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FOR UPSC CIVIL SERVICE EXAMINATION

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I. India-US Trade Pact Deadline Extension: Key Points

• Extension of Deadline

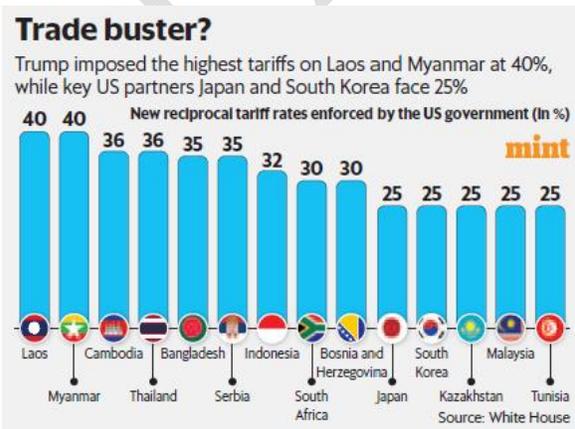
- India and the United States have extended the deadline for finalizing their trade agreement from 9 July to 31 July 2025.
- This extension comes amid the US administration's decision to enforce retaliatory tariffs against certain countries starting 1 August.

• India's Strategic Approach

- Unlike 14 other countries, India has not received any formal letter regarding new tariff schedules from the US President.
- India is adopting a cautious negotiation strategy, avoiding a rushed deal similar to the US-Vietnam pact.
- India is firm on its "red lines" regarding sensitive sectors like agriculture and dairy.

• Key Sticking Points

- Major contentious areas include:
 - **Dairy and agriculture:** India seeks to protect domestic farmers and maintain stringent import standards.
 - **Digital trade and data flows:** India emphasizes data sovereignty and regulatory space.
 - **Genetically Modified (GM) seeds:** India remains cautious due to biosafety and farmer livelihood concerns.
 - **Medical services and devices:** India wants to safeguard affordability and accessibility.



• US Demands

- The US is pushing for greater market access for its agricultural, dairy, and tech products, along with liberalization of service sectors.

• Legal and Constitutional Context

- **Article 301(b)** of the US Trade Act allows the US President to impose tariffs to address unfair trade practices.
- In India, **Article 246 (Seventh Schedule)** places foreign trade under the Union List, empowering the Central Government to negotiate treaties.
- **Foreign Trade (Development and Regulation) Act, 1992** governs India's foreign trade policy and protective measures.

• Definition: Retaliatory Tariffs



- Tariffs imposed by a country in response to tariffs or restrictive measures imposed by another country, used as a trade negotiation tool.

Conclusion and UPSC Relevance

- The extension highlights India's emphasis on protecting domestic interests while engaging with major trade partners.
- It reflects India's growing assertiveness in trade negotiations and its commitment to strategic autonomy.
- **UPSC Relevance:**
 - Important for topics under **GS Paper 2 (International Relations)** and **GS Paper 3 (Indian Economy - External Sector)**.
 - Useful for understanding India's trade policy strategy, WTO-related negotiations, and issues around data sovereignty and agricultural protectionism.
 - Illustrates the interplay between economic diplomacy and domestic sectoral priorities.

2. New Drug Transit Rules to Ensure Safer Medicines: Key Points

- **Background and Objective**
 - India is drafting new rules to ensure that medicines retain their safety and efficacy during transit from manufacturing units to retail pharmacies.
 - This move is spearheaded by the Central Drugs Standard Control Organization (CDSCO) and aims to prevent **substandard and spurious drugs** from entering the supply chain.
- **Key Provisions in Draft Rules**
 - Introduction of **Good Storage and Distribution Practices (GSDP)** to make proper storage and transit conditions legally mandatory.
 - Mandatory **2D barcodes and clear labeling** at each packaging stage, containing details such as unique product code, batch number, expiry date, manufacturing date, and serial number for full traceability.
 - Requirement for all entities (transporters, wholesalers, retailers) to maintain detailed records of product movement, sender/receiver details, and transaction timestamps.
- **Rationale and Need**
 - Existing guidelines on drug storage during transit are not mandatory, leading to possible exposure to extreme temperatures, mishandling, and quality degradation.
 - Cases have been reported of expired, damaged, and "not for retail sale" hospital medicines mixing with regular pharmacy stocks.





- The new rules aim to align with **World Health Organization (WHO) standards** to ensure global quality benchmarks.
- **Legal and Regulatory Context**
 - The **Drugs and Cosmetics Act, 1940** and **Drugs Rules, 1945** currently lack mandatory provisions on transit storage and distribution practices.
 - By incorporating GSDP into the Drugs Rules, compliance will become a legal requirement for all stakeholders — manufacturers, distributors, and retailers.
 - CDSCO, under the Ministry of Health and Family Welfare, is the apex body overseeing drug safety and quality in India.
- **Significance for Pharmaceutical Sector**
 - India's pharmaceutical market is valued at **\$50 billion**, ranking 3rd globally by volume and 14th by value.
 - India supplies 20% of global generic medicines and manufactures over 60,000 generics across 60 therapeutic categories.
 - Strengthening supply chain integrity is vital to maintain global trust and safeguard public health.

