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PRELIMS – 2026 ECONOMY COMPASS 365

Your Complete Economy Edge for Prelims 2026

COVERAGE PERIOD

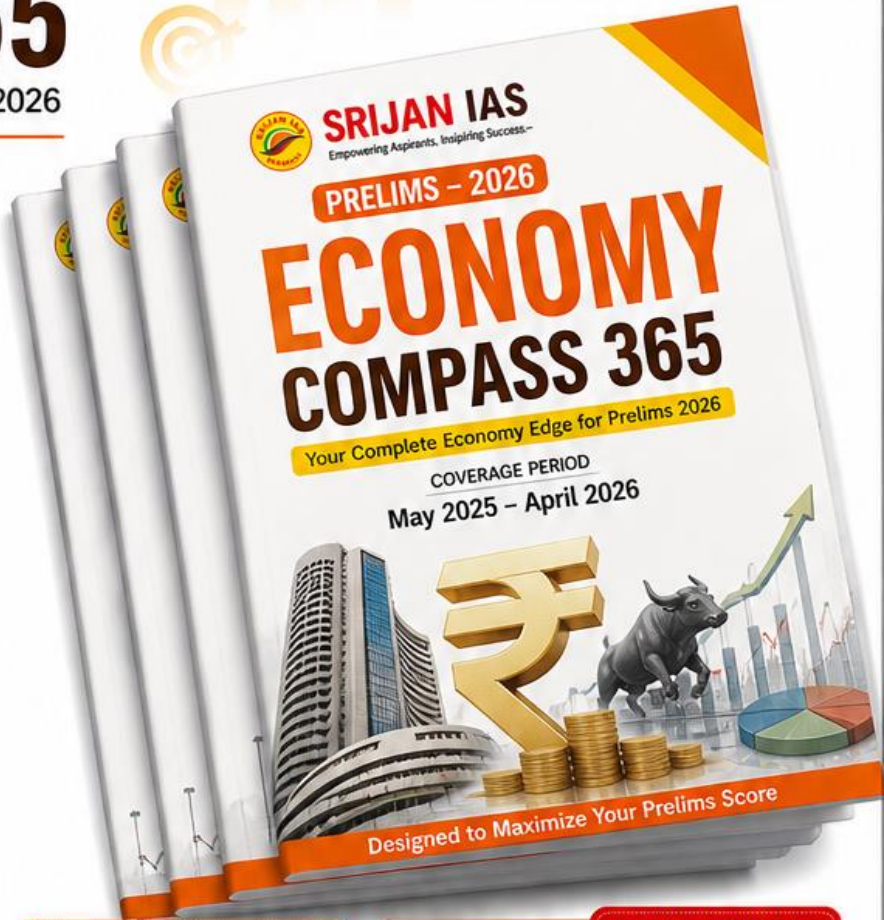
May 2025 – April 2026

SET OF 6 SUBJECT-WISE BOOKLETS:

- | | | |
|---|-------------------------|--|
| 1 | POLITY | |
| 2 | ECONOMY | |
| 3 | SCIENCE & TECHNOLOGY | |
| 4 | GEOGRAPHY & ENVIRONMENT | |
| 5 | SOCIETY, CULTURE & PIB | |
| 6 | IR & INTERNAL SECURITY | |

KEY HIGHLIGHTS

- ✓ Last 1 year Current Affairs contribute ~60–65 questions in UPSC Prelims
- ✓ Covers all high-probability current affairs pointers
- ✓ Government Schemes, Policies, and Reports are comprehensively covered
- ✓ Important Terms & Keywords are highlighted
- ✓ Major Supreme Court Judgements and Constitutional developments are included
- ✓ Science & Technology is simplified and filtered



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**BEST
FOR**

UPSC CSE PRELIMS 2026
EQUALLY BENEFICIAL FOR
STATE PCS AND SSC EXAMS

“ Success in Civil Services is not just about intelligence, but about consistency, patience and a never-give-up attitude.

– Stay Focused. Keep Moving Forward. ”



SIGNIFICANCE OF THIS MAGAZINE (IN THE LAST 25–30 DAYS BEFORE PRELIMS)

1. **Last 1 year Current Affairs contribute ~60–65 questions in UPSC Prelims**, either directly or indirectly. This magazine ensures you don't miss that major scoring portion.
2. **This is a one-stop consolidated revision source**—eliminates the need to refer multiple bulky materials in the final phase.
3. **Covers all high-probability current affairs pointers** filtered strictly as per UPSC trends—focus on relevance, not information overload.
4. **Government Schemes, Policies, and Reports are comprehensively covered**—a recurring and high-weightage area in Prelims.
5. **Important Terms & Keywords are highlighted**—UPSC frequently frames questions around definitions, terminologies, and concepts.
6. **Major Supreme Court Judgements and Constitutional developments are included**—a frequently asked and often ignored area.
7. **International Relations & Organisations are updated and exam-focused**—important summits, groupings, and global issues.
8. **Science & Technology is simplified and filtered**—focus on applications, relevance, and recent developments (not unnecessary theory).
9. **Environment & Ecology section is highly exam-centric**—species, conventions, reports, and protected areas (very high hit rate in Prelims).
10. **Economy coverage balances concepts + current updates**—budget, surveys, indices, and economic terms important for elimination techniques.
11. **Designed for multiple quick revisions**—structured in a way that allows 2–3 revisions within limited time.
12. **Enhances elimination skills** by strengthening factual clarity and conceptual linkages—crucial for increasing accuracy.
13. **Saves time, reduces stress, and builds confidence** by giving a clear direction in the most critical phase of preparation.

HOW TO READ THIS MAGAZINE (SMART STRATEGY)

- **First Reading:** Fast + broad (focus on understanding, not memorization)
- **Second Reading:** Highlight facts, schemes, locations, reports
- **Third Reading:** Revise only marked portions + keywords
- **Final 3–5 Days:** Only revise highlighted sections + quick notes

FINAL TAKEAWAY

You can cover these magazines in hardly 5 days, but they can potentially give you an edge of 30–40+ questions in UPSC Prelims. If you go through a cost–benefit analysis, this is one of the most high-return investments in your preparation.

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1. India's Declining Maternal Mortality Ratio (MMR)

1. Core Idea

Maternal Mortality Ratio (MMR) is the number of maternal deaths per 100,000 live births due to pregnancy-related causes during pregnancy or within 42 days after termination of pregnancy. It reflects women's reproductive health, institutional delivery levels, and healthcare access. It is a direct indicator of SDG 3 (Good Health).

2. Why in News

Registrar-General of India (RGI) released SRS data showing India's MMR declined to 93 (2019–21), improving from 97 (2018–20) and 103 (2017–19). However, major interstate disparities persist, especially in Assam, MP, UP, and Odisha.

3. Key Facts and Figures

- India's MMR: 93 (2019–21)
- SDG Target 3.1: MMR below 70 by 2030
- Data Source: Sample Registration System (SRS)
- Highest vulnerable group: Women aged 20–29 years

4. Definition of Key Terms

Maternal Death: Death during pregnancy or within 42 days after childbirth due to pregnancy-related causes.

Institutional Delivery: Delivery in a health facility under medical supervision.

Skilled Birth Attendant: Trained doctor/nurse/midwife handling childbirth.

5. Ministry / Institutions / Organizations Involved

Ministry of Health and Family Welfare is the nodal ministry under NHM. Registrar-General of India compiles MMR data through SRS. WHO provides global benchmarks, while NITI Aayog tracks SDG progress.

6. Government Acts / Policies / Judgements

- **National Health Mission (NHM)** – Strengthens maternal and child healthcare systems.
- **Janani Shishu Suraksha Karyakram (JSSK)** – Free delivery, medicines, diagnostics, transport.
- **PMSMA** – Free antenatal check-up on 9th of every month.
- **POSHAN Abhiyaan** – Improves maternal nutrition and reduces anaemia.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on NHM (2015, 2018), POSHAN Abhiyaan (2019), SDG indicators (2020, 2023), and public health indicators repeatedly.

8. Possible Prelims Trap Areas

- MMR is per 100,000 live births, not per 1,000
- $MMR \neq IMR \neq$ Infant Mortality Rate
- Includes deaths within 42 days post-delivery

2. India's Draft Climate Finance Taxonomy

1. Core Idea

Climate Finance Taxonomy is a classification framework to identify which economic activities genuinely support climate mitigation, adaptation, and low-carbon transition. It helps channel funds

to climate-friendly sectors and prevents greenwashing.

2. Why in News

The Union Finance Ministry released the draft “Framework of India’s Climate Finance Taxonomy” to support Net Zero 2070, clean energy transition, climate adaptation, and Viksit Bharat goals.

3. Key Facts and Figures

- India’s Net Zero target: 2070
- Linked with SDG 13 (Climate Action)
- Includes “Climate Supportive” and “Climate Transition” sectors
- Relevant in COP climate finance and NCQG discussions

4. Definition of Key Terms

Climate Finance: Funding for climate mitigation and adaptation.

Greenwashing: False claims of environmental sustainability.

Hard-to-Abate Sectors: Steel, cement, iron sectors with difficult emission cuts.

NCQG: New Collective Quantified Goal under UNFCCC.

5. Ministry / Institutions / Organizations Involved

Ministry of Finance leads the framework. RBI and SEBI may regulate implementation. MoEFCC aligns climate policy. UNFCCC and COP negotiations shape international climate finance norms.

6. Government Acts / Policies / Judgements

- **Article 48A** – State shall protect and improve environment.
- **Article 51A(g)** – Fundamental duty to protect natural environment.
- **Environment Protection Act, 1986** – Umbrella environmental law.

- **SEBI ESG Framework** – Sustainability disclosures and green investment norms.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on Climate Finance (2015, 2021), Green Climate Fund, Net Zero targets, COP negotiations, and carbon markets (2022, 2023).

8. Possible Prelims Trap Areas

- Taxonomy is not a law; it is a classification framework
- India’s Net Zero target is 2070, not 2050
- Climate supportive ≠ climate transition sectors

3. RBI Eases FPI Investment Rules for Corporate Bonds

1. Core Idea

Foreign Portfolio Investors (FPIs) invest in financial assets like bonds and shares without management control. RBI eased FPI rules for corporate bonds to attract foreign capital, improve liquidity, and deepen India’s debt market.

2. Why in News

RBI removed the 30% cap on short-term corporate bond investment and abolished concentration limits (15%/10%) for FPIs, giving greater flexibility and ease of investment.

3. Key Facts and Figures

- Earlier short-term debt cap: 30%
- FPI use of bond limit: ~14.5%
- Corporate bond limit: ₹7.6 trillion
- India’s sovereign rating: BBB-

4. Definition of Key Terms

FPI: Foreign investor without ownership control.
Corporate Bond: Debt raised by companies.
G-Sec: Government-issued security.

Yield Spread: Return difference between two debt instruments.

5. Ministry / Institutions / Organizations Involved

RBI regulates debt market norms under FEMA. SEBI regulates FPIs and capital markets. Ministry of Finance frames overall policy. Global rating agencies affect investor confidence.

6. Government Acts / Policies / Judgements

- **FEMA, 1999** – Governs foreign investment and forex transactions.
- **RBI Act, 1934** – RBI's power over monetary and financial regulation.
- **SEBI FPI Regulations** – FPI registration and compliance framework.
- **Global Bond Index Inclusion** – May increase passive investment in G-Secs.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on FPI vs FDI (2014, 2020), FEMA, Government Securities, capital account convertibility, and bond markets (2018, 2022).

8. Possible Prelims Trap Areas

- FPI \neq FDI
- Corporate bonds are not government securities
- Higher yield often indicates higher risk

4. Samagra Shiksha Abhiyan – Fund Withholding Issue

1. Core Idea

Samagra Shiksha is an integrated Centrally Sponsored Scheme for school education from pre-school to Class 12. It subsumes SSA, RMSA, and Teacher Education. Its aim is universal access, equity, quality education, and improved learning outcomes in line with NEP 2020.

2. Why in News

The Centre withheld Samagra Shiksha funds for Kerala, Tamil Nadu, and West Bengal in FY 2024–25 due to non-signing of PM-SHRI MoU and issues related to NEP implementation, especially the 3-language formula.

3. Key Facts and Figures

- Ministry: Ministry of Education
- Type: Centrally Sponsored Scheme
- Allocation: ₹45,830.21 crore
- Released: ₹27,833.5 crore
- Education: Concurrent List (Article 246, List III)

4. Definition of Key Terms

Centrally Sponsored Scheme (CSS): Scheme funded jointly by Centre and States.

PM-SHRI: PM Schools for Rising India for model school development.

NEP 2020: National Education Policy for school and higher education reforms.

5. Ministry / Institutions / Organizations Involved

The Ministry of Education is the nodal ministry. State Education Departments implement the scheme. NCERT supports curriculum reforms, while PM-SHRI schools are linked with NEP-based model school development.

6. Government Acts / Policies / Judgements

- **Samagra Shiksha Scheme** – Umbrella school education scheme from pre-primary to Class 12.
- **NEP 2020** – Focus on foundational literacy, 5+3+3+4 structure, multilingualism.
- **RTE Act, 2009** – Ensures free and compulsory education for 6–14 years.
- **PM-SHRI Schools** – Upgradation of selected schools as exemplar institutions.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on Centrally Sponsored Schemes, RTE Act, and education funding mechanisms (2020, 2022).

8. Possible Prelims Trap Areas

- Samagra Shiksha is CSS, not Central Sector Scheme
- PM-SHRI ≠ Samagra Shiksha
- NEP is policy, not law

5. Rajasthan Farmer Registry Initiative

1. Core Idea

Farmer Registry is a digital database creating Unique Farmer IDs for targeted welfare delivery and efficient DBT. It improves beneficiary identification, reduces duplication, and strengthens transparency in agricultural subsidy delivery.

2. Why in News

Rajasthan emerged as the top-performing state in farmer registration with around 73 lakh farmers registered, covering nearly 81% of PM-KISAN beneficiaries, making it a major example of DBT-based agricultural governance.

3. Key Facts and Figures

- State: Rajasthan
- Registered Farmers: ~73 lakh
- PM-KISAN Coverage: ~81% beneficiaries
- Linked to: PM-KISAN + DBT ecosystem

4. Definition of Key Terms

DBT: Direct transfer of subsidies directly into beneficiary bank accounts.

Unique Farmer ID: Digital identity for farmer-specific welfare targeting.

PM-KISAN: Income support scheme for eligible farmer families.

5. Ministry / Institutions / Organizations Involved

The Rajasthan State Government leads implementation with support from the Ministry of Agriculture and Farmers Welfare. PM-KISAN integration links the registry with the national DBT ecosystem and Digital India architecture.

6. Government Acts / Policies / Judgements

- **PM-KISAN Samman Nidhi** – ₹6,000 annual income support to eligible farmers.
- **Digital India Mission** – Strengthens governance through digital platforms.
- **DBT Framework** – Ensures targeted and leakage-free subsidy transfer.
- **JAM Trinity** – Jan Dhan, Aadhaar, Mobile backbone for welfare delivery.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on DBT, JAM Trinity, PM-KISAN, and e-Governance delivery systems (2019–2023).

8. Possible Prelims Trap Areas

- Farmer Registry ≠ Agricultural Census
- Not same as DLRMP (land records digitization)
- PM-KISAN ≠ Farmer Registry

6. RBI to Issue ₹10 & ₹500 Notes with New Governor's Signature

1. Core Idea

RBI issues new currency notes whenever a new Governor assumes office. These notes carry the updated Governor's signature but remain

otherwise unchanged in design and legal validity. Older notes continue as legal tender.

2. Why in News

RBI announced issuance of ₹10 and ₹500 denomination notes bearing the signature of the new Governor, Sanjay Malhotra, under the Mahatma Gandhi (New) Series.

3. Key Facts and Figures

- Issuing Authority: RBI
- Legal Basis: RBI Act, 1934 (Section 22)
- Series: Mahatma Gandhi (New) Series
- ₹1 note: Issued by Government of India

4. Definition of Key Terms

Legal Tender: Currency legally accepted for payment of debts.

Currency Note: Paper money issued under sovereign authority.

Latent Image: Hidden security feature visible at an angle.

5. Ministry / Institutions / Organizations Involved

RBI is the sole issuer of banknotes except ₹1 note, which is issued by the Ministry of Finance. Security printing presses at Nashik, Dewas, Mysuru, and Salboni support national currency management.

6. Government Acts / Policies / Judgements

- **RBI Act, 1934** – Section 22 gives RBI sole right to issue banknotes.
- **Currency Management System** – Covers design, printing, circulation, and withdrawal.
- **Mahatma Gandhi (New) Series** – Introduced post-2016 demonetization.
- **₹1 Note Rule** – Issued by Government of India, signed by Finance Secretary.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on demonetization, legal tender, currency issuance, and RBI powers (2016, 2018).

8. Possible Prelims Trap Areas

- Signature change ≠ demonetization
- RBI does not issue ₹1 note
- Legal tender ≠ merely in circulation

7. Skilled Indians Driving India's Remittance Story

1. Core Idea

Remittances are cross-border money transfers sent by Indians working abroad to families/residents in India. They are part of current account receipts in Balance of Payments and support forex reserves, household consumption, and poverty reduction. India remains the world's largest remittance recipient.

2. Why in News

RBI remittance surveys highlighted that India received \$119.5 billion in remittances in 2023, with a major shift from Gulf-based blue-collar migration to OECD-based skilled white-collar migration, especially from the USA.

3. Key Facts and Figures

- 2023 inflows: \$119.5 billion (~3.4% of GDP)
- Largest diaspora: ~18.5 million (UN, 2024)
- Top source: USA (~27.7%)
- Advanced economies: 52% share; Gulf: 38%

4. Definition of Key Terms

Remittance: Money sent by migrants to their home country.

Current Account: BoP account covering trade, services, and transfers.

Hawala: Informal and often unregulated money transfer channel.

5. Ministry / Institutions / Organizations Involved

RBI tracks remittance inflows and payment channels. Ministry of External Affairs manages diaspora engagement. Ministry of Finance monitors forex and external sector stability. World Bank tracks global remittance costs and trends.

6. Government Acts / Policies / Judgements

- **FEMA, 1999** – Governs cross-border financial transactions and remittance flows.
- **Liberalised Remittance Scheme (LRS)** – Outward remittance framework for residents.
- **Digital Payment Infrastructure** – UPI and formal banking channels reduce informal transfers.
- **Pravasi Bharatiya Initiatives** – Strengthen diaspora engagement and investment.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on BoP components, remittances, FEMA, and external sector concepts (2017, 2020).

8. Possible Prelims Trap Areas

- Remittance \neq FDI or FPI
- Remittance is current account item, not capital account
- Hawala flows are often not fully captured

8. Capital Gains Tax Reform & Indexation (Budget 2024)

1. Core Idea

Capital Gains Tax is levied on profit earned from sale of capital assets like property. Budget 2024

reformed LTCG taxation on real estate by reducing tax rate but removing indexation benefits for most transactions.

2. Why in News

Budget 2024 changed the LTCG regime for real estate: old system of 20% tax with indexation replaced by 12.5% tax without indexation. Pre-23 July 2024 purchases received grandfathering benefits.

3. Key Facts and Figures

- Old regime: 20% with indexation
- New regime: 12.5% without indexation
- Grandfathering: Pre-23 July 2024 purchases
- Carry forward of losses: Up to 8 years

4. Definition of Key Terms

LTCG: Profit from sale of long-term capital asset.

Indexation: Inflation adjustment of purchase cost.

Grandfathering: Protection of old investments from new tax rules.

5. Ministry / Institutions / Organizations Involved

The Ministry of Finance frames capital gains taxation under the Income Tax Act. CBDT administers direct taxes. Real estate transactions are also monitored through state registration systems and tax authorities.

6. Government Acts / Policies / Judgements

- **Income Tax Act, 1961** – Governs taxation of capital gains.
- **Finance Act, 2024** – Introduced revised LTCG structure.
- **Grandfathering Provision** – Protects earlier investments from sudden tax burden.
- **Set-off Rules** – Non-indexed losses allowed for carry forward up to 8 years.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on capital gains taxation, direct taxes, and indexation-related concepts (2018, 2021).

8. Possible Prelims Trap Areas

- Lower tax rate \neq lower total tax liability
- Indexation can reduce taxable gain significantly
- Grandfathering \neq full tax exemption

9. PM Mudra Yojana – Strategic Shift

1. Core Idea

Pradhan Mantri Mudra Yojana (PMMY) provides collateral-free institutional loans to non-corporate, non-farm micro and small enterprises. It promotes financial inclusion, entrepreneurship, and MSME growth.

2. Why in News

Recent trends show a strategic shift from very small Shishu loans toward larger Kishor and Tarun loans, indicating business expansion and improved credit absorption. Digital lending tools like ULI and Account Aggregator are strengthening delivery.

3. Key Facts and Figures

- Launched: 2015
- Total accounts: 520 million
- Total disbursed: ₹32.4 trillion
- Women beneficiaries: 68%
- SC/ST: 50%, OBC: 35%

4. Definition of Key Terms

Collateral-free Loan: Loan without security/asset pledge.

MSME: Micro, Small and Medium Enterprises.

ULI: Unified Lending Interface for digital credit delivery.

5. Ministry / Institutions / Organizations Involved

Ministry of Finance is the nodal ministry. MUDRA Ltd supports refinancing. SIDBI plays an institutional role. Banks, NBFCs, and MFIs deliver loans. RBI supports the broader credit ecosystem.

6. Government Acts / Policies / Judgements

- **PMMY (2015)** – Loans for micro-enterprises in services, manufacturing, and trading.
- **Loan Categories** – Shishu, Kishor, Tarun based on scale of enterprise.
- **Account Aggregator Framework** – Consent-based digital financial data sharing.
- **Unified Lending Interface (ULI)** – Faster digital credit access for borrowers.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on PMMY, financial inclusion, MSMEs, and priority sector lending (2016, 2019).

8. Possible Prelims Trap Areas

- Mudra is a loan scheme, not subsidy
- Covers services and trading also, not only manufacturing
- Udyam registration \neq automatic Mudra eligibility

10. India Becomes 3rd-Largest Wind & Solar Power Generator (2024)

1. Core Idea

India became the world's 3rd-largest generator of electricity from wind and solar energy, after China and the USA. This reflects progress in renewable energy transition, energy security, and climate commitments under Net Zero goals.

2. Why in News

According to Ember's Global Electricity Review 2024, India surpassed Germany in wind and solar electricity generation. This strengthens India's position in global clean energy leadership.

3. Key Facts and Figures

- Source: Ember Report 2024
- Global wind + solar share: 15% of electricity
- India's share: ~10%
- Target: 500 GW non-fossil capacity by 2030
- Net Zero target: 2070

4. Definition of Key Terms

Renewable Energy: Energy from naturally replenished sources like solar and wind.

Non-Fossil Energy: Includes renewables + nuclear + large hydro.

Net Zero: Balancing emissions released with emissions removed.

5. Ministry / Institutions / Organizations Involved

The Ministry of New and Renewable Energy (MNRE) is the nodal ministry. SECI supports project execution. Internationally, ISA promotes solar cooperation, while OSOWOG supports cross-border solar grid connectivity.

6. Government Acts / Policies / Judgements

- **Solar Park Scheme** – Large-scale solar infrastructure development.
- **PLI Scheme for Solar Modules** – Domestic manufacturing support.

- **Wind-Solar Hybrid Policy** – Combined generation for grid efficiency.
- **Green Energy Corridors** – Transmission infrastructure for renewable integration.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on ISA, renewable energy targets, and solar mission concepts (2018, 2021).

8. Possible Prelims Trap Areas

- Installed capacity \neq actual electricity generation
- Renewable \neq non-fossil energy
- ISA is treaty-based, not a UN body

11. 'One State–One Regional Rural Bank' Initiative

1. Core Idea

The initiative aims to consolidate Regional Rural Banks (RRBs) into one RRB per state for better efficiency, reduced operational cost, and stronger rural credit delivery. It supports financial inclusion and priority sector lending.

2. Why in News

Phase IV of RRB consolidation, effective from May 1, 2025, reduced the number of RRBs from 43 to 28, implementing the "One State–One RRB" model.

3. Key Facts and Figures

- Legal Basis: RRB Act, 1976
- RRB count: 43 \rightarrow 28
- Ownership: 50% Centre, 15% State, 35% Sponsor Bank
- Regulation: RBI + NABARD + Sponsor Bank

4. Definition of Key Terms

RRB: Rural-focused scheduled commercial bank for agriculture and rural sectors.

Sponsor Bank: Public sector bank providing managerial and financial support.

Priority Sector Lending: Mandatory lending to sectors like agriculture and MSMEs.

5. Ministry / Institutions / Organizations Involved

The Department of Financial Services under the Finance Ministry oversees RRB policy. RBI regulates banking operations, NABARD supervises rural credit functions, and sponsor banks like SBI provide operational support.

6. Government Acts / Policies / Judgements

- **Regional Rural Banks Act, 1976** – Establishment and governance of RRBs.
- **Section 23A(1)** – Legal basis for amalgamation of RRBs.
- **Financial Inclusion Framework** – Expands rural banking access.
- **Priority Sector Lending Norms** – Core operational focus of RRBs.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on RRB structure, NABARD, and financial inclusion mechanisms (2014, 2019).

8. Possible Prelims Trap Areas

- RRBs ≠ Cooperative Banks
- RRBs are not fully owned by Centre
- Area of operation is limited, not pan-India

12. PM-POSHAN Scheme – Enhanced Funding

1. Core Idea

PM-POSHAN provides hot cooked meals to school children to improve nutrition, reduce classroom hunger, and increase enrolment,

retention, and attendance. It is the renamed Mid-Day Meal Scheme.

2. Why in News

The government increased material cost under PM-POSHAN by 9.5% from 2025, adding ₹954 crore to improve meal quality and nutritional support for school children.

3. Key Facts and Figures

- Former name: Mid-Day Meal Scheme
- Coverage: ~11.2 crore students
- Schools: ~10.36 lakh
- Foodgrain requirement: ~26 lakh tonnes annually
- Covers: Bal Vatika to Class 8

4. Definition of Key Terms

PM-POSHAN: PM Poshan Shakti Nirman Scheme for school meals.

Bal Vatika: Pre-primary preparatory class under NEP 2020.

Food Security: Access to sufficient, safe, and nutritious food.

5. Ministry / Institutions / Organizations Involved

The Ministry of Education is the nodal ministry. FCI supplies food grains, while State Governments manage cooking cost and implementation. Schools and local bodies ensure delivery at ground level.

6. Government Acts / Policies / Judgements

- **PM-POSHAN Scheme** – Nutritional support for children from Bal Vatika to Class 8.
- **National Food Security Act, 2013** – Supports child nutrition commitments.
- **Mid-Day Meal Scheme** – Original school nutrition programme renamed PM-POSHAN.

- **NEP 2020** – Introduced Bal Vatika linkage.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on Mid-Day Meal Scheme, child nutrition schemes, and food security programmes (2016, 2020).

8. Possible Prelims Trap Areas

- PM-POSHAN ≠ POSHAN Abhiyaan
- Centre does not bear full cooking cost
- Covers only up to Class 8, not secondary level

13. Revised MSME Definitions (Effective 1 April 2025)

1. Core Idea

The government revised MSME classification limits by increasing investment and turnover thresholds. This allows more firms to qualify as Micro, Small, and Medium Enterprises and access policy benefits like easier credit and procurement support.

