



NISHANT PRAKASH  
LAW CLASSES

“Gurukul for CLAT &  
AILET”

CLAT Tathya

FEBRUARY 2026

BUDGET ₹  
2026



# NPLC's TOP 10 GLORY 2025&26

A salute to our five toppers who turned pressure into purpose – their journey fuels the ambition of every student aiming for the top.

AIR

4

CLAT 2026



Arshnoor Singh

AIR

2

AILET 2025



Chaitanya Ghosh

AIR

2

CLAT 2025



Daiwik Agarwala

AIR

4

CLAT 2025



Aditya Gautam Ankhad

AIR

4

AILET 2026



Siddhant Rohit



REAL MENTORSHIP. REAL RESULTS.



# NPLC's TOP PERFORMERS 2026



**AIR 04, CLAT**



**Arshnoor Singh**



**AIR 04, AILET**



**Siddhant Rohit**



**AIR 22, AILET**



**Aryan Gupta**



**AIR 30, CLAT**



**Aarav Sachdeva**



**AIR 43, AILET**



**Nandini Gupta**



**AIR 43, AILET**



**Yamya Alag**



**AIR 74, AILET**



**Samarth Kumar**



**AIR 77, AILET**



**Sabhyata Singh**



**AIR 86, AILET**



**Medhini Srinath**

**YE POSTER NAHI, PROOF HAI!**



# NPLC's TOP PERFORMERS 2025



**AIR 02, AILET**



**Chaitanya Ghosh**



**AIR 02, CLAT**



**Daiwik Agarwala**



**AIR 04, CLAT**



**Aditya Ankhad**



**AIR 6, AILET**



**Dhruv Kamath**



**AIR 10, AILET**



**Vidisha Singh**



**AIR 24, AILET**



**Samyuktha Kovilakath**



**AIR 30, AILET**



**Goohika Joshi**



**AIR 51, AILET**



**Aditya Mehta**



**AIR 78, AILET**



**Yutika Kumar**

**YE POSTER NAHI, PROOF HAI!**



# NISHANT PRAKASH LAW CLASSES

*"Gurukul for CLAT & AILET"*

Founded in 2011, Nishant Prakash Law Classes (NPLC) has earned the reputation of being the 'Gurukul for CLAT'—a space where commitment, discipline, and mentorship come together to build India's finest legal minds. Often referred to as the 'Super 30 of CLAT', NPLC is not just a coaching institute—it's a movement for serious law aspirants.

What makes NPLC truly unique is its strictly limited intake—only 90 students offline and 30 online each year. With batch sizes of just 25, every student is thoughtfully selected to ensure they are not just coached, but personally mentored. This one-of-its-kind model helps create a tightly-knit academic environment where no student is left behind, and every performance is tracked, sharpened, and elevated.

Since its inception, NPLC has consistently delivered extraordinary results, with a CLAT success rate of over 90% every year, and most recently, rank 4 in both CLAT & AILET 2026. In 2025, 5 of the top 10 ranks in CLAT & AILET were from NPLC. We do not offer test series, correspondence courses, or shortcut-based programs—only full-time classroom learning, because we believe greatness is built with time, discipline, and relentless hard work.

**At NPLC, students are not identified by roll numbers but by their potential—and we make it our mission to ensure they live up to it.**

## What sets us apart?



91% Success Rate



Online & Offline Classes



Personalized Mentorship



Detailed Study Materials  
& Tests



1:15 Mentor - Student  
Ratio



Only 90 intakes per year  
Offline + 30 Students Online

**N**AVIGATE.  
**P**REPARE.  
**L**EAD.  
**C**ONQUER.

# Nishant Prakash



Nishant Prakash, founder and chief mentor at NPLC, is a nationally recognized legal educator and policy advisor. An alumnus of one of India's premier National Law Schools, Nishant left a thriving corporate law career to dedicate himself fully to teaching and mentoring the next generation of legal leaders. For over 13 years, he has built an unparalleled reputation as a transformational teacher, guiding students with precision, compassion, and personal accountability.

He has been associated with some of the country's top-tier law firms, including Luthra & Luthra, and holds expertise in Intellectual Property, Insurance, and Trade Law, with over 30 national and international publications to his credit.

A firm believer in long-term academic mentorship, Nishant combines academic rigour with real-world legal insights to prepare students for top law schools and successful careers. His work consistently bridges the gap between textbook learning and practical application, equipping students with a clear understanding of how law operates in the real world.

## Know your Mentor |



What sets Nishant apart is not just his knowledge, but his unwavering dedication to each student's growth. Every batch under his guidance is not just taught, but molded. He pushes students beyond their limits—while offering the support, discipline, and insight they need to thrive in competitive legal exams and beyond.

For parents looking for a mentor who truly takes ownership, and for students seeking more than just lectures—Nishant Prakash is the mentor who stays with you, every step of the way.

# Their Next Chapter



## NLSIU - Bengaluru

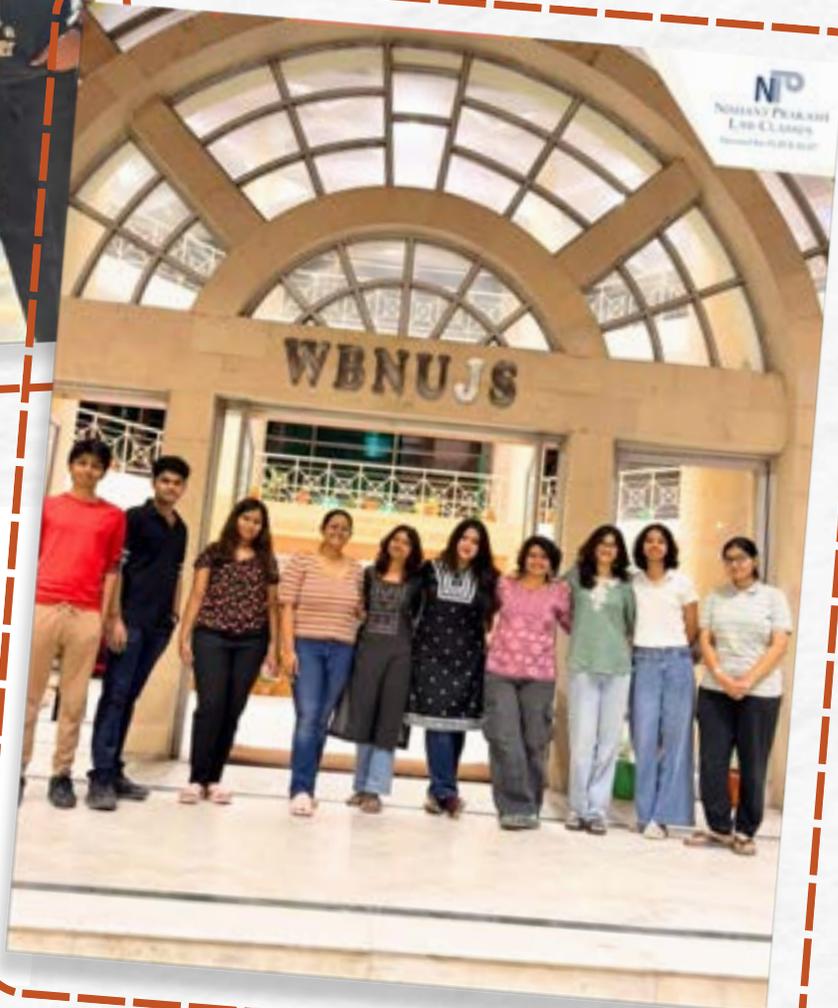
*(Left to Right)*

**Dainik Agarwala  
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Dhruv Kamath  
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*(Left to Right)*

**Reyhaan Aryan, Shashwat  
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Labonyo Banerjee, Yutika  
Kumar, Janani Murugan,  
Megha Malhotra**



# Their Next Chapter



## NLU - Delhi

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*(Left to Right)*  
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Amolya Kapani, Vidisha  
Singh, Goohika Joshi,  
Masirah Hussain, Krish  
Walia, Chaitanya Ghosh,  
Aditya Mehta**



## NLU - Jodhpur

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**Vivaan Mehta  
Khushi Gaur  
Maahi Yadav  
Shefali Talwar  
Kaushtubh Anand**

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**NISHANT PRAKASH  
LAW CLASSES**

# 1 INDIA AS THE WORLD'S FOURTH LARGEST ECONOMY

## IN FOCUS

- The Government of India announced on December 30, 2025, that with a **Gross Domestic Product (GDP)** valued at USD 4.18 trillion, India has surpassed Japan to become the world's fourth-largest economy and is now the fastest-growing major economy globally.
- India currently ranks behind the United States (USD 30.6 trillion), China (USD 19.4 trillion), and Germany (USD 5 trillion) in terms of nominal GDP.
- The government stated that India is poised to displace Germany from the third rank within the next 2.5 to 3 years, with a projected GDP of USD 7.3 trillion by 2030.
- In **Purchasing Power Parity (PPP)** terms, India's economy ranks third globally at USD 14 trillion, behind China (USD 33 trillion) and the United States (USD 25 trillion).
- The International Monetary Fund (IMF) projects that India's GDP in PPP terms could reach USD 20.7 trillion by 2030 and potentially become the world's second-largest PPP economy by 2038 with a GDP of USD 34.2 trillion.

## Quarterly Growth Performance

India's real GDP grew by 8.2% in the second quarter (July, August, and September) of 2025-26, marking a **six-quarter high** and reflecting the economy's resilience against global trade uncertainties.



The Q2 growth of 8.2% represents an increase from 7.8% in the first quarter of 2025-26 and 7.4% in the fourth quarter of the previous fiscal year.



Domestic drivers, particularly robust private consumption, played a central role in supporting this expansion.



The government noted that the growth momentum further surprised on the upside, with GDP expanding to a six-quarter high in Q2 of 2025-26.



## Robust Growth Momentum and International Projections

- The growth in Q2 of 2025-26 (8.2 percent) represents an improvement from 7.8 percent in Q1 and 7.4 percent in Q4 of the previous fiscal year, with domestic drivers, particularly robust private consumption, playing a central role in supporting this expansion.
- The World Bank has projected India's growth at 6.5 percent for 2026, while Moody's expects India to remain the fastest-growing G20 economy with growth rates of 6.4 percent in 2026 and 6.5 percent in 2027.

- The International Monetary Fund (IMF) has raised its projections to 6.6 percent for 2025 and 6.2 percent for 2026, while the Organisation for Economic Cooperation and Development (OECD) forecasts 6.7 percent growth in 2025 and 6.2 percent in 2026.
- The Asian Development Bank (ADB) has lifted its 2025 forecast to 7.2 percent, S&P anticipates growth of 6.5 percent in the current fiscal and 6.7 percent in the next, and Fitch has raised its FY26 projection to 7.4 percent on the back of stronger consumer demand.

## Global Statistical Measurement Framework (IPC)

- The **International Comparison Program (ICP)** is the largest worldwide data-collection initiative, operating under the guidance of the United Nations Statistical Commission (UNSC).
- The main objectives of the ICP are to produce **Purchasing Power Parity (PPPs)** and comparable Price Level Indices (PLIs) for participating economies.
- The ICP converts volume and per capita measures of GDP and its expenditure components into a common currency using PPPs.
- PPP is the rate at which the currency of one country would have to be converted into that of another country to buy the same amount of goods and services in each country.
- PPP exchange rates are constructed to ensure that the same quantity of goods and services are priced equivalently across countries.
- PPP exchange rates are used to convert the national poverty lines from some of the poorest countries in the world to determine the Global Poverty Line.
- For poverty estimation in India, the Tendulkar Committee computed poverty lines for 2004-05 at a level that was equivalent, in PPP terms, to Rs 33 per day.
- The conventional approach to measuring poverty is to specify a minimum expenditure (or income) required to purchase a basket of goods and services necessary to satisfy basic human needs, and this minimum expenditure is called the poverty line.
- Price Level Index is the ratio of a PPP to its corresponding market exchange rate and is used to compare the price levels of economies.
- GDP is the single standard indicator used across the globe to indicate the health of a nation's economy, comprising the sum of private consumption, gross investment in the economy, government investment, government spending, and net foreign trade (difference between exports and imports).



## Pre-Reform Economic Stagnation and the License Raj Era

- From the 1950s to the 1980s, India's economy grew at approximately 3.5 to 4 percent annually, a period that economist Raj Krishna termed the "Hindu rate of growth" in 1978 as a critique of the Nehruvian economic model and the state-led socialist planning system.
- The pre-1991 regulatory mechanisms included stringent industrial licensing, limited private sector involvement, small-scale industries reservations, and controls on price and distribution, collectively referred to as the **License Raj**.
- The structural context behind this economic stagnation was characterized by the License-Permit-Quota Raj, high state intervention, a closed economy model, weak private investment, and low productivity, which were policy-induced distortions rather than cultural factors.

- Gross domestic savings rose from an average of 9.6 percent of GDP in the 1950s to 20–25 percent by the 1970s and 1980s, yet much of this capital was directed toward low-return public sector projects with underutilized capacity.
- Poverty rates during this era remained persistently high, typically ranging between 40 and 50 percent of the population, with rural poverty at approximately 56 percent in 1973–74 and urban rates around 49 percent.
- Average annual GDP growth rose from 3.4 percent (1956–1975) to 5.8 percent (1981–1991) due to incremental internal reforms under Indira Gandhi and Rajiv Gandhi, indicating that India had begun moving beyond the old growth trap before the 1991 reforms.

## From Crisis to Resurgence: India's 1991 Gold Journey

### 1991: A Nation on the Brink



#### 3 Weeks of Survival

Foreign reserves dropped so low they only covered three weeks of essential imports.



#### The Great Gold Airlift

India pledged 67 tonnes of gold to the IMF to secure emergency loans.



#### Geopolitical Shocks

The Soviet Union's collapse and the Gulf War crippled trade and oil prices.

### The Road to Resurgence



#### Devaluation for Stability

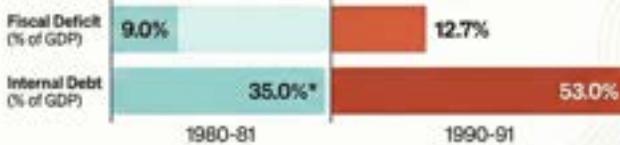
In July 1991, the rupee was depreciated by 9.5% to boost economic competitiveness.



#### The 200-Tonne Recovery

By 2009, India purchased 200 tonnes of gold from the IMF.

### Economic Metrics (1980-81 vs. 1990-91)



\*Internal Debt data reflects 1985-86 baseline.



#### A Full Circle Moment

The 2009 gold purchase was triple the amount pledged during the 1991 crisis.

- India's economic problems intensified in 1985 as imports swelled, leaving the country in a twin deficit, a trade deficit coinciding with a huge **fiscal deficit** that rose from 9 percent of GDP in 1980–81 to 12.7 percent in 1990–91.
- The internal debt of the government increased from 35 percent of GDP in 1985–86 to 53 percent of GDP in 1990–91, reflecting excessive public spending and growing subsidies.
- The collapse of the Soviet Union, India's largest trading partner with bilateral trade exceeding USD 5 billion annually, triggered a collapse in India's exports, while the Gulf War of 1990–91 caused a steep rise in oil prices and a drastic drop in foreign remittances from Indians overseas.
- By January 1991, India's foreign exchange reserves stood at USD 1.2 billion and had depleted by half by June, leaving barely enough to cover three weeks of essential imports.
- The Government of India's immediate response was to secure an emergency loan of USD 2.2 billion from the IMF by pledging **67 tonnes of gold** reserves as collateral security, the Reserve Bank of India airlifted 47 tonnes to the Bank of England and 20 tonnes to the Union Bank of Switzerland to raise USD 600 million.
- The gold was transported to London via chartered plane from May 21 to May 31, 1991, and the news of pledging the entire gold reserves against the loan caused public outcry and outraged national sentiments, contributing to the collapse of the Chandra Shekhar government.

- On July 2, 1991, within 10 days of the P.V. Narasimha Rao government taking office, the Indian rupee was allowed to depreciate 9.5 percent, taking its exchange value to Rs 23 per US dollar.
- By 2009, India had come full circle and purchased 200 tonnes of gold from the IMF, three times the amount pledged during the 1991 crisis, signaling recovery and economic resurgence.

### **Liberalisation, Privatisation, and Globalisation Reforms of 1991**

- The New Economic Policy (NEP) was announced on 24 July 1991 under Prime Minister P.V. Narasimha Rao and Finance Minister Dr. Manmohan Singh, introducing Liberalisation, Privatisation, and Globalisation (LPG) to stabilise the economy and support long-term growth.
- Liberalisation reduced government controls and eased import-export regulations, privatisation transferred state-owned enterprises to improve efficiency, and globalisation integrated India into global trade, investment, and capital flows.
- The reforms dismantled the License Raj, relaxed industrial licensing (except alcohol and hazardous chemicals), opened markets to foreign competition, and promoted private sector participation.
- Import tariffs were reduced from 125% to 30%, quantitative import restrictions were removed, and export promotion replaced import substitution as the trade strategy.
- The rupee was devalued and later moved to a market-determined exchange rate, improving export competitiveness and stabilising foreign exchange reserves.
- FERA was liberalised in 1993 and replaced by FEMA in 1999; private banks were allowed entry with higher foreign investment limits (~74%); SEBI was strengthened; and the NSE was established.
- PSUs were granted greater managerial autonomy through Maharatna, Navratna, and Miniratna status, with government disinvestment reducing state ownership.
- India joined the World Trade Organization (WTO) in 1995 and expanded bilateral and multilateral trade agreements to integrate with the global trading system.

### **Major International Economic Institutions**

<b>Institution / Group</b>	<b>Current Head</b>	<b>Established + HQ</b>	<b>Members</b>	<b>Core purpose</b>
<b>World Bank Group (WBG)</b>	<b>Ajay Banga</b> (President)	<b>1944; Washington, D.C.</b>	<b>189</b>	Reduce poverty and build shared prosperity in developing countries
<b>International Monetary Fund (IMF)</b>	<b>Kristalina Georgieva</b> (Managing Director)	<b>1945; Washington, D.C.</b>	<b>191</b>	Foster global monetary cooperation, stability, trade; promote growth and employment; reduce poverty
<b>OECD</b>	<b>Mathias Cormann</b> (Secretary-General)	<b>1961; Paris, France</b>	<b>38</b>	Stimulate economic progress and world trade; coordinate policies and share best practices
<b>Asian Development Bank (ADB)</b>	<b>Masato Kanda</b> (President)	<b>1966; Mandaluyong (Metro Manila), Philippines</b>	<b>69</b>	Promote social and economic development in Asia and the Pacific
<b>G20</b>	United States (2026 Presidency) – President Donald Trump	<b>1999; No permanent HQ (rotating presidency)</b>	<b>19 countries + EU + AU (since 2023)</b>	Premier forum for international economic cooperation

## India's Role

Institution / Group	India status / role
World Bank Group (WBG)	Member; not a member of ICSID
International Monetary Fund (IMF)	Founder member; India's Union Finance Minister is Ex Officio Governor
OECD	Not a member; participates as a key partner via Enhanced Engagement
Asian Development Bank (ADB)	Founding member; 4th-largest shareholder; ADB affairs handled by Dept. of Economic Affairs (MoF)
G20	Member; India held Presidency (1 Dec 2022–30 Nov 2023)

## Economic Transformation Post-1991

### Growth Rate



- 6.5% avg.
- Post-1991 annual GDP growth (1991–2010), up from 3.5% pre-reforms; peaked at 8.5% during 2003–08.

### GDP Size



- USD 3.4 trillion
- Nominal GDP rose from USD 266 billion in 1991 to USD 3.4 trillion by 2023, making India the world's 5th-largest economy.

### FDI Inflows



- USD 81.72 billion
- FDI inflows surged from USD 97 million in 1990–91 to USD 81.72 billion in 2020–21.

### Exports



- USD 291.8 billion
- Merchandise exports expanded from USD 18.7 billion in 1990–91 to USD 291.8 billion in 2020–21.

### Services Share



- 50%+ of GDP
- The services sector became the dominant contributor by 2020, led by IT, BPO, and telecom.

### Poverty Reduction



- -23 percentage points
- Population below the poverty line fell from 45% (1993–94) to 22% (2011–12).

## PRACTICE QUESTIONS

1. Which of the following countries was surpassed by India to become the world's fourth-largest economy in December 2025?

- (a) China (b) Italy  
(c) Spain (d) Japan

2. Which of the following is not among the countries India currently ranks behind in terms of nominal GDP?

- (a) France (b) China  
(c) Germany (d) America

3. Who among the following currently serves as the Managing Director of the International Monetary Fund (IMF)?

- (a) Alexandria Petrovics  
(b) Fernando Gutierrez  
(c) Marguerite Delacroix  
(d) Kristalina Georgieva

4. What is the economic growth rate projected for India in 2026 by the World Bank?

- (a) 6.3% (b) 6.4%  
(c) 6.5% (d) 6.2%

5. Which of the following is the largest worldwide data-collection initiative operating under the guidance of the United Nations Statistical Commission?

- (a) Global Statistical Measurement Program  
(b) International Comparison Program  
(c) World Economic Assessment Program  
(d) United Nations Data Collection Program

6. Which of the following is the rate at which one country's currency must be converted into another's to purchase the same basket of goods and services across countries?

- (a) Market Exchange Rate  
(b) Nominal Conversion Rate  
(c) Purchasing Power Parity  
(d) Official Currency Value

7. Which of the following committees computed India's poverty line for 2004–05 at a level equivalent to about Rs 33 per day in PPP terms?

- (a) Alagh Committee  
(b) Tendulkar Committee  
(c) Rangarajan Committee  
(d) Lakdawala Committee

8. Which of the following terms was used by economist Raj Krishna to describe India's low economic growth of about 3.5–4 percent per year during the period from the 1950s to the 1980s?

- (a) Green pace of growth  
(b) Licence era slowdown  
(c) Hindu rate of growth  
(d) Planned path of growth

9. Which of the following best describes the twin deficit situation faced by India during the late 1980s leading up to the 1991 Balance of Payments Crisis?

- (a) trade deficit and fiscal deficit  
(b) trade deficit and revenue deficit  
(c) money deficit and trade deficit  
(d) external deficit and fiscal deficit

10. To which of the following institutions were 47 tonnes of India's gold reserves airlifted by the Reserve Bank of India during the 1991 balance of payments crisis?

- (a) Federal Reserve  
(b) Bank of England  
(c) Swiss Natl Bank  
(d) World Bank GrpS

11. Which of the following reform packages was announced on July 24, 1991, to introduce Liberalisation, Privatisation, and Globalisation in India?

- (a) Industrial Reform Policy  
(b) New Economic Policy  
(c) Structural Reform Policy  
(d) Economic Reform Strategy

12. Which of the following reform components focused on reducing government controls and allowing firms greater freedom in import–export and business decisions?

- (a) Nationalisation  
(b) Centralisation  
(c) Regulation  
(d) Liberalisation

## PRACTICE QUESTIONS

13. Which of the following reform processes aimed at integrating India's economy with the global system through trade, investment, and cross-border capital flows?

- (a) Nationalisation
- (b) Globalisation
- (c) Regulation
- (d) Centralisation

14. Which of the following laws governing foreign exchange transactions in India was liberalised in 1993 before being replaced by FEMA in 1999?

- (a) Foreign Exchange Control Act
- (b) External Trade Regulation Act
- (c) Foreign Exchange Regulation Act
- (d) International Currency Management Act

15. Which of the following institutions was established as part of India's financial sector reforms to modernise capital markets and introduce electronic trading?

- (a) Bombay Stock Exchange
- (b) Securities Exchange Board
- (c) National Stock Exchange
- (d) Indian Capital Exchange

## SOLUTIONS

- |        |         |         |         |         |         |         |        |
|--------|---------|---------|---------|---------|---------|---------|--------|
| 1. (d) | 2. (a)  | 3. (d)  | 4. (c)  | 5. (b)  | 6. (c)  | 7. (b)  | 8. (c) |
| 9. (a) | 10. (b) | 11. (b) | 12. (d) | 13. (b) | 14. (c) | 15. (c) |        |

## 2 21ST MEMBER OF THE EUROZONE: BULGARIA

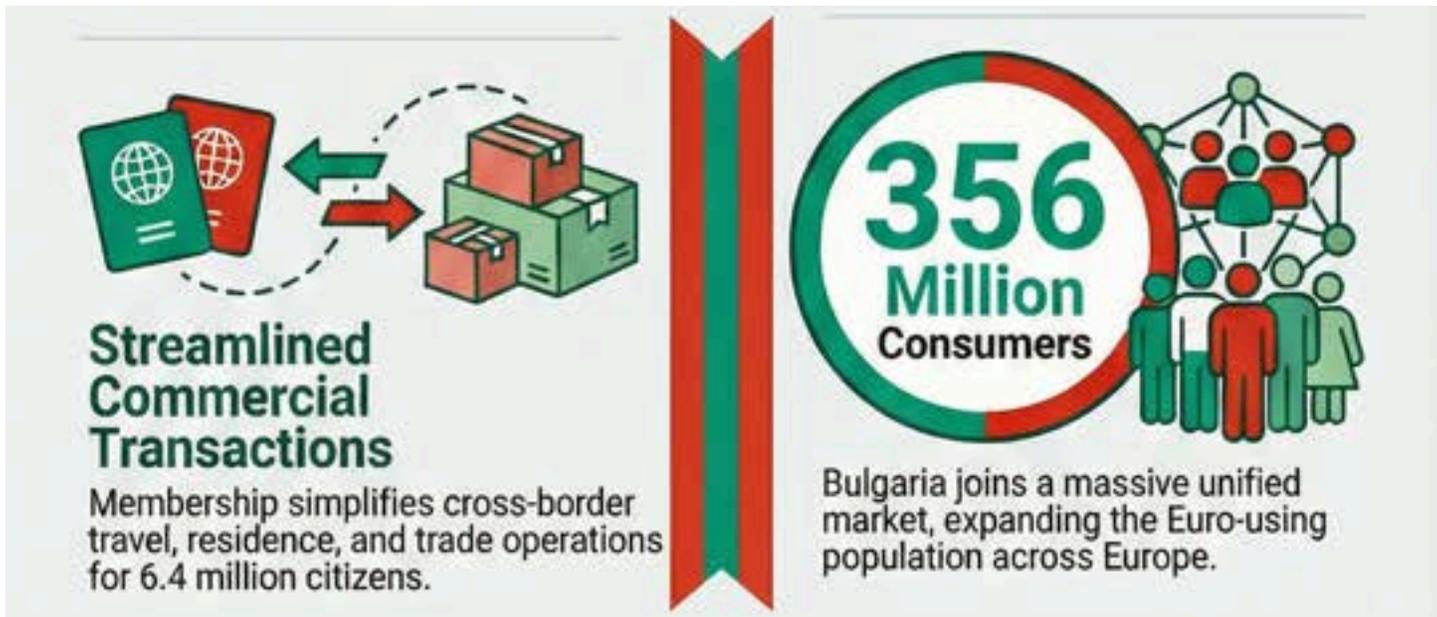
### IN FOCUS

- On 1 January 2026, Bulgaria formally transitioned to the euro, becoming the Eurozone's 21st member state, approximately two decades after its accession to the European Union in 2007.
- This historic shift concluded the era of the Bulgarian lev, a currency that had served the nation since 1880, representing a landmark achievement in Bulgaria's journey toward full European integration.
- The irrevocable conversion rate was established at 1.95583 lev for every euro, mirroring the central parity maintained under the Exchange Rate Mechanism II (ERM II), which Bulgaria entered on 10 July 2020.

### Strategic Rationale and Expected Benefits

- The currency transition is expected to enhance commercial activity, increase price transparency across markets, and draw greater foreign investment into Bulgaria, currently the least prosperous member state in the European Union with roughly 6.4 million inhabitants.
- This development strengthens Bulgaria's ties with Western Europe, anchoring it more firmly within EU structures while diminishing Moscow's economic footprint in the region.
- European Commission President Ursula von der Leyen remarked that Bulgaria's Eurozone membership would simplify cross-border travel and residence, enhance market competitiveness, and streamline commercial transactions.
- Bulgarian enterprises conducting business with other Eurozone nations will eliminate currency conversion expenses, with the Bulgarian National Bank estimating annual savings of approximately 1 billion leva.
- The adoption extends the single currency's geographical reach to the Black Sea coast for the first time, expanding the euro-using population to +356M individuals across Europe.





### Changes in Institutional Representation

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- Bulgarian enterprises conducting business with other Eurozone nations will eliminate currency conversion expenses, with the Bulgarian National Bank estimating annual savings of approximately 1 billion levs.
- The adoption extends the single currency's geographical reach to the Black Sea coast for the first time, expanding the euro-using population to over 356 million individuals across Europe.

### Dual Currency Period and Transition Provisions

- Throughout January 2026, both the lev and euro circulated as valid payment methods in Bulgaria, with the euro becoming the exclusive legal tender from 1 February 2026 under national legislation governing the currency changeover.
- The Bulgarian National Bank pledged unlimited and fee-free exchange of lev currency at the fixed conversion rate, allowing citizens to convert their holdings indefinitely.
- Bank accounts denominated in lev were automatically converted to euro accounts, requiring no action from account holders.

### Chronology of Bulgaria's Path to Euro Membership

- Upon joining the EU in 2007, Bulgaria undertook the obligation to eventually adopt the euro, as treaty provisions require all member states (except opt-out holder Denmark) to transition once convergence requirements are satisfied.

- Bulgaria entered the Exchange Rate Mechanism II on 10 July 2020, beginning its mandatory waiting period in the Eurozone's preliminary stage alongside Croatia.
- In February 2023, authorities postponed the originally planned 1 January 2024 adoption date to 1 January 2025, citing insufficient progress on inflation targets.
- An ECB assessment released on 26 June 2024 determined that Bulgaria had not achieved the required inflation criterion, ruling out entry on the revised 1 January 2025 deadline.
- Bulgaria formally requested an extraordinary convergence evaluation from the European Commission and ECB in February 2025.



- The Bulgarian National Assembly established the lev as the national currency on 4 June 1880, shortly after the country secured independence from Ottoman governance.
- The currency's name derives from the Bulgarian word for "lion," embodying national strength and sovereignty; scholars suggest Dutch lion thalers circulating in Bulgarian territories during the 17th century may have inspired this nomenclature.
- Initially linked to the French franc through membership in the Latin Monetary Union, the lev ranked among Europe's most stable and internationally convertible currencies prior to World War I.
- Bulgaria's inaugural banknote, numbered 000001 and valued at 20 leva, was produced in Saint Petersburg, Russia, on 1 August 1885.
- The currency underwent three major redenominations, 1952 (100:1 ratio), 1962 (10:1 ratio), and 1999 (1,000:1 ratio), to address successive periods of wartime and post-communist hyperinflation.
- A devastating economic collapse during 1996-1997, when monthly inflation soared beyond 242 percent in February 1997, prompted implementation of a **currency board** system on 1 July 1997.
- The currency board initially pegged the lev to the Deutsche Mark at 1,000 BGN per DEM; following Germany's euro adoption, the peg seamlessly transferred to the euro at 1.95583 BGN per EUR.

## The Eurozone: Foundation and Framework

- The **Maastricht Treaty** of 1992, formally titled the Treaty on European Union, established the legal groundwork for monetary unification by creating the framework for a common Economic and Monetary Union, introducing the euro as unified legal tender, founding the European Central Bank as the central monetary authority, and designating the Eurozone as a unified economic space.
- The Eurozone encompasses EU member states that have replaced their national currencies with the euro, with the currency's official introduction occurring on 1 January 1999 across 11 founding nations.
- Following Croatia's 2023 entry and Bulgaria's 2026 accession, twenty-one countries now participate in the single currency arrangement.
- Six EU members, Sweden, Poland, Czech Republic, Hungary, Romania, and Denmark, remain outside the Eurozone, with Denmark alone holding a formal treaty exemption from the adoption requirement.
- Several non-EU territories including Andorra, Monaco, Vatican City, and San Marino utilize the euro through bilateral monetary agreements, while Kosovo and Montenegro employ it without formal authorization; none qualify as official Eurozone participants.



### Requirements for Eurozone Membership

- The euro convergence criteria, commonly referenced as Maastricht criteria, establish the economic and legal benchmarks EU member states must achieve before transitioning to the single currency.
- The price stability requirement mandates that a country's average annual inflation, measured over twelve months prior to assessment, must not exceed the average of the three lowest-inflation EU members by more than 1.5 percentage points.
- Fiscal discipline requirements stipulate that government budget deficits must remain below 3 percent of GDP, while public debt must stay under 60 percent of GDP or demonstrate consistent reduction toward that threshold.
- Exchange rate stability is demonstrated through minimum two-year participation in the European Exchange Rate Mechanism (ERM II), proving the applicant can maintain economic stability without excessive currency volatility.
- The long-term interest rate criterion requires that yields on 10-year government bonds must not exceed the average of the three best-performing EU states by more than 2.0 percentage points.
- Legal convergence necessitates harmonization of national legislation with EU requirements, particularly provisions ensuring central bank independence.

### ECB Governance Structure

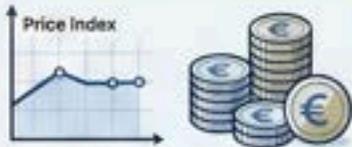
- The Governing Council serves as the primary decision-making authority, consisting of six Executive Board members plus national central bank governors from all euro area countries (now 21 following Bulgaria's inclusion).
- This body determines monetary policy direction, establishes implementation guidelines, approves institutional rules, and renders monetary policy decisions at six-week intervals.
- Since January 2015, the ECB has released meeting summaries publicly, though individual voting patterns remain undisclosed.
- The Executive Board includes the President, Vice-President, and four additional members appointed by the European Council for non-renewable eight-year terms.

- This board executes monetary policy decisions, oversees daily institutional operations, and prepares materials for Governing Council sessions.
- The General Council functions as a transitional body existing while non-euro EU members remain; it comprises the ECB leadership and central bank governors from all EU nations.
- The Supervisory Board convenes every three weeks to plan and implement the ECB's prudential oversight responsibilities.

# Inside the European Central Bank: Stability and Sovereignty



## Core Mandate & Authority



**Primary Mandate: Price Stability**  
Maintaining stable prices to support economic growth and job creation across the euro area.



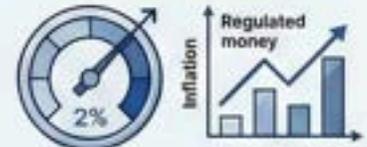
**Exclusive Currency Authority**  
The ECB holds the sole legal right to authorize the issuance of euro banknotes.



**Independent Legal Status**  
Established as a fully independent institution under the Treaty on the Functioning of the EU.



## Functions & Operations



**Monetary Policy Regulation**  
Determining interest rates for commercial banks while regulating money supply and inflation levels.



**5,000+ Centralized Experts**  
Over five thousand staff members coordinate operations from the Frankfurt headquarters.

Position	Position
President	Vice-President
Christine Lagarde	Luis de Guindos



**Financial Sector Oversight**  
Managing foreign currency reserves and ensuring the overall stability of the banking sector.

## ESCB and Eurosystem Architecture

- The European System of Central Banks (ESCB) encompasses the ECB together with national central banks from all 27 EU member states, regardless of their euro adoption status.
- The **Eurosystem** includes only the ECB and national central banks of euro-adopting states, collectively implementing monetary policy across the currency union.
- Article 130 of the Treaty on the Functioning of the European Union enshrines ECB independence, prohibiting the institution, national central banks, or their decision-makers from accepting instructions from EU bodies, national governments, or external entities.
- Non-euro EU members within the ESCB maintain independent monetary policies pending their eventual Eurozone accession.

## Comparative Overview: EU, Eurozone, and Schengen

- The European Union functions as a political and economic confederation established through the Maastricht Treaty (1992), pursuing economic cohesion, coordinated policymaking, and political collaboration among its current 27 member nations.
- The Eurozone operates as a monetary confederation of EU countries sharing the common currency under centralized monetary governance, also originating from the Maastricht Treaty (1992), presently numbering 21 participants.
- The Schengen Area constitutes a border-free travel zone eliminating internal passport controls, created through the Schengen Agreement (1985), currently encompassing 29 nations—25 EU states (excluding Ireland and Cyprus) plus four non-EU participants (Iceland, Norway, Switzerland, and Liechtenstein).

## Bulgaria: Geographical and Political Profile

- Bulgaria occupies the eastern portion of the **Balkan Peninsula** in southeastern Europe, bordered by Romania northward, Serbia and North Macedonia westward, Greece and Türkiye southward, with Black Sea coastline to the east.
- The country maintains membership in both the North Atlantic Treaty Organization (NATO) and the European Union, with EU nations constituting its primary commercial partners.
- Sofia functions as the national capital and principal economic center.
- Bulgaria's 2007 EU accession initiated its trajectory toward complete Eurozone integration, a goal finally achieved with the 2026 currency transition.

## PRACTICE QUESTIONS

- When Bulgaria adopted the euro on 1 January 2026, what was its position in terms of Eurozone membership?
  - 21st member
  - 19th member
  - 20th member
  - 22nd member
- Under which of the following frameworks did Bulgaria maintain a central parity before adopting the euro, leading to the fixing of its irrevocable conversion rate?
  - Exchange Rate Mechanism II
  - European Monetary System II
  - Euro Adjustment Framework II
  - European Currency System II
- Which of the following coastal regions became part of the euro area following Bulgaria's formal transition to the single currency?
  - Baltic Sea
  - Aden Sea
  - Black Sea
  - North Sea
- Which of the following years marks Bulgaria's accession to the European Union, after which it assumed the obligation to eventually adopt the euro?
  - 2004
  - 2013
  - 2007
  - 2015
- Which of the following countries entered the Exchange Rate Mechanism II alongside Bulgaria on 10 July 2020, beginning the mandatory pre-euro waiting period?
  - Romania
  - Croatia
  - Hungary
  - Poland
- Which of the following was established as Bulgaria's national currency by the Bulgarian National Assembly on 4 June 1880, following independence from Ottoman rule?
  - yen
  - din
  - ecu
  - lev
- In which of the following regions of southeastern Europe is Bulgaria geographically located?
  - Crimean Peninsula
  - Iberian Peninsula
  - Balkan Peninsula
  - Arabian Peninsula
- Which of the following best describes the number of major redenominations undergone by Bulgaria's currency to address inflationary pressures during the twentieth century?
  - three
  - two
  - four
  - five
- Which of the following systems ensured strict exchange rate discipline by pegging the Bulgarian lev first to the Deutsche Mark and later to the euro?
  - currency system
  - monetary regime
  - currency board
  - monetary union
- Which of the following agreements formally initiated the euro project and established a centralised monetary authority for participating European states?
  - Maastricht Treaty
  - Lisbon Treaty EU
  - Rome Treaty Acts
  - Amsterdam Treaty
- Which of the following numbers represents the count of founding countries in which the euro was officially introduced on 1 January 1999?
  - 10
  - 11
  - 12
  - 15
- Which of the following EU member states holds a formal treaty-based opt-out from adopting the euro?
  - Denmark
  - Sweden
  - Poland
  - Hungary
- Which of the following territories use the euro without a formal monetary agreement with the European Union and are not official Eurozone members?
  - Monaco and Montenegro
  - Andorra and Montenegro
  - Kosovo and Montenegro
  - San Marino and Monaco
- Which of the following monetary authorities is headquartered in Frankfurt and serves as the principal institution governing the euro area's monetary framework?
  - European Central Bank
  - European Monetary Union
  - European Monetary Fund
  - European Monetary Institute

## PRACTICE QUESTIONS

- (a) Central Monetary Fund
- (b) European Central Bank
- (c) European Investment Bank
- (d) Bank International Settlements

15. Which of the following best describes the tenure length of members of the European Central Bank's Executive Board?

- (a) five-year terms
- (b) six-year terms
- (c) seven-year terms
- (d) eight-year terms

## SOLUTIONS

- |        |         |         |         |         |         |         |        |
|--------|---------|---------|---------|---------|---------|---------|--------|
| 1. (a) | 2. (a)  | 3. (c)  | 4. (c)  | 5. (b)  | 6. (d)  | 7. (c)  | 8. (a) |
| 9. (c) | 10. (a) | 11. (b) | 12. (a) | 13. (c) | 14. (b) | 15. (d) |        |

### 3 10 YEARS OF PARIS AGREEMENT

#### IN FOCUS

- The year 2025 marks the 10th anniversary of the **Paris Agreement**, the landmark global climate accord adopted at the 21st UN **Climate Change Conference** (COP21) in Paris, France, which united 195 countries in a collective effort to combat climate change.
- To commemorate this milestone, the governments of France and Brazil, along with the **UN Climate Change secretariat** (UNFCCC), have created a commemorative logo for public use by organizations hosting climate-related events in the lead-up to or during COP30.
- This anniversary serves not merely as an occasion for reflection but as an urgent call to intensify climate action and strengthen international cooperation ahead of the 30th UN Climate Change Conference in Belém, Brazil.

#### Significance of the Decade-Long Journey

- The Paris Agreement emerged as the culmination of prolonged negotiations under the United Nations Framework Convention on Climate Change (UNFCCC), which was originally established at the Rio Earth Summit in 1992.
- Scientific assessments prior to this global climate cooperation indicated that warming would likely exceed 4°C above pre-industrial levels by 2100, which would have caused catastrophic damage to ecosystems, economies, and societies worldwide.
- Through collective action by nations, the projected warming trajectory has been bent downward, with initial steps toward building climate resilience now underway across participating countries.
- Substantial challenges persist in limiting global temperature rise to 1.5°C, protecting 8 billion people from intensifying climate impacts, and ensuring equitable distribution of climate action benefits across all nations.
- The anniversary presents an opportunity for governments at all levels, business leaders across economic sectors, youth representatives, and civil society organizations to elevate climate action and cooperation to unprecedented levels.

#### Understanding the Paris Agreement

- The Paris Agreement constitutes a legally binding international climate treaty adopted in 2015 during the 21st Conference of the Parties (COP21) under the UNFCCC framework.
- This accord succeeded the Kyoto Protocol by extending climate responsibility to all participating nations rather than limiting obligations to developed countries alone.
- The agreement's central objective is to constrain global average temperature increase to well below 2°C above pre-industrial levels, with concerted efforts to limit warming to 1.5°C.
- The accord operates through a five-year cycle wherein countries progressively strengthen their climate commitments and actions over time.
- Participating nations submit updated Nationally Determined Contributions (NDCs) every five years, detailing their plans for reducing greenhouse gas emissions (mitigation) and enhancing climate resilience (adaptation).

- The inaugural Global Stocktake concluded at COP28 in 2023, issuing a call for accelerated action on mitigation, adaptation, and climate finance by 2030, including a push to transition away from fossil fuels.
- Countries are encouraged to develop long-term low-emission development strategies, though submission of such strategies remains voluntary rather than mandatory.
- The Paris Rulebook, which established detailed implementation guidelines for the agreement, was finalized through negotiations at COP24 in Katowice, Poland, and COP26 in Glasgow, Scotland.

### Major Accomplishments of the Paris Agreement

- The agreement achieved universal participation, with 194 states plus the European Union committing to climate action under a single unified framework.
- Developed nations pledged to mobilize USD 100 billion annually through 2025 to assist developing countries with climate mitigation and adaptation efforts.
- At COP29 held in Baku, Azerbaijan in 2024, parties agreed upon a New Collective Quantified Goal (NCQG), establishing an elevated target of at least USD 300 billion per year by 2035.
- The accord embedded the principle of Common But Differentiated Responsibilities (CBDR), formally acknowledging that nations possess varying capacities and bear different levels of historical responsibility.
- Climate considerations have been mainstreamed into national legislation, government budgets, and development planning across numerous countries, exemplified by initiatives such as the EU Green Deal and India's Mission LiFE.
- The agreement catalyzed expansion of green bonds, carbon markets, and climate-focused investments, though financing levels remain insufficient to meet global needs.

### Kyoto Protocol: Predecessor Framework

- The Kyoto Protocol represents an international agreement linked to the UNFCCC that established internationally binding emission reduction targets for participating parties.
- This protocol was adopted in Kyoto, Japan in 1997 and entered into force in 2005 following ratification by sufficient parties.
- The protocol formally recognized that developed countries bear principal responsibility for elevated atmospheric GHG concentrations resulting from over 150 years of industrial activity.
- Detailed implementation rules for the protocol were adopted at COP7 in Marrakech in 2001, collectively known as the **Marrakech Accords**.
- The first commitment period (2005-2012) established a target of reducing emissions by 5 percent below 1990 levels among industrialized nations.
- The second commitment period (2013-2020) set a more ambitious target requiring industrialized countries to reduce emissions by at least 18 percent.



# The Kyoto Protocol: Binding Climate Action



1997

## Protocol Adopted in Kyoto, Japan

The agreement set the foundation for internationally binding emission reduction targets.



## Developed Nations Bear Principal Responsibility

The protocol recognized that 150 years of industrial activity caused elevated atmospheric concentrations.

5%

2005-2012

## Initial 5% Reduction Target

The first commitment period aimed for emissions 5% below 1990 levels.

18%

2013-2020

## Scaling to 18% Reductions

The second commitment period set a significantly more ambitious target for participating parties.

## INDIA'S COMMITMENTS UNDER THE PARIS AGREEMENT

### Carbon Trading Mechanisms

- Carbon markets enable countries or industries to earn carbon credits for emission reductions exceeding their mandatory requirements. These credits can be sold to the highest bidder, with purchasers counting the associated emission reductions toward their own targets. A carbon trading system existed under the 1997 Kyoto Protocol, but demand for credits declined substantially after several countries withdrew from the agreement. Developing nations such as India, China, and Brazil accumulated substantial carbon credit reserves during the Kyoto era, which now risk becoming worthless without continued market demand.

- India submitted its Intended Nationally Determined Contribution (INDC) to the UNFCCC in 2015, which was subsequently adopted as the country's first NDC under the Paris Agreement covering the period through 2030.
- The updated NDC commits India to promoting sustainable lifestyles through the **LiFE (Lifestyle for Environment)** movement and pursuing a cleaner, climate-friendly development pathway.
- India pledged to reduce the emissions intensity of its GDP by 45 percent from 2005 levels by 2030 and to achieve approximately 50 percent of installed electricity capacity from non-fossil fuel sources.
- Additional commitments include creating 2.5 to 3 billion tonnes of additional carbon sink through forest and tree cover, strengthening climate adaptation in vulnerable sectors, mobilizing domestic and international climate finance, and enhancing technology transfer and climate research.
- India reaffirmed its commitment to the UNFCCC and Paris Agreement, characterizing its updated NDC as a critical step toward achieving long-term net-zero emissions by 2070.

### India's Climate Action Achievements

- India achieved 50 percent of its electricity capacity from non-fossil fuel sources in 2025, surpassing its 2030 target five years ahead of schedule.
- At COP26, India announced its commitment to achieve net-zero emissions by 2070, becoming one of the major economies to set such a long-term target.
- India has demonstrated global climate leadership through initiatives including the International Solar Alliance (ISA), Coalition for Disaster Resilient Infrastructure (CDRI), and the LiFE movement.
- The country has aligned its climate vision with the "Viksit Bharat 2047" development agenda, positioning solar energy and green hydrogen as key drivers of economic growth and employment generation.

### Conference of Parties Under UNFCCC

- The Conference of Parties (COP) serves as the supreme decision-making body of the UNFCCC, convening annually unless parties decide otherwise.
- The COP Secretariat is based in Bonn, Germany, and sessions are held there unless a member party offers to host the conference.
- The inaugural COP was convened in Berlin, Germany in 1995, establishing the framework for subsequent climate negotiations.

### Key COP Milestones

COP	Host city	Year	Key outcome
COP3	Kyoto, Japan	1997	Adopted the <b>Kyoto Protocol</b> (legally binding emission reduction targets for developed countries).
COP7	Marrakech, Morocco	2001	Produced the <b>Marrakech Accords</b> , laying groundwork for Kyoto Protocol ratification.
COP8	New Delhi, India	2002	Issued the <b>Delhi Ministerial Declaration</b> , emphasizing developmental needs of the poorest nations.
COP13	Bali, Indonesia	2007	Produced the <b>Bali Road Map</b> and <b>Bali Action Plan</b> for future negotiations.
COP15	Copenhagen, Denmark	2009	Developed countries pledged <b>~USD 30 billion</b> fast-start finance for <b>2010–2012</b> .
COP16	Cancun, Mexico	2010	Established the <b>Cancun Agreements</b> and decided to establish the <b>Green Climate Fund (GCF)</b> .

COP	Host city	Year	Key outcome
<b>COP18</b>	Doha, Qatar	2012	Adopted the <b>Doha Amendment</b> to the Kyoto Protocol (second commitment period; your notes mention an 18% target vs 1990).
<b>COP19</b>	Warsaw, Poland	2013	Established the <b>Warsaw Framework for REDD+</b> and the <b>Warsaw International Mechanism (WIM) for Loss and Damage</b> .
<b>COP21</b>	Paris, France	2015	Adopted the <b>Paris Agreement</b> to hold warming <b>well below 2°C</b> (pursue 1.5°C).
<b>COP26</b>	Glasgow, UK	2021	Glasgow outcomes included call to <b>phase down unabated coal power</b> ; India announced <b>2070 net-zero</b> .
<b>COP27</b>	Sharm el-Sheikh, Egypt	2022	Established a <b>fund for responding to Loss and Damage</b> (Loss and Damage Fund).
<b>COP28</b>	Dubai, UAE	2023	Operationalized Loss & Damage funding arrangements with <b>&gt;USD 700 million</b> pledged; COP28 outcomes signaled "beginning of the end" of the fossil-fuel era; renewables pledge targeted <b>tripling to ~11,000 GW by 2030</b> .
<b>COP29</b>	Baku, Azerbaijan	2024	Agreed on a New Collective Quantified Goal (NCQG) of USD 300 billion per year by 2035 for developing countries, launched the "Baku to Belém Roadmap to USD 1.3 trillion" to scale total public & private climate finance by 2035, & finalised Article 6 carbon-market rules.

### COP30 Outcomes: The Belém Conference

- COP30 in **Belém, Brazil** concluded with countries adopting the **Belém Package** (a set of negotiated decisions) and the **Global Mutirão** outcome, signalling a shift from new targets toward *implementation and cooperation*.
- A new **Just Transition** arrangement, the **Belém Action Mechanism (BAM)**, was agreed to support cooperation, capacity-building, and knowledge-sharing for workers and economies moving away from fossil fuels, but it did not create guaranteed new finance.
- COP30 also launched delivery-focused tools like the **Global Implementation Tracker** and the **Belém Mission to 1.5°C** to check whether national actions/NDCs align with 1.5°C pathways.
- On adaptation, Parties advanced the **Baku Adaptation Road Map** and moved toward **59 voluntary indicators** for tracking progress under the Global Goal on Adaptation, alongside a push to accelerate National Adaptation Plan implementation.
- Major thematic initiatives highlighted in Belém included the **Belém Health Action Plan**, Brazil's **Tropical Forests Forever Facility (TFFF)** with a ~\$125 billion target, and the **Belém 4x** pledge to scale sustainable fuels by 2035, along with strengthened **gender** action planning.

## PRACTICE QUESTIONS

- Which of the following year marks the adoption of the Paris Agreement at COP21 in Paris?  
(a) 2015 (b) 2012  
(c) 2018 (d) 2021
- Which of the following bodies was originally established at the Rio Earth Summit in 1992?  
(a) European Union (b) UNFCCC  
(c) IPCC (d) UNEP
- Which of the following temperature thresholds does the Paris Agreement primarily seek to achieve?  
(a) Below 3°C (b) Below 4°C  
(c) Below 2°C (d) Exactly 2°C
- How frequently are countries required to submit updated Nationally Determined Contributions (NDCs) under the Paris Agreement?  
(a) Every three years (b) Every five years  
(c) Every ten years (d) Every two years
- Which of the following COPs finalized the Paris Rulebook detailing implementation guidelines?  
(a) COP21 (b) COP22  
(c) COP23 (d) COP24
- Which COP concluded the first Global Stocktake under the Paris Agreement?  
(a) COP26 (b) COP28  
(c) COP27 (d) COP29
- Which of the following agreements preceded the Paris Agreement and imposed legally binding emission targets on developed countries?  
(a) Bali Protocol (b) Paris Protocol  
(c) Kyoto Protocol (d) Doha Protocol
- Which COP operationalized the Loss and Damage funding arrangements with over USD 700 million pledged?  
(a) COP27 (b) COP28  
(c) COP29 (d) COP30
- At which COP was the Loss and Damage Fund formally established?  
(a) COP26 (b) COP28  
(c) COP29 (d) COP27
- Which of the following climate agreements are the Marrakech Accords associated with?  
(a) Paris Protocol (b) Kyoto Protocol  
(c) Baku Protocol (d) Doha Protocol
- At which COP did India announce its commitment to achieve net-zero emissions by 2070?  
(a) COP24 (b) COP25  
(c) COP28 (d) COP26
- Which COP adopted the Bali Road Map and Bali Action Plan?  
(a) COP15 (b) COP13  
(c) COP16 (d) COP18
- Which of the following initiatives agreed at COP30 focuses on cooperation, capacity-building, and knowledge-sharing to support workers and economies transitioning away from fossil fuels, without guaranteeing new finance?  
(a) Global Climate Facility  
(b) Just Transition Platform  
(c) Climate Solidarity Facility  
(d) Belém Action Mechanism
- Which of the following sets of indicators was discussed on Baku Adaptation Road Map to support monitoring and assessment of global adaptation efforts without imposing legally binding obligations?  
(a) 45 binding indicators  
(b) 59 voluntary indicators  
(c) 72 mandatory indicators  
(d) 30 national indicators
- Which of the following initiatives highlighted at COP30 aims to mobilize around USD 125 billion to protect and sustainably manage tropical forests?  
(a) Global Forest Protection  
(b) Amazon Climate Initiative  
(c) Tropical Forests Forever Facility  
(d) International Green Canopy

## SOLUTIONS

1. (a)      2. (b)      3. (c)      4. (b)      5. (d)      6. (b)      7. (c)      8. (b)  
9. (d)      10. (b)      11. (d)      12. (b)      13. (d)      14. (b)      15. (c)

4

## US INTERVENTION IN VENEZUELA & THE REVIVAL OF THE MONROE DOCTRINE

### IN FOCUS

- On 3 January 2026, US elite Delta Forces captured Venezuelan President Nicolás Maduro in an audacious military operation in Caracas, marking a dramatic escalation of American interventionism in Latin America.
- President Donald Trump justified the operation by invoking the **Monroe Doctrine** of 1823, rebranding it as the "Don-roe Doctrine," signaling a renewed assertion of US dominance in the Western Hemisphere.
- Maduro and his wife Cilia Flores were transported to New York, where they pleaded not guilty to charges including narco-terrorism conspiracy, cocaine importation conspiracy, and weapons offences in federal court.