Definitions

- **Substandard drugs:** Authorized medicines that fail to meet quality specifications or standards.
- **Spurious drugs:** Fraudulent medicines deliberately mislabeled to deceive about their identity or source.
- **Good Storage and Distribution Practices (GSDP):** Guidelines ensuring proper storage, handling, and transportation to maintain product quality.

Conclusion and UPSC Relevance

- The proposed rules reflect India's proactive approach to ensure **drug safety and supply chain transparency**, enhancing both domestic public health and international credibility as a pharma leader.
- **UPSC Relevance:**
 - Important for **GS Paper 2 (Governance, Health Policy)** and **GS Paper 3 (Science & Technology, Economy – Pharmaceuticals)**.
 - Highlights regulatory mechanisms, legal reforms, and India's role in global health supply chains.
 - Useful for understanding challenges in drug regulation and the importance of quality standards in public health policy.

3. Climate Change and India's Narrowing Forecast Window: Key Points

- **Impact on Weather Forecasting**



- **Heatwaves:** Extended periods of excessively hot weather, which can be fatal and stress water and power systems.
- **Extreme Weather Events:** Severe or unusual climatic conditions, such as heavy rain, cyclones, or droughts, with destructive impacts.

Legal and Constitutional Context

- **Disaster Management Act, 2005:** Provides the legal framework for preparing, responding to, and mitigating natural disasters, including those aggravated by climate change.
- **Article 21 (Right to Life):** Includes the right to a safe and healthy environment, placing responsibility on the state to take proactive climate action.
- **Article 48A (Directive Principles):** Directs the state to protect and improve the environment and safeguard forests and wildlife.

Conclusion and UPSC Relevance

- Climate change is drastically shortening India's weather forecast window, increasing vulnerability to extreme events.
- It underscores the urgent need for integrated climate adaptation strategies, resilient agricultural planning, and robust early warning systems.
- **UPSC Relevance:**
 - Essential for **GS Paper 1 (Geography, climate change), GS Paper 3 (Environment, Disaster Management, Agriculture).**
 - Highlights linkages between climate variability and socio-economic impacts, especially on food security and rural livelihoods.
 - Useful for essays and ethics (GS Paper 4) discussing climate justice, public safety, and governance challenges.

4. India-Australia Talks on Sourcing Rare Earth Minerals: Key Points

- **Background and Strategic Importance**
 - India is engaging with Australia to secure **rare earth minerals**, essential for manufacturing high-tech products like electric vehicle (EV) batteries, wind turbines, electronics, and defense equipment.
 - The move gains importance amid **China's export restrictions** on rare earth minerals, which have created a global supply shortage and increased prices.
- **Australia as a Key Alternative**
 - Australia is one of the largest producers of rare earth elements outside China, offering India a reliable and politically stable alternative supply source.





- Besides rare earth minerals, Indian public and private sectors have also shown interest in **copper blocks** in Australia to support the growing renewable energy and EV sectors.
- **Impact on India's Energy and Industrial Goals**
 - Access to rare earth minerals is crucial for India's goals under the **National Electric Mobility Mission Plan**, renewable energy transition, and Atmanirbhar Bharat (self-reliant India) initiatives.
 - Securing these resources will help India reduce dependence on Chinese imports, strengthen supply chains, and boost domestic manufacturing of critical technologies.
- **Legal and Policy Context**
 - In India, mining and exploration of strategic minerals are governed under the **Mines and Minerals (Development and Regulation) Act, 1957**, and policies encouraging private sector participation and foreign investment in critical minerals.
 - Constitutionally, mineral resources fall under the **State List**, but inter-country agreements and strategic minerals are handled by the Union Government (Union List, Entry 54).
- **Geopolitical and Economic Dimensions**
 - Strengthening mineral cooperation with Australia aligns with India's broader Indo-Pacific strategy and diversifying critical supply chains away from China.
 - It also supports economic security by ensuring availability of raw materials crucial for future technologies.

Definitions

- **Rare Earth Minerals:** A group of 17 chemically similar elements used extensively in clean energy technologies, electronics, and defense industries.
- **Critical Minerals:** Minerals vital for the economy and strategic sectors, but with supply chain vulnerabilities.

