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VIDHVATH IAS KAS ACADEMY & STUDY CENTRE

DAILY CURRENT AFFAIRS

FOR UPSC CIVIL SERVICE EXAMINATION

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9972258970 & 9740702455

#317/A SKB Arcade, D. Subbaiah Road,
Ramaswamy Circle, Mysuru-570004

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1. Deep-Tech RDI Fund Approvals and Conflict of Interest Concerns

Key Highlights & Summary

- **Initial Disbursement Cleared:** The Investment Committee of the Technology Development Board (TDB) approved Rs 2,192 crore in soft loans for 22 private firms under the newly established Research, Development and Innovation (RDI) Fund.
- **Conflict of Interest Allegations:** Media investigations revealed that 15 of the 22 selected firms have financial or investment links to seven members of the 12-member selection panel, accounting for 62% (Rs 1,377 crore) of the total cleared funds.
- **Selection Panel Defense:** Panel members affirmed that personal and professional interests were formally disclosed and they recused themselves from discussions involving linked entities during evaluation rounds.
- **Demands for Governance Guardrails:** Parliamentarians and policy experts flagged concerns over potential bias, emphasizing the necessity for stringent public accountability mechanisms when deploying public capital to private ventures.



- **Corpus & Administration:** The RDI Fund operates as a Special Purpose Fund with a total corpus of Rs 1 lakh crore under the statutory Anusandhan National Research Foundation (ANRF) to provide low-cost, collateral-free loans for private R&D.
- **Strategic Sector Focus:** Funding targets high-impact, cutting-edge technologies including space science, semiconductors, quantum computing, digital healthcare, advanced manufacturing, and clean energy.

Essential Definitions

- **Deep-Tech:** Advanced technology sectors based on tangible engineering innovations or scientific discoveries that require significant research, development, and long capital gestation periods before commercialization.
- **Conflict of Interest:** A situation where an individual's personal, financial, or professional ties could potentially compromise, or appear to compromise, their official judgment and impartiality in decision-making.
- **Recusal:** The voluntary act of a decision-maker withdrawing from participating in an official proceeding or panel due to a potential conflict of interest.

Legal and Constitutional Framework

- **Constitutional Principles:**
    - **Article 14:** Guarantees equality before law and prohibition of arbitrariness in administrative actions and allocation of public resources (*Ramana Dayaram Shetty v. International Airport Authority of India*).
    - **Article 39(b) (DPSP):** Directs state policy toward ensuring that the ownership and control of material resources are distributed to best subserve the common good.

- **Statutory Governance Framework:**
    - **Anusandhan National Research Foundation (ANRF) Act, 2023:** Establishes the overarching statutory body to seed, grow, and promote R&D across India's academic and industrial sectors.
    - **General Financial Rules (GFR), 2017:** Governs public procurement, financial propriety, transparency, and ethical standards in disbursing central government grants and loans.

Conclusion

While the Rs 1 lakh crore RDI Fund represents a crucial push toward indigenous technological self-reliance, the controversy highlights the delicate balance between utilizing industry expertise on selection panels and ensuring absolute administrative integrity. Implementing robust third-party oversight, mandatory public disclosure logs, and blind evaluation protocols will be vital to preserving public trust in state-led innovation funding.

UPSC Relevance

- **GS Paper II:** Statutory, regulatory, and quasi-judicial bodies (ANRF, TDB); Transparency, accountability, probity in governance, and ethical management of public funds.
- **GS Paper III:** Science and Technology—developments and applications in indigenization of technology; Private sector participation in R&D and strategic deep-tech sectors.

2. Low Utilization of Good Samaritan (Rah-Veer) Scheme Amid Rising Road Fatalities

Key Highlights & Summary



- **Low Scheme Utilization:** Ministry of Road Transport and Highways (MoRTH) data tabled in Parliament shows only 813 people were awarded under the Rah-Veer Scheme across five years (FY2021-22 to FY2025-26) despite climbing road accidents.
- **Geographical Disparity:** Scheme adoption was restricted to 15 States and 2 UTs; major high-fatality states like Maharashtra and Karnataka recorded zero takers, while Rajasthan topped with 224 awardees followed by Bihar (95).
- **Bystander Hesitation:** Severe under-utilization stems from persistent bystander apprehension regarding police harassment, institutional paperwork, and judicial follow-ups.
- **Impact on Trauma Mortality:** As per a NITI Aayog-AIIMS report, nearly 30% of trauma-related fatalities in India occur due to delays in emergency medical intervention.
- **Incentive Revision:** MoRTH extended the scheme for another five years, increasing the reward amount to Rs 25,000 (up from Rs 5,000) and allocating an initial grant of Rs 25 lakh per state.
- **Grievance Redressal Deficit:** Despite a 2016 Supreme Court ruling directing states to set up Good Samaritan grievance redressal frameworks, only two high-fatality states have complied.

