the proposed ceasefire plan.

Source: Indian Express

India's Mental Health Crisis and the Need for a Unified Response

Source: The post "India's Mental Health Crisis and the Need for a Unified Response" has been created, based on "India's mental health crisis, the cries and scars" published in "The Hindu" on 10th October 2025.

UPSC Syllabus: GS Paper 2 – Governance

Context: India is facing an unprecedented **mental health crisis**, with nearly **230 million Indians** living with mental health disorders ranging from depression and anxiety to substance use and suicidal tendencies. Despite progressive legal frameworks like the **Mental Healthcare Act, 2017**, and initiatives such as **Tele-MANAS** and the **National Mental Health Programme (NMHP)**, the country continues to struggle with access, affordability, and stigma in mental healthcare.

Current Status and Data

1. According to **NCRB's ADSI 2023 report**, India recorded **1,71,418 suicides**, a **3% rise** from the previous year.
2. The **WHO** estimates India's mental illness prevalence at **13.7%**, with **16.3 suicides per 1,00,000 people**.
3. The **National Mental Health Survey (2015–16)** revealed a **treatment gap of 70%–92%** for common mental disorders.
4. India has only **0.75 psychiatrists and 0.07 psychologists per 1,00,000 population**, far below the **WHO norm of 3 per 1,00,000**.
5. **Rural distress**, gender-based violence, unemployment, and financial crises exacerbate psychological vulnerabilities.

Gaps in the System

1. **Severe Shortage of Professionals:** Inadequate psychiatrists, psychologists, and psychiatric nurses — especially in **rural and semi-urban areas**. There are **only 0.75 psychiatrists per 1,00,000 people**, which is much lower than the global average, leaving vast populations untreated.
2. **Fragmented Institutional Structure:** Ministries handling health, education, labour, and welfare work in **silos**, leading to poor coordination.

3. **Weak Implementation of Policies:** Despite the **Mental Healthcare Act (2017)** guaranteeing the right to mental healthcare, its implementation remains limited due to **underfunding and a lack of accountability**.
4. **Low Public Spending:** Only **1.05% of the total health budget** goes to mental health — much lower than the **WHO-recommended 5%**.
5. **Social Stigma and Lack of Awareness:** Mental illness is often viewed as a personal weakness or shame, discouraging help-seeking behaviour.
6. **Digital and Tele-Health Inequality:** While **Tele-MANAS** has helped over **20 lakh people**, its reach remains **urban-centric**, leaving large rural populations underserved.

Government Initiatives

1. **Mental Healthcare Act (2017):** Guarantees the right to mental healthcare, decriminalises suicide, and promotes dignity.
2. **National Mental Health Programme (NMHP):** Expands community mental health services to **767 districts**.
3. **Tele-MANAS:** A 24x7 national tele-mental health helpline providing counselling and crisis support.
4. **KIRAN Helpline & Manodarpan:** Support for youth, students, and working professionals.
5. **National Suicide Prevention Strategy (2022):** Aims to reduce suicide deaths by 10% by 2030.

Need for a Unified and Integrated Approach

1. **Inter-Ministerial Coordination:** India needs an **integrated, multi-sectoral approach** involving health, education, social justice, and labour ministries for coordinated action.
2. **Infrastructure and Workforce:** Government should allocate **at least 5% of the health budget** to mental health, expand **medical training**, and promote **mid-level providers** in rural areas.
3. **Community-Based Interventions:** Establish local **counselling centres, school-based awareness programs, and farmer distress support units**.
4. **Use of Technology:** Digital tools like AI-driven support systems and mobile counselling apps should be strengthened to reach remote populations.
5. **Public Awareness and De-Stigmatisation:** Incorporate **mental health education** into school curricula and public campaigns to normalise help-seeking.
6. **Policy and Data Integration:** Create a **national mental health registry** and **real-time surveillance** for early detection and response.

Way Forward

1. Adopt **comprehensive and inclusive policies** integrating mental health into **primary healthcare**.
2. Strengthen **public infrastructure**, ensure **universal insurance coverage**, and enhance **research-based policy** formulation.
3. Encourage **public-private partnerships**, NGOs, and community organisations to fill service gaps.
4. Prioritise **preventive mental health**, especially for vulnerable groups — youth, farmers, women, and students.

Conclusion: India's mental health challenge is not just a medical concern but a **social, economic, and human rights issue**. A unified, well-funded, and stigma-free mental health ecosystem — integrating community participation, digital innovation, and institutional accountability — is crucial for achieving **holistic well-being and national resilience**.

Question: India's growing mental health crisis highlights the urgent need for an integrated and well-funded approach to mental healthcare. Discuss the key challenges and suggest measures to strengthen India's mental health ecosystem.

Karnataka Gig Workers Act: A Model for India

Source: The post "Karnataka Gig Workers Act: A Model for India" has been created, based on "Karnataka Gig Workers Act: A Model for India" published in "The Hindu" on 10th October 2025.

UPSC Syllabus: GS Paper 2 – Governance

Context: The gig economy in India has expanded rapidly in recent years, driven by platforms such as **Ola, Uber, Swiggy, and Zomato**. However, gig workers classified as **independent contractors**—remain outside the protection of traditional labour laws, leaving them without access to **social security, healthcare, insurance, or job stability**. Recognising this gap, the **Government of Karnataka** enacted the **Karnataka Platform-Based Gig Workers (Social Security and Welfare) Act, 2025**, becoming the first Indian state to create a **comprehensive legal framework** for the welfare of gig workers.

Need for the Act

1. According to **NITI Aayog (2022)**, India's gig workforce is expected to grow from **8 million in 2020–21 to 24 million by 2029–30**.
2. Despite their growing role in the digital economy, gig workers face **income insecurity**, lack of **health benefits**, and **no protection** against arbitrary terminations.
3. The **COVID-19 pandemic** exposed the vulnerability of this workforce, highlighting the urgent need for **formal recognition and social protection**.
4. The Karnataka Act aims to address these issues through a structured and transparent system of welfare and accountability.

Key Features of the Karnataka Gig Workers Act, 2025

1. **Welfare Fund Creation:** The Act mandates all **aggregator platforms** to contribute **1–5% of each transaction's payout** to a **Gig Workers Welfare Fund**. This fund will finance **healthcare, accident insurance, and financial protection** for gig workers.
2. **Establishment of a Welfare Board:** A **Gig Workers Welfare Board** based in **Bengaluru** will manage the fund and oversee implementation. The Board is chaired by the **State Labour Minister** and includes officials from labour, IT, taxation, and civil society.
3. **Transparency and Accountability:** Platforms must maintain transparency regarding **payments, deductions, and incentives**. Companies are required to disclose **algorithmic decision-making processes** and provide a **human grievance contact** for workers.
4. **Registration and Identification:** All platform-based workers will be **registered** and assigned **unique identification numbers** to access welfare schemes.
5. **Grievance Redressal Mechanism:** The Act introduces a **two-tier dispute resolution system**:
 - **Internal Dispute Committee** within platforms.
 - **Gig Workers Welfare Board** for appeals and independent review.
6. **Compliance and Penalties:** Companies must file **quarterly compliance reports**. Non-compliance can lead to **penalties up to ₹1 lakh**.

7. **Administrative Efficiency:** Administrative expenses are capped at **5% of the welfare fund**, ensuring that most contributions go directly to worker benefits.
8. **Fair Work Standards:** The Act mandates **rest breaks, payment timelines**, and basic working condition standards for gig workers.

Significance of the Act

1. The law provides **legal recognition and protection** to gig workers for the first time in India.
2. It establishes a **structured welfare mechanism** ensuring access to **social security, insurance, and healthcare**.
3. It promotes **transparency and fairness** in the gig economy by regulating payments and algorithmic decisions.
4. The Act enhances **accountability of aggregator platforms**, making them responsible for worker welfare.
5. It serves as a **replicable model** for other Indian states and could inform a **national policy** for gig worker protection.
6. By institutionalising welfare contributions, Karnataka has taken a **progressive step in labour reform** in the digital era.

Challenges and Concerns

1. **Compliance Issues:** Ensuring all platforms, including **small and informal aggregators**, follow the law may be difficult.
2. **Sustainability of the Welfare Fund:** The long-term financial viability of the fund depends on **regular contributions** from platforms.
3. **Industry Resistance:** Platforms may view mandatory contributions as a **financial and administrative burden**, leading to potential **non-compliance** or **delays**.
4. **Impact on Consumers:** Companies may **pass on costs** to customers, increasing service prices and slowing growth.
5. **Exclusion of Informal Gig Workers:** The law may not cover workers employed by **unregistered or semi-formal platforms**, creating a **two-tier system** of protection.
6. **Administrative Bottlenecks:** Effective monitoring, registration, and grievance resolution will require **strong institutional capacity**.

Way Forward

- The state must ensure **strict enforcement** of the Act across all types of gig platforms.
- The **Welfare Fund** should be monitored regularly to ensure **transparency, sufficiency, and accountability**.
- The government should include **informal and unregistered platform workers** within the Act's ambit.
- A **national framework for gig worker welfare**, aligned with the Karnataka model, should be developed for uniform protection across states.
- **Periodic stakeholder consultations** involving gig companies, workers, and policymakers can strengthen cooperation and implementation.

Conclusion: The **Karnataka Gig Workers Act, 2025**, marks a historic step toward recognising the rights and welfare of India's gig workforce. By creating a dedicated welfare fund, establishing accountability mechanisms,

and ensuring transparency in platform operations, the state has set a **progressive benchmark for digital labour reform**.

For the Act to truly succeed, consistent enforcement, adequate funding, and cooperative participation between the government, platforms, and workers are essential. If implemented effectively, Karnataka's model could pave the way for a **national policy framework** that ensures **fairness, dignity, and social security** for millions of gig workers across India.

Question: The Karnataka Gig Workers Act, 2025 seeks to provide social security and legal recognition to platform-based workers. Discuss its significance and challenges as a model for labour reform in India.

Relooking at Kabul

Introduction

Afghanistan links South and Central Asia and often draws great-power rivalry. In 2021, the Taliban took power after a change of government. India then reset its approach: humanitarian aid first, a small technical team in Kabul, and no formal recognition—aimed at protecting interests and historical ties without overreach. After Foreign Minister Amir Khan Muttaqi's visit on **10 October 2025**, India seeks forward engagement that is people-centric and interest-driven: practical cooperation, a restored diplomatic presence via a chargé d'affaires, expanded trade through the air-freight corridor, and quiet, issue-based security coordination—while avoiding premature recognition and navigating shifting regional pressures.

India's Diplomatic Strategy

1. **Embassy status (Kabul):** India is preparing to reopen its embassy in Kabul, beginning with a chargé d'affaires rather than a full ambassador.
2. **Recognition signal:** This step indicates engagement without formal recognition. In New Delhi, the Afghan mission will likely be run by Taliban-appointed staff and fly the Emirate flag, reflecting de facto dealings and not de jure recognition.
3. **Policy principles:** India is underscoring that Afghans should decide their own security and foreign policy. It is also aligning with the position that Afghanistan should host no foreign military structures.
4. **Public messaging:** In current remarks, India has not foregrounded human-rights conditionality. The emphasis is on practical channels, steady contact, and continuity of essential cooperation.

Regional Geopolitics & Security Calculus

1. Great-power setting:

- The regional landscape is shifting, as the United States **encourages** a larger Pakistani role across India's immediate and extended western neighbourhood..
- China is widening its reach through its Pakistan axis and expanding stakes in Iran and the Gulf.
- Russia has recognised the Taliban and is tightening coordination with Tehran. India must read its west through these intersecting pressures..

2. India– Afghans security overlap:

- India and the Afghans now describe cross-border terrorism as a shared threat.
- This creates room for discreet, issue-based coordination on threat assessment and deconfliction, without any formal alliance or recognition.

3. Pakistan factor

- Afghans are asserting autonomy on India policy and has also refused to hand over leaders of the Tehreek-e-Taliban Pakistan (TTP) to Pakistan.
- These actions show that Pakistan's leverage over the Taliban is limited, despite its past support and sanctuary..

4. **Coordination platforms:** India participates in the Moscow-led Afghanistan consultations to exchange assessments and shape regional consensus—most notably the line that **no foreign military bases or structures** should be present in Afghanistan.

What are the areas of engagement between India- Afghanistan?

1. Developmental Assistance

Infrastructure Projects:

- **Zaranj-Delaram Highway:** Connects Afghanistan to the Iranian border.
- **Salma Dam:** Provides irrigation and electricity.
- **Afghan Parliament Building:** A symbol of bilateral cooperation.

Healthcare:

- India is setting up a **Thalassemia Centre** and a Modern Diagnostic Centre in Kabul.
- A **30-bed hospital in Bagrami, an Oncology Centre, a Trauma Centre** (both in Kabul), and five Maternity Clinics are planned. India gifted 20 ambulances.
- About 75 prosthetic limbs have been fitted for Afghan nationals.

Education: India offers e-ICCR scholarships to Afghan students. More avenues for study in Indian universities are under consideration.

2. Trade and Economic Relations

Air Freight Corridor: The India–Afghanistan Air Freight Corridor has started. It will streamline connectivity and raise bilateral trade.

Chabahar Port: Enhances Afghanistan's connectivity to global markets.

Mining and Investment: Afghanistan has invited Indian companies to invest in the mining sector.

3. Regional Security and Counterterrorism

Capacity Building: India trains Afghan security forces to counter terrorism.

Taliban Dynamics: India cautiously engages with the Taliban, focusing on its security concerns.

4. Humanitarian Assistance

Crisis Support: India has provided food grains and COVID-19 vaccines to Afghanistan.

Community Projects: Over 200 programs, including schools and water supply systems, have been implemented.

Disaster Relief and Reconstruction: India acted as a first responder after the Nangarhar and Kunar earthquake. India is willing to help reconstruct residential buildings in affected areas.

5. Sports and Culture

1. Both sides will strengthen **cooperation in sports**, especially cricket.

2. **Visa liberalisation** : Afghanistan seeks greater visa liberalisation for students and patients. India can expand access subject to security checks. **Easier mobility strengthens societal ties.**

Conclusion

India's Afghanistan policy must blend realism with restraint. Engage the de facto authority to protect core interests, but avoid premature recognition. Prioritise people-centric cooperation—food, health, education, visas—and complete stalled projects that deliver quick benefits. Build quiet security coordination against cross-border threats, while signalling support for Afghan sovereignty and “no foreign bases.” A calibrated, sustained presence in Kabul will help India manage great-power competition, balance Pakistan-linked risks, and create stable avenues for long-term partnership.

Strengthening Startup Ecosystem through Prompt Biz Registration

Introduction

India's transformative decade has unleashed strong entrepreneurial growth. Company registrations are high, and new sectors—AI, drones, space, and clean tech—are rising. Yet progress slows due to manual registration and limited use of **AI, blockchain, APIs, and cloud**. With the **₹1 lakh crore RDI Scheme** and a **DeepTech Fund of Funds**, the foundation is set **to convert innovation into enterprises and jobs**. The next unlock is **fast, reliable business registration** as the first step from idea to enterprise.

Current Status of Entrepreneurship (Startups) in India

1. India is the **third-largest startup hub**, with over **1,30,000 recognized startups**, compared to just 400 in 2015-16.

2. **Startup funding grew 15 times** since 2015-16, with private equity and venture capital playing significant roles.

3. In 2024, startups raised over **\$12 billion**, with **75% coming from international sources**.

4. **Substantial Growth**: Around **1.65 to 1.70 lakh startups** are registered with the Department for Promotion of Industry and Internal Trade (DPIIT).

5. **Regional Growth**: Nearly **50% of startups** now come from **Tier II and Tier III cities**, such as Indore, Jaipur, and Ahmedabad, offering untapped growth potential.

Government Initiatives for Entrepreneurship (Startups) Growth

1. **Digital shift** : The **SPICe+ incorporation system** and digitised portals have made starting up easier. **Over 80% of registrations happen online**. This shows strong progress toward a tech-enabled, founder-friendly state.

2. **RDI push**: Recently government has launched **₹1 lakh cr Research Development and Innovation (RDI) Scheme, along with DeepTech Fund of Funds**.

3. **New Sectors**: Policies now allow startups to operate in **space, geospatial technology, defence, and drones**, enabling ventures into cutting-edge domains.

4. **Startup India**: Launched on 16th January 2016, Startup India is a flagship initiative by the Government of India to foster innovation and create a thriving startup ecosystem. Its goal is to drive economic growth and generate large-scale employment opportunities

5. **Startup India Seed Fund Scheme (SISFS)**: Launched in 2021 with a corpus of ₹945 crore, the SISFS supports startups at various stages, including proof of concept, prototype development, product trials, market entry, and commercialisation. The scheme, operational since 1st April 2021, is overseen by the Experts Advisory Committee (EAC), which evaluates and selects incubators for fund allocation.

6. **Fund of Funds for Startups (FFS) Scheme**: Launched in June 2016 with a corpus of ₹10,000 crore, the Fund of Funds for Startups (FFS) aims to boost access to domestic capital for startups. Managed by SIDBI, it funds SEBI-registered Alternative Investment Funds (AIFs), which then invest in startups through equity and equity-linked instruments.

7. **Credit Guarantee Scheme for Startups (CGSS)**: The Credit Guarantee Scheme for Startups (CGSS) provides credit guarantees for loans to DPIIT-recognised startups from Scheduled Commercial Banks, NBFCs, and Venture Debt Funds. Implemented by the National Credit Guarantee Trustee Company Limited (NCGTC), it aims to offer credit guarantees up to a specified limit, easing access to funding for startups.

8. **Atal Innovation Mission (AIM)**: Launched in 2016 by NITI Aayog, the Atal Innovation Mission (AIM) aims to promote innovation and entrepreneurship across India. It includes initiatives like Atal Tinkering Labs at the school level to foster creativity, Atal Incubation Centres to build a robust startup ecosystem, and Atal Community Innovation Centres to serve unserved and underserved regions.

9. **MeitY Startup Hub (MSH)**: The MeitY Startup Hub (MSH) aims to foster a vibrant innovation and startup ecosystem by uniting technology innovation stakeholders and promoting economic growth through innovation and technological advancement.

Challenges to Entrepreneurship (Startups) Growth

1. **Limited Domestic Spending**: India's **per capita GDP is around \$3,500**, far lower than **China's \$12,000–15,000**, restricting market demand.
2. **Access to Patient Capital**: Deep tech startups struggle with long-term funding. Despite raising \$12 billion in 2024, 75% came from international sources. A specialised domestic fund is needed..
3. **Bureaucratic Hurdles**: Complex regulations and approval delays **hinder startup growth and operations**.
4. **Regulatory Concerns**: Corporate mismanagement in startups like Byju's highlights the need for better governance and self-regulation.
5. **Skill Gaps**: Curricula lack focus on emerging skills like AI and data science, slowing innovation.
6. **IPR Challenges**: India paid \$14.3 billion in IPR royalties in 2024 but earned only \$1.5 billion, indicating innovation gaps.
7. **Geographic Disparity**: Startups in Tier II and III cities need better infrastructure, education, and inclusivity to unlock potential.

Global Best Practices for Entrepreneurship (Startups) Growth

1. **Estonia's e-Residency** lets anyone register an company within hours. The process is fully paperless and **supported by blockchain**. Its **cloud-based, distributed setup** provides both transparency and strong cybersecurity.
2. **New Zealand** uses a **New Zealand Business Number** to unify all business data. Name reservation usually takes about two hours, and incorporation is finished in one to two days. Application Programming Interface (API) -linked, machine-readable data lowers errors and reduces manual checks.
3. **Singapore's Bizfile** completes registration in minutes. It uses AI for name checks and sets up tax and compliance instantly. The "register once, update everywhere" approach cut licensing from 14 forms with 800 fields to a single form with 90 fields.
4. **Global trend** : More than **41 countries** now offer digital registration with AI support, real-time tracking, and blockchain security.

Way forward

1. **Limited time**: Set **24 hours** as the standard for completing company registration. Time certainty sends a strong signal to founders and investors.

2. Use of AI:

- Use **AI-driven document validation** and **automated name screening**.
- Apply **risk scoring** and **auto-approval** so most applications finish within a day, and only exceptions need review.
- Leverage **IndiaAI Mission** and **regional-language chatbots** to guide applicants end-to-end.

4. Parallel approvals : Enable seamless, automated data sharing between **MCA, CBDT (PAN/TAN), CBIC (GST), DPIIT (Startup India)**, and the **Ministry of MSME (Udyam)**. Move from **sequential** to **parallel** approvals to shorten timelines.

5. Make international and domestic processes identical in timelines and documentation. **Singapore** and the **UAE** show that simple, predictable onboarding accelerates **capital and technology inflows**.

6. Incorporate proven global practices: Estonia's paperless, blockchain-backed cloud; New Zealand's single business ID and API data flows; Singapore's real-time cross-agency integration with AI name checks and "register once, update everywhere."

Question for practice:

Discuss how adopting AI, blockchain, APIs, and parallel inter-agency approvals can achieve 24-hour business registration and strengthen India's startup ecosystem.

Source: The Economic Times

Curbing Cyber Frauds in Digital India

Source: The post "Curbing Cyber Frauds in Digital India" has been created, based on "Curbing Cyber Frauds in Digital India" published in "PIB" on 11th October 2025.

UPSC Syllabus: GS Paper 2 – Governance

Context: India's cyberspace has expanded rapidly with over **86% of households now connected to the internet**, reflecting the transformative progress under the *Digital India* initiative. However, the rise in digital penetration has also led to an unprecedented increase in **cyber frauds** such as phishing, unauthorized access, data theft, and online scams targeting individuals and institutions. The number of cybersecurity incidents has surged from **10.29 lakh in 2022** to **22.68 lakh in 2024**, highlighting both increased reporting and growing vulnerability in the digital ecosystem.

Cyber Laws and Legal Safeguards

1. The **Information Technology Act, 2000** forms the legal backbone of India's cyber law framework, covering offences like identity theft, impersonation, and cyber fraud.
2. The **Intermediary Guidelines and Digital Media Ethics Code, 2021** ensures accountability of digital intermediaries and curbs the dissemination of harmful content.

3. The **Digital Personal Data Protection Act, 2023** mandates lawful, consent-based processing of personal data, protecting citizens from misuse and unauthorized access.
4. These frameworks collectively enabled the blocking of **94.28 lakh SIM cards** and **26,348 IMEIs** linked to fraudulent activities.
5. Over **1.08 lakh police officers** have been trained in cyber investigation, and **82,704 certificates** have been issued to strengthen cyber forensic capacity.

Key Measures and Institutional Framework

1. The **Union Budget 2025–26** has allocated **₹782 crore** for cybersecurity projects, emphasizing the government's commitment to digital resilience.
2. The **National Cyber Crime Reporting Portal (www.cybercrime.gov.in)** enables citizens to lodge online complaints and facilitates fund freezing in financial frauds.
3. A **dedicated helpline (1930)** provides immediate support to victims of online financial crimes.
4. The **Indian Computer Emergency Response Team (CERT-In)** acts as the national nodal agency for cyber incident response. It has conducted **109 mock drills** and engaged **1,438 organizations** to assess cyber preparedness.
5. The **National Critical Information Infrastructure Protection Centre (NCIIPC)** safeguards critical sectors such as banking, telecom, and power through sector-specific security audits.
6. The **Indian Cybercrime Coordination Centre (I4C)** under the Ministry of Home Affairs coordinates law-enforcement efforts and has successfully blocked **3,962 Skype IDs** and **83,668 WhatsApp accounts** linked to cyber fraud.
7. To regulate emerging threats, the **Promotion and Regulation of Online Gaming Bill, 2025** was enacted to govern online money gaming and its associated financial transactions.
8. The **Citizen Financial Cyber Fraud Reporting and Management System (CFCFRMS)** has strengthened the grievance-redressal mechanism for online financial crimes.
9. Through the **Cybercrime Prevention against Women and Children (CCPWC)** scheme with an outlay of **₹132.93 crore**, cyber forensic labs have been set up across **33 States and Union Territories**, and **over 24,600 personnel** have been trained in cyber investigation.
10. The **Manthan Platform** and over **205 workshops** have enhanced inter-agency collaboration, awareness, and training on cyber governance.

Emerging Trends in Cyber Frauds

1. The pattern of frauds has become more sophisticated, with the rise of **AI-driven deepfakes** and **social engineering scams**.
2. Fraudsters exploit **Unified Payments Interface (UPI)** by cloning or misusing virtual numbers, leading to unauthorized fund transfers.

3. **Phishing, pig-butcher, phantom hacking, and instant loan app scams** are among the fastest-growing digital crimes.
4. The **financial losses** from **online betting apps** alone are estimated to exceed **₹400 crore**, illustrating the economic dimension of cyber threats.
5. Organised crime networks, often based in **Southeast Asian “fraud factories,”** are increasingly involved in transnational cyber-fraud operations.

Challenges in Curbing Cyber Frauds

1. **Rapid Technological Evolution:** The fast pace of artificial intelligence, deepfakes, and quantum technologies outpaces the capability of enforcement and regulation.
2. **Low Cyber Awareness:** A large segment of citizens lacks digital literacy and are unaware of basic cyber hygiene practices.
3. **Jurisdictional and Cross-Border Barriers:** Many frauds originate overseas, complicating investigation and extradition.
4. **Under-Reporting of Cases:** Victims often refrain from reporting due to fear of embarrassment or lack of faith in grievance systems.
5. **Limited Skilled Workforce:** Shortage of trained digital forensic professionals in small towns and districts delays timely response.
6. **Fragmented Institutional Coordination:** Overlaps between agencies like CERT-In, I4C, and NCIIPC can hinder real-time information exchange.
7. **Implementation Gaps:** Enforcement of the *Digital Personal Data Protection Act, 2023* and related frameworks remains nascent.
8. **Financial Inclusion Risks:** First-time digital users and senior citizens remain the most vulnerable to UPI and SMS-based scams.

Way Forward

1. **Strengthen Legal Architecture:** Amend and modernize the *IT Act, 2000* to include AI-related, blockchain-based, and cross-border cyber offences.
2. **Integrated Cyber Defence:** Establish a unified *National Cyber Defence Architecture* to synergize CERT-In, I4C, and NCIIPC operations.
3. **Capacity Building:** Incorporate cyber law, digital forensics, and ethical hacking modules in police and judicial academies.
4. **Public Awareness Campaigns:** Launch a nationwide *Cyber Suraksha Abhiyan* focusing on rural areas and vulnerable populations.
5. **Technological Innovation:** Employ AI-driven fraud detection, blockchain for transaction traceability, and predictive analytics for threat forecasting.

6. **International Collaboration:** Strengthen partnerships with INTERPOL, ASEAN, and the *Budapest Convention on Cybercrime* for intelligence sharing and extradition mechanisms.
7. **Gender and Child-Sensitive Approach:** Expand the CCPWC programme and create safe online environments through parental control tools and awareness education.
8. **Regular Cyber Audits:** Mandate annual cybersecurity audits for all government departments and financial institutions.

Conclusion: India's Prime Minister envisions "*a Digital India where cybersecurity becomes an integral part of national security.*" With comprehensive frameworks like CERT-In, I4C, and the Data Protection Act, India is building robust digital defence mechanisms.

The convergence of **strong laws, institutional coordination, public awareness, and technological innovation** will help India emerge as a **digitally secure and resilient nation**, ensuring that the benefits of digitalization are not undermined by the perils of cyber fraud.

Question: India's vision of Digital India can only be achieved when cybersecurity becomes an integral part of national security. In this context, discuss the measures undertaken to curb them, challenges and the way forward.

Need to reposition SEZs for integrated national development

Source: The post "**Need to reposition SEZs for integrated national development**" has been created, based on "**Reposition SEZs for integrated national development**" published in "Business Line" on 11th October 2025.

UPSC Syllabus: GS Paper 2 – Governance

Context: The **Special Economic Zones Act, 2005** was enacted to promote exports, attract foreign investment, generate employment, and develop world-class infrastructure. Two decades later, despite several successes, SEZs have not fully realised their transformative potential. With India's renewed focus on "*Aatmanirbhar Bharat*" and "*Viksit Bharat @2047*", a strategic repositioning of SEZs is essential for integrated and inclusive national development.

Current Status of SEZs

1. SEZs replaced **Export Processing Zones (EPZs)** in 2000.
2. As of **June 30, 2025, 370 SEZs have been notified**, out of which **276 are functional**, comprising **6,279 approved units**.
3. Around **60% of exports** originate from **services sectors** like IT/ITeS, while manufacturing SEZs remain underperforming.
4. Nearly **200,000 hectares** of developed land and **100 million sq. ft.** of built-up space remain partially utilised.
5. Hence, while SEZs have created pockets of excellence, the national spillover effects are limited.

Need for Repositioning

1. **Underutilisation of Potential:** A significant portion of the developed land within Special Economic Zones (SEZs) remains unutilised, indicating a gap between planned infrastructure and actual industrial activity.
2. **Skewed Sectoral Growth:** The overwhelming dominance of the services sector, as opposed to manufacturing, has reduced the employment intensity of SEZs and limited their contribution to large-scale job creation.
3. **Global Supply Chain Realignment:** In the post-pandemic world, there is a growing need for diversified and resilient production bases. India must reposition its SEZs to attract global investors seeking alternatives to concentrated manufacturing hubs.
4. **Alignment with National Schemes:** SEZs need to be strategically integrated with national flagship initiatives such as the Production Linked Incentive (PLI) Scheme, Industrial Corridor Projects, and the 'Vocal for Local' campaign to maximise synergies and policy coherence.
5. **Export Competitiveness:** Comprehensive reforms are essential to sustain and enhance India's export competitiveness, especially in light of tightening global trade norms and the evolving framework of free trade agreements.

Key Policy Recalibrations Proposed

1. Permit Sale to Domestic Tariff Area (DTA)

- Adopt the **"Duty Foregone" principle**, already used in EOU/MOOWR schemes.
- Enables SEZ products to enter the domestic market on a level playing field.

2. **Allow Sub-Contracting for Domestic Production:** Permit SEZ units to **sub-contract production for DTA use**, promoting value-chain integration.

3. **Strengthen Single Window Mechanism:** Empower **BoA and UAC** for **time-bound approvals** to reduce delays in clearances.

4. **Enhance State-Level Participation:** States should play an **active role in UACs**, grant exemptions, and facilitate labour and utility permissions locally.

5. **Allow Dual-Use Land:** Permit **partial non-SEZ use** (for DTA units and social infrastructure) to optimise utilisation of idle land.

6. **Revive Offshore Banking Units (OBUs):** Reinstate OBUs within SEZs to support trade finance and global competitiveness.

7. **Align SEZs with PLI and Industrial Corridors:** PLI incentives for SEZ-based units can **encourage manufacturing synergies** and **deepen localisation**.

8. **Rationalise Net Foreign Exchange (NFE) Norm:** Remove obsolete NFE earning obligations; focus instead on **value addition and domestic linkages**.

9. **Infrastructure Integration:** Develop **multi-modal logistics and port connectivity** to reduce transaction costs.

10. Promote Skill Development and MSME Linkages: Link SEZs with **district-level skill ecosystems** to generate inclusive employment.

Challenges in SEZ Functioning

1. **Policy Uncertainty:** Frequent amendments and unclear taxation regimes discourage long-term investments.
2. **Sunset Clause Impact:** Phasing out of tax benefits reduced investor enthusiasm.
3. **Limited Domestic Integration:** Rigid NFE norms prevent SEZ units from selling to domestic markets.
4. **Infrastructure Bottlenecks:** Many SEZs lack adequate last-mile connectivity to ports and industrial corridors.
5. **Land Utilisation Issues:** Large tracts remain unutilised due to poor planning and lack of flexibility in land use.
6. **Lack of State Ownership:** Over-centralisation limits State participation and responsiveness to local industrial needs.
7. **Global Competitiveness:** Emerging global trade blocs (ASEAN, Vietnam, Mexico) offer more attractive SEZ regimes.
8. **Weak Manufacturing Base:** Manufacturing SEZs lag behind service SEZs in export and employment potential.

Way Forward

1. **Comprehensive SEZ (Amendment) Policy:** Introduce a “**Development of Enterprise and Services Hub (DESH)**” framework to replace rigid SEZ boundaries and integrate with the domestic economy.
2. **Domestic Value-Chain Integration:** Create linkages between SEZs, MSMEs, and DTA industries to promote inclusive industrial ecosystems.
3. **Incentive Rationalisation:** Replace blanket exemptions with **performance-linked benefits** tied to exports, employment, and domestic value addition.
4. **State Empowerment:** Decentralise SEZ management and empower States to design region-specific incentives.
5. **Infrastructure and Connectivity Upgradation:** Link SEZs with **Gati Shakti corridors**, dedicated freight networks, and port-led logistics clusters.
6. **Sustainability and Green SEZs:** Promote **renewable energy, zero-discharge, and circular economy practices** to make SEZs environmentally compliant and globally competitive.
7. **Integrated Governance Mechanism:** Establish a **National SEZ Council** for coordination among Central, State, and local agencies to streamline clearances.
8. **Export Diversification:** Encourage high-value sectors like electronics, pharmaceuticals, and defence manufacturing within SEZs.

Conclusion: Two decades after the SEZ Act, India stands at a critical juncture. With pragmatic policy recalibrations — particularly in **DTA integration, decentralisation, and alignment with national industrial schemes** — SEZs can emerge as “**Integrated National Development Zones.**” Their revival will not only accelerate exports and employment but also strengthen India’s ambition of becoming a **\$5 trillion economy** and achieving **Viksit Bharat @2047.**

Question: Despite two decades of operation, India’s SEZ policy has not fully realised its transformative potential. In the context of Aatmanirbhar Bharat and Viksit Bharat @2047, critically examine the need for repositioning SEZs as Integrated National Development Zones.

Reforming India’s Arbitration Landscape

UPSC Syllabus Topic: GS Paper 2 -Dispute Redressal Mechanisms

Introduction

India is trying to become a trusted seat for high-value commercial arbitration while moving carefully to protect its legal ecosystem. Courts, government, and institutions are taking steps, yet gaps persist. Momentum is visible in the growing global interest in India, the rapid scaling of domestic law firms, and clearer entry rules for foreign lawyers. At the same time, persistent frictions—such as judicial delays, inconsistent policy signals across government, and difficulties in enforcing and executing arbitral awards—continue to constrain confidence and slow India’s progress toward arbitration hub status.

Evolution of Arbitration in India

Origins:

1. Arbitration ideas trace back to the **Brihadaranyaka Upanishad**, which refers to community dispute bodies like **puga, sreni, and kula**.
2. The formal trajectory runs through the **Arbitration Act, 1899** to the **Arbitration and Conciliation Act, 1996**, with **2015, 2019, 2021** amendments aimed at speed and global alignment

Foreign law firms and court line

- **2009 (Lawyers Collective, Bombay HC):** It barred foreign firms from practising in India.
- **2012 (A.K. Balaji, Madras HC):** It reaffirmed the bar and allowed **temporary foreign-law advice**.
- **2018 (SC):** It permitted “**fly-in, fly-out**” advice but **no permanent offices** without enrolment.

Issues with Arbitration in India:

1. **Over-reliance on retired judges:** There is a tendency to appoint retired judges, assuming their judicial training is sufficient for arbitration, but this can lead to court-like delays and practices.
2. **Neglected arbitrator development:** There is a lack of focus on developing a pool of skilled arbitrators, which weakens the overall arbitration ecosystem.

3. **Growing judicial interference:** Courts frequently intervene in arbitral awards, undermining the purpose of arbitration as an alternative to the judiciary.

4. **Bias concerns:** There are concerns that government expectations for arbitrators to favor its stance can compromise impartiality, and the government sometimes prefers settlements over awards.

5. **Capacity-building challenge:** India aims to be a trusted seat for high-value disputes, which needs strong institutions, trained professionals, and efficient processes. Building and maintaining this capacity is a continuing task as volumes and complexity grow.

6. **Appeal-driven litigation:** The availability of numerous grounds for appeal encourages challenges to awards, which can lead to long and drawn-out legal battles.

7. **Limited global presence:** Indian arbitrators are often absent in international disputes without an Indian element, showing a disconnect from global arbitration networks.

India initiative for the development of arbitration

1. Bar Council of India Rules, 2025:

- Under this, foreign lawyers and foreign law firms may **register** to operate in India.
- Once registered, they may **advise on their home-country law and on international law** in India, and they may **appear in international arbitrations seated in India**.
- They are **not permitted to practise Indian law or appear in Indian courts** unless they are **formally enrolled in India**.
- The framework is **reciprocal**, so entry is allowed only if Indian lawyers receive comparable rights in the foreign jurisdiction.
- It also requires **registrations, periodic filings, and ministry certifications**, and it places a **60-day cap on unregistered “fly-in” work**.
- The overall **purpose** is to **open India to foreign expertise while complementing—not eclipsing—the domestic legal profession**.

2. **Commercial Courts Act, 2015:** This act, with amendments in 2018, mandates a pre-institution mediation and settlement (PIMS) mechanism for certain commercial disputes before parties can approach the courts.

3. **Mediation Act, 2023:** This standalone law for institutional mediation further strengthens the overall alternative dispute resolution (ADR) framework by encouraging out-of-court settlements.

4. **India International Arbitration Centre (IIAC):** Established under the India International Arbitration Centre Act, 2019, as a world-class, autonomous body to promote institutional arbitration and make India an arbitration hub. The IIAC conducts training, workshops, and has its own Conduct of Arbitration Regulations, 2023.

5. **Arbitration Council of India (ACI):** An autonomous body created by the 2019 amendments to oversee the grading of arbitral institutions and recognize accreditation of arbitrators.

6. **Indian Council of Arbitration (ICA):** One of India's oldest arbitral institutions, established in 1965, the ICA actively promotes arbitration through its own rules, panel of arbitrators, and training programs.

7. **Indian Arbitration Forum:** An association of practitioners focused on improving legislative standards, promoting best practices, and broadening the base of experienced arbitrators from various fields.

Role of institutions

- MCIA's India ADR Week catalysed best-practice exchange with global counsel.
- **Indian law firms** have scaled dramatically (from 15–20 lawyers to 1,000+), gained global exposure, opened offices abroad, and now possess the capacity to benefit from calibrated openings.

Way Forward

1. Calibrated liberalisation (the “Golden Mean”)

- India should open its legal market step by step. Welcome foreign expertise, but use clear safeguards so Indian firms are not pushed aside.
- Keep **reciprocity** as the guiding rule—foreign firms get in only if Indian lawyers get similar access abroad.
- Retain basic **compliance checks** (registration, filings, time limits) so the system grows in an organized way while India steadily builds its own capacity.

