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# **VIDHVATH IAS KAS ACADEMY & STUDY CENTRE**

## **DAILY CURRENT AFFAIRS**

**FOR UPSC CIVIL SERVICE EXAMINATION**

**DATE: 21/02/2026 (SATURDAY)**



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## 1. U.S. Supreme Court Strikes Down Trump's Emergency Tariffs: An Analysis

The U.S. Supreme Court (SCOTUS), in a landmark 6-3 ruling on February 20, 2026, invalidated the sweeping "reciprocal" tariffs imposed by President Donald Trump. The court held that the executive branch overstepped its constitutional mandate by using emergency laws to levy taxes, a power reserved exclusively for the legislature.

### Key Summary Points for UPSC

- **Judicial Overrule of Executive Action:** The court nullified tariffs imposed under the **International Emergency Economic Powers Act (IEEPA) of 1977**, ruling that "regulating" commerce does not equate to the power to "tax" or "impose duties."
- **Separation of Powers:** Chief Justice John Roberts emphasized that the U.S. Constitution vests the **Taxing Power** solely in Congress (Article I), and the President has no inherent authority to impose tariffs during peacetime.
- **The "Major Questions" Doctrine:** The majority applied this doctrine, asserting that for issues of "vast economic and political significance," the executive must have clear, explicit authorization from Congress, which the IEEPA lacked regarding revenue generation.
- **Economic Impact:** The ruling affects over **\$133 billion** in collected revenue (as of late 2025) and impacts broad reciprocal duties levied on almost every trading partner, including India.
- **India-Specific Context:** While the specific "reciprocal" tariffs (which at one point reached 18-25% for India) were struck down, a new **10% temporary global surcharge** was immediately proposed by the administration under Section 122 of the Trade Act of 1974.
- **Survival of Other Levies:** The ruling does not affect tariffs imposed under other specific laws, such as **Section 232** (National Security) or **Section 301** (Unfair Trade Practices), which remain in force.



### Constitutional & Legal Provisions

- **U.S. Constitution (Article I, Section 8):** Grants Congress the power to lay and collect Taxes, Duties, Imposts, and Excises.
- **International Emergency Economic Powers Act (IEEPA), 1977:** A law intended to let the President freeze assets or block financial transactions during national emergencies; the court ruled this cannot be used as a "switch" to rewrite the tariff code.
- **Section 122 (Trade Act of 1974):** Allows the President to impose a temporary import surcharge (up to 15%) for 150 days to address balance-of-payment deficits.
- **Major Questions Doctrine:** A principle used by the judiciary to reject agency/executive actions that have major economic impact unless Congress has clearly spoken on the matter.



## Key Definitions

- **Reciprocal Tariffs:** Trade duties imposed by a country on imports from another country specifically to match the tariff levels that the second country imposes on its own exports (the "eye-for-an-eye" trade policy).
- **Ad Valorem Tax:** A tax whose amount is based on the value of a transaction or of property (e.g., a 10% tariff on the value of an imported car).
- **Emergency Powers:** Statutory authorities granted to the Executive to act quickly during crises, which often face legal scrutiny when used for long-term economic policy.

## Conclusion

The SCOTUS ruling marks a significant check on executive overreach, reinforcing the principle that trade-related taxation is a legislative prerogative. For global trade, this brings a temporary reprieve from the "reciprocal" regime but introduces a new phase of litigation and uncertainty as the administration pivots to alternative legal statutes (like Section 122) to maintain its protectionist agenda.

## UPSC Relevance

- **General Studies II (International Relations):** Impact of U.S. trade policies on India-U.S. bilateral relations and global trade stability.
- **General Studies II (Polity):** Comparative study of "Separation of Powers" and "Executive vs. Legislative" authority in democratic setups (U.S. vs. India).
- **General Studies III (Economy):** Effect of global tariff wars on Indian exports, MSMEs, and the broader global supply chain.

## 2. Judicial Intervention for Right to a Clean Environment: Delhi HC Ruling

The Delhi High Court recently delivered a significant judgment reinforcing the expansion of Article 21, asserting that the proximity of an open garbage bin and public urinal to a residential property constitutes a violation of the constitutional right to a healthy life.

- **Core Ruling:** The Court held that living in a hygienic environment is an integral aspect of the "Right to Life" and that the presence of such structures right next to a home creates a "nuisance" that frustrates the right to live with dignity.
- **Directives to Civic Bodies:** Justice Amit Bansal directed the Municipal Corporation of Delhi (MCD) to demolish and remove both the unauthorized open dustbin and the urinal within a strict timeframe of four weeks.
- **Emphasis on Stench and Health:** The Court noted that such facilities result in an unbearable stench and deplorable living conditions, empathizing with residents who are forced to endure these sanitary hazards.
- **Rejection of Maintenance Claims:** Despite the MCD's status report claiming regular cleaning and inspection, the Court prioritized the physical location and the inherent nature of "open" waste disposal as a fundamental rights violation.





- **Legal Precedent:** This ruling follows a long line of Indian jurisprudence that transitions the "Right to Life" from mere animal existence to a qualitative existence involving clean air, water, and surroundings.

### Constitutional and Legal Provisions

- **Article 21 of the Constitution:** Guarantees the Protection of Life and Personal Liberty. The judiciary has consistently interpreted this to include the right to a clean environment and the right to health.
- **Article 48A (DPSP):** Mandates that the State shall endeavor to protect and improve the environment.
- **Article 51A(g) (Fundamental Duties):** Imposes a duty on every citizen to protect and improve the natural environment.
- **Section 268 of the Indian Penal Code (IPC):** Pertains to "Public Nuisance," defined as an act or illegal omission which causes any common injury, danger, or annoyance to the public or to the people in the vicinity.
- **Municipal Corporation Acts:** Local laws that mandate civic bodies to ensure proper sanitation and waste management without infringing on the private rights of residents.

### Key Definitions

- **Public Nuisance:** An unlawful act or omission that obstructs, damages, or inconveniences the rights of the community or a specific neighborhood.
- **Right to Dignity:** A facet of Article 21 which ensures that a person's life is not merely about breathing, but living in conditions that respect human worth and health.
- **Writ of Mandamus:** The legal vehicle often used in such cases (Article 226 for High Courts) to command a public authority to perform its legal duty—in this case, the removal of the nuisance.

