

# VIDHVATH IAS KAS ACADEMY STUDY & CENTRE

## DAILY CURRENT AFFAIRS

FOR UPSC CIVIL SERVICE EXAMINATION

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#### 1. "Yoga Park" Campaign under International Day of Yoga (IDY) 2025

#### 1. Launch of 'Yoga Park' Campaign under IDY 2025:

- Union Ayush Minister Shri Prataprao Jadhav led a high-level meeting with Ayush industry leaders and corporates to promote the "Yoga Park" initiative as a flagship project of International Day of Yoga (IDY) 2025.
- o The initiative aims to **convert public spaces into wellness zones** equipped with yoga platforms, meditation areas, walking tracks, and health education spaces.

#### 2. Theme and Vision:

- o IDY 2025's theme is "Yoga for One Earth, One Health," aligned with India's G20 Vision of sustainable global health.
- The Yoga Park initiative goes beyond celebration it builds **legacy infrastructure** for **preventive healthcare** and **community wellness**.

#### 3. Stakeholder Participation and CSR Involvement:

- o Industries, PSUs, Urban Local Bodies, Panchayats, and RWAs are encouraged to contribute through Corporate Social Responsibility (CSR).
- CSR contributions include funding, conducting yoga sessions, awareness drives, and offering co-branding opportunities for corporates.

#### 4. Scale and Outreach:

- The Ministry of Ayush targets 1 lakh yoga session sites and participation of over 5 lakh people during the national event in Visakhapatnam led by the Prime Minister.
- The parks are designed to serve local communities year-round, with a one-year maintenance vision and inclusive access.

#### 5. Legal and Constitutional Backing:

- The campaign aligns with **Article 47** of the Constitution (Directive Principles of State Policy), which emphasizes the State's duty to improve **public health**.
- CSR funding support is backed by Section 135 of the Companies Act, 2013, which
  mandates certain companies to spend at least 2% of average net profit on CSR, including
  health and wellness initiatives.

#### 6. Yoga as a Public Health Tool:

 With over 5 crore households practicing yoga daily (NSSO data), the campaign taps into a billion-dollar yoga industry to promote sustainable, preventive, and accessible healthcare.

#### **Key Definitions**

- Yoga Park: A dedicated public space developed with wellness infrastructure to promote daily yoga, meditation, and health education as a preventive healthcare measure.
- **Preventive Healthcare:** A proactive approach to health focusing on disease prevention rather than treatment, through lifestyle practices like yoga, diet, and regular activity.

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• Corporate Social Responsibility (CSR): Legal obligation under the Companies Act, 2013, requiring eligible companies to spend on social, environmental, and community development initiatives.

#### Conclusion

The Yoga Park initiative marks a strategic convergence of public health, heritage, and corporate responsibility, reinforcing India's global leadership in yoga. With its emphasis on sustainability, decentralised wellness infrastructure, and community involvement, this campaign reflects the spirit of cooperative federalism and holistic health — vital pillars of India's socio-economic governance in the Amrit Kaal.

#### 2. 'Viksit Krishi Sankalp Abhiyan' Launched at OUAT, Bhubaneswar

Key Highlights for UPSC - In 5-6 Bullet Points

- 1. Launch of Viksit Krishi Sankalp Abhiyan (VKSA):
  - o The campaign was launched by Union Agriculture Minister Shri Shivraj Singh Chouhan at Odisha University of Agriculture and Technology (OUAT), Bhubaneswar.
  - VKSA is a nationwide agricultural outreach initiative, aiming to transform Indian agriculture through innovation, farmer-scientist collaboration, and infrastructure development.
- 2. Nationwide Engagement & Farmer-Scientist Interface:
  - The initiative is being conducted at 2,170 locations across India, involving over 16,000 agricultural scientists (primarily from ICAR) engaging directly with farmers.
  - The program encourages lab-to-land transfer of agricultural knowledge based on local agro-climatic conditions to boost productivity and address farmers' issues effectively.
- 3. Focus on Increasing Profitability and Reducing Costs:
  - Emphasis was laid on making agriculture a profitable business by reducing operational costs and increasing productivity.
  - Farmers are being supported with interest subsidies on agricultural loans through Kisan Credit Cards (KCCs) up to 4% central subsidy, and zero interest loans with state contribution.
- 4. Major Government Schemes Highlighted:
  - The Pradhan Mantri Fasal Bima Yojana (PMFBY) is being promoted to ensure crop loss compensation due to climate change.
  - Efforts include expanding irrigation coverage, with Odisha preparing plans to irrigate 15 lakh hectares of agricultural land.



#### 5. Promotion of Export-Oriented, Quality Agriculture:

- Shri Chouhan highlighted the goal of making India the "food bank of the world" self-sufficient for 145 crore people and capable of exporting globally.
- Odisha's agricultural products like **paddy, mango, organic rice, and turmeric** were praised for their quality and export potential.

#### 6. Constitutional and Legal Provisions Involved:

- o **Article 48** of the Constitution (DPSP): directs the State to organize agriculture and animal husbandry on modern and scientific lines.
- o Article 43: calls for securing a decent standard of life for all workers including farmers.
- Companies Act, 2013 (Section 135): allows companies to contribute to rural development under CSR, which can support VKSA objectives.

