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VIDHVATH IAS KAS ACADEMY & STUDY CENTRE

DAILY CURRENT AFFAIRS

FOR UPSC CIVIL SERVICE EXAMINATION

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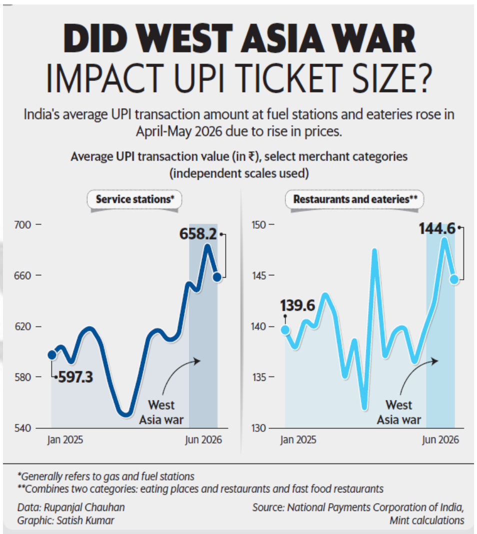
1. West Asian Geopolitical Conflict and its Microeconomic Impact on India's Digital Economy

Key Highlights & Summary

- **Geopolitical Spillover:** The ongoing West Asia war has caused localized inflationary pressures, reflecting directly in Indian consumers' daily digital transactions.
- **Rising Ticket Size at Fuel Stations:** The average Unified Payments Interface (UPI) transaction value at service and fuel stations surged significantly from ₹597.3 in January 2025 to a peak of ₹658.2 around June 2026.



- **Increased Hospitality Spending:** Consumer spending at restaurants and eateries saw a corresponding rise, with the average UPI ticket size climbing from ₹139.6 to ₹144.6 during the same period.
- **Imported Inflation Channels:** Supply chain disruptions in the Middle East directly impacted global crude oil prices, which cascaded into higher domestic fuel prices and elevated operational costs for the hospitality sector.
- **Digital Footprint Indicators:** Digital transaction data from the National Payments Corporation of India (NPCI) serves as a high-frequency economic indicator, highlighting how global macroeconomic shocks immediately impact retail-level consumption behavior.

Essential Definitions

- **UPI Ticket Size:** The average monetary value transacted per individual transaction through the Unified Payments Interface platform within a specific sector or time frame.
- **Imported Inflation:** A sustained rise in domestic prices attributed to an increase in the costs of imported raw materials or commodities, particularly crude oil.
- **High-Frequency Indicators (HFIs):** Real-time or near-real-time data points (like UPI volumes, power consumption, or GST collections) used by economists to gauge immediate shifts in economic health.

Legal and Constitutional Framework

- **Monetary Policy Mandate:** Under Section 45ZB of the Reserve Bank of India (RBI) Act, 1934, the Monetary Policy Committee (MPC) is legally mandated to maintain price stability (targeting CPI inflation at 4% with a +/-2% tolerance band), reacting to such external supply-side shocks.
- **Payment Systems Governance:** The UPI ecosystem is regulated under the Payment and Settlement Systems (PSS) Act, 2007, giving the RBI regulatory oversight over NPCI operations to ensure financial stability during volatile market periods.
- **Constitutional Domain:** Under the Seventh Schedule of the Constitution of India, "Banking" and "Duties of Customs including export duties" fall exclusively under the Union List (List I, Entries 45 and 83 respectively), empowering the Central Government to manage external trade shocks and financial systems.

Conclusion

The correlation between West Asian geopolitical instability and the sudden upward tick in India's retail UPI transaction sizes demonstrates the high vulnerability of domestic retail consumption to global supply shocks. While digital payments ensure seamless transactional velocity, macro-stabilization depends heavily on resilient strategic reserves and proactive monetary intervention to shield the retail economy from imported inflation.

UPSC Relevance

- **GS Paper II:** International Relations (Bilateral, regional, and global groupings involving India and affecting India's interests; effect of policies and politics of developed and developing countries).
- **GS Paper III:** Indian Economy (Issues relating to planning, mobilization of resources, growth, development, and inflation; infrastructure, energy, and digital economy ecosystem).