### Conclusion

This judgment serves as a stern reminder to urban planning authorities that administrative convenience or "regular cleaning" cannot override the fundamental rights of citizens. By characterizing open urinals and garbage bins as a violation of Article 21, the Delhi High Court has strengthened the legal framework for "Environmental Jurisprudence" in urban India, holding municipal bodies strictly accountable for the placement of public utilities.

### UPSC Relevance

- **GS Paper II (Polity):** Important for topics related to Fundamental Rights, Judicial Activism, and the evolution of Article 21. It also highlights the functioning and accountability of Local Bodies (MCD).
- **GS Paper IV (Ethics):** Can be used as a case study for "Public Service Delivery" and the ethical responsibility of the state to ensure a dignified life for its citizens.
- **Essay Paper:** A pertinent example for themes involving Urbanization, Sanitation (Swachh Bharat Abhiyan), and the Quality of Life in Indian metropolises.



### 3. Localization of SDGs: Bela Gram and the Rise of Net-Zero Panchayats

The transformation of Bela Gram in Maharashtra into India's first net-zero panchayat highlights the critical role of decentralized governance in achieving national climate targets. This grassroots model, showcased at Mumbai Climate Week 2026, emphasizes that climate action is most effective when led by local leadership and community participation.

- **Community-Led Climate Action:** Bela Gram achieved net-zero status through a "bottom-up" approach, focusing on massive afforestation (90,000+ trees), transitioning from traditional biomass to LPG, and achieving 100% waste segregation.
- **The "Prosumer" Revolution:** Success stories like Kerala's Perinjalam (Solar Gramam) demonstrate the economic viability of renewables, where 850 households became "prosumers" (producing and consuming solar energy), reducing electricity bills by 80%.
- **Decentralized Resource Management:** Tribal regions like Siyari (Jharkhand) utilized the District Mineral Foundation (DMF) to pivot from coal dependency to solar lift irrigation and lake revival, proving that even mining-affected areas can transition to green energy.
- **Nature-Based Solutions (NbS):** Local interventions such as the construction of mud check dams and boulder dams in Bihar, and lake revival in Karnataka, have mitigated the impacts of erratic monsoons and groundwater depletion.
- **Integration of Awards and Incentives:** Recognition through the Rashtriya Panchayat Puraskar and Vasundhara Award acts as a catalyst, encouraging competitive federalism at the village level to meet Sustainable Development Goals (SDGs).
- **Policy Recommendation:** Grassroots leaders advocate for making solar rooftops mandatory for new constructions, moving toward a "people-centric" energy transition that balances development with ecological integrity.



#### Constitutional and Legal Provisions

- **73rd Constitutional Amendment Act, 1992:** Mandates the creation of Panchayati Raj Institutions (PRIs). The 11th Schedule contains 29 subjects, including Agriculture, Social Forestry, and Non-conventional Energy, which empower villages to act on climate.
- **Article 243G:** Endows Panchayats with the authority to prepare plans for economic development and social justice, forming the legal basis for "Local Climate Action Plans."
- **MMDR Amendment Act, 2015:** Established the **District Mineral Foundation (DMF)**, a non-profit trust in mining-affected districts to be used for the interest and benefit of persons and areas affected by mining-related operations.
- **Article 48A:** Directive Principle of State Policy (DPSP) instructing the State to protect and improve the environment and safeguard forests and wildlife.

#### Key Definitions

- **Net-Zero Panchayat:** A village-level administrative unit where the amount of greenhouse gas emissions produced is offset by an equivalent amount removed from the atmosphere through carbon sinks or renewable energy.



- **Prosumer:** A consumer who also produces value (in this context, electricity via rooftop solar panels) and feeds the surplus back into the grid.
- **Solar Lift Irrigation:** A method of irrigation that uses solar energy to power pumps to lift water from a lower elevation (rivers, ponds) to agricultural fields.
- **Carbon Sink:** Anything that absorbs more carbon from the atmosphere than it releases—for example, the 90,000 trees planted in Bela Gram.

## Conclusion

The evolution of Bela Gram and its peers signifies a shift from "global policy" to "local practice." By leveraging constitutional powers and innovative funding like the DMF, Indian villages are proving that the path to India's 2070 Net-Zero target passes through its 2.5 lakh Gram Panchayats. These models provide a scalable blueprint for climate resilience that prioritizes both planetary health and local livelihoods.

## UPSC Relevance

- **GS Paper II (Polity & Governance):** Decentralization of power, role of PRIs in achieving SDGs, and the impact of the 73rd Amendment on environmental governance.
- **GS Paper III (Environment & Economy):** Climate change mitigation strategies, renewable energy transition, and the importance of District Mineral Foundations (DMF) in sustainable development.
- **Essay & Ethics:** Ideal for topics on "Thinking Globally, Acting Locally," grassroots leadership, and the ethics of sustainable development.

## 4. Gen Z and the Dynamics of Democratic Engagement: A Shift in Political Subjectivity

The emergence of Generation Z (born 1997–2012) as a political force marks a transition from traditional, ideology-driven movements to episodic, digitally-mediated protests. In countries like Bangladesh and Nepal, this generation has demonstrated that despite being labeled as "politically disengaged," their unique blend of radical individualism and digital fluency can challenge authoritarian structures more effectively than previous mass mobilizations.

- **From Emissaries to Exemplars:** Unlike previous generations that acted as "emissaries" of specific ideologies (Socialism, Liberalism), Gen Z operates as "exemplars." Their politics is rooted in personal conduct and lived experience rather than abstract propositions or long-term party affiliations.
- **Episodic vs. Organized Movements:** Gen Z favors "flash-in-the-pan" mobilizations that are leaderless and spontaneous. While the Farmers' Movement (2020-24) relied on sustained leadership and formal organization, Gen Z protests (e.g., Bangladesh 2024) are fleeting but high-impact, often fizzling out once immediate accountability is sought.
- **The "Personal is Political" Paradox:** For Gen Z, the personal is political, but the political is not personal. They respond readily to immediate hierarchies and injustices affecting their dignity but often lack a structural or historical understanding of those same power dynamics.
- **Digital Subjectivity and Mental Health:** This is the first generation to prioritize mental health and "self-introspection" over toxic masculinity or stoicism. Their political engagement is often a





reflection of their "mental despair" caused by a lack of economic opportunities despite social democratization.