2. Practical scope of participation

- Define a clean boundary for roles. Let foreign firms **advise on their home-country law and on international law**, and let them **appear in international arbitrations seated in India**.
- At the same time, keep **Indian law practice** and **appearances in Indian courts** limited to lawyers who are properly enrolled in India.
- This preserves opportunities for learning and collaboration without diluting control over core Indian

3. **Strengthening Arbitration:** Enhancing the arbitration process, including timely appointment of arbitrators and enforcement of awards, can make arbitration a more robust dispute resolution method.

Question for practice:

Q. Examine the main concerns in India's arbitration system and propose actionable steps to make India a credible seat for high-value commercial arbitration.

Source: [The Hindu](#)

Great Nicobar revives the issue of nature's legal rights

UPSC Syllabus Topic: GS Paper 3 - Ecology and Environment And Infrastructure

Introduction

Great Nicobar lies in a fragile island ecosystem that is a global biodiversity hotspot and carbon reservoir. A mainland-driven mega development plan— will affect about 13,000 hectares of forest. The project is also of critical importance for defence, logistics, commerce and industries, and eco-tourism. Therefore the core issue is how to pursue development without harming the island's ecology and communities.

About Great Nicobar Island Development Project

1. **The Great Nicobar Island Development Project** involves a comprehensive Rs 72,000-crore infrastructure upgrade on Great Nicobar Island. It is being implemented by the Andaman and Nicobar Islands Integrated Development Corporation (ANIIDCO).

2. The Great Nicobar Island Development project includes development of following:

An International Container Transshipment Terminal (ICTT)

A greenfield international airport

Two greenfield cities

A coastal mass rapid transport system

A free trade zone

International cruise terminal (New addition)

A ship breaking yard (New addition)

Significance of Great Nicobar Island Development Project

1. **Geo-strategic benefit:** Great Nicobar Island is located close to the Malacca Strait, which is the main waterway connecting the Indian Ocean to the Pacific. The Great Nicobar Island Project aims to take advantage of this strategic position to enhance India's role in the regional and global maritime economy.

2. **Geo-Security Concerns:** The Bay of Bengal and Indian Ocean region are vital for India's strategic and security interests, especially with the Chinese naval expansion. The project will strengthen India's maritime security and deterrence capabilities.

3. **Upgradation of military infrastructure:** The Great Nicobar project also helps in the upgradation of military infrastructure by the establishment of airfields, jetties, and surveillance facilities.

4. Economic Boost: The project includes an International Container Transshipment Terminal (ICTT), which can make Great Nicobar a significant player in cargo trans shipment. The ICTT is expected to boost economic activities in the region.

5. Creation of Job opportunities for locals: The Nicobar plan involves the creation of infrastructure (ports, airportsetc.). This will help in creation of job opportunities for the locals.

6. Tourism Development: It helps in creation of tourism prospects in the region. This will aid the income generation in the region. The per capita income in Andaman & Nicobar Islands for the year 2015-16 was Rs. 1,24,361. This was much lower than the per-capita income of other Union Territories (Chandigarh, Delhi, and Puducherry.)

7. Social Benefits: The Project would help in the creation of affordable state-of-the-art facilities for healthcare, quality education, and adequate air, sea and web infrastructure. It will also facilitate the delivery of e-governance services such as telemedicine and tele-education, as a part of the Digital India initiative.

Major concerns related to the Great Nicobar Island Development Project

1. Ecological risk: The Andaman & Nicobar Islands are a major global biodiversity hotspot and a carbon reservoir; the mega-plan will affect **13,000 hectares of pristine forests**, threatening island ecology.

2. Mainland-driven planning: Development has been shaped by mainland priorities that are **far removed from island needs**, risking ecological mismatch.

3. Forest rights & due process: Serious doubt whether the **Tribal Council of Little and Great Nicobar** was allowed to certify settlement of rights under the Forest Rights Act **before** forest diversion; a report alleges **false representation** that rights were settled.

4. Pattern of “planned disasters”: The project echoes a wider pattern where **big multipurpose projects** proceed despite environmental law **failing to protect ecology**.

5. Governance gap: Without community-centred decision-making, the project risks **harming culture, religion, and environment**, as seen in conflicts like Niyamgiri (as referenced).

6. Seismic Vulnerability: The proposed port which is an integral part of this project, is located in a seismically volatile zone, which experienced permanent subsidence of around 15 feet during the 2004 tsunami. This raises concerns about the safety and viability of constructing such a large-scale infrastructure project in a high-risk, disaster-prone area.

7. Undermining international obligations: The Galathea Bay Wildlife Sanctuary located in the Great Nicobar Island forms part of a UNESCO World Heritage Site. Hence the preservation of this pristine biodiversity is an International Obligation of India.

Way Forward

1. Apply the Niyamgiri precedent (2013): Follow *Orissa Mining Corporation Ltd. vs Ministry of Environment & Forests & Ors.* in the **Niyamgiri Hills** case. Ensure **prior recognition and settlement of forest rights**; allow **gram sabha/Tribal Council** to exercise competence and decide after informed consultation.

2. **Center bio-cultural rights (Atrato River, Colombia, 2016):** Use the **Atrato River** judgment's idea of **bio-cultural rights** to recognise the authority of indigenous communities to autonomously protect their territories and resources.

3. **Consider rights of nature / earth jurisprudence :** Draw on the **Uttarakhand High Court's 2017 ruling** in *Mohd. Salim vs State of Uttarakhand & Others* that conferred legal personhood (though later stayed) on the **Ganga, Yamuna, Gangotri and Yamunotri**. Explore tailored **legal personhood** for key natural entities in Great Nicobar, with a designated **guardianship body** to speak for them and receive remedies.

4. **Clarify the legal design:** Before proceeding, study and define which natural entities hold rights, what rights they have, who speaks for them, and who bears responsibility to uphold those rights.

5. **Verify FRA compliance claims :** In light of the report "**Forest rights of tribal people were not settled for Nicobar project: council**" (**August 23, 2025**), re-examine whether **Forest Rights Act** claims were accurate **before** diverting forest land, and take corrective action if misrepresentation occurred.

6. **Learn from past "planned disasters" :** Keep in view the cautionary examples of **Tehri, Koel Karo, and Sardar Sarovar**. Do not proceed without **community-centered decision-making and strong ecological safeguards suited to island conditions**.

7. **Re-assessment of economic feasibility of the project-** The project lies equidistant (1,300 km) from established transshipment hubs and bunkering ports of Singapore, Port Klang (Malaysia) and Hambantota (Sri Lanka). Hence the economic viability of yet another transshipment terminal in Great Nicobar Island needs to be reassessed, especially since India inaugurated its own transshipment terminal in Vizhinjam in Kerala.

8. **Eco-friendly Construction:** The construction of infrastructure should be done using eco-friendly practices like strict adherence to GRIHA code for building construction.

9. **Transparency in Data and Report-** NITI Aayog and the agencies participating in planning should maintain transparency in data. The government should release the data on the rationale, the process of creation, consulted groups etc. in public domain. This will give a holistic view to critics and supporters.

Conclusion

Protecting Great Nicobar demands settling forest rights, respecting Tribal Council authority, and adopting guardianship models that give nature a voice. Without community consent, legal clarity, and island-specific ecological limits, the project risks repeating planned disasters. Development must proceed only if it demonstrably preserves culture, biodiversity, and resilience in this uniquely fragile ecosystem.

Question for practice:

Q. Discuss the key benefits and the major concerns of the Great Nicobar Island Development Project, and suggest a balanced way forward.

Source: [The Hindu](#)

Radio reforms

Source: The post “Radio reforms” has been created, based on “Radio reforms” published in “Businessline” on 13th October 2025.

UPSC Syllabus: GS Paper 2 – Governance

Context: While India has rapidly digitised sectors such as payments, cinema, and governance, FM broadcasting continues to operate in an analogue format. The first proposal to digitise FM radio was introduced in **2018**, but no significant progress has been made since. The **Telecom Regulatory Authority of India (TRAI)** is now attempting to revive the process through fresh recommendations.

Need for Digital Transformation

1. Analogue FM suffers from **poor audio quality, limited channel capacity, and outdated user interfaces.**
2. A digital transition is essential to modernise India’s radio infrastructure and align it with 21st-century communication standards.
3. Digitalisation will improve **sound clarity, signal reach, and overall user experience.**

TRAI’s Key Recommendations

1. **Mandatory integration of digital FM chips** in all new smartphones and car radios to ensure universal receiver availability.
2. **Spectrum auctions in 13 major cities**, including Delhi, Mumbai, Kolkata, and Chennai, are offering **15-year licences** to winning operators.
3. Adoption of a **simulcast mode**, allowing operators to broadcast both analogue and digital content simultaneously on the same frequency.
4. Proposal for “**nil**” **bid amounts** during the first **five years**, with flexible payment mechanisms for later instalments to reduce initial cost burdens.

Advantages of Digital FM

1. **Higher spectrum efficiency:** One digital frequency can transmit **three to four channels.**
2. **Diverse and niche content:** Enables targeted programming and **segmented advertising** for specific audiences.
3. **Revenue potential:** Expands inventory, allowing broadcasters to **charge premium rates** for differentiated content.
4. **Gradual transition:** Simulcast ensures minimal disruption during migration from analogue to digital.

Implementation Challenges

1. The radio industry has remained **commercially stagnant**, contributing only **2% of total media ad revenue.**
2. **High transition costs**, including spectrum acquisition and equipment upgrades, deter investment.
3. **Lack of receiver devices** and **consumer inertia** limit adoption potential.
4. **Unclear profitability** in the initial rollout phase due to low digital listenership.
5. **Industry disagreement** over which digital standard to adopt – DAB+, DRM, or HD Radio.

Global and Technical Considerations

1. Globally, multiple digital standards exist: **DAB/DAB+ (Digital Audio Broadcasting)**, **DRM (Digital Radio Mondiale)** and **HD Radio**
2. TRAI recommends **adopting a single national standard**, preferably **DRM**, as it is open, royalty-free, and cost-effective.
3. A unified standard is vital to provide **certainty for manufacturers** and to enable **single-chip receiver solutions** across devices.

Way Forward

1. **Government decision on standardisation** is critical to prevent delays and market fragmentation.
2. **Fiscal incentives** should be offered to device manufacturers to install digital FM chips.
3. **Public awareness campaigns** can promote adoption among consumers.
4. Integration of **digital radio with Digital India and Smart Mobility initiatives** will enhance reach and relevance.
5. A **public-private partnership model** can reduce financial risks and accelerate implementation.

Conclusion: Digital FM broadcasting represents a necessary evolution for India's communication landscape. It promises **better sound quality**, **efficient spectrum use**, and **diverse content opportunities**. With TRAI's roadmap and strong policy intent, **decisive government action and industry collaboration** are now needed. The shift to digital FM is **long overdue** and deserves a **national push**.

Question: Discuss the significance of digitising FM radio in India and highlight the key challenges in its implementation.

Reforming Public Service Recruitment Exams in India

Source: The post "**Reforming Public Service Recruitment Exams in India**" has been created, based on "**To mend a broken system**" published in "Indian Express" on 13th October 2025.

UPSC Syllabus: GS Paper 2 – Governance

Context: Trust is the bedrock of a functioning democracy. A society's faith in its institutions, especially recruitment systems, ensures accountability, meritocracy, and stability. However, recurring examination scams across states have eroded this trust, endangering both administrative integrity and public confidence.

Background

In recent years, multiple recruitment scandals have surfaced:

- **Punjab (2021):** Paper leaks in the **Punjab Public Service Commission (PPSC)** revealed systemic failures.
- **Uttar Pradesh & West Bengal:** Widespread examination malpractices showing favouritism over merit.
- **Uttarakhand:** Staff Selection Commission's junior-level recruitment scam involved allegations of paper leaks and corruption, leading to a **CBI inquiry**.

These incidents highlight a persistent pattern where merit is compromised, transparency is lacking, and accountability is absent.

Issues and Challenges

1. **Erosion of Public Trust:** Repeated examination scandals have severely eroded citizens' confidence in the merit-based recruitment system, weakening faith in the fairness and integrity of public institutions.
2. **Politicisation of Commissions:** Appointments to Public Service Commissions (PSCs) are often influenced by political considerations rather than competence and integrity, which compromises the impartiality and professionalism of these institutions.
3. **Systemic Vulnerabilities:** The recruitment process suffers from structural weaknesses such as insecure question-paper handling, inadequate digital safeguards, and the absence of encrypted delivery systems, making it prone to leaks and manipulation.
4. **Lack of Transparency:** There is minimal public disclosure of exam syllabi, evaluation methodologies, and performance statistics, resulting in opacity and suspicion among candidates regarding the fairness and consistency of the recruitment process.
5. **Inadequate Legal Framework:** Existing laws dealing with examination malpractices are often outdated or weak, failing to provide stringent punishment or timely judicial intervention, which allows offenders to escape accountability.
6. **Poor Accountability Mechanisms:** Officials responsible for lapses or irregularities in recruitment processes are rarely held accountable, resulting in a culture of impunity and recurring administrative failures.
7. **Autonomy without Oversight:** While PSCs enjoy significant constitutional autonomy and privileges, there is a lack of robust external oversight or citizen scrutiny, leading to misuse of authority and limited transparency in decision-making.

Consequences

1. **Disillusionment among youth:** Honest and hardworking candidates who prepare rigorously for years lose faith in the system when merit is compromised, leading to widespread frustration and disillusionment.
2. **Financial and emotional distress:** Candidates often face severe financial losses and emotional exhaustion due to repeated exam cancellations, delays, and uncertainty caused by malpractices.
3. **Social unrest and protests:** The perception of injustice and favouritism in recruitment has triggered public protests, reflecting the deep sense of betrayal among the aspirant community and eroding public order.
4. **Administrative inefficiency:** The selection of undeserving candidates undermines the efficiency and credibility of the bureaucracy, as capable individuals are sidelined, leading to long-term governance deficits.

Measures and Way Forward

1. **Technological Overhaul**
 - a. **Biometric identification & unique candidate IDs** to prevent impersonation.
 - b. **Encrypted digital question-paper delivery systems** to prevent leaks.
 - c. **Transparent online evaluation systems** publish syllabus, marking scheme, and anonymised results.
 - d. **Real-time monitoring dashboards** for accountability at each recruitment stage.

2. **Legal and Institutional Strengthening**

- a. **Fast-track courts** for exam fraud to ensure swift justice.
- b. **Strengthening laws** governing exam malpractices—Uttarakhand model cited as one of the strictest (2022).
- c. **Setting up an independent regulatory authority** to audit, review, and monitor recruitment processes across states.
- d. **Empowerment of the UPSC or the central oversight body** to ensure uniform standards and integrity.

3. **Governance and Accountability Reforms**

- a. **Transparent appointment process** for PSC members with public disclosure of selection criteria.
- b. **Performance audit of commissions** through annual reports and external review panels.
- c. **Accountability mechanism** holding officials liable for recruitment failures.
- d. **Citizen representation and watchdog engagement** in oversight committees to enhance credibility.

4. **Collaborative Mechanisms**

- a. **Inter-agency coordination** between governments and civil society for monitoring.
- b. **Review panels and grievance redressal cells** for complaints and appeals.
- c. **Public dashboards** showcasing recruitment timelines, pending cases, and disposal rates.

Conclusion: A **robust and transparent recruitment system** is a constitutional necessity for an inclusive and merit-driven India. Technology, legal reforms, and participatory oversight together can rebuild trust.

Question: Recurring examination scams across states have eroded public trust in merit-based recruitment, undermining administrative integrity and democratic legitimacy. Analyse the causes and suggest reforms to ensure transparency and accountability in public recruitment.

A green transition accelerating at express speed

Introduction

Indian Railways' green transition is **accelerating from pilots to platform-level change**. The July 2025 hydrogen-coach trial, near-universal electrification, and rapid renewable integration signal a shift to cleaner traction, efficient assets, and freight rebalancing. Backed by sovereign green bonds, IRFC financing, and multilateral support, the programme targets net-zero by 2030. The agenda spans infrastructure, operations, and finance, with system-wide implications for emissions, logistics costs, and **India's broader "Panchamrit" climate commitments**.

Initiatives taken for Indian Railways' green transition

A) Infrastructure & operations initiatives

1. Near-universal electrification: In the last decade, Indian Railways has electrified about **45,000 km** of track, and **over 98%** of the broad-gauge network is now electrified, which sharply reduces diesel use and emissions.

2. Renewables on the system: The Railways has commissioned **756 MW** of renewable capacity (**553 MW solar, 103 MW wind, and 100 MW hybrid**), and **more than 2,000 stations and service buildings** now operate on solar power.

3. **Energy-efficient buildings:** Several railway buildings, including in the **Northeast Frontier zone**, have earned the BEE “Shunya” (net-zero) label, showing improved energy performance.

4. **Clean traction innovation:** In **July 2025**, the Railways successfully tested a **hydrogen-powered coach** at the Integral Coach Factory, as part of the “**Hydrogen for Heritage**” plan that aims to **deploy 35 such units**.

5. **Freight shift to rail:** The Railways is working to **raise freight’s rail modal share to 45% by 2030**. The **Dedicated Freight Corridors (DFCs)** are already operational and are **expected to avoid 457 million tonnes of CO₂ over 30 years**.

6. **Other greening measures:** The Railways is introducing **biofuel blends**, applying **green building standards**, and **redesigning infrastructure, operations, and processes** to lower energy consumption.

7. **Mission 41K (2017):** The Ministry of Railways launched Mission 41K to save ₹41,000 crore in energy costs over a decade by accelerating electrification, expanding renewable energy use, and improving efficiency through energy-efficient locomotives and LED lighting.

B) Finance & institutions initiatives

1. **Sovereign Green Bonds:** Since **FY2023**, the government has issued **₹58,000 crore** in sovereign green bonds, of which **about ₹42,000 crore** has been allocated to **electric locomotive procurement** and **metro/suburban rail expansion**, integrating climate goals into core capital spending.

2. **IRFC’s green financing role:** The **Indian Railway Finance Corporation (IRFC)** began with a **\$500 million green bond in 2017** to refinance the procurement of **electric locomotives**, and most recently it **extended a ₹7,500 crore loan to NTPC Green Energy** to develop additional renewable power capacity, demonstrating cross-sector low-carbon financing.

3. **Multilateral support:** In **June 2022**, the **World Bank** approved a **\$245 million** loan for the **Rail Logistics Project**, which supports better rail freight infrastructure, reduces corridor congestion, and **lowers greenhouse gas emissions**.

Impact of Indian Railways’ green transition

1. **Alignment with India’s “Panchamrit” goals :** A larger rail share powered by clean electricity advances India’s COP26 “Panchamrit” targets: **500 GW non-fossil capacity, 50% electricity from renewables by 2030, 1-billion-ton CO₂ reduction by 2030, ≤45% emissions-intensity cut by 2030, and net-zero by 2070**. Rail is a major, durable demand anchor for clean power.

2. **Lower logistics cost:** A greener rail system **lowers logistics costs**; this directly **improves India’s export competitiveness**. At the same time, Dedicated Freight Corridors **attract industries to set up near rail nodes, creating regional manufacturing and logistics clusters**.

3. **Fuel savings:** Electrification and efficiency measures can **save over ₹1 lakh crore cumulatively by 2030, easing fiscal pressure**.

4. **Macro co-benefit: shifting trips away from the dirtiest mode share:** With road transport responsible for the bulk of transport CO₂ in India, every sustained percentage-point shift of passenger and freight

demand to rail bends the national emissions curve and reduces externalities (air pollution, congestion, accidents).

Way forward

1. Electrification with truly green power: Directly procure large-volume solar/wind via long-term contracts (PPAs) so traction demand is met by renewables, not a coal-heavy grid..

2. Green last-mile, passenger & freight

- Major stations should be redesigned as multi-modal green hubs that integrate electric buses, bicycle-sharing, and safe, pedestrian-first access.
- For freight, the first and last mile should use cleaner options such as electric trucks, LNG vehicles, and emerging hydrogen mobility so that rail's low-carbon advantage is not lost at the edges.

3. Accelerate rolling-stock & efficiency innovation

- **Pilot hydrogen fuel-cell trains on non-electrified branch/heritage lines** where full electrification is uneconomic.
- Adopt **lightweight coaches, aerodynamic locomotive designs, and AI-driven energy optimisation** to lower traction energy.

4. Data transparency: The Railways should publish route-level energy use, emissions factors, and savings through robust measurement, reporting, and verification (MRV). **Open dashboards and third-party audits will build credibility, enable better planning, and help attract green finance.**

5. Financing & value capture for green expansion:

Rail projects should use **land-value capture around stations, station redevelopment revenues, and blended finance** (sovereign green bonds, multilateral lines, and private capital) **to fund electrification, renewables, and network upgrades.** Clear green-taxonomy criteria and performance-linked financing can lower cost of capital and speed deployment.

6. Behavioural change: Introduce **green certification for trains, carbon labelling for freight services, and public awareness** campaigns so users actively choose low-carbon options.

Question for practice:

Discuss the key initiatives driving Indian Railways' green transition and outline the way forward to ensure truly green traction power.

Source: [The Hindu](#)

Emerging Challenges to RTI Act

UPSC Syllabus Topic: GS Paper 2 -Governance

Introduction

Right to Information transforms subjects into citizens by opening the state to scrutiny. In October, as the RTI Act turned 20, Beawar—"RTI City"—marked 30 years of grassroots struggle with a memorial, museum, and RTI Mela. Yet the Digital Personal Data Protection Act's amendments, alongside institutional and judicial trends, now risk hollowing RTI's accountability power, making renewed safeguards and public vigilance essential.

About Right to Information

Right to Information: The right to information is the right which ensures that the public become 'citizens' rather than becoming 'subjects' in a democratic state, by having unhindered access to the flow of information regarding the functioning of the different arms of the government- legislature, executive and judiciary.

Recognition in International Law-

a. Recognised as Foundational Principle of UN: The United Nations (UN) recognised this right from the start, in 1946. The General Assembly resolved that Freedom of Information is a fundamental human right and the touchstone for all freedoms to which the United Nations is consecrated.

b. Recognition in the International Covenant on Civil and Political Rights: The right to Information was made a legally binding obligation after its affirmation in Article 19 of the International Covenant on Civil and Political Rights.

As a result, the right to access information has been firmly **enshrined in international human rights law**.

Recognition of Right to Information in India

- **Constitutional recognition:** The Right to information has not been mentioned explicitly as a fundamental right in the constitution. SC has held Right to Information (RTI) to be a derivative of Article 19 (1) (a) which grants the freedom of speech and expression. RTI is also linked to the Indian constitution's Right to Life and Personal Liberty (Article 21).
- **Legislative Recognition:** The RTI movement by Mazdoor Kisan Shakti Sangathan (MKSS), and judicial emphasis on RTI, compelled the Parliament to enact the Right to Information Act in 2005.
- RTI Act 2005 aims to provide a practical regime for citizens to obtain information from public authorities, as well as to promote transparency and accountability in the work of all public authorities.

Emerging challenges to RTI act in India

A. Digital Personal Data Protection Act (DPDPA) Restrict Access

1. **Blanket "personal information" shield:** Section 44(3) of the DPDPA alters Section 8(1)(j) of the RTI Act so broadly that authorities can now refuse disclosure by labeling even information linked to public functions as "personal information."
2. **End of the citizen-Parliament parity proviso:** By deleting the proviso that "information which cannot be denied to Parliament cannot be denied to a citizen," the amendment weakens the principle that ordinary citizens enjoy parity of access with their elected representatives.

3. **State-centric discretion:** Although Section 8(2) retains a public-interest override, the power to apply it rests with the public authority, which means citizens cannot require disclosure even when the public interest is compelling.

4. **No names, no accountability:** When names of officials, contractors, or decision-makers are withheld, citizens lose the ability to trace responsibility for actions or omissions, undermining efforts to expose corruption and maladministration.

5. **Chilling effect of penalties:** The DPDPA's very high financial penalties—reportedly up to ₹250 crore—and its consent-first approach are likely to deter journalists, researchers, and RTI users from sharing or publishing information even when disclosure serves the public interest.

B. RTI Amendment, 2019- Affect Independence

1. **Govt control over tenure & pay:** The 2019 law lets the Central Government set the tenure, salary and service conditions of the Chief Information Commissioner (CIC) and Information Commissioners (ICs) by rules, instead of the earlier fixed safeguards.

2. **Shorter, variable tenure in rules:** The 2019 RTI Rules fixed a shorter 3-year term for many commissioners and gave the Centre broad interpretive powers, raising fears of influence and uncertainty.

3. **Status downgraded in effect:** By delinking salaries/tenure from constitutional benchmarks (like Election Commissioners), commissioners risk being seen as less autonomous.

C. Judicial interpretations narrowing RTI

1. In **2011**, the **Supreme Court ruled in *CBSE vs Aditya Bandopadhyay*** that RTI should not burden the administration. It said indiscriminate RTI requests could slow governance. This decision discouraged information sharing and painted RTI users as troublemakers.

2. In **2012**, the **Supreme Court ruled in *Girish Ramchandra Deshpande vs CIC*** that personal information could be denied under **Section 8(1)(j)** of the RTI Act. The Court ignored the part of the law that required officials to prove why the information should be denied. This ruling became a precedent, making it easier to reject RTI requests.

Way forward

1. **Re-affirmation of the right to information as a cardinal virtue of democracy:** The SC through its verdicts, like in the case of electoral bonds, must re-affirm the right of information as a cardinal virtue of democracy.

2. **Making the information available in local languages:** The information associated with the RTI Act and its functioning must be made available in the local language, considering the diverse nature of our country.

3. **Education about the right:** Education about the right to know should be made mandatory at the school level in our new education policy to develop a sense of responsibility and vigilant citizenship in the forthcoming generation.

4. **Making RTI applicable on Political parties:** The parliament must bring the Political parties under the ambit of RTI to ensure proper functioning of the Great Indian democracy.

5. Code of Conduct: A code of conduct must be evolved for the Central and State Information Commissioners. It is imperative for the commissioners to keep a strict distance from government heads and officialdom.

6. The **Supreme Court's guidelines in *DDA vs Skipper Construction (P) Ltd* should be followed** in letter and spirit. The SC ruled that (a) High Courts must resist the temptation to exercise their writ jurisdiction in order to correct errors made by the SICs/CICs; (b) If the High Court quashes a CIC/SIC order, it must categorically find that the order was without jurisdiction or palpably erroneous.

7. **Institutionalise participatory law-making:** Before any change affecting transparency, run time-bound public consultations with users, media bodies, academics, and civil society; publish the summary of feedback and a regulatory impact note.

8. **Scale the Beawar model of public culture:** Replicate the Beawar **RTI Museum** and annual **RTI Mela** through state/district cultural budgets to celebrate real cases, teach filing skills, and keep the transparency movement alive at the grassroots.

For detailed information on **Right to Information Act** [read this article here](#)

Question for practice:

Examine the emerging challenges to the Right to Information in India in light of the DPDPA, the 2019 RTI amendments, and key Supreme Court rulings.

Sources: [Indian Express](#)

All ethical expectations cannot become a Constitutional mandate

Source: The post “All ethical expectations cannot become Constitutional mandates” has been created, based on “All ethical expectations cannot become Constitutional mandates” published in “The Hindu” on 14th October 2025.

UPSC Syllabus: GS Paper 2 – Indian Constitution- Significant Provisions

Context: The **130th Constitution Amendment Bill, 2025** proposes that the **Prime Minister, Chief Ministers, or Ministers** must resign if arrested and detained for **30 consecutive days** on charges punishable with imprisonment of five years or more. While the intent is to promote **integrity in public life**, it raises serious questions about **constitutional morality, presumption of innocence**, and the **balance of powers** within the Westminster parliamentary system.

Constitutional Context

- **Article 75(1)** and **Article 164(1)** provide that Ministers hold office **during the pleasure of the President or Governor**, acting on the **advice of the Prime Minister or Chief Minister**.
- In **Manoj Narula v. Union of India (2014)**, the Supreme Court reaffirmed that **appointment or removal of Ministers** is a matter of **political discretion**, not judicial or constitutional compulsion.
- Hence, mandatory resignation upon detention undermines the **political accountability framework envisioned by the Constitution**.

Ethical Intent vs. Constitutional Overreach

- The Bill converts **ethical expectations** into **legal obligations**, eroding the distinction between **moral accountability** and **constitutional disqualification**.
- As **Dr. B.R. Ambedkar** warned in the Constituent Assembly (1948), ethical ideals must not be mechanically translated into constitutional commands, lest the Constitution lose its flexibility.
- Parliamentary democracy relies on **public judgment** and **legislative scrutiny**, not automatic legal consequences for political morality.

Major Concerns

- **Presumption of Innocence:** Detention without conviction cannot justify disqualification; it presumes guilt before trial.
- **Separation of Powers:** Empowers **investigating agencies** to indirectly unseat Ministers, risking **politicisation of law enforcement**.
- **Undermines Legislative Supremacy:** Transfers power from the **legislature** to **executive or judicial agencies**, disturbing democratic accountability.
- **Procedural Overreach:** Converts moral judgment into a **mechanical rule**, weakening the discretion essential to parliamentary governance.

Impact on the Westminster Model

- The Westminster model emphasises **collective responsibility** and **political morality judged by the electorate**.
- By mandating disqualification based on detention, the Bill **disrupts constitutional balance** and converts **political confidence** into a **procedural test**.
- It risks turning **constitutional morality** into **moral legalism**, thereby weakening democratic deliberation.

Way Forward

1. **Strengthen Political Accountability Mechanisms:** Political parties should adopt **internal codes of ethics** ensuring that Ministers facing serious charges voluntarily step aside, rather than through compulsion.
2. **Judicial Safeguards:** Any restriction on holding office should arise **only after conviction**, ensuring alignment with the **Representation of the People Act, 1951** and **Article 102**.
3. **Reinforce Institutional Independence:** Ensure **autonomy of investigative agencies** to prevent misuse of detention as a political weapon.
4. **Public Transparency and Scrutiny:** Encourage **mandatory disclosure of criminal proceedings** and empower the public and media to hold leaders accountable through informed debate.
5. **Constitutional Prudence:** Reforms should preserve the **spirit of parliamentary democracy**, emphasising **political ethics through persuasion and convention**, not through rigid constitutional compulsion.

Conclusion: The 130th Amendment Bill's intent to uphold integrity is laudable, but its design risks undermining the **presumption of innocence**, the **separation of powers**, and **democratic accountability**. Ethical governance cannot be legislated into existence through constitutional mandates. In a true democracy, **political morality must be enforced by public conscience and political responsibility**, not by legal coercion.

Question: All ethical expectations cannot become Constitutional mandates. Discuss in the context of the 130th Constitution Amendment Bill, 2025.

Estimating India's potential growth rate

Source: The post “Estimating India's potential growth rate” has been created, based on “Estimating India's potential growth rate” published in “The Hindu” on 14th October 2025.

UPSC Syllabus: GS Paper 3 – Indian Economy and issues relating to Planning, Mobilization of Resources, Growth, Development and Employment.

Context: The potential growth rate represents the **maximum rate of economic expansion** that an economy can sustain without generating inflationary pressures. For India, it has traditionally been estimated around **6.5%**, though recent data suggests it may currently be higher at **7–7.8%**, based on the first quarter GDP performance for 2025–26.

Recent Growth Performance

- The **first quarter real GDP growth** of 2025–26 is estimated at **7.8%**, compared to an average of **9.9%** between 2022–23 and 2024–25 (post-COVID recovery years).
- Average real GDP growth for the last three years stood at **7.6%, 9.2%, and 6.5%**, respectively.
- On the output side, **real GVA growth** for Q1 of 2025–26 was **7.6%**, lower than the **9.5%** average for the previous three years.
- Growth was driven largely by **manufacturing and services** (especially transport, trade, and finance).

Potential Growth and ICOR Relationship

- The **Incremental Capital Output Ratio (ICOR)** is crucial in determining potential growth.
- Real **GFCF** averaged **33.5%** of GDP between 2022–23 and 2024–25.
- Assuming an **ICOR of 5.2**, potential growth stands at around **6.5%**.
- Therefore, maintaining or raising potential growth requires **higher GFCF** or **lower ICOR** (more efficient investment).

Trends in Capital Formation and Investment

- The **Gross Fixed Capital Formation Rate (GFCFR)** in Q1 2025–26 was **34.6%**, marginally above the recent three-year average.
- **Public sector investment has risen**, especially in infrastructure, but **private investment remains tepid**.
- The **public sector's share** in total GFCF has risen from **21.6% in 2021–22 to 25.1% in 2023–24**, while **private investment slowed down**.
- Sustained growth needs a **revival of private capital formation**, supported by conducive policies.

Policy Implications of a 6.5% Potential Growth Rate

- A **6.5% potential growth rate** may seem modest, but it remains realistic under present global conditions.
- To lift potential growth above 6.5%, India must:
 - Raise **GFCFR** by at least **2 percentage points**.

- Increase **corporate sector share in total investment** from 37% to 34.4% (2021–24) levels.
- Ensure **efficient use of capital** (reducing ICOR).

Prospects and Influencing Factors

Positive Influences:

- **Technological innovations** such as **Artificial Intelligence (AI)** and **Gen AI** can raise productivity and reduce ICOR.
- Continued **public investment in infrastructure** enhances supply-side potential.
- **Structural reforms in logistics, energy, and manufacturing** may boost long-term capacity.

Negative Influences:

- Rising **capital intensity** and rapid technological changes may cause **jobless growth**.
- **Tariffs and supply chain uncertainties** could constrain exports.
- **Global slowdown** and **geopolitical tensions** may depress external demand.

Challenges

1. **Weak Private Investment Sentiment:** Private firms remain cautious due to policy uncertainty, cost of capital, and global demand slowdown.
2. **High ICOR (Low Investment Efficiency):** Inefficient use of capital leads to lower returns on investment, limiting productivity growth.
3. **Slowing Global Demand and Export Weakness:** Net exports contributed only –0.4% to growth in Q1 2025–26. Global supply chain disruptions and tariff uncertainties persist.
4. **Overreliance on Public Investment:** Excessive dependence on government capital spending risks crowding out private investment.
5. **Technological Displacement:** AI and automation may reduce employment elasticity, making growth less inclusive.
6. **Structural Bottlenecks:** Land acquisition hurdles, regulatory delays, and inadequate infrastructure impede investment cycles.
7. **Macroeconomic Risks:** Persistent fiscal deficits, inflationary pressures, and geopolitical uncertainties constrain policy flexibility.

Way Forward

1. **Boost Private Investment:** Strengthen investor confidence through regulatory stability, faster project clearances, and credit access.
2. **Enhance Capital Efficiency:** Focus on productivity-enhancing investments in manufacturing, digital infrastructure, and R&D to lower ICOR.
3. **Balanced Public Investment:** Maintain public spending on infrastructure while catalysing private sector participation through PPP models.
4. **Export Diversification:** Reduce dependence on select markets; expand trade partnerships and improve global competitiveness.
5. **Macroeconomic Stability:** Maintain inflation control and fiscal prudence to ensure sustainable capital formation.

Conclusion: India's **potential growth rate** currently hovers around **6.5%**, with possibilities of rising to **7%** if investment efficiency improves. While the post-pandemic recovery has been robust, sustaining higher growth requires **reviving private investment, improving productivity, and strengthening capital efficiency**. Achieving this balance will ensure **inclusive, non-inflationary, and sustainable long-term growth**.

Question: What is India's potential growth rate and what factors influence it? Discuss with reference to recent trends in GVA and investment.

A Green Advantage in Tractor Exports

Introduction

Lowering GST on tractors to 5% cuts costs, speeds mechanisation, and strengthens the home base for exports. At the same time, **rich-country emission rules are tightening fast**. India now faces a clear choice: stay only **low-cost**, or **move up to cleaner, higher-value tractors** that meet global norms and win premium markets.

Overview of the tractor market

- India is a leading supplier, with **\$1.15 billion in tractor exports to 162 countries in 2024–25**.
- **India tractor market** is projected to witness a 5.97% CAGR (FY2026–FY2033F), from USD 11.41 billion (FY2025) to USD 18.15 billion (FY2033F)

Reasons behind the momentum

1. Policy push and cost alignment: The **GST cut to 5%** lowers ownership costs. A strong home market supports scale for exports. Reliability and affordability also lift sales in places without emission norms, including Bangladesh, South Africa, and Thailand.

2. Regulatory alignment as a trade lever

- India jumped to **Bharat Stage (TREM) IV in 2023**, cutting particulate limits by **up to 94%** and narrowing gaps with the U.S. and EU.
- **TREM V by April 2026** will align most tractors with **U.S. Tier 4f/EU Stage V**. Alignment lets firms sell common models at home and abroad and enables scale.

3. Early signals in key destinations

- **United States:** Overall tractor exports declined by **40% in 2023–24** and **10% in 2024–25**. However, exports in the **75–130 kW** category—where India's and U.S. standards align—**increased** during this period.
- **Europe (Belgium):** Following the rollout of **TREM IV**, exports jumped sharply. Shipments of **37–75 kW** tractors in **2023–24** were **nearly 200 times** those in **2022–23**, and **large-segment** exports reached **\$28 million in 2024–25**.

- **Brazil:** Because Indian models already met **MAR-I (2017/2019)**, exports rose from **\$4.5 million in 2017–18** to **\$88 million in 2024–25**, implying a **~65% CAGR**.

4. Technology development

- **Precision tools** like **GPS guidance and telematics** are spreading, improving efficiency and reducing downtime.
- **Digital platforms** for sales, service, and support make ownership easier.
- **Electric and hybrid models** are emerging, while rental and leasing expand access.
- **Platform standardisation** helps manufacturers share components and speed compliant upgrades.

5. Rising domestic demand

- **Mechanisation needs** are growing across crops and terrains. Farmers want timely field operations, especially in monsoon-dependent regions, to protect yield and food security. **This steady on-farm demand supports scale and product upgrades.**
- **Rising farmer incomes** are improving willingness to invest in better machines. **Compact models and higher-horsepower options** both see interest as users match machines to field size and tasks.

Major Concerns

1. **Emissions externality:** **International Council on Clean Transportation (ICCT)** projects emissions from tractors and other non-road equipment in India could **surpass road vehicles by 2030**.
2. **Protectionism and positioning:** **Rising U.S. tariffs** strain a pure low-cost strategy. Staying only low-cost risks missing premium, regulated segments in the U.S./EU.
3. **Compliance & transition risks:** Upgrading to cleaner tech requires investment, certification capacity, and supply-chain readiness; delays could erode market access.
4. **Affordability and access constraints:** Small and fragmented landholdings limit the practicality of larger machines. **High-interest financing** and upfront costs make purchases difficult for small and marginal farmers. Ownership and upkeep expenses can strain cash flows.
5. **Environment degradation:** Heavy machines can cause **soil compaction** and increase fuel use, adding to environmental costs

Way forward

1. **Advance regulatory alignment:** Ensure the move to **TREM V** to smooth entry into **Europe and the U.S.** while extending leadership in emerging markets.
2. **Move up the value chain:** Prioritise **medium/large segments** where alignment already helps; keep serving price-sensitive markets with reliable, efficient models.
3. **Targeted incentives for clean tech:** Use **GST relief** and **focused incentives for electric/cleaner-technology tractors** to accelerate adoption and scale.