2. Operationalisation of the India-Australia Civil Nuclear Pact and Deepening Strategic Ties

Key Highlights & Summary

- **Nuclear Energy Cooperation:** India and Australia have sealed a series of landmark pacts, notably paving the way to fully operationalise their 2014 Civil Nuclear Agreement.

- **Securing Uranium Supplies:** This operationalisation secures a stable, long-term corridor for uranium supplies from Australia to India, dedicated strictly for peaceful energy purposes.
- **Multisectoral Expansion:** The bilateral engagement extends beyond energy to encompass critical sectors including defence, maritime security, education, science and technology, and critical minerals.
- **Indo-Pacific Stability:** Both nations emphasize a shared commitment to maintaining peace, stability, freedom of navigation, and a rules-based order across the Indo-Pacific region.
- **Countering Regional Assertiveness:** The strengthening of ties is highly consequential as it coincides with rising concerns among Quad partners regarding China's assertive behavior in the Indo-Pacific.

Essential Definitions

- **Civil Nuclear Agreement:** A bilateral treaty between nations allowing for the transfer of nuclear material, technology, and equipment for peaceful energy generation under international safeguards.
- **Rules-Based Order:** A shared commitment by sovereign states to maintain international relations and maritime boundaries according to established international laws and treaties rather than unilateral force.
- **Critical Minerals:** Mineral commodities (like lithium or cobalt) that are essential to the economic or national security of a country and are vital for clean energy technologies.

Legal and Constitutional Framework

- **Treaty-Making Power:** Under Article 246 read with Entry 14 of the Union List (List I) of the Seventh Schedule of the Indian Constitution, the executive has the exclusive power to enter into treaties and agreements with foreign countries.
- **Nuclear Energy Legislation:** The exploration, supply, and peaceful deployment of uranium are governed domestically under the Atomic Energy Act, 1962, ensuring adherence to safety and non-proliferation principles.
- **International Safeguards:** The operationalisation conforms to India's separation plan under the India-Specific Safeguards Agreement with the International Atomic Energy Agency (IAEA), ensuring civilian nuclear material is segregated from military applications.

Conclusion

The operationalisation of the 2014 civil nuclear pact represents a paradigm shift in India-Australia relations, elevating the partnership from economic collaboration to high-stakes strategic synergy. By securing long-term uranium supplies, India strengthens its clean energy transition while simultaneously reinforcing its maritime and security alignment within the Quad structure to balance regional geopolitical dynamics.

UPSC Relevance

- **GS Paper II:** Bilateral, regional and global groupings and agreements involving India and/or affecting India's interests (India-Australia bilateral relations, Quad alignment, Indo-Pacific diplomacy).
- **GS Paper III:** Infrastructure (Energy security, nuclear energy development, diversification of critical mineral supply chains).

3. Cultural Diplomacy and Reciprocal Heritage Repatriation between India and Australia

Key Highlights & Summary

- **Bilateral Cultural Milestone:** India and Australia have finalized a landmark heritage agreement during the bilateral summit to mutually return items of deep civilisational significance.
- **Return of Chola-Period Antiquities:** Australia is voluntarily repatriating three trafficked 11th-12th century antiquities from Tamil Nadu, previously held by the National Gallery of Australia and the Art Gallery of New South Wales.
- **The Recovered Artefacts:** The recovered treasures include a Chola-era stone sculpture of sacred Nandi, a bronze ritual metal trident featuring Goddess Bhadrakali, and a stone basalt idol of six-headed Kartikeya (Skanda).
- **Reciprocal Gesture by India:** In a historic reciprocal move, New Delhi committed to unconditionally return the remains/relics of an Australian First Nations ancestor, housed at the Government Museum in Chennai since 1935.
- **Countering Illicit Antiquities Trade:** The successful recovery of these sacred temple artefacts highlights the active coordination between state investigative agencies, like the Tamil Nadu Idol Wing CID, and international heritage institutions.