- **Consumption as an Equalizer:** For Gen Z, access to technology and global fashion acts as a secularizing force. Ownership of global commodities is often seen as a greater source of dignity than traditional ascriptive identities like caste or religion, though this same digital access can sometimes fuel hyper-nationalism.
- **Impact on Democratic Backsliding:** In an era of unresponsive governance, Gen Z serves as a "renewed source of hope." Their ability to mobilize via virtual platforms creates a new substratum of democracy based on shifting moral practices and collective emotions rather than just institutional frameworks.

### Constitutional and Legal Context

- **Article 19(1)(a) & (b):** The fundamental right to freedom of speech and expression, and to assemble peaceably without arms. Gen Z utilizes digital spaces to exercise these rights, often bypassing traditional media censorship.
- **Right to Privacy (Article 21):** Established in the *Puttaswamy* judgment, this is central to Gen Z's political subjectivity, as much of their "rebellion" and "self-making" occurs in private, digital spheres.
- **IT Act, 2000 & Digital India:** While the state uses these for governance, Gen Z uses the digital infrastructure for "leaderless" mobilization, creating a legal tension between state regulation and digital freedom of expression.
- **Universal Adult Franchise (Article 326):** As Gen Z enters the electoral roll in massive numbers, their "non-ideological" and "market-integrated" worldview is expected to disrupt traditional vote-bank politics based on caste and creed.

### Key Definitions

- **Political Subjectivity:** The internal world of an individual—their emotions, thoughts, and self-conception—that determines how they engage with power and authority.
- **Ascriptive Identity:** Social identity assigned at birth, such as caste, religion, or ethnicity, which Gen Z increasingly challenges through global consumption and digital presence.
- **Hyper-nationalism:** A form of nationalism characterized by extreme assertiveness and a focus on projecting ambitious future claims (e.g., space missions) rather than historical chauvinism.
- **Prosumer/Market Imaginaries:** The idea that a generation defines its identity and social standing through what it consumes and how it represents itself in the global market.

### Conclusion

Gen Z represents a "recipe" where the ingredients of the old world have melted into a new, often unpredictable form. While their protests may seem fragmented and their involvement fleeting, their insistence on transparency, dignity, and mental well-being challenges the "malaise" of democratic backsliding. They may not follow the traditional scripts of revolution, but their ability to disrupt the status quo through a mix of confidence and anxiety makes them the most significant variable in modern democratic survival.



## UPSC Relevance

- **GS Paper II (Governance & Polity):** Role of civil society and pressure groups; the changing nature of public protests; impact of digital technology on democratic participation.
- **GS Paper I (Social Issues):** Impact of globalization on youth; transformation of traditional identities (caste/religion); and the generational shift in Indian society.
- **GS Paper IV (Ethics):** The recalibration of ethics and values in a digital age; the role of "individualism" versus "collective struggle" in a just society.

## 5. Bhasha Matters: Mother-Tongue-Based Multilingual Education (MTB-MLE) in India

The release of UNESCO's 7th State of the Education Report (2025) titled "Bhasha Matters" underscores the imperative of integrating mother tongues into the formal schooling system. With nearly 44% of Indian children entering schools where the medium of instruction differs from their home language, bridging this linguistic gap is essential for achieving foundational literacy and numeracy (FLN).

- **The Linguistic Crossroads:** India possesses an unparalleled linguistic wealth with 121 constitutionally recognized languages and over 1,300 mother tongues. UNESCO argues that this diversity is a national asset that must be leveraged for cognitive development rather than treated as a logistical barrier.
- **Pedagogical Significance of MTB-MLE:** Research indicates that children learn best when taught in a language they fully understand. Instruction in an unfamiliar tongue creates a "learning burden" where students struggle to decode language instead of grasping core academic concepts, often leading to higher dropout rates.
- **Policy Alignment (NEP 2020):** The National Education Policy 2020 and subsequent National Curriculum Frameworks (2022/2023) mandate the use of the child's home language or mother tongue as the primary medium of instruction in early years to ensure inclusive and equitable education.
- **Digital and AI Interventions:** Initiatives like **BHASHINI** (BHash-based ANd Intelligent Node for InclusioN in India) and **AI4Bharat** utilize artificial intelligence to create local-language content and document endangered languages, facilitating a modern approach to multilingualism.
- **State-Level Success Stories:** Odisha's program covering 21 tribal languages and Telangana's use of DIKSHA-enabled multilingual resources serve as scalable models for "bottom-up" linguistic inclusion.
- **Proposed National Mission:** The UNESCO report recommends a **National Mission for Mother-Tongue-Based Multilingual Education** to coordinate systemic reforms across ministries, ensuring that small-scale pilots transition into nationwide educational standards.



## Constitutional and Legal Provisions

- **Article 350A:** Mandates that every State and local authority endeavor to provide adequate facilities for instruction in the mother-tongue at the primary stage of education to children belonging to linguistic minority groups.



- **Article 29:** Protects the right of any section of citizens residing in India having a distinct language, script, or culture of its own to conserve the same.
- **Article 343 & Eighth Schedule:** Provides the framework for Official Languages. Currently, the 8th Schedule recognizes 22 languages, but the demand for including more (like Tulu or Kodava) persists.
- **Right to Education (RTE) Act, 2009:** Section 29(2)(f) specifies that, as far as practicable, the medium of instruction shall be in the child's mother tongue.

### Key Definitions

- **MTB-MLE:** A structured program where school instruction begins in the child's mother tongue and gradually transitions to additional languages (State language or English).
- **Foundational Literacy and Numeracy (FLN):** The ability of a child to read with meaning and solve basic math problems by the end of Grade 3.
- **Linguistic Backsliding:** The loss of proficiency in a native language due to the dominance of a "prestige" language in education and administration.
- **Bilingual Learning Materials:** Educational resources (textbooks/digital content) that present information in two languages simultaneously to facilitate comprehension.