Essential Definitions

- **Good Samaritan (Rah-Veer):** A person who voluntarily and in good faith renders immediate assistance or medical care to a motor vehicle accident victim without expectation of payment or duty of care.

- **Golden Hour:** The critical 60-minute window immediately following a traumatic injury during which prompt medical care offers the highest likelihood of preventing death.
- **Bystander Effect:** A social psychological phenomenon where individuals fail or hesitate to offer help to victims in emergency situations due to fear of institutional complications.

Legal and Constitutional Framework

- **Constitutional Imperative:**
    - **Article 21:** The fundamental Right to Life includes the right to timely medical treatment for accident victims (*Pt. Parmanand Katara v. Union of India, 1989*).
    - **Article 38 (DPSP):** Directs the State to promote public welfare and secure a social order ensuring effective social justice.
- **Statutory Framework:**
    - **Section 134A of Motor Vehicles (Amendment) Act, 2019:** Protects Good Samaritans from civil or criminal liability, compulsory disclosure of identity, or forced hospital detention.
- **Judicial Directives:** Supreme Court judgment (2016) approved Good Samaritan guidelines and mandated grievance redressal mechanisms to prevent harassment by law enforcement.

Conclusion

Addressing low participation under the Rah-Veer Scheme requires bridging implementation gaps between statutory protections and ground-level police practices. Strengthening district appraisal committees, publicizing rights, and establishing robust grievance mechanisms are vital to encouraging timely intervention during the Golden Hour.

UPSC Relevance

- **GS Paper II:** Welfare schemes for vulnerable sections; Government policies and interventions; Implementation challenges and institutional accountability.
- **GS Paper III:** Infrastructure (Road Transport and Safety); Disaster management and emergency care response mechanisms.

3. Kerala's "My Police Station" Initiative for Democratic Police Reforms

Key Highlights & Summary

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- **Launch of Comprehensive Reform:** The Kerala government announced the "My Police Station" project, launching on August 15, to enhance public accessibility, accountability, and democratic policing.
- **Shift in Station House Officers (SHOs):** Sub-Inspectors (SIs) will take charge as SHOs in 419 out of 484 law-and-order police stations, reversing the earlier practice of appointing Circle Inspectors (CIs).
- **Gender Inclusivity:** Women Sub-Inspectors will head operations as SHOs across 63 police stations statewide.
- **Strategic Command Distribution:** CIs will remain SHOs in 64 strategically significant stations, while a Deputy Superintendent of Police (DySP) will head the Mullaperiyar dam police station.



- **Eradication of Custodial Crimes:** A core objective is the complete elimination of third-degree methods, custodial violence, and custodial deaths through structured orientation training.
- **Independent Oversight Mechanism:** Range DIGs will gather monthly feedback from stations, overseen by the ADGP (Law and Order) and the State Police Chief.

Essential Definitions

- **Station House Officer (SHO):** The officer in charge of a police station responsible for supervising law and order, crime registration, and local administration.
- **Democratic Policing:** A police governance framework emphasizing transparency, human rights protection, community partnership, and accountability to the public.
- **Custodial Violence:** Illegal physical or psychological torture inflicted on individuals held under police custody.

Legal and Constitutional Framework

- **Constitutional Allocation (Seventh Schedule):**
    - **List II (State List), Entry 1 & Entry 2:** Grants state legislatures exclusive powers over 'Public Order' and 'Police'.
- **Fundamental Rights Protection:**
    - **Article 21:** Right to life and personal liberty, strictly prohibiting custodial violence and illegal detention (*D.K. Basu v. State of West Bengal*).
    - **Article 22:** Guarantees protection against arrest and detention, including the right to consult a legal practitioner.
- **Statutory Framework:** Governed by state police acts alongside statutory procedures under the **Bharatiya Nagarik Suraksha Sanhita (BNSS), 2023** for arrest and detention protocols.

Conclusion

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The "My Police Station" initiative represents a structural step toward transforming state policing from a command force into a community service. Empowering younger officers while embedding strict oversight and zero-tolerance policies for custodial abuse establishes a strong benchmark for police accountability.

UPSC Relevance

- **GS Paper II:** Structure, organization, and functioning of the Executive; Governance, transparency, accountability, and institutional police reforms.
- **GS Paper IV:** Human rights, ethics in administration, curbing custodial violence, and promoting empathetic public service delivery.

