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CURRENT AFFAIRS

The Iron Ore Industry in India

Context

In **May 2025**, India witnessed an **89% surge** in iron ore production and sales, highlighting a **strong industrial rebound** and increasing infrastructure demands.

About the News

- **NMDC (National Mineral Development Corporation) reported** an 89% rise in production in May 2025.
- This growth reflects **revived domestic demand** and **policy support**.
- India now has **1319 active iron ore mines** across key states.
- Odisha remains the **top-producing state** of iron ore in India.
- India is home to the extraction of 87 different metallic and non-metallic minerals, with the mining sector contributing around 2.3% to the country's Gross Domestic Product (GDP) during the financial year 2022–23.

Characteristics

- **Iron ore** is a key raw material for **steel production**.
- Found in **lumps, fines, and pellets** with varying iron content.
- **Magnetite** has ~70% Fe, the **highest quality** ore.
- India is the **second-largest producer** of Hematite after Russia.
- **Major belts**: Odisha-Jharkhand, Karnataka, Chhattisgarh, Goa-Maharashtra.
- India exports to **China, Japan, South Korea** depending on demand.

Types of Iron

Type of Iron Ore	Chemical Formula	Colour/Appearance	Iron Content	Remarks
Magnetite	Fe_3O_4	Black, magnetic	Up to 70%	Highest iron content; excellent quality ore
Hematite	Fe_2O_3	Reddish to brown	60%–67%	Widely used in iron production
Limonite	Hydrated iron oxide	Yellow-brown, earthy	40%–60%	Lower grade; less efficient for extraction
Siderite	$FeCO_3$	Grey or brownish	Less than 40%	Contains impurities; often not mined commercially

Challenges

- **Environmental damage** due to deforestation, e.g., in **Goa mining areas**.
- **Regulatory delays** like forest clearances in **Jharkhand**.
- **Price fluctuations** due to global demand shifts, e.g., **China slowdown**.
- **Logistics issues**, especially in **remote mining regions** of Chhattisgarh.

Way Forward :

- Promote **eco-friendly mining**, like **afforestation in Odisha**.
- Use **AI-based exploration** to identify new reserves, e.g., by **GSI**.
- Improve **rail-road connectivity** from mines to ports, e.g., **Dedicated Freight Corridors**.
- Encourage **public-private mining ventures**, e.g., **JSW in Karnataka**.

Conclusion

India's iron ore sector is **vital for economic growth** and **industrial self-reliance**. With sustainable practices and efficient governance, it can support long-term **infrastructure and export goals**.

Paraguay's President visit to India

Context

Paraguay's President visited India recently, marking a new phase in bilateral ties and deeper trade engagement within the *Mercosur* framework.

About the News

- Paraguay's President paid his **first official visit** to India.
- Talks included cooperation in **energy, minerals, and digital tech**.
- India-Paraguay ties started in **1961**; the embassy opened in **2022**.
- India seeks to deepen trade under **Mercosur PTA** signed in 2004.

About MERCOSUR :

- **MERCOSUR** is a South American economic bloc formed in **1991** by the *Treaty of Asunción*.
- Founding members include **Argentina, Brazil, Paraguay, and Uruguay**; **Venezuela** is suspended.
- Its aim is the **free movement** of goods, services, capital, and people.
- **Headquarters** is in *Montevideo, Uruguay*; official languages are *Spanish and Portuguese*.
- India signed a **Preferential Trade Agreement (PTA)** with MERCOSUR in **2004**.
- Paraguay has **critical minerals** vital for India's growth sectors.

Conclusion

India and Paraguay are building a stronger strategic and economic partnership, and leveraging Mercosur will play a central role in enhancing South-South cooperation across key sectors

Phytoplankton blooms

Context

In the last few years, satellite images have revealed frequent and large-scale **phytoplankton blooms** in the Indian Ocean and Arabian Sea. These developments are closely studied due to their impact on ocean health, fisheries, and climate balance.

About the News :

- Phytoplankton blooms observed in Arabian Sea and Southern Ocean.
- Blooms linked to desert dust carrying iron into ocean water.
- Studies highlight role of phytoplankton in carbon absorption.
- Impact on oxygen levels and marine food chains under review.

Plankton:

Plankton are **microscopic drifting organisms** that rely on **water currents** for movement.These organisms are **incapable of resisting oceanic**

flow, which distinguishes them from swimming marine life.

Broad Categories :

Plankton are grouped based on their function in the ecosystem:

- **Producers (Phytoplankton):** These **light-dependent organisms** act like oceanic plants, generating energy through photosynthesis.
- **Consumers (Zooplankton):** These **tiny animal species** feed on phytoplankton and contribute to nutrient cycling.

Ecological Value

1. **Oxygen Generation**: Phytoplankton are responsible for **producing more than half** of the Earth's oxygen supply.
2. **Food Web Foundation**: They serve as the **primary source of energy** for fish, marine mammals, and other aquatic organisms.
3. **Climate Regulation**: By capturing **carbon dioxide**, plankton reduce the impact of **greenhouse gases**.
4. **Environmental Indicators**: Their population patterns offer **insight into ocean health**, pollution, and climate shifts.

Challenges

- **Overgrowth** causes **Dead Zones**, like in the Gulf of Mexico.
- **Decomposition** of blooms depletes **oxygen**, harming fish life.
- Some blooms release **biotoxins**, harming humans and marine life.
- Iron-induced blooms can **exhaust other nutrients**, as seen in the Southern Ocean.

Way Forward

- Monitor blooms through **satellite mapping**, like by Indian National Centre for Ocean Information Services.
- Study **dust fertilization impacts** from deserts like Kalahari and Namib.
- Support ocean health policies under the United **Nations Ocean Decade Programme**.
- Regulate nutrient runoff from agriculture, as in **coastal Andhra Pradesh**.

Conclusion

Phytoplankton blooms are both an environmental opportunity and a challenge. While they support marine ecosystems and help in climate regulation by absorbing carbon dioxide, unchecked blooms can damage marine biodiversity. Understanding and managing these blooms is essential for sustainable ocean governance and food security.

Central Solenoid and ITER Project

Context:

Recently, the **USA delivered the Central Solenoid ("The Monster Magnet")** to France for the **ITER project**, a global nuclear fusion initiative aimed at replicating the Sun's energy process on Earth.

About the News:

- **USA developed and shipped the Central Solenoid** to France.
- **ITER is being built** in southern France's Cadarache region.
- It aims to **generate 500 MW of fusion power** by 2040.
- **India is a key partner**, contributing to the massive Cryostat structure.

Characteristics:

- Central Solenoid is a **superconducting magnet**, 60 feet tall.
- It contains **six powerful magnetic modules**.
- It generates a **strong magnetic field inside the Tokamak**.
- This field **holds high-temperature plasma**, preventing wall damage.
- Made with materials that **conduct electricity without resistance**.
- **35 nations** including India, China, and the EU are collaborating.

India's Contribution to ITER

- India joined the ITER project in 2005 to advance its nuclear fusion capabilities. The Institute for Plasma Research (IPR), under the Department of Atomic Energy, leads this effort and manages India's tokamaks—ADITYA-U and SST-1.
- *ITER-India*, a special project under IPR, is responsible for delivering key components to the global project. These include the cryostat, shielding systems, cooling systems, RF heating systems, diagnostic tools, and power supplies. India contributes around **9% of ITER's total costs**.

