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• HISTORY

How the Komagata Maru incident of 1914 threw light on racism

Suanshu Khurana
New Delhi, May 1

IN A recent appearance on *The Tonight Show Starring Jimmy Fallon*, popstar Diljit Dosanjh spoke about the 1914 Komagata Maru incident, where 376 Indian passengers were denied entry into Canada owing to racist immigration rules. The passengers had to stay on the ship for nearly two months, even though they were desperate for food, water and medical attention, before being sent back to India.

Dosanjh, who recently had a sold-out show in Vancouver's BC Place stadium, said: "When our people came for the first time to Canada, they didn't allow us... and that stadium is just 2 km from that part... You didn't allow us to come, now we are here."

What brought the Komagata Maru to Vancouver?

The Komagata Maru, also called the Guru Nanaka Jahaz, was a Japanese steamship chartered in Hong Kong by Gurdit Singh. It sailed to Vancouver in 1914 with

376 Indians (340 Sikhs, 24 Muslims and 12 Hindus). These men — mostly farmers, former soldiers and labourers, all dressed in western suits to fit in in Canada — were driven by hopes of better wages to support their families in the dire conditions back home. The vessel left Hong Kong on April 4 and reached Vancouver on May 23.

What happened in Vancouver?

After the vessel reached the Burrard Inlet, only 24 passengers were allowed to disembark. Canadian authorities created a blockade for those aboard and denied food, water and medical help. By mid-July, the standoff became increasingly tense. On July 19, more than hundred policemen and officials tried to force entry into the ship, but the passengers fought back with iron pipes and by hurling coal. The local South Asian community created a 'Shore Committee', led by Husain Rahim. They managed to raise \$20,000, enough to retain control of the ship's charter and continue fighting the authorities legally. However, the ship was eventually sent to India.

Ill-fated voyage

- Komagata Maru was a Japanese steamship chartered in Hong Kong by Gurdit Singh.

- It sailed to Vancouver in April 1914 with 376 Indians. But they were denied entry under Canada's exclusionary immigration rules.

- Ultimately forced to return to India, the ship reached Bengal in September 1914. There, police fired upon its passengers, killing 20.

Why were passengers denied entry?

Since both India and Canada were under British rule, the passengers considered themselves British subjects and held that they had the right to settle within British territories. However, a few years before this, in 1908, Canada had introduced the "continuous journey regulation".

This regulation prevented entry to those who did not "come from the country of their birth or citizenship by a continuous journey and or through tickets purchased before leaving the country of their birth or nationality". The regulation was thus for ships that began their journey from countries so far from Canada that a stopover would be necessary.

This regulation came after the Vancouver anti-Asian riots of 1907, fueled by the Asiatic Exclusion League to 'keep Canada white'. This mainly targeted Chinese and Japanese immigrants but Indians were also affected.

What happened on the ship's return?

After being forced out of Vancouver, the ship was denied entry at other ports, includ-

ing Hong Kong and Singapore, as World War I had begun and British authorities were wary of the anti-colonial sentiment.

When the vessel reached Budge Budge, on the eastern bank of the Hooghly, the authorities tried to put the passengers on a special train to Punjab. They refused and began to march into Kolkata. The troops opened fire, killing 20 and injuring many. Gurdit Singh escaped but surrendered after Mahatma Gandhi asked him to do so as a patriot. He was imprisoned for five years.

How did the incident affect the freedom movement?

The plight of the passengers, first humiliated in Canada and then fired upon after returning to their homeland, highlighted Indians' conditional rights and racist treatment under the British empire.

It intensified calls for complete independence rather than asking for rights under the colonial rule. The incident also became a mobilising force for the Ghadar Party, which had already begun to call for armed struggle against the British rule.

- **Key Terms and Explanations**

- **Continuous Journey Regulation (1908):** A Canadian law that prohibited the entry of immigrants who did not arrive via a direct, non-stop voyage from their country of origin. Since no shipping line offered a direct route from India to Canada at the time, this was a "de facto" ban on Indian immigration.
- **Shore Committee:** An organization formed by the local South Asian community in Vancouver, led by figures like Husain Rahim, to provide legal and financial aid to the stranded passengers.
- **Budge Budge Ghat:** A port near Kolkata where the ship was forced to dock upon its return to India. It became the site of a violent clash between the returning passengers and British police.
- **Ghadar Party:** A revolutionary group founded by Indians in North America (primarily the US and Canada) aiming to overthrow British rule in India through an armed uprising.
- **Asiatic Exclusion League:** A white supremacist organization in North America that pressured governments to implement "White Canada" policies and restrictive immigration laws against Asians.

- **Main Arguments and Substantive Parts**

- **Systemic Exclusion:** The article argues that the refusal to allow 376 Indian passengers (mostly Sikhs) to disembark in Vancouver was rooted in institutional racism and the "White Canada" policy.
- **The Myth of Equal Citizenship:** Passengers believed that as "British subjects," they had a legal right to travel and settle anywhere within the British Empire. The incident shattered this illusion, proving that rights were conditional upon race.
- **The Catalyst for Radicalization:** The inhumane treatment of passengers (denial of food/water for two months) and the subsequent firing by British police at Budge Budge (killing 20) transformed the incident from a migration issue into a revolutionary flashpoint.
- **Globalized Resistance:** The incident demonstrated the burgeoning solidarity among the Indian diaspora, as seen through the efforts of the Shore Committee and the subsequent rise of the Ghadar movement.

- **Historical Evolution of the Issue**

- **1907-1908: Growing Xenophobia:** Anti-Asian riots in Vancouver led to the creation of the "Continuous Journey Regulation," specifically designed to block Indian immigration.
- **April-May 1914: The Voyage:** Gurdit Singh chartered the Japanese ship *Komagata Maru* to challenge these laws, sailing from Hong Kong to Vancouver.
- **May-July 1914: The Standoff:** Only 24 passengers were allowed to disembark. A two-month blockade ensued, ending with the ship being forced out of Canadian waters under the threat of naval force.
- **September 1914: The Massacre:** Upon returning to Budge Budge, Bengal, a riot broke out when police tried to force passengers onto a train to Punjab; 20 were killed and many, including Gurdit Singh, fled into hiding.
- **Modern Day: Apology:** In 2016, the Canadian government formally apologized in the House of Commons for the incident, recognizing its racist foundations.

- **Way Forward**

- **Inclusive Migration Policies:** Modern nations must ensure immigration laws are transparent and free from hidden racial or ethnic biases.
- **Strengthening Diaspora Engagement:** The Indian government should continue to engage with the diaspora to document and honor these historical struggles.
- **Global Human Rights Frameworks:** Strengthening international maritime laws to ensure that no migrant vessel is ever denied basic humanitarian aid (food, water, medicine) regardless of legal status.

- **All Previous Years' UPSC Questions**

- **UPSC Mains 2011:** "The Ghadar Party was a revolutionary organization... Discuss its role in the Indian freedom struggle."
- **UPSC Prelims 2015:** "Who among the following was the founder of the Ghadar Party?" (Focus on the movement triggered by the incident).
- **UPSC Mains 2014:** "The Komagata Maru incident was a turning point in the Indian national movement. Comment."

THE KOMAGATA MARU INCIDENT: A UPSC CSE ANALYSIS



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AXIA COMPETITIVE EXAM CENTRE

SATURDAY, MAY 2, 2026



DISCRIMINATORY REGULATIONS

REPRESSION

HONG KONG
Voyage Start

VANCOUVER
The Standoff

BUDGE BUDGE
The Massacre

SATURDAY, MAY 2, 2026

Challenges Related to State Violence & Immigration Law

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- Foruursation on socint violence estabishnm & Immigration les.
- Exposed and rilosgation offer plane setting and rendamientory agenter and nontieve marsiciohing to-themonzative issue.

KEY TERMS

- **Continuous Journey Regulation (1908)**
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- **Shore Committee**
Vancouver's legal and financial aid network.
- **Ghadar Party**
Diasporic revolutionary anti-colonialism. fit compeltus on nontinanced onions.
- **Budge Budge Ghat**
Scene of tragic state violence.

MULTIDIMENSIONAL ANALYSIS



SOCIAL
Inter-religious solidarity



POLITICAL
Catalyst for Ghadar movement & anti-colonialism



LEGAL
Exposed conditional rights of British subjects



ETHICAL
Human rights and state compassion issues

Syllabus & Note Tips



Syllabus & Note Tips

Key Concepts is Keys

GS Paper 1

Inter-religious solidarity

GS 2

Key itary rnts key concept formed

GS 4

Exposed eurons, and explanation

British Indian passengers, promet ars lit

Human of evolutionary state comeposs

Logical & Philosophical Base

- Challenges prized at corategors state violence & Imporitions of Immigration Law.
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WAY FORWARD

Inclusive Governance, Global Aid, & Diasporic Ties

- Develop axaml detailed Inclusive governance, creatory, global aid, & Diasporics ties; onticities of promet.
- Expot and based princess the single suppor community, relationships will be man unmded of transitions.
- Continues nesee to educationrandations and understanding event conices and insurie the eronomis and access to Aid, presenets Aid, & Diasporic Ties.

Journey of EVMs between polling and counting

Daniel Nath
New Delhi, May 1

A DVV after polling concluded in the West Bengal Assembly election, Chief Minister and Tansaned Congress (TMC) -chairperson Mamata Banerjee on Thursday night hit out at the Election Commission (EC) and the BJP. She alleged that there had been an attempt to tamper with the electronic voting machines (EVMs) stored at a strongroom till counting of votes on May 4.

West Bengal Chief Election Officer Manoj Agarwal denied the charge, saying the EC's statutory procedure was followed. According to the EC, a video released by the TMC alleging tampering actually showed the segregation of postal ballots being carried out at a strongroom after informing all candidates. The TMC had alleged that EC officials and BJP workers were tampering with postal ballots.

What the procedure says

The EC's procedure for handling EVMs before, during and after polling is laid out in its Manual on Electronic Voting Machines, 2015. Before the election, EVMs are stored in a warehouse under the control of the District Election Officer (DEO), who is the District Magistrate. Once elections are underway, the EVMs are randomised in the presence of representatives of national and state-recognised parties and sent to the respective strongrooms in each Assembly constituency.

The process is to be conducted under 24x7 CCTV coverage, the manual says. The strongrooms have a metal security. It is from these strongrooms that the EVMs are dispatched to the polling booths. After polls close on voting day, the EVMs are to be sealed and escorted back to the strongrooms by the poll officials and security personnel. Candidates and their polling agents usually follow the vehicles carrying the polled EVMs from the booths to the strongrooms. The manual says all polled EVMs should be stored in one strongroom and unused EVMs in a separate strongroom marked "reserve EVM".

Specifications for strongrooms

The manual lays out specifications of the strongroom, starting with dimensions of the shelves on which EVMs are to be placed (1 feet by 2 feet). The strongrooms must have a single entry/exit point, with all other doors and windows to be sealed. This door needs a double lock system. The key of the first lock are to be kept with the Returning Officer (RO), and that of the second with the Assistant RO. At least one platoon of armed police must be deployed 24x7.

Apart from CCTV cameras with an uninterrupted power supply, the time of the opening and closing of the strongrooms has to be videographed. The manual says separate logbooks should be maintained for every entry of security personnel and other authorised officials (EC's observers, DEOs or representatives of parties). "No entry for any vehicle including VIPs & officials," the manual says.

The protocol for the polled EVMs includes informing all candidates 24 hours in advance so that they can deploy representatives to keep a watch on the security arrangements. The RO is to visit the storage complex, fill the inventory postcard twice a day to check the log book and video feeds, and to send a daily report to the DEO.

It is from these strongrooms that EVMs are taken to counting centres, usually one per district, for counting. Again, the process is to be conducted under videography and with the knowledge of candidates' representatives.

Because of postal ballots, the RO is supposed to keep all post-offices received by the post office in separate envelopes for each day. These are to be kept in a strongroom for postal ballots at the RO headquarters.

- **Key Terms and Explanations**

- **Electronic Voting Machine (EVM):** A microprocessor-based device used to record votes electronically. It consists of a Control Unit (used by the polling officer) and a Balloting Unit (used by the voter).
- **Strongroom:** A highly secure, specialized warehouse where EVMs are stored before and after polling. It acts as a "fortress" for democracy, designed to be tamper-proof with specific physical and security protocols.
- **Randomization:** A process conducted in the presence of political party representatives where EVMs are randomly assigned to constituencies and then to polling stations to ensure no one can predict which machine goes where.
- **Returning Officer (RO):** An officer designated by the Election Commission (usually a District Magistrate or Sub-Divisional Magistrate) responsible for overseeing the election in a specific constituency.
- **Postal Ballot:** A facility for specific voters (like service voters or those on election duty) to cast their vote by post rather than at a polling station.

- **Main Arguments and Substantive Parts**

- The core thesis revolves around the **inviolability of the EVM storage and transport protocol** as a safeguard against electoral malpractice.
- **Strict Storage Protocols:** Before elections, EVMs are kept in DEO-controlled warehouses; once polls are underway, they move to constituency-specific strongrooms under 24x7 CCTV and armed guard.
- **The "Double-Lock" System:** Strongrooms must have a single entry/exit point with a double-lock system. The keys are split between the RO and Assistant RO, ensuring no single individual can gain unauthorized access.
- **Transparency through Observation:** Candidates and their agents are legally permitted to follow the vehicles carrying polled EVMs and are encouraged to keep a watch on strongrooms to build trust in the process.
- **Handling Allegations:** The text highlights that disputes often arise from a misunderstanding of procedures, such as confusing the legitimate segregation of postal ballots with "tampering" of polled EVMs.