2. Why in News

From 1 April 2025, new MSME thresholds came into force under the MSMED Act, 2006. This may reclassify many firms and affect eligibility for MSME-linked incentives and schemes.

3. Key Facts and Figures

- Law: MSMED Act, 2006
- Criteria: Investment + Turnover (composite)
- Micro: < ₹2.5 cr + < ₹10 cr turnover
- Small: < ₹25 cr + < ₹100 cr
- Medium: < ₹125 cr + < ₹500 cr

4. Definition of Key Terms

MSME: Micro, Small and Medium Enterprises in manufacturing and services.

Turnover: Total annual sales/revenue of an enterprise.

CGTMSE: Credit Guarantee Fund Trust for Micro and Small Enterprises.

5. Ministry / Institutions / Organizations Involved

The Ministry of MSME is the nodal ministry. SIDBI supports MSME financing. RBI links MSMEs to priority sector lending, while banks and NBFCs provide formal credit access.

6. Government Acts / Policies / Judgements

- **MSMED Act, 2006** – Governs MSME classification and policy support.
- **CGTMSE** – Collateral-free credit guarantee for MSMEs.
- **Priority Sector Lending** – Mandatory bank lending support to MSMEs.
- **Public Procurement Policy** – 25% government procurement reserved for MSEs.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on MSME definitions, support schemes, and priority sector lending (2019, 2022).

8. Possible Prelims Trap Areas

- Classification is not only investment-based
- MSMEs include services also, not just manufacturing
- Medium enterprises are numerically very few

14. OALP Round IX – ONGC Dominance

1. Core Idea

Open Acreage Licensing Policy (OALP) allows companies to select oil and gas blocks for exploration on their own choice instead of waiting for government-announced bidding rounds. It is part of HELP and supports energy security.

2. Why in News

In OALP Round IX, ONGC won 15 out of 28 exploration blocks, highlighting its dominant role in India's hydrocarbon exploration under the liberalized licensing regime.

3. Key Facts and Figures

- Launched: 2017
- Policy: Part of HELP
- Round IX: ONGC won 15/28 blocks
- Model: Revenue-sharing system
- Import dependence: ~85% crude oil

4. Definition of Key Terms

OALP: Policy allowing firms to identify and bid for exploration blocks.

HELP: Hydrocarbon Exploration and Licensing Policy.

CBM: Coal Bed Methane, an unconventional gas source.

5. Ministry / Institutions / Organizations Involved

The Ministry of Petroleum and Natural Gas is the nodal ministry. Directorate General of Hydrocarbons (DGH) manages technical oversight. ONGC and private firms participate in exploration and production.

6. Government Acts / Policies / Judgements

- **HELP (2016)** – Replaced NELP with unified licensing and revenue sharing.
- **OALP (2017)** – Continuous bidding and open acreage selection.
- **Revenue Sharing Model** – Government gets share of revenue, not profit.

- **Single License System** – Covers oil, gas, CBM, and shale resources.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on HELP, NELP, hydrocarbon exploration, and energy security (2017, 2021).

8. Possible Prelims Trap Areas

- OALP ≠ NELP
- Revenue sharing ≠ profit sharing
- Covers unconventional hydrocarbons also

15. APM Gas Supply Cut to CGD Sector

1. Core Idea

Administered Price Mechanism (APM) gas is domestically produced natural gas sold at government-fixed prices. A reduction in APM gas supply to City Gas Distribution (CGD) companies forces them to buy expensive market gas, increasing fuel prices.

2. Why in News

GAIL notified up to 20% reduction in APM gas allocation to CGD companies, affecting CNG and PNG supply and likely increasing urban transport and household fuel costs.

3. Key Facts and Figures

- APM source: ONGC + Oil India legacy fields
- Supply cut: Up to 20%
- Priority sectors: Fertilizer + CGD
- Affected fuels: CNG and PNG

4. Definition of Key Terms

APM Gas: Government-priced domestic natural gas from legacy fields.

CGD: City Gas Distribution system for CNG and PNG supply.

PNG: Piped Natural Gas for households and industries.

5. Ministry / Institutions / Organizations Involved

The Ministry of Petroleum and Natural Gas frames pricing policy. GAIL manages gas transmission and allocation. ONGC and Oil India are key producers. PNGRB regulates downstream gas distribution.

6. Government Acts / Policies / Judgements

- **APM Pricing Mechanism** – Government-fixed pricing for legacy domestic gas fields.
- **CGD Policy Framework** – Expands urban gas distribution networks.
- **PNGRB Act, 2006** – Regulates petroleum and natural gas downstream sector.
- **National Gas Grid Expansion** – Supports wider natural gas access.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on gas pricing reforms, natural gas sector, and energy policy (2018, 2020).

8. Possible Prelims Trap Areas

- APM gas \neq imported LNG
- CGD \neq LPG distribution
- APM applies mainly to legacy fields only

16. Vehicle-to-Grid (V2G) Technology

1. Core Idea

Vehicle-to-Grid (V2G) technology allows Electric Vehicles (EVs) to supply electricity back to the power grid using bi-directional chargers. EVs act as mobile energy storage units, helping balance demand and renewable energy fluctuations.

2. Why in News

India is exploring pilot-based deployment of V2G technology to improve renewable energy integration and grid stability. Central Electricity Authority (CEA) is preparing guidelines, while Kerala has emerged as an important pilot state.

3. Key Facts and Figures

- Variants: V2G, V2H, V2V
- Key agency: Central Electricity Authority
- Pilot: KSEB + IIT Bombay
- Linked policy: NEMMP
- India: Pilot stage, not commercial scale

4. Definition of Key Terms

V2G: Vehicle-to-Grid power transfer from EV to grid.

V2H: Vehicle-to-Home electricity supply.

Bi-directional Charger: Charger allowing both charging and discharge.

5. Ministry / Institutions / Organizations Involved

The Ministry of Power and Ministry of Heavy Industries are key ministries. CEA is drafting technical guidelines. State utilities like KSEB and research institutions like IIT Bombay are conducting pilot projects.

6. Government Acts / Policies / Judgements

- **NEMMP** – National Electric Mobility Mission Plan for EV adoption.
- **FAME Scheme** – Financial support for EV adoption and charging ecosystem.
- **Smart Grid Mission** – Supports digital and responsive electricity networks.
- **Energy Transition Goals** – Renewable integration and grid modernization.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on EV ecosystem, battery storage, and smart grids (2020, 2023).

8. Possible Prelims Trap Areas

- V2G ≠ normal EV charging
- Requires bi-directional charging infrastructure
- Not yet commercially scalable in India

17. Mission Anveshan – Seismic Survey Scheme**1. Core Idea**

Mission Anveshan is a government initiative to map hydrocarbon reserves using advanced seismic surveys. It improves exploration of oil and natural gas in sedimentary basins and supports domestic energy security.

2. Why in News

The government proposed extending Mission Anveshan till FY27 with a major focus on 3D seismic surveys and additional hydrocarbon mapping across onshore sedimentary basins.

3. Key Facts and Figures

- Budget: ₹720 crore (FY25)
- Target: 20,275 Line Kilometers data
- Shift: 2D to 3D seismic surveys
- Agencies: ONGC + Oil India Ltd

4. Definition of Key Terms

Seismic Survey: Use of sound waves to detect underground hydrocarbon reserves.

3D Seismic: More accurate subsurface imaging than 2D surveys.

Sedimentary Basin: Geological basin where hydrocarbons are commonly found.

5. Ministry / Institutions / Organizations Involved

The Ministry of Petroleum and Natural Gas leads the scheme. ONGC and Oil India Limited are

implementing agencies. Directorate General of Hydrocarbons supports technical oversight.

6. Government Acts / Policies / Judgements

- **Mission Anveshan** – Domestic hydrocarbon reserve mapping initiative.
- **National Seismic Programme (NSP)** – Scientific survey of unexplored sedimentary basins.
- **HELP** – Supports exploration and licensing reforms.
- **Energy Security Strategy** – Reducing crude import dependence.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on sedimentary basins, hydrocarbon exploration, and HELP (2017, 2021).

8. Possible Prelims Trap Areas

- 3D seismic is more accurate than 2D
- Exploration ≠ production
- NSP ≠ OALP

18. QIP Move for Bank of Maharashtra**1. Core Idea**

Qualified Institutional Placement (QIP) is a method by which listed companies raise capital by issuing securities to Qualified Institutional Buyers (QIBs). Government plans to use QIP for stake dilution in PSBs to meet SEBI norms.

2. Why in News

The government plans stake dilution in Bank of Maharashtra through QIP so that public shareholding rises and government stake falls below 75%, as required under SEBI norms.

3. Key Facts and Figures

- Bank: Bank of Maharashtra

- Public shareholding norm: Minimum 25%
- Deadline for PSBs: August 2026
- QIP introduced: 2006 by SEBI

4. Definition of Key Terms

QIP: Capital raising by listed firms through institutional investors only.

QIB: Qualified Institutional Buyers like mutual funds and insurers.

Public Shareholding: Shares held by non-promoter investors.

5. Ministry / Institutions / Organizations Involved

The Ministry of Finance manages PSB disinvestment strategy. SEBI regulates capital market rules and public shareholding norms. Institutional investors like mutual funds and insurance firms participate as QIBs.

6. Government Acts / Policies / Judgements

- **SEBI Regulations** – Provide framework for QIP and public shareholding norms.
- **Minimum Public Shareholding Rule** – At least 25% public holding in listed firms.
- **QIP Framework (2006)** – Faster alternative to IPO/FPO for capital raising.
- **PSB Capital Strategy** – Stake dilution without full privatization.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on SEBI norms, capital markets, and disinvestment concepts (2016, 2020).

8. Possible Prelims Trap Areas

- Disinvestment \neq privatization
- Public shareholding includes all non-government investors
- QIP is only for institutional investors, not retail investors

19. India's Bid for Angstrom-Scale Semiconductor Chips

1. Core Idea

India is exploring development of angstrom-scale semiconductor chips, which are far smaller than current nanometer-based chips. These chips can enable faster processing, lower energy consumption, and next-generation computing using advanced 2D materials.

2. Why in News

The Indian Institute of Science (IISc), Bengaluru proposed development of angstrom-scale chips with support from the Principal Scientific Adviser and MeitY under India's semiconductor mission.

3. Key Facts and Figures

- $1 \text{ \AA} = 0.1 \text{ nanometer}$
- Current advanced chips: 3 nm nodes
- Uses: Graphene + TMDs
- Linked initiative: Semicon India Programme

4. Definition of Key Terms

Angstrom (\AA): Unit of length equal to 10^{-10} metre.

2D Materials: One-atom-thick crystalline materials like graphene.

Semiconductor Node: Approximate scale of transistor fabrication.

5. Ministry / Institutions / Organizations Involved

MeitY is the nodal ministry under Semicon India Programme. IISc leads research. Principal Scientific Adviser supports strategic scientific development. Global leaders include TSMC (Taiwan) and Samsung (South Korea).

6. Government Acts / Policies / Judgements

- **Semicon India Programme** – Supports semiconductor ecosystem development.

- **India Semiconductor Mission (ISM)** – Strategic push for chip manufacturing.
- **PLI for Semiconductors** – Incentives for fabs and electronics production.
- **R&D Support Framework** – Encourages deep-tech research institutions.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on semiconductors, nanotechnology, and advanced materials (2022, 2023).

8. Possible Prelims Trap Areas

- $1\text{ nm} \neq 1\text{ \AA}$ (\AA is smaller)
- 2D materials \neq ordinary thin films
- Silicon is still dominant; not obsolete

20. Aadhaar Mandatory for e-NAM Scheme

1. Core Idea

e-NAM (National Agriculture Market) is a pan-India electronic trading platform integrating APMC mandis for transparent agricultural marketing. Aadhaar authentication has been made mandatory for availing scheme benefits and verified digital participation.

2. Why in News

The government made Aadhaar authentication mandatory for e-NAM beneficiaries to improve identity verification, reduce duplication, and strengthen digital agri-market governance.

3. Key Facts and Figures

- Ministry: Agriculture & Farmers Welfare
- Coverage: ~17.9 million farmers
- FPOs: 4,400+
- Platform: APMC mandi integration across India

4. Definition of Key Terms

e-NAM: Electronic National Agriculture Market platform.

APMC: State-regulated Agricultural Produce Market Committee mandi.

FPO: Farmer Producer Organization for collective farmer marketing.

5. Ministry / Institutions / Organizations Involved

The Ministry of Agriculture and Farmers Welfare manages e-NAM. SFAC supports implementation. State APMCs provide mandi integration. UIDAI supports Aadhaar-based authentication.

6. Government Acts / Policies / Judgements

- **e-NAM Scheme** – Digital agricultural trading platform for better price discovery.
- **Aadhaar Framework** – Identity verification for targeted scheme delivery.
- **APMC Acts** – State laws regulating agricultural mandis.
- **Digital India Mission** – Supports digital governance infrastructure.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on e-NAM, APMC reforms, and agricultural marketing systems (2018, 2020).

8. Possible Prelims Trap Areas

- e-NAM \neq MSP system
- Aadhaar \neq citizenship proof
- APMC \neq national common market automatically

21. Electronics Component Manufacturing Scheme (ECMS)

1. Core Idea

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ECMS is a government scheme to strengthen domestic manufacturing of electronics components and improve value addition in India's electronics supply chain. It focuses on reducing import dependence and integrating India into global value chains.

2. Why in News

Launched in April 2025, ECMS aims to support component manufacturing like PCB, Li-ion cells, display modules, and camera modules through targeted financial incentives.

3. Key Facts and Figures

- Launch: April 2025
- Ministry: MeitY
- Outlay: ₹22,919 crore
- Duration: 6 years
- Production target: ₹4.56 lakh crore

4. Definition of Key Terms

Value Addition: Domestic contribution in production beyond simple assembly.

PCB: Printed Circuit Board used in electronic devices.

Six Sigma: Quality standard targeting near-zero manufacturing defects.

5. Ministry / Institutions / Organizations Involved

MeitY is the nodal ministry. Electronics manufacturers, SEZ clusters, and export-oriented industries are major stakeholders. The scheme complements PLI-based industrial expansion.

6. Government Acts / Policies / Judgements

- **ECMS (2025)** – Incentives for electronics component manufacturing.
- **PLI Scheme** – Incentives mainly for finished goods production.
- **Make in India** – Supports domestic manufacturing expansion.

ECONOMICS_COMPASS 365

- **Semicon India Programme** – Complements deeper electronics ecosystem development.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on PLI schemes, electronics manufacturing, and semiconductor ecosystem (2021, 2023).

8. Possible Prelims Trap Areas

- ECMS ≠ PLI
- Value addition ≠ simple assembly
- Six Sigma is a quality standard, not subsidy policy

22. National Manufacturing Mission

1. Core Idea

National Manufacturing Mission is a broad policy initiative to raise manufacturing output, improve productivity, generate employment, and strengthen India's role in global value chains. It aims to increase manufacturing's share in GDP and support long-term industrial growth.

2. Why in News

Announced in Union Budget 2024–25, the mission seeks to accelerate industrial competitiveness using advanced technologies like AI, IoT, and green manufacturing while supporting the \$5 trillion economy goal.

3. Key Facts and Figures

- Nodal body: NITI Aayog
- Target: Manufacturing share to 25% of GDP
- Present share: ~16–17%
- Linked with PLI, Gati Shakti, National Logistics Policy

4. Definition of Key Terms

Manufacturing: Production of goods using machinery, labour, and industrial processes.

Global Value Chain (GVC): International production network across countries.

Green Manufacturing: Resource-efficient and low-carbon industrial production.

5. Ministry / Institutions / Organizations Involved

NITI Aayog is the nodal policy body. Ministry of Commerce and Industry and DPIIT support industrial strategy. PM Gati Shakti and logistics institutions strengthen infrastructure integration.

6. Government Acts / Policies / Judgements

- **PLI Scheme** – Incentives for domestic manufacturing output.
- **PM Gati Shakti** – Multi-modal infrastructure connectivity platform.
- **National Logistics Policy** – Reduces logistics cost and improves competitiveness.
- **Make in India** – Flagship manufacturing and investment promotion initiative.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on Make in India, industrial policy, and manufacturing competitiveness (2017, 2022).

8. Possible Prelims Trap Areas

- Manufacturing share \neq total industrial share
- Mission \neq direct subsidy scheme
- GDP target \neq current manufacturing contribution

23. NITI Aayog Report – “Enhancing Competitiveness of MSMEs in India”

1. Core Idea

This report provides a roadmap to improve MSME productivity, credit access, technology adoption, and participation in global value chains. It focuses on cluster development and reducing structural weaknesses in the MSME sector.

2. Why in News

NITI Aayog and the Institute for Competitiveness released the report recommending reforms in credit delivery, CGTMSE, logistics support, and digital integration for MSMEs.

3. Key Facts and Figures

- Credit access: 14% \rightarrow 20% (2020–24)
- Credit gap: \sim ₹80 lakh crore
- Focus sectors: Textiles, chemicals, auto, food processing
- Emphasis: Eastern & North-Eastern MSME clusters

4. Definition of Key Terms

CGTMSE: Credit guarantee support for collateral-free MSME loans.

Cluster: Geographic concentration of similar industries.

Credit Gap: Difference between credit demand and formal credit supply.

5. Ministry / Institutions / Organizations Involved

NITI Aayog led the report with the Institute for Competitiveness. Ministry of MSME, SIDBI, banks, and state industrial agencies are key implementation stakeholders for credit and cluster development.

6. Government Acts / Policies / Judgements

- **CGTMSE** – Credit guarantee mechanism for MSME financing.
- **Cluster Development Programme** – Technology and branding support for MSME clusters.

- **Priority Sector Lending** – Mandatory bank lending support to MSMEs.
- **Digital India + ONDC** – Supports digital market access for MSMEs.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on MSME challenges, collateral-free credit, and formal financing (2019, 2022).

8. Possible Prelims Trap Areas

- CGTMSE is guarantee support, not direct subsidy
- Cluster development ≠ only industrial park creation
- Credit gap means unmet formal finance demand

24. Vizhinjam International Seaport

1. Core Idea

Vizhinjam is India's first deepwater transshipment port designed to handle ultra-large container vessels. It reduces dependence on foreign ports like Colombo and Singapore for cargo transshipment and strengthens maritime trade competitiveness.

2. Why in News

Vizhinjam Port gained strategic importance as India's first major deepwater transshipment hub under Sagarmala and PM Gati Shakti, with relevance to IMEEC and Indian Ocean trade routes.

3. Key Facts and Figures

- Location: Near Thiruvananthapuram, Kerala
- Cost: ~₹8,800 crore
- Natural draft: ~20 metres

- Model: PPP
- Coast: Arabian Sea

4. Definition of Key Terms

Transshipment Port: Port where cargo is transferred between ships.

Draft: Minimum water depth needed for a ship to float safely.

PPP: Public-Private Partnership model for infrastructure projects.

5. Ministry / Institutions / Organizations Involved

The Ministry of Ports, Shipping and Waterways oversees policy support. Kerala government and private partners manage development. It is linked with Sagarmala, PM Gati Shakti, and IMEEC strategic connectivity planning.

6. Government Acts / Policies / Judgements

- **Sagarmala Programme** – Port-led development and coastal infrastructure.
- **PM Gati Shakti** – Multi-modal logistics integration.
- **PPP Infrastructure Model** – Shared investment and operations.
- **IMEEC** – India-Middle East-Europe Economic Corridor connectivity vision.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on Sagarmala, maritime connectivity, and port-led development (2016, 2021).

8. Possible Prelims Trap Areas

- Vizhinjam is on Arabian Sea, not Bay of Bengal
- Deepwater port ≠ only naval port
- Transshipment ≠ ordinary cargo unloading

25. India's Shift to Limited-Scope Trade Deals

1. Core Idea

India is increasingly preferring limited-scope trade agreements (Early Harvest Deals) over full Free Trade Agreements (FTAs). These focus on quick gains in selected sectors like tariff reduction and market access instead of negotiating broad, time-consuming comprehensive FTAs.

2. Why in News

India is negotiating trade arrangements with the UK, USA, and New Zealand using an Early Harvest approach to secure faster trade benefits amid global geopolitical uncertainty and supply chain disruptions.

3. Key Facts and Figures

- Major partners: UK, USA, New Zealand
- Focus: Tariffs + market access
- Initially excludes: IPR, labour mobility
- Concern: Reduced bargaining power in phased negotiations

4. Definition of Key Terms

FTA: Broad trade agreement covering goods, services, investment, etc.

Early Harvest Deal: Limited agreement on selected sectors before full FTA.

Tariff: Tax imposed on imports or exports.

5. Ministry / Institutions / Organizations Involved

The Ministry of Commerce and Industry leads negotiations. DGFT supports trade policy implementation. WTO provides the broader multilateral trade framework within which such agreements operate.

6. Government Acts / Policies / Judgements

- **Foreign Trade Policy** – Governs India's trade strategy and export promotion.

- **FTA Frameworks** – Comprehensive trade agreements involving multiple sectors.
- **Early Harvest Mechanism** – Partial trade liberalization before full agreement.
- **WTO Commitments** – Must align with global trade obligations.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on FTAs, tariffs, WTO, and trade policy concepts (2015, 2020).

8. Possible Prelims Trap Areas

- Early Harvest ≠ full FTA
- Tariff barriers ≠ non-tariff barriers
- Comparative advantage differs from absolute advantage

26. Related-Party Transactions (RPTs) and MCA Advisory

1. Core Idea

Related-Party Transactions (RPTs) are business transactions between parties having a pre-existing relationship such as directors, KMPs, relatives, or controlled entities. They require transparency because they may create conflict of interest and misuse of company resources.

2. Why in News

Following the Gensol Engineering case, the Ministry of Corporate Affairs (MCA) reminded promoters and companies to strictly follow arm's-length principles and disclosure norms for RPTs under the Companies Act, 2013.

3. Key Facts and Figures

- Governing Law: Companies Act, 2013
- Related party defined under: Section 2(76)
- RPT regulation: Section 188

- Listed firms: Also governed by SEBI (LODR) Regulations, 2015

4. Definition of Key Terms

Related Party: Person/entity having control, influence, or managerial relation with a company.

Arm's Length Principle: Transaction conducted as between unrelated parties at fair value.

KMP: Key Managerial Personnel like CEO, CFO, Company Secretary.

5. Ministry / Institutions / Organizations Involved

MCA is the primary regulator under company law. SEBI monitors listed entities under LODR norms. NFRA strengthens audit oversight, while independent directors and audit committees ensure internal governance.

6. Government Acts / Policies / Judgements

- Companies Act, 2013** – Section 188 regulates RPT approval and disclosure.
- SEBI LODR Regulations, 2015** – Audit committee approval for material RPTs.
- Section 188(3)** – Penalties for non-disclosure or unapproved RPTs.
- DPSP Article 39(b)(c)** – Prevents concentration of wealth and misuse of resources.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on SEBI, corporate governance, independent directors, and Companies Act provisions (2018, 2022).

8. Possible Prelims Trap Areas

- RPT is not always illegal; only undisclosed misuse is problematic
- Arm's length \neq no relationship; it means fair-value dealing
- SEBI rules apply especially to listed companies

27. RBI's \$73 Billion Short Book and Impact on Indian Rupee

1. Core Idea

RBI's short dollar book means it has entered forward contracts to sell US dollars in the future. This creates future forex obligations and affects reserve management, rupee stability, and exchange rate expectations.

2. Why in News

RBI's net short forward position stood at \$73 billion in April 2025. This raised concerns over rupee weakness, reserve adequacy, and future dollar purchases needed to replenish forex buffers.

3. Key Facts and Figures

- Short dollar book: \$73 billion
- Peak: \$88.8 billion (Feb 2025)
- Forex reserves: \$693 billion (May 2025)
- Forecast rupee range: ₹86.5–₹87.5 per USD

4. Definition of Key Terms

Forward Contract: Agreement to buy/sell currency at a future date.

Forex Reserves: Foreign currency assets held by RBI.

Imported Inflation: Price rise caused by costlier imports due to weaker currency.

5. Ministry / Institutions / Organizations Involved

RBI manages forex reserves, exchange rate stability, and monetary policy under the RBI Act, 1934. Ministry of Finance monitors macroeconomic stability and external sector performance.

6. Government Acts / Policies / Judgements

- **RBI Act, 1934** – RBI’s authority over monetary policy and forex management.
- **FEMA, 1999** – Governs foreign exchange transactions and capital flows.
- **Managed Float Exchange Rate** – RBI allows market forces with selective intervention.
- **Forex Reserve Management** – Ensures stability against external shocks.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on forex reserves, exchange rate regimes, and RBI intervention in currency markets (2017, 2021).

8. Possible Prelims Trap Areas

- Short dollar book \neq immediate reserve loss
- Forward market intervention differs from spot market intervention
- Weak rupee can help exports but worsen import costs

28. Bhu Bharati Act – Telangana Land Reform Initiative

1. Core Idea

The Telangana Bhu Bharati (Record of Rights in Land) Act, 2025 is a major land reform law aimed at accurate digital land surveys, clear ownership records, and dispute resolution using modern technology like drones and DGPS.

2. Why in News

Telangana enacted the Bhu Bharati Act in April 2025, replacing the earlier Dharani portal. The government presented it as a people-centric reform to restore farmers’ land rights and improve transparency in land governance.

3. Key Facts and Figures

- State: Telangana
- Enacted: April 2025
- Replaces: Dharani Portal
- Pilot village: Mulugumadu, Khammam district
- Tech used: Drone survey + DGPS mapping

4. Definition of Key Terms

Record of Rights (RoR): Official record of ownership, tenancy, and cultivation details.

DGPS: Differential GPS for high-precision land mapping.

DILRMP: Digital India Land Records Modernization Programme.

5. Ministry / Institutions / Organizations Involved

The Telangana Revenue Department is the nodal implementing authority. Revenue and Agriculture Departments jointly support field execution. The Centre’s DILRMP provides the broader modernization framework.

6. Government Acts / Policies / Judgements

- **Bhu Bharati Act, 2025** – Digital land records and ownership reform law.
- **Entry 18, State List** – States have legislative power over land and land records.
- **Article 300A** – Right to property protected by authority of law.
- **DILRMP** – National programme for modernization of land records.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on land reforms, land records modernization, and right to property (2016, 2021).

8. Possible Prelims Trap Areas

- Right to property is a legal right, not Fundamental Right
- Land is under State List, not Union List

- DILRMP ≠ Agricultural Census

29. Centre of Excellence for South-South Cooperation in Agriculture (ISSCA)

1. Core Idea

ICRISAT Centre of Excellence for South-South Cooperation in Agriculture (ISSCA) promotes agricultural transformation in developing countries through knowledge sharing, innovation exchange, and climate-smart farming solutions.

2. Why in News

ISSCA was launched by ICRISAT and RIS during the Conference on Global South and Triangular Cooperation in New Delhi to strengthen agricultural diplomacy and climate-resilient cooperation across the Global South.

3. Key Facts and Figures

- Full form: ICRISAT Centre for South-South Cooperation in Agriculture
- Partners: ICRISAT + RIS + DAKSHIN
- Focus: Dryland and semi-arid agriculture
- Supports: SDG 2 and SDG 13

4. Definition of Key Terms

South-South Cooperation (SSC): Collaboration among developing countries.

Triangular Cooperation: SSC supported by a third partner like a developed nation or international body.

Climate-smart Agriculture: Farming improving resilience and sustainability.

5. Ministry / Institutions / Organizations Involved

ICRISAT leads technical cooperation. RIS supports policy partnerships. DAKSHIN promotes capacity building. ICAR and DARE provide

institutional support, reflecting India's agricultural diplomacy strategy.