4. Cabinet Approves Rs 23,731 Crore 'GOBARdhan' Scheme to Boost Biogas Production

Key Highlights & Summary

- **Outlay & Timeline:** The Union Cabinet approved 'GOBARdhan', the National Circular Bioenergy Scheme, with a financial outlay of Rs 23,731 crore for ten years (2026-27 to 2035-36).
- **Production Targets:** The scheme aims to increase domestic Compressed Bio-Gas (CBG) production nearly 10-fold between 2026 and 2036, attracting large-scale private investment.
- **Import Dependence:** Boosting domestic CBG production will help reduce India's import reliance, which currently meets about half of the nation's natural gas demand, while cushioning against supply shocks like the Strait of Hormuz crisis.
- **Mandatory Blending Targets:** City Gas Distribution (CGD) entities will meet phased CBG blending obligations: 3% in 2026-27, 4% in 2027-28, and 5% from 2028-29 onwards in PNG and CNG networks.
- **Pricing & Offtake Support:** Introduces a stable administered CBG price floor of Rs 2,110 per MMBTU and guaranteed off-take frameworks to secure long-term revenue visibility for producers.
- **Financial Assistance:** Greenfield CBG projects will receive capital assistance of up to Rs 2 crore per tonne per day of installed capacity, extending support to feedstock aggregation assets and organic manure processing.

Essential Definitions

- **Compressed Bio-Gas (CBG):** Purified and compressed form of biogas produced from agricultural residue, cattle dung, and organic waste, possessing properties chemically equivalent to Compressed Natural Gas (CNG).
- **GOBARdhan:** Galvanising Organic Bio-Agro Resources Dhan, a national umbrella initiative to convert waste to wealth and support clean energy production.
- **Greenfield Project:** A new industrial or infrastructure project executed on completely undeveloped land without existing assets.

Legal and Constitutional Framework

- **Constitutional Allocation (Seventh Schedule):**
  - **List I (Union List), Entry 53:** Regulation and development of oilfields, petroleum, and natural gas resources.
  - **List II (State List), Entry 14 & Entry 6:** Agriculture, public health, and sanitation related to waste management.
- **Directive Principles of State Policy (DPSP):**
  - **Article 48A:** Mandates the State to protect and improve the environment and safeguard forests and wildlife.
  - **Article 47:** Directs the State to raise the level of nutrition and standard of living and improve public health.
- **Statutory Alignment:** Operates under the policy umbrella of the **National Policy on Biofuels (2018)** and the **Environment (Protection) Act, 1986** for municipal solid waste management.

Conclusion

The GOBARdhan initiative marks a decisive shift towards circular economy practices by transforming organic waste into high-value clean energy and organic manure. Providing long-term pricing certainty and infrastructure subsidies strengthens India's energy self-reliance and supports rural economic growth.

UPSC Relevance

- **GS Paper III:** Conservation, environmental pollution, degradation; Renewable energy, circular economy, waste-to-energy transition, and energy security.
- **GS Paper II:** Government policies and interventions for development in various sectors and issues arising out of their design and implementation.

5. Debunking Ethanol Blending Claims in Aviation Turbine Fuel: Distinction Between Ethanol and SAF

Key Highlights & Summary

- **Official Refutation:** Union Civil Aviation Minister Ram Mohan Naidu explicitly dismissed claims regarding government plans to blend ethanol with Aviation Turbine Fuel (ATF), calling the assertions false and irresponsible.
- **Technical Distinction:** The Ministry clarified that ethanol and Sustainable Aviation Fuel (SAF) are entirely different clean fuels and should not be conflated in public or policy discussions.
- **Global Certification Standards:** Highlighted that SAF is an internationally certified aviation fuel recognized by the International Civil Aviation Organization (ICAO) and adopted globally.
- **Rigorous Safety Testing:** Emphasized that SAF undergoes rigorous testing and meets stringent international safety standards before approval for aircraft engine integration.
- **Deterring Misinformation:** Warned that spreading unverified reports regarding aviation fuel safety creates unwarranted anxiety among air travelers.
- **Passenger Safety Priority:** Reaffirmed that passenger safety and operational integrity remain the highest priority for the Ministry of Civil Aviation during energy transitions.



Essential Definitions

- **Sustainable Aviation Fuel (SAF):** A renewable, drop-in aviation fuel produced from biogenic waste, agricultural residues, or used cooking oil that is chemically compatible with conventional jet fuel under ICAO/ASTM specifications.
- **Aviation Turbine Fuel (ATF):** High-quality, specialized kerosene-based liquid fuel designed specifically for powering aircraft gas-turbine engines.