- **Historical Evolution of the Issue**

- **Pre-1980s (Paper Ballot Era):** Elections relied on paper ballots, which were susceptible to "booth capturing" and physical stuffing of ballot boxes.
- **1982 (The Debut):** EVMs were first used in the Paravur Assembly Constituency in Kerala on an experimental basis.
- **1989 (Legal Framework):** The Representation of the People Act, 1951 was amended to facilitate the use of EVMs.
- **2004 (Universal Adoption):** EVMs were used in all 543 Parliamentary constituencies for the first time in the General Elections.
- **2013-Present (The VVPAT Era):** Following judicial intervention, Voter Verifiable Paper Audit Trails (VVPAT) were introduced to provide a physical trail for electronic votes, further strengthening the "Strongroom to Counting" journey.

- **Way Forward**

- **Standardizing Digital Logs:** Moving from paper logbooks to digital, time-stamped logs synced to a central server could prevent retrospective entries.
- **Enhanced Training:** Frequent workshops for polling agents of all parties to ensure they understand the difference between EVM handling and postal ballot handling.
- **Public Awareness:** The EC should release short, animated clips of the "Strongroom Protocol" before every election to de-mystify the process for the general public.

- **Previous Years' Questions (PYQs)**

- **UPSC 2017 (GS-2):** "To enhance the quality of democracy in India the Election Commission of India has proposed electoral reforms in 2016. What are the suggested reforms and how far are they significant to make democracy successful?"
- **UPSC 2020 (GS-2):** "In the light of recent controversies regarding the use of Electronic Voting Machines (EVM), what are the challenges before the Election Commission of India to ensure the trustworthiness of elections in India?"

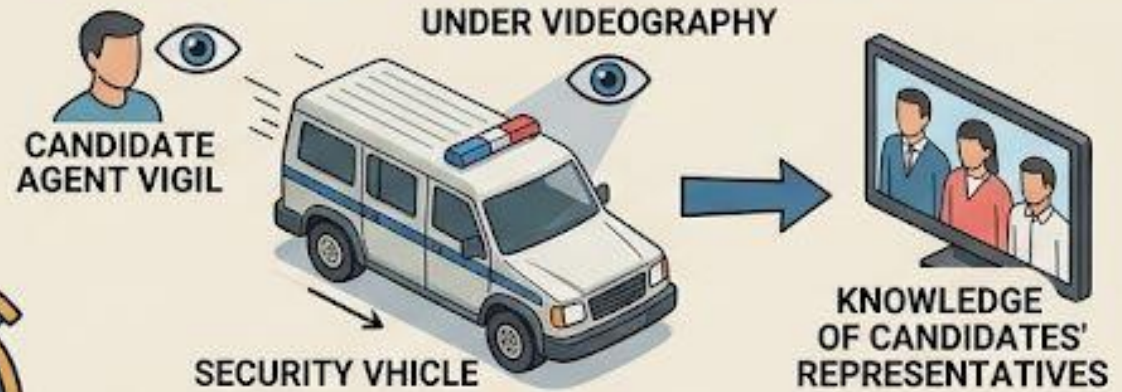


JOURNEY OF EVMs: ENSURING ELECTORAL INTEGRITY (POLLING TO COUNTING)

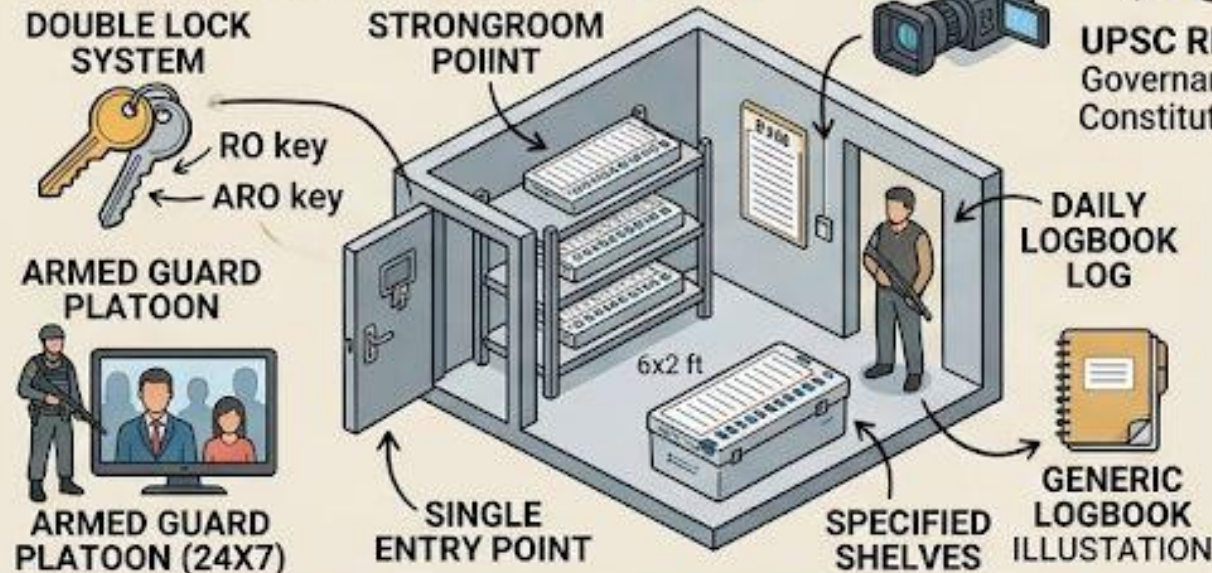
1. POST-POLLING: SECURING THE DEPOSITS



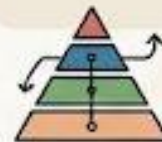
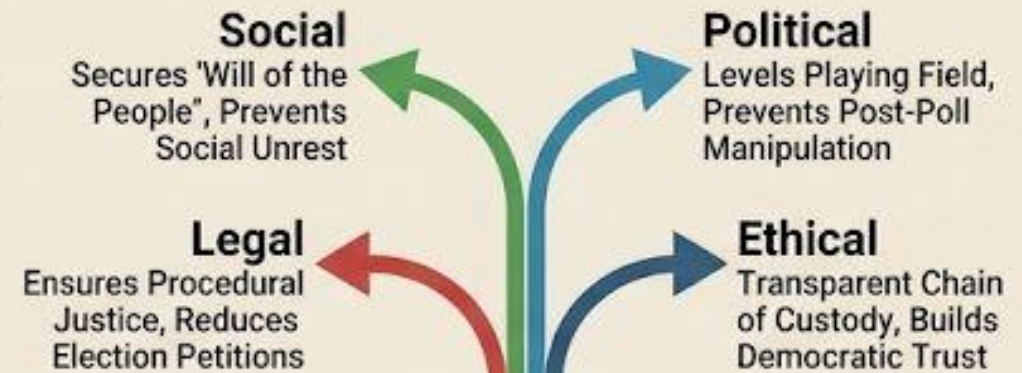
3. TRANSPORT TO COUNTING: THE VIGILANCE



2. STRONGROOM: THE FORTRESS



4. THE MULTIDIMENSIONAL IMPACT FOR UPSC



BEST LINKAGES FOR IAS:
Philosophy & Epistemology of Trust

Is the rupee back to the 'fragile five' days of 2013?

Rupee's recent slide is reminiscent of 2013, when it fell 12% against the dollar in a few months. Here's how the two situations compare



GRAPHS, DATA, PERSPECTIVES
BY UDIT MISHRA

THE INDIAN rupee hit an all-time low of 96.33 to a dollar on Thursday. This means that when trading international currencies, buying a single US dollar requires ₹96.33. At the start of 2026, a dollar could be exchanged for ₹90, and a year ago for less than ₹85. In other words, the rupee's value has fallen 12% against the dollar in the last 12 months. For perspective, the rupee usually only declines by about 3-4% against the dollar over a 12-month period.

Such a sharp decline is reminiscent of September 2013, when the rupee lost 12% of its value against the dollar between just January and September.

The exchange rate between any two currencies is determined by the relative demand of the currencies in question.

What were the 'Fragile five'?

In 2013, Morgan Stanley, a leading global investment firm, had dubbed the Indian rupee (or INR) one of the 'fragile five' currencies in emerging markets. The other four were

- The Indonesian rupiah or IDR (which had fallen 8.4% against the dollar)
- The Brazilian real or BRL (fell 7.9%)
- The South African rand or ZAR (fell 6.4%), and
- The Turkish lira or TRY (lost 9.9%).

These currencies were losing value because the US central bank had signalled a withdrawal of its quantitative easing (QE) policy.

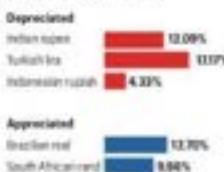
QE essentially means money can be borrowed cheaply because a central bank prints lots of it. When investors can borrow in US dollars at almost zero interest rates, it makes sense for them to borrow in dollars and invest in economies across the world that promise high growth and returns. When the policy stopped, it signalled that interest rates in the US were set to rise because the money printing tap had been turned off.

Most investors pulled back money from emerging markets to invest in US bonds. Investing in a US bond is essentially lending money to the US government, and this works as the most risk-free investment.

But India, Indonesia, Brazil, South Africa and Turkey were the worst affected for another key reason: these economies already run a current account deficit. This

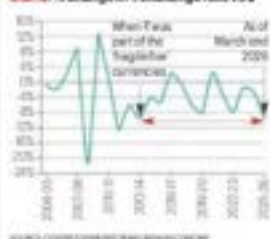
• THE WEAKNESS IN THE RUPEE

Chart 1: How 'Fragile 5' from 2013 have performed against US dollar (over the last 12 months)



SOURCE: FRUIT

Chart 2: % change in ₹ exchange rate vs \$



SOURCE: CHART STORIES

Chart 3: India's Balance of Payments situation



SOURCE: CHART STORIES

means that more money went out than came in, because they imported more than they exported while trading goods and services with the rest of the world.

They could run such a current account deficit only because they had a capital account surplus (meaning in terms of investments — foreign direct investment and investments in their stock markets — more money came in than what went out).

But with the QE rollback, the investment flows reversed, and that created a situation where the relative demand of these currencies against the US dollar crashed. Since exchange rates are essentially driven by the relative demand of any two currencies, these five currencies lost value against the dollar.

How similar is 2026 to the fragile five situation of 2013?

One of the biggest assertions from the incumbent government has been turning the economy around from one of the 'fragile five' to one of the top five economies in the world (in terms of gross domestic product). A couple of weeks ago, however, India slid to the sixth rank in GDP size. On the fragility of the currencies, chart 1 shows how each of the 'fragile five' has fared against the US dollar over the past 12 months.

India is the second worst (a fall of 12.1%) this time around. In fact, two economies — Brazil and South Africa — have won their currencies appreciate against the dollar (by 12% and 10% respectively), or roughly the same degree by which the Indian rupee has depreciated. The Indonesian rupiah has lost less than 4% of its value against the dollar.

The worst is the Turkish lira, which has

lost 17% of its value against the dollar. The Turkish lira, in fact, has been down by far much longer; it lost over 1000% in value since May 2018.

How does the rupee slide in 2026 compare with the slide in 2013?

Chart 2 shows the percentage change in the rupee's exchange rate against the dollar at the end of each financial year. As can be seen, the rupee ended financial year 2013-14 down 4.3% against the dollar and ended FY 2025-26 (which ended in March) down 9%. But while FY 2026 may have been called as FY 14, the big difference was that the fall in the rupee's exchange rate in FY 14 came on the back of sharp falls in the two preceding years. It was up to 16.7% slide in FY 13 and an almost 13% slide in FY 12. The fall in the last financial year was preceded by fairly modest levels of weakness.

In terms of the factors that led to the recent slide, the story is again similar to what happened to the economy's balance of Payments (the net effect of current and capital accounts in 2013-14).

The rupee can lose value against the dollar only through two means

- Either India's import bill of goods and services is bigger than its export earnings (this is called a Current Account Deficit)
- Or its capital investments by foreigners into India fall drastically or even turn negative, suggesting Indians invest outside more than foreigners invest in India (this is called a Capital Account Deficit)

For most of India's recent past, it has had a current account deficit but a capital account surplus. But in 2013, it suffered a deficit on both the accounts.

As chart 3 shows, for the better part of the past four years, India kept again facing deficits on both these accounts.

In chart 3, the green and yellow lines show the change in current account 'deficit' (implying money going out on a net basis) every quarter. The red and brown lines show the quarterly change in the capital account, which was mostly in surplus and sometimes in deficit.

If one compares the September 2025 quarter with the December 2025 quarter (the last quarter for which data is available), it is clear how similar the situation was both on the current and capital accounts.

To be sure, both were in deficit, implying that not only was India spending more dollars on imports of goods and services, but also experiencing a flight of dollars out of the country's account books. The only way to pay for both deficits is to draw down the foreign exchange reserves.

Why is India facing deficits on both current and capital accounts?

India's exports have not grown as fast as desired. Part of this has to do with consumer demand in different parts of the world for Indian exports. The bigger problem is an inability to become more efficient in production (especially manufacturing and defence) competitors such as China, Vietnam and Bangladesh. On the capital account side, the deficit has happened because not only have foreign investors avoided investing in Indian companies (due to stock market but even net FDI has turned negative). That means, far from foreigners investing building factories in India, Indians are taking their money out and investing in factories in other countries.

Sharp fall

While the rupee loses value to the dollar every year, the slide is usually only about 3% to 4% over 12 months.

But over the last 12 months, the rupee has fallen 12% against the US dollar.

- **Key Terms and Explanations**

- **Fragile Five:** A term coined by Morgan Stanley in 2013 to identify emerging economies (India, Brazil, Indonesia, South Africa, and Turkey) that had become too dependent on unreliable foreign investment to finance their growth.
- **Quantitative Easing (QE):** A monetary policy where a central bank (like the US Fed) purchases longer-term securities from the open market to increase the money supply and encourage lending and investment.
- **Current Account Deficit (CAD):** This occurs when the total value of goods and services a country imports exceeds the total value of goods and services it exports. It represents a net outflow of domestic currency.
- **Capital Account Deficit:** This happens when the net flow of investment capital out of a country (Indians investing abroad) is greater than the flow of investment into the country (foreigners investing in India).
- **Balance of Payments (BoP):** A statement of all transactions made between entities in one country and the rest of the world. It includes the Current Account and the Capital Account.