Conclusion and UPSC Relevance

- India's talks with Australia mark a strategic step toward ensuring energy security, technological self-reliance, and supply chain resilience.
- It highlights India's proactive diplomacy in securing critical raw materials to meet clean energy and industrial transformation goals.
- **UPSC Relevance:**
 - Relevant for **GS Paper 2 (International Relations, strategic partnerships)** and **GS Paper 3 (Economy, Science & Technology, Environment)**.
 - Useful in understanding India's mineral diplomacy, supply chain diversification, and strategic resource management.
 - Important for essays on energy security, resource nationalism, and Indo-Pacific partnerships.



5. India's Drone Industry Growth and Rare-Earth Challenge: Key Points

- **Rise of Domestic Drone Manufacturing**
 - India's drone sector is expanding rapidly, driven by increased **defence and civilian demand**, policy support, and a growing base of 515 drone-related companies (with 263 focused on components).
 - Significant investments include \$108 million raised in 2024 and \$39 million already in 2025, showing strong investor confidence.
- **Dependence on Critical Imports**
 - While India has developed local capability in airframes, batteries, and software, it remains **highly dependent on imports** for critical components like motors, sensors, and flight controllers.
 - The most critical bottleneck is the reliance on **rare earth magnets**, which are essential for high-performance permanent magnet motors used in drones.
- **Supply Risks Due to Chinese Export Controls**
 - China's tightening export restrictions, particularly on rare-earth magnets used in defence applications, pose a severe risk to India's goal of self-reliant drone manufacturing.
 - There are no domestic producers of drone-grade rare earth magnets in India, nor feasible substitutes like ferrite magnets, which lack required strength and efficiency.
- **Government Policy Push and Incentives**
 - India has introduced various initiatives to promote drone manufacturing, including the **Production Linked Incentive (PLI) scheme**, the Ministry of Defence's **iDEX (Innovations for Defence Excellence)** program, and the **Technology Development Fund (TDF)**.
 - A new \$234 million incentive scheme aims to boost indigenous production further, signaling strong policy commitment.
- **Technological and Operational Challenges**
 - The lack of domestic machining capability for critical modules (e.g., motors and controllers) and dependence on just-in-time manufacturing makes supply chains vulnerable.
 - Without a domestic source or viable recycling mechanisms for rare earth materials, achieving full indigenization remains challenging.



Definitions

- **Rare Earth Magnets:** High-strength magnets made using rare earth elements like neodymium; essential for compact, efficient motors in drones, EVs, and defense systems.



- **Permanent Magnet Motors:** Electric motors that use permanent magnets instead of electromagnetic windings to generate motion; valued for high efficiency and power-to-weight ratio.

Legal and Constitutional Context

- **Mines and Minerals (Development and Regulation) Act, 1957:** Governs mining activities in India, including potential future domestic mining of rare earth elements.
- **Defence Procurement Policy (DPP) and Defence Acquisition Procedure (DAP):** Promote indigenization and self-reliance in defense manufacturing, which includes drone technology.
- **Article 73 & Article 246:** Empower the Union Government to regulate defense production and external trade, including strategic minerals.

Conclusion and UPSC Relevance

- India's growing drone sector demonstrates strong innovation and industrial capacity, but dependence on critical imports, especially rare earth magnets, remains a strategic vulnerability.
- There is an urgent need for developing domestic sources of rare earths and high-tech component manufacturing to achieve true self-reliance, particularly in defense applications.
- **UPSC Relevance:**
 - Relevant for **GS Paper 3 (Science & Technology, Economy – Industrial Policy, Security)** and **GS Paper 2 (Governance, International Relations, Strategic Technologies)**.
 - Useful for essays on Atmanirbhar Bharat, technological sovereignty, and supply chain resilience.
 - Highlights the intersection of technology, national security, and resource diplomacy, key themes in contemporary policy debates.

6. FATF Flags Misuse of E-commerce and Online Payments for Terror Financing: Key Points

- **Misuse of Digital Platforms for Terror Financing**
 - The Financial Action Task Force (FATF), the global watchdog on money laundering and terror financing, has highlighted that **e-commerce platforms and online payment services are being increasingly misused to fund terrorism.**
 - The February 2019 Pulwama attack (killing 40 CRPF personnel) and the 2022 Gorakhnath Temple attack in India were cited as cases illustrating this misuse.
- **State Sponsorship of Terrorism**
 - FATF's report noted ongoing **state sponsorship of terrorism**, where certain national governments provide financial and logistical support to terrorist organizations.