#### **Key Definitions**

#### • Annadata and Jeevandata:

Traditional and visionary roles of farmers — not just providers of food (Annadata), but also lifegivers (Jeevandata), who sustain national health, economy, and food security.

#### • Kisan Credit Card (KCC):

A government-backed scheme that provides **short-term credit** to farmers at subsidized interest rates for crop production and allied activities.

#### • Lab-to-Land Transfer:

The process of applying **scientific research and innovations** from laboratories directly in farming fields to enhance productivity and sustainability.

#### Conclusion

The Viksit Krishi Sankalp Abhiyan is a transformative step toward agricultural modernization, aiming to bridge the gap between scientific innovation and ground-level farming practices. With a focus on farmer empowerment, cost reduction, and export promotion, this campaign reflects India's vision of becoming a global food leader. Strengthening such initiatives aligns with constitutional values of social justice and economic development, reinforcing agriculture as a critical pillar in India's journey toward Viksit Bharat by 2047.

#### 3. NIRL and MAHAPREIT Join Hands to Establish a Green Energy JV in Maharashtra



#### 1. Joint Venture Formation for Renewable Energy Projects:

- o NLC India Renewables Limited (NIRL) and MAHAPREIT signed a Joint Venture Agreement (JVA) to establish a new Joint Venture Company (JVC) for green energy development in Maharashtra.
- o The JVC will begin with a **500 MW capacity** (Phase I), with an eventual target of **5000 MW** including **solar**, **wind**, **hybrid**, **floating solar**, **BESS** (**Battery Energy Storage System**), pumped storage and solar parks.



#### 2. Equity and Operational Responsibilities:

- o The JVC will have an equity distribution of 74% NIRL and 26% MAHAPREIT.
- MAHAPREIT will assist in land identification, allotment, and power evacuation infrastructure, while NIRL will manage project planning, financing, and implementation.

#### 3. Legal Framework for Power Sale – Electricity Act Provisions:

- The JVC will conduct power sales via competitive and regulated routes as per Section 62 and Section 63 of the Electricity Act, 2003.
  - Section 62: Regulated tariff by the appropriate Commission.
  - Section 63: Tariff determined through transparent competitive bidding.

#### 4. National Significance – Climate Commitments and Green Transition:

- The initiative supports India's Nationally Determined Contributions (NDCs) under the Paris Agreement, aligning with the aim to achieve 500 GW non-fossil energy capacity by 2030.
- The coal sector's participation in renewables signifies a strategic pivot towards decarbonization and energy diversification.

#### 5. Constitutional and Policy Framework:

- Article 48A of the Indian Constitution: Directive Principle to protect and improve the environment.
- National Electricity Policy, 2005 and National Renewable Energy Policy promote privatepublic participation and decentralized RE development.
- o Companies Act, 2013 (CSR provision under Section 135) may support community-level green infrastructure in association with such JVs.

#### 6. Technological and Strategic Impact:

- The venture will integrate modern green technologies like floating solar and BESS, making Maharashtra a pioneer in diversified RE technologies.
- It represents a model of centre-state cooperation and public-public partnership, involving a central PSU (NLC) and a state infrastructure entity (MAHAPREIT).

#### **Key Definitions**

- **BESS (Battery Energy Storage System):** A system that stores excess electricity (from solar/wind) and supplies it during demand peaks or low generation times.
- **Floating Solar:** Solar photovoltaic systems installed on the surface of water bodies to save land and improve panel efficiency due to cooling.
- **Decarbonization:** The process of reducing carbon dioxide emissions from energy systems, particularly by shifting from fossil fuels to renewables.

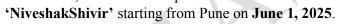


#### Conclusion

This Joint Venture between NIRL and MAHAPREIT signifies a robust institutional mechanism to boost renewable energy capacity in Maharashtra. It aligns with India's climate goals, promotes sustainable industrialization, and reinforces the coal sector's evolving role in a green economy. As India marches towards energy security and net-zero emissions, such collaborative models serve as scalable blueprints for balancing development and environmental sustainability — a critical theme for UPSC aspirants to understand within energy governance and environmental policy frameworks.

#### 4. IEPFA & SEBI Launch Pilot 'NiveshakShivir' in Pune

- 1. Launch of 'NiveshakShivir' Investor Empowerment Drive:
  - o Investor Education and Protection Fund Authority (IEPFA) under the Ministry of Corporate Affairs, in collaboration with SEBI, has launched a pilot initiative called





- o It is designed as a **one-stop solution** for resolving issues related to **unclaimed dividends, shares**, **KYC updates**, and **investor grievances**, promoting **direct interaction** with companies and Registrars and Transfer Agents (RTAs).
- 2. Grievance Redressal and Dividend Claim Facilitation:
- The initiative will eliminate
   intermediaries, ensuring immediate redressal through
   dedicated kiosks at the event.
- o Investors can directly **recover unclaimed dividends** held for **6–7 years**, file nominations, and resolve pending IEPFA-related claims **on-the-spot**.