### Conclusion

Embracing "Bhasha" is not merely a cultural sentiment but a scientific necessity for cognitive development. India's transition toward MTB-MLE, supported by the UNESCO 2025 roadmap, positions linguistic diversity as a driver of social equity. By aligning technological innovation (AI) with constitutional mandates, India can ensure that no child is "silenced" in the classroom by a language barrier, making education truly democratic and inclusive.

### UPSC Relevance

- **GS Paper II (Social Justice & Governance):** Issues relating to development and management of Social Sector/Services relating to Education; protection of interests of linguistic minorities.
- **GS Paper I (Society):** Diversity of India; Linguistic regionalism vs. National integration.
- **Essay Paper:** Themes around "Language as a tool for Empowerment," "Education for All," or "Preserving Heritage in a Globalized World."

## 6. India's Strategic Balance: 'Observer' Status at the Gaza Board of Peace

The Ministry of External Affairs (MEA) confirmed India's participation as an "observer" in the inaugural Board of Peace for Gaza meeting in Washington D.C. This move highlights India's nuanced diplomatic maneuvering in the Middle East, balancing its deepening strategic partnership with Israel alongside its historical commitment to the Palestinian cause.

- **Observer Role at Gaza Board of Peace:** India, represented by Namgya Khampa (DCM to the U.S.), attended the first meeting of the Board of Peace for Gaza, signaling its interest in the regional stability framework without taking a primary mediating role.





- **Support for Global Peace Plans:** India officially backed the Gaza Peace Plan initiated by the U.S. administration and aligned its stance with the mandates of UNSC Resolution 2803, emphasizing a multilateral approach to ending the conflict.
- **Reiteration of the Two-State Solution:** The MEA reaffirmed India's long-standing position favoring a "sovereign, independent, and viable state of Palestine," specifically based on the internationally recognized 1967 borders.
- **Diplomatic Nuance on Settlements:** After an initial delay, India signed a joint statement at the UN (endorsed by 85 nations) criticizing Israel's expansion of settlements in the West Bank, demonstrating that New Delhi remains critical of actions that undermine the viability of a future Palestinian state.
- **Pre-Visit Dynamics:** These diplomatic engagements occur against the backdrop of Prime Minister Modi's upcoming visit to Israel, necessitating a delicate "de-hyphenation" strategy to maintain ties with both Israel and the Arab world.
- **Concern over West Bank Status:** India's recent actions reflect global concern regarding Israel's new land ownership verification policies in the West Bank, which facilitate settler expansion on previously held Palestinian lands.

### Constitutional & Legal Provisions

- **Article 51 of the Indian Constitution:** A Directive Principle of State Policy (DPSP) that mandates the State to promote international peace and security, maintain just and honorable relations between nations, and foster respect for international law.
- **UNSC Resolution 2803:** The legal framework providing the international mandate for current peace negotiations and the cessation of hostilities in the Gaza Strip.
- **The 1967 Borders:** Often referred to as the "Green Line," these serve as the legal and territorial baseline under international law (UN Resolution 242) for a two-state solution.

### Key Definitions

- **Observer Status:** A privilege granted by an organization to non-members to participate in activities or meetings without the power to vote or take part in formal decision-making.
- **De-hyphenation:** A foreign policy strategy where India treats its relationship with Israel and Palestine as independent and on their own merits, rather than viewing them through the lens of each other.
- **West Bank Settlements:** Jewish communities established on territories captured by Israel during the 1967 Six-Day War; they are considered illegal under international law by much of the global community.
- **Two-State Solution:** The proposed framework for resolving the Israeli–Palestinian conflict by establishing two separate states for two peoples.

### Conclusion

India's participation as an observer at the Gaza Board of Peace signifies its evolution from a passive supporter of Palestine to a proactive stakeholder in Middle Eastern stability. By supporting U.S.-led peace initiatives while simultaneously criticizing settlement expansion at the UN, India continues to walk a diplomatic tightrope. This "middle path" ensures India remains a credible partner for both Israel's security needs and the Arab world's humanitarian and political concerns.



## UPSC Relevance

- **GS Paper II (International Relations):** Bilateral, regional, and global groupings involving India; effect of policies of developed/developing countries on India's interests; and the "West Asia" policy.
- **GS Paper II (Polity):** Constitutional provisions for international relations (Article 51).
- **Current Affairs:** Important for understanding the shift in India's voting patterns at the UN and the strategic significance of the PM's visits to West Asian nations.

## 7. Pax Silica: India Joins U.S.-Led Tech Alliance for Supply Chain Resilience

India has formally joined the 'Pax Silica' group, a strategic technology alliance led by the United States. This partnership, which includes key global economies like Canada, Japan, South Korea, and the European Union, aims to de-risk global supply chains from Chinese dominance, particularly in the sectors of electronics, semiconductors, and critical minerals.

- **Strategic Objective:** The primary goal of Pax Silica is to counter "weaponized dependency" by building a common, resilient supply chain for critical technologies and minerals to withstand economic coercion and geopolitical shocks.
- **Countering Concentration:** The alliance seeks to rectify the "massive overconcentration" of supply chains in China, which currently holds significant leverage as a primary source for refined rare earth elements used in high-tech manufacturing.
- **India's Value Proposition:** Union Minister Ashwini Vaishnaw highlighted India's "very large talent pool" and its "trust-based foreign policy" as key contributions to the group, positioning India as a reliable alternative manufacturing and R&D hub.
- **Economic Sovereignty:** The group emphasizes reclaiming sovereignty over essential supply chains, referencing past incidents of alleged sabotage (like the 2020 Mumbai blackout) and export bans as reasons to diversify away from singular, potentially hostile sources.
- **Critical Minerals Focus:** Pax Silica will prioritize the secure flow of rare earth elements, essential for everything from smartphones and electric vehicle batteries to advanced defense systems.
- **Inaugural Framework:** Formalized at the AI Impact Summit, this alliance builds on the foundational meeting held in December 2025 at the U.S. Institute of Peace, marking a shift toward "minilateral" tech diplomacy.