- This support may be used as a **fundraising technique** or as part of broader financial strategies to sustain terrorist networks.
- **Emerging Risk Trends**
 - The expansion of **digital payment ecosystems**, including mobile wallets, prepaid cards, cryptocurrencies, and crowdfunding platforms, has created new vulnerabilities for terror financing.
 - Increased anonymity and lack of stringent regulatory oversight in some jurisdictions allow terrorist groups to move and hide funds more easily.
- **Indian Context and Vulnerabilities**
 - India has been a frequent target of cross-border terrorism, often funded through informal and digital channels.
 - The cited incidents underline the need for tighter monitoring of digital financial flows and stricter **Know Your Customer (KYC)** and **Anti-Money Laundering (AML)** measures.
- **Legal and Constitutional Framework**
 - India's **Unlawful Activities (Prevention) Act (UAPA), 1967**, empowers authorities to curb terror financing and designate individuals or groups as terrorists.
 - **Prevention of Money Laundering Act (PMLA), 2002**, and rules under the Reserve Bank of India Act ensure compliance with global AML/CFT (Combating the Financing of Terrorism) standards.
 - Constitutionally, **Article 21 (Right to Life and Liberty)** underpins the state's duty to protect citizens from terrorism and maintain national security.

Definitions

- **FATF (Financial Action Task Force)**: An inter-governmental body established in 1989 to set standards and promote effective implementation of legal and regulatory measures to combat money laundering, terrorist financing, and other threats to the international financial system.
- **Terror Financing**: The process of providing financial support to individuals or groups engaged in terrorist activities.

Conclusion and UPSC Relevance

- FATF's warnings emphasize the evolving nature of terror financing and the urgent need for robust cyber and financial surveillance systems globally and in India.
- Strengthening international cooperation, tightening digital payment regulations, and enhancing domestic legal mechanisms are vital to counter this threat.
- **UPSC Relevance:**
 - Important for **GS Paper 3 (Internal Security, Money Laundering, Cyber Security)** and **GS Paper 2 (International Relations — global counterterrorism efforts)**.
 - Useful for essays and ethics papers addressing national security, digital governance, and global cooperation against terrorism.

- Demonstrates the interplay between technological advancements and security challenges — a key theme in contemporary governance.

7. Disaster Risk Financing in India: Evolution and Emerging Approaches

• Historical Evolution of Disaster Financing in India

- India's disaster financing began modestly in the 1950s, with the Second Finance Commission recommending ₹6 crore annually under "Margin Money" to help states cope with natural calamities — initially symbolic.
- Over time, successive Finance Commissions (FCs) significantly increased allocations, with the 9th FC introducing the **Calamity Relief Fund (CRF)**, empowering states with more autonomy.

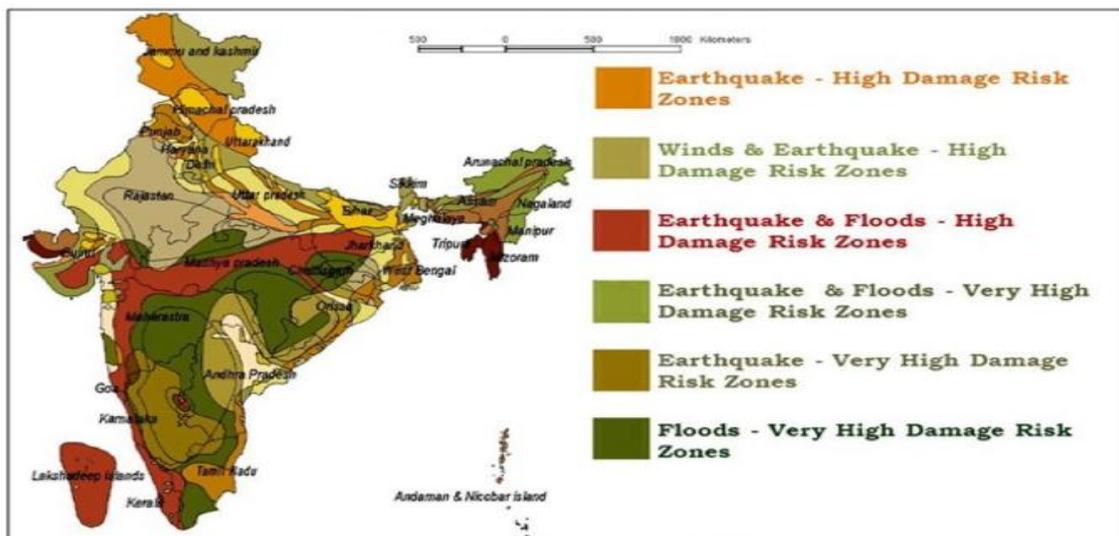
• Shift from Reactive to Proactive Approaches

- The **Disaster Management Act, 2005** established a legal framework, institutionalizing the **National Disaster Response Fund (NDRF)** and **State Disaster Response Fund (SDRF)** under the 13th FC, promoting rule-based, structured financing.
- The **15th FC (2020–2025)** made a major shift: ₹1.60 trillion allocated to states and ₹68,000 crore to the Centre, with ₹45,000 crore dedicated to mitigation, marking a shift from welfare to **resilience mindset** ("Build now or pay later").

