

REGENT EDUCATION& RESEARCH FOUNDATION

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GENERAL STUDIES - I

Social Issues

Muslim women's right to maintenance

The Supreme Court of India has recently issued a landmark judgment in the case of Mohd Abdul Samad vs The State of Telangana.

This judgement has significantly strengthened the rights of divorced Muslim women to claim maintenance under Section 125 of the Code of Criminal Procedure (CrPC), 1973.

This decision represents a pivotal moment in the ongoing legal journey, reaffirming the socially beneficial provision that allows women to seek maintenance, thereby providing clarity and justice after decades of ambiguity and legal contention.

The Shah Bano Case and its Aftermath -

- The issue of maintenance rights for divorced Muslim women first gained national attention with the SC ruling in the Shah Bano case in 1985 (Mohd Ahmed Khan vs Shah Bano Begum).
- In this case, the Court upheld the right of a divorced Muslim woman to claim maintenance under Section 125 of the CrPC, which led to a significant political and social uproar.
- In response, the Indian Parliament enacted the Muslim Women (Protection of Rights on Divorce) Act (MWA) in 1986.
- The Act provided for maintenance during the iddat period (the waiting period following a divorce) and a fair and reasonable provision for the future.

The Legal Conundrum Surrounding the Maintenance Rights of Divorced Muslim Women in India -

- Conflicting Judgments and Legal Ambiguity —
 - The MWA was perceived by many as a regressive step, as it was believed to limit the maintenance rights of divorced Muslim women to the iddat period (a few months post-divorce) and mandate a 'fair and reasonable provision' for their future within this period.
 - The introduction of the MWA led to considerable confusion and conflicting interpretations by various high courts.
 - Some courts ruled that the MWA provided a more comprehensive and special remedy that should be exclusively followed, effectively nullifying the applicability of Section 125 of the CrPC to divorced Muslim women.
 - Other courts maintained that Section 125, being a secular provision, continued to be available to all women irrespective of their religion, thus including divorced Muslim women.
- High Courts' Divergent Rulings —
 - Exclusive Applicability of MWA —
 - Some high courts held that since the MWA was specifically enacted for divorced Muslim women, it should take precedence over the CrPC.
 - This interpretation suggested that the remedies provided under the MWA were both special and exhaustive, thereby excluding the application of Section 125 of the CrPC to divorced Muslim women.
 - Concurrent Applicability —
 - Other high courts ruled that the two legal provisions could coexist. They argued that Section 125 of the CrPC, being a secular and beneficial legislation, was intended to provide maintenance to all women, including those divorced under Muslim personal law.
 - These courts emphasised that the CrPC aimed at preventing destitution and

vagrancy, objectives that should not be overridden by the MWA.

- **Hierarchy of Laws —**

- **Another line of reasoning was based on the principle of *lex specialis***, which suggests that a specific law (MWA) should prevail over a general law (CrPC).

- However, **this approach was complicated by the fact that the CrPC is a procedural law with a broad social welfare mandate**, while the MWA is a personal law specific to Muslim women.
- SC's Clarification —
 - The **legal ambiguity and conflicting high court judgments necessitated a definitive ruling** by the SC.
 - **In the Mohd Abdul Samad case, the SC provided much-needed clarity** by unequivocally stating that the enactment of the MWA did not extinguish the rights of divorced Muslim women under Section 125 of the CrPC.
 - The **SC emphasised that Section 125 is a secular provision designed to prevent vagrancy and destitution** by ensuring that women unable to maintain themselves receive maintenance.
 - **It is a socially beneficial provision that should not be negated by the MWA.**
 - The **Court held that while the MWA provides specific rights and remedies, it does not override or negate the broader and more inclusive protections offered under the CrPC.**

The Case of Mohd Abdul Samad vs The State of Telangana and the SC Verdict -

- About the Case —
 - In this case, a **deserted wife approached the family court in Telangana for maintenance under Section 125**, and the court awarded her Rs 20,000 as monthly maintenance.
 - Subsequently, **her husband divorced her and contested her right to claim maintenance under Section 125**, arguing that her rights were now governed by the MWA.
 - The **Telangana High Court rejected the husband's arguments but reduced the maintenance amount to Rs 10,000 per month**. The husband then appealed to the Supreme Court.
- SC Verdict —
 - **On July 10, a bench comprising Justices B V Nagarathna and Augustine George Masih upheld the wife's right to claim maintenance** under Section 125 of the CrPC.
 - The Court ruled that this right is not nullified by the enactment of the MWA, emphasizing the socially beneficial nature of Section 125.
 - **This judgment has thus put to rest the prevailing controversy** and reinforced the maintenance rights of divorced Muslim women.

Existing Precedents and Interpretations Surrounding Maintenance Rights for Divorced Muslim Women in India -

- The Danial Latifi Case (2001) —
 - In this case **the constitutional validity of the MWA was challenged**.
 - The **petitioners argued that the MWA violated the fundamental rights of Muslim women** by limiting their maintenance rights.
 - A **five-judge Constitution Bench of the SC examined these arguments and provided a landmark judgment** that balanced the provisions of the MWA with the constitutional mandate of equality and non-discrimination.
 - The **SC upheld the constitutional validity of the MWA**, affirming that it **did not violate the fundamental rights enshrined in Articles 14 (Right to Equality), 15 (Prohibition of Discrimination), and 21 (Right to Life)** of the Indian Constitution.
 - The **Court ruled that MWA should not be limited to the iddat period but must encompass the future needs** of the divorced wife.
- Sabra Shamim vs Maqsood Ansari (2004) —
 - The **Allahabad HC reiterated that the MWA does not take away the right of a divorced Muslim woman** to claim maintenance under Section 125 of the CrPC.
 - It emphasised that the provisions of the CrPC are available to all women, irrespective of their religion.
- Iqbal Bano vs State of UP (2007) —
 - The **SC held that a divorced Muslim woman has the option to either proceed under the**

provisions of the MWA or under Section 125 of the CrPC, thereby reaffirming the concurrent applicability of both legal frameworks.

- **Shamim Bano vs Asraf Khan (2014)**

- **The SC once again upheld the right of a divorced Muslim woman to claim maintenance under Section 125**, stating that the beneficial provisions of the CrPC are available to all women, including those governed by personal laws.

Conclusion -

- **The SC's judgment in Mohd Abdul Samad vs The State of Telangana is a significant step** towards ensuring justice and equality for divorced Muslim women.
- **By upholding their right to claim maintenance under Section 125 of the CrPC, the Court has clarified a long-standing legal ambiguity** and reinforced the secular and socially beneficial intent of the law.
- **This decision not only provides legal clarity but also affirms the fundamental rights of all women**, contributing to the broader goal of social justice and welfare in India.

Source - [The Hindu](#)

QUESTION - The recent Supreme Court judgment in Mohd Abdul Samad vs The State of Telangana has significantly impacted the legal landscape regarding the maintenance rights of divorced Muslim women in India. Discuss the historical context and legal developments leading up to this landmark judgment.

Alimony for Muslim Women

In a landmark judgment, the Supreme Court of India has ruled **that a divorced Muslim woman can seek alimony from her husband under Section 125** of the Code of Criminal Procedure (CrPC).

This ruling, delivered by Justices BV Nagarathna and A.G. Masih, dismissed a husband's petition challenging a Telangana High Court direction to pay his ex-wife monthly maintenance of Rs 20,000.

This judgment marks a significant progression from the Shah Bano case in 1985 and represents a progressive step towards the inclusion of vulnerable minority women in legal protections.