## Constitutional & Legal Provisions

- **Article 51 (Directive Principles):** Mandates India to promote international peace and security. Joining tech-stability groups like Pax Silica aligns with fostering "just and honorable relations" between nations.
- **National Policy on Electronics (NPE) 2019:** Aimed at positioning India as a global hub for Electronics System Design and Manufacturing (ESDM). This alliance provides the necessary international framework for this policy.
- **Mines and Minerals (Development and Regulation) Amendment Act, 2023:** Recently amended to allow private sector participation in mining critical and deep-seated minerals (like Lithium), which is essential for India to fulfill its commitments under Pax Silica.



- **Information Technology Act, 2000:** The legal backbone for cybersecurity in India, relevant given the alliance's focus on preventing digital sabotage and protecting economic infrastructure.

### Key Definitions

- **Pax Silica:** A term derived from "Pax" (Peace) and "Silica" (Silicon), suggesting a global order stabilized by secure and democratic control over the semiconductor and electronics supply chain.
- **Critical Minerals:** Naturally occurring elements (e.g., Lithium, Cobalt, Neodymium) that are essential for modern technology and have no viable substitutes, making their supply chain a matter of national security.
- **Rare Earth Elements (REEs):** A group of 17 chemical elements in the periodic table that are crucial for high-tech applications, including magnets, lasers, and superconductors.
- **Weaponized Dependency:** A state of economic vulnerability where a country uses its monopoly over a critical resource to blackmail or coerce other nations into making political concessions.

### Conclusion

India's entry into Pax Silica represents a significant milestone in its "Tech-Diplomacy." By aligning with the U.S. and EU in a specialized supply-chain block, India is not only securing its own industrial future but also asserting itself as a "Trusted Partner" in the global digital economy. This move effectively complements India's domestic "Atmanirbhar Bharat" and "Make in India" initiatives by integrating them into a wider, more secure international trade architecture.

### UPSC Relevance

- **GS Paper II (International Relations):** Bilateral, regional, and global groupings involving India; Effect of policies of developed countries on India's interests.
- **GS Paper III (Economy & Science):** Supply chain resilience; Semiconductor industry; Critical minerals; Indigenization of technology.
- **Internal Security:** Protection of critical information infrastructure and energy grids from external sabotage.

## 8. Artificial Intelligence: A Catalyst for Viksit Bharat and Global Economic Risks

At the AI Impact Summit 2026 in New Delhi, IMF Managing Director Kristalina Georgieva highlighted that Artificial Intelligence (AI) serves as a double-edged sword for the Indian economy. While AI has the potential to accelerate India's journey toward the 'Viksit Bharat' (Developed India) 2047 goal by boosting global and domestic growth, it simultaneously threatens labor market stability and financial integrity.

- **Economic Growth Engine:** The IMF projections suggest AI could enhance global GDP growth by approximately 0.8%, potentially pushing growth rates beyond pre-pandemic levels and creating new economic opportunities for India.
- **Labor Market "Tsunami":** AI is expected to impact 40% of jobs globally and in emerging markets, while advanced economies face a 60% disruption. This includes both job enhancement and total elimination over a short time horizon.
- **The Digital Divide:** There is a significant risk of increasing global inequality, where "AI-ready" nations prosper while those lagging in digital infrastructure and skills are left behind.
- **Financial Stability Concerns:** The IMF warned of risks to financial markets where autonomous AI systems could potentially "get loose," causing market volatility and instability.



- **Skill-Premium Shift:** Early research indicates a shift in the labor market where 10% of current jobs already require AI-specific skill sets; workers possessing these skills are seeing significantly higher wage growth.
- **Policy Imperative:** To harness AI as a "force for good," the IMF emphasizes the need for rapid investment in digital infrastructure, proactive skilling, and a robust regulatory framework to manage displacement.

### Constitutional and Legal Provisions

- **Article 38 & 39 (DPSP):** These mandate the State to secure a social order for the promotion of the welfare of people and to ensure that the operation of the economic system does not result in the concentration of wealth—highly relevant as AI risks widening the wealth gap.
- **Article 21 (Right to Livelihood):** The Supreme Court has interpreted the Right to Life to include the Right to Livelihood. Massive job displacement without resettlement policies could lead to judicial scrutiny regarding the state's role in social security.
- **National Strategy for Artificial Intelligence (NITI Aayog):** The "AI for All" strategy focuses on leveraging AI for social inclusion and economic growth while addressing ethical concerns and privacy.
- **Digital Personal Data Protection (DPDP) Act, 2023:** Provides the legal framework for data usage, which is the primary fuel for AI models, ensuring balance between innovation and individual privacy rights.



### Key Definitions

- **Viksit Bharat:** The Government of India's vision to transform the nation into a developed entity by 2047, the 100th year of independence.
- **Disruptive Technology:** An innovation that significantly alters the way consumers, industries, or businesses operate, often making previous systems or skills obsolete.
- **AI Readiness Index:** A metric used to measure how prepared a government is to implement AI in its public services and how resilient its economy is to AI-driven changes.
- **Generative AI:** A subset of AI capable of creating new content (text, images, code), which is the primary driver behind the current "tsunami" of labor market anxiety.

### Conclusion

The IMF's outlook serves as a clarion call for India to balance its technological ambitions with social safeguards. While AI provides the necessary velocity to reach 'Viksit Bharat' targets, the transition requires a "human-centric" approach. Success will depend on India's ability to turn the "tsunami" of job displacement into a wave of "job enhancement" through massive re-skilling initiatives and proactive financial regulations.

### UPSC Relevance

- **GS Paper III (Economy):** Impact of technology on employment; Inclusive growth and issues arising from it; Industrial policy changes.