- **Strategic Healing and Reconciliation:** The dual repatriation goes beyond standard cultural exchange, serving as an instrument for international justice, historical reconciliation, and strengthening interpersonal diaspora links within the Indo-Pacific framework.

Essential Definitions

- **Antiquities:** Any coin, sculpture, manuscript, epigraph, or work of art that has been in existence for not less than one hundred years, possessing significant historical or cultural value.
- **Repatriation:** The formal process of returning cultural property, stolen heritage, or ancestral human remains back to their country of origin or traditional custodians.
- **First Nations People:** The indigenous aboriginal populations of Australia who hold a deep, multi-millennial physical and spiritual connection to their ancestral lands and ancestral remains.

Legal and Constitutional Framework

- **Domestic Antiquities Legislation:** In India, the export and regulation of historical treasures are governed under the Antiquities and Art Treasures Act, 1972, which strictly prohibits the illicit export of any cultural property.
- **International Conventions:** These bilateral returns align closely with the principles of the 1970 UNESCO Convention on the Means of Prohibiting and Preventing the Illicit Import, Export and Transfer of Ownership of Cultural Property, to which both nations are signatories.
- **Constitutional Jurisdiction:** Under the Seventh Schedule of the Constitution of India, "Ancient and historical monuments and records, and archaeological sites and remains" of national importance fall explicitly under the Union List (List I, Entry 67), granting the central government exclusive executive authority over international cultural recovery.

Conclusion

The reciprocal repatriation of ancient temple artefacts and indigenous ancestral remains highlights a mature evolutionary phase in India-Australia relations. By addressing historical wrongs and treating cultural heritage with ethical accountability, both democracies have demonstrated that contemporary strategic alliances are significantly strengthened when anchored in mutual civilisational respect and soft-power diplomacy.

UPSC Relevance

- **GS Paper I:** Indian Culture (Salient aspects of Art Forms, Literature, and Architecture from ancient to medieval times, specifically Chola sculptural and Shaiva-Shakti temple traditions).
- **GS Paper II:** Bilateral agreements involving India and affecting India’s interests (India-Australia bilateral relations, cultural diplomacy, and international treaty implementations).

4. Resilience in India’s Blue Economy: Achieving Record Seafood Exports Amidst Geopolitical Trade Barriers

Key Highlights & Summary

- **Record-Breaking Export Performance:** India's seafood exports achieved an all-time high of 19,72,018 MT valued at ₹73,890 crore (USD 8.46 billion) during the 2025-26 fiscal year.
- **Overcoming Protectionist Barriers:** This growth was registered despite an unprecedented 58% tariff imposed by the United States, which is India's largest shrimp market accounting for over 40% of its total exports.

- **Dominance of Frozen Shrimp:** Frozen shrimp continued to lead the export basket, contributing a significant ₹49,037 crore, with the US and China remaining the primary destination markets.
- **Strategic Market Diversification:** Market expansion driven by Free Trade Agreements (FTAs) signed with various countries helped cushion the impact of unilateral trade restrictions.
- **Transition to Deep-Sea Fishing:** To diversify beyond traditional coastal waters (40-50 nautical miles), the government launched a framework for distributing Letters of Authorisation (LoA) to fisheries cooperative societies for sustainable harvesting in the Exclusive Economic Zone (EEZ) and high seas.

Essential Definitions

- **Blue Economy:** A sustainable economic model that advocates for the conservation and sustainable management of ocean and marine resources for economic growth, improved livelihoods, and jobs.
- **Exclusive Economic Zone (EEZ):** An area of the sea prescribed by the UNCLOS over which a sovereign state has special rights regarding the exploration and use of marine resources, extending up to 200 nautical miles from the coast.
- **Letter of Authorisation (LoA):** A formal regulatory permit granted to Indian-flagged vessels enabling them to legally and sustainably fish within designated international or deep-sea jurisdictional boundaries.