6. Government Acts / Policies / Judgements

- **Article 51(c)** – Promotes international peace and cooperation.
- **DAKSHIN Initiative** – Government platform for South-South cooperation.
- **Act East Policy** – Supports development partnerships in Asia and Africa.
- **SDG Alignment** – Linked to Zero Hunger and Climate Action goals.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on ICRISAT, SDGs, agricultural diplomacy, and South-South cooperation themes (2018, 2023).

8. Possible Prelims Trap Areas

- ICRISAT ≠ ICAR
- SSC ≠ North-South aid model
- Triangular cooperation includes a third supporting partner

30. Clean Plant Projects & International Agri Hackathon

1. Core Idea

The Clean Plant Programme aims to provide disease-free planting material for horticulture crops through modern nurseries and clean propagation systems. It improves productivity, exports, and horticulture quality.

2. Why in News

The government launched 9 Clean Plant projects, including 3 in Maharashtra, alongside India's first International Agri Hackathon in Pune to promote

innovation, agri-startups, and farmer-scientist collaboration.

3. Key Facts and Figures

- Total projects: 9
- Maharashtra centres: Pune, Nagpur, Solapur
- Total cost: ₹300 crore
- Annual target: 8 crore clean seedlings
- Scientists to be deployed: 16,000

4. Definition of Key Terms

Clean Plant: Disease-free certified planting material for horticulture crops.

Lab to Land: Transfer of scientific research directly to farmers.

NICRA: National Innovation in Climate Resilient Agriculture.

5. Ministry / Institutions / Organizations Involved

The Ministry of Agriculture and Farmers Welfare leads implementation. ICAR and agricultural universities support scientific validation. International cooperation includes support from Israel and the Netherlands for technology transfer.

6. Government Acts / Policies / Judgements

- **Article 48** – State shall modernize agriculture and animal husbandry.
- **Article 51A(g)** – Duty to protect natural environment.
- **National Horticulture Mission** – Supports horticulture productivity and infrastructure.
- **NICRA** – Climate-resilient agricultural innovation programme.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on horticulture missions, climate-resilient agriculture, and agricultural research institutions (2017, 2022).

8. Possible Prelims Trap Areas

- Clean Plant ≠ organic farming scheme
- NHM here refers to National Horticulture Mission, not Health Mission
- Lab to Land is extension linkage, not a subsidy scheme

34. India–EFTA TEPA Implementation

1. Core Idea

Trade and Economic Partnership Agreement (TEPA) between India and the European Free Trade Association (EFTA) is a major trade and investment pact focused on market access, investments, innovation, and skill development. It strengthens India's trade diversification strategy.

2. Why in News

The Union Commerce Minister outlined the roadmap for TEPA implementation during his visit to Switzerland and Sweden, focusing on regulatory alignment, vocational training, investment facilitation, and innovation partnerships.

3. Key Facts and Figures

- EFTA members: Iceland, Liechtenstein, Norway, Switzerland
- Investment commitment: \$100 billion over 15 years
- Employment target: 1 million direct jobs
- Focus sectors: Engineering, precision manufacturing, technology

4. Definition of Key Terms

TEPA: Trade and Economic Partnership Agreement.

EFTA: European Free Trade Association excluding EU members.

GVC: Global Value Chain linking production across countries.

5. Ministry / Institutions / Organizations Involved

The Ministry of Commerce and Industry leads implementation. DGFT supports trade policy execution. EFTA member governments and industry bodies like Swissmem are major external partners.

6. Government Acts / Policies / Judgements

- **Foreign Trade (Development and Regulation) Act, 1992** – Governs India's external trade policy.
- **Entry 14, Union List** – Parliament's power over foreign affairs and treaties.
- **Article 301** – Freedom of trade and commerce within India.
- **Make in India + Skill India** – Complement investment and job creation goals.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on FTAs, trade agreements, WTO, and trade diplomacy (2015, 2020, 2023).

8. Possible Prelims Trap Areas

- EFTA ≠ European Union
- Switzerland is in EFTA, not EU
- TEPA includes investment commitments, not just tariff cuts

35. New Nutrient-Based Fertilizer Distribution Reform

1. Core Idea

The government plans to shift fertilizer distribution from blanket subsidy-based supply to

nutrient-based allocation according to soil health, crop type, and regional needs. The aim is efficient fertilizer use and subsidy rationalization.

2. Why in News

The Centre is planning caps on subsidized fertilizer distribution through PoS units and considering direct benefit transfer (DBT) to farmers instead of fertilizer companies to reduce misuse and fiscal burden.

3. Key Facts and Figures

- Urea price: ₹242 per 45 kg bag
- Actual cost: ₹2,650
- Subsidy per bag: ₹2,408
- Fertilizer subsidy FY25: ₹1.77 lakh crore
- Projected FY26: ₹1.68 lakh crore

4. Definition of Key Terms

Nutrient-Based Allocation: Fertilizer supply based on crop and soil requirements.

PoS Unit: Point-of-Sale device for monitored fertilizer distribution.

DBT: Direct Benefit Transfer to beneficiary accounts.

5. Ministry / Institutions / Organizations Involved

The Ministry of Chemicals and Fertilizers is the nodal ministry. Agriculture Ministry supports soil health alignment. Fertilizer companies, cooperatives, and village-level PoS systems are implementation stakeholders.

6. Government Acts / Policies / Judgements

- **Article 48** – Scientific agriculture and soil preservation.
- **Essential Commodities Act, 1955** – Fertilizers regulated as essential commodities.
- **Fertilizer Control Order, 1985** – Legal framework for fertilizer pricing and supply.

- **FRBM Act** – Encourages reduction of unsustainable subsidy burdens.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on fertilizer subsidy, urea policy, DBT, and soil health management (2016, 2022).

8. Possible Prelims Trap Areas

- Nutrient-based reform ≠ complete subsidy removal
- Urea is heavily subsidized unlike many other fertilizers
- DBT to farmers differs from subsidy to fertilizer companies

36. RBI Using CRR as Active Liquidity Tool

1. Core Idea

RBI is increasingly using Cash Reserve Ratio (CRR) as an active tool for liquidity management rather than only during emergencies. CRR changes directly affect the amount of funds banks can lend in the economy.

2. Why in News

A 100 basis point CRR cut in four phases reduced CRR to 3%, injecting about ₹2.5 trillion into the banking system and signaling a shift from OMOs and forex swaps toward CRR-based liquidity management.

3. Key Facts and Figures

- CRR reduced to: 3%
- Liquidity infused: ₹2.5 trillion
- Repo rate: 5.5%
- Legal basis: RBI Act, 1934 Section 42(1)

4. Definition of Key Terms

CRR: Share of bank deposits kept as cash with RBI.

OMO: Open Market Operations involving RBI bond buying/selling.

VRRR: Variable Rate Reverse Repo used to absorb excess liquidity.

5. Ministry / Institutions / Organizations Involved

RBI manages CRR, repo rates, and liquidity tools. Monetary Policy Committee supports policy rate decisions. Ministry of Finance coordinates broader macroeconomic policy.

6. Government Acts / Policies / Judgements

- **RBI Act, 1934** – Section 42(1) empowers RBI regarding CRR.
- **Monetary Policy Framework Agreement (2015)** – Inflation targeting and liquidity stability.
- **MPC System** – Repo rate and inflation decisions.
- **Liquidity Adjustment Facility (LAF)** – Repo/reverse repo framework.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on CRR, repo rate, OMO, and RBI liquidity tools (2016, 2020, 2022).

8. Possible Prelims Trap Areas

- CRR balance earns no interest for banks
- CRR reduction injects liquidity; increase absorbs it
- CRR differs from SLR and OMO

37. Insurance Laws (Amendment) Bill

1. Core Idea

The Insurance Laws (Amendment) Bill aims to liberalize and modernize India's insurance sector through 100% FDI, composite insurance licences, and structural reforms in insurance regulation. It

seeks greater capital inflow, wider insurance access, and improved efficiency.

2. Why in News

The Bill is expected in the Monsoon Session 2025 with major proposals including full FDI in insurance, composite licences for life + non-life insurance, and amendments to the Insurance Act, LIC Act, and IRDA Act.

3. Key Facts and Figures

- Proposed FDI: 100%
- Composite licence capital: ₹150 crore
- Existing insurer capital: ₹100 crore
- Reinsurer capital: ₹200 crore
- Foreign reinsurer fund norm proposed: ₹5,000 cr → ₹1,000 cr

4. Definition of Key Terms

Composite Licence: Single licence for both life and non-life insurance business.

Reinsurance: Insurance taken by insurance companies to manage risk.

IRDAI: Insurance Regulatory and Development Authority of India.

5. Ministry / Institutions / Organizations Involved

The Ministry of Finance leads policy reform. IRDAI regulates the insurance sector. LIC remains the major public insurer. Foreign insurers and reinsurers are key stakeholders in capital expansion.

6. Government Acts / Policies / Judgements

- **Insurance Act, 1938** – Governs insurance business operations.
- **LIC Act, 1956** – Governs Life Insurance Corporation of India.
- **IRDA Act, 1999** – Establishes IRDAI as regulator.
- **Article 19(1)(g)** – Freedom to practice business subject to regulation.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on insurance sector reforms, IRDAI, FDI limits, and financial inclusion (2016, 2021).

8. Possible Prelims Trap Areas

- Composite licence ≠ bancassurance
- IRDAI regulates insurance, not RBI
- Reinsurance ≠ normal insurance policy for individuals

38. Global Gender Gap Report 2025

1. Core Idea

The Global Gender Gap Report by the World Economic Forum measures gender parity across economic participation, education, health, and political empowerment. It reflects relative access to opportunities, not absolute development levels.

2. Why in News

India ranked 131 out of 148 countries in the Global Gender Gap Report 2025, slipping from rank 129 in 2024, mainly due to decline in political empowerment and stagnant female labour force participation.

3. Key Facts and Figures

- India rank: 131/148
- India score: 64.1%
- Global average: 68.8%
- Female LFPR: 45.9%
- Women in Parliament: 13.8%

4. Definition of Key Terms

Gender Parity: Equal access to resources and opportunities across genders.

Glass Ceiling: Invisible barrier restricting women from top leadership roles.

Gender Gap Index: WEF index measuring parity across 4 dimensions.

5. Ministry / Institutions / Organizations Involved

WEF publishes the report globally. In India, the Ministry of Women and Child Development and Ministry of Labour are central to gender inclusion policy. Election institutions influence political representation outcomes.

6. Government Acts / Policies / Judgements

- **Article 14** – Equality before law.
- **Article 15(3)** – Special provisions for women and children allowed.
- **73rd & 74th Amendments** – Reservation for women in PRIs and ULBs.
- **Equal Remuneration Act, 1976** – Equal pay for equal work.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on gender indices, women reservation, labour participation, and equality provisions (2017, 2022).

8. Possible Prelims Trap Areas

- Gender gap report measures parity, not total women welfare
- Higher education score does not ensure higher labour participation
- WEF report \neq UNDP Gender Inequality Index

39. Startup ‘Pehle Jaisa’ – Organic Fertilizer Innovation

1. Core Idea

Pehle Jaisa is a rural agri-tech startup producing organic fertilizers from animal waste. It promotes

sustainable agriculture, circular economy, soil health improvement, and rural entrepreneurship through climate-friendly innovation.

2. Why in News

The startup raised \$300,000 in pre-Series A funding from Pantnagar Capital and Climate Angels, highlighting growing investor interest in climate-tech and rural agri-innovation.

3. Key Facts and Figures

- Funding: \$300,000
- Stage: Pre-Series A
- Focus: Organic fertilizers from animal waste
- Investors: Pantnagar Capital + Climate Angels

4. Definition of Key Terms

Organic Fertilizer: Natural fertilizer made from plant or animal waste.

Circular Economy: Reuse and recycling-based economic model minimizing waste.

Pre-Series A Funding: Early-stage investment before major scaling round.

5. Ministry / Institutions / Organizations Involved

The Ministry of Agriculture and Farmers Welfare supports sustainable agriculture frameworks. Climate-focused investors and startup ecosystems support funding. Rural entrepreneurship also aligns with Ministry of Rural Development priorities.

6. Government Acts / Policies / Judgements

- **Article 48** – Scientific agriculture and animal husbandry.
- **PM-PRANAM Scheme** – Promotes alternative nutrients and reduced chemical fertilizer use.
- **NMSA** – National Mission for Sustainable Agriculture.

- **Swachh Bharat Mission** – Supports rural waste management and sanitation.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on organic farming, sustainable agriculture, PM-PRANAM, and startup ecosystem themes (2018, 2023).

8. Possible Prelims Trap Areas

- Organic fertilizer ≠ biofertilizer always
- PM-PRANAM focuses on fertilizer reduction, not direct subsidy
- Circular economy ≠ only recycling

40. Catch-22 for Banks Amid Falling Interest Rates

1. Core Idea

Banks are facing a “Catch-22” situation where falling interest rates reduce lending rates quickly, but deposit mobilization becomes difficult if savings and term deposit rates are cut too much. This creates a liquidity and profitability dilemma.

2. Why in News

After RBI’s recent repo rate cuts (100 basis points), banks reduced deposit rates to protect margins. Savings rates fell to nearly 25-year lows, raising concerns over depositor flight and long-term liquidity risks.

3. Key Facts and Figures

- Savings rate: ~2.5–2.75%
- Repo cut: 100 basis points
- ~60% floating loans linked to repo
- Credit growth: 10.2% (April 2025) vs 19% (April 2024)

4. Definition of Key Terms

Repo Rate: Rate at which RBI lends to commercial banks.

CASA Ratio: Share of Current + Savings Accounts in total deposits.

CD Ratio: Credit-Deposit ratio showing deposits used for lending.

5. Ministry / Institutions / Organizations Involved

RBI regulates repo transmission, liquidity, and deposit conditions. Commercial banks manage deposit mobilization. Ministry of Finance monitors broader banking stability and financial inclusion outcomes.

6. Government Acts / Policies / Judgements

- **Banking Regulation Act, 1949** – RBI supervision over banking operations.
- **Article 39(b)** – Equitable distribution of resources including fair financial access.
- **Jan Dhan Yojana** – Financial inclusion affected by savings incentives.
- **Priority Sector Lending** – Depends on stable deposit mobilization.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on repo rate, monetary transmission, CASA, and banking liquidity (2016, 2020, 2022).

8. Possible Prelims Trap Areas

- Lower repo rate ≠ immediate higher deposits
- CASA ratio high = cheaper funds for banks
- Credit growth without deposits can create liquidity stress

41. RBI Reduces PSL Mandate for Small Finance Banks

1. Core Idea

RBI reduced the mandatory Priority Sector Lending (PSL) target for Small Finance Banks (SFBs) from 75% to 60% of Adjusted Net Bank Credit (ANBC), giving them greater operational flexibility while balancing financial inclusion goals.

2. Why in News

After reviewing the PSL framework, RBI relaxed the PSL norms for SFBs to improve profitability, risk management, and sustainable lending without overburdening these niche banks.

3. Key Facts and Figures

- Earlier PSL target: 75%
- New PSL target: 60%
- Regular commercial banks: 40%
- Applies to: Small Finance Banks

4. Definition of Key Terms

PSL: Mandatory lending to sectors like agriculture, MSMEs, housing, etc.

SFB: Small Finance Bank focused on underserved and unbanked groups.

ANBC: Adjusted Net Bank Credit used for PSL calculation.

5. Ministry / Institutions / Organizations Involved

RBI regulates SFBs and PSL norms. Ministry of Finance supports financial inclusion strategy. NABARD indirectly supports rural credit flows, while SFBs serve small borrowers and micro-enterprises.

6. Government Acts / Policies / Judgements

- **Banking Regulation Act, 1949** – Legal basis for RBI regulation.
- **Sections 21 & 35A** – RBI's power to issue lending directions.
- **NSFI 2019–24** – National Strategy for Financial Inclusion.

- **Atmanirbhar Bharat** – Supports MSMEs and inclusive credit delivery.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on PSL, SFBs, financial inclusion, and banking categories (2014, 2019, 2022).

8. Possible Prelims Trap Areas

- SFBs ≠ Payment Banks
- PSL target differs for SFBs and normal banks
- SFBs can accept deposits unlike some niche institutions

42. India Imposes Anti-Dumping Duties on Chinese Imports

1. Core Idea

Anti-dumping duty is a protectionist tariff imposed on imports sold below fair market value to protect domestic industry from unfair competition. It is allowed under WTO rules and Indian trade law.

2. Why in News

India imposed five-year definitive anti-dumping duties on Chinese aluminium foil and acetonitrile imports after DGTR found injury to domestic manufacturers due to underpriced imports.

3. Key Facts and Figures

- Aluminium foil duty: \$479–\$721 per tonne
- Effective from: 17 March 2025
- Duration: 5 years
- Legal basis: Section 9A, Customs Tariff Act, 1975

4. Definition of Key Terms

Dumping: Exporting goods below normal value or domestic market price.

Anti-Dumping Duty: Tariff imposed to counter dumping.

DGTR: Directorate General of Trade Remedies.

5. Ministry / Institutions / Organizations Involved

DGTR under the Ministry of Commerce and Industry investigates dumping cases. Ministry of Finance notifies final duties. WTO monitors transparency through its Anti-Dumping Committee.

6. Government Acts / Policies / Judgements

- **Customs Tariff Act, 1975 (Section 9A)** – Legal basis for anti-dumping duty.
- **Anti-Dumping Rules, 1995** – Procedure for investigation and duty imposition.
- **DGTR Framework** – Injury assessment and recommendation body.
- **WTO Anti-Dumping Agreement** – Permits such duties under global trade rules.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on anti-dumping duty, safeguard duty, WTO trade remedies, and DGTR (2015, 2020).

8. Possible Prelims Trap Areas

- Anti-dumping duty \neq safeguard duty
- It targets unfair pricing, not all imports
- DGTR recommends; final notification comes through government

43. Expert Panel for Income Distribution Survey

1. Core Idea

The government has constituted an expert group to design India's first comprehensive Income Distribution Survey for measuring household incomes, inequality, and redistribution trends. It aims to improve evidence-based welfare and fiscal policymaking.

2. Why in News

MoSPI formed a Technical Expert Group headed by Surjit S. Bhalla to advise the National Statistical Office (NSO) for conducting an all-India income distribution survey, likely in 2026.

3. Key Facts and Figures

- Ministry: MoSPI
- Executing agency: NSO
- Survey target year: 2026
- Chairman: Surjit S. Bhalla
- Legal basis: Collection of Statistics Act, 2008

4. Definition of Key Terms

Income Distribution: Spread of income across households or population groups.

Inequality: Uneven distribution of income, wealth, or opportunities.

NSO: National Statistical Office for official surveys and statistics.

5. Ministry / Institutions / Organizations Involved

MoSPI is the nodal ministry. NSO will execute the survey. The expert group led by Surjit Bhalla provides technical guidance for methodology, survey design, and income estimation standards.

6. Government Acts / Policies / Judgements

- **Article 38(2)** – State shall minimize inequalities in income and status.
- **Article 39(b)(c)** – Equitable distribution of resources and prevention of wealth concentration.

- **Collection of Statistics Act, 2008** – Legal authority for such surveys.
- **Inclusive Growth Framework** – Supports targeted welfare design.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on poverty estimation, inequality, surveys, and socio-economic indicators (2015, 2021).

8. Possible Prelims Trap Areas

- Income survey \neq Consumption Expenditure Survey
- NSO \neq NITI Aayog
- Income inequality differs from poverty measurement

44. Sagarmala Finance Corporation Limited (SMFCL)

1. Core Idea

Sagarmala Finance Corporation Limited (SMFCL) is India's first maritime-sector NBFC created to provide specialized financing for ports, shipping, shipbuilding, and blue economy projects.

2. Why in News

Launched on 26 June 2025, SMFCL was inaugurated as India's first maritime NBFC to bridge financing gaps in the maritime sector and support Maritime Amrit Kaal Vision 2047.

3. Key Facts and Figures

- Registered with RBI: 19 June 2025
- Type: Maritime NBFC
- Status: Mini Ratna Category-I CPSE
- Successor to: Sagarmala Development Company Ltd.

4. Definition of Key Terms

NBFC: Financial institution providing loans/investments without full banking licence.

Blue Economy: Sustainable use of ocean resources for growth and livelihoods.

Mini Ratna CPSE: Profit-making CPSE with financial autonomy.

5. Ministry / Institutions / Organizations Involved

The Ministry of Ports, Shipping and Waterways leads the initiative. RBI regulates SMFCL as an NBFC. Port authorities, shipping firms, MSMEs, and maritime startups are key beneficiaries.

6. Government Acts / Policies / Judgements

- **Article 297** – Union control over maritime resources.
- **Entry 30, Union List** – Shipping and navigation under Union jurisdiction.
- **RBI Act, 1934** – Regulation of NBFCs.
- **Sagarmala Programme** – Port-led development and maritime logistics modernization.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on Sagarmala, blue economy, NBFCs, and port-led development (2016, 2021).

8. Possible Prelims Trap Areas

- NBFC \neq commercial bank
- SMFCL cannot accept demand deposits like banks
- Blue economy \neq only fisheries sector

45. India's SDG Performance – Top 100 Entry

1. Core Idea

The SDG Index measures country performance on the 17 Sustainable Development Goals under the UN 2030 Agenda. India's entry into the top 100 reflects improvement in poverty reduction, health, education, and welfare delivery.

2. Why in News

India ranked 99th out of 167 countries in the SDG Index 2025, marking its first-ever entry into the top 100 and showing steady improvement after 2023.

3. Key Facts and Figures

- India rank (2025): 99/167
- India score: 67.0/100
- Rank in 2016: 110/149
- Global goals: 17 SDGs under UN 2030 Agenda

4. Definition of Key Terms

Sustainable Development: Development meeting present needs without harming future generations.

SDG Index: Composite ranking based on progress on 17 SDGs.

LSDGs: Localization of Sustainable Development Goals.

5. Ministry / Institutions / Organizations Involved

NITI Aayog monitors SDG implementation through the National Indicator Framework. UN agencies support international benchmarking. Panchayati Raj institutions help localization of SDGs at grassroots level.

6. Government Acts / Policies / Judgements

- **Article 21** – Right to life includes dignity, health, and environment.
- **Articles 39, 41, 47, 48A** – DPSPs supporting welfare and sustainability.
- **National Indicator Framework (NIF)** – India's SDG monitoring mechanism.

- **LSDGs** – Aligns local governance with SDG implementation.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on SDGs, poverty reduction, sanitation, and welfare indicators (2017, 2022, 2023).

8. Possible Prelims Trap Areas

- SDG Index ≠ only poverty ranking
- Ranking improvement does not mean all goals achieved
- NITI Aayog monitors nationally, not UNDP directly

46. NITI Aayog Report on Chemical Industry

1. Core Idea

NITI Aayog's report "Chemical Industry: Powering India's Participation in Global Value Chains" provides a roadmap to make India a major global chemical manufacturing hub by improving infrastructure, R&D, exports, and industrial competitiveness.

2. Why in News

Released on 3 July 2025, the report targets making India a \$1 trillion chemical industry hub by 2040 and increasing India's GVC share in chemicals from 3.5% to 5–6%.

3. Key Facts and Figures

- Target: \$1 trillion chemical industry by 2040
- Current GVC share: 3.5%
- Target GVC share: 5–6%
- Trade deficit (2023): \$31 billion
- Additional jobs target: 7 lakh

4. Definition of Key Terms

GVC: Global Value Chain where production stages are spread across countries.

Opex Subsidy: Subsidy on operational expenditure, not capital investment.

Chemical Cluster: Industrial zone with shared facilities for chemical production.

5. Ministry / Institutions / Organizations Involved

NITI Aayog prepared the roadmap. Department of Chemicals and Petrochemicals (DCPC), DPIIT, and MoEFCC are major implementing institutions. Expert Appraisal Committee handles environmental clearances.

6. Government Acts / Policies / Judgements

- **Entry 52, Union List** – Regulation of industries in public interest.
- **Article 39(c)** – Prevent concentration of wealth.
- **EIA Notification 2006** – Environmental clearance for industries.
- **Make in India + FTAs** – Supports export-led manufacturing growth.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on industrial corridors, FTAs, manufacturing competitiveness, and environmental clearances (2017, 2022).

8. Possible Prelims Trap Areas

- Opex subsidy ≠ capital subsidy
- Chemical clusters ≠ SEZ automatically
- GVC participation differs from total exports

47. 16th Finance Commission & Tax Devolution

1. Core Idea

The Finance Commission is a constitutional body recommending tax sharing between Centre and States (vertical devolution) and among States (horizontal devolution). The 16th Finance Commission is reviewing the formula for 2026–31.

2. Why in News

The 16th Finance Commission is examining state demands for revised tax devolution criteria, especially calls from developed states for recognition of higher tax contribution and economic performance.

3. Key Facts and Figures

- Constitutional basis: Article 280
- Chairman: Arvind Panagariya
- Period covered: 2026–31
- Final report due: 31 October 2025
- State tax-to-GSDP ratio: ~6–7%

4. Definition of Key Terms

Vertical Devolution: Tax sharing between Centre and States.

Horizontal Devolution: Tax sharing among States.

Income Distance: Measure of state income gap used in allocation.

5. Ministry / Institutions / Organizations Involved

The Finance Commission makes recommendations to the President. Ministry of Finance processes implementation. GST Council affects state taxation autonomy and fiscal capacity.

6. Government Acts / Policies / Judgements

- **Article 280** – Establishment of Finance Commission.
- **Finance Commission Act, 1951** – Procedural framework.
- **Article 279A** – GST Council for indirect tax coordination.

- **Federal Fiscal Framework** – Balances equity and efficiency.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on Finance Commission, GST Council, and Centre-State fiscal relations (2015, 2020, 2023).

8. Possible Prelims Trap Areas

- Finance Commission ≠ NITI Aayog
- GST Council ≠ Finance Commission
- Tax devolution differs from grants-in-aid

48. Mandatory Disclosure of Fraudulent Trades in Insolvency Sales

1. Core Idea

IBBI has made it mandatory to disclose fraudulent and avoidance transactions during insolvency resolution so that buyers, creditors, and resolution applicants can make informed decisions based on complete financial transparency.

2. Why in News

IBBI amended insolvency regulations requiring Resolution Professionals (RPs) to include all avoidance transactions in the Information Memorandum used for corporate insolvency resolution and bidding.

3. Key Facts and Figures

- Law: Insolvency and Bankruptcy Code, 2016
- Regulator: IBBI
- Relevant sections: 43–51 (avoidance transactions)
- Information Memorandum: Core insolvency disclosure document

4. Definition of Key Terms

Avoidance Transaction: Fraudulent, undervalued, preferential, or wrongful pre-insolvency transaction.

Resolution Professional (RP): Insolvency manager handling CIRP.

Committee of Creditors (CoC): Financial creditors deciding resolution plans.

5. Ministry / Institutions / Organizations Involved

IBBI is the statutory insolvency regulator. Resolution Professionals manage disclosure and process compliance. NCLT handles adjudication, while CoC approves resolution plans.

6. Government Acts / Policies / Judgements

- **IBC, 2016** – Time-bound insolvency resolution law.
- **Sections 43–51** – Reversal of avoidance transactions.
- **Section 188** – IBBI as statutory regulator.
- **CIRP Regulations** – Operational rules for insolvency resolution.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on IBC, NCLT, insolvency resolution, and creditor rights (2018, 2021).