4. **Build certification and R&D depth:** Strengthen testing, compliance, and design capabilities to reduce transition costs and speed market entry.

5. **Evidence-led export plan:** Track destination-wise outcomes (U.S., Europe, Brazil, and non-norm markets) and continually align product mixes with evolving standards.

Source - [The Hindu](#)

Banks and ECL norms

UPSC Syllabus Topic: GS Paper 3 -Indian economy.

Introduction

RBI has proposed a shift to a forward-looking **Expected Credit Loss (ECL)** regime for banks and financial institutions from **April 1, 2027**. Draft Directions issued on **October 7** align asset classification, provisioning, and income recognition with **Ind AS 109**. The move keeps the **90-day NPA** trigger, introduces model-based loss estimates, and offers a phased capital cushion till **March 31, 2031**. The aim is earlier recognition of stress, stronger risk management, and better comparability across institutions.

Expected Credit Loss framework

1. ECL asks banks to estimate losses **before** loans turn bad. Banks forecast expected cash shortfalls using **Probability of Default (PD)**, **Loss Given Default (LGD)**, and **Exposure at Default (EAD)**. 2. A credit loss equals the gap between **contractual cash flows due** and **cash flows expected to be received**. This is a shift from recognising losses only after default.

3. Three-stage approach and SICR

- Assets move through **Stage 1, Stage 2, Stage 3** based on credit quality at initial recognition and at each reporting date.
- **Lifetime ECL** is recognised when there is a **Significant Increase in Credit Risk (SICR)** since initial recognition.
- This promotes **early provisioning** when risk rises, not only when default occurs.

Key features of RBI's draft guidelines on ECL

1. Scope and timeline

- Applies to **Scheduled Commercial Banks** (excluding **Small Finance Banks, Payment Banks, Regional Rural Banks**) and **All India Financial Institutions**.
- Effective from **April 1, 2027**.
- A **glide path till March 31, 2031** will smooth any one-time increase in provisioning.

2. Asset classification rules

Asset type	Time	Rule (what to check)
Term loans; bills purchased & discounted; OD/CC	> 90 days overdue	Classify as NPA if interest and/or principal remains continuously overdue for more than 90 days .
Credit cards	> 90 days from statement due date	If minimum amount due remains unpaid within 90 days from the payment due date on the statement → NPA .
Agricultural loans	Crop-season based	Classification and provisioning as per crop-season duration .
NPA categories	Time category in	Once NPA, classify as Sub-standard, Doubtful, or Loss , based on period the asset remains in that category.

3. Model governance and prudential floors

- If a bank **cannot** estimate LGD reliably from its own data, it must use **regulatory backstops** (minimum LGD values): **65%** for **secured** exposures and **70%** for **unsecured** exposures.
- Provisioning will use **12-month ECL** or **lifetime ECL** depending on the **stage**, with **prudential floors** to ensure **minimum buffers** across asset classes.

4. Capital transition and CET1 add-back

- If, at transition, the ECL required (as on April 1, 2027, based on March 31, 2027 figures) exceeds provisions held under current norms, the difference (transitional adjustment amount) may be added back to CET1 capital up to March 31, 2031;
- Banks may choose a **shorter** transition..

5. Broader regulatory alignment (related measures)

- From **April 1, 2027**, **revised Basel III capital adequacy norms** will apply to eligible commercial banks.
- A **draft Standardised Approach for Credit Risk** will be issued. It proposes **lower risk weights** for **MSMEs** and **residential real estate**, which can **reduce capital needs**.

- **Risk-based deposit insurance premiums** are proposed, with the **current flat rate as the ceiling**, to **reward sound risk management**.
- **IRDAI** is expected to issue **similar guidelines** for insurers, signalling **system-wide convergence**.

Stage	Norms	Rule (guidelines; pointers)	Time/Rates
Stage 1	<ul style="list-style-type: none"> • No Significant Increase in Credit Risk (SICR) since initial recognition. • Use PD-LGD-EAD model; credit loss = PV of due cash flows – expected cash flows. • LGD backstops apply if bank cannot estimate reliably. 	<ul style="list-style-type: none"> • Keep in Stage 1 if credit quality broadly unchanged. • Assess at each reporting date using forward-looking data. 	<ul style="list-style-type: none"> • 12-month ECL provisions. • Provisioning floors: 0.40% general floor. 0.25% for small & micro enterprises. • 1% for unsecured retail.
Stage 2	<ul style="list-style-type: none"> • SICR since initial recognition (risk has risen). • 30+ days past due is a presumption of SICR; rebuttal allowed with evidence. • PD-LGD-EAD with governance; LGD backstops available. 	<ul style="list-style-type: none"> • Move to Stage 2 when SICR is observed (including 30+ Days Past Due presumption). • If improving after irregularities, remain at least 6 months before any move to Stage 1. 	<ul style="list-style-type: none"> • Lifetime ECL provisions. • Provisioning floors: 5% general floor. 1.5% for home loans, loans against property, gold loans.
Stage 3	<ul style="list-style-type: none"> • Credit-impaired assets (aligns with NPA condition). • PD-LGD-EAD; apply LGD backstops if needed. 	<ul style="list-style-type: none"> • Classify as Stage 3 when credit-impaired. • Upgrade path: Stage 3 → Stage 2 only after all irregularities are rectified; then stay in Stage 2 for ≥6 months before eligible for Stage 1. 	<ul style="list-style-type: none"> • Lifetime ECL provisions. • Provisioning: “in line with current NPA norms.” • LGD floors (backstops) if not reliably estimated: • 65% for secured exposures. • 70% for unsecured exposures.

Table : ECL Staging & Provisioning (Draft RBI Directions)

Impact of ECL

Positive:

- 1. Earlier recognition and stronger buffers:** Early detection of stress through SICR and staging leads to **timely provisioning** and **cleaner books**. **Prudential floors** and **LGD backstops** add consistency and resilience.
- 2. Comparability and alignment with Ind AS:** Alignment with **Ind AS 109** improves **comparability** across institutions and brings banks close to the standard already adopted by **India Inc.** Reporting becomes more **risk-sensitive** and transparent.
- 3. Orderly transition and credit flow stability:** The **CET1 add-back** and **glide path to FY31** smooth the one-time capital impact. This reduces the risk of abrupt **credit tightening** as banks adapt to higher upfront provisioning.
- 4. Ecosystem readiness and spillover benefits:** Branch-level provisioning and upgraded **CBS/MIS** improve **data quality** and **risk analytics**. **Auditor upskilling** supports better assurance.

Negative / Challenges:

- 1. Initial capital and provisioning strain:** There can be a **one-time rise** in provisions at transition. Some banks may face **capital pressure** despite the CET1 add-back window.
- 2. Model risk and operational load:** ECL needs **robust models**, **quality data**, and **governance**. Weak models or data gaps create **estimation risk**. Upgrading **systems**, training **branches**, and **auditor** reorientation add **operational burden**.
- 3. Execution complexity :** Under ECL, **each branch must compute provisions for its own loan accounts** using expected cash-flow estimates. This **account-level calculation at every branch** adds operational load and requires **standardised methods**, **consistent assumptions**, **clean data**, and **strict controls** so results are **uniform across the network**. Coordination with head office systems and reviews is essential to keep calculations consistent.

Conclusion

From April 1, 2027, the ECL regime—using staging/SICR, prudential floors, and LGD backstops—will drive earlier and consistent provisioning. A CET1 add-back until March 31, 2031 will smooth the transition. Banks must upgrade CBS/MIS, enable branch-level execution, and upskill auditors. Related measures, including revised Basel III norms, will strengthen system-wide resilience

Source - [TH Business Line](#)

Wage Trends: A Complex Picture

Source: The post “Wage Trends: A Complex Picture” has been created, based on “Wage Trends: A Complex Picture” published in “Business Line” on 15th October 2025.

UPSC Syllabus: GS Paper 3 – Indian Economy

Context: Global wage growth continues to lag behind GDP growth, even though recent data indicates that **wage inequality has declined across most regions**. According to the **International Labour Organisation's (ILO) Global Wage Report 2024–25**, global wage patterns are showing both progress and persistent challenges. The report finds that, contrary to widespread perception, **wage inequality has actually been decreasing worldwide** since the early 2000s, with **China playing a dominant role** in this positive shift.

Findings of the ILO Global Wage Report 2024–25

1. The ILO study is based on **hourly wage data** from **82 countries**, covering around **76% of the world's wage employees**.
2. It analyses both **average wage trends** and **wage distribution** across regions and genders.
3. The findings reveal that **wage inequality has declined** globally since 2006, though **regional variations persist**.
4. Despite this, **real wage growth remains slower than GDP growth**, indicating that **workers' income shares are shrinking** in national economies.

The Growth–Wage Gap

1. **Real GDP growth** has consistently outpaced **real wage growth** between **1999 and 2024**.
2. The report highlights that **labour productivity in high-income countries** increased by **29%**, while **real wages rose only by 15%** during this period.
3. This gap demonstrates a **declining wage share in national income**, showing that economic gains are not being equitably distributed between capital and labour.
4. The continued fall in wage share points to structural inequalities in income distribution and a global trend of **decoupling between productivity and compensation**.

China's Influence on Global Wage Growth

1. The **global wage growth picture** is heavily influenced by **China's exceptional performance**, which has outperformed the rest of the world by a wide margin.
2. China accounts for **around one-third of the world's wage workers (32%)** included in the ILO survey.
3. Over the period **2006 to 2024**, **real wages in China grew more than twice as fast** as in the rest of the world.
4. This strong and sustained wage growth in China has **pushed up global averages**, creating the impression of significant worldwide wage improvement.
5. The report stresses that the **overall global trend would look much weaker without China's data**, reflecting the country's dominant contribution to global wage progress.

Comparative Wage Growth Analysis

1. Even though the **wage growth gap** between China and the rest of the world has **narrowed in recent years**, it remains **more than double**.
2. While global real wage growth excluding China has been subdued, **China maintained steady and exceptional increases** throughout 2006–2024.
3. This pattern underscores China's role as a **driver of global wage equality** and an example of how sustained productivity gains can raise workers' real incomes.

4. China's real wage growth is compared with that of other Asian economies such as **India, Thailand, and Vietnam**.
5. Data showed that **China's wage growth has been exceptional**, far outpacing other so-called "Asian success stories."
6. Among these countries, only **Vietnam** shows real wage trends **approaching Chinese levels**, though its data exhibits **greater volatility**, possibly due to **data gaps or uneven growth patterns**.
7. Wage growth in **India and Thailand** has been **moderate and inconsistent**, reflecting differences in industrial structure, labour regulation, and productivity gains.

Broader Insights from the ILO Report

1. **Global wage inequality** has been **declining since 2006**, a positive development attributed largely to **Asia's performance**, particularly China.
2. Despite this, **regional disparities persist**, with low-income and developing countries still showing slower wage growth.
3. The report reveals that **labour productivity gains** continue to **outstrip wage increases**, meaning workers are receiving a **smaller share of economic output**.
4. The **decline in wage share** is a concern for global income equality, as it reflects a growing gap between productivity and pay.
5. The findings highlight the need for **inclusive labour policies**, **stronger social protection**, and **collective bargaining mechanisms** to ensure fair wage growth.

Implications for Global and National Policy

1. The global economy faces a dual challenge of **sluggish real wage growth** and **persistent wage inequality across regions**.
2. Policymakers need to focus on **linking wages to productivity growth**, ensuring that workers benefit equitably from economic expansion.
3. Countries should strengthen **labour market institutions**, encourage **fair wage negotiations**, and promote **minimum wage policies** aligned with living costs.
4. For developing economies, **investment in skill development and industrial upgrading** is crucial to sustain long-term real wage growth.
5. China's experience offers a model for **translating productivity gains into tangible wage improvements** through coordinated industrial and labour policy.

Conclusion: The ILO's findings reveal a **complex global wage landscape**. While wage inequality has declined—mainly due to China's exceptional performance—**global wage growth still lags behind GDP growth**. This indicates that economic gains are not being evenly shared with workers. Ensuring **inclusive wage policies, strengthening labour rights, and linking productivity to real income growth** remain essential for achieving equitable economic development.

Question: Despite sustained global GDP growth, real wage growth has lagged behind, although wage inequality has declined in recent years. Discuss the reasons behind this divergence and examine the role of China in shaping global wage trends.

Australia-India Clean Energy Partnership

Source: The post "Australia-India Clean Energy Partnership" has been created, based on "Powering up the Australia-India clean energy partnership" published in "The Hindu" on 15th October 2025.

UPSC Syllabus: GS Paper 2 – International Relations

Context: India and Australia are both pursuing ambitious clean energy targets to address climate change and ensure energy security. **The India–Australia Renewable Energy Partnership (REP), launched in 2022 by Prime Ministers Narendra Modi and Anthony Albanese,** marks an important framework for cooperation in this sector. The recent visit of Australian Climate and Energy Minister Chris Bowen to India provides a key opportunity to move this partnership from vision to implementation.

Climate Change and the Need for Clean Energy Transition

1. The Indo-Pacific region **faces severe climate challenges**, with **nearly ten climate-related disasters per year** between 1970 and 2022, leading to major human and economic losses.
2. **By 2050, around 89 million people in the region could be displaced** due to climate change impacts.
3. India has **pledged to achieve 500 GW of non-fossil electricity capacity** by 2030, and it has already achieved nearly half of this target.
4. Australia has **committed to reducing emissions by 62–70% below 2005 levels by 2035**, aligning itself with global net-zero ambitions.

The Challenge of Supply Chain Vulnerabilities and Overdependence

1. The global clean energy transition depends heavily on **critical minerals, solar components, batteries, and hydrogen technologies**.
2. At present, **China dominates the global supply chain**, refining over 90% of rare earth elements and producing nearly 80% of global solar modules.
3. This **concentration creates a strategic risk**, as disruptions such as those during the COVID-19 pandemic can impact global renewable energy production.
4. India's dependence is visible in **electric mobility and wind power sectors**, where imports of rare earth magnets and batteries are unavoidable.
5. Australia, though rich in lithium and rare earths, **lacks large-scale refining and downstream processing capabilities**.

The India–Australia Renewable Energy Partnership (REP)

1. The REP aims to **convert climate ambition into actionable cooperation** between India and Australia.
2. It **focuses on joint projects, critical mineral collaboration, capacity building, and knowledge sharing**.
3. The **partnership promotes cooperation** in areas such as solar photovoltaic technology, green hydrogen, energy storage, circular economy, and two-way investments.
4. It also **proposes the establishment of a 1.5 Dialogue** involving policymakers, researchers, and industry leaders to facilitate practical and institutional collaboration.

Strengths of Both Partners

1. Australia's strengths lie in its **vast reserves of critical minerals** like lithium, cobalt, and rare earths, as well as in its strong regulatory framework and research capacity.
2. The **Net Zero Jobs Plan of Australia** emphasizes developing skilled workers required for the clean energy transition.

3. India's **strengths include its large domestic market, manufacturing capacity, and demographic advantage** with nearly two-thirds of its population under 35 years of age.
4. Government initiatives such as the **Production Linked Incentive (PLI) scheme and Skill India program** enhance India's ability to manufacture, install, and maintain clean energy systems.

Potential Benefits of the Partnership

1. The **collaboration can help diversify global supply chains** and reduce dependence on a single country.
2. It can **create a regionally anchored and resilient clean energy ecosystem** in the Indo-Pacific.
3. **Joint investment in processing infrastructure** can strengthen the clean energy value chain in both countries.
4. The **partnership can generate green jobs and enhance energy security** for both economies.
5. It demonstrates **how democratic nations can cooperate** to achieve shared climate and sustainability goals.

Challenges in the Australia-India Clean Energy Partnership

1. **Overdependence on a single country:** Both nations rely on China for critical minerals, solar components, and batteries, creating vulnerabilities in supply chains.
2. **Lack of downstream processing capacity:** Australia has abundant raw materials but limited refining and manufacturing facilities, while India's battery and component industries are still developing.
3. **Technology and R&D gaps:** High-end technologies such as green hydrogen and energy storage are capital-intensive, and both nations need to bridge innovation gaps through joint research.
4. **Regulatory and policy divergence:** Differences in energy policy frameworks, environmental regulations, and investment rules can slow down collaboration.
5. **Financing constraints:** Clean energy projects require long-term affordable finance, and private investment remains limited due to high risks and uncertain returns.
6. **Geopolitical factors:** Strategic tensions in the Indo-Pacific region and dependence on global maritime routes can affect energy security cooperation.
7. **Skill and capacity limitations:** Both nations must strengthen training programmes to develop skilled manpower for clean energy manufacturing and maintenance.
8. **Implementation and coordination issues:** Without strong institutional mechanisms, the REP risks remaining declaratory rather than outcome-oriented.

Way Forward

1. Both nations should **prioritize joint R&D initiatives in hydrogen, battery storage, and renewable technologies** to close innovation gaps.
2. Australia can **invest in critical mineral processing facilities in India** to develop resilient supply chains and value addition.
3. There is a **need for harmonized regulatory frameworks and green finance mechanisms** to facilitate private investment and long-term sustainability.
4. **Institutionalizing an annual India-Australia Clean Energy Dialogue** can ensure policy continuity, monitoring, and effective project execution.
5. **Strengthening skill development collaborations** under Skill India and the Net Zero Jobs Plan can build a competent workforce for the clean energy transition.

Conclusion: The Australia–India clean energy partnership has the potential to transform shared climate ambitions into tangible results. By combining Australia’s resource base and technological capacity with India’s scale and skilled workforce, both countries can drive a sustainable energy transition. Effective implementation of the REP can build diversified, stable, and secure clean energy supply chains, contributing to regional stability and global climate action.

Question: Powering up the Australia–India clean energy partnership can create a resilient and regionally anchored clean energy ecosystem. Discuss.

Navigating the Global Economic Transformation

UPSC Syllabus Topic: GS Paper - International relation

Introduction

The U.S. and China are shaping rival geo-economic systems. Trade, finance, and strategy are being rewired. This disruption threatens open flows but **creates a window to build a fairer order**. Choices by India and the Global South will decide whether the future is more equitable or more extractive.

New economic paradigms

1. Populist-autocracy and the state–capital knot

- Populist-autocracy means **power-centric governance fused with big business**. States place **loyal oligopolies** above competitive markets and public interest. Policy bends to private gain, public assets are pledged, and the **social contract weakens** as citizen welfare is sidelined.
- **In practice**, Policy concessions and public-asset deals increasingly serve oligopolies, not citizens, tightening a **state–capital Gordian knot**.

2. Return of raw statecraft

- Raw statecraft means **security-first economics**. States put **power, control, and leverage** above open markets and multilateral rules. They **weaponise supply chains, technology, finance, and geography** to shape outcomes. Efficiency yields to **strategic control**, and cooperation gives way to **managed dependence**.

For **Example**, the United States is pulling chip capacity from Taiwan, securing rare-earth supply chains in Central Asia and Africa, and pressing Arctic-rim states to align with its interests.

3. Big Tech, cloud capital, and digital colonialism

- Digital colonialism means **platform and cloud owners extracting value and influence** across borders. **Data control and algorithmic reach shape public opinion** and reward leaders who curb digital rights. This trend deepens with **AI action plans, the CLOUD Act, SWIFT weaponisation, and state-backed digital currencies** (piloted by ~100 central banks).

4. Retreat of development aid

- Aid retreat means **shrinking support for vulnerable populations** and **vacuum-creating cutbacks** that open space for undemocratic forces. Welfare cushions thin out, **distress migration rises**, and conflicts find new recruits as safety nets fray.

- For **Example**: A **\$44 billion** reduction by the G-7 could push **5.7 million Africans into poverty by 2026**. In Nepal, falling grants triggered an exodus of **8 lakh** people. **WFP cuts hit 16.7 million** in 2023, fuelling distress migration and militia recruitment in the Sahel.

5. Tariffs, sanctions, and fragmented flows

- Coercive economics means **using tariffs and sanctions to steer trade, capital, people, and ideas**. Openness narrows as surplus-producers face barriers and dependencies are punished, prompting **self-reliance and bloc formation**.

- For **Example**, **US** has tariffs on more than 70 countries and sanctions on more than 30 countries, which is pushing parts of the Global South toward bilateral deals, localised production, higher gold reserves, and currency alternatives.

Concerns

1. **Structural imbalances**: Neoliberal globalisation relied on **cheap labour, environmental extraction, and trickle-down claims**. This model prioritised efficiency over equity and left many economies exposed to external shocks and political capture.

2. **Crony concentration**: Sovereign debt became **unsustainable**, shrinking fiscal space for **developmental and welfare goals**. Public assets and policies shifted toward **crony interests**, weakening the social contract and public trust.

3. **Poverty and hunger pressures**: **47% of the world's population lives below \$6.85/day**, and **735 million people face hunger**. These strains push societies toward identity-based cohesion, which **autocrats exploit** to mobilise support and undermine democracies.

4. **Volatile partnerships**: When ties rely on one leader or one party, they become **unstable**. **Lack of bipartisan bridges** has strained ties with **the U.S., Bangladesh, and Nepal**, reducing room for steady, long-term cooperation.

5. **Gap in digital governance**: There is no **common framework** for **digital-currency interoperability** and **political-funding transparency**. Without such rules, **sovereignty and oversight are at risk**, and vulnerabilities in Anti-Money Laundering (AML)/ Financial Action Task Force (FATF) safeguards can widen.

Way forward

1. Reform the global financial architecture

- **New Economic Deal for the Global South**: Seek fairer representation in international financial institutions.

- **Debt-relief framework**: Replace austerity-heavy adjustments that trigger democratic backsliding with solutions that free fiscal space for development and welfare.

- **Rules-based fairness:** There is a need for fair trade that protects domestic sectors while keeping markets open to genuine competition, not cronyism.

2. Build strategic alliances

- Form new economic alliances that **reduce over-dependence on any single bloc** (use BRICS and South–South platforms)

3. Recalibrate the Indian economy at home

- **Strategic state leadership:** The state should lead in energy, infrastructure, data/digital finance, defence, space, water, education, health care, and agriculture—areas vital for security and for serving all citizens.
- **Check concentration of power:** Enforce **anti-monopoly** rules and establish **sovereign wealth funds** (Norway model) to channel national resources into long-term public goals.
- **Invest in knowledge:** Fund science, universities, and pedagogic autonomy to build true competitiveness.
- **Redeploy PSUs smartly:** Do not privatise by default; Use PSUs like strategic tools (as China does with SOEs, or as development agencies) to earn revenue, advance technology, and serve geopolitical aims—rather than defaulting to privatisation.
- **Aligned digital finance:** Any **Central Bank Digital Currency (CBDC)**, and the wider data/finance stack around it, must protect privacy, have clear audit trails and independent oversight for accountability, and include strict safeguards so it cannot be misused for political funding.

4. Practice principled diplomacy

- **Substantive non-alignment (not performative):** Take positions case by case. Put India's interests first. Do not take sides because of party politics. Say the same thing on similar issues every time.
- **Common plan at home:** Get major parties to agree on long-term foreign policy goals and how to achieve them. This keeps India's external policy stable and believable even when governments change.

Question for practice:

Examine the new economic paradigm and discuss its implications for India's economic and foreign-policy choices.

Source: [The Hindu](#)

The Future of the IMEC

UPSC Syllabus Topic: GS Paper - International relation

Introduction

India seeks to diversify economic links amid friction with the U.S. Alongside bilateral pacts with the U.K. and talks with the EU, India is backing the India-Middle East-Europe Economic Corridor (IMEC). The plan connects India, West Asia, and Europe through upgraded sea lanes, high-speed rail from UAE ports to Haifa via Saudi Arabia and Jordan, and cross-border energy-digital links (clean hydrogen, power cable, undersea data cable) to cut time, costs, and risk.

About the India-Middle East-Europe Economic Corridor (IMEC)

1. It is a network of transport corridors comprising railway lines and sea lanes to promote economic integration between Asia, the Arabian Gulf, and Europe. The project aims to integrate India, Europe, Middle East through UAE, Saudi Arabia, Jordan, Israel and European Union.
2. It upgrades maritime links between India and the Arabian Peninsula and runs **high-speed trains from UAE ports to Haifa via Saudi Arabia and Jordan**, with onward shipping to and from Europe.
3. It also **plans a clean hydrogen pipeline, an electricity cable, and a high-speed undersea digital cable**, while consolidating port infrastructure.
4. It was unveiled at **the G20 summit in New Delhi in September 2023**. A Memorandum of Understanding (MoU) was signed between the Governments of India, the US, Saudi Arabia, the European Union (EU), the UAE, France, Germany and Italy to establish this economic Corridor.
5. The corridor aims to reduce transit times by 40% and transportation costs by 30% as compared to the Suez Canal route.

Significance of the IMEC

1. **Resilient connectivity:** Sea-lane security is uncertain. **Red Sea disruptions** pushed ships around the **Cape of Good Hope**, raising costs and time. IMEC offers **alternative, faster, diversified routes**.
2. **Mediterranean relevance:** **Arctic routes** may shift trade northward. **Mediterranean economies**, especially **Italy**, see IMEC as a way to **preserve maritime centrality**. This keeps Europe–West Asia–India links strong.
3. **Flexible cooperation:** As a **multi-member initiative**, IMEC allows **adaptive routing and coordination** when geopolitics changes.
4. **Counter to China :** It is an ambitious counter to China's BRI project. BRI has created a 'debt trap' and has diminished the sovereignty of member countries. It will be a counter to the expansionist policies of China. It also provides an opportunity to counter the growing Chinese geopolitical influence in Middle East.
5. **Stability in Middle East** – This Corridor aims to bring countries in the Middle East together and establish that region as a hub for economic activity instead of as a "source of challenge, conflict or crisis" as it has been in recent history.
6. **Normalisation of Diplomatic Relations-** It also aims to help normalise diplomatic relations in the Middle east with possibility of establishment of diplomatic relations between Israel and Saudi Arabia both of which are part of the project.

7. **Expansion of G20 role from purely economic grouping to geo-political grouping-** This project is also an attempt to further strengthen the G20 group by expanding the role of G-20 to geo-political domain to counter the dominance of China's Xi Jinping and Russia's Vladimir Putin.

Concerns and constraints of the IMEC

1. **Security risk in West Asia:** The **October 7 attacks** and subsequent **Israeli military actions** strained regional ties and **cast doubt on feasibility**. It is still unclear whether the Gaza peace plan will succeed, so long-term stability for corridor projects is not assured.

2. **Competing routes:** Climate change is opening a new Arctic sea route. Ships can move between Asia and Europe faster through northern waters. This mainly benefits the U.S., Russia, China, and northern Europe. If trade shifts north, Mediterranean ports lose traffic. That directly weakens a Mediterranean-based IMEC.

3. **Non-binding MoU-** MoU of IMEC does not create any rights or obligations under international law. The memorandum only sets forth political commitments of its participants which are non-binding.

4. **Finance-** The Corridor requires massive finance for its construction. Arrangement of such funds is a challenge considering the recession that has been creeping in US and other advanced economies. Scale of investments that can be raised by China is higher than that of the G7. Mobilisation of Private-sector finance also remains a major challenge.

5. **Chinese Resistance-** This economic corridor also faces the challenge of Chinese pushback as China as already invested heavily in BRI project. It has been making considerable investments in the middle eastern economies like Iran, Saudi Arabia and UAE.

Significance of the IMEC for India

1. Market access and diversification:

- IMEC gives **India a stable bridge to Europe** at a time of friction with the U.S. Europe matters for its high incomes, advanced technology, and scale. The **EU is India's largest trade partner (over \$136 billion)**.
- Using the **Mediterranean route** keeps access short and predictable even when other sea lanes face shocks.
- IMEC links—sea, rail, energy, and digital—**reduce dependence on any single partner** and keep trade flowing when routes elsewhere are disrupted.

2. Regional balance:

- IMEC also **strengthens India's position in West Asia**. Deeper **economic ties with the UAE and Saudi Arabia** turn political goodwill into concrete trade and connectivity.
- This **blunts Pakistan's attempts** to build alignments that undercut India.
- With IMEC, **India and Europe act as "bookends"**: both ends invest and coordinate so that the corridor supports **steady trade, investment, energy, and data flows** across the region. This shared anchoring improves stability and India's leverage without overextension.

3. **Reduced dependence on Iran-** It also provides India an alternate transport corridor route for Europe by reducing over dependence on Chabahar Port and INSTC.

4. **Opportunity to join Trans-African Corridor-**Trans-African corridor is an envisaged US and the EU plan to build a corridor connecting Angola, the Democratic Republic of Congo, and Zambia. Effective implementation of Indian Middle East Europe Corridor project would increase India's chances of getting an opportunity to join Trans-African corridor.

Way forward

1. **Broaden nodes and routes:** Use IMEC's flexibility to **add commercial centres and ports in Saudi Arabia and Egypt** and reduce single-point risks.

2. **Strengthen Europe links: Scale corridors and logistics** with Europe to build **resilient supply chains**, while monitoring Arctic impacts without over-reliance on them.

3. **Establishment of IMEC Secretariat-** IMEC secretariat should be established to create structured processes and conduct evidence-based research on project benefits.

4. **Establishment of Virtual Trade Corridor-** Virtual Trade Corridor like the India-UAE Virtual Trade Corridor can serve as an operational model for other IMEC countries. It would help in reducing administrative burdens, lowering costs, and fostering efficient trade.

5. **Strengthening of infrastructure along the eastern corridor-** Countries along the eastern route could use the time of West Asian instability to strengthen infrastructure, enhancing regional connectivity and preparing for future IMEC integration.

6. **Avoiding the problems created by BRI-** The speed of implementation of the corridor and its ability to avoid the problem of financial and ecological sustainability faced by BRI will determine the success of IMEC.

Source - [The Hindu](#)

The 'critical factor' in India's clean energy ambitions

Source: The post "The 'critical factor' in India's clean energy ambitions" has been created, based on "The 'critical factor' in India's clean energy ambitions" published in "The Hindu" on 16th October 2025.

UPSC Syllabus: GS Paper 3 – Indian Economy

Context: India's aspiration to become a **global leader in clean energy and sustainable growth** depends heavily on the **availability of critical minerals** such as **lithium, cobalt, and rare earth elements (REEs)**. These minerals are vital for technologies like **electric vehicles (EVs), solar panels, wind turbines, and energy storage systems**, forming the backbone of India's **energy transition** and **net-zero ambitions** by 2070.

Importance of Critical Minerals in India's Clean Energy Transition

1. **Critical minerals form the backbone of clean technologies**, enabling electric mobility, renewable energy generation, and efficient storage solutions.

2. India's target of achieving **500 GW of renewable energy capacity by 2030** requires a steady and secure supply of these minerals.
3. **Lithium and cobalt are vital for EV batteries**, while **rare earths are used in wind turbines**, solar panels, and electronic components.
4. India's EV market is projected to grow at a **compound annual growth rate (CAGR) of 49% from 2023 to 2030**, supported by government initiatives like the **Electric Mobility Promotion Scheme (EMPS) 2024**.
5. In 2023, the **battery storage market** in India was valued at **\$2.8 billion**, and it is expected to expand rapidly as renewable adoption accelerates.
6. These minerals are thus indispensable to India's **long-term clean energy goals and industrial competitiveness**.

Challenges

1. **Import Dependence:** India is **heavily dependent on imports**, sourcing nearly **100% of lithium and cobalt** and over **90% of REEs** from other countries. A large share of global production and processing is concentrated in **China**, which controls **60% of global REE output** and **85% of refining capacity**, creating strategic vulnerabilities.
2. **Limited Domestic Mining:** Domestic mining of critical minerals remains limited, even though India has **5.9 million tonnes of inferred lithium reserves** identified by the **Geological Survey of India (GSI)** in Jammu and Kashmir.
3. **High Extraction Costs:** Extraction and processing costs in India are **significantly higher** compared to countries like Australia, reducing commercial viability.
4. **Environmental Concerns:** Mining projects often face **environmental concerns, regulatory hurdles, and infrastructure gaps**, slowing development.
5. **Low Recycling Rate:** India also faces a **low recycling rate**, with only **10% of the 4 million tonnes of e-waste** recycled annually, leading to loss of valuable minerals.

Government Initiatives

1. Policy and Institutional Framework

1. The **National Mineral Exploration Policy (NMEP), 2016** promotes **private sector participation** in mineral exploration to accelerate the discovery and mapping of critical mineral resources in India.
2. The **Mines and Minerals (Development and Regulation) Act, 2021** enables the **commercial auction of critical mineral blocks**, allowing both domestic and international companies to participate in exploration and mining activities.
3. The **National Mineral Policy, 2019** focuses on ensuring **sustainability, environmental responsibility**, and improving the **ease of doing business** in the mining sector.
4. The proposed **National Critical Mineral Mission** aims to **coordinate exploration, processing, and recycling efforts** to build an integrated and resilient supply chain for critical minerals.

2. Domestic Exploration and Production

1. The **Geological Survey of India (GSI)** has discovered **5.9 million tonnes of inferred lithium reserves** in **Jammu and Kashmir**, marking a significant step toward domestic resource development.

2. The government has conducted **auctions for critical minerals** such as **lithium and rare earth elements (REEs)**, which have attracted bids from both **domestic firms** and **multinational corporations** eager to invest in India's mineral sector.

3. Strengthening Public Sector and Global Partnerships

1. **IREL (India) Limited**, formerly known as Indian Rare Earths Ltd, is engaged in **extracting monazite-derived rare earth elements** such as **neodymium, praseodymium, and dysprosium**, which are vital for clean-energy technologies.
2. **KABIL (Khanij Bidesh India Limited)**, established in **2019**, was created to **secure overseas mineral assets** through **joint ventures and acquisitions**, ensuring a stable and diversified supply of critical minerals for India.

4. Circular Economy and Recycling

1. The **E-Waste (Management) Rules, 2022** have been strengthened to promote **domestic recycling and recovery mechanisms**, enabling better extraction of valuable minerals from discarded electronic products.
2. The **Battery Waste Management Rules, 2022** set **specific recycling and collection targets** for used batteries, particularly those used in electric vehicles and energy storage systems.
3. The government has encouraged **public-private partnerships (PPPs)** to establish **automated recycling plants** and **mechanised e-waste management facilities**, aiming to create a modern circular economy that reduces waste and recovers critical resources efficiently.

Way Forward

1. India must **operationalise the National Critical Mineral Mission** with clear objectives, dedicated funding, and coordination between ministries.
2. **Private investments** should be encouraged through **tax incentives, subsidies, and ease of doing business** reforms in exploration and processing.
3. The government should **enhance R&D** in advanced extraction, green mining, and mineral recycling technologies.
4. Strengthening **international partnerships** for mineral imports can diversify supply sources and reduce strategic dependence.
5. India must build a **robust recycling and waste management infrastructure** to recover minerals domestically.
6. A **comprehensive circular economy policy** should be implemented to integrate mining, manufacturing, and recycling under one ecosystem.

Conclusion: Critical minerals are the **lifeblood of India's clean energy transition**. Securing their supply through **domestic mining, strategic global tie-ups, and a robust circular economy** will be crucial for achieving **energy independence, economic growth, and climate resilience**. With the right policy execution, India can transform its **critical mineral ecosystem** into a pillar supporting its **Atmanirbhar Bharat** and **net-zero 2070 goals**.

Gender equity in courts

Source: The post “Gender equity in courts” has been created, based on “The road to gender equity in courts” published in “The Hindu” on 16th October 2025.

UPSC Syllabus: GS Paper 2 – Polity- Judiciary

Context: Women’s under-representation in India’s higher judiciary remains a **persistent and serious concern**. According to the **India Justice Report 2025**, women constitute only **14% of judges in the High Courts** and a mere **3.1% in the Supreme Court**. Among the **34 judges of the Supreme Court**, **only one is a woman**, highlighting the severe **gender imbalance at the top** of the judicial hierarchy. This lack of representation undermines the constitutional vision of **equality, diversity, and inclusiveness** in India’s justice system.

Status of Women in Judiciary

1. **High Courts:** Out of 25 High Courts, only **one is headed by a woman Chief Justice**.
2. **Supreme Court:** There is **only one woman judge**, and unless another is appointed soon, India will have a Supreme Court **without a single woman judge** before the expected elevation of the current woman judge as the **first woman Chief Justice of India**.
3. **Lower Judiciary:** The situation is comparatively better; **nearly 38% of judges** in the subordinate judiciary are women.
4. According to a **2023 report by the Centre for Research and Planning of the Supreme Court**, **around 20% of district court complexes** have separate toilets for women, indicating poor infrastructure that also hinders women’s professional growth.

Reasons for Gender Imbalance

1. **Collegium System of Appointment:** The current system of judicial appointments in High Courts and the Supreme Court through the **Collegium** is an **elitist and closed network**. It limits entry to those within select professional and social circles, **disadvantaged women and underprivileged groups**.
2. **Lack of Institutional Mechanism for Diversity:** There is **no structured policy** to ensure gender balance in appointments to higher courts. The process is **opaque** and based on **subjective recommendations**, rather than merit-based open competition.
3. **Social and Structural Barriers:** Women lawyers face challenges such as **bias, lack of mentorship, and unequal work opportunities** in the legal profession. Limited facilities, safety issues, and poor work-life balance discourage many from pursuing higher judicial positions.

Need for Reform

1. There is an urgent need to make the **judicial selection process more transparent, inclusive, and merit-based**.
2. Similar to recruitment in **IAS, IPS, and IFS**, there should be a **national-level competitive examination for judicial appointments**.
3. Such a process would **reduce biases, nepotism, and patronage**, while ensuring **diversity and equal opportunity**.
4. The **All-India Judicial Service (AIJS)** has been suggested by several stakeholders, including the **President of India, Droupadi Murmu**, who in her **Constitution Day address (2023)** proposed the creation of this service to ensure fairness and inclusivity in recruitment.

UPSC as a Model

1. The **Union Public Service Commission (UPSC)** model demonstrates how **competitive examinations can bring transparency and diversity** in recruitment.
2. For example, among the **UPSC Civil Services 2024** results, **11 out of the top 25 candidates were women**, showing improved gender representation.
3. The Civil Services have also witnessed **greater social and regional diversity**, with candidates from **OBC, SC, ST**, and **economically weaker backgrounds** achieving top ranks.
4. A similar system for the judiciary would help **broaden representation** and ensure **merit-based selection**.