#### 3. Significance for Financial Inclusion and Transparency:

- The NiveshakShivir strengthens financial literacy, transparency, and investor protection—all crucial aspects of inclusive financial governance.
- It supports the **Digital India** vision by simplifying processes and reducing bureaucratic delays in dividend claim procedures.

#### 4. Institutional Framework and Stakeholders:

- o IEPFA was established under Section 125 of the Companies Act, 2013, which mandates transfer of unclaimed dividends/shares after 7 years to the Investor Education and Protection Fund.
- o The **SEBI Act, 1992** empowers SEBI to regulate and protect investors' interests in securities markets through such collaborative efforts.

#### 5. Future Expansion and Stakeholder Participation:

 Pune is the first of many cities identified with high unclaimed investment volumes where more Shivirs will follow.



 Companies with high unclaimed dividend volumes are being invited to actively participate, thereby fostering corporate accountability and citizen-centric governance.

#### 6. Legal and Constitutional Relevance:

- Aligns with Article 38 of the Indian Constitution (Directive Principles of State Policy) which
  mandates the State to promote welfare of the people by securing a just and equitable
  economic order.
- Contributes to Good Governance and Ease of Doing Business by streamlining investorcompany engagement.

#### **Key Definitions**

- IEPFA (Investor Education and Protection Fund Authority): A statutory body under the Companies Act, 2013 to manage funds related to unclaimed dividends/shares and promote investor education.
- **Unclaimed Dividend:** Dividend not encashed by a shareholder within 7 years is transferred to the IEPF as per legal provisions.
- **KYC (Know Your Customer):** Regulatory process to verify identity of clients for financial services and compliance.

#### Conclusion

The launch of **NiveshakShivir** marks a progressive step towards **investor-centric governance**, by removing intermediaries, ensuring faster claim settlements, and building a more **transparent financial ecosystem**. For UPSC aspirants, this development underscores India's shift toward **financial empowerment**, **public service delivery reforms**, and the role of **statutory bodies** like SEBI and IEPFA in strengthening **institutional trust** and **citizen engagement in economic governance**.

#### 5. Miniratna Status Granted to MIL, AVNL & IOL

- 1. Miniratna Category-I Status Granted to Three DPSUs:
  - Raksha Mantri Rajnath Singh approved Miniratna (Category-I) status for Munitions India Limited (MIL), Armoured Vehicles Nigam Limited (AVNL), and India Optel Limited (IOL).
  - o This recognition enhances their autonomy in decision-making, including powers to invest up to □500 crore or equal to their net worth (whichever is lower), without government approval.
- 2. Background OFB Restructuring and New DPSUs:
  - The decision follows the transformation of the Ordnance
     Factory Board (OFB) into seven
     DPSUs from 01 October 2021, aimed



at increasing efficiency, innovation, and defence production self-reliance.

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o MIL and AVNL are **Schedule 'A'** DPSUs, while IOL is a **Schedule 'B'** DPSU under the **Department of Defence Production (DDP), Ministry of Defence**.

#### 3. Performance Highlights Justifying Miniratna Status:

- MIL: Sales rose from  $\square 2,571.6$  crore (FY 2021–22) to  $\square 8,282$  crore (FY 2024–25 prov.); Exports increased massively to  $\square 3,081$  crore.
- o **AVNL**: Sales nearly doubled to □4,986 crore; achieved **100% indigenization** of engines for T-72, T-90, and BMP-II combat platforms.
- o **IOL**: Sales increased to □1,541.38 crore; supplies advanced **opto-electronic systems** used in tanks, artillery, and naval guns.

#### 4. Legal & Administrative Framework:

- Miniratna status is governed under the guidelines issued by the Department of Public Enterprises (DPE), Government of India.
- o Under Article 73 and Article 246, the Union Government holds the power to legislate and administer matters related to defence and PSUs.

#### 5. Importance for 'Atmanirbhar Bharat' in Defence Sector:

- These advancements support the Make in India and Atmanirbhar Bharat Abhiyan, enhancing India's indigenous defence manufacturing capabilities and reducing import dependence.
- These DPSUs now have greater capacity to explore foreign markets, develop cutting-edge technologies, and contribute to strategic self-reliance.

#### 6. Broader Strategic Implications:

- o The move demonstrates a **public-sector-led defence production model**, combining autonomy with accountability.
- It also reflects India's push to modernize its armed forces by promoting technological innovation, export-oriented growth, and efficient asset utilization.

#### **Key Definitions**

- Miniratna Category-I: A status granted to profit-making central public sector enterprises (CPSEs) with a consistent record of net profit, net worth, and positive performance. It allows greater financial autonomy.
- **DPSU** (**Defence Public Sector Undertaking**): Government-owned companies that cater to the defence production needs of India.
- **Indigenization:** Process of developing and producing goods within the country to reduce dependence on foreign imports, especially in strategic sectors.

#### Conclusion

Granting Miniratna Category-I status to MIL, AVNL, and IOL marks a milestone in India's ongoing defence sector reforms. These entities, born from the restructuring of OFB, have not only demonstrated rapid growth but are now better positioned to scale production, enhance exports, and contribute to India's



defence self-reliance and economic sovereignty. For UPSC aspirants, this event is a classic case study of institutional reform, strategic autonomy, and public sector modernization in action.