Historical Context and Legal Evolution -

- The Shah Bano Case: A Pivotal Moment —
 - **Shah Bano, a 62-year-old Muslim woman, sought maintenance from her husband after he divorced her via triple talaq.**
 - **The SC ruled in her favour under Section 125 of the CrPC**, which applies to all citizens regardless of religion, thereby entitling her to alimony.
 - **This judgment was met with severe backlash from conservative Muslim leaders**, who viewed it as an infringement on their personal laws and religious freedoms.
- Political Backlash and Legislative Response —
 - **Under pressure from conservative Muslim factions, the then Rajiv Gandhi-led government enacted the Muslim Women (Protection of Rights on Divorce) Act 1986.**
 - **This act effectively nullified the SC's judgment**, restricting divorced Muslim women's right to maintenance **beyond the iddat period** (a waiting period of approximately three months following divorce).
 - **It made them dependent on their natal families or the Waqf Board for maintenance.**
 - **This move was widely criticised as a regressive step** that prioritised political appeasement over gender justice.
- Tensions Between Uniform Civil Code and Religious Freedom —
 - **The Shah Bano case and its aftermath exposed the deep-seated tensions between the need for a uniform civil code, as envisaged by Article 44 of the Indian Constitution, and the preservation of religious freedoms.**

- The **case also highlighted the inadequacies of the Shariat Application Act, 1937**, which governs Muslim personal law in India.
- This **Act broadly states that Muslim personal law (Shariat) will apply to Muslims** in matters of marriage, divorce, inheritance, and family relations.

- However, **the lack of codification and clarity in this law has led to various interpretations, often influenced by patriarchal norms**, resulting in discrimination against women.
- Avoidance of Legal Disparities —
 - **Successive governments avoided addressing these disparities**, often citing the need to respect religious diversity and personal laws.
 - **However, this stance resulted in the perpetuation of legal inequality for Muslim women**, who continued to suffer from practices such as triple talaq (instant divorce), polygamy, and lack of maintenance rights.
 - **The legal system, bound by an outdated and ambiguous personal law, failed to provide them with the same protections enjoyed by their Hindu and Christian counterparts.**
- Momentum for Reform: The Shayara Bano Case —
 - **The call for reform gained momentum with the SC's 2017 verdict in the Shayara Bano case**, which declared the practice of instant triple talaq unconstitutional.
 - **This judgment was a significant step towards ensuring gender justice within the Muslim community.**
 - **It emphasised that practices violating the fundamental rights of women could not be protected** under the guise of religious freedom.
 - **The court recognised that instant triple talaq was not an essential religious practice** and that it violated the constitutional rights of Muslim women.

The Recent SC Judgement, Its Significance and Implications -

- A Progressive Trajectory —
 - By dismissing the husband's petition and upholding the Telangana HC's direction for monthly maintenance, **the SC reinforced the principle that maintenance is a fundamental right** transcending religious boundary.
 - **Justice Nagarathna's observation that maintenance should not be viewed as charity** but as a right **underscores the need to protect vulnerable women's rights**, regardless of their religious background.
- Emphasis on State's Role in Upholding Individual Rights —
 - The portrayal of Muslim women as oppressed and marginalised has frequently been employed to paint the broader Muslim community in a negative light.
 - **This narrative has been leveraged by various political entities to create division** and propagate stereotypes.
 - **The judgment, by recognising the rights of Muslim women, challenges these negative portrayals** and emphasises the state's role in upholding individual rights irrespective of religious identity.
- May be Viewed as Interference by the Community —
 - Within the Muslim community, **many individuals live under a pervasive sense of fear and insecurity.**
 - This is **partly due to the socio-political environment that often targets their identity and practices.**
 - Consequently, **progressive judgments such as this one might not be immediately appreciated** by all sections of the community.
 - **Some may view it with suspicion**, perceiving it as another aspect of the ongoing onslaught on their religious identity.
 - **The orthodoxy within the community might dismiss it as an unwarranted interference** in religious practices.

The Role of Personal Laws and Way Forward for Reforms -

- Conflict between Personal Laws and Principle of Justice —
 - The preservation of these laws is often seen as a way to protect the cultural and religious identities of minority groups.
 - However, **the challenge arises when these personal laws conflict with the principles of**

justice and equality enshrined in the Indian Constitution.

- While **respecting diversity is essential, it must not come at the cost of perpetuating unjust practices**, particularly those that subjugate women and violate their rights.

- Discrimination Embedded in Personal Laws —
 - **Muslim personal law in India** is primarily governed by the **Shariat Application Act, 1937**.
 - This law broadly states that **Shariat will apply to Muslims** in personal matters but lacks specific codification and clarity.
 - **As a result, various interpretations, often influenced by patriarchal norms, prevail.**
 - These interpretations have led to discriminatory practices such as unequal treatment in divorce (triple talaq), maintenance, polygamy, and inheritance rights.
- Need for Codification and Clarity —
 - **To address these issues, there is a pressing need for the codification and reform of personal laws** to ensure they align with constitutional principles of equality and justice.
 - **Codification would provide clear legal standards** and reduce the scope for arbitrary and patriarchal interpretations.
 - **It would also empower women by making them aware of their rights** and providing legal mechanisms to enforce them.

Conclusion -

- **The SC's recent judgment is a milestone** in the journey towards legal equality for Muslim women in India.
- **It builds on the progress made since the Shah Bano case** and reflects a commitment to upholding the rights of vulnerable minority women.
- **While social attitudes may take longer to change, a robust legal framework can provide the necessary support** for women seeking justice.

Source - [The Indian Express](#)

QUESTION - Discuss the Supreme Court's recent ruling allowing divorced Muslim women to seek alimony under Section 125 of the CrPC. Analyse its historical context, legal evolution from the Shah Bano case to the Shayara Bano case, and its impact on personal laws, gender justice, and the debate on the Uniform Civil Code.

GENERAL STUDIES - II

Governance

Ruling against Insensitive Representation of PwDs

The Supreme Court in a landmark ruling laid down comprehensive guidelines to prevent stereotyping and discrimination of persons with disabilities (PwDs) in visual media, including films and documentaries.

The SC issued guidelines while hearing a plea to ban the film *Aankh Micholi* for derogatory portrayal of PwDs. However, the SC refused to interfere with CBFC's decision to clear movie for public screening.

What is the SC's Ruling Against the Insensitive Representation of PwDs?

- The SC emphasised the **need for authentic and respectful representation** of individuals with disabilities in films and media.
- The bench highlighted the **importance of inclusivity and realism** in cinematic portrayals, underlining the societal impact of such representations.
- **The SC said that the creative freedom** of the filmmaker cannot include the freedom to lampoon, stereotype, misrepresent or disparage those already marginalised.
- The court recognised the **influential role of cinema in shaping public perceptions** and stressed that inaccurate or stereotypical portrayals can perpetuate harmful misconceptions.

- According to **Article 14** of the Indian Constitution, stereotyping is an antithesis of dignity and anti-discrimination rule.

- Therefore, there must be a clear distinction between ‘**disability humour**’ which helps in understanding the disabled and ‘**disablement humour**’ which denigrates it.

What is the Significance of the Ruling?

- The ruling has been welcomed by the industry insiders and disability rights activists as a **crucial step towards changing the narrative around disability in India.**
- The ruling also aligns with the broader goals of **the Rights of Persons with Disabilities (RPwD) Act 2016**, which seeks to protect and promote the rights and dignity of PwDs in all spheres of life.
- The SC emphasised on the **human rights** model of disability rights, making the government and private parties obliged to facilitate full and effective participation of PwDs in society.
 - Models under which disability rights are looked at, are of two types - **medical and social models.**
 - **The human rights model** is an evolution of the social model and says that people with disability are a part of society and have the same rights as everyone else.

What are the Shortcomings of the Ruling?

- The human rights model is an abstract idea and difficult to implement.
- The guidelines are limited to visual media.
- The judgement may go against the spirit of ‘**creative freedom.**’

Way Forward -

- The SC expects filmmakers to adhere to these 7-point guidelines while representing PwDs in the visual media.
- The 7-point guidelines are —
 - To avoid words (like words crippled, etc) which lead to institutional discrimination and **negative self-image.**
 - **To avoid language** which overlooks the social barriers.
 - Creators must check for **adequate medical info** about an impairment like night blindness which may increase discrimination.
 - **Such info should not be based on myths.** For example, stereotypes show that impaired persons have enhanced sensory superpowers.
 - Creators must practice the principle of “**nothing about us, without us,**” and involve PwDs in the creation and assessment of visual media content.
 - As per the convention to protect rights of PwDs, PwDs must be portrayed in the visual media after consultation with their **rights advocacy groups.**
 - There must be **training and sensitisation programmes** for creators.