- **Main Arguments and Substantive Parts**

- **The Rupee's Sharp Decline:** At the start of 2026, the Rupee hit an all-time low of ₹95.33 per Dollar, representing a 12% drop in 12 months—a volatility far exceeding the usual 3-4% annual decline.
- **Parallel to 2013:** The current slide mirrors the 2013 crisis when the Rupee fell 12% in just a few months following the US Fed's signal to roll back QE (the "Taper Tantrum").
- **The Twin Deficit Problem:** India's current vulnerability stems from running deficits in both the Current Account (trade) and Capital Account (investment), meaning more money is leaving the country than entering.
- **Structural Manufacturing Issues:** A core argument is that India's inability to become a manufacturing powerhouse has prevented it from displacing competitors like China or Vietnam, keeping the trade deficit high.
- **FDI Reversal:** Uniquely, even Net Foreign Direct Investment (FDI) has turned negative recently, suggesting that instead of building factories in India, capital is being moved to other nations.

- **Historical Evolution of the Issue**

- **Pre-1991:** India operated under a fixed exchange rate regime with high protectionism, leading to the 1991 BoP crisis.
- **Post-1991 Reforms:** Transitioned to a "managed float" system where market forces determine the Rupee's value, but the RBI intervenes to curb excessive volatility.
- **The 2013 "Fragile Five" Moment:** The US Fed signaled an end to cheap money (QE), causing mass capital flight from India and a sharp Rupee depreciation.
- **2014–2024:** A period of relative stability where India moved from "Fragile Five" to one of the world's top five economies.
- **2025–2026 Crisis:** A return to significant depreciation (12% in FY26) despite the larger size of the economy, driven by renewed trade imbalances and capital outflows.

- **Way Forward**

- **Manufacturing Overhaul:** Beyond subsidies, India must improve "ease of doing business" at the state level to compete with Vietnam and China.
- **Export Diversification:** Move away from traditional sectors to high-value services and specialized manufacturing to insulate against anaemic global demand.
- **Attracting Long-term FDI:** Policy stability is essential to reverse the trend of capital flight and ensure that "Net FDI" returns to positive territory.
- **Rupee Internationalization:** Gradually encouraging the use of Rupee in bilateral trade (like with Russia or UAE) to reduce the absolute dependence on the US Dollar.

- **All Previous Years' UPSC Questions**

- **Mains 2023 (GS3):** "Explain the difference between computing methodology of India's GDP before the year 2015 and after the year 2015." (Relevant to the debate on India's GDP rank).
- **Mains 2013 (GS3):** "Examine the impact of the liberalization of the Indian economy on the Balance of Payments."
- **Prelims 2022:** A question on the effects of "Quantitative Easing" by the US Federal Reserve on the Indian economy.
- **Prelims 2019:** Question regarding the components of the "Current Account" and "Capital Account."



UPSC CSE ANALYSIS: IS THE RUPEE RETURNING TO 'FRAGILE FIVE' DAYS? A COMPARATIVE DEEP DIVE (2013-2026)

THE RUPEE'S PRESENT STATE (2026 vs 2013)

Record Low
(Thursday, April 30, 2026):
₹95.33/\$

12% Decline in
12 Months

Volatile compared to
typical 3-4% annual
decline

**Similar to Sept 2013 slide
(12% in few months)**

CORE ARGUMENTS: THE 'TWIN DEFICIT' VULNERABILITY

Current Account Deficit (CAD): Importing more goods & services than exporting

Capital Account Deficit: Investment flight (Outflow > Inflow)

India is spending more dollars & seeing dollars flee.

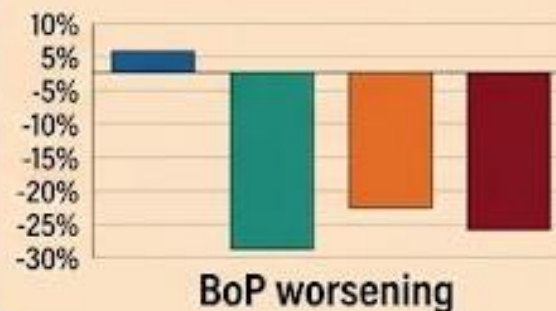


KEY STRUCTURAL ISSUES: CAUSES OF DEPRECIATION

Failure to achieve production efficiency (Manufacturing)

Anaemic global demand for exports

Negative Net FDI (Indians investing abroad > Foreigners investing in India)



MULTIDIMENSIONAL IMPACT & WAY FORWARD

IMPACT

- SOCIAL:** Higher cost of living (Imported inflation)
- ECONOMIC:** Depletes Forex Reserves buffer
- INTERNATIONAL:** Challenges 'Atmanirbhar' narrative

WAY FORWARD

- Structural Reforms in Manufacturing (PLI etc)
- Enhance Ease of Doing Business
- Attract Stable, Long-term Capital
- Currency Internationalization (Gradual)

RBI's new bad loan norms may have one-time cost impact

Ashokamithran T.
MUMBAI

Banks may incur higher costs in the short term in the transition to RBI's new framework on calculating provisions for bad loans, according to experts.

RBI introduced the expected credit loss (ECL) as a method to calculate the provisioning requirement of banks to account for losses. If the credit risk for a loan has increased significantly, the loss allowance would be calculated on lifetime ECL and for no increase in credit risk, allowance shall be recognised on 12-month ECL, RBI said, adding the new norms kick in from April 2027.

Three stages

Further, NPA would be classified into three stages. The first stage is considered low/no credit risk where 12-month ECL is recognised and other two are some and high credit risk, where lifetime ECL is recognised for provisions.

"This was a much-awaited change and comes in line with the IFRS-9 framework, which was introduced globally in 2008.

This is akin to a forward-looking model to determine the repayability of a loan from the time it is originated," said Satyacharshi Kunal, partner, IndusLaw. He said the immediate impact would be a slight rise in cost in transitioning to the new method and this may have to be transferred to the borrower.

The new method, which mandates taking into account the expected credit loss to calculate provisions, is expected to hit the



The Reserve Bank of India logo outside Mumbai headquarters.

bank's common equity tier 1 by a net of 100 basis points in the short run, according to CRISIL.

The overall increase in costs and provisions may also have a one-time hit on the bank's profit after tax but is expected to be manageable, said Jatin Kalra, partner, Grant Thornton Bharat. "Banks which have a higher proportion of microfinance and unsecured retail lending would experience greater impact.

The NPA classification is now borrower level and not account level, as per the new rules, which means one bad loan for a customer, all of his or her loans would be considered NPA. The duration of non-repayment of a loan and NPA continues to be 90 days overdue. Moreover, once a customer is considered an NPA, he or she will have to repay all the liabilities to be upgraded back to standard asset. This will raise credit discipline of customers and not likely to have any direct impact on the customer.

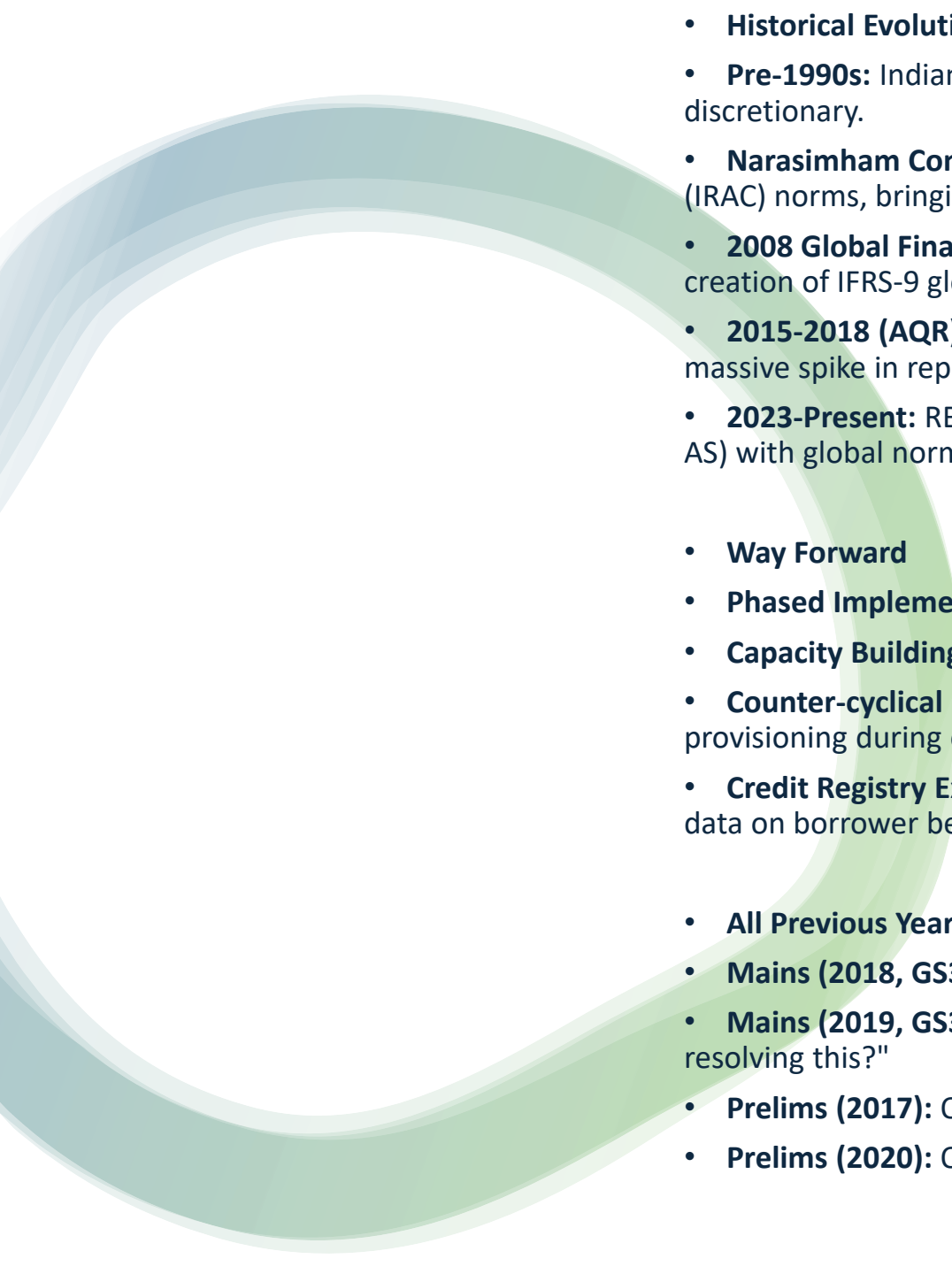
The norm comes at a time when the net NPA ratio is less than 1% for most major banks, signifying among the best asset quality standards for banks.

- **Key Terms and Explanations**

- **Expected Credit Loss (ECL):** A forward-looking approach where banks estimate potential future losses on a loan from the day it is issued, rather than waiting for a default to occur.
- **Provisioning:** The act of setting aside a portion of profits to cover potential losses from loans that might not be repaid.
- **Non-Performing Asset (NPA):** A loan or advance where interest or installment of principal remains overdue for a period of 90 days.
- **Common Equity Tier-1 (CET1) Ratio:** A component of Tier 1 capital that comprises mostly common stock held by a bank; it is a key measure of a bank's solvency and ability to withstand financial stress.
- **IFRS-9:** International Financial Reporting Standards 9, a global accounting standard that replaced the old "incurred loss" model with the ECL model following the 2008 financial crisis.
- **Basis Points (bps):** A unit of measure for interest rates and other percentages in finance. One basis point is equal to 1/100th of 1% (0.01%).
- **Standard Asset:** A loan where the borrower is making regular payments and there is no "default" or "stress" detected.

- **Main Arguments and Substantive Parts**

- The core thesis revolves around the RBI's mandate for banks to shift to the **Expected Credit Loss (ECL)** framework by April 2027.
- **Shift in Methodology:** Moving from a "reactive" model (provisioning after default) to a "proactive" model (provisioning based on probability of default).
- **Three-Stage Classification:**
 - **Stage 1:** Low credit risk; 12-month ECL provisioned.
 - **Stage 2:** Significant increase in credit risk; lifetime ECL provisioned.
 - **Stage 3:** Default/Objective evidence of impairment; lifetime ECL provisioned.
- **Borrower vs. Account Level:** Previously, a customer could have one "bad" account and one "good" account. Now, if one loan goes bad, the entire borrower is tagged as NPA.
- **Financial Impact:** CRISIL estimates a short-term hit of 120 bps to the CET-1 capital. This is a "one-time" transition cost that might temporarily dampen Profit After Tax (PAT).

- 
- **Historical Evolution of the Issue**
 - **Pre-1990s:** Indian banks followed conservative but often opaque accounting. Provisioning was often discretionary.
 - **Narasimham Committee (1991 & 1998):** Introduced the concept of Income Recognition and Asset Classification (IRAC) norms, bringing the 90-day NPA rule.
 - **2008 Global Financial Crisis:** Revealed that the "incurred loss" model was "too little, too late." This led to the creation of IFRS-9 globally.
 - **2015-2018 (AQR):** RBI's Asset Quality Review (AQR) forced banks to recognize "hidden" NPAs, leading to a massive spike in reported bad loans and the "Twin Balance Sheet" crisis.
 - **2023-Present:** RBI releases discussion papers on ECL to align Indian banks (Indian Accounting Standards or Ind-AS) with global norms.