Why ITER is Important

- ITER is the world's most advanced fusion experiment. It aims to demonstrate clean, safe energy without greenhouse gas emissions. For the first time, scientists aim to achieve a "burning plasma" with sustained reactions lasting 400–600 seconds.
- The ITER project represents **global unity for clean, limitless energy** through nuclear fusion. With collective effort, innovation, and patience, it may revolutionize future energy systems without the risks of pollution or radiation hazards.

India: World's Fourth Largest Economy

Context:

In early 2025, **India overtook Japan** to become the **fourth-largest economy** in the world by nominal GDP, according to a NITI Aayog report.

About the News:

- India's GDP crossed **$4.2 trillion**, ahead of Japan.
- Growth driven by **services, reforms, and digital tools**.
- India aims for a **$5 trillion economy** soon.
- **Rankings are based on nominal GDP**, not per capita.

What is GDP (Gross Domestic Product):

GDP refers to the total monetary value of all **final goods and services** produced within a country during a specific time period. "Final" here means goods or services used directly by consumers, not for further production.

Main Drivers of GDP Growth:
GDP is driven by four key types of expenditure:

1. **Private Consumption:** Spending by households on goods and services (also called *Private Final Consumption Expenditure – PFCE*).
2. **Government Spending:** Expenses incurred by the government on its daily operations, like salaries (*Government Final Consumption Expenditure – GFCE*).
3. **Investment:** Expenditure on infrastructure, machinery, etc., to enhance the economy's productive capacity (*Gross Fixed Capital Formation*).
4. **Net Exports:** The value of goods exported minus the value of goods imported (*Exports – Imports*).

Formula for GDP:
GDP = Private Consumption + Investment + Government Spending + (Exports − Imports)

Characteristics of Indian GDP:

- **Service sector leads**, contributing over 50% to GDP.
- **Digital infrastructure** like UPI and ONDC enabled growth.
- Government launched **PLI and Gati Shakti** schemes.
- India's **economic size increased**, but challenges remain.
- **Vision includes inclusive and sustainable development**.
- Growth needs to be **linked with social progress**.

Challenges:

- **High youth unemployment**, around 15–18%.
  E.g., educated graduates unable to find jobs.

- **Low per capita income**, near $2,000. *E.g., far lower than Japan's $34,000.*
- **Inequality is rising**, top 1% holds 40% wealth. *E.g., income gaps across urban-rural India.*
- **Agricultural distress** due to low productivity. *E.g., 45% workforce, but only 18% GDP contribution.*

Way Forward:

- **Create jobs** through MSME and startup support. *E.g., skill-based hiring in local industries.*
- **Boost rural investment**, especially in education and health. *E.g., rural health missions, school infrastructure.*
- **Strengthen manufacturing** via labor-law reforms. *E.g., ease of doing business for textile units.*
- **Raise R&D spending** to encourage innovation. *E.g., aim for 1%+ GDP on research like developed nations.*

Conclusion:

India's economic size has grown rapidly, but **real success lies in improving people's lives**. To maintain global leadership, India must combine economic output with **social equity, quality jobs, and innovation**.

Confederation of Indian Industry (CII)

Context:

The **CII (Confederation of Indian Industry) has recently engaged with government initiatives** to improve ease of doing business and strengthen industry-policy dialogue.

About the News:

- It was **established in 1895**, with a long legacy.
- It is a **non-statutory, non-government, not-for-profit body**.
- Works to **promote Indian industries globally**.

Characteristics:

- Acts as a **bridge between government and industry**.
- Helps draft **policy recommendations** and reforms.
- Provides **training, events, and market insights**.
- Supports MSMEs, startups, and sustainability efforts.

Challenges:

- **Representation imbalance** between large and small industries. *E.g., big corporates dominate policy space.*
- **Regional gaps** in industrial participation. *E.g., North-East still underrepresented.*
- **Limited direct power** in policymaking. *E.g., advisory role, not executive.*

Way Forward:

- **Inclusive industrial representation** from all regions.

  E.g., encourage Tier-2, Tier-3 city members.
- **Skill development tie-ups** with vocational institutes. *E.g., CII–NSDC collaboration.*
- **Greater MSME integration** into policymaking. *E.g., special CII-MSME council recommendations.*

Conclusion:

The CII continues to play a **vital role in India's industrial transformation**. By making industry inclusive, skill-ready, and sustainable, it can accelerate India's rise as a **global economic powerhouse**.

Foreign Legal Firms and India's Regulatory Approach

Context

The Bar Council of India (BCI) has issued new rules to regulate foreign law firms and lawyers in India, aiming to uphold legal ethics and reciprocity. However, some U.S.-based firms argue these norms act as procedural hurdles, limiting fair access to the Indian legal market.

Key Concerns Raised by Foreign Stakeholders

1. Allegations of Regulatory Trade Barriers

American legal entities argue that the BCI's guidelines function as non-tariff restrictions, creating procedural bottlenecks that hinder their seamless entry into India's legal services market.

2. Issues Relating to Confidentiality Protocols

A key concern is that the new rules require foreign law firms to reveal the nature of their services and some client details. U.S. stakeholders argue this may clash with confidentiality rules set by bodies like the American Bar Association, risking privacy breaches and legal conflicts.

3. Reciprocity and Timing of Implementation

The rules, especially those under the "fly-in, fly-out" clause (Rule 3(1)), are criticized for lacking mutual arrangements with other countries. Furthermore, critics argue that the BCI enacted these rules without offering adequate time for foreign firms to adjust, placing them at an immediate operational disadvantage.

India's Legal System and Constitutional Position

1. Legal Practice as a Regulated Profession

Legal practice in India is not treated as a commercial activity under the Constitution. As per Entries 77 and 78 of the Union List, it falls solely under the Bar Council of India's authority, separate from trade regulations or international agreements.

2. Judicial Precedents Reinforce Professional Nature

The 2024 ruling in *Bar of Indian Lawyers vs D.K. Gandhi* reaffirmed that legal services constitute a "contract of personal service" rather than a commercial enterprise. As such, legal practice is governed by ethical codes and professional conduct rules rather than commercial regulations.

3. India's Stand in International Trade Agreements

India has consistently kept legal services outside the scope of bilateral or multilateral free trade agreements (FTAs), including its negotiations with the United Kingdom. This reflects a principled stance to maintain a distinct national regulatory mechanism for legal professionals, resisting international pressure to commodify the legal sector.

Rules Designed to Regulate, Not Restrict

1. Permissive Framework Under Controlled Conditions

The newly issued Rules 3 and 4 allow international legal practitioners and firms to apply for registration in India. They may offer legal advisory services in specific areas—such as international law or home jurisdiction law—under defined limits. This approach aims to gradually open India's legal system while upholding ethical integrity.

2. Case-by-Case Regulatory Discretion

Under Rule 6 of Chapter III, the BCI has been vested with the discretion to evaluate supporting documents like 'good standing' certificates on an individual basis. This flexibility is especially significant for jurisdictions like the U.S., where legal practice is decentralized across multiple state bars.

3. Balancing Transparency and Confidentiality

While foreign entities are expected to provide a general outline of the nature of their legal services, the rules do not demand detailed or sensitive client information. This ensures foreign law firms adhere to Indian legal norms without breaching the confidentiality obligations imposed by their home country regulations.

Conclusion: Calibrated Liberalization with Safeguards

India's policy on foreign law firms favors controlled inclusion over outright exclusion. Through clear regulations, the BCI aims to uphold

legal standards while allowing limited foreign participation. While U.S. concerns deserve dialogue, India's stance aligns with its constitutional and policy priorities. As global legal integration grows, ongoing engagement will be essential.