#### 6. India-Mongolia Joint Military Exercise NOMADIC ELEPHANT 2025

- 1. 17th Edition of Exercise NOMADIC ELEPHANT Begins in Mongolia:
  - The Indian Army contingent, primarily from Arunachal Scouts, departed for the 17th edition of Exercise NOMADIC ELEPHANT, held from 31 May to 13 June 2025 in Ulaanbaatar, Mongolia.
  - The exercise is a **bilateral**, **annual joint military training event** conducted alternately in **India and Mongolia**. The 16th edition was held in **Umroi**, **Meghalaya in 2024**.

#### 2. Focus and Objectives of the Exercise:

- o Aim: Enhance interoperability in semi-conventional operations under UN mandate,
  - especially in semi-urban and mountainous terrain.
- Includes Platoon-level Field Training Exercise and modules on reflex shooting, endurance, room intervention, small team tactics, and rock craft.



## 3. Cyber Warfare Training Introduced:

 A significant new component of Cyber Warfare training has been introduced in this edition, reflecting growing concerns over non-traditional security threats in modern warfare.

#### 4. Strategic Importance in Regional Defence Diplomacy:

- Strengthens India-Mongolia defence ties and highlights India's broader strategy of military diplomacy, especially in East and Central Asia.
- Aligns with India's Act East Policy and Indo-Pacific strategy, aiming for regional stability, peace, and security.

#### 5. Troop Composition and Cultural Linkages:

- Indian contingent includes 45 personnel; Mongolian counterpart includes 150 troops from Special Forces.
- The exercise also promotes **military-to-military cultural understanding** and trust-building, reflecting centuries-old **Buddhist and civilizational ties**.

#### 6. Legal & Policy Context:

 The deployment is under India's strategic commitments within the United Nations Charter (Articles 1 & 43) and UN Peacekeeping doctrines.



Falls under India's military cooperation initiatives coordinated through the Ministry of
Defence, and Article 51 of the Indian Constitution, which promotes international peace and
security.

#### **Key Definitions**

- **Interoperability:** The ability of military forces from different countries to work together effectively through coordinated planning, communication, and training.
- **Platoon-level Exercise:** Military training conducted at the small unit level (~30–50 soldiers), focusing on tactical skills and combat coordination.
- **Cyber Warfare:** Use of digital attacks by one state to disrupt the computer systems of another, now an emerging domain in modern warfare.

#### Conclusion

The **Nomadic Elephant 2025** joint exercise exemplifies India's deepening defence ties with Mongolia and its commitment to **regional peace**, **capacity building**, **and strategic cooperation**. It reflects a nuanced approach to diplomacy through military engagement, preparation for asymmetric threats like **cyber warfare**, and India's increasing role in **UN peacekeeping readiness**. For UPSC aspirants, this is a model case of **strategic regional engagement**, **defence diplomacy**, **and security preparedness** in India's foreign policy framework.

#### 7. CDS at Shangri-La Dialogue 2025 - Strengthening India's Defence Diplomacy

- 1. CDS to Represent India at Shangri-La Dialogue 2025 in Singapore:
  - o General Anil Chauhan, Chief of Defence Staff (CDS), will attend the 22nd edition of the Shangri-La Dialogue from 30 May to 1 June 2025 in Singapore.
  - o The dialogue is hosted annually by the International Institute for Strategic Studies (IISS) and is regarded as Asia's premier defence and security summit.

#### 2. Key Focus Areas During the Visit:

- The CDS will hold bilateral meetings with counterparts and senior military leaders from countries including
   Australia, EU, France, Japan, USA, UK, Indonesia, Singapore, among others.
- He will deliver addresses on 'Future Wars and Warfare' and 'Defence Innovation Solutions for Future Challenges', interacting with academia, think tanks, and global strategic experts.



#### 3. Strategic Importance for India:

- o The visit reflects India's increasing emphasis on **defence diplomacy** and military engagement to secure its **strategic interests in the Indo-Pacific region**.
- Reinforces India's position as a **net security provider** and proactive player in ensuring regional **peace**, **stability**, **and maritime security**.



#### 4. About Shangri-La Dialogue:

- o A Track 1.5 diplomatic initiative, the forum facilitates open dialogue among defence ministers, military leaders, and strategic experts on evolving security dynamics.
- In 2025, leaders from over 40 nations are participating to deliberate on Indo-Pacific security challenges.

#### 5. Legal and Policy Framework Supporting Defence Diplomacy:

- The engagement is in line with **Article 51 of the Indian Constitution**, promoting international peace and fostering global cooperation.
- Also complements India's Defence Production & Export Policy 2020, Indo-Pacific Oceans Initiative (IPOI), and Act East Policy.

#### 6. Emerging Themes – Future Warfare and Innovation:

 Discussions include non-traditional threats, AI in warfare, cybersecurity, and military technology innovation, key to shaping India's preparedness for next-generation conflicts.

#### **Key Definitions**

- Defence Diplomacy: Peaceful use of defence resources and relationships to achieve foreign policy objectives.
- Track 1.5 Diplomacy: Semi-formal dialogue between official government representatives and non-governmental experts to resolve issues and build trust.