8. Possible Prelims Trap Areas

- IBBI ≠ NCLT
- RP manages process; CoC approves plan
- Avoidance transaction ≠ normal business loss

49. India Nears 50% Non-Fossil Fuel Power Capacity

1. Core Idea

India is close to achieving 50% of its installed electricity capacity from non-fossil fuel sources such as solar, wind, hydro, nuclear, and

bioenergy—well before its 2030 climate commitment under the Paris Agreement.

2. Why in News

The Union Power Minister stated that India may achieve the 50% non-fossil installed power capacity target by the end of 2025, ahead of the NDC deadline of 2030.

3. Key Facts and Figures

- Target: 50% non-fossil power capacity by 2030
- Likely achievement: End of 2025
- Net Zero target: 2070
- Emissions intensity reduction target: 45% by 2030 (from 2005 level)

4. Definition of Key Terms

NDC: Nationally Determined Contributions under the Paris Agreement.

Non-Fossil Fuel Energy: Solar, wind, hydro, nuclear, bioenergy.

Net Zero: Balance between greenhouse gas emissions and removals.

5. Ministry / Institutions / Organizations Involved

The Ministry of New and Renewable Energy (MNRE) drives renewable energy expansion. Central Electricity Authority (CEA) monitors power capacity. International Solar Alliance supports global solar cooperation.

6. Government Acts / Policies / Judgements

- **Article 48A** – State shall protect and improve environment.
- **Article 51A(g)** – Citizen’s duty to protect nature.
- **Electricity Act, 2003** – Renewable integration and power regulation.
- **National Solar Mission** – Major renewable energy expansion policy.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on renewable targets, ISA, Paris Agreement, and non-fossil energy (2018, 2021, 2023).

8. Possible Prelims Trap Areas

- Installed capacity \neq actual electricity generation
- Non-fossil includes nuclear and hydro also
- Renewable energy \neq all non-fossil sources

50. Global Gender Gap Report 2025 – India’s Gender Challenge

1. Core Idea

The Global Gender Gap Report by WEF measures gender parity across economy, education, health, and politics. India’s poor rank reflects structural inequality in labour force participation, health access, and political representation.

2. Why in News

India ranked 131 out of 148 countries in the 2025 report, with major concerns in economic participation, unpaid care burden, anaemia, and skewed sex ratio at birth.

3. Key Facts and Figures

- India rank: 131/148
- Economic participation rank: 143
- Women anaemia (15–49): 57% (NFHS-5)
- Women do 7 \times more unpaid care work than men

4. Definition of Key Terms

Gender Parity: Equal access to opportunities irrespective of gender.

Care Economy: Unpaid domestic and caregiving work supporting households.

Glass Ceiling: Invisible barrier preventing women from leadership roles.

5. Ministry / Institutions / Organizations Involved

WEF publishes the report globally. Ministry of Women and Child Development, Ministry of Labour, and Ministry of Health are central to improving gender parity indicators.

6. Government Acts / Policies / Judgements

- **Article 14** – Equality before law.
- **Article 39(d)** – Equal pay for equal work.
- **Article 42** – Humane work conditions and maternity relief.
- **Maternity Benefit Act, 1961** – Paid maternity protection for women.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on gender indices, women labour participation, anaemia, and equality provisions (2017, 2022, 2023).

8. Possible Prelims Trap Areas

- Gender parity \neq women welfare schemes only
- WEF report \neq UNDP Gender Inequality Index
- Education gains do not automatically improve workforce participation

51. PM Dhan-Dhaanya Krishi Yojana (PMDDKY)

1. Core Idea

PM Dhan-Dhaanya Krishi Yojana is a major agricultural convergence scheme aimed at improving productivity, irrigation, storage, and credit access by integrating multiple agriculture schemes for targeted district-level intervention.

2. Why in News

Announced in Union Budget 2025–26, PMDDKY will merge 36 schemes across 11 ministries to improve agricultural outcomes in 100 low-performing districts.

3. Key Facts and Figures

- Annual outlay: ₹24,000 crore
- Duration: 6 years
- Beneficiaries: 1.7 crore farmers
- Coverage: 100 backward districts
- Schemes merged: 36

4. Definition of Key Terms

Cropping Intensity: Gross cropped area divided by net sown area.

Convergence: Integration of schemes for better delivery.

Sustainable Agriculture: Resource-efficient and long-term productive farming.

5. Ministry / Institutions / Organizations Involved

The Ministry of Agriculture and Farmers Welfare is the lead ministry. Multiple Union ministries and State governments coordinate implementation. Panchayats and private partners support local execution.

6. Government Acts / Policies / Judgements

- **Article 48** – Scientific agriculture and animal husbandry.
- **Article 39(b)** – Resource distribution for common good.
- **Seventh Schedule** – Agriculture is a State subject.
- **Aspirational Districts Programme** – Model for district-focused intervention.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on agricultural credit, cropping intensity, irrigation, and convergence-based schemes (2016, 2021, 2023).

8. Possible Prelims Trap Areas

- PMDDKY ≠ PM-KISAN direct income support
- Cropping intensity ≠ crop yield
- Agriculture is State subject but Centre funds major schemes

52. SASCE Scheme – FY26 Capex Loan Outlay

1. Core Idea

Special Assistance to States for Capital Expenditure (SASCE) is a Central scheme providing 50-year interest-free loans to states for infrastructure creation and capital expenditure. It supports state-led growth and long-term asset creation.

2. Why in News

The Centre may revise the FY26 SASCE outlay upward after the September–October 2025 mid-year review due to faster utilization and front-loading of funds by states in FY25.

3. Key Facts and Figures

- Loan type: Interest-free for 50 years
- FY26 allocation: ₹1.5 trillion
- FY25 revised: ₹1.25 trillion
- ₹50,000+ crore already sanctioned (Apr–Jul 2025)

4. Definition of Key Terms

Capex: Spending on long-term productive assets like roads and bridges.

Front-Loading: Early release of funds during the financial year.

Interest-Free Loan: Loan requiring repayment of principal only.

5. Ministry / Institutions / Organizations Involved

The Ministry of Finance administers the scheme. State governments utilize funds for infrastructure projects. Urban local bodies are linked through reform-based conditions like property tax and planning reforms.

6. Government Acts / Policies / Judgements

- **Article 282** – Union and States can make grants for public purposes.
- **Article 275** – Grants-in-aid from Centre to States.
- **FRBM Act, 2003** – Fiscal discipline framework influencing state borrowing.
- **Urban Reform Conditions** – Linked to municipal staffing and planning reforms.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on Finance Commission grants, fiscal federalism, and capital expenditure support (2018, 2022).

8. Possible Prelims Trap Areas

- SASCE is loan support, not direct grant
- Capex ≠ revenue expenditure
- Interest-free loan still requires principal repayment

53. RBI Financial Inclusion Index (FI-Index)

1. Core Idea

RBI's Financial Inclusion Index (FI-Index) measures the extent of access, usage, and quality of financial services across India. It tracks how effectively financial services reach all sections of society.

2. Why in News

RBI reported that the FI-Index rose from 64.2 in March 2024 to 67 in March 2025, reflecting stronger financial inclusion driven by banking access, digital payments, and welfare-linked financial systems.

3. Key Facts and Figures

- FY25 FI-Index: 67
- FY24 FI-Index: 64.2
- Growth: 4.3%
- Range: 0 to 100
- Launched: 2021

4. Definition of Key Terms

Financial Inclusion: Affordable access to savings, credit, insurance, and remittance services.

FI-Index: RBI's composite measure of financial inclusion.

Usage: Extent of active use of financial services.

5. Ministry / Institutions / Organizations Involved

RBI develops and publishes the index. Banks, NBFCs, payment systems, and government schemes like PM Jan Dhan Yojana and UPI contribute to inclusion outcomes.

6. Government Acts / Policies / Judgements

- **Article 38** – Welfare state and equitable resource distribution.
- **Article 39(c)** – Prevent concentration of wealth.
- **RBI Act, 1934** – RBI's regulatory authority.
- **Banking Regulation Act, 1949** – Banking supervision and inclusion support.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on Jan Dhan, DBT, financial inclusion, and digital payments (2016, 2020, 2023).

8. Possible Prelims Trap Areas

- FI-Index ≠ only number of bank accounts
- Usage matters, not just access
- UPI growth improves usage but not automatically quality

54. Revamped Mission Vatsalya Portal**1. Core Idea**

Mission Vatsalya Portal is an integrated digital child protection platform that unifies child welfare services, adoption systems, rescue mechanisms, and case tracking for vulnerable children through a single-window digital interface.

2. Why in News

The Ministry of Women and Child Development launched the revamped portal on 25 July 2025 by integrating earlier systems like TrackChild and Khoya-Paya for better child protection and real-time coordination.

3. Key Facts and Figures

- Launch date: 25 July 2025
- Ministry: Ministry of Women and Child Development
- Integrated helpline: Child Helpline 1098
- Linked systems: ERSS-112 and Women Helpline 181

4. Definition of Key Terms

Mission Vatsalya: Child protection and rehabilitation scheme for vulnerable children.

CCI: Child Care Institution providing residential care.

MIS Dashboard: Real-time monitoring and management information system.

5. Ministry / Institutions / Organizations Involved

The Ministry of Women and Child Development leads implementation. SCPS, DCPU, CWC, JJB, SJPU, and SARA are operational stakeholders. SPNIWCD supports training and capacity building.

6. Government Acts / Policies / Judgements

- **Article 39(e)(f)** – Protection and healthy development of children.
- **Juvenile Justice Act, 2015** – Legal basis for child care and protection.
- **IT Act, 2000** – Supports secure digital platform operations.
- **Child Helpline 1098** – National emergency support for children.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on child rights, Juvenile Justice Act, child protection institutions, and Mission Vatsalya themes (2017, 2022).

8. Possible Prelims Trap Areas

- Mission Vatsalya ≠ POSHAN scheme
- JJB and CWC have different legal roles
- Child Helpline 1098 differs from Women Helpline 181

55. PM Viksit Bharat Rozgar Yojana (PM-VBRY)

1. Core Idea

PM Viksit Bharat Rozgar Yojana (PM-VBRY) is an Employment-Linked Incentive (ELI) scheme designed to create formal jobs by incentivizing both first-time employees and employers, especially in EPFO-registered establishments.

2. Why in News

The scheme will be launched on 1 August 2025 with a major financial outlay to generate over 3.5

crore jobs in two years as part of the Viksit Bharat 2047 vision.

3. Key Facts and Figures

- Launch: 1 August 2025
- Outlay: ₹99,446 crore
- Target jobs: 3.5 crore+
- Period: Aug 2025 – July 2027
- Employee salary ceiling: ₹1 lakh/month

4. Definition of Key Terms

EPFO: Employees' Provident Fund Organisation providing worker social security.

DBT: Direct Benefit Transfer directly into beneficiary accounts.

ABPS: Aadhaar Bridge Payment System for Aadhaar-linked transfers.

5. Ministry / Institutions / Organizations Involved

The Ministry of Labour and Employment is the nodal ministry. EPFO manages formal workforce registration. DBT implementation is supported through Aadhaar-linked payment infrastructure and banking systems.

6. Government Acts / Policies / Judgements

- **EPF & MP Act, 1952** – Legal framework for provident fund and EPFO.
- **DBT Framework** – Direct transfer of benefits for transparency.
- **ABRY** – Atmanirbhar Bharat Rozgar Yojana as precursor support scheme.
- **Skill India Mission** – Supports employability and workforce readiness.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on EPFO, DBT, labour formalization, and employment schemes (2016, 2021, 2023).

8. Possible Prelims Trap Areas

- PM-VBRY \neq direct unemployment allowance
- EPFO applies to formal sector workers
- Employer incentive depends on employee retention

56. State-wise Prosperity Trends in India

1. Core Idea

Per Capita Net State Domestic Product (NSDP) measures average economic output per person in a state and helps compare state-level prosperity, development, and regional disparities.

2. Why in News

Recent 2023–24 data showed strong dominance of western and southern states like Gujarat and Karnataka, while BIMARU states like Bihar and Uttar Pradesh continue to lag significantly.

3. Key Facts and Figures

- Gujarat: ₹1.96 lakh (highest among large states)
- Karnataka: ₹1.92 lakh
- India average: ₹1.09 lakh (constant prices)
- Bihar: ₹32,227 (lowest major state range)

4. Definition of Key Terms

Per Capita NSDP: State income divided by state population.

Constant Prices: Inflation-adjusted prices for real growth comparison.

BIMARU States: Bihar, MP, Rajasthan, Uttar Pradesh (traditional usage).

5. Ministry / Institutions / Organizations Involved

MoSPI compiles national economic data. State governments provide GSDP/NSDP estimates. Finance Commission and NITI Aayog play major

roles in reducing interstate development disparities.

6. Government Acts / Policies / Judgements

- **Article 38** – Reduce inequalities and promote welfare.
- **Article 39** – Equitable distribution of wealth and livelihood support.
- **Article 280** – Finance Commission for Centre-State fiscal distribution.
- **Cooperative Federalism** – NITI Aayog's balanced development approach.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on regional imbalance, Finance Commission, and cooperative federalism (2015, 2020, 2022).

8. Possible Prelims Trap Areas

- NSDP \neq GDP
- Current prices \neq constant prices
- High per capita income does not always mean equitable distribution

57. Special Rupee Vostro Accounts (SRVAs)

1. Core Idea

A Special Rupee Vostro Account (SRVA) is a rupee-denominated account held by a foreign bank in India to facilitate international trade settlement in Indian Rupees instead of foreign currencies like the US Dollar.

2. Why in News

RBI eased the rules by allowing banks to open SRVAs for foreign correspondent banks without prior RBI approval, making rupee-based trade settlement faster and easier.

3. Key Facts and Figures

- Introduced: July 2022 framework
- Currency: Indian Rupee (INR)
- Objective: Promote rupee-based international trade
- Legal basis: FEMA, 1999 + RBI regulations

- It supports trade settlement, not capital account investment

58. Gross FDI at Four-Year High but Net FDI Declines

4. Definition of Key Terms

Vostro Account: Domestic bank account held on behalf of a foreign bank.

Correspondent Bank: Bank providing services on behalf of another bank abroad.

Rupee Internationalization: Increasing global use of INR in trade and finance.

5. Ministry / Institutions / Organizations Involved

RBI regulates SRVA operations under FEMA. Commercial banks open and manage these accounts. Ministry of Commerce and Ministry of Finance benefit from smoother trade settlement mechanisms.

6. Government Acts / Policies / Judgements

- **Article 302** – Parliament’s power over trade and commerce regulation.
- **FEMA, 1999** – Governs foreign exchange and trade settlement rules.
- **RBI Act, 1934** – RBI’s authority over banking operations.
- **INR Trade Settlement Framework** – Supports rupee internationalization.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on FEMA, foreign exchange management, and rupee trade settlement (2017, 2022).

8. Possible Prelims Trap Areas

- SRVA ≠ Nostro Account
- SRVA is rupee-denominated, not foreign currency-based

1. Core Idea

Foreign Direct Investment (FDI) reflects long-term foreign investment in India. While gross FDI shows total inflows, net FDI reflects actual gains after adjusting for repatriation and outward investment. A rise in gross FDI with falling net FDI signals capital retention concerns.

2. Why in News

Gross FDI inflows reached a four-year high of \$9.3 billion in June 2025, but net FDI fell by more than 50% because repatriation by foreign firms and outward FDI by Indian companies increased sharply.

3. Key Facts and Figures

- Gross FDI (June 2025): \$9.3 billion
- Growth: +22% YoY
- Repatriation: \$5.7 billion
- Repatriation growth: +40.7%
- Net FDI: declined by 50%+

4. Definition of Key Terms

Gross FDI: Total foreign capital inflows before deductions.

Net FDI: Gross inflows minus repatriation and outward investment.

Repatriation: Sending profits/investment back to the home country.

5. Ministry / Institutions / Organizations Involved

DPIIT frames FDI policy. RBI monitors inflows and outflows under FEMA. Ministry of Finance

and Commerce track macroeconomic and trade implications of FDI trends.

6. Government Acts / Policies / Judgements

- **Entry 41, Union List** – Foreign trade and commerce under Union control.
- **FEMA, 1999** – Governs foreign exchange transactions and FDI.
- **FDI Policy Framework** – Automatic route and government approval route.
- **BoP Monitoring** – RBI tracks capital account implications.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on FDI, FPI, FEMA, and Balance of Payments components (2015, 2020, 2023).

8. Possible Prelims Trap Areas

- Gross FDI ≠ Net FDI
- FDI ≠ FPI
- High gross inflow does not always mean stronger forex position

59. India’s Bioeconomy and BioE3 Policy

1. Core Idea

Bioeconomy refers to economic activity based on biotechnology and biological resources across health, agriculture, environment, and industry. BioE3 Policy aims to promote biotechnology for Economy, Environment, and Employment.

2. Why in News

India’s bioeconomy reached \$165.7 billion in 2024 and the government highlighted major BioE3 achievements including the first Biomufacturing Institute, National Biofoundry Network, and youth innovation challenges.

3. Key Facts and Figures

- Bioeconomy: \$10 bn (2014) → \$165.7 bn (2024)
- Target: \$300 bn by 2030
- National Biofoundry Network: 6 institutions
- Global outreach: 52 countries consulted

4. Definition of Key Terms

Bioeconomy: Economy based on biotechnology and biological resources.

BioE3: Biotechnology for Economy, Environment and Employment.

Biofoundry: Facility for rapid biotech innovation and scale-up.

5. Ministry / Institutions / Organizations Involved

The Department of Biotechnology (DBT) leads implementation. BIRAC supports startup funding and innovation. ISRO collaborates in space biotechnology. State governments and research institutions strengthen local execution.

6. Government Acts / Policies / Judgements

- **Article 51A(h)** – Duty to develop scientific temper.
- **Article 47** – Promotion of health and nutrition.
- **Cartagena Protocol** – International biosafety framework relevance.
- **NAPCC** – Supports low-carbon and sustainable biotechnology growth.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on biotechnology, BIRAC, biosafety protocols, and sustainable agriculture innovation (2018, 2022, 2023).

8. Possible Prelims Trap Areas

- Bioeconomy ≠ only pharmaceuticals
- BIRAC ≠ DBT (BIRAC is support body)

- BioE3 includes environment and employment, not only biotech industry

60. Clean Slate Principle in Bankruptcy Law

1. Core Idea

The Clean Slate Principle under insolvency law means that once a resolution plan is approved, the successful resolution applicant gets the company free from past liabilities not included in the approved plan. This ensures certainty and encourages genuine bidders.

2. Why in News

The amended Bankruptcy Bill has reinforced the Clean Slate Principle to provide legal clarity for buyers under insolvency resolution and reduce litigation over past dues and undisclosed liabilities.

3. Key Facts and Figures

- Governing law: Insolvency and Bankruptcy Code (IBC), 2016
- Applies after: Resolution Plan approval by NCLT
- Objective: Certainty for Resolution Applicants
- Supports: Faster and more efficient insolvency resolution

4. Definition of Key Terms

Resolution Applicant: Person/entity bidding to revive the insolvent company.

Clean Slate Principle: Fresh start without old undisclosed liabilities.

NCLT: National Company Law Tribunal handling insolvency cases.

5. Ministry / Institutions / Organizations Involved

IBBI regulates insolvency procedures. Resolution Professionals manage CIRP. NCLT approves resolution plans. Committee of Creditors (CoC) evaluates and approves commercial proposals before tribunal approval.

6. Government Acts / Policies / Judgements

- **IBC, 2016** – Time-bound insolvency resolution law.
- **Section 31, IBC** – Approved resolution plan becomes binding.
- **Essar Steel Judgment (2019)** – Strengthened clean slate interpretation.
- **NCLT Framework** – Judicial approval mechanism for insolvency plans.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on IBC, NCLT, CoC, and insolvency resolution mechanisms (2018, 2021, 2023).

8. Possible Prelims Trap Areas

- Clean slate \neq waiver of all legal liabilities automatically
- CoC approves commercially; NCLT gives legal approval
- Liquidation differs from resolution under IBC

61. Prasar Bharati Opens OTT Platform to Public Content (WAVES App)

1. Core Idea

WAVES is Prasar Bharati's OTT platform that now allows User-Generated Content (UGC), similar to YouTube, but with stricter moderation and family-centric broadcasting standards. It aims to promote Indian cultural, educational, and socially responsible digital content.

2. Why in News

Prasar Bharati announced that WAVES App will open for public content uploads across culture, education, sports, and family entertainment while maintaining compliance with broadcasting norms and content moderation standards.

3. Key Facts and Figures

- Platform: WAVES App
- Operated by: Prasar Bharati
- Content: UGC + Doordarshan classics + live radio
- Focus: Family-centric, culturally moderated OTT ecosystem

4. Definition of Key Terms

UGC (User-Generated Content): Content created and uploaded by users instead of media companies.

OTT Platform: Internet-based content delivery platform bypassing cable/satellite systems.

5. Ministry / Institutions / Organizations Involved

Prasar Bharati is India’s public broadcaster under the Ministry of Information and Broadcasting. IT Ministry regulates digital platform compliance under IT Rules. Private broadcasters and creators are indirect stakeholders.

6. Government Acts / Policies / Judgements

- **Prasar Bharati Act, 1990** – Created autonomous public broadcaster.
- **Cable TV Networks Act, 1995** – Programme and Advertising Code compliance.
- **IT Rules, 2021** – OTT due diligence and grievance redressal.
- **Uplinking/Downlinking Guidelines 2022** – Broadcasting compliance issues.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on OTT regulation, media governance, IT Rules, and public broadcasting institutions (2018, 2021, 2023).

8. Possible Prelims Trap Areas

- Prasar Bharati ≠ private broadcaster
- OTT regulation involves both IT Rules and broadcasting codes
- UGC ≠ professionally commissioned content

62. India Set to Become 2nd-Largest Economy

1. Core Idea

India is projected to become the world’s second-largest economy based on Purchasing Power Parity (PPP), driven by domestic demand, demographic strength, high savings, and technology-led growth.

2. Why in News

EY Report 2025 projected India’s GDP at \$20.7 trillion by 2030 and \$34.2 trillion by 2038 (PPP basis), positioning India as the second-largest economy globally.

3. Key Facts and Figures

- GDP by 2030: \$20.7 trillion (PPP)
- GDP by 2038: \$34.2 trillion
- Impact of US tariffs: ~10 bps GDP effect
- India among top 5 fastest-growing major economies

4. Definition of Key Terms

PPP: GDP comparison adjusted for cost of living differences across countries.

Basis Point (bps): 1 bps = 0.01% change.

5. Ministry / Institutions / Organizations Involved

Ministry of Finance, RBI, NITI Aayog, and Ministry of Commerce shape macroeconomic growth policies. Global institutions like IMF, World Bank, and EY provide comparative projections.

6. Government Acts / Policies / Judgements

- **FRBM Act, 2003** – Fiscal discipline framework.
- **Article 38 & 39** – Welfare-oriented economic growth.
- **Make in India** – Manufacturing competitiveness.
- **Atmanirbhar Bharat** – Domestic production and resilience.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on PPP, GDP estimation, FRBM Act, and macroeconomic indicators (2016, 2020, 2022).

8. Possible Prelims Trap Areas

- PPP GDP ≠ Nominal GDP
- High GDP rank ≠ high per capita income
- Basis points and percentage are not same

63. Improving GDP Measurement for India’s Rise (SNA 2025)

1. Core Idea

System of National Accounts (SNA) 2025 reforms GDP measurement by including natural resource depletion, unpaid care work, and income distribution. It shifts focus from pure output measurement to sustainability and equity.

2. Why in News

The UN Statistical Commission adopted SNA 2025, introducing major reforms in GDP

accounting. India must align its national accounts to better reflect sustainable and inclusive growth for Viksit Bharat 2047.

3. Key Facts and Figures

- Adopted by: UN Statistical Commission
- Includes: Natural capital + unpaid work + inequality accounts
- Renewable resources treated as assets
- Affects mineral-rich states’ GDP calculations

4. Definition of Key Terms

GDP: Total value of final goods and services produced within a country.

NDP: GDP minus depreciation and resource depletion.

Distributional Accounts: GDP linked with household-level income distribution.

5. Ministry / Institutions / Organizations Involved

MoSPI and NSO will implement national account revisions. NITI Aayog uses such data for policy planning. Finance Commission may use revised data for fiscal devolution recommendations.

6. Government Acts / Policies / Judgements

- **Article 39(b)** – Resource distribution for common good.
- **Article 48A** – Environmental protection.
- **SDG 10, 12, 13** – Inequality, sustainability, climate action.
- **Dasgupta Committee (2013)** – Natural resource accounting foundation.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on GDP vs GNP, Green GDP, sustainable development, and national income accounting (2015, 2019, 2022).

8. Possible Prelims Trap Areas

- GDP ≠ welfare indicator

- Renewable resources treated differently from exhaustible resources
- NDP and GDP are not interchangeable

64. Headline Inflation Targeting in India – RBI Debate

1. Core Idea

India follows Flexible Inflation Targeting (FIT), where RBI targets headline inflation (including food and fuel) rather than core inflation. Since food has very high weight in India's CPI basket, headline inflation better reflects real household inflation and welfare concerns.

2. Why in News

RBI is reviewing whether to continue targeting headline inflation or shift toward core inflation under the FIT framework, whose current $4\% \pm 2\%$ target band remains valid till March 2026.

3. Key Facts and Figures

- Inflation target: $4\% \pm 2\%$
- Food weight in CPI: 46%
- FIT introduced: 2016
- Failure clause: Inflation outside 2–6% for 3 consecutive quarters

4. Definition of Key Terms

Headline Inflation: CPI-based inflation including all items, including food and fuel.

Core Inflation: Inflation excluding volatile food and fuel prices.

FIT: Flexible Inflation Targeting balancing inflation control with growth needs.

5. Ministry / Institutions / Organizations Involved

RBI implements inflation targeting through the Monetary Policy Committee (MPC). Government

notifies the inflation target under the RBI Act in consultation with RBI. NSO provides CPI inflation data.

6. Government Acts / Policies / Judgements

- **RBI Act, 1934 (2016 Amendment)** – Legal basis for inflation targeting
- **Section 45ZA** – Government sets inflation target with RBI
- **MPC Framework** – 6-member statutory committee for repo decisions
- **Failure Clause** – RBI must explain target failure to government

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on inflation targeting, MPC, CPI vs WPI, and monetary policy tools (2016, 2019, 2022).

8. Possible Prelims Trap Areas

- Headline inflation \neq Core inflation
- CPI target \neq WPI target
- RBI targets inflation, not GDP growth directly

65. India's Rising Interest Payment Burden

1. Core Idea

India's government interest payments have sharply increased due to large borrowings during the pandemic years. High debt servicing reduces fiscal space for development spending and raises long-term debt sustainability concerns.

2. Why in News

Interest payments are expected to reach ₹12.76 trillion in FY26, nearly three times the level of a decade ago, mainly due to servicing high-cost pandemic-era borrowings.

3. Key Facts and Figures

- FY26 interest payments: ₹12.76 trillion
- Government debt: ₹200 trillion projected
- Debt-to-GDP: 56.1% (FY26)
- Fiscal deficit target FY26: 4.4%

4. Definition of Key Terms

Fiscal Deficit: Excess of total expenditure over revenue receipts (excluding borrowings).

Debt-to-GDP Ratio: Government debt relative to GDP.

Bond Switch: Replacing short-term bonds with longer maturity bonds.