Child Labour in India: A Persistent Challenge

1. Context

June 12 is commemorated globally as the International Day Against Child Labour, led by the International Labour Organization (ILO). Despite the global commitment under Sustainable Development Goal (SDG) 8.7 to eliminate child labour by 2025, the problem remains entrenched. In India, the Velpur Model of Telangana has emerged as a notable community-driven initiative offering sustainable solutions at the grassroots level.

2. Understanding Child Labour

2.1 Global Scenario

- **Scale of the Problem**: According to **ILO estimates**, around **160 million children** are involved in child labour globally — approximately **1 in every 10 children**.
- **Regional Concentration**: About **90%** of child labour cases are concentrated in **Africa, Asia, and the Pacific**, indicating stark regional disparities.
- **Impact of COVID-19**: The pandemic worsened vulnerabilities, especially in developing countries. **School closures** led to rising dropout rates and a surge in child labour, as many children could not return to classrooms.

2.2 Child Labour in India

- **Extent of the Issue**: As per **Census 2011**, nearly **53 lakh children (5–14 years)** were engaged in various forms of labour, driven by poverty, lack of access to education, and illiteracy.
- **High-Risk Sectors**: Industries such as **beedi-making, carpet weaving**, and **firecracker production** employ children in hazardous and informal setups.
- **Legal Framework**: The **Child Labour (Prohibition and Regulation) Act, 1986**, amended in 2016, bans all employment of children below **14 years** and restricts adolescents (**14–18 years**) from working in hazardous occupations.

3. Legal and Policy Measures

3.1 Constitutional Provisions

- **Article 21A & RTE Act, 2009**: Mandates **free and compulsory education** for children between **6–14 years**.

3.2 Government Schemes

- **National Child Labour Project (NCLP)**: Aims to **rescue child workers** and transition them into **bridge schools** for eventual integration into the formal education system.

3.3 Implementation Gaps

- Despite progressive laws and schemes, **poor enforcement**, **low conviction rates**, and **ineffective rehabilitation** often lead to relapse, with children returning to exploitative work environments.

4. Key Challenges and Examples

Challenge	Details	Example / Data Source
1. Poverty and Economic Pressure	Families depend on child income to survive.	**PLFS 2022**: 23% rural households earn under ₹100/day.
2. Poor Quality of Education	Schools lack engaging and effective learning environments.	**ASER 2022**: Only 42.8% Class 5 students can read Class 2 texts.
3. Weak Law Enforcement	Low reporting, delayed trials, and	**2017–20**: Only 30% of 8,000 violations led to conviction.

	lenient punishments.	
4. Informal Sector Exploitation	Child labour is mostly hidden in unregulated home-based work.	**2021 Survey**: 70% of working children are in informal sectors.
5. Poor Rehabilitation & High Relapse	Lack of psychological and educational support after rescue.	**Labour Ministry 2021**: Only 56% NCLP children joined formal schools.

5. Case Study: Velpur Model, Telangana

The **Velpur Model** represents a successful **community-led approach** to eliminating child labour. It integrates **local awareness drives**, **school re-enrolment campaigns**, and **economic alternatives for families**, making it a replicable template for other districts and states.

6. Way Forward

- **Strengthen Implementation**: Ensure strict law enforcement and increase the conviction rate in child labour cases.
- **Community-Based Monitoring**: Empower **Panchayati Raj Institutions**, **school management committees**, and **local NGOs** to report violations and assist in rehabilitation.
- **Improve Educational Infrastructure**: Enhance the quality of public schooling, vocational training, and mid-day meal coverage to retain children in classrooms.
- **Economic Support to Families**: Expand **direct benefit transfers**, **livelihood missions**, and **MNREGA coverage** to reduce the economic dependency on child labour.
- **Scale Up Successful Models**: Institutionalize effective frameworks like the **Velpur Model** across vulnerable regions.

7. Conclusion

Child labour remains a **critical barrier to human development and social justice** in India. While legal safeguards and policy initiatives exist, **their success hinges on robust enforcement, inclusive education, and proactive community participation**. Scaling up **grassroots innovations** like Velpur offers hope for an India where every child can learn, play, and grow with dignity — free from exploitation.

Rare Earth Elements

Context

China's recent export restrictions on seven key rare earth elements (REEs) have disrupted global supply chains. For India, which relies heavily on Chinese imports of REE-based magnets, this development poses significant risks to both its **automotive and defence sectors**.

1. What Are Rare Earth Elements (REEs)?

REEs are a group of **17 chemically similar metals** essential in high-tech industries. Despite their name, they are **not scarce** in nature but are difficult to extract and refine economically.

They are critical to:

- Electric vehicles and wind turbines
- Smartphones, sensors, and semiconductors
- Defence systems like radars, drones, and missiles

2. China's Global Dominance and Export Restrictions

Monopoly in Supply

China currently commands:

- Around **70% of global REE mining**
- Nearly **90% of refining and magnet-making capacity**

This concentration gives China considerable leverage over international supply chains. The newly imposed export controls apply to strategic REEs like **dysprosium** and **terbium**, both crucial in manufacturing high-performance permanent magnets.

Nature of Restrictions

Exporters now need **special licenses**, which are often delayed or denied. The result is a potential bottleneck in the delivery of essential materials for industries worldwide.

Sectors Affected

- **Automotive industry**: Components for both EVs and conventional vehicles
- **Defence sector**: Precision-guided munitions, drones, radars
- **Electronics and energy**: High-efficiency motors, sensors, and renewable energy storage

3. Impact on India

Short-Term Pressures

- India's **EV and auto sector** face disruptions due to shrinking magnet inventories.
- **Production schedules** for electric motors and advanced electronics are at risk.

Long-Term Strategic Gaps

- India holds the **fifth-largest REE reserves**, but lacks large-scale **refining or magnet-making capacity**.
- **IREL**, a public-sector firm, dominates domestic production, limiting flexibility.

4. Policy Responses and Industry Strategies

Short-Term Measures

- Engaging in **bilateral diplomacy** to secure smoother export clearance from China.
- Seeking **alternate suppliers** from nations like Vietnam, Australia, and select African countries.
- Promoting the **reuse and recycling** of REEs from discarded electronics, batteries, and vehicle components.
- Temporary use of **ferrite magnets**, though technically inferior, as a stopgap.

Strategic Roadmap

- Building **domestic refining and magnet-making facilities**.
- Supporting **research and development** in alternative materials and sustainable extraction technologies.
- Encouraging **joint ventures** with technologically advanced and resource-rich countries to facilitate knowledge transfer.

5. National Security and Geopolitical Implications

REEs are not just economic inputs but **strategic resources**. India's missile systems, satellites, and smart weapons rely on stable REE access. Overdependence on China raises **national security risks** and underscores the need for **self-reliance in critical technologies**.

6. The Way Forward: Strengthening India's REE Ecosystem

To reduce dependence and enhance resilience, India needs a multi-pronged approach:

- **Accelerate domestic exploration and extraction**, involving both public and private sector players.
- Launch a **National Rare Earth Mission** to coordinate activities across mining, processing, R&D, and end-use applications.
- **Include REEs under the Production Linked Incentive (PLI) scheme** to attract investment and scale domestic manufacturing.
- Foster **international partnerships** with countries that have untapped REE reserves, including Australia, Brazil, and select African nations.
- Create a **rare earth recycling ecosystem** targeting e-waste and end-of-life electric vehicles to recover valuable materials.