Legal and Constitutional Framework

- **Constitutional Jurisdiction:** Under the Seventh Schedule of the Constitution of India, "Fisheries beyond territorial waters" falls under the Union List (List I, Entry 57), giving the Centre exclusive right to regulate deep-sea fishing.
- **International Maritime Law:** Deep-sea operations adhere strictly to the United Nations Convention on the Law of the Sea (UNCLOS), which regulates maritime zoning, conservation, and exploitation rights in the high seas.
- **Institutional Support:** Export promotion and quality standards are legally monitored by the Marine Products Export Development Authority (MPEDA) under the MPEDA Act, 1972, ensuring compliance with global sanitary and phytosanitary rules.

Conclusion

The stellar performance of India's seafood sector highlights its structural resilience against Western protectionist measures. By shifting focus toward deep-sea fishing and operationalising sustainable governance frameworks through cooperatives like the National Cooperative Exports Limited, India is well-positioned to secure long-term maritime food security and maximize export earnings.

UPSC Relevance

- **GS Paper II:** Bilateral, regional, and global groupings and agreements involving India and/or affecting India's interests (Impact of US tariff policies, trade diplomacy, and FTAs).
- **GS Paper III:** Indian Economy and issues relating to planning, mobilization of resources, growth, development, and employment; Economics of animal-rearing and the Blue Economy ecosystem.

5. Gujarat Data Centre Policy (2026-29): Capitalising on AI and Scaling Digital Infrastructure

Key Highlights & Summary

- **Strategic Infrastructure Target:** The Gujarat government has unveiled its first-ever Data Centre Policy (2026-29), aiming to attract investments worth ₹6 lakh crore.
- **Capacity and Technology Focus:** The policy targets the creation of 7.5 gigawatts (GW) of data centre capacity to support hyperscale data centres, cloud computing, and AI-driven infrastructure.

- **Fiscal Incentives Provided:** It offers robust financial interventions, including capital subsidies, interest subsidies, power tariff support, and reimbursement of State GST (SGST).
- **Operational Ease and Reliefs:** To facilitate seamless setup, the policy provides explicit exemptions from stamp duty and registration charges for incoming projects.
- **Ecological and Resource Solutions:** Acknowledging the high water consumption of data infrastructure, the policy integrates financial assistance for setting up dedicated desalination plants.
- **Competitive Digital Ecosystem:** The framework is designed to position Gujarat as a preferred destination, directly competing with established tech hubs like Telangana, Maharashtra, and Tamil Nadu.

Essential Definitions

- **Hyperscale Data Centre:** Massive-scale critical facilities engineered to support robust, business-critical applications with significant computing, networking, and storage capabilities.
- **Cloud Computing:** The on-demand availability and delivery of computer system resources, especially data storage and computing power, over the internet without direct active management by the user.
- **Desalination Plant:** An industrial facility that treats and processes brackish water or seawater to remove minerals and salts, converting it into fresh water suitable for industrial cooling operations.

Legal and Constitutional Framework

- **Data Sovereignty and Localisation:** The push for domestic data centres aligns with the legal spirit of the Digital Personal Data Protection (DPDP) Act, 2023, which mandates secure data processing frameworks within national borders.
- **Constitutional Competence:** "Electricity" falls under the Concurrent List (List III, Entry 38) of the Seventh Schedule of the Indian Constitution, allowing the state to provide customized power tariffs and infrastructure support.
- **Fiscal Autonomy:** The reimbursement of SGST is executed under the statutory powers granted to states via the Central Goods and Services Tax Act, 2017, and respective State GST legislations.

Conclusion

The Gujarat Data Centre Policy (2026-29) marks a pivotal step in strengthening India's core sovereign digital infrastructure. By balancing massive fiscal incentives with resource-conscious strategies like desalination integration, the policy not only prepares the state for the impending AI revolution but also creates a resilient blueprint for sustainable industrialisation within the federal digital economy.

UPSC Relevance

- **GS Paper II:** Governance and Constitution (Statutory bodies, federal provisions, state policy interventions, and the implementation of the DPDP Act).
- **GS Paper III:** Indian Economy and Infrastructure (Growth, mobilization of resources, investment models, IT infrastructure, energy capacity building, and AI-driven industrial development).