### Background and Justification

- The Trump administration characterized the operation as a law enforcement action against a fugitive directly responsible for narco-terrorism that allegedly killed hundreds of thousands of Americans and destabilized the hemisphere.
- US Ambassador to the United Nations Mike Waltz compared the operation to the 1989 capture of Panamanian dictator Manuel Noriega, framing it as consistent with the President's responsibility as Commander-in-Chief to protect Americans.
- The military action follows a pattern of increasing US willingness to deploy force globally, including recent airstrikes on Syria and Nigeria, threats against Iran, and strikes targeting Houthi rebels in Yemen, militants in Somalia, and Islamic groups in Iraq.
- Critics, including former Trump loyalist Congresswoman Marjorie Taylor Greene, condemned the action as contradicting Trump's campaign promise to end "never-ending wars," with some MAGA supporters expressing disillusionment.

### Narco-Terrorism: Legal Framework and Charges

- Narco-terrorism refers to the convergence of drug trafficking activities with terrorist methods or objectives, typically involving violent criminal organizations that use drug proceeds to fund terrorist activities or employ terrorist tactics to protect trafficking operations.
- Under US law (18 U.S.C. § 2331), narco-terrorism involves violent or dangerous acts within US jurisdiction intended to influence government policy or intimidate civilian populations while furthering drug trafficking conspiracies.
- The indictment against Maduro alleged a 25-year conspiracy involving partnerships with Colombian guerrilla



**Nicolás  
Maduro**  
Venezuela  
president

**Donald  
Trump**  
U.S.  
President

- groups, particularly the FARC, to establish an "air bridge" from Venezuelan military airbases to Central America and a parallel maritime route through the Caribbean.
- Prosecutors claimed these operations moved hundreds of tonnes of cocaine annually, generating billions of dollars for both guerrilla groups and Venezuela's ruling elite.
  - The charges carry severe penalties: narco-terrorism conspiracy carries a 20-year mandatory minimum and maximum life imprisonment; cocaine importation conspiracy carries a 10-year mandatory minimum; weapons charges carry a 30-year mandatory minimum.
  - The US Fentanyl Crisis
    - Fentanyl is a synthetic opioid approximately 100 times more potent than morphine and up to 50 times stronger than heroin, with even a minuscule amount (2 milligrams) capable of causing a lethal overdose.
    - The fentanyl crisis represents the third wave of America's opioid epidemic, which began in 2013 with substantial increases in overdose deaths involving illicitly manufactured synthetic opioids.
    - In 2023, approximately 72,776 Americans died from fentanyl overdoses, representing 69 percent of all drug overdose deaths in the United States.
    - From 2013 to 2023, fentanyl overdose deaths increased 23-fold, rising from 3,105 deaths to over 72,000 annually.
    - Illicit fentanyl is primarily manufactured in foreign clandestine laboratories, with precursor chemicals largely sourced from China, and smuggled into the United States predominantly through Mexico.
    - The Trump administration designated fentanyl as a "weapon of mass destruction" and has designated drug cartels as terrorist organizations, shifting the federal response from public health approaches toward aggressive military interdiction.

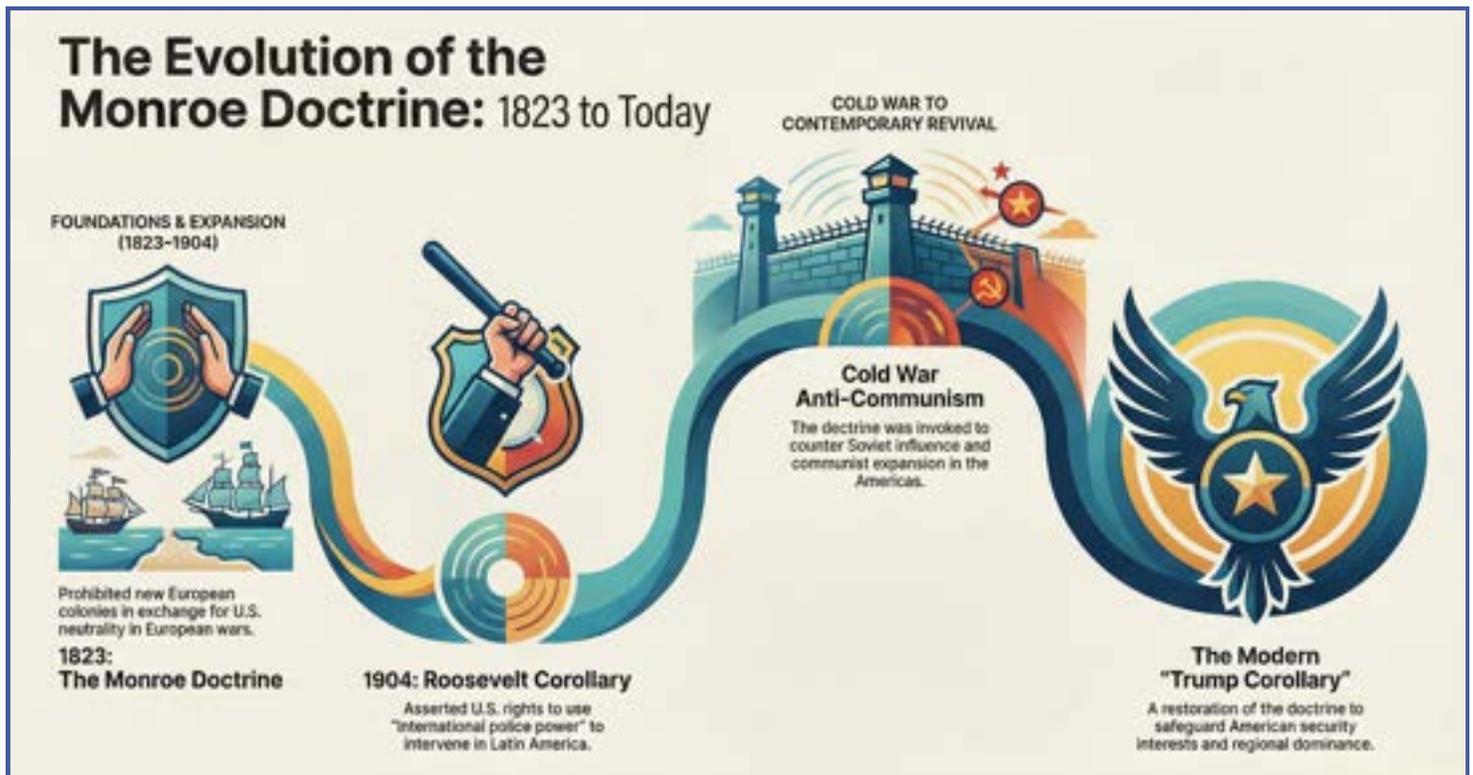
### Historical Pattern of US Intervention in Latin America

- Between 1898 and 1994, the US government intervened successfully to change governments in Latin America at least 41 times, ostensibly to protect its interests and counter communism.
- The 1954 Guatemala intervention saw the CIA launch a covert psychological warfare campaign to destabilize President Jacobo Árbenz's democratically elected government, which had nationalized property owned by the US-based United Fruit Company, leading to decades of brutal US-backed authoritarianism.
- The 1961 Bay of Pigs invasion, a failed CIA-backed attempt to overthrow Cuban leader Fidel Castro using approximately 1,400 trained Cuban exiles, ended in disaster and precipitated the Cuban Missile Crisis of 1962, bringing the US and Soviet Union to the brink of nuclear war.
- The 1983 invasion of Grenada (Operation Urgent Fury) marked America's first major combat deployment since Vietnam, with US forces landing to counter Cuban influence and protect American medical students, ultimately leading to stable democratic governance.
- Throughout the 1980s, the Reagan administration secretly supported anti-Sandinista Contra rebels in Nicaragua despite Congressional prohibition through the Boland Amendment, culminating in the Iran-Contra scandal.
- The 1989 Panama invasion (Operation Just Cause) resulted in the capture of General Manuel Noriega on drug trafficking charges, representing what analysts consider a rare example of successful American intervention with a clear exit strategy.

### Understanding the Monroe Doctrine

- The Monroe Doctrine, articulated by President James Monroe in 1823, established foundational principles governing American foreign policy toward the Western Hemisphere.
- The doctrine's core tenets included non-colonization (prohibiting European powers from establishing new colonies in the Americas) and non-interference (treating any external attempt to influence Western Hemisphere nations as hostile to American interests).

- In exchange, the United States pledged restraint in European affairs, committing not to interfere in European wars or internal matters.
- The Roosevelt Corollary of 1904, introduced by President Theodore Roosevelt, expanded the doctrine by asserting America's right to exercise "international police power" in Latin American countries experiencing chronic instability, governance failures, or wrongdoing, thereby justifying direct intervention.
- During the Cold War era, the doctrine was invoked to counter Soviet influence in Cuba, Central America, and South America, shifting focus toward preventing communist expansion in the region.
- Post-Cold War administrations largely de-emphasized the doctrine in favour of multilateralism, until its recent revival under the current administration.
- The contemporary "Trump Corollary" projects the doctrine's restoration as a means of safeguarding American security interests and strategic dominance in the Western Hemisphere.



## Rationale Behind the Venezuela Intervention

- The US Department of Justice charged Maduro and senior Venezuelan officials with narco-terrorism and drug trafficking, portraying the regime as a direct security threat linked to America's fentanyl crisis, thereby providing legal-political justification for action.
- The unsealed indictment alleged that for over 25 years, Venezuelan leaders abused their positions to import thousands of tonnes of cocaine into the United States in partnership with designated terrorist organizations including the FARC, Sinaloa Cartel, Zetas, and Venezuelan gang Tren de Aragua.
- Prosecutors alleged Maduro "deliberately deployed cocaine as a weapon" to "flood the United States" and undermine national health, with Venezuelan military and intelligence resources allegedly directed to protect cocaine shipments.
- However, Maduro was not charged with fentanyl trafficking specifically, and analysts note Venezuela is not known to produce the synthetic narcotic, making the administration's fentanyl-crisis linkage misleading.

- Venezuela possesses the world's largest proven crude oil reserves, estimated at over 300 billion barrels, approximately one-fifth of global proven reserves, yet accounts for less than 1 percent of global oil production (approximately 1 million barrels per day).
- Years of US sanctions, economic crisis, and infrastructure decay have sharply limited Venezuelan oil output, with Chevron remaining the only foreign major company with exposure to Venezuelan crude.
- President Trump explicitly stated intentions to take control of Venezuela's reserves and deploy American oil companies to invest "billions of dollars" to "refurbish" the country's oil infrastructure.
- The US views control over Venezuelan oil infrastructure as critical for energy security, price stability, and strategic leverage in global energy markets.

### Impact on India

- According to the Global Trade Research Initiative (GTRI), the conflict will have negligible impact on India's trade, as bilateral commerce has already collapsed under US sanctions, with Indian exports to Venezuela standing at merely USD 95.3 million in FY2025, primarily pharmaceuticals.
- India's crude oil imports from Venezuela declined by 81.3 percent in FY2025, falling to USD 255.3 million compared to USD 1.4 billion in FY2024, minimizing immediate energy security concerns.
- If Venezuelan sanctions are eventually eased or recalibrated, discounted Venezuelan crude could re-enter global markets, potentially strengthening India's long-term crude supply diversification and procurement flexibility.
- Such a development would enhance India's bargaining power with West Asian suppliers and offer an alternative amid US pressure to reduce reliance on Russian oil.
- India has consistently advocated for non-interventionism and regime change through democratic processes rather than external military force, and the US action complicates India's balancing act between Global South solidarity (which opposes intervention) and its strategic partnership with the United States.

### Use of Military Force Under International Law

- Article 2(4) of the **United Nations Charter** prohibits states from using or threatening military force against another state's territorial integrity or political independence.
- Article 51 permits force only in self-defence in response to an armed attack, subject to principles of



- necessity and proportionality, with actions required to be reported to the UN Security Council.
- Article 107, which once permitted force against World War II enemy states, is now obsolete.
- Under Articles 24 and 25, the UN Security Council may authorize collective military action to address threats to international peace and security.
- The Security Council may also authorize limited force for peacekeeping or humanitarian operations under specific mandates.
- The US military operation against Venezuela lacked UN Security Council authorization, and Congress had not authorized military force against Venezuela, raising significant questions of international and domestic legality.

### Political Uncertainty in Venezuela

- The disputed July 2024 presidential election, where opposition candidate Edmundo González claimed victory based on independent monitoring while the government-controlled National Electoral Council declared Maduro the winner, had already intensified international pressure on Maduro's government.
- In June 2023, the Venezuelan government had barred leading opposition candidate María Corina Machado from participating; she subsequently won the Nobel Prize and backed González from exile.
- Following Maduro's capture, Vice President Delcy Rodríguez assumed interim leadership and denounced the US attack on her nation in a live address.
- President Trump indicated the US would "run the country until such time as we can do a safe, proper and judicious transition," raising questions about potential prolonged American occupation or installation of a US-approved leader.
- The coming weeks will determine whether the remaining Venezuelan government can maintain its grip on power or whether divisions will lead to some form of externally influenced regime change.

### Venezuela: Geographical and Strategic Profile

- Venezuela is situated at the northern tip of South America, with coastlines along the Caribbean Sea and the Atlantic Ocean, sharing land borders with Guyana to the east, Brazil to the south, and Colombia to the southwest and west.
- The country operates as a federal multiparty republic with a unicameral legislature, with Caracas serving as the national capital.
- Venezuela possesses abundant natural resources including petroleum, natural gas, iron ore, gold, bauxite, and diamonds, with its economy historically dominated by oil.
- As a founding member of the Organization of the Petroleum Exporting Countries (OPEC), Venezuela holds strategic importance in global energy geopolitics.
- The country's diverse physical geography encompasses the Andes Mountains, Lake Maracaibo (South America's largest lake), the Llanos plains, the Guiana Highlands, and the Orinoco River system.
- Notable landmarks include Pico Bolívar (the country's highest point) and Angel Falls (the world's highest waterfall, located in the Guiana Highlands), with Canaima National Park recognized as a UNESCO World Heritage Site.
- Venezuela administers several Caribbean islands including Margarita and Los Roques, and maintains long-standing territorial disputes with Guyana over the Essequibo region and maritime disputes with Colombia.



### North Atlantic Treaty Organisation: Security Alliance

- The **North Atlantic Treaty Organisation** (NATO) is a military alliance established by the North Atlantic Treaty (Washington Treaty) of April 1949, by the United States, Canada, and several Western European nations to provide collective security against the Soviet Union.
- NATO currently has 32 member states, headquartered in Brussels, Belgium.
- Original NATO members were Belgium, Canada, Denmark, France, Iceland, Italy, Luxembourg, the Netherlands, Norway, Portugal, the United Kingdom, and the United States.
- Subsequent members include Greece and Turkey (1952), West Germany (1955, from 1990 as Germany), Spain (1982), Czech Republic, Hungary, and Poland (1999), Bulgaria, Estonia, Latvia, Lithuania, Romania, Slovakia, and Slovenia (2004), Albania and Croatia (2009), Montenegro (2017), North Macedonia (2020), Finland (2023), and Sweden (2024).
- NATO's essential purpose is to safeguard the freedom and security of all its members by political and military means.
- NATO operates under collective defence clause Article 5 of the Washington Treaty, which has been invoked only once, on 12 September 2001, following the 9/11 attacks on the World Trade Center.
- Bulgaria joined NATO in 2004, reinforcing its Western security alignment.

## PRACTICE QUESTIONS

- Which of the following doctrines did President Donald Trump invoke to justify the capture of Venezuelan President Nicolás Maduro?  
(a) Monroe Doctrine (b) Truman Doctrine  
(c) Brezhnev Doctrine (d) Nixon Doctrine
- Which of the following substances is described as being up to 100 times stronger than morphine and central to America's opioid crisis?  
(a) Heroin (b) Metanyl  
(c) Fentanyl (d) Oxycodone
- Which of the following year marks the original articulation of the Monroe Doctrine?  
(a) 1823 (b) 1804  
(c) 1848 (d) 1898
- Which of the following UN Charter provisions permits the use of force only in self-defence after an armed attack?  
(a) Article 52 (b) Article 51  
(c) Article 25 (d) Article 10
- Which of the following countries was captured by the US in 1989 in an operation later compared to the Maduro arrest?  
(a) Panama (b) Grenada  
(c) Nicaragua (d) Noriega
- Which of the following Colombian guerrilla groups was allegedly involved in Maduro's narco-terrorism conspiracy, according to the US indictment?  
(a) ELN (b) FAAC  
(c) FARC (d) MRTA
- Which of the following UN Charter articles prohibits the use or threat of force against another state's territorial integrity?  
(a) Article 2(4)  
(b) Article 2(1)  
(c) Article 2(5)  
(d) Article 1(7)
- Which of the following US interventions involved a failed CIA-backed invasion using Cuban exiles?  
(a) Grenada War (b) Panama Raid  
(c) Guatemala X (d) Bay of Pigs
- Which of the following organisations lists Venezuela as a founding member?  
(a) OPEC (b) NATO  
(c) BRICS (d) OAS
- Which of the following countries currently hosts NATO's headquarters?  
(a) France (b) Belgium  
(c) Germany (d) Netherlands
- Which of the following NATO treaty articles was invoked for the first and only time after the 9/11 attacks?  
(a) Article 5 (b) Article 4  
(c) Article 10 (d) Article 2
- Which of the following countries joined NATO in 2004, reinforcing its Western security alignment?  
(a) Serbia  
(b) Ukraine  
(c) Bulgaria  
(d) Georgia
- Which of the following Venezuelan geographical features is South America's largest lake?  
(a) Lake Maracaibo  
(b) Orinoco Delta  
(c) Lake Titicaca  
(d) Llanos Plains
- Which of the following Venezuelan officials assumed interim leadership after Maduro's capture?  
(a) Diosdado Cabello  
(b) Delcy Rodríguez  
(c) Jorge Arreaza Le  
(d) Edmundo González
- Which of the following US interventions secretly supported Contra rebels in Nicaragua, culminating in the Iran-Contra scandal?  
(a) Carter administration  
(b) Bush administration  
(c) Clinton administration  
(d) Reagan administration

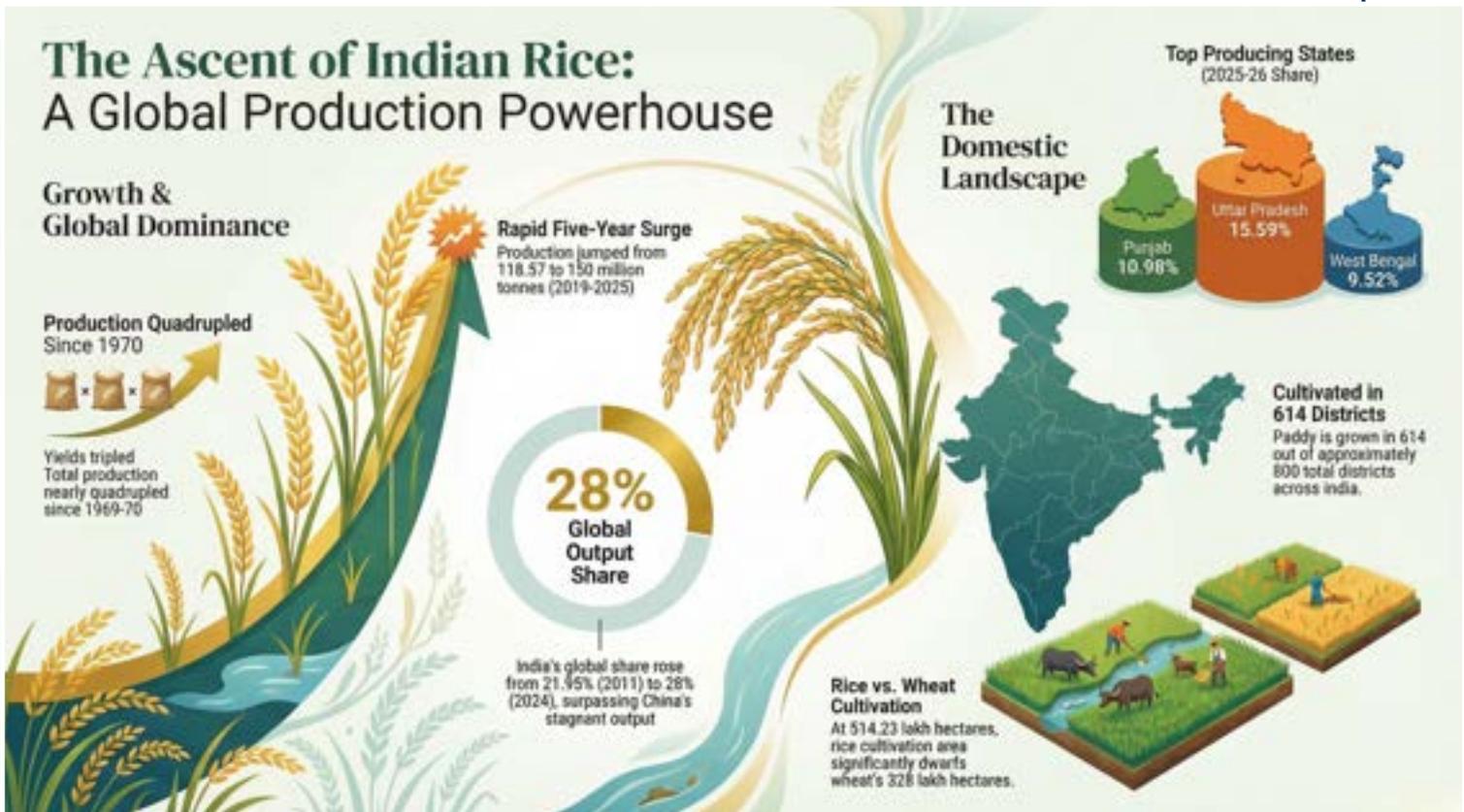
## SOLUTIONS

1. (a)      2. (c)      3. (a)      4. (b)      5. (a)      6. (c)      7. (a)      8. (d)  
9. (a)      10. (b)      11. (a)      12. (c)      13. (a)      14. (b)      15. (d)

## 5 INDIA BECOMES BIGGEST RICE PRODUCER

### IN FOCUS

- Union Agriculture Minister Shivraj Singh Chouhan announced that India has surpassed China to become the world's largest rice producer, with production reaching 150.18 million tonnes compared to China's 145.28 million tonnes.
- The Minister unveiled 184 improved varieties of 25 field crops developed by the **Indian Council of Agricultural Research (ICAR)** at an event held in New Delhi.
- India currently accounts for approximately 28 percent of global rice production and supplies rice to overseas markets, consolidating its position as the leading producer and exporter.



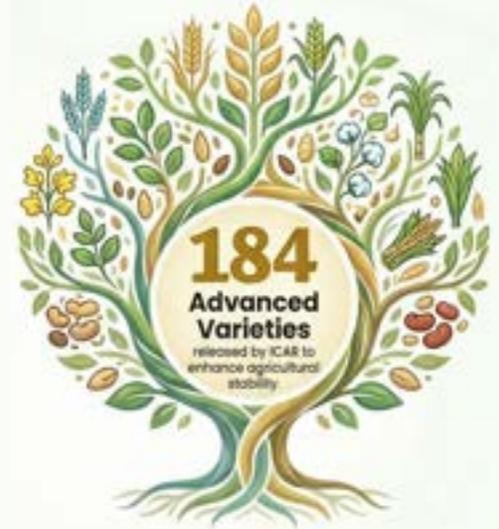
- India's rice production has witnessed a remarkable trajectory over the decades, with the area under paddy cultivation increasing by more than 36 percent between 1969-70 and 2024-25, yield tripling, and production nearly quadrupling.
- A significant expansion occurred in just the last five years, with the area under paddy rising from 43.66 million hectares in 2019-20 to 51.42 million hectares in 2024-25, accompanied by a production surge from 118.87 million tonnes to 150 million tonnes.
- India's share in global rice output increased from 21.95 percent in 2011 to 28 percent in 2024, while China's production remained stagnant at approximately 145 million tonnes during this period.
- In 2025-26, the top five states by rice production share are Uttar Pradesh (15.59 percent), Punjab (10.98 percent)

West Bengal (9.52 percent), Madhya Pradesh (7.80 percent), and Telangana (7.74 percent).

- Paddy is India's most widely grown crop, cultivated in 614 of the country's approximately 800 districts, covering an area of 514.23 lakh hectares in 2024-25.
- For comparison, wheat, the second most widely cultivated crop, covered only 328 lakh hectares during the same period.

## New Crop Varieties Released

- The 184 advanced varieties released by ICAR include 122 cereals, 6 pulses, 13 oilseeds, 11 fodder crops, 6 sugarcane, 24 cotton, and one each of jute and tobacco.
- The Agriculture Minister directed officials to ensure these new varieties reach farmers expeditiously, emphasizing that farmers will benefit through higher yields and improved produce quality.
- The Minister highlighted that India has entered a new era of agricultural revolution through the development of high-yielding and climate-resilient seeds.
- This achievement represents the collective efforts of ICAR's All India Coordinated Projects on crops, state and central agricultural universities, and private seed companies.
- Farm scientists were urged to focus on increasing the production of pulses and oilseeds to achieve national self-sufficiency in these critical commodities.



### Essential Facts About Rice

- Rice serves as the staple food for most Indians, with approximately 65 percent consuming it daily, while around 25 percent of the total cropped area is dedicated to its cultivation.
- India ranks as the world's largest producer and exporter of rice, followed by China (second) and Bangladesh (third) in production rankings.
- As a kharif crop, rice is sown during June-July and harvested in September-October, requiring temperatures exceeding 25°C, with optimal conditions at 30°C during the day and 20°C at night, capable of tolerating brief periods up to 40°C.
- The crop demands high humidity and rainfall above 100 cm; given India's predominantly tropical monsoon climate, rice cultivation occurs across most regions, primarily through irrigation.
- Rice thrives in soils with a pH range of 5.5-6.5, possessing good water-holding capacity and adequate drainage.
- In southern states and West Bengal, two or three crops can be cultivated annually (such as Aus, Aman, and Boro seasons in West Bengal), enhancing cropping intensity.

### Cultivation Methods

- Traditional transplantation involves sowing seeds in a nursery, with seedlings transferred to the main field after 25-35 days; this labour and water-intensive technique requires approximately 25-27 irrigations but maximizes yield and remains widely practiced across India.
- Direct Seeding of Rice (DSR) employs pre-germinated seeds drilled directly into the field using machinery, conserving water and labour; this method suits heavy or medium-textured soils with high clay content, good water retention, and adequate plant-available iron.

### Factors Driving Paddy Preference

- Paddy provides substantially higher returns to farmers compared to alternative crops, with assured procurement based on Minimum Support Price (MSP).
- At 2021-22 MSP rates, the net return on paddy cultivation was Rs 56,226 per hectare, compared to merely Rs 17,856 for maize and Rs 45,665 for moong.
- Stagnating or declining yields of other crops further incentivize paddy cultivation; for instance, cotton yield declined from over 500 kg per hectare in 2013-14 to 440 kg per hectare in 2024-25, far below the global average of 886 kg per hectare.
- Rice yield, however, diverges widely across states due to agro-climatic variations: Punjab recorded 4,428 kg per hectare in 2024-25, followed by Andhra Pradesh (3,928 kg), while Bihar (2,561 kg) and Uttar Pradesh (2,824 kg) remained below the national average of 2,929 kg per hectare.

#### The Economic Incentive



##### Superior Financial Returns

Paddy yields Rs 56,226 per hectare, nearly triple the returns of maize.



##### Declining Alternative Viability

Cotton yields fell to 440 kg/ha, falling further behind the global average.



##### Assured Market Procurement

Minimum Support Price (MSP) provides a guaranteed safety net for rice farmers.

#### Regional Yield Dynamics

##### State-Level Productivity Gap



4,428 kg/hectare



2,561 kg/hectare

State-Level Productivity Gap



2,929 kg/hectare

##### National Average Benchmark

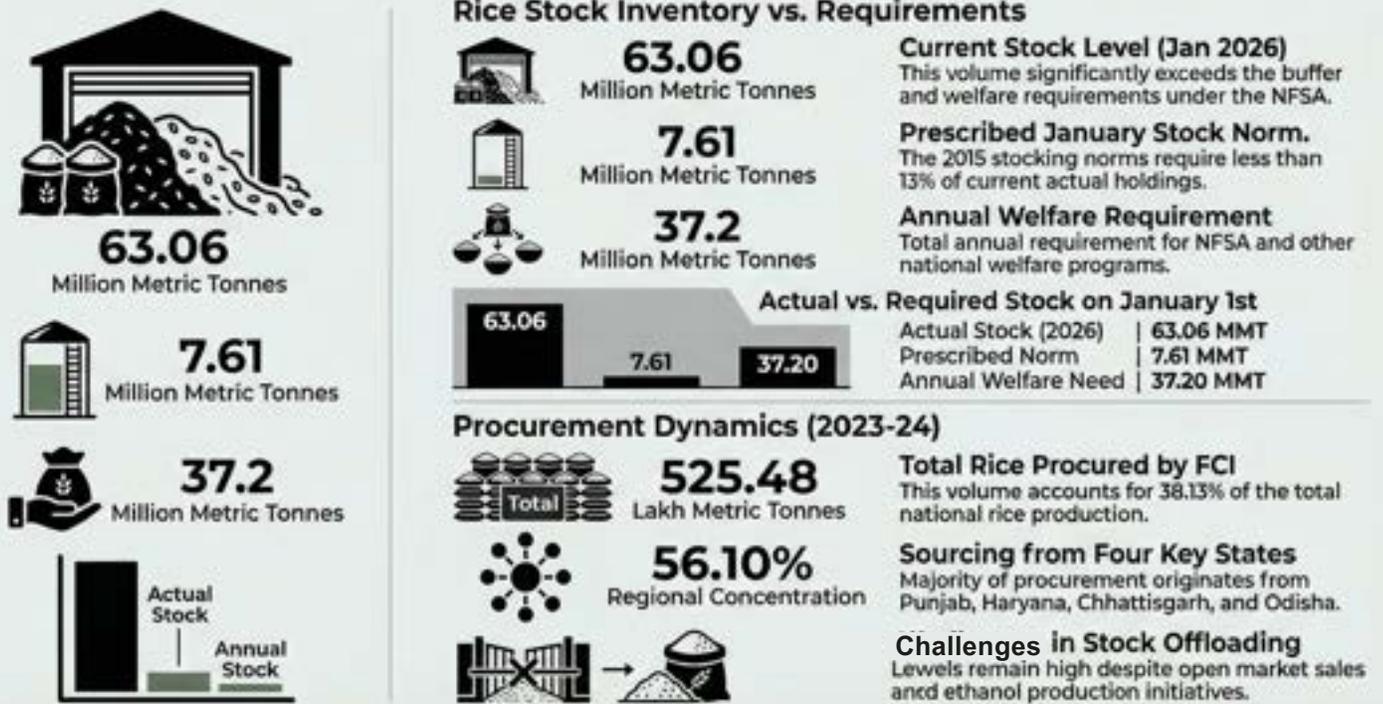
##### Comparing State-Specific Rice Yields against National Performance Benchmark

Region / Benchmark	Yield (kg per hectare)
Punjab	4,428
Andhra Pradesh	3,928
National Average	2,929

## India's Rice Export Dominance

- India is the world's leading **rice exporter**, supplying over 40 percent of global rice trade and exporting to more than 80 countries.
- In 2024-25, India exported 6 million tonnes of basmati rice and 14.13 million tonnes of non-basmati rice, earning USD 5.9 billion and USD 6.5 billion respectively.
- Major basmati export destinations include Saudi Arabia, Iraq, Iran, Yemen, UAE, the United States, the United Kingdom, Kuwait, Oman, Qatar, Jordan, and Israel.
- India holds more than 70 percent of global basmati rice production, with Punjab accounting for 42.7 percent of domestic basmati output.
- The total value of India's rice exports reached USD 12.95 billion in FY 2024-25, with the country projected to export approximately 22-24.5 million metric tonnes in 2025.

## Rice Stock Position and Procurement



- As on 1 January 2026, rice stock (including unmilled paddy in rice terms) in the central pool stood at 63.06 million metric tonnes, significantly exceeding buffer stock and public distribution requirements under the National Food Security Act, 2013 (NFSA).
- The Foodgrains Stocking Norms for Central Pool, effective from January 2015, prescribe rice stock of 7.61 million metric tonnes on the first day of January, with an additional 37.2 million tonnes required annually for NFSA and other welfare programmes.
- During the 2023-24 kharif marketing season, the Food Corporation of India (FCI) procured 525.48 lakh metric tonnes of rice, representing 38.13 percent of total national production.
- Nearly 56.10 percent of total rice procurement originates from Punjab, Haryana, Chhattisgarh, and Odisha.
- Despite government efforts to offload rice through open market sales and ethanol production, stock levels remain elevated.

## Policy Measures for Sustainable Agriculture

- The government actively promotes DSR technology, micro-irrigation systems, and crop diversification

away from water-intensive paddy cultivation in Punjab and Haryana under the Pradhan Mantri Krishi Sinchayee Yojana (PMKSY) and state action plans.

- ICAR is scaling the adoption of drought-tolerant, salinity-resistant, and heat-tolerant rice varieties under the National Innovations in Climate Resilient Agriculture (NICRA) programme.
- Following the International Year of Millets in 2023, the government is encouraging agricultural diversification from rice cultivation in water-stressed regions to improve long-term sustainability.
- Distribution of fortified rice under the National Food Security Act (NFSA) and PM-POSHAN scheme has been expanded nationwide to combat anaemia and micronutrient deficiencies among beneficiaries.
- India has begun integrating Alternate Wetting and Drying (AWD) techniques and improved paddy cultivation practices into its climate action framework to reduce methane emissions from rice fields.

### Proposed Crop Diversification Strategy

- The Agriculture Ministry has proposed incentivizing farmers who discontinue paddy cultivation and switch to alternative crops, funded through savings from rice's economic cost, pegged at Rs 1.36 lakh per hectare.
- This figure incorporates FCI costs including MSP-based procurement, milling, transport, and storage, translating to approximately Rs 33 per kg of stored rice.
- Assuming rice yield of 41.25 quintals per hectare, the government spends approximately Rs 1,36,000 per hectare, excluding subsidies for power, fertilisers, and seeds.
- Districts with paddy yields below the national average (2,929 kg per hectare) and lower area coverage are identified as focus areas for crop diversification.
- The strategy aims to promote oilseeds and pulses in place of rice to curtail import dependence, as India remains heavily reliant on imports to meet domestic edible oil demand.
- Oilseeds and pulses would be promoted in a phased manner based on agro-climatic suitability and soil conditions.

### Ministry of Agriculture and Farmers' Welfare

- The Ministry of Agriculture and Farmers' Welfare serves as the apex body for formulating and administering rules, regulations, and laws related to agriculture in India, with three broad areas of scope: agriculture, food processing, and cooperation.
- The ministry was established on 15 August 1947 as the Ministry of Food and Agriculture, with Dr Rajendra Prasad (later President of India) serving as the inaugural minister.
- The ministry was renamed as the "Ministry of Agriculture and Farmers' Welfare" on 27 August 2015, marking a transition from production-centric to farmer-centric policies emphasizing incomes, risk management, and welfare-driven interventions.
- In 2021, the Ministry of Co-operation was carved out as a separate entity from this ministry.
- The ministry comprises two constituent departments: the Department of Agriculture and Farmers' Welfare (organized into 27 divisions with five attached offices and twenty-one subordinate offices) and the Department of Agricultural Research and Education (DARE), which oversees the Indian Council of Agricultural Research.
- Shivraj Singh Chouhan has held the portfolio since 10 June 2024, assisted by Ministers of State Ram Nath Thakur and Bhagirath Choudhary.
- Sharad Pawar holds the record for the longest continuous tenure as Agriculture Minister, serving from 22 May 2004 to 26 May 2014.
- The ministry's mandate includes formulating agricultural policies, coordinating with states for agricultural development, facilitating farmer welfare through subsidies, direct benefit transfers, and insurance,



advising on Minimum Support Prices, and supporting agribusiness, value chains, and market reforms.

### Indian Council of Agricultural Research

- **ICAR** is an autonomous body under the Department of Agricultural Research and Education (DARE), responsible for coordinating agricultural education and research in India, with headquarters in New Delhi.
- Originally known as the Imperial Council of Agricultural Research, ICAR was established on 16 July 1929 as a registered society under the Societies Registration Act, 1860.
- With 101 research institutes and 71 agricultural universities spread across the country, ICAR constitutes the largest national agricultural research and education system in the world.
- ICAR's mandate focuses on Crop Science, Horticultural Science, Natural Resource Management, Agricultural Engineering, Animal Science, Fisheries Science, Agricultural Education, and Agricultural Extension.
- The organization played a pioneering role in ushering in the Green Revolution of the 1960s, introducing high-yielding varieties of crops, advanced farming techniques, and irrigation methods that significantly increased food production.
- ICAR provides accreditation to agricultural universities, colleges, and programmes through the National Agricultural Education Accreditation Board (NAEAB), established in 1996.
- The Union Minister of Agriculture serves as ICAR's president.

### Global Rice Market Context

- Global rice production in 2024-25 is projected to reach a record 543.3 million metric tonnes (milled basis), with India contributing the largest share.
- The total value of global rice exports reached USD 39.10 billion in 2024, representing a 12 percent increase from the previous year.
- Asian nations account for nearly 80 percent of global rice exports, with India, Thailand, Vietnam, Pakistan, and the United States collectively capturing approximately 73.8 percent of global export value.
- Bangladesh (36.6 million tonnes) and Indonesia (34.1 million tonnes) occupy distant third and fourth positions in global rice production.
- Global rice trade for 2025 is projected to reach 60 million metric tonnes, with ending stocks forecast at a record 205.9 million metric tonnes.
- India's competitive pricing at USD 385 per metric tonne undercuts Thailand (USD 410) and Vietnam (USD 400), strengthening its market dominance.

**PRACTICE QUESTIONS**

1. Which of the following countries has India overtaken to become the world's largest rice producer?  
(a) Japan (b) Cuba  
(c) China (d) Spain
2. Which of the following countries accounts for over 70 percent of global basmati rice production?  
(a) Japan (b) Iran  
(c) China (d) India
3. Which of the following percent represents India's current share in global rice production?  
(a) 21 percent (b) 28 percent  
(c) 15 percent (d) 40 percent
4. Which of the following states ranked first in rice production share in 2025–26?  
(a) Chattisgarh (b) West Bengal  
(c) Uttar Pradesh (d) Telangana
5. Which of the following crops is the second most widely cultivated in India after rice?  
(a) Pulses (b) Wheat  
(c) Maize (d) Cotton
6. Which of the following categories accounted for the largest number of new crop varieties released by ICAR?  
(a) Pulses (b) Oilseeds  
(c) Cereals (d) Fodder crops
7. Which of the following proportion of Indians consumes rice as a staple food daily?  
(a) About 40 percent (b) About 65 percent  
(c) About 25 percent (d) About 80 percent
8. Which of the following temperatures is considered optimal during the daytime for rice cultivation?  
(a) 30°C (b) 20°C  
(c) 40°C (d) 25°C
9. Which of the following Acts provides the legal benchmark for determining whether rice stocks exceed food distribution requirements in India?  
(a) National Food Security Act, 2011  
(b) National Grain Security Act, 2012  
(c) National Food Security Act, 2013  
(d) National Supply Security Act, 2014
10. Which of the following crops provided the highest net return per hectare at 2021–22 MSP rates?  
(a) Paddy (b) Maize  
(c) Moong (d) Cotton
11. Which of the following percentage of India's total rice procurement originates from Punjab, Haryana, Chhattisgarh, and Odisha combined?  
(a) About 25 percent (b) About 38 percent  
(c) About 45 percent (d) About 56 percent
12. Which of the following countries is India's largest competitor in global rice exports in terms of pricing?  
(a) Pakistan (b) Thailand  
(c) Cambodia. (d) Indonesia
13. Which of the following is the estimated economic cost per hectare of rice cultivation incurred by the government?  
(a) Rs 1.36 lakh (b) Rs 1.10 lakh  
(c) Rs 1.95 lakh (d) Rs 1.75 lakh
14. Which of the following programmes supports climate-resilient crop varieties developed by ICAR?  
(a) NICRA (b) PMFBY  
(c) RKVY (d) PMKSY
15. Which of the following years saw the renaming of the Ministry of Agriculture to include "Farmers' Welfare"?  
(a) 2010 (b) 2012  
(c) 2014 (d) 2015

**SOLUTIONS**

1. (c)      2. (d)      3. (b)      4. (c)      5. (b)      6. (c)      7. (b)      8. (a)  
9. (c)      10. (a)      11. (d)      12. (b)      13. (a)      14. (a)      15. (d)

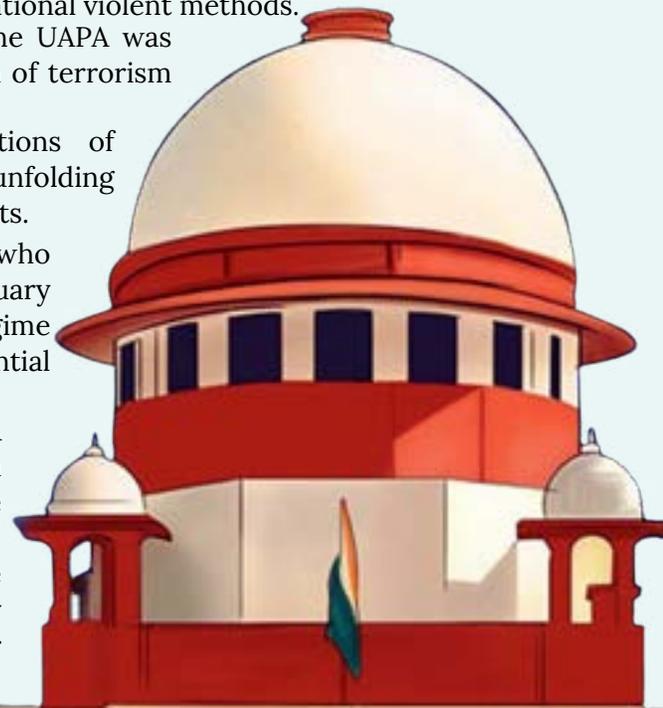
## 6 UNLAWFUL ACTIVITIES (PREVENTION) ACT 1967

### IN FOCUS

- The Supreme Court on January 5, 2026, delivered a significant judgment interpreting the scope of **terrorist act** provisions under the **Unlawful Activities (Prevention) Act (UAPA)** while adjudicating bail applications in the **Delhi riots** larger conspiracy case.
- A bench headed by Justice Arvind Kumar denied bail to Umar Khalid and Sharjeel Imam while granting release to five co-accused individuals, namely Gulfisha Fatima, Meeran Haider, Shifa Ur Rehman, Mohd. Saleem Khan, and Shadab Ahmad.
- The Court held that an act of terror under UAPA encompasses not merely the final manifestation of violence but also the preparatory phases including conspiracy, planning, and abetment leading up to such acts.
- Justice Kumar's bench referred to Section 15(1)(a) of the 1967 Act, emphasizing the residuary phrase "by another means" in the statutory definition, which extends beyond conventional weapons like bombs, firearms, and explosives to include other methods of destabilization.
- The Court ruled that terrorist activities under UAPA extend to disruption of essential commodity supplies causing **economic insecurity** and civic destabilization, even when direct physical violence is not perpetrated during the process.
- All seven accused individuals had remained in continuous **judicial custody** for over five years without charges being framed against them, making the bail determination particularly significant in light of prolonged incarceration.

### Judicial Interpretation of Terrorism Under UAPA

- The Supreme Court clarified that statutory intent behind the UAPA was deliberately expansive, designed not to restrict the definition of terrorism exclusively to conventional violent methods.
- The Supreme Court clarified that statutory intent behind the UAPA was deliberately expansive, designed not to restrict the definition of terrorism exclusively to conventional violent methods.
- The judgment characterized terrorist acts as culminations of organized, sustained, and conspiratorial activities unfolding progressively over time rather than isolated or solitary incidents.
- The Court addressed arguments raised by petitioners who claimed non-participation in actual violence during February 2020, noting that Delhi Police had alleged conspiracy for regime change through armed rebellion and disruption of essential supplies.
- The bench emphasized that offences covered under UAPA transcend ordinary criminal offences due to their impact on national security and territorial integrity, justifying distinctive treatment under the law.
- According to the judgment, terrorist activities constitute systematic threats requiring recognition of preparatory conspiracies and abetment as integral components rather than peripheral concerns.



## Bail Determinations and Court Reasoning

- The Court applied **Section 43D(5)** of UAPA, which imposes more stringent bail conditions than ordinary criminal laws due to the distinctive nature of scheduled offences under the Act.
- Section 43D(5) mandates that courts must be satisfied reasonable grounds exist for believing the accused is not guilty before granting bail, effectively curtailing usual presumptions of innocence favoring accused individuals.
- The judgment clarified that Section 43D(5) neither denies judicial scrutiny of bail applications nor mandates automatic bail, with stringent restrictions operating only when courts find accusations **prima facie true** after disciplined examination.
- The Court adopted an "accused-specific" approach, examining individual roles and attributes played by each accused person rather than applying blanket determinations to all co-accused collectively.
- The bench held that an accused person's role must demonstrate a "real and meaningful nexus" to the terrorist act, distinguishing central participation from mere peripheral association or presence.
- Justice Kumar characterized Umar Khalid and Sharjeel Imam as "principal architects" of the alleged conspiracy, justifying continued detention based on their purported foundational roles in orchestrating events.
- The five co-accused granted bail were described as having facilitative rather than directive roles, with the Court finding their continued incarceration disproportionate given the nature of allegations against them.
- The judgment devoted substantial analysis to determining responsibility for trial delays, finding insufficient evidence to attribute delays to prosecutorial or judicial inaction.
- The Court treated case complexity, involving multiple accused, voluminous electronic evidence, and allegations of structured conspiracy, as legitimate explanation for extended timelines rather than grounds for automatic bail.

## UAPA BAIL: THE HIGH BAR FOR LIBERTY

Section 43D(5) sets a stringent, individual-focused standard in conspiracy cases.

**The Presumption of Innocence is Curtailed**  
Section 43D(5) requires courts to believe the accused is "not guilty" before granting bail.

**Individual Roles Must Be Analyzed**  
The court rejects blanket determinations, focusing instead on an "accused-specific" approach for each person.

**ARCHITECTS vs. PERIPHERAL PARTICIPANTS**  
Bail is denied for "principal architects" but may be granted to those with mere facilitative roles.

ARCHITECT / PERIPHERAL

**The 'Real and Meaningful Nexus' Test**  
Central participation in a terrorist act is required to justify continued detention.

CENTRAL PARTICIPATION

**TRIAL DELAYS DO NOT GUARANTEE BAIL**  
High case complexity and voluminous evidence are treated as legitimate reasons for extended timelines.

- The Unlawful Activities (Prevention) Act was originally enacted in 1967 with the objective of effectively preventing activities by associations threatening India's territorial integrity and sovereignty.
- Unlawful activity is statutorily defined as any action undertaken by individuals or associations intended to disrupt India's territorial integrity and sovereignty through secessionist or cessionary claims.
- The legislation grants the central government absolute authority to declare any activity unlawful through official gazette notification if deemed threatening to national integrity.
- Both Indian and foreign nationals can be prosecuted under UAPA provisions, with extraterritorial application extending to offences committed on foreign soil by Indian nationals.
- The investigating agency is empowered to file charge sheets within a maximum period of 180 days following arrests, with provisions for court-sanctioned extensions beyond this timeframe.
- UAPA prescribes death penalty and life imprisonment as maximum punishments for terrorist activities resulting in loss of life, with graduated sentencing for other categories of offences.
- Activities resulting in death attract capital punishment or life imprisonment, while organizing terrorist camps,

## Understanding the UAPA: India's Legal Framework Against Unlawful Activities

The Unlawful Activities (Prevention) Act (UAPA), enacted in 1967, serves as India's primary legislative tool for protecting territorial integrity. It grants the central government broad powers to designate entities and prosecute individuals—both domestic and foreign—for activities threatening the nation.

### Legal Scope & Authority



#### Protectors of Territorial Integrity

Defined as actions intended to disrupt sovereignty through secessionist or cessionary claims.

### Enforcement & Penalties



#### 180-Day Charge Sheet Window

Investigative agencies may take up to 180 days to file formal charges.



#### Extraterritorial Jurisdiction

Applies to Indian and foreign nationals, including offenses committed on foreign soil.

### Graduated Sentencing Tiers



Minimum 5 Years Imprisonment & Fine. 10 Years Imprisonment & Fine. Death Penalty or Life Imprisonment.



#### NIA Investigative Authority

The National Investigation Agency (NIA) holds the primary statutory power for UAPA Investigations.



#### Penalizing Terrorist Infrastructure

Organizing camps or recruitment carries a mandatory 5-10 year prison sentence and fines.

- conspiracy, or recruitment carries 5-10 years imprisonment with monetary fines.
- Preparatory acts toward commission of terrorist activities mandate minimum five-year imprisonment coupled with financial penalties under the statutory framework.
  - The Act empowers the central government to designate organizations as terrorist entities if they commit, participate in, prepare for, promote, or are otherwise involved in terrorism.
  - The **National Investigation Agency (NIA)** possesses statutory authority to investigate cases registered under UAPA provisions, having been established in 2008 specifically for counter-terrorism investigations.

### Historical Evolution and Amendments

- The Constitution (Sixteenth Amendment) Act, 1963, was enacted following recommendations from the Committee on National Integration, empowering Parliament to impose reasonable restrictions on Article 19 freedoms for matters concerning sovereignty and integrity.
- UAPA was legislated in 1967 following the Naxalbari peasants' uprising, initially targeting anti-national activities and secessionist movements without specific anti-terrorism provisions.
- Prior to 2004, terrorist activities fell under the now-repealed Terrorist and Disruptive Activities (Prevention) Act, 1987 (TADA) and the Prevention of Terrorism Act, 2002 (POTA).
- The 2004 amendment introduced Chapter IV to UAPA, bringing terrorist acts under statutory purview following POTA's repeal and implementing various United Nations Security Council anti-terrorism resolutions.
- Under the 2004 amendments, until that year "unlawful activities" referred exclusively to actions concerning territorial secession and cession, with 34 organizations subsequently banned for terrorist activities post-amendment.
- The 2008 amendment empowered the central government to freeze, seize, or attach funds and financial assets belonging to listed entities or individuals suspected of terrorism engagement.
- NIA was established through the 2008 amendment as a statutory body under the NIA Act, replacing previous arrangements where state investigating agencies and Central Bureau of Investigation handled terror-related cases.
- The 2013 amendment aligned UAPA with Financial Action Task Force requirements addressing money laundering and terrorism financing concerns.
- Parliament enacted the Unlawful Activities (Prevention) Amendment Act, 2019, introducing provisions for cyber-terrorism, terrorist financing, property seizure, and individual terrorist designation.
- The 2019 amendment granted the Director General of NIA authority to approve property seizure or attachment when investigations are conducted by the agency.
- NIA officers holding the rank of Inspector or above received investigation powers under the 2019 amendment, supplementing existing authority vested in Deputy Superintendents of Police or Assistant Commissioners of Police in states.
- The 2019 legislation added the International Convention for Suppression of Acts of Nuclear Terrorism (2005) to the schedule of treaties incorporated within UAPA's statutory framework.

### Criticisms and Concerns Regarding the Judgment

- Legal commentators have argued that the Supreme Court's judgment represents constitutional abdication rather than appropriate judicial restraint in protecting fundamental rights.
- The decision has been criticized for repositioning the precedent established in *Union of India v K.A. Najeeb* (2021), which held that prolonged incarceration without reasonable trial progression warrants constitutional intervention.
- Critics contend that the judgment converts **pre-trial detention** from a rights-based violation triggering presumptive relief into merely a contextual consideration to be balanced against other factors.

- The three-judge bench decision in Najeeb established that statutory bail rigors must yield when trials cannot be completed within reasonable timeframes and incarceration exceeds substantial portions of prescribed sentences.
- The present judgment's reliance on Gurwinder Singh v State of Punjab (2024), a two-judge bench decision, to qualify Najeeb's categorical holdings has been questioned on doctrinal hierarchy grounds.
- Analysis reveals that between 2010 and 2023, only 2.2% of cases registered under UAPA resulted in convictions, with acquittal rates reaching 97.8%, suggesting prosecution lacks merit in the vast majority of cases.
- The Court's attribution of delay responsibility to case complexity rather than systemic factors has been criticized for creating perverse incentives where more expansive prosecutions justify longer detention periods.
- Legal scholars argue that placing the burden on accused persons to demonstrate state responsibility for delays before Article 21 protections attach contradicts constitutional guarantees of speedy trial.
- The judgment's treatment of interpretive evidence, including speeches, meeting attendance, and messaging group membership, as sufficient for prima facie satisfaction under Section 43D(5) has raised concerns about evidentiary standards.
- Critics note that in the same case, the Delhi High Court previously granted bail to several co-accused (Devangana Kalita, Natasha Narwal, Asif Iqbal Tanha), which the Supreme Court declined to disturb, creating apparent inconsistencies.
- The constitutional paradox identified by commentators questions why five of seven appellants could be safely released without compromising trial integrity while two remain detained despite identical witness lists and investigative completion.