Conclusion

India's dependence on a foreign-controlled rare earth supply chain poses risks to its **economic ambitions and national security**. While China's export controls have exposed these vulnerabilities, they also offer India a timely opportunity to recalibrate its approach. With coordinated policy efforts, technological investment, and strategic collaborations, India

can transform its rare earth potential into a **self-reliant, globally competitive advantage**.

Operation Rising Lion

Context

In April 2025, Israel launched a military operation named **Operation Rising Lion**, targeting Iran's nuclear sites like **Natanz**. The strike has intensified tensions in the Middle East and created serious concerns about **global oil supply** and **regional stability**.

About the News

- **Israel's military** attacked over **100 key locations** inside Iran.
- The operation focused on **nuclear facilities** and **missile systems**.
- Israel claimed Iran was nearing **nuclear weapon capability**.
- **Iran responded strongly**, threatening **serious retaliation**.

Nuclear Enrichment and Strategic Concerns

- **Uranium enrichment** is at the center of the conflict.
- **U-235**, a rare isotope, is needed for nuclear energy and bombs.
- Iran's reported enrichment level has crossed **60% purity**, raising alarm.
- **Weapons-grade uranium** requires about **90% U-235** concentration.
- **Centrifuge machines** help in separating lighter U-235 from heavier U-238.
- Even **1 inch of enriched uranium** can generate energy like **120 gallons of oil**.

Challenges

- **Wider regional conflict** could erupt *(e.g., Hezbollah might launch attacks)*.
- **India's oil imports may get costlier** *(e.g., crude oil price above $100/barrel)*.
- **Monitoring of Iran's nuclear program disrupted** *(e.g., IAEA denied access)*.
- **The Strait of Hormuz blockage** can disturb **20% of global oil trade**.

Way Forward

- **Promote diplomatic talks** to control nuclear arms *(e.g., restore Iran nuclear deal)*.
- **Expand India's oil reserves** for emergencies *(e.g., Indian Strategic Petroleum Reserves)*.
- **Invest more in clean energy** sources *(e.g., National Solar Mission targets)*.
- **Act as neutral mediator** to balance regional relations *(e.g., India's ties with both Iran and Israel)*.

Conclusion

The ongoing Israel-Iran crisis is not just a regional issue but a **global concern** due to its impact on oil, security, and nuclear safety. Countries like India must prepare through **energy diversification** and push for **peaceful solutions** through diplomacy and international cooperation.

Forest Rights Act, 2006

In 2024–25, the **Ministry of Tribal Affairs** launched a nationwide plan to strengthen the Forest Rights Act by creating **300 dedicated FRA Cells** in **18 states and UTs**, under the **Dharti Aaba Janjatiya Gram Utkarsh Abhiyan**.

Objectives of FRA, 2006

- ***Acknowledging Entitlements:*** To affirm the traditional rights of Scheduled Tribes (STs) and Other Traditional Forest Dwellers (OTFDs) over forest lands essential for their daily needs.
- ***Securing Livelihoods:*** To promote sustainable use of forest resources that support both the environment and the economic stability of local inhabitants.
- ***Strengthening Communities:*** To empower forest-dependent communities by granting them legal rights over forest land and natural resources.

Key Features of the New FRA Cells

- These cells aim to **monitor and speed up** the implementation of the FRA.

- They will help **resolve pending claims** of forest rights by individuals and communities.
- Focus states include **Madhya Pradesh, Chhattisgarh, Telangana, Maharashtra, Assam, and Jharkhand**, where **backlogs are high**.
- The cells will also assist in handling **grievances and awareness-building** among forest dwellers.

Provisions of the Forest Rights Act, 2006

- **Legal title** to forest land for those residing there for generations.
- Right to collect and sell **minor forest produce** (MFP) like bamboo, honey.
- Right to **grazing, fishing**, and access to **water bodies**.
- **Community forest rights** to manage and conserve forest resources.
- **Gram Sabha** plays a key role in claim verification and rehabilitation.

Key Challenges in Implementation

- **Lack of awareness** about FRA rights among tribal populations. *Example: Many villages in Odisha unaware of community forest rights.*
- **Slow disposal** of claims by district-level committees. *Example: Over 3 lakh claims pending in Madhya Pradesh alone.*
- **Eviction threats** during conservation or development drives. *Example: Forest dwellers evicted during tiger reserve expansions.*
- **Weak Gram Sabha capacity** to handle legal and administrative roles. *Example: Low training in Chhattisgarh's tribal blocks.*

Way Forward

- **Train local officials** to handle FRA claims more efficiently. *Example: Digital training modules in Maharashtra show promise.*
- **Empower Gram Sabhas** with legal and administrative literacy. *Example: Jharkhand is piloting legal awareness camps.*
- **Use GIS tools** to map traditional forest use. *Example: Telangana using satellite mapping to verify claims.*
- **Resolve pending cases** on a mission mode basis. *Example: Special claim clearance drive in Assam underway.*

The launch of **FRA Cells** reflects a growing push to turn legal promises into real protection for forest-dwelling communities. For true impact, the government must combine **institutional reforms**, **local empowerment**, and **technology** to ensure justice reaches the roots.

Performance-Based Review of Central Schemes

Context

The **Union Ministry of Finance** has directed that all **Central Sector and Centrally Sponsored Schemes** undergo an **independent evaluation** before any proposal for their continuation is considered after **March 31, 2026**. This signals a policy shift towards **outcome-focused planning**, better use of **public money**, and more **evidence-driven governance** in India.

Goals of the Policy

- Promote **judicious use** of budgetary resources.
- Ensure **transparency** and **accountability** in how schemes are run.
- Connect **funding decisions** with how schemes actually perform.
- Discontinue or restructure schemes that are **no longer effective**.
- Set clear **spending limits** to control overall government expenditure.

Salient Features

Defined Time Limit for All Schemes

- Each scheme must have a **fixed completion date**.

- Renewal beyond **2026** requires a full performance review.

Evaluation-Based Continuation Rule

- **Independent third-party assessment** is required for all Central Sector Schemes.
- **NITI Aayog** will oversee evaluations of Centrally Sponsored Schemes (CSSs).
- Schemes can only continue if they receive a **favorable review**.

Cap on Budgetary Outlay

- For the 16th Finance Commission period (2026–2031), a scheme's **total budget** cannot be more than **five times** the average annual spending from 2021 to 2025.

Flexibility in Fund Use

- Ministries are allowed to **redirect funds** from poorly performing schemes to better ones, with proper justification.

Strict Spending Limits

- Every scheme must operate within **pre-approved financial boundaries**.

Impact on Demand-Driven Schemes

Programs like **MGNREGA**, which adjust to actual needs, may face funding limits.

- Budgets will now depend on the **estimated number of beneficiaries** during the Finance Commission cycle.
- Any **additional funding** will need **special government approval**.

Benefits of the New Framework

- Encourages a **results-based approach** in public programs.
- Reflects **global budgeting standards**, such as those used by the **OECD**.
- Helps remove **inefficient or overlapping schemes**.
- Promotes **better use of limited resources**.
- Can **restore public faith** in how government money is spent.
- May improve **coordination across ministries** and departments.