• Challenges and Present Gaps

- Preparedness and mitigation activities, though critical, have historically remained underfunded.
- Rapid urbanization, climate change-induced extreme events, and increasing economic losses (₹50,000 crore annually) highlight the urgent need for pre-arranged, flexible disaster financing models rather than post-disaster borrowing or reactive measures.

Showing Multi Hazard Prone Areas of India



Source: Vulnerability Atlas Building Material and Technology Promotion Council (BMTPC).



- **New Financing Models and Innovations**
 - Emerging tools include **contingency buffers**, **catastrophe risk pools**, and **parametric insurance models**, which ensure rapid fund release without bureaucratic delays.
 - Proposed support for **household-level resilience**: encouraging personal risk coverage for crops, property, livelihoods, and lives to foster a culture of self-protection.
 - Emphasis on urban resilience: dedicated climate-adaptive infrastructure funds and retrofitting critical assets.
- **Legal and Constitutional Framework**
 - **Disaster Management Act, 2005**: Provides statutory backing for disaster prevention, preparedness, mitigation, and response.
 - **Finance Commissions' recommendations**, though advisory, shape fiscal transfers for disaster management.
 - **Article 21 (Right to Life)** and **Directive Principles (Article 39, 48A)** collectively oblige the state to protect lives and ensure environmental safety.

Definitions

- **Disaster Risk Financing (DRF)**: Financial strategies and instruments designed to reduce the economic impact of disasters by providing timely funding for response, recovery, and resilience-building.
- **Parametric Insurance**: Insurance that pays out predetermined amounts based on the occurrence of a triggering event (e.g., certain rainfall or wind speed levels) rather than assessed actual losses.

Conclusion and UPSC Relevance

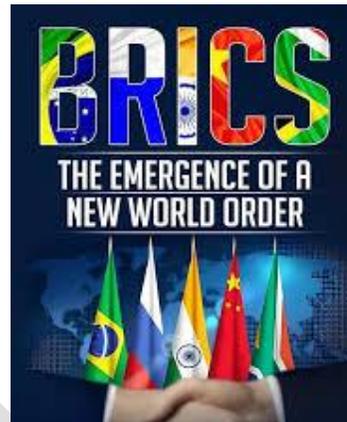
- India's disaster risk financing is evolving from a reactive, loss-compensating approach to a proactive, resilience-building strategy — shifting toward data-driven, pre-arranged financial instruments and community-level preparedness.
- A robust disaster risk financing framework is essential for safeguarding developmental gains, protecting livelihoods, and minimizing fiscal stress post-disaster.
- **UPSC Relevance:**
 - Important for **GS Paper 3 (Disaster Management, Economy)** and **GS Paper 2 (Governance, Federal Fiscal Transfers)**.
 - Useful for essays on sustainable development, climate adaptation, and risk governance.
 - Reflects core themes of resilience, cooperative federalism, and the interplay between policy, law, and fiscal management.

8. BRICS: Growing Relevance in a Changing Global Order

- **Strengthening Voice of the Global South**



- BRICS (Brazil, Russia, India, China, South Africa) serves as a crucial platform to amplify the concerns of **emerging and developing economies**, often collectively termed the Global South.
- Its purpose is not to create a new Cold War bloc, but to provide **greater strategic autonomy** and promote economic development beyond Western influence.



- **Economic and Institutional Innovations**

- BRICS countries are creating alternative economic and financial institutions to reduce dependence on Western-dominated systems (e.g., SWIFT).
- Examples include:
 - **New Development Bank (NDB):** Financing clean energy and infrastructure projects across member countries.
 - **BRICS Clear:** A proposed digital framework for cross-border securities settlement, shielding member assets from Western sanctions.
 - Future ideas include a BRICS-backed reinsurance body and payment channels independent of Western financial control.

- **Challenge to Dollar Dominance**

- One core aim is to explore alternatives to the **US dollar as the global reserve currency**, reducing the risk of financial coercion through sanctions or currency manipulation.
- Options discussed include a **stablecoin pegged to IMF's Special Drawing Rights (SDR)** or blockchain-based digital currencies.

- **Strategic Context and Geopolitical Resistance**

- Former US President Trump's threats (e.g., proposing extra tariffs on BRICS-aligned nations) highlight the grouping's perceived challenge to US financial and geopolitical dominance.
- BRICS does not seek confrontation but aims for a **multipolar world order** where emerging economies have more say in global governance.

- **India's Position within BRICS**

- India uses BRICS as a diplomatic platform to advance its interests in global economic reform, technology cooperation, and development finance.
- India's active participation aligns with its goals under **Article 51 (promotion of international peace and security)** of the Constitution, which urges the state to foster respect for international law and maintain just international relations.

Definitions

- **Global South:** Refers to developing countries in Asia, Africa, Latin America, and Oceania, often facing shared development challenges.