Concerns and Counterarguments

1. Critics argue that an **All-India Judicial Service** may undermine the **independence of the judiciary** and invite **executive interference**.
2. However, the article clarifies that if such recruitment is conducted **by the UPSC**, based on **standards prescribed by the Supreme Court in consultation with High Courts**, judicial independence can be preserved.
3. A **uniform, merit-based recruitment system** would, in fact, **strengthen transparency and accountability** in judicial appointments.

Way Forward

1. **Constitutional Backing:** Article 312 of the Constitution already empowers Parliament to create **All-India Services**, including an **All-India Judicial Service**.
2. **Transparent Selection:** Recruitment should be **open to all eligible Indians** and conducted by an **independent constitutional body** such as UPSC, with **judicial oversight**.
3. **Inclusivity and Diversity:** The system must ensure **representation of women, minorities, and marginalized groups** through fair and inclusive criteria.
4. **Training and Professional Development:** Selected judges should undergo **structured induction and training** to ensure judicial competence and ethical integrity.
5. **Gender-Friendly Infrastructure:** Improving court infrastructure, providing **safe workplaces and better amenities** for women, will encourage more women to join and remain in the judiciary.

Conclusion: Justice and equality are too vital to be left to a limited few; the judiciary must reflect the **diversity of the society it serves**. Establishing a **transparent, merit-based, and inclusive judicial selection process** through an **All-India Judicial Service** is the most effective way to ensure **gender equity and institutional integrity** in India's higher judiciary.

Question: In the light of this statement, critically examine the proposal for establishing an All-India Judicial Service (AIJS) as a means to ensure transparency, diversity, and gender equity in judicial appointments.

Ensure safeguards for India's carbon market

UPSC Syllabus Topic: GS Paper 3 -Environment.

Introduction

Growth-led development has strained planetary boundaries, but degrowth is neither fair nor feasible for countries still facing poverty and hunger. A better path is to decouple growth from environmental harm by scaling cleaner technologies, renewable energy, and sustainable farming. India's expansion of solar power and micro-irrigation shows this balance is possible. Carbon credits can support the transition, but they must protect rights, ensure fair benefits, and maintain integrity to avoid harm.

About Carbon credits

Carbon credits represent a **certified reduction or removal of greenhouse gases**, expressed in **carbon-dioxide (CO₂) equivalents**.

They are **generated** through mitigation activities such as **renewable energy** or sequestration efforts such as **reforestation, agroforestry, and biochar**.

Firms buy these credits to **offset emissions** while they transition to cleaner processes, **ideally rewarding developing countries** for adopting low-carbon practices.

The market is **booming**, with **175–180 million credits retired annually**, mainly from **renewables** and **nature-based projects** like **REDD+** and **afforestation**.

There are four general stages of a carbon credit's lifecycle.

Origin and evolution

1. **First idea:** The idea of using **tradable permits** for pollution control is traced to economists **Crocker (1966)** and **John H. Dales (1968)**, often cited as the early architects of marketable pollution rights.

2. **Kyoto Protocol (adopted 1997; in force 2005):** Building on that idea, Kyoto created the world's first global carbon-market architecture—**Clean Development Mechanism (CDM)**, **Joint Implementation (JI)**, and **Emissions Trading**—with **Certified Emission Reductions (CERs)** equal to **1 tonne of CO₂e**.

- **Clean Development Mechanism (CDM):** Allowed industrialized countries to invest in emission reduction projects in developing nations to earn tradable Certified Emission Reductions (CERs).
- **Joint Implementation:** Enabled Annex I (developed) countries to trade Emission Reduction Units (ERUs) among themselves.
- **International Emissions Trading:** Allowed countries with surplus allowances to sell them to countries with deficits.

3. **Paris Agreement (adopted 2015; in force 2016):** Reinforced carbon trading under Article 6, replacing and updating Kyoto's mechanisms. It allows countries to voluntarily cooperate to achieve their climate targets, known as Nationally Determined Contributions (NDCs), by trading Internationally Transferred Mitigation Outcomes (ITMOs).

- **Article 6.2:** Countries may **transfer** mitigation outcomes internationally (ITMOs) with accounting to avoid **double counting**.
- **Article 6.4:** A **UN-supervised mechanism** will issue credits via an Article 6.4 registry.
- **Article 6.8:** A framework for **non-market** approaches.

4. **COP26 (Glasgow, 2021):** Parties **finalised the Article 6 rulebook**, enabling implementation (6.2 guidance, 6.4 modalities/procedures, 6.8 work programme).

5. **COP28 (Dubai, 2023):** Parties did **not** adopt additional decisions on 6.2/6.4, so some operational details remain open.

Initiative taken for the carbon credit

A. United nation initiative

- **Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA programme):** A global market-based initiative to curb emissions from international aviation by requiring airlines to offset growth in emissions above 2020 levels.

- **UNEP endorses and supports the two voluntary carbon market integrity initiatives (VCMI and ICVCM)** that are in the process of developing best practice requirements for independent standards and market stakeholders.

- **VCMI is a global nonprofit providing guidance** on how to make a meaningful impact on climate action through voluntary use of carbon credits.

- **The Integrity Council for the Voluntary Carbon Market (ICVCM)** is multi-stakeholder led independent governance body. It establishes and maintains the highest standards of ethics, sustainability, and transparency for the global voluntary carbon market.

- **Voluntary Carbon Markets (VCMs):** Outside of mandatory regulations, organizations participate in VCMs to purchase credits from projects that reduce or remove GHG emissions. Key standards and registries include:

- **Verra's Verified Carbon Standard (VCS):** One of the most widely used standards for generating voluntary credits.

- **The Gold Standard:** Developed by the World Wide Fund for Nature (WWF), in 2003, this program supports projects that reduce GHG emissions and contribute to sustainable development.

- **Integrity Council for the Voluntary Carbon Market (ICVCM):** An initiative defining the Core Carbon Principles to ensure high integrity in the market.

B. **Several countries** and regions have implemented carbon market mechanisms tailored to their national contexts.

- **The European Union Emissions Trading System (EU ETS)** remains the world's most established and comprehensive carbon market. Operating since 2005.

- **China's national ETS**, launched in 2021 and significantly expanded in 2024, is now the largest in the world by emissions volume.

- **Brazil** finalized the legal framework for its national ETS in 2024, following years of stakeholder engagement and technical groundwork.
- **New Zealand launched its ETS** in 2008, covering nearly all sectors, including forestry.
- In 2015, the **Republic of Korea launched the first nationwide ETS in East Asia**.

C. National initiatives (India)

- **Carbon Credit Trading Scheme (CCTS), 2023:** A market-based mechanism enacted under the Energy Conservation (Amendment) Act, 2022. It establishes a framework for a domestic carbon market in India.
- **Green Credit Programme (GCP):** An initiative that incentivizes environmentally friendly actions beyond GHG emission reductions.
- **National Agroforestry Policy, 2014:** Aims to expand tree cover on farmlands for carbon sequestration, with initiatives like the GROW Portal mapping potential areas.
- **Blue Carbon Initiatives:** Projects to restore coastal and marine ecosystems like mangroves for carbon sequestration, aligning with India's NDC commitments. (Mangrove Initiative for Shoreline Habitats & Tangible Incomes - (MISHTI) scheme)

Concerns related to carbon credits

1. **Unfair benefit-sharing:** When companies set the rules and keep terms unclear, communities are sidelined and get a small share of the benefits.
2. **Land rights disruption:** When **free, prior, and informed consent (FPIC)** is bypassed, community tenure and access suffer. The Kenyan court's finding that key conservancies lacked public participation—and **Verra's suspensions**—illustrate how skipping consent can unravel entire projects.
3. **Credibility and measurement:** Weak measurement and monitoring—such as flawed soil-carbon accounting—undermine the integrity of credits and erode trust.
4. **Exclusion:** Smallholders and marginalised caste groups in India are often excluded because engagement and follow-up are weak; **CIMMYT's findings** of low farmer participation reflect this gap.
5. **Policy blind spots:** India's Carbon Credit Trading Scheme (CCTS) emphasises procedures and compliance but gives insufficient attention to land rights, FPIC, and equitable revenue sharing.
6. **Agriculture lag:** Despite high potential, agriculture projects struggle to mature. Of 64 Indian agri projects under Verra, only four are registered and none has issued credits, revealing systemic barriers to farmer-led carbon outcomes.

Way forward

1. **Secure rights with community control.** Make FPIC mandatory, recognise community and customary tenure, and co-design projects with elected local bodies so rules fit local needs.

2. **Make benefits transparent.** Publish simple benefit-sharing contracts and payment schedules, and track all revenues openly so communities can see what is owed and what is received.
3. **Independent oversight.** Keep procedures light but predictable, and set up a national environmental regulator—on the lines of SEBI/RBI—to set standards and supervise carbon markets.
4. **Guarantee credit quality.** Use robust MRV (Monitoring, Reporting, and Verification), conservative baselines, and independent audits, and adopt tech-enabled public dashboards to prevent “inspect-and-extort” practices.
5. **Include and equip farmers.** Fund outreach, hands-on training, and after-care for smallholders and marginalised groups, and operationalise accessible agri methods (biomass, Compressed Biogas, low-emission rice).
6. **Build public trust.** Hold regular stakeholder consultations, update rules based on feedback and evidence, and promote environmental literacy so citizens understand roles and responsibilities.

Conclusion

Carbon credits can align growth with sustainability only when justice anchors the market. India should pair expansion with FPIC, secure land rights, transparent benefit-sharing, inclusion of smallholders, and lean oversight with robust MRV. If communities lead and integrity is enforced, climate action can progress without repeating extractive, top-down models.

Question for practice:

Discuss how carbon credits can help decouple economic growth from environmental harm in India, and explain the key safeguards needed to protect community rights and ensure high-integrity credits.

Source: [The Hindu](#)

Pakistan-Afghanistan ties: Long history of differences, from Durand Line to the India angle

UPSC Syllabus Topic: GS Paper 2 -India and its neighbourhood- relations.

Introduction

Pakistan and Afghanistan have largely lived with **mutual distrust**, periodic **armed clashes**, and competing national narratives since 1947. The recent border flare-up along the Durand Line shows how historical grievances, **Pashtun identity**, cross-border militancy, and **trade/transit coercion** keep relations tense. India's presence as a perceived balancer or threat adds another layer, shaping choices in Kabul and Islamabad and amplifying disagreements over sovereignty, security, and regional alignment.

About Durand Line

1. **Formation (1893):** In 1893, Sir Mortimer Durand (Foreign Secretary of British India) and **Amir Abdur Rahman Khan** agreed to a boundary to divide **spheres of influence** between British India and Afghanistan. It split Pashtun (and Baloch) communities across a roughly 2,640 km line.

2. **Colonial interpretation:** After drawing the line, **British India treated it as a fixed border** for governance and security. But an Afghan thesis argues it set **spheres of influence**, not a permanent boundary.

3. **1947 inheritance and rejection:**

When **Pakistan was created in 1947**, it **inherited** the British position that the Durand Line was the international boundary.

Afghanistan rejected this view and even **opposed Pakistan's entry into the UN**, arguing the line unfairly divided tribes and had been imposed under pressure.

4. **Cold War flashpoints (1950s–1970s):**

Prime Minister **Daud Khan** promoted **Pashtunistan** (merging Pakistan's Pashtun areas with Afghanistan).

In **1961**, border closures by Pakistan caused shortages in Afghanistan and pushed Kabul closer to the **Soviet Union**.

Daud's **1973** presidency briefly revived Pashtunistan, but he later dropped it under Pakistani pressure.

By 1976, Daud and **Zulfikar Ali Bhutto** normalised ties, yet **Afghanistan still did not recognise the Durand Line** as an international border.

5. **Post-2001 to recent years:**

Pakistan's **border-fence construction (from 2017)** deepened tensions over control and access.

In **2018**, President **Ashraf Ghani** **protested** Pakistan's abolition of the **Tribal Agencies**, reflecting continuing disagreement over border governance.

Reason for disputes

1. **Recognition:** Pakistan treats the Durand Line as an international border. **Afghanistan rejects that.** The line split Pashtun (and Baloch) communities and remains porous. **Recognition is unresolved and fuels clashes.**

2. **Connectivity concern :** Afghanistan is landlocked. Pakistan is the preferred route but **blocks India–Afghanistan road trade via Wagah** and has stopped Afghan goods through land routes and Karachi port at times. **Connectivity is used as pressure.**

3. **Ethnic and insurgent dimensions:** Ending the **Tribal Agencies** is seen by many Pashtuns as an insult from a Punjab-dominated state. Afghan and Pakistani Pashtuns share kinship. **TTP gains sympathy across the border.** This keeps security tensions high.

4. **The “gratitude” question:** Pakistan says it hosted refugees and backed Mujahideen and later the Taliban, so Afghans should be **grateful**. Many Afghans say Pakistan acted for **its own interests** and treated Afghans poorly. **This disagreement deepens bitterness.**

5. **Recent incident:** On October 12, Kabul claimed **58 Pakistani soldiers were killed** and **25 posts were captured** along the border, citing Pakistani violations. Afghan officials earlier alleged **airstrikes** by Pakistan, which Islamabad has not confirmed. **This is among the most serious escalations since 2021.**

Impact of dispute over Durand Line

1. **Economic disruption:** Border skirmishes disrupt **cross-border trade**, hurting communities reliant on **trans-frontier movement**. Periodic closures and port holds squeeze Afghan markets and **erode trust**.

2. **Humanitarian stresses:** Communities reliant on cross-border markets face **price spikes**, loss of daily income, and uncertainty about access to goods and services. Port holds and intermittent land-route blockages **erode trust** and deepen local hardship.

3. **Diplomatic strain:** Successive Afghan governments, including the **Taliban regime**, have **refused formal recognition** of the line. Without a political framework to manage disputes, flare-ups will continue and destabilise the region.

4. **Regional security spillovers:** **Crisis contagion rises across the frontier.** Clashes can spread quickly along a porous, rugged border. Movement of armed groups, including the **TTP**, complicates counter-terrorism and heightens miscalculation risk during standoffs. **Repeated post-2021 flare-ups** show how fast incidents escalate into serious confrontations.

5. **Institutional pressure:** The cyclical tensions **strain governance capacity** on both sides—absorbing security resources, disrupting routine administration, and crowding out problem-solving.

Way forward for India

1. **Overall stance:** Stay watchful, not panicked. Keep plans ready for quick shifts along the India–Pakistan frontier.

2. **Security:** Harden vulnerable border points and key infrastructure. Step up monitoring for militant spillovers. Keep rapid-response units and mission security on readiness.

3. **Diplomacy:** Work with active mediators (China, Qatar, and Saudi Arabia) to contain escalation. Use quiet channels to support hotlines and “freeze-in-place” understandings. Back practical border-management steps without taking a view on legal recognition.

4. **Engagement with Afghanistan:** Respect Kabul’s independent choices. Keep engagement focused on stability, civilian protection, and predictable trade so it does not feed an encirclement narrative.

5. **Connectivity:** Expect periodic closures and port holds. Press for predictable transit and non-coercive connectivity in all dialogues.

6. **Humanitarian/Consular:** Prepare for refugee flows and risks of civilian harm along the frontier. Strengthen consular support and evacuation planning for Indian nationals.

7. **Public messaging:** Avoid escalatory rhetoric and keep communication calm, with an emphasis on de-escalation.

Conclusion

A durable peace requires a **political framework** to manage the Durand Line dispute, **reduce coercive transit practices**, and address **Pashtun grievances** that fuel militancy. Recognition of Kabul's policy **autonomy**, predictable **trade/transit**, and practical **border management** can lower risks. **Without such steps, clashes will recur**, economic pain will persist, and the **India factor** will keep magnifying tensions rather than enabling regional stability.

Question for practice:

Examine how the Durand Line dispute has shaped Pakistan–Afghanistan relations since 1947, and what response India should adopt.

Source: [Indian Express](#)

India's Strategy in the Evolving Global Trade Landscape

Source: The post “**India's Strategy in the Evolving Global Trade Landscape**” has been created, based on “**US, EU, China are rewriting trade rules. India needs its own playbook**” published in “Indian Express” on 17th October 2025.

UPSC Syllabus: GS Paper -2- Effect of Policies and Politics of Developed and Developing Countries on India's interests

Context: Global trade is undergoing significant transformations due to the policies of the US, EU, and China. These powers are reshaping trade rules in ways that create challenges and opportunities for other countries. India, in particular, needs to adapt its strategy to protect its economic interests and seize new opportunities in this volatile trade environment.

Global Trade Trends:

1. **U.S.A. and China are leading the charge in reshaping global trade. U.S.A. has implemented tariffs on China** to curb its dominance and force changes in global supply chains.
2. At the same time, the **EU has adopted protectionist policies aimed at boosting its own economic strength.**
3. The EU's focus is **on using environmental regulations like CBAM (Carbon Border Adjustment Mechanism) and FTR (Deforestation Regulation) to safeguard its industries**, imposing stricter rules on imports like steel, aluminium, and coffee.
4. The **EU's environmental regulations are particularly relevant to India's trade relationship with Europe**, as they will directly affect the costs and flow of exports.

China's Dominance:

1. China's **growing dominance in the global manufacturing sector** is evident. It **produces over 50% of the world's electric vehicles and holds significant shares in critical materials** such as lithium, cobalt, and rare earth elements.
2. The **scale of China's manufacturing prowess, combined with its control over vital supply chains**, poses challenges for other nations seeking to build resilience in their own economies.

Challenges:

1. **Volatility in Global Trade:** The rapid policy shifts by major powers like the U.S.A. and the EU create **uncertainty for India's trade**, especially as tariffs and new regulations disrupt established trade channels.
2. **Dependence on China:** India's **current dependence on China for key materials** like rare earth metals and electronic components **places it in a vulnerable position** as China increasingly asserts control over global supply chains.
3. **Environmental Regulations:** The EU's stringent environmental standards, such as **CBAM and FTR**, **pose a challenge for India's exports, particularly in sectors like steel and aluminum**. Compliance with these regulations may raise costs for Indian businesses, impacting their competitiveness in European markets.
4. **Technological Gap:** China's **technological edge in sectors** like electronics and electric vehicles, coupled with its advanced manufacturing capabilities, **makes it difficult for India to compete on equal footing** without significant technological investment.

Way Forward:

1. **Diversifying Trade Alliances:** India must **focus on building new trade relationships with emerging markets and countries outside the U.S.A. and EU spheres of influence** to reduce its reliance on any single market. This will help India secure access to diverse goods and services.
2. **Focusing on Self-Reliance in Manufacturing:** **Strengthening India's manufacturing capabilities**, particularly in high-tech industries, should be a priority. India should also invest in key technologies to move up the value chain.
3. **Securing Critical Supply Chains:** India needs **to invest in securing critical materials** that are currently dominated by China. This includes **developing alternate sources for rare earth metals** and other strategic materials to avoid over-reliance on Chinese imports.
4. **Environmental Adaptation:** India should **work towards meeting global environmental standards**, particularly those set by the EU, to maintain its access to European markets. This includes **improving its environmental standards in manufacturing and exploring green technologies** to stay competitive.
5. **Strengthening Geopolitical Influence:** India **must use its strategic position in global geopolitics** to its advantage. **Negotiating favourable trade deals, strengthening regional alliances, and securing its place in international trade bodies** will be essential for safeguarding its interests.

Conclusion: India faces significant challenges due to the evolving global trade rules set by the US, EU, and China. However, by diversifying its trade partners, strengthening domestic manufacturing, and securing critical supply chains, India can navigate this new trade landscape. A forward-looking, self-reliant approach will help India thrive in the increasingly competitive global economy.

Question: How can India navigate the changing global trade dynamics as the US, EU, and China are reshaping trade rules?

Restoring Fiscal space for the States

Source: The post "Restoring Fiscal space for the States" has been created, based on "Restoring Fiscal space for the States" published in "The Hindu" on 17th October 2025.

UPSC Syllabus: GS Paper -3-Indian Economy and issues relating to Planning, Mobilisation of Resources

Introduction: The Goods and Services Tax (GST) has significantly altered the fiscal landscape of Indian states. While it aimed to simplify taxation and boost revenue, it has also led to a reconfiguration of fiscal space for states, with both positive and negative consequences.

GST Implementation and Its Impact:

1. **Boosting Revenue:** The introduction of GST was expected to stimulate demand and boost revenue by simplifying the tax structure and eliminating cascading taxes. States received GST compensation to offset any revenue shortfalls.
2. **Centralised Authority:** GST has led to a shift in fiscal authority from states to the centre, limiting the financial autonomy of states. The GST compensation mechanism, although initially designed to protect states, has not fully lived up to its promise, and the expected revenue growth from GST has been uneven.

Challenges Faced by States:

1. **Fiscal Space Constraints:** States have faced increased fiscal pressure as public expenditure commitments, such as social welfare and infrastructure development, continue to rise. Meanwhile, their ability to generate revenue has been constrained due to the centralised nature of GST collection and the limited fiscal flexibility left for state governments.
2. **Declining GST Compensation:** The compensation provided under GST has been insufficient in some cases, exacerbating states' fiscal gaps. There is a concern that the compensation has been lower than expected, leading to greater reliance on central transfers.

Impact on State Revenues:

1. **Decreased Share in Tax Revenues:** GST has altered the revenue-sharing arrangement between the centre and states, with the centre now collecting a larger share of taxes. This shift has reduced the financial resources available to state governments, making it harder for them to fund key expenditures.
2. **Central Transfers as a Relief Measure:** States are increasingly dependent on central transfers to meet their revenue needs. However, these transfers are not always transparent or guaranteed, which further complicates the fiscal situation for states.

Challenges:

1. **Inadequate Compensation:** The GST compensation has often been delayed or insufficient, leading to a shortage of funds for states. As states' revenue growth has not met expectations, they struggle to balance increasing demands for expenditure with limited financial resources.
2. **Dependency on Central Transfers:** States' increasing reliance on central transfers has reduced their fiscal autonomy and flexibility. They are becoming more dependent on decisions made at the central level, which diminishes their ability to independently plan and manage their finances.
3. **Rising Expenditure Commitments:** With growing public aspirations and expanding needs in sectors like healthcare, education, and infrastructure, states are facing mounting expenditure pressures that cannot be fully met through their current fiscal arrangements.

Way Forward:

1. **Restoring Fiscal Autonomy:** States need greater fiscal autonomy, which would allow them to generate and manage their own resources more effectively. This could involve revisiting the GST compensation mechanism and ensuring timely and adequate payments to states.
2. **Improving Transparency in Transfers:** Central transfers to states should be made more transparent and predictable. This will ensure that states have a clearer idea of their revenue inflows and can plan their budgets accordingly.
3. **Fiscal Reforms at the State Level:** States should focus on enhancing their own revenue generation capacities, particularly by improving tax compliance and expanding their own tax base, which could reduce their dependency on central transfers.
4. **Increased Central Assistance for Development:** The central government must continue to assist states in meeting their development goals by increasing grants and ensuring that they have the fiscal space needed to fund crucial infrastructure and social welfare programs.

Conclusion: GST aimed at streamlining the tax structure and boosting revenues; however, its implementation has left states facing fiscal challenges, primarily due to reduced autonomy and insufficient compensation. Restoring fiscal space for states will require reforms that ensure a more balanced, transparent, and sustainable fiscal relationship between the center and the states.

Question: How has the introduction of GST affected the fiscal space of states in India? What steps should be taken to restore fiscal space for states?

India's Evolving Foreign Policy

Source: The post "India's Evolving Foreign Policy" has been created, based on "Claim, counterclaim: On India and foreign policy" published in "The Hindu" on 18th October 2025.

UPSC Syllabus: GS Paper -2- Effect of Policies and Politics of Developed and Developing Countries on India's interests

Context: India's foreign policy has evolved to navigate complex relationships, especially with the United States and Russia. Amid rising global tensions, India's diplomatic approach, marked by strategic ambiguity, has been tested, particularly regarding its stance on Russian oil imports and its position on the Ukraine conflict.

India-US Relations and Recent Tensions:

1. President Trump recently claimed that Prime Minister Modi had assured him that India would stop purchasing Russian oil.
2. India quickly denied this assertion, emphasising that discussions on energy cooperation were ongoing, but no agreement had been made to halt oil imports from Russia.
3. India's response reflects its diplomatic strategy of maintaining ambiguity and avoiding overt commitments on sensitive issues.

Strategic Ambiguity in Foreign Policy:

1. India's long-standing approach of strategic ambiguity allows it to manage its relationships with both the U.S. and Russia.
2. This "soft denial" method helps India maintain flexibility in its foreign engagements while avoiding unnecessary confrontations.
3. Despite growing international pressure, India continues to purchase Russian oil to ensure energy security.

4. India has refrained from condemning Russia directly, instead calling for a peaceful resolution and non-interference in national sovereignty.
5. India's stance reflects its pragmatic approach to balancing its national interests with international expectations.

Challenges:

1. **Geopolitical Pressures:** India faces significant pressure from both the U.S. and Russia, as well as other global actors, to take clear positions. The challenge lies in balancing these competing interests without alienating any major partner.
2. **Energy Security vs. Global Norms:** India's continued reliance on Russian oil amidst global sanctions poses a challenge, as it must balance energy security with adherence to international norms, especially concerning Russia's actions in Ukraine.
3. **Moral Dilemmas:** India's reluctance to take a strong stance on global issues like Ukraine risks undermining its moral authority, especially as it seeks a greater role in global governance.
4. **Economic Dependencies:** India's dual dependence on both the U.S. and Russia complicates its ability to take firm stances on controversial issues, especially in trade, defence, and energy sectors.

Way Forward:

1. **Clear Articulation of Foreign Policy:** India should adopt a more transparent approach to its foreign policy, particularly regarding Russia and Ukraine, while safeguarding its national interests. Clearer communication will enhance India's global credibility.
2. **Strengthening Multilateral Engagements:** India should continue to leverage multilateral platforms like the UN, G20, and BRICS to assert its position on global issues, promoting peace, dialogue, and stability.
3. **Energy Security and Diversification:** India must diversify its energy sources to reduce dependence on any single country, focusing on renewable energy, nuclear power, and new partnerships to ensure long-term energy security.
4. **Engagement with the U.S. and Western Powers:** While maintaining relations with Russia, India should further deepen its engagement with the U.S. and other Western powers, particularly in the Indo-Pacific region, to enhance its security and economic interests.
5. **Moral Leadership in Global Governance:** India can enhance its moral leadership by clearly advocating for peace, democracy, and sovereignty, positioning itself as a global leader committed to ethical principles and international law.
6. **India's Need for Moral Clarity:** While ambiguity has served India's interests, there is an increasing demand for greater moral clarity, particularly regarding Russia's invasion of Ukraine. India, as the world's largest democracy, can play a leading role in promoting peace and democratic values on the global stage.

Conclusion: India's foreign policy must evolve to balance strategic interests with greater moral clarity. By articulating a clear stance on key global issues, strengthening multilateral ties, and promoting energy diversification, India can enhance its role as a responsible global leader committed to peace, stability, and democracy.

Question: Examine the evolving dynamics of India's foreign policy, especially in the context of its engagement with the United States and Russia.

Draft Overseas Mobility (Facilitation and Welfare) Bill 2025

Source: The post "Draft Overseas Mobility (Facilitation and Welfare) Bill 2025" has been created, based on "Explained: Draft Bill for safe migration of Indians, amid global curbs on immigration" published in "Indian express" on 18th October 2025.

UPSC Syllabus: GS Paper -2- Governance

Context: The Ministry of External Affairs (MEA) recently unveiled the draft Overseas Mobility (Facilitation and Welfare) Bill, which is expected to be introduced in the Winter Session of Parliament in November 2025. This bill seeks to replace the Emigration Act of 1983 and aims to address the growing issue of irregular migration, deportation, and the welfare of Indian workers abroad. As migration continues to rise, this legislation focuses on creating a safer, more regulated environment for Indian emigrants while ensuring their protection and facilitating smoother returns when necessary.

Reason behind the introduction of the bill

1. In recent years, India has seen a significant number of deportations of Indian immigrants, especially from the United States, due to strict immigration policies. This situation has brought global migration issues to the forefront.
2. The draft bill is introduced with the goal of promoting *safe, orderly, and regular migration* for overseas employment while protecting Indian citizens from exploitative practices and irregular migration routes.
3. The bill aims to create a legal framework for managing migration effectively, ensuring that India's emigrants have better prospects abroad without falling victim to human trafficking or illegal work practices.

Key Features of the Bill:

1. **Migration and Deportation Management:** The bill introduces mechanisms to curb illegal and irregular migration, with an emphasis on the prevention of human trafficking. It defines a "returnee" as an emigrant returning to India after 182 days or more, either voluntarily or under deportation orders.
2. **Regulatory Mechanisms:** The bill proposes the establishment of an **Overseas Mobility and Welfare Council**, which will act as the central body to manage policies related to safe migration. This council will ensure coordination between ministries like Skill Development, Labour & Employment, and the Ministry of External Affairs.
3. **Employment Facilitation:** The bill encourages the creation of employment opportunities abroad, with a focus on sectors such as healthcare, elderly care, agriculture, and construction. It aims to help India's semi-skilled workers find regulated employment in host countries, thereby reducing illegal migration routes.
4. **Protocols for Deportation and Return:** The bill outlines processes for the safe return of Indian emigrants in case of deportation by foreign governments. This ensures that Indian nationals are treated fairly and repatriated with dignity.

What Does the Bill Say About Deportation?

1. The bill addresses the rising issue of illegal deportations, such as those from the US, by creating preventive mechanisms against irregular migration and human trafficking.
2. It discourages unsafe migration methods like the "dunki" method, where migrants illegally cross through third-party countries.
3. The bill also ensures that returnees, who may have been subjected to unsafe or exploitative conditions, are given a structured and safe return process.

Challenges:

1. **Implementation and Coordination:** Effective implementation of the bill requires strong coordination between multiple ministries. Bureaucratic delays and lack of synchronization across different government departments could impede its smooth execution.
2. **Resistance from Host Countries:** Many destination countries for Indian workers may resist changes in migration regulations, particularly if it involves stricter norms. India may face challenges in negotiating labor agreements with these countries to ensure migrant protection.
3. **Financial and Logistical Constraints:** Setting up infrastructure to manage migration, ensure monitoring systems, and provide legal assistance could require substantial financial investments. These resources may strain the government's budget, especially in the context of other domestic priorities.
4. **Evolving Global Immigration Policies:** Global immigration policies are continuously evolving, and the bill may face challenges in adapting to unforeseen changes in host countries' immigration laws. Political shifts and economic crises abroad could also affect the migration framework.

Way Forward:

1. **Strengthening Bilateral and Multilateral Ties:** India must prioritize diplomatic engagement with host countries to negotiate labor migration treaties, ensuring that the rights and welfare of its workers are safeguarded.
2. **Enhanced Monitoring Systems:** The establishment of robust systems for tracking migrant workers, offering real-time support, and providing legal assistance is essential for ensuring the safety of Indian workers abroad.
3. **Public Awareness and Empowerment:** Awareness campaigns should be launched to educate potential emigrants about their rights, legal pathways, and the risks of illegal migration. Empowering migrants with the right information is critical to reducing exploitation.
4. **Leveraging Technology:** Digital platforms for registration, real-time tracking of migrants, and data-sharing systems can enhance transparency and efficiency, ensuring the safety and security of migrant workers.
5. **Sustainable Funding and International Collaboration:** Partnerships with international organizations and host countries are crucial for securing the resources needed to implement the bill. These collaborations can also help provide pre-departure training, health checks, and post-arrival services for migrants.
6. **Periodic Review and Adaptation:** The bill should be reviewed periodically to adapt to global migration trends, political shifts, and emerging challenges. This ensures the bill remains relevant and effective in managing India's migration landscape.

Conclusion: The Overseas Mobility (Facilitation and Welfare) Bill marks a significant step toward ensuring the safety, dignity, and rights of Indian emigrants. While challenges in implementation and international cooperation remain, a well-structured approach, supported by technology, awareness campaigns, and strong bilateral relations, will go a long way in securing the welfare of Indian workers abroad. With these steps, India can create a safer and more regulated migration environment, empowering its citizens and promoting fair international labor practices.

Question: What are the key provisions of the draft Overseas Mobility Bill 2025? What challenges might it face, and how can India ensure its successful implementation?

Better global governance, led by China and India

Introduction

In 2025, **India-China ties turn 75 and the United Nations turns 80**, as the world faces volatility, harmful 'isms,' and rising uncertainty. At the **Tianjin SCO Summit**, a **Global Governance Initiative (GGI)** was proposed to strengthen sovereign equality, rule of law, multilateralism, people-centred development, and practical results. With renewed India-China engagement, the moment calls for **better global governance**, not a new order, but a more effective one.

Global Governance

Global governance is how countries and other actors **work together across borders** to manage shared problems. It is different from national governance. It uses **processes, institutions, and frameworks** to align efforts for common goals.

Key Components of Global Governance:

International Organizations: Institutions such as the United Nations (UN), World Health Organization (WHO), and International Monetary Fund (IMF) play a central role in facilitating global governance.

Multilateral Agreements: Treaties and international frameworks, such as the Paris Agreement on climate change, help align national policies with global goals.

Non-State Actors: Civil society organizations, multinational corporations, and academic institutions increasingly influence global decision-making.

Key reasons for the need for global governance

- 1. Rising volatility and harmful "isms":** Unilateralism, protectionism, isolationism, separatism, terrorism, extremism, and hegemonism threaten order. **Without joint rules and coordination, the risk of "jungle law" grows.**
- 2. Shared health risks:** COVID-19 showed why **coordinated action, information-sharing, and equitable access** matter. **Strengthening global health governance** prevents future crises and saves lives.
- 3. Climate action and sustainability:** The world needs joint effort to **cut emissions** and protect **global public goods** such as oceans, climate, and forests. No country can protect them alone. Common rules and joint action help reduce emissions, manage resources, and address cross-border environmental harm.
- 4. Agenda 2030 implementation:** The Sustainable Development Goals are universal. Progress needs cooperation across economic, social, and environmental areas. **Global governance keeps focus on the goals, aligns actions, and supports countries to localise targets.**
- 5. Financing for development:** Delivering the SDGs needs predictable finance and capacity. The Addis Ababa Action Agenda offers a framework. Global governance helps mobilise resources, guide investments, and support countries that need assistance.

6. **Peace, security, and stability:** Conflicts and tensions spill across regions. Shared mechanisms for peacekeeping, dialogue, and dispute resolution lower the risk of escalation. **Cooperation protects people and upholds basic rights.**

7. **Inclusive voice and fairness:** Many countries seek a stronger role in decisions that affect them. Global governance can **increase participation of developing countries** and make processes more fair, transparent, and trusted.

8. **Integrated and long-term coordination:** Problems are interconnected, but institutions often work in silos. A coordinated system helps actors work together, review progress, and adjust course based on trends and evidence. **This improves results and reduces duplication.**

Challenges in Global Governance

1. **National interests and fragmentation.** Countries often prioritize national interests over collective action, making it difficult to reach consensus on global issues..

2. **Lack of Accountability and Representation:** Global governance institutions are often criticized for lacking transparency and failing to represent the voices of developing countries and marginalized communities.

3. **Limited Enforcement Mechanisms:** Unlike national governments, global governance bodies lack the authority to enforce decisions. They rely on cooperation and voluntary commitments from member states.

4. **Institutional misalignment:**

- Existing structures are not designed for problems that span multiple sectors. Mandates and workflows do not match integrated goals.
- Many global regimes cover overlapping areas. Links among them are unclear, which creates gaps and friction.

5. **Localisation gap:** Global targets often do not translate smoothly into national and sub-national plans. Ground-level adaptation remains uneven.

6. **Financing gap:** Financing frameworks exist on paper, yet policies and resources do not consistently align with agreed priorities. This slows delivery on commitments.

7. **Short-term focus:** Immediate shocks dominate attention. Trend tracking and timely course correction receive less sustained focus, which affects steady progress toward Agenda 2030.

Global Governance initiative (GGI)

The GGI, raised by the Chinese President at the **2025 Tianjin SCO Summit**, addresses the **governance deficit within the existing system**. It seeks **better action, effectiveness, adaptability, and service to all countries**, especially **developing countries**. It draws from the **purposes and principles of the UN Charter**.

Five basic principles:

1: **Sovereign equality.**

- Every country's sovereignty and dignity must be respected.
- No country should interfere in another country's internal affairs.
- Each nation should freely choose its own system and development path.
- All countries should take part in global decision-making as equals, with greater voice for developing countries.

2: International rule of law.

- The UN Charter is the basic guide for relations between countries.
- International law must apply to everyone in the same way, without double standards.
- Major powers should set an example by obeying and protecting these rules.

3: Multilateralism.

- Global issues should be discussed and decided by all countries together.
- The systems of global governance should be built and improved by all, and the benefits should be shared by all.
- The UN should remain the central platform for multilateral cooperation and be strengthened, not weakened

4: People-centred approach.

- People are the main actors and the final beneficiaries of global governance.
- Reforms should promote common development, protect people from shared risks, and improve everyday well-being.
- Policies should advance the common interests of different countries and communities.

5: Real results.

- Global governance must solve real problems, not just make promises.
- It should tackle both the immediate symptoms and the root causes of issues.
- Developed countries should carry their responsibilities and provide more resources and public goods.
- Developing countries should work together and contribute their best efforts

Way forward

1. **UN as coordination hub:** Use the **UN** to **convene, coordinate regimes**, and give **guidance**. Promote **integrated solutions** that link economy, society, and environment.
2. **High-Level Political Forum (HLPF):** Let the **HLPF** review **SDG progress**, track **emerging issues** and **long-term trends**, mobilise **political will**, and support **national, regional, and thematic** reviews.
3. **Implement Agenda 2030 with capacity and finance:** Translate commitments into **practice** with **Addis-aligned financing, localised targets**, and **capacity building**. Keep a **long-term focus** on agreed goals.
4. **Strengthen inclusion and voice:** Enhance **participation of developing countries** in decision-making. Make processes **fair, transparent**, and **representative**.
5. **India-China shared responsibility:** As key members of **SCO** and **BRICS**, step up **multilateralism, coordination on major issues**, and defence of **fairness and justice**, guided by **people's well-being** and **long-term perspectives**.

Conclusion

Better global governance is essential to meet **health, climate, development, and security** challenges. The **GGI** provides **clear principles** to renew cooperation **within the existing system**. With the **UN at the core**, **inclusive reviews**, and **integrated action**, implementation of **Agenda 2030** can accelerate. **India and China—as partners—can catalyse** a fairer, more effective order that **strengthens multilateralism** and serves all peoples.