### Structural Challenges in UAPA Implementation

- UAPA's definitions of "unlawful activity" and "terrorist act" have been criticized as excessively broad and susceptible to subjective interpretation by investigating and prosecuting authorities.
- Between 2010 and 2023, sixteen journalists were charged under UAPA provisions in India, raising concerns about the Act's deployment against media personnel and civil society activists.
- The legislation permits detention of suspects without charge or trial for up to 180 days, contrasting sharply with international standards such as the United States' seven-day custody period and Australia's 24-hour requirement.
- UAPA's bail provisions create presumptions against release unless courts are satisfied accused persons are not guilty, effectively reversing ordinary criminal law's presumption of innocence.
- The Act lacks adequate procedural safeguards against misuse of powers, with the government not required to provide arrest or detention grounds, hindering effective legal challenges.
- The government is not obligated to disclose evidence forming the basis for terrorist designations of individuals or organizations, limiting transparency and accountability mechanisms.
- The central government possesses authority to extend bans on organizations for five-year periods, with decisions subject to review by the Unlawful Activities Prevention Tribunal comprising a High Court judge.
- Legal analysts note that the onus placed on accused persons to demonstrate charges are false makes obtaining bail virtually impossible until trial completion in most cases.
- The Act's remand provisions allow for 30-day orders instead of the usual 15 days, with maximum judicial custody periods extending to 180 days compared to 90 days under ordinary criminal procedures.
- UAPA incorporates international treaty obligations including the Convention for the Suppression of Terrorist Bombings (1977) and the Convention Against Taking of Hostages (1979) within its definitional framework.

# Umar Khalid

Syed Umar Khalid, born on August 11, 1987, in Jamia Nagar, New Delhi, is a student activist and former research scholar at Jawaharlal Nehru University (JNU) who submitted his PhD thesis titled "Contesting Claims and Contingencies of the Rule on Adivasis of Jharkhand" in 2018.

- He served as a former leader of the Democratic Students' Union (DSU) at JNU and co-founded the campaign "United Against Hate" in July 2017 alongside Nadeem Khan in response to rising communal violence and lynching incidents.
- Khalid, who describes himself as an atheist and Marxist-Leninist despite his Muslim family background, became politically active following the 2008 Batla House encounter in his neighborhood and gained national prominence during the 2016 JNU sedition case involving anti-India slogans.
- He was arrested in September 2020 under UAPA for his alleged role in conspiring to incite the February 2020 Delhi riots through provocative speeches during protests against the Citizenship Amendment Act (CAA) and National Register of Citizens (NRC).
- Khalid has remained incarcerated in Tihar Jail for over five years without trial commencement, with multiple bail applications denied by trial courts, the Delhi High Court, and most recently the Supreme Court on January 5, 2026, despite being granted brief interim bail in December 2024 to attend a family wedding.



## PRACTICE QUESTIONS

- Which of the following Act was interpreted by the Supreme Court in the January 2026 Delhi riots bail judgment?
  - Unlawful Activities Prevention
  - Indian Penal Code Statute Laws
  - Criminal Procedure Code Manual
  - National Security Act Statutes
- Who among the following headed the Supreme Court bench delivering the UAPA judgment on 5 January 2026?
  - Justice Arvind Kumar
  - Justice Sanjiv Khanna
  - Justice B R Gavai
  - Justice U U Lalit
- Which of the following sections of UAPA contains the phrase “by another means”?
  - Section 13 Provision
  - Section 14 Provision
  - Section 15 Provision
  - Section 18 Provision
- Which of the following descriptions did the Court apply to Umar Khalid and Sharjeel Imam?
  - Peripheral Associated Individuals
  - Facilitative Supporting Actors
  - Passive Protest Participants
  - Principal Conspiracy Architects
- Which of the following approaches did the Court adopt while deciding bail applications?
  - Accused Specific Approach
  - Collective Liability Approach
  - Accused Liability Approach
  - Absolute Presumption Approach
- Which of the following UAPA provisions governs stringent bail conditions?
 

(a) Section 41D(5)	(b) Section 25D(5)
(c) Section 43D(5)	(d) Section 61D(5)
- Which of the following year marks the original enactment of UAPA?
 

(a) 1967	(b) 1971
(c) 1987	(d) 2002
- Which of the following repealed laws earlier governed terrorist offences in India?
 

(a) NSA And POTA	(b) IPC And MCOCA
(c) MCOCA And NSA	(d) TADA And POTA
- Which of the following agencies is statutorily empowered to investigate UAPA cases?
  - National Investigation Agency
  - Central Investigation Bureau
  - Intelligence Bureau India
  - Enforcement Directorate India
- Which of the following amendments empowered seizure of terrorist funds?
 

(a) 2004 amendment	(b) 2008 amendment
(c) 2013 amendment	(d) 2019 amendment
- Which of the following year introduced individual terrorist designation under UAPA?
 

(a) 2013	(b) 2015
(c) 2017	(d) 2019
- Which of the following constitutional amendments enabled restrictions for sovereignty protection?
  - 16th Constitutional Amendment Act, 1963
  - 13th Constitutional Amendment Act, 1963
  - 41st Constitutional Amendment Act, 1963
  - 43rd Constitutional Amendment Act, 1963
- Which of the following is the maximum period for which a suspect can be detained without charge under UAPA?
 

(a) 140 days	(b) 100 days
(c) 180 days	(d) 160 days
- Who among the following authored the PhD thesis on Adivasis of Jharkhand?
  - Umar Khalid Scholar
  - Sharjeel Imam Activist
  - Nadeem Khan Organizer
  - Asif Iqbal Researcher
- Which of the following was granted bail by the Supreme Court in the Delhi riots UAPA case?
 

(a) Safoora Zargar	(b) Gulfisha Fatima
(c) Sharjeel Imam	(d) None of the above

## SOLUTIONS

- |        |         |         |         |         |         |         |        |
|--------|---------|---------|---------|---------|---------|---------|--------|
| 1. (a) | 2. (a)  | 3. (c)  | 4. (d)  | 5. (a)  | 6. (c)  | 7. (a)  | 8. (d) |
| 9. (a) | 10. (b) | 11. (d) | 12. (a) | 13. (c) | 14. (a) | 15. (b) |        |

## 7 PAX SILICA & INDIA'S INCLUSION

### IN FOCUS

- US Ambassador-designate Sergio Gor announced that America plans to invite India to join the **Pax Silica** alliance as a full member in February 2026, approximately one month after the initiative's launch.
- India's belated inclusion mirrors its delayed entry into the US-led Minerals Security Partnership (MSP), where India joined as the 14th member a full year after the partnership's launch in June 2022.
- The invitation is being interpreted as a conciliatory gesture amid efforts to repair strained bilateral ties following the imposition of 50 percent tariffs on Indian goods, the highest in Asia.

### What is Pax Silica?

- Pax Silica is a US-led coalition aimed at building a secure, resilient, and innovation-driven silicon and Artificial Intelligence (AI) supply chain ecosystem through deep cooperation with trusted global partners.
- The inaugural Pax Silica Summit was held in Washington D.C. in December 2025, bringing together counterparts from Japan, Republic of Korea, Singapore, the Netherlands, United Kingdom, Israel, United Arab Emirates, and Australia.
- The initiative aims to reduce coercive dependencies on a single country, protect AI-critical materials and capabilities, and enable aligned nations to develop and deploy transformative technologies at scale.
- China dominates the critical minerals supply chain essential for the silicon and AI ecosystem, refining over 60 percent of lithium, cobalt, and rare earths; global diversification efforts accelerated after China's restrictions on rare earth magnets disrupted supply chains.
- Partner countries host key firms powering the global AI supply chain, including Sony, Hitachi, and Fujitsu (Japan); Samsung and SK Hynix (South Korea); Temasek (Singapore); DeepMind (UK); MGX (UAE); Rio Tinto (Australia); and ASML (Netherlands).



### Core Commitments and Thrust Areas

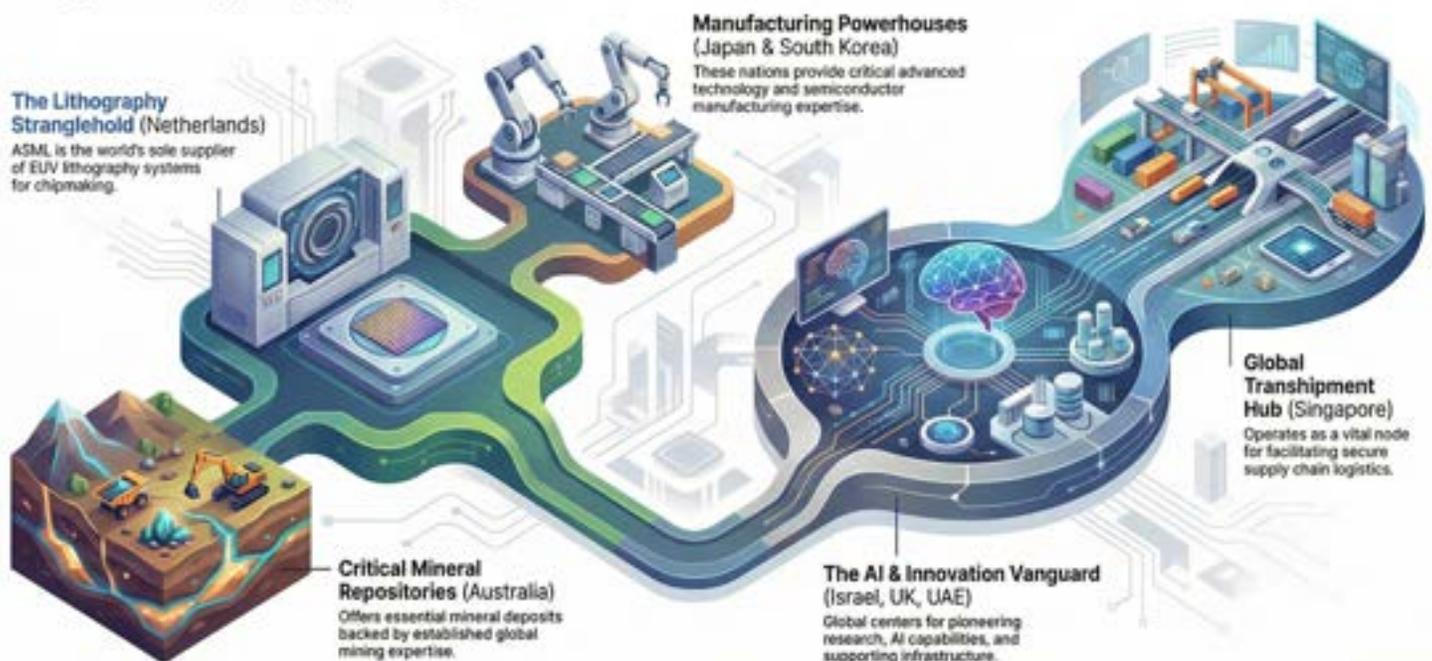
- Participating nations have committed to joint projects addressing AI supply chain vulnerabilities across critical minerals, semiconductor design, fabrication and packaging, compute infrastructure, and energy grids.
- Measures include pursuing new joint ventures and strategic co-investment opportunities, protecting sensitive technologies and critical infrastructure from undue access or control by countries of concern.
- The initiative focuses on building trusted technology ecosystems, including ICT systems, fibre-optic cables, data centres, foundational models, and applications.
- The US State Department stated the initiative responds to growing partner demand for deeper economic and technology cooperation, recognizing AI as a transformative force for long-term prosperity.

## Strategic Value of Each Partner Nation

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## The Pillars of Global Tech: Strategic National Roles

Illustrating how specific nations provide unique, indispensable contributions to the global technology and supply chain ecosystem.



- The Netherlands possesses a stranglehold over specialised lithography machines extremely difficult to substitute for chipmaking, with ASML being the world's sole supplier of extreme ultraviolet (EUV) lithography systems.
- Japan and South Korea contribute advanced technology and manufacturing expertise in semiconductors and electronics.
- Australia serves as a repository of critical minerals with established mining expertise.
- Israel functions as an innovation and technology centre with significant AI capabilities.
- Singapore operates as a global transshipment hub facilitating secure supply chain logistics.
- The United Kingdom is a services and technology hub with DeepMind pioneering AI research.
- The UAE has made visible progress in fostering AI expertise and ramping up supporting infrastructure.

## India's Earlier Exclusion: Rationale

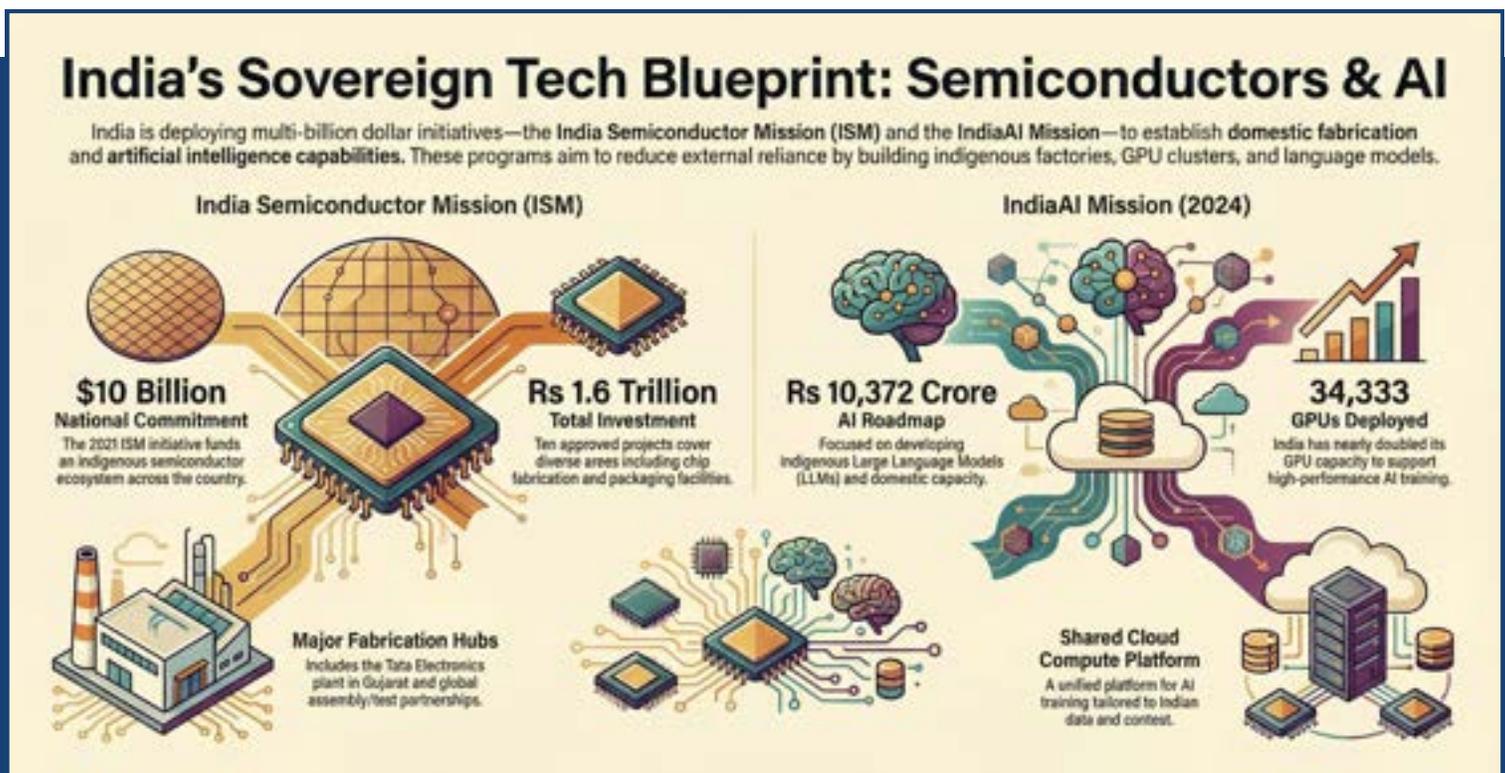
- India currently lacks the critical edge technologies that Pax Silica prioritizes and is not a major repository

of critical minerals, which limited its inclusion in the initial grouping.

- India refines less than 2 percent of the critical minerals it consumes and is still in the early stages of building its first world-class semiconductor fabrication facilities.
- The country's technological lag positions it as a "potential partner" rather than a core architect of the future silicon ecosystem.
- For both MSP and Pax Silica, considerable lobbying by New Delhi was required to secure membership, underscoring the perception that India needs to demonstrate tangible contributions to qualify as a natural partner in US-led strategic initiatives.

### The Strategic Dilemma for India

- India faces a "Good Cop vs Bad Cop" dynamic, with the Pax Silica invitation representing the "carrot" while 50 percent tariffs and threats of 500 percent punitive tariffs for continued Russian energy reliance constitute the "stick."
- Joining Pax Silica would require India to commit to a "**Silicon Curtain**," aligning its technology standards and supply chains exclusively with a US-led bloc seeking to "de-risk" from China.
- Simultaneously, the Indian government is weighing a proposal to remove the five-year-long ban on Chinese companies (implemented after the 2020 Galwan clash) bidding for massive government contracts estimated at over USD 700 billion.
- If India joins Pax Silica, it may secure long-term technology transfers needed to address its AI lag but risks alienating Chinese supply chains it is considering reintegrating to solve immediate industrial bottlenecks.
- For a nation that prides itself on "**strategic autonomy**," the price of admission may be the very flexibility it needs to navigate its current technological dependencies.



- Under the USD 10 billion India Semiconductor Mission (ISM, 2021), India aims to build an indigenous semiconductor ecosystem.
- Ten projects have been approved involving Rs 1.6 trillion investment, covering fabrication and packaging facilities.

- Major initiatives include the Tata Electronics semiconductor fabrication plant in Gujarat and assembly and test facilities in partnership with global companies.
- The Rs 10,372 crore IndiaAI Mission (2024) focuses on indigenous Large Language Models (LLMs) and domestic AI capacity building.
- Graphics Processing Units (GPUs) capacity has been expanded to 34,333 GPUs, nearly doubling earlier levels.
- The mission supports a shared cloud-based compute platform for AI training and inference, critical for developing foundational models tailored to Indian data and context.

### National Critical Mineral Mission

- The Government of India launched the **National Critical Mineral Mission (NCMM)** in January 2025 with an outlay of Rs 34,300 crore over seven years from 2024-25 to 2030-31.
- The mission aims to secure India's self-reliance in critical minerals vital for high-tech, clean energy, and defence applications.
- It covers the full value chain, from exploration and mining to processing and recycling, encouraging overseas asset acquisition and international trade partnerships.
- The mission will establish mineral parks, promote recycling (targeting 270 kilotonnes capacity recovering 40 kilotonnes annually), and support research through Centres of Excellence at major IITs and research laboratories.



- The Geological Survey of India (GSI) has been tasked with conducting 1,200 exploration projects from 2024-25 to 2030-31.

### Minerals Security Partnership

- The MSP, a US initiative launched in June 2022, aims to strengthen critical mineral supply chains by ensuring minerals are produced, processed, and recycled to maximize economic development benefits.
- India joined as the 14th member in June 2023, a year after the partnership's launch.
- MSP partners include Australia, Canada, Estonia, Finland, France, Germany, India, Italy, Japan, Norway, Republic of Korea, Sweden, United Kingdom, United States, and the European Union.
- The partnership directly supports India's mineral self-reliance strategy, complementing domestic actions and bolstering India's position in the global race for critical minerals vital for future industries and the energy transition.

### India's Critical Minerals Partnerships (Non-US)

**Australia:** KABIL signed a Memorandum of Understanding with the Critical Mineral Office (CMO), Government

of Australia, in March 2022 to identify lithium and cobalt projects, conduct joint due diligence, and establish off-take arrangements.

- **Argentina:** KABIL signed a USD 24 million lithium exploration pact with CAMYEN SE, a state-owned enterprise, in January 2024 for five lithium brine blocks covering 15,703 hectares in Catamarca Province; a fresh MoU was signed in February 2025 with the Provincial Government of Catamarca.
- **Chile:** KABIL signed a Non-Disclosure Agreement with state-owned ENAMI to explore brine-type lithium blocks and submitted an expression of interest for lithium exploration, extraction, and processing projects; negotiations for a Comprehensive Economic Partnership Agreement (CEPA) are ongoing.
- **Japan:** India and Japan signed a Memorandum of Cooperation (MoC) in August 2025 during PM Modi's visit to Tokyo for the 15th India-Japan Annual Summit, focusing on building resilient and diversified supply chains for critical minerals and rare earth elements; a Joint Working Group on Critical Minerals under the Economic Security Initiative will convene in early 2026.
- **Kazakhstan:** In November 2024, India and Kazakhstan formed a joint venture called **IREUK Titanium Limited**, India's first JV in Central Asia, to produce titanium slag in Odisha by converting low-grade ilmenite into high-grade titanium feedstock; UKTMP provides technology while IREL supplies minerals.
- **Democratic Republic of Congo:** India has signed MoUs for collaboration in exploration, technology transfer, and commercial investment in mineral supply chains.



### India's Import Dependency and Domestic Reserves

- India has 100 percent import dependency for lithium, cobalt, and nickel minerals.
- The country shows significant dependency on China for several critical minerals: bismuth (85.6%), lithium (82%), silicon (76%), titanium (50.6%), tellurium (48.8%), and graphite (42.4%).
- However, India possesses substantial domestic reserves: cobalt ore (44.9 million tonnes), copper (163.9 million tonnes), graphite (211.6 million tonnes), and nickel (189 million tonnes).

- India holds nearly 35 percent of the world's beach and sand mineral deposits, which are significant sources of rare earths.
- India produced 2,900 MT of rare earths in 2024 and has reserves of 6.9 million metric tons.

**Global Critical Mineral Deposits by Country**

Critical Mineral	Major Reserve Holders	Top Producers	
<b>Lithium</b>	Chile (34%), Australia (22%), Argentina (12%)	Australia (51%), Chile (26%), China (15%)	65%
<b>Cobalt</b>	DRC (57%), Australia (15%), Cuba (5%)	DRC (73%), Indonesia, Russia	74%
<b>Rare Earth Elements</b>	China (44 MT), Brazil (21 MT), India (6.9 MT)	China (270,000 MT), Myanmar, USA	90%+
<b>Graphite</b>	China (28%), Brazil (26%), Mozambique, Madagascar	China (72%), Mozambique (10%)	100%
<b>Nickel</b>	Indonesia (21 MT), Australia (21 MT), Brazil	Indonesia, Philippines, Russia	68%
<b>Copper</b>	Chile (21%), Peru, Australia, DRC, Russia	Chile (21%), Peru, DRC, China	45%
<b>Titanium</b>	Australia, South Africa, India, Kazakhstan	China, Japan, Russia, Kazakhstan	Significant

**Khanij Bidesh India Limited (KABIL)**

- **KABIL** was established in 2019 as a joint venture of three Central Public Sector Enterprises: National Aluminium Company Ltd (NALCO) with 40 percent equity, Hindustan Copper Ltd (HCL) with 30 percent, and Mineral Exploration and Consultancy Ltd (MECL) with 30 percent.
- KABIL is tasked with identifying, exploring, acquiring, developing, mining, processing, procuring, and selling strategic minerals abroad.
- The government plans to increase KABIL's paid-up capital to Rs 500 crore, a fivefold increase from the existing Rs 100 crore, to ramp up overseas mineral acquisitions.

- KABIL has signed non-disclosure agreements with various international firms to evaluate potential projects and is actively pursuing assets in Argentina, Australia, Chile, Bolivia, and other resource-rich nations.

### Global Critical Minerals Market Outlook

- According to the International Energy Agency (IEA), the total market value of critical energy transition minerals will more than double by 2040 to reach USD 770 billion, up from approximately USD 325 billion currently.
- Lithium demand is projected to grow fivefold by 2040, while graphite and nickel demand will double; cobalt and rare earth elements demand will increase by 50–60 percent.
- The geographic concentration of refining has increased across nearly all critical minerals, with the average market share of the top three refining nations rising from 82 percent in 2020 to 86 percent in 2024.
- Lithium prices, which had surged eightfold during 2021–22, fell by over 80 percent since 2023 due to oversupply.
- Global 2024–25 rice trade is projected at 60.6 million metric tonnes, with production reaching a record 543.3 million metric tonnes.

## PRACTICE QUESTIONS

1. Which of the following initiative plans to invite India as a full member in February 2026?  
(a) Pax Silica (b) Quad Core  
(c) Tech Quint (d) AI Coalition
2. Where was the inaugural Pax Silica Summit held in December 2025?  
(a) Salt Lake City  
(b) Jacksonville  
(c) Oklahoma City  
(d) Washington DC
3. Which of the following partnerships did India join as the fourteenth member?  
(a) Quad Alliance (b) Tech Bloc  
(c) MSP Group (d) AI Forum
4. Which of the following countries dominates critical mineral refining globally?  
(a) Japan (b) China  
(c) Chile (d) Quetta
5. Which of the following companies supplies EUV lithography machines exclusively?  
(a) Foxconn Corp  
(b) NVIDIA Group  
(c) Huawei Group  
(d) ASML Holding
6. Which of the following countries functions as a global transshipment hub?  
(a) Singapore (b) Lebanon  
(c) Armenia (d) Australia
7. Which of the following countries is a major critical mineral repository?  
(a) Australia (b) Andorra  
(c) Argentina (d) Armenia
8. Which of the following explains India's initial exclusion from Pax Silica?  
(a) Trade Barriers  
(b) Tech Deficit  
(c) Border Issues  
(d) Defence Limits
9. Which of the following missions targets India's semiconductor ecosystem?  
(a) ISM Mission  
(b) Skill Mission  
(c) Startup Mission  
(d) Digital Mission
10. Which of the following missions focuses on indigenous AI capacity?  
(a) Digital Mission  
(b) Startup Mission  
(c) IndiaAI Mission  
(d) Skill Mission
11. Which of the following missions supports India's mineral self-reliance?  
(a) NCMM Mission  
(b) Energy Mission  
(c) Skill Mission  
(d) Digital Mission
12. Which of the following agencies conducts large-scale mineral exploration?  
(a) ISRO Agency (b) DRDO Agency  
(c) GSI Agency (d) NITI Agency
13. Which of the following entities acquires strategic minerals abroad?  
(a) KABIL Entity  
(b) NMDC Entity  
(c) ONGC Entity  
(d) Coal Entity
14. Which of the following countries partnered with India for lithium exploration?  
(a) Greenland  
(b) Argentina  
(c) Germany  
(d) Scotland
15. Which of the following best captures India's Pax Silica dilemma?  
(a) Strategic Autonomy  
(b) Trade Isolation  
(c) Military Alignment  
(d) Currency Exposure

## SOLUTIONS

- |        |         |         |         |         |         |         |        |
|--------|---------|---------|---------|---------|---------|---------|--------|
| 1. (a) | 2. (d)  | 3. (c)  | 4. (b)  | 5. (d)  | 6. (a)  | 7. (a)  | 8. (b) |
| 9. (c) | 10. (c) | 11. (a) | 12. (c) | 13. (a) | 14. (b) | 15. (a) |        |

## 8 US RETREAT FROM MULTILATERALISM

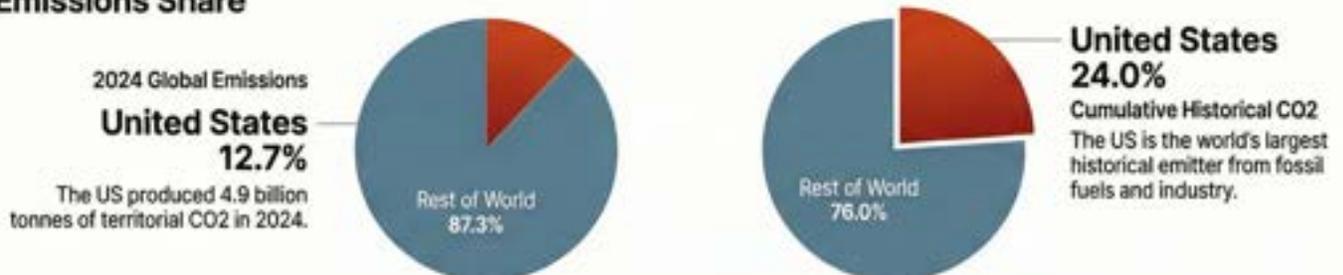
### IN FOCUS

- United States President Donald Trump signed a presidential memorandum on 7 January 2026 directing withdrawal from 66 international organisations, including 31 UN bodies, citing national interest considerations under the "America First" approach.
- The withdrawal includes the **United Nations Framework Convention on Climate Change** (UNFCCC), the core global climate treaty under which the UN conducts the annual Conference of Parties (COP) climate talks and under which the Paris Agreement exists.
- The US exited the Intergovernmental Panel on Climate Change (IPCC), the world's leading scientific body assessing climate change established jointly by the World Meteorological Organization (WMO) and the United Nations Environment Programme (UNEP) in 1988.
- Other entities from which the US is withdrawing include the International Solar Alliance (ISA), International Union for Conservation of Nature (IUCN), Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES), UN Population Fund (UNFPA), UN Energy, and the UN Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries (REDD+).
- The US withdrawal makes it the first country to pull out of the UNFCCC, effectively removing it from the international climate governance architecture altogether.

## United States Emission Profile and Climate Responsibilities

- The US ranks at the top of the lists of the countries with the highest current annual emissions and per-capita emissions as well as countries with the most historical responsibility.
- According to the Global Carbon Project, US territorial CO<sub>2</sub> emissions in 2024 were about 4.9 billion tonnes, roughly 12.7% of the global CO<sub>2</sub> emissions that year.
- On per-capita emissions, the US emissions were about 14.6 tonnes per person in 2024, much higher than the global average.
- The US is the largest cumulative emitter for CO<sub>2</sub> from fossil fuels and industry in most mainstream carbon accounting, with the country's share of global cumulative CO<sub>2</sub> around 24%.
- The US Environmental Protection Agency estimated that the country's **greenhouse gas** emissions in 2022 amounted to 6.3 billion metric tonnes of CO<sub>2</sub>-equivalent, with US land use and forests offsetting about 13% as a net sink.
- These emissions come mainly from burning fossil fuels for transport, electricity, and heating; in recent years transportation has emerged as the largest source of direct emissions.

### Global Emissions Share



### Consequences of UNFCCC Exit

- Withdrawing from the UNFCCC would legally remove the US from the climate treaty, ending its formal role in shaping critical COP rules on transparency, carbon markets, and financial architecture.
- The US will not have to participate in the UNFCCC reporting system, which records countries' greenhouse gas emissions and progress towards their commitments, thus allowing nations to monitor their collective efforts and hold each other accountable.
- Legally, the UNFCCC provides that after three years of being a Party, a Party may withdraw by written notice, and the withdrawal will take effect a year after the Depository receives the notice.
- The Paris Agreement sits under the UNFCCC, and the Agreement's text is clear that any Party that withdraws from the UNFCCC "shall be considered" to have withdrawn from the Paris Agreement as well.
- The exit could reshape the politics of climate finance as the UNFCCC has established a financial mechanism with operating entities including the **Global Environment Facility** and the Green Climate Fund.
- This exit risks giving cover to other reluctant governments to delay or dilute action and hardening developing countries' positions who see it as a failure of leadership from a top current emitter.

## ARCHITECTS OF PEACE: THE UN'S AMERICAN BIRTH

US leadership was central to establishing the United Nations.



1941

### FDR coins the name "United Nations"

President Roosevelt created the term to describe the Allied powers fighting the Axis.



April-June 1945

### 50 nations draft the UN Charter

Delegates finalized the foundational document in San Francisco.



1945

### Overwhelming 89-2 US Senate ratification

The US secured massive bipartisan support to avoid failures of the League of Nations.



Oct 24, 1945

### The UN officially begins operations

The UN came into existence following ratification by the "Big Five" and others.

- The United Nations was conceived as an international organisation dedicated to preventing future conflicts, promoting peace, and fostering cooperation among nations in the aftermath of World War II.
- The term "United Nations" was coined by US President Franklin D. Roosevelt in 1941 to describe the Allied countries fighting against the Axis Powers.
- On 1 January 1942, representatives of 26 nations at war with the Axis powers met in Washington to sign the Declaration of the United Nations, pledging to use their full resources against the Axis and agreeing not to make a separate peace.

- The UN's foundational document, the UN Charter, was drafted and adopted at the San Francisco Conference, which took place from 25 April to 26 June 1945, bringing together 850 delegates from 50 nations.
- The conference was dominated by the "Big Four": the United States, the Soviet Union, the United Kingdom, and China, with Roosevelt's vision of "Four Policemen" that these countries would lead the post-World War II international order.
- The UN Charter was adopted unanimously on 25 June 1945 and signed the following day; the UN officially came into existence on 24 October 1945 after ratification by China, France, the Soviet Union, the United Kingdom, the United States, and a majority of other signatories.
- US President Harry S. Truman ratified the Charter on 8 August 1945, and the US Senate approved the UN Charter on 28 July 1945 by a vote of 89 to 2.
- The Roosevelt administration strove to avoid Woodrow Wilson's mistakes in selling the League of Nations to the Senate by seeking bipartisan support; in September 1943, the Republican Party endorsed US participation in a postwar international organisation.
- New York was selected as the organisation's headquarters, and the original signed copy of the Charter was deposited in the Archives of the Government of the United States.

### India's Role in the United Nations

- India was among the charter members of the United Nations that signed the Declaration by United Nations at Washington, D.C., on 1 January 1942, and also participated in the United Nations Conference on International Organization at San Francisco from 25 April to 26 June 1945.
- The Indian delegation led by Sir Arcot Ramaswamy Mudaliar signed the United Nations Charter on behalf of India on 26 June 1945; Sir A. Ramaswamy Mudaliar later went on to serve as the first president of the United Nations Economic and Social Council (ECOSOC).
- India is a founding member of the United Nations and one of the original 51 Member States, joining officially on 30 October 1945 after ratifying the UN Charter.
- India has been a non-permanent member of the **UN Security Council** for eight terms (a total of 16 years), with the most recent being the 2021-22 term.
- India has contributed over 253,000 personnel to 49 peacekeeping missions, the highest cumulative figure of any member state, with 168 Indian peacekeepers having lost their lives in service.
- India is a member of the G4, a group of nations (alongside Brazil, Germany, and Japan) who back each other in seeking a permanent seat on the Security Council and advocate in favour of the reformation of the UNSC.
- India's status as a founding member of the Non-Aligned Movement and the Group of 77 cemented its position within the UN system as a leading advocate of the concerns and aspirations of developing countries.
- The Indian delegation is credited for having proposed three ideas that became part of the UN Charter: the promotion of human rights as one of the objectives of the UN (Article 1.3), penalising member states that failed to pay their assessed contributions (Article 19), and criteria for election of non-permanent member-states to the UN Security Council (Article 23).
- In 1947, the United Nations Information Centre (UNIC) in New Delhi became the first United Nations office in independent India.

### UN Treaties and Climate Bodies Exited

- The UNFCCC is the core global climate treaty underpinning COP negotiations and the Paris Agreement 2015, adopted at the 1992 Rio Earth Summit.
- The UNFCCC entered into force on 21 March 1994 and has near-universal membership with 198 Parties

(197 countries plus the European Union).

- The treaty established the principle of **Common But Differentiated Responsibilities** and Respective Capabilities (CBDR-RC), which is the bedrock of international climate law.
- Withdrawing from the UNFCCC is treated as withdrawing from any protocol to which the Party belongs, including the Paris Agreement.
- The **Intergovernmental Panel on Climate Change** (IPCC) was established in 1988 by the World Meteorological Organization (WMO) and the United Nations Environment Programme (UNEP).
- The IPCC has 195 member states and is headquartered in Geneva, Switzerland, hosted by the WMO.
- The IPCC assesses scientific research on climate change, compiling Assessment Reports that synthesise the current understanding of climate science, consequences, and potential strategies for policymakers.
- The IPCC does not conduct its own original research but examines all relevant scientific literature on climate change.
- In 2007, the IPCC and US Vice-President Al Gore were jointly awarded the Nobel Peace Prize for disseminating knowledge about human-caused climate change.
- The IPCC's First Assessment Report (1990) played a decisive role in the creation of the UNFCCC; the Second Assessment Report (1995) provided material for the Kyoto Protocol in 1997.

### Climate, Environment, and Biodiversity Institutions Affected

- The **International Solar Alliance** (ISA) is an India-led initiative jointly launched with France during COP21 in Paris in November 2015 to promote global cooperation on solar energy.
- The ISA is headquartered in Gurugram, Haryana, India, at the National Institute of Solar Energy (NISE), making it the first international organisation to be based in India.
- The ISA is a treaty-based inter-governmental organisation with 120 signatories including 102 fully ratified member countries; with the 2020 amendment to its Framework Agreement, all UN member states are now eligible to join.
- The ISA's 'Towards 1000' strategy aims to mobilise USD 1,000 billion of investments in solar energy solutions by 2030, deliver energy access to 1,000 million people, and install 1,000 GW of solar energy capacity.
- The **International Union for Conservation of Nature** (IUCN) is the world's oldest global environmental organisation, founded in 1948, and the global authority on the status of the natural world.
- The IUCN is headquartered in Gland, Switzerland, with membership of over 1,400 governmental and non-governmental organisations from over 170 countries.
- The IUCN is best known for the **IUCN Red List of Threatened Species**, first published in 1964, which assesses the conservation status of species worldwide.
- The IUCN contributed to significant international agreements including the Convention on Biological Diversity (CBD), the Convention on International Trade in Endangered Species (CITES), and the World Heritage Convention.
- The **Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services** (IPBES) is an independent intergovernmental body established in Panama City on 21 April 2012 by 94 governments.
- IPBES is headquartered in Bonn, Germany, on the UN Campus, and serves a similar role to the IPCC but for biodiversity and ecosystem services.
- In October 2022, IPBES and IPCC shared the Gulbenkian Prize for Humanity for producing scientific knowledge and informing decision-makers on combating climate change and biodiversity loss.
- The UN Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries (**REDD+**) was launched in 2008 by FAO, UNDP, and UNEP.
- REDD+ is a climate change mitigation framework developed under the UNFCCC that aims to make forests more valuable standing than cut down.
- Deforestation and forest degradation account for approximately 11% of global carbon emissions; REDD+

has the potential for reducing emissions by 0.4-5.8 GtCO<sub>2</sub>-eq per year.

- UN Energy coordinates UN system-wide energy-related work, while the Intergovernmental Forum on Mining, Minerals, Metals, and Sustainable Development works closely with the UN on sustainable mining.

### Demography and Electoral Bodies Exited

- The **UN Population Fund (UNFPA)** is a UN agency aimed at improving reproductive and maternal health worldwide, focusing on reproductive health, population data, and gender equality.
- The UNFPA was established in 1967 as the United Nations Trust Fund for Population Activities and began operations in 1969; it was renamed United Nations Population Fund in 1987 but retained the UNFPA abbreviation.
- UNFPA is headquartered in New York City, operates in over 150 countries, and supports more than 3,000 staff; it is funded entirely through voluntary contributions.
- The UNFPA is a subsidiary organ of the UN General Assembly and is the world's largest multilateral source of funding for population and reproductive health programmes.

## Global Pillars: Health, Rights, and Democracy

Advancing individual rights and democratic stability worldwide.

<b>UNFPA: Reproductive Health &amp; Rights</b>	<b>International IDEA: Global Democracy Champion</b>
<p><b>Promoting reproductive health and gender equality.</b></p> <p>UNFPA shifts the focus from population numbers to individual rights and choices.</p>	<p><b>A global democracy champion.</b></p> <p>This intergovernmental organization supports democratic institutions and processes across five major world regions.</p>
<p><b>World's largest multilateral population funding source.</b></p> <p>Operating in 150+ countries, UNFPA is funded entirely by voluntary contributions.</p> <p style="text-align: right;"><b>150+ Countries</b></p>	<p><b>India to lead International IDEA 2026.</b></p> <p>Chief Election Commissioner Gyanesh Kumar will chair the Council of Member States.</p> <p style="text-align: right;"><b>2026 Leadership</b></p>

- The 1994 International Conference on Population and Development (ICPD) in Cairo, convened by UNFPA, marked a turning point affirming that population was not the problem but that rights and choices were the solution.
- The International Institute for Democracy and Electoral Assistance (International IDEA) is an intergovernmental organisation established in Stockholm on 27 February 1995 by 14 founding Member States, including India.
- International IDEA is headquartered in Stockholm, Sweden, and supports democratic institutions and processes worldwide, with regional offices in Europe, Latin America and the Caribbean, Asia and the Pacific, Africa and West Asia, and North America.

- International IDEA has 32 Member States and has been granted UN Permanent Observer status.
- In December 2025, India's Chief Election Commissioner Gyanesh Kumar assumed chairship of the Council of Member States of International IDEA for 2026.

### Security and Counter-Terrorism Body Exited

- The **Global Counter-Terrorism Forum (GCTF)** is an informal, apolitical, multilateral counter-terrorism platform launched officially in New York on 22 September 2011.
- The GCTF has 30 founding members including Algeria, Australia, Canada, China, India, the European Union, France, Germany, Japan, Pakistan, Saudi Arabia, the United Kingdom, and the United States.
- The GCTF established its headquarters in The Hague, Netherlands, in 2015, and since 1 January 2016, the International Centre for Counter-Terrorism hosts its Administrative Unit.
- The GCTF's goal is to strengthen capabilities for a strategic, long-term approach to counter terrorism and prevent violent extremist ideologies; its mission is to diminish terrorist recruitment and increase countries' civilian capabilities.
- The GCTF comprises a strategic-level Coordinating Committee and six Working Groups covering Countering Violent Extremism, Criminal Justice and Rule of Law, Detention and Reintegration, Foreign Terrorist Fighters, Horn of Africa Region Capacity Building, and Sahel Region Capacity Building.
- The GCTF has established three "inspired institutions": Hedayah (UAE, focusing on preventing violent extremism), the International Institute for Justice and the Rule of Law (Malta), and the Global Community Engagement and Resilience Fund (Geneva).

### The GCTF Framework: Strengthening Global Counter-Terrorism

#### MISSION AND FOUNDATIONS



**Launched September 2011**  
Officially established in New York with 30 founding members including the US, EU, and China.



**Strategic Long-Term Approach**  
Focused on preventing violent extremist ideologies and increasing national civilian capabilities.



**Informal & Apolitical Platform**  
Operates as a multilateral forum to strengthen international counter-terrorism capabilities.

#### ORGANIZATIONAL ARCHITECTURE



**6 Specialized Working Groups**  
Focus areas include Criminal Justice, Foreign Terrorist Fighters, and regional capacity building in Africa.



**3 'Inspired Institutions'**  
Hedayah (UAE), IJ (Malta), and GCERF (Geneva) support specific CVE and resilience goals.



**Global Administrative Hub**  
Headquartered in The Hague since 2015, hosted by the International Centre for Counter-Terrorism.

### Previous US Withdrawals from International Bodies

- The US previously withdrew from the Paris Agreement, World Health Organization (WHO), UN Human Rights Council (UNHRC), and UNESCO during President Trump's first term (2017-2021).

- The US withdrew from UNESCO in October 2017 and from UNHRC in June 2018, citing what it saw as anti-Israel bias within the organisations.
- The US announced its intention to withdraw from the WHO on 6 July 2020, effective one year later, citing the WHO's handling of the COVID-19 pandemic and perceived bias towards China.
- All withdrawals from the WHO, UNHRC, and UNESCO were later rescinded by President Joe Biden after taking office in January 2021.
- The US had previously withdrawn from UNESCO under the Reagan administration in 1984 due to concerns over mismanagement, corruption, and Soviet influence; it rejoined in 2003 under President George W. Bush.
- The Biden administration rejoined UNESCO in 2023 after citing concerns that China was filling the gap left by the US in UNESCO policymaking, notably in setting standards for artificial intelligence and technology education.
- Trump again initiated withdrawal from the WHO and UNESCO in 2025 during his second term; the UNESCO withdrawal announced in July 2025 will conclude in December 2026.
- The US withdrawal from UNFPA has long been a lightning rod for Republican opposition, and Trump cut funding for it during his first term under the Kemp-Kasten amendment.

## PRACTICE QUESTIONS

1. How many international organisations were identified for US withdrawal as part of the January 2026 “America First” policy decision?
  - (a) 56
  - (b) 66
  - (c) 86
  - (d) 106
2. Who signed the presidential memorandum directing US withdrawal from multiple international organisations in January 2026?
  - (a) Donald Trump
  - (b) Joe S Biden
  - (c) Barack Obama
  - (d) George W Bush
3. Which of the following scientific bodies assessing climate change did the United States exit in 2026?
  - (a) World Climate Science Advisory Council
  - (b) Global Carbon Policy Coordination Alliance
  - (c) Intergovernmental Panel on Climate Change
  - (d) International Network for Climate Action
4. Where is the headquarters of the Intergovernmental Panel on Climate Change located?
  - (a) Paris France
  - (b) Vienna Austria
  - (c) New York City
  - (d) Geneva Switzerland
5. Which of the following is NOT among the entities from which the United States is withdrawing under its 2026 disengagement from international climate governance?
  - (a) World Trade Organization
  - (b) International Solar Alliance
  - (c) United Nations Energy
  - (d) UN Population Fund
6. After how long of being a Party does the UNFCCC legally allow a country to initiate withdrawal by written notice?
  - (a) two years
  - (b) three years
  - (c) four years
  - (d) five years
7. Which India-led international organisation promoting solar energy was exited by the United States?
  - (a) Global Solar Forum
  - (b) Renewable Power Union
  - (c) International Solar Alliance
  - (d) World Energy Partnership
8. Which of the following UN agencies focuses on reproductive health and population data?
  - (a) UN Population Fund
  - (b) World Health Organ
  - (c) UN Children Fund
  - (d) UN Women Entity
9. When did the UNFCCC enter into force after its adoption at the Rio Earth Summit?
  - (a) March 1994
  - (b) June 1992
  - (c) May 1997
  - (d) April 1995
10. Which country hosts the headquarters of the International Union for Conservation of Nature?
  - (a) Paris, France
  - (b) Gland, Switzerland
  - (c) Berlin, Germany
  - (d) Rome, Italy
11. Which of the following countries coined the term “United Nations” during World War II?
  - (a) Soviet Union
  - (b) United Kingdom
  - (c) United States
  - (d) Republic of China
12. Where was the United Nations Charter drafted and adopted in 1945?
  - (a) Washington DC
  - (b) London, England
  - (c) Paris, France
  - (d) San Francisco
13. Which of the following bodies has India served on as a non-permanent member for eight terms?
  - (a) United Nations Security Council
  - (b) International Court Justice
  - (c) Human Rights Council
  - (d) Economic Social Council
14. Which of the following organisations jointly launched the REDD+ programme in 2008?
  - (a) World Bank, IMF, WTO
  - (b) FAO, UNDP, and UNEP
  - (c) WHO, UNICEF, UNFPA
  - (d) UNESCO, ILO, UNIDO
15. Which of the following is an informal, apolitical, multilateral platform dedicated to international counter-terrorism cooperation?
  - (a) International Counter-Terrorism Alliance
  - (b) United Nations Counter-Terrorism Committee
  - (c) Regional Counter-Terrorism Mechanism
  - (d) Global Counter-Terrorism Forum

## SOLUTIONS

- |        |         |         |         |         |         |         |        |
|--------|---------|---------|---------|---------|---------|---------|--------|
| 1. (b) | 2. (a)  | 3. (c)  | 4. (d)  | 5. (a)  | 6. (b)  | 7. (c)  | 8. (a) |
| 9. (a) | 10. (b) | 11. (c) | 12. (d) | 13. (a) | 14. (b) | 15. (d) |        |

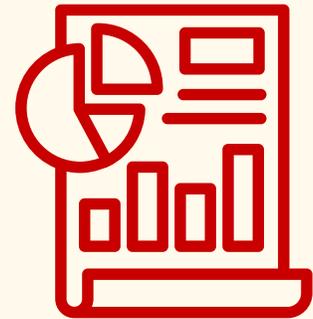
## 9 CAG REPORT ON PM'S INTERNSHIP SCHEME

### IN FOCUS

- The **CAG** (Comptroller and Auditor General of India) has identified significant irregularities in the execution of the Centre's flagship skills training programme, Pradhan Mantri Kaushal Vikas Yojana (PMKVY), through an audit report tabled in the Lok Sabha in January 2026.
- Separately, data from the Controller General of Accounts indicates severe underutilisation of funds allocated for the Prime Minister's Internship Scheme (PMIS), raising concerns about design, demand, and implementation weaknesses in India's youth employment initiatives.

### Background and Context

- The **PMKVY** (Pradhan Mantri Kaushal Vikas Yojana) was launched in July 2015 as a flagship initiative to provide industry-relevant skill training and certification to a large number of youth in India.
- The scheme was implemented across three phases between 2015 and 2022, with a combined financial outlay of approximately Rs 14,450 crore targeting skill training and certification for 1.32 crore candidates.
- Phase I of the scheme commenced during 2015-16, Phase II operated from 2016 to 2020, and Phase III was rolled out in 2021-22.
- Approximately 1.1 crore candidates received certification across the three phases of the scheme.
- The initiative was designed to address youth joblessness, which remains a significant concern with the unemployment rate standing at approximately 15 per cent for the 15-29 years age group as of May 2025.
- The **Skill India Portal** (SIP) was established as the digital backbone for candidate registration, requiring mandatory entry of contact details including mobile number, bank account number, and email to establish electronic identity.



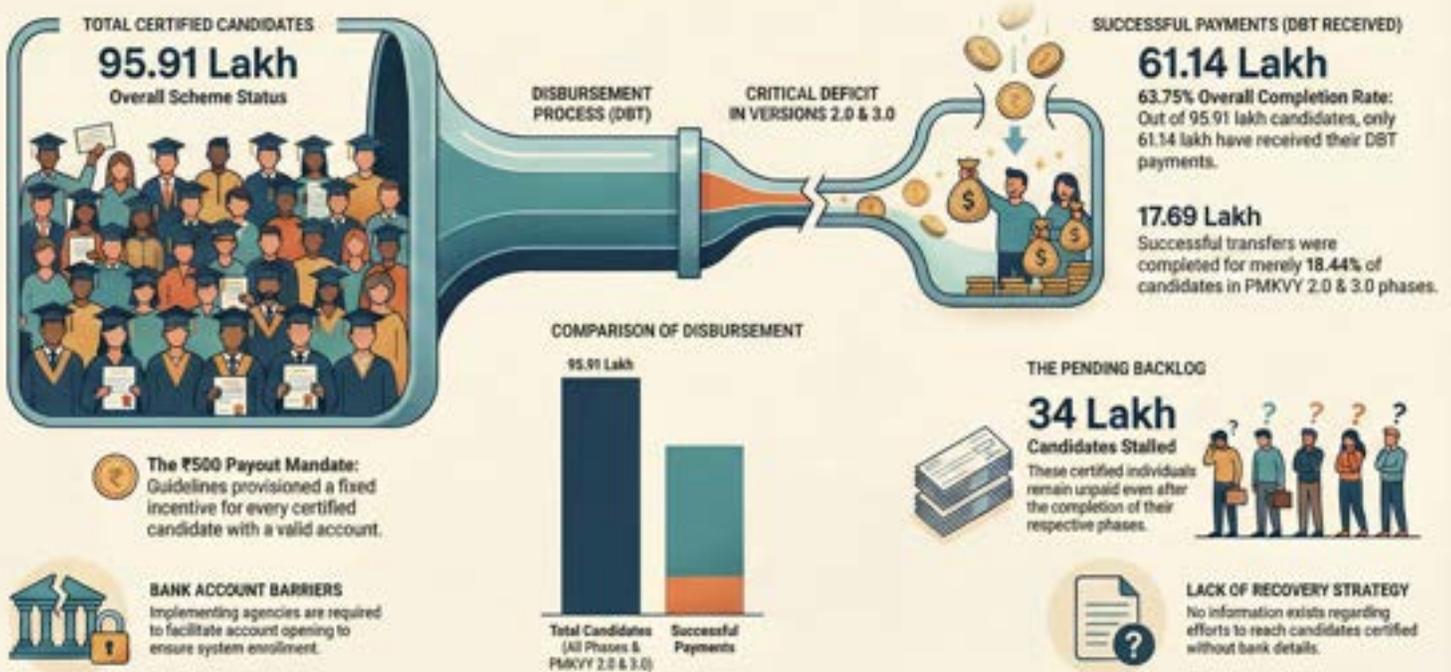
### Key Audit Irregularities Identified

- Analysis of data from PMKVY 2.0 and 3.0 revealed that the bank account details field contained zeros, 'Null', 'N/A', or was left blank for 90,66,264 out of 95,90,801 participants, representing 94.53 per cent of all cases.
- Among the remaining 5,24,537 candidates who had bank account information, 12,122 unique bank account numbers were found repeated for 52,381 participants in two or more instances.
- Even in cases where a single account was assigned to one candidate (4,72,156 unique accounts), instances of apparent wrong account numbers were detected, including entries such as '1111111111', '123456', single-digit account numbers, or plain text, names, addresses, and special characters.
- The CAG concluded that analysis of the account number field in PMKVY 2.0 and 3.0 data did not provide adequate assurance regarding the identity of scheme participants.
- Instances of skill certification by employers who did not merit classification as 'Best-in-Class' were also documented in the report

- Physical inspections in Bihar found that out of three closed training centres, one located in Banka district had its SIP data indicating training for two batches was scheduled on the date of the inspection visit itself.
- The audit identified discrepancies in photographic evidence where identical photographs were submitted for multiple beneficiaries across Uttar Pradesh, Bihar, Maharashtra, and Rajasthan.

## Stalled Dividends: The PMKVY Disbursement Gap

The PMKVY scheme intended to provide a ₹500 payout to certified candidates via Direct Benefit Transfer (DBT). However, significant administrative and technical hurdles have left millions of certified individuals without their promised dividends.