Source - [The Hindu](#)

QUESTION - Examine the Supreme Court's recent guidelines to prevent stereotyping and discrimination of persons with disabilities (PwDs) in visual media. Discuss the significance of this ruling in the context of the Rights of Persons with Disabilities (RPwD) Act 2016 and the human rights model of disability rights. Critically analyse the potential challenges and shortcomings of implementing these guidelines, and suggest ways to ensure authentic and respectful representation of PwDs in films and documentaries.

Issues with Centralised Examinations

In 2017, the Government of India established the National Testing Agency (NTA) with the vision of standardising and streamlining the process of conducting entrance examinations for professional courses.

Despite this promising start, the NTA has faced numerous challenges and criticisms, particularly in its handling of the National Eligibility cum Entrance Test (NEET-UG) and other

key exams.

Therefore, **it is important to critically examine the NTA's shortcomings, the resulting trust deficit, and potential solutions**, including decentralisation and reforms in the schooling system.

The Vision of National Testing Agency (NTA) -

- Electronic Mode of Examination —
 - The NTA was **designed to transition entrance exams** from traditional pen-and-paper methods to electronic formats.
 - This **shift aimed to reduce the logistical complexities** and vulnerabilities associated with manual processes, such as paper leaks and distribution errors.
- Specialised Expertise —
 - The NTA was to employ specialists in the science of testing.
 - **These experts were expected to develop robust question banks**, create reliable evaluation frameworks, and ensure the validity and reliability of the examination process.
- Outsourced Operations —
 - **To maintain a lean organisational structure**, much of the NTA's operational work was outsourced.
 - This **included tasks such as question paper setting, exam conduction, and evaluation**, which were managed by external specialists and agencies.

Initial Challenges and Shortcomings Encountered by NTA -

- Pen-and-Paper Mode Persistence —
 - **Contrary to the goal of conducting electronic examinations, many exams, including the NEET-UG, continued to be administered in the traditional pen-and-paper mode.**
 - This **persistence introduced significant risks and opportunities** for malpractice at various stages—from paper setting and printing to distribution and final delivery at examination centres.
- Leadership and Competence Issues —
 - The **NTA's leadership structure raised concerns** about its capability to fulfil its envisioned role.
 - The **agency was headed by a chairman and a chief executive officer**, typically an Indian Administrative Service officer.
 - **Neither of these possess the specialised competence required to build and manage a testing institution** of this scale and complexity.
- NEET-UG Fiasco —
 - The **conduct of NEET-UG in particular exposed critical flaws in the NTA's implementation.**
 - Widespread leakage of question papers, arbitrary awarding of grace marks, and selective re-examinations for a few students undermined the credibility of the entire process.
 - **These issues highlighted the agency's inability** to manage high-stakes examinations effectively.
- Operational Vulnerabilities —
 - The **reliance on outsourced operations introduced vulnerabilities** in the examination process.
 - **The coordination and oversight required to manage multiple external entities** proved to be a significant challenge, leading to instances of malpractice and inefficiencies.
- Trust Deficit —
 - The **culmination of these challenges resulted in a severe trust deficit among students, parents, and other stakeholders.**
 - The **inability to conduct fair and transparent examinations eroded confidence** in the NTA's capabilities and intentions, prompting widespread calls for reform and restructuring.

Trust Deficit created by the NEET-UG Fiasco and Broader Implications -

- Question Paper Leaks and Arbitrary Grace Marks —

- The **widespread leakage of question papers severely undermined the integrity** of the examination.
- **This not only gave unfair advantages to some students but also called into question the NTA's ability to secure sensitive materials** and conduct a fair exam.
- The way grace marks were awarded appeared arbitrary and inconsistent.

- This led to confusion and dissatisfaction among students and parents, who felt that the grading system was neither transparent nor fair.
- Selective Re-examinations and Tampering with Results —
 - **Conducting re-examinations for only a handful of students**, rather than a comprehensive re-exam for all affected candidates, further eroded trust.
 - **This selective approach was seen as unfair** and insufficient to address the widespread malpractice.
 - **Instead of opting for a straightforward re-examination to rectify the issues, the NTA's tampering with results raised serious concerns** about the credibility of the entire examination process.
 - This approach deepened the distrust among stakeholders.
- Legal Interventions and Loss of Confidence —
 - The **repeated failures and mismanagement have led to a significant loss of confidence** in the NTA.
 - **Students, parents, and educational institutions now question the agency's ability to conduct fair and transparent examinations**, which are crucial for career decisions and academic progression.
 - **The Supreme Court of India had to step in** to address the numerous petitions filed by aggrieved students and parents.
 - **Such legal interventions underscore the severity of the trust deficit** and the failure of the NTA to manage the examination process effectively on its own.
- Counselling Delays and Economic and Social Impact —
 - The **government's decision to proceed with the counselling process despite unresolved issues has added to the anxiety** and uncertainty among students.
 - **Since rank is critical for securing admissions to government institutions that offer quality education at subsidised rates**, any tampering with the results can have a profound impact on students' futures.
 - **Students who fail to secure admission in government institutions** due to mismanagement are **often forced to opt for private institutions** that charge exorbitant fees.
 - **This financial burden can be overwhelming** for many families, further exacerbating socio- economic disparities.
- Erosion of Meritocracy —
 - The **primary objective of standardising entrance examinations was to promote meritocracy** by ensuring that only the most deserving students gain admission to professional courses.
 - **However, the current situation has led to a perception that the system is rigged** and that merit alone is not sufficient to succeed.

Ways forward -

- Need for a Decentralised Testing Mechanism —
 - The frequent reports of cheating and leakages in national-level examinations **suggest that a decentralised testing mechanism might be more effective**.
 - Decentralisation would allow states to conduct their own entrance exams based on a standard template set by the central government.
 - **This approach could mitigate the risks associated with centralised testing** and ensure that standards are maintained across various states.
 - **Incorporating domain experts, testing specialists, and IT security measures would further enhance the fairness** and integrity of the examinations.
- Revamping the Schooling System —
 - **The emergence of national-level entrance examinations has inadvertently led to the decline of the traditional schooling system**, with the rise of coaching centres overshadowing the importance of school education.
 - **To address this, integrating a percentage of school-leaving marks into the entrance**

examination score could restore the value of school education.

- This approach, previously implemented for the Indian Institutes of Technology entrance exams, emphasises the importance of academic competency, hard work, and values built at the school level.

Conclusion -

- The establishment of the NTA was a well-intentioned effort to standardise entrance examinations in India.
- However, the execution has been marred by numerous challenges, leading to a significant trust deficit.
- Addressing these issues requires a combination of reforms, including decentralisation of the testing mechanism and rejuvenating the schooling system.

Source - [The Hindu](#)

QUESTION - Critically evaluate the initial vision and objectives of the National Testing Agency, the challenges and shortcomings encountered, and the resulting trust deficit among stakeholders. Suggest potential reforms, including the decentralisation of the testing mechanism and improvements in the schooling system, to address these issues and restore confidence in the examination process.

Intergenerational Equity through Tax-Devolution

The devolution of Union tax revenue to States remains a perennial topic of debate among politicians and economists alike and central to this discussion are the factors influencing the horizontal distribution of States' shares in Union tax revenue.

The current focus on intragenerational equity, redistributing tax revenue among States, often exacerbates intergenerational inequity within States.

Therefore, it is important to examine that intergenerational equity should be integrated into India's horizontal distribution formula for tax devolution.