No trade deal is better than an unfair one

Introduction

In the **India-USA trade relationship**, **negotiations are near conclusion**, with a **possible leaders' meeting in Kuala Lumpur** (October 26–28) to seal terms. US tariffs up to 50% are already hurting Indian exports. The endgame risks are last-minute changes, new demands, and a broad digital “non-discrimination” clause that can shrink policy space. India should seek real tariff relief without sacrificing farmers, fishers, data and tax tools, or strategic autonomy. If balance is missing, **walking away is better than a bad deal**.

Current India-USA Trade Relationship

- Bilateral trade is about **\$190–191 billion**.
- The US has been India's **largest trading partner** and **top export market** in recent years.
- **Both sides aim for \$500 billion** by 2030.
- **Shares in India's trade:** The US accounts for **~18% of India's goods exports**, **~6.22% of imports**, and **~10.73% of total merchandise trade**.

Negotiating track

After a pause, **India-USA trade negotiations restarted**. An Indian delegation travelled to Washington on October 15–17 after minister-level rounds, and a **possible leaders' meeting in Kuala Lumpur** (October 26–28, ASEAN) was identified as an opportunity to close the deal.

Present Challenges in the India-USA trade relationship

1. Steep US tariffs and export slump: US tariffs up to 50% took effect on **27 August**. Exports to the US fell **~37.5% (May-Sep)** and **~20% in September**. Labour-intensive sectors—**textiles, gems and jewellery, engineering goods, chemicals**—were hit hardest. India's trade deficit rose to a **13-month high of \$32.15 billion** in September. The pressure is immediate and uneven.

2. Last minute demands: There is a record of **last-minute changes** after official-level understandings. This creates uncertainty at the final stage of negotiations.

3. Dependence risk and supply-chain politics: **Tariff weaponisation** shows the risk of relying on a **few markets**. Provisions framed as “resilient supply chains” may **target China** and **affect India's autonomy** to choose trading partners. This adds a geopolitical layer to trade terms.

4. Agriculture and dairy sensitivities: **Market access demands** persist in **agriculture and dairy**. India's stance is shaped by **food security, small farmer livelihoods, and fisher interests**. These sensitivities make convergence difficult.

5. Digital economy pressures:

US priorities are to **block India's digital taxes, limit India's use of its data advantage to build domestic champions, and narrow India's ability to regulate the digital sector**.

The specific challenge is the push for a broad “**non-discriminatory treatment**” clause for digital services.

This would **prohibit pro-domestic preferences** (for example, requiring government entities to use a homegrown app like **Arattai**), **prevent sharing anonymised government data exclusively with Indian firms**, and **restrict targeted taxation of activities dominated by US players**.

It would **cut India's policy tools** to support startups and raise revenue, undermining **Atmanirbhar** goals.

6. Tighter IP and e-commerce rules Stricter: **IP standards** can affect **generics** and **affordability of medicines**. **E-commerce and retail rules** intersect with **competition** and **consumer protection**, creating friction over regulatory space.

7. Asymmetric tariff-cut patterns Recent: US arrangements with **Japan, EU, Vietnam** suggest partners **cut MFN tariffs widely**, while US cuts go to **mid-teens (~15–20%)**. This **pattern of asymmetry** reduces room for balanced outcomes.

8. Trade talks tied to India's Russian oil imports: Trade discussions are entangled with **expectations on Russian oil**. India's imports still cover about **one-third of total oil**. A rapid change is **operationally difficult**, adding **energy security** stress to the trade track.

9. Negotiation uncertainty and rupee volatility: Headlines around negotiations coincide with **rupee volatility** and **RBI smoothing**. This **macro uncertainty** complicates pricing, contracts, and planning for exporters during the negotiation window.

Way Forward

India's approach

- 1. Insist on a signed, detailed text before any public announcement. Defer new endgame asks** to a second phase after **inter-ministerial consultation**.
- 2. Protect core sectors (Agriculture/dairy/fishers):** India should keep food security and the livelihoods of farmers and fishers non-negotiable.
On digital issues, India should reject broad “non-discrimination” language that would block domestic preference, limit data-based policies, and prevent fair taxation of dominant digital players.
- 3. On intellectual property,** India should **avoid TRIPS-plus-type commitments** that could weaken the generics ecosystem and reduce access to medicines.
- 4. Preserve strategic autonomy: Say no to anti-China or decoupling riders.** Keep freedom to choose partners and design supply chains.
- 5. Calibrated market access:** India should seek a credible **rollback of the US tariffs from 50%** toward the mid-teens, with clear timelines. If needed, **limited and review-based tariff-rate quotas can be considered**, while phasing any Indian industrial tariff changes with safeguards and periodic impact checks.
- 6. Diversify markets and stay ready to pause:** India should expand exports to other markets even as it seeks relief in the US market. If the final text tilts against India's long-term interests, India should pause or walk away. In such a case, **no deal is better than an unfair one**.

USA's approach

- 1. Front-load tariff relief:** The United States should provide predictable and early tariff reductions so that Indian exporters can recover momentum and trade flows can stabilise.
- 2. Respect India's policy space:** Avoid **blanket digital clauses**; accept **flexible, best-endeavour** wording on **data, taxation, and regulation**.
- 3. Sensitive agriculture design:** Market access in agriculture should be narrow and time-bound so that it does not undercut small farmers or threaten food security. Tariff-rate quotas can be used carefully with clear reviews.
- 4. Keep supply chains open, not coercive: Do not add third-country riders.** Let **commercial purchases follow viability**, not act as preconditions.

Conclusion

India should pursue a narrow, phased, reviewable deal that cuts tariffs now, protects agriculture and fishers, and keeps digital and IP space flexible. It should refuse anti-China riders and purchase linkages, diversify markets, and, if terms are skewed, pause or exit—**echoing Chanakya's caution on unfair treaties**: no deal is better than an unfair one.

Question for practice:

Discuss the key challenges in the ongoing India–USA trade negotiations and outline a balanced way forward for both sides.

Source: Indian Express

Flawed Pollution Monitoring and the Crisis of Environmental Governance

Source: The post “**Flawed Pollution Monitoring and the Crisis of Environmental Governance**” has been created, based on “**Unreliable air and noise data, real-time deception**” published in “The Hindu” on 22nd October 2025.

UPSC Syllabus: GS Paper -2- Governance

Context: Recent failures in India's environmental monitoring systems, specifically **Delhi's Real-Time Air Pollution Network** and **Lucknow's National Ambient Noise Monitoring Network**, have exposed serious flaws in data integrity, raising concerns over governance, public trust, and India's international reputation in environmental management.

Background

For decades, it has been acknowledged that Indian cities suffer from poor air quality. However, audits by institutions such as the **Comptroller and Auditor General (CAG)** and the **Central Pollution Control Board (CPCB)** reveal systemic weaknesses—faulty sensor placement, lack of calibration, inadequate audits, and outdated regulatory frameworks. These flaws distort pollution data, misleading citizens and policymakers alike.

Implications of Unreliable Data

1. Policy Failure and Governance Deficit

- Misleading air quality data (often reporting “moderate” levels) conceals hazardous pollution levels.
- Faulty data undermines **scientific decision-making** and weakens enforcement of pollution control measures.
- Governance becomes a contest between **citizen welfare** and **industrial convenience**.

2. Violation of Fundamental Rights

- Inaccurate noise and air pollution data compromise **Article 21 (Right to Life)** by denying citizens protection from environmental harm.
- The **Supreme Court's transfer of Delhi Airport noise cases to the National Green Tribunal (NGT)** underscores that noise is now a **constitutional and public health issue**.

3. Erosion of Public Trust and International Credibility

- Flawed monitoring damages India's credibility in fulfilling **global environmental commitments** such as the **Paris Agreement** and the **WHO Air Quality Standards**.
- Public faith in institutions declines when official data contradicts citizens' lived experiences.

4. Public Health Consequences

- Misrepresented air quality obscures exposure to **NO₂** and **PM_{2.5}**, which are linked to respiratory and cardiovascular diseases.
- **The Energy Policy Institute** estimates that **aligning with the WHO standards could increase Delhi's life expectancy by 8.2 years**.
- Vulnerable groups such as infants, children with asthma, and the elderly remain unprotected due to weak monitoring.

Reasons Behind Data Inaccuracy

1. **Poor Sensor Placement:** Many **air quality and noise monitoring sensors** are installed **under tree cover**, behind walls, or in relatively less polluted areas. This **improper placement results in inaccurate readings** that fail to represent the true extent of pollution in densely affected regions.
2. **Lack of Calibration and Audits:** Although the Central Pollution Control Board (CPCB) has **laid down clear guidelines for the calibration and periodic auditing of monitoring devices**, these **procedures are rarely implemented in practice**. The absence of regular checks leads to unreliable and inconsistent data output.
3. **Outdated Legal Frameworks:** The existing **Noise Pollution (Regulation and Control) Rules, 2000**, are **outdated** and **fall short of the standards prescribed by the World Health Organisation (WHO)**. This outdated framework limits effective monitoring and enforcement of noise pollution control measures.
4. **Weak Institutional Oversight:** Institutional oversight **over environmental monitoring remains weak** due to bureaucratic inefficiencies and political interference. **Political pressures often suppress scientific scrutiny and prevent independent evaluation** of monitoring systems.
5. **Opaque Governance:** There is a **lack of transparency and third-party verification** in the management of environmental data. The **absence of open data audits allows inaccuracies and manipulation** to go unchecked, reducing public confidence in official environmental reports.

Way Forward

1. **Scientific Rigour and Independent Oversight:** Establish an **independent audit panel** for periodic review of monitoring networks and ensure **third-party verification** of data to eliminate bias and opacity.
2. **Legal and Institutional Reforms:** Update outdated **Noise Pollution Rules (2000)** and align all air and noise standards with **WHO guidelines** and empower CPCB and SPCBs with statutory autonomy and accountability mechanisms.
3. **Technological Integrity:** Use **Class-1 quality sensors** and enforce regular calibration, mandate **routine third-party audits** and **real-time public data transparency**.

4. Citizen-Centric Governance: Engage citizens in monitoring through **open data platforms** and **community sensor networks** and strengthen environmental adjudication via the **National Green Tribunal (NGT)** and specialised benches.

5. Science as the Foundation: Scientific input and transparent processes must form the **bedrock of environmental monitoring, and data integrity** must precede technological deployment **to prevent “real-time deception.”**

Conclusion: The experiences of Delhi and Lucknow serve as a warning that environmental monitoring cannot be reduced to bureaucratic formality. Real-time technology has value only when it reflects reality. Reliable data is not just a technical necessity but a moral imperative—to protect citizens’ health, uphold constitutional rights, and sustain India’s global environmental credibility.

Science must lead, transparency must follow, and governance must ensure accountability to prevent real-time monitoring from turning into **real-time deception**.

Question: Critically examine how flawed environmental monitoring undermines public trust, fundamental rights, and India’s global environmental commitments.

CBDs Vs Stablecoins

Source: The post “**CBDs Vs Stablecoins**” has been created, based on “**RBI Governor Malhotra urges other central banks to promote CBDs over stablecoins**” published in “Indian Express” on 22nd October 2025.

UPSC Syllabus: GS Paper -3-Indian Economy and issues relating to Planning, Mobilisation of Resources, Growth, Development and Employment.

Context: The Reserve Bank of India (RBI) has been one of the leading central banks in exploring **Central Bank Digital Currencies (CBDs)** as a secure, sovereign, and regulated form of digital money. In contrast, it has repeatedly cautioned against **privately issued stablecoins**, which are cryptocurrencies pegged to fiat currencies like the US dollar. At the recent **IMF–World Bank Annual Meetings in Washington, DC**, RBI Governor **Sanjay Malhotra** emphasised that **CBDs are essential for efficient cross-border payments** and that their benefits would fully materialise only through **widespread global adoption**.

About CBDs and Stablecoins

- **Central Bank Digital Currency (CBD):** A legal tender issued by a country’s central bank in digital form, representing a direct claim on the central bank. It combines the stability of fiat money with the efficiency of digital technology. Example: India’s **₹ (Digital Rupee)** pilot projects in retail and wholesale segments.
- **Stablecoins:** It is privately issued cryptocurrencies pegged to a fiat currency (like the US dollar) or commodity to maintain a stable value. Example: **USDT (Tether)** and **USDC (USD Coin)** — together account for about 90% of the \$285 billion global stablecoin market.

RBI’s Position on CBDs

- RBI considers CBDs as the **future of regulated digital money**, combining the trust and stability of fiat currency with the efficiency of digital technology.

- RBI Governor highlighted that **CBDCs can be tokenised** and have the **advantages of both stablecoins and money** while remaining under sovereign control.
- He stressed that **international coordination** is vital; without other countries adopting CBDCs, **cross-border benefits cannot be realised**.
- India has already launched **pilot projects** for two types of CBDCs:
 - **Retail CBDC (₹-R)**: for general public transactions.
 - **Wholesale CBDC (₹-W)**: for interbank settlements and large-value transfers.
- Domestic payments in India are already efficient due to UPI; hence, CBDCs are primarily aimed at **cross-border use cases**.

RBI's Concerns Regarding Stablecoins

- Stablecoins like **USDT (Tether)** and **USDC** are **backed by US dollar reserves** and dominate global digital transactions.
- RBI fears that the widespread use of such dollar-pegged stablecoins could lead to **"crypto-dollarisation"** of emerging economies, undermining **monetary sovereignty**.
- Since stablecoins are **privately issued**, they pose **systemic risks**, including:
 - Lack of transparency in reserve backing.
 - Potential for **money laundering and illicit financial flows**.
 - Difficulty in **regulatory oversight** and monetary policy implementation.
- Finance Minister **Nirmala Sitharaman** has also acknowledged that such innovations are **reshaping global finance**, compelling nations to adapt to avoid exclusion from the evolving monetary order.

Global Developments in Stablecoin Regulation

- **United States**: The **Guiding and Establishing National Innovation for US Stablecoins Act (GENIUS Act)** aims to regulate stablecoin issuance and link them to national currencies.
- **South Korea**: Passed the **Digital Asset Basic Act**, allowing issuance of stablecoins pegged to the South Korean won.
- **Hong Kong**: The **Legislative Council** introduced a framework to **license fiat-referenced stablecoin issuers**.
- These examples show that **major economies are formalising frameworks** for stablecoins, recognising their growing role in the financial system.

Challenges in Implementing CBDCs

1. **Limited Global Interoperability**: Without other countries adopting CBDCs, cross-border efficiency gains remain constrained.
2. **Technological Infrastructure**: Establishing secure, scalable, and real-time digital currency systems demands massive technological investment.
3. **Cybersecurity and Privacy Risks**: CBDCs could become targets of cyberattacks, and data misuse may compromise user privacy.
4. **Legal and Regulatory Framework**: Clear legal definitions, liability clauses, and dispute-resolution mechanisms are still evolving.
5. **Public Awareness and Acceptance**: Low digital literacy and mistrust of digital money could slow adoption.
6. **Impact on Banking System**: If people shift large deposits into CBDCs, it could reduce bank liquidity and affect credit creation.

7. **Cross-Border Coordination:** Differences in regulatory standards across jurisdictions hinder seamless global CBDC integration.

Way Forward

1. **Global Coordination through Multilateral Platforms:** India should work with the **IMF, BIS, and G20** to develop common CBDC standards for cross-border payments.
2. **Gradual Phased Implementation:** Continue **pilot projects** to identify operational challenges before full-scale rollout.
3. **Robust Cybersecurity Architecture:** Invest in **quantum-resistant encryption** and **data protection measures** to ensure secure transactions.
4. **Public and Institutional Awareness:** Launch educational campaigns to build **trust and digital literacy** among users and businesses.
5. **Balanced Regulation:** Create a **comprehensive digital currency law** that addresses CBDCs and provides clarity on stablecoin use.
6. **Exploration of Bilateral CBDC Corridors:** Partner with select countries (e.g., Singapore, UAE) to **pilot cross-border CBDC transactions**.
7. **Integration with Existing Systems:** Combine CBDCs with platforms like **UPI, RTGS, and SWIFT** for interoperability and wider reach.

Conclusion: The RBI's preference for CBDCs over stablecoins reflects a **proactive yet cautious approach** to digital financial innovation. CBDCs promise **efficiency, transparency, and sovereignty**, aligning with India's broader goal of a **digitally resilient economy**. However, realizing their full potential requires **international collaboration, robust regulation, and public trust**. As the global financial system transitions toward digital money, India's balanced stance could serve as a **model for emerging economies** seeking innovation without compromising monetary stability.

Question: Discuss the Reserve Bank of India's (RBI) stance on Central Bank Digital Currencies (CBDCs) vis-à-vis stablecoins. Examine the challenges in CBDC adoption and suggest the way forward

India's travails in negotiating a friendless world

UPSC Syllabus Topic: GS Paper 2 -International relation.

Introduction

India faces a harsher global landscape and shrinking diplomatic space. **Multilateralism has weakened, flexibility is lacking, and a trust deficit is growing.** India was absent or marginal in key events abroad and hesitant or helpless during churn in its neighbourhood. **The earlier "sweet spot" of being courted by major powers has eroded.** The result is a tougher, more transactional world in which **India must reset aims toward core security and economic interests.**

Arguments for a decline in India's geopolitical relevance

1. **Marginalisation in key theatres:** **India was absent from the Gaza peace process.** The settlement was shaped by the United States with Türkiye, Egypt, Qatar, and others. India then **sent very low-level representation** to the reconciliation event, signalling reduced influence in West Asia.

2. **Weak presence amid neighbourhood upheavals:** India looked like a bystander in Nepal's Gen Z revolution. This happened despite proximity and stakes. Bangladesh and Nepal now appear more hostile, and Sri Lanka's surface calm still leaves room for external meddling.

3. **Adverse strategic alignments in West Asia:** Türkiye sided with Pakistan during the India–Pakistan conflict and gained visibility in West Asia. Saudi Arabia and Pakistan signed a Strategic Mutual Defence Agreement, reinforcing the perception that India is an outlier in a region where it earlier had comfort.

4. **Erosion across South Asia:** China became the top trading partner for Pakistan, Bangladesh, Nepal, and Sri Lanka. Maldives expelled Indian military personnel. Chinese projects moved faster than Indian ones in Nepal and Sri Lanka, pulling neighbours closer to Beijing. Backing Sheikh Hasina despite rights concerns hurt India's credibility in Bangladesh.

5. **From sweet spot to reduced leverage:** India earlier enjoyed a sweet spot. The U.S. courted India, China watched India's choices, and Russia stayed engaged. Global crises and India's firm autonomy on Russia reduced patience in Washington and made ties more transactional. The Russia–Ukraine war exposed over-expectations about India's leverage with Russia and its moral sway.

6. China's pressure and reach

Since 2020, moves at the LAC changed facts on the ground; external partners could not reverse them. Beijing shifted to hard leverage and a hierarchical stance. It expanded influence to India's east through businesses, universities, research centres, and cyberspace. As U.S. influence wanes in parts of Asia, a China-led order is emerging in East and Southeast Asia, further shrinking India's leverage.

7. Risky drift and north-west volatility

- After the Tianjin meeting in August 2025, relations briefly warmed. This encouraged some in India to treat the June 2020 Galwan clash as a “mere blip” and push for normalisation, even though little changed on the ground and talks lacked candour.
- India's influence in the Afghanistan–Pakistan region has weakened. It now watches events unfold rather than shaping them. India seems content with Taliban attacks on Pakistan, instead of actively using its own diplomatic or strategic tools.

Arguments against a decline in India's geopolitical relevance

1. **Growing economic weight:** India's economy is expanding. It now ranks among the top five. Rising heft sustains relevance.

2. **Proven balancing record:** India works with the Quad and the Shanghai Cooperation Organisation. It deepens ties with the United States while keeping links with Russia. Multi-alignment still gives options.

3. **Energy and sanction navigation:** India continued buying Russian oil after the Ukraine war. It protected energy security without a major diplomatic rupture. Room for manoeuvre remains.

4. **Technology and forum gains:** The iCET initiative opened doors in advanced tech. Hosting the G20 strengthened convening power. These platforms preserve India's visibility and voice.

5. Ongoing engagement with China: Diplomacy with China is **ongoing**. While fragile and risk-laden, channels exist. **Caution is advised**, but total breakdown is not preordained.

What should be done

1. Reset to cooperative neighbourhood diplomacy:

- **Abandon interventionist reflexes.** Treat neighbours as **equal partners** with their own priorities. Build **mutual respect** and **sovereignty-sensitive** engagement.
- **People-to-people links** and **cultural diplomacy** must counter alienation in Sri Lanka, Nepal, Maldives, and Bangladesh. **Re-invest in soft power** through education, exchanges, and shared heritage.

2. Prioritise economic interdependence over political control

- Shift from **aid-as-leverage** to **growth-as-glue**. Deepen **trade, investment, supply-chain linkages, regional energy cooperation, and joint infrastructure**.
- Provide **predictable, timely financing** to compete with **fast Chinese disbursements**. **Delivery speed and scale** must become core metrics.
- **Reduce micromanagement**, avoid **implicit loyalty demands**, and **focus on tangible benefits**.

3. Re-energise regional institutions

- Reform **SAARC** to make it functional: simplify procedures, curb unanimity-style blocks, and start joint programmes on climate, health, and security.
- In parallel, use **BIMSTEC** and **BRICS** to give South Asia a stronger voice and diversify engagement across multiple platforms.

4. Calibrate great-power ties with realism

- With the **sweet spot** gone, **do not bank on positional bargaining** between Washington and Beijing.
- **Stabilise** ties with both on **specific levers**: technology, market access, targeted security cooperation, and crisis management.
- **Make capacity-building at home the core goal**—strong industry, defence, and technology—not optics or headline diplomacy.

5. Hard-power revival and border prudence

- Accelerate **defence-industrial reform** and **joint ventures** to close capability gaps. Maintain **border vigilance** and avoid **complacency on the LAC**.
- In engagement with China, use candid exchanges and aim for real progress, not cosmetic patch-ups, which are risky.
- In the north-west, **limit Pakistan's harmful capacity** while **keeping war a last resort**.

Conclusion

India's diplomatic room has narrowed. The earlier **sweet spot** created by U.S.–China rivalry and optimistic bets has **expired**. **China's pressure, U.S. transactionalism, regional pushback, and capability gaps** expose vulnerabilities. Yet **decline is not destiny**. If India **pivots to realism, prioritises core security and economic interests, treats neighbours as partners, delivers projects fast, reforms SAARC, and rebuilds hard power**, it can **stabilise influence and recover agency** in a tougher, more multipolar neighbourhood. **Eternal vigilance is the price of liberty.**

Question for practice:

Examine the factors that have reduced India's geopolitical leverage in recent years and the steps it should take to regain influence.

Source: The Hindu, [The print](#), [IAPSS](#)

We need a law to protect domestic workers

UPSC Syllabus Topic: GS Paper 2 -Governance-mechanisms, laws, institutions and Bodies constituted for the protection and betterment of vulnerable sections.

Introduction

In January, the Supreme Court directed the Union government to frame a comprehensive law on domestic workers' rights and to set up a committee to design the framework within **six months**. The current status of the report is unclear. The case that triggered the directive exposed confinement and trafficking and highlighted weak oversight, unsafe conditions, and poor access to remedies. This sets the context for the scale, challenges, and steps needed to protect domestic workers in India.

Domestic workers and the current status of Domestic Workers in India

According to the International Labour Organisation (ILO) **Domestic Workers Convention**, 2011, Article 1:

- (a)** The term '**domestic work**' means work performed in or for a household or households;
- (b)** The term '**domestic worker**' means **any person engaged in domestic work within an employment relationship**;
- (c)** A person who performs **domestic work only occasionally or sporadically and not on an occupational basis is not a domestic worker**.

Based on everyday working hours and nature of employment, domestic workers are classified into part-time, full-time and live-in workers.

Categorisation Of Domestic Workers	
Category	Definition

Part-Time Worker	Works for more than one employer for a specified number of daily working hours or performs specific tasks for each of the multiple employers everyday.
Full-Time Worker	Works for a single employer everyday for a specified number of hours, and returns to her/ his home every day after work.
Live-In Worker	Works full time for a single employer and stays in the premises of the employer or in a dwelling provided by the employer and does not return to her/his home every day after work.

source: SPRF

Status

- India is estimated to have **4 million–90 million** domestic workers.
- Most are women and girls. **A large share belong to Scheduled Castes and Scheduled Tribes**, which makes them more **vulnerable to power imbalances and abuse**.
- Their work is essential in households and workspaces, but their **visibility and bargaining power are low**.
- India supported the **International Labour Organization Convention No. 189 (2011)** on rights of domestic workers but **has not ratified it**.

Challenges faced by Domestic Workers in India

1. **Invisible workplaces and weak oversight:** Work happens inside private homes, which **atomises workers**. Routine inspections are almost impossible. Risks include **harassment, abuse, and segregationist practices**. **Child labour is rampant**.
2. **Precarious work patterns:** Some work full time for one household; others rotate across many homes for a few hours. This makes **minimum wages, fixed hours, and leave** hard to set and enforce.
3. **Migration vulnerability:** Many are **inter-State** or **cross-border migrants**, needing protections across jurisdictions.
4. **Legal gaps and weak enforcement**
 - There is **no dedicated central law**. Earlier proposals like the **National Commission for Women's draft (2008–10)** and the **Draft Policy on Domestic Workers (2017)** did not advance.

- Domestic work entered the **Minimum Wages Act, 1948** schedules around 2011, but **implementation is poor**. Only **13 States/UTs** require minimum wages for domestic workers.
- The **Unorganised Workers' Social Security Act, 2008** asks States to set up welfare boards, yet **several States have not complied**.

5. Data deficit and recognition issues

- Reliable numbers are missing. Estimates vary from **4 million to 50 million**, and even higher in some counts. **Poor data blocks planning and resource allocation**.
- Key labour laws like the **Industrial Disputes Act, EPF Act, and Factories Act** do not treat domestic workers in private households as “workers.” This weakens rights and remedies.

6. **Intermediaries: Informal placement agencies and housekeeping firms** operate with little scrutiny. They are more focused on their own profits and care little about the rights of the workers.

7. **Poor Unionisation:** Only a small fraction of domestic workers are unionised or are part of organised groups. Lack of unionisation **reduces their bargaining power** to demand better wages. In the absence of any union, **no support mechanism** is available to workers facing exploitation and physical abuse.

Steps taken for the welfare of Domestic Workers

1. Constitutional and legal safeguards

- **Article 23** prohibits trafficking, begar, and forced labour. **Article 39(e)** urges protection of health and strength from abuse.
- Domestic workers are covered under the **Unorganised Workers' Social Security Act, 2008** and the **Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)**.
- **The Child Labour Act** has included domestic work in prohibited employment for children only up to age of 14 years.
- **The Juvenile Justice Act, 2000** has been effective to some extent in the rescue of workers below the age of 18 years.

2. State initiatives:

- **Tamil Nadu** has a welfare board under the **Tamil Nadu Manual Worker Act, 1982**. Registered workers can get pensions, maternity benefits, education aid, and accident relief. **Very few are registered. Minimum wage is ₹37–₹39 per hour**, but workers often receive less, as they are treated as “part-time.”
- **Karnataka (draft, Oct 2025):** Karnataka announced the **Domestic Workers (Social Security and Welfare) Bill, 2025**. It requires **compulsory registration, written contracts with wages and hours, minimum wages, overtime, weekly holidays**, and an **employer contribution of 5% of wages to a welfare fund**.

3. Schemes and Other Initiatives:

- The **Rashtriya Swasthya Bima Yojana (RSBY)** was extended to cover domestic workers. They are now covered under the **Pradhan Mantri Jan Arogya Yojana**.
- The **e-Shram portal** aims to register 38 crore unorganised workers in the country.
- A Voluntary Employers' Pledge to **Promote Decent Work for Domestic Workers** in India was launched and adopted by All India Organizations of Employers and Employers Federation of India.
- The Union Minister for Labour and Employment has flagged off the first ever **All India Survey on Domestic Workers (DW)**.

4. Global Initiatives:

- The **Palermo Protocol**, part of the United Nations Convention on Transnational Organized Crime, provides the definition of '**trafficking in persons**'. A definition of trafficking that is in accordance with the **Palermo Protocol has been integrated into the domestic law of India**.
- The **International Labor Organization (ILO)** and the **European Commission** have **collaborated to establish operational indicators of trafficking in humans**.
- **Convention 29** of the International Labor Organization was passed in 1930. It has **defined forced or compulsory labour**.
- **Convention 189** of the ILO **mandates decent working conditions for domestic workers**.

Way forward

1. **National Framework:** Enact a central law that clearly defines rights, wages, hours, leave, safety, and grievance redress. Give domestic workers seats on every committee and welfare board. Enable **inter-State coordination** and issue a **simple Model Act that States can adapt**.
2. **Wages and Standards:** **Notify minimum wages in every State** and revise them regularly. **Standardise task categories**—cleaning, cooking, childcare, and elder care—so pay is clear for part-time and live-in roles. This helps monitoring and reduces disputes.
3. **Registration and Records:** **Mandate registration** of employers, placement agencies, and workers. Keep the **process simple and available both online and offline**. Maintain a monthly workbook via a tripartite board to record wages, hours, and leave.
4. **Grievance and Safety:** Create local complaint committees at panchayats and urban bodies under the **Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013** framework so access is close to workers. Integrate anti-trafficking units and move toward comprehensive labour-trafficking legislation.
5. **Data, Portability, Housing:** Run **regular surveys and improve migrant worker data**. Make benefits and grievance access portable across States. Provide predictable **housing support linked to registration, not only during crises**.

6. Worker Voice : Support unions and collectives with training, legal aid, and outreach. **Build sustained political and social commitment** so standards are enforced and abuse is deterred.

Conclusion

Domestic workers face low wages, weak protection, and limited voice despite their essential role. A time-bound central law, real enforcement, worker representation, updated data, local grievance access, and portable benefits across States are necessary. With clear rules and steady implementation, dignity and decent work can become the norm for domestic workers in India.

Question for practice:

Discuss the current status, key challenges, and necessary policy actions for ensuring the rights and welfare of domestic workers in India.

Source: The Hindu

The tailwinds from lower global oil prices

UPSC Syllabus Topic: GS Paper 3 -Infrastructure (Energy).

Introduction

Lower global oil prices are shifting power across the energy system. Competition between OPEC+ and other producers, along with cautious consumer behaviour, is nudging the market toward surplus. For India, this phase supports lower costs, easier inflation, and more fiscal space, but the benefits are cyclical. Converting this opening into durable strength requires prudent policy, steady efficiency gains, and vigilant risk management.

Status of crude oil market trend and forecast

Global Status of crude oil market

- Crude oil remains the world's most traded commodity.
- Daily production exceeds 100 million barrels per day, and nearly half of this volume enters global trade.
- At current prices, the daily value of crude trade is above \$3 billion.
- In 2025, global crude demand is expected to increase by only 1.3 mbpd (1.2%).
- **Prices are sliding:** Brent is near \$61/bbl, down 16% this year.
- **Divergent Outlooks for 2026:** OPEC expects a small supply shortfall of about 50,000 bpd, whereas the IEA projects an overhang of about 4 mbpd.

India's Status of crude oil market

- India ranks as the world's third-largest oil consumer, with daily consumption exceeding 5 million barrels.
- India imports approximately 85% of its crude oil requirements.

- Domestic oil production has remained relatively stagnant at around 30-32 million tonnes annually over the past decade, while consumption grows at approximately 4-5% yearly.

Reason for the Reason for the decrease in crude oil prices

1. **Tech-driven supply rise:** New drilling methods raised oil output outside OPEC. Production grew in the U.S., Canada, Brazil, Guyana, and Argentina. At the same time, OPEC+ began reversing its pandemic cuts. Together, supply became larger than demand, creating a surplus.
2. **Weak demand signals:** Rich economies are growing slowly after COVID-19. Electric vehicles are reducing fuel use at the margin. China's slowdown is also curbing oil consumption. These trends keep demand growth weak.
3. **OPEC+ choices and split:** Saudi Arabia wants to restore output quickly to regain market share. Russia, under sanctions, prefers a slower approach. This difference makes coordinated action harder and adds uncertainty.
4. **Stockpiles and strategic buying:** Consumers used lower prices to refill their strategic reserves. Producers stored over 100 million barrels of unsold crude on tankers at sea. These buffers softened the price drop but show that extra supply still exists.
5. **Geopolitics and sentiment:** A cease-fire in West Asia reduced fears of supply disruption. Trade tensions lowered expectations for global growth. Both factors removed price support and reinforced downward pressure on oil.

It's Impacts on India

1. **Current account gains:** Lower crude prices shrink India's import bill. Oil imports were **\$137 billion in 2024-25**. Every **\$1 fall** in crude improves the **current account deficit by about \$1.6 billion**. This strengthens external stability.
2. **Inflation and fiscal room:** Cheaper oil **reduces subsidies burden** and **cools inflation**. When the Centre keeps most of the price gains, the **fiscal balance improves**. This allows **higher capital spending**, which supports growth.
3. **Industry impact:**

Lower crude is **negative for upstream** producers like **ONGC** and **Oil India**. Each **\$1 drop** can cut **ONGC revenue by ₹300-₹400 crore**. It is **positive for downstream** refiners (**HPCL, BPCL, IOC**).

Other sectors that benefit include automobiles, aviation, paints, and FMCG.
4. **Monetary policy space:** Every **\$10 drop** can save **about \$15 billion** on the oil bill. This eases inflation and can give the **RBI** more room for an accommodative stance when conditions permit.
5. **Trade and geopolitics:** An **oil surplus** can **lower dependence on discounted Russian**, which may **ease tariff frictions with the U.S.** But if **West Asian growth slows**, **remittances, exports, and investments** from the region can **stagnate**, muting some benefits.

Way forward

Use buffers wisely. Release small volumes from strategic reserves to calm prices, and keep expanding strategic petroleum reserves (SPR) capacity.

Diversify fast. Redirect cargoes and secure flexible term deals, drawing more on alternatives like U.S. light-sweet crude so no single source becomes a chokepoint.

Substitute fuels. Raise ethanol blending (toward E20) to cut petrol demand and import dependence, guided by government clarifications on vehicle compatibility.

Coordinate internationally. Work through trusted platforms (IEA/IEF) for information-sharing, coordinated stock actions, and shipping/security updates that stabilise markets.

Keep refineries flexible. Plan refinery maintenance for low-demand periods, so many plants aren't shut at once. Equip and run refineries so they can quickly switch between different crude types (light/heavy, sweet/sour). This way, if one supply source is tight or costly, India can use another grade and keep fuel flowing smoothly..

Conclusion

Lower crude prices improve India's current account, inflation, and fiscal space, while aiding refiners and oil-linked industries. Risks remain from weak global growth, OPEC+ policy splits, and volatile geopolitics. India should bank the gains, manage exposure, and persist with consumption-mitigation—using counter-cyclical reserves and diversified sourcing—to handle quick turns and avoid short-lived relief.

Question for practice:

Q. Discuss how lower global oil prices are shaping current market trends, the key reasons behind falling prices, their impacts on India's economy and sectors, and the practical way forward.

Source: [The Hindu](#)

Impact of the U.S. Tariffs on India's Pharmaceutical Sector

Source: The post "**Impact of the U.S. Tariffs on India's Pharmaceutical Sector**" has been created, based on "**Exposure of Indian pharma to US tariffs**" published in "Business Line" on 23rd October 2025.

UPSC Syllabus: GS Paper -2- Effect of Policies and Politics of Developed and Developing Countries on India's interests

Context: The U.S. administration's prospective decision to impose tariffs on pharmaceutical imports marks a significant shift from the traditional policy of exempting essential medical products due to their public health importance. This proposal introduces uncertainty for India's pharmaceutical industry, a global leader in generic drug production and biosimilars. Given that the U.S. is India's largest export destination, the move could have wide-ranging economic and structural implications for the sector.

Significance of India's Pharmaceutical Sector:

1. India's pharmaceutical sector has long held a **comparative advantage** in cost-efficient production, high-volume generics, and emerging biosimilar capabilities.
2. It forms a **critical link in global medical supply chains**, providing affordable medicines worldwide.
3. The industry contributes around **\$27 billion in exports annually**, with the **U.S.A accounting for approximately 35%** of India's total pharma exports.
4. Between **2019 and 2023**, the **U.S. consistently remained the top destination** for Indian pharmaceutical exports, with an export share close to **0.35 on the index scale**, significantly higher than other markets like the **UK, South Africa, Russia, and Nigeria**.
5. Major export categories include **generic medicines, key antibiotics, and biosimilars**, which rely on thin margins and economies of scale.

Potential Impact of the U.S. Tariffs:

1. If tariffs target **generic medicines**, it could severely affect India's export revenues and growth prospects.
2. Market reactions have already reflected this uncertainty, with **pharmaceutical stocks declining by about 2%**.
3. Tariffs could lead to **erosion of scale economies**, lower profitability, and **reduced investment incentives** for R&D and technological advancement.
4. **Firms with heavy exposure to the U.S. market** would face the brunt of the impact due to **limited diversification and regulatory restrictions** that hinder rapid redirection to alternative markets.

Demand Elasticity and Revenue Loss:

1. The impact depends on the **price elasticity of demand** in the U.S. market. If demand were **inelastic**, consumers would bear the price increase, and export volumes might remain stable.
2. However, **Indian pharma exports exhibit high elasticity**, meaning consumers and distributors are likely to **switch to alternative suppliers**.
3. A **50% tariff** could cause a **major drop in export revenues**, particularly for **HS 3004** (generic medicines and antibiotics), where exports to the U.S. could be nearly wiped out.
4. **Lower elasticity segments** like **HS 3005 (bandages, gauze)** and **HS 3006 (sterile surgical materials)** may experience moderate losses but remain relatively stable due to steady demand.

Key Challenges for the Indian Pharmaceutical Sector:

1. **Overdependence on the U.S. market:** Nearly one-third of India's pharmaceutical exports are directed to the United States, making the sector highly vulnerable to policy shifts and trade uncertainties arising from changes in U.S. administration decisions.
2. **Lack of diversification:** India's pharmaceutical export base remains concentrated, with limited penetration into alternative markets such as Latin America, Africa, and Europe, thereby constraining its ability to offset losses from potential U.S. market disruptions.
3. **Regulatory barriers:** The pharmaceutical industry is among the most heavily regulated sectors globally, and variations in regulatory standards across countries make it challenging, time-consuming, and costly for Indian exporters to reorient supply chains to new markets.
4. **Erosion of competitiveness:** The imposition of tariffs could significantly undermine India's cost advantage in generic medicines, weakening its competitiveness and damaging its reputation as a reliable global supplier of affordable pharmaceuticals.