- PMKVY guidelines mandated candidates to hold a valid bank account, with the Project Implementing Agency required to facilitate account opening and ensure accurate bank details were captured on the IT system upon enrolment.
- Guidelines provisioned a payout of Rs 500 to each certified candidate through **Direct Benefit Transfer (DBT)**.
- DBT payments were processed for only 24.53 lakh certified candidates (25.58 per cent), with successful transfers completed for merely 17.69 lakh candidates (18.44 per cent) under PMKVY 2.0 and 3.0.
- As reported by the Ministry in October 2024, out of 95.91 lakh candidates, 61.14 lakh (63.75 per cent) have received payments through DBT.
- Payouts to more than 34 lakh certified candidates remain pending even after the completion of the respective PMKVY phases.
- The Ministry did not furnish information regarding efforts undertaken to ensure payments to pending candidates and those certified without bank account details.

### Corrective Measures and Strengthening Initiatives

- The Ministry has stated that the scheme has been significantly strengthened by drawing on past learning and implementation experience to institute corrective measures and deepen accountability.
- The scheme now operates with technology-enabled monitoring, **Aadhaar-authenticated e-KYC**, enhanced regulatory oversight, and the Skill India Digital Hub for unified data, transparency, and effective beneficiary tracking.

- Face-authentication and geo-tagged attendance have been mandated, and a live attendance dashboard has been operationalised.
- Central Communication Layer (CCL)-based candidate feedback mechanisms are being utilised for ongoing course correction.
- Certification authentication has been strengthened through QR-coded digital certificates, while financial accountability has been reinforced through strict verification-linked disbursals.
- Large-scale virtual and physical inspections are being undertaken through the Kaushal Samiksha Kendra, supported by revised monitoring guidelines, a defined penalty framework, and disciplinary actions including suspension, blacklisting, and recovery from non-compliant entities.

## PM Internship Scheme (PMIS): A Gateway to Industry Exposure

Announced in the Union Budget 2024-25, the PM Internship Scheme aims to bridge the skill gap by providing one crore youth with real-world experience in India's top 500 companies over a five-year period.



### 1 Crore Opportunities

Targeted internships across top 500 companies over the next five years.



### 12-Month Structured Tenure

Includes at least 6 months of hands-on, real-world job experience.



### Comprehensive Financial Support

Monthly ₹5,000 stipend, ₹6,000 one-time grant, and government-backed insurance coverage.



### Target Demographic

Youth aged 21-24 with qualifications ranging from Class 10 to Graduation.



### Academic Exclusions

Graduates from IITs, IIMs, NLU, or holders of CA/MBA/MBBS are ineligible.



### Economic & Employment Bars

Excludes those with family income over ₹8L or members in government jobs.

- The Prime Minister's Internship Scheme (PMIS), administered under the Ministry of Corporate Affairs, was announced in the Union Budget 2024-25 with an objective to provide one crore internship opportunities over five years in the top 500 companies.
- The scheme targets youth aged 21-24 years to enhance their employability through structured, real-world industry exposure.
- Benefits under the scheme include a minimum stipend of Rs 5,000 per month, a one-time grant of Rs 6,000, and insurance coverage under PM Jeevan Jyoti Bima Yojana and PM Suraksha Bima Yojana.
- The internship period spans 12 months, with at least half of the duration required to be spent in real workplace or job-based experience rather than classroom training.
- Eligible candidates must be between 21-24 years of age, possess minimum Class 10 qualification or above (including ITI, Polytechnic, Graduation), and should not be engaged in full-time employment or regular education, though distance or online education is permitted.
- Candidates from IITs, IIMs, NLU, IISERs, and holders of professional or postgraduate degrees (CA, CMA,

CS, MBA, MBBS, etc.) are ineligible, as are those trained under National Apprenticeship Promotion Scheme (NAPS) or National Apprenticeship Training Scheme (NATS).

- Candidates whose family member's income exceeds Rs 8 lakh for FY 2023-24, families with regular government employees, and applicants already enrolled in any government skill, apprenticeship, or internship programme are also ineligible.

### Concerns Regarding PMIS Implementation

- As of November 2025, the Ministry of Corporate Affairs has utilised only about 4 per cent of its FY26 budget, despite an allocation exceeding Rs 11,500 crore, of which approximately 94 per cent was earmarked for PMIS.
- The sharp underspending reflects weak uptake of the scheme and a clear gap between budgetary intent and execution capacity.
- Despite high application numbers, fewer than one-third of internship offers have been accepted, indicating that the scheme does not adequately meet candidate expectations.
- A mismatch between applicant preferences and internship locations or roles points to design and coordination flaws.
- Very few interns have completed the programme, raising concerns about retention, quality of engagement, and institutional support.
- The Rs 5,000 monthly stipend is considered insufficient to cover basic living costs, reducing the scheme's attractiveness particularly in urban centres.
- The sharp contrast between the ambitious target of one crore internships and weak pilot outcomes risks undermining policy credibility.

### India's Skill Development Ecosystem

- The Skill India Mission serves as the umbrella initiative to skill, reskill, and upskill youth through industry-relevant training, with over 6 crore individuals trained including in AI, robotics, green energy, and Industry 4.0 domains.
- The Restructured Skill India Mission (2022-26) merges PMKVY 4.0, the Pradhan Mantri National Apprenticeship Promotion Scheme (PM-NAPS), and the Jan Shikshan Sansthan (JSS) Scheme into a single Central Sector Scheme.
- All courses under the Skill India Program are aligned with the **National Skills Qualifications Framework** (NSQF) and integrated with DigiLocker and the National Credit Framework.

- PMKVY has trained over 1.63 crore candidates across four phases as of July 2025, focusing on reskilling, upskilling, and recognition of prior learning.
- The Jan Shikshan Sansthan is a community-based vocational programme for non-literates, neo-literates, and school dropouts, with over 26 lakh beneficiaries trained between FY 2018-19 and 2023-24.
- PM-NAPS aims to expand apprenticeships by providing 25 per cent stipend support through DBT to youth aged 14-35, with 43.47 lakh apprentices engaged across States and UTs as of May 2025.
- Rural Self Employment and Training Institutes (RSETIs) are bank-led residential training centres focused on entrepreneurship and self-employment for rural youth, having trained over 5.67 million candidates as of June 2025.
- Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY) is a demand-driven, placement-linked skilling scheme under the National Rural Livelihoods Mission (NRLM) targeting rural youth unemployment.
- PM Vishwakarma Yojana, launched in 2023, supports traditional artisans and craftspeople in 18 trades through skill training, toolkits, collateral-free credit, digital incentives, and market linkages.

- The Skill India Digital Hub (SIDH) is a technology-enabled platform using Aadhaar-based verification for skilling delivery, supporting real-time monitoring and integration with education and entrepreneurship systems.
- Centres of Excellence at National Skill Training Institutes (NSTIs) were established in 2025 at Hyderabad and Chennai to strengthen advanced skilling, focusing on instructor training and emerging areas such as AI, robotics, and green technologies.

### About the Comptroller and Auditor General of India

- The CAG is the supreme audit institution of India, established under **Article 148** of the Constitution of India.
- The CAG is empowered to audit all receipts and expenditure of the Government of India and State Governments, including those of autonomous bodies and corporations substantially financed by the government.
- The office is governed by the Comptroller and Auditor-General's (Duties, Powers and Conditions of Service) Act, 1971, with significant amendments in 1976, 1984, and 1987.
- The CAG is appointed by the President of India through a warrant under his hand and seal and serves a term of six years or until the age of 65 years, whichever is earlier.
- Removal of the CAG follows the same grounds and process as a Supreme Court judge, requiring a special majority resolution in both Houses of Parliament for proven misbehaviour or incapacity.
- The CAG heads the **IA&AD** (Indian Audit and Accounts Department), which has approximately 43,576 employees across the country.
- K. Sanjay Murthy is the current and 15th CAG of India, having assumed office on 21 November 2024, succeeding Girish Chandra Murmu.
- K. Sanjay Murthy is a 1989 batch IAS officer of the Andhra Pradesh cadre and previously served as Secretary in the Department of Higher Education, Ministry of Education.
- Reports of the CAG are laid before the Parliament or State Legislatures and are examined by the Public Accounts Committees (PACs) and Committees on Public Undertakings (COPUs).
- In November 2025, the CAG announced the creation of two centralised specialised cadres within IA&AD: the Central Revenue Audit (CRA) Cadre and the Central Expenditure Audit (CEA) Cadre, expected to be operational from January 2026.

## PRACTICE QUESTIONS

1. Which of the following constitutional authorities tabled an audit report on PMKVY irregularities in the Lok Sabha in January 2026?
  - (a) Finance Commission of India
  - (b) Election Commission of India
  - (c) Central Vigilance Commission
  - (d) Comptroller and Auditor General
2. Which of the following schemes was launched in July 2015 as India's flagship skill-training initiative?
  - (a) Pradhan Mantri Kaushal Vikas Yojana
  - (b) Deen Dayal Upadhyaya Kaushalya Yojana
  - (c) Pradhan Mantri National Apprenticeship Scheme
  - (d) Jan Shikshan Sansthan Programme
3. Which of the following digital platforms served as the registration backbone for PMKVY candidates?
  - (a) DigiLocker Platform
  - (b) National Career Portal
  - (c) Aadhaar Seva System
  - (d) Skill India Portal
4. Which of the following age groups recorded an unemployment rate of about 15 per cent as of May 2025?
  - (a) 18–25 years
  - (b) 15–29 years
  - (c) 20–34 years
  - (d) 25–40 years
5. Which of the following issues was highlighted by the CAG regarding bank account data under PMKVY 2.0 and 3.0?
  - (a) Excess duplication of Aadhaar numbers
  - (b) Complete absence of beneficiary records
  - (c) Invalid or missing bank account details
  - (d) Delayed biometric authentication
6. Which of the following benefits is provided under the Prime Minister's Internship Scheme?
  - (a) Monthly stipend of ₹6,000
  - (b) Monthly stipend of ₹4,000
  - (c) Monthly stipend of ₹3,000
  - (d) Monthly stipend of ₹5,000
7. Which of the following ministries administers the Prime Minister's Internship Scheme?
  - (a) Ministry of Corporate Affairs
  - (b) Ministry of Skill Development
  - (c) Ministry of Labour and Employment
  - (d) Ministry of Youth Affairs
8. Which of the following bodies reported severe underutilisation of PMIS funds?
  - (a) Comptroller and Auditor General
  - (b) Reserve Bank of India
  - (c) Controller General of Accounts
  - (d) NITI Aayog Secretariat
9. Which of the following authentication measures has been mandated to strengthen PMKVY monitoring?
  - (a) Manual attendance registers
  - (b) Face-authentication systems
  - (c) Paper-based verification
  - (d) Offline biometric forms
10. Which of the following institutions conducts large-scale inspections under revised PMKVY monitoring guidelines?
  - (a) National Skill Council
  - (b) Skill India Portal Unit
  - (c) Ministry Audit Wing
  - (d) Kaushal Samiksha Kendra
11. Which of the following schemes was merged into the Restructured Skill India Mission (2022–26)?
  - (a) Deen Dayal Upadhyaya Grameen Kaushalya Yojana Scheme
  - (b) Prime Minister Vishwakarma Skill Development Yojana
  - (c) Pradhan Mantri National Apprenticeship Promotion Scheme
  - (d) Rural Self Employment Training Institutes Development Scheme
12. Which of the following institutions uses Aadhaar-based verification for unified skilling delivery?
  - (a) National Career Service
  - (b) DigiLocker Network
  - (c) Skill India Digital Hub
  - (d) National Credit Registry
13. Who is the current Comptroller and Auditor General of India as of November 2024?
  - (a) K Sanjay Murthy
  - (b) Girish Chandra
  - (c) Shaktikanta Das
  - (d) Rajiv Mehrishi

## PRACTICE QUESTIONS

14. Under which Article of the Constitution of India is the CAG established?

- (a) Article 124
- (b) Article 136
- (c) Article 280
- (d) Article 148

15. Which of the following parliamentary committees examines CAG reports?

- (a) Estimates Committee
- (b) Public Accounts Committee
- (c) Committee on Privileges
- (d) Rules Committee

## SOLUTIONS

- |        |         |         |         |         |         |         |        |
|--------|---------|---------|---------|---------|---------|---------|--------|
| 1. (d) | 2. (a)  | 3. (d)  | 4. (b)  | 5. (c)  | 6. (d)  | 7. (a)  | 8. (c) |
| 9. (b) | 10. (d) | 11. (c) | 12. (c) | 13. (a) | 14. (d) | 15. (b) |        |

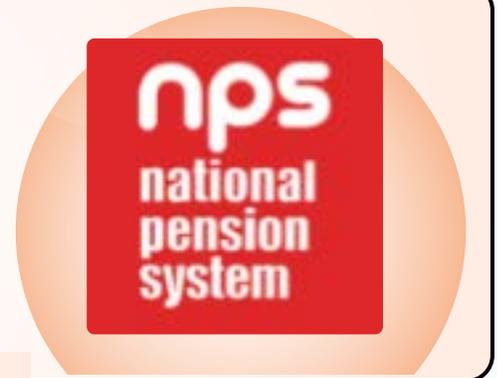
## 10 MS SAHOO COMMITTEE FOR NPS REFORMS

### IN FOCUS

- The **PFRDA** (Pension Fund Regulatory and Development Authority) has constituted a high-level committee to develop guidelines and regulations enabling a framework for assured payouts under the National Pension System (NPS).
- Separately, PFRDA has issued the NPS Vatsalya Scheme Guidelines 2025, providing detailed operational information on the pension scheme designed for minors.

### Committee Composition and Leadership

- The committee is chaired by Dr. M. S. Sahoo, Founder of Dr. Sahoo Regulatory Chambers and former Chairperson of the IBBI (Insolvency and Bankruptcy Board of India).
- The panel comprises 15 members drawn from diverse disciplines including legal, actuarial, finance, insurance, capital markets, and academia.
- The committee has been constituted as a standing advisory committee on structured pension payouts.
- The panel has been authorised to invite external experts or intermediaries as special invitees for feedback and consultation to ensure comprehensive deliberation.



### Terms of Reference and Mandate

- The primary mandate includes creating regulations for assured payouts, building upon pension schemes highlighted in the PFRDA consultation paper dated September 30, 2025.
- The committee is tasked with ensuring a seamless end-to-end transition for subscribers moving from the accumulation phase to the decumulation (payout) phase.
- The panel will deliberate on novation and settlement concepts to ensure legally enforceable and market-based guarantees.
- Operational design responsibilities include defining terms such as lock-in periods, withdrawal limits, pricing mechanisms, and fee structures for providers.
- The committee will establish robust risk management frameworks covering capital and solvency requirements while examining tax implications for payouts that do not require a subscriber to exit the NPS architecture.
- Consumer protection measures including standardised disclosure frameworks to prevent mis-selling and manage subscriber expectations regarding the nature of assurance and market-based guarantees form part of the mandate.



### National Pension System: Structure and Functioning

- The National Pension System (NPS) was introduced on 1st January 2004 as a market-linked, contributory pension scheme designed to provide retirement income, replacing the Old Pension System (OPS).
- NPS is administered by PFRDA under the PFRDA Act, 2013, with contributions funded jointly by the employee and the employer.
- Government employees contribute 10 per cent of their basic pay and dearness allowance, matched by a 14 per cent contribution from the Central Government (enhanced from the original 10 per cent with effect from 1st April 2019).
- Subscribers have the flexibility to select from various schemes, pension fund managers, and investment options to deploy their contributions.
- Unlike the OPS, NPS does not offer an assured pension and is market-linked, with returns depending on the performance of the chosen investment portfolio.
- NPS was initially mandatory for Central Government employees (except Armed Forces) joining service on or after 1st January 2004 and was extended to all citizens of India on a voluntary basis from 1st May 2009.
- The entry age for NPS was increased from 65 years to 70 years in August 2021, allowing subscribers to continue or defer their accounts up to 75 years of age.

### Transition to Unified Pension Scheme

- Following opposition to NPS due to lower guaranteed returns and employee contribution requirements compared to OPS, the government constituted the **T.V. Somanathan Committee** in 2023.
- The committee, headed by then Finance Secretary T.V. Somanathan, conducted over 100 meetings with organisations including the Reserve Bank of India and the World Bank.
- Based on committee recommendations, the Unified Pension Scheme (UPS) was approved by the Union Cabinet on 24th August 2024, effective from 1st April 2025.
- UPS provides an assured pension of 50 per cent of the average basic pay drawn over the last 12 months prior to superannuation for a minimum qualifying service of 25 years.
- UPS features include an assured minimum pension of Rs 10,000 per month (minimum 10 years of service), assured family pension at 60 per cent of the employee's pension before demise, and inflation indexation through Dearness Relief.
- Under UPS, employee contributions remain at 10 per cent while government contribution increases from 14 per cent to 18.5 per cent.

### Rationale for Pension Reforms

The previous OPS was an unfunded, defined-benefit system lacking a dedicated corpus, financed on a pay-as-you-go (PAYG) basis. Government pension liabilities under OPS expanded from Rs 3,272 crore in 1990-91 to over Rs 1.9 lakh crore in 2020-21, creating an unsustainable fiscal burden. The Union Government's pension liabilities in Budget Estimate 2022-23 on account of OPS for existing retirees stood at Rs 2.07 lakh crore. Under OPS, retired employees received 50 per cent of their last drawn basic pay as pension, with periodic revisions to reflect wage growth and inflation through dearness relief.

### NPS Vatsalya: Scheme for Minors

- **NPS Vatsalya** is a dedicated, long-term contributory savings scheme under NPS designed exclusively for the financial security of minors, aiming to nurture a culture of savings and financial literacy from an early age.
- The scheme is open to all Indian citizens, including Non-Resident Indians (NRIs) and Overseas Citizens of India (OCIs), below 18 years of age, with the minor as the sole beneficiary.
- The account is opened in the minor's name but operated by a parent or legal guardian until the minor attains majority.



## Become the Wind Beneath Your Child's Financial Wings

— INTRODUCING —



Guardians can open NPS account for children from **birth to 18 years** of age, enabling early access to financial security

Concept of Pension and financial planning, **fostering financial literacy from early age**

Accessible for all with minimum affordable contribution of **₹1000 per annum**

Gift of long-term investment for **long-term financial stability**

**Perfect Financial Planning for your Child**

- The minimum initial and annual contribution is Rs 1000, with no upper limit, and contributions can also be gifted.
- Partial withdrawals are permitted after 3 years of contribution for specific purposes including education and medical treatment, limited to 25 per cent of the minor's own contributions.
- Between 18 and 21 years of age, the subscriber can continue with NPS Vatsalya, shift to the standard NPS Tier I account, or exit the scheme.
- Exit rules mandate using a minimum of 20 per cent of the corpus to purchase an annuity, with full withdrawal permitted if the total corpus is Rs 8 lakh or less.

### About the Pension Fund Regulatory and Development Authority

- PFRDA is the statutory regulatory body established under the PFRDA Act, 2013, to regulate, promote, and ensure the orderly growth of the National Pension System.
- The authority operates under the Department of Financial Services within the Ministry of Finance.
- PFRDA was initially established on 23rd August 2003 as an interim body through a Government of India resolution and attained statutory status following the enactment of the PFRDA Act in 2013, effective from 1st February 2014.
- The authority appoints various intermediate agencies including Pension Fund Managers, Central Record Keeping Agency (CRA), Custodian, Trustee Bank, Points of Presence (PoPs), and Annuity Service Providers (ASPs).
- PFRDA develops, promotes, and regulates the pension industry under NPS and also administers the Atal Pension Yojana (APY).
- The authority consists of a Chairperson and not more than six members, of whom at least three are whole-time members, appointed by the Central Government.
- Sivasubramanian Ramann assumed charge as the Chairperson of PFRDA on 20th June 2025, succeeding Deepak Mohanty, for a tenure of five years.



## The Journey to the National Pension System: A Timeline

India's pension system evolved from a colonial-era defined-benefit model for government employees into a modern, contributory framework, marked by key legislative acts and the Project OASIS report.

### Colonial Origins & Early Framework (1871-1935)



#### 1881: First Pension Benefits

The Royal Commission first awarded pension benefits to government employees during British administration.

#### The Indian Pension Act of 1871

Replaced the 1857 system, allowing periodic pension increases to compensate for inflation.



#### Acts of 1919 and 1935

These Government of India Acts formalized pension provisions specifically for civil servants.



### The Modern Reform Era (1995-2004)

#### 1995: National Old Age Pension

A critical policy examination that recommended shifting to a contributory pension system.



#### 2004: National Pension System (NPS)

Became operational for new Central Government employees, replacing the non-contributory old system.



#### 1995: National Old Age Pension

Introduced social security benefits specifically for the elderly poor under the NSAP.



- The pension system in India traces its origins to British colonial administration, with the Royal Commission on Civil Establishments first awarding pension benefits to government employees in 1881.

- The Government of India Acts of 1919 and 1935 made further provisions for pension benefits for civil servants.
- The **Indian Pension Act, 1871** replaced the earlier pension system of 1857, allowing periodic increases in pension to compensate for inflation.
- Post-independence, the Old Pension Scheme operated as a defined-benefit system where employees did not contribute, and pensions were funded through the general state budget.
- In 1995, the Government introduced the National Old Age Pension (NOAP) under the National Social Assistance Programme (NSAP) to provide social security for the elderly poor.
- In 1999, the Government of India commissioned the **Project OASIS** (Old Age Social and Income Security) to examine policies related to old age income security.
- The OASIS Expert Committee, chaired by Dr. S. A. Dave, submitted its report in January 2000, laying the groundwork for pension reforms and recommending a contributory pension system.
- The NPS was notified on 22nd December 2003 and became operational from 1st January 2004 for new Central Government employees.

### Key Pension Reform Committees

- Project OASIS Expert Committee (1998-2000): Chaired by Dr. S. A. Dave, set up by the Ministry of Social Justice and Empowerment to review old age income security policies, with a primary focus on unorganised sector workers lacking retirement security.
- High Level Expert Group (HLEG): Constituted to examine pension reforms, its recommendations contributed to the NPS framework.
- B.K. Bhattacharya Committee (2003): Constituted by the Reserve Bank of India in February 2003 to study pension liabilities of State Governments and make recommendations on pre-funding pension commitments.
- T. V. Somanathan Committee (2023): Established by the Union Government in March/April 2023 to review NPS and address employee demands, leading to the formulation of the Unified Pension Scheme.
- M. S. Sahoo Committee (2026): Constituted by PFRDA as a standing advisory committee on structured pension payouts to develop a framework for assured payouts under NPS.

## PRACTICE QUESTIONS

- Who among the following chairs the PFRDA committee created to develop a framework for assured payouts under NPS?  
(a) T V Somanathan (b) Dr M Sahoo  
(c) Dr S A Dave (d) Deepak Mohanty
- Which of the following best describes the nature of the committee constituted by PFRDA for structured pension payouts?  
(a) Standing advisory panel  
(b) Cabinet empowered group  
(c) Temporary review taskforce  
(d) Parliamentary select committee
- Which of the following phases is the committee especially tasked to make seamless for subscribers under NPS?  
(a) Entry to registration  
(b) Scheme to switching  
(c) Accumulation to payout  
(d) Training to placement
- Which of the following dates marks the introduction of NPS as a market-linked contributory pension scheme?  
(a) 1 May 2009 (b) 1 Jan 2004  
(c) 2 Dec 2003 (d) 1 Feb 2014
- Which of the following best identifies the month and year when NPS Vatsalya Scheme Guidelines were issued?  
(a) Sep 2025 only (b) Aug 2021 only  
(c) Jun 2025 only (d) Guidelines 2025
- Which of the following best explains who regulates and administers NPS under the governing statute?  
(a) PFRDA under Act (b) RBI under Act  
(c) SEBI under Act (d) IRDAI under Act
- What is the standard employee contribution rate under NPS for government employees as mentioned in the data?  
(a) Ten percent rate  
(b) Twelve percent rate  
(c) Fifteen percent rate  
(d) Eight percent rate
- Which of the following best captures the principle that OPS was financed on a pay-as-you-go basis?  
(a) Market-linked funding  
(b) Fully funded corpus  
(c) Unfunded PAYG model  
(d) Private annuity funding
- Which of the following committees was set up in 2023 to review NPS and respond to employee demands?  
(a) B K Bhattacharya (b) T V Somanathan  
(c) Dr S A Dave (d) M S Sahoo
- When was the Unified Pension Scheme approved by the Union Cabinet, as per the data?  
(a) 1 Apr 2025 (b) 24 Aug 2024  
(c) 20 Jun 2025 (d) 30 Sep 2025
- Which of the following best identifies the government contribution rate under UPS as stated in the data?  
(a) 11 per cent to 14.5 per cent  
(b) 14 per cent to 17.5 per cent  
(c) 12 per cent to 15.5 per cent  
(d) 14 per cent to 18.5 per cent
- Who among the following chairs the OASIS Expert Committee that submitted its report in January 2000?  
(a) Dr S A Dave (b) Dr M S Sahoo  
(c) T V Somanathan (d) Deepak Mohanty
- Which of the following best states the minimum annual contribution for NPS Vatsalya?  
(a) Five hundred minimum  
(b) One thousand minimum  
(c) Two fifty minimum  
(d) Ten thousand minimum
- Which of the following best explains the exit rule requiring annuity purchase under NPS Vatsalya?  
(a) Ten percent annuity  
(b) Fifteen percent annuity  
(c) Thirty percent annuity  
(d) Twenty percent annuity

**PRACTICE QUESTIONS**

15. Who among the following is the current Chairperson of PFRDA, having assumed charge on 20 June 2025?
- (a) Deepak Mohanty
  - (b) Sivasubramanian Ramann
  - (c) Girish Chandra Murmu
  - (d) T V Somanathan

**SOLUTIONS**

- |        |         |         |         |         |         |         |        |
|--------|---------|---------|---------|---------|---------|---------|--------|
| 1. (b) | 2. (a)  | 3. (c)  | 4. (b)  | 5. (d)  | 6. (a)  | 7. (a)  | 8. (c) |
| 9. (b) | 10. (b) | 11. (d) | 12. (a) | 13. (c) | 14. (d) | 15. (c) |        |

# 11 FOUNDATION DAY OF LOKPAL OF INDIA

## IN FOCUS

- The **Lokpal of India** observed its Foundation Day on 16th January 2026, marking the anniversary of the establishment of the institution through the coming into force of Section 3 of the Lokpal and Lokayuktas Act, 2013, on 16th January 2014.
- The event was held at the Lokpal office in New Delhi, presided over by Chairperson Justice A. M. Khanwilkar and attended by all Judicial and Non-Judicial Members. A newly built state-of-the-art IT infrastructure and Data Centre was also inaugurated during the function.

## Historical Evolution of the Ombudsman Concept

- The institution of the Ombudsman was first established globally in Sweden in 1809, serving as a mechanism for citizens to seek redressal against administrative misconduct.
- The Ombudsman model subsequently spread to other Scandinavian countries including Finland (1919), Denmark (1955), and Norway (1962).
- New Zealand became the first Commonwealth country to adopt an Ombudsman institution.
- In India, the term Lokpal (meaning 'Defender of People' or 'People's Friend' in Sanskrit) was coined by **Dr. L. M. Singhvi** in 1963.
- The concept of a constitutional ombudsman was first proposed in Parliament by then Law Minister Ashok Kumar Sen in the early 1960s.
- The First Administrative Reforms Commission (1966–1970) recommended establishing two independent authorities, Lokpal at the Union level and Lokayukta at the State level—to investigate complaints against public functionaries, including Members of Parliament.
- The Second Administrative Reforms Commission chaired by Veerappa Moily (2005) recommended establishing the office of Lokpal without delay.

**Global Origins & International Expansion (1809-1962)**

- 1809: The Swedish Ombudsman**  
Sweden established the first global mechanism for citizens to redress administrative misconduct.
- 1919-1962: Scandinavian & Commonwealth Spread**  
Adoption expanded through Finland, Denmark, Norway, and eventually New Zealand, the first Commonwealth country to adopt the institution.

1809	Sweden	First global establishment.
1919-62	Scandinavia	Regional adoption.
1962	New Zealand	First Commonwealth adoption.

**The Indian Genesis (1963-2011)**

- 1963: Coining the "Lokpal"**  
Dr. L. M. Singhvi coined the term, meaning "Defender of People."
- 1966-2005: Institutional Recommendations**  
Administrative Reforms Commissions recommended Independent Union (Lokpal) and State (Lokayukta) authorities.
- 2011: The India Against Corruption Movement**  
Anna Hazare's movement provided the final impetus for passing Lokpal legislation.

The India Against Corruption movement led by Padma Bhushan Shri **Anna Hazare** in 2011 provided significant impetus for the passage of the Lokpal legislation.

### Legislative Framework and Establishment

- India ratified the **UN Convention Against Corruption** in 2011, accelerating the enactment of anti-corruption legislation.
- The Lokpal and Lokayuktas Bill, 2011, was passed by Parliament on 17th December 2013.
- The Bill received Presidential assent on 1st January 2014 and was notified as The Lokpal and Lokayuktas Act, 2013 (No. 01 of 2014) on the same day.
- Section 3 of the Act, providing for the establishment of the Lokpal, came into force on 16th January 2014.
- The Act was amended in 2016 to allow the leader of the single largest opposition party in the Lok Sabha to be a member of the Lokpal Selection Committee in the absence of a formally recognised Leader of Opposition.
- Justice (Retd.) **Pinaki Chandra Ghose** was appointed as the first Lokpal of India on 23rd March 2019.
- Prior to the enactment of the central legislation, several states had already established Lokayukta institutions, with Maharashtra becoming the first state to establish a Lokayukta in 1971.

### Composition and Structural Framework

- The Lokpal is a multi-member statutory body functioning as an Ombudsman to investigate corruption allegations against specified public officials.
- It consists of a Chairperson and up to eight Members, with at least 50 per cent being Judicial Members.
- A mandatory 50 per cent representation from Scheduled Castes, Scheduled Tribes, Other Backward Classes, minorities, and women is required in the composition.
- Members hold office for a term of five years or until attaining the age of 70 years, whichever is earlier.
- The Lokpal has two main branches, an Administrative Wing and a Judicial Wing, to discharge the functions assigned under the Act.
- The salaries and allowances of the Lokpal Chairperson are equivalent to those of the Chief Justice of India, while other Members receive remuneration equivalent to that of a Judge of the Supreme Court.
- All salaries, allowances, and pensions are charged upon the Consolidated Fund of India.



### Selection and Appointment Mechanism

- India ratified the **UN Convention Against Corruption** in 2011, accelerating the enactment of anti-corruption legislation.
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- Prior to the enactment of the central legislation, several states had already established Lokayukta institutions, with Maharashtra becoming the first state to establish a Lokayukta in 1971.

### Eligibility Criteria for Members

- The Chairperson must be a serving or former Chief Justice of India or a Judge of the Supreme Court,

or an eminent person with impeccable integrity and outstanding ability having special knowledge and expertise of at least 25 years in specified fields.

- Judicial Members are drawn from serving or former Judges of the Supreme Court or Chief Justices of High Courts.
- Non-Judicial Members must possess impeccable integrity and at least 25 years of experience in fields specified under the Act, including anti-corruption policy, public administration, vigilance, finance (including insurance and banking), law, and management.

## Scope of Jurisdiction

- The Lokpal has jurisdiction over the **Prime Minister** (with exclusions relating to matters of international relations, external and internal security, public order, atomic energy, and space).
- Complaints against the Prime Minister can be investigated only if the full Lokpal bench considers initiation of inquiry and at least two-thirds of its members approve it.
- Union Ministers, Members of Parliament, and Group A, B, C, and D officials of the Central Government fall within Lokpal's purview.
- Jurisdiction extends to Chairpersons, Members, officers, and directors of any board, corporation, society, trust, or autonomous body established by an Act of Parliament or wholly or partly funded by the Central Government.
- Entities receiving foreign contributions exceeding Rs 10 lakh annually under the Foreign Contribution Regulation Act (FCRA) are also covered.
- The Judiciary, including Judges of the Supreme Court and High Courts, is excluded from the Lokpal's ambit.



## Powers and Functional Mandate

- The Lokpal has powers of superintendence and direction over the **Central Bureau of Investigation (CBI)** in cases referred to it.
- It exercises powers of a civil court during preliminary inquiries, including summoning and enforcing attendance, requiring discovery and production of documents, and receiving evidence on affidavits.
- The Lokpal can authorise search and seizure operations and recommend prosecution or disciplinary action against public servants.
- It possesses authority to approve prosecution of public servants instead of seeking approval from the government or relevant authority.
- The Act incorporates provisions for attachment and confiscation of property of public servants acquired through corrupt means, even while prosecution is pending.
- The Lokpal can issue guidelines to the Central Vigilance Commission (CVC) and suggest systemic reforms to address institutional corruption.
- The Act enhances maximum punishment under the **Prevention of Corruption Act, 1988**.
- The Lokpal does not have suo moto power to take cognizance of cases of corruption and maladministration.

## Complaint Filing Provisions

- Any individual, non-governmental organisation, company, trust, or Limited Liability Partnership (LLP) can file complaints, including foreign nationals with valid passports.
- Complaints must relate to offences under the Prevention of Corruption Act, 1988.
- Complaints can be submitted online or offline in the prescribed format under the Lokpal (Complaint) Rules, 2020.

- A limitation period of seven years applies from the date on which the alleged offence was committed.
- Anonymous complaints are not permitted under the Act. Complaints are generally placed before the Lokpal Bench within 15 working days after scrutiny. Even defective complaints are considered, with opportunities provided for rectification.
- Public servants are granted multiple stages to present their defence, ensuring adherence to principles of natural justice. The Lokpal ensures strict confidentiality of complainants, witnesses, and public servants during inquiry and investigation.

### Lokayukta: The State's Anti-Corruption Shield



#### Investigating Corruption Among Public Servants

A state-level authority established to probe allegations against government officials.



#### Appointed Through High-Level Consultation

The Governor appoints members after consulting the **Chief Justice** and Leader of Opposition.



#### Guaranteed Security of Tenure

Holds a 5-year term and can only be removed via legislative impeachment.



#### Maharashtra Pioneered the System in 1971

The first state to establish a Lokayukta, decades before the 2013 national mandate.

- The Lokpal and Lokayuktas Act, 2013, mandates the establishment of Lokayuktas at the State level within one year of the Act's commencement.
- The Lokayukta is a state-level anti-corruption authority established to investigate complaints and allegations against public servants.
- The Lokayukta and Upalokayukta are appointed by the Governor after consultation with the Chief Justice of the State High Court and the Leader of Opposition in the State Legislative Assembly.
- In most states, the Lokayukta holds office for a non-renewable term of five years or until attaining the age of 70 years, whichever is earlier.
- Lokayukta enjoys security of tenure, with removal possible only through an impeachment motion passed by the state legislature.
- Maharashtra established the first Lokayukta in India in 1971, prior to the central legislation.

### Foundation Day 2026: Key Highlights

- The Foundation Day function was held at the Lokpal office, 6 Vasant Kunj Institutional Area, Phase II, New Delhi.
- Chairperson Justice A. M. Khanwilkar was the Chief Guest, with Judicial Members Justice Lingappa Narayana Swami, Justice Sanjay Yadav, and Justice Ritu Raj Awasthi, and Non-Judicial Members Sushil Chandra, Pankaj Kumar, and Ajay Tirkey in attendance.
- The Chairperson acknowledged the efforts of Shri Anna Hazare and Justice N. Santosh Hegde (former Lokayukta of Karnataka) in the establishment of the institution.
- Due to budgetary constraints requiring austerity, the event was conducted in-house in a modest manner, unlike the previous year when Lokpal Day 2025 was commemorated as a premier event at the Manekshaw Centre with high dignitaries.

- The Chairperson noted that complaints received have increased steadily over the last two years, with projected numbers for 2025-26 showing an exponential increase compared to 2024-25.
- The number of bench sittings has risen consistently, ensuring minimal pendency and timely disposal of complaints.
- A state-of-the-art IT infrastructure and Data Centre was inaugurated to enable end-to-end robust, digitised, and paperless processing of complaints for enhanced efficiency and confidentiality.
- Winners of competitions held on International Anti-Corruption Day (9th December 2025) were felicitated, along with longest-serving staff members.

## Lokpal Foundation Day 2026: Progress Through Modernization

Commemorating a shift towards fully digitized, paperless operations and significant institutional growth, building on foundational values.

### OPERATIONAL GROWTH AND EFFICIENCY

**Exponential rise in projected complaints**  
Complaint volume has increased steadily, with 2025-26 2025-26 projections showing an exponential rise.

**Consistent increase in bench sittings**  
Rising sitting numbers ensure minimal pendency and the timely disposal of complaints.

**Honoring institutional roots**  
The event acknowledged the foundational efforts of Shri Anna Hazare and Justice N. Santosh Hegde.

### TECHNOLOGICAL AND STRUCTURAL PROGRESS

**Transition to end-to-end digitized processing**  
A new state-of-the-art IT infrastructure enables robust and paperless complaint handling.

**DATA CENTRE**  
**Enhanced efficiency and confidentiality**  
The newly inaugurated Data Centre ensures secure and streamlined institutional operations.

**Austerity-driven institutional conduct**  
The 2026 event was held in-house to maintain fiscal responsibility and austerity.

### Current Composition of Lokpal of India

- Justice A. M. Khanwilkar is the current and second Chairperson of Lokpal, appointed on 10th March 2024, succeeding Justice Pinaki Chandra Ghose who retired in May 2022.
- Justice Khanwilkar, born on 30th July 1957, served as a Judge of the Supreme Court of India from 2016 to 2022 and was previously appointed as Additional Judge of the Bombay High Court in March 2000.
- He also served as full-time Chairman of the Mahanadi Water Disputes Tribunal until 8th March 2024.
- The Lokpal is presently at its full strength of nine members including the Chairperson.
- Judicial Members include Justice Lingappa Narayana Swami (former Chief Justice of Himachal Pradesh High Court), Justice Sanjay Yadav (former Chief Justice of Allahabad High Court), and Justice Ritu Raj Awasthi (former Chairman of 22nd Law Commission of India).
- Non-Judicial Members include Sushil Chandra (former 24th Chief Election Commissioner and former Chairperson of CBDT), Pankaj Kumar (former Chief Secretary of Gujarat), and Ajay Tirkey (former Secretary, Department of Land Resources).
- In August-September 2024, the Lokpal constituted an inquiry wing under Section 11 of the Act for conducting preliminary probes into graft-related offences committed by public servants.

## PRACTICE QUESTIONS

1. When did the Lokpal of India observe its Foundation Day in 2026?  
(a) 16 January 2026  
(b) 17 December 2013  
(c) 01 January 2014  
(d) 23 March 2019
2. Which of the following countries first established the Ombudsman institution in 1809?  
(a) Denmark (year 1955)  
(b) Finland (year 1919)  
(c) Sweden (year 1809)  
(d) Norway (year 1962)
3. Who coined the term “Lokpal” in India in 1963?  
(a) Veerappa Moily (2005)  
(b) Dr L M Singhvi (1963)  
(c) Ashok Kumar Sen (1960)  
(d) Anna Hazare (year 2011)
4. Which movement provided major impetus in 2011 for passage of Lokpal legislation?  
(a) Swadeshi Movement 1905  
(b) Quit India Movement 1942  
(c) Chipko Movement 1973  
(d) India Against Corruption
5. Which date marks the coming into force of Section 3 establishing the Lokpal?  
(a) 17 December 2013                      (b) 01 January 2014  
(c) 16 January 2014                        (d) 24 October 1945
6. Which year saw the Act amended regarding Selection Committee membership in absence of LoP?  
(a) Year 2013 (amended)  
(b) Year 2014 (amended)  
(c) Year 2016 (amended)  
(d) Year 2019 (amended)
7. Who was appointed as the first Lokpal of India on 23 March 2019?  
(a) Justice Pinaki C Ghose  
(b) Justice A M Khanwilkar  
(c) Justice N S Hegde  
(d) Justice R R Awasthi
8. Who presided over the Lokpal Foundation Day event held on 16 January 2026?  
(a) Justice Pinaki C Ghose  
(b) Justice A M Khanwilkar  
(c) Justice Sanjay Yadav  
(d) Justice L N Swami
9. Which of the following best describes the two main branches of the Lokpal?  
(a) Finance Wing and Audit Wing  
(b) Inquiry Wing and Police Wing  
(c) Vigilance Wing and Legal Wing  
(d) Administrative and Judicial Wing
10. Which of the following correctly states the maximum strength of the Lokpal?  
(a) Chairperson plus eight Members  
(b) Chairperson plus six Members  
(c) Chairperson plus ten Members  
(d) Chairperson plus twelve Members
11. Who appoints the Chairperson and Members of the Lokpal by warrant under hand and seal?  
(a) Prime Minister of India  
(b) Speaker of Lok Sabha  
(c) President of India  
(d) Chief Justice of India
12. Which authority nominates the eminent jurist to the Lokpal Selection Committee?  
(a) Prime Minister of India  
(b) President of India  
(c) Speaker of Lok Sabha  
(d) Chief Justice of India
13. Who is the current and second Chairperson of Lokpal, appointed on 10 March 2024?  
(a) Justice Pinaki C Ghose  
(b) Justice A M Khanwilkar  
(c) Justice R R Awasthi  
(d) Justice S Yadav
14. Which of the following powers allows Lokpal to approve prosecution without seeking government approval?  
(a) Power to frame budgets  
(b) Power to amend statutes  
(c) Power to run elections  
(d) Power to sanction cases
15. Which state was the first in India to establish a Lokayukta in 1971?  
(a) Maharashtra (year 1971)  
(b) Karnataka (year 1984)  
(c) Gujarat (year 1998)  
(d) Rajasthan (year 2003)

## SOLUTIONS

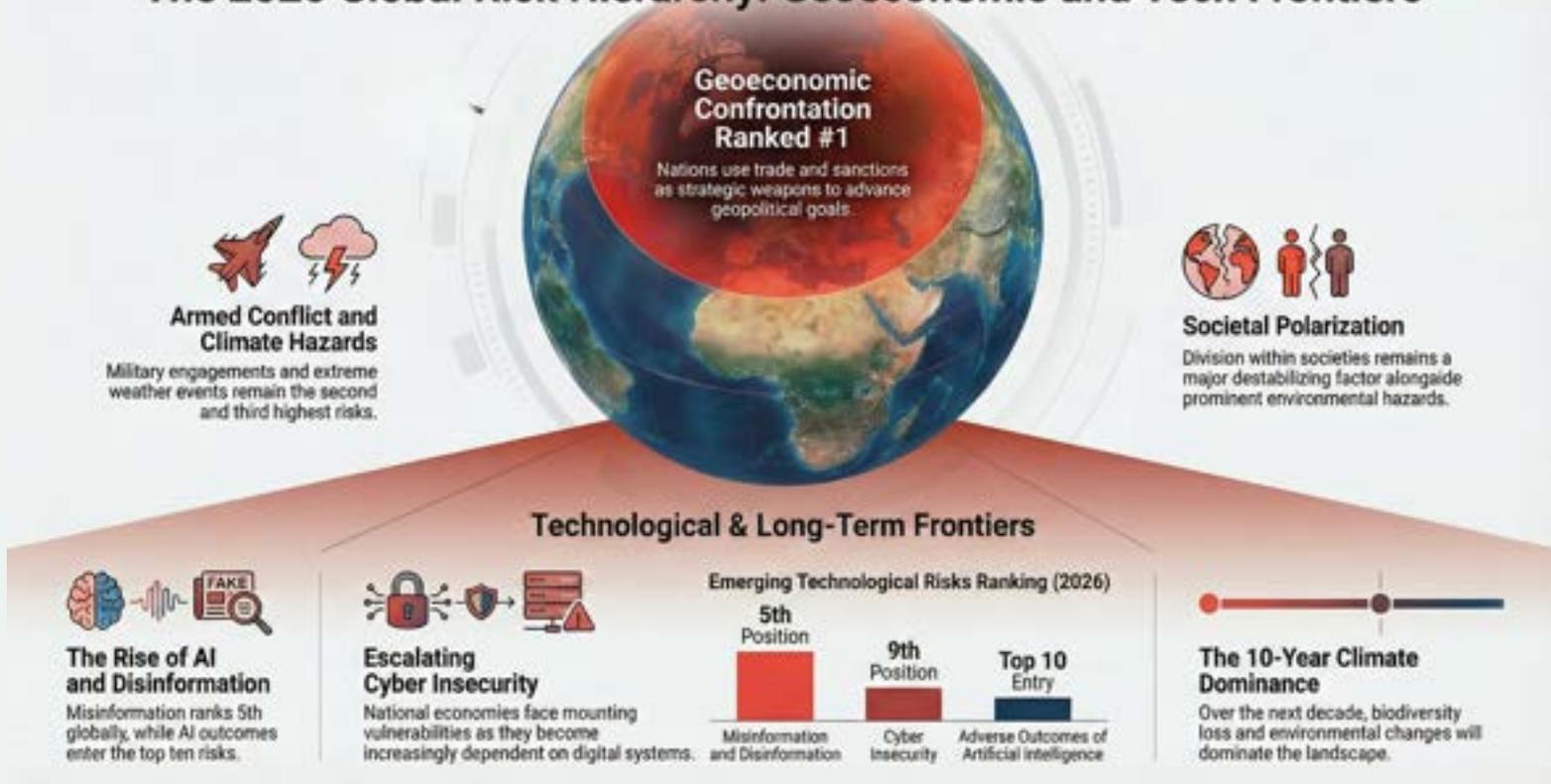
- |        |         |         |         |         |         |         |        |
|--------|---------|---------|---------|---------|---------|---------|--------|
| 1. (a) | 2. (c)  | 3. (b)  | 4. (d)  | 5. (c)  | 6. (c)  | 7. (a)  | 8. (b) |
| 9. (d) | 10. (a) | 11. (c) | 12. (b) | 13. (b) | 14. (d) | 15. (a) |        |

## 12 WEF GLOBAL RISKS REPORT 2026

### IN FOCUS

- The **World Economic Forum (WEF)** released its **Global Risks Report 2026**, identifying cybersecurity as the most significant risk facing India in the coming year, marking a shift in the country's vulnerability assessment.
- The report designated **gloeconomic confrontation** as the single most severe threat globally, surpassing armed conflict and climate-related dangers as the primary trigger for potential worldwide crises.
- For India specifically, the assessment highlighted that rising income and wealth disparities, inadequate public service delivery, and strategic instability amplify the impact of external economic and security shocks on national governance and economic stability.
- The findings emphasize the urgent need for India to strengthen its digital resilience, economic safeguards, and climate adaptation strategies while treating **income inequality** as a macro-level risk requiring comprehensive policy interventions.
- The report underscores India's dependence on digital governance systems, financial technology platforms, and critical digital infrastructure as key factors elevating cybersecurity concerns to the top of the national risk profile.

### The 2026 Global Risk Hierarchy: Gloeconomic and Tech Frontiers



- In the immediate timeframe covering 2026, **gloeconomic confrontation** emerged as the foremost global risk, displacing armed conflict and extreme weather phenomena as the most probable catalyst for international crises.

- Geoeconomic confrontation encompasses the strategic deployment of economic instruments including trade restrictions, financial sanctions, investment controls, and technology prohibitions by nation-states to advance geopolitical objectives and constrain rival powers.
- This phenomenon reflects the weakening of multilateral cooperation frameworks and the escalation of protectionist economic policies across major economies worldwide.
- State-based armed conflict secured the second position in global risk rankings, reflecting ongoing military engagements and the potential for regional conflict spillover effects.
- Climate-related hazards such as extreme weather events ranked prominently in the near-term assessment, appearing alongside societal polarization as major destabilizing factors.
- Technological risks demonstrated significant upward movement in global rankings, with misinformation and disinformation occupying the fifth position worldwide, reflecting mounting threats to democratic processes and social cohesion.
- Adverse outcomes associated with Artificial Intelligence technologies entered the top ten global risks for the first time, highlighting concerns regarding workforce displacement, ethical misuse of AI systems, and emerging security challenges.
- Cyber insecurity claimed the ninth position in global risk rankings, emphasizing escalating digital vulnerabilities as national economies and governance structures become increasingly dependent on digital systems.
- Over the long-term horizon spanning the next decade, climate-related risks dominate the threat landscape, with extreme weather events, biodiversity loss, and critical changes to Earth's environmental systems occupying top positions.

### National Cybersecurity Framework and Initiatives

- The National Cyber Security Policy establishes a comprehensive framework aimed at constructing a secure and resilient cyberspace environment for citizens, commercial enterprises, and government institutions across India.
- The policy delineates strategic objectives and implementation approaches to safeguard cyberspace information assets and infrastructure, develop capabilities for cyber attack prevention and response, and minimize damage through coordinated institutional structures involving personnel, processes, and technology.
- The Cyber Surakshit Bharat Initiative was inaugurated to enhance awareness regarding cyber crimes and establish protective measures for Chief Information Security Officers and frontline information technology personnel across all government departments.
- The Indian Cyber Crime Coordination Centre (I4C) was established to provide an integrated framework and ecosystem enabling law enforcement agencies to address cyber crimes through comprehensive and coordinated approaches.
- The I4C operates through seven specialized components: National Cyber Crime Threat Analytics Unit, National Cyber Crime Reporting Portal, National Cyber Crime Training Centre, Cyber Crime Ecosystem Management Unit, National Cyber Crime Research and Innovation Centre, National Cyber Crime Forensic Laboratory Ecosystem, and Platform for Joint Cyber Crime Investigation Team.
- The Cyber Swachhta Kendra, functioning as a Botnet Cleaning and Malware Analysis Centre, was launched in 2017 to create secure cyberspace by detecting botnet infections across India and enabling system cleaning to prevent subsequent infections.



- The Computer Emergency Response Team - India (CERT-In), operating under the Ministry of Electronics and Information Technology, collects, analyzes, and disseminates information on cyber incidents while issuing alerts regarding cybersecurity threats.
- Critical Information Infrastructure is statutorily defined as computer resources whose destruction would generate debilitating impacts on national security, economic stability, public health systems, or safety considerations.
- The National Critical Information Infrastructure Protection Centre was established to safeguard critical information infrastructure across sectors including power generation, banking operations, telecommunications, transportation networks, government systems, and strategic public enterprises.
- The Defence Cyber Agency represents a tri-service command within the Indian Armed Forces responsible for addressing cyber security threats through operational capabilities including hacking, surveillance, data recovery, encryption services, and countermeasure deployment against various cyber threat actors.

## World Economic Forum

- The World Economic Forum constitutes an international public-private cooperation organization headquartered in Geneva, Switzerland, founded in 1971 by Klaus Schwab, a German academic and economist.
- The organization promotes stakeholder capitalism principles and provides a global platform for dialogue on economic development, social welfare issues, and governance challenges, most prominently through its annual meeting convened in Davos, Switzerland.
- WEF regularly publishes internationally recognized analytical reports including the Global Competitiveness Report assessing national economic performance, the Global Gender Gap Report measuring gender parity across nations, and the Energy Transition Index evaluating clean energy adoption.
- The forum convenes political leaders, business executives, civil society representatives, and academic experts to address pressing global challenges through collaborative dialogue and policy development initiatives.
- WEF's Global Risks Report series, published annually, analyzes the most significant threats facing the international community over short-term and long-term horizons based on expert surveys and comprehensive risk assessment methodologies.
- The organization defines global risk as the possibility of an event or condition occurring that would negatively impact a significant proportion of worldwide gross domestic product, population welfare, or natural resource availability if materialized.

## PRACTICE QUESTIONS

- Which of the following risks did the WEF Global Risks Report 2026 identify as the most significant risk facing India in the coming year?
  - Geoeconomic confrontation
  - State-based armed conflict
  - Cybersecurity threats
  - Extreme weather events
- Which of the following was designated as the single most severe global risk for 2026 in the WEF assessment?
  - Geoeconomic confrontation
  - Biodiversity confrontation
  - Adverse AI outcomes
  - Extreme weather events
- Which of the following best describes “geoeconomic confrontation” as used in the report?
  - Military alliances aims for shaping borders
  - Climate treaties aims to limiting emissions
  - Natural disasters result in affecting trade
  - Use of economic tools for geopolitical aims
- Which of the following risk categories entered the global top ten for the first time due to concerns about workforce and security challenges?
  - Collapse of global biodiversity systems
  - Rising of global food insecurity risks
  - Escalation of adverse public debt crisis
  - Adverse outcomes of AI technologies
- Which of the following global risks ranked second in the near-term global risk assessment for 2026?
  - State-based armed conflict
  - State-based Cyber insecurity
  - State-based Income inequality
  - State-based Biodiversity loss
- Which of the following was ranked ninth in global risk rankings, emphasizing rising digital vulnerabilities?
  - Water scarcity
  - Social fragmentation
  - Energy shortages
  - Cyber insecurity
- Which of the following was placed fifth globally, reflecting threats to democratic processes and social cohesion?
  - Extreme weather related disruptions
  - Biodiversity loss driven disasters
  - Misinformation and disinformation
  - State-based armed conflict threats
- Which of the following is the National Cyber Security Policy primarily aimed at achieving?
  - Expanding pension coverage nationwide
  - Creating secure and resilient cyberspace
  - Increasing foodgrain buffer stock levels
  - Regulating capital market operations
- Which of the following initiatives was launched to enhance awareness about cyber crimes among CISOs and frontline IT staff in government?
  - Cyber Surakshit Bharat Initiative
  - National Digital Health Mission
  - National Skill India Digital Hub
  - Digital India Land Records
- Which of the following bodies provides an integrated framework for law enforcement agencies to address cyber crimes in a coordinated manner?
  - Defence Cyber Coordination Agency
  - Indian Cyber Crime Coordination Centre
  - National Critical Infrastructure Centre
  - Cyber Swachhta Coordination Kendra
- Which of the following is one of the seven specialized components through which I4C operates?
  - National Cyber Crime Reporting Portal
  - Central Financial Intelligence Bureau
  - National Telecom Regulation Cell
  - Unified Climate Risk Centre
- Which of the following centres was launched in 2017 as a Botnet Cleaning and Malware Analysis Centre?
  - I4C Threat Analytics Unit
  - Cyber Surakshit Bharat
  - Cyber Swachhta Kendra
  - National Cyber Kendra
- Which of the following agencies under MeitY collects, analyzes, and disseminates information on cyber incidents and issues alerts?
  - CEET-In
  - CART-In
  - CERT-In
  - CERT-In
- Which of the following was established to safeguard critical information infrastructure across sectors like power, banking, telecom, and transport?
  - Defence Cyber Agency for Strategic Protection Centre
  - National Critical Information Infrastructure Protection Centre
  - National Cyber Crime Reporting and Monitoring Portal
  - Cyber Swachhta Kendra for Malware Protection Analysis

## PRACTICE QUESTIONS

15. Where is the World Economic Forum headquartered?  
(a) Geneva Switzerland  
(b) Davos Switzerland  
(c) Berlin Germany  
(d) Paris France

## SOLUTIONS

- |        |         |         |         |         |         |         |        |
|--------|---------|---------|---------|---------|---------|---------|--------|
| 1. (c) | 2. (a)  | 3. (d)  | 4. (d)  | 5. (a)  | 6. (d)  | 7. (c)  | 8. (b) |
| 9. (a) | 10. (b) | 11. (a) | 12. (c) | 13. (d) | 14. (b) | 15. (d) |        |

## 13 TWO CONSECUTIVE PSLV FAILURES AND IMPLICATIONS

### IN FOCUS

- India's PSLV (Polar Satellite Launch Vehicle) has suffered two consecutive failures in its last two flights: PSLV-C61 (18 May 2025) and PSLV-C62 (12 January 2026), with both failures being linked to issues arising around the third stage (PS3/HPS3).
- ISRO has publicly stated that PSLV-C62 encountered an anomaly during the end of the PS3 stage and that a detailed analysis has been initiated.
- The Union Minister (Jitendra Singh) has stated that ISRO is targeting another PSLV launch in June 2026 after reviewing committee findings and completing corrective actions, while also noting that the reasons for the two failures were not the same.