- **Reserve Currency:** A foreign currency held in significant quantities by governments and institutions as part of their foreign exchange reserves; the US dollar currently dominates this role.
- **Stablecoin:** A digital currency pegged to a stable asset (like a currency basket), designed to minimize price volatility.

Legal and Constitutional Context

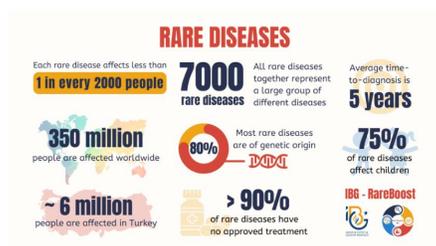
- **Article 51 of Indian Constitution:** Directs the state to promote international peace, foster respect for international law, and encourage settlement of international disputes by arbitration.
- **Foreign Exchange Management Act (FEMA), 1999:** Governs external trade and financial transactions, relevant to India's participation in alternative payment and settlement mechanisms.

Conclusion and UPSC Relevance

- BRICS represents a strategic effort to shape a **more balanced, multipolar global economic system**, reducing vulnerabilities to Western financial dominance.
- Its initiatives in finance, technology, and trade settlement frameworks are significant for economic sovereignty and global south solidarity.
- **UPSC Relevance:**
 - Relevant for **GS Paper 2 (International Relations, Multilateral Organizations)** and **GS Paper 3 (Economy, Foreign Exchange Management)**.
 - Useful for essays on multipolarity, global economic governance, and India's leadership in the Global South.
 - Helps understand how India uses groupings like BRICS to advance its strategic and economic interests in a turbulent geopolitical environment.

9. Indian Genetic Research: A Global Hope for Rare Diseases

- **Unique Opportunity from India's Genetic Diversity**
 - India has over **350 endogamous (closed) communities** and a high rate of **consanguinity**, leading to a higher prevalence of recessive genetic mutations.
 - This provides a valuable patient base and disease models to study rare genetic disorders that are difficult to research in the genetically homogeneous populations of the Global North.
- **Advances in Affordable Genetic Therapies**
 - The cost of genomic sequencing has dropped dramatically since the **Human Genome Project (2003)**, from ~\$2.7 billion to under \$100 today, enabling affordable genetic research and therapies.



- Indian research centers like the **Centre for Stem Cell Research, CMC Vellore**, have developed frugal innovations (e.g., lentiviral vectors for Hemophilia-A and India's first CRISPR-based therapy for sickle cell disease).



- India's CRISPR therapy for sickle cell disease costs \$25,000–\$100,000 per patient, significantly cheaper than ~\$2.2 million in the West.
- **Strong Policy and Regulatory Support**
 - The **National Policy for Rare Diseases (2021)** provides financial support and establishes Centers of Excellence for rare disease treatment.
 - The **Indian Council of Medical Research (ICMR)** has issued clear guidelines for cell and gene therapy research, encouraging ethical and rapid innovation.
 - Subsidies and support for manufacturing critical components (e.g., delivery vectors, stem cells) help keep costs low.
- **Global Collaboration Potential**
 - India can drive a **North-South scientific partnership** by leveraging its genetic diversity and innovation capacity.
 - Proposed platforms can integrate **AI-powered analytics**, clinical and genomic data, and bio-samples to match patients for trials and optimize gene-editing therapies.
 - This creates a pathway for India to become an equal global partner in developing personalized and precise therapies for rare diseases.
- **Definitions and Key Concepts**
 - **Rare diseases:** Medical conditions affecting a small fraction of the population; over 400 million people globally suffer from more than 7,000 rare diseases.
 - **Orphan drugs:** Drugs developed to treat rare diseases, often neglected due to lack of commercial viability.
 - **CRISPR:** A genome-editing tool allowing precise modifications of DNA sequences to correct genetic defects.

Constitutional and Legal Provisions

- **Article 21 (Right to Life):** Encompasses the right to health and access to affordable healthcare, including rare disease treatments.
- **Directive Principles (Article 47):** Directs the State to improve public health as a primary duty.
- **ICMR guidelines and National Health Policies:** Provide legal and ethical frameworks for research and application of advanced therapies like gene editing.

Conclusion and UPSC Relevance

- India's genetic innovation capabilities, supported by policy and regulatory frameworks, can transform rare disease treatment, not only domestically but globally.
- The country can reposition its genetic vulnerabilities as scientific assets, making its endogamous communities potential co-creators of new cures.
- **UPSC Relevance:**



- Pertinent to **GS Paper 2 (Health, Policy Interventions)** and **GS Paper 3 (Science and Technology, Biotechnology)**.
- Useful for essays on public health, science diplomacy, and global health equity.
- Illustrates India's potential leadership in affordable healthcare innovation and its role in promoting equitable global health solutions.