The Principles of Intergenerational Fiscal Equity and Mechanisms to Achieve It -

- Principles of Intergenerational Fiscal Equity -
 - **Equal Opportunities and Outcomes** —
 - Every generation should have access to similar opportunities and should not be disadvantaged by the fiscal policies of previous generations.
 - This includes access to quality public services such as education, healthcare, and infrastructure.
 - **Sustainable Public Finance** —
 - Governments should manage their finances in a way that ensures long-term sustainability.
 - This means avoiding excessive borrowing that future taxpayers will have to repay, thus preventing the accumulation of unsustainable public debt.
- Mechanisms to Achieve Intergenerational Fiscal Equity —
 - **Taxation** —
 - Ideally, tax revenues should be sufficient to cover current public expenditures.
 - This ensures that the current generation pays for the services it receives, maintaining a balance between revenues and expenditures.
 - **Borrowing** —
 - While borrowing can be a useful tool for funding large capital projects that benefit multiple generations, it should be used judiciously.
 - Excessive reliance on borrowing for recurrent expenditures shifts the financial burden to future generations, leading to higher taxes or reduced public services in the future.
 - **Savings and Investments** —

- **Governments can establish sovereign wealth funds** or other savings mechanisms to accumulate resources during periods of economic surplus.

- **These funds can then be used to finance public expenditures** during economic downturns or to invest in long-term projects that benefit future generations.

Case Study to Understand Intergenerational Fiscal Equity: High-Income vs. Low-Income States -

- High-Income States —
 - Tamil Nadu, Kerala, Karnataka, Maharashtra, Gujarat, and Haryana are categorised as high-income States.
 - **These States have robust economies and generate substantial own tax revenues**, financing up to 59.3% of their revenue expenditures independently.
 - **Despite this, they receive relatively low Union financial transfers**, compelling them to either curtail expenditures or resort to borrowing, which can lead to higher fiscal deficits.
- Low-Income States —
 - Bihar, Uttar Pradesh, Madhya Pradesh, Rajasthan, Odisha, and Jharkhand fall into the low-income category.
 - **These States struggle to generate sufficient own tax revenues**, covering only 35.9% of their revenue expenditures.
 - **Consequently, they rely heavily on Union financial transfers, which finance about 57.7% of their expenditures**, enabling them to maintain higher levels of public spending relative to their revenues.

Fiscal Indicators and Equity -

- Population and Area —
 - These indicators reflect the demand for public services.
 - **States with larger populations and areas typically require more resources to provide adequate services**, justifying higher financial transfers.
- Per Capita Income —
 - This indicator is used to assess the fiscal capacity of States.
 - **Lower per capita income States receive more transfers** to help them match the service levels of higher-income States.
- Tax Effort and Fiscal Discipline —
 - **While equity indicators carry significant weight, efficiency indicators** such as tax effort and fiscal discipline **also influence the distribution formula**.
 - **States that demonstrate higher tax collection efficiency** and prudent fiscal management are **rewarded with additional transfers, incentivising better fiscal practices**.

Challenges to Intragenerational Equity -

- Economic Disparities —
 - The **significant economic disparities between high-income and low-income States pose a challenge** to achieving intragenerational equity.
 - **Wealthier States may feel burdened by the redistribution of their tax revenues** to less prosperous States, potentially leading to fiscal imbalances.
- Public Expectations —
 - **Citizens in high-income States expect a level of public services** commensurate with their tax contributions.
 - **When these expectations are not met** due to lower Union financial transfers, **it can lead to public dissatisfaction and political pressure**.
- Efficiency vs. Equity —
 - **Balancing the principles of efficiency and equity is a constant challenge**. While equity aims to level the playing field, efficiency rewards States for good fiscal practices.
 - **The tension between these principles can complicate the design of an optimal distribution formula**.

Suggestions to strengthen Intergenerational Fiscal Equity -

- Reforming the Distribution Formula —

- The **Finance Commission** should consider including more fiscal variables in the tax devolution criteria.

- **This would incentivise States to improve their tax efforts** and expenditure efficiency, leading to more sustainable fiscal practices.
- Enhancing Fiscal Discipline —
 - **Greater emphasis on fiscal discipline** and responsible borrowing **practices is essential.**
 - **States should be encouraged to adhere to their FRBM limits** and pursue policies that promote long-term fiscal health.
- Promoting Balanced Development —
 - **Policies aimed at reducing economic disparities** between States can **contribute to more equitable fiscal outcomes.**
 - Investments in infrastructure, education, and healthcare in low-income States can enhance their economic prospects and reduce their reliance on Union transfers.

Conclusion -

- **Intergenerational fiscal equity is a fundamental principle that ensures the fair distribution of economic opportunities** and outcomes across generations.
- In India's federal system, **achieving this equity requires a careful balance between taxation, borrowing, and fiscal discipline.**
- **By reforming the distribution formula and promoting responsible fiscal practices, policymakers can ensure that current fiscal decisions do not impose undue burdens on future generations,** fostering a more sustainable and equitable fiscal environment.

Source - [The Hindu](#)

QUESTION - Discuss the significance of integrating intergenerational equity into the horizontal distribution formula for tax devolution in India. Analyse the principles of intergenerational fiscal equity and suggest mechanisms to achieve it.

States must reconsider Special Category Status

Special Category Status (SCS) has played a crucial role in addressing regional disparities, its future remains uncertain amidst evolving political and economic landscapes.

Leaders of aspiring states push for SCS for political reasons without thoroughly assessing the net benefits.

The **challenge lies in finding a balanced approach** that continues to support underprivileged states while ensuring equitable development across the country.

The Concept of Special Category Status -

- The concept of SCS was **introduced in 1969 during the Fourth Five-Year Plan by the Planning Commission,** aiming to address the disparities in development among Indian states.
- The **NDC played a significant role in this process by providing plan assistance to states** using the **Gadgil formula,** which gave higher weightage to population and economic deprivation.
- This **formula ensured that 30 percent of funds were reserved for SCS states.**
- The **FC also recognised the importance of SCS** and incorporated it into their budgetary deficit considerations and tax devolution criteria.
- **These states benefited from a funding model where 90 percent of centrally-sponsored schemes were grants** and the remaining 10 percent were loans, unlike other states which received 60 or 75 percent grants.

Additional Benefits of Special Category Status -

- Concession in Taxes —
 - **SCS states receive significant relief in excise duties,** which are taxes levied on the manufacture of goods within the country.

- This **relief helps local industries by reducing their tax burden**, encouraging industrial development and investment in these states.

- **Concessions in customs duties**, which are taxes imposed on imported goods, **lower the cost of imported raw materials** and goods for industries in SCS states.
- This **reduction makes it more economical for businesses to operate and expand in these regions**, fostering economic growth.
- **These lower tax rates make the states more attractive** to both individuals and businesses, encouraging investment and the establishment of new enterprises.
- Higher Central Plan Status —
 - **SCS states receive 90 percent of the funding for centrally sponsored schemes as grants**, with only 10 percent provided as loans.
 - In contrast, **other states receive 60 or 75 percent as grants** and the remaining amount as loans.
 - This **favourable funding structure greatly reduces the financial burden on SCS states**, enabling them to undertake more development projects.
 - The **higher central assistance provides SCS states with greater flexibility** in utilising funds for various developmental projects.
 - This **flexibility allows states to tailor the use of funds to address their specific needs** and challenges effectively.
- Enhanced Financial Transfers —
 - The **Finance Commission's criteria for tax devolution have often favoured SCS states**, ensuring a higher share of central taxes is transferred to them.
 - This **higher share helps compensate for their developmental lag and geographical disadvantages**.
 - The **Finance Commission also considers the budgetary deficits of SCS states** more favourably.
 - This **consideration results in additional financial support to cover gaps in their budgets**, ensuring they can maintain essential public services and infrastructure projects.

Transition to NITI Aayog and Current Scenario -

- With the replacement of the Planning Commission by NITI Aayog, **the mechanism for central plan assistance has changed**.
- Now, **all Centre-to-state transfers are managed through the Finance Commission**, except for specific central sector and centrally sponsored schemes.
- While the structural framework has evolved, **the core objective of supporting underprivileged states remains**.
- The **transition has introduced a more streamlined and accountable process for fund allocation**, with a focus on performance-based incentives and outcome-oriented funding.
- However, **the fundamental benefits that SCS states received in terms of financial support and tax concessions continue to play a crucial role** in their development trajectories.