### FAILURE 1

#### PSLV-C61/EOS-09 (18 May 2025)

- PSLV-C61 was ISRO's 101st launch attempt, and the mission aimed to place EOS-09 into a Sun Synchronous Polar Orbit (SSPO) after lifting off at 05:59 AM IST from the First Launch Pad at Satish Dhawan Space Centre (SDSC-SHAR), Sriharikota.
- ISRO stated that PSLV-C61 performed normally till the 2nd stage, but due to an observation in the 3rd stage, the mission could not be accomplished.
- ISRO's Chairman (V. Narayanan) stated that during the third stage there was a fall in chamber pressure in the motor case, and therefore the mission could not be accomplished.
- EOS-09 was designed to provide continuous and reliable remote sensing data and carried a Synthetic Aperture Radar (SAR) payload intended to support all-weather Earth observation.
- EOS-09 had a stated launch mass of 1696.24 kg and a stated mission life of 5 years, and it was described as a repeat satellite of EOS-04 built using ISRO's RISAT-1 heritage bus.
- The PSLV-C61 brochure describes PSLV-C61 as a four-stage vehicle using HPS3 as the third stage, and it also records the planned injection parameters for EOS-09 (including an intended altitude of about 529 km and inclination of about 97.5°).
- The failure meant that EOS-09 was not deployed into its intended orbit, and ISRO indicated that it would begin detailed technical analysis of the anomaly.

**FAILURE 2**

**PSLV-C62/EOS-N1  
(12 January 2026)**

- PSLV-C62 was described by ISRO as the 64th flight of PSLV and a dedicated commercial mission undertaken by NewSpace India Limited (NSIL) to launch EOS-N1 along with 15 co-passenger satellites for domestic and international customers, with lift-off proposed at 10:17 hrs on 12 January 2026 from SDSC-SHAR.
- ISRO stated that the PSLV-C62 mission encountered an anomaly during the end of the PS3 stage and that a detailed analysis has been initiated.
- Reuters reported that the rocket performed normally for most of the flight before an unexpected disturbance and deviation from its path, and it characterized the incident as a second setback in about eight months for PSLV.
- ISRO's Chairman (V. Narayanan) was quoted in Indian media as saying that there was a disturbance in roll rates and a deviation in the flight path, and that ISRO was analyzing the data.
- ISRO stated that PSLV-C62 would also demonstrate a Spanish re-entry technology demonstrator called KID (Kestrel Initial Technology Demonstrator), which was planned for atmospheric re-entry and splashdown in the South Pacific Ocean after deployment.
- The PSLV-C62 brochure states that EOS-N1 and 14 co-passenger satellites were intended for Sun Synchronous Orbit, while the KID capsule was intended for a re-entry trajectory, and it lists an intended SSO altitude of about 505 km with an inclination of about 97.5°.

**Co-passenger payloads listed in the PSLV-C62 brochure (concise):**

- **Theos-2:** Earth-observation satellite jointly built by Thailand and the UK, associated with Surrey Satellite Technology Ltd (UK).
- **CGUSAT & DSUSAT:** University student technology-demonstration satellites associated with Dhruva Space (India).
- **MOI-1:** Satellite designed to run large AI models onboard, associated with Dhruva Space and Takeme2Space (India).
- **Thybolt-3 & LACHIT:** Rapid technology-demonstration and constellation-development satellites with store-and-forward capability; associated with Dhruva Space, with LACHIT also linked to Assam Don Bosco University.
- **Munal:** Technology-demonstration satellite by a Nepal university, associated with Antharkshya Pratishtan and the Ministry of External Affairs.
- **AyulSat:** In-orbit fuelling demonstration satellite associated with OrbitAid (India).

## ISRO's Recorded Failure - Key points



ISRO's official PSLV launch list shows that the first PSLV flight (PSLV-D1) took place on 20 September 1993 and is marked as Mission Unsuccessful.



ISRO's official PSLV launch list shows PSLV-C39 / IRNSS-1H (31 August 2017) as Mission Unsuccessful.



ISRO's official PSLV launch list shows PSLV-C61 / EOS-09 (18 May 2025) with the remark "Not accomplished", and it shows PSLV-C62 / EOS-N1 (12 January 2026) as the next PSLV mission in sequence, indicating these were consecutive PSLV flights.



ISRO describes PSLV as its workhorse launch vehicle and highlights that PSLV has flown notable missions including Chandrayaan-1, Mars Orbiter Mission, Aditya-L1, and AstroSat, and it also notes that PSLV set a world record in 2017 by launching 104 satellites in a single mission.



### FACT

### Why the Failures Are Worrying

- Both failures are officially tied to events in or near the third stage, because ISRO stated that C61 was normal till the second stage and failed due to a third-stage observation, and ISRO also stated that C62 encountered an anomaly during the end of PS3.
- PSLV is the principal vehicle for many Earth-observation and rideshare missions, and Reuters explicitly noted that the two failures dented PSLV's reputation for reliability and emphasized PSLV's role in India's space programme and commercial ecosystem.
- PSLV-C62 was a commercial NSIL mission carrying payloads from startups and academic institutions, and its failure implies the loss of multiple customer payloads and technology demonstrations, which can affect launch confidence and near-term commercial cadence.
- The Union Minister stated that separate internal and external failure assessment committees were set up and that ISRO is aiming for a June return-to-flight after screening reports and certifying fixes, which indicates that the back-to-back failures have triggered a formal, multi-layer review before routine operations resume.
- The same Minister also said the two failures had different reasons and ruled out sabotage as of then, which implies that restoring reliability may require mission-specific corrective actions, not just a single universal fix.

- **Record satellite launches in one go:** India's Indian Space Research Organisation set a world record in 2017 by launching 104 satellites in a single mission using the Polar Satellite Launch Vehicle, showcasing exceptional precision and cost efficiency.
- **Reaching Mars on the first attempt:** India became the first country to successfully reach Mars in its maiden attempt with the Mars Orbiter Mission (Mangalyaan) in 2014, at a fraction of the cost of comparable global missions.
- **Closest landing to the Moon's south pole:** With Chandrayaan-3, India achieved the first-ever soft landing near the Moon's south polar region, an area of high scientific interest due to the possibility of water ice.

## INDIAN SPACE RESEARCH ORGANISATION

- ISRO's official profile states that ISRO was formed on 15 August 1969, superseding INCOSPAR, and that the Department of Space (DoS) was set up in 1972, after which ISRO was brought under DoS.
- ISRO operates under the Department of Space, Government of India, and it carries out national programmes in satellites, launch vehicles, and space applications through centres such as SDSC-SHAR (Sriharikota) for launches.
- ISRO's PSLV pages describe PSLV as a multi-stage vehicle using a combination of solid and liquid propulsion elements and having multiple operational configurations/variants (including variants using strap-on boosters).
- ISRO states that NSIL undertakes dedicated commercial missions using PSLV for domestic and international customers, and ISRO described PSLV-C62 as NSIL's 9th dedicated commercial mission.



## PRACTICE QUESTIONS

- Which of the following stages of India's PSLV was primarily linked to the failures of missions PSLV-C61 (May 2025) and PSLV-C62 (January 2026)?  
(a) first stage  
(b) third stage  
(c) fourth stage  
(d) second stage
- Which of the following satellites was PSLV-C61 primarily intended to place into a Sun Synchronous Polar Orbit (SSPO) during its launch from SDSC-SHAR?  
(a) EOS-03  
(b) EOS-04  
(c) EOS-09  
(d) EOS-08
- Which of the following organisations undertook the dedicated commercial mission of PSLV-C62 to launch EOS-N1 along with multiple co-passenger satellites?  
(a) National Space Research Unit  
(b) Orbital Launch Service Group  
(c) NewSpace India Limited  
(d) Strategic Space Systems Unit
- Who is the present ISRO's Chairman who explained that PSLV-C61 failed due to a fall in chamber pressure during the third stage?  
(a) K. R Krishna  
(b) V. Narayanan  
(c) A. S. Kiran Rai  
(d) Madhavan Nai
- What is the full form of the abbreviation KID, the Spanish re-entry technology demonstrator planned for atmospheric re-entry during the PSLV-C62 mission?  
(a) Kestrel Initial Technology Demonstrator  
(b) Kestrel Integrated Technology Demonstrator  
(c) Kestrel Innovative Technology Demonstrator  
(d) Kestrel International Technology Demonstrator
- Which of the following countries jointly built Theos-2, the Earth observation satellite associated with SSTL (UK)?  
(a) Thailand and the UK  
(b) Germany and the UAE  
(c) Japan and Indonesia  
(d) Brazil and Argentina
- Which of the following organisations is associated with the university student technology demonstration satellites CGUSAT and DSUSAT mentioned in the PSLV-C62 brochure?  
(a) Antrix Space  
(b) Dhruva Space  
(c) Pixxel Space  
(d) Skyroot Space
- What world record did ISRO's PSLV achieve in 2017 during a single mission, as highlighted in its description as a workhorse launch vehicle?  
(a) 102 satellites  
(b) 108 satellites  
(c) 106 satellites  
(d) 104 satellites
- From which of the following countries is Munal – the student technology demonstrator linked with Antharkshya Pratishthan and MEA, Government of India – associated in the PSLV-C62 brochure?  
(a) Nepal  
(b) Spain  
(c) China  
(d) Japan
- Which of the following organisations was superseded when ISRO was formed on 15 August 1969, according to ISRO's official profile?  
(a) INSPACEN  
(b) INSATCOM  
(c) INROSPAR  
(d) INCOSPAR
- What year marked the establishment of the Department of Space (DoS), which subsequently brought ISRO under its administrative framework?  
(a) 1965  
(b) 1971  
(c) 1972  
(d) 1985
- Which of the following best explains PSLV?  
(a) Single Stage Cryogenic Launch Vehicle  
(b) Multi Stage Mixed Propulsion Vehicle  
(c) Reusable Winged Orbital Shuttle System  
(d) Suborbital Atmospheric Research Rocket
- Which of the following numbered dedicated commercial missions undertaken by NSIL was PSLV-C62 described as, according to ISRO?  
(a) 7th  
(b) 8th  
(c) 6th  
(d) 9th

## PRACTICE QUESTIONS

14. Which of the following satellites is described in the PSLV-C62 brochure as an in-orbit fuelling demonstration mission associated with OrbitAid (India)?  
 (a) AyulSat  
 (b) AryaSat  
 (c) BhuvSat  
 (d) KartSat

15. Which of the following organisations is associated with MOI-1, the AI-enabled satellite mentioned in the PSLV-C62 brochure that allows customers to run large models directly in orbit?  
 (a) Skyroot Space  
 (b) Pixxel Space  
 (c) Takeme2Space  
 (d) Bellatrix Aero

## SOLUTIONS

1. (b),      2. (c),      3. (c),      4. (b),      5. (a),      6. (a),      7. (b),      8. (d),  
 9. (a),      10. (d),      11. (c),      12. (b),      13. (d),      14. (a),      15. (c).

## 14 HOW A U.S. MOVE ON GREENLAND COULD SHIFT THE ARCTIC

### IN FOCUS

- U.S. President Donald Trump has repeatedly renewed public calls for U.S. control/acquisition of Greenland, framing it as a national security necessity and questioning whether Denmark can adequately protect the territory.
- NATO has started military planning for an “Arctic Sentry” type mission amid the Greenland dispute, reflecting concerns that the issue could create friction inside the Alliance.
- A January 2026 poll reported that a large majority of Greenlanders oppose becoming part of the United States, indicating strong domestic resistance to any sovereignty shift.

# Why is Trump Claiming Greenland?

### TRUMP HAS STATED

That the United States “needs” Greenland and has cited **national security** concerns linked to perceived threats from **Russia and China** in the Arctic and North Atlantic.

- Trump has argued that Denmark cannot be relied upon to protect Greenland, using this claim to justify greater U.S. control or leverage over Greenland’s security posture.
- The U.S. already operates its northernmost military installation in Greenland, **Pituffik Space Base**, and U.S. defense logic consistently treats Greenland as critical for **missile warning, missile defense, and space surveillance**, which strengthens the U.S. case for deeper control or guaranteed access.
- Greenland’s warming climate is increasing attention on the island’s **mineral potential**, and Reuters reported that a **2023 Danish survey** found **many critical EU raw materials** present in Greenland, which feeds strategic competition narratives around supply chains and resource access.
- Greenland sits on emerging Arctic lines of competition where **sea-ice decline** is changing operating conditions for transport, surveillance, and military activity, and Reuters reported that warming and shrinking sea ice are already reshaping Greenland’s economy and strategic salience.
- Trump’s posture has created NATO-level consequences, because Reuters reported that NATO began

Arctic mission planning amid concerns about Greenland's defense and intra-alliance tension, suggesting that the claim is also functioning as a pressure point on allied burden-sharing and Arctic posture.

- Analysts and diplomats have also raised concerns about influence efforts and sovereignty sensitivity, and Reuters reported that the United States has publicly reaffirmed Greenland's right to self-determination amid allegations about political influence activities.

## Strategic Importance of Greenland



- Greenland provides a strategic platform for **early warning and tracking** of threats transiting the Arctic, because the **12th Space Warning Squadron** at Pituffik operates an **Upgraded Early Warning Radar** supporting missile warning and missile defense.
- Greenland's location at the edge of the North Atlantic links directly to the **GIUK gap** (Greenland-Iceland-UK), a well-known maritime choke area relevant to naval movement between the North Atlantic and the Nordic seas.
- Greenland's strategic value is rising with Arctic militarisation, because Reuters reported NATO planning for an Arctic vigilance mission after renewed U.S. assertions over Greenland and concerns about Russia and China.
- Greenland is becoming more economically and geopolitically salient due to climate-driven change, because Reuters reported record warmth, reduced sea ice, and increasing interest in minerals alongside fisheries pressures.
- Greenland's strategic debate is also alliance-sensitive, because Reuters reported that European NATO allies have defended Denmark's sovereignty over Greenland and warned that U.S. pressure risks fracturing NATO unity.

CIA World

Factbook

### Strategic Importance of Greenland

- Greenland is the **world's largest island** and is **about 80% ice-capped**, with a total area of **2,166,086 sq km**, according to the CIA World Factbook archives.
- Greenland is a **self-governing territory within the Kingdom of Denmark**, and the **Self-Government Act** replaced the earlier Home Rule framework (1979) when it came into force in 2009.
- The Self-Government framework recognises Greenlanders as a people with a right to **self-determination**, and it provides a route for **independence** via agreement and a Greenland referendum.
- Denmark retains responsibility for key sovereign functions such as **foreign affairs and defence**, even after the 2009 autonomy expansion, as summarised in a UK Parliament briefing.
- Greenland is not part of the EU, because Greenland left the European Communities framework with the "Greenland Treaty" taking effect in 1985 following a 1982 referendum on withdrawal.



CIA World  
Factbook

## USA's History of Acquiring Territory

- The United States expanded by **purchase, treaty settlement, war outcomes, annexation, and cession agreements**, and major acquisitions were often justified through strategic security, trade access, or continental expansion logic recorded in U.S. historical documents.
- The United States purchased the **Louisiana Territory** from France in **1803** for **\$15 million**, which dramatically expanded U.S. territory west of the Mississippi.
- Spain ceded **East Florida** to the United States under the **Adams-Onís Treaty (1819)**, and Spain also renounced claims to West Florida while the U.S. agreed to assume up to **\$5 million** in claims.
- The United States and Britain resolved competing claims in the Pacific Northwest through the **Oregon Treaty (1846)**, which the U.S. Senate ratified in 1846.
- The **Treaty of Guadalupe Hidalgo (1848)** ended the U.S.–Mexico war and led to Mexico ceding a vast portion of territory (including present-day California and much of the U.S. Southwest) to the United States.
- The United States acquired additional land from Mexico through the **Gadsden Purchase (1853–1854)** for **\$10 million**, primarily linked to securing a southern route for a transcontinental railroad.
- The United States purchased **Alaska** from Russia in **1867**, and U.S. historical records describe it as a major geopolitical step in U.S. expansion and Pacific positioning.
- The United States formally annexed the **Hawaiian Islands** in **1898** through a joint resolution, extending U.S. strategic reach into the Pacific.
- The **Spanish–American War (1898)** resulted in Spain ceding **Guam, Puerto Rico, and the Philippines** to the United States under the post-war settlement, marking a major phase of U.S. overseas expansion.
- The United States purchased the **Danish West Indies** (now the **U.S. Virgin Islands**) from Denmark in a deal that culminated in the formal transfer on **31 March 1917**, and U.S. sources describe the transfer as a strategic wartime-era acquisition.
- The United States acquired parts of what is now **American Samoa** through cession instruments signed by local chiefs in **1900** and **1904**, later confirmed by the U.S. Congress in historical documentation.
- U.S. interest in acquiring Greenland has historical precedent, because multiple sources document U.S. approaches in the 19th–20th centuries, including a **1946 Truman-era offer** reported in modern retrospectives.

## PRACTICE QUESTIONS

- Which of the following countries' ability to protect Greenland was questioned by U.S. President Donald Trump while calling for U.S. control of the territory?
  - Norway
  - Sweden
  - Denmark
  - Iceland
- Which of the following mission names refers to NATO's military planning initiative linked to Arctic tensions amid the Greenland dispute?
  - Arctic Sentry
  - Arctic Watcher
  - Arctic Defender
  - Arctic Command
- Which of the following countries were cited by Donald Trump as perceived security threats in the Arctic and North Atlantic while arguing that the United States "needs" Greenland?
  - Brazil and Mexico
  - Russia and China
  - Spain and Italy
  - Canada and Japan
- Which of the following military installations represents the United States' northernmost base in Greenland used for missile warning, missile defence, and space surveillance?
  - Thule Arctic Base
  - Polar Defense Base
  - Pituffik Space Base
  - Arctic Sentinel Base
- Which of the following studies reported the presence of many critical EU raw materials in Greenland, contributing to strategic competition narratives around supply chains?
  - 2021 Swedish report
  - 2022 Finnish analysis
  - 2020 Arctic inquiry
  - 2023 Danish survey
- Which of the following units operates the Upgraded Early Warning Radar at Pituffik, providing missile warning and defence support in the Arctic region?
  - 12th Space Warning Squadron
  - 11th Space Tracking Squadron
  - 14th Missile Defense Squadron
  - 10th Arctic Control Squadron
- What is the name of the well-known North Atlantic maritime choke area connecting Greenland, Iceland, and the United Kingdom that is important for naval monitoring?
  - Greenland-Iceland-US
  - Greenland-Iceland-SE
  - Greenland-Iceland-IT
  - Greenland-Iceland-UK
- What proportion of Greenland's land area is described as covered by ice in CIA World Factbook records?
  - 20% ice-layered
  - 80% ice-capped
  - 35% snow-layered
  - 55% glacier-locked
- Which of the following legal frameworks replaced Greenland's earlier Home Rule system in 2009, establishing a new governance structure within the Kingdom of Denmark?
  - Northern Governance Act
  - Arctic Sovereignty Act
  - Self-Government Act
  - Polar Reform Act
- What year did the Greenland Treaty take effect, marking Greenland's withdrawal from the European Communities following the 1982 referendum?
  - 1985
  - 1979
  - 1992
  - 2001
- Which of the following territories was purchased by the United States from France in 1803 for \$15 million, greatly expanding American land west of the Mississippi River?
  - Mississippi Valley
  - Northwestern Plains
  - Louisiana Territory
  - Appalachian Ridge
- Which of the following agreements resulted in Spain ceding East Florida to the United States in 1819 while renouncing claims to West Florida?
  - Adams-Onís Treaty
  - Webster-Ashburton Pact
  - Treaty of Paris Accord
  - Rush-Bagot Agreement
- Which of the following countries resolved competing territorial claims with the United States in the Pacific Northwest through the Oregon Treaty of 1846?
  - France
  - Spain
  - Britain
  - Canada
- Which of the following territories was acquired by the United States through cession instruments signed by local chiefs in 1900 and 1904, later confirmed by the U.S. Congress?
  - Alaska
  - Hawaii
  - Philippines
  - Puerto Rico

## PRACTICE QUESTIONS

- (a) Western Sahara
- (b) American Samoa
- (c) Northern Cyprus
- (d) Eastern Grenada

15. Which of the following historical events reflects a documented U.S. attempt to acquire Greenland, as mentioned in modern retrospectives on American strategic interest?

- (a) 1952 Eisenhower-era offer
- (b) 1938 Roosevelt-era offer
- (c) 1960 Kennedy-era proposal
- (d) 1946 Truman-era offer

## SOLUTIONS

- |         |          |          |          |          |          |          |         |
|---------|----------|----------|----------|----------|----------|----------|---------|
| 1. (c), | 2. (a),  | 3. (b),  | 4. (c),  | 5. (d),  | 6. (a),  | 7. (d),  | 8. (b), |
| 9. (c), | 10. (a), | 11. (c), | 12. (a), | 13. (c), | 14. (b), | 15. (d). |         |

# 15 TIGER GLOBAL TAX RULING: IMPACT ON STARTUPS

## IN FOCUS

- The Supreme Court, on **15 January 2026**, allowed the Revenue's appeals and set aside the **Delhi High Court's 28 August 2024** ruling that had favoured Tiger Global's Mauritius entities in their treaty claim.
- The ruling arose from Tiger Global's **2018 exit from Flipkart** (as part of Walmart's acquisition), where the tax department alleged that the Mauritius structure was used primarily for **tax avoidance**.
- After the judgment, an Indian startup industry group wrote to the Government seeking **tax clarity/certainty**, citing potential investor concern about treaty-based structures used for years in startup funding.

## FACTS OF THE CASE

- The assesseees were **Tiger Global International II Holdings, Tiger Global International III Holdings, and Tiger Global International IV Holdings**, which were **Mauritius-incorporated private companies** set up for investment activity and regulated by the Mauritius Financial Services Commission with a Category I Global Business Licence.
- The assesseees held shares of **Flipkart Private Limited (Singapore)**, and the Singapore company's value was stated to be **derived substantially from assets located in India** because it had invested in multiple Indian companies.
- The assesseees transferred their shares of the Singapore company to **Fit Holdings S.A.R.L. (Luxembourg)** as part of the broader transaction involving Walmart's majority acquisition of Flipkart Singapore.
- The gross consideration recorded in the judgment for the three assesseees included **USD 1,893,510,103.82** (Tiger Global International II), **USD 181,782,633.10** (Tiger Global International III), and **USD 8,435,171.44** (Tiger Global International IV).
- Before consummation, the assesseees sought **nil withholding** certificates under **Section 197** of the Income-tax Act, and the tax authorities issued certificates (17 August 2018) prescribing withholding rates, while disputing DTAA eligibility on the ground that decision-making/control did not lie with the Mauritius entities.
- The assesseees then approached the **Authority for Advance Rulings (AAR)** under **Section 245Q(1)** seeking a ruling on whether gains from the sale of shares (Singapore company) to the Luxembourg buyer would be taxable in India under the Act read with the **India-Mauritius DTAA**.

## CASE BACKGROUND

- The dispute arose from the sale of shares held by Mauritius-based Tiger Global investment entities in a Singapore holding company linked to Flipkart. The transaction formed part of the larger acquisition in which Walmart acquired majority control of Flipkart's operations.
- The assesseees were structured as offshore investment vehicles and claimed treaty protection under the India-Mauritius Double Taxation Avoidance Agreement (DTAA).

## INVESTMENT STRUCTURE

### TRANSACTION VALUE

1.89 B	TIGER GLOBAL INTERNATIONAL II
181 M	TIGER GLOBAL INTERNATIONAL III
8.4 M	TIGER GLOBAL INTERNATIONAL IV

## Ruling of the Court

- The Supreme Court framed the core issue as whether the **AAR was right** in rejecting the advance ruling applications on maintainability by treating the capital gains transaction (sale of shares of a Singapore company holding Indian value) as **prima facie tax avoidance** under **Section 245R(2)**.
- The Court emphasised that the statutory threshold in Section 245R(2) uses the term “**prima facie**”, and it held that the AAR can reject an application if, on an initial examination, it is satisfied that the transaction is for **avoidance of income tax**.
- The Court accepted the Revenue’s three-layer framing that (i) **taxability** is established under **Section 9(1)(i)**, (ii) treaty relief can be contested by challenging the **residency/substance** claim, and (iii) **GAAR (Chapter X-A)** (and alternatively judicial anti-avoidance principles) can be invoked to deny treaty benefits where the structure lacks genuine commercial substance.
- The Court held that mere possession of a TRC is not sufficient in this factual context, and it relied on the statutory burden rule that Section 96(2) places the onus on the taxpayer to disprove the presumption of tax avoidance.
- The Court explained that even where investments were made before the **01 April 2017** cut-off referenced in the GAAR-related rules, **Rule 10U(2)** can make the GAAR chapter applicable to tax benefits obtained on or after **01 April 2017**, and it noted that the proposed transfer/exit in this case commenced in **May 2018**.
- In its conclusion, the Court held that once the shares were transferred pursuant to an **impermissible tax-avoidance arrangement**, the assesseees were **not entitled** to claim exemption under **Article 13(4) of the DTAA**, that **Chapter X-A becomes applicable**, and that the AAR rightly rejected the applications under the maintainability bar in **Section 245R(2)**.
- The Court held that capital gains from transfers effected after the cut-off date, i.e., **01 April 2017**, were

## Timeline: The Path to Final Tax Judgment

Track the 6-year legal progression of a major tax avoidance dispute.



### March 26, 2020: AAR Rejects Application

The Authority for Advance Rulings cited prima facie tax avoidance as the reason for non-maintainability.



### August 28, 2024: High Court Reversal

The Delhi High Court set aside the previous AAR decision following an assessee challenge.



### Early 2025: Supreme Court Stays Proceedings

The Supreme Court stayed both the High Court order and assessment proceedings pending a final hearing.



### January 15, 2026: Final Supreme Court Judgment

The appeals were officially decided through a common judgment, concluding the litigation.

**taxable in India** under the Income-tax Act read with applicable DTAA provisions, and it set aside the High Court judgment while allowing all appeals.

### Short Implications for Startups

- The ruling signals that foreign VC/PE investors cannot rely only on **treaty routing** and documentation if the structure is viewed as a **conduit** lacking commercial substance, which can increase deal-structuring friction for startup investments and exits.
- The decision triggered industry concern on potential investor sentiment, and a startup group sought assurance that investments made under older treaty expectations are not treated as retrospectively taxable in a way that chills funding.

### DTAA

- A **Double Taxation Avoidance Agreement (DTAA)** is a bilateral treaty through which two countries allocate taxing rights and reduce double taxation on the same income, typically by providing exemption/credit mechanisms and residency-based rules.
- India's **India-Mauritius DTAA** (effective from **1983**) became a major route for foreign investment, and later policy changes sought to curb treaty shopping and non-taxation outcomes.

## PRACTICE QUESTIONS

1. Which of the following companies was at the centre of the 2018 exit transaction that later became the subject of the Supreme Court's January 2026 ruling?

- (a) Flipkart (b) Snapdeal  
(c) ShopClue (d) PaytmMall

2. Which of the following Global Business Licence classifications applied to the investment entities regulated by the Mauritius Financial Services Commission in the dispute?

- (a) Category II (b) Category IV  
(c) Category III (d) Category I

3. Which of the following jurisdictions was the place of incorporation of the holding company whose shares were transferred in the transaction examined by the court?

- (a) Malaysia (b) Thailand  
(c) Singapore (d) Indonesia

4. Which of the following entities acquired the shares of the Singapore holding company from the investment vehicles as part of the broader ecommerce acquisition transaction?

- (a) Arc Holdings S.A.R.L.  
(b) Nex Holdings S.A.R.L.  
(c) Zen Holdings S.A.R.L.  
(d) Fit Holdings S.A.R.L.

5. Which of the following provisions of the Income-tax Act was invoked by the investment entities while seeking nil withholding certificates before completing the transaction?

- (a) Section 195 (b) Section 245  
(c) Section 144 (d) Section 197

6. Which of the following forums did the investment entities approach under Section 245Q(1) to obtain clarity on the taxability of gains arising from the share transfer?

- (a) National Authority for Tax Rulings  
(b) Authority for Advance Rulings  
(c) International Authority for Tax Rulings  
(d) Central Authority for Tax Rulings

7. Which of the following statutory provisions was examined by the Supreme Court while deciding

whether the advance ruling applications could be rejected on maintainability grounds?

- (a) Section 245N(2)  
(b) Section 245Q(1)  
(c) Section 245S(3)  
(d) Section 245R(2)

8. Which of the following provisions was relied upon by the Court to explain that anti-avoidance rules could apply to tax benefits obtained after the specified cut-off date?

- (a) Rule 10U(2) (b) Rule 10UA(1)  
(c) Rule 10UB(3) (d) Rule 10UC(4)

9. Which of the following treaty provisions was held inapplicable by the Court after concluding that the transaction formed part of an impermissible tax-avoidance arrangement?

- (a) Article 10(3) (b) Article 12(2)  
(c) Article 13(4) (d) Article 15(1)

10. Which of the following terms refers to a bilateral treaty through which two countries allocate taxing rights and reduce taxation on the same income using exemption or credit mechanisms?

- (a) Bilateral Economic Cooperation Agreement  
(b) Global Investment Protection Framework  
(c) International Trade Facilitation Partnership  
(d) Double Taxation Avoidance Agreement

11. Which of the following terms describes the statutory threshold used by the Court to allow rejection of an application after only an initial examination under Section 245R(2)?

- (a) ultra vires (b) prima facie  
(c) mens rea test (d) res judicata

12. Which of the following statutory references formed part of the three-layer framework accepted by the Court while analysing taxability and treaty relief?

- (a) Section 10(1)(i), (ii)  
(b) Section 12(2)(a), (iii)  
(c) Section 9(1)(i), (ii)  
(d) Section 14(3)(b), (iv)

13. Which of the following statutory provisions was relied upon by the Court to explain that the burden lies on the taxpayer to rebut the presumption of tax avoidance?

- (a) Section 94(1) (b) Section 95(3)  
(c) Section 97(4) (d) Section 96(2)

## PRACTICE QUESTIONS

14. Which of the following statutory provisions was invoked by the investment entities while seeking an advance ruling on the taxability of gains arising from the share transfer?

- (a) Section 245N(1)
- (b) Section 245R(2)
- (c) Section 245S(1)
- (d) Section 245Q(1)

## SOLUTIONS

- |         |          |          |          |          |          |         |       |
|---------|----------|----------|----------|----------|----------|---------|-------|
| 1. (a), | 2. (d),  | 3. (c),  | 4. (d),  | 5. (d),  | 6. (b),  | 7. (d), | 8(a), |
| 9. (c), | 10. (d), | 11. (b), | 12. (c), | 13. (d), | 14. (d). |         |       |

## 16 SUPREME COURT ON THE PREVENTION OF CORRUPTION ACT, 1988

### IN FOCUS

- On 13 January 2026, a two-judge Bench of the Supreme Court delivered a split verdict on the constitutional validity of Section 17A of the Prevention of Corruption Act, 1988, in W.P.(C) No. 1373/2018 (Centre for Public Interest Litigation v. Union of India).
- Since the two Judges gave divergent opinions, the Court directed that the matter be placed before the Chief Justice of India for constituting an appropriate Bench to consider the issues afresh.

### HISTORY OF THE CASE

- The petition was filed in **2018** by **Centre for Public Interest Litigation (CPIL)** challenging the validity of **Section 17A**, and it was opposed by the **Union of India**.
- The petition specifically attacked the “**prior approval**” barrier created by Section 17A, arguing that it blocks even the initiation of enquiry/inquiry/investigation against public servants for decisions/recommendations made in official capacity.
- The petition relied on the argument that **pre-investigation permissions** for corruption probes had earlier been judicially disapproved in substance, and that Section 17A effectively revives a similar screening protection for public servants.
- The Court ultimately issued an order noting that two separate reportable judgments were delivered and, due to disagreement, the case must go to a larger Bench route through the Chief Justice of India.

**B.V.  
Nagarathna**

**K. V.  
Viswanathan**



### What is Section 17A of the Prevention of Corruption Act, 1988

- **Section 17A** bars any police officer from conducting an **enquiry, inquiry, or investigation** into an offence under the Prevention of Corruption Act where the alleged offence is relatable to any **recommendation made or decision taken** by a public servant in discharge of official functions or duties, **without previous approval**.
- The “previous approval” must come from the **appropriate Government** (for persons employed in connection with Union/State affairs) or from the **competent authority** (for others).
- The provision creates an on-paper timeline by stating that the approval should be given within **three months**, with a one-time extension of **one month** for recorded reasons.
- The provision contains an explicit exception that prior approval is **not required** for cases involving arrest of a person “**on the spot**” on the charge of accepting or attempting to accept any undue advantage.

### Explanation of the Split Verdict

#### A. Justice K.V. Viswanathan (Upheld Section 17A, but “read down” its operation)

- Justice Viswanathan held that **Section 17A is not unconstitutional per se**, but he structured its operation to ensure that the approval decision is not taken in a manner that undermines anti-corruption investigation.

- He directed that the “appropriate Government/competent authority” must **seek the recommendation** of the **Lokpal** (or **Lokayukta**, where applicable) before granting or refusing approval under Section 17A.
- He directed that the Government/competent authority should forward the relevant information/material to the Lokpal/Lokayukta **within one week**, and that the Lokpal should decide the issue of recommendation within the statutory time-frame (linked to the Section 17A timeline).
- He directed that where the **Lokpal/Lokayukta recommends grant** of approval, the Government/competent authority is **obliged to grant** approval within **one week**, and where the Lokpal/Lokayukta recommends refusal, the Government/competent authority is **obliged to refuse** approval.
- He created a separate route for cases where the Lokpal/Lokayukta does **not** have jurisdiction, by requiring the Government/competent authority to obtain recommendation from an **independent authority/agency** (which the Government must nominate), so that the “approval” decision is not internally shielded.
- He disposed of the petition with these directions, while recognising that the issue concerns balancing protection of honest decision-making and effective corruption investigation.

## What is Section 17A?

Section 17A, added to the Prevention of Corruption Act in 2018, requires prior government approval to investigate all serving and retired public servants for offences tied to official recommendations or decisions

### TOP COURT SPLIT ON PROVISION

#### Justice BV Nagarathna

- Section 17A is contrary to binding precedents of the Supreme Court, further noting that the mechanism is fundamentally incompatible with fair investigation.
- Mandating prior approval even before the initiation of an inquiry undermines the rule of law and enables the executive to exercise control over investigative agencies in a manner previously disapproved by the court



#### Justice KV Viswanathan

- Striking down Section 17A could lead to policy paralysis as fear of criminal investigation could drive honest officers into a “play-it-safe” mode
- Provision could be constitutionally sustained if complaints are first subjected to independent screening, preventing frivolous or motivated complaints while ensuring that genuine cases of corruption are not stifled at inception



### B. Justice B.V. Nagarathna (Struck down Section 17A as unconstitutional)

- Justice Nagarathna held that **Section 17A is unconstitutional and ought to be struck down**, and she concluded that **no prior approval** should be required before initiating enquiry/inquiry/investigation.
- She held that Section 17A is an “**old wine in a new bottle**” because it attempts to recreate, in effect, a barrier to corruption investigation at the pre-FIR/preliminary stage.
- She held that the prior-approval barrier is **contrary to the object** of the Prevention of Corruption Act because it **forecloses** enquiry and investigation and thereby can shield corruption rather than only protecting honest officers.
- She specifically rejected the idea that merely shifting the approval power away from the Government to an independent body would “cure” the defect, holding that such substitution would amount to **judicial legislation** and does not resolve the constitutional infirmity.

### C. Procedural Consequence of the Split

- Because the Bench did not produce a single majority view, the Supreme Court directed that the matter be placed before the Chief Justice of India for constitution of an appropriate Bench to decide the issues afresh.

### Prevention of Corruption Act, 1988

- The **Prevention of Corruption Act, 1988** is **Act No. 49 of 1988**, enacted on **9 September 1988**, and it was enacted to **consolidate and amend** the law relating to prevention of corruption and connected matters.
- The Act extends to the **whole of India** and also applies to **citizens of India outside India**.
- The Act defines **public servant** very broadly and includes persons in Government service, local authorities, Government-controlled bodies, Judges, persons involved in public duties, and several other categories performing public functions.
- The Act provides a dedicated trial structure through **Special Judges**, who are appointed by the Central Government or State Government, and offences under the Act are triable by Special Judges.
- The Act contains a structured set of corruption offences and related liabilities, including (as reflected in the updated arrangement of sections) offences relating to a public servant being bribed, influencing a public servant, bribing by individuals and commercial organisations, criminal misconduct, attempt, and fine-related considerations.
- The Act includes investigation-related provisions, including rules on who may investigate and provisions such as **Section 17A** on prior approval for enquiry/inquiry/investigation in decision/recommendation-related cases.
- The Act also includes a prosecution-control safeguard through **Section 19** (previous sanction necessary for prosecution) and an evidentiary presumption provision through **Section 20** (presumption where public servant accepts undue advantage), as reflected in the Act's arrangement.
- The Act repealed the **Prevention of Corruption Act, 1947** and the **Criminal Law Amendment Act, 1952**, while saving past actions to the extent consistent with the new Act.
- The Statement of Objects and Reasons records that the legislative intent was to make anti-corruption law more effective by widening coverage and strengthening provisions, while also situating the Act alongside IPC provisions and attachment mechanisms under the Criminal Law Amendment Ordinance, 1944.



**UNIVERSAL REACH & BROAD DEFINITIONS**

Applies to all Indian citizens globally and covers anyone performing public duties.



**TRIAL BY DEDICATED SPECIAL JUDGES**

The Act establishes a specific judicial structure to ensure focused prosecution of offenses.



**TARGETED CRIMES & STRICT LIABILITY**

Penalizes bribing public servants, criminal misconduct, and even the attempt of corruption.



**MANDATORY INVESTIGATION & PROSECUTION SAFEGUARDS**

Requires prior government approval and official sanction before legal proceedings can begin.

## PRACTICE QUESTIONS

- Which of the following forums delivered the split verdict on the constitutional validity challenge discussed in January 2026?
  - Supreme Court
  - High Court
  - Lokpal Bench
  - Special Court
- Which of the following statutory provisions formed the core subject of the constitutional challenge before the Court?
  - Section 19A
  - Section 20A
  - Section 17A
  - Section 13A
- Which of the following organisations filed the petition challenging the provision in 2018?
  - Loksab for Public Security Monitoring
  - Centre for Public Interest Litigation
  - Center for Public Security Inspection
  - Barcom for Legals Guidance Monitoring
- Which key procedural safeguard under Section 17A was criticised for allegedly preventing even the initiation of corruption enquiries against public servants acting in official capacity?
  - legal clearance
  - judicial sanction
  - ministerial nod
  - prior approval
- What action is restricted under Section 17A of the Prevention of Corruption Act without previous approval when the allegation relates to an official decision of a public servant?
  - search, seizure, or detention process
  - enquiry, inquiry, or investigation
  - arrest, custody, or prosecution action
  - scrutiny, review, or verification stage
- Which of the following judges upheld the validity of Section 17A but directed that the appropriate Government or competent authority must seek the recommendation of the Lokpal or Lokayukta before deciding approval?
  - Justice R.S. Nagarathna
  - Justice M.S. Chandrachud
  - Justice K.V. Viswanathan
  - Justice Sanjiv J. Khanna
- Which of the following judges delivered the opinion declaring Section 17A unconstitutional, holding that no prior approval should be required before initiating enquiry, inquiry, or investigation under the Prevention of Corruption Act?
  - Justice M.S. Viswanathan
  - Justice B.V. Nagarathna
  - Justice Rohinton Nariman
  - Justice Nuthalapati Ramana
- Which of the following situations is expressly exempted from the requirement of prior approval under the statutory provision?
  - Arrest on the spot for undue advantage
  - Action on the task for quick responses
  - Search on the file for legal clearance
  - Review on the case for final decisions
- What time limit did Justice K.V. Viswanathan prescribe for the Government or competent authority to forward relevant material to the Lokpal or Lokayukta while deciding approval under Section 17A?
  - two week
  - one week
  - four week
  - five week
- What statutory time-frame is prescribed under Section 17A of the Prevention of Corruption Act, 1988, for the appropriate Government or competent authority to decide requests for previous approval?
  - One month with one additional month extension
  - Six months with one additional month extension
  - Two months with one additional month extension
  - Three months with one additional month extension
- Which of the following institutions was directed to provide recommendations before approval decisions in the opinion that upheld the provision?
  - CBI Directorate
  - Finance Ministry
  - Lokpal or Lokayukta
  - Election Commission
- Which of the following statutes, enacted as Act No. 49 to consolidate and amend the law relating to prevention of corruption and applicable throughout India and to Indian citizens abroad, formed the legislative framework discussed in the dispute?
  - Prevention of Corruption Act, 1947
  - Prevention of Corruption Act, 1988
  - Prevention of Corruption Act, 1984
  - Prevention of Corruption Act, 1987
- Which of the following judicial authorities, appointed by the Central or State Government under the anti-corruption law, are empowered to conduct trials of offences under the statute?
  - Special Judges
  - District Magistrates court
  - Constitutional Benches
  - Service Courts

## PRACTICE QUESTIONS

14. Which of the following earlier laws was repealed when the newer anti-corruption statute came into force?

- (a) Criminal Law Amendment Act, 1944
- (b) Prevention of Corruption Act, 1947
- (c) Prevention of Companies Act, 1956
- (d) Indian Evidence Amendment Act, 1954

15. Which of the following provisions under the anti-corruption statute contains the safeguard requiring previous sanction before prosecuting a public servant?

- (a) Section 17
- (b) Section 13
- (c) Section 20
- (d) Section 19

## SOLUTIONS

1. (a),            2. (c),            3. (b),            4. (d),            5. (b),            6. (c),            7. (b),            8. (a),  
9. (b),            10. (d),            11. (c),            12. (b),            13. (a),            14. (b),            15. (d).

## 17 IRAN PROTESTS

### IN FOCUS

- Iran has faced a major wave of nationwide unrest since late December 2025, with protests that began as economic agitation in Tehran's **Grand Bazaar** and then escalated into broader anti-government demonstrations calling for political change.
- The unrest coincided with a sharp deterioration in economic conditions, including a record fall in the **Iranian rial** on the open market and persistently high inflation, and it triggered a severe security crackdown and a prolonged internet shutdown.
- The protests and crackdown have been widely described as the most serious internal challenge to Iran's clerical establishment since the **1979 Islamic Revolution**, making the episode politically and strategically significant for West Asia.

### How the Protest Started and What Was the Reason

- The protests began on **Sunday, 28 December 2025**, among shopkeepers and traders in Tehran amid public anger over **high inflation** and the **slump in the rial's value**, and the agitation spread to multiple universities in Tehran by the following days.
- The Iranian Government publicly acknowledged that economic pressure and livelihood stress were central drivers, and it indicated that it would create a dialogue mechanism and engage with protest leaders, while simultaneously warning against what it called "rioters."
- President **Masoud Pezeshkian** publicly referred to protesters' "legitimate demands" and asked the Interior Ministry to listen to them, even as security forces confronted demonstrations and the State signalled it would not tolerate violent unrest.
- The protests quickly moved beyond pure price-and-jobs grievances in many places, with reported chants and messaging that demanded political change and criticised clerical rule, reflecting a shift from economic triggers to regime-legitimacy questions.
- Reporting also noted symbolic and historical references in street slogans, including monarch-era nostalgia (for example, slogans invoking the Pahlavi era), which highlighted how the current contest is tied to Iran's pre-1979 and post-1979 identity debates.
- The State response combined conciliation and coercion, but by early January 2026 senior leadership publicly backed a hard line, and the episode moved into an overt crackdown phase.
- Internet access and social media platforms reportedly experienced intermittent restrictions during peak protest days, reflecting the State's recurring tactic of digital containment to slow mobilisation and narrative spread.
- The unrest drew international attention, with several Western governments calling for restraint and respect for peaceful assembly, while Iranian authorities characterised external commentary as interference in domestic affairs.



## IRANIAN REVOLUTION TURNS 40 AS COUNTRY IS MARRED BY CRIPPLING SANCTIONS

U.S. sanctions have hit Iran hard as the country celebrates the 40th anniversary of the revolution spearheaded by Ayatollah Ruhollah Khomeini following the ouster of Reza Shah Pahlavi



Ayatollah  
Ruhollah Khomeini

**1925**

**Reza Shah Pahlavi** overthrows Ahmad Qajar, declares his dynasty

**1932**

Reza Shah unilaterally scrapped the oil agreement with William D'Arcy and the British-Persian oil deal, moving closer to the Germans

**1941**

USSR and Britain occupied Iran and put Mohammad Reza Pahlavi, son of Reza Shah, at helm

**1951**

Mohammad Mosaddegh, a fervent advocate of the nationalization of the country's oil, quickly garnered support at the parliament, forcing Shah to name him as prime minister

**1953**

Mosaddegh was removed from office by two military coups supported by the U.S. and Britain

**1957**

Shah founded Savak, the secret police agency

**1963**

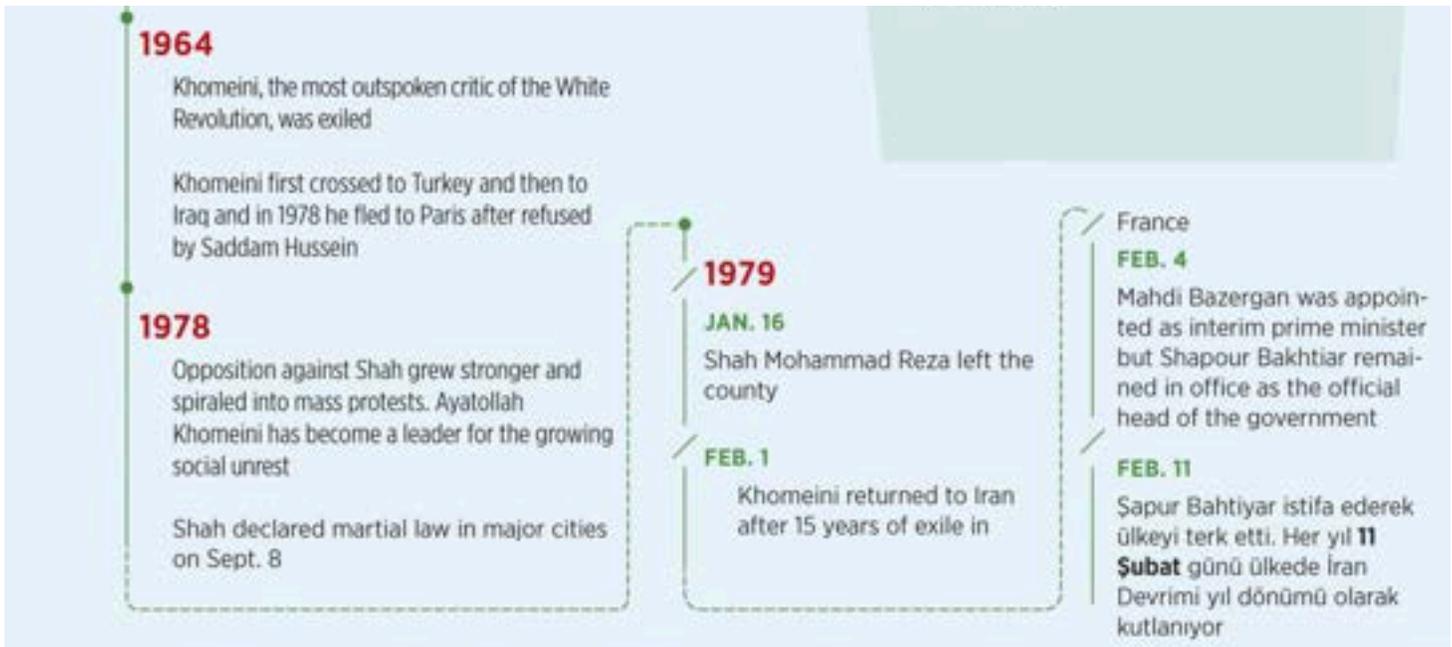
Shah has launched a national reform program which he called "White Revolution", drawing the reaction of the Shia clergy and landowners



### OCCUPATION OF US EMBASSY AND US-IRAN RELATIONS

Relations between the U.S. and Iran have remained problematic since the occupation of the U.S. Embassy in Tehran on Nov. 9, 1979, as Washington has been accused of supporting Shah Pahlavi

The U.S. has imposed sanctions over the embassy occupation. The sanctions were lifted after Tehran and Western powers reached a deal to shut down Iran's nuclear program signed on July 14, 2015. U.S. President Donald Trump canceled the nuclear deal and re-imposed Iran sanctions in two phases on Aug. 7 and Nov. 5, 2018.



### Major Profiles in the Revolution

- **Ayatollah Ruhollah Khomeini** was the exiled cleric whose messages mobilised mass opposition in late 1978, who returned to Iran on **1 February 1979**, announced a new government days later, and became the revolution's central authority.
- **Mohammad Reza Shah Pahlavi** was the monarch whose rule faced mounting opposition due to repression, inequality, corruption, and the backlash to rapid Westernising modernisation, culminating in his departure on **16 January 1979**.
- **Reza Shah Pahlavi** was the founder of the Pahlavi monarchy (established in the early 20th century), whose dynasty was later overthrown in 1979, and whose legacy remains symbolically contested in modern Iranian politics.
- **Shahpur Bakhtiar** was the last Prime Minister under the Shah, appointed shortly before the monarchy's fall and unable to secure compromise with Khomeini or stabilise the system.
- **Mehdi Bazargan** became the first Prime Minister of the Islamic Republic in 1979 and later resigned amid escalating revolutionary radicalism and crisis dynamics in the new order.
- **Abolhasan Bani-Sadr** became the Islamic Republic's first President (elected in 1980) and was later forced from power, reflecting early post-revolution factional conflict.
- **Ali Khamenei** emerged from the revolutionary period as a central figure of the Islamic Republic and later became Supreme Leader in **1989**, shaping the State's long-term security and governance architecture.

### Currency Collapse in Iran

- Iran's currency crisis was a central accelerant of the 2025–26 unrest, with the rial repeatedly hitting record lows on the open market as households and traders faced rising costs and shrinking purchasing power.
- Reuters reported that Iran's currency fell to a record low of **1,500,000 rials per U.S. dollar** on **27 January 2026**, following weeks of turmoil and policy stress.
- Reuters also reported that the rial was around **55,000 per U.S. dollar in 2018**, highlighting the scale of long-run depreciation after U.S. sanctions were reimposed that year, limiting oil exports and access to foreign currency.
- By **December 2025**, Iran's inflation remained very high, and Reuters cited inflation reaching **42.5% in**

**December 2025**, while later reporting year-on-year inflation reaching **60%** for the period **December 21 to January 19** (per Iran's Statistical Centre).

- During the protests, the Government introduced a subsidy-related reform that replaced preferential exchange rates for importers with **direct transfers** intended to support households' purchasing power for essential goods, while officials argued the old system fostered corruption and failed to control prices.
- The State also imposed an internet blackout beginning **8 January 2026**, which Reuters reported significantly harmed Iran's online economy and business communications, compounding an already stressed economy.

## PRACTICE QUESTIONS

1. Which of the following locations was the initial centre of economic protests that later escalated into nationwide unrest in Iran in late December 2025?

- (a) Royal Market
- (b) Grand Bazaar
- (c) Urban Square
- (d) Civic Center

2. Which of the following historical events has been used as a benchmark to describe the seriousness of the recent unrest and crackdown in Iran?

- (a) 1963 White Revolution Reforms
- (b) 1953 Iranian Political Crisis
- (c) 1979 Islamic Revolution
- (d) 1997 Electoral Reform

3. Which of the following economic factors was a key trigger behind the protests that began among traders in Tehran in late December 2025?

- (a) oil production
- (b) tax reduction
- (c) wage revision
- (d) high inflation

4. Under which ruling house did Twelver Shi'ism become the state religion of Iran, shaping the later fusion of religious authority and political symbolism?

- (a) Ghaznavid dynasty
- (b) Timurid dynasty
- (c) Qajarid dynasty
- (d) Safavid dynasty

5. Which of the following leaders rose to power after the 1921 coup, became prime minister in 1923, and later established a stronger centralized monarchy through modernization policies?

- (a) Ahmad Shah Qajar
- (b) Mohammad Reza Shah
- (c) Reza Shah Pahlavi
- (d) Nader Shah Afshari

6. Which of the following external powers occupied Iran in 1941 and compelled Reza Shah to abdicate, reshaping the country's political trajectory?