Legal and Constitutional Framework

- **Constitutional Allocation (Seventh Schedule):**
    - **List I (Union List), Entry 29:** Governs airways, aircraft, and air navigation, granting Parliament exclusive jurisdiction over civil aviation safety and fuel standardisation.

- **Statutory Machinery:** Regulated under the **Aircraft Act, 1934** and **Aircraft Rules, 1937**, with safety and operational compliance enforced by the **Directorate General of Civil Aviation (DGCA)**.
- **International Regulatory Compliance:** Operates under international civil aviation treaties and the **Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA)** framework established by ICAO.

Conclusion

Clarifying the technical boundary between raw ethanol and certified Sustainable Aviation Fuel is essential to preserving public trust and operational security in civil aviation. As India navigates international decarbonization targets under ICAO standards, strict adherence to global certification protocols ensures sustainable aviation progress without compromising passenger safety.

UPSC Relevance

- **GS Paper II:** Statutory and regulatory bodies (DGCA, MoCA); Role of international organizations (ICAO) in setting global aviation standards.
- **GS Paper III:** Science and Technology—developments and applications in clean energy; Environmental decarbonization, Sustainable Aviation Fuel (SAF), and infrastructure safety protocols.

6. CAG Audit Flags Irregularities in West Bengal Paddy Procurement

Key Highlights & Summary

- **Transport Irregularities Flagged:** A Comptroller and Auditor General (CAG) audit report revealed that over 4,200 quintals of paddy were falsely recorded as transported via ambulances, passenger auto-rickshaws, buses, and luxury cabs during the 2020–21 Kharif Marketing Season.
- **Unregistered and Untraceable Vehicles:** The audit found 19 vehicles engaged in transporting 4,211.89 quintals of paddy that were either not registered for goods carriage or untraceable on the Ministry of Road Transport and Highways (MoRTH) portal.
- **Duplicate Procurement Entries:** At a Central Procurement Centre in Singur, Hooghly, 59 repeated entries were made under 10 individuals—including owners of two rice mills—procuring 2,568.13 quintals worth Rs 44.94 lakh.
- **Exploitation of Bank Accounts:** Subsequent inquiry uncovered 97 additional fake entries involving 3,893.71 quintals where individuals shared bank details with mill owners without actually selling any paddy.
- **Lax Penalties and Repeat Participation:** Though penalties totaling Rs 52.32 lakh were imposed on offending mills, they were allowed to participate in subsequent procurement seasons merely by submitting undertakings.
- **Deprivation of Small Farmers:** The CAG noted that ghost procurement and rice mill collusion undermined the Minimum Support Price (MSP) mechanism, depriving small and marginal farmers of intended financial benefits.

Essential Definitions

- **Kharif Marketing Season (KMS):** The annual period during which the government procures monsoon-sown crops (like paddy) from farmers at declared Minimum Support Prices.
- **Customed Milled Rice (CMR):** Paddy procured by state agencies and delivered to private rice millers for processing before being supplied to the central pool or PDS distribution networks.

- **Central Procurement Centre (CPC):** Designated state-operated facility established at the block level for direct purchasing of agricultural produce from registered farmers.

Legal and Constitutional Framework

- **Constitutional Domain:**
    - **Article 148 to 151:** Establishes the Comptroller and Auditor General of India to audit all expenditure from the Consolidated Fund of India and States, submitting compliance reports to the Governor.
    - **Article 21:** Includes the right to food and food security, which is directly impacted by corrupt leakage in welfare procurement schemes.



- **Statutory Machinery:**
    - **CAG's (Duties, Powers and Conditions of Service) Act, 1971:** Empowers the CAG to inspect accounts, procurement records, and financial propriety of state departments and agencies.
    - **Essential Commodities Act, 1955:** Regulates the production, supply, and distribution of essential food grains to prevent hoarding and black-marketing.
    - **National Food Security Act (NFSA), 2013:** Mandates transparent, leak-proof procurement and distribution of subsidized grains to eligible households.

Conclusion

The audit findings highlight critical governance gaps, software loopholes, and collusion in state paddy procurement systems. Ensuring robust digital authentication, strict vehicle verification, and severe legal sanctions against offending millers are necessary to restore integrity to public distribution systems and protect farmer welfare.

UPSC Relevance

- **GS Paper II:** Constitutional Bodies (CAG duties and powers); Transparency and accountability, institutional corruption, and governance failures in welfare delivery.
- **GS Paper III:** Issues related to direct and indirect farm subsidies and Minimum Support Prices (MSP); Public Distribution System (PDS) objectives, limitations, and operational reforms.