#### Conclusion

India's participation in the **Shangri-La Dialogue 2025** is a strong signal of its **strategic intent and global military outreach**. It boosts India's visibility in Indo-Pacific affairs and reinforces defence ties with key allies. For UPSC aspirants, this exemplifies **soft power through defence diplomacy**, **multilateral military cooperation**, and proactive engagement in **emerging global security architectures**, aligning with India's larger strategic and constitutional vision for **peaceful international relations and security preparedness**.

#### 8. Five-Yearly Appraisal & Approval of CSSs and CSs by Central Government (2025)

- 1. Appraisal of CSSs and CSs Aligned with 16th Finance Commission Cycle:
  - The Ministry of Finance has initiated a five-yearly review and approval process for Centrally Sponsored Schemes (CSSs) and Central Sector Schemes (CSs), starting from 1st April 2026, aligned with the 16th Finance Commission (FC) cycle.
  - The workshop was chaired by the Cabinet Secretary and attended by Secretaries of various Ministries, marking the formal beginning of this rigorous re-evaluation process.

## 2. Policy of Sunset Clause and Third-Party Evaluation:

 As per the 2016 Union Budget announcement, each scheme must have





- a sunset date and be subject to outcome-based third-party evaluation.
- Schemes that have fulfilled their purpose, are ineffective, or are redundant may be merged or discontinued, ensuring optimal use of public funds.

#### 3. Scale of the Review – Over 300 Schemes Under Appraisal:

- A total of 54 Centrally Sponsored Schemes and 260 Central Sector Schemes, expiring by 31st March 2026, are now under review.
- These schemes span across health, education, tribal welfare, agriculture, infrastructure, water, sanitation, environment, and research sectors.

#### 4. Differentiation Between CSSs and CSs (Key UPSC Definition):

- o Central Sector Schemes (CSs): Fully funded and implemented by the Central Government.
- Centrally Sponsored Schemes (CSSs): Jointly funded by Centre and States in predefined ratios; implemented by State Governments.

#### 5. Key Reform Themes Discussed:

- Adoption of Direct Benefit Transfer (DBT) via Aadhaar, elimination of duplication,
   'challenge mode' of financing, and convergence of schemes for efficiency.
- Push for real-time fund release ("just in time") and preventing parking of funds to increase capital efficiency.

#### 6. Institutional Mechanisms and Oversight:

 The Development Monitoring and Evaluation Office (DMEO) under NITI Aayog evaluates CSSs, while third-party evaluations are conducted for CSs by agencies selected by respective ministries.

#### **Key Definitions for UPSC**

- **Sunset Clause:** A policy mechanism by which a scheme is automatically discontinued after a specific date unless it is renewed following evaluation.
- **Direct Benefit Transfer (DBT):** A system to transfer subsidies and benefits directly into the beneficiaries' bank accounts, reducing leakage.
- Challenge Mode of Financing: Funds are allocated based on competitive proposals to encourage innovation and performance.

#### **Constitutional and Legal Provisions**

- **Article 282** of the Constitution empowers the Union or a State to make any grants for public purpose, including schemes outside its legislative competence.
- Article 280 mandates the constitution of the Finance Commission to recommend distribution of financial resources between Centre and States.



#### Conclusion

The Government's initiative to re-appraise Centrally Sponsored and Central Sector Schemes reflects its commitment to fiscal discipline, effective public spending, and evidence-based policymaking. By aligning schemes with Finance Commission cycles and applying sunset clauses and rigorous evaluations, India aims to ensure that its welfare and development programs are impactful, efficient, and relevant for its India@100 vision. For UPSC aspirants, this process exemplifies how fiscal federalism, public finance management, and policy evaluation mechanisms are institutionalized in Indian governance.

#### 9. Crackdown on Import Carriers and Smuggling of Toys, Gold, and Electronics

- 1. Government Crackdown on 'Import Carriers':
  - The Central Government is formulating a strategy to dismantle an illicit smuggling network
    operated by import carriers—individuals posing as regular tourists to smuggle in high-value
    goods (e.g., gold, Chinese toys, electronics) beyond permissible limits.
  - These smuggled items are **commercially distributed**, bypassing **customs duties**, causing revenue loss and posing national security risks.

#### 2. Regulatory Framework Under Customs Act, 1962:

- o Under Customs Act, 1962, Indian residents are allowed to bring goods worth up to □50,000 duty-free (□1 lakh for West Asian countries); exceeding this limit attracts customs duty.
- Use of passenger baggage provisions for commercial imports is illegal and punishable by confiscation, penalties, or prosecution.

#### 3. Proposed Reforms: AI Surveillance & Baggage Rule Update:

- The Commerce Ministry may request the Finance Ministry to update baggage rules, ensuring genuine passengers are not inconvenienced.
- Plans include:
  - Detailed digital declarations.
  - Annual cap on duty-free imports for frequent flyers from trade hubs (e.g., Dubai, Hong Kong, Guangzhou).
  - AI-based profiling and tracking via the CBIC's Atithi App to flag repeat offenders.

#### 4. Import of Banned Chinese Goods Despite Prohibition:

- o **Import of toys from China is banned** in India due to safety and quality concerns (e.g., non-conformity with BIS standards).
- However, such toys continue to be smuggled and sold, highlighting enforcement loopholes and market distortions.