Recommendations of the 14th and 15th Finance Commissions -

- Acknowledgment of Demands and Concerns by 14th FC —
 - The **14th Finance Commission did not consider SCS in its recommendations**, though it acknowledged the demands and concerns of various states.
 - **It proposed higher allocations for northeastern states**, Uttarakhand, and Himachal Pradesh, continuing the trend of higher grants and lower cost-sharing for central projects.
 - **Special grants were also sanctioned to address specific challenges** faced by these states.
- No Mention of SCS in 15th FC —
 - The **15th Finance Commission did not explicitly mention SCS but allocated 10.5 percent of devolved taxes to the northeastern and hilly states**, accounting for only 5.2 percent of the population.
 - **This decision resulted in lower shares for southern and western states**.

- The **Commission also considered factors like ecology and area**, leading to a higher share of divisible taxes for these states.
- The **shift to using the 2011 Census population data, as opposed to the 1971 data, further increased their share** due to higher population growth in SCS states, except Himachal Pradesh.

Challenges and Future Considerations -

- Political Controversies and Bargaining —
 - One of the most significant challenges with SCS is **its transformation into a tool for political bargaining.**
 - The **increased presence of regional parties in the central government has intensified demands for SCS**, often driven by political rather than developmental motives.
 - This **politicisation of SCS complicates the objective assessment** of which states genuinely need special assistance.
- Fiscal Implications —
 - The **central government faces budgetary constraints** and must balance the need for supporting SCS states with other fiscal responsibilities.
 - **Allocating a significant portion of funds to SCS states can strain the overall budget.**
 - **Ensuring equity among states is a challenge**, as other states may perceive the benefits to SCS states as unfair, leading to demands for similar concessions.
 - This **can create regional tensions and calls for a re-evaluation of the SCS framework.**
- Administrative Challenges —
 - Ensuring **that SCS states effectively utilise the funds and benefits provided is crucial and mismanagement** or under utilisation can negate the intended developmental impacts.
 - **There needs to be a robust framework for transparency and accountability** in the allocation and utilisation of funds.
 - This **includes regular audits and assessments to ensure that the benefits are reaching the intended targets.**
- Establishing Clear, Updated Criteria —
 - The **government should develop an inclusive framework** that considers a wide range of factors, including economic performance, social development indices, and ecological vulnerabilities.
 - Also, **there is a need to establish a mechanism for regular review** and updating of the criteria to ensure they remain relevant and effective in addressing emerging challenges.
- Strengthening Institutional Mechanisms —
 - **Strengthening institutional mechanisms** to ensure transparency, accountability, and effective utilisation of **resources is crucial.**
 - **Implementing robust monitoring systems** to track the progress and impact of SCS benefits, ensuring they **are used effectively for intended purposes.**
 - Building the capacity of state governments to manage and implement projects efficiently, ensuring that the benefits of SCS are fully realised.

Conclusion -

- **The future of SCS in India depends on addressing its current challenges** and evolving the framework to meet contemporary needs.
- **By establishing clear, updated criteria, strengthening institutional mechanisms, and developing regional cooperation, SCS can continue to play a pivotal role in ensuring balanced regional development.**
- **The focus must remain on equitable growth, transparency, and accountability to achieve the intended socio-economic transformation** of underprivileged states.

Source - [The Indian Express](#)

QUESTION - Discuss the evolution and significance of Special Category Status (SCS) in addressing regional disparities in India. Critically analyse the challenges and future considerations associated with SCS in the context of evolving political and economic landscapes. How can a balanced approach be achieved to support underprivileged states

while ensuring equitable development across the country?

Building Resilient Cities

The increasing frequency and severity of extreme weather events highlight the need for climate- smart and disaster-resilient infrastructure in our cities.

What is the issue?

- Recent extreme weather events in India, like heavy rainfall causing airport damage, serve as a **stark reminder of the vulnerability of our cities.**
- These incidents raise concerns about the **lack of infrastructure** designed to withstand extreme weather conditions.
- **Climate change is amplifying disaster risks.** Extreme weather events can cause cascading failures across urban systems, disrupting essential services like transportation and power.
- Disruptions to these services **threaten the well-being of city dwellers and hinder economic activity.**

Why Resilient Infrastructure matters?

- Resilient infrastructure **protects lives and property.** By building infrastructure that can withstand extreme weather events, we minimise the risk of disasters causing widespread damage and loss of life.
- It **minimises service disruptions.** When roads are flooded and power outages become frequent, the very fabric of urban life is threatened. Resilient infrastructure ensures the continuity of essential services, keeping cities functioning during and after disasters.
- It **promotes economic growth.** Resilient cities are more attractive to investors and businesses. Additionally, the long-term savings in reduced disaster recovery costs and fewer disruptions to economic activities are substantial.

The Way Forward -

- **Integrating Disaster Risk Assessments into Urban Planning —**
 - A proactive approach to disaster management involves **incorporating risk assessments into urban planning.** This means identifying potential hazards specific to each city's geography and climate.
 - Based on these assessments, **infrastructure can be designed and built to withstand extreme weather conditions.** For example, buildings may need to be constructed using stronger materials and with better drainage systems to handle heavy rainfall.
 - **Urban spaces** themselves can also be **designed with resilience in mind. Creating more green spaces** can help mitigate the urban heat island effect, while improved water management systems can prevent flooding.
- **Collaboration Among Stakeholders —**
 - Building resilient cities requires **collaboration among various stakeholders.** Government agencies need to provide the necessary resources and regulations. Urban planners, engineers, and scientists can contribute their expertise in designing and building resilient infrastructure.
 - Most importantly, **involving the local community is crucial.** Residents have firsthand knowledge of their neighbourhoods and the potential hazards they face. Their input is essential for developing effective risk reduction strategies.
 - Fostering this collaboration fosters **a sense of shared responsibility and strengthens community resilience.** When everyone is involved in building resilience, cities are better equipped to handle future challenges.
- **Leveraging Digital Technology —**
 - Digital technology plays a vital role in climate and disaster risk assessments. Earth observation technology provides detailed data about weather patterns, land use, and potential hazards.
 - Advanced data analysis tools can **help us understand these risks better** and make informed decisions about urban planning.
 - Digital technology also **facilitates the communication of risk information.** Early warning

systems can be used to alert residents about impending disasters, allowing them to take necessary precautions.

Benefits of a Holistic Approach -

- A holistic approach that **integrates risk assessment, technology, and collaboration addresses immediate vulnerabilities and builds long-term urban resilience**. By proactively identifying and mitigating risks, we can minimize the impact of future disasters.
- Resilient cities are more economically stable. By **minimizing disruptions** to essential services and attracting investment, resilient infrastructure fosters economic growth.
- **Social equity is another key benefit**. Natural disasters and climate change disproportionately affect vulnerable populations. By designing inclusive and resilient urban spaces, cities can protect these residents, ensuring everyone has access to safe housing, reliable services, and emergency response mechanisms.

Conclusion -

Prioritising climate-smart and disaster-resilient infrastructure is crucial for sustainable urban development. By embracing a holistic approach that integrates risk assessment, technology, and collaboration, we can create safer, more inclusive, and thriving cities for the future.

Source - [Business Standard](#)

QUESTION - In the context of increasing climate extremes, critically examine the importance of climate-resilient infrastructure for sustainable urban development. Suggest measures for integrating disaster risk assessments into urban planning strategies.

International Relations

A Nepal-India Reset

Relations between India and Nepal have seen significant turbulence since 2015, a year marked by the leadership of Prime Ministers Narendra Modi of India and Khadga Prasad Oli of Nepal.

This period has been characterised by diplomatic strains, economic blockades, and geopolitical manoeuvrings that have left a lasting impact on the bilateral relationship.

However, **the current political landscape presents an opportunity** to recalibrate and stabilise these relations, with **both leaders once again at the helm of their respective governments**.