6. Public Health Governance: Innovations in HIV Diagnosis and Challenging Stigma in Karnataka

Key Highlights & Summary

- **Undiagnosed HIV Burden:** Karnataka has the highest number of people in India living with HIV who are unaware of their positive status, estimated at 56,406 individuals.
- **Targeted Campaign Launch:** To bridge this diagnostic gap, the Karnataka State AIDS Prevention Society (KSAPS) launched the "Mobilisation for AIDS Suraksha" campaign under the aegis of the National AIDS Control Organisation (NACO).
- **Digital Intervention Strategy:** The initiative introduced the 'BreakFree QR code' which connects anonymous users to a confidential self-risk assessment tool, local testing centres, and professional counsellors.
- **Changing Epidemiological Landscape:** Public health officials identified a significant shift in transmission dynamics, noting that expanding sexual networks via modern dating apps present a major hurdle to traditional tracking.
- **Barriers to Voluntary Testing:** Despite free testing and robust therapeutic infrastructure supporting over two lakh people already under treatment, social stigma and discrimination prevent voluntary walk-ins.

Essential Definitions

- **Human Immunodeficiency Virus (HIV):** A virus that attacks the body's immune system, specifically the CD4 cells, which if left untreated can lead to Acquired Immunodeficiency Syndrome (AIDS).
- **High-Risk Groups (HRGs):** Sub-populations that have a significantly higher risk of contracting HIV due to specific behavioral patterns, biological vulnerabilities, or systemic socioeconomic marginalisation.
- **Confidential Self-Risk Assessment:** An anonymous digital triage tool allowing individuals to evaluate their likelihood of exposure to infection based on behavioral inputs without revealing their identity.

Legal and Constitutional Framework

- **The HIV and AIDS (Prevention and Control) Act, 2017:** This landmark Central legislation provides a comprehensive legal framework prohibiting discrimination against HIV-positive persons in employment, healthcare, and education, while strictly mandating data confidentiality.
- **Right to Health:** The Supreme Court of India has iteratively read the "Right to Health and Medical Care" as an integral component of the Right to Life under Article 21 of the Constitution, making it an obligation for states to provide non-discriminatory healthcare infrastructure.
- **Constitutional Distribution of Powers:** Under the Seventh Schedule of the Constitution of India, "Public health and sanitation; hospitals and dispensaries" falls under the State List (List II, Entry 6), which empowers states like Karnataka to design and execute regional epidemic control measures.

Conclusion

The "Mobilisation for AIDS Suraksha" campaign reflects a critical evolutionary step in public health interventions by combining anonymous digital access with traditional healthcare channels. Overcoming structural barriers like digital divide and deep-rooted societal stigma remains paramount to ensuring that vulnerable populations are successfully integrated into the state's free therapeutic ecosystem.

UPSC Relevance

- **GS Paper II:** Governance and Social Justice (Issues relating to the development and management of Social Sector/Services relating to Health; welfare schemes for vulnerable sections; role of statutory/executive bodies like NACO).
- **GS Paper III:** Science and Technology (Developments and their applications in everyday life; digital health interventions, awareness of diseases).

7. High-Frequency Discrepancies in Higher Education Governance: Evaluating NIRF Participation and FYUP Implementation Trends

Key Highlights & Summary

- **Limited NIRF Engagement:** According to the Ministry of Education's newly released All India Survey on Higher Education (AISHE) report for 2023-24, only 55% of registered universities in India participated in the National Institutional Ranking Framework (NIRF) rankings.
- **Partial FYUP Adoption:** The survey reveals that 56% of Indian universities have successfully introduced the Four-Year Undergraduate Programme (FYUP) so far, highlighting an uneven national transition towards structural academic reforms.
- **Macro Enrolment Record:** Despite institutional evaluation gaps, overall higher education enrolment in India scaled an all-time high of 4.5 crore students during 2023-24, indicating a notable 31.5% expansion over the past decade.

- **Inclusivity and Gender Parity:** The data confirms that women are driving this net expansion, with the female Gross Enrolment Ratio (GER) rising to 31.2% and the Gender Parity Index (GPI) staying well above parity at 1.08.
- **STEM Milestone:** For the first time, overall student enrolment in Science, Technology, Engineering, and Mathematics (STEM) courses crossed the one-crore mark, with women securing a 44% share in these technical streams.
- **Structural Accountability Void:** The stark 45% non-participation rate in NIRF assessments reveals a deep-seated hesitation among higher education institutions (HEIs) to subject themselves to public quality benchmarking and performance metrics.