Major Challenges in Implementation

- **Evaluation quality** may be weak due to lack of expertise or independence. *Example: Some past reviews lacked sector-specific knowledge.*
- Risk of **ending schemes too early**, especially those with **long-term impacts**. *Example: Health and education programs need time to show results.*
- Demand-based programs may **struggle during emergencies**. *Example: MGNREGS saw a surge in need during the COVID-19 lockdowns.*
- The **approval process** for scheme renewal could become **slow and bureaucratic**. *Example: Delays in clearance may affect continuous service delivery.*
- Many schemes **lack real-time data systems**, making reviews harder. *Example: Some rural schemes still use manual monitoring methods.*

Way Forward

- **Create an Independent Evaluation Body** *Example: Establish a central agency under CAG or NITI Aayog for unbiased reviews.*
- **Upgrade Monitoring Tools** *Example: Use live dashboards, open data portals, and geo-tagging to track progress.*
- **Set Clear Targets from the Start** *Example: Include well-defined KPIs (Key Performance Indicators) at the scheme design stage.*
- **Protect Essential Welfare Programs** *Example: Don't discontinue food or health schemes just because of short-term underperformance.*
- **Train Government Personnel** *Example: Offer courses in cost analysis and impact evaluation for ministry staff.*

Conclusion

This move by the Finance Ministry promotes **evidence-based public finance** and aims to shift the focus from spending to **results**. While the

framework has the potential to make Indian welfare programs **more efficient and accountable**, it must also protect **vulnerable communities** and ensure that social security is not compromised in the name of fiscal discipline. Balancing **performance monitoring** with **inclusive development** will be the key challenge ahead.

Operation Sindhu

Context:

In June 2025, India launched Operation Sindhu to evacuate Indian citizens, especially students, from Iran amid rising tensions between Israel and Iran.

About the News:

- India launched a Non-Combatant Evacuation Operation (NEO) from Iran.
- Over 4,000 Indian nationals were estimated to be in Iran.
- The first group of 110 evacuees, mostly students, returned via Armenia.
- The Ministry of External Affairs (MEA) coordinated the evacuation effort.

Operational Difficulties Faced

1. Infrastructure Damage: Israeli airstrikes in Iran severely affected hospitals and road systems.
2. Diplomatic Limitations: Turkey and Azerbaijan were not fully cooperative with India's evacuation plans.
3. Resource Scarcity: Many evacuees experienced shortages of food, water, and essential medical supplies.
4. Medical Emergencies: Some injured evacuees lacked timely access to healthcare facilities due to system breakdowns.

Recommended Strategic Measures

1. Diplomatic Preparedness: Build stronger partnerships with border nations like Armenia for evacuation corridors.
2. Technology Integration: Set up real-time monitoring platforms for Indian citizens abroad to aid rapid coordination.
3. Crisis Protocol Development: Develop standard evacuation protocols for conflict-prone regions like the Middle East.
4. Capacity Building: Enhance emergency-response capabilities of Indian embassies in unstable countries.

Conclusion:

Operation Sindhu reinforced India's policy of prioritizing citizens' safety abroad through fast, organized evacuations, despite diplomatic and logistical hurdles in a conflict-prone region.

Euthanasia

Context

In June 2025, the UK passed a law legalizing assisted dying for terminally ill patients. This has triggered a renewed debate in India, where passive euthanasia is legal but active euthanasia is not. The discussion now focuses on whether India should revisit its own legal framework.

About the News (UK's Law)

1. **UK legalized assisted dying for terminally ill adults**
   → Adults with less than six months to live can now choose medically assisted death.
2. **Applies only in England and Wales**
   → Other parts of the UK, like Scotland, are not covered under this law.
3. **Involves doctors, courts, and written consent**
   → The decision must pass through medical and legal scrutiny.
4. **Law passed after being debated since 2013**
   → Multiple failed attempts over the years finally led to approval in 2025.

Types of Euthanasia

1. Active Euthanasia
This involves directly ending a patient's life through medical means, such as giving a lethal injection.

- **Voluntary** – With patient's consent.
  Example: A terminal cancer patient requests a doctor to administer a life-ending drug.
- **Non-voluntary** – Patient can't give consent.
  Example: A person in a permanent coma is given euthanasia based on family decision.
- **Involuntary** – Done against the patient's will.
  Example: A mentally sound patient is euthanised without consent (often considered illegal).

2. Passive Euthanasia

This means stopping life-support or treatment so the patient dies naturally.

Example: Turning off a ventilator for a brain-dead patient or stopping feeding in end-stage dementia.

It is usually based on advance directives or family consent when the patient can't decide.

Key Features (Compared to India)

1. **Only passive euthanasia allowed in India**
   → Withdrawal of treatment is allowed, not direct action to end life.
2. **The Supreme Court approved it in 2018 (Common Cause case vs Union of India (2018).**
   → Recognized **Right to Die with Dignity** under **Article 21**.
3. **Only terminally ill patients in a vegetative state are covered**
   → Patients must be in an irreversible medical condition.
4. **Living Will allowed by law**
   → A person can record their wish to refuse life support in the future.
5. **Approval by medical board is mandatory in India**
   → Passive euthanasia requires multiple doctors' agreement.
6. **No law on active euthanasia in India yet**
   → Deliberate actions to end life (like lethal injections) remain illegal.

Challenges for India

1. **Moral and religious resistance to euthanasia**
   → Many oppose it as **against life values**, especially in rural and religious communities.
2. **Low awareness of Living Will**
   → Even educated people don't know how or when to use this legal tool.
3. **Risk of misuse in absence of strict safeguards**
   → Poor patients or elderly may be **pressured** into choosing death.
4. **Lack of trained medical ethics boards**
   → Few hospitals have proper systems for evaluating euthanasia cases.

Way Forward for India

1. **Promote public awareness of passive euthanasia laws**
   → Educate citizens about **Living Wills** and legal protections.
2. **Set up clear national guidelines for doctors**
   → Define steps hospitals and ethics boards must follow uniformly.
3. **Expand palliative care infrastructure**
   → Improve **pain management and end-of-life support**, reducing the demand for euthanasia.
4. **Open dialogue on active euthanasia with safeguards**
   → Learn from the UK and Netherlands to discuss **carefully regulated legal options**.

Conclusion

India's legal journey on euthanasia is cautious yet progressive. While passive euthanasia is allowed, the debate on assisted dying remains open. With rising public awareness and international developments like the UK's new law, India may need to revisit and strengthen its policies to ensure a balance between compassion, consent, and care.

Organ Transplantation in India

Context

A report released by the **Union Health & Family Welfare Ministry** highlighted pressing challenges in **India's organ transplantation system**, urging urgent reforms for accessibility and transparency.

About the News

- **Report by the Union Health Ministry** flagged issues in organ transplant infrastructure.
- **Shortage of organs** despite rising demand across states.
- **Financial burden** remains a barrier for patients post-transplant.
- **National body NOTTO** manages the transplant system in India.

Types of Organ Donation

Organ donation in India is broadly classified into two major categories: **Living Organ Donation** and **Deceased Organ Donation**. Each follows distinct medical and legal protocols, as outlined under the Transplantation of Human Organs and Tissues Act, 1994.

1. Living Organ Donation

- In this form, a healthy individual voluntarily donates an organ while alive.
- Typically done for organs where survival with one part is medically possible — most commonly:
  - **Kidney** (as humans can live with one kidney)
  - **Liver** (as it can regenerate after partial removal)
- Donors are usually classified into:
  - **Near relatives** – including parents, siblings, spouse, children, etc.
  - **Other than near relatives** – such as friends, in-laws, or altruistic donors (with appropriate approvals).
- Requires rigorous medical, psychological, and legal screening to rule out coercion or financial transactions.