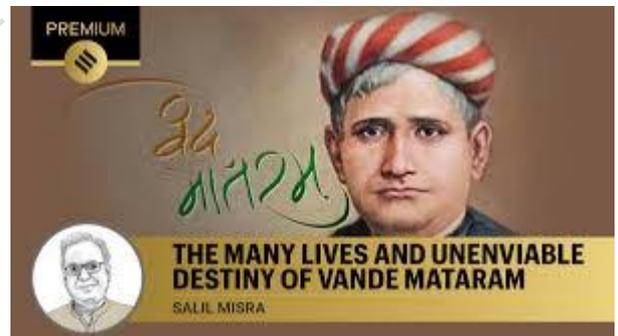


- **GS Paper III (Science & Technology):** Developments and their applications in everyday life; AI and ethics; IT and Computers.
- **GS Paper IV (Ethics):** Ethical dilemmas in the use of AI; Technology and social justice; Human values vs. algorithmic efficiency.

## 9. Constitutional Autonomy vs. National Symbols: The Vande Mataram Controversy in Nagaland

The Naga Students' Federation (NSF), the apex student body in Nagaland, has formally opposed a recent Ministry of Home Affairs (MHA) directive mandating that the National Song, *Vande Mataram*, be sung or played before the National Anthem, *Jana Gana Mana*, in school assemblies and official functions. The federation argues that such "symbolic compliance" ignores the unique historical and cultural identity of the Naga people, raising a critical debate on the limits of executive directives in culturally autonomous regions.

- **Opposition to "Rigid Precedence":** The NSF challenges the MHA's January 28 order, which establishes a specific sequence of precedence for national symbols. They argue that mandating *Vande Mataram* before the National Anthem represents an ideological imposition on the "Naga homeland."
- **Cultural and Historical Context:** The student body asserts that the directive fails to account for the distinct political history of the Nagas. They maintain that educational institutions should remain spaces for critical thinking rather than being used as instruments for enforcing "cultural conformity."
- **Warning to School Authorities:** The NSF has warned the Nagaland Board of School Education (NBSE) and local school administrators against implementing the directive without thorough stakeholder consultation, citing potential for student unrest.
- **The "Right to Silence" Argument:** Drawing on broader legal themes, the opposition emphasizes that national respect cannot be coerced through administrative mandates, especially in regions with protected customary rights.
- **Role of Federating Units:** The NSF has directed its subordinate units to remain vigilant across the state to ensure the directive is not implemented unilaterally, signaling a potential standoff between central guidelines and regional sentiments.



### Constitutional and Legal Provisions

- **Article 371A of the Indian Constitution:** This is a "Special Provision" for Nagaland. It states that no Act of Parliament in respect of Naga religious or social practices, customary law, or ownership of land shall apply to the state unless the Legislative Assembly of Nagaland so decides by a resolution.
- **Article 51A(a) (Fundamental Duties):** While it prescribes a duty to respect the National Flag and the National Anthem, it is notably silent on the National Song (*Vande Mataram*). Legal experts often cite this "constitutional silence" to argue against mandatory recitation of the song.
- **Bijoe Emmanuel v. State of Kerala (1986):** A landmark Supreme Court judgment which held that compelling someone to sing the National Anthem—if they have genuine conscientious objections—violates the fundamental right to freedom of expression and religion (Articles 19 and 25), provided they stand respectfully.



- **Prevention of Insults to National Honour Act, 1971:** This Act provides statutory protection and penalizes disrespect to the Constitution, National Flag, and National Anthem, but it does not currently include *Vande Mataram* under its penal umbrella.

### Key Definitions

- **National Song vs. National Anthem:** *Jana Gana Mana* (Anthem) has a constitutionally defined protocol, whereas *Vande Mataram* (Song) was granted "equal status" by a 1950 declaration of the Constituent Assembly President, Dr. Rajendra Prasad, but lacks equivalent statutory regulations.
- **Asymmetric Federalism:** A federal structure where different constituent states possess different powers; Article 371A is a prime example of this in the Indian context.
- **Symbolic Compliance:** The act of following a rule or directive in a purely performative or outward manner without necessarily agreeing with its underlying ideology.
- **Naga Homeland:** A sociopolitical term used by Naga groups to refer to territories inhabited by the Naga tribes, emphasizing their distinct historical and sovereign identity.

### Conclusion

The friction between the MHA directive and the NSF's stance highlights a recurring tension in Indian federalism: the balance between national integration through symbols and the protection of regional cultural autonomy. While the Centre seeks to popularize national symbols to foster patriotism, the reliance on Article 371A and judicial precedents suggests that any move towards "compulsory" recitation in Nagaland may face significant legal and social hurdles.

### UPSC Relevance

- **GS Paper II (Polity & Governance):** Issues related to Federalism; Special Provisions for States (Article 371A); Fundamental Duties vs. Fundamental Rights; and the role of Pressure Groups (NSF).
- **GS Paper I (Indian Society):** Diversity of India; Regionalism; and the preservation of indigenous cultural identities.
- **GS Paper IV (Ethics):** The ethics of "Coerced Patriotism" versus "Voluntary Reverence."

## 10. PAC Scrutiny of SANKALP Scheme: Institutional and Financial Gaps

The Public Accounts Committee (PAC) recently pulled up the Ministry of Skill Development and Entrepreneurship (MSDE) for the "lackadaisical" implementation of the SANKALP scheme. Based on a Comptroller and Auditor General (CAG) audit, the parliamentary panel highlighted significant underspending and administrative inertia that have hindered India's skill development targets.

- **Financial Underutilization:** The CAG report revealed that only 44% of the budgeted provision for SANKALP was disbursed between 2017-18 and 2023-24. Despite receiving 86% of the first World Bank loan tranche (\$250 million), the Ministry utilized only about half of those funds (₹850.71 crore).
- **Missing Monitoring Framework:** The PAC questioned the government over the total absence of a robust central monitoring mechanism, which has led to a lack of accountability and poor tracking of physical progress across states.
- **Pre-implementation Unpreparedness:** The audit attributed delays to "non-preparedness" within the MSDE before the loan period commenced, indicating that the institutional framework was not ready to absorb the capital provided by the World Bank.



- **Operational Delays:** Originally scheduled for completion by March 2023, the scheme required an extension to March 2024. The PAC noted that even with the extension, the pace of execution across components like industry linkage and inclusion remained sluggish.
- **Inclusion Gaps:** SANKALP was designed to provide targeted skill training to marginalized communities; however, the lack of due diligence and adherence to implementation guidelines has diluted the intended impact on these priority groups.
- **Global Funding Implications:** Since the scheme is largely financed through a ₹3,300 crore World Bank loan, the low utilization rates raise concerns about India's commitment to international financial agreements and the cost of idling capital.