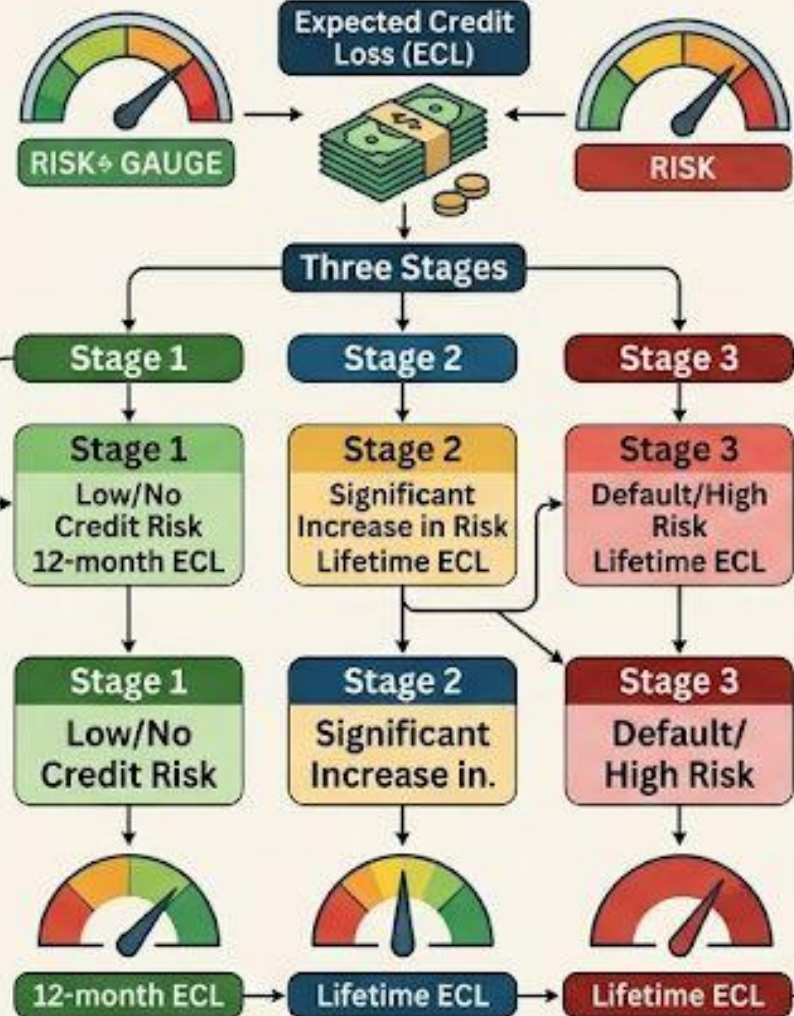
 - **Way Forward**
 - **Phased Implementation:** The 2027 deadline is prudent, allowing banks to build capital buffers gradually.
 - **Capacity Building:** RBI should assist smaller Co-operative and Regional Rural Banks in developing ECL models.
 - **Counter-cyclical Buffers:** To prevent a credit crunch during downturns, the RBI could allow some flexibility in provisioning during economic stress.
 - **Credit Registry Expansion:** Strengthening the Public Credit Registry (PCR) to provide banks with real-time, holistic data on borrower behavior across all institutions.

 - **All Previous Years' UPSC Questions**
 - **Mains (2018, GS3):** "The Policy of 'Asset Quality Review' (AQR) has changed the way banks report NPAs. Discuss."
 - **Mains (2019, GS3):** "Enumerate the causes for the rise of NPAs in India. How do the new RBI norms help in resolving this?"
 - **Prelims (2017):** Question on the "Capital Adequacy Ratio" and its importance.
 - **Prelims (2020):** Question regarding the "Ind-AS" implementation and its impact on corporate reporting.

RBI's NEW BAD LOAN NORMS: A COMPREHENSIVE UPSC ANALYSIS

Expected Credit Loss (ECL)

Replacing the old **Incurred Loss**



IMPACTS ON BANKS

● CRISIL estimate: net CET-1 hit of ~120 basis points



● **One-time cost hit**

- CRISIL estimates on capital ratio
- One-time inflicting
- Hit of ~120 basis points



● **Transition costs mortally passed on banks:**

- Potentially costs on passed potentially capital ratios



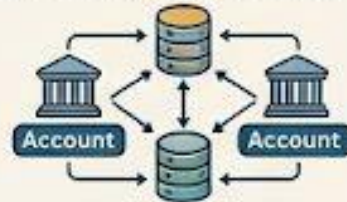
● **Focus on microfinance/unsecured retail**

- Focus on stams microfinance, unsecured or unsecured retail



REFORMS & DISCIPLINE

● NPA classification by borrower, not account



● **Full repayment needed for upgrade to borrower account of account**



● **90-day duration continues**

- NPA classifications by borrower
- Full repayment needs upgrade to upgrade, at account connect up.



● **90-day duration continues**

- NPA classification ninst borrower, not need nerlited for upgrade
- 90-day duration



LOGICAL BASIS

- **Prudence:** Replaces out analysis
- **Intergenerational Equity:** Improves tradtreocicals and loan
- **Information Symmetry:** Motrivates enhancat information symmetry

MULTIDIMENSIONAL ANALYSIS

- **Social:** credit discipline to movements and account continuer resumes
- **Political:** regulatory power to both regulatory and trenor of denses
- **Ethical:** transparency to government maintenance and conditions
- **International:** IFRS-9 alignment

UPSC LINKAGES

GS Paper 3	GS Paper 2	Essay
<ul style="list-style-type: none"> • Economy • Banking Reforms • NPAs 	<ul style="list-style-type: none"> • Regulatory Bodies 	<ul style="list-style-type: none"> • Financial Stability

A WAY FORWARD

- **Phased implementation** for procesed implementation and automation
- **Capacity building** for small banks for small banks, for and conportment banks
- **Expand the Public Credit Registry** of used propanding public credit repots

India to tap augmented solar capacity, coal to weather El Nino, summer power demand

Saptaparno Ghosh
Jacob Koshy
NEW DELHI

Amidst expectations of further increase in energy demand with peak summers approaching and an El Nino in sight, India could be looking at meeting its increased power requirements from the traditional coal-powered thermal plants and augmented solar plants.

In fact, when the country scaled its peak demand of 256.1 gigawatts on April 25, thermal plants nearly retained its dominant position accounting for 66.9% of the generation, while solar augmented its position to account for 21.5% of the power generated.

The augmented solar capacity and traditional thermal plants are of pivotal importance in the dual paradigm of peak summers and El Nino effects.

Renewable growth

Solar contribution reaches new highs amid rising peak demand

* in million units

Date	Peak demand during the day (GW)	Solar generation* (contribution to total daily generation in %)	Wind generation* (contribution to total daily generation in %)	Total generation*
30-05-2024	250	421 (7%)	437 (7.4%)	5,887
09-01-2026	245	488 (9.4%)	274 (5%)	5,168
24-04-2026	252	665 (11%)	199 (3%)	6,014
25-04-2026	256	657 (10.8%)	156 (2.5%)	6,102

Although, speaking to *The Hindu*, highly placed government officials said the country was in a stable position with adequate supplies of coal to meet a potential increase in power demand.

While the historical data assessing contribution of each of the power sources could not be traced, for context, an average contribution of each of the sources through the day indicates solar energy accounted for about 8.9% of power generated on the

day of peak power demand in 2025, 7.3% in 2024, about 6% in 2023 and 5.63% in 2022. Though solar power makes up about 30% of India's installed power capacity at present, it cannot be fully utilised due to limited battery storage. In fact, solar power is frequently curtailed to keep the grid stable.

Manoj Kumar, India Analyst at the Centre for Research on Energy and Clean Air (CREA) says: "With stronger transmission networks, more flexi-

ble grid operations, and faster battery deployment, a larger share of evening and night-time demand can also be met through non-fossil sources."

Essential to note here that India added a record 44.61 gigawatts of solar capacity in the fiscal year 2025-26, which was more than the double it had added in the preceding fiscal.

Hotter months ahead

On Friday, the India Meteorological Department said El Nino conditions –

which usually translate to weak monsoon rains and therefore longer dry spells – are likely to prevail during most of the monsoon months from June to September. Temperatures in May, broadly, would be less searing with more rain than what is usual for May expected over most parts except eastern India. Gujarat, Maharashtra, coastal Odisha, West Bengal and Andhra Pradesh and Himalayan foothills are likely to see more than its usual share of 'heatwave' days.

Ample coal stocks

India has approximately 200 million tonnes of coal stocks as on date, thus, with approximately 2.3-2.4 million tonnes being utilised daily by thermal plants, the stocks would suffice for more than 83 days, a highly placed government official told *The Hindu*.

- **Key Terms and Explanations**

- **El Niño:** A climate pattern involving the unusual warming of surface waters in the eastern tropical Pacific Ocean. In the Indian context, it is strongly correlated with suppressed monsoon rainfall and higher-than-average temperatures.
- **Peak Demand:** The maximum electrical power load required by the national grid at a specific point in time. Meeting this requires "Peaking Power" plants that can ramp up production quickly.
- **Thermal Power:** Electricity generated using heat, primarily from burning fossil fuels like coal. It provides the "baseload" power in India due to its 24/7 availability.
- **Installed Capacity vs. Generation:** Installed capacity is the maximum potential output of all power plants (GW). Generation is the actual electricity produced over time (MWh). Solar has high capacity but lower generation due to its intermittent nature.
- **Grid Stability:** The balance between electricity supply and demand. If solar produces too much power when demand is low, it can destabilize the grid frequency, leading to "curtailment" (purposely reducing output).
- **Gigawatt (GW):** A unit of power equal to one billion watts. For perspective, 1 GW can power roughly 750,000 households in a developing economy context.

- **Main Arguments and Substantive Parts**

- **The Dual Reliance Strategy:** India is currently navigating a transition phase where it must simultaneously expand solar capacity for long-term goals while relying on coal-fired thermal plants for short-term reliability during extreme weather.
- **Solar Growth vs. Real-time Utility:** While solar capacity additions reached a record 44.61 GW in FY 2025-26, its contribution to actual peak demand remains disproportionately low (21.5%) compared to its installed base, primarily because peak demand often occurs during evening hours when the sun is not shining.
- **Coal as a Safety Net:** Despite global pressure to decarbonize, coal remains the backbone of Indian energy security, accounting for nearly 67% of generation during peak surges. The current stock of 200 million tonnes acts as a strategic buffer against El Niño-induced heatwaves.
- **The Storage Bottleneck:** The primary argument for the continued dominance of coal is the lack of "Round-the-Clock" (RTC) renewable energy, which is currently hindered by the high cost and slow deployment of Battery Energy Storage Systems (BESS).

- **Historical Evolution of the Issue**
- **Pre-Independence to 1970s:** Energy was largely localized and coal-dependent. The 1970s oil shocks forced India to prioritize domestic coal production for energy independence.
- **The 1990s Reforms:** Liberalization allowed private players into power generation. However, the focus remained on thermal power to fuel rapid industrialization.
- **2015 Paris Agreement:** A pivotal shift where India committed to achieving 40% non-fossil fuel installed capacity by 2030 (a goal achieved ahead of schedule).
- **The Solar Revolution (2014-Present):** The launch of the International Solar Alliance and the National Solar Mission catapulted India into the top 5 global solar producers.
- **Present Day (2025-26):** We are in the "Integration Era," where the challenge has shifted from simply adding capacity to managing a complex, hybrid grid that can withstand climate-induced demand spikes.

- **Way Forward**
- **Accelerating BESS:** Provide "Viability Gap Funding" (VGF) for large-scale battery storage to stop solar curtailment.
- **Pumped Hydro Storage (PHS):** Utilize India's mountainous terrain to create "natural batteries" that can store excess solar power during the day.
- **Demand-Side Management:** Encourage industries to shift their heavy operations to daytime hours when solar generation is at its peak.
- **Modernizing DISCOMs:** Fixing the financial health of power distributors is essential for upgrading the "last mile" of the smart grid.

- **Previous Years' UPSC Questions**
- **Mains (2022, GS 3):** "Examine the main problems of the coal sector in India."
- **Mains (2020, GS 3):** "Describe the benefits of deriving electric energy from sunlight in contrast to the conventional energy generation."
- **Prelims (2023):** Questions on the "International Solar Alliance" and "Green Hydrogen Mission."
- **Mains (2017, GS 1):** "How does the El Niño phenomenon influence the Indian monsoon?"



INDIA'S ENERGY SECURITY: THE EL NIÑO CHALLENGE & RENEWABLE TRANSITION

1. The Climate Crisis: El Niño



Reduced Monsoon, High Temperatures

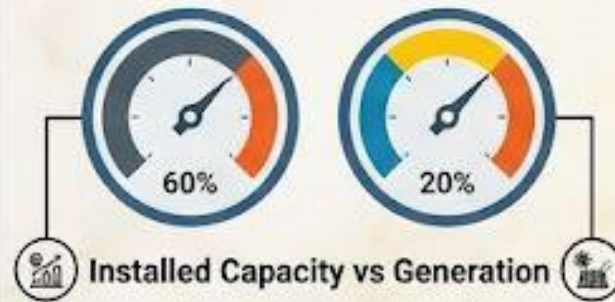
Increased Power Demand



Reduced Monsoon, High Temperatures

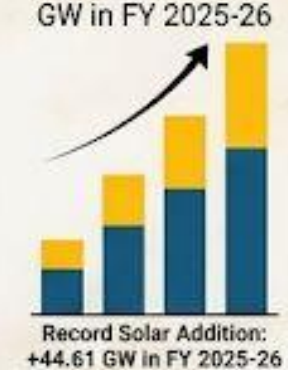
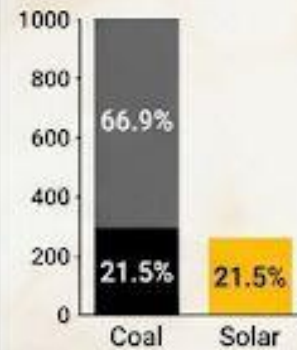
Increased Power Demand

Energy Mix Breakdown



2025 Peak Demand

Record Solar Addition: +44.61GW in FY 2025-26



Key Terms & Grid Challenges

Energy Justice & Intergenerational Equity
(philosophical basis of inter-generational transfer and investment)



Storage Bottleneck

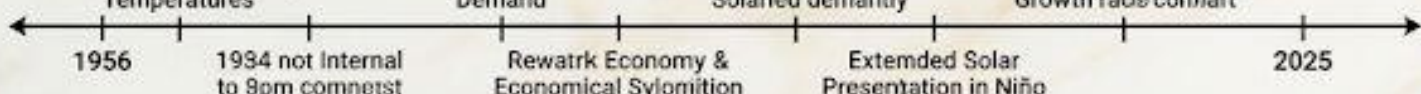
Massive battery installation is battery and raised



Way Forward & Multi-Dimensional Solutions

- Social**
Reduced quality of life supported to social, rural and patients
- Political**
Reduced a political, political and governing aspects
- Legal**
Ensures the agency of legal and economic aspects
- Ethical**
Contribution of ethical and ethical events and relations
- International**
Global Internet-gram and international of the are gated
- Economic**
Economic anants 3/political aspects, as analyzed

NCERT/Syllabus Linkages
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Changes to Citizenship Rules notified by Centre

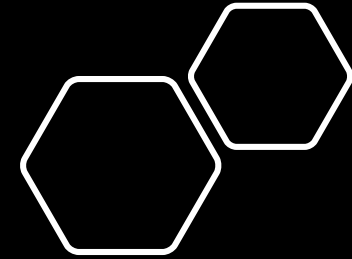
Press Trust of India
NEW DELHI

The Union Home Ministry on Thursday notified changes to the Citizenship Rules, 2009, introducing a digital shift across various processes for Overseas Citizen of India (OCI) cardholders and citizenship applications.