5. **Reduced innovation incentives:** Declining revenues from tariff-affected exports would diminish the resources available for investment in research and development (R&D), regulatory compliance, and pharmacological innovation, potentially slowing the sector's long-term growth and technological progress.

Way Forward:

1. **Export Diversification:** Expand trade links with **Europe, Africa, Latin America, and Southeast Asia** to reduce market concentration risks.
2. **R&D and Value Addition:** Shift focus from low-margin generics to **high-value, patented formulations and biosimilars**.
3. **Strategic Trade Engagement:** Use **multilateral forums (WTO, WHO, UNCTAD)** to advocate for **fair trade norms** in essential medicines.
4. **Regulatory Harmonisation:** Strengthen domestic capacity to meet diverse regulatory standards, enabling faster entry into alternative markets.
5. **Supply Chain Resilience:** Build **localised and regional supply chains** to mitigate disruptions from tariff or policy shocks.
6. **Government Support:** Implement **export incentives, credit lines, and tax relief** for firms affected by tariff policies.

Conclusion: The proposed U.S. tariffs on pharmaceutical imports present a **serious challenge** to India's export-oriented pharmaceutical sector. With **high elasticity of demand** and **heavy reliance on the U.S. market**, the sector faces potential revenue losses and structural instability. However, India's proven **adaptability, technological strength, and global credibility** provide a strong foundation to overcome these hurdles. Through **strategic diversification, innovation-driven growth, and proactive policy engagement**, India can safeguard its leadership in the global pharmaceutical value chain and ensure resilience against shifting trade dynamics.

Question: Discuss the implications of the proposed U.S. tariffs on pharmaceutical imports, particularly for India's pharmaceutical sector. Highlight the major challenges and suggest the way forward.

Indian Foreign Policy Toward Pakistan

Source: The post "Indian Foreign policy toward Pakistan" has been created, based on "The Pakistan Problem" published in "Indian Express" on 23rd October 2025.

UPSC Syllabus: GS Paper -2- India and its Neighbourhood- Relations

Introduction: Pakistan remains one of India's most persistent strategic challenges. Despite internal instability and economic fragility, Islamabad continues to command significant geopolitical influence. Its **strategic location, military power, and network of alliances** have allowed it to remain relevant to major powers and sustain its disruptive capacity in regional politics. Understanding these structural sources of Pakistan's leverage is crucial for shaping India's long-term foreign policy.

Pakistan's Strategic Location and Leverage:

- **Geopolitical positioning:** Pakistan borders **Afghanistan, Iran, China, and India**, placing it at the intersection of **South Asia, Central Asia, and the Middle East**. Its proximity to **the Persian Gulf and Arabian Sea** enhances its geostrategic importance.
- **Regional connectivity:** Through **Afghanistan**, Pakistan connects to Central Asia, allowing external powers to project influence deep into the region.
- **Strategic value to major powers:** Its location gives it enduring relevance to powers such as **the U.S., China, Russia, and Gulf countries**, all of whom have security or economic interests in the region.

Sources of Pakistan's Power and Influence:

1. Military Power:

- Pakistan's **armed forces**, with around **half a million personnel**, are among the most formidable in the region.
- It possesses around **200 nuclear warheads**, possibly exceeding India's stockpile, which provides a deterrent as well as coercive leverage.
- Backed by **Chinese weapons systems** and **military intelligence**, Pakistan's military continues to project influence beyond its borders.

2. Alliances and External Support:

- Islamabad enjoys support from **China, the U.S., and Saudi Arabia**, which see it as strategically indispensable.
- **China-Pakistan Economic Corridor (CPEC)** further strengthens this bond, making Pakistan a key node in Beijing's Belt and Road Initiative.
- Pakistan's links with the **Organisation of Islamic Cooperation (OIC)** amplify its diplomatic voice in the Muslim world.

3. Diaspora and Religious Identity:

- Between **1995 and 2020**, about **6.14 million Pakistanis emigrated**, creating a diaspora of **11-14 million globally**, concentrated in the **Gulf, UK, and U.S.A.**
- The diaspora contributes remittances, lobbying influence, and soft power, particularly within the Islamic world.

Challenges for India:

1. **Enduring Strategic Relevance of Pakistan:** Despite internal crises, Pakistan remains **engaged with major powers**, limiting India's ability to isolate it diplomatically.
2. **China-Pakistan Nexus:** China's deepening ties, military cooperation, and CPEC investments give Islamabad significant backing, constraining India's regional strategic space.
3. **Use of Proxy and Asymmetric Warfare:** Pakistan's military-intelligence establishment continues to **sponsor cross-border terrorism and proxy conflicts**, particularly in Jammu & Kashmir.
4. **Geopolitical Leverage through Location:** Pakistan's geography allows it to serve as a **logistical hub** for major powers, particularly for operations in **Afghanistan and the Gulf**. This ensures continued international engagement with Islamabad.
5. **Ideological and Diplomatic Leverage:** Pakistan leverages its **Islamic identity to influence global narratives** through the **OIC and other forums**, occasionally mobilising support against India on issues like Kashmir.
6. **Diaspora Influence:** A **large and politically active diaspora** enhances Pakistan's visibility abroad, giving it a voice in Western capitals and international institutions.
7. **India's Policy Dilemma:** For India, Pakistan is not merely a troublesome neighbour but a **strategic actor backed by major powers**, making complete disengagement impractical.

Way Forward

1. **Strategic Patience and Realism:** India must recognise that **Pakistan cannot be dismissed**; it will remain a **strategic irritant** that must be managed, not eliminated. India should engage with Pakistan with **clarity, composure, and consistency**.
2. **Cool-headed Diplomacy:** India's approach should combine firmness on terrorism with **measured diplomatic engagement**, avoiding overreaction or escalation that serves Pakistan's narrative.
3. **Strengthening Regional Alternatives:** Enhance connectivity with **Iran, Afghanistan (if politically feasible), and Central Asia** to reduce Pakistan's transit and geographic leverage.
4. **Countering the China-Pakistan Axis:** Strengthen partnerships with **the U.S., Japan, and Europe** while pursuing issue-based engagement with **China** to limit Islamabad's strategic utility to Beijing.
5. **Expanding Soft Power and Economic Leverage:** Promote **India's image as a stable, responsible power** and invest in **regional development and trade frameworks** that isolate Pakistan's confrontational approach.
6. **Intelligence and Security Preparedness:** Continue **counterterrorism coordination, modernise border security**, and maintain **deterrence credibility** to counter Pakistan's asymmetric tactics.
7. **Narrative Management:** Proactively engage global opinion through diplomacy and media to counter Pakistan's use of international platforms on issues like Kashmir and minority rights.

Conclusion: Pakistan's leverage is rooted in enduring structural factors — its geography, military power, and alliances. These make it both **indispensable and disruptive in South Asian geopolitics**. As Bajpai notes, **India must engage with Pakistan with a "cool-headed, clear-eyed realism," balancing deterrence with diplomacy**. For India, the goal should not be to isolate Pakistan entirely, but to **neutralise its disruptive potential** while continuing to strengthen its own regional and global standing.

Question: Discuss Pakistan's enduring geopolitical leverage and its implications for India's foreign policy, with reference to its location, power capabilities, and alliances. Highlight the major challenges and the way forward.

PF Reforms Enable Social Security

India must build pensions that are adequate, sustainable, and accessible without burdening the budget. **Recent EPFO changes move from control to trust** and can support lifetime, Aadhaar-linked Citizen Social Security Accounts (CSSA). **India's pension system currently holds a D grade (43.8/100) in the 2025 Global Pension Index**, showing weak adequacy, low sustainability, and narrow coverage. The goal is to convert these reforms and design ideas into lower costs, wider coverage, and better service.

About Pension Funds

1. Three pillars

- Pensions are income for old age, built on **three pillars—government, employers, and individuals**.
- Ageing exposes different gaps across countries: **Europe must invest more, America must save more, and China must consume more**.
- India needs all three actions together. Strong pillars **raise old-age income, deepen domestic investment pools, and support formal non-farm jobs**.
- **Well-designed pensions strengthen public finances** by building savings instead of relying on unfunded promises.

2. Fiscal lessons from history

- Public pensions began under **Bismarck's Germany**, once promising benefits near **twice life expectancy**. Now, some European systems start **at almost half of life expectancy**. Such **unfunded promises become off-balance-sheet debt**, repaid later through taxes or inflation.
- **With India's public debt near 85% of GDP, large government-funded pensions are unaffordable**. India must rely on sound design, wider participation, and disciplined funding rather than new fiscal commitments.

Challenge to Government Pension Fund

1. **Low global standing: India scores 43.8/100 (grade D) in the 2025 Mercer-CFA Global Pension Index**, signalling weak adequacy, sustainability, and integrity.
2. **Unequal coverage: About 85–90% of workers are in the informal sector** and lack formal retirement benefits, keeping overall adequacy low.
3. **Fiscal and demographic strain:** Rising life expectancy and limited fiscal space make future obligations hard to fund without structural changes and wider participation.
4. **Fragmented architecture: EPS, EPFO provident fund, employer DC plans**, and government-backed options **operate in silos**, diluting coherence, portability, and scale benefits for savers.
5. **Governance and investment limits:** Fragmented oversight, limited disclosure, and restricted investment flexibility reduce performance and trust.
6. **Participation and trust deficit:** Complex processes and uneven service discourage enrollment and persistence, weakening contributions and long-term savings discipline significantly.

Recent Changes to EPFO

1. **From control to trust:** EPFO is moving away from rule-heavy control toward member trust, making access simpler while protecting long-term savings.
2. **Simpler categories:** 13 withdrawal reasons are consolidated into 3 groups, removing confusion for workers and employers. Three groups are:
 - **Essential needs:** Members can withdraw for education, marriage, and medical emergencies, recognising unavoidable household expenses.
 - **Housing:** Withdrawals are permitted to purchase or construct a home, supporting long-term asset creation.
 - **Special cases:** Retirement, permanent disability, retrenchment, voluntary retirement, and permanent relocation abroad allow specific or full withdrawals.

3. Withdrawal limits

- **Partial withdrawals** are capped at 75% to balance flexibility with future security.

- **Full withdrawals:** Full access is allowed only for retirement, permanent disability, or permanent relocation abroad.

4. **Waiting periods:** The post-exit wait is now 12 months for defined contribution balances and 36 months for defined benefit balances to curb impulsive withdrawals.

5. Compounding protection

- **Minimum balance:** Members must retain at least 25% of their corpus, preserving compounding and sustainability.

- **Digital infrastructure:** Claims up to ₹5 lakh are auto-settled, a unified passbook is available, and pensioners can use digital life certificates.

6. **Foundation for CSSA:** The new design **positions EPFO to evolve into a lifetime, Aadhaar-linked CSSA** that can accept contributions from government, employers, and individuals. **Seamless balance portability and employee choice** are central, alongside **competition with NPS** to improve price and service.

Different Pension Schemes in India

Pension Scheme	Applicability	Features
Old Pension Scheme (OPS)	Applicable to all government employees appointed before January 1, 2004.	<p>a. It is a 'defined benefit scheme' as the government employees were paid 50% of their last drawn salary plus Dearness Allowance (DA) as pension after their retirement.</p> <p>b. Under this scheme, the entire pension amount was borne by the government while fixed returns were guaranteed for employee contribution to the General Provident Fund (GPF).</p>
National Pension System (NPS)	<p>a. Introduced on January 1, 2004. All central government employees joining after January 1, 2004, were compulsorily enrolled in NPS</p> <p>b. It was voluntary for the state governments to join the NPS. Almost all the states except for West Bengal and Tamil Nadu migrated to the NPS.</p>	<p>a. The scheme is a "defined contribution scheme" as the government employees have to make defined contribution of 10% of basic pay and dearness allowance (DA). There is matching contribution by the government.</p> <p>b. There is no defined benefit. The pension benefit is determined by factors such as the amount of contribution made, the age of</p>

	c. Rajasthan, Chhattisgarh, Jharkhand, Punjab, and Himachal Pradesh announced a shift back to the OPS.	joining, the type of investment and the income drawn from that investment. c. It remained voluntary for the workforce in the unorganized sector.
Unified Pension Scheme	<p>a. It will be applicable from April 1, 2025 to all those who have retired under the NPS from 2004 onwards.</p> <p>b. Employees can still opt to remain under the NPS.</p> <p>c. Currently for central government employees, but states can also adopt it.</p>	<p>a. It is an assured Pension Scheme and does not leave things to vagaries of market forces.</p> <p>b. The structure of Unified Pension Scheme (UPS) has the best elements of both OPS and NPS. Like OPS, it provides an assured pension and, like NPS, it has provisions of employee contribution to the pension corpus.</p> <p>c. The UPS is a funded contributory scheme, while the OPS is an unfunded non-contributory scheme.</p>

Way forward

- 1. Cost discipline:** EPFO's charge is 4% of contributions, about ten times an equivalent government securities fund from SBI. Transparent, benchmarked pricing can curb Baumol-style cost disease.(when work stays manual, wages rise but productivity doesn't, so fees stay high.)
- 2. Separate roles: EPFO currently combines policymaker, regulator, and provider roles.** Separating these roles can drive better prices and service and also improves accountability and reduces conflicts.
- 3. Bring competition:** Let employees choose between EPFO and NPS. Selection at joining and an annual switch window will pressure providers to cut costs and improve service. Interoperability must be seamless throughout.
- 4. Employee control:** Salary belongs to employees. Allow them to decide on the 12% contribution and to opt out of diverting 8.33% of the employer's 12% to EPS.
- 5. Universal CSSA:**Convergence of EPFO, NPS, Atal Pension Yojana, PM-SYM, PMVVY, and SCSS into CSSA can target universal social security by India@100. Aadhaar linkage, portability, and interoperability can unify contributions and entitlements over a lifetime and raise trust. One account simplifies saving and tracking.
- 6. Portability and interoperability:**Ensure balances move seamlessly across jobs and between EPFO and NPS. Frictionless transfers raise trust and keep savings intact.

7. Expand coverage:

- **Simplify enrolment and add smart incentives** for informal workers. Wider participation improves adequacy and strengthens the system's sustainability.
- **Introduce a minimum income guarantee for the elderly** who are most vulnerable. This closes harsh gaps while bigger reforms take root.

8.Stronger oversight: Improve regulation and disclosure. Allow prudent investment diversification to enhance returns while safeguarding integrity.

9. Adopt best global practises:

Singapore (CPF). Singapore runs a compulsory, defined-contribution system that gives universal coverage. It follows prudent investment rules and relies minimally on government subsidies.

Netherlands. The Netherlands operates a well-funded, transparent, and sustainable pension system. It balances public and private participation to maintain stability and trust.

Iceland. Iceland also has a well-funded, transparent, and sustainable model. It uses a balanced public-private approach to support long-term reliability.

Conclusion

Recent EPFO reforms create a solid base for universal, fiscally responsible social security. India should **separate roles, enable EPFO-NPS choice, cut costs, expand coverage, and merge schemes into CSSA** with full **portability** and **employee control** to achieve **adequate, sustainable, trusted** social security without new fiscal burdens.

Question for practice

Q. Discuss how recent reforms in the Employees' Provident Fund Organisation (EPFO) can contribute to building a sustainable and inclusive pension system in India.

Source: [Indian Express](#)

Immunity of international organisations is no free pass

UPSC Syllabus Topic: GS Paper 2 - Justice.

Introduction

International organisations exist to implement treaties and manage cooperation. **They need autonomy to function, yet immunity cannot become a shield for abuse.** Courts now face a hard question: when, and how far, should immunity yield so that individuals are not left without justice—especially in host states like India that house many organisations.

The immunity of international organizations (IOs)

Sources and scope: Immunity flows from the **founding treaty**, the **headquarters agreement with the host state**, and any **domestic law** setting up the body. The common theory is “**functional necessity**”: immunity is granted **only to the extent needed** for the organisation to do its job without interference or unequal pressure from seat states.

Judicial posture: For decades, many national courts **dismissed suits against IOs**, especially **employment disputes** between staff and organisations, by invoking functional immunity. **The UN’s creation of internal tribunals** for staff disputes (backed as early as 1954) illustrated how IOs were expected to **pair immunity with internal justice**.

Two interpretive approaches: Courts have developed **two main approaches**. The “**no-conflict**” approach treats immunity as a built-in limit on access to court, **upholding immunity regardless of consequences**. The “**alternative-remedy**” approach accepts that immunity **may violate the right to a court if claimants lack a reasonable alternative remedy**.

Significance of immunity of international organisation

1. **Operational independence:** Immunity lets organisations act without fear of local interference. It protects day-to-day decisions, budgeting, and staff actions, **helping programmes stay on schedule and deliver as intended**.
2. **Member-state parity:** By limiting the seat state’s leverage through courts, immunity prevents one member from dominating others. All states receive equal treatment in collective decisions.
3. **Stable host relations:** Clear immunity rules reduce litigation risks and regulatory surprises. This stability helps conclude headquarters agreements, hire staff, and manage vendors.
4. **Field access in tough settings:** Operations in conflict or disaster zones need quick moves, logistics and candid assessments. Immunity lowers the risk of local reprisals that could halt aid.
5. **Safeguarding institutional voice:** Technical bodies must speak frankly on health, climate, or security. Immunity protects reports and investigations from retaliation suits, preserving credibility.
6. **Link to accountability:** Immunity is not impunity. It gains legitimacy when paired with independent internal justice and effective alternatives for private disputes.

Major concerns about the immunity of IOs (IOs)

1. **Inadequate alternative remedies:** Many IOs use internal tribunals for staff disputes. These can lack independence, transparency, and enforcement. As a result, they may not meet fair-trial standards.
2. **Erosion of human rights:** The right to a fair trial and access to a court is fundamental. Absolute immunity can conflict with these rights, especially when no effective remedy exists. As a result, justice may be denied.
3. **Accountability gap:** Immunity can hide arbitrary or discriminatory acts. Courts cannot review these decisions. As a result, accountability weakens.

4. **Employment disputes:** Staff cases are common. When courts step back, complaints stay internal. As a result, oversight weakens and resolution takes longer.

5. **Arbitration limits:** Citing arbitration is not enough. It works only with fixed rules, independent panels, and limited court oversight. As a result, rights remain unprotected if these features are missing.

6. **Judicial inconsistency and responsibility shifts:** Courts apply different tests across countries. Some redirect claims to contractors or member states. As a result, responsibility fragments and direct review of the IO is avoided.

Way forward

1. **Respect with conditions:** Respect IO immunity **only** when staff have **effective, fair, and accessible** remedies. Internal justice must be **independent, impartial, and timely** for the specific dispute.

2. **Fit-for-purpose remedies:** IOs should **codify procedures**, define jurisdiction and timelines, and **appoint independent adjudicators**. Where arbitration is used, **affiliate with a recognised institution** and adopt its rules so processes are reliable and predictable.

3. **Natural justice test:** Courts should assess both **availability and adequacy** of alternatives against **natural justice**: independence, fair hearing, reasoned decisions, and **enforceability**. If any element is missing, **hear the case**.

4. **Limited judicial supervision:** For employment arbitration, IOs should **waive immunity to the extent needed** for **narrow supervisory review** and **enforcement of awards**. This preserves autonomy while securing due process.

5. **Access and transparency:** Provide **clear guidance**, multilingual support, and **basic legal aid panels**. Publish annual metrics on case volumes, timelines, outcomes, and **compliance rates** to demonstrate that remedies work.

6. **Host-state alignment:** Host states should **embed these standards** in headquarters agreements and conduct periodic compliance reviews. A simple gatekeeper question guides courts: **Is there a real, fair, and enforceable alternative?** If not, **jurisdiction should not be declined**.

Conclusion

Immunity protects operational autonomy, not impunity. It should stand only where independent, impartial, and timely remedies give staff a fair hearing and enforceable outcomes. If such alternatives are absent or inadequate, courts should hear the case.. This balanced path respects autonomy, prevents denial of justice, and keeps human beings at the centre.

Question for practice:

Q. Discuss whether the immunity of international organisations should depend on the availability of effective alternative remedies for individuals.

Source: [The Hindu](#)

UN as a symbol of possibility

Source: The post “UN as a symbol of possibility” has been created, based on “The UN matters, as a symbol of possibility” published in “The Hindu” on 24th October 2025.

UPSC Syllabus: GS Paper -2- International relations

Introduction: Eighty years after its establishment in the aftermath of World War II, the **United Nations (UN)** continues to be the cornerstone of global governance. Conceived to prevent another global conflict, uphold human dignity, and promote the rule of law, the UN remains a unique platform for international cooperation. Though it often struggles with bureaucracy and political limitations, it endures as the **most indispensable institution** for peace and collective progress.

Evolution and Achievements of the UN

1. Since 1945, the UN has evolved from a wartime peacekeeping structure into a broad-based global institution addressing humanitarian, social, and developmental challenges.
2. Agencies like **UNHCR**, **WFP**, and **UNICEF** provide life-saving aid in conflict zones and disaster-hit regions.
3. UN **peacekeeping missions** have helped maintain fragile peace in areas such as East Timor, Namibia, and Rwanda.
4. Its **normative role**, through conventions and declarations, has strengthened global consensus on human rights, gender equality, and sustainable development.
5. Despite shortcomings, the UN continues to act as a **moral compass**, offering legitimacy and dialogue where power politics often fail.

A Shifting Global Landscape

The contemporary world order differs vastly from the one that existed at the UN's founding.

1. The **post-war consensus** has eroded, and **multilateralism** faces increasing scepticism.
2. **Nationalism and protectionism** are on the rise, often used as a counter to international cooperation.
3. The **bipolar world** of the Cold War has given way to a **multipolar system** with new powers—such as India, Germany, Japan, Brazil, and South Africa—demanding greater representation.
4. Global challenges like **climate change, cyber warfare, and pandemics** transcend borders and defy traditional diplomacy.
5. This shifting landscape has made the UN both more necessary and more constrained.

Structural and Functional Limitations

The UN's performance is hindered by deep-seated institutional issues:

1. **Outdated Security Council composition:** The permanent membership reflects 1945 power realities, not current geopolitical dynamics.
2. **Veto power misuse:** It often paralyzes collective action in crises such as Ukraine or Gaza.
3. **Bureaucratic inertia:** Decision-making is slow and unresponsive to urgent humanitarian needs.
4. **Politicisation of aid and funding:** Resource allocation is sometimes influenced by political interests rather than human need.

5. **Lack of agility:** The organisation struggles to adapt to fast-evolving digital and security challenges.
6. Thus, while the UN remains relevant, its credibility and efficiency are under strain.

The UN's Normative and Moral Relevance

Beyond political power, the UN's enduring strength lies in its **normative influence**.

1. It shapes global discourse through **declarations, resolutions, and treaties**, advancing universal values of justice, equality, and peace.
2. The **Sustainable Development Goals (SDGs)** exemplify the UN's capacity to inspire collective human progress.
3. Even when enforcement is weak, its **moral authority** remains a critical reference point for international conduct.
4. In essence, the UN mirrors humanity's aspirations, holding the world accountable to its highest ideals.

Strategic Autonomy and Relevance in a Divided World

1. In an era marked by **great-power rivalry** and **technological competition**, many nations pursue **strategic autonomy**.
2. Yet, the UN continues to provide the **only universal platform** where nations, big or small can negotiate, deliberate, and seek compromise.
3. Its relevance endures because it symbolises the **possibility of dialogue over domination**, even when consensus is hard to achieve.

Way Forward

To remain effective and legitimate, the UN must adapt to 21st-century realities:

1. **Reform the Security Council:** Expand its membership to include emerging powers and ensure geographical equity and reform the veto system to enhance accountability and democratic legitimacy.
2. **Improve Agility and Efficiency:** Streamline bureaucratic procedures, empower field operations, and embrace digital tools for faster crisis response.
3. **Reclaim Credibility and Moral Voice:** Uphold universal values and combat misinformation, nationalism, and polarisation through transparency and fairness.
4. **Strengthen Independence:** Broaden financial support and reduce political manipulation of humanitarian actions to ensure impartiality.

Conclusion

At eighty, the UN is both a **work in progress** and a **symbol of human aspiration**. Its achievements in peacekeeping, humanitarian aid, and norm-setting cannot be dismissed, even as its limitations are glaring. The institution's future depends on its willingness to **reform, adapt, and reclaim moral leadership**.

Climate change as global challenge

Source: The post "Climate change as global challenge" has been created, based on "Should India take global leadership on climate change?" published in "The Hindu" on 24th October 2025.

UPSC Syllabus: GS Paper -2- Effect of Policies and Politics of Developed and Developing Countries on India's interests

Introduction: Climate change has emerged as the defining global challenge of the 21st century. As the world approaches another round of climate negotiations at COP30 in Brazil, many traditional leaders of climate action — particularly developed nations — are showing reluctance to take on new responsibilities. In this context, the question arises: **should India assume a larger leadership role in driving global climate action?**

Global Context and Leadership Vacuum

1. The **United States** withdrew from the **Paris Agreement**, and **European nations** are increasingly inward-looking due to domestic and geopolitical challenges.
2. **Brazil**, the upcoming host of COP30, appears focused on national implementation rather than global leadership.
3. This has created a **vacuum in climate leadership**, where emerging economies are expected to step up.
4. India, as a rapidly growing economy with a strong record in renewable energy and climate diplomacy, stands out as a natural candidate to fill this space.

India's Climate Achievements and Commitments

1. India has already demonstrated significant progress:
 - a. Achieved **over 50% of electricity capacity from non-fossil fuel sources**, ahead of schedule.
 - b. Adopted ambitious **Nationally Determined Contributions (NDCs)** targeting 45% reduction in emission intensity by 2030.
 - c. Launched global initiatives like the **International Solar Alliance (ISA)** and the **Coalition for Disaster Resilient Infrastructure (CDRI)**, showcasing multilateral innovation.
2. India is now preparing to update its **National Adaptation Plan (NAP)**, integrating resilience measures for agriculture, water, and infrastructure.
3. These actions reflect not only commitment but also **credibility**, positioning India as a responsible stakeholder in global climate governance.

Opportunities for India's Global Leadership

1. **Bridging the Global North-South Divide:**
 - a. India can act as a mediator between developed and developing countries, emphasizing *equity and common but differentiated responsibilities (CBDR)*.
 - b. Its leadership can help steer climate negotiations towards practical cooperation rather than ideological division.
2. **Showcasing Scalable Solutions:**
 - a. India's emphasis on **low-cost renewable energy, solar electrification, and community-driven adaptation** models can inspire other developing nations.
 - b. Policies like solar rooftop programmes, EV promotion, and biofuel blending demonstrate scalable climate strategies.
3. **Green Finance and Technology:**
 - a. India can mobilize **innovative climate financing**, such as blended public-private models, to fund adaptation and mitigation projects.

- b. It can also advocate for **technology transfer** mechanisms to make clean technologies accessible globally.

Challenges in Assuming Leadership

1. **Domestic development priorities:** Poverty alleviation, industrial growth, and energy security limit India's fiscal space for large-scale climate financing.
2. **High adaptation costs:** India estimates a financing need of over **\$1.3 trillion** to meet its NDCs by 2030.
3. **Global inequities:** Developed nations' reluctance to meet their own financial commitments or share technology undermines trust.
4. **Energy transition complexity:** India still relies heavily on coal for energy and employment, making rapid decarbonisation socially and economically challenging.

Way Forward

India's leadership should focus on **practical, inclusive, and cooperative approaches** rather than mere symbolism:

1. **Lead by example:** Continue to expand renewable energy, promote sustainable agriculture, and reduce carbon intensity without compromising growth.
2. **Drive South-South cooperation:** Build alliances with other developing nations to share best practices and pool climate resources.
3. **Champion adaptation:** Advocate for global focus on adaptation measures — water resilience, flood protection, and agriculture — which are vital for vulnerable nations.
4. **Promote just transition:** Ensure that the shift from fossil fuels to renewables is fair and inclusive, safeguarding livelihoods.
5. **Engage constructively in global forums:** Use COP30 and other multilateral platforms to promote equitable climate governance.

Conclusion

India's role in global climate action is not merely a question of responsibility, but of **opportunity and necessity**. As developed nations hesitate and climate threats intensify, India is well-placed to provide **moral, technological, and diplomatic leadership**. By pursuing a strategy rooted in equity, innovation, and cooperation, India can redefine global climate leadership — not through dominance, but through example. Its leadership would signal that climate action and development are not opposing goals, but **mutually reinforcing pathways** to a sustainable future.

The Mirage of Port-led Development in Great Nicobar

UPSC Syllabus Topic: GS Paper 3 – Ecology and Environment And Infrastructure

Introduction

Supporters claim a mega port at Galathea Bay will make India a regional hub for security and trade. Critics warn of risks to indigenous communities and fragile ecology. A closer look shows **advantages are overstated and structural flaws are ignored**. The question is whether the promises of economic and strategic transformation match on-ground realities.

About Great Nicobar Island Development Project

The Great Nicobar Island Development Project involves a comprehensive Rs 72,000-crore infrastructure upgrade on Great Nicobar Island. It is being implemented by the Andaman and Nicobar Islands Integrated Development Corporation (ANIIDCO).

The Great Nicobar Island Development project includes development of following:

- An International Container Transshipment Terminal (ICTT)
- A greenfield international airport
- Two greenfield cities
- A coastal mass rapid transport system
- A free trade zone
- International cruise terminal (New addition)
- A ship breaking yard (New addition)

Concern related to the port-led development in Great Nicobar

1. Weak demand logic: Building capacity will not by itself attract traffic. Hubs grow from **networks, feeder links, cargo base, and carrier loyalty**.

2. Missing logistics ecosystem: Great Nicobar has **no hinterland or industry**, and sits ~1,200 km from the mainland. Everything—fuel, staff, and provisions—must be shipped, which raises costs and disrupts routes.

3. Overambitious volume targets: Colombo ports handles **under eight million TEU** with established networks. Great Nicobar **aims to double that** without committed lines. **This lacks credibility**.

4. Strategic rationale misaligned: INS Baaz already enables surveillance in the Indian Ocean. A commercial port is unnecessary for those security functions. If stronger defence posture is needed, state it openly and pursue it directly—not justify it as commercial development.

5. Not a linchpin for a “maritime arc”: Vizhinjam and Vadhavan are mainland ports with **their own routes and markets**. Great Nicobar is **too distant and has no local cargo** to connect or anchor them. So it **cannot act as the central link** of any single, seamless network.

6. Ecological risk: The Andaman & Nicobar Islands are a major global biodiversity hotspot and a carbon reservoir; the mega-plan will affect **13,000 hectares of pristine forests**, threatening island ecology.

7. Forest rights & due process: Serious doubt whether the **Tribal Council of Little and Great Nicobar** was allowed to certify settlement of rights under the Forest Rights Act **before forest diversion**; a report alleges **false representation** that rights were settled.

8. Pattern of “planned disasters”: The project echoes a wider pattern where **big multipurpose projects** proceed despite environmental law **failing to protect ecology**.

9. Undermining international obligations: The Galathea Bay Wildlife Sanctuary located in the Great Nicobar Island forms part of a UNESCO World Heritage Site. Hence the preservation of this pristine biodiversity is an International Obligation of India.

10. Seismic Vulnerability: The proposed port which is an integral part of this project, is located in a seismically volatile zone, which experienced permanent subsidence of around 15 feet during the 2004 tsunami. This raises concerns about the safety and viability of constructing such a large-scale infrastructure project in a high-risk, disaster-prone area.

Way forward

1. Build networks first: Prioritise **carrier ties, feeder services, pricing, and turnaround** before adding capacity. Publish **credible traffic paths**, realistic timelines, and **clear subsidy limits** so lines see **reliable savings** and lower risk.

2. Choose viable sites with full safeguards: Complete **ecology assessments, community consent** (including FRA compliance), and **lifecycle-cost** reviews. Prefer locations with **lane proximity, logistics bases, and organic cargo**; avoid sites needing **permanent subsidies**.

3. Respect tribal rights: Follow **Shompen Policy (2015)** and ensure **rights take priority** over large projects.

4. Separate security from commerce: If security upgrades are required, **pursue them transparently** and **independently** of commercial port claims.

5. Learn from past failures: Use lessons from **Tehri, Koel Karo, Sardar Sarovar** to insist on **community-centred decisions** and island-appropriate safeguards.

6. Eco-friendly construction: The construction of infrastructure should be done using eco-friendly practices like strict adherence to GRIHA code for building construction.

7. Transparency in data and process: The government should release the data on the rationale, the process of creation, consulted groups etc. in public domain. This will give a holistic view to critics and supporters.

8. International cooperation: India should enhance Cooperation with countries like Japan, South Korea etc. This will help in developing successful island development models.

Conclusion

Great Nicobar's plan **overpromises and underprepares**. Without networks, cargo base, cost advantages, and clear consent and safeguards, capacity will idle. **Separate security from commerce**, choose **viable, low-risk sites**, and insist on **transparent economics and ecology reviews**. Otherwise, the project risks becoming a **costly lesson**, not a regional catalyst.

Question for practice:

Examine the main concerns about the port-led development in Great Nicobar.

Source: [The Hindu](#)

Making India a Scientific, Technological Powerhouse

UPSC Syllabus Topic: GS Paper 2 -**Government**- Issues relating to development and management of Social Sector/Services relating to education.

Introduction

India plans to attract "Indian-origin star faculty" in STEM for longer stints in premier institutes. The move uses the US policy squeeze on research as a push and offers posts and substantial set-up grants as a pull. It promises experience, competence, and pride returning home. The promise is strong, but execution risks are real: slow procurement, complex hiring, cultural adjustment, urban living costs and air quality, and morale issues. Durable gains need higher R&D spending, ease-of-doing-research, stronger universities, and assured long-term funding.

Initiatives for Harnessing NRI Talent to Make India a Scientific and Technological Powerhouse

1. Vaishvik Bharatiya Vaigyanik (VAIBHAV) Fellowship: Connects the Indian STEM (Science, Technology, Engineering, Mathematics, and Medicine) diaspora with Indian academic and R&D institutions for collaborative research.
2. Visiting Advanced Joint Research (VAJRA) Faculty Scheme: Provides adjunct or visiting faculty assignments to overseas scientists, including NRIs, to conduct collaborative research in Indian public-funded institutions.
3. Ramanujan Fellowship: Attracts high-caliber Indian researchers under 40 who are working abroad to return and work in Indian institutions.
4. Ramalingaswami Re-entry Fellowship: The Department of Biotechnology offers this fellowship to Indian nationals in life sciences and biotechnology working overseas who wish to return to India to conduct research.
5. Global Initiative for Academic Network (GIAN): Taps into the global talent pool of scientists and entrepreneurs to augment academic resources in India's higher education institutions.
6. Scientists/Technologists of Indian Origin (STIO) Scheme: The Council of Scientific and Industrial Research (CSIR) has positions for eminent scientists of Indian origin to work at CSIR labs on a contractual basis.
7. PRABHASS (Pravasi Bharatiya Academic and Scientific Sampark): An online portal launched to connect the Indian diaspora with academic and research institutions for collaboration.

Challenges in Harnessing NRI Talent to Make India a Scientific and Technological Powerhouse

1. Administrative hurdles: Funds may be approved, but buying equipment still gets stuck in tenders, finance queries, and slow releases. Researchers often chase files instead of doing research. Hiring qualified staff passes through multiple approvals. These frictions waste time and blunt motivation.
2. Adapting to work norms: Returnees often enter institutes with long-set ways of working. Committees, hierarchies, and slower decisions can feel unfamiliar. Adjusting to these norms takes time and can dampen early momentum.
3. Pay and status gaps: Even after PPP adjustments, salaries and research allowances are lower than what many expected. This gap can surprise returnees and affect satisfaction.
4. Living conditions and public services: Daily life can overwhelm newcomers. Public services are weak. Suitable housing and children's schooling are hard to arrange. Most institutes are in metros with unhealthy air quality, which worries families and can be a major deterrent.
5. Impact on existing teams: Special incentives for returnees risk breeding resentment among long-serving faculty and staff. Officially sanctioned privileges can demoralise existing teams and hurt long-term cohesion.

Way forward

1. Boost R&D spending: Dramatically increase public and private investment to raise India's Gross Expenditure on R&D (GERD) above its current 0.7% of GDP to align with the global average of 1.8%.
2. Streamline research bureaucracy: Simplify and accelerate the procurement of equipment, hiring procedures, and dispersal of funding through a "single-window" system to improve the ease of doing research.

3. Target specific talent. Launch focused schemes to address specific needs. The recent "India Reimagined Fellowship" offers grants to global talent in biomedical and public health research, while the "Ramalingaswami Re-entry Fellowship" is for scientists in life sciences.

4. Streamline entry processes. Introduce a "Global Science Residency Card" to offer extended residency and settlement options. Create a "Bharat Return" initiative with fast-track visas and tax incentives to facilitate smooth transitions.

5. Initiate mega-projects. Fund large-scale, mission-mode projects in sunrise sectors like AI, semiconductors, and quantum technologies. These "Aspirational Mega-Projects" can act as magnetic focal points to attract top talent by offering compelling, globally competitive research opportunities.

6. Learn from China: China's Thousand Talents Plan worked because of large start-up grants, housing, easier visas, fast procurement, strong universities, and steady R&D funding. India should adopt these enablers with transparent, performance-based rules and shared facilities to prevent privilege and protect returning researchers' morale.

Conclusion

NRI talent can accelerate capability only if daily frictions are removed and support systems are robust. Prioritise higher R&D, friction-free procurement and hiring, broad-based universities, and stable funding. Learn pragmatically from China's incentives without creating tiers. With these foundations, returning becomes the natural, high-impact choice.

Question for practice:

Examine the challenges India faces in harnessing NRI scientific talent and the key measures needed to overcome them.

Source: [Indian Express](#)

Deepfakes and Democracy

The Ministry of Electronics and Information Technology (MeitY) has proposed draft amendments to the IT Rules, 2021, to regulate synthetic content, including AI-generated videos, images, and voices. The draft aims to make the creators and platforms behind such content accountable and transparent. If adopted, India would become one of the first democracies to formally address the dangers of AI-driven misinformation.

Features of Draft Amendments

The government's **goal is to curb the spread of impersonation**, fake news, and deepfake-based fraud without stifling innovation.

- They define "**synthetically generated information**" as content created or altered by algorithms to resemble authentic media.
- They require **platforms that create or host such content to label it clearly**, for example, dedicating **at least 10 per cent of visual space or the first 10 per cent of audio to disclaimers**.
- They mandate **automated detection systems** and user **declarations** for synthetic media uploads.
- They **preserve safe-harbour protection** for intermediaries that remove harmful synthetic content, while penalising those that don't.

Challenges/Needs for Amendments

- The **deepfakes** have **infiltrated** politics, entertainment, and social discourse.
- The AI technology can also **destroy reputations, manipulate elections, or incite violence**.