#### 5. Economic Impact – Massive Revenue Loss & National Security Concern:

- o Smuggled gold alone causes losses of approx. \$10 billion annually.
- o In 2023–24, **Directorate of Revenue Intelligence (DRI)** seized over **1,300 kg** of gold; industry estimates suggest ~**700 kg is smuggled daily**.



 Such unchecked inflows affect formal retail markets, disrupt domestic manufacturing, and pose risks for terror financing.

#### 6. Call for Liberalized Trade Regime to Curb Smuggling:

- Policy experts advocate for a liberalized trade regime with reduced tariffs and fewer bans, making illegal trade economically unviable.
- This would allow **enforcement agencies to focus on real contraband** (e.g., drugs, arms), while normal trade can occur within legal frameworks.

#### **Key Definitions for UPSC**

- Import Carrier: An individual or agent who smuggles commercial goods under the guise of personal baggage using duty-free provisions meant for travelers.
- Atithi App: A digital platform by CBIC (2019) to simplify customs declarations for international passengers.
- Smuggling: The unauthorized movement of goods across borders to evade legal duties, bans, or regulations.

#### **Constitutional & Legal Provisions**

- **Article 265** No tax shall be levied or collected except by authority of law, reinforcing the illegality of tax evasion via smuggling.
- Customs Act, 1962 Governs import/export duties, baggage rules, and penalties for smuggling.
- Foreign Trade (Development and Regulation) Act, 1992 Allows government to regulate imports and ban certain items like Chinese toys.
- Prevention of Money Laundering Act (PMLA), 2002 Applicable if smuggling is linked with financial crimes.

#### Conclusion

India's crackdown on **import carrier smuggling** is a critical step toward **securing economic integrity**, **enhancing domestic manufacturing**, and curbing **illegal inflows of banned goods** like Chinese toys and gold. By updating **Customs rules**, leveraging **digital surveillance tools**, and promoting a **liberal but regulated trade environment**, the government aims to balance **ease of travel** with **national security and revenue protection**—an essential governance priority in the vision of **India @100**.

#### 10. Labour Productivity Key to Becoming a Developed Nation

- 1. Labour Productivity as a Catalyst for Viksit Bharat Vision:
  - Improving labour productivity is essential to India's goal of becoming a developed, high-income nation by 2047, as outlined under the 'Viksit Bharat' vision.

Labour productivity
main driver of
economic growth
Accounting for:
92% in developing economies
86% in developed economies
of GDP per capita growth

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 It will help uplift living standards, generate quality employment, and sustain economic momentum in the coming decades.

#### 2. India's Demographic Advantage Must Be Leveraged:

- o India has a labour force three times larger than that of the US, despite having half its economic size in Purchasing Power Parity (PPP) terms.
- o To realize the potential of this **demographic dividend**, focus is needed on **absorbing underutilized segments**, particularly **women and youth**.

#### 3. Comparative Labour Productivity Lag:

- While India's labour productivity is improving, it still lags behind China and ASEAN nations.
- Countries like UK and Canada face productivity stagnation, offering India an opportunity to leap ahead by addressing its productivity gaps.

#### 4. Private Sector Role & Wage Aspiration Mismatch:

- o The **private sector must create better jobs** to match rising public aspirations, as **real wages** have not kept pace with **productivity growth**.
- Bery noted that queues for government jobs are a sign of discontent when private-sector employment fails to meet expectations.

#### 5. Global Integration & Competitiveness Strategy:

- o India should pursue free trade agreements (FTAs), enter high-value sectors, and diversify import sources to remain globally competitive.
- Competitiveness should expand beyond manufacturing to services, aligning with India's comparative advantages.

#### 6. Judicious Liberalization & Economic Reforms 2.0:

Echoing the success of 1991 liberalization, Bery called for a second wave of liberalization in 2025, emphasizing a balanced mix of self-reliance (Aatmanirbharta) and global engagement to propel productivity-led growth.

#### **Key Definitions for UPSC**

- Labour Productivity: The output per worker or output per hour worked in an economy. It reflects efficiency and is key to improving real wages and living standards.
- **Demographic Dividend:** The economic benefit arising from a **larger share of working-age population** in the total population, if effectively utilized.
- Viksit Bharat @2047: India's vision to become a developed nation by 2047, the centenary of its independence.



#### **Constitutional & Legal Provisions**

- **Directive Principles (Article 38 & 39):** Mandate the State to ensure **social and economic justice**, equal pay, and **adequate means of livelihood**, closely linked to productivity and employment generation.
- Labour Codes (2020): Aimed at improving ease of compliance and worker welfare, these can play a critical role in **enhancing productivity** through **formalization and regulation** of labour markets.
- National Policy on Skill Development and Entrepreneurship (2015): Framework to enhance skills and productivity, especially for youth and women.

#### Conclusion

Labour productivity is the engine of sustained growth and equity in India's march toward becoming a developed nation by 2047. By channeling the demographic dividend, embracing economic reforms, and improving global competitiveness through trade and technology, India can unlock its true economic potential. Policy, industry, and skilling institutions must converge to ensure that productivity translates into dignity, opportunity, and prosperity for every Indian.