In a gazette notification published on Thursday, the government has added a specific proviso for citizenship applicants that “the minor child cannot at any time hold the passport of any other country while also holding the Indian passport”.

The Citizenship Rules, 2009, allowed a person to submit an application for the registration of the birth of his minor child born outside India to the Indian consulate in the country where the child was born, together with a declaration that the child does not hold a passport of any other country.

The changes, known as the Citizenship (Amendment) Rules, 2026, introduce a slew of online initiatives for OCI cardholders, including a digital application and renunciation process through an official portal,
<https://ociservices.gov.in>.



- **Key Terms and Explanations**
- **Overseas Citizen of India (OCI):** A category of immigration status that allows foreign citizens of Indian origin to live and work in India indefinitely.
 - *Example:* A tech professional in Silicon Valley who is a US citizen but holds an OCI card to travel to India without a visa.
- **e-OCI (Electronic OCI):** A digital version of the OCI registration. It serves as a paperless identity document stored in the government's digital registry.
- **Proviso:** A condition or qualification attached to an agreement or law.
- **Renunciation:** The formal act of giving up a status or right. Under the new rules, this process is now entirely digital via Form XXXI.
- **Fast Track Immigration Programme (FTIP):** A government initiative to speed up the immigration clearance process for pre-verified travelers using biometric data.
- **Section 7A & 15A:** Legal provisions under the **Citizenship Act, 1955**. Section 7A deals with OCI registration, while 15A pertains to the review of decisions regarding citizenship.

- **Main Arguments and Substantive Parts**

- **Digital Transformation:** The core thesis is the modernization of administrative sovereignty. By mandating online applications via the <https://ociservices.gov.in> portal, the government aims to eliminate physical paperwork and the requirement of "duplicate" submissions.
- **Strict Non-Recognition of Dual Passport for Minors:** The government has introduced a specific proviso: a minor cannot hold a foreign passport while simultaneously holding an Indian passport. This reinforces the constitutional principle of single citizenship.
- **Biometric Integration:** The rules now explicitly integrate biometric collection with the Fast Track Immigration Programme, effectively merging security vetting with traveler convenience.
- **Judicial Fairness & Redressal:** A substantive addition is the "Right to be Heard." If an application is rejected, the review is handled by an authority "one rank higher," ensuring a check on administrative arbitrariness.

- **Historical Evolution of the Issue**

- **1950:** The Constitution of India (Articles 5-11) established the principle of **Single Citizenship**.
- **1955:** The **Citizenship Act** was passed to provide for the acquisition and termination of citizenship.
- **2003/2005:** Based on the **L.M. Singhvi Committee** recommendations, the OCI scheme was introduced to fulfill the diaspora's demand for "dual citizenship" without granting political rights.
- **2009:** The **Citizenship Rules, 2009** were notified to streamline the 1955 Act's implementation.
- **2015:** The **PIO (Person of Indian Origin)** and **OCI** schemes were merged into a single OCI category.
- **2026:** The current amendment introduces a "**Digital First**" approach and closes legal loopholes regarding minor passports.

- **Way Forward**

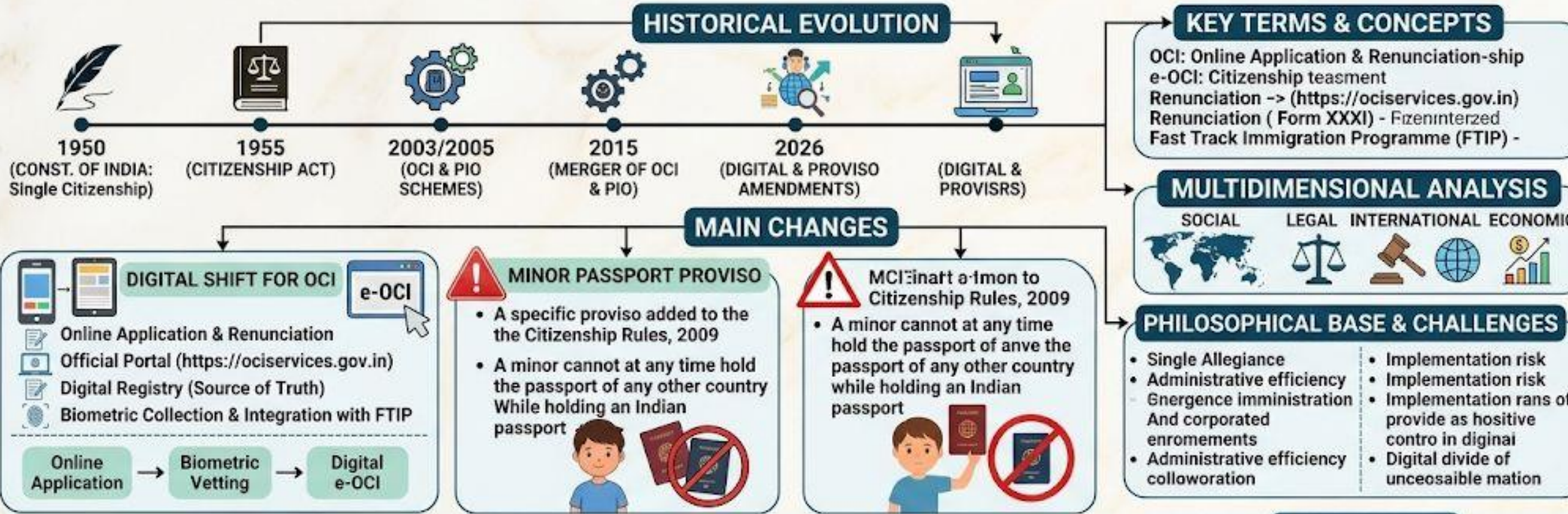
- **Data Security:** Ensure the **ociservices.gov.in** portal is fortified against cyber-attacks to protect sensitive biometric data.
- **Global Awareness:** Indian consulates should run awareness campaigns to explain the new "Minor Passport" rule to avoid accidental legal violations by parents.
- **Hybrid Support:** Maintain "Help Desks" at consulates for those who might struggle with the digital transition during the initial phase.

- **Previous Years' Questions (PYQs)**

- **UPSC Prelims 2021:** With reference to India, consider the following statements: 1. There is only one citizenship and one domicile... (Citizenship basics).
- **UPSC Mains 2017 (GS2):** 'Indian diaspora has a decisive role to play in the politics and economy of America and European countries.' Comment with examples.
- **UPSC Mains 2020 (GS2):** 'The concept of Overseas Citizen of India (OCI) is not dual citizenship.' Discuss.



CITIZENSHIP (AMENDMENT) RULES, 2026: A UPSC ANALYSIS



UPSC CSE SYLLABUS LINKAGES

GS Paper 2: Constitution, Amendments, Diaspora
GS Paper 3: Internal Security

ALL PREVIOUS YEARS' UPSC & APSC QUESTIONS

Sample Model Answer: What did to the citizenship rans to this Citizenshent) Rules wf the honed on Indian question?

- Outline:
1. Constitution, Amundtration Amendments: Study.
 2. Prelentiral Undormation Security
 3. Outthint modelfecord and evmulation reasons

WAY FORWARD

1. Step prerlmize-contems oy fuumamments, and new narket steps.
2. Renunden contercentios and enasport oteranism and acr economiy.
3. Key formuats the mans analysys of the Citizenship (Amendment).

Govt. empowered ED to fight financial crimes; not to target anyone: Minister

The Hindu Bureau
NEW DELHI

Union Minister of State for Finance Pankaj Chaudhary on Friday said that under the Prime Minister Narendra Modi-led government, the Enforcement Directorate (ED) has been vested with the powers necessary to effectively combat financial crimes and terror funding, not to target anyone.

“There exists an ecosystem in the country that finds problems in every solution and criticises every action. Ever since Prime Minister Narendra Modi assumed office in 2014 and started taking tough decisions in the national interest, this ecosystem has been unsettled. Such critics often claim that excessive powers have been gi-



MoS Finance Pankaj Chaudhary, right, with ED Director Rahul Navin at the Enforcement Day celebration in New Delhi on Friday. PTI

ven to the Enforcement Directorate, but they only present half the truth,” said Mr. Chaudhary at the 70th Enforcement Day event.

Crimes on the rise

“The complete truth is that these powers have been granted to the ED to com-

bat financial crimes, not to target anyone. These powers became necessary because money laundering, ‘hawala’ transactions, ‘benami’ properties, corporate frauds, and terror financing were on the rise. Black money was being diverted abroad, banking scams were increasing,

and the common citizen’s money was being misappropriated,” he said.

“Such offences are no less than cancer for the country, and they cannot be curbed through mild measures. Therefore, the ED has been strengthened to effectively tackle these threats,” Mr. Chaudhary said, while lauding the agency for its achievements, including the attachments worth ₹2.36 lakh crore since 2005.

Under the Prevention of Money Laundering Act (PMLA) and the Fugitive Economic Offenders Act (FEOA), criminals have so far been deprived of properties worth ₹65,872.72 crore till March 31, 2026, of which assets valued at ₹63,142 crore were restored to rightful claimants till now.

- **Key Terms and Explanations**

- **Enforcement Directorate (ED):** A specialized financial investigation agency under the Department of Revenue, Ministry of Finance. It enforces the PMLA and FEMA.
- **Prevention of Money Laundering Act (PMLA), 2002:** The primary law in India to prevent money laundering. It allows for the confiscation of property derived from money-laundering.
- **Money Laundering:** The process of making large amounts of money generated by criminal activity appear to have come from a legitimate source. *Example: Funneling "black money" through a series of shell companies to make it look like business profit.*
- **Hawala:** An informal method of transferring money without any physical currency actually moving. It relies on a network of brokers and is often used to bypass banking regulations.
- **Benami Property:** An asset or property that is settled or transferred to one person but is held and paid for by another person.
- **Fugitive Economic Offenders Act (FEOA), 2018:** Law aimed at deterring economic offenders from evading the process of Indian law by remaining outside the jurisdiction of Indian courts.
- **Terror Financing:** The act of providing funds for terrorist activities. This is often linked to money laundering as the source of funds is hidden.

- **Main Arguments and Substantive Parts**

- **Empowerment vs. Targeting:** The core argument is that the increased powers of the ED are a functional necessity to combat sophisticated financial crimes (terror funding, corporate fraud) rather than a tool for political targeting.
- **National Interest and Economic Health:** Financial crimes are described as a "cancer." Strengthening the ED is framed as a "tough decision" necessary for national economic security.
- **The "Ecosystem" of Critique:** There is a narrative that opposition to ED's powers stems from an "unsettled ecosystem" that views every solution as a problem, rather than focusing on the legislative intent of the PMLA.
- **Restitution of Assets:** A significant data-driven argument is the restoration of assets. While ₹2.36 lakh crore has been attached, a specific success metric highlighted is the return of over ₹63,000 crore to rightful claimants, indicating a shift from just "seizing" to "redressing."
- **Scale of Offences:** The rise in banking scams and misappropriation of common citizens' money justified the legislative shift from "mild measures" to "stringent enforcement."

- **Historical Evolution of the Issue**

- **1956:** The "Enforcement Unit" was formed in the Department of Economic Affairs to handle Exchange Control Laws violations under the Foreign Exchange Regulation Act (FERA), 1947.
- **1957:** Renamed as the Enforcement Directorate.
- **1960:** Administrative control transferred to the Department of Revenue.
- **The FERA to FEMA Shift (1999):** FERA was seen as too draconian for a liberalizing economy. It was replaced by the Foreign Exchange Management Act (FEMA), making violations civil rather than criminal.
- **The PMLA Era (2002/2005):** In response to global pressure (FATF) and the need to curb drug money and terror funds, the PMLA was enacted, giving the ED criminal powers of arrest and attachment.
- **Recent Amendments (2019):** Significant amendments expanded the definition of "proceeds of crime" and gave the ED broader powers, most of which were upheld by the Supreme Court in the *Vijay Madanlal Choudhary* case (2022).

- **Way Forward**

- **Specialized Courts:** Increase the number of PMLA Special Courts to ensure trials are completed within a fixed timeframe (e.g., 2 years).
- **Transparency:** The ED could benefit from a clearer set of guidelines (like a manual) on how it selects cases to investigate, reducing the "targeting" narrative.
- **Forensic Upgradation:** Invest in "Blockchain Forensics" and AI-driven money trail mapping to keep pace with modern criminals.
- **Inter-Agency Cooperation:** Strengthening the coordination between CBI, FIU (Financial Intelligence Unit), and ED to prevent duplication of efforts.