Essential Definitions

- **National Institutional Ranking Framework (NIRF):** A standardized methodology adopted by the Ministry of Education to rank higher education institutions across India based on parameters like teaching, learning, and research.
- **Four-Year Undergraduate Programme (FYUP):** A multidisciplinary undergraduate structure introduced under the NEP 2020 that offers flexible entry/exit options and a mandatory fourth year focused on advanced research.
- **Gender Parity Index (GPI):** A socio-economic index designed to measure the relative access to education of males and females, calculated as the ratio of female GER to male GER.

Legal and Constitutional Framework

- **Concurrent Jurisdiction:** "Education, including technical education, medical education and universities" is governed under the Concurrent List (List III, Entry 25) of the Seventh Schedule, requiring harmonious legislative execution between the Centre and States.
- **Statutory Oversight:** The regulation and coordination of academic standards in universities are legally mandated to the University Grants Commission (UGC) under Section 12 of the UGC Act, 1956.
- **Right to Higher Education:** While Article 21A guarantees free and compulsory primary education, state planning for equitable higher education aligns with Article 41 of the Directive Principles of State Policy (DPSP), which directs the state to secure the right to education within its economic limits.

Conclusion

The latest AISHE findings present a classic case of quantitative success vs. qualitative lagging in Indian higher education. While access and demographic inclusivity have scaled historic highs, the reluctance of nearly half of India's universities to participate in NIRF evaluations, coupled with sluggish FYUP adoption, underlines the urgent need for a stringent regulatory architecture to ensure that institutional accountability matches India's massive expansion.

UPSC Relevance

- **GS Paper II:** Governance and Social Justice (Issues relating to the development and management of Social Sector/Services relating to Education; government policies, interventions, and implementation deficits of NEP 2020).
- **GS Paper III:** Economic Development (Human resource development, skill gaps, and demographic dividend maximization).

8. Proposed NFSA Amendments and the Federal Debate Over Per Capita Food Grain Allocation

Key Highlights & Summary

- **Proposed Legislative Shifts:** The Union Food and Public Distribution Department has proposed an amendment to Section 3 of the National Food Security Act (NFSA), transitioning the Antyodaya Anna Yojana (AAY) entitlement from a flat household-based metric to a per capita allocation of 7kg per person per month.
- **Imposition of Upper Ceiling:** Under the newly structured draft framework, the revised monthly per capita allocation is strictly capped at a maximum threshold of 35kg per individual household.
- **Union Rationale for Change:** The central government argues that the current flat system fosters intra-category inequities, since smaller families enjoy higher per capita grain distribution compared to larger, vulnerable families.

- **Strong Sub-National Opposition:** Southern states, particularly Tamil Nadu and Kerala, have fiercely opposed the move, highlighting that their demographic shift toward nuclear families will trigger a severe drop in net food grain inflows.
- **Emerging Regional Disparities:** Civil society groups warn that a per capita model could inadvertently create a North-South divide in food governance, penalizing states with successful population stabilization programs while favoring states with larger family sizes.

Essential Definitions

- **Antyodaya Anna Yojana (AAY):** A targeted government scheme launched to provide highly subsidized food grains to the poorest of the poor households across India.
- **Per Capita Allocation:** A distributive mechanism where welfare entitlements are apportioned individually per person, rather than uniformly across an entire household unit.
- **Intra-Category Inequity:** Disparities that emerge within a homogenous welfare beneficiary group due to structural variables like varying family sizes.

Legal and Constitutional Framework

- **Statutory Amendment Mechanism:** The change alters the first proviso to sub-section (1) of Section 3 of the National Food Security Act (NFSA), 2013, which handles the legal right to receive subsidized food grains.