#### 11. The Case for a Special Fiscal Package for Andhra Pradesh

- 1. Post-Bifurcation Fiscal Distress of Andhra Pradesh:
  - After the bifurcation in 2014, Andhra Pradesh lost Hyderabad, its primary tax and revenue base, to Telangana.
  - Despite Parliamentary assurance by then PM Manmohan Singh for Special Category Status (SCS), the Andhra Pradesh Reorganisation Act, 2014 made no provision for it.
- 2. Structural Fiscal Handicaps and Freebies Pressure:
  - The State currently faces **severe financial distress**, worsened by **unsustainable populist schemes** under successive governments.
  - Electoral freebies have exacerbated the deficit but do not obligate central intervention under cooperative federalism.
- 3. Dilution of Special Category Status (SCS):



The 14th Finance Commission recommended discontinuation of SCS, reducing it to concessional external loans (e.g., from World Bank), stripping it of earlier Plan-based benefits.

### States and finances

Change in per capita own revenue after bifurcation

S.No.	State	Year	Per capita own revenue (₹)	Change in per capita own revenue
1.	Uttar Pradesh (Mother)	2001/02	759	
	– Uttar Pradesh (Rump)		729	(-) 4%
	- Uttarakhand		1,335	(+) 75.9%
2.	Madhya Pradesh (Mother)	2001/02	1,108	
	– Madhya Pradesh (Rump)		1,041	(-)6%
	– Chhattisgarh		1,303	(+) 17.6%
3.	Bihar (Mother)	2001/02	459	
	- Bihar (Rump)		314	(-)31.6%
	- Jharkhand		905	(+)97.2%
4.	Andhra Pradesh (Mother)	2015/16	11,730	
	– Andhra Pradesh (Rump)		9,007	(-)23.2%
	– Telangana		15,623	(+)33.2%

NB: The figures relate to the year after the division of States

Source: Comptroller and Auditor General of India: Finance Accounts



#### 4. Case for a Special Fiscal Package:

- Alternative precedent-based special packages (e.g., for Bundelkhand, Koraput-Balangir-Kalahandi, and Bihar 2015) demonstrate the Centre's discretionary support for states under distress.
- However, such ad hoc packages undermine fiscal federalism; thus, a Finance Commission-recommended package would be more constitutional, apolitical, and transparent.

#### 5. Fiscal Capacity Loss Justifies Special Support:

- States like Andhra Pradesh and Bihar suffered >10% drop in per capita own revenue postbifurcation—unlike MP or UP.
- o A formula-based compensatory mechanism by the **Finance Commission** could fairly assess and restore fiscal balance.



#### 6. Role of the Finance Commission & Fiscal Federalism:

- o Under Article 280, the Finance Commission has a constitutional mandate to recommend mechanisms for equitable fiscal distribution.
- A formulaic approach for compensating post-bifurcation fiscal losses can strengthen cooperative and fiscal federalism.

#### **Key Definitions for UPSC**

- Special Category Status (SCS): A now-defunct designation for economically and geographically disadvantaged states, entitling them to higher central assistance, 75:25 funding ratio, and tax concessions
- **Fiscal Federalism:** Refers to the division of financial powers and responsibilities among levels of government (Union and State) in a **federal structure**, ensuring **equity and autonomy**.
- Finance Commission: A constitutional body (Article 280) constituted every 5 years to recommend the distribution of taxes between Centre and States, and grant-in-aid principles.

#### **Constitutional & Legal Provisions**

- **Article 280:** Empowers the Finance Commission to recommend devolution of funds and grants to States.
- Andhra Pradesh Reorganisation Act, 2014: Legislation for bifurcation of Andhra Pradesh into Telangana and residual Andhra Pradesh, silent on SCS.
- Article 275: Provides for grants-in-aid to certain States as recommended by the Finance Commission.
- Cooperative Federalism: Implied in the Preamble and Part XI of the Constitution, emphasizing collaborative Centre–State relations in fiscal matters.

#### Conclusion

Andhra Pradesh's post-bifurcation fiscal crisis presents a compelling case for a Finance Commission-recommended special package, rather than diluted or ad hoc political concessions. Upholding the spirit of fiscal federalism, a formula-based, objective mechanism to address structural losses will ensure equity, stability, and constitutional integrity in India's financial governance.

#### 12. Three-Year Legal Practice Mandate for Judicial Services

## Background of the Judgment

 On May 20, 2024, the Supreme Court reinstated the requirement of three years of legal practice for candidates applying to entry-level judicial services.





• This reversed the **2002 SC ruling**, restoring the **1993 requirement** as originally laid down in the *All India Judges Association Case*.

#### **Key Issues and Arguments**

- **Supporters** argue that courtroom exposure improves judicial performance, emotional maturity, and decision-making quality.
- **Critics** counter that 3 years of practice is often **not meaningful**, with junior advocates usually handling clerical tasks like adjournments, not real legal arguments.
- There is **no empirical evidence** showing that this rule significantly improves judicial outcomes.
- The **Bar Council of India (2021)** stated that inexperienced judges struggle with handling legal matters, supporting practical exposure.