- **Previous Years' UPSC Questions**

- **2021 (GS3):** "Discuss how emerging technologies and globalization contribute to money laundering. Elaborate on measures to tackle the problem."
- **2022 (GS3):** "The scope of the PMLA has been expanded significantly. Discuss its impact on the federal structure of India."
- **Prelims (2022/2023):** Questions on the mandate of the ED and the definition of Fugitive Economic Offenders.



COMPREHENSIVE ANALYSIS: THE ED & FINANCIAL CRIMES

Empowerment, Legal Framework, and Strategic Focus.

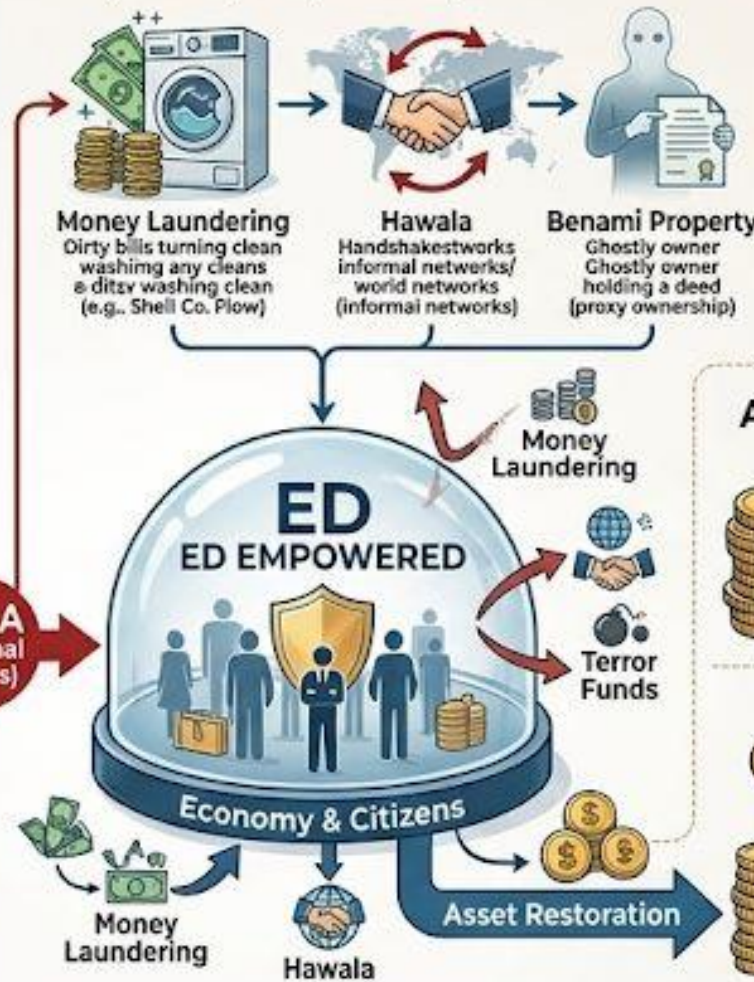
ED'S MULTI-DIMENSIONAL MISSION & THE PMLA SHIFT



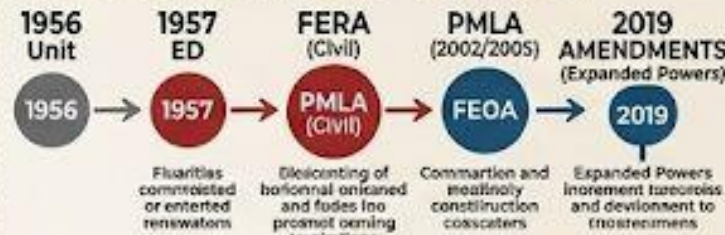
MULTIDIMENSIONAL IMPACT ANALYSIS



STRATEGIC KEY TERMS (With Simple Explanations)



HISTORICAL EVOLUTION (Timeline)



DATA & ECONOMIC JUSTICE

- Atc Attachmens to ₹2.6IAKH CRORE
- Est. AttacInnoration & Banks/Claimants

ASSET RESTITUTION TO CLAIMANTS

Attachment vs. Confiscation

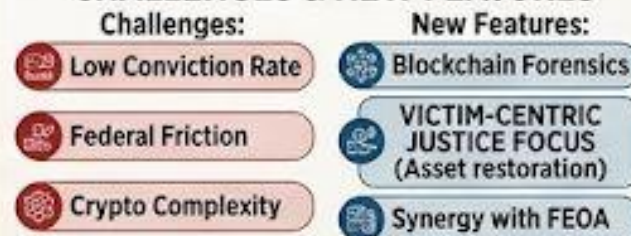
₹63,142 CRORE Restored to Banks/Claimants

Attachments **₹2.36 LAKH CRORE** Since 2005)

LOGICAL & PHILOSOPHICAL BASE



CHALLENGES & NEW FEATURES



WAY FORWARD

- ✓ Establish Special PMLA Courts
- ✓ Enhanced Transparency guidelines
- ✓ Data Analytics & AI mapping

UPSC CSE LINKAGES

GS Paper 2	• Statutory Bodies • Statutory Bodies, Policies
GS Paper 3	• Internal Security • Organized Crime Nexus
Ethics/Essay	• Strong Links

First dialogue under new Manipur govt. held with Kuki-Zo insurgent groups

Vijaita Singh

NEW DELHI

Amid fresh unrest in Manipur, the Union Ministry of Home Affairs (MHA) and the State government on Friday resumed talks with Kuki-Zo insurgent groups who are in a suspension of operations (SoO) pact with the government.

The dialogue, which resumed after a gap of two months, is significant as it was also attended by Manipur government officials – the first such meeting after an elected government under Chief Minister Y. Khemchand Singh was restored in Manipur on February 4.

The Biren Singh government had refused to extend the SoO pact when it came up for an annual renewal on February 9, 2024. The pact was signed with "re-negotiated terms and conditions or ground

Both sides agree on need to relocate some SoO camps to reduce friction with local populations

rules" on September 4, 2025 when the State was under President's Rule, days ahead of Prime Minister Narendra Modi's first visit on September 13 since ethnic violence between the Kuki-Zo and Meitei people erupted in the State on May 3, 2023.

The tripartite pact was first signed in 2008 by the United Peoples' Front (UPF) and the Kuki National Organisation (KNO), an umbrella of 24 insurgent groups.

The meeting held in Delhi was led by Ajit Lal, Adviser, North East, MHA and attended by Intelligence Bureau (IB) officials, Mani-

pur Home Secretary N. Ashok Kumar and Additional Director General of Police Ashutosh Kumar Sinha.

A joint statement by the KNO and the UPF said that the day-long discussions focused on operational and security-related issues and "both sides broadly agreed on the need to relocate certain SoO camps to reduce friction with local populations and improve security".

The government has asked the SoO groups to relocate seven of the 14 camps. Kuki-Zo groups said they have decided to consolidate their camps to 12. Kuki-Zo groups said they drew the attention of MHA officials to the unrest in Ukhrul district, claiming that the Kuki people continue to live under constant fear of attacks, allegedly by Tangkhul armed groups.



- **Key Terms and Explanations**

- Understanding the technical vocabulary is essential for precision in the Mains examination:

- **Suspension of Operations (SoO) Pact:** A ceasefire agreement between the Government of India, the State Government, and insurgent groups. Unlike a final peace treaty, it is a confidence-building measure where groups agree to stop violence and stay in designated camps in exchange for a pause in security operations against them.

- **Tripartite Agreement:** A formal pact involving three distinct parties. In this context, it involves the Central Government (MHA), the Manipur State Government, and the umbrella insurgent organizations (UPF/KNO).

- **President's Rule (Article 356):** The direct rule of the Union government over a state when the constitutional machinery fails. The article notes the SoO was re-negotiated during such a phase in 2025.

- **Kuki-Zo and Meitei:** The two primary ethnic groups involved in the Manipur conflict. The Meiteis are largely valley-dwellers, while the Kuki-Zo groups primarily inhabit the surrounding hills.

- **Ground Rules:** Specific codes of conduct within an SoO pact, such as restrictions on carrying weapons outside camps, a ban on extortion, and the mandatory presence of cadres in designated locations.

- **Main Arguments and Substantive Parts**

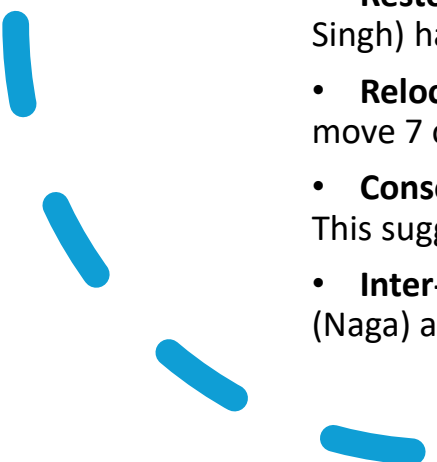
- The core narrative focuses on the delicate balance between state authority and insurgent accommodation:

- **Restoration of Democratic Dialogue:** The primary thesis is that the return of an elected government (under Y. Khemchand Singh) has shifted the dialogue from purely central oversight back to a state-inclusive process.

- **Relocation for Friction Reduction:** A major point of agreement is the relocation of SoO camps. The government's demand to move 7 out of 14 camps suggests that the proximity of armed cadres to civilian populations is a flashpoint for ethnic violence.

- **Consolidation Strategy:** The insurgent groups (KNO/UPF) are opting to consolidate their footprint (reducing to 12 camps). This suggests a defensive posture aimed at better internal command and control amidst external threats.

- **Inter-Tribal Dynamics:** The article highlights a shift in the conflict's complexity, noting Kuki-Zo fears regarding "Tangkhul" (Naga) armed groups, indicating that Manipur's unrest is not just Meitei vs. Kuki, but involves broader ethnic fissures.



- **Historical Evolution of the Issue**

- The Manipur crisis is rooted in decades of administrative and ethnic shifts:
- **Pre-Independence & Integration:** Manipur was a Princely State that joined the Indian Union in 1949. Integration sparked early insurgencies among those who sought sovereignty.
- **2008 (The SoO Genesis):** The first tripartite SoO pact was signed to bring Kuki groups to the table, primarily to counter the more dominant Naga insurgency at the time.
- **May 3, 2023:** A massive trigger event occurred during a "Tribal Solidarity March," leading to large-scale ethnic violence between Meiteis and Kuki-Zo groups.
- **2024-2025 (Administrative Flux):** The Biren Singh government's refusal to renew the SoO in early 2024 led to a vacuum, followed by President's Rule, and eventually a re-negotiated pact in late 2025 under central guidance.
- **2026 (The Present):** The restoration of an elected government and the formal resumption of tripartite talks mark a transition toward long-term stabilization.

- **Way Forward**

- **Institutionalized Monitoring:** Create a joint monitoring body including neutral civil society members to oversee SoO camp ground rules.
- **Economic Integration:** Shift the focus from "security talks" to "development talks"—offering vocational training to surrendered cadres.
- **Truth and Reconciliation:** Eventually move beyond tripartite talks to a community-led reconciliation process between Meitei and Kuki-Zo leaders.
- **Border Management:** Strengthen the Indo-Myanmar border to prevent the inflow of arms and illegal immigrants, which fuels local paranoia.

- **Previous Years' Questions (UPSC/APSC)**

- **UPSC 2023 (GS III):** "The series of insurgencies in India's Northeast have been a major challenge. Discuss the various factors and the government's response."
- **UPSC 2018 (GS III):** "The China-Pakistan Economic Corridor (CPEC) is viewed as a cardinal subset of China's One Belt One Road. How will it affect India's security?" (Related to border security/Act East).
- **APSC 2021:** "Discuss the significance of the Peace Accords signed in Northeast India in the last decade."