- (a) Britain and the Soviet Union
- (b) Germany and the Ottoman Empire
- (c) France and the Austro Hungarian
- (d) Italy and the Japanese Empire

7. Which of the following political leaders nationalized major British oil holdings in the early 1950s and was later removed from power after a foreign-backed coup?

- (a) Ahmad Qavam al Saltaneh

- (b) Ali Amini Pahlavi Khan
- (c) Hossein Ala Mirza Khan
- (d) Mohammad Mosaddegh

8. Which of the following programmes launched by the Shah from the 1960s aimed at rapid modernization, land reforms, and social transformation but also generated widespread political backlash?

- (a) Green Revolution
- (b) White Revolution
- (c) Blue Revolution
- (d) Steel Revolution

9. Which of the following doctrines, later articulated by Ruhollah Khomeini after his exile, became the ideological foundation for establishing an Islamic republic in Iran?

- (a) nizāmat-e adālat
- (b) hukūmat-e islām
- (c) velāyat-e faqīh
- (d) imāmat-e siyāsāt

10. Which of the following countries became Ruhollah Khomeini's new base after his expulsion from Iraq in October 1978, allowing his messages to reach a wider audience through global media?

- (a) France
- (b) Brazil
- (c) Sweden
- (d) Greece

11. Which of the following political figures served as the final Prime Minister of the monarchy during the closing phase of the Iranian Revolution in early 1979?

- (a) Mehdi Bazargan Khan
- (b) Ali Amini Pahlavi
- (c) Shahpur Bakhtiar
- (d) Amir Abbas Hoveyda

12. Which of the following political processes led to Iran being officially declared an Islamic Republic on 1 April 1979 after overwhelming public approval?

- (a) election
- (b) plebiscite
- (c) vote poll
- (d) referendum

13. Which of the following offices was created by Iran's December 1979 constitution, granting sweeping authority within the new post-revolutionary political structure?

- (a) sardar
- (b) imamur
- (c) rahbar
- (d) qardian

## PRACTICE QUESTIONS

14. Which of the following figures founded the Pahlavi monarchy in the early 20th century, a dynasty later overthrown during the 1979 revolution?

- (a) Ahmad Qajariyan
- (b) Mohammad Reza
- (c) Reza Shah Pahlavi
- (d) Nader Shah Afsharin

15. Which of the following was the Iranian national currency whose sharp fall symbolized the country's economic distress during the unrest period?

- (a) Euro
- (b) Rial
- (c) Lira
- (d) Peso

## SOLUTIONS

1. (b),      2. (c),      3. (d),      4. (d),      5. (c),      6. (a),      7. (d),      8. (b),  
9. (c),      10. (a),      11. (c),      12. (d),      13. (c),      14. (c),      15. (b).

# 18 INDIA-EUROPEAN UNION FTA

## IN FOCUS

- India and the European Union jointly announced the **conclusion of negotiations** for the **India-EU Free Trade Agreement (FTA)** at the **16th India-EU Summit in New Delhi on 27 January 2026**, co-chaired by Prime Minister Narendra Modi, European Council President António Costa, and European Commission President Ursula von der Leyen.
- The EU describes the India-EU FTA as the **largest trade agreement** ever concluded by both sides, and frames it as part of a broader push to deepen economic, investment, and political ties between the world's two large democracies.
- The announced next steps include **publication of negotiated draft texts, legal revision and translation** (EU side), followed by EU internal approvals (Council and European Parliament), and **ratification by India** before entry into force.

## HISTORY OF NEGOTIATIONS BETWEEN INDIA AND THE EU

### LAUNCH OF TALKS

India and EU initiate early phase discussions toward a Broad-based Trade and Investment Agreement (BTIA).



### TALKS RELAUNCHED

Negotiations restarted after nearly a decade-long pause.

### WORK CONTINUES ON

Investment Protection Agreement  
Agreement on Geographical Indications (GIs)

2006

2007

2022

2025

Ongoing

### FORMAL NEGOTIATIONS BEGIN

FTA negotiations officially commence.

### HEAVY LIFTING PHASE

Intensive negotiations accelerate after EU College of Commissioners' visit to New Delhi (Feb 2025).

## Terms of the Agreement

### 1) Market Access in Goods (Tariffs and Coverage)

- India stated that the FTA provides **preferential entry for over 99% of Indian exports** into the EU, positioning it as a major market-access gain for Indian exporters.
- India's official factsheet indicates that the EU's tariff liberalisation covers **97% of tariff lines**, corresponding to **over 99% of India's current exports by value**, through a mix of immediate and phased reductions, while also providing some limited access through **tariff-rate quotas (TRQs)**.

- India's offer covers **92.1% of tariff lines** (about **90% of EU exports to India by value**) through immediate and phased tariff reductions, with TRQs in some areas.
- India has explicitly stated that it **safeguards sensitive agricultural products and the dairy sector**, including by providing **no market access** for sensitive agricultural items and dairy under the FTA framework.
- On the EU side, the European Commission states it will **maintain current tariffs** on multiple **sensitive products** (such as beef, sugar, rice, chicken meat, milk powders, honey, bananas, soft wheat, garlic, and ethanol), and it will allow only **limited imports** for certain items, backed by a **bilateral safeguard mechanism**.

## 2) Key Sectoral Signals Highlighted by India

- India described a “**carefully calibrated**” and **quota-based auto liberalisation** package, aimed at balancing EU access in higher price segments with “Make in India” prospects, while also aiming to expand opportunities for India-made automobiles to access the EU market.
- India highlighted expected gains for labour-intensive exports, and pointed to major beneficiary categories such as **textiles, leather, marine products, gems and jewellery**.
- India stated that agricultural and processed food exports such as **tea, coffee, spices, fresh fruits and vegetables, and processed foods** are expected to gain competitiveness, while sensitive items remain protected.

## 3) Services Commitments

- India stated that the agreement secures expanded EU commitments across key Indian strengths, including **IT and IT-enabled services, professional services, education, financial services, tourism, construction, and other business sectors**.
- India stated that it secured predictable access to the EU's **144 services subsectors**, while the EU obtains access to **102 subsectors** offered by India.
- India's factsheet describes EU commitments across **144 services sectors/sub-sectors** and India's commitments across **102 services sectors/sub-sectors**.

## 4) Mobility (Movement of Professionals, Students, and Related Issues)

- India stated that the FTA provides a **facilitative and predictable framework for business mobility**, covering short-term and temporary business travel, and includes commitments for **Intra-Corporate Transferees (ICTs)** and **Business Visitors**, including entry and working rights for dependents/family members of ICTs.
- India stated that the EU offered commitments in **37 sectors/sub-sectors** for **Contractual Service Suppliers (CSS)** and **17 sectors/sub-sectors** for **Independent Professionals (IP)**, including areas of interest such as professional services, computer-related services, R&D services, and education services.
- India stated that the FTA provides a framework to engage on **Social Security Agreements over a five-year horizon**, and also includes a framework supporting **student mobility** and **post-study work opportunities**.
- India also stated that it secured access for practitioners of **Indian Traditional Medicine** to work under home title in EU Member States where such practices are not regulated.

## 5) Non-Tariff Measures, Standards, and Customs

- India stated that the FTA includes measures to address **non-tariff barriers** through strengthened regulatory cooperation, transparency, streamlined customs procedures, and strengthened **SPS** procedures and **TBT** disciplines.
- India's factsheet similarly flags improvements on non-tariff issues, including **SPS and TBT** cooperation and streamlined trade procedures.

### 6) Rules of Origin (RoO)

- India's factsheet states that the agreement includes detailed **Product-Specific Rules (PSRs)**, and introduces **self-certification** through a "statement of origin" (including an option for a future "EU-India" statement of origin), alongside flexibilities for business.
- India's factsheet also mentions specific RoO facilitation tools such as a **quota for MSMEs** to source non-originating inputs (within specified limits) and a **transition period** for certain sectors (for example, machinery and aerospace components).

### 7) Intellectual Property and Traditional Knowledge

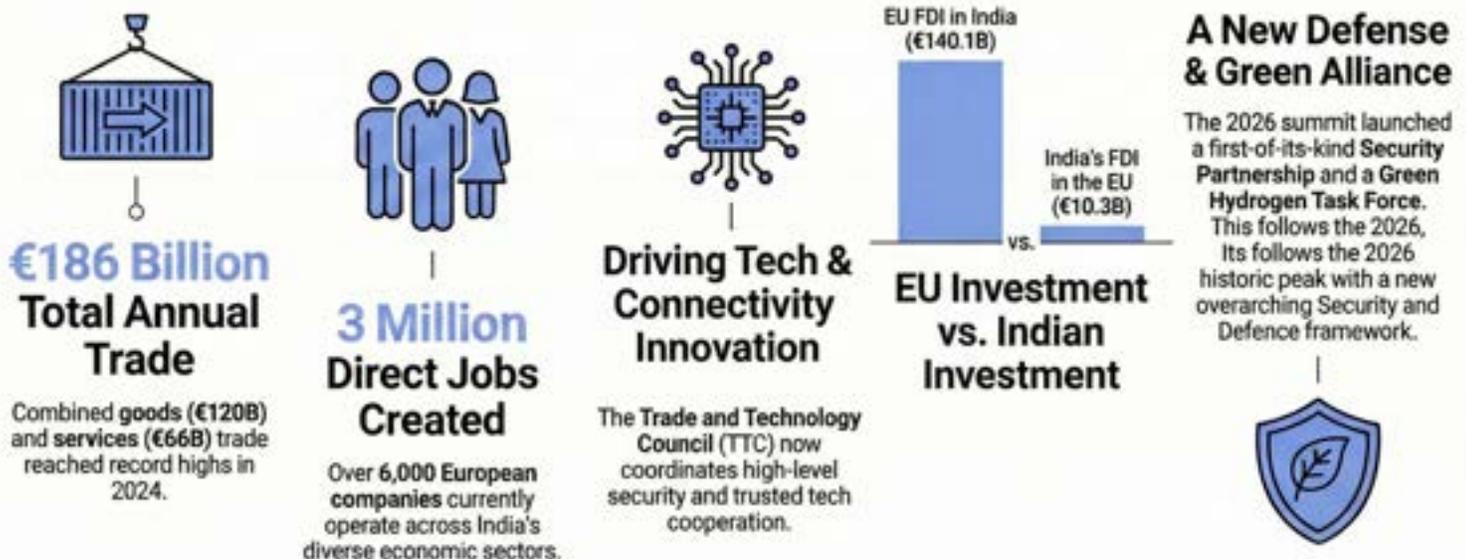
- India's factsheet states that the agreement contains an IP framework aligned with **TRIPS**, and highlights India's **Traditional Knowledge Digital Library (TKDL)** as a mechanism to prevent wrongful patents and protect traditional knowledge.

### 8) Sustainability and Carbon Border Adjustment Mechanism (CBAM) Linkages

- The European Commission states that the agreement contains sustainability commitments, including implementing the **Paris Agreement**, protecting workers' rights, supporting women's economic empowerment, and setting up cooperation platforms with civil society involvement.

## India-EU: A Strategic Economic Powerhouse

A massive scale and rapid expansion of the India-EU economic and security partnership.



- The EU was India's second-largest trading partner in goods (after China) and accounted for about 11.5% of India's trade in goods in 2024-25.
- EU-India trade in goods was over €120 billion in 2024, with €71.4 billion in EU imports from India and €48.8 billion in EU exports to India.
- EU-India goods trade has doubled over the last decade, with EU imports from India growing faster than EU exports to India over the same period.
- The EU is India's largest/among the largest trading partners depending on the metric used, while India is the EU's 9th largest trading partner, accounting for about 2.4% of the EU's total trade in goods (2024).

- The top EU goods exported to India include machinery and appliances, transport equipment, and chemicals, while major EU imports from India include machinery and appliances, chemicals, and fuels.
- EU-India trade in services is large and growing, and official EU data places it at over €66 billion in 2024 (about €37 billion EU imports from India and €29 billion EU exports to India).
- Another official EU trade snapshot reports EU-India trade in services at €59.7 billion in 2023, up from €30.4 billion in 2020, showing strong medium-term growth.
- The most-traded services categories include telecommunications, computer and information services, other business services (including professional/management consulting), and transport services.
- The EU is a major investor in India, with EU investment/FDI stock in India reported at €140.1 billion (2023), while another EU snapshot reports EU foreign direct investments in India at over €132 billion (2024).
- The stock of India's FDI in the EU is reported at €10.3 billion, indicating a much smaller outward investment footprint in the EU compared to EU investment in India.
- Over 6,000 European companies are present in India, and EU sources link this presence to around 3 million direct jobs across sectors.
- India and the EU have pursued a Strategic Partnership architecture since the early summit process, including the 5th India-EU Summit (8 November 2004) which pushed the relationship beyond development cooperation toward higher political and strategic dimensions and set out action areas such as parliamentary exchanges, energy cooperation, and science and technology links.
- The partnership was guided in recent years by "India-EU Strategic Partnership: A Roadmap to 2025" (endorsed at the 15th Summit in July 2020) as a multi-sector framework for cooperation.
- India and the EU adopted the EU-India Connectivity Partnership (8 May 2021) to jointly implement sustainable, transparent, and rules-based connectivity across digital, transport, and energy networks.
- India and the EU launched the Trade and Technology Council (TTC) as a high-level coordination mechanism on trade, trusted technology, and security-linked tech issues, and established three working groups under it.
- At the 16th India-EU Summit (27 January 2026), both sides highlighted stronger economic resilience and technology cooperation under the TTC, and they committed to deepen cooperation on emerging technologies, innovation, and research (including work toward innovation hubs and startup collaboration).
- The same 2026 summit welcomed the signing of an India-EU Security and Defence Partnership, described as the first overarching security/defence framework between the two sides, covering areas such as maritime security, defence industry and technology, cyber and hybrid threats, space, and counter-terrorism.
- India and the EU also frame cooperation through climate and energy platforms, including the EU-India Clean Energy and Climate Partnership, and the 2026 joint statement specifically referenced a Task Force on Green Hydrogen and additional clean transition cooperation.

## PRACTICE QUESTIONS

1. Which of the following numbered India–EU Summits witnessed the joint announcement concluding negotiations for the India–EU Free Trade Agreement in January 2026?  
(a) 16th (b) 15th  
(c) 14th (d) 17th
2. Which of the following terms describes the resumption of India–EU Free Trade Agreement negotiations after their suspension in 2013?  
(a) initiated (b) relaunched  
(c) deferred (d) extended
3. In which of the following years did negotiations for the India–EU Free Trade Agreement officially begin?  
(a) 2005 (b) 2007  
(c) 2009 (d) 2011
4. How many negotiation cycles were completed in the early phase of the India–EU Free Trade Agreement talks before the process was aborted in 2013?  
(a) 12 rounds of negotiations  
(b) 10 rounds of negotiations  
(c) 14 rounds of negotiations  
(d) 16 rounds of negotiations
5. Which of the following parallel arrangements, discussed alongside the FTA and an Agreement on Geographical Indications, focuses on safeguarding investors between India and the European Union?  
(a) an Arrangement on Strategic Trade Cooperation  
(b) an Understanding on Customs Market Integration  
(c) an Investment Protection Agreement Framework  
(d) an Agreement on Geographical Indications
6. Which of the following mechanisms mentioned in India's official factsheet provides limited market access through controlled import volumes alongside tariff liberalisation?  
(a) customs clauses  
(b) tariff-rate quotas  
(c) export schemes  
(d) customs value
7. Which of the following protective tools is proposed on the EU side to manage limited imports of sensitive products such as beef, sugar, rice, and dairy under the trade framework?  
(a) multilateral customs mechanism  
(b) strategic agricultural mechanism  
(c) tariff adjustment mechanism  
(d) bilateral safeguard mechanism
8. Which of the following numbers represents the services subsectors to which India secured predictable access in the European Union under the trade framework?  
(a) 102 (b) 144  
(c) 120 (d) 160
9. Which of the following categories of professionals is specifically covered under the FTA's framework for short-term business mobility, including provisions for dependents and family members?  
(a) International Strategic Mobility  
(b) Cross Border Workforce  
(c) Intra-Corporate Transferees  
(d) Strategic Global Mobility
10. Which of the following figures represents the number of sectors/sub-sectors in which the EU offered commitments for Contractual Service Suppliers (CSS) under the trade framework?  
(a) 29 sectors/sub-sectors  
(b) 37 sectors/sub-sectors  
(c) 41 sectors/sub-sectors  
(d) 52 sectors/sub-sectors
11. Which of the following categories received EU commitments across 17 sectors/sub-sectors, including professional services, computer-related services, R&D, and education services under the trade framework?  
(a) International Corporate Specialists  
(b) Cross Border Service Executives  
(c) Contractual Service Supplier  
(d) Independent Professionals
12. Which of the following time-frames is mentioned in the FTA as the period for engaging on Social Security Agreements alongside provisions for student mobility and post-study work opportunities?  
(a) three-year horizon  
(b) four-year horizon  
(c) five-year horizon  
(d) seven-year horizon
13. Which of the following areas is specifically highlighted in India's factsheet as part of efforts to address non-tariff barriers through regulatory cooperation and improved trade procedures under the FTA?  
(a) SPS cooperation framework  
(b) SPS and TBT cooperation  
(c) TBT cooperation framework  
(d) SPS transparency dialogue

## PRACTICE QUESTIONS

14. Which of the following trade provisions includes Product-Specific Rules, self-certification through a statement of origin, and flexibilities such as MSME sourcing quotas and transition periods for certain sectors?

- (a) Trade Facilitation
- (b) Customs Valuation
- (c) Market Access Plan
- (d) Rules of Origin

15. Which of the following international climate frameworks is specifically referenced in the agreement's sustainability commitments alongside workers' rights and civil society cooperation?

- (a) Paris Agreement
- (b) Kyoto Protocols
- (c) Doha Amendments
- (d) Glasgow Pact Deal

## SOLUTIONS

1. (a),      2. (b),      3. (b),      4. (d),      5. (c),      6. (b),      7. (d),      8. (c),  
9. (c),      10. (b),      11. (d),      12. (c),      13. (b),      14. (d),      15. (a).

## 19 REPUBLIC DAY 2026

### IN FOCUS

- India celebrated the 77th Republic Day on 26 January 2026, marking the anniversary of the Constitution of India coming into force on 26 January 1950.
- The Republic Day Parade (RDP) 2026 at Kartavya Path, New Delhi had the theme of “150 years of Vande Mataram” and was designed as a combined display of India’s cultural diversity and military capability.
- The Chief Guests for RDP 2026 were the President of the European Council, António Costa, and the President of the European Commission, Ursula von der Leyen, reflecting the prominence of the India-EU partnership in India’s external engagement.

### HISTORY BEHIND REPUBLIC DAY



- The Constituent Assembly of India first met in New Delhi on 9 December 1946 in the Constitution Hall (now the Central Hall of Parliament House), marking the formal start of constitution-making for independent India.
- The Constituent Assembly took two years, eleven months, and seventeen days to complete drafting, held 11 sessions spread across 165 days, and spent 114 days on detailed consideration of the Draft Constitution.
- The Constituent Assembly adopted the Constitution on 26 November 1949, and this date is formally recorded in the concluding line of the Preamble (“...this twenty-sixth day of November, 1949...”), giving it constitutional significance.
- The Constitution’s commencement design was phased, because Article 394 brought certain provisions into force “at once,” while the remaining provisions came into force on 26 January 1950, which the Constitution treats as the “commencement of this Constitution.”
- The adoption of the Constitution completed India’s transition from political independence to constitutional self-government, by establishing governance based on law, institutions, and the authority of the people.
- The choice of 26 January was deliberate because 26 January 1930 had been observed across India as Purna Swaraj Day, reflecting the freedom movement’s public commitment to complete independence, and the Republic’s constitutional start was symbolically anchored to this milestone.
- When the Constitution came into effect on 26 January 1950, India was formally established as a Sovereign Democratic Republic, inaugurating constitutional governance in independent India.
- On 26 January 1950, the historic birth of the Republic was marked by a 21-gun salute and the unfurling of the National Flag by Dr. Rajendra Prasad, who also took oath as the first President of India.
- Republic Day is commemorated annually through flag hoisting and parades nationwide, with the most prominent ceremony held at Kartavya Path, New Delhi, and it is presided over by the President of India.

### OFFICIAL "BEST" AWARDS (ANNOUNCED AFTER RDP 2026)

- The Best Marching Contingent among the three Services was the Indian Navy.
- The Best Marching Contingent among CAPFs/other auxiliary forces was the Delhi Police.
- The Top three State/UT tableaux were Maharashtra ("Ganeshotsav: A Symbol of Aatmanirbharta"), Jammu & Kashmir ("Handicrafts and Folk Dances of Jammu & Kashmir"), and Kerala ("Water Metro & 100% Digital Literacy: Aatmanirbhar Kerala for Aatmanirbhar Bharat").
- The Best tableau from Central Ministries/Departments was the Ministry of Culture ("Vande Mataram – The Soul Cry of a Nation").
- The Special Prizes were awarded to the Central Public Works Department ("Vande Mataram – Commemoration of 150 Years") and to the 'Vande Mataram: The Eternal Resonance of India' Dance Group.
- A separate Ministry of Culture release described this as a "double honour," stating that its tableau ("Vande Mataram - 150 Years Journey") won the First Prize among Central Ministries/Departments and its cultural presentation ("Vande Mataram: The Eternal Resonance of Bharat") received a Special Prize, with the presentation curated through institutional collaboration and involving artists from across States/UTs.

The awards were presented following the Republic Day Parade 2026 (RDP 2026) held on 26 January at Kartavya Path, New Delhi, evaluated by an expert jury constituted by the Ministry of Defence.

## PURNA SWARAJ to



## CONSTITUTIONAL REPUBLIC

- The foundation for Republic Day was laid during the Lahore Session of the Indian National Congress in December 1929, where the historic "Purna Swaraj" (Complete Independence) resolution was adopted under the presidency of Jawaharlal Nehru.
- Following this declaration, 26th January 1930 was designated as "Purna Swaraj Day" across India, with citizens pledging to reject British dominion status and pursue complete self-governance.
- From 1930 until independence in 1947, this date was commemorated annually as "Independence Day" or "Poorna Swaraj Day" throughout the country.
- When framing the new Constitution, 26th January 1950 was deliberately selected for its enforcement to honour the significance of the 1930 Purna Swaraj Declaration.



## 2026 Parade and Tableaux, with winner list

- The Republic Day Parade 2026 was held at Kartavya Path, New Delhi on 26 January 2026, and it was designed around the theme of “150 years of Vande Mataram.”
- President of the European Council Antonio Costa and President of the European Commission Ursula von der Leyen were the Chief Guests for the Republic Day Parade 2026.
- The “Vande Mataram” theme was operationalised through multiple parade elements, including the display of a 1923 painting series by Shri Tejendra Kumar Mitra (published as the ‘Bande Mataram Album’ (1923)) as view-cutters along Kartavya Path.
- A total of 30 tableaux rolled down Kartavya Path, comprising 17 tableaux from States/UTs and 13 tableaux from Ministries/Departments/Services, and they were presented under broader themes including “स्वतंत्रता का मंत्र – वंदे मातरम” and “समृद्धि का मंत्र – आत्मनिर्भर भारत”.
- Approximately 2,500 cultural artists performed on Kartavya Path as part of the cultural performance designed around the parade themes.
- The parade included 18 marching contingents and 13 bands, reflecting participation across Services and other contingents.
- The Indian Army showcased a Battle Array Formation (first time) as part of its representation, and the mechanised display included multiple systems and platforms such as T-90, Main Battle Tank Arjun, BMP-II, BrahMos, Akash, and MRSAM, among others listed by the Ministry of Defence.
- The flypast showcased multiple aircraft platforms in different formations, including Rafale, Su-30, P-8I, C-295, MiG-29, Apache, LCH, ALH, and Mi-17.
- Around 10,000 Special Guests from diverse walks of life were invited, including categories identified in the official briefing such as winners of para athletics championships, farmers practising natural farming, beneficiaries of selected schemes, innovators, scientists linked to recent missions, and performers under key Government initiatives.
- The Ministry of Defence briefing also recorded several visitor-support arrangements for the day, including Delhi Metro operations from 3 AM and facilitation measures for accessibility and crowd guidance.

## “Popular Choice” results (MyGov online poll)

- The Best Marching Contingent among the three Services (Popular Choice) was the Assam Regiment.
- The Best Marching Contingent among CAPFs/other auxiliary forces (Popular Choice) was the CRPF.
- The Top three State/UT tableaux (Popular Choice) were Gujarat, Uttar Pradesh, and Rajasthan (as per the titles listed in the official results).
- The Best Central Ministries/Departments tableau (Popular Choice) was the Department of School Education & Literacy (“National Education Policy 2020: Rocketing Indian School Education on the Path to Viksit Bharat”).

**PRACTICE QUESTIONS**

1. Which of the following numbered Republic Day celebrations did India mark on 26 January 2026, commemorating the adoption of its Constitution?

- (a) 74th (b) 75th  
(c) 76th (d) 77th

2. Which of the following dates marks the coming into force of the Constitution of India, commemorated annually through Republic Day celebrations?

- (a) 26 January 1950 (b) 15 August 1947  
(c) 30 January 1948 (d) 26 November 1949

3. Which of the following themes was adopted for the Republic Day Parade 2026 at Kartavya Path, reflecting India's cultural heritage and military display?

- (a) 150 years of Indian Constitution  
(b) 75 years of Vande Mataram  
(c) 150 years of Vande Mataram  
(d) 75 years of National Unity

4. Which of the following dates marks the first meeting of the Constituent Assembly of India in New Delhi, signalling the formal beginning of constitution-making?

- (a) 15 August 1947 (b) 9 December 1946  
(c) 26 November 1949 (d) 26 January 1950

5. Which of the following constitutional provisions brought certain parts of the Constitution into force immediately, while the remaining provisions commenced on 26 January 1950?

- (a) Article 356 (b) Article 352  
(c) Article 370 (d) Article 394

6. Which of the following historic observances of 26 January 1930 influenced the decision to adopt the same date for the Constitution's commencement in independent India?

- (a) Civil Disobedience Day  
(b) Purna Swaraj Day  
(c) Quit India Movement  
(d) Non Cooperation Day

7. Which of the following constitutional amendments modified the Preamble by adding the words "Socialist" and "Secular" and replacing "unity of the Nation" with "unity and integrity of the Nation"?

- (a) 44 Amendment Act, 1978  
(b) 52 Amendment Act, 1976  
(c) 42 Amendment Act, 1985  
(d) 61 Amendment Act, 1989

8. Which of the following locations in New Delhi hosts the most prominent Republic Day ceremony featuring the national parade presided over by the President of India?

- (a) Rajpath Marg (b) Kartavya Path  
(c) Vijay Chowk (d) India Gate Lawn

9. Which of the following artists created the 1923 painting series featured as view-cutters along Kartavya Path during the "Vande Mataram" themed Republic Day Parade?

- (a) Shri Abanindra Nath Tagore  
(b) Shri Tejendra Kumar Mitra  
(c) Shri Nandalal Bose Artist  
(d) Shri Jamini Roy Painter

10. Which of the following combinations correctly represents the scale of marching participation and musical units featured during the Republic Day Parade?

- (a) 16 marching contingents and 11 bands,  
(b) 20 marching contingents and 15 bands,  
(c) 18 marching contingents and 13 bands,  
(d) 14 marching contingents and 10 bands,

11. Which of the following features was showcased by the Indian Army for the first time during the mechanised display at the Republic Day Parade?

- (a) Integrated Combat Systems  
(b) Advanced Tactical Formation  
(c) Strategic Mobility Display  
(d) Battle Array Formation

12. Which of the following Services received the award for the Best Marching Contingent during the Republic Day Parade among the three armed forces?

- (a) Indian Army (b) Indian Air Force  
(c) Indian Navy (d) Indian Coast Guard

13. Which of the following contingents was awarded the Best Marching Contingent among CAPFs and other auxiliary forces during the Republic Day Parade?

- (a) Delhi Police (b) Assam Rifles  
(c) CISF Force (d) ITBP Police

14. Which of the following contingents won the Popular Choice award for the Best Marching Contingent among the three Services during the Republic Day Parade?

- (a) Sikh Regiment  
(b) Rajput Regiment  
(c) Assam Regiment.  
(d) Jat Regiment.

**PRACTICE QUESTIONS**

15. Which of the following sets of State/UT tableaux were selected as the Top three (Popular Choice) during the Republic Day Parade according to the official results?

- (a) Punjab, Haryana, and Himachal Pradesh
- (b) Kerala, Tamil Nadu, and Andhra Pradesh
- (c) Maharashtra, Goa, and Karnataka Region
- (d) Gujarat, Uttar Pradesh, and Rajasthan

**SOLUTIONS**

1. (d),      2. (a),      3. (c),      4. (b),      5. (d),      6. (b),      7. (c),      8. (b),  
9. (b),      10. (c),      11. (d),      12. (c),      13. (a),      14. (c),      15. (d),

## 20 ECONOMIC SURVEY 2025-26

### IN FOCUS

- The **Economic Survey 2025–26** was **tabled in Parliament on 29 January 2026**, just ahead of the Union Budget 2026–27, as the Government’s official annual assessment of India’s macro-economic performance.
- The Survey was **presented by Finance Minister Nirmala Sitharaman**. It was prepared by the **Economic Division, Department of Economic Affairs, Ministry of Finance**, under the guidance of the Chief Economic Adviser **V. Anantha Nageswaran**.
- The Survey reviews **FY 2025–26 outcomes** and provides a **growth outlook for FY 2026–27**, covering GDP trends, inflation, fiscal position, external sector, employment, and structural reforms.

## What is the **Economic Survey**?

The Economic Survey of India is an **annual Government document** that presents an official review of macroeconomic conditions, sectoral performance, key policy challenges, and a forward-looking outlook ahead of the Union Budget.

The Survey is prepared in the Ministry of Finance, specifically by the Department of Economic Affairs (DEA), Economic Division, and it is issued as a formal Government publication. The Survey is tabled during the Budget Session, and it is typically presented a day before the Union Budget, so that Parliament and stakeholders see the Government’s diagnosis of the economy before fiscal proposals are announced.

In terms of institutional history, India’s first Economic Survey was presented in 1950–51, and it was separated from the Union Budget in 1964 and thereafter presented as a distinct document. The Survey is commonly accompanied by supporting material such as a Statistical Appendix, and official portals present the Survey along with tables/charts and annexures for data-backed reference.

The Economic Survey is **not a law**, but it is treated as a major **policy and analytical statement** because it reflects the Government’s official reading of growth, inflation, public finance, external sector trends, and structural reform priorities.

The Survey’s structure can evolve across years, and the **2025–26 edition** explicitly notes that it has been **reconfigured**, including having **seventeen chapters** and a rearrangement of chapters aligned to national priorities. The Survey is also known for dedicating full chapters to big policy ideas in some editions, such as the **Economic Survey 2016–17** carrying a dedicated chapter on **Universal Basic Income (UBI)** titled *“Universal Basic Income: A Conversation With and Within the Mahatma”*.

A notable “inside-baseball” institutional fact is that the Economic Survey 2016–17 records that the Finance Minister authored a section, describing it as “possibly the first such contribution by a Finance Minister,” indicating how the document can also serve as a curated policy narrative, not only a data report.

## Economic Survey 2025–26

### State of the Economy:

The Survey notes that India sustained macro stability despite global headwinds, with real GDP growth estimated at 7.4% in FY26 (First Advance Estimates). The Survey projects real GDP growth of 6.8%–7.2% for FY27, subject to global uncertainties and domestic conditions. The Survey highlights that private final consumption expenditure (PFCE) remained the main demand driver and stood at 61.5% of GDP in FY26 (FAE). The Survey states that gross fixed capital formation (GFCF) rose to 30.0% of GDP in FY26 (FAE) and grew 9.0% in real terms in FY26 (FAE), underlining investment momentum. The Survey flags that policy should focus not only on growth speed but on durable capability-building and external vulnerability reduction, linking to the later “strategic resilience” framework.

### Fiscal Developments

The Survey notes that the **fiscal deficit of the Union Government** is on a consolidation path and is targeted at **below 4.5% of GDP by FY26**, consistent with stated consolidation objectives. The Survey reports that **tax buoyancy improved**, with higher return filing and digital systems strengthening compliance and collections. The Survey records that **direct tax return filings (ITRs)** rose from **3.9 crore in FY14** to **9.19 crore in FY25**, indicating expansion of the reporting base. The Survey notes that **Gross GST collections** rose from **₹22 lakh crore in FY24** to **₹24.8 lakh crore in FY25**, indicating stronger indirect tax mobilisation. The Survey highlights that the Government’s **capital expenditure** increased sharply over recent years, positioning public capex as a key growth driver. The Survey reports that **Direct Benefit Transfers** cumulatively reached **₹22.8 lakh crore up to December 2025**, reflecting scale of digital transfers.

### Monetary Management and Financial Intermediation

The Survey notes that the banking system’s asset quality improved, with **gross NPAs falling to 2.2% in September 2025**, and **net NPAs down to 0.5%**. The Survey records a rise in financial inclusion and account usage, with **PM Jan-Dhan Yojana accounts exceeding 55 crore** as of **January 2026**. The Survey reports deeper retail participation in capital markets, with **unique investors above 12 crore**.

### External Sector

The Survey notes that India’s **current account deficit (CAD)** remained contained at **0.8% of GDP** during **H1 FY26**, helped by resilient services exports and remittances. The Survey reports **services exports** at an all-time high of **USD 387.6 billion in FY25** (growth of **13.6%**), reinforcing India’s role in global services. The Survey states that India remained the **largest recipient of remittances**, with inflows of **USD 135.4 billion in FY25**. The Survey reports **foreign exchange reserves** of **USD 701.4 billion** (as of **16 January 2026**), providing about **11 months of import cover** and covering **over 94% of external debt**. The Survey notes that **gross FDI inflows** were **USD 64.7 billion** during **April–November 2025**, despite a subdued global investment environment. The Survey highlights India’s standing in investment announcements, including a high ranking in **Greenfield investment announcements** in 2024.

<p><b>Inflation</b></p>	<p>The Survey reports that <b>headline CPI inflation averaged 1.7% during April–December 2025</b>, marking the lowest inflation since the CPI series began, and attributes moderation largely to food and fuel disinflation. The Survey notes that <b>food and fuel together form 52.7% of the CPI basket</b>, which amplifies the impact of these components on headline inflation. The Survey states that India saw one of the sharpest declines in headline inflation among major EMDEs in 2025 compared to 2024.</p>
<p><b>Agriculture and Food Management</b></p>	<p>The Survey reports that <b>foodgrain production</b> is estimated at <b>3,577.3 lakh metric tonnes (LMT)</b> in <b>AY 2024–25</b>, up by <b>254.3 LMT</b> over the previous year, supported by a good monsoon. The Survey highlights horticulture’s rising role, with <b>horticulture production at 362.08 million tonnes</b> in <b>2024–25</b>, exceeding estimated foodgrain output (357.73 MT), and notes horticulture accounts for about <b>33% of agricultural GVA</b>. The Survey notes strong medium-term growth in allied activities, with livestock GVA rising sharply between FY15 and FY24 and fish production growing strongly over 2014–2024. The Survey reports e-NAM expansion, with onboarding of <b>~1.79 crore farmers, 2.72 crore traders</b>, and coverage of <b>1,522 mandis across 23 States and 4 UTs</b> (as of <b>31 December 2025</b>). The Survey reports that <b>PM-KISAN</b> has released <b>over ₹4.09 lakh crore</b> in <b>21 instalments</b>, and <b>PM-Kisan Maandhan Yojana</b> enrolled <b>24.92 lakh farmers</b> (as of <b>31 December 2025</b>).</p>
<p><b>Services</b></p>	<p>The Survey reports that services’ share in GDP rose to <b>53.6% in H1 FY26</b>, and services’ share in GVA reached <b>56.4%</b> (FAE FY26), reflecting the rising weight of tradable and digitally delivered services. The Survey notes India is the <b>world’s seventh-largest exporter of services</b>, and its share in global services trade rose from <b>2% (2005)</b> to <b>4.3% (2024)</b>. The Survey notes services remain the largest recipient of FDI, accounting for an average of <b>80.2%</b> of total FDI during <b>FY23–FY25</b>.</p>
<p><b>Industry</b></p>	<p>The Survey reports <b>industry GVA growth of 7.0% (real terms) in H1 FY26</b>, indicating strengthening industrial activity despite persistent global headwinds. The Survey reports manufacturing GVA growth of <b>7.72% in Q1</b> and <b>9.13% in Q2 FY26</b>, indicating a pickup in manufacturing momentum. The Survey reports that PLI schemes across 14 sectors attracted <b>over ₹2.0 lakh crore</b> of actual investment and generated incremental production/sales exceeding <b>₹18.7 lakh crore</b> and <b>over 12.6 lakh jobs</b> (as of <b>September 2025</b>). The Survey reports that India’s <b>Global Innovation Index</b> rank improved to <b>38th in 2025</b> from <b>66th in 2019</b>. The Survey reports that the <b>India Semiconductor Mission</b> approved <b>10 projects</b> across <b>6 States</b>, involving about <b>₹1.60 lakh crore</b> of investment.</p>
<p><b>Investment and Infrastructure</b></p>	<ul style="list-style-type: none"> <li>• The Survey reports Government capital expenditure rising from <b>₹2.63 lakh crore (FY18)</b> to <b>₹11.21 lakh crore (FY26 BE)</b>, with <b>effective capex of ₹15.48 lakh crore (FY26 BE)</b>.</li> <li>• The Survey reports national highways expanding from <b>91,287 km (FY14)</b> to <b>1,46,572 km (FY26 up to Dec)</b> and high-speed corridors increasing from <b>550 km (FY14)</b> to <b>5,364 km (FY26 up to Dec)</b>.</li> </ul>

**Investment  
and  
Infrastructure**

- The Survey reports rail network at **69,439 route km (as of March 2025)** and **99.1% electrification achieved by October 2025**.
- The Survey notes India emerged as the **third-largest domestic aviation market**, and the number of airports increased from **74 (2014)** to **164 (2025)**.
- The Survey reports installed power capacity at **509.74 GW (Nov 2025)**, and the demand–supply gap declining to **nil by Nov 2025** from **4.2% (FY14)**.
- The Survey reports DISCOMs posting **positive PAT of ₹2,701 crore in FY25** and AT&C losses declining from **22.62% (FY14)** to **15.04% (FY25)**.
- The Survey reports renewable energy at **49.83% of total power generation capacity (Nov 2025)** and notes India’s high global ranking in RE and installed solar capacity.
- The Survey reports **tele-density at 86.76%** and **5G availability in 99.9% of districts**, and also reports **over 81% rural households** having access to tap water under Jal Jeevan Mission (Oct 2025).

**Environment  
and Climate  
Change**

- The Survey reports that **38.61 GW** of renewable energy capacity was installed during **2025–26 (up to 31 December 2025)**, including **30.16 GW solar** and **4.47 GW wind** (among others).
- The Survey traces the evolution of India’s environmental regulatory framework, including early pollution–control legislation and subsequent reforms (including strengthened environmental protection institutions and procedural instruments).
- The Survey highlights that climate policy requires linking **resilience-building** with competitiveness, and it discusses implementation tools and institutional arrangements for climate action.

**Education and  
Health**

- The Survey reports that India’s school system serves **24.69 crore students** across **14.71 lakh schools**, supported by **over 1.01 crore teachers** (UDISE+ 2024–25).
- The Survey reports school-level GERs of **90.9 (primary)**, **90.3 (upper primary)**, **78.7 (secondary)**, and **58.4 (higher secondary)**.
- The Survey reports higher education institutions rising from **51,534 (2014–15)** to **70,018 (June 2025)**, and premier institutions at **23 IITs**, **21 IIMs**, and **20 AIIMS**, including **two international IIT campuses** (Zanzibar and Abu Dhabi).
- The Survey reports NEP-linked reforms such as National Credit Framework adoption by **170 universities**, and Academic Bank of Credit coverage of **2,660 institutions** with **over 4.6 crore IDs** issued (including APAAR-linked IDs).
- The Survey reports major health outcomes improvements since 1990, including declines in **maternal mortality**, **under-five mortality**, **neonatal mortality**, and a decade-long decline in **infant mortality**.

**Employment  
and Skill  
Development**

- The Survey reports **56.2 crore employed persons (age 15+)** in Q2 FY26, with **~8.7 lakh new jobs** created in Q2 compared to Q1 FY26.
- The Survey reports organised manufacturing employment growth of **6% YoY in FY24 (ASI)**, translating into **over 10 lakh jobs** added compared to FY23.
- The Survey notes that Labour Codes recognise **gig and platform workers**, expanding social security and welfare portability.

<p><b>Employment and Skill Development</b></p>	<ul style="list-style-type: none"> <li>• The Survey reports <b>e-Shram registrations over 31 crore</b>, with <b>women over 54%</b> of registrants (as of January 2026).</li> <li>• The Survey reports National Career Service scale with <b>~59 million registered job seekers</b>, <b>~5.3 million job providers</b>, and mobilisation of <b>~80 million vacancies</b>.</li> <li>• The Survey notes a plan to upgrade <b>1,000 government ITIs</b> (200 hubs + 800 spokes) through modern labs, digital content, and industry-aligned courses.</li> </ul>
<p><b>Rural Development and Social Progress</b></p>	<ul style="list-style-type: none"> <li>• The Survey notes the World Bank’s revision of the poverty line and reports that, under the revised benchmark, India’s poverty rates in <b>2022–23</b> were <b>5.3% (extreme poverty)</b> and <b>23.9% (lower-middle-income poverty)</b>.</li> <li>• The Survey reports that general government <b>social services expenditure</b> stands at <b>7.9% of GDP in FY 2025–26 (BE)</b> (with rising trend since FY22).</li> <li>• The Survey reports SVAMITVA progress, with drone surveys completed in <b>3.28 lakh villages</b> and <b>2.76 crore property cards</b> prepared for <b>~1.82 lakh villages</b> (as of Dec 2025).</li> <li>• The Survey notes SHG “Drone Didis” support through drone distribution initiatives to support rural service delivery and livelihoods.</li> </ul>
<p><b>Evolution of the AI Ecosystem in India</b></p>	<ul style="list-style-type: none"> <li>• The Survey argues that India’s AI demand is emerging from <b>real-world public and sectoral problems</b>, and it emphasises <b>smaller, task-specific models</b> that can diffuse innovation broadly and work in low-resource settings.</li> <li>• The Survey flags concentration of control over <b>data, compute, models, and standards</b>, raising concerns on market power and technological dependence.</li> <li>• The Survey states that India’s policy challenge is to <b>govern AI</b> in a manner sensitive to domestic economic realities, and it outlines a framework covering ecosystem steps, governance evolution, and incentives including an approach for <b>data localisation</b>.</li> <li>• The Survey frames a practical choice between chasing frontier-scale models with prohibitive costs versus deploying resources toward <b>domain-specific AI systems</b> aligned with national priorities.</li> </ul>
<p><b>Urbanisation</b></p>	<ul style="list-style-type: none"> <li>• The Survey highlights urban mobility and congestion costs and argues for prioritising the <b>movement of people rather than vehicles</b>, with high-capacity public transport as the backbone.</li> <li>• The Survey reports that as of <b>2025</b>, about <b>~1,036 km of Metro/RRTS</b> is operational across around <b>24 cities</b>, and cites the <b>Delhi–Meerut Namo Bharat RRTS</b> as a template for regional connectivity.</li> <li>• The Survey describes the Delhi–Meerut corridor as <b>82 km</b>, designed for <b>up to 180 kmph</b>, reducing travel time to under an hour, and outlines a financing structure combining Centre/State shares with multilateral funding.</li> <li>• The Survey reports PM e-Bus Sewa design and approvals and notes that urban bus availability remains below recommended norms in many cities, creating a capacity gap.</li> </ul>

## PRACTICE QUESTIONS

- Which of the following economists supervised the analytical framework and economic assessment presented in the Economic Survey 2025–26 tabled in Parliament?
  - V. Anantha Nageswaran
  - M. Narasimham Krishnan
  - S. Gurumurthy Narayan
  - R. Vijay Kelkar Raman
- Which of the following financial years marks the presentation of India's first Economic Survey in institutional history?
  - 1949–50
  - 1950–51
  - 1951–52
  - 1952–53
- Which of the following supporting documents commonly accompanies the Economic Survey to provide detailed tables, charts, and data-backed references?
  - Economic Data Appendix
  - Fiscal Trend Appendix
  - Statistical Appendix
  - Budget Data Appendix
- Which of the following structural features was highlighted in the reconfigured format of the Economic Survey 2025–26, reflecting alignment with national priorities?
  - seventeen chapters
  - sixteen chapters
  - eighteen chapters
  - fifteen chapters
- Which of the following major policy ideas received a dedicated full chapter in the Economic Survey 2016–17 titled "A Conversation With and Within the Mahatma"?
  - National Minimum Income
  - Universal Basic Income
  - Direct Benefit Transfers
  - Targeted Welfare Support
- Which of the following demand components was identified in the Economic Survey as the main driver of India's growth momentum, accounting for a major share of GDP in FY26?
  - government final consumption expenditure
  - private final consumption expenditure
  - external trade and export expenditure
  - gross capital formation expenditure
- Which of the following fiscal indicators highlighted in the Economic Survey reflects improved compliance and higher revenue collections through digital systems and expanded return filing?
  - debt servicing
  - fiscal deficit
  - revenue deficit
  - tax buoyancy
- Which of the following financial inclusion initiatives was highlighted in the Economic Survey for expanding account ownership beyond 55 crore beneficiaries as of January 2026?
  - PM Mudra Yojana Plan
  - PM Jan-Dhan Yojana
  - PM Jeevan Jyoti Yojana
  - PM Suraksha Bima Plan
- Which of the following external sector indicators was reported in the Economic Survey as remaining contained at 0.8% of GDP during H1 FY26 due to strong services exports and remittances?
  - capital account balance
  - current account deficit
  - foreign exchange reserves
  - external commercial borrowings
- Which of the following categories of investment activity was highlighted in the Economic Survey for reflecting India's strong global standing in new project proposals during 2024?
  - Foreign portfolio capital inflow indicators
  - Cross-border merger acquisition proposals
  - Greenfield investment announcements
  - Sovereign wealth capital allocation trends
- Which of the following farmer-focused pension initiatives mentioned in the Economic Survey enrolled over 24 lakh beneficiaries as of December 2025?
  - PM-Kisan Samman Scheme
  - PM-Kisan Maandhan Yojana
  - PM Fasal Bima Pension Scheme
  - PM Krishi Suraksha Pension Plan
- Which of the following positions did India hold globally in services exports, as highlighted in the Economic Survey's assessment of the services sector?
  - world's fifth-largest
  - world's sixth-largest
  - world's seventh-largest
  - world's eighth-largest
- Which of the following regional rapid transit systems is cited in the Economic Survey as a model template for improving regional connectivity and high-capacity urban mobility?
  - Delhi–Meerut Namo Bharat RRT
  - Mumbai–Pune Rapid Metro Link
  - Bengaluru–Mysuru Fast Transit Link
  - Chennai–Vellore Rapid Rail Link

## PRACTICE QUESTIONS

14. Which of the following labour-market indicators highlighted in the Economic Survey crossed 31 crore enrolments with women forming over 54% of the registered workforce?

- (a) e-skill-lab registrations
- (b) e-labour-net registrations
- (c) e-Shram registrations
- (d) e-job-card registrations

15. Which of the following regional rapid transit systems is cited in the Economic Survey as a model template for improving regional connectivity and high-capacity urban mobility?

- (a) Delhi–Meerut Namo Bharat RRT
- (b) Mumbai–Pune Rapid Metro Link
- (c) Bengaluru–Mysuru Fast Transit Link
- (d) Chennai–Vellore Rapid Rail Link

## SOLUTIONS

- |         |          |          |          |          |          |          |         |
|---------|----------|----------|----------|----------|----------|----------|---------|
| 1. (a), | 2. (b),  | 3. (c),  | 4. (a),  | 5. (b),  | 6. (b),  | 7. (d),  | 8. (b), |
| 9. (b), | 10. (c), | 11. (b), | 12. (c), | 13. (a), | 14. (c), | 15. (a). |         |

## 21 UNION BUDGET FY 2026-27

### IN FOCUS

- The **Union Budget 2026-27** was presented in Parliament on **1 February 2026** by Finance Minister **Nirmala Sitharaman**.
- The Budget speech is structured into **Part A (policy + expenditure priorities)** and **Part B (tax proposals)**, with Part A framed around a “**Yuva Shakti-driven**” approach and **three “kartavya”**.
- The Budget sets key macro-fiscal signals such as **capital expenditure around ₹12.2 lakh crore** and a **fiscal deficit target of 4.3% of GDP** for FY 2026-27.

## What is the Union Budget of India?

- The **Union Budget** is the Central Government’s annual financial plan that sets out the **estimated receipts and expenditure** for the coming financial year, and it is constitutionally laid before Parliament as the **Annual Financial Statement (AFS) under Article 112**.
- The AFS presents the Government of India’s finances across the three constitutional “funds/accounts” in which government accounts are kept, namely the **Consolidated Fund of India**, the **Contingency Fund of India**, and the **Public Account of India**, and it also distinguishes **revenue** and **capital** transactions (with the Revenue and Capital sections together forming the Union Budget).
- The Union Budget is not only a speech; it is a **set of budget documents** that typically include the AFS, **Demands for Grants**, the **Finance Bill**, and supporting statements/explanatory documents placed with the Budget.
- The **Demands for Grants** represent expenditure proposals from the Consolidated Fund that require **Lok Sabha voting**, and they are presented ministry/department-wise in a structured format.
- The Union Budget is prepared within the **Ministry of Finance** framework and follows an established annual process, including confidential finalisation and printing/compilation procedures (with traditions like the **Halwa Ceremony** marking the start of the “lock-in” period for officials involved in Budget preparation).



## Part A: Policy and Expenditure Priorities

### Framework: “Yuva Shakti” and the Three “Kartavya”

- The Union Budget 2026–27 is presented as a “**Yuva Shakti-driven**” Budget anchored around three “kartavya”, namely **(i) accelerating and sustaining economic growth, (ii) fulfilling aspirations and building capacity, and (iii) Sabka Sath, Sabka Vikas through broad-based participation.**
- The Budget positions **structural reforms, a strong financial sector, and the use of new-age technologies (including AI)** as key enablers for faster delivery, productivity, and governance outcomes.

### Headline Budget Estimates and Fiscal Signals

- The Budget estimates **total expenditure** at **₹53,47,315 crore** (about **₹53.5 lakh crore**) for FY 2026–27. The Budget estimates **receipts (excluding borrowings)** at **₹36,51,547 crore** (about **₹36.5 lakh crore**) for FY 2026–27.
- The Budget sets the **fiscal deficit target** at **4.3% of GDP** for FY 2026–27.
- The Budget places **capital expenditure (capex)** at **₹12,21,821 crore** (about **₹12.2 lakh crore**) and also reports **effective capital expenditure** at **₹17,14,523 crore** (about **₹17.1 lakh crore**) for FY 2026–27

### First Kartavya: Accelerate and Sustain Economic Growth

**A) Manufacturing, Competitiveness, and Industrial Scale-Up:** The Budget emphasises higher productivity, global competitiveness, and resilience in manufacturing, and it ties this to targeted policy actions and sector-specific measures described in the Government’s “Key Features” and allied documents. The Budget provides for an **RDI Scheme** with an outlay of **₹20,000 crore** and allocates **₹1,000 crore** for the **IndiaAI Mission**, which are positioned as enabling measures for technology-led growth and capability building.

**B) MSMEs, Entrepreneurship, and Formalisation:** The Budget proposes a dedicated **₹10,000 crore SME Growth Fund** to expand growth capital options for MSMEs. The Budget provides outlays for MSME and entrepreneurship support through multiple heads, including **₹2,000 crore** for the **Self Reliant India (SRI) Fund** and **₹900 crore** for the **Credit Guarantee Scheme for Micro and Small Enterprises (CGS-MSE)**.

**C) Infrastructure, Logistics, and Urban Financing**  
The Budget continues to treat public capex as a growth lever, and it backs this through large infrastructure outlays, including **₹1,87,293 crore** for **NHAI** and **₹1,21,999 crore** for **Road Works (BE 2026–27)**. The Budget introduces a municipal bond incentive, where **₹100 crore** is proposed as an incentive for a **single municipal bond issuance above ₹1,000 crore**, to encourage larger issuances and deepen urban financing.

### Second Kartavya: Fulfil Aspirations and Build Capacity

#### Services as a Growth Driver and Education-to-Employment

- The Budget announces a High-Level **Education-to-Employment and Enterprise Standing Committee** to identify high-potential services sub-sectors, address gaps, and recommend measures for jobs, exports, and skills, including the role of AI in curriculum and skilling.

#### Health Workforce, Medical Tourism, and AYUSH

1. The Budget proposes to upgrade institutions for Allied Health Professionals and to add **one lakh (100,000) Allied Health Professionals** over the next **five years**.
2. The Budget proposes **five regional medical hubs** to promote India as a medical tourism hub and proposes

#### Sports and Youth Development

- The Budget announces a **Khelo India Mission** with a multi-year vision to strengthen pathways, coaching, sports science, and sports infrastructure, as part of the youth development focus.

The Budget's education outlays include **₹42,100 crore** for **Samagra Shiksha**, **₹12,750 crore** for **PM POSHAN**, and **₹7,500 crore** for **PM SHRI** (BE 2026-27).

- **three new All India Institutes of Ayurveda** under the AYUSH agenda.
- The Budget's major health outlays include **₹34,066 crore** for the **National Health Mission (NHM)** and **₹5,500 crore** for **PM-Ayushman Bharat Health Infrastructure Mission (PM-ABHIM)** (BE 2026-27).