10. Uttar Pradesh Agritech Innovation Hub: Empowering Farmers through Technology

- **A Historic Step Towards Farmer Prosperity**
 - Union Ministers Dharmendra Pradhan and Jayant Chaudhary inaugurated the **Uttar Pradesh Agritech Innovation Hub and Agritech Startup and Technology Showcase** at SVPUAT, Meerut.
 - The initiative underscores that India's development vision is incomplete without **developed villages and prosperous farmers**, emphasizing the importance of modernizing agriculture.
- **Integration of Advanced Technologies**
 - The Hub is equipped with **IoT-enabled sensors, smart irrigation systems, automation technologies, and real-time analytics platforms**, promoting **precision farming** and sustainable agriculture.
 - IIT Ropar is playing a crucial role by contributing Cyber-Physical Systems (CPS) Lab components (including IoT sensors, automation systems, and cloud infrastructure) with a financial commitment of ₹75 lakh.
- **Focus on Chemical-Free, Natural Farming**
 - Ministers highlighted the need for **chemical-free, natural farming**, especially relevant in the context of global food crises and climate change.
 - The emphasis is on moving technology “from field to market,” ensuring farmers benefit directly from scientific advancements.
- **Empowering Rural Youth and Strengthening Farmer Ecosystems**
 - The hub will serve as a collaborative platform where **farmers, startups, researchers, and technologists co-create solutions**.
 - Involvement of Krishi Vigyan Kendras (KVKs) and Farmer Producer Organisations (FPOs) aims to train rural youth and farmers in advanced techniques, fostering self-reliance and entrepreneurship.
- **Strengthening Agricultural Education and Research**
 - SVPUAT's new curriculum aligns with modern technological needs, with support from IIT Ropar and MoUs for joint research and academic collaboration.





- The Centre for Excellence on “AI in Agriculture” will further bridge gaps between research labs and farm fields.

Definitions and Key Concepts

- **Precision Farming:** Use of advanced technologies to monitor and optimize field-level management regarding crop farming, resulting in efficient resource utilization and higher yields.
- **Cyber-Physical Systems (CPS):** Integrated systems combining computation, networking, and physical processes, crucial for modern agricultural automation.

Constitutional and Legal Provisions

- **Article 48A (Directive Principles):** Emphasizes protecting and improving the environment, directly supporting sustainable farming.
- **Article 21 (Right to Life):** Implies the right to a healthy environment and safe food, indirectly supporting the push for chemical-free agriculture.
- **National Policy for Farmers (2007):** Highlights the need for technology-driven, farmer-centric strategies to ensure profitability and sustainability.

Conclusion and UPSC Relevance

- The Uttar Pradesh Agritech Innovation Hub marks a significant step toward a **technology-enabled, farmer-first rural development model**.
- It strengthens India’s resolve to achieve **Atmanirbhar Krishi (self-reliant agriculture)** and aligns with national visions of doubling farmers' incomes and addressing climate resilience.
- **UPSC Relevance:**
 - Pertinent for **GS Paper 2 (Governance, Welfare schemes, Policy interventions)** and **GS Paper 3 (Agriculture, Technology, Environment)**.
 - Important for essays and ethics case studies on rural development, technology integration, and sustainable farming.
 - Illustrates a practical example of how innovation ecosystems can be leveraged to empower traditional sectors and uplift marginalized communities.

II. Clarification on PM Jan Dhan Yojana Accounts: No Mass Closure Orders

- **No Direction to Close Inactive Accounts**
 - The Department of Financial Services (DFS), Ministry of Finance, has clarified that **no directions have been given to banks to close inactive Pradhan Mantri Jan Dhan Yojana (PMJDY) accounts**.
 - Recent media reports suggesting otherwise have been officially denied to prevent misinformation among account holders.



(PMJDY)
Pradhan
Mantri Jan
Dhan Yojana



- **Ongoing Campaign to Promote Financial Inclusion**
 - A **three-month campaign (starting July 1, 2025)** has been launched nationwide to deepen financial inclusion by encouraging adoption and active use of schemes like PMJDY, Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY), and Atal Pension Yojana (APY).
 - The campaign involves **re-KYC (Know Your Customer)** updates for all due accounts to ensure compliance and continued access to services.
- **Focus on Activating Dormant Accounts**
 - Banks have been advised to **proactively contact account holders of inoperative PMJDY accounts** to encourage transactions and reactivation, rather than closing them.
 - This step aligns with the government's broader goal of strengthening the financial ecosystem and ensuring last-mile delivery of financial services.
- **Growth in PMJDY Accounts**
 - The total number of PMJDY accounts continues to rise, reflecting trust in the system and success in expanding formal banking to unbanked populations.
 - There is **no record or evidence of any large-scale closure** of dormant accounts, emphasizing the government's commitment to inclusive banking.