2. Deceased Organ Donation

- This occurs when organs are donated after death, specifically following a declaration of **brain stem death**.
- Brain stem death is diagnosed when:
  - There is irreversible loss of consciousness,
  - Absence of brain stem reflexes,
  - Permanent cessation of independent breathing.
- A panel of authorized doctors must certify brain death as per legal guidelines.
- Vital organs such as the **heart**, **lungs**, **liver**, **kidneys**, **pancreas**, and **intestines** can be retrieved for transplantation.
- In India, donation is legally permitted only after brain stem death, not cardiac death.

Legal Framework in India

- Governed by the **Transplantation of Human Organs and Tissues Act, 1994**, amended in 2011.
- Consent from family or next of kin is essential for deceased donation.
- Brain death declaration must be carried out by a medical board, typically involving:
  - A neurologist/neurosurgeon,
  - Treating doctor,
  - Independent medical administrator.

Ethical Safeguards

- Commercial dealings in organs are strictly prohibited.
- Every donor and recipient must be registered through official channels, such as:
  - **NOTTO** – National Organ and Tissue Transplant Organization,
  - **ROTTO** – Regional-level counterpart.

Challenges in India

- **Low awareness** among people limits deceased donations. *Example*: Urban hospitals report reluctance in family consent after brain death.

- **ICU shortages** delay organ retrieval and preservation.
  Example: Rural hospitals lack ventilator support for brain-dead donors.
- **Post-transplant care is unaffordable** for poor patients.
  Example: Immunosuppressants cost over ₹10,000/month.
- **Illegal organ trade persists** despite the legal framework.
  Example: Recent media reports expose black market rackets

Way Forward

- **Mass campaigns** to boost public awareness and family consent.
  Example: Tamil Nadu's 'Be a Donor' drive increased cadaver donations.
- **Include immunosuppressants** under health insurance schemes.
  Example: AB-PMJAY can cover post-transplant medication cost.
- **Expand ICU infrastructure** in district hospitals.
  Example: CSR funds can help equip ICU beds in public hospitals.
- **Digital tracking systems** for real-time donor-recipient match.
  Example: NOTTO's portal can be integrated with state e-hospital networks.

Conclusion

Organ transplantation in India stands at a crossroads. While **legal and institutional mechanisms** are in place, challenges of **affordability, awareness, and infrastructure** need urgent attention to make the system equitable and life-saving for all.

Quantum communication

Context

Researchers from IIT Delhi and DRDO advanced India's capabilities in quantum communication, a futuristic technology aimed at building hack-proof satellite-based communication networks. India now aims to launch its own quantum communication satellite by 2030, putting it on track to join global leaders in secure communication systems.

About the News

- India aims to launch a quantum satellite by 2030 for secure and encrypted communication.
- IIT Delhi and DRDO have built key parts of this emerging technology.
- In 2025, India achieved 1 km wireless communication using quantum entanglement, a major milestone.
- China is the global leader, already operating quantum satellites since the last decade.

Key Characteristics / Provisions

- **Quantum communication** uses **photons (particles of light)** to carry information, making it **ultra-secure**.
  Why is it secure? Any attempt to intercept the signal changes the photon's state, alerting both parties.
- **Quantum Key Distribution (QKD)** ensures data cannot be read or copied by hackers.
  This method generates encryption keys based on quantum principles, unlike normal passwords.
- India's system will work through **two modes**:
  - **Optical fiber-based (wired)** for short-range urban use.
  - **Entanglement-based (wireless)** for long-range communication including **satellite-to-ground** links.
- **Qubit** is the **quantum version of a bit**. Unlike classical bits (only 0 or 1), qubits can be **0, 1, or both at once**.
  This allows faster and more complex calculations in quantum computers.
- **Quantum Entanglement** is when **two particles stay connected**, so changing one instantly affects the other—no matter the distance.
  This is the basis of long-distance wireless quantum communication.

- Future applications include **military-grade encryption**, **secure government messaging**, **banking protection**, and even **quantum internet**.

National Quantum Mission (NQM)

India's National Quantum Mission is a strategic initiative led by the **Department of Science and Technology (DST)** aimed at harnessing the principles of **quantum mechanics** to develop next-generation technologies. These include **secure quantum communication**, high-precision **quantum sensing**, and future-ready **quantum computing** capabilities.

Timeline and Financial Allocation

- The mission was approved by the **Union Cabinet in April 2023**.
- Total estimated investment: **₹6,000 crore**.
- Implementation period: **8 years**, spanning from **2023 to 2031**.

Key Focus Areas

- Development of **quantum computers** with capabilities ranging from 50 to 1000 physical qubits.
- Establishment of **National Quantum Laboratories** and **Technology Parks**.
- Advancement in **quantum key distribution (QKD)** systems for ultra-secure communication.
- Design and testing of **quantum sensors** for applications in navigation, health, and military technologies.

Major Challenges

- **High technological complexity** and **cost of infrastructure**. *Example*: Quantum hardware like single-photon detectors and cryogenic systems are expensive.
- **China's technological lead** adds pressure on India's program. *Example*: China's **Micius satellite** has already achieved space-to-ground QKD.
- **Limited experimental facilities and ecosystem** in India. *Example*: Very few Indian labs are equipped for practical quantum research.
- **Shortage of trained professionals** in quantum physics and engineering. *Example*: Most Indian universities still teach only classical physics and computing.

Way Forward

- **Increase investment** in research through government-backed quantum missions. *Example*: Establish **National Quantum Laboratories** in premier institutes like IITs and IISc.
- **Encourage private-sector partnerships** to accelerate development. *Example*: Collaborate with Indian tech startups in encryption and satellite systems.
- **Launch real-world pilot projects** in critical sectors like defense and finance. *Example*: Implement **quantum-secured messaging** between military bases and DRDO.
- **Reform academic curriculum** to include quantum science and engineering. *Example*: Introduce quantum mechanics, optics, and computing in B.Tech and M.Sc. programs.

Conclusion

India's quantum satellite mission reflects a **strategic ambition to secure its digital infrastructure** against cyber threats. For UPSC aspirants, this represents a key intersection of **science & technology, international competition, and national security**. With sustained focus on **research, training, and collaboration**, India can emerge as a **quantum communication leader by 2030**.

Left-Wing Extremism (LWE) / Naxalism

Context

Union Home Minister **Amit Shah** reiterated the government's aim to make **India completely free of Naxalism by March 2026**, ensuring peace and development.

About the News

- The Home Minister stated the **war against Naxalism is in its final phase**. *This reflects a strategic and time-bound commitment by the central government.*
- Over **40,000 lives** have been lost due to **Naxal violence over 35 years**. *This highlights the human and social cost of the conflict.*
- **Tribal communities** suffered a lack of **basic services** due to prolonged conflict in affected regions. *The insurgency delayed development and isolated people.*

Naxalism

- **Naxalism is a Maoist-inspired insurgency** that aims to overthrow the state through violence and guerrilla warfare.
- **The name comes from Naxalbari village in West Bengal**, where a peasant revolt took place in 1967.
- **It began as a land rights movement** but later spread to several parts of India.
- **Naxals mainly operate in tribal and forest regions**, exploiting local grievances.
- **It remains a major internal security issue** affecting multiple Indian states.