### Third Kartavya: Sabka Sath, Sabka Vikas

#### A) Increasing Farmer Incomes and High-Value Agriculture

1. The Budget links the third kartavya to targeted efforts for higher farmer incomes and announces initiatives such as **integrated development of 500 reservoirs and Amrit Sarovars** and value-chain strengthening in fisheries.
2. The Budget supports high-value crops in coastal areas and announces a **Coconut Promotion Scheme**, while also proposing **Bharat-VISTAAR**, described as a multilingual AI tool integrating AgriStack portals and ICAR practices for customised advisory support.
3. The Budget's large agriculture-and-rural linked outlays include **₹63,500 crore** for **PM-KISAN** and **₹67,670 crore** for the **Jal Jeevan Mission** (BE 2026-27).

#### B) Big-ticket welfare and rural participation outlays (BE 2026-27)

1. The Budget provides **₹2,27,429 crore** for **Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY)** as the single largest scheme outlay in the "Major Schemes" table.
2. The Budget provides **₹95,692 crore** for **Viksit Bharat-Grameen Rozgar Aawas Mission (VB-G RAM G)** and also provides **₹30,000 crore** for **MGNREGS** (BE 2026-27).
3. The Budget provides **₹54,917 crore** for **PM Awas Yojana (Gramin)** and **₹21,753 crore** for **DAY-NRLM** (BE 2026-27).

## Part B: Tax Proposals

### Third Kartavya: Sabka Sath, Sabka Vikas

#### Direct Taxes

1. The Budget states that the **Income-tax Act, 2025** will come into effect from **1 April 2026**, with the stated objective of a simpler and clearer direct tax law framework.
2. The Budget proposes a **rule-based automated process** for eligible small taxpayers to obtain a **lower or nil deduction certificate**, instead of filing an application with the Assessing Officer.
3. The Budget proposes to reduce **TCS on overseas tour programme packages** to a flat **2%**, replacing the earlier structure of **5% / 20%** linked to thresholds.=

#### Indirect Taxes (Customs and Related Measures)

1. The Budget proposes to raise **STT on Futures** to **0.05%** from **0.02%**, and it also proposes increases in STT rates on options (premium and exercise).
2. The Budget proposes to reduce the **tariff rate on all dutiable goods imported for personal use** from **20% to 10%**.
3. The Budget proposes to **exempt basic customs duty on 17 cancer drugs/medicines** and to extend duty-free personal imports of drugs/medicines and specified food for **7 more rare diseases**.

## Major milestones in the evolution of India's Budget

- India's first modern budget is widely traced to **7 April 1860**, presented in the colonial period by **James Wilson**.
- The **first Budget of a free and independent India** was presented for **1947-48** by **R.K. Shanmukham Chetty**, and it was explicitly framed as the first Budget of independent India.
- The **1991-92 Budget** presented on **24 July 1991** is historically significant for marking the reform-era direction during the balance-of-payments crisis, including major trade-policy reform steps recorded in the Budget speech.
- A key presentation convention changed in **1999**, when the Union Budget shifted away from the earlier **evening presentation practice** to a daytime schedule (commonly discussed as a major procedural milestone).
- In **September 2016**, the Union Cabinet approved landmark reforms to be implemented from **Budget 2017-18**, including:
  - the **merger of the Railway Budget with the General Budget**,
  - the **advancement of the Budget presentation date**, and
  - the **merger of Plan and Non-Plan classification** in Budget and Accounts.
- From **Budget 2017-18**, the practice of presenting the Budget on **1 February** (instead of the last working day of February) was implemented to enable passage of key budgetary legislation before the new financial year begins.
- In **2019**, the Budget presentation symbolically moved away from the traditional briefcase to the **'bahikhata'** style presentation, marking a widely noted shift in Budget-day symbolism.
- In **2021-22**, India presented its **first-ever digital Union Budget**, marking the shift to a paperless/digital format at the Union level.
- In **2026-27**, official communications highlighted that this Budget was the **first prepared in Kartavya Bhawan**, marking another recent procedural milestone in where the Budget was prepared.

## PRACTICE QUESTIONS

1. Which of the following components of the Union Budget 2026–27 speech, specifically included under Part B, deals with fiscal measures related to taxation changes and revenue announcements?

- (a) policy frameworks (b) tax proposals  
(c) welfare priorities (d) capital expenditure

2. Which of the following thematic frameworks, highlighted in Part A of the Union Budget 2026–27 speech, reflected the “Yuva Shakti-driven” approach along with key duty-oriented priorities?

- (a) three kartavy (b) three reforms  
(c) three visions (d) three targets

3. Which of the following macro-fiscal indicators in the Union Budget 2026–27 specifically refers to the gap between government expenditure and total revenue, expressed as a percentage of GDP?

- (a) capital deficit (b) revenue deficit  
(c) primary deficit (d) fiscal deficit

4. Which of the following constitutional provisions requires the Central Government to present the Union Budget as the Annual Financial Statement (AFS) before Parliament?

- (a) Article 112 (b) Article 213  
(c) Article 266 (d) Article 280

5. Which of the following constitutional bodies votes on the Demands for Grants, which are expenditure proposals drawn from the Consolidated Fund and presented ministry-wise?

- (a) Raj Sabha (b) Both Houses  
(c) NITI Aayog (d) Lok Sabha

6. Who is widely credited with presenting India’s first modern budget during the colonial period, laying the foundation for structured financial administration?

- (a) James Wilson (b) John Lawrence  
(c) Charles Wood (d) Henry Cotton

7. Which of the following major macroeconomic challenges marked the beginning of the reform-era direction reflected in the Union Budget of 1991–92 presented on 24 July 1991?

- (a) the balance-of-payments  
(b) the balance-of-revenue gap  
(c) the external-debt pressure  
(d) the foreign-reserve shortage

8. Which of the following is not among the landmark reforms approved by the Union Cabinet in September 2016 for implementation from Budget 2017–18?

- (a) the merger of the Railway Budget with the General Budget  
(b) the advancement of the Budget presentation date  
(c) the introduction of a nationwide budget reform  
(d) the merger of Plan and Non-Plan classification in Budget and Account

9. Which of the following dates was adopted from Budget 2017–18 for presenting the Union Budget in order to ensure timely passage of financial legislation before the new financial year?

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

10. In which of the following year did the Union Budget presentation shift symbolically from the traditional briefcase to the ‘bahi-khata’ style format?

- (a) 2016 (b) 2019  
(c) 2021 (d) 2023

11. Which of the following formats was introduced in 2021–22 when India presented its first-ever paperless financial statement at the Union level?

- (a) digital Union Budget  
(b) printed Union Budget  
(c) archived Union Budget  
(d) sealed Union Budget

12. Which of the following enabling measures mentioned in the Union Budget is associated with an outlay of ₹20,000 crore to promote technology-led growth and innovation capability?

- (a) RDI Scheme (b) PLI Mission  
(c) AI Package (d) EV Support

13. Which of the following MSME-focused initiatives in the Union Budget received an outlay of ₹2,000 crore to strengthen entrepreneurship financing and support emerging businesses?

- (a) Startup Reliant India Fund  
(b) Digital Reliant India Fund  
(c) Enterprise Reliant India Fund  
(d) Self Reliant India Fund

14. Which of the following bodies announced in the Union Budget aims to identify high-potential service sub-sectors and recommend measures related to jobs, exports, skills, and AI-driven curriculum reforms?

- (a) High-Level Education-to-Innovation and Enterprise Standing Committee  
(b) High-Level Education-to-Employment and Enterprise Standing Committee

## PRACTICE QUESTIONS

(c) High-Level Education-to-Research and Enterprise Standing Committee

(d) High-Level Education-to-Development and Enterprise Standing Committee

15. Which of the following initiatives announced in the Union Budget is described as a multilingual AI

tool integrating AgriStack portals and ICAR practices for customised agricultural advisory support?

(a) Krishi-VISTAAR

(b) Agri-VISTAAR

(c) Shram-VISTAAR

(d) Bharat-VISTAAR

## SOLUTIONS

1. (b),

2. (a),

3. (d),

4. (a),

5. (d),

6. (a),

7. (a),

8. (c),

9. (d),

10. (b),

11. (a),

12. (a),

13. (d),

14. (b),

15. (d).

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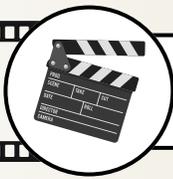
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## Renowned Educationist Nishant Prakash in Committee for Implementation of New Education Policy in Assam

Indian sprinter Himu Das, General Secretary of Assam Cricket Association Devajit Lon Saikia, and scientist Uttihub Bharali are also in the committee.



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When most students bag 10-15 marks in the entrance exam, the Super 30 of law entrance bags 5 out of top 10 in AILET and CLAT. The institute has a track record of producing students who are successful in the law entrance exams. The Super 30 students are known for their exceptional performance in the law entrance exams. The institute has a track record of producing students who are successful in the law entrance exams. The Super 30 students are known for their exceptional performance in the law entrance exams.



## An Interview With India's leading Educationist; How Important Is To Join Coaching Institute To Crack An Aptitude Based Exam Like CLAT



## THE HINDU CLAT candidates aggrieved over 'errors'; consortium denies laxity

A petition challenging the process of the preparation of the question paper for the CLAT entrance exam for admission to 100 seats in the consortium. The consortium is aggrieved over the errors in the question paper. The consortium is aggrieved over the errors in the question paper. The consortium is aggrieved over the errors in the question paper. The consortium is aggrieved over the errors in the question paper.



# 1 AMAZONIAN STINGLESS BEES - INSECTS WITH LEGAL RIGHTS

## IN FOCUS

## Environmental News

The provincial municipality of Satipo in Peru has formally adopted the Declaration of Rights for Native Stingless Bees through a municipal ordinance, making Amazonian stingless bees the first insects in the world to receive legal recognition and protection. These bees, belonging to the tribe Meliponini, are among the oldest bee species on Earth and are responsible for pollinating over 80% of Amazonian flora, including globally important crops such as coffee, cocoa, avocados, and blueberries. The legal framework establishes a significant global precedent for insect conservation by integrating Rights of Nature principles into local governance, blending modern scientific approaches with ancestral Indigenous wisdom.

### Characteristics and Ecological Significance

- Amazonian stingless bees belong to the tribe Meliponini within the family Apidae, ranging in size from 2 mm to 15 mm, and possess vestigial stingers that are too small to be functional for defensive purposes.
- The Amazon Rainforest harbours the greatest concentration of stingless bee diversity, with the Brazilian Amazon alone recording 188 native meliponine species, and they occupy diverse ecosystems from sea level up to 4,000 metres in the Andes mountains.
- These bees function as keystone species in tropical and subtropical ecosystems, pollinating over 80% of Amazonian flora and approximately 90 crop species including coffee, cocoa, avocados, mangoes, citrus fruits, and watermelons.
- Meliponiculture, the traditional practice of breeding and managing stingless bee colonies, has ancient origins with Maya peoples throughout Mesoamerica engaging in extensive large-scale meliponiculture since pre-Columbian times.
- Stingless bee honey possesses scientifically confirmed anti-inflammatory, antibacterial, and antiviral properties, and is traditionally known as "miracle liquid" among Indigenous communities for treating eye ailments, wounds, and respiratory conditions.

### Rights Recognized Under the Declaration

- The declaration grants these native pollinators fundamental rights including the right to exist and flourish, maintain healthy populations, live in pollution-free habitats, and receive legal representation when threatened or harmed.
- The framework enables human guardians such as Indigenous leaders, scientists, or legal advocates to represent bee interests in legal proceedings and sue polluters on their behalf.
- The Earth Law Center provided legal expertise for drafting the declaration, while Amazon Research Internacional spearheaded the campaign through years of fieldwork documenting bee populations with Indigenous communities including the Asháninka and Kukama-Kukamiria peoples.

### Rights of Nature Jurisprudence in India

- In *Animal Welfare Board of India vs. A. Nagaraja* (2014), the Supreme Court of India interpreted "life" under Article 21 expansively to include protection of animal life, recognizing that animals possess a right to live with intrinsic worth, dignity, and freedom from unnecessary pain and suffering.
- In *Mohd. Salim vs. State of Uttarakhand* (2017), the Uttarakhand High Court granted legal personhood to the rivers Ganga and Yamuna, declaring them living entities with legal rights and duties, following similar reasoning to New Zealand's Whanganui River case.
- The Supreme Court of India later stayed the Uttarakhand High Court's decision on river personhood, putting the legal status on hold pending further deliberation.

## 2 ADULT SKILL ASSESSMENT SURVEY, 2026

### IN FOCUS

### Polity & Governance

India is set to conduct its first nationwide assessment of adult skill competencies in 2026 to generate crucial data for tackling workforce challenges and harnessing the demographic dividend. The Ministry of Statistics and Programme Implementation (MoSPI) will conduct the survey using the Comprehensive Modular Survey (CMS) framework at the request of the Ministry of Skill Development and Entrepreneurship, covering the population aged 18 years and above and categorising their abilities into basic, intermediate, and advanced skill levels.

### Need for the Survey and Existing Data Gaps

- The need for this survey is urgent as India's working-age population (15-59 years) is projected to reach 68.9% by 2030, and presently there is no dedicated data on overall skill levels in the country.
- The Periodic Labour Force Survey (PLFS) only records whether individuals have received vocational or technical training, not the quality or level of skills acquired, which limits the ability to assess workforce readiness accurately.
- Nearly three-fourths of the employed population possess only basic education, and employability among graduates is just 54.8%, highlighting a serious mismatch between education outcomes and labour market needs.
- The share of those aged 15-59 receiving vocational or technical training rose to 34.7% in 2023-24 from 27.4% in 2022-23, but rising participation has not translated proportionately into employability, reinforcing the need for skill-quality assessment.

### Skill India Programme and Key Components

- The Skill India Programme (SIP) is a skill development initiative launched in 2015 under the Ministry of Skill Development and Entrepreneurship, with over 2.27 crore people having benefited so far including rural youth, women, and marginalized communities.
- All courses and certifications under the programme are aligned with the National Skills Qualification Framework (NSQF) and integrated with DigiLocker and National Credit Framework (NCrF), ensuring formal recognition and seamless transition into employment and higher education.
- Pradhan Mantri Kaushal Vikas Yojana 4.0 (PMKVY 4.0) provides short-term training, reskilling, and upskilling with 400+ new courses introduced in emerging technologies like AI, 5G, cybersecurity, green hydrogen, and drone technology for individuals aged 15-59 years.
- Pradhan Mantri National Apprenticeship Promotion Scheme (PM-NAPS) aims to enhance apprenticeship training across industries by providing 25% of the stipend (up to Rs 1,500 per apprentice per month) through Direct Benefit Transfer, with special focus on MSMEs, aspirational districts, and the North-East Region.
- Jan Shikshan Sansthan (JSS) Scheme is a community-driven vocational training initiative aimed at empowering women, rural youth, and economically weaker sections in the 15-45 age group through low-cost, flexible skilling programs linked with PM JANMAN and ULLAS initiatives.

## 3 ICGS SAMUDRA PRATAP

### IN FOCUS

### Science & Tech

The Defence Minister commissioned Indian Coast Guard Ship (ICGS) Samudra Pratap, the first of two indigenously constructed pollution control vessels for the Indian Coast Guard, marking a significant step in strengthening India's marine environmental protection capabilities. Designed for pollution response operations within the Exclusive Economic Zone (EEZ) and beyond, the vessel will be homeported at Kochi under the operational control of the Commander, Coast Guard Region (West).

### About ICGS Samudra Pratap

- ICGS Samudra Pratap, meaning "Majesty of the Seas", is built by Goa Shipyard Limited with over 60% indigenous content, and is the largest ship in the Indian Coast Guard fleet.
- The vessel has a displacement of 4,170 tons, length of 114.5 meters, speeds exceeding 22 knots, and an endurance of 6,000 nautical miles.
- It is powered by two 7,500 kW diesel engines driving indigenously developed Controllable Pitch Propellers and gearboxes, offering superior manoeuvrability and flexibility.
- The ship functions as a multi-role platform for pollution response, oil spill containment, fire-fighting, maritime safety, coastal patrol, and surveillance.
- It is equipped with advanced pollution detection systems, side-sweeping arms, floating booms, high-capacity skimmers, portable barges, a pollution control laboratory, and an External Fire-Fighting System (Fi-Fi Class 1).
- The vessel features a helicopter hangar and aviation support facilities, along with advanced systems including Dynamic Positioning, Integrated Bridge System, Integrated Platform Management System, and Automated Power Management System.
- Its armament includes a 30 mm CRN-91 gun and two 12.7 mm Stabilised Remote-Controlled Guns supported by modern fire-control systems.

### Key highlights

- For the first time, a frontline Coast Guard ship will have two women officers appointed, reflecting progress towards an inclusive and gender-neutral work environment.
- Women officers in the ICG are now serving as pilots, observers, air traffic controllers, logistics officers, and law officers, while being trained for hovercraft operations and deployed in frontline operations.
- The Defence Minister emphasised the need for ICG to transition from a platform-centric force to an intelligence-driven and integration-centric force.
- He highlighted the importance of developing specialised career streams within ICG in areas such as maritime law enforcement, environmental protection, and maritime cyber security.

## 4 AKASH-NG MISSILE

### IN FOCUS

### Science & Tech

The Defence Research and Development Organisation (DRDO) successfully completed User Evaluation Trials (UET) of the Akash-NG (Next Generation) missile system on December 23, 2025, at the Integrated Test Range off the coast of Odisha, clearing the pathway for its induction into the Indian Air Force. The Akash-NG is a next-generation surface-to-air missile designed to intercept high-speed, highly manoeuvrable aerial threats with low radar cross-section (RCS), including aircraft, drones, and cruise missiles, with an extended range of up to 70 km.

### Integrated Guided Missile Development Programme (IGMDP)

- The Integrated Guided Missile Development Programme was launched in 1983 under the leadership of Dr. A.P.J. Abdul Kalam with the objective of achieving self-sufficiency in missile technology for Indian defence forces, and operated until 2012.
- The programme developed five missile systems known by the acronym P-A-T-N-A: Prithvi (short-range surface-to-surface ballistic missile), Agni (family of ballistic missiles for nuclear deterrence), Trishul (short-range surface-to-air missile with 12 km range), Nag (third-generation anti-tank guided missile with fire-and-forget technology), and Akash (medium-range surface-to-air missile with approximately 30 km range).
- The original Akash missile system can engage multiple targets from multiple directions simultaneously, operates from mobile platforms including battle tanks and wheeled trucks, and achieves a kill probability of nearly 90%.
- Akash was inducted into the Indian Air Force in 2014 and the Indian Army in 2015, and in December 2020, the Cabinet approved the Akash missile for exports following interest from countries including Armenia, the Philippines, Vietnam, Egypt, and Brazil.

### Akash-NG specifications and technological advancements

- The Akash-NG system features 96% indigenous components and is being produced by Bharat Dynamics Limited (BDL) for missile manufacturing and Bharat Electronics Limited (BEL) for electronic systems and radars.
- The missile weighs approximately 350 kg (reduced by half from the original Akash's 700 kg), can achieve flight speeds of Mach 2.5, has an extended strike range of 60-70 kilometres, and operational altitude capability exceeding 20 kilometres.
- The Akash-NG employs a dual-pulse solid rocket motor replacing the ramjet propulsion of the original Akash, offering advantages in storage stability, reduced maintenance requirements, and faster response times.
- The missile features an indigenously developed Radio Frequency (RF) seeker for terminal guidance, enabling precision strikes against low radar cross-section targets including stealth aircraft features and small drones.
- The system incorporates a canisterised launch system that simplifies transportation and storage, enhances shelf life, and maintains high operational readiness as missiles can be launched directly from storage containers.
- The weapon system includes a fully indigenous Multi-Function Radar (MFR) for surveillance, tracking, and fire control functions, along with an integrated Command, Control, and Communication (C3) system and built-in Electronic Counter-Counter Measures (ECCM).

## 5 MADHAV GADGIL PASSES AWAY

### IN FOCUS

### Miscellaneous

Renowned ecologist Madhav Gadgil passed away at his residence in Pune on January 7, 2026, after a brief illness at the age of 82. He was a pioneering Indian ecologist renowned as one of India's foremost voices on ecology and environmental protection. He was best known for his work on the ecological significance of the Western Ghats as chairman of the Western Ghats Ecology Expert Panel (WGEEP), whose report submitted in 2011 continues to be referenced during ecological disasters and landslides in the region. He established the Centre for Ecological Sciences at the Indian Institute of Science, Bengaluru in 1983, and his research contributed to the establishment of the Nilgiri Biosphere Reserve and key environmental legislation. In 2024, the United Nations recognised him with the Champions of the Earth award, the UN's highest environmental honour, for his seminal work in the Western Ghats, a global biodiversity hotspot.

### About Madhav Gadgil

- Madhav Gadgil was born in Pune and completed his post-graduation from Mumbai University before obtaining a PhD in Mathematical Ecology from Harvard University, becoming the first Biology student to receive a degree in Mathematical Ecology from Harvard.
- His father, Dhananjay Gadgil, was a renowned economist, vice-chair of the former Planning Commission of India, and author of the classic "The Industrial Evolution of India in Recent Times" (1924), known for his work in advancing the farmers' co-operative movement in Maharashtra.
- He worked at the Indian Institute of Science from 1973 to 2004, publishing over 225 research articles on evolution, ecology, conservation biology, human ecology, and ecological history.
- His research contributed to the establishment of the Nilgiri Biosphere Reserve (1986), and he contributed significantly to the Biological Diversity Act 2002 and the Forest Rights Act 2006.
- He co-authored works including "This Fissured Land: An Ecological History of India" and "Ecology and Equity" with historian Ramachandra Guha.
- He was the recipient of the Shanti Swarup Bhatnagar Award, Padma Shri, Padma Bhushan, and the United Nations Champions of the Earth award (2024).

### Western Ghats Ecology Expert Panel (WGEEP)

- The WGEEP, commonly known as the Gadgil Commission, was an environmental research commission established by the Ministry of Environment, Forest and Climate Change (MoEFCC) in 2010, with the report submitted in 2011.
- The panel was mandated to assess the ecological status of the Western Ghats (UNESCO World Heritage Site and global biodiversity hotspot), demarcate its Ecologically Sensitive Areas (ESAs), and recommend measures for conservation, rejuvenation, and sustainable development.
- The report designated the entire Western Ghats (1,29,037 sq km) as an ESA and classified it into three Ecologically Sensitive Zones based on sensitivity levels: ESZ1 (highest sensitivity), ESZ2 (high sensitivity), and ESZ3 (moderate sensitivity).
- Key recommendations included prohibition on genetically modified crops, new Special Economic Zones (SEZs), and new hill stations; no new mining licenses with phasing out of existing mines within five years in ESZ 1 and 2; and restrictions on new major infrastructure in the most sensitive zones.
- The report proposed the creation of a statutory Western Ghats Ecology Authority (WGEA) under the Environment Protection Act, 1986, as an apex multi-state body to regulate activities across all six states (Gujarat, Goa, Maharashtra, Karnataka, Kerala, Tamil Nadu) in which Western Ghats lie.

- The report recommended inclusive development by proposing that decisions be taken to all Gram Sabhas, aiming to replace exclusionary models of development and conservation.

### **K Kasturirangan Panel**

- Following strong political opposition to the Gadgil report, particularly from Kerala and Maharashtra over perceived threats to economic activities like cash crops, mining, and hydro projects, the report was rejected by the central government.
- The MoEFCC subsequently constituted a High-Level Working Group (HLWG) under space scientist K Kasturirangan to examine the WGEEP report in a holistic and multidisciplinary fashion.
- The HLWG report of 2013 proposed demarcating 56,825 sq km of the Western Ghats as ecologically sensitive (compared to 1,29,037 sq km in the Gadgil report), with restrictions on polluting industries, mining, new thermal power plants, and large townships.
- Unlike the Gadgil panel which classified the entire Western Ghats into sensitivity zones, the Kasturirangan report identified specific villages as ESAs.

## 6 NATIONAL YOUTH DAY

### IN FOCUS

### Miscellaneous

National Youth Day is observed annually on 12th January, commemorating the birth anniversary of Swami Vivekananda, whose ideals of character, courage, service, and nation-building continue to guide India's youth-centric policies. With over 65% of India's population below 35 years, youth empowerment is central to the vision of Viksit Bharat @2047. The Government of India has built a comprehensive youth empowerment ecosystem spanning civic participation, skill development, entrepreneurship, health, fitness, and national service. Anchored by the Ministry of Youth Affairs and Sports and strengthened through inter-ministerial collaboration, this framework seeks to enable young Indians not just as beneficiaries of development, but as active partners in nation-building.

### About Swami Vivekananda

- Swami Vivekananda, born as Narendra Nath Datta on 12th January 1863, was a monk and the chief disciple of Ramakrishna Paramhansa, and in 1893, upon the request of Maharaja Ajit Singh of the Khetri State, he took the name 'Vivekananda'.
- In 1892, Swami Vivekananda swam to a rock (later named Vivekananda Rock Memorial) in the Indian Ocean from the shores of Kanyakumari for meditation, where he spent three days and nights resulting in his enlightenment.
- He introduced the world to the Indian philosophies of Vedanta and Yoga, preached 'neo-Vedanta' (an interpretation of Hinduism through a Western lens), and believed in combining spirituality with material progress.
- He advocated the doctrine of service, where serving jiva (living beings) is considered worship of Shiva, and gave the four pathways of attaining moksha in his books: Raja-yoga, Karma-yoga, Jnana-yoga, and Bhakti-yoga.
- He founded the Ramakrishna Mission in 1897 to propagate the ideals of service, education, and spiritual upliftment, and established the Belur Math in 1899 which became his permanent abode.
- He addressed the Parliament of Religions held in Chicago in 1893, where he represented Hinduism, and in July 1896, he addressed a conference of the London Hindu Association.

### Key government initiatives for youth engagement and skilling

- Mera Yuva Bharat (MY Bharat) is an autonomous body under the Ministry of Youth Affairs and Sports serving as a national technology-driven platform to engage and empower youth, with over 2.05 crore registrations and 14.5 lakh volunteering opportunities generated as of November 2025.
- The National Service Scheme (NSS), launched in 1969, now covers 657 Universities and over 20,669 Colleges/Technical Institutions, with over 3.9 million NSS volunteers engaged annually in community service and social awareness programmes.
- The Agnipath Scheme, launched on June 15, 2022, recruits youth aged 17.5–21 as Agniveers for four years of military service, with up to 1.5 lakh Agniveers enrolled till February 2025.
- PM-SETU (Pradhan Mantri Skilling and Employability Transformation through Upgraded ITIs), launched in October 2025 with an investment of ₹60,000 crore, aims to upgrade 1,000 Government ITIs through a hub-and-spoke model comprising 200 hub ITIs and 800 spoke ITIs.
- The Skill India Mission, launched on July 15, 2015, has empowered more than 6 crore Indians through various schemes, and in February 2025, the restructured programme was approved with an ₹8,800 crore outlay merging PMKVY 4.0, PM-NAPS, and JSS Scheme.
- Under PMKVY, 1.76 crore candidates have been enrolled since inception up to October 2025, with women accounting for 45% of beneficiaries and substantial participation from SC, ST, and OBC communities.

- The Jan Shikshan Sansthan (JSS) Scheme offers vocational skills to non-literates, neo-literates, and school dropouts aged 15–45, with 32.53 lakh beneficiaries trained from 2018 to October 2025, of which 82% are women.

### **Entrepreneurship, employment, and health initiatives**

- Pradhan Mantri Viksit Bharat Rozgar Yojana, announced on 15th August 2025 with an outlay of ₹1 lakh crore, aims to support creation of over 3.5 crore jobs in two years by offering financial incentives of up to ₹15,000 to newly employed youth and up to ₹3,000 per month to employers for each new employee.
- Under the Startup India initiative launched on 16th January 2016, DPIIT has recognised 1,97,692 entities as startups as of 31st October 2025, with significant expansion into Tier-II and Tier-III cities.
- Pradhan Mantri MUDRA Yojana (PMMY), which marked 10 years in April 2025, provides collateral-free loans up to ₹20 lakh for micro and small enterprises, with 53.85 crore loans sanctioned and ₹35.13 lakh crore amount sanctioned as of August 2025.
- The Fit India Movement, launched on 29th August 2019, promotes fitness as an integral part of daily life through initiatives including Fit India School Certification, Sundays on Cycle, nationwide Fitness Pledge campaign, and the Fit India Mobile App.
- The Youth Spiritual Summit held in July 2025 at Varanasi adopted the Kashi Declaration, a five-year roadmap for drug-free youth action with the theme "Nasha Mukta Yuva for Viksit Bharat".
- Rashtriya Kishore Swasthya Karyakram (RKSK), launched on 7th January 2014, addresses holistic health needs of adolescents aged 10–19 years across six thematic domains: nutrition, sexual and reproductive health, mental health, injuries and violence, substance misuse, and non-communicable diseases.

## 7 RESPONSIBLE NATIONS INDEX

### IN FOCUS

### Reports & Indices

The World Intellectual Foundation (WIF), a global non-partisan and sector-agnostic think tank, will launch the Responsible Nations Index (RNI), India's first globally anchored index that evaluates countries on responsible governance, sustainability, and global responsibility. The index assesses countries on the basis of responsible governance rather than conventional power or GDP-centric metrics. It is developed by the World Intellectual Foundation (WIF) in collaboration with Jawaharlal Nehru University (JNU), IIM Mumbai, and the Dr. Ambedkar International Centre. The Index covers 154 countries using transparent and globally sourced data to ensure credibility and comparability, shifting global assessment from economic and military power metrics to ethical governance, social well-being, environmental stewardship, and international responsibility.

### Three core dimensions of RNI

- Internal Responsibility evaluates dignity, justice, and citizen well-being within a country.
- Environmental Responsibility assesses stewardship of natural resources and climate action undertaken by nations.
- External Responsibility measures a country's contribution to peace, multilateral cooperation, and global stability.

### Structure and indicators of RNI

- The index is based on 3 dimensions, 7 themes, 13 sub-themes, and 58 indicators covering domestic, planetary, and international aspects of national responsibility.
- The seven themes include Quality of Life, Equity, Equality, Governance, Environment and Sustainability, Intergenerational Planning, and International Relations.
- Key indicators span across health parameters (life expectancy, infant mortality rate, maternal mortality rate, universal health coverage), education (literacy rate, skill development programmes), and citizen-centric amenities (access to drinking water, sanitation, electricity, housing, and food security).
- Governance indicators include democracy, constitution, regular elections, free and independent media, corruption levels, rule of law, and ease of doing business.
- Environmental indicators cover forest area as percentage of land, air quality index, renewable energy consumption, CO2 emissions per capita, water conservation policies, and commitment to the Paris Climate Agreement.
- International responsibility indicators assess whether nations have faced UN sanctions, their status on the FATF list, and whether they have signed the NPT (Nuclear Non-Proliferation Treaty), CWC (Chemical Weapons Convention), and BTWC (Biological and Toxin Weapons Convention).

### Significance of RNI

- The index promotes a value-based and human-centric framework aligned with India's vision of ethical leadership, sustainable development, and reform of global governance.
- It moves the focus from 'powerful nations' to 'responsible nations', emphasising that responsibility will be the defining idea for future global priorities.
- The index encourages peace, prosperity, and sustainability by making nations accountable for their policies and actions towards their citizens, the planet, and other countries.
- It addresses the need for global inter-generational planning and re-alignment of national priorities towards liveability and sustainability.

## 8 SHAKSGAM VALLEY DISPUTE

### IN FOCUS

### International Affairs

On 12 January 2026, China rejected India's territorial claim over the Shaksgam Valley in Jammu & Kashmir, asserting that the territory belongs to China and defending its ongoing infrastructure construction as legitimate. India, on 9 January 2026, strongly opposed China's infrastructure development activities in the region, terming the 1963 Sino-Pakistan Boundary Agreement and the China-Pakistan Economic Corridor (CPEC) as "illegal and invalid." The Ministry of External Affairs (MEA) reiterated that the entire Union Territories of Jammu & Kashmir and Ladakh are an integral and inalienable part of India, reserving the right to take necessary measures to safeguard national interests. The Shaksgam Valley, also known as the Trans-Karakoram Tract, covers approximately 5,180 square kilometres and is situated in the eastern Karakoram mountain range between the Karakoram and Kunlun mountain ranges.

### Historical background of the dispute

- Before 1947, the Shaksgam Valley formed part of the princely state of Jammu and Kashmir, with cultural links to Baltistan and Ladakh, though the boundary with China was undefined.
- After J&K's accession to India in October 1947, India considers the valley its legal territory; however, Pakistan occupied parts following the 1947–48 Indo-Pak war, preventing Indian control.
- Under the Sino-Pakistan Boundary Agreement (2 March 1963), Pakistan ceded 5,180 sq km of Shaksgam Valley to China.
- Article 6 of the agreement declares the boundary provisional, to be renegotiated after settlement of the Kashmir dispute.
- India rejects the 1963 agreement, asserting Pakistan lacked legal authority to transfer territory belonging to J&K and Ladakh.

### Strategic and military significance

- The valley's proximity to Siachen Glacier, Karakoram Pass, Aksai Chin, and CPEC routes makes it strategically critical.
- China has built infrastructure including an all-weather road (~10 m wide) branching from Highway G219 (Xinjiang), ending about 50 km from Indira Point, close to Siachen.
- By mid-2024, China completed a road over the 4,805-m Aghil Pass into Lower Shaksgam Valley, bringing Chinese teams and potential patrols within 50 km of Indira Col.
- This creates a two-front contingency on Siachen, altering India's earlier Pakistan-centric defence orientation.

### Strategic and military significance

- CPEC links Gwadar Port to Kashgar (Xinjiang) via highways, railways, and pipelines over 2,700–3,000 km.
- Project value rose from USD 46 billion to USD 62–65 billion (2020–22).
- It reduces China's oil transport distance from ~12,000 km via Malacca Strait to ~2,395–2,800 km.
- The corridor passes through Pakistan-Occupied Kashmir, which India claims as its own and opposes as a violation of sovereignty.
- Ahead of Army Day 2026, Army Chief Gen. Upendra Dwivedi reaffirmed that India does not recognise activities in the disputed region and considers CPEC illegal.

## 9 BHAIRAV BATTALION

### Polity & Governance

#### IN FOCUS

- The International Criminal Police Organization (INTERPOL) has issued a **Blue Notice** against Saurabh and Gaurav Luthra, the absconding owners of a Goa nightclub where a major fire incident on 6 December 2025 resulted in 25 deaths.
- The notice was issued following a request from Indian authorities through the Central Bureau of Investigation after the accused reportedly fled the country, with their suspected location traced to Thailand.
- The development has brought renewed attention to the functioning of INTERPOL, the role of colour-coded notices, and India's coordination mechanisms for international criminal cooperation.

#### About Bhairav Battalions

- The Bhairav Battalions are high-speed, offensive formations of the Indian Army designed to bridge the operational gap between Para Special Forces and regular infantry units, enabling them to conduct special operations from tactical to operational depth.
- They fill the operational gap between strategic Para Special Forces (SF) that execute deep missions behind enemy lines and tactical Ghatak Platoons that function at battalion level for localized assaults, providing rapid-response capability for immediate border contingencies or short-notice offensives.
- The Bhairav Battalion is a 2025 Indian Army initiative for modernization and force restructuring to meet the demands of hybrid and technology-driven warfare.
- Each battalion is a compact, integrated formation of about 200-250 personnel drawn from infantry, artillery, air defence, and signals, with the Army applying the "Sons of the Soil" recruitment concept prioritizing local soldiers for superior terrain and climatic familiarity in their deployment sectors.

#### Deployment and expansion

- So far, the Army has raised 15 Bhairav Battalions deployed across formations along borders, with plans underway to raise about 23-25 such battalions in total in the near future.
- They are being placed under corps and division-level formations, especially in sectors considered sensitive including Rajasthan, Jammu, Ladakh, and the Northeast.
- These units are a cornerstone of the Army's push for unmanned warfare and are trained to employ drones for targeting enemy bases and formations deep inside hostile territory.
- To support this capability, the force is creating a pool of over one lakh drone operatives capable of handling drones and employing them in real operations.

#### Broader Army transformation

- As part of a broader transformation, the Army has also created Rudra Brigades, integrated all-arms formations combining infantry, mechanised units, tanks, artillery, special forces, unmanned aerial systems, along with dedicated logistics and combat-support elements.
- The Artillery, Mechanised Infantry, and Armoured Corps are being equipped with advanced capabilities including drones and modern battlefield systems to enhance operational effectiveness in future conflicts.
- Modern warfare is changing at a rapid pace with conflicts becoming hybrid in nature, requiring forces to be fully equipped with modern technology to meet these challenges.

## 10 GOVERNOR'S RULE IN CHAKMA AUTONOMOUS DISTRICT COUNCIL

### IN FOCUS

### Polity & Governance

The Governor of Mizoram, General Vijay Kumar Singh, extended Governor's Rule in the Chakma Autonomous District Council (CADC) for another six months, citing continued political instability despite the State Cabinet opposing the extension. Governor's Rule was first imposed in the CADC on July 7, 2025, following prolonged instability triggered by the removal of BJP leader Molin Kumar Chakma from the post of Chief Executive Member through a no-confidence motion on June 16, 2025. While the Council of Ministers observed that there was no justification in extending Governor's Rule as the Zoram People's Movement (ZPM) enjoyed a clear majority, the Governor noted that frequent shifts in political allegiance by elected members necessitated continuation of Governor's Rule.

### About Chakma Autonomous District Council

- The CADC was constituted in 1972 under the Sixth Schedule of the Indian Constitution to protect the political and cultural interests of the Chakma people in Mizoram.
- It exercises legislative, executive, and judicial powers over designated subjects within its jurisdiction.
- The Chakma people are the second-largest Scheduled Tribe in Mizoram after the Mizo, speaking Chakma (Changma Bhajchare), and are a Buddhist community traditionally practising Jhum cultivation.
- They are settled across the Chittagong Hill Tracts and parts of northeast India, primarily Mizoram, Tripura, and Arunachal Pradesh.

### Autonomous District Councils under Sixth Schedule

- Autonomous District Councils (ADCs) are established under the Sixth Schedule read with Article 244(2) to provide self-governance to tribal areas in Assam, Meghalaya, Tripura, and Mizoram (AMTM), reflecting asymmetric federalism.
- An ADC has a maximum of 30 members comprising 26 elected and up to 4 nominated by the Governor, with elected members holding office for five years while nominated members serve during the pleasure of the Governor.
- District and Regional Councils can legislate on land, forests (excluding reserved forests), inheritance, marriage and social customs, and regulation of non-tribal moneylending and trade, with all such laws requiring the assent of the Governor.
- Central and State laws do not apply automatically to Sixth Schedule areas, with applicability decided by the Governor in Assam's autonomous districts, while in Meghalaya, Tripura, and Mizoram, Central laws require Presidential notification and State laws require Governor's notification.

### Governor's powers over ADCs

- The Governor has the authority to create, alter, or reorganise Autonomous Districts and Autonomous Regions, indicating strong executive oversight.
- Under the Sixth Schedule, the Governor may appoint a commission of inquiry into ADC administration and, based on its findings, may dissolve the District or Regional Council and assume its functions temporarily.
- Although constitutionally permitted, this intervention often referred to as Governor's Rule in Autonomous District Councils is expected to be exercised in consultation with the State Government and in a manner consistent with the federal spirit of the Constitution.

11

INDIA'S FIRST STATE-FUNDED BSL- 4 LAB

Polity & Governance

IN FOCUS

Union Home Minister Amit Shah laid the foundation stone of India's first state-funded Bio-Safety Level-4 (BSL-4) laboratory in Gandhinagar, Gujarat on January 13, 2026, calling it a "health shield" for India and marking the beginning of a new era of health security and biotechnology in the country. The facility, being built at a cost of ₹362 crore over 11,000 square meters, will be the second civilian BSL-4 laboratory in India and the first to be fully funded and controlled by a state government. It is being constructed under the Gujarat State Biotechnology Mission (GSBTM) and will function under the Gujarat Biotechnology Research Centre (GBRC), which earlier decoded the SARS-CoV-2 genome during the Covid pandemic.

About BSL-4 laboratories

- BSL-4 represents the highest level of biological containment, designed to safely research the world's most dangerous and life-threatening pathogens which are highly infectious and often lack effective vaccines or treatments.
- At these labs, under extremely controlled conditions that are periodically inspected and monitored based on international standards, scientists conduct advanced research on high-risk pathogens, work on development of diagnostics, vaccines, and therapeutics, and conduct rapid outbreak investigation and response.
- The Gujarat facility will enable research on Ebola virus, Marburg virus, Nipah virus, Crimean-Congo Hemorrhagic Fever (CCHF) virus, and Kyasanur Forest Disease virus, strengthening India's outbreak preparedness and bio-defence capacity.
- The complex will include BSL-4, BSL-3, BSL-2, ABSL-4, and ABSL-3 laboratory modules, along with advanced utilities and supporting infrastructure, developed in compliance with guidelines issued by US CDC, US NIH, DBT India, and ICMR.

Animal Bio-Safety facility and national status

- The ABSL-4 unit will allow in-state testing and vaccine research on zoonotic diseases transmitted from animals to humans, reducing reliance on sending animal samples to ICAR-NIHSAD in Bhopal.
- The Department of Biotechnology (DBT) has signed an MoU declaring this upcoming lab as a national facility, enabling guidance from expert institutions across India.
- The ABSL-4 lab will have two components: testing samples and producing vaccines from antibodies in animals.
- Consultants on the project include the National Dairy Development Board (NDDB) of India, Doshi Consultants Pvt Ltd, Basler & Hoffmann AG of Switzerland as biosafety consultants, and HT Group GmbH of Germany.

India's existing biosafety laboratory network

- Currently, there is only one civilian BSL-4 laboratory functional in India, located at the National Institute of Virology (NIV) in Pune, Maharashtra, while DRDO set up its own BSL-4 lab in Gwalior, Madhya Pradesh in late 2024.
- As of March 2025, India has 165 biosafety laboratories under the VRDL network including 11 BSL-3 level labs and 154 BSL-2 level labs, mainly located in microbiology departments of various medical colleges and research institutions.
- ICMR has 21 biosafety laboratories at various institutes equipped with different levels of biosafety: BSL-4 (1), BSL-3 (8), and BSL-2 (12).
- For studying zoonotic diseases, India currently has ICAR-NIHSAD in Bhopal (ABSL-3+ rating, slated for ABSL-4 upgrade) and ICAR-ICFMD in Bhubaneswar (ABSL-3Ag rating), while globally there are 69 BSL-4 laboratories operational or under development.

## 12 EXPORT PREPAREDNESS INDEX 2024

### IN FOCUS

### Economy & Governance

NITI Aayog released the Export Preparedness Index (EPI) 2024 on 14 January 2026, marking the fourth edition of this comprehensive assessment tool that benchmarks Indian States and Union Territories on their preparedness to drive and sustain export growth, with rankings based on performance during FY22 to FY24. Maharashtra emerged as the top-performing large state, overtaking Tamil Nadu which had held the first position in the EPI 2022 cycle, while Uttarakhand secured the leading position among small states, North-Eastern states, and Union Territories. The Index is strategically aligned with India's objective of achieving USD 1 trillion in merchandise exports by 2030 and the broader vision of Viksit Bharat @2047, providing an evidence-based framework to evaluate the strength, resilience, and inclusiveness of subnational export ecosystems across the country.

### Framework and methodology

- EPI 2024 is built on four pillars: Export Infrastructure (20%), Business Ecosystem (40%), Policy & Governance (20%), and Export Performance (20%), broken into 13 sub-pillars and 70 indicators.
- The Business Ecosystem pillar has the highest weight, reflecting the importance of cost efficiency, MSMEs, finance access, and innovation in export competitiveness.
- Five new dimensions—macroeconomy, human capital, MSME ecosystem, financial access, and cost competitiveness—make EPI 2024 non-comparable with EPI 2022.
- States and UTs are grouped as Large States, Small States, North-Eastern States, and UTs, and classified as Leaders, Challengers, and Aspirers.
- The index was prepared by NITI Aayog with Deloitte using official data from central and state institutions.

### Top performing states and key observations

- Among large states, Maharashtra ranked first, followed by Tamil Nadu, Gujarat, Uttar Pradesh, and Andhra Pradesh.
- Uttar Pradesh rose from 7th to 4th, becoming the highest-ranked landlocked state, showing export competitiveness without coastal access.
- Among small states, NE states, and UTs, Uttarakhand ranked first, followed by Jammu & Kashmir, Nagaland, Dadra & Nagar Haveli & Daman & Diu, and Goa.
- Karnataka and Haryana dropped out of the top five; high labour, real estate, and energy costs, especially in Bengaluru, were flagged as key constraints.
- NITI Aayog recommended decentralising export hubs to ensure balanced and sustainable export growth across districts.

### About NITI Aayog

- Established on 1 January 2015, NITI Aayog replaced the Planning Commission, shifting to cooperative, bottom-up planning.
- The Prime Minister is Chairman, with the Governing Council comprising all Chief Ministers and UT Lieutenant Governors.
- It operates through the Team India Hub (Centre-State coordination) and the Knowledge & Innovation Hub (policy research).
- Unlike the Planning Commission, NITI Aayog is advisory, with no power to allocate funds or direct State actions.

## 13 BBNJ AGREEMENT ENTERS INTO FORCE

### IN FOCUS

### Environmental News

The Biodiversity Beyond National Jurisdiction (BBNJ) Agreement, the world's first legally binding treaty for safeguarding marine life in international waters and the seabed beyond national borders, became effective on 17th January 2026. This landmark agreement, officially titled the Agreement on Conservation and Sustainable Use of Marine Biological Diversity of Areas Beyond National Jurisdiction, covers ocean zones that constitute over two-thirds of the ocean's surface and represent more than 90% of Earth's living space by volume. More than 81 nations have ratified the treaty so far, including major economies like China, Japan, France, Germany, and Brazil, while the United States, India, and the United Kingdom have signed but not yet completed domestic ratification. The agreement becomes operational 120 days after ratification by at least 60 countries, a threshold crossed on 19th September 2025 when Morocco and Sierra Leone became the 60th and 61st ratifying nations.

### BBNJ Agreement: Core Pillars

- The treaty regulates Marine Genetic Resources (MGRs) with fair and equitable benefit-sharing, overseen by an Access and Benefit-Sharing Committee.
- It enables Area-Based Management Tools (ABMTs), including Marine Protected Areas (MPAs), supporting the 30×30 target under the Kunming–Montreal Global Biodiversity Framework.
- Environmental Impact Assessments (EIAs) are mandatory for potentially harmful activities in international waters, with reports submitted to a Clearing-House Mechanism.
- Parties must implement capacity building and technology transfer, including financing research and supporting developing countries in conservation and sustainable ocean use.

### Institutional Framework and Status

- The agreement establishes a Conference of the Parties (COP), subsidiary bodies, a Clearing-House Mechanism, and a secretariat under UN DOALOS, alongside committees on capacity building, finance, and compliance.
- Palau became the first country to ratify on 22 January 2024; 145 countries signed before the window closed on 20 September 2025.
- India adopted the treaty in 2024, with ratification legislation pending; Russia has neither adopted nor ratified, citing governance and navigation concerns.
- The text was finalized on 4 March 2023 after five intergovernmental sessions (2018–23) and adopted on 19 June 2023.

### Significance of the High Seas

- The BBNJ Agreement is the third implementing agreement under UNCLOS (1982), after the 1994 Seabed Mining Agreement and the 1995 UN Fish Stocks Agreement.
- The high seas cover 64% of oceans and 50% of Earth's surface, host ~270,000 known species, yet <1.5% is protected.
- They regulate climate and heat distribution but face threats from seabed mining, pollution, overfishing, noise, and acidification, endangering thousands of species by 2100.
- The treaty advances SDG-14 (Life Below Water) and addresses the triple planetary crisis, with the EU Global Ocean Programme pledging €40 million for implementation support.

## 14 CELEBRITY ENDORSEMENT LIABILITY

### IN FOCUS

### Legal Updates

The Kerala High Court recently set aside consumer proceedings against actor Mohanlal, ruling that a brand ambassador cannot be held liable for a company's alleged unfair trade practices unless there is a clear and direct link between the endorser and the consumer's transaction. The ruling arose from complaints against Manappuram Finance, where borrowers claimed they were charged higher interest rates than advertised in advertisements featuring the actor as brand ambassador. The court clarified the boundary between promotional activity and transactional responsibility, emphasising that mere appearance in advertisements does not create consumer liability for endorsers. Justice Ziyad Rahman AA noted that the pleadings did not show that the actor persuaded the borrowers, participated in the loan transaction, or made any assurance to them.

### Background of the case

- The case arose from gold loans taken by two borrowers in Thiruvananthapuram who had initially pledged gold with Catholic Syrian Bank at 15% interest, before Manappuram Finance took over the loans in 2018 after a bank manager allegedly promised a lower interest rate.
- The borrowers claimed they were influenced by advertisements featuring actor Mohanlal, who was Manappuram Finance's brand ambassador at the time, and alleged that the advertised interest rate was lower than what was eventually charged.
- When the borrowers tried to close the loan and retrieve their gold, Manappuram allegedly demanded a higher interest rate, following which they approached the District Consumer Disputes Redressal Commission alleging deficiency in service and unfair trade practices.
- Mohanlal was named as an opposite party solely because of his appearance in advertisements, and he raised a preliminary objection arguing that he had no role in the loan transaction, no interaction with the borrowers, and no control over interest rates.

### Legal provisions examined by the court

- Section 2(18) of the Consumer Protection Act, 2019 defines "endorsement" broadly, covering any message or depiction that may lead consumers to believe an advertisement reflects the opinion or experience of the person featured.
- The term "endorser" appears explicitly only in Section 21 of the Act, which deals with false or misleading advertisements and empowers the Central Consumer Protection Authority to impose penalties on manufacturers and endorsers, including fines and temporary bans.
- Section 21(5) provides a safeguard for endorsers, protecting them from liability if they have exercised due diligence to verify the truthfulness of the claims made in the advertisement.
- The Act does not refer to endorsers in provisions dealing with consumer complaints on deficiency of service or unfair trade practices before consumer commissions, which the court held was a deliberate omission confining endorser liability to proceedings under Section 21 alone.
- The court also considered the 2022 guidelines on misleading advertisements issued by the Central Consumer Protection Authority, clarifying that they operate within the scope of Section 21 and do not expand endorser liability to all consumer disputes.

## 15 BOARD OF PEACE FOR GAZA

### IN FOCUS

### International Affairs

President Donald Trump extended an invitation to India to participate in the proposed Board of Peace for Gaza, a newly established governance and conflict-management mechanism designed to oversee transitional administration, stabilization, and reconstruction efforts in the Gaza Strip. The initiative emerged following the unanimous adoption of United Nations Security Council Resolution 2803 in December 2025, which authorized a supervisory board for Gaza's transition until December 31, 2027, with Russia and China abstaining from the vote while Global South nations supported the measure. India attended discussions at the World Economic Forum in Davos but did not participate in the official charter announcement ceremony, with the government continuing deliberations on Prime Minister Narendra Modi's potential membership in this American-led body. The Board represents a departure from traditional multilateral institutions, operating as an invitation-only mechanism chaired by Trump himself.

### Structure and operational framework

- The Board of Peace is proposed to be chaired by United States President Donald J. Trump, with the Founding Executive Board comprising high-level figures including former United Kingdom Prime Minister Tony Blair and United States Secretary of State Marco Rubio.
- Bulgarian diplomat Nickolay Mladenov serves as the High Representative for Gaza, functioning as the primary on-the-ground liaison between international stakeholders and local administrators.
- The National Committee for the Administration of Gaza consists of 15 politically independent Palestinian technocrats responsible for day-to-day civil administration, chaired by Ali Shaath, a former Palestinian Authority deputy minister.
- The proposed membership structure offers a two-tier system where countries can join for three-year renewable terms without financial contribution, while payment of USD 1 billion grants permanent membership status with funds designated for Gaza reconstruction activities.
- The Board supervises Gaza's transitional governance arrangements and management of funding for redevelopment activities until the Palestinian Authority demonstrates completion of necessary institutional reforms to resume governance responsibilities.

### India's position and considerations

- India has received the formal invitation to join the Board of Peace but has not communicated a final decision regarding participation, with the government continuing internal deliberations and consultations with partners.
- India maintains consistent support for a two-state solution involving peaceful coexistence of Israel and Palestine as sovereign nations and welcomed Phase One of Trump's peace plan, particularly the release of hostages and provisions for enhanced humanitarian assistance.
- India has clearly ruled out participation in the International Stabilization Force (ISF) for Gaza, explicitly noting that this force does not constitute a United Nations peacekeeping mission operating under Security Council mandate.
- Regional powers including the United Arab Emirates, Saudi Arabia, Israel, and Turkey have joined the Board, while Pakistan's decision to join raises concerns for India regarding potential expansion of the Board's mandate to address other disputes including Kashmir.
- Current tensions in US-India relations and fragility of trade negotiations present additional factors in evaluating whether to accept Trump's invitation.

### Gaza peace plan and conflict background

- The Board of Peace constitutes Phase Two of the Trump administration's Gaza Peace Proposal, following Phase One which achieved a cessation of hostilities between Israel and Hamas with all living Israeli hostages returned home.
- Israel's military campaign and ground operations resulted in more than 70,000 Palestinian deaths including approximately 20,000 children following Hamas-led attacks in October 2023, with the United Nations officially declaring famine conditions in Gaza.
- The Israel-Palestine conflict traces back to the 1917 Balfour Declaration expressing British support for a Jewish homeland, followed by the 1947 UN proposal to divide Palestine, Israel's independence declaration in 1948, and territorial expansion during the 1967 Middle East War when Israel gained control over the West Bank, Gaza Strip, and East Jerusalem.
- The Gaza Strip comprises a densely populated coastal territory measuring approximately 41 kilometers in length and 10 kilometers in width, located along the Mediterranean Sea coast with borders shared with Israel and Egypt.