#### **Challenges and Concerns**

- **Training vs. Practice**: Judicial academies are currently **under-equipped** to provide real-world training. However, relying only on courtroom experience may still not solve core systemic issues.
- Access and Equity: This requirement may disproportionately impact:
  - o Marginalised and poor aspirants who cannot afford unpaid litigation years.
  - o Women candidates, due to societal and economic constraints in litigation careers.
- Exclusion risk: Without proper monitoring, the requirement risks becoming a mere formality, lacking clear guidelines for assessment.

#### **Constitutional and Legal Provisions**

- Article 234: States that judicial service recruitment must be governed by the State Executive in consultation with the State Public Service Commission and respective High Courts.
- Critics argue that the **Supreme Court's mandate infringes upon executive powers**, amounting to "courtroom policymaking", which violates the **separation of powers** principle.

#### **Institutional and Policy Implications**

- The move may reduce the **talent pool**, delay recruitment, and make judicial service **less attractive**, especially when **District Judge exams** offer faster promotions and better perks.
- Could **impede diversity**, especially **gender diversity**, in the lower judiciary, as shown by **India Justice Report 2025** (women judges rose from 30% in 2017 to 38.3%).

#### **Important Definitions**

- **Judicial Service**: Recruitment of law graduates to the **civil judge or magistrate level** in State judiciary systems through competitive exams.
- Courtroom Policymaking: When courts make policy decisions rather than interpret laws, often stepping into the domain of the legislature or executive.

#### Conclusion

• While **real-life experience** in law practice is undeniably useful, mandating it through judicial verdicts without **empirical support or stakeholder consultation** raises serious concerns.



- The reform must be rooted in **data**, **equity**, **and practicality**, ensuring **diverse and capable talent** enters the judiciary without unnecessary entry barriers.
- A more balanced approach would be to **strengthen training**, offer **flexible pathways**, and **respect constitutional boundaries** in policymaking.

#### 13. Autonomous Warfare in Operation Sindoor

#### 1. Rise of Autonomous Warfare and Drone-Centric Combat

- *Definition*: **Autonomous Warfare** refers to the use of Artificial Intelligence (AI)-enabled unmanned systems (UAS) capable of conducting operations with minimal or no human input.
- **Operation Sindoor** (May 2025) marked India's first large-scale deployment of autonomous aerial platforms, including armed drones and loitering munitions, in direct combat with Pakistan.
- This operation introduced a new "pilotless deterrence paradigm" in South Asia, avoiding full-scale war while applying calibrated, cross-border strikes.

#### 2. Strategic Use of UAVs & Loitering Munitions

- India deployed Israeli Heron Mk-II and indigenous TAPAS-BH-201/Rustom-II UAVs for ISR (Intelligence, Surveillance, Reconnaissance).
- Armed UAVs and kamikaze drones like Harop and Nagastra-1 conducted precision strikes against radar systems and military installations.
- Swarm drones and electronic decoys were used for radar saturation, baiting enemy air defences, and disrupting command nodes.



#### 3. India's Integrated Air Defence and Information Warfare

- India successfully used multi-layered air defence systems, combining:
  - Legacy platforms (ZSU-23-4, L/70 Bofors)
  - o Modern systems: SPYDER, Akash, Barak-8, S-400 'Sudarshan Chakra'.
- These were centrally networked via the **Integrated Air Command and Control System (IACCS)** and **Akashteer system**, allowing real-time targeting and response.
- India claimed to have downed ~600 Pakistani drones, asserting dominance in both kinetic and information warfare domains.

#### 4. Pakistan's Retaliatory Strategy

- Pakistan launched Operation Bunyan-um-Marsoos, using UAVs like Shahpar-II, Bayraktar TB2, CH-4, Wing Loong-II, and CH-901 loitering munitions.
- Despite wide targeting across India's western front, most Pakistani strikes were neutralized by India's air defence, causing **minimal strategic damage**.



#### 5. Legal, Constitutional and Strategic Dimensions

- Article 51(c) of the Indian Constitution promotes respect for international law and obligations under international treaties—relevant in cross-border UAV usage under *jus ad bellum* and *jus in bello* frameworks.
- Autonomous warfare necessitates clear military doctrines, Rules of Engagement (RoE), and international norms to ensure compliance with International Humanitarian Law (IHL) and prevent escalation between nuclear-armed states.

#### 6. Significance for Future Warfare and India's Defence Posture

- Operation Sindoor demonstrated India's growing indigenous defence capabilities, public-private R&D synergy, and AI integration in military platforms.
- India's operational success underscored a shift from **personnel-intensive warfare to algorithmic**, **technology-led deterrence**.
- Directed Energy Weapons (DEWs) like lasers and microwave systems were reportedly field-tested, marking a future battlefield trend.

#### Conclusion

Operation Sindoor was not merely a tactical engagement but a **strategic inflection point** marking the arrival of autonomous, algorithm-driven warfare in South Asia. It showcased India's evolving defence ecosystem, AI-based deterrence, and its preparedness for future conflicts where **drones**, **data**, and **digital coordination** will redefine the battlefield. For UPSC aspirants, this operation offers rich insights into **emerging defence technologies**, **strategic doctrines**, and **civil-military integration** essential for India's national security.