Efforts and Strategies to Combat Naxalism in India

1. **National Policy and Action Plan (2015)**
   A comprehensive strategy focusing on security, development, rights of tribal communities, and public outreach in Naxal-affected regions.
2. **SAMADHAN Doctrine**
   A multi-pronged strategy where each letter stands for:
   - S – Smart Leadership
   - A – Aggressive Strategy
   - M – Motivation and Training
   - A – Actionable Intelligence
   - D – Dashboard for Monitoring
   - H – Harnessing Technology
   - A – Action Plan
   - N – No Access to Financing
3. **Operation Green Hunt**
   A large-scale, coordinated military offensive launched to flush out Naxals from forest strongholds using paramilitary forces.
4. **Deployment of Special Forces**
   - **Greyhounds:** Elite commando force from Andhra Pradesh for jungle warfare.
   - **Bastariya Battalion:** Tribal youth recruited from Chhattisgarh for area-specific counter-insurgency.
5. **Special Central Assistance (SCA)**
   Financial aid to Naxal-affected districts to build roads, health centers, schools, and promote livelihood projects.
6. **Implementation of Bandopadhyay Committee Recommendations**
   Focus on land rights, forest access, and rehabilitation of displaced tribal populations to prevent alienation.
7. To counter Naxalism, the government uses drones, GPS, and satellite surveillance, modernizes police forces with better training and equipment, promotes welfare schemes like PM Awas and Jal Jeevan, and runs outreach programs to gain the trust of tribal communities.

Challenges

- **Mass tribal displacement** due to mining projects caused resentment. *For example, mining in Bastar displaced many without rehabilitation.*
- Lack of **basic services** like roads, water, and schools led to **local anger**. *Tribal youth joined rebels as the state remained absent.*
- **Forest laws like FCA 1980** restricted traditional access without alternatives. *This pushed tribals into the arms of insurgents.*
- **Remote terrain** made governance and police access difficult.

Dense forests in areas like Dantewada became Naxal strongholds.

Way Forward

- Focus on **development and inclusion**, not just military action.
  Schemes like PM Awas Yojana must reach affected regions promptly.
- Strengthen **SAMADHAN** strategy for coordinated intelligence and action.
  Using drones and real-time data can prevent ambushes.
- Promote **tribal-sensitive land policies** as suggested by Bandopadhyay Committee.
  This can prevent future unrest during land acquisition drives.
- Expand success models like the **Bastariya Battalion** in other regions.
  Local youth ensure better terrain knowledge and public trust.

Conclusion

While Naxalism has weakened, its complete end requires **continued development, tribal empowerment, and just governance**, ensuring **security and dignity** for the most affected and marginalized communities of India.

India's first off-grid green hydrogen plant

Context

In a major green energy development, **Adani Group** commissioned **India's first off-grid green hydrogen plant** in **Kutch, Gujarat**, aiming to boost clean energy goals.

About the News

- The **plant is fully off-grid**, operating **independently of India's main electricity grid** using **renewable energy sources**.
  This allows uninterrupted, zero-emission hydrogen production.
- Located in **Kutch, Gujarat**, it is the **first such facility in India**.
  The region has high solar and wind potential.
- It was set up by **Adani New Industries Ltd (ANIL)** to scale up **green hydrogen capacity**.
  Private sector investment aligns with national goals.
- It supports India's **National Green Hydrogen Mission** and **Net Zero by 2070** vision.
  It's a milestone for decarbonizing the economy.

Characteristics

- The plant uses **electrolysis of water** to separate **hydrogen and oxygen** using **electricity**.
  This method is clean if electricity is renewable.
- For **green hydrogen**, electricity must come from **solar, wind, or hydropower**, not coal.
  This ensures zero carbon emissions during production.
- It is an **off-grid system**, meaning it works **independently from the central electricity grid**.
  Ideal for remote or energy-scarce regions.
- Hydrogen is stored as **compressed gas or liquid** for later use in **energy, transport, or industry**.
  Storage ensures flexible usage across sectors.
- It differs from **on-grid plants**, which depend on grid power and may emit CO_2 if fossil-fuel based.
  Off-grid ensures reliability and sustainability.

National green hydrogen Mission

- **Launched by MNRE (**Ministry of new and renewable energy) **in January 2023** to position India as a global green hydrogen leader.
- **Aims to produce 5 million tonnes annually** of green hydrogen by the year 2030.
- **SIGHT programme offers financial support** for domestic electrolyser

manufacturing and green hydrogen-based industries.

- **Portal launched to disseminate information** on policies, projects, and ecosystem development under NGHM.
- **Hydrogen Valley Innovation Clusters created** to promote R&D in hydrogen use across core industrial sectors.

Challenges

- **High production cost** due to expensive electrolysis technology limits large-scale adoption.
  E.g., green hydrogen is still costlier than grey hydrogen from natural gas.
- **Storage and transport of hydrogen** is technically challenging and energy-intensive.
  Compressed hydrogen needs advanced, safe infrastructure.
- **Limited domestic electrolyser manufacturing** slows project scalability. *India depends on imports, increasing costs and delay.*
- **Policy support and incentives** need faster implementation to attract more private players. *Slow policy rollout can reduce investor confidence.*

Way Forward

- **Boost indigenous electrolyser manufacturing** under Make in India. *Will reduce cost and increase production capability.*
- **Invest in hydrogen-ready infrastructure** for storage, pipelines, and transport. *Example: Build hydrogen corridors for mobility sectors.*
- **Integrate green hydrogen in industries** like steel, fertilizers, and oil refineries. *Can drastically reduce carbon emissions from hard-to-abate sectors.*
- **Strengthen policy and subsidies** under National Green Hydrogen Mission. *Financial support will accelerate industry adoption.*

Conclusion

India's first off-grid green hydrogen plant is a **key step towards clean energy leadership**. It reflects India's **commitment to sustainability, innovation, and global climate responsibility** under its 2070 net-zero target.

Shanghai Cooperation Organization (SCO) Meeting: India's Strategic Refusal

Context:
In a recent *SCO meeting hosted by China*, India refused to sign the final joint statement.

About the News:

- **India declined to sign the SCO joint declaration.**
  This decision was based on the exclusion of India's key security concerns.
- **The statement focused only on Balochistan attacks.**
  Ignoring Indian concerns like Pahalgam highlighted selective acknowledgment of terrorism.
- **NSA Ajit Doval and Defence Minister Rajnath Singh attended.**
  Their presence underscored India's active involvement despite disagreement.

About SCO :

- **Established in 2001 from the earlier 'Shanghai Five'.**
  It began as a China-led regional initiative focused on security cooperation.
- **Consists of 10 permanent members**

  Permanent Member : Belarus,China, India, Iran, Kazakhstan, Kyrgyzstan ,Pakistan, Russia, Tajikistan, Uzbekistan

  Observer Member: Afghanistan, Mongolia
  Represents a vast geographical and economic space.
- **Aims to fight terrorism and promote regional peace.**
  Security cooperation, especially via RATS, is a core focus.
- **RATS headquartered in Tashkent,**

Uzbekistan.
It coordinates intelligence and counter-terror operations among members.

- **Official languages are Chinese and Russian.**
  Reflects the dominance of founding members in SCO's functioning.
- **SCO's collective GDP is around $23 trillion.**
  Economic integration is emerging as a parallel goal.