7. Parliamentary Authority over SC/ST Creamy Layer Exclusion: Centre's Stand in Supreme Court

Key Highlights & Summary

- **Exclusive Legislative Prerogative:** In a counter-affidavit filed before the Supreme Court, the Union Ministry of Social Justice and Empowerment affirmed that extending the 'creamy layer' principle to Scheduled Castes (SCs) and Scheduled Tribes (STs) falls under the exclusive domain of Parliament.
- **Separation of Powers:** The Centre urged the Judiciary to refrain from directing the Executive to frame policies on income-based sub-quotas without empirical data or explicit legislative mandate, citing institutional separation of powers.

- **Historical & Social Criteria:** The government highlighted that reservation for SCs and STs is grounded in historical backwardness, untouchability, and geographical isolation rather than purely economic status.
- **Non-Applicability of Creamy Layer:** Citing the Constitution Bench ruling in *Ashoka Kumar Thakur v. Union of India (2008)*, the affidavit contended that the creamy layer concept was developed exclusively for OBC reservations and does not apply to SCs/STs.
- **Inapplicability of Mandamus:** Any modification to affirmative action policies must be preceded by holistic reviews and socio-economic empirical studies rather than judicial directions.
- **Precedent Support:** The Centre referenced *E.V. Chinnaiah v. State of Andhra Pradesh (2005)*, emphasizing that Parliament alone possesses the authority to alter presidential lists under Articles 341 and 342.

Essential Definitions

- **Creamy Layer Principle:** An economic criteria-based threshold used to exclude socially advanced or affluent individuals within backward classes from receiving reservation benefits.
- **Sub-Classification:** The division of a broad reserved category into smaller sub-groups to ensure equitable distribution of quota benefits among the most disadvantaged candidates.
- **Empirical Data:** Systematically gathered qualitative and quantitative socio-economic evidence required to substantiate administrative policies or reservation adjustments.

Legal and Constitutional Framework

- **Constitutional Allocation:**
    - **Article 341(2) & 342(2):** Grants Parliament sole authority to enact laws to include or exclude any caste, race, or tribe from the Presidential Notification list of SCs and STs.
    - **Article 16(4) & 16(4A):** Empowers the State to make provisions for reservation in appointments and promotions for under-represented backward classes.
- **Judicial Precedents:**
    - ***Indra Sawhney v. Union of India (1992):*** Established the creamy layer principle specifically for OBC reservations while keeping SCs/STs distinct due to historic discrimination.
    - ***Ashoka Kumar Thakur v. Union of India (2008):*** Affirmed that the creamy layer exclusion cannot be automatically extended to SC/ST categories.
    - ***State of Punjab v. Davinder Singh (2024):*** Recognized state competency to sub-categorize SCs/STs for equitable access without equating it to automatic creamy layer exclusion.

Conclusion

The Centre's stand before the Supreme Court reinforces the principle that fundamental alterations to reservation structures require legislative deliberation and empirical backing. Safeguarding Parliament's statutory competence under Article 341 balances affirmative action with constitutional separation of powers.

UPSC Relevance

- **GS Paper II:** Indian Constitution—significant provisions, basic structure doctrine, separation of powers between various organs; Statutory and constitutional bodies; Welfare schemes for vulnerable sections and operational frameworks.

8. Institutional In-fighting in Himachal Pradesh Police and Administrative Governance Issues

Key Highlights & Summary

- **Public Spat Among Senior IPS Officers:** An escalating dispute between top Himachal Pradesh police officers—including officiating DGP Ashok Tewari, DIG Sanjeev Gandhi, and Shimla SP Gaurav Singh—began over official bungalow retention and escalated into mutual allegations.
- **Special Financial Audit Ordered:** Following delays in vacating government housing, the DGP constituted a three-member committee to audit Rs 14.07 lakh spent on maintenance works at the designated residence between 2022 and 2025.
- **Allegations of Fund Misappropriation:** The audit examined whether funds meant for district police residential accounts and road safety maintenance were redirected towards residential upkeep.
- **Counter-Allegations Regarding Road Safety Procurement:** DIG Sanjeev Gandhi submitted a report alleging procedural irregularities in equipment procurement funded under the HP Road Safety Fund.
- **Public Airing of Internal Disputes:** The escalation led former senior officials and administrative heads to publicly voice concern over the collapse of internal discipline, command structure, and institutional authority.
- **Government Intervention and Disciplinary Action:** The Home Department noted the breach of service conduct rules, emphasizing that public squabbling among security leadership severely undermines public confidence during administrative crises.

Essential Definitions

- **Command Structure:** The hierarchical line of authority and responsibility within armed forces or police units ensuring unified control, operational discipline, and clear delegation.
- **Special Audit:** An focused, targeted examination of financial records, expenditure sources, and procedural compliance outside the scope of regular annual audits.
- **Allotment of Government Residences Rules:** Framework governing the entitlement, sanction, occupancy tenure, and eviction procedures for official accommodations allotted to government servants.