Key Definitions and Concepts

- **PMJDY (Pradhan Mantri Jan Dhan Yojana):** A national mission on financial inclusion launched in 2014 to provide affordable access to financial services such as bank accounts, remittances, credit, insurance, and pensions.
- **Re-KYC:** The process of updating customers' identity and address proofs periodically to maintain account compliance and prevent fraud.

Constitutional and Legal Provisions

- **Article 38 (Directive Principles):** Directs the State to secure a social order for the promotion of the welfare of the people by ensuring social, economic, and political justice.
- **Article 39 (Directive Principles):** Emphasizes policies to ensure adequate means of livelihood and equitable distribution of resources.
- **Banking Regulation Act, 1949 & RBI Guidelines:** Govern the operational framework of accounts, including KYC norms and guidelines on inactive or dormant accounts.

Conclusion and UPSC Relevance

- This clarification **strengthens public confidence** in financial inclusion initiatives and supports the vision of **universal banking access**, especially for marginalized and rural populations.
- The government's proactive approach underscores a **welfare-centric model**, aiming to promote social security and financial empowerment rather than punitive actions like account closures.
- **UPSC Relevance:**



- Important for **GS Paper 2 (Governance, Welfare Schemes, Policy Interventions)** and **GS Paper 3 (Inclusive Growth, Banking, Financial Inclusion)**.
- Useful for essays or ethics case studies emphasizing governance transparency, financial empowerment, and trust-building.
- Demonstrates real-time policy communication and corrective governance, crucial for understanding the interface between government, media, and citizens.

12. Kalaa Setu: Promoting AI-Driven Multilingual Governance Communication

• Objective of Kalaa Setu

- The Ministry of Information & Broadcasting, through its startup accelerator WaveX, has launched the "**Kalaa Setu**" challenge to invite AI startups to build real-time, scalable solutions for **multimedia content generation from text inputs** in multiple Indian languages.
- The initiative aims to bridge the **digital language divide**, enabling effective, inclusive, and regionally resonant communication from government to citizens.

• Core Focus Areas of Technology

- **Text-to-video generation:** Automating the creation of video explainers tailored to diverse contexts.
- **Text-to-graphics generation:** Producing infographics and illustrative visuals to simplify complex data.
- **Text-to-audio generation:** Creating emotionally expressive, accurate audio content sensitive to regional accents.
- Together, these technologies support dynamic, citizen-centric outreach in local languages, improving the accessibility of official information.



• Citizen-Centric Applications

- Information can be customized for various groups — for example, farmers receiving weather updates, students accessing educational notices, or elderly citizens learning about welfare schemes — all in their **own languages and dialects**.
- The initiative emphasizes real-time content delivery for timely and impactful communication, enhancing trust and inclusivity in governance.

• Supporting Startup Innovation and Indigenous Technology

- Startups are required to submit a **Minimum Viable Concept (MVC)** by July 30, 2025, showcasing a video demo.
- Selected teams will receive incubation, support from national broadcasters (AIR, DD, PIB), and further development opportunities through MoUs.



- The parallel **Bhasha Setu challenge**, focused on real-time language translation, remains open till July 22, 2025.

- **Definitions and Constitutional Context**

- **AI (Artificial Intelligence):** Technology enabling machines to mimic human intelligence for tasks like language translation, content generation, and decision-making.
- **Digital governance:** The use of technology to improve public service delivery, enhance transparency, and engage citizens.
- **Article 19(1)(a) of the Constitution:** Guarantees freedom of speech and expression, which also includes the right to receive information.
- **Article 350A:** Directs states to provide facilities for instruction in the mother tongue at the primary stage of education; reflects India's commitment to linguistic diversity.

- **Legal and Policy Framework**

- Supported under **Digital India**, which promotes technology-driven inclusive governance.
- Aligned with **National Language Translation Mission (Bhashini)** to promote access to digital content in Indian languages.
- Advances the objectives of the **Startup India initiative**, fostering indigenous R&D and innovation.

Conclusion and UPSC Relevance

- **Conclusion**

- Kalaa Setu and Bhasha Setu are transformative steps toward a future-ready, digitally empowered India. They aim to build a **technologically inclusive governance framework**, reflecting India's linguistic and cultural richness.
- The initiatives also strengthen India's indigenous AI capabilities and promote self-reliance (Atmanirbhar Bharat).

- **UPSC Relevance**

- Important for **GS Paper 2 (Governance, E-Governance, Welfare Initiatives)** and **GS Paper 3 (Science & Tech, Innovation, Indigenization of Technology)**.
- Useful for essays on topics such as inclusive governance, technological innovation, or linguistic diversity.
- Reflects contemporary policy priorities and India's vision of integrating AI to enhance state-citizen interaction.