5. Ministry / Institutions / Organizations Involved

Ministry of Finance manages borrowing and debt strategy. RBI supports government borrowing operations and bond market stability. FRBM compliance is monitored through budgetary mechanisms.

6. Government Acts / Policies / Judgements

- **Article 292** – Union government borrowing powers
- **FRBM Act, 2003** – Fiscal deficit and debt discipline
- **Annual Finance Act** – Borrowing authorization
- **Bond Buyback/Switch Strategy** – Debt management mechanism

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on fiscal deficit, FRBM Act, public debt, and government securities (2015, 2018, 2021).

8. Possible Prelims Trap Areas

- Fiscal deficit \neq Revenue deficit
- Lower yields do not mean lower past interest burden

- Debt stock and annual borrowing are different concepts

66. Income Tax Act, 2025 – Reshaping India’s Tax Framework

1. Core Idea

The Income Tax Act, 2025 replaces the complex Income-tax Act, 1961 with a simplified, modern, and taxpayer-friendly framework. It focuses on clarity, reduced litigation, digital compliance, and easier tax administration without major changes in tax rates or policy structure.

2. Why in News

Parliament passed the Income Tax Act, 2025, which will come into effect from 1 April 2026. It replaces the earlier 1961 law after decades of amendments and introduces major simplification such as the concept of “Tax Year” and wider recognition of Virtual Digital Assets (VDAs).

3. Key Facts and Figures

- Effective from: 1 April 2026
- Replaces: Income-tax Act, 1961
- 1961 Act amended: ~65 times, 4000+ amendments
- New concept: “Tax Year” replaces AY + PY
- TDS consolidated under: Section 393

4. Definition of Key Terms

Tax Year: Single 12-month financial period starting from 1 April replacing “Assessment Year” and “Previous Year.”

VDA (Virtual Digital Asset): Digital assets like cryptocurrencies and tokenized assets using cryptographic ledger systems.

Faceless Assessment: Digital tax administration

with minimal physical interaction between taxpayer and department.

5. Ministry / Institutions / Organizations Involved

CBDT (Central Board of Direct Taxes) led the review and drafting process. Ministry of Finance introduced the legislation. Parliament passed the revised Income-Tax (No. 2) Bill, 2025 after Select Committee recommendations. Income Tax Department will implement the new framework.

6. Government Acts / Policies / Judgements

- **Income Tax Act, 2025** – New simplified direct tax framework replacing 1961 Act.
- **Income-tax Act, 1961** – Previous law replaced after major structural complexity.
- **Section 532** – Power to frame schemes for faceless and efficient administration.
- **Finance Acts** – Earlier annual amendments created fragmentation and complexity.

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on direct taxes, capital gains, TDS, tax administration reforms, and cryptocurrency taxation (2017, 2021, 2023).

8. Possible Prelims Trap Areas

- Tax Year \neq Financial Year only in old terminology context
- VDA includes crypto + tokenized assets, not just Bitcoin
- New Act simplifies structure, not necessarily tax rates

67. “Anna-Chakra” Supply Chain Optimisation Tool

1. Core Idea

Anna-Chakra is a digital supply chain optimisation tool for the Public Distribution System (PDS) that improves transport efficiency of food grains from warehouses to Fair Price Shops using route optimisation algorithms. It aims to reduce costs, delays, and wastage.

2. Why in News

The government highlighted successful implementation of Anna-Chakra in 30 out of 31 States/UTs, showing major savings in transport costs and reduced carbon emissions, making PDS more efficient and climate-friendly.

3. Key Facts and Figures

- Implemented in: 30/31 States & UTs
- Exception: Manipur
- Estimated annual savings: ₹250 crore
- Linked with: NFSA-based PDS distribution

4. Definition of Key Terms

PDS (Public Distribution System): Government mechanism for subsidised foodgrain distribution through Fair Price Shops.

Supply Chain Optimisation: Use of technology to improve efficiency, reduce costs, and ensure faster delivery.

5. Ministry / Institutions / Organizations Involved

Department of Food and Public Distribution under the Ministry of Consumer Affairs, Food and Public Distribution leads implementation. State food departments and Fair Price Shop networks execute delivery at the ground level.

6. Government Acts / Policies / Judgements

- **National Food Security Act, 2013** – Legal basis for subsidised foodgrain distribution
- **Article 21** – Right to life includes right to food (judicial interpretation)

- **Article 39(b)** – Resource distribution for common good
- **Article 47** – Duty of State to improve nutrition and living standards

- 539 PACS selected for rural piped water O&M
- 1,117 FPOs registered through PACS
- Model bye-laws allow 25+ economic activities

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on NFSA, PDS reforms, food security, and DBT-based welfare delivery (2015, 2019, 2022).

8. Possible Prelims Trap Areas

- Anna-Chakra ≠ One Nation One Ration Card
- PDS reform ≠ DBT replacement necessarily
- NFSA covers legal entitlement, Anna-Chakra improves logistics only

68. PACS Integration with PM-KISAN

1. Core Idea

Primary Agricultural Credit Societies (PACS) are being digitally integrated with PM-KISAN and other farmer-related schemes through a uniform ERP platform, transforming PACS from credit-only institutions into multi-functional rural service hubs.

2. Why in News

The Centrally Sponsored PACS Computerization Project is enabling convergence of PM-KISAN, PMFBY, PMKSK, PDS, LPG, CSC and other farmer databases, improving governance, transparency, and rural service delivery.

3. Key Facts and Figures

- 36,592 PACS upgraded as PMKSKs
- 47,918 PACS functioning as Common Service Centres (CSCs)
- 762 PACS ready for PMBJKs

4. Definition of Key Terms

PACS: Grassroot cooperative institutions providing short- and medium-term agricultural credit, now diversified into multi-service hubs.

ERP (Enterprise Resource Planning): Digital platform integrating accounting, procurement, inventory, loans, and service delivery.

5. Ministry / Institutions / Organizations Involved

- Ministry of Cooperation
- NABARD
- State Cooperative Departments
- National Cooperative Database (NCD)
- NITI Aayog (evaluation)

6. Government Acts / Policies / Judgements

- **Article 43B** – Promotion of cooperative societies
- **97th Constitutional Amendment** – Constitutional recognition to cooperatives
- **Union of India v. Rajendra Shah (2021)** – SC limited parts of 97th Amendment
- **Multi-State Cooperative Societies Act, 2002**
- State Cooperative Acts

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on cooperatives, PM-KISAN, NABARD, FPOs, and rural institutional reforms (2019, 2021, 2023).

8. Possible Prelims Trap Areas

- PACS ≠ only credit institutions now

- PM-KISAN ≠ implemented through PACS directly
- 97th Amendment partially struck down, not fully invalidated

69. Government Incubator Programmes for Startups

1. Core Idea

Government incubator schemes support early-stage startups through funding, mentorship, labs, networking, and innovation infrastructure to promote entrepreneurship and self-reliance.

2. Why in News

State-wise beneficiary data from startup incubator schemes highlighted concentration in industrially advanced states and renewed focus on strengthening India's startup ecosystem.

3. Key Facts and Figures

Major schemes include:

- Startup India Seed Fund Scheme (2021)
- TIDE 2.0 (2019)
- Atal Innovation Mission (2016)
- NIDHI (2016)
- Bioincubators Programme (2022)

Top states:

- Tamil Nadu – 80
- Maharashtra – 65
- Gujarat – 55
- Uttar Pradesh – 52

4. Definition of Key Terms

Incubator: Institution that supports startups through mentoring, funding, workspace, and technical assistance.

Seed Funding: Early-stage funding for prototype development and market entry.

5. Ministry / Institutions / Organizations Involved

- DPIIT (Department for Promotion of Industry and Internal Trade)
- NITI Aayog
- Atal Innovation Mission
- DBT
- MeitY
- Academic and R&D institutions

6. Government Acts / Policies / Judgements

- Startup India Action Plan (2016)
- Companies Act, 2013
- LLP Act
- IPR Policy 2016
- Article 19(1)(g) – Freedom to practice profession/trade

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on Startup India, innovation ecosystem, entrepreneurship and incubation support (2018, 2020, 2022).

8. Possible Prelims Trap Areas

- Incubator ≠ Accelerator
- Startup India ≠ only tax exemptions
- Seed funding ≠ Venture Capital

70. States to Ease Off-Budget Borrowings (OBBs)

1. Core Idea

States are reducing reliance on Off-Budget Borrowings (OBBs) to improve fiscal transparency and align with fiscal discipline

norms under FRBM and Centre-imposed borrowing conditions.

2. Why in News

States are expected to keep OBBs largely flat in FY26 after heavy pandemic-era usage, reflecting a shift toward transparent borrowing and prudent fiscal management.

3. Key Facts and Figures

- OBB peak: ₹67,181 crore (FY21)
- FY24: ₹21,251 crore
- FY25: ₹29,335 crore
- FY26 projected fiscal deficit of 13 major states: 3.2% of GSDP

4. Definition of Key Terms

Off-Budget Borrowings (OBBs): Loans raised by state entities/SPVs where repayment is backed by state budgets but not shown in official fiscal deficit.

Fiscal Deficit: Excess of government expenditure over revenue excluding borrowings.

5. Ministry / Institutions / Organizations Involved

- State Governments
- Ministry of Finance
- Finance Commission
- CareEdge Ratings
- RBI

6. Government Acts / Policies / Judgements

- **Article 293(3)** – State borrowing restrictions with Centre’s consent
- **FRBM Act, 2003** – Fiscal discipline framework
- Finance Commission recommendations
- SASCI / Special Assistance to States schemes

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on FRBM, fiscal deficit, Centre-State fiscal relations, and Finance Commission (2016, 2020, 2023).

8. Possible Prelims Trap Areas

- OBB ≠ external borrowing only
- Hidden liabilities still affect fiscal sustainability
- OBB reduction ≠ lower total debt necessarily

71. India’s Push Towards \$1-Trillion Semiconductor Market

1. Core Idea

India is accelerating semiconductor manufacturing under the India Semiconductor Mission (ISM) to secure a major share in the projected \$1-trillion global semiconductor market and strengthen technological self-reliance.

2. Why in News

Prime Minister Narendra Modi announced faster approvals for semiconductor projects and highlighted the next phase of ISM, with India targeting leadership in the global chip ecosystem.

3. Key Facts and Figures

- Total semiconductor projects approved: 10
- New projects cleared in 2025: 5
- Total investment attracted: \$18 billion (~₹1.5 lakh crore)
- India’s GDP growth: 7.8%
- Semiconductors termed “digital diamonds” of the 21st century

4. Definition of Key Terms

Semiconductor: Material whose conductivity lies between conductor and insulator; used in chips

and integrated circuits.

Fab (Fabrication Plant): Advanced manufacturing unit where semiconductor wafers are produced.

India Semiconductor Mission (ISM):

Government initiative launched in 2021 to develop semiconductor and display manufacturing.

5. Ministry / Institutions / Organizations Involved

- Ministry of Electronics and IT (MeitY)
- India Semiconductor Mission (ISM)
- DPIIT
- PLI Scheme ecosystem

6. Government Acts / Policies / Judgements

- **India Semiconductor Mission (2021)**
- **PLI Scheme for Semiconductors**
- **Digital India Initiative**
- Atmanirbhar Bharat framework

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on semiconductor supply chains, PLI schemes, electronics manufacturing, and strategic technology (2022, 2023).

8. Possible Prelims Trap Areas

- Semiconductor ≠ only silicon chips
- Fab ≠ design centre
- ISM ≠ only subsidy scheme

72. Gig Economy and the Lives of Gig Workers

1. Core Idea

The gig economy is expanding rapidly in India, creating flexible employment opportunities but

also raising concerns regarding job security, wages, and social protection for workers.

2. Why in News

Rapid growth of platform-based work and debates around labour protections have renewed focus on the conditions of gig workers and implementation of the Code on Social Security.

3. Key Facts and Figures

- Gig workers (2020–21): 7.7 million
- Projected by 2029–30: 23.5 million
- India's digital economy target: \$1 trillion by 2030

4. Definition of Key Terms

Gig Economy: Labour market dominated by short-term, flexible jobs often mediated through digital platforms.

Platform Worker: Worker earning through digital platforms like ride-hailing or delivery apps.

5. Ministry / Institutions / Organizations Involved

- Ministry of Labour and Employment
- NITI Aayog
- EPFO ecosystem
- ILO

6. Government Acts / Policies / Judgements

- **Article 21** – Right to livelihood and dignity
- **Articles 38, 39, 43** – Social and economic justice
- **Code on Social Security, 2020**
- ILO labour standards

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on labour codes, informal workforce, social security, and platform economy (2021, 2022, 2023).

8. Possible Prelims Trap Areas

- Gig worker ≠ formal employee
- Platform worker is a subset of gig worker
- Social Security Code recognizes gig workers but implementation remains evolving

- APEDA
- Ministry of Commerce and Industry
- IITs/NITs
- State agriculture boards

73. APEDA's BHARATI Initiative for Agri-Food Exports

1. Core Idea

BHARATI is APEDA's startup acceleration initiative to strengthen agri-food exports through technology, value addition, and export readiness.

2. Why in News

APEDA launched BHARATI in September 2025 to support 100 agri-food and agri-tech startups and help India achieve \$50 billion agri-food exports by 2030.

3. Key Facts and Figures

- Full form: Bharat's Hub for Agritech, Resilience, Advancement and Incubation for Export Enablement
- Target startups: 100
- Export target: \$50 billion by 2030
- Programme duration: 3-month acceleration model

4. Definition of Key Terms

APEDA: Agricultural and Processed Food Products Export Development Authority.

SPS Measures: Sanitary and Phytosanitary standards for food safety and plant/animal health.

TBT: Technical Barriers to Trade relating to standards and regulations.

5. Ministry / Institutions / Organizations Involved

6. Government Acts / Policies / Judgements

- APEDA Act, 1985
- Article 19(1)(g) – Freedom of trade
- Articles 43 & 48
- WTO SPS Agreement
- WTO TBT Agreement

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on APEDA, GI products, agricultural exports, WTO standards and agri-value chains (2018, 2021, 2023).

8. Possible Prelims Trap Areas

- APEDA ≠ all agricultural exports
- SPS ≠ tariff barriers
- GI-tag ≠ patent

74. GST Council Approves Two-Rate Tax Slab

1. Core Idea

The GST Council rationalized India's GST structure into primarily two slabs—5% and 18%—to simplify taxation and improve compliance.

2. Why in News

The 56th GST Council Meeting approved major GST rate rationalisation effective from 22 September 2025.

3. Key Facts and Figures

- Main slabs: 5% and 18%

- Special slab: 40% for sin goods
- Cement reduced: 28% → 18%
- EVs remain: 5%
- Fiscal implication: ₹48,000 crore

4. Definition of Key Terms

GST: Destination-based indirect tax on supply of goods and services.

Sin Goods: Goods harmful to health or socially undesirable, taxed at higher rates.

Rate Rationalisation: Reducing multiple slabs into fewer simplified tax rates.

5. Ministry / Institutions / Organizations Involved

- GST Council
- Union Ministry of Finance
- State Finance Ministries
- CBIC

6. Government Acts / Policies / Judgements

- **Article 279A** – GST Council
- **101st Constitutional Amendment Act, 2016**
- GST legal framework under CGST/SGST Acts

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on GST Council, constitutional provisions of GST, cooperative federalism, and indirect taxation (2017, 2020, 2023).

8. Possible Prelims Trap Areas

- Alcohol is outside GST (not part of sin goods slab here)
- GST Council recommends; Parliament/States legislate
- GST is destination-based, not origin-based

75. Growth of REITs and InvITs in India

1. Core Idea

REITs and InvITs are emerging as major capital market instruments for financing real estate and infrastructure, reducing dependence on traditional bank credit and government borrowing.

2. Why in News

Combined Assets Under Management (AUM) of REITs and InvITs crossed ₹9 lakh crore, with projections of ₹25 lakh crore by 2030.

3. Key Facts and Figures

- Combined AUM: ₹9+ lakh crore
- Projected AUM by 2030: ₹25 lakh crore
- REITs: 5 listed entities
- InvITs: 27 SEBI-registered
- First InvIT: 2016
- First REIT listing: 2019

4. Definition of Key Terms

REIT (Real Estate Investment Trust):

Investment vehicle allowing investors to invest in income-generating commercial real estate.

InvIT (Infrastructure Investment Trust): Trust structure for pooling investments into infrastructure assets like roads, power lines, and pipelines.

AUM: Total market value of assets managed on behalf of investors.

5. Ministry / Institutions / Organizations Involved

- SEBI
- Indian REITs Association (IRA)
- Bharat InvITs Association (BIA)
- Ministry of Finance

6. Government Acts / Policies / Judgements

- SEBI (REITs) Regulations, 2014
- SEBI (InvITs) Regulations, 2014
- National Infrastructure Pipeline (NIP)
- National Monetisation Pipeline (NMP)

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on infrastructure financing, capital markets, SEBI regulations, and monetisation pipelines (2018, 2021, 2023).

8. Possible Prelims Trap Areas

- REIT ≠ residential housing scheme
- InvIT ≠ only government-owned infrastructure
- Both are SEBI-regulated, not RBI-regulated

76. Angikaar 2025 Campaign under PMAY-U 2.0

1. Core Idea

Angikaar 2025 is a last-mile outreach campaign under PMAY-U 2.0 aimed at faster implementation, beneficiary verification, and completion of urban housing projects.

2. Why in News

The Ministry of Housing and Urban Affairs launched Angikaar 2025 to improve delivery and awareness under PMAY-U 2.0.

3. Key Facts and Figures

- Coverage: 5,000+ ULBs
- PMAY-U sanctioned houses: 120 lakh
- Completed and delivered: 94.11 lakh
- PMAY-U 2.0 target: 1 crore additional urban families
- Financial support: Up to ₹2.5 lakh per family

- Campaign duration: 4 Sept – 31 Oct 2025

4. Definition of Key Terms

PMAY-U 2.0: Revamped urban housing scheme for providing pucca houses to eligible urban poor families.

CRGFTLIH: Credit Risk Guarantee Fund Trust for Low Income Housing.

Jan Bhagidari: Citizen participation in governance and implementation.

5. Ministry / Institutions / Organizations Involved

- Ministry of Housing and Urban Affairs
- Urban Local Bodies (ULBs)
- Municipal Corporations
- CRGFTLIH mechanism

6. Government Acts / Policies / Judgements

- **Article 21** – Right to life (includes dignified shelter)
- **Articles 38, 39, 46** – DPSPs
- PMAY-U framework
- SDG 11 – Sustainable Cities and Communities

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on PMAY, urban poverty alleviation, housing policies, and urban governance (2017, 2020, 2022).

8. Possible Prelims Trap Areas

- PMAY-U ≠ PMAY-G
- CRGFTLIH ≠ direct subsidy
- Angikaar is outreach campaign, not a separate housing scheme

77. Soft Tax Nudges – CBIC Compliance Strategy

1. Core Idea

CBIC is shifting from aggressive tax enforcement to a trust-based compliance model using soft tax nudges, reminders, and data intelligence to improve GST compliance.

2. Why in News

CBIC directed tax officials to avoid scare tactics and premature notices, focusing instead on data matching and calibrated interventions.

3. Key Facts and Figures

- Focus on ITR–GST return matching
- Major target area: abnormal Input Tax Credit (ITC) claims
- Triggered partly by protests from small vendors receiving unnecessary GST notices

4. Definition of Key Terms

Soft Tax Nudges: Behavioural tools like reminders and compliance prompts used to encourage voluntary tax compliance without coercive enforcement.

Input Tax Credit (ITC): Credit claimed by businesses for tax already paid on inputs used in production or services.

5. Ministry / Institutions / Organizations Involved

- CBIC (Central Board of Indirect Taxes and Customs)
- GST Council
- Ministry of Finance
- GST Network ecosystem

6. Government Acts / Policies / Judgements

- **Article 265** – No tax without authority of law
- **Article 279A** – GST Council
- **GST Act, 2017**
- Principle of Natural Justice

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on GST compliance, GST Council, indirect taxation, and ease of doing business (2017, 2021, 2023).

8. Possible Prelims Trap Areas

- Soft nudges ≠ tax waiver
- ITC fraud ≠ income tax evasion only
- GST notices should not be issued merely on raw digital payment data

78. US HIRE Bill and Its Implications for Indian IT Sector

1. Core Idea

The US HIRE Bill proposes a 25% tax on payments made to foreign service providers, which could significantly affect India’s IT outsourcing industry due to its heavy dependence on US clients.

2. Why in News

The Halting International Relocation of Employment (HIRE) Act, 2025 was introduced in the US Senate by Senator Bernie Moreno, raising concerns for Indian IT companies.

3. Key Facts and Figures

- Proposed tax: 25% on offshore service payments
- India’s IT sector size: \$283 billion
- Revenue from US market: 60%+
- Indian IT employees in US (June 2025): ~14,652
- Revenue to be placed in: Domestic Workforce Fund

4. Definition of Key Terms

Outsourcing: Contracting work to an external organization, often abroad, for cost reduction or specialized expertise.

Offshoring: Relocating business processes to another country for operational efficiency.

5. Ministry / Institutions / Organizations Involved

- US Senate
- Indian IT firms (Infosys, TCS, Wipro etc.)
- India-US Trade Policy Forum
- WTO

6. Government Acts / Policies / Judgements

- WTO principles of non-discriminatory trade
- **Article 19(1)(g)** – Right to practice profession/trade
- H-1B visa framework (US)

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on outsourcing, services trade, India-US economic relations, and WTO trade concerns (2017, 2021, 2023).

8. Possible Prelims Trap Areas

- HIRE Bill is US legislation, not Indian law
- Outsourcing ≠ H-1B visa employment
- Protectionism can affect services trade, not only goods trade

79. Paramparagat Krishi Vikas Yojana (PKVY)

1. Core Idea

PKVY promotes organic farming through cluster-based cultivation, certification support, financial incentives, and market linkages to reduce dependence on chemical agriculture.

2. Why in News

Renewed attention on sustainable agriculture and integration with natural farming missions has highlighted PKVY's role in promoting organic farming.

3. Key Facts and Figures

- Scheme period: 2015–25
- Assistance: ₹31,500 per hectare for 3 years
- Coverage: ~15 lakh hectares
- Clusters formed: 52,289
- Farmers benefited: 25.3 lakh
- Cluster size: 20 hectares

4. Definition of Key Terms

PKVY: Scheme under NMSA promoting cluster-based organic farming.

PGS-India: Participatory Guarantee System for domestic organic certification.

NPOP: National Programme for Organic Production for export-oriented certification.

5. Ministry / Institutions / Organizations Involved

- Ministry of Agriculture & Farmers Welfare
- Regional Councils
- Jaivik Kheti Portal
- National Mission on Sustainable Agriculture (NMSA)

6. Government Acts / Policies / Judgements

- National Mission on Sustainable Agriculture
- National Mission on Natural Farming
- DBT framework
- Organic certification systems under agriculture policy

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on organic farming, natural farming, PGS certification, and sustainable agriculture (2018, 2020, 2023).

8. Possible Prelims Trap Areas

- PGS ≠ export certification mainly
- PKVY ≠ PM-KISAN
- Organic farming ≠ zero budget natural farming

80. PM VIKAS Scheme & IIT Palakkad Collaboration

1. Core Idea

PM VIKAS is a minority empowerment scheme focused on skill development, entrepreneurship, education, and leadership, now strengthened through a high-tech skilling partnership with IIT Palakkad.

2. Why in News

The Ministry of Minority Affairs signed an MoU with IIT Palakkad to provide advanced technical training for minority youth in Kerala.

3. Key Facts and Figures

- Total trainees: 400
- Junior Chip Designers: 150
- Embedded Software Engineers: 150
- Junior Engineers (Drone R&D): 100
- Placement target: 75%

4. Definition of Key Terms

PM VIKAS: Pradhan Mantri Virasat Ka Samvardhan Scheme for socio-economic empowerment of minority communities.

NSQF: National Skills Qualification Framework for standardized skill training.

5. Ministry / Institutions / Organizations Involved

- Ministry of Minority Affairs (MoMA)
- Indian Institute of Technology Palakkad
- NIOS

6. Government Acts / Policies / Judgements

- **Article 46** – Educational and economic interests of weaker sections
- **Article 29** – Cultural rights of minorities
- **Article 30** – Minority educational institutions
- PM VIKAS (Central Sector Scheme)

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on minority welfare schemes, educational empowerment, and constitutional safeguards for minorities (2016, 2020, 2022).

8. Possible Prelims Trap Areas

- PM VIKAS ≠ PM Vishwakarma
- Minority rights under Article 29 and 30 differ
- Skill development includes both traditional and high-tech sectors

81. PM Dhan Dhaanya Krishi Yojana & Mission for Aatmanirbharta in Pulses

1. Core Idea

Two major schemes aim to improve agricultural productivity, pulse self-sufficiency, and stronger agri-value chains through infrastructure, procurement, and farmer collectivization.

2. Why in News

Prime Minister announced launch of PMDDKY and Mission for Aatmanirbharta in Pulses from Rabi season 2025–26.

3. Key Facts and Figures

- Launch date: 11 October 2025
- Implementation: 2025–26 to 2030–31
- Projects inaugurated: 1,100+
- Total value: ₹42,000 crore
- Farmers in FPOs: 52 lakh+
- FPOs with turnover > ₹1 crore: ~1,100
- Combined FPO turnover: ₹15,000 crore

4. Definition of Key Terms

FPO (Farmer Producer Organisation):

Collective of farmers for better bargaining, marketing, and profit-sharing.

Aatmanirbharta: Domestic capability and reduced dependence on imports.

5. Ministry / Institutions / Organizations Involved

- Ministry of Agriculture & Farmers Welfare
- Indian Agricultural Research Institute
- FPO ecosystem

6. Government Acts / Policies / Judgements

- **Articles 38, 39(b), 48**
- National Food Security Act, 2013
- Essential Commodities (Amendment) Act, 2020
- National Policy for Farmers (2007)

7. Previous Year Linkage (PYQ Linkage)

UPSC asked on pulses production, FPOs, MSP, food security, and crop diversification (2018, 2021, 2023).

8. Possible Prelims Trap Areas

- PMDDKY ≠ only pulses scheme
- FPO ≠ cooperative society necessarily
- MSP assurance ≠ universal procurement

82. NITI Aayog Report – “India’s Blue Economy: Strategy for Harnessing Deep-Sea and Offshore Fisheries”

1. Core Idea

NITI Aayog released the report “*India’s Blue Economy: Strategy for Harnessing Deep-Sea and Offshore Fisheries*” to unlock India’s deep-sea fisheries potential while ensuring ecological sustainability and livelihood security.

2. Why in News?

India is the second-largest fish-producing country globally, but deep-sea fisheries beyond the continental shelf remain significantly underutilized despite a vast Exclusive Economic Zone (EEZ).

3. Key Facts

- India contributes nearly 8% of global fish production.
- Fisheries support around 30 million livelihoods.
- Fisheries exports earned ₹60,523 crore in FY 2023–24.
- India’s EEZ covers nearly 2 million sq. km.
- Estimated potential deep-sea fish yield: 7.16 million tonnes.