Legal and Constitutional Framework

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- **Constitutional Domain:**
    - **Article 312:** Establishes All India Services (including IPS), maintaining national standards, administrative integrity, and professional discipline.
    - **List II (State List), Entry 2:** Grants State Governments jurisdiction over police operations, disciplinary control, and local administration.
- **Statutory and Conduct Framework:**
    - **All India Services (Conduct) Rules, 1968:** Strictly prohibits officers from engaging in public controversy, unauthorized press communications, or insubordination.
    - **Police Act, 1861 / State Police Acts:** Enforces strict internal governance, chain of command, and penalties for dereliction of duty or indiscipline.

- **Judicial Directives on Police Reforms:**
    - ***Prakash Singh v. Union of India (2006):*** Mandated setting up the State Security Commission (SSC) and Police Complaints Authorities (PCA) to oversee police accountability and minimize administrative friction.

Conclusion

Public disputes among senior police officers undermine institutional credibility, operational efficiency, and the chain of command. Upholding administrative discipline through service conduct rules, transparent housing allotment policies, and independent audit mechanisms is vital for preserving public trust in law enforcement authorities.

UPSC Relevance

- **GS Paper II:** Role of civil services in a democracy; Government policies and administrative accountability; Institutional police reforms and governance integrity.
- **GS Paper IV:** Ethics in public administration, professional conduct, institutional discipline, and ethical leadership among senior public servants.

9. Handloom Sector: Weaving Heritage into India's Global Growth and Economic Development

Key Highlights & Summary



- **National Handloom Day:** India observes August 7 as the 12th National Handloom Day, commemorating the Swadeshi Movement launched on this date in 1905 to promote indigenous craftsmanship.
- **Livelihood & Women Empowerment:** Handloom is India's largest cottage industry, supporting over 35 lakh weavers and allied workers, nearly 72% of whom are women, driving rural women-led growth.
- **Policy Transformation:** Key initiatives include the Raw Material Supply Scheme, 797 handloom clusters, 1.24 lakh improved looms, Handloom Mark, India Handmade certification, and 29 Weavers' Service Centres.
- **National Handloom and Handicraft Programme:** Upcoming flagship scheme targeting 1,800 clusters across 500+ districts, benefiting 65 lakh artisans to position "Handmade in India" globally.
- **Technological Integration (Handloom 4.0):** Pilot project incorporating AI and digital tools across 100 looms alongside tools like VisioNXT for demand forecasting and authenticating handloom products.
- **Income Target:** Focuses on value addition, premium silk, natural fibres, and direct market access to help weavers achieve an aspirational income target of Rs 50,000 per month.

Essential Definitions

- **Handloom:** Any loom operated manually without the aid of electric power to interlace warp and weft threads to produce woven textiles.

- **Geographical Indication (GI):** A sign used on products with a specific geographical origin possessing qualities, reputation, or characteristics attributable to that location (e.g., Banarasi Silk, Kanchipuram, Pochampally Ikat).
- **Handloom 4.0:** The integration of digital technologies, AI monitoring, and ergonomic loom design into handloom production processes to enhance productivity without replacing human craftsmanship.

Legal and Constitutional Framework

- **Constitutional Allocation:**
    - **Article 43 (DPSP):** Mandates the State to endeavor to promote cottage industries on an individual or co-operative basis in rural areas.
    - **Article 51A(f):** Duty of every citizen to value and preserve the rich heritage of India's composite culture.
    - **Seventh Schedule (State List, Entry 24 / Concurrent List, Entry 20):** Provisions governing industries, economic development, and social planning.
- **Statutory Framework:**
    - **Handlooms (Reservation of Articles for Production) Act, 1985:** Protects traditional handloom weavers by reserving specific textile items exclusively for handloom production.
    - **Geographical Indications of Goods (Registration and Protection) Act, 1999:** Secures intellectual property protection for region-specific traditional handloom crafts.

Conclusion

The handloom sector serves as a crucial bridge between preserving India's civilisational heritage and expanding its modern export economy. By coupling traditional craftsmanship with technology, capital assistance, and brand certification, India can transform handloom into a sustainable engine of rural prosperity and global cultural identity.

UPSC Relevance

- **GS Paper II:** Government policies and interventions for rural development; Welfare schemes for vulnerable sections and women empowerment.
- **GS Paper III:** Indian economy, cottage industries, employment generation, inclusive growth, and intellectual property rights (GI tags).