Significance of SCO

- **Strategic Security Platform**
  SCO provides a joint mechanism to tackle terrorism, extremism, and separatism, enhancing regional stability through military cooperation and coordinated anti-terror operations like the "Peace Mission."
- **Large Geopolitical Influence**
  With over 40% of the world's population and vast land coverage, SCO is a powerful bloc influencing Eurasian geopolitics, economy, and security policies.
- **Promotes Economic and Energy Cooperation**
  The organization facilitates regional trade, energy dialogue, and investment connectivity, promoting shared growth among members through projects in transport, infrastructure, and financial integration.
- **Boosts Regional Connectivity**
  SCO supports cross-border infrastructure and transport corridors, aligning with initiatives like China's BRI and India's interest in linking with Central Asian and Eurasian markets.
- **Encourages Multilateral Diplomacy**
  It offers a platform for India and others to engage in multilateral diplomacy, balance rivalries, and pursue strategic interests beyond bilateral limitations.

Challenges:

- **Selective focus on terrorism damages credibility.**
  E.g., Ignoring Pahalgam attack undermines the anti-terrorism agenda.
- **China-Pakistan alignment often isolates Indian concerns.**
  E.g., Belt and Road Initiative opposed by India remains a divide.
- **Pakistan's inclusion conflicts with anti-terror goals.**
  E.g., Its record on harboring terror groups weakens collective efforts.
- **Language and political alignment marginalize Indian proposals.**
  E.g., Official use of Chinese and Russian limits inclusive dialogue.

Way Forward:

- **Push for a balanced narrative on terrorism.**
  E.g., Insist on inclusion of all relevant attacks in SCO reports.
- **Strengthen India's strategic partnerships within SCO.**
  E.g., Deepen ties with Central Asian countries and Russia.
- **Demand reforms in decision-making processes.**
  E.g., Advocate for multilingual official communications.
- **Highlight India's democratic and anti-terror credentials.**
  E.g., Showcase India's success in neutralizing cross-border threats.

Conclsion:

India's refusal to sign the SCO joint statement marks a significant **diplomatic assertion** against selective narratives on terrorism. As a responsible member, India is committed to **regional cooperation**, but not at the cost of **national security and principled diplomacy**. Moving forward, India is likely to **play a more proactive role** in shaping SCO's direction towards genuine multilateralism and security cooperation.

Priority Sector Lending (PSL) Norms for Small Finance Banks: RBI's Recent Relaxation

Context:

In **June 2025**, the **Reserve Bank of India (RBI)** relaxed **priority sector lending (PSL)** requirements for **Small Finance Banks (SFBs)**. This step aims to offer **greater operational flexibility** to SFBs while maintaining the focus on **inclusive credit** to underserved sectors.

About the News:

- **RBI relaxed PSL target for SFBs from 75% to 60%.**
  This reduces the compulsory lending burden for SFBs.
- **Change effective from FY 2025–26.**
  It applies to all existing and upcoming SFBs.
- **Additional 20% allocation can be flexible.**
  Banks may lend to sectors of their own expertise.
- **Objective is to balance regulation and business viability.**
  It allows SFBs to manage risk while serving the priority sector.

Key Characteristics of the Reform:

- **PSL includes loans to vital under-served sectors.**
  E.g., *agriculture, MSMEs, education, renewable energy, weaker sections.*
- **New target is 60% of ANBC (adjusted net bank credit) or CEOBE (credit equivalent of off-balance sheet exposures,** Whichever is higher will be considered.
- **40% of credit must follow standard PSL rules.**
  It must be spread across sub-sectors like MSME, housing, etc.
- **Remaining 20% is flexible.**
  SFBs can allocate it to sectors where they have expertise.
- **Aligns with earlier PSL reforms (March 2025).**
  At that time, limits for cooperative banks and loan categories like housing and education were also adjusted.
- **Encourages innovation in credit delivery.**
  Especially through technology-led and low-cost banking models.

About SFB (Small Financial Banks)

- **Financial Inclusion Focus**
  SFBs provide banking and credit services to underserved groups like small businesses, farmers, and low-income households.
- **RBI Regulation**
  SFBs are regulated by RBI and follow all prudential norms like CRR, SLR, and capital adequacy requirements.
- **Eligibility Criteria**
  Resident individuals, NBFCs, MFIs, and cooperative banks with sound credentials can apply under RBI's on-tap licensing scheme.
- **Lending Mandate**
  75% credit must go to priority sectors; 50% of loans should be under ₹25 lakh to aid small borrowers.
- **Branch and Capital Norms**
  Minimum capital of ₹200 crore; 25% of branches must be in unbanked rural areas to expand financial access.

About Cooperative Banks

- **Definition and Classification**
  Cooperative banks are member-owned institutions registered under state or central cooperative laws, categorized as Urban Cooperative Banks and Rural Cooperative Banks.
- **Ownership and Voting Rights**
  They are owned by their customers, who are also members, with equal voting rights under the principle of "one person, one vote."
- **Objective and Functions**
  Their main aim is to provide credit to

farmers, small businesses, and self-employed workers, especially in rural and semi-urban areas.

- **Regulatory Framework**
  They are regulated jointly by RBI for banking functions and by the Registrar of Cooperative Societies for governance and management.
- **Role in Financial Inclusion**
  Cooperative banks support inclusive growth by reaching unbanked sections and remained stable during crises like the 2008 global financial crisis.

Challenges:

- **Reduced PSL target may dilute social focus.**
  E.g., fewer loans may reach farmers or small borrowers.
- **Concentration in profitable sectors may rise.**
  E.g., SFBs may prefer housing over agriculture.
- **Monitoring flexible 20% allocation can be tricky.**
  E.g., misuse in non-priority lending disguised as PSL.
- **Risk of urban shift in SFB lending pattern.**
  E.g., loans may favour urban MSMEs over rural enterprises.

Way Forward:

- **Ensure transparency in 20% flexible allocation.**
  E.g., RBI can publish sectoral lending data.
- **Strengthen auditing and compliance systems.**
  E.g., annual reports should detail PSL lending.
- **Incentivize lending to neglected sectors.**
  E.g., provide interest subvention for agriculture loans.
- **Promote digital credit models for outreach.**
  E.g., use mobile banking for rural and unbanked regions.

Conclusion:

The RBI's revision of PSL norms for Small Finance Banks reflects an effort to **balance regulatory goals with business realities**. While this move provides **flexibility and competitiveness**, the real test lies in maintaining **inclusivity and financial outreach** to the most vulnerable and under-banked sectors of the economy. Continuous oversight and innovative credit practices will be essential to fulfill the **original intent of the PSL policy**.

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Test No.	Paper	Date	Topic
1	Sectional	10 June, 25	Polity + Governance+ IR
2	Sectional	14 June, 25	Indian & World History + Art & Culture
3	Sectional	21 June, 25	Geography + Environment & Ecology + Society + DM
4	Sectional	28 June, 25	Science & Tech. + Economy + Internal Security
5	Sectional	05 July, 25	Qualifying paper (Hindi)
6	Full Length	12 July, 25	Qualifying paper (English)
7	Full Length	19 July, 25	Essay (All three Section)
8	Full Length	26 July, 25	GS Paper 1 (Full Syllabus)
9	Full Length	02 Aug., 25	GS Paper 2 (Full Syllabus)
10	Full Length	07 Aug., 25	GS Paper 3 (Full Syllabus)
11	Full Length	16 Aug., 25	GS Paper 4 (Full Syllabus) Ethics Integrity & Aptitude

COMMENCING FROM 10, JUNE 2025

REGISTRATION OPEN

LUCKNOW & KANPUR

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