## 16 EU-MERCOSUR TRADE DEAL

### Polity & Governance

#### IN FOCUS

The European Union and the Mercosur bloc of South American countries formally signed a landmark free trade agreement on 17 January 2026 in Asunción, Paraguay, capping more than 25 years of negotiations to strengthen commercial ties in the face of rising protectionism and trade tensions around the world. The signing ceremony, held at the Gran Teatro José Asunción Flores—the same venue where the founding treaty of Mercosur was signed in 1991—marks a major geopolitical victory for the EU in an age of American tariffs and surging Chinese exports. The agreement creates one of the world's largest free trade zones, covering a market of more than 700 million consumers that accounts for approximately 30% of global gross domestic product, with the accord eliminating more than 90% of tariffs on goods and services between the European and Mercosur markets.

#### Structure of the agreements and trade provisions

- The relationship is governed by two legally distinct instruments: the EU–Mercosur Partnership Agreement (EMPA) covering political dialogue, cooperation, and trade, and the Interim Trade Agreement (iTA), which contains trade and investment provisions to apply before EMPA enters into force.
- The iTA falls under EU exclusive competence and does not require ratification by individual EU member states, unlike the EMPA which requires unanimous ratification.
- The agreement is the EU's largest FTA by tariff cuts, eliminating over €4 billion annually in EU export duties; Mercosur removes duties on 91% of EU exports over 15 years, while the EU removes duties on 92% of Mercosur exports within 10 years.
- Annual EU–Mercosur goods trade is about €111 billion; EU exports include machinery, chemicals, and transport equipment, while Mercosur exports focus on agriculture, minerals, wood pulp, and paper.
- Around 350 EU food and drink products receive GI protection, while quotas remain on sensitive products such as poultry, pork, sugar, and beef (beef quota up to 99,000 tonnes).

#### About Mercosur

- Mercosur was created in 1991 (Treaty of Asunción) by Argentina, Brazil, Paraguay, and Uruguay, with legal identity established under the Treaty of Ouro Preto (1994).
- Bolivia became a full member in July 2024; Venezuela's membership is suspended; headquarters are in Montevideo, Uruguay.
- It is the fourth-largest integrated market globally (after EU, USMCA, ASEAN), with 270–290 million people and GDP exceeding USD 2 trillion.
- Intra-bloc trade is duty-free, with a Common External Tariff averaging 14%, and members cannot sign FTAs with non-members without consensus.

#### India–Mercosur Trade Relations

- India signed a Framework Agreement (2003) and a Preferential Trade Agreement (PTA) in 2004, operational from 1 June 2009.
- The PTA provides tariff concessions of 10–100%, covering 450 tariff lines by India and 452 by Mercosur.
- In FY 2024–25, India exported USD 8.12 billion to Mercosur and imported USD 9.36 billion, mainly from Brazil.
- India and Brazil aim to expand the PTA to cover tariff and non-tariff issues, targeting trade growth from USD 12.2 billion to USD 20 billion by 2030.

## 17 STATES' FISCAL DEFICIT RISES TO 3.3 PER CENT OF GDP IN 2024-25

### IN FOCUS

### Economy & Governance

The Reserve Bank of India released its Report 'State Finances: A Study of Budgets of 2025-26' on 23 January 2026, revealing that states' consolidated gross fiscal deficit widened to 3.3 per cent of GDP in FY25 after remaining below 3 per cent during the previous three fiscal years. The RBI attributed the widening of the fiscal deficit to higher borrowing by states under the central government's 50-year interest-free loans in the 'Special Assistance to States for Capital Investment', which is over and above the normal net borrowing ceiling of states. The theme of this year's Report is 'Demographic Transition in India - Implications for State Finances', providing a comprehensive assessment of the finances of State governments for 2025-26 against the backdrop of actual and revised accounts for previous years.

### Key findings on state finances

- The thrust on capital expenditure was sustained as capital expenditure remained steady at 2.7 per cent of GDP in 2023-24 and 2024-25, and is budgeted at 3.2 per cent of GDP in 2025-26.
- The consolidated outstanding liabilities of states remained elevated in the post-pandemic period, with a budget estimate of 29.2 per cent of GDP at end-March 2026.
- In 2025-26, states have budgeted a gross fiscal deficit of 3.3 per cent of GDP, maintaining the same level as FY25.
- The RBI analysed the budgets presented by all states for the fiscal year to arrive at these consolidated figures.

### Demographic transition and state finances

- The report found that Indian states are at different stages of demographic transition, which increasingly shapes their finances.
- Youthful states have a wider window of opportunity due to an expanding working-age population and stronger revenue mobilisation, which can be harnessed through higher investment in human capital.
- Ageing states face a narrowing window, with fiscal pressures arising from shrinking tax bases and rising committed expenditure, calling for higher revenue capacity and reforms in healthcare, pensions, and workforce policies.
- Intermediate states need to balance growth priorities with early preparation for ageing to ensure fiscal sustainability.

### About fiscal deficit

- Fiscal deficit represents the difference between total government expenditure and total revenue receipts (excluding borrowings), indicating the extent to which the government must borrow to finance its operations.
- The Fiscal Responsibility and Budget Management (FRBM) Act mandates states to maintain their fiscal deficit within specified limits, with 3 per cent of GDP being the general benchmark.
- The 'Special Assistance to States for Capital Investment' scheme provides 50-year interest-free loans from the Centre to states for capital expenditure, and borrowing under this scheme is over and above the normal net borrowing ceiling of states.

## 18 ISSUES SURROUNDING GOVERNOR'S ADDRESS

### Polity & Governance

#### IN FOCUS

Tamil Nadu Governor R.N. Ravi declined to read out his customary speech prepared by the State government on the floor of the State Legislative Assembly on January 20, 2026, and walked out of the House, marking the third consecutive year of such incidents. The Lok Bhavan issued a statement claiming the speech contained numerous unsubstantiated claims and misleading statements, while Chief Minister M.K. Stalin moved a resolution urging the Assembly to take on record only the approved Governor's Address, which was adopted unanimously. Stalin announced that the DMK party would take steps for a Constitutional amendment to do away with the practice of commencing the first Assembly session with the Governor's address. Recent walkouts and omissions by Governors during Assembly addresses in Tamil Nadu and Kerala have revived the constitutional debate on the limits of gubernatorial discretion under Article 176 and the primacy of elected governments.

#### Constitutional Provisions on Governor's Address

- Article 176 mandates the Governor to address the State Legislature at the start of the first session each year, informing it of the causes of summons; the address reflects the policy of the elected government, not the Governor's personal views.
- Article 163 requires the Governor to act on the aid and advice of the Council of Ministers, except where the Constitution expressly grants discretion.
- Article 175 empowers the Governor to address or send messages to the Legislature, but this power is part of executive functioning and does not confer independent discretion.
- The Constituent Assembly envisioned the Governor as a constitutional head with ceremonial duties, not an autonomous executive authority.

#### Supreme Court on Governor's Role

- *Shamsher Singh v. State of Punjab (1974)*: Governor is a constitutional head bound by ministerial advice except in constitutionally specified discretionary areas.
- *S.R. Bommai v. Union of India (1994)*: Breakdown of constitutional machinery requires a virtual impossibility of governance, not mere difficulty.
- *Nabam Rebia v. Deputy Speaker (2016)*: Governor's discretion is strictly limited and explicitly defined, not implied.
- *State of Tamil Nadu v. Governor of Tamil Nadu (2024)*: Discretion cannot be used to stall or obstruct an elected government.

#### Committee Views and Constitutional Debate

- Sarkaria Commission (1988): Governor must not act as a Centre's agent and should function as a neutral federal link.
- Punchhi Commission (2007): Governors should avoid roles like University Chancellor that invite political controversy.
- Pro-discretion argument: Article 159 oath to protect the Constitution; Articles 175–176 do not mandate verbatim reading.
- Anti-discretion argument: Under Article 163, unilateral edits or walkouts violate State autonomy and federal balance.
- If the address is allegedly unconstitutional, the proper remedy is judicial review, not unilateral refusal by the Governor.

## 19 SOLID WASTE MANAGEMENT (SWM) RULES, 2026

### IN FOCUS

### Polity & Governance

The Union Ministry of Environment, Forest and Climate Change notified the Solid Waste Management Rules 2026 on January 28, 2026, which will replace the existing decade-old regime and become effective from April 1, 2026. The new framework broadens the scope of responsibilities, increases linkages for reuse of waste as fuel in boilers and cement kilns to promote circular economy, and introduces clear penalties for non-compliance under the Environment Protection Act, 1986. The rules place stringent onus on bulk generators, which account for 30 percent of total waste, to process solid waste at source through mandatory four-stream segregation. According to Central Pollution Control Board's 2023-24 data, about 1.85 lakh tonnes per day solid waste is generated in the country, of which 1.79 lakh tonnes per day is collected, 1.14 lakh tonnes per day is processed or treated, and 39,629 tonnes per day is landfilled.

### Four-stream mandatory segregation and bulk generator responsibilities

- Four streams of mandatory segregation at source have been defined: wet waste (kitchen waste, food leftovers, biodegradable organic matter), dry waste (plastic, paper, metal, glass, recyclables), sanitary waste (diapers, sanitary napkins), and special care waste (tube lights, batteries, expired medicines).
- Bulk generators are defined as entities with floor area of 20,000 square metres or more, water consumption of 40,000 litres per day or more, or generation of 100 kilograms per day waste or more, covering government departments, commercial establishments, residential societies, and universities.
- Bulk waste generators are required to process wet waste on-site as far as possible, and where on-site processing is not feasible, they must obtain an Extended Bulk Waste Generator Responsibility certificate demonstrating alternative arrangements.
- The Extended Bulk Waste Generator Responsibility framework will target 30-40 percent of city waste, effectively promoting waste reduction at source and ensuring bulk generators take ownership of their environmental impact through centralized monitoring using a new online portal.

### Waste hierarchy and circular economy promotion

- The focus is on a waste hierarchy prioritizing prevention and reduction, followed by reuse, recycling, recovery, and disposal, with landfills only taking in non-recyclable, non-energy recoverable waste and inert material.
- Higher landfill fees are prescribed for local bodies for sending unsegregated waste to landfills, with the fee being higher than the cost of segregation, transportation, and processing of segregated waste.
- The rules mandate increased usage of Refuse Derived Fuel (RDF) by industries from 5 percent to 15 percent over six years, with RDF being a high-calorific fuel produced by processing non-recyclable municipal solid waste through shredding, drying, and pelletizing.
- The rules mandate time-bound biomining and bioremediation of old dumpsites with quarterly reporting requirements, addressing accumulated waste from decades of inadequate waste management practices.

### Enforcement mechanisms and special provisions

- The rules introduce clear penalties for non-compliance through environmental compensation levied for violations, with guidelines to be prepared by the Central Pollution Control Board and enforced by State Pollution Control Boards.
- A centralized online portal will track waste generation, collection, and disposal, replacing physical reporting with digital audits and enabling real-time monitoring of compliance by bulk generators.
- Institutional mechanisms include committees at the State level chaired by the Chief Secretary to oversee implementation and coordinate between various stakeholders.

## 20 UNDP REPORT TITLED "STATE OF FINANCE FOR NATURE 2026"

### IN FOCUS

### Environmental News

The United Nations Environment Programme released its flagship report titled "State of Finance for Nature 2026," revealing a stark imbalance in global financial flows where for every one US dollar invested in protecting nature, nearly thirty US dollars is spent on activities that destroy it. Global financial flows to activities harming nature reached 7.3 trillion US dollars in 2023, approximately 7 percent of global GDP, while investment in nature-based solutions amounted to just 220 billion US dollars, creating a massive 30:1 ratio in favor of nature-negative activities fueling the triple planetary crisis of climate change, biodiversity loss, and pollution. The report emphasizes that investment in nature-based solutions must increase by at least 2.5 times to reach 571 billion US dollars annually by 2030 if countries are to meet their environmental and climate commitments under the Rio Conventions.

### Nature-negative finance and environmentally harmful subsidies

- The private sector accounts for 4.9 trillion US dollars of nature-negative flows concentrated in sectors like energy, utilities, basic materials, and industrials, although private investment in sectors most harmful to nature including oil and gas declined from 990 billion US dollars in 2020 to 519 billion US dollars in 2023, representing a reduction of 48 percent.
- Governments provide about 2.4 trillion US dollars annually in environmentally harmful subsidies, dominated by fossil fuel support which accounts for 47 percent, followed by unsustainable agriculture and water subsidies at 17 percent each.
- Public finance flows to environmentally harmful subsidies fell to an estimated 2.4 trillion US dollars in 2023, representing an 18 percent decline from historically high levels in 2022, driven primarily by reduced fossil fuel subsidies which had almost doubled between 2021 and 2022 to 1.78 trillion US dollars during the global energy crisis.
- These environmentally harmful subsidies distort market prices, making environmental destruction cheaper than conservation and undermining efforts to redirect financial flows toward sustainable activities and ecosystem protection.

### Nature-based solutions finance and investment gap

- Overall public and private finance flows to nature-based solutions reached 220 billion US dollars in 2023, representing a five percent increase compared with 2022, with public domestic expenditure remaining the largest source totaling 190 billion US dollars (90 percent of total finance).
- Spending on biodiversity and landscape protection increased by 11 percent between 2022 and 2023, while public spending on nature-based solutions linked to sustainable agriculture, forestry, and fisheries fell by around four percent, declining from 69 billion US dollars to 66 billion US dollars.
- Official Development Finance for nature-based solutions rose to 6.8 billion US dollars in 2023, representing a 22 percent increase compared with 2022, while private finance mobilized by public ODF reached 878 million US dollars, a 160 percent increase from the previous year.
- Regionally, government spending on nature-based solutions was highest in Asia at 93 billion US dollars in 2023, followed by North America at 59 billion US dollars and Europe at 34 billion US dollars, while spending fell sharply in Africa by 76 percent, the Middle East by 11 percent, and Oceania by four percent.

## 21 ARBITRATION COUNCIL STATUS: SC SEEKS UNION REPLY

### IN FOCUS

### Legal Updates

The Supreme Court sought the Union government's response on a petition seeking constitution of the Arbitration Council of India and formulation of uniform guidelines for regulation, conduct, and accreditation of arbitral institutions and arbitrators. The Arbitration and Conciliation Amendment Act, 2019 envisaged the Arbitration Council of India as the central regulatory body for institutional arbitration based on recommendations of the Justice B.N. Srikrishna Committee submitted in 2017, however the Council has not been constituted nearly six years after the amendments. Major criticism relates to perceived lack of institutional impartiality with most members nominated by the Union government, raising concerns about independence particularly given that government remains the single largest litigant. The Union government released the draft Arbitration and Conciliation Amendment Bill, 2024 seeking to give fresh impetus to institutional arbitration through structural reforms.

### Arbitration Council of India (ACI): Framework and Composition

- The Arbitration Council of India (ACI) is a statutory body under Part IA (Sections 43A–43M) of the Arbitration and Conciliation Act, 1996, inserted by the 2019 Amendment Act, and is distinct from the Indian Council of Arbitration (1965), a non-governmental body.
- The ACI was envisaged to be headed by a Chairperson appointed by the Union Government in consultation with the Chief Justice of India, eligible to be a former Supreme Court judge, former High Court Chief Justice/Judge, or an eminent arbitration expert, with other members including arbitration practitioners, academicians, and ex officio government representatives.
- Its functions include grading arbitral institutions, recognising bodies that accredit arbitrators, maintaining a repository of arbitral awards, promoting ADR, and framing policies for uniform professional standards.

### Concerns on Institutional Independence

- A key criticism is the lack of independence, as most members are appointed or nominated by the Union Government, raising conflict-of-interest concerns since the government is the largest arbitration litigant.
- Experts note that government-controlled arbitration regulators have little precedent in arbitration-friendly jurisdictions like Singapore and Hong Kong, which rely on independent arbitral institutions, not state regulators.
- The power to accredit unlimited arbitral institutions may dilute quality, increase administrative burden, and raise public expenditure.
- The Justice B.N. Srikrishna Committee observed that India's dominance of ad hoc arbitration stems from preference for procedural autonomy and skepticism toward domestic institutions' independence and competence.

### Draft Arbitration and Conciliation Amendment Bill, 2024

- The Bill redefines "arbitral institution" as a body conducting arbitrations under its own rules, removing the 2019 requirement of court designation.
- It shifts key powers from courts to arbitral institutions, including extension of time limits for awards, reduction of arbitrators' fees for delay, and substitution of arbitrators.
- Court power to grant interim relief during proceedings is curtailed, introducing Section 9-A, which allows parties to approach an emergency arbitrator after proceedings commence but before tribunal constitution.
- The Bill also revises timelines by starting the 90-day period for commencement of arbitration from the date of filing the interim relief application, not from the date of court order, to reduce delays.

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## GRACA MACHEL CONFERRED WITH INDIRA GANDHI PEACE PRIZE

### IN FOCUS

### Awards & Honours

Mozambican rights activist and humanitarian Graca Machel has been selected for the Indira Gandhi Prize for Peace, Disarmament and Development for 2025, announced by the Indira Gandhi Memorial Trust on January 21, 2026. The decision was taken by an international jury chaired by former National Security Advisor Shivshankar Menon, recognizing Machel's path-breaking work in the fields of education, health and nutrition, economic empowerment, and humanitarian action carried out under difficult circumstances. Described as a distinguished African stateswoman and human rights advocate, Machel's life's work has been rooted in the struggle for self-determination and the protection of vulnerable communities across multiple continents. The award carries a cash prize of one crore rupees along with a citation and a trophy.

### About Graca Machel

- Graca Machel served as First Lady of Mozambique as the widow of former Mozambique President Samora Machel, who led the country's independence movement and served as the first president of independent Mozambique.
- She later married Nelson Mandela, the first democratically elected President of South Africa, becoming the only woman in modern history to have been First Lady of two different countries.
- In the 1990s, Machel led a landmark United Nations study on the impact of armed conflict on children, which fundamentally reshaped global humanitarian responses and established new international standards for child protection.
- The comprehensive study examined how armed conflicts affect children physically, psychologically, socially, and developmentally, and its recommendations influenced the development of international legal frameworks, protocols, and operational guidelines for child protection in armed conflict.
- She has founded institutions promoting women's empowerment, child development, and social transformation, creating lasting organizational structures that continue to advance these causes.

### About the Indira Gandhi Prize for Peace, Disarmament and Development

- The Indira Gandhi Prize for Peace, Disarmament and Development has been awarded annually since 1986 by the Indira Gandhi Memorial Trust in memory of former Prime Minister Indira Gandhi.
- The prize honors individuals or organizations for outstanding contributions to international peace, disarmament, and development, recognizing sustained and exceptional efforts addressing global challenges in these interconnected domains.
- Selection criteria emphasize sustained and exceptional efforts rather than single achievements, recognizing lifetime contributions and consistent dedication to advancing peace, disarmament, and development objectives.
- The international jury evaluates candidates based on positive humanitarian impact and contributions to the welfare of humanity, examining concrete improvements in people's lives resulting from the nominee's work.

### Previous recipients of the award

- The award is regarded as one of India's prestigious international peace awards and has been conferred on notable individuals and organizations over the years.
- Previous recipients include international leaders, organizations, and figures who have made significant contributions to peace, disarmament, and development causes globally.
- The recognition through this award places Graca Machel among distinguished global leaders whose work has advanced humanitarian causes and contributed to international peace and development.

23

CAN THE NOBEL PEACE PRIZE BE TRANSFERRED?

**IN FOCUS**

**Awards & Honours**

The Norwegian Nobel Committee has clarified that it is not possible to revoke, share, or transfer a Nobel Prize once it is awarded to someone, following Venezuelan opposition leader María Corina Machado's offer to share her Nobel Peace Prize with the United States President. Machado, who was awarded the Nobel Peace Prize in 2025 for her tireless efforts to promote democratic rights in Venezuela and unwavering struggle for just and peaceful transition from dictatorship to democracy, had offered to share the prize with Donald Trump whom she was scheduled to meet. The Norwegian Nobel Committee stated that once the announcement has been made, the decision stands for all time, and neither Alfred Nobel's will nor the Statutes of the Nobel Foundation mention any possibility of revoking awards.

**Rules and regulations regarding Nobel Prize awards**

- According to the Statutes of the Nobel Foundation, no appeals may be made against the decision of a prize-awarding body with regard to the award of a prize, establishing absolute finality in decisions.
- A Nobel Prize can neither be revoked, shared, nor transferred to others, meaning the award remains permanently with the original recipient without possibility of division or reassignment.
- None of the prize awarding committees in Stockholm for scientific prizes and Oslo for the Peace Prize has ever considered to revoke a prize once awarded throughout the entire history of Nobel Prizes.
- The permanence of Nobel Prize awards protects the integrity of the recognition system by ensuring that awards represent genuine assessment of past achievements rather than being subject to political pressures or changing circumstances.

**Norwegian Nobel Committee's mandate and institutional principles**

- As a matter of principle, the Norwegian Nobel Committee will not comment upon what Peace Prize Laureates may say and do after they have been awarded the prize, maintaining institutional neutrality regarding laureates' post-award activities.
- The Committee's mandate is restricted to evaluate the work and efforts of nominated candidates up to the moment it is decided who shall be awarded the Nobel Peace Prize for a given year.
- The Committee follows the future endeavors of laureates closely through monitoring activities, but expresses neither its concerns nor its acclamation regarding laureates' post-award statements and actions.
- This approach establishes that the Nobel Prize recognizes past achievements rather than serving as ongoing endorsement of all future activities, creating clear separation between award rationale and subsequent conduct.

**About María Corina Machado and Nobel Peace Prize evolution**

- María Corina Machado is a Venezuelan politician widely known as the "Iron Lady of Venezuela" who founded the Atenea Foundation in 1992 to support street children and co-founded Súmate, an organization dedicated to monitoring elections and promoting free and fair voting.
- She mobilized citizens and opposition groups by advocating "ballots over bullets," promoting peaceful civic participation over violent resistance as the path to democratic restoration in Venezuela while remaining in the country under threats.
- Since 1901, the Nobel Peace Prize has been awarded to individuals or organizations promoting fraternity between nations, reducing standing armies, or advancing peace, with focus expanding since World War II to include arms control, peace negotiation, democracy and human rights advancement, and addressing climate change.

## 24 PADMA AWARDS 2026

### IN FOCUS

### Awards & Honours

On the eve of the 77th Republic Day 2026, the President approved the Padma Awards list of 131 recipients, comprising 5 Padma Vibhushan, 13 Padma Bhushan, and 113 Padma Shri awards recognizing distinguished contributions across various fields. The Padma Awards, alongside the Bharat Ratna, are the nation's premier awards for recognizing distinguished contributions across all fields of public service and human endeavor, instituted in 1954 with categories restructured in 1955. The list comprises 19 women awardees and includes 6 persons from the category of foreigners, non-resident Indians, persons of Indian origin, and overseas citizens of India, along with 16 posthumous awardees. Major awardees include legendary actor Dharmendra Singh Deol and former Kerala Chief Minister V S Achuthanandan, who have been honored with the Padma Vibhushan posthumously for their exceptional contributions.

### Categories and historical evolution of Padma Awards

- Instituted in 1954, the Padma Awards were restructured in 1955 into three civilian honours: Padma Vibhushan (exceptional and distinguished service), Padma Bhushan (distinguished service of high order), and Padma Shri (distinguished service in any field), awarded across disciplines such as art, public affairs, science, sports, medicine, literature, and civil service.
- The awards were suspended twice: 1978–79 by the Janata government over concerns of politicisation, and 1993–97 due to prolonged litigation.
- Since 2014, the focus has shifted toward recognising grassroots contributors and unsung heroes, popularised as the “People’s Padma”.

### Constitutional provisions and selection process

- Article 18(1) abolishes titles, but the Supreme Court in *Balaji Raghavan v. Union of India* (1996) held that Padma awards are state recognitions of merit, not titles, and hence constitutional.
- Selection is carried out by the Padma Awards Committee, appointed annually by the Prime Minister and chaired by the Cabinet Secretary, with members including the Home Secretary, Secretary to the President, and 4–6 eminent persons.
- Eligibility is universal, covering Indian citizens, foreigners, NRIs, PIOs, and OCIs, without discrimination.

### Key regulations and notable recipients 2026

- The total number of Padma awards is capped at a maximum of 120 awards per year, excluding posthumous awards, non-resident Indian, foreigner, and overseas citizen of India recipients, and awards cannot be used as prefix or suffix to recipient's name.
- A higher category Padma award is only granted after at least five years have elapsed since the previous Padma award was received.
- Recipients receive a Sanad (certificate describing contributions), a medallion representing the award category, and a replica, with awards conferred by the President at Rashtrapati Bhawan usually around March or April.
- Notable 2026 recipients include Padma Vibhushan for Dharmendra Singh Deol (art, posthumous), V S Achuthanandan (public affairs, posthumous), K T Thomas (public affairs), N Rajam (art), and P Narayanan (literature and education); Padma Bhushan for Alka Yagnik (art), Mammooty (art), Uday Kotak (trade and industry), Vijay Amritraj (sports), and Piyush Pandey (art, posthumous); and Padma Shri for Rohit Sharma (sports) and Harmanpreet Kaur (sports).

# VOICES VICTORIES



SIDDHANT ROHIT

“I joined Nishant Prakash Law Classes in Class 11, and from that day, every stage of my preparation was guided by Nishant sir. I didn’t just learn how to study—I learned how to stay disciplined, how to believe, and how to keep pushing even when it got overwhelming. I followed exactly what sir told us, gave 150+ mocks, trusted the process, and that belief took me to AIR 4 in AILET. I genuinely don’t think I could have reached here without Nishant sir and NPLC.”

AIR 4, AILET 2026



ARSHNOOR SINGH

I started my CLAT journey without any law background in my family, and everything I know about this exam, I learned under the guidance of Nishant Sir at NPLC. What made the biggest difference for me was the personal attention—Sir knew every student, our strengths, our weaknesses, and our exact mistakes after each mock.

After every test, he would look at my OMR and guide me on how to change my strategy instead of following a one-size-fits-all approach. When the CLAT paper surprised everyone, Sir’s constant advice of staying calm and confident helped me push through without panicking. That mindset, combined with consistent practice and guidance, is what helped me secure AIR 4 in CLAT 2026.

(AIR 4, CLAT 2026



DAIWIK AGARWALA

I don’t think I’ve ever given so many tests in my life as I did at NPLC in just one year. They made me take so many mocks that I became almost mechanical before the actual exam. The course structure here is such that hard work is non-negotiable. And last, but not least, Nishant Sir would connect with your parents and keep them informed about your every day scores, which added a bit of pressure and made all of us work harder. There were times when my scores didn’t meet my expectations, and I felt low, but Sir was always there to motivate me.

AIR 2, CLAT 2025

*“NPLC doesn’t shout excellence; it proves it every result season.”*

# VOICES VICTORIES



AIR 2, AILET 2025

## CHAITANYA GHOSH

This place is not your regular coaching institute that you see around. They don't just make you work hard—they make you smart. NPLC has been my best choice for both CLAT and AILET preparation. These exams cover general topics that seemed easy to me initially, but it wasn't until I started attending classes at NPLC that I realized the major challenges I would have faced if I solely depended on self-study. The competitive environment and Sir's dedicated guidance have been key in helping me clear every law entrance exam I took. I cleared every law entrance exam I wrote.



AIR 4, CLAT 2025

## ADITYA GAUTAM ANKHAD

It's all about AILET and CLAT here. Students eat, drink, and sleep law entrance preparation! I used to go to another institute in XIth, but somehow, I was just an enrollment number there. Initially, when I joined, the competition and pressure from Sir felt overwhelming, but thanks to him, everything became much easier. Here, no one calls you by batch number or enrollment ID. All of us studying together were very good friends, but we competed intensely. Since they have a limited intake, we received a lot of personalized attention. I recall most of my batchmates at NPLC making it to the top NLUs. This place is even better than you can imagine!



AIR 6, AILET 2025

## DHRUV KAMATH

I had never experienced such intense competition in any classroom before I did my first class at NPLC. It was a bit horrifying initially however it got better with time. If you can't work hard, I do not feel this is the place for you. Nishant sir is simply amazing. I never liked him till I was at the center as there was too much pressure from his side unlike my school, However, I can tell you, that I could make it to NLU Delhi, and only because of him. I recall almost everyone with me in the class who got through either of the top 5 NLUs.

*"At NPLC, branding isn't on T-shirts — it's in the AIRs."*

# VOICES VICTORIES



**AIR 10, AILET 2025**

## VIDISHA SINGH

Nishant Sir's classes are the complete package. While there's a great deal of hard work expected, he creates an environment where you can ease your way into cracking the exam. Unlike the rigid and monotonous teaching methods of many other coaching institutions, his classes are a perfect blend of learning and fun. His approach is practical, reliable, and tailored to real exam scenarios, which is reflected in his incredible track record of sending most of his students to the top 5 NLUs. Even after completing his classes, you'll find yourself wanting to go back for more (I still do).



**AIR 24 AILET 2025  
& OXFORD**

## SAMYUKTHA KOVILAKATH

People often ask me how I managed to prepare for Indian law entrances and the Oxford Law entrance at the same time. My answer is simple: NPLC gave me the discipline, perspective, and clarity to handle both. Nishant Sir's classroom isn't just a place where laws are taught - it's where ambition is refined and sharpened. What stood out to me most was how the training here doesn't chase trends - it builds fundamentals. I never felt like I was preparing for just one exam - I was preparing to think like a lawyer.

This journey hasn't just taken me to AILET AIR 24—it's also taken me across continents. And for that, I credit the environment, the mentorship, and the unwavering standards at NPLC.

*"Mentorship isn't a model here — it's a method."*

## POLITY & GOVERNANCE

- President Droupadi Murmu released a new Constitution of India edition that includes Santhali, an Eighth Schedule language added by the 92nd Amendment (2003), spoken by around 7.6 million people and written in the Ol Chiki script created by Raghunath Murmu.
- BIS introduced India's first exclusive standard for agarbattis, IS 19412:2025, on National Consumer Day 2025, laying down product specifications, prohibiting certain harmful chemicals and synthetic fragrance substances, and categorising incense sticks by their method of manufacture.
- Union Home Minister Amit Shah unveiled India's first "Lost, Looted and Recovered Firearm" database at the NIA's Anti-Terror Conference-2025, creating a central digital system to track missing and recovered government weapons for real-time coordination against crime, terrorism, and extremism.
- The Civil Aviation Ministry issued NOCs to AI Hind Air and FlyExpress, raising the number of newly cleared airlines to three (along with Shankh Air) as part of efforts to boost competition amid recent concerns over market concentration and disruptions.
- Prime Minister Narendra Modi inaugurated Lucknow's Rashtra Prerna Sthal, a ₹230-crore memorial spread over 65 acres with 65-foot bronze statues of Syama Prasad Mookerjee, Deendayal Upadhyaya, and Atal Bihari Vajpayee, aligned with Good Governance Day commemorating Vajpayee's 101st birth anniversary.
- The Delhi High Court upheld a stepfather's conviction and 20-year sentence under Section 6 of the POCSO Act, ruling that a case cannot be quashed only because the child victim turns hostile when scientific and corroborative evidence exists and the statutory presumptions under Sections 29 and 30 apply.
- The Bombay High Court held that civilian honours such as the Bharat Ratna and Padma awards are not "titles" and cannot be used as prefixes or suffixes to a person's name, relying on Balaji Raghavan, and directed that "Padma Shri" be removed from court records.
- Jayshree Ullal, President and CEO of Arista Networks, emerged as the top-ranked Indian-origin professional manager on the Hurun India Rich List 2025, driven by Arista's strong performance amid growing demand linked to AI-led data centres and cloud infrastructure.
- The Indian National Congress observed its 140th Foundation Day on 28 December 2025, revisiting its 1885 founding by A O Hume, Gandhi's reshaping of it into a mass movement after 1915, and the Karachi Resolution (1931) that influenced constitutional rights and economic ideas.
- Australia cautioned that counterfeit batches of the rabies vaccine Abhayrab® may have been circulating in India since 2023 and advised revaccination for affected travellers, while Indian Immunologicals Limited countered that the issue related to a single batch identified in January 2025 that is no longer in circulation.
- The government's environment clearance body approved the 260 MW Dulhasti Stage-II run-of-the-river hydropower project on the Chenab in Kishtwar as an extension of the 390 MW Dulhasti Stage-I plant, amid an accelerated Indus-basin hydropower drive following the April 2025 suspension of the Indus Waters Treaty.
- The Supreme Court stayed the Delhi High Court's bail order for former MLA Kuldeep Singh Sengar in the Unnao rape case, noting the CBI's challenge and examining whether an elected legislator falls within "public servant" status for aggravated POCSO provisions, while keeping him in custody because of another sentence.
- The 8th Central Pay Commission is expected to be effective from 1 January 2026 to revise pay, pensions, and service conditions of Central Government employees, though actual changes will follow only after recommendations are submitted and formally approved.
- Assam became the first state to announce an 8th State Pay Commission on 2 January 2026, headed by Subhas Chandra Das, to review salaries, allowances, and service conditions in line with the Centre's pay revision cycle.
- Goa notified Kushavati as its third district on 31 December 2025, carving out four talukas from South Goa, setting Quepem as headquarters, and categorising it as an Aspirational District for

- targeted development support.
- MoSPI rolled out a new logo themed “Data for Development” and introduced a mascot named “सांख्यिकी (Sankhyiki)” to promote citizen-friendly awareness and use of official statistics in evidence-based governance.
- The Gujarat government stated that Surat is moving towards becoming India’s first large city with a population over 7 million to be virtually slum-free, largely through housing-led redevelopment and rehabilitation under schemes such as PMAY (Urban).
- The MHA informed Parliament that NATGRID has been integrated with the NPR, enabling authorised agencies to access family-level demographic details for intelligence and investigation purposes through advanced analytics tools.
- Telangana passed the Panchayat Raj (Amendment) Bill, 2026 on 4 January 2026, removing the two-child disqualification for contesting local body elections, citing changing demographic conditions.
- The Indian Army designated 2026 as the “Year of Networking & Data Centricity”, aiming to strengthen connectivity and enable real-time, data-driven operational decisions across formations.
- Amit Shah inaugurated a ₹229 crore Integrated Command and Control Centre in the Andaman and Nicobar Islands on 3 January 2026, to strengthen multi-agency surveillance, coordination, and emergency response capabilities in the strategic island region.
- On 5 January 2026, the Supreme Court broadened the meaning of “terrorist act” under UAPA Section 15, holding that terrorism can also involve non-violent actions that cause systemic disruption, while applying the stringent bail restriction under Section 43D(5).
- India is marking Somnath Swabhimān Parv in 2026 to commemorate 1,000 years since the 1026 attack on the Somnath Temple, with major programmes scheduled from 8–11 January 2026 under the theme “Unbroken Faith.”
- Siddaramaiah became Karnataka’s longest-serving Chief Minister on 7 January 2026, crossing 2,792 days in office across two non-consecutive terms and surpassing the record held by Devaraj Urs.
- The Indian Army has formed technology-driven ‘Bhairav’ Special Forces battalions and trained over
  - one lakh drone operators to strengthen modern, network-centric warfare capabilities along key borders.
  - Uttarakhand Police topped the ICJS 2.0 National Rankings, reflecting strong technology-enabled integration of police, prosecution, courts, and prisons to improve efficiency and speed up justice delivery.
  - DRDO marked its 68th Foundation Day on 1 January 2026, highlighting advances in indigenous defence technologies, including progress in cybersecurity, artificial intelligence, and autonomous systems under Aatmanirbhar Bharat.
  - Oxford University Press issued an apology and withdrew a book after allegations that it carried derogatory references to Chhatrapati Shivaji Maharaj, following widespread public criticism over the portrayal of historical figures.
  - The Public Investment Board approved ₹26,069.50 crore for the 1,720 MW Kamala Hydroelectric Project in Arunachal Pradesh, supporting renewable energy expansion and regional development.
  - The Enforcement Directorate carried out raids linked to I-PAC on 8 January 2026 in connection with the West Bengal coal scam, involving alleged illegal mining and money laundering worth over ₹1,100 crore.
  - World Hindi Day 2026 was observed on 10 January, encouraging global promotion of Hindi and commemorating the first World Hindi Conference held in 1975.
  - Indian Army Major Swathi Shantha Kumar received the UN Secretary-General’s Award 2025 in the Gender Category for her work in promoting gender-inclusive peacekeeping under UNMISS in South Sudan.
  - National Youth Day was observed on 12 January 2026, marking the 164th birth anniversary of Swami Vivekananda and highlighting his message of youth empowerment and nation-building.
  - The Supreme Court delivered a split verdict on aspects of the Prevention of Corruption Act, requiring the matter to be placed before a larger bench to clarify the standards for proving criminal misconduct by public servants.
  - The Supreme Court held that unreserved seats in education and public employment must be filled strictly on merit, and that reserved-category candidates selected on merit can occupy these seats without being counted against reservation quotas.

- Jharkhand operationalised the PESA Act, 1996 after nearly 25 years, strengthening Gram Sabha powers in Scheduled Areas over land, natural resources, and local self-governance.
- In the Tiger Global–Flipkart matter, the Supreme Court denied capital gains tax exemption under the India–Mauritius DTAA, reiterating that treaty benefits can be refused under GAAR where arrangements amount to tax avoidance.
- A 233-year-old manuscript of the Valmiki Ramayana dating to 1792 was donated to the Ram Katha Museum, Ayodhya, adding to India's manuscript and cultural heritage collections.
- The 17th edition of Exercise DOSTI, a trilateral maritime exercise involving India, Maldives, and Sri Lanka, began to enhance regional maritime security cooperation and operational interoperability.
- Punjab inaugurated its first Dog Sanctuary in Ludhiana to manage stray dogs through humane measures such as sterilisation, vaccination, and medical treatment, consistent with Supreme Court guidelines.
- Mangaluru was ranked India's safest city in the Numbeo Safety Index 2026, placed 46th globally, while Qingdao (China) topped the global list.
- Parakram Diwas 2026 was observed on 23 January to commemorate the 129th birth anniversary of Netaji Subhas Chandra Bose and to honour his leadership and courage in the freedom struggle.
- Graca Machel was selected for the Indira Gandhi Prize for Peace, Disarmament and Development 2025, while Michelle Bachelet received the award for 2024.
- The Padma Awards 2026 conferred 5 Padma Vibhushan, 13 Padma Bhushan, and 113 Padma Shri honours for distinguished service in multiple fields.
- Constitutional debate has resurfaced on walkouts during Governors' addresses, with Supreme Court precedents reiterating that addresses under Article 176 must reflect the elected government's policies and adhere to constitutional conventions.
- The Department of Personnel and Training notified a revised UPSC cadre allocation policy on 23 January 2026, replacing the zonal system with four alphabetical cadre groups to improve transparency, merit-based allocation, and national integration in the All India Services.

- The 77th Republic Day Parade on 26 January 2026 marked 150 years of 'Vande Mataram' through themed tableaux and historical artworks, featured a tri-services display, showcased a first-time Army battle array formation, and concluded with a 29-aircraft flypast, with EU leaders attending as Chief Guests.

## ECONOMY & GOVERNANCE

- India was named Vice Chair of the Kimberley Process for 2025 and, following established convention, is expected to take over as Chair in 2026.
- Based on IMF nominal GDP figures and a confirmation cited by NITI Aayog, India moved ahead of Japan in 2025 to become the world's fourth-largest economy, with GDP around \$4.18 trillion.
- Silver prices climbed roughly 160% in 2025 to about \$80 per ounce, driven by heightened global uncertainty, supply concerns such as China-linked export controls, strong industrial demand, and speculative price swings.
- The RBI's Financial Stability Report (December 2025) stated that India's financial system remains stable and resilient, noting strong growth and improved bank asset quality, while cautioning about risks from unsecured retail lending and new vulnerabilities linked to fintech exposures.
- The Union Government proposed a third phase of airport privatisation covering 11 airports under a PPP model by FY 2025–26, using bundling and a per-passenger fee structure to draw private investment.
- In 2025, India overtook China to become the largest rice producer globally, producing about 150.18 million tonnes, supported by wider adoption of high-yielding, short-duration, and water-efficient rice varieties.
- The Delhi Government signed an MoU with the RBI on 6 January 2026 to shift its public finance operations into the RBI's banking and debt management system, enabling market borrowing through State Development Loans at comparatively lower interest rates.
- Financial Software and Systems (FSS) became the first payments company across multiple regions to

- attain ISO/IEC 42001 Certification Lead status, indicating organisation-wide AI governance maturity validated by TÜV SÜD.
- The RBI issued the Foreign Exchange Management (Guarantees) Regulations, 2026, consolidating FEMA rules on guarantees and laying down clearer permissions, procedures, and risk-management requirements for such transactions.
- In NITI Aayog's Export Preparedness Index 2024, Maharashtra ranked first among large states (with Tamil Nadu next), while Uttarakhand topped the small states/NE/UT category.
- On 13 January 2026, PFRDA set up a high-level expert committee headed by M.S. Sahoo to develop a regulatory framework for assured payout products under the National Pension System (NPS).
- Uttarakhand secured 'Leader' status in DPIIT's 5th States' Startup Ecosystem Ranking, Gujarat was named Best Performer for the fifth consecutive time, and Uttarakhand's Sunfox Technologies received an Innovation Trailblazers Award.

## ENVIRONMENT & ECOLOGY

- Gujarat was officially recognised as a tiger-present state on 26 December 2025, after sustained camera-trap evidence confirmed a resident tiger in Ratanmahal Wildlife Sanctuary, marking a return after 33 years.
- The 40th Asian Waterbird Census was scheduled for 10–11 January 2025 at the Godavari Estuary in Andhra Pradesh, focusing on tracking migratory and resident waterbird populations in this major wetland ecosystem.
- The Supreme Court took up a suo motu matter to revisit how the Aravalli Hills are defined, amid concerns that a uniform elevation-based definition could open the door to wider mining activity.
- Uttar Pradesh declared the Parvati-Arga Bird Sanctuary an Eco-Sensitive Zone, aiming to regulate development and safeguard its wetland habitat used by both resident and migratory birds.
- A Peruvian municipality legally recognised Amazonian stingless bees, making them the first insects granted legal rights, including the right to exist and regenerate within a protected biosphere reserve.
- India recorded 166 tiger deaths in 2025, with nearly

- 60% occurring outside protected areas, underscoring rising human–wildlife conflict despite a strong overall tiger population.
- The Chief Justice of India inaugurated India's first fully paperless district court at Kalpetta, Kerala, advancing digitisation and efficiency under the e-Courts Mission Mode Project.
- The All-India Tiger Estimation 2026 commenced at Thanthai Periyar Wildlife Sanctuary (Tamil Nadu), initiating a nationwide scientific tiger census under Project Tiger.
- Australia's Finke River was identified as the world's oldest surviving river system, with origins estimated at 300–400 million years, supported by its distinctive antecedent geological characteristics.
- The High Seas Treaty (BBNJ Agreement) came into force, creating mechanisms for marine protected areas and requiring environmental impact assessments for activities in international waters beyond national jurisdiction.
- An Eco-Sensitive Zone was notified around Kumbhalgarh Wildlife Sanctuary (Rajasthan) to curb mining and polluting activities while protecting biodiversity in the landscape surrounding the UNESCO-listed Kumbhalgarh Fort.

## SCIENCE & TECH

- Abu Dhabi became the first place worldwide to administer ITVISM gene therapy for spinal muscular atrophy in December 2025, marking a significant advance in precision treatment for rare diseases.
- ISRO successfully completed a static test of the upgraded SSLV third stage (SS3) on 30 December 2025, improving payload capability and clearing the stage for flight use.
- DRDO conducted a successful salvo launch of two Pralay tactical ballistic missiles, demonstrating accuracy, rapid deployment potential, and operational preparedness.
- Hyderabad-based start-ups such as TakeMe2Space and EON Space Labs developed advanced mini-satellites for ISRO missions, reflecting the expanding role of private firms in India's space-tech sector.
- The Indian Army signed a ₹292.69 crore emergency procurement contract for the indigenous Suryastra long-range rocket launcher, strengthening artillery strike capacity.

- India became the first country globally to commercially produce bio-bitumen, a greener substitute for petroleum-based bitumen made using renewable biomass and agricultural waste.
- The United Nations designated 2026 as the International Year of Rangelands and Pastoralists, recognising the ecological value of rangelands and the livelihoods of pastoral communities worldwide.
- Keyi Panyor district (Arunachal Pradesh) was declared India's first Bio-Happy District, linking biodiversity protection with human well-being and sustainable development outcomes.
- The Hubble Space Telescope identified a rare starless dark matter cloud near the galaxy Messier 94, raising new questions for prevailing models of galaxy formation.
- Defence Minister Rajnath Singh commissioned ICGS Samudra Pratap, India's first indigenously built pollution control vessel, enhancing maritime environmental response capability.
- The PSLV-C62 mission faced a launch anomaly that prevented correct orbital insertion, although one satellite briefly transmitted data that is expected to assist ISRO's failure investigation and future mission improvements.

## APPOINTMENT

- The Central Government appointed Davinder Pal Singh, Kanakamedala Ravindra Kumar, and Anil Kaushik as Additional Solicitors General for the Supreme Court for a three-year term.
- P.V. Sindhu was elected Chair of the BWF Athletes' Commission for 2026–2029, ensuring athlete representation in the Badminton World Federation's governance framework.
- The Ministry of Home Affairs gave Rakesh Aggarwal additional charge as Director General of the NIA on 30 December 2025, until a regular appointment is made.
- The Centre appointed new Chief Justices to the Kerala, Patna, and Meghalaya High Courts following Supreme Court Collegium recommendations under Articles 217 and 222.
- Delcy Rodríguez took oath as Venezuela's interim President under constitutional provisions after Nicolás Maduro was reportedly captured in a US-led operation.
- Justice A. Muhamed Mustaque was appointed and sworn in as Chief Justice of the Sikkim High Court on

- 5 January 2026.
- The Government of India appointed A. K. Balasubrahmanian as Chairperson of the Atomic Energy Regulatory Board (AERB), strengthening leadership in nuclear and radiation safety regulation.
- Justice Revati P. Mohite Dere assumed charge as Chief Justice of the Meghalaya High Court on 10 January 2026, becoming the court's second woman Chief Justice.
- Indian diplomat D.B. Venkatesh Varma was nominated Chair of the UN Advisory Board on Disarmament Matters for 2026–27, making him the first Indian to lead the body.
- The Centre appointed Shatrueet Singh Kapoor as DG, ITBP and Praveen Kumar as DG, BSF, amid heightened border security focus.
- The President of India appointed Shri Praveen Vashista as Vigilance Commissioner in the Central Vigilance Commission, effective 16 January 2026.

## SPORTS CA

- Smriti Mandhana became the second Indian woman to cross 10,000 international runs on 28 December 2025, achieving the milestone faster than any other woman cricketer.
- Deepti Sharma became the leading wicket-taker in Women's T20Is with 152 wickets on 30 December 2025, and also became the first player to reach 1,000 runs and 150 wickets in the format.
- The Indian Women's Hockey Team closed 2025 with a silver medal at the Women's Asia Cup in Hangzhou, underlining strong continental performance despite mixed results at the global level.
- Ahead of IPL 2026, the BCCI signed a ₹270 crore sponsorship agreement for three years with Google's AI platform Gemini, reflecting the growing intersection of technology, AI branding, and sports marketing.

## INTERNATIONAL AFFAIRS

- The US Africa Command conducted airstrikes on ISWAP positions in Borno State, Nigeria, aiming to weaken the group's leadership, training infrastructure, and supply networks in the Lake Chad insurgency region.
- On 26 December 2025, Israel officially recognised Somaliland as an independent country, becoming the first UN member to do so since Somaliland's 1991 declaration, prompting sharp protests from Somalia and wider regional unease.

- Iran placed three domestically developed satellites—Paya, Zafar-2, and Kowsar-1.5—into low-Earth orbit on 28 December 2025 aboard a Russian Soyuz rocket, highlighting expanding Iran–Russia cooperation in space.
- On 29 December 2025, China’s PLA carried out major joint drills titled “Justice Mission 2025” around Taiwan, including live-fire exercises and simulated blockade operations, framed as a warning against independence moves and outside involvement.
- The Indian Naval Sailing Vessel INSV Kaundinya began its first overseas voyage from Porbandar to Muscat on 29 December 2025, underscoring India’s revived maritime heritage and historical connections with Oman.
- Israel announced that Donald Trump will receive the Israel Prize 2026 for his special contribution to the Jewish people, making him the first American to be conferred the country’s highest civilian honour.
- Khaleda Zia, Bangladesh’s first woman Prime Minister and a long-time BNP leader, died after an extended illness, leading to state mourning in recognition of her role in Bangladesh’s democratic transition and modern political trajectory.
- Google introduced a feature enabling users to change their primary Gmail address without losing stored data, under strict limitations, with early testing reportedly underway in India.
- Bulgaria adopted the euro on 1 January 2026, becoming the 21st member of the eurozone and replacing the lev, despite notable domestic opposition.
- India and Pakistan exchanged lists of civilian prisoners and fishermen on 1 January 2026 under the 2008 Consular Access Agreement, continuing a biannual humanitarian confidence-building practice.
- On 1 January 2026, India and Pakistan carried out their 35th annual exchange of lists of nuclear installations under the 1988 no-attack agreement, maintaining an important nuclear CBM despite strained ties.
- Turkmenistan legalised cryptocurrency mining and exchanges from 1 January 2026, bringing virtual assets under civil law with strict licensing, KYC–AML rules, and a ban on secret mining.
- On 2 January 2026, Donald Trump said the US was “locked and loaded” amid nationwide protests in Iran linked to currency collapse, inflation, and economic hardship, while Tehran dismissed his remarks as external provocation.
- The US launched Operation Absolute Resolve on 3 January 2026, carrying out major strikes in Venezuela and announcing the capture of President Nicolás Maduro, triggering serious concerns related to international law and state sovereignty.
- Donald Trump invoked the Monroe Doctrine, rebranding it as the “Donroe Doctrine,” to justify US action in Venezuela and to assert renewed American dominance in the Western Hemisphere.
- Under a 7 January 2026 executive order, the United States withdrew from 66 international organisations, including the UNFCCC and the International Solar Alliance, intensifying its pullback from multilateral bodies.
- Jensen Huang, NVIDIA’s CEO, received the 2026 IEEE Medal of Honor for pioneering work in GPUs and accelerated computing that underpins modern AI and high-performance computing.
- Akasa Air became India’s fifth member of the International Air Transport Association (IATA) after clearing the IOSA safety audit in December 2025.
- Five Indian films were listed as eligible for Best Picture at the 98th Academy Awards, reflecting varied representation across languages, genres, and production styles.
- During Chancellor Friedrich Merz’s visit, India and Germany signed multiple agreements, including a Global Skills Partnership, visa-free airport transit for Indians, enhanced security cooperation, and collaboration in green technologies.
- The ICJ began substantive hearings in the Rohingya genocide case against Myanmar, filed by The Gambia under the Genocide Convention, relating to alleged atrocities in Rakhine State (2016–17) that drove large-scale displacement to Bangladesh.
- India launched the official logo and website for its BRICS Presidency 2026, marking the beginning of its agenda-setting role and preparations to host the BRICS summit in an expanded grouping.
- At the 83rd Golden Globe Awards (January 2026), Hamnet won Best Drama, while One Battle After Another led the Musical/Comedy winners, alongside major acting and television awards.
- India moved up to 80th in the Henley Passport Index 2026, with 55 visa-free or visa-on-arrival destinations, placing it ahead of Pakistan within South Asia.
- China rejected India’s claim over the Shaksgam Valley, while India reiterated that the area is part of Jammu

- and Kashmir and was unlawfully ceded under the 1963 Sino-Pakistan boundary agreement.
- The Pentagon Pizza Index resurfaced during US–Iran tensions, with reported spikes in pizza orders near US security hubs cited as an informal open-source indicator of possible geopolitical action.
- The WEF Global Risks Report 2026 ranked geoeconomic confrontation as the top near-term risk, while also highlighting misinformation and rising long-term risks linked to AI.
- The Norwegian Nobel Institute clarified that while María Corina Machado could present her Nobel Peace Prize medal to Donald Trump, Nobel laureate status cannot be transferred to another person.
- Trump’s renewed calls for US control over Greenland escalated tensions with NATO partners, as Greenland remains an autonomous territory of Denmark despite existing US access through Pituffik Space Base.
- India placed sixth in the Asia Manufacturing Index 2026, reflecting improved capability but also indicating the need for faster reforms to raise manufacturing’s share beyond roughly 17% of GDP.
- India ranked 16th in the Responsible Nations Index 2026, reflecting advances cited in renewables expansion, climate commitments, and social welfare measures aimed at inclusive development.
- Abu Dhabi was ranked the world’s safest city for the tenth straight year in the Numbeo Global Safety Index 2026, attributed to technology-driven policing and strong public confidence in safety.
- The UAE became India’s second-largest LNG supplier after a long-term deal for multi-million tonnes per year, strengthening energy security and the bilateral strategic partnership.
- NASA astronaut Sunita Williams retired after a major career that included 322 days in space and record-setting spacewalk achievements, and she remains a prominent STEM role model.
- India and Namibia agreed to expand cooperation in defence, critical minerals, and digital public infrastructure during their fifth Foreign Office Consultations held in New Delhi.
- Israel joined Donald Trump’s “Board of Peace” to oversee the Gaza ceasefire and reconstruction plan, sparking controversy amid ongoing international legal proceedings involving Israeli leadership.
- The WEF Annual Meeting 2026 in Davos focused on AI-led disruption, growing geoeconomic fragmentation, steps to ease Greenland-related tensions, and momentum toward the India–EU FTA.
- The film Sinners set a record with 16 Oscar nominations, while a decision to restore ownership rights to its director reignited debate on intellectual property and creative control in filmmaking.



# Faces That Inspire

Our Torchbearers: ALUMNIS IN NLS BANGALORE & NLU DELHI



**Ananya Prakash**



**Masirah Ahmad**



**Arush Sarma**



**Nikhil Dabbas**



**Samporno Mukherjee**



**Vaishnavi K. Prasad**



**Ananya Kapani**



**Ananya Tripathi**



**Tejaswini Singh**



**Nandil B. Sarma**



**Anushree Prasad**



**Eshan Nakra**



**Varun Pathak**



**Romit Kohli**



**Hardik Choubey**



**Karina Chawla**

**...a few among the many achievers.**



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