10. RBI Policy Stance: Balancing Growth Priorities Against Inflationary Risks

Key Highlights & Summary

- **Status Quo Policy Rates:** The Reserve Bank of India's Monetary Policy Committee (MPC) kept policy rates unchanged while retaining a neutral stance, adopting a more dovish tone despite supply-side risks.
- **Headline vs Core Inflation:** Consumer Price Index (CPI) inflation rose to 4.4% in June, largely driven by food and fuel costs, whereas core inflation (excluding food and fuel) and demand-side inflation remained subdued at 2.4%.
- **Upward Growth Revision:** Demonstrating economic resilience amid West Asia tensions and tariff threats, the RBI raised India's FY27 GDP growth projection to 6.7%, supported by robust IIP, services, and credit growth.



- **Rebound in Export Momentum:** Goods exports grew by 16% in Q1 FY27, backed by non-petroleum growth (13%) alongside strong services exports and healthy remittance flows.
- **Manageable Current Account Deficit:** The Current Account Deficit (CAD) is projected at a comfortable 1% of GDP for FY27, with capital inflows via FCNR deposits and FII investments stabilizing the Balance of Payments.
- **Data-Dependent Approach:** The central bank maintains growth-supportive liquidity, treating food-driven supply-side price pressures as temporary unless inflation becomes broad-based.

Essential Definitions

- **Core Inflation:** A measure of inflation that excludes volatile items such as food and energy prices to reflect long-term underlying trend inflation.
- **Current Account Deficit (CAD):** A measurement of a country's trade where the value of imported goods, services, and transfers exceeds the value of exported ones.
- **Foreign Currency Non-Resident (FCNR) Deposit:** A foreign currency-denominated bank deposit scheme available for Non-Resident Indians to hold funds in foreign currency in Indian banks.

Legal and Constitutional Framework

- **Statutory Framework:**
    - **Reserve Bank of India Act, 1934:** Section 45ZB provides for the constitution of a six-member Monetary Policy Committee (MPC) to determine the policy rate required to achieve the inflation target.
    - **Flexible Inflation Targeting (FIT):** Mandated under Section 45ZA of the RBI Act, fixing the CPI inflation target at 4% with a tolerance band of +/- 2%.
- **Constitutional Allocation:**
    - **Seventh Schedule (Union List, Entry 36 & Entry 38):** Grants Parliament jurisdiction over currency, coinage, legal tender, foreign exchange, and banking regulation.

Conclusion

The RBI's policy choice reflects a deliberate trade-off prioritizing economic growth while monitoring transitory supply-side inflation shocks. Strengthening external sector resilience and maintaining fiscal-monetary coordination remain critical to safeguarding macroeconomic stability against global headwinds.

UPSC Relevance

- **GS Paper III:** Indian Economy—issues relating to planning, mobilization of resources, growth, development, and employment; Monetary policy, inflation management, RBI frameworks, and balance of payments.

11. Beijing Model of Innovation: State-Led Technological Advancement and Industrial Synergy

Key Highlights & Summary

- **Triple-Helix Integration:** Beijing's innovation ecosystem integrates research universities (e.g., Peking and Tsinghua), start-ups, industry leaders, and the state to commercialize early-stage research.
- **Bridging the 'Valley of Death':** To move inventions from laboratories to commercial markets, Beijing utilizes state-backed technology managers and commercialization platforms to lower risk.
- **State as Patient Capitalist:** The government acts as a direct investor, stepping in with long-term capital and taking direct equity stakes to bear market losses that private venture capital might avoid.
- **Frontier Focus in AI & Humanoids:** Innovation hubs like Zhongguancun and Yizhuang focus on building complete supply chains for mass production in artificial intelligence, embodied AI, and humanoid robotics.
- **Hub-and-Spoke Industrial Clusters:** Specialized state-backed innovation centres funnel talent, land, and policy subsidies to surrounding private enterprise clusters to scale up mass production.
- **Regulatory Oversight on Spending:** To mitigate financial inefficiencies and local government overspending across competing regional clusters, Chinese regulators are tightening oversight on state-backed fund allocation.



Essential Definitions

- **Valley of Death:** The critical gap between early-stage scientific research/proof-of-concept and its conversion into commercially viable market products.
- **Patient Capital:** Long-term capital investment where investors are willing to forgo short-term returns in favor of substantial, long-range technological development.
- **Embodied AI:** Artificial intelligence systems integrated within physical entities (like humanoid robots) capable of perceiving, interacting with, and navigating physical environments.