4. Objectives

- Reduce pressure on coastal fisheries
- Promote responsible use of marine resources
- Enhance seafood exports
- Strengthen Blue Economy growth

- Improve fisher incomes and coastal livelihoods

5. Six Strategic Policy Interventions

1. Policy and regulatory reforms
2. Institutional and capacity building
3. Fleet modernization and infrastructure upgrades
4. Sustainable fisheries management
5. Resource mobilization and financing (including blue bonds)
6. Community participation and fisher cooperative strengthening

6. Definitions

- **Blue Economy:** Sustainable use of ocean resources for economic growth and livelihoods while protecting marine ecosystems.
- **EEZ (Exclusive Economic Zone):** Maritime zone extending up to 200 nautical miles where a country has exclusive rights over marine resources.

7. Constitutional and Legal Provisions

- Article 48A – Protection of environment
- Article 51A(g) – Fundamental duty to protect natural environment
- Maritime Zones of India Act, 1976
- CRZ Notification, 2019
- Draft National Marine Fisheries Policy, 2020

8. Institutions Involved

- NITI Aayog
- Ministry of Fisheries, Animal Husbandry and Dairying
- State Fisheries Departments

9. PYQ Linkage

UPSC frequently asks on Blue Economy, EEZ, sustainable fisheries, CRZ, and coastal resource governance.

10. Prelims Trap Area

EEZ is not Territorial Waters.

- Territorial Waters → 12 nautical miles
- EEZ → 200 nautical miles

83. National Household Income Survey (NHIS) 2026

1. Core Idea

India will conduct its first-ever pan-India National Household Income Survey (NHIS) to generate direct household-level income estimates.

2. Why in News?

The National Statistical Office completed pre-testing of the draft schedule and uploaded the report in October 2025.

3. Key Facts

- Survey period: April 2026 – May 2027
- First dedicated national household income survey
- Pre-testing completed across 15 NSO regional offices
- Technical Expert Group chaired by Dr. Surjit S. Bhalla

4. Importance

- Improves poverty and inequality estimation
- Helps CPI rebasing
- Supports taxation and welfare policy
- Captures income distribution better than National Accounts alone

5. Definitions

- **NHIS:** Survey focused on measuring household income levels, composition, and distribution.
- **NSO:** National Statistical Office under MoSPI.
- **CPI Rebasing:** Updating base year and expenditure basket for Consumer Price Index.

- Stablecoins are pegged 1:1 with fiat currency
- Less volatile than Bitcoin and other crypto assets
- RBI prefers CBDC over private stablecoins
- India's sovereign digital currency is e-Rupee

6. Constitutional and Legal Framework

- Collection of Statistics Act, 2008
- Statistical governance under MoSPI

4. RBI Concerns

- Threat to monetary control
- Banking liquidity risks
- Financial instability
- Weakening of rupee sovereignty

7. Institutions

- Ministry of Statistics and Programme Implementation
- National Statistical Office

5. Potential Benefits

- Faster domestic and cross-border payments
- UPI integration
- Smart contracts and programmable money
- Greater fintech innovation

8. PYQ Linkage

Important for poverty estimation, income inequality, CPI, NSS/NSO surveys, and governance questions.

6. Definitions

- **Stablecoin:** Digital token pegged to fiat currency like INR or USD.
- **CBDC:** Central Bank Digital Currency issued by RBI.
- **Programmable Money:** Digital currency with built-in transaction conditions.

9. Prelims Trap Area

Consumption survey \neq Income survey.
CES measures expenditure; NHIS measures actual income.

7. Constitutional and Legal Provisions

- Article 246 + Union List (currency matters)
- RBI Act, 1934
- Payment and Settlement Systems Act, 2007
- FEMA, 1999

84. Rupee Stablecoins – Is It Time to Allow Their Use?

1. Core Idea

Debate has intensified on whether India should allow rupee-pegged private stablecoins alongside RBI's CBDC (e-Rupee).

2. Why in News?

The US passed the GENIUS Act (2025), allowing regulated private stablecoins, reviving policy debate in India.

3. Key Facts

8. Institutions

- Reserve Bank of India

- Ministry of Finance

9. PYQ Linkage

Digital currency, monetary policy, crypto regulation, fintech governance are major GS III themes.

10. Prelims Trap Area

CBDC = sovereign legal tender
Stablecoin = privately issued digital token backed by reserves

85. Sagarmala 2.0 – India’s ₹75,000 Crore Maritime Push

1. Core Idea

Sagarmala 2.0 is a major maritime infrastructure expansion programme to make India a global port, shipbuilding, and logistics hub.

2. Why in News?

The Union Government is restructuring Sagarmala into a 10-year ₹75,000 crore mission.

3. Key Facts

- Builds on Sagarmala Phase I (2015–2025)
- Initial allocation: ₹40,000 crore
- Likely expanded to ₹75,000 crore
- Investment leverage expected: ₹20 trillion+
- Job creation target: 1 crore

4. Focus Areas

- Smart port modernization
- Inland waterways
- Coastal connectivity
- Shipbuilding and repair
- Green maritime infrastructure
- Maritime skill development

5. Supporting Schemes

- Maritime Development Fund – ₹25,000 crore
- Shipbuilding Financial Assistance Scheme – ₹20,000 crore
- Shipping Cluster Development Programme – ₹20,000 crore

6. Definitions

- **Port-led Development:** Economic growth centered around ports and logistics networks.
- **Blue Economy:** Ocean-based sustainable economic development.

7. Constitutional and Legal Provisions

- Article 297 – Union ownership of maritime resources
- Union List – Shipping and navigation
- Major Port Authorities Act, 2021
- Inland Vessels Act, 2021

8. Institutions

- Ministry of Ports, Shipping and Waterways
- Sagarmala Development Company Limited

9. PYQ Linkage

Port-led development, Blue Economy, inland waterways, logistics reforms are major GS III themes.

10. Prelims Trap Area

Sagarmala = ports + maritime logistics
Bharatmala = roads + highways

86. Strategic Petroleum Reserves (SPR) Expansion

1. Core Idea

India is expanding its Strategic Petroleum Reserves (SPRs) to strengthen energy security against global oil price volatility, geopolitical risks, and supply disruptions.

2. Why in News?

With crude oil prices falling below \$65/barrel, India is using this opportunity to refill reserves and fast-track Phase II expansion of SPR facilities.

3. Key Facts

- India imports over 85% of its crude oil needs
- Current SPR Phase I capacity: 5.33 MMT
- Existing locations: Visakhapatnam, Mangaluru, Padur
- Current SPR meets only about 9.5 days of crude requirement
- Total oil reserve capacity (SPR + OMC storage): about 74 days
- Long-term goal: 90-day reserve level

4. Expansion Plans (Phase II)

- New capacity: 6.5 MMT
- Chandikhol (Odisha): 4 MMT
- Additional Padur (Karnataka): 2.5 MMT
- Developed under PPP model (commercial-cum-strategic)

5. Definitions

- **Strategic Petroleum Reserve (SPR):** Government-owned crude oil stockpile stored for emergency supply disruptions.
- **ISPRL:** Indian Strategic Petroleum Reserves Limited, nodal agency managing SPRs.

6. Constitutional / Legal Linkage

- Energy security linked to economic sovereignty

- Managed under Ministry of Petroleum & Natural Gas
- IEA benchmark: 90 days of net imports

7. Institutions

- Indian Strategic Petroleum Reserves Limited (ISPRL)
- Oil Industry Development Board (OIDB)
- Ministry of Petroleum and Natural Gas

8. PYQ Linkage

UPSC asks on energy security, crude oil imports, SPR, CAD, and Middle East geopolitical risks.

9. Prelims Trap Area

SPR stores **crude oil**, not refined petroleum products.

87. VISTAAR – Digital Platform for Farmers

1. Core Idea

The Ministry of Agriculture will launch VISTAAR (Virtually Integrated System to Access Agricultural Resources) to provide real-time digital access to agricultural services for farmers.

2. Why in News?

India is strengthening Agri-Digital Public Infrastructure (Agri-DPI) to improve farm productivity and service delivery.

3. Key Facts

- Full form: Virtually Integrated System to Access Agricultural Resources
- Real-time access to services and information
- Supports Digital India and Doubling Farmers’ Income goals

4. Likely Services

- Market prices
- Weather advisories
- Scheme information
- Farm technology inputs
- Digital agriculture support systems

5. Definitions

- **Digital Public Infrastructure (DPI):** Open, interoperable digital systems enabling efficient service delivery.
- **Agri-DPI:** DPI specifically for agriculture and farmer welfare.

6. Constitutional / Legal Linkage

- Article 48 – Scientific agriculture and animal husbandry
- DPDP Act, 2023 – Data governance and farmer privacy

7. Institutions

- Ministry of Agriculture and Farmers Welfare
- Linked with platforms like e-NAM

8. PYQ Linkage

GS III: E-technology in aid of farmers, digital governance, agri reforms.

9. Prelims Trap Area

VISTAAR is different from e-NAM.

- e-NAM → Online trading platform
- VISTAAR → Integrated farmer services platform

88. Sustainable Fisheries Rules for India's EEZ

1. Core Idea

India notified the “Sustainable Harnessing of Fisheries in the Exclusive Economic Zone (EEZ) Rules, 2025” to modernize deep-sea fisheries governance.

2. Why in News?

The Rules were introduced to unlock India's Blue Economy potential while ensuring ecological sustainability and fisher welfare.

3. Key Facts

- Applies to India's EEZ (up to 200 nautical miles)
- Prioritizes Fishermen Cooperative Societies and FFPOs
- Introduces digital access passes through ReALCRAFT portal

4. Major Features

- Mother-and-child vessel concept
- Ban on LED light fishing, pair trawling, bull trawling
- Fisheries Management Plans (FMPs)
- Mariculture promotion
- Mandatory transponders and QR-coded IDs
- National Plan against IUU Fishing

5. Definitions

- **EEZ:** Exclusive Economic Zone extending up to 200 nautical miles
- **IUU Fishing:** Illegal, Unreported and Unregulated fishing
- **Mariculture:** Farming of marine organisms like fish, seaweed, shellfish

6. Constitutional / Legal Linkage

- UNCLOS, 1982
- Maritime Zones of India Act
- PMMSY and FIDF financial support

7. Institutions

- Ministry of Fisheries
- MPEDA
- Export Inspection Council (EIC)

8. PYQ Linkage

Questions on EEZ, UNCLOS, Blue Economy, sustainable fisheries are common.

9. Prelims Trap Area

Traditional small fishers are exempt from EEZ access pass rules; mechanized vessels are not.

89. 8th Central Pay Commission (CPC)**1. Core Idea**

The Central Government has constituted the 8th Central Pay Commission to review salaries, pensions, and service conditions of Central government employees.

2. Why in News?

The 8th CPC has been formed under the chairpersonship of Justice Ranjana Prakash Desai.

3. Key Facts

- First CPC: 1946
- 8th CPC report expected within 18 months
- Covers Central employees including defence personnel

4. Key Issues Under Review

- Salary structure
- Pension reforms
- Old Pension Scheme vs NPS
- Fiscal prudence
- State finance implications

- Comparison with private sector and PSUs

5. Definitions

- **Compression Ratio:** Ratio of lowest to highest salary (~1:12.5 currently)
- **Non-Contributory Pension:** Government-funded Old Pension Scheme
- **Fiscal Prudence:** Responsible expenditure management to avoid excessive debt

6. Constitutional / Legal Linkage

- Article 309 – Conditions of public service
- Executive order based on Cabinet approval

7. Institutions

- Central Pay Commission
- Ministry of Finance
- Department of Personnel and Training

8. PYQ Linkage

Public administration, pension reforms, fiscal burden, civil services reforms.

9. Prelims Trap Area

Finance Commission ≠ Pay Commission

- Finance Commission → Centre-State fiscal distribution
- Pay Commission → Government employee salaries/pensions

90. Integration of Farmer Producer Organizations (FPOs) in National Value Chains**1. Core Idea**

The Government is strengthening Farmer Producer Organizations (FPOs) by integrating them into national value chains through financial

support, infrastructure access, and digital market linkages.

2. Why in News?

Under the Central Sector Scheme for Formation and Promotion of 10,000 FPOs, FPOs are being linked with platforms like e-NAM, ONDC, and GeM to improve farmer incomes and reduce dependence on intermediaries.

3. Key Facts

- Financial support under scheme:
 - ₹18 lakh for management cost
 - Matching equity grant up to ₹15 lakh
 - Credit guarantee up to ₹2 crore
- 2,583 FPOs covered under Credit Guarantee Fund (CGF)
- 1,590 FPOs linked with Agriculture Infrastructure Fund (AIF)
- 236 FPOs benefited under PM-FME Scheme
- 4,642 FPOs linked with e-NAM

4. Key Features

- Collateral-free credit support
- Input licenses (seed, fertilizer, pesticide)
- Mandi licenses for formalized operations
- Direct B2B linkages with agri-business industries
- Digital market access through:
 - e-NAM
 - ONDC
 - GeM

5. Definitions

- **FPO (Farmer Producer Organization):**
A legally registered collective of farmers

formed to improve economies of scale in production, processing, and marketing.

- **Producer Company:** A company registered under the Companies Act for producers like farmers, artisans, etc.

6. Constitutional / Legal Linkage

- Companies Act, 2013
- State Cooperative Societies Acts
- Article 48 – Scientific agriculture
- Article 38 – Social and economic justice

7. Institutions

- Ministry of Agriculture and Farmers Welfare
- SFAC (Small Farmers' Agribusiness Consortium)
- NABARD
- NAFED

8. PYQ Linkage

Questions on FPOs, cooperative farming, e-NAM, agricultural reforms are common in GS III.

9. Prelims Trap Area

FPO ≠ FCI

- FPO → Farmer collective institution
- FCI → Food Corporation of India

91. National Mission on Natural Farming (NMNF)

1. Core Idea

The National Mission on Natural Farming (NMNF) promotes chemical-free farming based on agroecological principles and indigenous farming practices.

2. Why in News?

NMNF has expanded significantly with thousands of natural farming clusters and lakhs of trained farmers across India.

3. Key Facts

- Standalone Centrally Sponsored Scheme
- 17,639 Natural Farming Clusters established
- 8.79 lakh farmers trained
- Implemented across 623 districts

4. Core Pillars of Natural Farming

1. Jeevamrut – Microbial soil enhancer
2. Beejamrut – Seed treatment
3. Mulching – Soil cover using biomass
4. Waaphasa – Soil aeration and moisture balance

5. Knowledge and Certification Support

- KVKs train farmers and Krishi Sakhis
- NFCS developed under: **PGS-INDIA-NATURAL**
- Managed by National Centre for Organic & Natural Farming (NCONF)

6. Definitions

- **Natural Farming:** Chemical-free farming using on-farm biological inputs and ecological principles.
- **PGS (Participatory Guarantee System):** Low-cost, peer-reviewed certification system for organic/natural produce.

7. Constitutional / Legal Linkage

- Article 48 – Scientific agriculture
- Article 48A – Environmental protection
- Article 21 – Right to healthy environment (judicial interpretation)

8. Institutions

- Ministry of Agriculture and Farmers Welfare
- Krishi Vigyan Kendras (KVKs)
- National Centre for Organic & Natural Farming (NCONF)

9. PYQ Linkage

UPSC often asks on natural farming, organic farming, sustainable agriculture, and agroecology.

10. Prelims Trap Area

Natural Farming ≠ Organic Farming
Natural farming emphasizes zero external input; organic farming may still allow approved external organic inputs.

92. Health Security and National Security Cess Bill, 2025**1. Core Idea**

The Health Security and National Security Cess Bill, 2025 introduces a special cess on pan masala to generate dedicated funds for public health and national security expenditure.

2. Why in News?

The Bill has been passed by the Lok Sabha to replace the existing GST Compensation Cess on pan masala.

3. Key Facts

- Applies initially to pan masala
- Replaces Compensation Cess under GST framework
- Revenue to support:
 - Public health
 - National security
- Revenue will be shared with States

4. Key Features

- Levy based on production capacity of machines installed
- Not based on conventional excise method
- No impact on existing 40% GST rate
- Government may extend cess to similar goods later

5. Definitions

- **Cess:** A tax levied for a specific purpose.
- **Demerit Goods:** Goods like tobacco/pan masala taxed heavily due to social harm.

6. Constitutional / Legal Linkage

- Article 270 – Distribution of taxes
- Article 246A – GST powers
- State List (Seventh Schedule) – Public Health
- Fiscal federalism principles

7. Institutions

- Ministry of Finance
- GST Council
- State Governments

8. PYQ Linkage

Frequently relevant in questions on GST, fiscal federalism, cess vs surcharge, and taxation policy.

9. Prelims Trap Area

Cess is not automatically shareable with States unlike divisible pool taxes—sharing requires explicit legal provision.

93. Sanchar Saathi App Mandate: Privacy vs. Cybercrime Control

1. Core Idea

Sanchar Saathi is a telecom consumer protection and fraud-management platform of the Department of Telecommunications (DoT). The controversy arose when the government proposed mandatory preloading of the Sanchar Saathi App on all new smartphones with privileged access to phone, SMS, and location data.

The issue became important because it raised the classic UPSC theme of **Privacy vs Security**—whether cybercrime prevention can justify intrusive state surveillance.

Main concern: anti-fraud governance should remain proportionate and rights-based.

2. Why in News

The government directed smartphone manufacturers to preload the Sanchar Saathi app on all devices and make it non-removable.

Following strong backlash from civil society, privacy experts, and activists—who called it a surveillance risk and unconstitutional—the directive was withdrawn.

The debate shifted toward digital literacy and institutional fraud prevention instead of blanket technological mandates.

3. Key Facts and Figures

- Sanchar Saathi Portal launched by DoT
- CEIR = Central Equipment Identity Register
- Helpline for cyber fraud reporting = **1930**
- Right to Privacy declared Fundamental Right in **2017**
- Relevant SC case: **K.S. Puttaswamy vs Union of India**

4. Definition of Key Terms

CEIR: System to track and block lost/stolen mobile phones using IMEI number.

Digital Arrest Fraud: Scam where fraudsters impersonate police/government officials and extort money through fake threats.

Proportionality Test: State action restricting rights must be necessary and least intrusive.

IMEI: International Mobile Equipment Identity—unique identifier of mobile devices.

5. Ministry / Institutions / Organizations Involved

The primary institution involved is the **Department of Telecommunications (DoT)** under the Ministry of Communications, which runs the Sanchar Saathi platform. The telecom ecosystem also involves TRAI, telecom operators, financial institutions, and cybercrime reporting systems. Coordination with RBI becomes relevant in fraud prevention due to payment-linked scams.

6. Government Acts / Policies / Judgements

- **K.S. Puttaswamy Judgment (2017)**
Supreme Court declared Right to Privacy as part of Article 21. Introduced legality, necessity, and proportionality test.
- **DPDP Act, 2023**
Emphasizes consent, data minimization, and lawful processing of personal data.
- **Article 21**
Right to Life includes Right to Privacy.
- **Indian Cybercrime Helpline 1930**
National reporting mechanism for immediate financial cyber fraud intervention.

7. Previous Year Linkage (PYQ Linkage)

- UPSC asked on Right to Privacy & Fundamental Rights (2017, 2018)
- UPSC asked on Data Protection & Digital Governance (2021, 2023)
- UPSC asked on Cyber Security & Digital India (multiple years)

8. Possible Prelims Trap Areas

- Sanchar Saathi Portal ≠ Mandatory surveillance app
- CEIR works via IMEI, not SIM number
- DPDP Act is about data protection, not cybercrime punishment directly

94. CAFE-III Norms: Super-Credit vs EV Target Debate

1. Core Idea

CAFE (Corporate Average Fuel Efficiency) norms regulate the average CO₂ emissions of a manufacturer’s entire passenger vehicle fleet.

CAFE-III (FY27–FY32) proposes stricter emission limits to push cleaner mobility and EV adoption. The controversy is over “super-credits” given to EVs, which may allow companies to show compliance without actual large-scale emission reduction.

This is important for UPSC because it links environment, industry policy, and climate commitments.

2. Why in News

Draft CAFE-III norms propose reducing fleet-average emissions from **113 g/km (CAFE-II)** to **91.7 g/km by 2032**.

Debate intensified over counting one EV as 3x or 4x vehicles (“super-credit”), which global agencies argue weakens genuine decarbonization.

3. Key Facts and Figures

- CAFE-III period: FY27–FY32
- Proposed target: **91.7 g/km by 2032**
- CAFE-II target: **113 g/km**
- India Net Zero target: **2070**
- EV share projected under draft: only **10–11% by 2030**

4. Definition of Key Terms

CAFE Norms: Standards fixing average CO₂ emissions allowed for all cars sold by one manufacturer.

Super-Credits: EVs/hybrids counted multiple times while calculating emissions compliance.

Fleet-Wide Average: Sales-weighted average emissions of all passenger vehicles sold.

OEM: Original Equipment Manufacturer (vehicle producer like Tata, Mahindra).

5. Ministry / Institutions / Organizations Involved

The **Bureau of Energy Efficiency (BEE)** under the Ministry of Power frames CAFE norms under the Energy Conservation Act. Other major stakeholders include SIAM, automobile manufacturers, Ministry of Heavy Industries, and international agencies like ICCT and IRF evaluating emissions performance.

6. Government Acts / Policies / Judgements

- **Energy Conservation Act, 2001**
Legal basis for BEE and fuel-efficiency standards.
- **Article 48A**
DPSP directing the State to protect and improve environment.
- **Paris Agreement & NDCs**
CAFE norms support India's climate commitments.
- **Net Zero 2070 Target**
National decarbonization goal linked to transport reforms.

7. Previous Year Linkage (PYQ Linkage)

- UPSC asked on EV policy & clean mobility (2020, 2023)
- UPSC asked on Bharat Stage norms vs emission control (2016, 2019)
- UPSC asked on Energy Conservation Act & BEE (2015, 2022)

8. Possible Prelims Trap Areas

- CAFE Norms ≠ Bharat Stage Norms
- CAFE = CO₂ + efficiency; BS = PM/NO_x pollution control
- Super-credit is accounting relaxation, not actual emission reduction

95. PM Dhan-Dhaanya Krishi Yojana – FPO Sangam

1. Core Idea

PM Dhan-Dhaanya Krishi Yojana (PMDDKY) is a major agriculture reform scheme announced in Union Budget 2025 aimed at shifting agriculture from a production-centric to an income-centric model.

It focuses on 100 low-performing districts and places **Farmer Producer Organizations (FPOs)** at the center of rural transformation.

The goal is productivity + market access + farmer income enhancement.

2. Why in News

The Ministry of Agriculture organized **FPO Sangam**, connecting 72 FPOs from 15 states with buyers, banks, AgTech firms, and policymakers.

This highlighted the government's strategy of making FPOs the institutional backbone of PMDDKY implementation.

3. Key Facts and Figures

- Target districts: **100**
- Selection indicators: productivity, cropping intensity, credit access
- FPO Sangam participation: **72 FPOs from 15 states**
- Convergence with **36+ Central schemes**
- Announced in Union Budget **2025**

4. Definition of Key Terms

FPO: A legal collective of producers for joint farming input purchase, processing, and marketing.

Cropping Intensity: Number of crops grown on same land in one agricultural year.

Producer Company: Company structure under Companies Act for producer collectives.

Micro-Irrigation: Precision irrigation methods like drip and sprinkler systems.

5. Ministry / Institutions / Organizations Involved

The nodal ministry is the **Ministry of Agriculture and Farmers' Welfare**. NABARD, SFAC (Small Farmers' Agribusiness Consortium), financial institutions, AgTech startups, and private procurement firms play major roles. FPOs function as institutional intermediaries between farmers and markets.

6. Government Acts / Policies / Judgements

- **Article 39(a)**
Adequate means of livelihood for citizens.
- **Article 48**
State to organize agriculture on modern and scientific lines.
- **Companies Act, 2013**
Legal registration of Producer Companies/FPOs.
- **Convergence with PM-KISAN, PMFBY, PMKSY**
Improves irrigation, insurance, income support, and productivity.

7. Previous Year Linkage (PYQ Linkage)

- UPSC asked on FPOs & Producer Companies (2020, 2022)
- UPSC asked on MSP & agricultural marketing reforms (2018, 2021)
- UPSC asked on PMFBY & irrigation schemes (2016, 2019)

8. Possible Prelims Trap Areas

- FPO ≠ Cooperative Society (different legal structure)
- PMDDKY targets districts, not individual farmers directly
- FPOs are market institutions, not subsidy schemes

96. PM Fasal Bima Yojana (PMFBY): Strengthening Implementation

1. Core Idea

Pradhan Mantri Fasal Bima Yojana (PMFBY) is India's flagship crop insurance scheme launched in 2016 to protect farmers against crop loss due to natural calamities, pests, and diseases.

It provides financial security, stabilizes farm income, and encourages adoption of modern agricultural practices. It replaced NAIS and Modified NAIS.

Its major UPSC relevance lies in **risk mitigation + climate resilience + digital governance in agriculture**.

2. Why in News

The government highlighted major technology-driven reforms in PMFBY implementation, especially the use of:

- National Crop Insurance Portal (NCIP)
- Digiclaim Module
- YESTECH
- WINDS
- CCE-Agri App

Large-scale claim settlement and premium subsidy release during 2022–25 made the scheme important again.

3. Key Facts and Figures

- Launched: **2016**
- Farmer premium:
 - Kharif: **2%**
 - Rabi: **1.5%**
 - Commercial/Horticulture: **5%**
- Central subsidy released (2022–25): **₹35,395.66 crore**
- Claims paid: **₹52,869.78 crore**

4. Definition of Key Terms

Premium Subsidy: Government payment of a major portion of actuarial insurance premium so farmers pay only nominal premium.

CCE: Crop Cutting Experiment used for yield estimation.

YESTECH: Yield Estimation System Based on Technology using remote sensing/drones.

WINDS: Weather Information Network and Data System for weather-based assessment.

5. Ministry / Institutions / Organizations Involved

The nodal ministry is the **Ministry of Agriculture and Farmers' Welfare**. Implementation involves State Governments, empaneled Insurance Companies, Public Finance Management System (PFMS), and technology platforms like NCIP. Banks also play an important role in enrollment and claim transfer.

6. Government Acts / Policies / Judgements

- **PMFBY (2016)**
Flagship crop insurance scheme replacing NAIS and MNAIS.
- **NCIP (National Crop Insurance Portal)**
Centralized portal for enrollment, monitoring, and direct claim settlement.

- **Digiclaim Module (Kharif 2022)**
Integrated with PFMS for transparent claim processing.
- **Meri Policy Mere Haath Campaign**
Doorstep delivery of insurance policy documents to farmers.

7. Previous Year Linkage (PYQ Linkage)

- UPSC asked on PMFBY and crop insurance (2017, 2020)
- UPSC asked on agricultural risk mitigation schemes (2018, 2022)
- UPSC asked on direct benefit transfer in agriculture (2019, 2023)

8. Possible Prelims Trap Areas

- PMFBY covers yield loss, not guaranteed MSP
- Premium paid by farmer is fixed; actual premium is much higher
- PMFBY ≠ Weather-based Crop Insurance Scheme (WBCIS)

97. Implementation and Economics of Minimum Support Price (MSP)

1. Core Idea

Minimum Support Price (MSP) is the pre-announced floor price fixed by the Government for certain crops to protect farmers from distress sale.

It ensures price assurance and supports food security procurement. MSP is fixed for 22 mandated crops and Fair and Remunerative Price (FRP) exists separately for sugarcane.

The major UPSC focus is **A2+FL vs C2 debate + procurement mechanism + legal guarantee debate**.

2. Why in News

Debate over legal guarantee for MSP and continued discussion around farmer demand for **C2+50% formula** brought MSP back into focus.

Large-scale procurement and rising fiscal burden also made the issue important.