- **Constitutional Rights Integration:** The execution of the NFSA directly advances the Right to Food, which the Supreme Court of India recognizes as a fundamental component of the Right to Life guaranteed under Article 21 of the Constitution.
- **Concurrent Legislative List:** Under the Seventh Schedule of the Constitution of India, "Trade and commerce in, and the production, supply and distribution of foodstuffs" falls under the Concurrent List (List III, Entry 33), requiring close cooperation between federal and state governments.

Conclusion

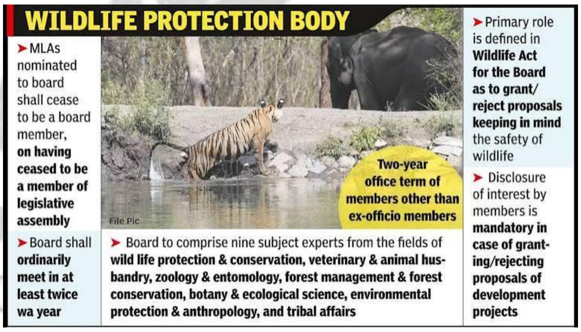
The friction over the proposed NFSA amendments highlights a delicate trade-off between absolute federal optimization and cooperative welfare distribution. While the Centre aims to eliminate structural inequities among multi-member households, the unique demographic realities of individual states necessitate a consensus-driven approach, such as a uniform intermediate floor allocation, to preserve the spirit of fiscal and cooperative federalism.

UPSC Relevance

- **GS Paper II:** Governance and Constitution (Welfare schemes for vulnerable sections by the Centre and States; issues relating to the development and management of Social Sector/Services relating to Health and Nutrition; Federal challenges).
- **GS Paper III:** Economic Development (Issues related to Direct and Indirect Farm Subsidies and Public Distribution System; objectives, functioning, limitations, and revamping of PDS; issues of food security).

9. Public Interest Litigation Challenging the Statutory Functioning of the National Board for Wildlife

Key Highlights & Summary



- **PIL on Institutional Malfunctioning:** A group of retired Indian Forest Service officers and prominent conservationists filed a Public Interest Litigation (PIL) in the Delhi High Court challenging the structural functioning of the National Board for Wildlife (NBWL).
- **High Rate of Land Diversion:** The petition alleges that the NBWL and its Standing Committee have turned into a mere "clearing house," approving over 97% of infrastructure, mining, and industrial proposals within protected areas between 2014 and 2026.
- **Dilution of Statutory Mandate:** Conservationists highlighted severe procedural lapses, pointing out instances where the Standing Committee considered and approved more than 100 forest-diversion proposals in a single day.
- **Operational Imbalance:** The full NBWL body, which is statutorily mandated to convene annually, met in 2025 after a massive 13-year gap, effectively allowing its smaller Standing Committee to act as the de facto decision-making authority.
- **Demand for Binding Guidelines:** The petitioners are seeking judicially enforceable guidelines to regulate how the apex body and its committee evaluate environmental impacts and clear non-conservation projects.

Essential Definitions

- **National Board for Wildlife (NBWL):** The apex statutory body in India constituted to review all wildlife-related matters and approve projects in and around national parks and sanctuaries.
- **Protected Areas (PAs):** Environmentally sensitive geographical spaces, such as National Parks, Wildlife Sanctuaries, Conservation Reserves, and Community Reserves, designated under law to conserve biodiversity.
- **Public Interest Litigation (PIL):** A legal mechanism allowing public-spirited individuals or groups to file lawsuits in courts to protect or enforce the legal and constitutional rights of marginalized groups or public assets like the environment.

Legal and Constitutional Framework

- **Statutory Genesis:** The NBWL is established under Section 5A of the Wildlife (Protection) Act, 1972, and is chaired by the Prime Minister of India, with the Union Environment Minister as its vice-chairperson.
- **Constitutional Environmental Mandate:** Safeguarding wildlife aligns directly with Article 48A of the Directive Principles of State Policy (DPSP) and Article 51A(g) of the Fundamental Duties, which mandate the State and citizens to protect and improve the natural environment.
- **Judicial Writ Jurisdiction:** The PIL was moved under Article 226 of the Constitution, which empowers High Courts to issue writs for the enforcement of fundamental and statutory rights against arbitrary state actions.