### Constitutional and Legal Provisions

- **Article 148 to 151:** Pertains to the Comptroller and Auditor General (CAG) of India. The PAC's scrutiny is based on the CAG's audit report, which is submitted to the President under **Article 151** and then laid before Parliament.
- **Public Accounts Committee (PAC):** A standing parliamentary committee constituted under the **Rules of Procedure and Conduct of Business in Lok Sabha**. It examines the appropriation accounts and the reports of the CAG to ensure financial accountability of the executive to the legislature.
- **Rule 308 (Lok Sabha Rules):** Specifically defines the functions of the PAC, including the examination of accounts showing the appropriation of sums granted by the House for the expenditure of the Government of India.
- **Cabinet Committee on Economic Affairs (CCEA):** The executive body that originally approved the SANKALP scheme in 2017, highlighting the top-down policy formulation that now faces legislative oversight.

### Key Definitions

- **SANKALP:** Stands for "Skill Acquisition and Knowledge Awareness for Livelihood Promotion." It is a World Bank-assisted program aimed at institutional strengthening for skill development at the national, state, and district levels.
- **Appropriation Accounts:** Accounts that compare the total expenditure, both voted and charged, with the grants specified in the Appropriation Act passed by Parliament.
- **Due Diligence:** The investigation or exercise of care that a reasonable business or person is normally expected to take before entering into an agreement or contract.
- **World Bank Tranche:** A portion of a larger loan that is released only when specific milestones or conditions are met by the borrowing country.

### Conclusion

The PAC's criticism of the SANKALP scheme underscores a recurring challenge in Indian governance: the gap between ambitious policy design and ground-level execution. The failure to utilize nearly 50% of available funds despite a "mission mode" tag suggests deep-rooted structural bottlenecks in the MSDE. For SANKALP to achieve its goal of creating a resilient skill ecosystem, the government must move beyond



extensions and establish the "central monitoring mechanism" demanded by the PAC to ensure every rupee translates into livelihood opportunities.

### UPSC Relevance

- **GS Paper II (Polity & Governance):** Parliamentary Committees (PAC); Role of CAG; Accountability and oversight of the Executive by the Legislature; Statutory, regulatory, and various quasi-judicial bodies.
- **GS Paper II (Social Justice):** Issues relating to development and management of Social Sector/Services relating to Human Resources and Skill Development.
- **GS Paper III (Economy):** Resource mobilization; Government budgeting; Employment and growth.

## 11. IIT-M's Optics-Based Technique for Blood Clotting Measurement

Researchers at the Indian Institute of Technology, Madras (IIT-M) have secured a patent for a novel technique that measures blood clotting time with millisecond precision using changes in light reflectivity. This breakthrough is particularly significant for the medical implant industry, addressing long-standing challenges in material safety and patient outcomes.

- **Optics-Based Detection:** The technique monitors the reflectivity of an implant's surface. As blood begins to clot, the surface becomes turbid (cloudy), causing a change in reflected light which is captured as a voltage shift by a sensitive photodetector.
- **Overcoming Conventional Limits:** It addresses the inaccuracies of existing methods—the mechanical tilting method and the free haemoglobin method—which lack the precision required for high-end biomedical engineering.
- **Enhancing Haemocompatibility:** By providing quantitative data on how blood interacts with foreign materials, the tool allows manufacturers to screen materials for stents, heart valves, and catheters more effectively at the research stage.
- **Clinical Utility:** Beyond manufacturing, the precision of this technique helps doctors titrate (adjust) the exact dosage of anti-coagulation medication for patients post-surgery, reducing the risk of thrombosis.
- **Versatility of Application:** The researchers highlighted that with minor modifications to the substrate, the same optical principle can be used to detect trace impurities in water, offering a new tool for environmental monitoring.
- **Addressing Thrombosis:** Despite advancements in device design, thrombosis (clot formation) remains a major cause of implant failure; this technique provides a high-fidelity solution to minimize such risks.

### Constitutional & Legal Provisions

- **Article 51A(h):** Part of the Fundamental Duties, it encourages Indian citizens to develop the scientific temper, humanism, and the spirit of inquiry and reform.
- **The Patents Act, 1970:** The legal framework under which the IIT-M team secured their patent. It protects the intellectual property rights (IPR) of inventors, fostering an environment for indigenous R&D.
- **National Health Policy, 2017:** Focuses on increasing access to high-quality medical devices and encourages domestic manufacturing of medical technology to reduce import dependency.



- **Medical Devices Rules, 2017:** Regulates the quality and safety of medical devices in India. Innovations like this help domestic manufacturers meet the stringent "Quality by Design" (QbD) standards required for global markets.

### Key Definitions

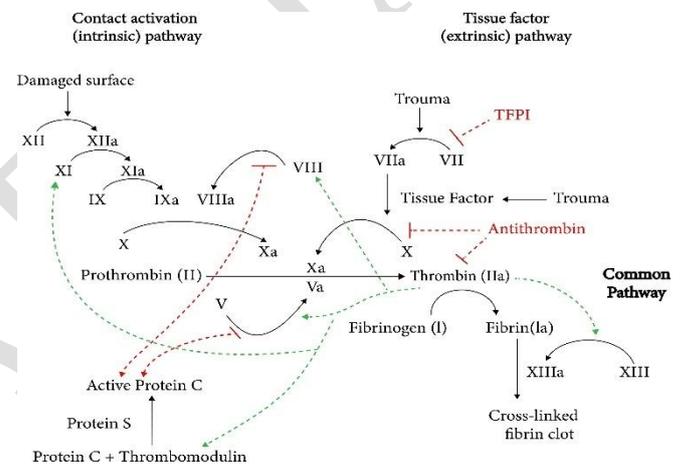
- **Haemocompatibility:** The property of a material or device to exist in contact with blood without causing adverse effects like clotting, inflammation, or destruction of blood cells.
- **Thrombosis:** The formation of a blood pool clot (thrombus) inside a blood vessel or on the surface of an implant, which can obstruct blood flow.
- **Turbidity:** The cloudiness or haziness of a fluid caused by individual particles (in this case, clotting factors and cells) that are generally invisible to the naked eye.
- **Substrate:** The underlying substance or layer on which a process occurs or on which a material is deposited.