3. Key Facts and Figures

- MSP announced for **22 crops**
- Formula since 2018: minimum **1.5 times cost**
- Sugarcane: FRP, not MSP
- Procurement in 2024–25: **1,223 LMT**
- Rural injection: **₹3.47 lakh crore**

4. Definition of Key Terms

A2 Cost: Actual paid-out expenses like seeds, fertilizer, labour, fuel etc.

FL: Imputed value of unpaid family labour.

C2 Cost: A2 + FL + rent on owned land + interest on fixed capital.

FRP: Fair and Remunerative Price for sugarcane.

5. Ministry / Institutions / Organizations Involved

The **Commission for Agricultural Costs and Prices (CACP)** recommends MSP. Final approval is given by the **Cabinet Committee on Economic Affairs (CCEA)**. Procurement is mainly done by FCI, NAFED, NCCF, Cotton Corporation of India (CCI), and Jute Corporation of India (JCI).

6. Government Acts / Policies / Judgements

- **CACP Recommendation System**
Attached office under Ministry of Agriculture for MSP recommendation.
- **PM-AASHA Scheme**
Supports procurement of pulses, oilseeds, and copra under PSS.
- **Article 39(a)**
Adequate livelihood for citizens.

• Article 48

Agriculture on modern and scientific lines.

7. Previous Year Linkage (PYQ Linkage)

- UPSC asked on MSP and CACP (2018, 2020)
- UPSC asked on PM-AASHA and procurement (2019, 2022)
- UPSC asked on agricultural pricing policy (multiple years)

8. Possible Prelims Trap Areas

- MSP has no statutory legal guarantee currently
- MSP ≠ procurement; procurement depends on crop and agency
- Sugarcane uses FRP, not MSP

98. NITI Aayog Report: Deepening the Corporate Bond Market in India

1. Core Idea

Corporate Bond Market is the segment where companies raise long-term debt from investors by issuing bonds instead of relying only on banks.

NITI Aayog's report emphasizes that India needs a deeper corporate bond market for infrastructure financing, green growth, MSMEs, and Viksit Bharat 2047.

UPSC focus: **financial market deepening + infrastructure finance + capital market reforms.**

2. Why in News

On **11 December 2025**, NITI Aayog released the report titled "**Deepening the Corporate Bond Market in India**", proposing reforms to improve liquidity, investor participation, and long-term capital mobilization.

3. Key Facts and Figures

- Report released: **11 Dec 2025**
- Focus: long-term low-cost capital mobilization
- Major concern: overdependence on bank credit
- Key sectors: infrastructure, MSMEs, green finance, sustainability bonds

4. Definition of Key Terms

Corporate Bond: Debt instrument issued by companies to raise funds from investors.

Market Depth: Ability of market to absorb large buy/sell orders without major price fluctuations.

Credit Enhancement: Mechanisms like guarantees improving bond creditworthiness.

Repo Facility: Short-term borrowing using securities as collateral.

5. Ministry / Institutions / Organizations Involved

The key institutions are **NITI Aayog, SEBI, RBI**, insurance companies, pension funds, and corporate issuers. SEBI regulates bond issuance and investor protection, while RBI manages broader financial stability and debt market liquidity.

6. Government Acts / Policies / Judgements

- **SEBI Act, 1992**
Regulates securities market and investor protection.
- **SCRA, 1956**
Governs securities contracts and trading.
- **FRBM Framework**
Promotes fiscal discipline, increasing need for private capital.
- **Article 301–307**
Freedom of trade and commerce supporting capital movement.

7. Previous Year Linkage (PYQ Linkage)

- UPSC asked on bond yields and debt market (2016, 2021)
- UPSC asked on SEBI and capital markets (2018, 2023)
- UPSC asked on infrastructure financing and InvITs/REITs (2022, 2024)

8. Possible Prelims Trap Areas

- Corporate bonds ≠ Government securities (G-Secs)
- SEBI regulates issuance; RBI handles broader debt market stability
- Bond market deepening is mainly for long-term capital, not short-term loans

99. IMF's 'C' Grade for India's National Accounts Statistics

1. Core Idea

The IMF gave India's national accounts statistics (GDP/GVA estimation methodology) a **'C' grade**, indicating concerns over reliability of official growth estimates.

The main issue is India's use of **organised sector data as a proxy for unorganised sector growth**, especially problematic because the informal sector still contributes significantly to GDP.

UPSC focus: **GDP methodology + informal sector estimation + statistical credibility.**

2. Why in News

Despite India reporting strong GDP growth (Q2 growth of 8.2%), the IMF flagged methodological concerns and assigned a low rating.

The criticism mainly relates to estimating informal sector output using formal sector trends, especially after disruptions like:

- Demonetisation

- GST rollout
- COVID-19 pandemic

3. Key Facts and Figures

- IMF rating: ‘C’ Grade (second-lowest)
- Informal sector share: nearly **30% of GDP** (excluding agriculture)
- GDP Q2 growth: **8.2%**
- $GDP = \Sigma GVA + Taxes - Subsidies$

4. Definition of Key Terms

GDP: Total value of all final goods and services produced within a country.

GVA: Output minus intermediate consumption.

Base Year Revision: Updating GDP calculation base year to reflect structural changes.

Proxy Estimation: Using one sector’s data to estimate another sector lacking direct data.

5. Ministry / Institutions / Organizations Involved

The **Ministry of Statistics and Programme Implementation (MoSPI)** and the **National Statistical Office (NSO)** are responsible for GDP estimation and national accounts. The **IMF** reviews statistical reliability globally and provides methodological assessments.

6. Government Acts / Policies / Judgements

- **Collection of Statistics Act, 2008**
Empowers the government to collect economic and statistical data.
- **MoSPI Statistical Framework**
Responsible for official GDP/GVA estimates and national data systems.
- **Base Year Revision Process**
Periodically updated to improve GDP estimation accuracy.
- **Article 51A(h)**
Promotes scientific temper and rational inquiry.

7. Previous Year Linkage (PYQ Linkage)

- UPSC asked on GDP vs GVA (2018, 2020)
- UPSC asked on informal economy and national income (2016, 2022)
- UPSC asked on base year revision and inflation statistics (2015, 2021)

8. Possible Prelims Trap Areas

- $GDP \neq GVA$
- Informal sector estimation is not directly measured quarterly
- High GDP growth does not always reflect informal sector recovery

100. UN DESA Report 2026: India’s Growth Outlook and Global Headwinds

1. Core Idea

The UN DESA’s **World Economic Situation and Prospects (WESP) 2026** report states that India remains the world’s fastest-growing major economy despite global slowdown and trade disruptions.

It highlights India as a “bright spot” due to strong domestic demand, infrastructure investment, and manufacturing expansion.

UPSC focus: **growth projections + global economic institutions + trade resilience.**

2. Why in News

UN DESA released WESP 2026 projecting:

- India GDP growth: **7.2% (FY 2025–26)**
- **6.6% (FY 2026–27)**

The report also discussed the impact of U.S. tariff hikes and India’s resilience through diversification.

3. Key Facts and Figures

- U.S. share in India exports: **18%**
- India growth estimate: **7.2%**
- Government estimate: **7.4%**
- India projected as fastest-growing major economy

4. Definition of Key Terms

UN DESA: UN body tracking global economic and social development.

Advance Estimates: Early GDP estimates used for budget planning.

Monetary Easing: Reduction in interest rates to stimulate growth.

Public Investment: Government spending on infrastructure and productive assets.

5. Ministry / Institutions / Organizations Involved

The **United Nations Department of Economic and Social Affairs (UN DESA)** released the report. In India, the **NSO, RBI, Ministry of Finance, and Ministry of Commerce** are key institutions influencing the indicators discussed in the report.

6. Government Acts / Policies / Judgements

- **FRBM Act, 2003**
Ensures fiscal discipline and sustainable public finance.
- **Foreign Trade (Development and Regulation) Act, 1992**
Governs trade policy and export regulation.
- **Collection of Statistics Act, 2008**
Supports GDP estimation through NSO.
- **Article 246 (Concurrent List)**
Economic and social planning falls under concurrent responsibility.

7. Previous Year Linkage (PYQ Linkage)

- UPSC asked on IMF/World Bank/UN agencies (2015, 2019, 2023)
- UPSC asked on FRBM and fiscal policy (2017, 2021)
- UPSC asked on monetary policy and inflation-growth balance (2016, 2022)

8. Possible Prelims Trap Areas

- UN DESA \neq IMF or World Bank
- Advance Estimates are projections, not final GDP
- High GDP growth can coexist with external trade risks

101. Samagra Shiksha 3.0: Strategic Roadmap for School Education Reforms

1. Core Idea

Samagra Shiksha is the integrated school education scheme from pre-school to Class 12. Samagra Shiksha 3.0 is the next reform phase aligned with **NEP 2020** and the **Viksit Bharat 2047** vision.

It focuses on learning outcomes, vocational education, technology integration, and community participation rather than only infrastructure.

UPSC focus: **education governance + Article 21A + NEP reforms.**

2. Why in News

The Union Education Minister chaired a high-level consultation to design **Samagra Shiksha 3.0**, with major emphasis on:

- 100% enrolment till Class 12
- stronger School Management Committees
- vocational pathways
- foundational literacy and numeracy

3. Key Facts and Figures

- Covers: **Pre-school to Class 12**
- DIETs to be upgraded: **613**
- Based on: **NEP 2020**
- Target: **100% enrolment by 2047**

4. Definition of Key Terms

Samagra Shiksha: Integrated school education scheme replacing SSA, RMSA, and Teacher Education.

GER: Gross Enrolment Ratio.

SMC: School Management Committee for local school governance.

Holistic Progress Card (HPC): 360-degree assessment beyond marks.

5. Ministry / Institutions / Organizations Involved

The nodal ministry is the **Ministry of Education**. Implementation involves State Education Departments, School Management Committees (SMCs), District Institutes of Education and Training (DIETs), Panchayats, and Urban Local Bodies.

6. Government Acts / Policies / Judgements

- **Article 21A**
Fundamental Right to free and compulsory education (6–14 years).
- **RTE Act, 2009**
Legal framework implementing Article 21A.
- **Article 45**
Early childhood care and education.
- **NEP 2020**
Foundational reform framework for school education.

7. Previous Year Linkage (PYQ Linkage)

- UPSC asked on RTE and Article 21A (2012, 2019)

- UPSC asked on NEP and school reforms (2021, 2023)
- UPSC asked on FLN and education governance (recent trend)

8. Possible Prelims Trap Areas

- Article 21A covers only 6–14 years, not preschool
- Samagra Shiksha includes secondary education also
- SMCs are mandatory under RTE, not only advisory bodies

102. India's First State-Funded BSL-4 Laboratory in Gujarat

1. Core Idea

Gujarat is establishing India's first **state-funded Biosafety Level-4 (BSL-4) laboratory** in Gandhinagar for research on highly infectious and life-threatening pathogens like Ebola, Nipah, and Marburg.

It strengthens India's **biosecurity, outbreak response capacity, vaccine research, and zoonotic disease preparedness**.

UPSC focus: **BSL levels + zoonotic diseases + biotechnology regulation + biosecurity**.

2. Why in News

Union Home Minister laid the foundation stone of the BSL-4 lab in Gujarat.

It is:

- India's first state-funded BSL-4 lab
- second civilian BSL-4 facility after NIV Pune

DBT has designated it as a **National Facility**.

3. Key Facts and Figures

- Cost: ₹362 crore
- Area: 11,000 sq. metres
- India's 2nd civilian BSL-4 lab
- First civilian BSL-4: NIV, Pune

4. Definition of Key Terms

BSL-4: Highest biosafety containment for dangerous pathogens with no known cure.

ABSL: Animal Biosafety Level labs for infected animal research.

Zoonotic Diseases: Diseases transmitted from animals to humans.

CCHF: Crimean-Congo Hemorrhagic Fever.

5. Ministry / Institutions / Organizations Involved

The **Department of Biotechnology (DBT)**, **ICMR**, and **Gujarat State Biotechnology Mission** are key institutions. **NIV Pune** and **ICAR-NIHSAD Bhopal** are major existing high-containment research institutions.

6. Government Acts / Policies / Judgements

- **Environment (Protection) Act, 1986**
Main law regulating hazardous microorganisms.
- **Rules, 1989**
Regulate GMOs and hazardous microbes.
- **WMD Act, 2005**
Prevents misuse of biological agents as weapons.
- **Biological Weapons Convention (BWC)**
India is a signatory; prohibits biological weapons.

7. Previous Year Linkage (PYQ Linkage)

- UPSC asked on Biosafety levels and biotechnology regulation (2013, 2020)
- UPSC asked on zoonotic diseases and One Health (2021, 2023)

- UPSC asked on GEAC and biotechnology governance (2019, 2022)

8. Possible Prelims Trap Areas

- BSL-4 ≠ only for GM crops
- ABSL relates to animal research, not agriculture
- GEAC and RCGM have different regulatory roles

103. Revival of BOT Model: A Strategic Shift in Highway Infrastructure

1. Core Idea

The Government is reviving the **Build-Operate-Transfer (BOT) Toll model** for highway construction after nearly a decade.

Under BOT, the private developer finances, builds, and operates the road project and recovers cost through toll collection.

UPSC focus: **PPP models + infrastructure financing + NHAI + BOT vs EPC vs HAM.**

2. Why in News

Government plans to bid out highway projects worth **₹75,000 crore** under BOT mode in FY27.

This marks a major shift from:

- EPC (government-funded)
- HAM (shared risk)

back to **private-sector-led infrastructure development.**

3. Key Facts and Figures

- FY27 BOT target: **₹75,000 crore**
- Highway target: **10,000 km**
- BOT share target: nearly **50%**

- FASTag penetration: **95%+**

- HAM ≠ full private financing
- TOT is for existing highways, not new construction

4. Definition of Key Terms

BOT: Private player builds, operates, then transfers infrastructure.

HAM: Government pays 40%; private sector bears remaining.

EPC: Government pays full project cost.

TOT: Leasing already-built highways for toll collection.

5. Ministry / Institutions / Organizations Involved

The **Ministry of Road Transport and Highways (MoRTH)** and **NHAI** are the key implementing agencies. Private concessionaires, pension funds, sovereign wealth funds, and infrastructure investors are major stakeholders.

6. Government Acts / Policies / Judgements

- **National Highways Act, 1956**
Section 8A enables private participation.
- **NHAI Act, 1988**
Establishes NHAI for highway development.
- **Article 298**
Allows Union to enter contracts and business.
- **National Monetisation Pipeline (NMP)**
Complements BOT through future asset monetisation.

7. Previous Year Linkage (PYQ Linkage)

- UPSC asked on PPP models (2013, 2017, 2021)
- UPSC asked on HAM/BOT/EPC concepts (recent economy trend)
- UPSC asked on infrastructure financing and NHAI (2018, 2022)

8. Possible Prelims Trap Areas

- BOT = private bears traffic risk

104. Unified FEMA Regulations: Streamlining India's Foreign Trade

1. Core Idea

RBI has notified new **Foreign Exchange Management (Export and Import of Goods and Services) Regulations, 2026**, replacing the 2015 framework.

For the first time, exports/imports of both **goods and services** are covered under one regulation.

UPSC focus: **FEMA + RBI regulation + AD banks + export-import compliance.**

2. Why in News

RBI introduced the new unified FEMA regulations to:

- reduce MSME compliance burden
- empower AD banks
- improve digital monitoring
- support rupee internationalisation

Implementation begins from **October 2026.**

3. Key Facts and Figures

- Replaces: **2015 framework**
- MSME self-declaration limit: **₹10 lakh**
- Service export filing window: **30 days**
- INR trade realization timeline: **18 months**

4. Definition of Key Terms

FEMA: Law governing foreign exchange management in India.

AD Bank: RBI-authorized bank dealing in foreign exchange.

EDPMS/IDPMS: RBI systems tracking export-import remittances.

Merchanting Trade: Goods move from one foreign country to another without entering India.

5. Ministry / Institutions / Organizations Involved

The **Reserve Bank of India (RBI)** is the main regulator. AD Banks implement compliance. DGFT, Customs, and banks coordinate for trade monitoring and remittance tracking.

6. Government Acts / Policies / Judgements

- **FEMA, 1999**
Main law regulating foreign exchange; civil law unlike FERA.
- **Section 5, FEMA**
Covers current account transactions including trade payments.
- **Section 47, FEMA**
Gives RBI power to frame regulations.
- **Article 246 + Union List**
Foreign trade and foreign loans fall under Union powers.

7. Previous Year Linkage (PYQ Linkage)

- UPSC asked on FEMA vs FERA (2015, 2018)
- UPSC asked on RBI powers and forex regulation (2017, 2022)
- UPSC asked on current account and capital account (2014, 2021)

8. Possible Prelims Trap Areas

- FEMA ≠ criminal law (FERA was stricter)
- Merchanting trade does not involve Indian customs entry
- AD Banks are RBI-authorized, not customs authorities

105. Fiscal Strategy 2026–27: Transitioning to a Debt-to-GDP Anchor

1. Core Idea

Union Budget 2026–27 shifts India's fiscal policy from annual **Fiscal Deficit targeting** to a medium-term **Debt-to-GDP ratio** as the main fiscal anchor.

This means the focus moves from yearly borrowing control to long-term debt sustainability, allowing more flexibility during global shocks while maintaining fiscal discipline.

UPSC focus: **FRBM + Fiscal Deficit + Debt-to-GDP + N.K. Singh Committee**

2. Why in News

Budget 2026–27 formally adopted **Debt-to-GDP ratio** as the “guiding light” for fiscal policy.

The Centre aims to reduce debt from:

- **56.1% (FY26 RE)** to
- **55.6% (FY27 BE)**

with long-term target of:

- **50% ±1 by FY31**

3. Key Facts and Figures

- Fiscal Deficit FY27: **4.3% of GDP**
- Fiscal Deficit FY26: **4.4%**
- Central Debt FY27: **55.6% of GDP**
- Capex FY27: **₹12.2 trillion**

4. Definition of Key Terms

Fiscal Anchor: Numerical target guiding fiscal discipline.

Debt-to-GDP Ratio: Public debt as a percentage of GDP.

Counter-cyclical Fiscal Support: Higher spending during downturns.

Primary Deficit: Fiscal deficit excluding interest payments.

5. Ministry / Institutions / Organizations Involved

The **Ministry of Finance**, particularly the Department of Economic Affairs, frames fiscal strategy. The **Finance Commission**, **RBI**, and global rating agencies like Moody's and S&P influence debt sustainability and fiscal credibility.

6. Government Acts / Policies / Judgements

- **FRBM Act, 2003**
Main law for fiscal discipline and deficit management.
- **FRBM Amendment, 2018**
Based on N.K. Singh Committee; shifted focus toward debt targets.
- **Article 292**
Union borrowing powers from Consolidated Fund of India.
- **Article 280**
Finance Commission recommends fiscal consolidation path.

7. Previous Year Linkage (PYQ Linkage)

- UPSC asked on FRBM Act (2017, 2021)
- UPSC asked on Fiscal Deficit vs Revenue Deficit (2015, 2020)
- UPSC asked on Finance Commission and debt management (2018, 2022)

8. Possible Prelims Trap Areas

- Fiscal Deficit \neq Primary Deficit
- Debt-to-GDP is stock; fiscal deficit is flow
- FRBM focuses on both deficit and debt sustainability

106. Frontier Manufacturing and Strategic Sovereignty: Union Budget 2026–27

1. Core Idea

Budget 2026–27 focuses on building strategic manufacturing capacity in frontier sectors like semiconductors, biopharma, rare earths, chemicals, containers, and textiles.

The aim is to reduce import dependence, build indigenous IP, and strengthen India's position in Global Value Chains (GVCs).

UPSC focus: **Industrial policy + strategic sectors + rare earths + semiconductor mission**

2. Why in News

The Union Budget announced major missions such as:

- **Biopharma SHAKTI**
- **India Semiconductor Mission 2.0**
- **Rare Earth Corridors**
- Chemical Parks
- Container Manufacturing Scheme

to strengthen strategic sovereignty.

3. Key Facts and Figures

- Biopharma SHAKTI: **₹10,000 crore**
- Container scheme: **₹10,000 crore**
- ECMS outlay: **₹40,000 crore**
- Domestic container target: **1 million TEUs**

4. Definition of Key Terms

Biologics: Medicines derived from living organisms.

REEs: Rare Earth Elements used in EVs and defense.

Challenge Mode: Competitive state-based funding model.

Plug-and-Play Model: Ready industrial infrastructure for immediate operations.

5. Ministry / Institutions / Organizations Involved

The Ministry of Commerce, Ministry of Electronics and IT, Ministry of Chemicals and Fertilizers, DBT, and NIPERs are major implementing institutions. CPSEs and state governments are also key stakeholders.

6. Government Acts / Policies / Judgements

- **Article 246 (Union List Entry 52)**
Union control over strategic industries.
- **Atomic Energy Act, 1962**
Governs monazite and rare earth mineral regulation.
- **NIPER Act, 1998**
Governs National Institutes of Pharmaceutical Education and Research.
- **National Policy on Electronics, 2019**
Framework for semiconductor ecosystem.

7. Previous Year Linkage (PYQ Linkage)

- UPSC asked on Rare Earth Minerals (2020, 2023)
- UPSC asked on Semiconductor Mission (recent trend)
- UPSC asked on industrial corridors and PLI (2021, 2022)

8. Possible Prelims Trap Areas

- Rare Earths ≠ only radioactive minerals
- Biologics differ from conventional pharma drugs
- Plug-and-play is industrial infrastructure concept

107. Biopharma SHAKTI and Holistic Healthcare

1. Core Idea

Biopharma SHAKTI is a major healthcare strategy under Budget 2026–27 to move India from traditional pharma to high-value **biologics and biosimilars**, while strengthening mental health, geriatric care, AYUSH, and medical tourism.

It aims to make India both a healthcare innovation hub and a global medical destination.

UPSC focus: **Biologics + Allied Health + AYUSH + Medical Tourism**

2. Why in News

Union Budget 2026–27 launched:

- Biopharma SHAKTI Mission
- 3 new NIPERs
- NIMHANS-2
- 5 Regional Medical Hubs
- expansion of AYUSH institutions

with major focus on holistic healthcare.

3. Key Facts and Figures

- Mission outlay: **₹10,000 crore**
- Target: **5% global biopharma market**
- Allied Health Professionals: **1 lakh**
- Geriatric caregivers: **1.5 lakh**

4. Definition of Key Terms

Biologics: Complex medicines made from living organisms.

Biosimilars: Affordable versions of biologic medicines.

AHPs: Allied Health Professionals like radiologists, lab technicians.

MVT: Medical Value Tourism for cross-border treatment.

5. Ministry / Institutions / Organizations Involved

The Ministry of Health and Family Welfare, Ministry of AYUSH, CDSCO, NIPERs, NIMHANS, WHO Global Traditional Medicine Centre (Jamnagar), and State Governments are key institutions.

6. Government Acts / Policies / Judgements

- **Article 47 (DPSP)**
Improvement of public health is a primary duty.
- **National Commission for Allied and Healthcare Professions Act, 2021**
Regulates AHP training and certification.
- **Mental Healthcare Act, 2017**
Rights-based mental healthcare framework.
- **Entry 6, State List**
Public health is primarily a State subject.

7. Previous Year Linkage (PYQ Linkage)

- UPSC asked on Biosimilars and Biologics (2019, 2022)
- UPSC asked on AYUSH and WHO Centre (2021, 2023)
- UPSC asked on Mental Healthcare Act (2018, 2020)

8. Possible Prelims Trap Areas

- Biosimilars ≠ generic drugs
- Public health is State List subject
- AHPs are neither doctors nor nurses

108. Union Budget 2026–27: ‘Turtle Trails’ and Conservation Concerns

1. Core Idea

The Union Budget 2026–27 proposes development of “**Turtle Trails**” along major Olive Ridley turtle nesting beaches to promote eco-tourism.

The issue is whether tourism infrastructure can coexist with highly sensitive nesting habitats where Olive Ridley turtles perform **Arribada (mass nesting)**. UPSC focus is the balance between **conservation vs eco-tourism**.

2. Why in News

The Budget announced Turtle Trails in:

- Odisha (Rushikulya, Gahirmatha)
- Karnataka coast
- Kerala coast

Conservationists raised concerns that tourism infrastructure, artificial lighting, and human activity may disrupt nesting and hatchling survival.

3. Key Facts and Figures

- Olive Ridley: Protected under **Schedule I** of WPA, 1972
- Gahirmatha: World’s largest rookery of Olive Ridleys
- National Marine Turtle Action Plan: **2021–2026**
- Arribada = mass synchronized nesting

4. Definition of Key Terms

Arribada: Mass nesting phenomenon where thousands of female turtles come ashore together.

Anthropogenic Pressure: Environmental stress caused by human activities.

TED (Turtle Excluder Device): Device in fishing nets allowing turtles to escape.

- TED is related to fisheries, not turtle breeding directly

Rookery: A nesting/breeding ground of marine turtles.

5. Ministry / Institutions / Organizations Involved

The **Ministry of Environment, Forest and Climate Change (MoEFCC)** leads marine turtle conservation. State Forest Departments, Coast Guard, local fisheries departments, and coastal communities play a major role in nesting site protection and anti-trawling enforcement.

6. Government Acts / Policies / Judgements

- **Wildlife Protection Act, 1972**
Olive Ridley turtles are under Schedule I with highest protection.
- **Article 48A**
State must protect environment and wildlife.
- **Article 51A(g)**
Fundamental duty to protect natural environment.
- **National Marine Turtle Action Plan (2021–26)**
Focuses on habitat conservation and community participation.

7. Previous Year Linkage (PYQ Linkage)

- UPSC asked on Olive Ridley turtles (2019)
- UPSC asked on Wildlife Protection Act schedules (2017, 2020)
- UPSC asked on marine biodiversity and TED (recent trend)

8. Possible Prelims Trap Areas

- Olive Ridley ≠ freshwater turtle
- Gahirmatha is in Odisha, not Andhra Pradesh

109. Sodium-Ion Batteries as a Strategic Alternative

1. Core Idea

Sodium-Ion Batteries (SIBs) are emerging as an alternative to Lithium-Ion Batteries (LIBs), especially for grid storage and affordable EVs.

Since sodium is abundant and India has limited lithium reserves, SIBs are important for **energy security, battery sovereignty, and EV transition.**

UPSC focus: **Critical minerals + Battery tech + Strategic autonomy**

2. Why in News

India is exploring Sodium-Ion Battery technology to reduce dependence on imported lithium, cobalt, and nickel amid global supply chain disruptions and China's dominance in battery minerals.

Several Indian startups and policy discussions under energy transition have revived this topic.

3. Key Facts and Figures

- Sodium is far more abundant than lithium
- LIBs depend heavily on imports
- SIBs are better suited for stationary storage
- Supports India's Net Zero target: **2070**

4. Definition of Key Terms

Sodium-Ion Battery (SIB): Rechargeable battery using sodium ions instead of lithium ions.

Critical Minerals: Minerals essential for strategic sectors like EVs, defense, semiconductors.

Grid Storage: Battery systems used for electricity storage at power-grid scale.

Energy Density: Amount of energy stored per unit weight/volume.

5. Ministry / Institutions / Organizations Involved

The **Ministry of Heavy Industries**, Ministry of New and Renewable Energy, **NITI Aayog**, and Department of Science and Technology are involved. Research institutions like IISc and IITs support battery innovation.