- India's **digital population is vast**, multilingual, and heavily reliant on social media for news. The risk of viral misinformation is therefore exponentially higher.
- The draft's proposed "**10 per cent visual disclaimer**" is symbolically strong but **technically weak**.

Way Forward

- **Verification infrastructure:** Build a digital provenance framework, akin to Aadhaar, for authenticity, where each piece of content carries an invisible but verifiable signature.
- **Tiered accountability:** Differentiate between platforms that host, generate, or monetise synthetic media. Responsibility should rise with influence.
- **AI literacy:** Equip citizens to detect manipulation.

International Case Studies

- The EU's AI Act mandates watermarking of synthetic content.
- The US relies on voluntary corporate commitments.
- China requires government pre-approval for "deep synthesis" media.

Conclusion

Democracy runs on trust. And trust is fragile when truth becomes fluid. The solution isn't censorship. Regulate authenticity, not opinion. If India can institutionalise transparency in AI-generated media, it won't just protect its elections. It will export a model of digital responsibility for the world.

Source: [Indian Express](#)

Contours of Constitutional Morality

Source: The post "Contours of Constitutional Morality" has been created, based on "Contours of Constitutional Morality" published in "The Hindu" on 27th October 2025.

UPSC Syllabus: GS Paper -2- Indian Constitution—Historical Underpinnings, Evolution, Features, Amendments, Significant Provisions and Basic Structure.

Context: Constitutional morality in India ensures that governance adheres to constitutional values rather than majoritarian views or political interests. It protects fundamental rights, maintains institutional balance, and prevents arbitrary use of power. Growing judicial reliance on this principle highlights the need for continuous civic awareness to uphold democratic integrity.

Meaning and Key Elements

- Constitutional morality refers **to the obligation to uphold the values, principles, and spirit enshrined in the Constitution** while functioning within a democratic framework.
- Constitutional morality ensures that **the Constitution remains the supreme guiding force** above individual or majoritarian preferences.

- It includes **an unwavering commitment to fundamental rights**, the rule of law, and institutional checks and balances.
- It demands that **governance protect equality, liberty, justice, participation, and human dignity** for all individuals.
- It involves **adherence not only to written constitutional provisions** but also to conventions and ethical conduct that preserve democratic functioning.

Judicial Interpretation

- The Supreme Court has clarified that **constitutional morality must prevail over social or popular morality**, particularly when fundamental rights are at stake.
- In the *Navtej Singh Johar case*, the Court held that criminalising same-sex relationships violated constitutional morality by undermining dignity and equality.
- In the *Joseph Shine case*, the Court struck down the adultery law because it treated women as property, which conflicted with constitutional values.
- Courts have invoked constitutional morality to prevent misuse of power by political authorities, such as in *B.R. Kapur v. State of Tamil Nadu*, where **eligibility for constitutional office was tested** against constitutional norms.
- Judicial decisions **repeatedly emphasise that constitutional principles must guide decision-making in governance**, even when public opinion differs.

Challenges

- The **rise of majoritarian politics** poses a threat to constitutional morality by prioritising popular sentiment over constitutional safeguards.
- A **lack of civic understanding about constitutional values** weakens public commitment to constitutional governance.
- **Political actors sometimes use constitutional rhetoric selectively** to justify actions that actually undermine constitutional principles.
- **Institutional independence** is often challenged by executive dominance, which disrupts constitutional balance.

Way Forward

- India needs continuous civic education to nurture respect for constitutional ideals among citizens and leaders.
- Strong and autonomous institutions must be protected so that checks and balances function effectively.
- Lawmakers and public authorities must discharge their duties strictly in accordance with constitutional obligations rather than partisan interests.
- Judicial vigilance must continue to protect rights and prevent violations of constitutional morality.
- The cultivation of constitutional morality must become a sustained effort to ensure that democratic norms do not erode over time.

Conclusion: Constitutional morality is essential for protecting democratic values and ensuring that governance remains anchored in justice, equality, liberty, and dignity. A society that consistently follows constitutional morality strengthens constitutional democracy and prevents the arbitrary or oppressive exercise of power. The

continuous reinforcement of constitutional morality is critical to safeguarding the future of India's constitutional system.

Question: Constitutional morality must act as a safeguard against the tyranny of the majority and arbitrary use of state power." Discuss with suitable judicial illustrations.

Internationalising the Indian Rupee and India–Nepal Economic Ties

Source: The post “**Internationalising the Indian Rupee and India–Nepal Economic Ties**” has been created, based on “**Winding up the clock of India-Nepal economic ties**” published in “The Hindu” on 27th October 2025.

UPSC Syllabus: GS Paper -3-Indian Economy and issues relating to Planning, Mobilization of Resources, Growth, Development and Employment.

Context: Internationalising the Indian Rupee (INR) is a key economic objective of the Government of India to strengthen India's position in regional and global finance. Nepal plays a vital role in this strategy because of its deep economic engagement and monetary interdependence with India.

Recent RBI Measures

1. The RBI has **permitted Authorised Dealer (AD) banks to lend Indian Rupees to non-residents in Nepal**, supporting trade and business activities.
2. The RBI has **permitted Special Rupee Vostro Accounts to be used for investment in corporate bonds, commercial papers, and government securities** within India.
3. The RBI has decided **to establish a transparent reference exchange rate for the INR** to support smoother INR-settled transactions with major trade partners, including Nepal.

Significance for Nepal's Economy

1. Nepal relies on India for over **60 percent of its imports and one-third of its exports**, which makes INR-based trade highly beneficial.
2. **Access to INR liquidity strengthens Nepal's businesses** that depend on Indian supply chains and markets for growth.
3. **INR-denominated lending allows Nepalese firms** to avoid costly dollar conversions and reduces their exposure to global currency volatility.
4. **Increased INR availability can help Nepal recover from sluggish growth** caused by reduced remittances and weak industrial performance after COVID-19.

Broader Economic and Strategic Benefits

1. The **expansion of INR usage reduces dependence** on the US dollar and strengthens financial sovereignty in the region.
2. **Easier access to Indian finance supports sectors** like hydropower, tourism, manufacturing, and cross-border trade.
3. **Formalising trade** through INR reduces informal transactions and improves transparency in border commerce.
4. This **initiative strengthens India's role as a financial anchor** in South Asia and reinforces long-term economic partnership with Nepal.

Challenges in Implementation

1. Economic and Domestic Constraints in Nepal

- a. Nepal's private sector continues **to struggle with low productivity, weak investor confidence**, and limited access to competitive credit.
- b. Nepal's **financial sector requires stronger governance mechanisms** to manage increased foreign lending responsibly.

2. Regulatory and Institutional Challenges

- a. The **alignment of regulatory frameworks between the Reserve Bank of India and Nepal Rastra Bank is still evolving** and requires sustained cooperation.
- b. Nepal needs **stronger sovereign guarantee mechanisms** and improved credit ratings for large-scale INR financing.

3. Political and Geopolitical Sensitivities

- a. Some groups in Nepal express concerns that **deeper INR integration may lead to excessive economic dependence** on India.
- b. Nepal's engagement with China could **complicate a more profound monetary alignment with India**.

4. Operational and Market Risks

- a. **Maintaining the INR-NPR exchange rate peg requires careful monetary coordination** to avoid instability.
- b. Rapid expansion of cross-border credit without oversight could **lead to debt vulnerabilities in Nepal**.

Way Forward

- Both countries should **establish a joint mechanism to oversee currency cooperation, credit facilitation, and cross-border regulatory compliance**.
- Nepal **should improve the ease of doing business, strengthen industrial capacity, and develop** logistics infrastructure at key border points.
- India should **expand INR-based trade into digital payments, energy cooperation, and institutional** financing platforms.
- **Continuous confidence-building measures** are necessary to ensure that monetary cooperation remains equitable and mutually respectful.

Conclusion: Internationalising the Indian Rupee through deeper financial integration with Nepal has the potential to **reshape regional trade and economic resilience**. This partnership supports Nepal's development needs while advancing India's strategic goal of strengthening the global standing of the Rupee. A coordinated, transparent, and trust-based approach will ensure that both nations benefit from a stable and future-oriented economic relationship.

Question: Discuss the recent initiatives taken by the Reserve Bank of India to promote the internationalisation of the Indian Rupee and examine how these measures can reshape India–Nepal economic ties.

Topic - International Relations

Restoring Balance in the Indo-Pacific

The Indo-Pacific region has re-emerged as a focal point in global geopolitics after a period of relative neglect, during which major powers such as the US shifted their attention to crises in Europe and the Middle East. This lull, however, allowed China to quietly expand its influence, reshaping regional dynamics and underlining the need for new strategies among key stakeholders, especially India.

Key Developments in the Indo-Pacific

- **China's incremental expansion:** China has utilized the period of global distraction to expand influence through ports, infrastructure, logistics, and dual-use projects, notably in Myanmar and Cambodia, without establishing overt military bases.
 - The strategy focuses on building “**incremental advantage**,” leveraging commercial projects for long-term strategic flexibility.
- **US disengagement and erosion of regional trust:** The US shifted its attention to Europe and the Middle East, leading to a strategic lull in the Indo-Pacific.
 - Reduced sustained engagement by the US has resulted in the Quad lacking the steady coordination needed for robust deterrence.
- **Rise of autonomous regional strategies:** India, Japan, and Australia are pursuing more independent and decentralized security and economic strategies.
 - These countries are strengthening bilateral ties, mini-lateral frameworks, and enhancing indigenous capabilities beyond dependence on American leadership.
- **Growing coordination challenges:** Diplomatic strains, such as cooling Indo-US relations and revived US interest in Pakistan, have further thinned strategic cooperation.
 - Gaps in coordination and persistent disengagement give China space to shape regional norms and expand its influence.
- **Risk of eroding deterrence:** The principal threat is not outright war but a gradual erosion of deterrence and trust, making room for coercive tactics and norm revision by China.

Way Forward

- **Sustained strategic engagement:** India should prioritize continuous diplomatic and maritime presence across the Indo-Pacific, avoiding a retreat into continental preoccupations.
- **Capacity building and investment:** Strengthen maritime domain awareness, upgrade logistics and coastal infrastructure, and invest in dual-use development that serves both economic and defense interests.
- **Deepening partnerships:** Expand partnerships in disaster relief, climate resilience, and connectivity projects, especially with ASEAN and Pacific island nations.
 - Reinforce involvement in forums such as the Quad and foster inclusive diplomacy with smaller regional states.
- **Promoting regional resilience:** Support collective approaches that emphasize autonomy, rule-based order, and pluralistic cooperation over rigid bloc alignments.
 - Focus on adaptation and presence to prevent the dilution of deterrence and ensure India's stakes in regional security and stability.

Conclusion

The Indo-Pacific's future depends on the ability of regional democracies, especially India, to restore persistent, purposeful engagement. Timely action can reverse the drift and ensure a stable, open, and pluralistic maritime order that secures both national interests and collective security.

Source: [TNIE](#)

A start for North-South carbon market cooperation

Source: The post “**A start for North-South carbon market cooperation**” has been created, based on “**A start for North-South carbon market cooperation**” published in “The Hindu” on 28th October 2025.

UPSC Syllabus: GS Paper -2-Effect of Policies and Politics of Developed and Developing Countries on India's interests

Context: The EU and India have agreed to link India's Carbon Market (ICM) with the EU's Carbon Border Adjustment Mechanism (CBAM), allowing carbon prices paid in India to be deducted from CBAM levies at the EU border. This collaboration represents a significant shift in global climate governance by establishing a model for North-South carbon market cooperation.

Significance of Linking ICM with CBAM

1. This linkage prevents **Indian exporters from bearing both domestic carbon compliance costs** and CBAM charges simultaneously.
2. It encourages Indian industries **to adopt early decarbonisation** measures through credible carbon pricing.
3. It **enhances the legitimacy and global acceptance** of India's evolving carbon market architecture.
4. It **strengthens India-EU economic cooperation** while aligning climate transition pathways between developed and developing economies.
5. It **provides a long-term incentive for market-based climate action** in India rather than reliance on regulatory mandates alone.

Key Challenges in Operationalisation

1. **Underdeveloped Domestic Carbon Market**
 - a. India's ICM is still evolving because it relies on **emission-intensity-based credits** rather than **absolute emission caps** that are required under EU standards.
 - b. Current compliance, monitoring, and verification systems in India **lack the institutional robustness seen in the EU-ETS**.
 - c. The **absence of legally binding penalties and strong enforcement mechanisms** limits environmental integrity.
2. **Price Gap and Cost Burden**
 - a. The **carbon price in the EU is significantly higher** than in India, which may result in EU authorities rejecting Indian credits as insufficient.
 - b. **Indian exporters may experience a double financial burden** until price convergence and sector coverage alignment take place.
3. **Institutional and Regulatory Barriers**
 - a. The EU **demands transparent and independent regulatory oversight**, which requires a structural redesign of India's compliance systems.

- b. **Alignment on sectoral carbon contracts and negotiated price floors** would be politically difficult to agree upon.
4. **Sovereignty and Trade Concern**
 - a. India has **historically opposed CBAM at the WTO**, viewing it as a unilateral and protectionist measure, which creates a political contradiction in formally linking with it.
 - b. The **EU's authority to judge the adequacy of India's climate action** raises sensitivities about policy sovereignty.

Legal and Political Risks

1. Disputes may arise **if the EU rejects India's carbon pricing** as inadequate, pushing the issue into legal or political escalation.
2. Any **weakening of domestic compliance** under internal industrial pressure could restore CBAM levies fully, destabilising export flows.
3. **Misalignment in market design and political resistance** on both sides could jeopardise the continuity of cooperation.

Way Forward and Opportunities

1. India **must strengthen cap-setting, monitoring, verification**, and enforcement mechanisms to meet global carbon market expectations.
2. A **negotiated carbon price floor and expanded sectoral coverage** would ensure smoother CBAM deduction for Indian exporters.
3. India and the EU **can expand technical cooperation** to ensure a predictable, credible, and transparent transition.
4. **Successful implementation will accelerate industrial decarbonisation** and promote low-carbon value chains across borders.

Conclusion: The EU-India carbon market linkage is one of the most important climate and trade arrangements between major global economies because it protects exporters while advancing environmental goals. Its success will depend on strong political commitment, credible market governance, and equitable treatment under CBAM. This cooperation has the potential to establish a global template for North-South collaboration on carbon markets, provided India strengthens its institutional foundations and compliance confidence.

Question: Discuss the significance and challenges of linking India's carbon market with the European Union's Carbon Border Adjustment Mechanism (CBAM).

The race for global leadership in science

Source: The post "**The race for global leadership in science**" has been created, based on "**The race for global leadership in science**" published in "The Hindu" on 28th October 2025.

UPSC Syllabus: GS Paper -3- Science & Technology

Context: The United States has historically dominated global science and technology innovation due to strong public investment and world-class institutions. China's sustained rise in R&D expenditure, scientific output, and institutional capacity indicates a major transition in the global scientific leadership landscape.

Concerns over Declining U.S. Leadership

1. **Major budget cuts across NSF, NIH, NASA, and other agencies** have reduced grant funding and weakened frontier research.
2. The **cancellation of approximately 40,000 research grants and key vaccine projects** has undermined biomedical innovation.
3. **Withdrawal of funding for global health programmes** risks weakening international disease control efforts.
4. **Restrictive visa policies and termination of fellowships** are causing a growing brain drain from the U.S. research ecosystem.

China's Surge in S&T Leadership

1. China has **increased long-term STI investments** for two decades, focusing on biosciences, chemistry, AI, and environmental sciences.
2. China now **leads global university rankings in the Nature Index, surpassing U.S. institutions** in high-impact scientific output.
3. Chinese researchers **contribute nearly 40 percent of all global AI publications**, outperforming the U.S. and Europe.
4. China's **R&D spending is rising at 8.7 percent**, far higher than the U.S. **1.7 percent**, and is projected to surpass it within three years.
5. **Strategic initiatives like Made in China 2025** and the Medium and Long-Term Plan aim to consolidate China's position as a global technology power.

Challenges in the Global Science Leadership Transition

1. **Increasing geopolitical rivalry between the U.S. and China** may fragment global scientific collaboration and knowledge exchange.
2. **Security-driven restrictions on international research partnerships** could slow progress in critical technologies.
3. China still faces challenges in **academic freedom, transparency, and ethical research standards**, which may deter global collaboration and trust.
4. **U.S.A risks innovation stagnation** due to unstable research funding cycles and declining support for basic science.
5. **Brain drain dynamics could intensify global inequalities** in S&T capacity as talent moves from funding-constrained regions to high-investment hubs.
6. **Over-politicisation of research priorities** may shift focus from long-term scientific discovery to short-term geopolitical outcomes.

Implications for Global Science and Geopolitics

1. China's **rise could alter the existing science governance structure** dominated by the United States and its Western allies.
2. **Emerging-technology leadership in AI, semiconductors, and quantum** could reshape global economic and military power relations.
3. The **global order may witness a shift from academic openness to competitive technological nationalism**.

Conclusion: The United States risks erosion of its global leadership in science due to declining investments and weakening talent inflows. China's coordinated strategy positions it strongly for scientific dominance,

although institutional challenges remain. The global balance of power in the 21st century will be increasingly determined by nations that maintain robust, inclusive, and innovation-driven research ecosystems.

Question: Evaluate the shift in global scientific leadership with reference to the rise of China and the challenges faced by the United States.

Significance of ASEAN for India

Source: The post “Significance of ASEAN for India” has been created, based on “Missed opportunity: On India and ASEAN summit in Malaysia” published in “The Hindu” on 29th October 2025.

UPSC Syllabus: GS Paper -2-Effect of Policies and Politics of Developed and Developing Countries on India's interests

Context: India has been a dialogue partner of ASEAN since 1995 and a Summit-level participant since 2002, which makes these meetings a crucial diplomatic platform for India in the Indo-Pacific region. The recent ASEAN Summit in Malaysia should have been an important opportunity for India to strengthen its regional engagement.

Significance of ASEAN for India

1. ASEAN plays a central role in India's Act East Policy and its wider Indo-Pacific strategy.
2. The ASEAN Summit, the ASEAN-India Summit, and the East Asia Summit allow **India to interact with major powers** including U.S.A, China, Japan, Australia, Russia, and South Korea.
3. **Cooperation with ASEAN supports India's priorities in maritime security**, disaster relief, humanitarian assistance, supply chain resilience, and the blue economy.
4. The summit setting **provides momentum for advancing trade reforms** such as the review of the ASEAN-India Trade in Goods Agreement (AITIGA).

India's Position at the 2025 Summit

1. India was **represented by the External Affairs Minister** at a time of global economic volatility, strategic competition, and maritime tensions in the Indo-Pacific.
2. India **highlighted concerns over tariff barriers, reliable access** to critical exports, and supply-chain security.
3. India and ASEAN **reaffirmed their commitment to finalise AITIGA reforms**, which are essential for balanced and sustainable trade relations.

Challenges in India-ASEAN Engagement

1. India **continues to face strong strategic and economic competition** from China in the ASEAN region.

2. **Trade imbalances and delays in connectivity projects** have limited the full potential of economic cooperation.
3. **Diplomatic sensitivities**, including past tensions with Malaysia over Pakistan, have **occasionally strained relations**.
4. The **absence of India's top leadership at key ASEAN engagements contributes to a perception of inconsistency** in India's regional commitment.

Why It Was a Missed Opportunity

1. The **absence of the Prime Minister diminished India's visibility and diplomatic signalling** at a critical geopolitical moment.
2. ASEAN leaders were not **fully persuaded by the official explanation**, especially because India's absence had also occurred in 2022.
3. India **lost a valuable opportunity to demonstrate leadership when other major powers reaffirmed their commitment** simply through their presence.

Implications

1. India's **absence may undermine trust and reduce confidence among ASEAN partners** regarding India's long-term engagement.
2. It **may create strategic openings for other powers**, particularly China, to expand influence in Southeast Asia.
3. Slower progress in ongoing negotiations and reduced diplomatic momentum **may weaken India's role in shaping Indo-Pacific architecture**.

Way Forward

1. India **must ensure consistent high-level representation at ASEAN and East Asia Summits** to reinforce its commitment to the region.
2. **Strengthening connectivity and economic integration measures**, including faster AITIGA reforms, will be essential to improve trade relations.
3. India should **expand maritime cooperation, digital connectivity, and defence partnerships** to counterbalance strategic competition.
4. Diplomatic **outreach must be proactive** to prevent any misperceptions regarding India's priorities.

Conclusion: ASEAN remains vital for India's strategic interests and regional stability in the Indo-Pacific. The missed opportunity at the Malaysia summit underlines the need for stronger, consistent, and visible diplomatic engagement by India in the ASEAN region.

Question: India's absence at the ASEAN Summit in Malaysia reflects a missed diplomatic opportunity in the Indo-Pacific. Discuss.

Rethinking Immigration in the Age of Exclusion

Source: The post “Rethinking Immigration in the Age of Exclusion” has been created, based on “Rethinking Immigration in the Age of Exclusion” published in “The Hindu” on 29th October 2025.

UPSC Syllabus: GS Paper-2- Governance

Context: Immigration has historically facilitated human survival, cultural exchange, and social progress. Contemporary politics, especially during the Trump administration in the United States, has transformed immigration into a source of fear, suspicion, and ideological conflict. This shift has weaponised immigration policies against vulnerable groups while neglecting the historical role of migration in nation-building.

Colonial History and Distorted Narratives

1. Colonial narratives, such as the **glorification of Columbus's “discovery” of America**, deliberately ignore the existence of advanced Indigenous civilisations.
2. Colonisation **destroyed vibrant societies by imposing foreign languages**, religions, and systems of governance for the extraction of wealth.
3. Colonial migration was not a peaceful settlement but a **tool of conquest, domination, enslavement, and forced displacement** of native populations.
4. Colonial powers **established racial hierarchies and property systems** that still structure today's global inequalities.

Link between Colonialism and Modern Anti-Immigration Politics

1. Current immigration restrictions are **rooted in historical practices** that treated non-European people as inferior and expendable.
2. **Powerful nations continue to obscure their role in creating conflict** and economic instability that drives forced migration.
3. **Migrants are criminalised and economically exploited** while being denied legal rights and social protection.
4. The **militarisation of borders presents migrants as threats to national security** rather than as human beings seeking dignity.

Political Construction of Fear and Suspicion

1. **Stereotyping and racial profiling** have resulted in **deep suspicion of migrants from Muslim-majority and war-affected regions** such as Syria, Afghanistan, and Sub-Saharan Africa.
2. **Public discourse increasingly frames immigration** as terrorism, crime, or disease, rather than as a humanitarian and developmental concern.
3. **Political leaders use anti-immigrant rhetoric** to gain power by generating fear and reinforcing xenophobic nationalism.
4. Despite being built by generations of migrants, societies like in U.S.A. **adopt exclusionary policies against new migrants**.
5. The **contributions of immigrants to economic growth, scientific progress, and cultural enrichment are often ignored or erased**.
6. This **selective historical memory enables governments to portray migrants as outsiders** rather than as part of national identity.

Ethical and Legal Dimensions

1. **Restricting the movement of people across borders** raises fundamental questions about human dignity and universal rights.
2. **Legal categories such as “illegal immigrant” fail to acknowledge** the moral legitimacy of migration as a basic human aspiration.
3. Immigration policies must shift **from punitive systems to rights-based frameworks** that recognise migrants’ agency and humanity.

Way Forward

1. **Future immigration systems should confront historical injustices** that continue to shape migration patterns worldwide.
2. Governments should promote **humane refugee protections, fair pathways to citizenship**, and safeguards against exploitation.
3. Policymakers must **replace racialised and security-driven narratives** with inclusive, evidence-based, and humanitarian approaches.
4. Societies must **acknowledge that diversity strengthens economic development**, innovation, and global cooperation.

Conclusion: A just approach to immigration requires dismantling the exclusionary ideologies inherited from colonialism. Recognising the historical roots of migration can help reshape policy toward fairness, dignity, and equality. Migration should be treated not as a threat, but as a legitimate human right that reflects the shared history and future of humanity.

Question: Modern immigration policies often reflect the colonial legacy of exclusion, domination, and racialised control. Critically examine this statement in the context of contemporary global politics.

The Chimerica Challenge

Introduction

The US–China relationship is shifting from deep economic interdependence to strategic rivalry. **This change creates risk and opportunity for Asia, especially India.** A short truce in trade or technology will not erase structural contradictions. **India must avoid panic and passivity**, and instead build leverage through reforms, defence modernisation, and a clear technology strategy.

About Chimerica

Fusion of finance and factories: Chimerica describes the long phase when American capital and global markets combined with Chinese labour and manufacturing. This fusion powered world growth and reshaped supply chains.

It began after the 1972 US–China opening and deepened under China’s reform and opening, as production scaled in China and consumption and finance scaled in the US.

Promise and limits: The idea assumed economic interdependence would soften political conflict. For years, it masked strategic differences. **But interdependence did not transform China's behaviour**, nor did it erase great-power competition.

Different Phases of Chimerica

Phase I: 1930s–1949 (Formation and WWII)

- The United States backed Chiang Kai-shek against Japan, and the United States and China became allies in World War II.
- China emerged among the victors and secured a permanent seat on the UN Security Council.
- India was internally divided: Gandhi declined Chiang's plea, Subhas Chandra Bose sought Japanese support, and Indian Communists backed the Allies.
- Because of these divisions, India missed the chance to shape the post-war order while China advanced.

Phase II: 1949–late 1960s (Early Cold War)

- After the Communist victory in 1949, the United States refused to recognise the People's Republic and backed Taiwan, while the Korean War deepened hostility and US alliances grew in East Asia.
- India championed Beijing's inclusion in the global order despite costs to ties with the United States.
- Even after the late-1950s rupture with China, India did not move closer to Washington and instead leaned toward Moscow.

Phase III: 1972–1990s (Rapprochement to "Chimerica")

- President Nixon's 1972 opening and the Shanghai Communiqué began US–China normalisation.
- Under Deng Xiaoping, China integrated with the world economy, and US capital combined with Chinese labour and global markets to create "Chimerica."
- India remained wary of the West and missed this wave of integration and growth.

Phase IV: 1991–2016 (Post-Soviet reorientation)

- US–China engagement deepened, and China's rise became faster and broader.
- India normalised relations with both the United States and China and undertook economic reforms.
- However, India retained an old balancing mindset with Russia and China, and China pulled ahead more rapidly.

Phase V: 2017–2024 (Open strategic rivalry)

- The United States formally labelled China a strategic rival, launched trade and technology restrictions, reshaped supply chains, and strengthened alignments with Japan, Australia, ASEAN, and India through the Quad.
- China became more assertive in the South China Sea, across the Taiwan Strait, and on the Himalayan border.
- Despite facing aggression on the border, India stayed cautious due to fear of entrapment in a US alliance and underused American support to narrow the power gap with China.

Phase VI: 2025 Busan moment (Truce, not peace)

- Trump and Xi are expected to announce a truce in trade and technology, which may calm markets but does not erase deep structural contradictions.
- The United States signals refinement, not reversal, through support for AUKUS, a strong US–Japan alliance, long-term ASEAN outreach, and plans to reduce dependence on Chinese critical minerals.

The Chimerica Challenge

- It refers to the current difficulties and potential breakdown of the symbiotic economic relationship between the United States and China, known as "Chimerica".
- This challenge is marked by escalating trade tensions, tariffs, export controls, and a move toward decoupling, driven by strategic competition between the two economic powers.
- The challenge involves figuring out how to navigate the consequences of this breakdown, which impact global economic growth and stability.

Impacts of the Chimerica Challenge

1. Effects on the United States

- **Tariffs raise production costs** for US firms, including multinationals that manufacture abroad. This pressure spreads across supply chains and reaches consumers.
- **Financial markets show stress** when policy signals are abrupt. Concerns also grow over the national research ecosystem if politicised cuts continue.
- In technology, **US leadership in design-heavy segments is real but vulnerable**, because barriers to entry are not insurmountable and foreign competition is rising.
- Industry lobbying **complicates stable deals**, while new probes and quotas create uncertainty for downstream sectors.

2. Effects on China

- **Exports are important but not decisive** for China's growth. The US share in China's exports has declined, and many leading Chinese firms earn most of their revenue at home.
- China **adapts through import substitution and third-country sourcing**. It also uses **counter-leverage in critical minerals** and targeted market access limits.

- These tools **increase Beijing's bargaining power** and signal staying power. There is **no evident appetite for a quick grand bargain**.

3. Effects on Southeast Asia and global supply chains

Policy swings create unpredictable shocks for ASEAN and other manufacturing hubs. Selective tariff exclusions help some segments, yet **new investigations threaten key nodes** such as semiconductors and electronics.

- Governments respond by **hedging**. They **engage China** to secure markets and inputs, while **managing a more volatile US stance** through ongoing policy adjustments. The result is **greater planning complexity** for both firms and states

Implications for India

1. **Strategic posture.** A US–China tactical truce raises concern about being sidelined, but enduring rivalry means India will operate in a competitive, not settled, order.
2. **Structural space.** Current balances create room for India to act, including on energy choices. The US needs India as a counterweight, even as pressure appears when interests differ.
3. **Limits of interdependence.** Economic interdependence alone will not moderate China's behaviour; trade will not resolve security frictions along the Line of Actual Control.
4. **Operating environment.** India will face alternating reassurance and pressure from partners, persistent border assertiveness from China, and shifting rules in technology and supply chains.

India's response

1. **End hesitation.** Assume oscillation will continue but rivalry will persist; act with purpose.
2. **Deeper economic reform.** Use reform to raise growth and build leverage.
3. **Defence-industrial modernisation.** Improve production, procurement, and R&D to narrow the power gap with China.
4. **Coherent technology strategy.** Organise critical technologies to reduce choke-point exposure and scale adoption.
5. **Partnership with the United States.** Proactively stabilise and advance ties to accelerate national transformation.
6. **Management of China.** Limit direct confrontation while widening space for selective cooperation.
7. **Policy discipline.** Track US–China engagements closely, resist panic and complacency, and focus on steady capacity-building.

Conclusion

Chimerica's glow has faded; the rivalry is structural. Even if trade and tech tensions pause, contradictions endure. India's task is clear: ignore summit theatre, build leverage through reform, defence modernisation, and technology strategy, deepen the US partnership, and manage competition with China without illusion.

Source: [Indian Express](#)

Urban planning is not just land-use planning

UPSC Syllabus Topic: GS Paper 1 -Society – Urbanization

Introduction

India needs cities that **drive growth, cut emissions, create jobs, and stay resilient**. A \$30-trillion economy by 2047, **net-zero by 2070** with major **GHG cuts by 2030**, and a young workforce seeking livelihoods all converge in cities. Dense settlements are also **highly disaster-vulnerable**, as seen in the pandemic. Planning must therefore move beyond plot-wise land use to align **economy, resources, climate, mobility, and regional linkages** in one coherent frame.

Statistics on Urban India

1. According to the 2011 Census, the urbanisation rate in **India was 31.2%, which is expected to increase to 43.2% by 2035** (UN Habitat World Cities Report)
2. **Urban cities in India occupy just 3% of the land but contribute to ~60% of the GDP.**
3. **India is the second-largest urban system in the world**, with almost **11% of the total global urban population** living in Indian cities.
4. India's urban population is **expected to cross 50% of the total population** within the **next two decades**.
5. According to the Ministry of Finance, **one in-three poor people lives in urban areas**. This figure was about one-in-eight in the early 1950s.
6. According to the NITI Aayog **Report ~50% of India's statutory towns** are expanding **without any master plan** to guide their growth and infrastructure.
7. According to **Census 2011, 17.3% of the total urban population is living in slums.**

India's Approach Towards Urban Planning

1. **Land-use approach:** Modern planning grew from **19th-century public-health crises** and prioritised sanitation and **land-use control**. Zoning rules fixed how land parcels may be used, and changes require lengthy approvals..
2. **Population-led provisioning:** Cities are called **engines of growth**, yet master plans are **not derived from an economic vision**. They **project population from past trends** and size infrastructure accordingly.
3. **Boundary-limited scope:** Planning practice tends to **stop at municipal boundaries**. However, much urban growth occurs **outside city limits**, and urban economies are **interlinked with surrounding rural areas**. Smaller cities, crucial for **manufacturing with affordable land**, are rarely integrated into **regional plans**.

Concerns Related to India's Approach Towards Urban Planning

1. **Economic vision missing:** Without a **20–50-year economic vision**, land-use plans lack a credible basis. Cities cannot identify **future drivers of growth**, making investments and land allocation **misaligned with jobs and productivity**.
2. **Mismatch with growth and jobs:** People move to cities **for livelihoods**, yet plans are **environment-centric on land, not economy-centric on jobs**. Population-trend projections **underestimate job-led migration** in high-growth phases, risking **under-provisioned infrastructure**.
3. **Resource constraints Growing:** cities face **natural-resource shortages**. Current plans seldom **budget water, energy, and land** or **manage demand**. Ignoring **carrying capacity** creates **unsustainable pressures** on limited resources.
4. **Climate concern :** Cities must lead **emissions reduction** and **resilience**, but many lack **climate action plans** with pathways for **low-emission growth** and **vulnerability roadmaps**.
5. **Air pollution**, heavily affected by **transport**, persists without robust **environmental management** and **mobility** strategies.

Way forward

1. **Economic vision first:** Begin every plan with a 20–50-year economic roadmap that names city-specific growth drivers.
2. **Jobs-to-people logic:** Estimate population from projected jobs and then size land and infrastructure.
3. **Resource budgeting:** Map water, energy, and land balances. Use demand management to stay within carrying capacity.
4. **Climate action:** Prepare citywide pathways for low-emission growth and clear resilience measures.
5. **Air-quality and mobility:** Adopt an environmental management plan, with an air-pollution focus. Shift travel through a comprehensive mobility plan that favours public and non-motorised modes.
6. **Regional scale:** Plan beyond municipal limits, recognise urban–rural linkages, and include smaller cities in a single regional strategy.
7. **Enabling reforms:** Update planning laws and retool education to build the multidisciplinary talent this approach needs.

Conclusion

Cities are **pivotal** to growth, climate goals, jobs, and resilience. A **land-use-only model is inadequate**. Planning must **pivot to economic visioning, resource budgeting, climate and air-quality action, sustainable mobility, and regional integration**, supported by **legal and educational reforms**. This shift will **re-position cities as true “economic growth hubs”** for **Viksit Bharat**.

For detailed information on **Urban Planning and Development** [read this article here](#)

Question for practice:

Examine India's approach to urban planning, identify the key concerns arising from it, and suggest a clear way forward.

Source: [Indian Express](#)

Constitution (130th Amendment) Bill and Issues Related

UPSC Syllabus Topic: GS Paper 2- Parliament and State legislatures—structure, functioning, conduct of business, powers & privileges and issues arising out of these.

Introduction

The Bill amends **Articles 75, 164, and 239AA** to link a Minister's continuance in office to **arrest and 30 days' custody**. It is before a **Joint Parliamentary Committee**. The core debate is whether **custody-based removal**—prior to trial—safeguards constitutional morality or **risks misuse** and disrupts governance.

Key Provision of Constitution (130th Amendment) Bill

1. **Articles targeted: It proposes amendments to Article 75, Article 164, and Article 239AA**, covering the Union Council of Ministers, State Councils of Ministers, and the special administrative provisions for Delhi. .

2. Removal mechanism and timelines

If a Minister is arrested and remains in custody for thirty consecutive days for an offence punishable with imprisonment of five years or more, removal follows.

The **President** (on advice of PM or directly) must remove a Union Minister or the Prime Minister.

The **Governor** (on advice of CM) must remove State Ministers.

The **Governor** (directly) must remove a Chief Minister.

For Union Territories (including Delhi and J&K), similar removal provisions will apply under amended Articles and relevant laws.

3. **Targeted Offices:** The Bill applies to the Prime Minister and Union ministers at the central level, as well as Chief Ministers and state ministers in states and Union Territories.

4. **Focus on Detention, Not Conviction:** A core and highly debated aspect is that the minister's removal would be based on the duration of their detention, **NOT** on a final conviction in a court of law. The Bill's "statement of objects and reasons" claims this is necessary to uphold constitutional morality and public trust in governance.

5. **Provision for Reappointment:** The Bill does not prevent a minister who has been removed from being reappointed to the same office once they are released from custody, regardless of whether they have been acquitted.

Major Concern Related to Constitution (130th Amendment) Bill

1. **Subjectivity in bail decisions:** Bail may also depend on the judge's liberty stance under Article 21. This injecting subjectivity into a rule that directly affects democratic representation and executive continuity.

2. **Misalignment with default bail:** Default bail is a right if the investigation is **not completed within 60–90 days** of custody (CrPC Section 167(2) / BNSS Section 187). The Bill triggers removal after **30 consecutive days** in custody. Since courts commonly extend remand within the 60–90 day window, the **30-day trigger sits earlier than the default-bail safeguard**, creating a mismatch.

3. **Removal before trial concludes:** Courts decide bail using the triple test (flight risk, evidence tampering, witness intimidation). In practice, they also consider the **gravity of the offence**. This often keeps an accused in custody **beyond short periods in heinous offences**. Under the Bill, longer custody **raises the chance of crossing 30 consecutive days**, which **activates removal from office**, even before trial concludes.

4. **Undermining presumption of innocence:** A significant criticism is that the bill equates arrest with guilt, removing the fundamental principle that an individual is innocent until proven guilty in a court of law.

5. **Political manipulation:** There are concerns that the bill could be used to target political opponents, as the power to remove ministers could be influenced by executive and political considerations rather than strict legal grounds.

6. **Risk of executive overreach:** Critics fear the bill gives too much power to the executive branch, as the removal of a minister depends on the advice of the Prime Minister or Chief Minister.

7. **Potential for arbitrary removal:** The 30-day period is considered arbitrary and not based on a clear legal or policy rationale. It could also prompt strategic delays in bail hearings to trigger removal from office.

8. **Impact on the legal process:** The bill may disregard specific legal protections and provisions, particularly for cases under special statutes with stringent bail conditions like the PMLA, where the burden of proof is reversed onto the accused.

9. **Risk to federalism:** The bill could have an impact on the structure of union and state cabinets, raising concerns about federal principles and potentially enabling the destabilization of coalition governments.

10. **Influence of office and bail:** If the Minister **stays**, courts may fear influence over the case, **bail may be denied**, and **removal follows after 30 days' custody**. If the Minister **resigns**, **bail may be easier**, but **the office is lost**.

Varies judgement related to Minister Arrest

1. Deenan v. Jayalalithaa (Madras HC, 1989)

In this case, the High Court held that “may arrest” in Section 41 CrPC denotes discretion, not compulsion, and refused to direct the police to arrest during investigation.