An Analysis of India-Nepal Bilateral Turbulence: Reasons, Implications and Efforts to Restore Ties -

- Nepal's New Constitution and India's Reaction —
 - **In 2015, Nepal's Constituent Assembly adopted a new Constitution**, marking a significant milestone in the country's political development.
 - This **new Constitution was intended to solidify Nepal's transition to a federal democratic republic** following a decade-long civil war and subsequent political turmoil.
 - However, **its promulgation was met with considerable controversy** and opposition, particularly from India.
 - **India had expressed concerns about certain provisions in the Constitution, primarily related to the representation and rights of the Madhesi community**, an ethnic group predominantly residing in the Tarai plains near the India-Nepal border.
- The Blockade —
 - **In response to the adoption of the Constitution, India imposed an unofficial blockade** on Nepal, severely restricting the flow of goods, including essential supplies like fuel, medicine, and food.
 - **The blockade, which began in late September 2015, lasted for nearly six months** and had devastating effects on Nepal's economy and its population's daily lives.
 - The **landlocked nation, heavily dependent on imports from India**, faced acute shortages, leading to widespread hardship and unrest.

- The **official Indian stance was that the blockade was a result of protests by the Madhesi activists** who had blockaded key entry points along the border.

- However, many in Nepal and international observers believed that the Indian government had a direct hand in enforcing the blockade as a means to exert pressure on Kathmandu to amend the Constitution.
- Political and Economic Implications of the Blockade —
 - The blockade not only strained diplomatic ties but also had profound political and economic repercussions.
 - It disrupted daily life in Nepal, with hospitals running out of essential medicines, schools closing due to lack of fuel, and businesses suffering from the scarcity of goods.
 - The blockade worsened the challenges Nepal was already facing in the aftermath of the devastating April 2015 earthquake, which had caused widespread destruction and loss of life.
 - Politically, the blockade strengthened nationalist sentiments in Nepal and led to a shift in its foreign policy orientation.
 - PM Khadga Prasad Oli, who came to power shortly before the blockade, leveraged the crisis to bolster ties with China.
- Diplomatic Efforts to Restore Ties and Unresolved Issues —
 - Following the lifting of the blockade in early 2016, efforts were made to mend the strained relationship between India and Nepal.
 - High-level visits and diplomatic engagements aimed to rebuild trust and cooperation. However, the legacy of the blockade continued to cast a long shadow over bilateral ties.
 - The blockade highlighted the complexities of the India-Nepal relationship, underscoring issues of mutual dependence, sovereignty, and geopolitical manoeuvring.
 - The unresolved grievances of the Madhesi community remained a contentious issue, affecting Nepal's internal stability and its relations with India.

Post Blockade Diplomatic and Political Strains between India and Nepal -

- Post-Blockade Tensions and Territorial Disputes —
 - Despite diplomatic efforts to resolve the fallout from the blockade, the relationship remained strained due to unresolved territorial disputes and nationalistic rhetoric from both sides.
 - In October 2019, India published an updated political map that included the Limpiyadhura-Kalapani region, an area also claimed by Nepal.
 - In response, Nepal's Parliament amended its Constitution to incorporate the Limpiyadhura-Kalapani region into its own map.
 - This unilateral action by Nepal escalated the dispute, highlighting the deep-seated mistrust and sensitivity surrounding border issues.
- Increasing Indian Involvement in Nepali Politics —
 - During this period of heightened tensions, India increased its involvement in Nepal's political and governance issues.
 - This involvement manifested in several ways, including political pressure, diplomatic engagements, and support for certain political factions within Nepal.
 - India's actions were seen by many in Nepal as interference in its internal affairs, which contradicted the principles of non-interference and mutual respect outlined in the Panchsheel doctrine.
 - India's engagement extended beyond formal diplomatic channels. The Rashtriya Swayamsevak Sangh (RSS) and the Bharatiya Janata Party (BJP) actively promoted a Hindutva agenda within Nepal, aiming to align Nepal's political and cultural landscape more closely with their vision of India.
- Perceived Overreach and Power Dynamics —
 - India's involvement in Nepal's internal politics was perceived as overreach by many Nepalis.
 - This perception was compounded by India's actions during the blockade, which were seen as punitive and coercive.
 - The blockade had left a deep scar on Nepal, and India's continued involvement in its

political affairs was viewed with suspicion and resentment.

- The **power dynamics between the two countries were starkly illustrated during the tenure of Prime Minister Pushpa Kamal Dahal** ('Prachanda'). Dahal, the leader of the Maoist party, faced criticism for his perceived subservience to India.
- **During his visits to India, Dahal was reluctant to address contentious issues, such as the air routes for Nepal's international airports, the territorial dispute over Limpiyadhura- Kalapani, and the report of the Eminent Persons' Group (EPG).**

Moving Forward: Opportunities and Challenges -

- **Recalibrating Diplomatic Relations** —
 - With Prime Minister Narendra Modi securing a third term in India and Khadga Prasad Oli reclaiming leadership in Nepal, **both countries have a chance to reset their bilateral relationship.**
 - This **fresh start could focus on building trust, addressing unresolved issues, and fostering a more cooperative and respectful partnership.**
 - **Regular high-level engagements** between the two countries **can help in addressing misunderstandings and building trust.**
 - **Summit meetings, foreign minister dialogues, and joint commissions can serve as platforms to discuss bilateral issues** and explore areas of mutual interest.
- **Addressing Territorial Disputes** —
 - **The territorial disputes**, particularly over the Limpiyadhura-Kalapani region, **need a nuanced and diplomatic approach.**
 - **Both countries should prioritise dialogue** and negotiations to find a mutually acceptable solution.
 - **Engaging in continuous and structured bilateral talks** with a focus on resolving the territorial disputes is
 - These discussions should be based on historical documents, maps, and mutually agreed principles to reach a fair resolution.
- **Economic Cooperation and Trade** —
 - **Economic cooperation is a key area** where both India and Nepal can benefit immensely. Strengthening economic ties can create a win-win situation, creating growth and development in both countries.
 - **Reviewing and updating trade agreements to facilitate smoother and more efficient trade can boost economic relations.**
 - Reducing tariffs, addressing non-tariff barriers, and improving customs procedures can enhance bilateral trade.

Conclusion -

- For India and Nepal to achieve a stable and positive relationship, **a shift in approach is necessary.**
- **Developing mutual understanding and cooperation can transform** the open border between the two countries into a model for regional peace and connectivity.
- This **change would likely lead to a politically stable and economically vibrant Nepal, benefiting India's own security and economic interests.**

Source - [The Hindu](#)

QUESTION - The India-Nepal bilateral relationship has experienced significant turbulence since 2015, characterised by diplomatic strains, economic blockades, and geopolitical manoeuvrings. Analyse the key factors contributing to the strained relations between India and Nepal during this period.

Threats to Internationalisation of rupee

New Delhi aims to enhance bilateral trade with Moscow to \$100 billion by 2030 to curb its rising oil import bill and reduce dependence on the US dollar. However, since the Ukraine

war in 2022, India-Russia trade dynamics have become skewed. Russia is now India's top oil supplier, but

Indian exports to Russia have lagged, leading to a \$57 billion trade deficit out of a \$66 billion bilateral trade in FY24.

While India has saved over \$10 billion by importing cheaper Russian oil and benefited from exporting petroleum products made from Urals crude, the low exports to Russia have hindered India's goal to reduce dependence on the US dollar. Continued unbalanced trade might compel India to use the Chinese yuan, undermining efforts to internationalise the rupee.

Internationalisation of the rupee -

• About —

- Internationalisation of the rupee is a process that involves increasing use of the local currency in cross-border transactions.
- Basically, it is a process of promoting and increasing the use of the INR as a widely accepted currency for international transactions and investments.
- It involves enhancing the currency's acceptance, liquidity, and usability in global markets.

• Steps taken to promote international trade settlement in rupees

- In July 2022, the RBI has provided an additional arrangement for invoicing, payment, and settlement of exports/imports in the rupee.
- As part of this mechanism, in December 2022, India saw its first settlement of foreign trade in rupee with Russia.
- So far banks of 19 countries including the UK, New Zealand, Germany, Malaysia, Israel, and the United Arab Emirates have been permitted to make settlements in rupees.