6. Government Acts / Policies / Judgements

- **PLI Scheme for ACC Batteries**
Promotes Advanced Chemistry Cell manufacturing in India.
- **National Critical Mineral Mission**
Strengthens supply security for strategic minerals.
- **National Electric Mobility Mission Plan (NEMMP)**
Supports EV ecosystem development.
- **Article 39(b)**
Equitable distribution of material resources.

7. Previous Year Linkage (PYQ Linkage)

- UPSC asked on Lithium reserves (2023)
- UPSC asked on battery storage and critical minerals (2022, 2024 trend)
- UPSC asked on PLI and EV ecosystem (recent trend)

8. Possible Prelims Trap Areas

- SIB \neq replacement for all EV batteries immediately
- Sodium abundance does not mean automatic efficiency
- LIB has higher energy density than SIB

110. Re-structuring of National Horticulture Mission (NHM)

1. Core Idea

The National Horticulture Mission, now strengthened under **Mission for Integrated Development of Horticulture (MIDH)**, has been restructured in 2025 to promote high-value horticulture, technology adoption, and farmer price protection.

Focus has shifted from production alone to **income enhancement + market stability + diversification**.

2. Why in News

Government restructured MIDH in 2025 with:

- universal district coverage
- higher financial assistance
- focus on exotic fruits and medicinal plants
- stronger Market Intervention Scheme (MIS)
- Price Differential Payment (PDP)

3. Key Facts and Figures

- NHM launched: **2004–05**
- MIDH: Centrally Sponsored Scheme
- TOP crops: Tomato, Onion, Potato
- PDP through DBT to Aadhaar-linked accounts

4. Definition of Key Terms

MIDH: Integrated horticulture mission covering fruits, vegetables, spices, flowers, bamboo etc.

MIS: Procurement support for perishable crops during price crash.

PDP: Direct payment of difference between support price and market sale price.

TOP Crops: Tomato, Onion, Potato.**5. Ministry / Institutions / Organizations Involved**

The **Ministry of Agriculture and Farmers Welfare** implements MIDH through State Horticulture Missions. NAFED, state marketing boards, APMCs, and state agriculture departments support MIS and PDP implementation.

6. Government Acts / Policies / Judgements

- **Article 48**
Agriculture on modern and scientific lines.
- **Entry 14, State List**
Agriculture is primarily a State subject.
- **Entry 33, Concurrent List**
Trade and distribution of foodstuffs allows Central intervention.
- **MIDH + MIS Framework**
Supports horticulture diversification and price stabilization.

7. Previous Year Linkage (PYQ Linkage)

- UPSC asked on TOP Scheme (2020)
- UPSC asked on horticulture missions (2018, 2021)
- UPSC asked on MSP vs MIS distinction (frequent theme)

8. Possible Prelims Trap Areas

- MIS ≠ MSP
- TOP crops include Potato, not Pulses
- MIDH covers bamboo also, not just fruits and vegetables

111. India's Strategic Shift in Business Regulations: From DBR to B-READY**1. Core Idea**

India is shifting from the World Bank's old **Doing Business Report (DBR)** framework to the new **B-READY (Business Ready)** framework.

Earlier focus was on "ease of doing business"; now focus is on the **overall business environment**, including regulatory quality, digital governance, labor systems, and dispute resolution.

UPSC focus: **Ease of Doing Business + Jan Vishwas + Cooperative Federalism**

2. Why in News

India will undergo its first full **World Bank B-READY assessment in 2026** after the discontinuation of DBR.

Government has accelerated reforms through:

- National Single Window System (NSWS)
- BRAP reforms
- Jan Vishwas Act
- Compliance reduction initiatives

3. Key Facts and Figures

- India improved by **79 ranks** in DBR to reach **63rd rank (2019)**
- BRAP launched in **2014**
- Over **47,000 compliances** reduced since 2020
- Jan Vishwas Act, 2023 decriminalized **183 provisions**

4. Definition of Key Terms

B-READY: World Bank's new business environment assessment replacing Ease of Doing Business.

Decriminalization: Conversion of criminal offenses into civil/monetary penalties.

Compounding of Offenses: Payment of specified amount to avoid prosecution.

NSWS: Single digital platform for business approvals and clearances.

5. Ministry / Institutions / Organizations**Involved**

The **Department for Promotion of Industry and Internal Trade (DPIIT)** leads BRAP and NSWS reforms. The Ministry of Commerce and Industry, World Bank, State Governments, and regulatory departments coordinate implementation.

6. Government Acts / Policies / Judgements

- **Article 301**
Freedom of trade, commerce, and intercourse across India.
- **Jan Vishwas Act, 2023**
Decriminalizes minor technical defaults across multiple laws.
- **Information Technology Act, 2000**
Legal basis for digital approvals and electronic records.
- **BRAP (Business Reforms Action Plan)**
State ranking mechanism for regulatory reforms.

7. Previous Year Linkage (PYQ Linkage)

- UPSC asked on Ease of Doing Business reforms (2020)
- UPSC asked on cooperative federalism and state rankings
- UPSC asked on Jan Vishwas-type governance reforms (recent trend)

8. Possible Prelims Trap Areas

- B-READY ≠ Ease of Doing Business rank
- BRAP is by DPIIT, not NITI Aayog
- Jan Vishwas focuses on decriminalization, not tax reforms

112. India's Organic Export Strategy: "Country of the Year" at BIOFACH 2026

1. Core Idea

India was designated "**Country of the Year**" at **BIOFACH 2026**, the world's leading organic products trade fair held in Germany.

This strengthens India's position as a major exporter of certified organic produce and supports the goal of becoming the "**Organic Food Basket of the World.**"

UPSC focus: **Organic Farming + APEDA + GI + NPOP**

2. Why in News

India received this recognition at **BIOFACH 2026 (Nuremberg, Germany)** after 14 years.

APEDA set up a major India Pavilion showcasing:

- Organic Basmati
- GI-tagged rice varieties
- Essential oils
- Medicinal herbs
- FPO-based organic exports

3. Key Facts and Figures

- BIOFACH dates: **10–13 February 2026**
- India Pavilion size: **1,074 sq. meter**
- Co-exhibitors: **67**
- More than **20 States/UTs** participated

4. Definition of Key Terms

NPOP: National Programme for Organic Production—export certification framework.

TraceNet: APEDA's online traceability system for organic exports.

GI Tag: Product identity linked to geographical origin.

PGS-India: Participatory Guarantee System for domestic organic certification.

5. Ministry / Institutions / Organizations Involved

APEDA under the Ministry of Commerce and Industry leads organic export promotion. DGFT notifies standards, while FSSAI regulates domestic organic food standards through Jaivik Bharat.

6. Government Acts / Policies / Judgements

- **APEDA Act, 1985**
APEDA promotes scheduled agricultural exports.
- **Foreign Trade Act, 1992**
Framework for regulating exports and NPOP notifications.
- **FSSAI Organic Food Regulations, 2017**
Domestic organic certification rules.
- **Article 48**
Agriculture on modern and scientific lines.

7. Previous Year Linkage (PYQ Linkage)

- UPSC asked on GI Tags (2015, 2021, 2023)
- UPSC asked on Organic Farming schemes (2020, 2022)
- UPSC asked on APEDA and export institutions

8. Possible Prelims Trap Areas

- NPOP is mainly for exports; PGS for domestic market
- BIOFACH is held in Germany, not Switzerland
- GI Tag ≠ patent protection

113. Revised Startup Recognition Rules 2026: Deep-Tech Ecosystem

1. Core Idea

DPIIT’s Revised Startup Recognition Rules 2026 formally create a separate **Deep-Tech Startup** category.

The objective is to support startups in sectors like semiconductors, AI, biotech, and quantum computing that need **long gestation periods and patient capital**.

UPSC focus: **Startup India + Deep-Tech + Tax Incentives**

2. Why in News

DPIIT notified the new framework on **4 February 2026**, introducing:

- Deep-tech category
- 20-year recognition window
- higher turnover thresholds
- cooperative startup inclusion
- stronger R&D/IP conditions

3. Key Facts and Figures

- Recognition window: **20 years** for deep-tech
- Regular startup turnover limit: **₹200 crore**
- Deep-tech turnover limit: **₹300 crore**
- Earlier startup recognition window: **10 years**

4. Definition of Key Terms

Deep-Tech Startup: Startup based on scientific or engineering breakthroughs.

Patient Capital: Long-term funding with delayed returns.

Gestation Period: Time between R&D and commercial viability.

TRL: Technology Readiness Level measuring maturity of technology.

5. Ministry / Institutions / Organizations Involved

The **DPIIT** under the Ministry of Commerce and Industry grants startup recognition. **CBDT** supports tax exemptions, while incubators, investors, and cooperative institutions help implementation.

6. Government Acts / Policies / Judgements

- **Section 80-IAC, Income Tax Act**
100% profit deduction for 3 years.
- **Section 56(2)(viib)**
Angel tax exemption for recognized startups.
- **Article 19(1)(g)**
Freedom to practice trade and business.
- **Multi-State Cooperative Societies Act, 2002**
Enables cooperative startup recognition.

7. Previous Year Linkage (PYQ Linkage)

- UPSC asked on Startup India and Stand-Up India
- UPSC asked on Angel Tax and startup funding
- UPSC asked on innovation ecosystem and PLI (recent trend)

8. Possible Prelims Trap Areas

- Deep-tech ≠ all digital startups
- Startup recognition ≠ automatic tax exemption
- Cooperative societies are now included—important trap

114. CPI Base Revision 2024: Aligning Inflation with Modern Consumption

1. Core Idea

The **Consumer Price Index (CPI)** base year has been revised from **2012 to 2024** by MoSPI to reflect current consumption patterns.

This is important because inflation measurement must match present-day spending habits—more housing, services, digital payments, and less dominance of food expenditure.

UPSC focus: **Inflation + RBI Monetary Policy + CPI vs WPI**

2. Why in News

MoSPI officially shifted CPI base year to **2024**, using data from the **Household Consumption Expenditure Survey (HCES) 2023–24**.

The revision includes:

- reduced food weight
- higher housing and services weight
- expanded consumption basket
- digital/e-commerce price tracking

3. Key Facts and Figures

- Old base year: **2012**
- New base year: **2024**
- Food weight reduced: **45.86% → 36.75%**
- Housing weight increased: **10.07% → 17.66%**

4. Definition of Key Terms

CPI: Measures retail inflation based on household consumption basket.

Base Year: Benchmark year assigned value 100 for index comparison.

Core Inflation: Inflation excluding food and fuel.

COICOP: International classification system for consumption expenditure.

5. Ministry / Institutions / Organizations Involved

The **Ministry of Statistics and Programme Implementation (MoSPI)** compiles CPI. The

RBI uses CPI-Combined as the inflation anchor under Flexible Inflation Targeting (FIT).

6. Government Acts / Policies / Judgements

- **Collection of Statistics Act, 2008**
Legal basis for surveys like HCES and CPI compilation.
- **RBI Act, 1934 (2016 amendment)**
CPI-Combined is the anchor for inflation targeting.
- **Flexible Inflation Targeting Framework**
RBI target: $4\% \pm 2\%$
- **Article 246**
Statistics under Union + Concurrent framework.

7. Previous Year Linkage (PYQ Linkage)

- UPSC asked on CPI vs WPI (2014, 2020)
- UPSC asked on inflation targeting and MPC (2017, 2021)
- UPSC asked on core inflation and base effect (recent trend)

8. Possible Prelims Trap Areas

- RBI uses CPI, not WPI for monetary policy
- Core inflation excludes food + fuel
- Base year revision changes weights, not inflation definition

115. West Asia Conflict and India’s LNG Security: Force Majeure Crisis

1. Core Idea

Escalation in the Iran-Israel conflict disrupted LNG shipments through the **Strait of Hormuz**, threatening India’s gas security.

Since India imports nearly half of its gas needs and depends heavily on Qatar, geopolitical chokepoints create major energy vulnerabilities.

UPSC focus: **Energy Security + Strait of Hormuz + Force Majeure**

2. Why in News

Due to conflict in West Asia:

- LNG transit via Strait of Hormuz was disrupted
- Petronet LNG and QatarEnergy invoked **Force Majeure**
- domestic gas rationing began for industries and CGD sector

3. Key Facts and Figures

- Strait of Hormuz handles nearly **20% of global LNG trade**
- India imports nearly **50%** of gas requirement
- More than half imports from Qatar + UAE
- CGD depends on imported LNG for about **43%**

4. Definition of Key Terms

Force Majeure: Contract clause suspending obligations during extraordinary events like war.

Strait of Hormuz: Critical chokepoint between Iran and Oman.

Off-takers: Buyers committed to purchase future output.

CGD: City Gas Distribution for CNG and PNG supply.

5. Ministry / Institutions / Organizations Involved

The **Ministry of Petroleum and Natural Gas**, PNGRB, Petronet LNG, GAIL, IOCL, and BPCL are key stakeholders. QatarEnergy is India’s major external LNG supplier.

6. Government Acts / Policies / Judgements

- **PNGRB Act, 2006**
Regulates natural gas processing and distribution.
- **Indian Contract Act, 1872 – Section 56**
Doctrine of Frustration; statutory equivalent of force majeure.
- **ESMA**
Ensures continuity of essential services.
- **Strategic Petroleum Reserves Policy**
Mainly for crude oil, not LNG

7. Previous Year Linkage (PYQ Linkage)

- UPSC asked on Strait of Hormuz (2019)
- UPSC asked on energy security and SPR (2017, 2022)
- UPSC asked on chokepoints and West Asia geopolitics

8. Possible Prelims Trap Areas

- LNG reserves \neq crude oil SPR
- Hormuz lies between Iran and Oman, not Saudi Arabia
- Force majeure is contractual, not constitutional

116. Strengthening India's Care Ecosystem: Budget 2026–27

1. Core Idea

Budget 2026–27 focuses on the **Care Economy** by proposing training of **1.5 lakh caregivers**, especially for geriatric care.

However, India's major care providers—ASHA, Anganwadi, and Mid-day Meal workers—still remain classified as “volunteers,” creating the **care paradox**.

UPSC focus: **Women Workforce + Social Justice + Labour Rights**

2. Why in News

The Budget proposed:

- NSQF-based caregiver training
- geriatric care ecosystem

This revived debate over the status of nearly 50 lakh frontline women workers who continue without formal employee protections.

3. Key Facts and Figures

- Proposed caregivers: **1.5 lakh**
- Existing informal care workers: nearly **50 lakh**
- Women spending unpaid care work: **140 min/day**
- Men: **74 min/day**

4. Definition of Key Terms

Care Economy: Paid + unpaid work involving care of children, elderly, sick, and domestic work.

NSQF: National Skills Qualification Framework for skill certification.

Honorarium: Payment without formal salary structure.

ILO 5R Framework: Recognize, Reduce, Redistribute, Reward, Represent.

5. Ministry / Institutions / Organizations Involved

The Ministries of Health, Women and Child Development, and Skill Development are central. ASHA workers work under NHM, while Anganwadi workers operate under ICDS.

6. Government Acts / Policies / Judgements

- **Article 42**
Humane work conditions and maternity relief.

- **Article 23**
Prohibits forced labour and begar.
- **Code on Social Security, 2020**
Social protection for unorganized workers.
- **Dharam Singh v. State of U.P. (2025)**
Recurrent core work cannot remain temporary forever.

7. Previous Year Linkage (PYQ Linkage)

- UPSC asked on ASHA workers and social sector schemes
- UPSC asked on unpaid care economy and women labour participation
- UPSC asked on DPSPs related to labour welfare

8. Possible Prelims Trap Areas

- Honorarium ≠ salary
- ASHA workers are not formal government employees
- Article 42 is DPSP, not Fundamental Right

117. Bharat-VISTAAR: Revolutionizing Digital Public Infrastructure in Agriculture

1. Core Idea

Bharat-VISTAAR (Virtually Integrated System to Access Agricultural Resources) is an AI-powered, voice-first Digital Public Infrastructure (DPI) platform for farmers, launched to provide real-time, location-specific agricultural advisories and scheme access.

It works as a “single-window agricultural super app” integrating advisories, market prices, weather alerts, crop guidance, and access to major government schemes.

UPSC focus: **Digital Agriculture + DPI + Agri Governance**

2. Why in News

Phase-I of Bharat-VISTAAR was launched on **17 February 2026** with a Union Budget allocation of **₹150 crore**.

It aims to improve last-mile agricultural service delivery through:

- AI-based advisory
- IVRS access for non-smartphone users
- multilingual support
- scheme integration

3. Key Facts and Figures

- Launch Date: **17 February 2026**
- Budget Allocation: **₹150 crore**
- Toll-Free Number: **155261**
- Initial languages: **Hindi + English**
- 10 major schemes integrated in Phase-I

4. Definition of Key Terms

Digital Public Infrastructure (DPI): Shared digital systems like Aadhaar, UPI, enabling large-scale service delivery.

Voice-First AI: Spoken-language-based interaction system.

IVRS: Interactive Voice Response System using phone-based voice access.

5. Ministry / Institutions / Organizations Involved

The **Ministry of Agriculture and Farmers Welfare** leads the initiative with support from **ICAR, MeitY, and CERT-In** for advisory content, digital governance, and cybersecurity compliance.

6. Government Acts / Policies / Judgements

- **DPDP Act, 2023**
Protects farmer data privacy and consent-based data use.
- **IT Act, 2000**
Legal framework for e-governance and cyber security.
- **Article 38 (DPSP)**
Welfare state and reduction of inequalities.
- **Entry 14, State List**
Agriculture is primarily a State subject.

7. Previous Year Linkage (PYQ Linkage)

- UPSC asked on Digital Public Infrastructure (2023)
- UPSC asked on e-NAM and agri-tech (2018, 2021)
- UPSC asked on PM-KISAN and agricultural reforms

8. Possible Prelims Trap Areas

- Agriculture is State List, but DPI support can be Union-led
- DPI ≠ only payments; includes service delivery systems
- IVRS useful for non-smartphone farmers

118. PM-DevINE Scheme: Evaluating Progress in North Eastern Region

1. Core Idea

PM-DevINE (Prime Minister's Development Initiative for North East Region) is a 100% **Central Sector Scheme** launched for infrastructure, livelihood, and social development in the North Eastern Region (NER).

It focuses on reducing regional imbalance and improving strategic frontier development.

UPSC focus: **NER Development + Central Sector Scheme + Federalism**

2. Why in News

As of February 2026:

- **48 projects** sanctioned
- worth **₹6,044.36 crore**
- across the 8 northeastern states

The continuation of the scheme beyond FY26 is under review.

3. Key Facts and Figures

- Launch: Union Budget **2022–23**
- Outlay: **₹6,600 crore**
- Duration: 4 years
- Assam highest sanctioned value: **₹1,402.50 crore**

4. Definition of Key Terms

Central Sector Scheme: Fully funded by Union Government.

Ashtalakshmi: Collective term for 8 North Eastern states.

Sixth Schedule: Special administration for tribal areas through Autonomous District Councils.

5. Ministry / Institutions / Organizations Involved

The **Ministry of Development of North Eastern Region (DoNER)** is the nodal ministry. State governments and specialized agencies implement projects based on local needs.

6. Government Acts / Policies / Judgements

- **Article 275(1)**
Grants-in-aid for tribal welfare and Scheduled Areas.
- **Sixth Schedule**
ADC governance in tribal areas of NE states.

- **Ministry of DoNER (2001)**
Dedicated ministry for NER development.
- **Gati Shakti + Vibrant Villages**
Complementary strategic frontier development schemes

7. Previous Year Linkage (PYQ Linkage)

- UPSC asked on Sixth Schedule (2015, 2020)
- UPSC asked on NER connectivity and tribal governance
- UPSC asked on Article 275 grants

8. Possible Prelims Trap Areas

- PM-DevINE is Central Sector, not Centrally Sponsored
- Sixth Schedule applies only to 4 NE states
- Sikkim is part of Ashtalakshmi but not Sixth Schedule

119. Milestone in India's Nuclear Energy: PFBR Criticality

1. Core Idea

The **500 MWe Prototype Fast Breeder Reactor (PFBR)** at Kalpakkam achieved **criticality**, marking India's entry into Stage-II of its Three-Stage Nuclear Programme.

This is crucial for India's long-term use of vast thorium reserves and nuclear energy security.

UPSC focus: **Nuclear Energy + Thorium + Fast Breeder Reactor**

2. Why in News

On **6 April**, PFBR initiated a sustained nuclear chain reaction (criticality), validating indigenous Fast Breeder Reactor technology developed by India.

This makes India the **second country after Russia** with commercial-scale FBR capability.

3. Key Facts and Figures

- Capacity: **500 MWe**
- Location: **Kalpakkam, Tamil Nadu**
- Institution: **IGCAR**
- India has nearly **25% of global thorium reserves**

4. Definition of Key Terms

Criticality: Self-sustaining nuclear fission chain reaction.

Fast Breeder Reactor (FBR): Reactor producing more fissile fuel than it consumes.

Transmutation: Conversion of fertile material into fissile fuel.

5. Ministry / Institutions / Organizations Involved

The **Department of Atomic Energy (DAE)**, **IGCAR**, and **BHAVINI** are central institutions. Nuclear power remains under exclusive Union control.

6. Government Acts / Policies / Judgements

- **Atomic Energy Act, 1962**
Governs peaceful use of atomic energy.
- **Entry 6, Union List**
Atomic energy under Union jurisdiction.
- **CLND Act, 2010**
Compensation and liability in nuclear accidents.
- **SHANTI Bill, 2025**
Supports private participation and faster approvals

7. Previous Year Linkage (PYQ Linkage)

- UPSC asked on India's 3-stage nuclear programme (2016, 2020)
- UPSC asked on thorium reserves and breeder reactors

- UPSC asked on nuclear liability law

8. Possible Prelims Trap Areas

- FBR uses fast neutrons, not moderators
- Thorium is fertile, not directly fissile
- PFBR belongs to Stage-II, not Stage-III

120. Global Economic Outlook: IMF Growth Cuts and Recession Warnings

1. Core Idea

The **International Monetary Fund (IMF)** in its latest **World Economic Outlook (WEO)** has downgraded global growth projections due to West Asia conflict, energy price volatility, and supply-chain disruptions.

The major concern is that prolonged conflict may trigger a global recession-like situation with oil above **\$100/barrel**, inflation spikes, and tighter monetary conditions.

UPSC focus: **Global Economy + IMF + Oil Shock + Recession Indicators**

2. Why in News

IMF, during its Spring Meetings in Washington, reduced the **2026 global real GDP growth forecast to 3.1%**, warning that in a “severe scenario” growth may fall to **2.0%**, approaching recession territory.

This is linked to prolonged geopolitical instability in West Asia.

3. Key Facts and Figures

- 2026 Global Growth Forecast: **3.1%**
- Severe Scenario Growth: **2.0%**
- Oil Price Risk: Above **\$100/barrel till 2027**

- Growth below 2% happened only 4 times since 1980

4. Definition of Key Terms

WEO: IMF’s flagship biannual report on global economic trends.

Real GDP Growth: Inflation-adjusted output growth.

Financial Dislocation: Severe dysfunction in financial markets.

Supply Chain Disruption: Breakdown in production-distribution networks.

5. Ministry / Institutions / Organizations Involved

The **IMF** monitors global macroeconomic stability. In India, the **Ministry of Finance**, **RBI**, and economic ministries respond to external shocks through fiscal and monetary measures.

6. Government Acts / Policies / Judgements

- **FRBM Act, 2003**
Allows fiscal discipline; escape clauses used during crises.
- **FEMA, 1999**
Helps manage forex volatility and capital flows.
- **Article 246**
Foreign affairs and trade fall under Union domain.

7. Previous Year Linkage (PYQ Linkage)

- UPSC asked on IMF and SDRs (2016, 2022)
- UPSC asked on oil shocks and current account deficit
- UPSC asked on fiscal deficit and FRBM

8. Possible Prelims Trap Areas

- IMF WEO \neq World Bank reports
- Growth below 2% is rare and recession-like

- Oil shocks affect both inflation and CAD

121. RBI Directives on Net Open Position (NOP) and Forex Volatility

1. Core Idea

The RBI imposed a strict **\$100 million daily cap** on banks' **Net Open Position (NOP)** in forex markets to reduce speculation, limit arbitrage, and stabilize the Rupee during global volatility.

This aims to control excessive forex exposure and reduce pressure from offshore trading.

UPSC focus: **Forex Management + RBI Regulation + NDF Market**

2. Why in News

Following heavy Rupee volatility caused by FPI outflows and West Asia tensions, RBI issued a **27 March circular** restricting banks' forex positions and mandated compliance by **10 April**.

The move was aimed at stopping offshore-onshore arbitrage.

3. Key Facts and Figures

- Daily NOP Cap: **\$100 million**
- Previous exposure: up to **\$30–40 billion**
- INR recovery: gained over **2%**
- Rupee depreciation in FY26: **11%**

4. Definition of Key Terms

Net Open Position (NOP): Difference between forex assets and liabilities of a bank.

NDF: Offshore cash-settled forward contract in non-convertible currencies.

Arbitrage: Profit from price differences across markets.

FPI: Foreign Portfolio Investor.

5. Ministry / Institutions / Organizations Involved

The **Reserve Bank of India (RBI)** regulates forex markets under FEMA. Commercial banks, treasury departments, and FPIs are directly affected by NOP limits.

6. Government Acts / Policies / Judgements

- RBI Act, 1934**
Gives RBI authority over currency stability.
- FEMA, 1999**
Governs foreign exchange transactions.
- Article 246 + Union List Entry 36**
Foreign exchange is under Union control.

7. Previous Year Linkage (PYQ Linkage)

- UPSC asked on FEMA vs FERA
- UPSC asked on exchange rate management
- UPSC asked on RBI monetary tools and forex reserves

8. Possible Prelims Trap Areas

- NOP is bank exposure, not forex reserves
- NDF is offshore, not domestic market
- RBI intervention may be temporary, not structural



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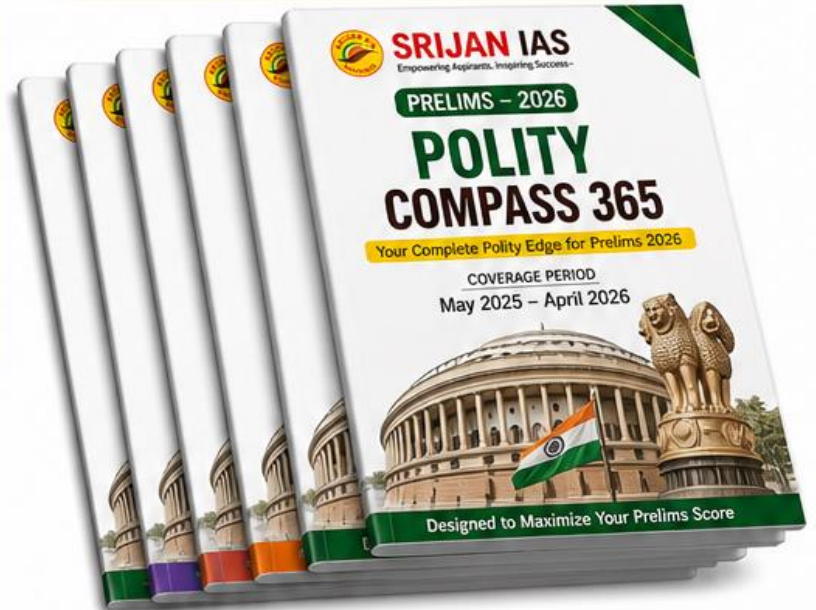
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