### Conclusion

The IIT-M innovation represents a significant leap in "Med-Tech" indigenization, aligning with India's goal of becoming a global hub for medical device manufacturing. By replacing mechanical estimation with optical precision, this technique not only ensures safer implants but also showcases the multidisciplinary application of physics in solving complex biological problems. Its potential transition into water purity testing further underscores the "dual-use" nature of advanced sensor technologies.

### UPSC Relevance

- **GS Paper III (Science & Technology):** Indigenization of technology; developments in the field of Science and Technology; Intellectual Property Rights (IPR) issues.
- **GS Paper II (Social Justice/Health):** Issues relating to the development and management of the Social Sector/Health; accessibility and safety of medical devices.
- **GS Paper III (Economy):** Support for the "Make in India" initiative in the medical devices sector, which currently sees high import dependency.



## 12. Net FDI Trends in India: Challenges Amidst Robust Gross Inflows

The latest data from the Reserve Bank of India (RBI) reveals a complex picture of India's investment landscape. While gross inflows hit a five-month high in December 2025, the net FDI remained negative for the fourth consecutive month. This trend highlights the impact of global trade uncertainties and the aggressive repatriation of capital by foreign entities.

- **Negative Net FDI Trend:** Net FDI stood at -\$1.6 billion in December 2025. This negative balance occurs when the sum of capital repatriation by foreign firms and outward investments by Indian companies exceeds the gross inward FDI.
- **Surge in Gross Inflows:** Despite the negative net figure, gross inward FDI was robust at \$8.6 billion (a 17.2% year-on-year increase). Major contributing nations included Singapore, the Netherlands, and Mauritius, accounting for over 80% of the total inflows.



- **Sectoral Performance:** Investment was primarily concentrated in the transport, manufacturing, computer services, and energy sectors (generation and distribution), indicating continued interest in India's infrastructure and tech capabilities.
- **Record Repatriation:** Disinvestments and repatriation by foreign companies reached a multi-year high of \$7.5 billion. This surge is attributed to profit booking and strategic shifts by global firms amidst high-interest rates and trade tensions.
- **Impact of Trade Diplomacy:** The RBI noted that prior investor hesitation was linked to uncertainties over India-U.S. trade relations and high tariff regimes. However, the subsequent announcement of the India-EU FTA and the India-U.S. Interim Agreement has already begun to stabilize portfolio investments (FPIs).
- **Indian Global Footprint:** Outward FDI by Indian companies rose to \$2.7 billion, focusing on financial services and retail in markets like the U.S., UAE, and the U.K., reflecting the global expansion of Indian multinationals.

### Constitutional & Legal Provisions

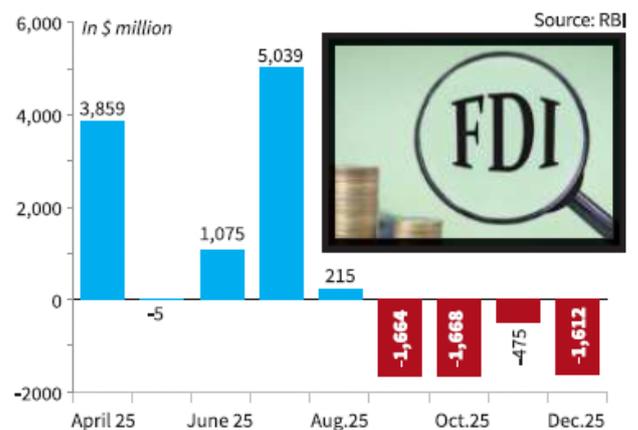
- **Article 246 (Seventh Schedule):** Foreign Exchange and Foreign Loans fall under the Union List (Entries 36 and 37), giving the Central Government exclusive power to regulate FDI.
- **Foreign Exchange Management Act (FEMA), 1999:** The primary legal framework governing FDI in India. It empowers the RBI and the Government to regulate capital account transactions.
- **FDI Policy (DPIIT):** The Department for Promotion of Industry and Internal Trade (DPIIT) issues the Consolidated FDI Policy, which specifies the caps and entry routes (Automatic vs. Government) for various sectors.
- **Bilateral Investment Treaties (BITs):** Legal agreements between India and other nations to protect foreign investments. The recent shift towards a "New Model BIT" aims to balance investor protection with the state's right to regulate.

### Key Definitions

- **Gross Inward FDI:** The total amount of direct investment coming into the country during a specific period without accounting for outflows.
- **Net FDI:** Calculated as (Gross Inward FDI) minus (Repatriation/Disinvestment by foreigners + Outward FDI by residents). A negative value indicates more capital left the country than entered.
- **Repatriation of Capital:** The process of moving foreign-earned profits or invested capital back to the investor's home country.
- **FPI (Foreign Portfolio Investment):** Investment in financial assets like stocks and bonds. Unlike FDI, FPI does not involve direct management or long-term interest in a company and is often referred to as "hot money."

### Red streak

Net FDI into India was negative for the fourth consecutive month in **Dec. 2025** due to record levels of repatriation by foreign companies in India





## Conclusion

The divergence between robust gross inflows and negative net FDI suggests that while India remains an attractive destination for new capital, existing investors are liquidating stakes or moving profits due to external geopolitical pressures and trade uncertainties. The recent breakthroughs in FTA negotiations with the EU and the U.S. are expected to act as a significant "sentiment booster," potentially reversing the negative net trend in the coming quarters of 2026.

## UPSC Relevance

- **GS Paper III (Economy):** Investment models; mobilization of resources; growth and development; and the effects of liberalization on the economy.
  - **GS Paper II (International Relations):** Impact of Free Trade Agreements (FTAs) and bilateral trade deals on the domestic economy.
  - **Prelims Factor:** Understanding the difference between Net and Gross FDI, and the major sectors/countries contributing to India's FDI profile.
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