2. Joginder Kumar v. State of U.P. (SC, 1994)

In this case, the Supreme Court held that **no arrest should be made merely because the power exists**. The police must **justify the arrest**.

3. Amarawati v. State of U.P. (Allahabad HC, 2004)

In this case, the High Court, after examining Sections 41 & 157 CrPC, held that **arrest in a cognisable offence is not mandatory**. The police may **investigate first and arrest only if required**.

4. CrPC amendment, 2009 (legislative change)

Parliament **tightened arrest conditions in Section 41 CrPC**, distinguishing **≤7 years** from **>7 years** offences. **Section 41A CrPC** still enables **appearance by notice** when custody is **not necessary**, irrespective of offence length.

5. Satender Kumar Antil v. CBI (SC, 2022)

In this case, the Supreme Court held that **investigating agencies are bound** to follow **Section 41/41A CrPC** safeguards. Non-compliance undermines personal liberty safeguards.

6. Arnesh Kumar v. State of Bihar (SC, 2014)

In this case, the Supreme Court mandated that the investigating officer must **record reasons and material** justifying arrest, and High Courts have **objected to violations** of these directions.

7. National Police Commission, 3rd Report (1977)

The Commission reported that **nearly 60% of arrests were unnecessary or unjustified**. This heightens concern about **misuse of arrest**—a crucial risk when the Bill's **30-day custody trigger** can remove Ministers from office **before trial concludes**.

Conclusion

The Bill **creates a custody-based removal rule** to protect **constitutional morality**, yet raises **serious risks: discretionary arrests, bail-law frictions, special-statute burdens, and federal instability**. **Clarifying safeguards, aligning with default-bail timelines, and strict arrest-protocol compliance** are essential to balance **accountability and liberty**.

For detailed information on **Constitution (130th Amendment) Bill – Provisions & Criticisms** [read this article here](#)

Question for practice:

Examine the major concerns related to the Constitution (One Hundred and Thirtieth) Amendment Bill.

Source: [The Hindu](#)

The Cough Syrup Catastrophe

UPSC Syllabus Topic: GS Paper 2 -Issues relating to development and management of Social Sector/Services relating to Health.

Introduction

India has seen repeated child deaths from contaminated cough syrups. In **October 2025**, **27 children** died in **Madhya Pradesh and Rajasthan** after consuming **Coldrif** and another **dextromethorphan-based syrup**. **WHO confirmed diethylene glycol (DEG) up to 48.6%** in Coldrif. The pattern is not new. **Indian-**

made syrups were earlier linked to deaths in **The Gambia and Uzbekistan**, with similar crises in **Indonesia and Cameroon**. The crisis exposes **deep failures in regulation, enforcement, and medical practice**.

Reasons for Recurrent Child Deaths from Cough Syrups

1. **Toxic solvent substitution:** Some manufacturers replace safe solvents like **propylene glycol or glycerin** with **diethylene glycol (DEG) or ethylene glycol** to cut costs. These chemicals **damage kidneys and the nervous system**. **Children are highly vulnerable**, so poisoning is rapid and often fatal.
2. **Uneven enforcement:** Action varies across states. **Tamil Nadu** shut Sresan Pharmaceuticals and cancelled its licences. **Gujarat** recalled syrups without arrests. This inconsistency lets **rogue firms exploit gaps**.
3. **Underpowered national regulator:** The **CDSCO** oversees a **\$50-billion industry** but is **understaffed, underfunded, and compromised**. **Inspections were reactive, not preventive**. Pharmacovigilance exists but is **underused and overwhelmed**.
4. **Perverse incentives in prescribing:** A doctor was **arrested for prescribing Coldrif** and admitting to **commissions from the company**. Such incentives promote **overprescription** despite **paediatric safety guidance**, which is **poorly enforced**.
5. **Flawed licensing and surveillance:** The **2021 online drug licensing system** has not curbed adulteration. **Signals from hospitals and citizens** rarely trigger **swift recalls, targeted audits, and prosecution**.
6. **Light penalties, slow justice:** The **Drugs and Cosmetics Act, 1940** imposes **paltry penalties—fines as low as ₹1 lakh**, low compared to profits. **Sresan Pharmaceuticals's owner faces manslaughter charges**, but **delayed trials blunt deterrence**.
7. **Export-domestic double standard:** India **tightened export scrutiny** after deaths abroad, but **domestic markets remain poorly policed**. **Poor families** relying on **cheap generics** carry the highest risk from **untested potions**.

Initiatives Taken to Curb Contamination.

1. **Rapid bans:** **Madhya Pradesh** first banned **Coldrif on October 2**. The ban became **nationwide by October 11**, removing the suspect syrups from shelves.
2. **Expert committee:** **Rajasthan** set up an **expert committee**. The **Indian Council of Medical Research** joined a **multidisciplinary investigation** to trace sources and failures.
3. **Digital monitoring system:** In **October 2025**, the **CDSCO** launched a **digital monitoring system** on the **Online National Drug Licensing System (ONDLS)** portal. This system **tracks the supply chain of high-risk solvents** like propylene glycol, requiring manufacturers to obtain licenses and **upload batch details for real-time monitoring**.
4. **Strengthened manufacturing practices:** The government has **mandated strict compliance with revised Schedule M** of the **Drugs and Cosmetics Act by December 31, 2025**. The new rules **align with global GMP** and require manufacturers to enhance **quality systems, supply chain traceability, and testing for DEG and EG**.

5. Increased testing and surveillance: The **Indian Pharmacopoeia Commission (IPC)** is launching a **nationwide training program** for drug laboratories to improve their ability to **detect toxic contaminants** using **advanced techniques like gas chromatography**.

6. Targeted inspections: The **CDSCO** has ordered **nationwide, risk-based inspections and audits** of all cough syrup manufacturing units.

7. Traceability measures: The government **plans to mandate QR code-based traceability** for specific drugs, including cough syrups, to strengthen the fight against **counterfeit and substandard medicines**.

8. Restrictions on use: In response to contamination risks, **advisories were issued** to states and union territories against **prescribing cough-cold syrups for children under five years old**.

9. Export checks: Following deaths in The Gambia and Uzbekistan, **export scrutiny was tightened**. **USFDA and the US embassy confirmed no implicated exports** reached the United States.

10. Global coordination: **WHO offered investigative support** and termed the contamination **criminal**. Engagement with **WHO** remains essential for **standards and alerts**.

Way forward

1. Strengthen regulation and testing: Empower **CDSCO** with **independent funding**, a **larger inspectorate**, and **transparent governance**. **Mandate verifiable batch-wise quality certificates** from accredited labs before release.

2. Accountability and deterrence: **Raise penalties** for adulteration to meaningful levels. **Blacklist and prosecute** negligent firms. **Protect whistleblowers** to surface malpractice early.

3. Clinical practice and surveillance: **Disclose doctor commissions**, enforce **paediatric guidelines**, and **penalise non-compliance**.

4. Strengthen pharmacovigilance: Create and promote a **robust adverse drug reaction reporting system** that allows healthcare facilities and patients to **report negative outcomes promptly**.

5. Raise public awareness: Educate **caregivers and the public** about the risks of **contaminated medicines**, the importance of only **buying from verified sources**, and how to **spot a dubious product**.

6. Close the domestic-export gap: Apply the **same strict standards at home** that are used for exports. **Uniform state enforcement** must replace fragmented action to end **regulatory arbitrage**.

7. Foster global collaboration

- **Strengthen international cooperation:** Partner with the **World Health Organization (WHO)** and other global bodies to create **faster alert systems** for contaminated products and to **build capacity in low-resource settings**.

- **Enforce global standards:** Adhere to and benchmark against **WHO guidelines** for manufacturing and testing to ensure **consistently high standards** for both domestic and exported medicines.

Conclusion

This is a systemic failure, not an accident. Profit-driven adulteration, weak laws, fragmented enforcement, and perverse prescribing incentives created a deadly chain. Manufacturers and policymakers share responsibility for the 27 child deaths. India's pharmaceutical success cannot rest on domestic neglect. Only **independent regulation, rigorous testing, real deterrence, ethical prescribing, and uniform enforcement** can prevent the next cough syrup tragedy.

Question for practice:

Discuss the reasons behind recurrent child deaths from contaminated cough syrups in India and the key initiatives taken to curb such contamination.

Source: [The New Indian Express](#)

A decade after Paris accord, an unstoppable transition

Source: The post "A decade after Paris accord, an unstoppable transition" has been created, based on "A decade after Paris accord, an unstoppable transition" published in "The Hindu" on 30th October 2025.

UPSC Syllabus: GS Paper -3-Environment

Context: The **Paris Agreement**, adopted at **COP21 in 2015**, represents the most significant global effort to combat climate change. It **aims to limit global temperature rise to well below 2°C and pursue efforts to restrict it to 1.5°C**. Ten years later, although emissions continue to rise, the Paris Agreement has triggered an irreversible transition toward a sustainable and low-carbon world.

Achievements and Impact

1. The Paris Agreement has shown that **collective international cooperation can influence the global climate trajectory**.
2. Before its adoption, the world was heading toward a **4°C–5°C temperature rise** by 2100, but this has been reduced to **approximately 2°C–3°C** through global efforts.
3. It has encouraged **differentiated responsibilities**, respecting the diverse capabilities of developing and developed countries.
4. The Agreement has **accelerated the renewable energy revolution**, making solar, wind, and hydroelectricity the most competitive sources of new power.
5. **Electric mobility and battery technology** have progressed rapidly, and electric vehicles now constitute nearly **20% of global new car sales**.
6. The global energy shift has also **created jobs, enhanced energy security**, and improved **national sovereignty** for many developing countries.

Example of Effective Multilateralism (ISA)

1. The **International Solar Alliance (ISA)**, co-founded by **India and France** at COP21, exemplifies how multilateralism under the Paris Agreement can drive real progress.
2. It has grown into a coalition of over **120 member countries**, promoting **capacity building, training, and financial support** for solar transitions.
3. At the **8th ISA Assembly in 2025**, co-chaired by India and France, the alliance reaffirmed its mission to **make solar energy accessible to all**.

4. India's strong commitment to renewable energy is evident, as more than **50% of its installed electricity capacity** now comes from non-fossil sources, well ahead of the 2030 target.
5. India also aims to achieve **net-zero emissions by 2070** and pursue a **low-carbon development pathway** under the vision of "*Viksit Bharat 2047*."

Challenges in the Post-Paris Decade

1. **Global emissions continue to rise**, and the current national commitments (NDCs) remain inadequate to meet the 1.5°C target.
2. **Developing countries face financial constraints**, as developed nations have **not fulfilled their \$100 billion annual climate finance commitments**.
3. **Adaptation measures remain underfunded**, leaving vulnerable regions exposed to climate disasters such as floods and heatwaves.
4. **Dependence on fossil fuels** still persists, especially in emerging economies where coal and oil dominate the energy mix.
5. **Climate misinformation and weak governance** reduce public trust and hinder effective policy implementation.
6. **Technological and intellectual property barriers** limit the transfer of clean technologies to developing countries.

Way Forward

1. The world must **accelerate collective emission reduction efforts** and adopt ambitious, science-based national targets.
2. There should be a **just and inclusive transition**, prioritising adaptation, resilience, and support for vulnerable communities through mechanisms like the **Green Climate Fund, Loss and Damage Fund, and CDRI**.
3. **Protection of natural carbon sinks**, including forests, mangroves, and oceans, must become a central strategy in global climate action.
4. **Empowering local governments, businesses, and civil society** is essential to translating climate goals into action on the ground.
5. **Defending climate science** and strengthening institutions like the **IPCC** are vital to combat disinformation and ensure evidence-based policy.
6. Developed nations should ensure **predictable and equitable climate finance** to bridge the implementation gap.

Conclusion: The transition initiated by the Paris Agreement is **unstoppable** because it has become a necessity for human survival and economic progress. It is unstoppable because **industries, markets, and governments** are increasingly aligning with sustainability. It is unstoppable because **multilateralism**, as seen in the ISA, continues to drive cooperation and innovation. Despite persistent challenges, the Paris Agreement has irreversibly placed the world on a path toward a **low-carbon, resilient, and inclusive global future**.

Question: Assess the impact of the Paris Agreement on global climate action and explain why the transition it began is considered unstoppable.

China's complaint against India at WTO

Source: The post “China’s complaint against India at WTO” has been created, based on “China’s complaint against India at WTO” published in “The Hindu” on 30th October 2025.

UPSC Syllabus: GS Paper -2-Effect of Policies and Politics of Developed and Developing Countries on India’s interests

Context: Recently, China filed a formal complaint against India at the **World Trade Organisation (WTO)**, alleging that India’s **Production-Linked Incentive (PLI) Scheme** violates WTO subsidy rules. China claims that the scheme offers **prohibited subsidies** that are contingent on the use of **domestic inputs** rather than imported goods, thereby breaching **global trade norms**. The case raises critical questions about the **compatibility of India’s industrial policy** with international trade law and the space available for **developing countries** to pursue **self-reliant growth strategies**.

What is the PLI Scheme?

1. The **PLI Scheme**, launched in **2020**, aims to transform India into a global manufacturing hub by offering **financial incentives** to firms based on **incremental production and sales** within the country.
2. The scheme covers multiple sectors and seeks to:
 - **Enhance domestic manufacturing capabilities,**
 - **Integrate Indian industries into global value chains, and**
 - **Promote innovation, employment, and exports.**
3. The **three specific PLI components** challenged by China include:
 - **Advanced Chemistry Cell (ACC) Battery Manufacturing** – to promote giga-scale battery production,
 - **Automobile and Auto Component Manufacturing** – to boost EV adoption,
 - **Electric Vehicle (EV) Manufacturing** – to attract global EV makers.

What is China’s Complaint?

1. China alleges that India’s PLI schemes **violate WTO obligations** by linking subsidies to **domestic value addition (DVA)** and the **use of locally sourced goods**.
2. For instance, under the **auto sector PLI**, companies must achieve a **minimum of 50% domestic value addition** to qualify for financial benefits.
3. China contends that such local content requirements **discriminate against imported goods**, violating the **National Treatment Principle** under **Article III:4 of GATT 1994** and **Article 2.1 of the TRIMs Agreement**.
4. It argues that these conditions constitute **prohibited subsidies** under **Article 3.1(b) of the Subsidies and Countervailing Measures (SCM) Agreement**, as they are **contingent upon the use of domestic over imported goods**.

Relevant WTO Provisions

1. **General Agreement on Tariffs and Trade (GATT) 1994 – Article III:4:** Mandates equal treatment between domestic and imported products.
2. **Trade-Related Investment Measures (TRIMs) Agreement – Article 2.1:** Prohibits investment measures inconsistent with national treatment, such as local content requirements.

3. **Subsidies and Countervailing Measures (SCM) Agreement – Articles 3 & 5**
 - Classifies subsidies into **prohibited**, **actionable**, and **non-actionable** categories.
 - Prohibited subsidies are those tied to **export performance** or the **use of domestic goods**.
4. China, therefore, argues that India's PLI falls into the "**prohibited**" category, as it may distort trade and disadvantage foreign manufacturers.

India's Defence

1. India maintains that its **PLI incentives are not contingent on domestic sourcing** in a manner that violates WTO rules.
2. The **value addition criteria** are part of broader national industrial performance metrics and do not directly impose local content requirements.
3. India argues that **industrial subsidies** are a **legitimate policy tool** for development, recognised under WTO rules for developing countries.
4. The scheme intends to **boost competitiveness, innovation, and employment**, not to discriminate against foreign products.
5. India also highlights the **precedent of similar subsidy programs** in advanced economies, for instance, **U.S.A. Inflation Reduction Act (IRA)** and the **EU's Green Deal Industrial Plan**, both of which provide large-scale industrial subsidies.

Challenges

1. **Legal Vulnerability** – If the WTO panel rules in China's favour, India might have to **revise or withdraw** certain parts of the PLI scheme.
2. **Industrial Policy Constraints** – A ruling against India could **restrict its policy space** for future industrial strategies aimed at self-reliance.
3. **Precedent Risk** – Successive complaints from other WTO members could **undermine India's incentive-based industrial model**.
4. **Diplomatic Tensions** – The case may **escalate trade tensions with China**, already strained due to geopolitical disputes.
5. **Weak WTO Enforcement** – With the **Appellate Body non-functional since 2019**, dispute resolution might be delayed, leaving the issue unresolved for years.
6. **Investor Uncertainty** – Ongoing disputes may **create ambiguity** for firms investing under the PLI scheme, affecting investor sentiment.
7. **Balancing Developmental and Trade Commitments** – India faces the challenge of **maintaining developmental policy autonomy** while complying with global trade rules.

Way Forward

1. **Robust Legal Defence** – India must prepare a **strong legal argument** emphasising that the PLI scheme rewards **output and performance**, not domestic sourcing.
2. **Policy Calibration** – The government may **refine eligibility criteria** to avoid any direct link between subsidies and local content.
3. **Diplomatic Negotiation** – Engage in **constructive consultations** with China and other WTO members to seek a diplomatic resolution.
4. **Global Alliance for Reform** – India should **ally with developing and emerging economies** to advocate for **reform of WTO subsidy rules**, ensuring greater policy space for developmental support.

5. **Transparency and Notification** – India must regularly **notify WTO bodies** about its schemes and maintain transparency to strengthen its credibility.
6. **Encouraging Self-Sufficiency Through Competitiveness** – Focus on **innovation, infrastructure, and skill development** so that domestic industries become globally competitive without heavy reliance on subsidies.
7. **Strategic Communication** – India should actively project that its industrial incentives aim at **sustainable growth and global supply chain integration**, not protectionism.

Conclusion: China's complaint against India at the WTO is a **test case for reconciling developmental industrial policy with global trade disciplines**. While India's PLI scheme has been crucial for **boosting domestic manufacturing and energy security**, it must be **aligned with WTO principles** to avoid disputes and maintain international credibility. The challenge lies in balancing **Atmanirbhar Bharat** objectives with **multilateral trade commitments**. By defending its policies with clarity, engaging diplomatically, and leading the call for **modernising WTO subsidy frameworks**, India can safeguard both its **economic sovereignty and global trade legitimacy**.

Question: What is China's complaint against India at the WTO regarding the Production-Linked Incentive (PLI) Scheme? Discuss the relevant WTO provisions, associated challenges, and the way forward for India.

AI's rewriting of the rules of education

UPSC Syllabus Topic: GS Paper-2- Issues Relating to Development and Management of Social Sector/Services relating to Education, Human Resources.

Introduction

India is preparing to introduce **Artificial Intelligence (AI)** from **class three in the 2026–27 academic year**, in line with the **National Education Policy (NEP) 2020**. The plan aims to build a strong **K-12 framework**—that is, the entire schooling system from **kindergarten to class 12**—where AI is woven into every stage of learning. This move seeks to equip students with **future-ready digital skills**, promote **personalised and inclusive education**, and prepare them for a **technology-driven economy**.

Significance of Introducing AI in Education in India

1. **Personalisation:** AI studies how each student learns and adapts lessons to their pace and needs. It gives extra practice where a student struggles and offers advanced tasks when they are ready.
2. **Inclusion:** AI tools support many Indian languages and assist learners with disabilities. Customised content helps create fair access to learning across regions and abilities. Also highlight the important aspects in the summary.
3. **Teacher augmentation:** AI automates attendance, grading, and other routine work. Teachers can then focus on discussion, creativity, and critical thinking with students.
4. **Smarter lesson design & real-time feedback:** AI helps teachers design lesson plans and classroom resources. It also provides quick feedback so teaching can adjust to what students understand in the moment.
5. **Early AI literacy:** Introducing AI from class three builds basic comfort with modern tools. Students learn problem-solving and responsible use of AI from an early age.

6. Workforce readiness: AI may replace some roles, but it is expected to create more jobs by 2030. Early exposure prepares students to adapt and gain skills for new opportunities.

7. Momentum in higher education: Many higher education institutes already use generative AI for teaching support. Chatbots, interactive quizzes, and personalised materials make learning more engaging.

8. System-level scaling: Large-scale teacher training and pilot projects show a path to wider adoption. With careful rollout, AI can help reduce learning gaps across India's diverse classrooms.

Challenges of Introducing AI in Education in India

1. Reduced human interaction: Over-reliance on AI can diminish the vital role of human empathy, mentorship, and social interaction between teachers and students.

2. Weakened critical thinking: Students may become overly dependent on AI tools, which could hinder the development of their own critical thinking and problem-solving skills.

3. Teacher training: India must upskill over one crore educators. Converting teachers into confident AI guides is a mammoth task, and readiness varies.

4. Integration challenges: Integrating AI seamlessly with existing educational systems and curriculum is a significant technical and pedagogical hurdle.

5. Managing disruption: AI's classroom gains arrive with workforce disruption. Schools must prepare learners for jobs that do not yet exist.

6. Data privacy: AI systems in education collect large amounts of student data, creating risks related to how this data is stored, accessed, and used, as well as potential security breaches.

7. Algorithmic bias: AI algorithms can perpetuate existing societal biases found in their training data, potentially leading to unfair treatment or outcomes for different student groups.

8. Digital divide: The cost and lack of infrastructure in rural areas can create an unequal playing field, where students in well-resourced schools benefit while others are left behind.

Initiative Taken to Introducing AI in Education in India

The Indian government has launched several key initiatives to integrate Artificial Intelligence (AI) into the national education system, guided by the National Education Policy (NEP) 2020.

1. Skilling for AI Readiness (SOAR) Program: This national program, launched by the Ministry of Skill Development and Entrepreneurship (MSDE), targets students from Class 6 to 12 and educators. It provides structured modules (three 15-hour modules for students, one 45-hour module for educators) focused on foundational AI concepts, ethical use, and basic machine learning.

2. AI in School Curriculum (CBSE): The Central Board of Secondary Education (CBSE) introduced AI as an elective subject in Class 9 starting from the 2019–2020 academic session, later extending it to Class 11. The curriculum is designed to foster AI literacy and practical application skills, and from the 2026–27 academic session, AI education will be introduced for all students from Class 3 onwards.

3. **AI Centres of Excellence (CoE):** The Union Budget 2025–26 allocated funds to establish a Centre of Excellence in AI for education. This center will serve as a national hub for research, development of context-sensitive AI tools, and integration of AI into teaching and learning processes in higher education institutions (HEIs).

4. **IndiaAI Mission:** Approved in March 2024 with a significant budgetary outlay, this mission aims to build a robust AI ecosystem. Key pillars include:

- **India AI Future Skills:** Focuses on developing AI-skilled professionals by offering fellowships, establishing Data and AI Labs in Tier 2 and Tier 3 cities, and reskilling IT manpower.
- **AI Application Development Initiative:** Promotes the creation of AI solutions for India-specific challenges, including assistive learning technologies in education.

5. **Atal Innovation Mission (AIM):** Launched by NITI Aayog, the Atal Tinkering Labs (ATL) initiative nurtures creativity and innovation in robotics and AI among school students through hands-on experiential learning.

6. **Collaborations:** The government is working with tech giants like Intel, IBM, Microsoft, and Google to train teachers and develop AI-integrated course materials. MoUs have also been signed with premier institutions like IITs and NITs to offer AI-related courses and training programs.

Conclusion

Introducing AI early offers personalised learning, greater inclusion, and stronger teacher support while building future-ready skills. Success will depend on large-scale teacher training, equitable infrastructure, clear data safeguards, and phased pilots. With careful policy design and ethical oversight, AI can expand access and quality without leaving disadvantaged learners behind.

Question for practice:

Examine the significance and the main challenges of introducing AI across India's education system.

Source: [The Hindu](#)

Merging PSU Banks

UPSC Syllabus Topic: GS Paper 3 -Indian economy

Introduction

India's PSB policy currently prioritises **organic growth, governance, and technology** with **no immediate mergers**. Earlier consolidation **reduced PSBs from 27 to 12**, aligning with **Narasimham Committee-II (1998)**, which envisaged **fewer, larger, stronger banks** under a three-tier structure. The next phase should build capacity for **well-structured, large-ticket lending** while safeguarding **outreach** and **financial inclusion**.

Reasons for PSU Banks Mergers

1. **Addressing financial weaknesses:** High NPAs and low capital in smaller PSBs can be stabilised by merging with stronger banks, enabling better **asset management, securitisation, and refinancing.**
2. **Enhance efficiency and supervision:** Economies of scale, **branch rationalisation**, common administration, and **technology integration** raise efficiency; fewer, larger PSBs ease **RBI supervision** to **uniform standards.**
3. **Credit capacity and competitiveness:** Larger capital bases **lift lending capacity** across infrastructure, SMEs, and retail; scale can strengthen **ratings** and lower **funding costs.**

Significance of PSU Banks Mergers

1. **Economic growth and large-scale financing:** Bigger entities can **finance major infrastructure** essential for development.
2. **Enhanced efficiency and cost reduction:** **Consolidating overlaps** in branches and systems lowers costs and streamlines operations.
3. **Stronger balance sheets:** Pairing weaker with stronger banks **improves balance sheets** by tackling NPAs and enlarging **capital.**
4. **Increased competitiveness:** **Well-capitalised** large banks compete better with private peers and are **more resilient** to economic shocks.
5. **Wider customer and product base:** Mergers **expand reach** and enable a **broader product suite** from a single platform.
6. **Improved risk management:** A larger entity can better manage liquidity and adopt more sophisticated risk management strategies.

Concern Related to PSU Banks Mergers

1. **Cultural and Operational Differences:** Each bank has its own work culture, management style, and operational systems. Integrating these different cultures and systems can be a complex and time-consuming process.
2. **Technological Integration:** Merging banks often operate on different banking platforms. Integrating these technologies requires careful planning, significant investment in IT infrastructure and testing in order to make sure that there is no disruption in services.
3. **Diluted managerial efficiency:** Merging stronger banks with weaker ones can dilute the efficiency of the stronger banks, potentially increasing operational risks and impacting performance.
4. **Branch rationalization:** Mergers can lead to the closure of overlapping branches, potentially affecting the reach of PSBs in rural and semi-urban areas.
5. **Diluted financial inclusion:** The focus on regional and local lending priorities for sectors like agriculture and MSMEs may be diluted in a large, consolidated entity.

6. Systemic risk: Creating a "too big to fail" institution could pose a systemic risk to the economy, as the government might have to bail it out in a crisis.

7. Service disruption: Customers often face short-term disruptions like changes to account numbers, IFSC codes, and cheque books, which can lead to temporary service glitches and blocked funds.

Way forward

1. Boost risk capacity: Allocate capital and systems to raise risk appetite and expand asset portfolios for large infrastructure lending. This widens lending capacity for viable projects while keeping balance sheets resilient.

2. Better Structure of loans: Use permitted risk-weight adjustments. Combine non-fund-based limits with funded facilities to enable phased, bankable financing. Synchronise disbursements with project milestones to manage risk.

3. Tighten oversight: Strengthen appraisal, monitoring, early-warning tools, and covenants so mega projects stay on track. This reduces slippages and protects asset quality.

4. Ownership tweaks: Consider raising the FDI cap above 20% and aligning voting rights beyond 10%, while keeping the Government's 51% stake.

5. Shift to NOFHC: Move to a Non-Operative Financial Holding Company structure to separate ownership from management and improve transparency and autonomy.

6. Sequence consolidation: Prioritise governance, technology, and outreach improvements now. Plan any new mergers only after these reforms deliver results, since mergers combine balance sheets but do not create value by themselves.

Conclusion

Prioritise governance, technology, and risk systems across the 12 PSBs to safeguard outreach and inclusion and build capacity for large, well-structured lending. Consider consolidation only after these reforms show results, so any merger adds scale without weakening service quality, strengthens balance sheets and oversight, and supports sustained infrastructure financing.

Question for practice:

Discuss the rationale, benefits, and concerns associated with the merger of Public Sector Banks (PSBs) in India.

Source: [Businessline](#)

Debt Sustainability of States

Source: The post "Debt Sustainability of States" has been created, based on "Debt Sustainability of States - A Complex Issue" published in "The Hindu" on 31st October 2025.

UPSC Syllabus: GS Paper -3-Indian Economy

Context: Debt sustainability of Indian States refers to their capacity to service debt without compromising developmental expenditure or resorting to excessive future borrowing. The FRBM Review Committee (2017) and the 15th Finance Commission prescribed uniform fiscal targets for both the Centre and the States. However, given wide inter-state variations in growth, income, and spending patterns, a one-size-fits-all approach may not be suitable to assess debt sustainability.

RBM and Finance Commission Targets

1. The FRBM Committee recommended limiting total public debt to 60 per cent of GDP by 2023 (40 per cent for the Centre and 20 per cent for States).
2. It emphasised that governments should not borrow for current expenditure and that fiscal deficit should act as the key operating target.
3. The 15th Finance Commission, post-COVID, set targets for States' fiscal deficit at 2.8 per cent of GSDP and fiscal liabilities at 30.9 per cent by 2024–25, along with a revenue surplus goal.

Debt Trends across States

1. States' overall debt increased from 22.8 per cent of GSDP in 2011–12 to 31 per cent in 2020–21, moderating to 28.8 per cent by 2024–25.
2. However, large variations exist across States — from 16.3 per cent in Odisha to over 57 per cent in Arunachal Pradesh.
3. These disparities highlight differences in economic growth, fiscal capacity, and expenditure priorities, making uniform benchmarks unrealistic.

Multi-Parameter Approach to Debt Sustainability

1. Debt sustainability depends on how productively borrowings are used and whether the return on debt exceeds its cost.
2. A higher debt–GSDP ratio may still be sustainable if debt is invested in infrastructure and productive capital formation.
3. The study proposes a composite **Debt Sustainability Index** based on five criteria:
 - a. **Domar Gap:** Difference between GSDP growth and interest rate.
 - b. **Debt Buoyancy:** Difference between GSDP growth and debt growth.
 - c. **Debt-to-GSDP Ratio:** Traditional measure of debt stock.
 - d. **Debt-to-Revenue Receipt Ratio:** Indicates repayment capacity.
 - e. **Capital Expenditure-to-Debt Ratio:** Reflects productive use of borrowings.
4. The first four parameters are given 15 per cent weight each, and the fifth, reflecting asset creation, carries 40 per cent weight.

Key Findings

1. The debt-to-GSDP ratio and the sustainability index show limited correlation.
2. Only Punjab and West Bengal have index values below 0.2, while Odisha scores above 0.9, indicating strong fiscal sustainability.
3. Sixteen States with index values above 0.6 are considered fiscally prudent, showing effective debt management despite higher debt ratios.
4. During 2021–2025, GSDP growth exceeded the average interest rate by about 8 per cent, indicating solvency.

5. Debt-to-revenue receipts ratio varies from 0.8 in Arunachal Pradesh to 3.6 in Punjab, showing wide repayment differences.
6. In eleven States, including Punjab, Kerala, and Tamil Nadu, debt exceeds cumulative assets, indicating inefficient use of borrowings.

Challenges in Ensuring Debt Sustainability

1. **Inter-State Variations:** Diverse growth rates, income levels, and fiscal capacities make uniform debt limits unrealistic.
2. **High Revenue Expenditure:** States often borrow to meet current expenditure, reducing funds for capital formation.
3. **Weak Debt Utilisation:** In many States, borrowings are not efficiently used for asset creation.
4. **Limited Revenue Base:** Dependence on central transfers and low own-tax revenue restrict fiscal autonomy.
5. **Interest Burden:** Rising debt servicing costs reduce fiscal space for development spending.
6. **Populist Policies:** Competitive welfare schemes and subsidies increase fiscal stress.
7. **Lack of Transparency:** Off-budget borrowings and guarantees obscure the true extent of liabilities.
8. **Inter-generational Equity:** Borrowing for non-productive purposes shifts the debt burden to future generations.

Policy Recommendations

- The Finance Commission should adopt a **multi-dimensional framework** instead of a single fiscal ratio for assessing sustainability.
- Fiscal consolidation targets must be **State-specific**, considering economic capacity and development needs.
- **Block grants** should be provided with **Key Performance Indicators (KPIs)** for fiscal discipline and efficiency.
- States must strengthen their **own revenue mobilisation** and ensure borrowings are directed toward **productive capital expenditure**.
- Greater **fiscal transparency** and **coordination with the Centre** are essential for credible debt management.

Conclusion: Debt sustainability of States is a multi-dimensional and dynamic issue. The wide fiscal diversity among States makes a one-size-fits-all approach ineffective. A flexible, multi-criteria framework assessing solvency, repayment capacity, and productive use of debt is vital. Ensuring fiscal discipline, while allowing States autonomy to pursue growth-oriented borrowing, will promote both **macroeconomic stability** and **equitable development** across India.

Question: A one-size-fits-all approach to debt management may not be suitable for Indian States. In light of this statement, discuss the challenges of ensuring debt sustainability among Indian States and suggest suitable measures for improvement.

The AI Data Centres Infrastructure in India

Source: The post “The AI Data Centres Infrastructure in India” has been created, based on “The AI Data Centres Infrastructure in India” published in “The Hindu” on 31st October 2025.

UPSC Syllabus: GS Paper -3- Technology

Context: Over the past two decades, India's electricity demand has grown steadily at about 5 per cent annually. Traditionally, energy demand was managed through coal-based generation and grid planning, but the rapid expansion of **Artificial Intelligence (AI)**, **5G**, and **digital infrastructure** has changed the landscape. The growth of **AI data centres**, which support AI-driven computing, cloud services, and massive data storage, is expected to cause a steep rise in electricity consumption. Consequently, ensuring a **sustainable, low-carbon, and continuous power supply** for these data centres has emerged as a strategic priority for India's energy and technology policy.

Growing Energy Demand of AI Data Centres

1. AI data centres require far greater power than traditional enterprise servers because of their heavy computational workloads.
2. Training **Generative AI models** and **Large Language Models (LLMs)** such as ChatGPT demands enormous processing power using **Graphics Processing Units (GPUs)** and **Tensor Processing Units (TPUs)**.
3. A typical AI data centre can consume **5 to 20 times more power** than a traditional one, depending on workload and efficiency.
4. Globally, the **power requirement for AI data centres** is projected to grow from around **460 terawatt-hours (TWh) in 2024 to 1,000 TWh by 2030**.
5. China's AI and Large Model data centres alone are expected to consume **more than 400 billion kWh by 2025**.
6. India's current capacity of **0.4 gigawatts (GW)** is projected to exceed **10 GW by 2030**, driven by the expansion of **Digital India**, data localisation, and AI adoption.

Drivers of Data Centre Growth in India

1. The growing need for **cloud storage**, **AI training models**, and **data-intensive operations** has increased the number of data centres across cities like **Chennai, Bengaluru, Hyderabad, and Mumbai**.
2. Government programmes such as **Digital India**, **AI Mission**, and **data localisation mandates** have encouraged both domestic and foreign investment.
3. Several private and global tech firms are setting up large-scale AI data campuses to support India's digital and industrial transformation.
4. This expansion, while boosting the economy, is also exerting pressure on the national electricity grid and demanding new, sustainable energy sources.

Current and Emerging Power Sources

To meet the rising energy demand, data centres are using a **diverse energy mix**:

1. **Renewable energy sources** like **solar and wind** are central to decarbonisation targets.
2. **Hydropower** and **natural gas** are used to balance the intermittency of renewables.
3. **Hybrid systems**, integrating renewables with **battery storage** and **green hydrogen**, are emerging as dependable clean energy options.

4. However, due to the constant 24×7 power requirements of AI operations, there is a growing need for **baseload, non-intermittent, and low-carbon energy**, which renewables alone cannot fully guarantee.
5. Hence, attention is turning towards **Small Modular Reactors (SMRs)** as a long-term, sustainable energy solution for powering AI data hubs.

Role and Advantages of Small Modular Reactors (SMRs)

1. **Small Modular Reactors (SMRs)** are compact nuclear reactors that can be manufactured, transported, and installed in modular units.
2. They typically have a capacity of **50–300 megawatts (MW)** and use **slightly enriched uranium** as fuel.
3. They offer several **key advantages**:
 - a. **Scalability and Modularity**: SMRs can be installed in clusters to match energy demand growth.
 - b. **Passive Safety Features**: They use natural convection and advanced cooling systems, reducing the risk of accidents.
 - c. **Lower Construction Time**: Modular design enables faster deployment compared to traditional nuclear plants.
 - d. **Reduced Land and Water Use**: They require smaller sites, making them suitable for integration with industrial parks and data campuses.
 - e. **Clean, Carbon-Free Energy**: SMRs provide constant, zero-carbon baseload power essential for uninterrupted AI computing.
4. India's nuclear research institutions like **BARC** and the **Department of Atomic Energy (DAE)** are working on 300 MW indigenous SMR designs.
5. Globally, SMR projects are being pursued by countries such as the U.S.A, Canada, and the U.K., with support from the **International Atomic Energy Agency (IAEA)** to establish safety and licensing frameworks.

Challenges and Regulatory Concerns

1. Despite their promise, several challenges slow down SMR adoption:
 - a. **High upfront capital cost** and complex technology integration.
 - b. **Lengthy regulatory clearances** and evolving nuclear safety standards.
 - c. **Public concerns** regarding nuclear waste management and perceived safety risks.
 - d. **Limited supply chain capacity** for reactor fabrication and skilled personnel.
 - e. **Lack of clear financial and policy frameworks** for private participation in nuclear energy.
2. These issues must be addressed before SMRs can play a central role in powering AI data centres at scale.

Way Forward

1. **Develop a National SMR Strategy**: India should frame a clear roadmap for SMR development with defined milestones, safety standards, and financing models.
2. **Promote Public-Private Partnerships**: Collaboration between government agencies, private tech firms, and international players can accelerate SMR deployment for data centres.
3. **Strengthen Renewable-Nuclear Integration**: Combining SMRs with renewable sources can create a resilient, hybrid energy system to power future AI clusters.

4. **Regulatory Modernisation:** Simplified and transparent licensing procedures should be introduced to ensure faster, safer deployment.
5. **Public Awareness and Global Cooperation:** Building public trust and aligning with IAEA safety frameworks will be crucial for long-term acceptance and global competitiveness.

Conclusion: The rapid proliferation of AI-based data centres marks a new frontier in India's digital economy but also presents unprecedented energy challenges. Traditional power sources and standalone renewables will not be sufficient to meet the massive, uninterrupted, and low-carbon energy demand. **Small Modular Reactors**, with their scalability, safety, and clean energy potential, can serve as a reliable backbone for future AI-driven infrastructure. Adopting an integrated approach combining **SMRs, renewables, and green hydrogen** will help India ensure **energy security**, support **digital innovation**, and advance towards a **sustainable, net-zero future**.

Question: What will power AI data centres in the future? Discuss the energy demand, power sources, and the role of Small Modular Reactors (SMRs) in ensuring sustainable and reliable electricity supply.