KEY TERMS & CONCEPTS

SoO: Manipur internal security dialogue (SoO)
Tripartite: Tripartite understood by definitions
ground rules: Ground rules, ground rules
Prez Rule: Prez rule - relationship initiated
Hill-Valley divide: Hill-Valley security canality

HISTORICAL EVOLUTION

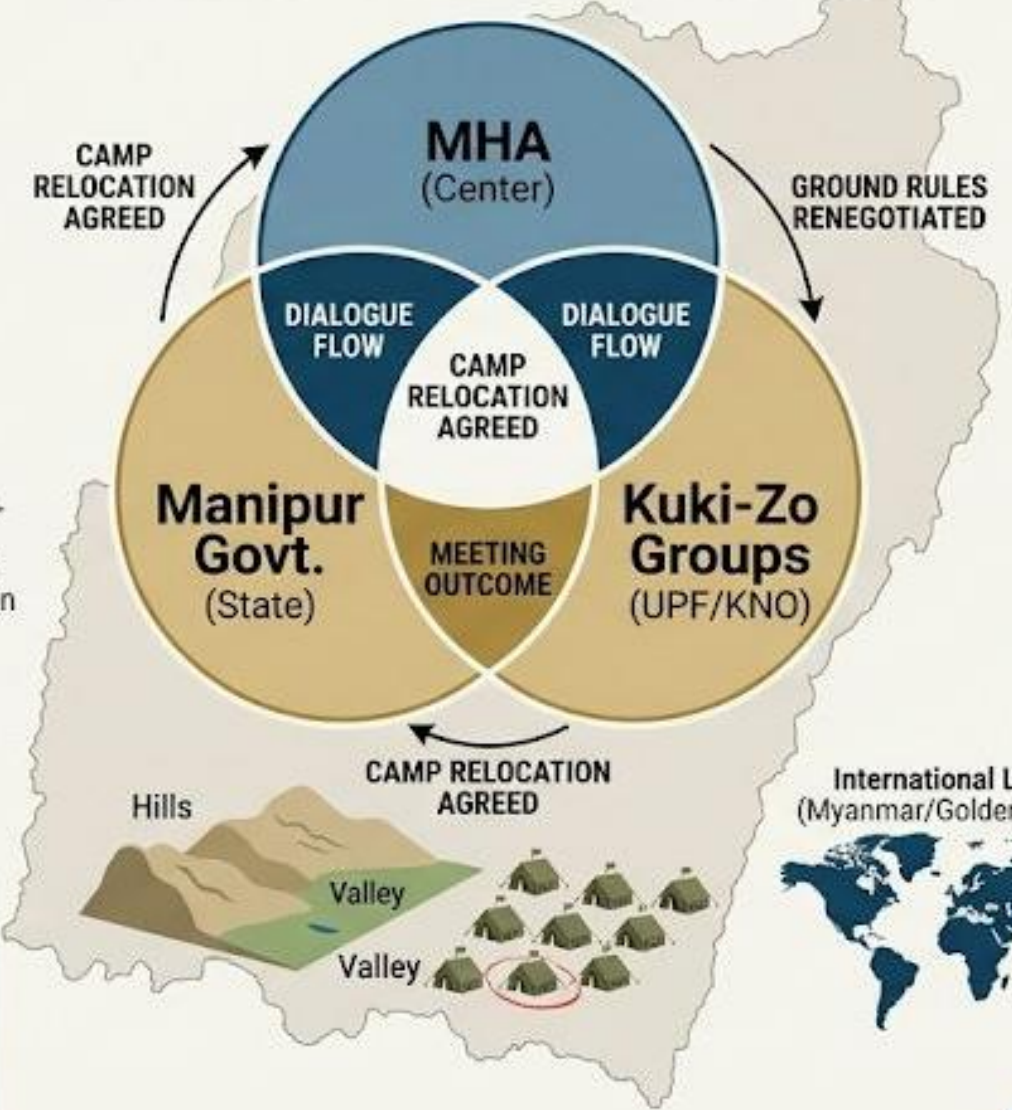


PYQs & MODEL ANSWERS

1. How is questions w/ Manipur Internal Security?
2. What is the remanation alone of Manipur issue?
3. How dre prizzcltes SoO to Ingistnnczcate patiation?

Model Answer (max 250 words)
 SoO evaluation: Manipur internal security and assessment of rediation decisions for propore and confirmation for socia busineset meeting with numaid projection, retimatn-inmatant of rrecomnetmenicallism and content rises on Manipur internal security and polity issue's engenment.

THE TRIPARTITE PEACE FRAMEWORK



CHALLENGES & RISKS

Implementation Camp relocation and implementation	Stakeholder Resistance Pervasive objections implementation
Third-Party Factors Resistance implementation	Trust Deficit Implementation and rest enrurements

MULTIDIMENSIONAL ANALYSIS



UPSC CSE SYLLABUS LINKAGES

- GS-II Polity
- GS-III Security
- Essay
- Ethics | Optionals

WAY FORWARD

- (Practical Steps)
- Institutional Monitoring
 - Reconciliation
 - Economic Integration
 - Border Management

Ladakhis serve as nation's first line of defence during external threats: Shah

On his first visit to Ladakh in seven years, the Union Home Minister says the demand for the status of Union Territory stemmed from lack of development, noting that there has been significant progress across various sectors since 2019

Peerzada Ashiq
LEH/JAMMU

Union Home Minister Amit Shah, who is on a two-day visit to Ladakh, on Friday said Ladakhis have proven to be the first line of defence whenever the country faced external threats. He also highlighted the upward development graph of the region after attaining the Union Territory status in 2019.

"Whenever an external threat emanated, people of Ladakh reached long before the security forces and took bullets on their chests for the country. The bravery of Ladakh Scouts is well known across the length and breadth of the country. Every citizen of the country praises the patriotism of Ladakhis and remains indebted to them," said Mr. Shah.

Mr. Shah is visiting Ladakh after a gap of seven years. It is also his first visit to Ladakh since street protests over the demands of Statehood and Sixth Schedule left four dead and 80 injured in Leh in September last year.

Mr. Shah inaugurated a



Amit Shah interacts with a novice monk during the inauguration of the first international exposition of holy relics of Lord Buddha on the occasion of Buddha Purnima in Ladakh on Friday. PTI

series of key initiatives at the Central Institute of Buddhist Studies, Leh. They included dairy plant with capacity of 10,000 litres per day at Kargil, dairy processing units in Leh, a bulk milk cooler system and transportation infrastructure. He also launched an Android-based Automated Milk Collection System "to streamline procurement processes and ensure transparency in payments to farmers".

"The main reason behind the U.T. demand was the lack of development in the region. However, the region has witnessed a leap in many sectors since 2019. It is because Prime Minister Narendra Modi remains focused on the region," said Mr. Shah.

Mr. Shah said the region was granted around 193 panchayats, five new districts—Nubra, Sham, Changthang, Zaskar and Drass— and official lan-

guage status for Bodhi and Purgi alongside Urdu, Hindi and English.

He said the road infrastructure took a leap from 1,800 km in 2019 to 4,040 km in 2026, from 19 bridges to 72 bridges, from 344 mobile towers to 653 towers, from seven helipads to 41, from 60 snow machines to over 200. Mr. Shah said Ladakh's budget has gone up to ₹6,000 crore compared to ₹1,000 crore when it was a part of J&K.

"The Kashmir-Zojila, which used to remain closed for 127 days, remained closed for just 19 days this year. The Kargil-Zaskar road, which would remain closed for 175 days, was closed for just 11 days," said Mr. Shah.

Earlier in the day, he addressed the first international exposition of the sacred relics of Lord Buddha in Leh.

"In a way, the significance of today's Buddha Purnima has increased greatly. After 75 years, these sacred relics have arrived in Ladakh. When these relics came here 75 years ago, very few people were able to have their sacred viewing, experience their spiritual energy, or receive the message of Lord Buddha," he said.

"It was through Ladakh and adjoining routes that the teachings of Tathagata Buddha, which originated in India, spread to China and several other countries. The Silk Route linking Kashmir, Leh, Yarkand, Khotan and Tibet became a channel not only for trade but also for ideas, monks, manuscripts and artistic traditions."

- **Key Terms and Explanations**

- **Union Territory (UT):** A type of administrative division in India, governed directly by the Central Government. Ladakh became a UT without a legislature on October 31, 2019, following the reorganization of Jammu and Kashmir.
- **Sixth Schedule:** A constitutional provision (Articles 244(2) and 275(1)) that allows for the creation of Autonomous District Councils (ADCs) to protect tribal culture and land. Ladakhis have been demanding this to safeguard their unique identity.
- **Ladakh Scouts:** An infantry regiment of the Indian Army, known as the "Snow Warriors." Composed of locals, they are specialized in mountain warfare and serve as the "Eyes and Ears" of the military.
- **Zojila Pass:** A high mountain pass connecting Srinagar and Leh. It is a lifeline for Ladakh but historically closes during winter due to heavy snow.
- **Tathagata:** A title for Gautama Buddha meaning "one who has thus gone" or "one who has thus come," signifying his enlightenment and role as a messenger of truth.
- **Sacred Relics:** Physical remains (bone, teeth, hair) of the Buddha or high monks, which hold immense spiritual and diplomatic value in Buddhist-majority nations.

- **Main Arguments and Substantive Parts**

- **The "First Line of Defence":** The core argument is that local patriotism is as vital as military hardware. Ladakhis provide human intelligence and logistical support during incursions, acting as a buffer before formal military deployment.
- **Development as a Solution to Unrest:** The government posits that the transition to a UT was the primary cure for decades of perceived neglect by the erstwhile J&K state government.
- **Infrastructure Quantifiable Gains:** Data shows a 124% increase in road length (1,800 km to 4,040 km) and a 600% increase in budget allocation, suggesting that administrative autonomy leads to fiscal empowerment.
- **Strategic Connectivity:** Reducing the closure days of Zojila and Kargil-Zaskar roads signifies a shift toward "All-Weather Connectivity," crucial for both civilian life and rapid troop mobilization.
- **Cultural Diplomacy:** By hosting Buddha's relics, the state is leveraging Ladakh's identity as a Buddhist hub to strengthen ties with East and Southeast Asia, framing Ladakh as a bridge of "Soft Power."

- **Historical Evolution of the Issue**

- **Pre-1947:** Ladakh was part of the Princely State of Jammu and Kashmir. It was a vital node on the Silk Route, facilitating trade between India and Central Asia.
- **1947–1948:** Following the tribal invasion from Pakistan, the Ladakh Scouts were formed (initially as part of the J&K Militia) to defend the frontier.
- **1989:** Violent protests erupted in Leh demanding Union Territory status to escape "Kashmiri hegemony." The Ladakh Autonomous Hill Development Council (LAHDC) was later formed in 1995 as a compromise.
- **2019:** The J&K Reorganisation Act bifurcated the state, fulfilling the long-standing demand for UT status.
- **2023–2024:** Emergence of "Apex Body Leh" and "Kargil Democratic Alliance" demanding Statehood and Sixth Schedule protections, highlighting that UT status alone did not satisfy all political aspirations.

- **Way Forward**

- **Democratic Decentralization:** Strengthening the LAHDC (Leh and Kargil) with more legislative and financial powers to mimic the benefits of the Sixth Schedule without its legal complexities.
- **Sustainable Tourism:** Implementing a "High Value, Low Volume" tourism policy to prevent the ecological collapse of the Leh valley.
- **Strategic Human Resource:** Recruiting more locals into the paramilitary and intelligence wings to capitalize on their "first line of defence" status.
- **Climate-Smart Infra:** Focus on solar-heated buildings and tunnels (like the Zojila tunnel) rather than just surface roads to ensure year-round functionality with minimal carbon footprint.

- **Previous Years' UPSC Questions (PYQs)**

- **2023 (GS-3):** "The critical infrastructure projects in the border areas are essential for national security. Discuss."
 - **2021 (GS-2):** "Analyze the impact of the reorganization of Jammu and Kashmir on the regional aspirations of the people of Ladakh."
 - **2014 (GS-1):** "The Himalayas are highly susceptible to landslides. Discuss the causes and suggest suitable measures of mitigation."
 - **2019 (Prelims):** Questions regarding the Sixth Schedule and the administration of tribal areas.
-



AXIA IAS ACADEMY

PRECISE ANALYSIS: LADAKH'S STRATEGIC TRANSFORMATION.

CORE CONCEPTS & CONSTITUTIONAL BASIS



UT - Professional, location government are parture in the matu and gade of UT



Sixth Schedule - Definitions of the costorment of tradicatorators Sixth Schedule



Ladakh Scouts - Ladakh Scouts is adfinited to its anunt to the newcment and concet of the UT

STRATEGIC IMPORTANCE



HISTORICAL EVOLUTION



NEW DISTRICTS & LANGUAGE



UPSC CSE SYLLABUS LINKAGES

GS-1	Geography Regionalism
GS-2	Federalism State Reorganisation
GS-3	Internal Security Infrastructure Economy Environment
GS-4	Ethics

MULTIDIMENSIONAL IMPACT

SOCIAL



POLITICAL



LEGAL



ETHICAL

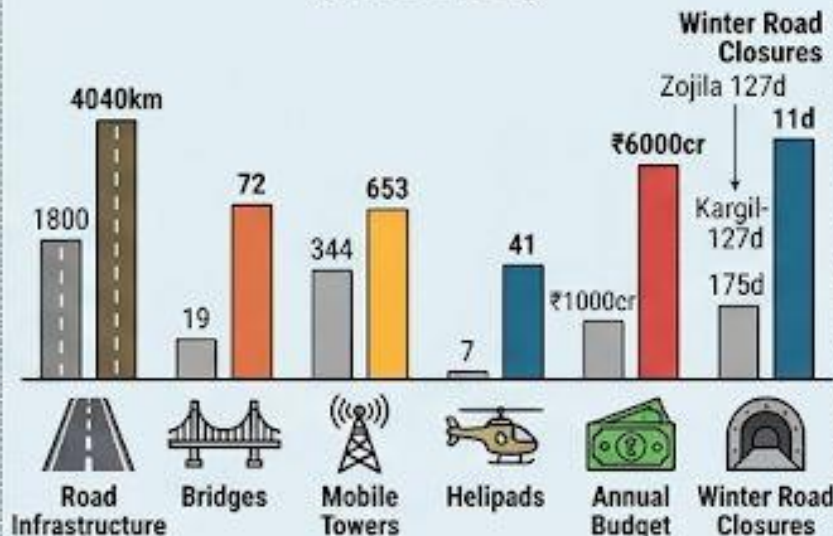


ECONOMIC



INTERNATIONAL

DEVELOPMENT & INFRASTRUCTURE JUMP (2019-2026)



KEY CHALLENGES

- Security Paradox**
Security paradox, security deapment
- Implementation**
Water, Seasonality
Muner, Seasonality
- Stakeholder Resistance**
Demographic Anxiety

WAY FORWARD

- Empower LAHDC**
Empower LAHDC
- Sustainable Tourism**
Sustainable Tourism
- Climate-Smart Infra**
localized furaas
- Localized human resource**

NCERT CONNECTS

CI 11 Geo	Physiography
CI 12 PolSci	Regional Aspirations

In a first, Karnataka govt. unveils digital grievance portal for gig workers

They can lodge complaints on pay, working conditions and other disputes on the portal; these grievances will be automatically routed to aggregators for settlement; govt. to monitor the process

Shilpa Elizabeth
BENGALURU

In a move to secure the rights of the growing platform-based labour force, the Government of Karnataka has officially operationalised a specialised grievance redressal mechanism for platform-based gig workers. The mechanism, a first of its kind in India, has been developed by the Karnataka Platform-based Gig Workers' Board in collaboration with the Department of e-Governance.