Conclusion

The legal challenge against the NBWL highlights an urgent need to rebalance industrial expansion with ecological integrity. For an apex statutory body to function efficiently, its decision-making process must remain rigorous, transparent, and legally accountable. Strengthening the independent evaluation mechanisms of the NBWL is essential to prevent the irreversible degradation of India's shrinking protected ecosystems.

UPSC Relevance

- **GS Paper II:** Governance and Constitution (Statutory, regulatory, and various quasi-judicial bodies; judicial activism through Public Interest Litigations).
- **GS Paper III:** Environmental Ecology and Biodiversity (Conservation, environmental impact assessment, challenges in governance of protected areas, and balancing development with ecological sustainability).

10. Reforming Venture Capital Distribution: The Push for Cooperative Federalism in Startup India Fund of Funds 2.0

Key Highlights & Summary

- **Central Directives on Startup Capital:** The Union Commerce Ministry has urged states and union territories to halt the creation of parallel state-level startup funding vehicles.
- **Consolidation Under FoF 2.0:** States are directed to co-invest public capital directly through the newly approved ₹10,000-crore Startup India Fund of Funds 2.0 (FoF 2.0) framework.
- **Targeting High-Risk Sectors:** Unlike its sector-agnostic predecessor, FoF 2.0 introduces four specific investment segments: deep-tech, innovative manufacturing, micro VCs, and agnostic funds.

- **Enhanced Funding Stack:** The revised scheme raises the government's maximum capital contribution to Alternative Investment Funds (AIFs) from 25% to 40% while extending the investment tenure for deep-tech from 12 to 18 years.
- **Decentralized Multi-Agency Model:** Transitioning from a SIDBI-only mechanism, FoF 2.0 shifts implementation toward a multi-agency framework to broaden outreach across Tier-2 and Tier-3 urban clusters.
- **Mitigating Capital Fragmentation:** Over 15 states currently run independent startup funds; consolidating these into a single national architecture aims to avoid capital fragmentation and build robust investment pipelines.

Essential Definitions

- **Fund of Funds (FoF):** A pooled investment strategy where a fund invests in other institutional financial vehicles (like venture capital funds) rather than investing directly in corporate equities or startups.
- **Alternative Investment Fund (AIF):** A privately pooled investment vehicle established in India that collects capital from domestic or foreign investors for deployment according to a defined investment policy under SEBI regulations.
- **Deep Technology (Deep-Tech):** Startups founded on tangible scientific discoveries or engineering innovations (such as AI, quantum computing, and robotics) that require high-risk, long-gestation patient capital.

Legal and Constitutional Framework

- **Executive Allocation Power:** The guidelines are notified by the Department for Promotion of Industry and Internal Trade (DPIIT) under the Ministry of Commerce and Industry, executing its central policy-making mandate.
- **Statutory Securities Oversight:** All intermediary funds receiving capital from the FoF must be formally registered and regulated as Category I or Category II AIFs under the SEBI (Alternative Investment Funds) Regulations, 2012.
- **Constitutional Domain:** Under the Seventh Schedule of the Constitution of India, "Development of industries" falls under the Union List (List I, Entry 52) to the extent that it is declared by Parliament to be expedient in the public interest, granting the Centre valid grounds to streamline industrial capital distribution.

Conclusion

The structural overhaul presented in the Startup India Fund of Funds 2.0 signals a clear transition from broad ecosystem building to strategic capability formation. By discouraging fragmented state-level funding and introducing a co-investment model, the policy attempts to foster true cooperative federalism. This centralization, combined with extended investment horizons, provides the patient capital necessary to secure India’s technological self-reliance in cutting-edge industries.

UPSC Relevance

- **GS Paper II:** Governance and Federalism (Statutory regulatory frameworks, Centre-State relations, alignment of state policies with central economic interventions, role of executive departments like DPIIT).
- **GS Paper III:** Indian Economy and Infrastructure (Investment models, mobilization of resources, industrial growth, technology-led entrepreneurship, and addressing capital gaps in the startup ecosystem).