• How can India internationalise the rupee?

- The **FY23 Economic Survey** highlights that a prerequisite for an international currency is its increasing use for trade invoicing.
- The BIS Triennial Central Bank Survey 2022 shows the US dollar as the dominant currency, making up 88% of global forex turnover, while the rupee accounts for only 1.6%.
- The survey suggests that **if the rupee's turnover reaches 4%**—the share of non-US, non-Euro currencies in global forex turnover—it will be considered an international currency.

Widening trade gap with Russia and benefits to yuan -

- China has capitalised on export opportunities in Russia amid Western sanctions and the exit of Western companies, with Chinese exports to Russia growing faster than imports of Russian oil.
- In 2023, Chinese shipments to Russia increased by 47% year-on-year to \$111 billion, while imports grew by 13% to \$129 billion, leading to a record two-way trade of \$240 billion.
- This balanced trade has encouraged the use of domestic currencies, with 95% of China-Russia trade occurring in local currencies.
- Consequently, the yuan has become the most sought-after currency in the Russian stock market, surpassing the US dollar.
- **Russian oil exports now request payments from Indian refineries in yuan, while the use of the rupee remains limited.**

Challenges in exports to Russia -

- The primary challenge in facilitating trade with Russia is the reluctance of private banks to engage due to fears of Western sanctions, as many have significant business interests and branches in Western countries.
 - To address this, a joint statement following Prime Minister Modi's visit emphasised the need to increase Indian exports to Russia by strengthening industrial cooperation.
- Indian exporters are also facing difficulties using the rupee settlement mechanism while trading with Russia.
 - Exporters initially complained that although the RBI had launched the mechanism, they were unable to use it due to the absence of a Standard Operating Procedure (SOP) for

banks.

- Additionally, the volatility of the ruble and rupee, unlike the more stable yuan, further complicates trade in domestic currencies.

Way forward -

- During the recent visit of PM Modi, India and Russia agreed to eliminate trade barriers and initiate negotiations for a trade deal with the Russia-led Eurasian Economic Union (EEU), which includes Russia, Belarus, Kazakhstan, Kyrgyzstan, and Armenia, representing a \$5 trillion economy.

- They decided to cooperate in manufacturing sectors such as transport engineering, metallurgy, and chemicals, and to implement joint projects in priority areas.
- The aim is to expand reciprocal trade flows of industrial products to increase their share in bilateral trade.
- Discussions also covered a migration and mobility partnership agreement between the two countries.

Source - [The Indian Express](#)

QUESTION - Discuss the concept and significance of the internationalisation of the rupee in the context of India's trade relations with Russia. Highlight the challenges India faces in enhancing its exports to Russia and reducing dependence on the US dollar.

GENERAL STUDIES - III

Economy

Need for a stronger aviation ecosystem

The privatisation of Air India in 2022, transferring ownership from the government to Tata Sons, marked a significant milestone and a bold reform since the second wave of liberalisation in 2004. This strategic transformation is anticipated to stabilise the airline sector and positively impact the entire value chain, potentially extending benefits beyond India's borders.

Major Fleet Expansions and Infrastructure Investments -

- **Fleet expansion —**
 - Since 2022, significant developments in India's airline sector include Air India's order for a record 470 aircraft and IndiGo's rapid growth with a fleet of about 370 aircraft and more than 980 on order.
 - This could double the country's fleet of nearly 700 aircraft by 2030.
 - It took the Indian industry about 90 years from the time of the first commercial flight to reach a fleet size of 700 aircraft.
 - But the rate of growth is so strong that carriers could add a further 600-700 aircraft in just the next 5-7 years.
- **Robust airline system and growth in traffic —**
 - Air India's \$6.5 billion investment and IndiGo's record \$1 billion profitability in FY2024 indicate a robust airline system.
 - Despite supply-chain challenges, **domestic and international traffic grew by 13% and 22%, respectively, in FY2024.**
- **Efforts to enhance airport infrastructure —**
 - To support this expansion, India is enhancing airport infrastructure with a \$11 billion investment pipeline.
 - In the National Capital Region, Delhi International Airport will expand capacity to 130-140 million passengers annually, complemented by the new Noida International Airport opening in April 2025 with a 70 million capacity.
 - The Mumbai Metropolitan Region will also have a dual airport system, handling 145 million passengers annually.
 - The Adani Group is expanding capacity at six non-metro airports, and the Airports Authority of India is investing \$4 billion to enhance non-metro capacity.
 - Greenfield airports are also planned for Chennai and Pune.

Regulatory frameworks for the aviation sector -

- **National Civil Aviation Policy (NCAP) 2016** guides the Indian aviation sector.
- Aviation policy is broad-based in India and is dealt with by the **Ministry of Civil Aviation**

under the legal framework of the Aircraft Act 1934, and Aircraft Rules 1937.

- The DGCA is the **statutory regulatory authority** which comes in for issues related to safety, licensing, airworthiness, and so on.
- **Airports Authority of India (AAI)** manages and operates airports and provides air traffic management services.
- **Bureau of Civil Aviation Security (BCAS)** is responsible for laying down standards and measures for the security of civil flights and airports.
- **Airport Economic Regulatory Authority (AERA)** regulates tariffs and other charges for aeronautical services provided at major airports.
 - It also monitors performance standards of such services.
- **Regional Connectivity Scheme (RCS) - UDAN (Ude Desh ka Aam Naagrik)** aims to make air travel affordable and widespread by enhancing regional air connectivity through financial incentives, subsidies, and infrastructural support.

Way forward -

- **Provide incentives for investment in skilling, training, and education —**
 - . The rapid growth of India's aviation industry could lead to skill shortages, particularly among technical staff like pilots, maintenance engineers, and technicians.
 - . The new DGCA duty and rest norms for pilots could increase pilot demand by 15%.
 - . There are also shortages in air-traffic controllers and security personnel.
 - . Thus, the Budget should provide incentives for investment in skilling, training, and education.
- **Restructuring of institutions —**
 - . Restructuring the Directorate General of Civil Aviation and the Bureau of Civil Aviation Security is necessary to address challenges from technological disruptions and environmental issues.
 - . Corporatising air traffic control by hiving off Air Navigation Services from AAI could improve capital access for system investments.
- **Rationalisation of taxes —**
 - . The Budget should consider rationalising taxes, which currently account for nearly 20% of an airline's quarterly revenue, including state levies on aviation turbine fuel.

Source - [The Hindu](#)

QUESTION - Evaluate the role of regulatory frameworks and policies in shaping the growth trajectory of the aviation industry. Additionally, suggest measures to address the challenges faced by the sector, particularly in terms of skill shortages, institutional restructuring, and tax rationalisation.

Science and Technology

Analysing the progress of Quantum Technology in India

In 2023, India launched the National Quantum Mission and became one of the few countries in the world to have a dedicated programme to harness the power of quantum technologies. But India is far behind China and the US despite having a fairly strong research base in quantum science.

What is Quantum Technology?

- It is a class of technology (developed in the early 20th century) that **works by using the principles of quantum mechanics** - the physics of subatomic particles, including quantum entanglement and quantum superposition.
- Hence, it is based on **phenomena exhibited by microscopic particles** (like photons, electrons, atoms, etc) which are quite distinct from the way normal macroscopic objects behave.

- As behaviour of these microscopic particles **can't be described by Classical Physics** (based on Newtonian Mechanics), consequently Quantum Mechanics came into picture.

- **Applications** — In more reliable navigation and timing systems, more secure communications, more accurate healthcare imaging through **quantum sensing** (perform a measurement of a physical quantity), more powerful computing (**quantum computer**), etc.
- **Progress in India** — India is currently at the forefront of tapping the quantum revolution through massive investments in the field. **The Union Budget 2020-21** proposed to spend
 - ₹8,000 crore on the newly launched National Mission on Quantum Technologies and Applications (**NMQTA**) and
 - ₹ 3660 Crore for National Mission on Interdisciplinary Cyber Physical Systems (**NM-ICPS**).