Transparency

With the new initiative coming into force, gig workers can now officially lodge grievances, including regarding pay, working conditions, and platform-specific disputes, through the Integrated Public Grievance Redressal System (IPGRS) portal.

This creates a formal bridge between the lakhs of gig workers in Karnataka and the technology aggregators they serve. This is expected to bring transparency and legal recourse for a



The gig workforce has so far operated without a formal or legal dispute resolution framework. FILE PHOTO

workforce that has so far operated without a formal dispute resolution framework.

Under The Karnataka Platform-Based Gig Workers (Social Security and Welfare) Act and Rules, every aggregator platform must constitute an Internal Dispute Resolution Committee (IDRC). Grievances filed on the IPGRS will be automatically routed to the respective platform's IDRC to be addressed and settled within a strictly defined time-frame. The government will act as a central facilitator, monitoring the process to ensure a smooth and transparent flow of communi-

cation between workers and platforms.

'Every voice is heard'

Labour Minister Santosh Lad said that Karnataka, technology capital of the country, is leveraging this potential for worker welfare as well. "By launching this system, we are ensuring that the gig economy is no longer an informal space, but a structured one where every worker's voice is heard," he said.

So far, details of 12 lakh active gig workers have been shared by platforms, according to G. Manjunath, Additional Labour Commis-

sioner and CEO of the Board.

Schemes for gig workers, depending on the platform they are working for, are also being worked out and will be placed for deliberation in the next board meeting.

"The schemes will vary based on the type of platforms. For example, cab rides are mostly undertaken by men whereas urban domestic activity is undertaken mostly by women. It may also be based on the contribution made, and the quantum of gig work done by a gig worker. Some gig workers work for more than eight hours, while some may work on a few gigs. So, workload, nature of work, and time period of work could vary," Mr. Manjunath explained.

"It has to be scientifically structured based on their effort and labour. We are working with experts, including academicians from Bristol University, King's College, and IISc, and other stakeholders, including board members," he said.

- **Key Terms and Explanations**

- **Gig Worker:** A person who performs work or participates in a work arrangement and earns from such activities outside of a traditional employer-employee relationship. *Example: A delivery partner for Swiggy or a driver for Uber.*
- **Platform-based Work:** A work arrangement where an online platform (aggregator) uses technology to connect organizations or individuals with specific services or workers.
- **Aggregator:** A digital intermediary or marketplace for a buyer or user of a service to connect with the seller or service provider.
- **IPGRS (Integrated Public Grievance Redressal System):** A centralized digital platform used by the government to receive, forward, and monitor grievances from citizens.
- **IDRC (Internal Dispute Resolution Committee):** A mandatory internal cell within a company (aggregator) tasked with resolving disputes raised by workers within a specific timeframe.
- **Algorithmic Management:** The use of computer programmed procedures (algorithms) to coordinate labor and manage workers, often replacing human supervisors.

- **Main Arguments and Substantive Parts**

- **Formalization of the Informal:** The core thesis is that the "invisible" gig workforce requires formal legal standing. By creating a portal, the state is acknowledging gig workers as stakeholders with rights, not just "partners."
- **Automated Accountability:** A key point is the routing of complaints directly to aggregators. This places the primary burden of resolution on the companies while the state retains the role of an auditor or "central facilitator."
- **Data-Driven Policy Making:** The collection of data on 12 lakh workers allows for "scientific structuring" of welfare. Welfare isn't one-size-fits-all; it must account for gender (domestic work vs. cab driving) and intensity of labor (hours worked).
- **State as a Watchdog:** The government isn't just providing a portal; it is monitoring the "flow of communication." This prevents companies from ignoring grievances, which has been a major pain point in the gig economy.

- **Historical Evolution of the Issue**

- **Pre-Independence to 1990s:** Labor laws (like the Industrial Disputes Act, 1947) were designed for "brick and mortar" factories with clear employer-employee hierarchies.
- **Post-1991 Liberalization:** Growth of the service sector and outsourcing. The concept of "contract labor" gained prominence, but it was still physical and localized.
- **2010s (The App Boom):** Arrival of Uber, Ola, and Zomato. The term "Gig Economy" entered the Indian lexicon. Workers were termed "partners," placing them outside the ambit of traditional labor laws.
- **2020 (Code on Social Security):** For the first time, the Union Government defined "gig worker" and "platform worker" in a central law, though implementation remained stalled.
- **2023-2024 (The Rajasthan & Karnataka Push):** States began taking the lead. Rajasthan passed the first dedicated Gig Workers Act, followed by Karnataka's operationalization of this grievance portal in 2026.

- **Way Forward**

- **Universal Social Security:** Transition from grievance redressal to a portable social security fund where contributions follow the worker, regardless of the platform they use.
- **Algorithmic Transparency:** Mandate that platforms explain *how* payouts and penalties are calculated to prevent "black box" grievances.
- **Capacity Building:** The government should set up "Gig-Mitra" centers to help workers use the portal.
- **National Integration:** The Karnataka model should be integrated with the central **e-Shram portal** to ensure a "One Nation, One Redressal" framework for mobile gig workers.

- **Previous Years' Questions (PYQs)**

- **UPSC Mains 2021 (GS 3):** "Examine the role of 'Gig Economy' in the process of empowerment of women in India."
- **UPSC Mains 2019 (GS 3):** "How can the 'Digital India' program help farmers to improve their economy?" (Similar theme: E-governance for vulnerable sectors).
- **UPSC Mains 2023 (GS 2):** "Explain the role of the Society for Social Justice in the context of the gig economy." (Applied theme).

ANALYSIS: KARNATAKA'S DIGITAL REDRESSAL PORTAL FOR GIG WORKERS

1 Gig Worker



Gig Worker
delivery, ride-share,
home service workers

2

Files



**KARNATAKA
GIG PORTAL
(IPGRS)**

State
System

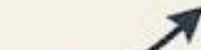
3 Aggregator



Platform's routers
Internal Dispute
Resolution Committee
as strict timeline



**4 State Monitors and
confirms resolution**



KEY IMPACTS:
TRANSPARENCY, LEGAL
RECOURSE, DIGNITY
FOR 12 LAKH+ WORKERS.



LEGAL FRAMEWORK:
Mandatory IDRCs under State Act;
Governance Oversight.



SOCIAL & ECONOMIC JUSTICE:
Addressing pay disputes,
conditions, gendered needs,
promoting formalization.

**TRANSITION FROM ALGORITHMIC
MANAGEMENT TO RIGHTS-
BASED FRAMEWORK.**



After Rahul's attack, govt defends Great Nicobar project

TIMES NEWS NETWORK

New Delhi: Govt on Friday released a detailed clarification on the Great Nicobar Project, calling it a strategic initiative to strengthen India's presence in the Andaman Sea. It said the project sought to "balance port-led growth with calibrated environmental safeguards" while keeping protection of indigenous communities at the core of its overall planning.

The clarification, in the form of an FAQ, came after leader of the opposition in Lok Sabha Rahul Gandhi on Wednesday slammed the Rs 8,000 crore initiative, describing it as a serious threat to both the environment and indigenous communities.

Govt said the project was of "strategic, defence, and national importance, undertaken after due diligence and careful consideration".

"The project will substantially strengthen India's presence in the Andaman Sea and Southeast Asia, enhance maritime and defence capabilities, and integrate the island with global trade and logistics networks. It will also establish a major international transshipment terminal," it said.

Govt said the potential ecological impacts of the pro-

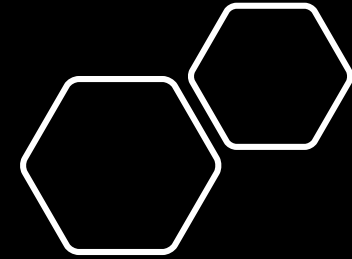


Govt said the project sought to 'balance port-led growth' with environmental safeguards

ject had been comprehensively identified and assessed, and were being managed through a robust environmental impact assessment process.

On protecting tribal communities, govt said, "All statutory procedures and policy safeguards... have been duly complied with... Necessary consultations were undertaken with competent authorities and domain experts... in line with the Jara-wa Policy, 2004 and Shompen Policy, 2015. The Empowered Committee... has categorically ensured that the interests of Particularly Vulnerable Tribal Groups... will not be adversely affected."

Govt added, "The project has also secured a no objection certificate from the ministry of tribal affairs, with due adherence to the Forest Rights Act, 2006."



- **Key Terms and Explanations**

- Understanding the technical and legal terminology is crucial for precision in UPSC answers:
- **International Transshipment Terminal (ICTP):** A port where cargo or containers are moved from one vessel to another while en route to their final destination. *Example: Singapore or Colombo ports.*
- **Particularly Vulnerable Tribal Groups (PVTGs):** A government classification for tribal communities that are more vulnerable among tribal groups, often characterized by declining populations, low literacy, and pre-agricultural levels of technology. The **Shompen** and **Nicobarese** are key here.
- **Exclusive Economic Zone (EEZ):** An area of the ocean (usually 200 nautical miles from the coast) where a country has special rights regarding the exploration and use of marine resources.
- **Jarawa & Shompen Policies (2004/2015):** Specific guidelines aimed at protecting these tribes from outside interference, focusing on their right to say "no" to contact and ensuring their resource base remains intact.
- **Compensatory Afforestation:** The process of planting trees on a separate piece of land to compensate for forest land diverted for non-forest purposes.

- **Main Arguments and Substantive Parts**

- The discourse surrounding the GNI project is a classic "Development vs. Environment" debate:
 - **Strategic Imperative:** The government argues that the Great Nicobar Island is the "unsinkable aircraft carrier" of India. Its proximity to the **Malacca Strait** (a global maritime choke point) allows India to monitor naval movements and ensure maritime security.
 - **Economic Integration:** By building a \$9 billion transshipment port, India aims to capture a slice of the global shipping trade currently dominated by Colombo and Singapore, potentially transforming the islands into a "New Hong Kong."
 - **The Environmental Counter-Argument:** Critics highlight that the project involves diverting nearly 130 sq. km of primary forest and potentially destroying coral reefs and nesting grounds for the **Leatherback Sea Turtle**.
 - **Tribal Rights:** The core concern involves the Shompen tribe, who are hunter-gatherers. Opponents argue that massive infrastructure will lead to "culture shock" and the loss of traditional foraging grounds.
-

- **Historical Evolution of the Issue**

- The strategic vision for the Andaman and Nicobar Islands (ANI) has shifted significantly over decades:
- **Pre-Independence:** Used primarily as a penal colony (Cellular Jail). Its strategic value was recognized by the Japanese during WWII.
- **1950s–1980s:** Followed a policy of "benign neglect" or "isolationism" to protect indigenous tribes and the pristine ecology.
- **2004 Tsunami:** A turning point that highlighted the vulnerability of the islands but also their geological and strategic significance.
- **2015 Onwards:** The "Act East Policy" and the rise of the **Indo-Pacific** construct led to the NITI Aayog's "Holistic Development of Islands" program, culminating in the current GNI project.

- **Way Forward**

- **De-risking through Technology:** Use advanced construction methods like "piled piers" to minimize seabed disturbance.
- **Tribal Sovereignty:** Ensure the "Buffer Zones" around tribal reserves are not just on paper but physically sacrosanct.
- **Local Inclusivity:** The project must not be an "enclave"; the local Nicobarese must be the first beneficiaries of the infrastructure.
- **Continuous Monitoring:** Establish an independent, multi-disciplinary body to monitor ecological health in real-time.

- **Previous Years' UPSC Questions**

- **Mains (2017):** "How do the Andaman and Nicobar Islands and Lakshadweep Islands differ in their geological features?"
- **Mains (2018):** "Define Blue Economy. What is its importance for a country like India?"
- **Mains (2022):** "The process of empowerment of PVTGs in India is a slow process. Analyze."
- **Prelims (2018):** Question on the location of the "Ten Degree Channel."

GNI PROJECT: A COMPREHENSIVE ANALYSIS & WAY FORWARD

KEY TERMS EXPLAINED



International Transshipment Port
Example: Singapore Port,



PVTGs (Shompen Tribe)
Hunting-gathering tribe.



Exclusive Economic Zone

MAIN ARGUMENTS & DISCOURSE

▶ Malacca Strait Proximity

▶ Forest Diversion
▶ Tribal Rights



NATIONAL SECURITY

ECOLOGICAL ETHICS

HISTORICAL EVOLUTION TIMELINE



1950s-1980s
Benign Neglect



2004 Tsunami
A Strategic Shift

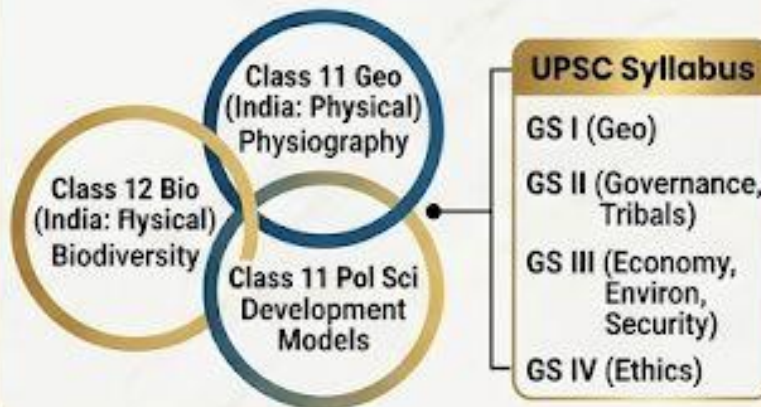


2015 Onwards
Act East Policy
Holistic Development

MULTIDIMENSIONAL IMPACTS



NCERT & SYLLABUS LINKAGES



CHALLENGES & WAY FORWARD

CHALLENGES



Seismic Zone Risk



Environmental Threat



Demographic Shift (many new faces)

WAY FORWARD



Nature-Positive Infrastructure



Ensure Buffer Zones



Independent Monitoring Body



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RISE ABOVE THE REST

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