Legal and Constitutional Framework

- **Constitutional Allocation (India context for comparison):**
  - **Seventh Schedule (Union List, Entry 63, 64 & 65):** Governs institutions of national importance, scientific or technical education institutions, and research promotion.
  - **Article 51A(h):** Establishes the fundamental duty of Indian citizens to develop the scientific temper, humanism, and the spirit of inquiry and reform.
- **National Policy Frameworks:**
  - **National Deep Tech Startup Policy (NDTSP):** India’s policy framework designed to foster R&D, protect IP, and bridge the commercialization gap for deep-tech ventures.
  - **Anusandhan National Research Foundation (ANRF) Act, 2023:** Statutory body established to seed, grow, and promote R&D across India’s universities and research institutions.

Conclusion

The Beijing innovation model demonstrates how active state intervention, patient capital, and strategic cluster development can bridge research commercialization gaps. Balancing state funding with financial accountability offers significant lessons for emerging economies building competitive high-tech industries.

UPSC Relevance

- **GS Paper II:** Government policies and interventions for development in science and technology; Comparative governance models for R&D promotion.
- **GS Paper III:** Science and Technology—developments and their applications in daily life; Indigenization of technology, artificial intelligence, robotics, and building deep-tech innovation ecosystems.

12. Impact of Supreme Court Order on Mining Operations Near Ramsar Wetland Sites

Key Highlights & Summary

- **National Parity on Buffer Regulations:** The Supreme Court clarified that its February 2024 order—requiring prior approval from the National Board for Wildlife (NBWL) or MoEFCC for mining within 10 km of the Asan Wetland Conservation Reserve—applies to all similarly notified wetland and community reserves across India.
- **Judicial Safeguard for Ramsar Sites:** While domestic laws lack an explicit statutory buffer zone around Ramsar sites, the court noted that international ecological importance warrants heightened scrutiny to preserve their ecological character.
- **Asan Wetland Case Context:** The clarification stems from a plea by Himachal Pradesh questioning the application of the Asan order across state lines, prompting the court to direct MoEFCC/NBWL to assess if the Asan wetland ecosystem extends into Himachal Pradesh.
- **Milestone in Ramsar Tally:** India's Ramsar sites reached 101 with the addition of Glaw Lake (Arunachal Pradesh's first Ramsar site), making India the country with the highest number of Ramsar sites in Asia.



- **Regulatory Shift Under 2017 Rules:** The Wetlands (Conservation and Management) Rules, 2017 decentralized regulation to State Wetland Authorities but removed the explicit prohibition list found under the 2010 Rules, a framework currently under constitutional challenge in the apex court.
- **Divergent Mining Norms:** Absolute mining prohibitions exist within national parks and wildlife sanctuaries alongside a mandated 1 km Eco-Sensitive Zone (ESZ) buffer, whereas mining near wetlands previously lacked uniform statutory buffer distances.

Essential Definitions

- **Ramsar Site:** A wetland designated to be of international importance under the Ramsar Convention on Wetlands (1971) to promote conservation and wise use of water resources.
- **Conservation Reserve:** Declared under the Wild Life (Protection) Act, 1972, for protecting landscapes, flora, fauna, and their habitats, particularly areas adjacent to national parks and sanctuaries.

- **Eco-Sensitive Zone (ESZ):** A transition zone around protected areas designated under the Environment (Protection) Act, 1986, to create a shock absorber and restrict eco-damaging industrial operations.

Legal and Constitutional Framework

- **Constitutional Directives:**
    - **Article 48A (DPSP):** Directs the State to protect and improve the environment and safeguard forests and wildlife.
    - **Article 51A(g):** Mandates every citizen to protect and improve the natural environment, including forests, lakes, rivers, and wildlife.
- **Statutory and Regulatory Regime:**
    - **Wild Life (Protection) Act, 1972:** Regulates protected areas and empowers the Standing Committee of the NBWL to review projects affecting wildlife habitats.
    - **Environment (Protection) Act, 1986:** Governs the Wetlands (Conservation and Management) Rules, 2017, and Environment Impact Assessment (EIA) Notification, 2006.
    - **Van (Sanrakshan Evam Samvardhan) Adhiniyam, 1980:** Mandates Central Government approval for diverting forest land toward non-forest mining purposes.

Conclusion

The Supreme Court's ruling bridges a crucial regulatory loophole by establishing uniform judicial safeguards for wetland reserves. Harmonizing economic resource extraction with stringent environmental clearance procedures ensures the ecological integrity of ecologically sensitive aquatic ecosystems.

UPSC Relevance

- **GS Paper II:** Judicial interventions in environmental governance; Statutory bodies (NBWL, State Wetland Authorities); Constitutional provisions regarding environment protection.
- **GS Paper III:** Environment and Ecology—Conservation, environmental impact assessment (EIA), biodiversity protection, and international conventions (Ramsar Convention).

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