What is the Indian Government's National Quantum Mission (NQM)?

- NQM will be led by the Department of Science and Technology (DST) for **strengthening India's R&D in the quantum arena**, and focuses on **four key domains**: computing, communications, sensors, and materials.
- It will target **developing intermediate scale quantum computers** with 50-1000 physical qubits in eight years in various platforms like superconducting and photonic technology.
- **Other objectives of the mission** —
 - **Satellite based secure quantum communications** over a range of 2000 km within India and with other countries.
 - **Develop magnetometers** with high sensitivity in atomic systems and **Atomic Clocks** for precision timing, communications and navigation.
 - It will also support design and synthesis of quantum materials such as **superconductors, novel semiconductor structures and topological materials** for fabrication of quantum devices.
- **Four 'Thematic Hubs' (T-Hubs)** will be set up in top academic and national R&D institutes in the domains of quantum computing, communication, sensing and metrology.
 - The hubs will focus on **generation of new knowledge** through basic and applied research as well as promote R&D.
- The Mission will have wide-scale applications ranging from **healthcare and diagnostics, defence, energy and data security**.

Analysing the Progress of Quantum Technology in India -

- India lagging behind other nations —
 - A new report has found that countries like **China and the US have a huge head start** in quantum technologies over India.
 - Not only have these nations **invested significantly more funds to research**, they have a larger number of professionals in this field, have been publishing more scientific papers, and have registered many more patents.
- India still remains in competition —
 - Indian scientists are at the **forefront of research into quantum communications and quantum sensing**.
 - Even in areas such as computing and materials, **the gap is not such that it cannot be bridged**.
 - Outside the European Union, India had the largest number of graduate students in disciplines (biochemistry, electronics, statistics, ICT, etc) aligned to quantum technologies.
 - There were more than 82,000 such students enrolled, which is more than in China or the US.
- Way ahead for India —
 - In a decade or two, a quantum-enabled transition can lay the groundwork for a new economy by surpassing the limitations of existing technology. This is why India wants to rapidly build its capabilities in these areas.
 - **Partnering in technology development** would ensure early success, leading to swift economic progress and access to cutting-edge technologies for India.
 - **The NOM needs to identify and promote young talent**, helping to raise a separate cadre

of quantum scientists.

- Conclusion — There is much ground to cover, and the NQM is only the first step. But the good thing is that India is not exactly starting from zero.

Source - [Multiple](#)

QUESTION - Discuss the principles and applications of Quantum Technology, the objectives and components of India's National Quantum Mission, and analyse the challenges and opportunities for India in advancing its quantum technology capabilities compared to leading countries.

Security

Militancy on the rise in Jammu

Recent terrorist attacks in the Kathua district of Jammu and Kashmir (J&K) highlight a significant challenge for the Indian government.

On July 8, five Army soldiers were killed and five injured in an ambush by militants. This incident is part of a troubling trend, with five terror strikes in the Jammu division since June 9, resulting in the deaths of eight security personnel and 10 civilians.

These attacks indicate a shift in militant focus from the traditionally volatile Kashmir Valley to the previously more peaceful Jammu region.

New pattern emerging -

- **Attempts to revive militancy in the Jammu region since the past three years —**
 - . The recent attacks reflect a concerning pattern of renewed militancy in the Jammu region over the past three years, particularly in the Chenab Valley and south of the Pir Panjal.
 - . Districts such as Doda, Kishtwar, Ramban, Kathua, Udhampur, Reasi, Rajouri, and Poonch have seen a resurgence in militant activity.
 - . While the Kashmir Valley has historically experienced frequent terror incidents, the Jammu belt has been relatively peaceful for the past two decades.
 - . This revival of militancy in an area that was a hotbed in the late 1990s and early 2000s has alarmed the security establishment.
- **Statistics —**
 - . Since 2021, the Jammu region has experienced 31 terror incidents, resulting in the deaths of 47 security forces and 19 civilians, along with 48 terrorists killed.
 - . In contrast, the Kashmir Valley has reported 263 terror incidents, with 68 security forces and 75 civilians killed, and 417 terrorists neutralised.
 - . While the number of incidents in Jammu is significantly lower than in the Valley, the increased frequency and targeted nature of attacks on pilgrims and security forces in Jammu are particularly concerning.
- **How is the infiltration happening?**
 - . The 192-km international border (IB) along Jammu is secured by the Border Security Force (BSF), while the 740-km Line of Control (LoC) in the Kashmir Valley and parts of Jammu is under Army control.
 - . Despite security measures, tough terrain, forested areas along the LoC, and vulnerable patches along the IB may have facilitated fresh infiltration.
 - . The recent attacks in the Kathua belt, including the July 8 ambush, occurred on an old infiltration route used by militants two decades ago.

Reasons behind this new emerging pattern -

- **Thinning of the security grid after Galwan incident —**
 - . After the 2020 Galwan clashes in eastern Ladakh, which resulted in the deaths of 20 soldiers, a significant number of Army personnel were redeployed from Jammu to the China border, weakening the security grid in Jammu.
 - . Security experts suggest that this has made the region more vulnerable to attacks.
- **India is being engaged at two fronts —**
 - . Hostile elements aim to strain India on both the western (Pakistan) and northern (China) fronts.
 - . With heightened alert in the Kashmir Valley and reduced opportunities for state-

sponsored terrorists there, Jammu, with its lowered guard, becomes a more convenient target.

- **Aftermath of the abrogation of Article 370 —**

- . Following the abrogation of Article 370 in August 2019, the government has touted successes in the Kashmir Valley, evidenced by zero stone-throwing incidents, no strikes, and a tourism boom.
- . However, renewed terrorism in Jammu challenges this narrative and might aim to stabilise militant presence in the Valley while stirring insecurity in Jammu.
- **Demography of the region —**
 - . The area's demography also raises concerns about potential communal tensions and social unrest due to these attacks.
- **Opportunities for terrorists in Jammu region —**
 - . The Rajouri-Poonch area had a thinner concentration of security forces.
 - . This region is equidistant from Shopian and Kulgam in Kashmir, and the Line of Control with Pakistan, making it easier to move between the three regions.
 - . It was highly unlikely that security forces and police from all three regions would simultaneously launch an operation against the militants.
 - . Areas in the Pir Panjal range and to its south are also easier to access.
 - . Any militant crossing over from the lower heights of Jammu have to traverse through multiple high ranges like Pir Panjal before they reach Kashmir Valley.
 - . This challenges their logistical preparations and motivation.
 - . Hence shorter and intense contacts have become the norm in the Jammu region
 - . Terror incidents away from the Valley, where militant ranks have been staring at a leadership vacuum, are high visibility strikes, intended to inflict maximum damage.
- **Drying up of the human intelligence —**
 - . One of the reasons why forces may have not been able to anticipate the attacks is the drying up of the human intelligence or their network of informers.
 - . Human intelligence is very important in counter-insurgency operations.
 - . Even with all their reliance on gadgets and smart ways to avoid surveillance, the terrorists visit the nearest human settlement in order to get logistical support for their survival.
 - . This is where the role of human intelligence becomes important.
 - . While militants and their network of overground workers continue to exist, the informers are missing.
 - . Many security experts attribute the dried-up human intelligence to authorities taking the prevailing peace for granted.
 - . As per them, the new officers who got transferred to the region didn't work as hard as they should have on their informer network.

Way forward -

- A whole generation that fought the terrorists are in their 60s and 70s now. There is no such connect with the younger generation, it will take time to build that trust with the civilians.
- The Village Defence Guards/Committees (VDGs) are also being revived since December 2022.
 - . The VDGs had to be discontinued amid allegations of crimes such as abduction and rape committed by the members.

Source - [The Hindu](#)

QUESTION - Discuss the recent trends in militancy in Jammu and Kashmir. Analyse the underlying causes and suggest measures that can be taken by the government to address this issue effectively.